

BOARD OF DIRECTORS MEETING

Minutes of April 19, 2017

The regular meeting of the Board of Directors was held in Conference Rooms A and B at Washington Dulles International. The Chairman called the meeting to order at 9:45 a.m. Sixteen Directors were present during the meeting:

William Shaw McDermott, Chairman
Warner H. Session, Vice Chairman
Earl Adams, Jr.
Anthony H. Griffin
Katherine K. Hanley
Barbara B. Lang
Robert W. Lazaro, Jr.
Caren Merrick

A. Bradley Mims
Thorn Pozen
David G. Speck
William E. Sudow
J. Walter Tejada
Mark E. Uncapher
Nina Mitchell Wells
Joslyn N. Williams

The Secretary and Executive Management were present:

John E. Potter, President and Chief Executive Officer
Margaret E. McKeough, Executive Vice President and Chief
Operating Officer
Jerome L. Davis, Executive Vice President and Chief Revenue
Officer

I. MINUTES OF THE MARCH 22, 2017 BOARD OF DIRECTORS MEETING

The Chairman called for the approval of the Minutes of the March 22, 2017 Board of Directors Meeting, which were unanimously approved.

II. COMMITTEE REPORTS

a. Business Administration Committee – Caren Merrick, Co-Chair

Ms. Merrick reported that the Business Administration Committee had met that day. The Committee had approved two recommendations for Ronald Reagan Washington National Airport (Reagan National) to amend the reimbursement agreement with American Airlines (American) for the design and construction of improvements to the baggage system in Terminal B/C and the award of a sole-source contract for maintenance and technical support of the central heating and cooling plant's distributed control system.

Ms. Merrick stated that she would offer two resolutions later in the meeting.

b. Dulles Corridor Committee – Katherine K. Hanley, Co-Chair

Ms. Hanley reported that the Dulles Corridor Committee had met that day and on March 22. In March, the staff had presented the quarterly Dulles Corridor Metrorail Project (Project) cost and schedule update for Phase 1. At the day's meeting, the Committee had approved the staff recommendation to award a sole-source contract for electrical power service for interim testing, commissioning, and pre-revenue operations on Phase 2 of the Project. [Ms. Hanley would offer the resolution later in the meeting.] At both meetings, staff had presented the monthly cost and schedule update on Phase 2.

c. Finance Committee – Earl Adams, Co-Chair

Mr. Adams reported that the Finance Committee had met that morning and on March 22. In March, the Committee had received the monthly report presented by the financial advisors for the Aviation Enterprise. The Committee had accepted the financial advisors' report for the Dulles Corridor Enterprise, as submitted. The staff had presented the February 2017 financial reports for both enterprises. Mr. Adams advised that the report from the day's meeting will be provided on May 17.

d. Strategic Development Committee – Nina Mitchell Wells, Co-Chair

Ms. Wells reported that the Strategic Development Committee had last met on March 22. The Committee had concurred with the pre-solicitation terms for commercial real estate brokerage services at Washington Dulles International Airport (Dulles International). Staff had presented an update on the Capital Construction Program at Reagan National. Staff had also presented the Airline Business Development Information report. Ms. Wells reported that the Committee had met in executive session to further discuss the report, pursuant to Article IX, Section 3(c) of the Airports Authority's Bylaws, which permits the Board and its committees to move into executive session to consider existing or prospective contracts, business or legal relationships to protect proprietary or confidential information of the Airports Authority, any person or company; the financial interest of the Airports Authority; or the negotiating position of the Airports Authority.

III. INFORMATION ITEMS

a. President's Report

Mr. Potter welcomed everyone to Dulles International. He thanked Brian Leuck, acting Airport Manager, and the Dulles team for accommodating the Board, staff, and attendees at the day's meetings while the work is completed on the new offices in the Board of Directors' suite and conference space in Crystal City. Mr. Potter advised that the May Board and Committee Meetings will be held in the new corporate office space.

Mr. Potter stated that he believed it was good to hold Board Meetings at Dulles International periodically since the Airport is such a key focus of the Airports Authority's business efforts. He reported that Mr. Leuck and his team continue the important work of making Dulles International even more efficient and convenient for passengers. Mr. Potter provided the following examples: the Airport's security and customs checkpoints have some of the fastest-moving lines in the country, improvements in the Airport's way-finding technologies, and the Airport's website now has information in multiple languages. He noted that since the last Board meeting held at Dulles International in October 2016, there are a number of new stores and restaurants. Mr. Potter stated that Dulles International continues to receive increasingly high customer service ratings in many areas.

