

SUMMARY MINUTES
BUSINESS ADMINISTRATION COMMITTEE
MEETING OF DECEMBER 11, 2013

Mr. Session chaired the December 11 Business Administration Committee Meeting, calling it to order at 1:22 p.m. A quorum was present: Mr. Adams, Mr. Carter, Mr. Griffin, Ms. Lang, Ms. Merrick, Ms. Wells, Mr. Williams, and Mr. Curto, ex officio. Mr. Chapman, Mr. Conner, Mr. Gates, Ms. McConnell and Mr. McDermott were also present.

Small Business Contracting Summary as of September 30, 2013.

Steve Baker, Vice President for Business Administration, provided a brief description of the two small business programs implemented by the Authority. He stated that this quarterly report provides the Authority's performance in Disadvantaged Business Enterprise (DBE) and Local Disadvantaged Business Enterprise (LDBE) programs.

Richard Gordon, Manager of the Equal Opportunity Programs, presented the third quarter goal requirements, achievements and award amounts for the Small Business Programs for construction and goods and services contracts for both Airports and the Dulles Toll Road. He stated that the DBE goal for both Airports relative to construction and design projects is 25 percent. The LDBE requirement is 20 percent for goods and services and 25 percent for construction and design contracts. Mr. Gordon provided aggregate achievements and payments for DBEs and LDBEs in construction, as well as LDBE achievements and payments for goods and services contracts. He reported that the Authority's DBE goal is 25 percent during the three-year period of 2011 – 2013, and the Authority had exceeded the goal with an award total of 27 percent. Mr. Gordon stated that the DBE goals for Phase 1 and Phase 2 are 13.24 and 25 percent of applicable federal assistance, respectively. He reported on the achievements and payments for Phase 1 of the Dulles Corridor Metrorail and aggregate commitments for Phase 2.

Mr. Carter commended staff on the Authority's success in meeting the LDBE participation requirements. He stated that he would like to see more direct contracting opportunities for LDBEs as prime contractors in the future. —Mr. Carter expressed concern about the importance of continuing to track the DBE and LDBE program participation in Phase 2.

Mr. Conner responded that the Board can agree to determined amounts/percentages for prime contract awards for LDBEs as part of a targeted goal and allow staff to manage the process.

Mr. Gordon explained that the LDBE report did not provide the number of awards for prime contractors in comparison to those of sub-contractors. He noted that approximately half of the Authority's construction contracts required a 100 percent LDBE goal, which provides great opportunities for direct LDBE contractors. Although DBE contracts do not allow for 100 percent DBE contracts, Mr. Gordon noted that several DBEs had bid on contracts as prime contractors during the past year and had been successful. The opportunity for DBE contracts at both Airports is limited to approximately four, while LDBE contracts provide hundreds of opportunities for direct contracting.

Mr. Carter noted that he believed it would be helpful to align small business contracting information with the Authority's peers and include the results in future reports.

Directors and staff continued the discussion on the achievements and future opportunities for federal support and growth for small business contracting.

Information Paper on Upgrades to 800 MHz Trunk Radio System Technology. Goutam Kundu, Vice President for Information Technology, presented the consultant review of the five recommendations for the Authority's radio system:

1. End of Life Components - System reliability and interoperability with the Authority's partners is at risk due to end of life components within the existing radio system.
2. De Facto Standard for Radio Systems - A de facto standard for radio systems in this geographic area necessitates that future systems be procured from Motorola. To deviate from that standard could create public safety risk of reliable interoperability.
3. Cost Risk for non-standard radio system - In addition to interoperability risk, there is significant cost risk to moving away from the standard – i.e., programming, equipment re-use, subscriber installations and facilities construction.
4. Phased Implementation - Phased implementation minimizes operational risk.
5. Previously competed government contracting vehicles - There are previously competed government contracting vehicles for the Airports Authority to access in pursuing a Motorola System Refresh.

Lastly, Mr. Kundu reviewed a timeline for 1) developing the contracting strategy; 2) Committee and Board consideration of the recommendation; 3) Phase 1 implementation; and 4) completion of the system enhancements.

Mr. Potter reiterated that the day's report was for information purposes only and that a sole source contract would likely be awarded at the conclusion of the study. He noted that the informational report provided an opportunity for the Board to express concerns at the day's Meeting.

Mr. Griffin provided pertinent historical information about the process and necessity for the enhancements Mr. Kundu had described as they relate to Reagan National and Dulles International, as well as the entire region, when confronted with extreme situations, such as the September 11, 2001 event.

The Meeting was thereupon adjourned at 1:52 p.m.