Mr. Potter reported that external organizations that rate and rank airports are also noticing the improvements at Dulles International. *Money Magazine* recently published its list of America's top 10 airports for a stress-free trip, which included Dulles International. Mr. Potter explained that the ratings were based in part on data from J.D. Power in several areas, including on-time arrival rates, ease of security lines, and amenities like shops and restaurants. The article described the top 10 list as including airports that "offer the best, most drama-free destinations and layovers." The article stated that Dulles International had shown the most improvement in on-time departures over the past year, increasing the number of flights taking off on time by almost 8 percent."

Mr. Potter also reported that another ranking done by *American City Business Journals*, which includes the *Washington Business Journal*, ranked Dulles International as one of the nation's top 25 airports in terms of growth, especially in non-airline revenue profitability, operating efficiency, and passenger enplanements. He advised that Dulles International was this survey's highest-rated airport in the National Capital Region.

Mr. Potter stated that many people had a role in positioning Dulles International for the excellent rankings, including the Airport Operations team, the Revenue Office, and other Airports Authority functions. He also extended credit to the Airports Authority's airline partners, as well as other key members of the Airport community, including the Transportation Security Administration (TSA), U.S. Customs and Border Protection (CBP), Federal Aviation Administration, Air Traffic Control, and all the companies that provide Airport concessions. Mr. Potter thanked and congratulated everyone for a job well done, and encouraged all to continue the good work.

Mr. Potter reported that the improvements and recognitions are translating into excellent financial results for the Airports Authority, which will be evident in the day's Finance Committee Meeting when Andy Rountree, Vice President for Finance and Chief Financial Officer, provides information on the final 2016 audited Comprehensive Annual Financial Report (CAFR). He stated that the CAFR's results are consistent with the preliminary results reported to the Board earlier this year. Mr. Potter advised that the audited CAFR includes a wealth of financial and statistical information, and the compilation of the report took many long hours of work by the Finance Staff under the leadership

of Mr. Rountree. He specifically noted the leadership provided by Anne Field, Acting Controller (Controller Chris Wedding is on special assignment for the Workday software project), and Priya D'Souza, Financial Strategy and Project Manager.

Mr. Potter also reported that the external auditor would present its clean audit opinion on the Airports Authority's financial statements for inclusion in the CAFR later that day at the Risk Management Committee Meeting. He stated that the Airports Authority is grateful to Cherry Bekaert for its work. Lastly, Mr. Potter reported that another good reason for meeting at Dulles International is to see the significant progress being made on the Silver Line. He stated that staff had received an update on the Project earlier that day, and several Directors would participate in a tour of the construction area to get a firsthand look at the progress. In addition to the tour providing additional information and insights to this very important part of the Airports Authority's business, Mr. Potter stated that he hoped that Directors would also spend time in the Airport to see the improvements being made to continuously improve the passenger experience.

Chairman McDermott advised that the favorable news about Dulles International had also been published in the leading business journal in Boston. He stated that he believed it captured the positive efforts that the Airports Authority had made to improve circumstances at Dulles International. Chairman McDermott congratulated everyone involved.

b. Executive Vice Presidents' Reports

Ms. McKeough stated that she would provide an update on the passenger activities at both Airports and on two new operational issues. She noted that the February air traffic statistics had been included in the materials provided for the day's meeting. Ms. McKeough reported that both Airports had recorded positive growth for both domestic and international travel since the beginning of the year. She further reported that Dulles International had recorded its ninth consecutive month of year-over-year growth, which is a very important strategic objective that many have been working to achieve. At Dulles International, there was an increase of approximately 7 percent on a year-over-year comparative basis. In addition to the positive growth and the new service, Ms. McKeough noted that fewer weather-related flight cancellations had occurred in the first quarter of 2017. At Reagan National, passenger activity had increased 8.5 percent on a year-over-year basis. Although

the March and April air traffic statistics were not yet available, Ms. McKeough reported that the spring break travel season, which is a very busy time at both Airports, would be completed by the end of the week. She advised that from the observation of parking activity and TSA lines, the growth that she had reported on during early 2017 was continuing into the springtime.

With regard to the March Department of Homeland Security announcement concerning the electronics travel band, Ms. McKeough reported Dulles International serviced seven of the 10 countries that are subject to the electronics limitation. She stated that while approximately 38 flights arrived weekly at Dulles International with this type of restriction on them, the Airports Authority worked very closely with all of its airline partners and with CBP because it required different types of protocols for the handling of baggage delivery and baggage movement. Ms. McKeough reported that minimum customer impact had occurred once passengers arrived at the Airport.

Ms. McKeough reported that the Airports Authority has been working hard to minimize the amount of time it takes to process passengers arriving on international flights at Dulles International by implementing improved protocols. She reviewed the two instances that require customers to interact with CBP. The first is the presentation of the passport review. Ms. McKeough advised that kiosks are on site and that the mobile app and Global Entry are also available. She stated that the Airports Authority is continuing to focus its efforts on the second step interacting with a CBP agent prior to exiting the facility. Ms. McKeough further stated that the Airports Authority has been working with CBP to eliminate the need for the second touchpoint for all passengers. She advised that CBP had approved the Dulles International Main Terminal International Arrivals Building (IAB) as a pilot site to consider either reducing or eliminating the second interaction. Ms. McKeough reported that the Airports Authority hopes to activate the new protocol and to make it easier for passengers once they have presented their passports and completed the process to exit the facility in a timely manner. She advised that Dulles International is one of the first airports to undergo the pilot to eliminate the second step with CBP. Ms. McKeough noted that the Airports Authority had been piloting a similar procedure in the Concourse C/D Federal Inspection Services facility. Since that pilot program had gone extremely well, a similar protocol effort would soon be used for the Main Terminal IAB. Ms. McKeough stated that the Airports Authority looked forward to improving the experience for its customers.

Mr. Adams referenced the recent incident between United Airlines (United) and one of its passengers. He stated that one of the issues being discussed is the interaction between the local airport police and individuals on the plane itself. Mr. Adams inquired about the Airports Authority's policies and procedures, as well as staff's understanding of its obligations with regard to passengers on arriving and departing flights. Ms. McKeough reported that the Airports Authority's law enforcement provides law enforcement services throughout the Airport to all tenants when they require law enforcement services. She recognized Bryan Norwood, Vice President for Public Safety, who was present at the day's meeting. Ms. McKeough stated that the Airports Authority is ensuring that appropriate protocols are in place whenever its law enforcement personnel are called upon to provide law enforcement services.

Mr. Potter stated that he is very proud of the Airports Authority's law enforcement and the professional manner in which they conduct themselves. He recalled the latest issue involving the Executive Order on Immigration and commented on Mr. Norwood's leadership and the ability of the law enforcement staff to handle situations in a very professional manner and being respectful of people while ensuring the safety and security of the Airports. Mr. Potter advised that Mr. Norwood and his leadership team review all incidents. In the event that any issues require further attention they are discussed with him and/or Ms. McKeough. Mr. Potter disclosed that he, Ms. McKeough, and Mr. Norwood had recently met to discuss an issue, review the activities that had occurred, and identify steps to take with regard to sharing the information with the Airports Authority's law enforcement leadership.

Mr. Adams affirmed Mr. Potter's comments. He stated that he believed that the Airports Authority's [law enforcement] track record is tremendous and credited Mr. Norwood and his team, as well as the former police chief. While the Airports Authority is obviously aware of the importance of the appropriate protocols and procedures, Mr. Adams stated that he wanted to ensure that they are being followed. He commended the Airports Authority's law enforcement staff for its actions.

Mr. Davis reviewed the results of the Airports Authority's efforts during 2017 and its trajectory relative to revenue growth for the full calendar year. He presented the following results for the first quarter: total non-airline revenue was up about \$4 million, or 4.5 percent; transportation

revenue was up about \$800,000, or 1.8 percent; terminal revenue was up about \$1.2 million, or 8.4 percent; and business-to-business revenue was up about \$2.1 million, or 9.9 percent. Mr. Davis explained the impact of the key contributors, such as display advertising, food and beverage operations, and Transportation Network Companies. He noted that continued growth across multi-categories is projected with the exception of the ground transportation category, particularly at Reagan National. Mr. Davis reported that the Airports Authority is extremely pleased that the non-airline revenue had exceeded airline revenue over the last two quarters, which is a key factor in the retention of airlines and attracting new businesses.

Mr. Davis reported that the Airports Authority is eagerly awaiting the start of service of Air India, which is scheduled to begin in July. Additionally, he advised that United is shifting some of its newest and most advanced aircraft, the Boeing 787 Dreamliner, from Houston to Dulles International to serve major nonstop international routes including Beijing, London, Paris, and Sao Paulo.

Mr. Davis also reported that a colorful new photographic display along the walkway overlooking the boarding area is located in the Main AeroTrain Station of the Dulles Terminal. He explained that the Airports Authority had unveiled the exhibit, which spotlights historical and cultural attractions in China, the prior week to celebrate the Airports Authority's sister airport agreement with Beijing Capital International Airport. Mr. Davis recalled that Mark Treadaway, Vice President for Business Outreach, and a delegation from Loudoun County, had traveled to Beijing in 2016 to sign the agreement. At that ceremony, the Airports Authority had unveiled a photo exhibit promoting travel to the United States. Since then, executives and staff from both airports had collaborated to promote innovation in marketing, terminal management, airside management, route development, commercial management, and design. Mr. Davis advised that the partnership is part of the Airports Authority's broader effort to expand its international business, which also includes a sister airport CEO meeting in Beijing and the World Routes Conference in Barcelona. Both events would be held in September and will bring airports and airlines together to strengthen business ties in the global marketplace.

Mr. Davis reported that Mr. Du Qiang, Vice President of Beijing Capital International Airport, and officials of Loudoun County, including Board of Supervisors Chair Phyllis Randall, had attended an airport

partnership meeting at Dulles International the prior week. He stated that the Airports Authority is particularly grateful to Chair Randall for getting officials of the two airports together, which resulted in this partnership. Mr. Davis advised that since 2013 China has been the top international tourism market with more than 300,000 Chinese visitors coming to the region through Dulles International.

He noted that the economic impact studies revealed that international visitors to the National Capital Area typically spend about \$3,300 during their visit, which is much more than a domestic tourist usually spends. Mr. Davis reported that these visits contribute to significant economic boosts for the region, and all tourists arrive through Dulles International, which is the only Airport in the region with nonstop service to China provided by both United as well as Air China.

Mr. Davis reported that since the October 2016 Board Meeting at Dulles International, a number of new stores and restaurants had opened and more are expected. Work will soon begin on the Washington Redskins Burgundy and Gold restaurant, which is expected to open by Labor Day. A new restaurant and bar called Cafe Americana is expected to open in late summer near the IAB. Duty-Free Americas will open a new Christian Dior kiosk on Concourse B in the late spring to add to the existing better brands of Burberry, Coach, Pink, and Michael Kors.

Mr. Speck shared an e-mail exchange that he and Ms. McKeough had had the prior month after he had flown in and out of Charleston International Airport, which is a smaller airport that is more able to make changes. He stated that he had been impressed with the placement of the charging stations throughout the airport. Mr. Speck stated that his observation was relative to the discussion he had had earlier that day with Phil Sunderland, Vice President and General Counsel, about planning for the future. He recalled that when he served on the Airports Authority's Board in 2003, a question about customer service needs, such as more charging stations, seemed unimportant; however, charging stations are now a big part of desired customer service. Mr. Speck inquired as to whether there would be an opportunity for the Airports Authority to achieve a source of revenue in terms of a sponsorship from telecom companies or the industry while increasing the number of charging stations at Reagan National and Dulles International. Mr. Davis responded affirmatively noting that opportunities may be available this year. Staff would work with Clear Channel, the Airports Authority's display advertising partner, to

determine how charging stations should be arranged and displayed prior to identifying companies that may be interested in sponsorships. He noted that the Airports Authority is working to build a strong foundation with its Wi-Fi, which will help to promote the sponsorships for the charging stations. Ms. McKeough stated that the Airports Authority's approach to charging stations is to address it in layers. She advised that the Airports Authority would install charging stations in basic areas throughout the Airport at its own expense. Ms. McKeough stated that the Airports Authority has had previous sponsors for the charging stations and that the Airports Authority is continuing to bring more in under the advertising program. Additionally, the airlines are installing more charging stations in their hold rooms and clubs. Since airports have become the workstation for many people across the world, Ms. McKeough stated that the Airports Authority is very dedicated and focused on the installation of charging stations, which is a top customer service issue.

Similar to Mr. Speck's observations, Mr. Tejada described unused, obscure space in Terminals A and B at Reagan National. He inquired whether staff had analyzed the area to determine if it could be used for revenue opportunities or what could be done to brighten the area. Mr. Tejada also observed that improvements could be made to modernize the monitors and baggage claims areas. Due to its unique location, Mr. Davis stated that the Airports Authority is working to possibly use the referenced space as a destination display area. He noted that suggested ideas for the space are now being offered and that future opportunities are promising. Mr. Tejada stated that he looked forward to hearing about future innovative ideas.

Mr. Mims referenced the advertising revenue and inquired as to what had attributed to the significant increase. Mr. Davis described the success of the 2015 contract that now allows the Airports Authority to have more advertisers so more money is spent for certain areas identified at Reagan National and Dulles International. He invited Directors to visit Terminal B/C at Reagan National to see the future of the new jumbo digital displays at the secure checkpoints that are intended to promote breakthrough growth.

Mr. Sudow inquired as to what has been done to explore hotel opportunities. In light of the international travel increase at Dulles International, he observed that there may be an opportunity to attract an operator to build a hotel to connect to the Main Terminal at the Airport.

With regard to exploring cost savings on anticipated refundings, Mr. Sudow suggested that the cost savings be tied to staff's projections in terms of real estate and concession-related revenues so that they can be factored in as additional revenues to determine how they might affect Cost per Enplanement (CPE).

Ms. Hanley stated that staff had presented favorable reports at the day's meetings. She reminded everyone that a lot of the good news delivered that day had come to fruition from earlier plans of long ago. She observed that while there is good news on the progress in reducing CPEs, the health of Dulles International must remain at the forefront. Ms. Hanley stated that non-airline revenue allows the continued airline participation so that CPEs at Dulles International can be lowered while providing good passenger experience at both Airports.

Mr. Williams advised that he is the former President of the Metropolitan Washington Council of the AFL-CIO, which is composed of 178 affiliated labor organizations. He stated that he had retired from that position more than a year ago, he receives no income from the Metropolitan Washington Council, and he no longer has any financial interest in it. Mr. Williams reported that last year he had consulted the Ethics Officer in order to obtain her opinion as to whether the Code of Ethics, due to a conflict of interests, places any limits on his participation in the Airports Authority's consideration of matters that may affect labor organizations, including those addressed by the Board's Ad Hoc Committee on Labor Issues. He stated that the Ethics Officer had determined that he did not have an actual conflict of interests in such matters, but that he did have an apparent conflict of interests. Mr. Williams explained that an apparent conflict, as defined by the Airports Authority's Code of Ethics, is one "that could reasonably appear to conflict with the fair and objective performance of the Director's official duties." He stated that when a Director has an apparent conflict of interests with respect to a matter, then Section 3(b) of the Code of Ethics allows the Director to participate in the consideration of that matter if the Director believes that he or she can participate fairly and objectively in the interest of the Airports Authority, notwithstanding the appearance of a conflict, and makes a declaration to that effect at any meeting where the matter is considered. Mr. Williams further stated that as he had advised the Board Chair and the other members of the Ad Hoc Committee on Labor Issues, he believed that he can participate fairly and objectively in the interest of the Airports Authority in the Board's consideration of whether to amend the Airports Authority's Living Wage Program and to establish

an Airport Workers' Wage Policy. He asked the Secretary to ensure that the Minutes of the meeting reflect his determination and declaration. Chairman McDermott thanked Mr. Williams for his attentiveness to the Code of Ethics and Ms. Klaus for her participation in reviewing the circumstances.

IV. SPECIAL AD HOC COMMITTEE ON LABOR ISSUES REPORT

Mr. Griffin reported that he would provide a briefing on the work of the Ad Hoc Committee on Labor Issues (Committee) over the past 12 months. He reviewed the establishment of the Committee, the instructions the Committee had received from Chairman McDermott, and the results of the Committee's effort. Mr. Griffin advised that the detailed information had been included in the Committee Report provided to the Directors in the materials for the day's meeting [and posted on the Airports Authority's website.]

Mr. Griffin first provided an overview of the creation of, and work undertaken by the Committee, including its review of proposals submitted to the Board from two labor organizations, the Service Employees International Union (SEIU) and Unite Here. He then presented a summary of the Committee's three recommendations. The first was the Expansion of the Living Wage Program, which will include all Airports Authority personnel service contracts, and result in eight additional contracts being covered by the Program. The annual cost of the expansion is estimated at approximately \$750,000 - \$850,000. Mr. Griffin noted that the majority of the cost is attributed to the inclusion of the Dulles Toll Road Collector System employees. He explained that they had not been covered previously because the Dulles Toll Road was initially under the operation of the Commonwealth of Virginia and the Airports Authority assumed its responsibility when it took on the responsibility of building the Silver Line. The Committee recommended that the Board approve the Living Wage Program.

Mr. Griffin reported that the second recommendation involves the Establishment of an Airport Workers Wage Policy and No Further Review of the SEIU proposal. He reviewed each provision of the SEIU proposal and stated that the Committee had spent a considerable amount of time reviewing it. The Committee had concluded that the SEIU proposal was simply too costly and had therefore recommended that no further consideration be given to the SEIU proposal. Mr. Griffin reported that while the Committee had concluded that the SEIU proposal was not in the Airports Authority's best interest, it had also concluded that the

establishment of an Airport Workers Wage Policy, as defined by the Committee (in the Committee Report) would be in the Airports Authority's interest and recommended the policy's adoption to the Board.

Mr. Griffin stated that the Committee had discussed the third recommendation at length. It had concluded that the Unite Here Proposal should not be pursued in light of the Committee's Airport Workers Wage Policy recommendation, which addressed some of the purposes of the Labor Peace Agreement (LPA) proposal. The Committee also viewed that requiring on-Airport businesses, as a condition to operating on the Airport, to execute an LPA with one or more labor organizations would represent an unwise intrusion by the Airports Authority into the relationship among employers, their employees, and labor organizations that federal labor policy largely limits to these parties. The Committee had, therefore, recommended that the Airports Authority not give further consideration to the Unite Here proposal.

Mr. Griffin stated that the Committee requested that the Board of Directors accept its report and approve its recommendations, and that the Board adopt a resolution, which formally accepts the Committee Report and recommendations and addresses other matters relating to the recommended Airport Workers Wage Policy.

V. NEW BUSINESS

a. Recommendation of the Ad Hoc Committee on Labor Issues Regarding Amendment of Airports Authority Living Wage Program and Establishment of an Airport Workers Wage Policy

Mr. Griffin moved the adoption of the following resolution:

WHEREAS, Under the Airports Authority's current Living Wage Program, businesses that are under certain specified contracts with the Airports Authority to provide services which are delivered by employees of the businesses are required to pay all employees performing those services at no less than a "living wage" hourly rate that is set by the Airports Authority (currently, \$14.27), which rate is to be paid whether or not the business employers provide health or other benefits to the employees;

WHEREAS, In late 2015, the Airports Authority received a proposal from the Service Employees International Union

("SEIU") that the Airports Authority establish a set of minimum wage requirements that would apply to businesses delivering various support services to airlines operating at Reagan National and Dulles International Airport ("Airports");

WHEREAS, In late 2015, the Airports Authority also received a proposal from another labor organization, Unite Here, that the Airports Authority establish a requirement that, as a condition to doing business at the Airports, businesses operating retail, food and beverage, and other concessions enter a "labor peace agreement" with any labor organization seeking to organize employees of the businesses;

WHEREAS, Following receipt of the SEIU and Unite Here proposals, the Chairman of the Board of Directors established an Ad Hoc Committee on Labor Issues ("Ad Hoc Committee"), consisting of six Board members, and requested that the Ad Hoc Committee (i) review the SEIU and Unite Here proposals and report to the Board the results of its review and the actions, if any, it recommended the Board consider taking in connection with the SEIU and Unite Here proposals, and (ii) review the Airports Authority Living Wage Program and report to the Board the results of its review and the actions, if any, it recommended the Board consider taking to modify the program;

WHEREAS, In response to the Chairman's request, the Ad Hoc Committee has conducted an extensive review of the SEIU and Unite Here proposals and the Airports Authority Living Wage Program;

WHEREAS, During this review, the Ad Hoc Committee, among other activities, met with representatives of SEIU and Unite Here, with representatives of airlines and concessionaires operating at the Airports, and with Airport workers, reviewed correspondence from many of these parties and other entities and individuals, including those presenting the views of the broader business community such as chambers of commerce, and received multiple briefings from staff;

WHEREAS, The Ad Hoc Committee has submitted a report to the Board ("Ad Hoc Committee Report") in which it presents

the results of its review, and recommends: (i) that the Board expand the Living Wage Program to apply to all contracts entered by the Airports Authority under which a business delivers services to the Airports Authority that are performed by its employees (“Personnel-Based Service Contracts”); (ii) that the Board adopt an “Airport Workers Wage Policy” for those businesses operating on the Airports that provide support services to the airlines pursuant to a permit issued by the Airports Authority (“Airline Service Providers”) or deliver concession services to the traveling public under a lease or other form of authorization executed by the Airports Authority or an agent of the Airports Authority (“Concessionaires”), all as outlined in the Ad Hoc Committee Report; and (iii) in large part due to recommendation in clause (ii), that further consideration not be given to the SEIU or Unite Here proposal;

WHEREAS, In its report, the Ad Hoc Committee explains in detail the reasons for and purposes of its recommendations;

WHEREAS, In particular, with respect to its recommended Airport Workers Wage Policy and the payment of increased compensation to low-paid employees working at the Airports for Airline Support Providers and Concessionaires, the Ad Hoc Committee determined that this increased compensation will generate significant benefits for the Airports Authority and the Airports’ workplace, including: by reducing employee turnover; by producing over time a more stable on-Airport workforce consisting of longer-term, more experienced employees; by growing employees’ understanding of and familiarity with the Airports’ workplace; by improving employees’ job skills and knowledges, performance and productivity, and the quality of service they deliver to the airlines and the traveling public; and by increasing employees’ commitment to the Airports’ workplace;

WHEREAS, The Ad Hoc Committee also determined that these beneficial consequences of providing increased compensation to low-paid employees are of critical importance to the Airports Authority and the Airports because Reagan National and Dulles International Airports, due in significant part to their location in relation to the nation’s

capital, (i) face continually a unique set of potential security threats and dangers which pose significant risks to the safety of the thousands of passengers who pass through the Airports every day; (ii) are governed by an intricate set of security rules and procedures designed to thwart these security threats and dangers; and (iii) demand that all workers within the Airports' workplace be aware at all times of the threats and dangers at which these rules and procedures are directed, and be prepared at all times to identify and respond in accordance with such rules and procedures to any threat or danger which may present itself at an Airport;

WHEREAS, The Ad Hoc Committee further determined that it is essential to the security of the Airports and the safety of passengers who travel through the Airports that all individuals who work at the Airports, whether pre- or post-security, recognize the unique nature and characteristics of the Airports' workplace environment and the security challenges the Airports face, understand and comply with all security rules and procedures applicable to the Airports, and are capable of recognizing and properly responding to any abnormal or questionable circumstances that pose an imminent threat to the Airports' security or otherwise warrant alerting appropriate authorities;

WHEREAS, The Ad Hoc Committee also determined that a workers wage compensation program which would provide for reasonable increases in the level of compensation earned by currently low-paid workers employed at the Airports by Airline Service Providers and Concessionaires can be expected over time (i) to reduce the worker turnover rates experience by many Airlines Service Providers and Concessionaires; (ii) to deliver a long-term, more stable and experienced on-Airport workforce whose members, due to their longer tenure and enhanced on-Airport experience, will possess the critical worker characteristics and traits described in the Ad Hoc Committee Report and prior paragraphs of this Resolution; and (iii) to produce an overall improvement in the job performance of these workers and in the quality of service they deliver to passengers and other patrons of the Airports;

WHEREAS, The Ad Hoc Committee further determined that a workers wage compensation program providing for reasonable increases in the level of compensation earned by low-paid workers employed at the Airports by Airline Service Providers and Concessionaires can be expected over time to lead to significant enhancements in the security and safety of the Airports and of the passengers and other individuals using the Airports, and in the level of Airport patron satisfaction;

WHEREAS, The Board concurs in these determinations and findings of the Ad Hoc Committee, as well as the reasoning which underlies them, as set out in the Ad Hoc Committee Report and prior paragraphs of this Resolution, all of which demonstrate the substantial benefits the Airports Authority would derive from the establishment of a workers wage policy, as recommended by the Committee;

WHEREAS, The Board believes and determines that the workers wage program consisting of (i) the "Airport Workers Wage Policy" recommended by the Committee and (ii) a set of rules, requirements and procedures prepared by the President and Chief Executive Officer's ("President") for the implementation and administration of the Airport Workers Wage Policy will significantly enhance the security and safety of the Airports, will improve the quality of services received by Airport passengers, airlines operating at the Airports and other Airport patrons, and will meaningfully advance the interests and mission of the Airports Authority as the sole entity responsible for the operation of the two Airports serving the nation's capital; and

WHEREAS, The Board expresses its appreciation to the members of the Ad Hoc Committee for their substantial work and valuable contributions; now, therefore, be it

RESOLVED, That the Report of Ad Hoc Committee be and hereby is accepted by the Board of Directors;

2. That the Airports Authority Living Wage Program be and hereby is expanded to apply to all Personnel-Based Service Contracts executed by the Airports Authority, as recommended by the Ad Hoc Committee and described in the

Ad Hoc Committee Report, and that the President be and hereby is authorized and directed to take all necessary and appropriate actions to implement this expansion of the Living Wage Program;

3. That the Airport Workers Wage Policy which has been recommended by the Ad Hoc Committee, and is described in the following subparagraphs (a) through (e), be and hereby is adopted and established as a policy of the Airports Authority:

- (a) Base Wage Rate. Any business covered by the Airport Workers Wage Policy (defined below as a “Covered Business”) must pay its workers who are employed and work at Reagan National or Dulles International Airport (defined below as a “Covered Worker”) no less than the following hourly wage rates:
- (i) \$11.55 starting on January 1, 2018;
 - (ii) \$12.15 starting on January 1, 2019;
 - (iii) \$12.75 starting on January 1, 2020; and
 - (iv) starting on January 1, 2021, and on January 1 of each subsequent year, a rate equal to the prior year’s rate adjusted to reflect the change over that prior year in an appropriate Consumer Price Index selected by the President.

These wage rates will apply whether or not a Covered Business provides health or other benefits to its Covered Workers;

- (b) Covered Business. A business covered by the Airport Workers Wage Policy is (i) any business providing support services on Reagan National or Dulles International Airport to one or more airlines and operating on the Airport pursuant to a Commercial Aviation Services Permit (or similar authorization) issued by the Airports Authority or pursuant to a lease with the Airports Authority, and (ii) any business providing concession services on Reagan National or Dulles International Airport (*e.g.*, the sale or provision of retail goods, food and beverages on an Airport to Airport patrons, and the sale or provision to airlines operating at an Airport of catered meals or food

prepared on the Airport) pursuant to a lease with or other authorization from the Airports Authority or a lease with a concessions program manager under contract with the Airports Authority;

(c) Covered Worker. A worker covered by the Airport Workers Wage Policy is any worker employed by a Covered Business who works on Reagan National or Dulles International Airport for the Covered Business, whether on a full-time (*i.e.*, 40 hours per week) or part-time basis. Covered Workers will be compensated at no less than the applicable hourly rates in subparagraph (a) for all work performed on the Airport; provided, that “works on . . . an Airport” shall not include the making of deliveries on an Airport or performing similar irregular or occasional “on Airport” work for a Covered Business;

(d) Tipped Worker. A Tipped Worker is a Covered Worker who customarily and regularly receives more than \$30 a month in tips while working on Reagan National or Dulles International Airport for a Covered Business and whose tips are considered by the Covered Business as part of the worker’s wages; and

(e) Wage Payments to Tipped Workers. A Covered Business shall pay its Tipped Workers no less than \$2.13 an hour in direct wages for hours worked and shall be able to demonstrate that the Tipped Workers receive on average in any pay period at least the applicable base hourly wage rate set out above in subparagraph (a) when the direct wages and tips they receive during the period are combined. When the combined direct wages and tips received in a pay period by a Tipped Worker produce an average hourly rate of compensation during the period that is less than the applicable base hourly wage rate in subparagraph (a), the Covered Business employer of the worker shall make up the difference;

4. That the President be and hereby is authorized and directed to prepare a set of rules, requirements and

procedures for the implementation and administration of the Airport Workers Wage Policy addressed in paragraph 3 of this Resolution, which may be published in an Orders and Instructions at each Airport and whose terms may be incorporated into Commercial Aviation Services Permits, Concessionaire leases and other authorizations issued by the Airports Authority permitting a Covered Business to operate on Reagan National or Dulles International Airport; and, further, that the President be and hereby is authorized, in the course of preparing and administering these rules, requirements and procedures, to make minor adjustments to the provisions in subparagraphs (b) through (e) of paragraph 3 of this Resolution, so long as the President finds the adjustments to be necessary or appropriate for the effective and efficient implementation and administration of the Airport Workers Wage Policy and provides notice of such adjustments to the Board Chairman and Vice Chairman at least 30 calendar days prior to their becoming effective;

5. That, in adopting the Airport Workers Wage Policy addressed in paragraph 3 of this Resolution and in providing for the policy's implementation and administration by Airports Authority management in paragraph 4, the Board (i) is acting pursuant to its proprietary rights and powers as the operator of Reagan National and Dulles International Airports and (ii) is not enacting any law, regulation, rule, requirement or other provision having the force and effect of law;

6. That this Resolution shall be effective upon its adoption, except as follows:

(a) Resolved paragraph 2, and the expansion of the Airports Authority Living Wage Program it authorizes, shall be effective upon the adoption of this Resolution, but such expansion shall not apply to any Airports Authority Personnel-Based Service contract the solicitation for which was first publicly noticed before the adoption of this Resolution, unless the party contracting with the Airports Authority agrees in the contract to comply with the expanded program;

(b) Resolved paragraph 3, and the Airport Workers Wage Policy it adopts and establishes, shall become effective on January 1, 2018; and

(c) Resolved paragraph 4, and its authorization of the President to prepare a set of rules, requirements and procedures for the implementation and administration of the Airport Workers Wage Policy, shall be effective upon the adoption of this Resolution, and the rules, requirements and procedures prepared by the President pursuant to such authorization shall become effective on the date or dates established by the President;

7. That, during calendar year 2019, and in no event no later than December 31, 2019, the Board shall review the Airport Workers Wage Policy established by this Resolution and the Airports Authority's experience under the Policy, and determine whether revisions to the Policy, or to the rules, requirements or procedures issued by the President pursuant to paragraph 4 of the Resolution, are warranted; and

8. That the Board conveys its appreciation to SEIU and Unite Here for having presented their proposals to the Airports Authority and for the assistance they provided the Ad Hoc Committee in the course of its work; to airlines, concession businesses and Airport workers for the various forms of input and assistance they provided the Committee during its work; and to all other entities and individuals who provided information and presented their views to the Committee.

Ms. Wells commended the Committee for its great recommendations, which were well researched and well documented. With respect to enhancing the safety and security of the Airports, Ms. Wells stated that she believed that the Airports Authority will be successful in making Reagan National and Dulles International much more secure and safe with the excellent recommendations. She further stated that she was extremely proud of her fellow Board Members, and she thanked the Committee Members for their time, effort and deliberation.

Mr. Uncapher announced that he would not support the resolution, but acknowledged Chairman McDermott's leadership and the Committee's thoughtful deliberative process, which tried to focus on supporting the safety, security, and service operational interests of the Airports Authority. He stated that the proposed resolution would impose a wage standard that is 75 percent above the rates set by the elected representatives in the jurisdiction, and it imposes it on employee-employer relationships in which the Airports Authority is not a direct party. Mr. Uncapher further stated that considerable work remains to be done in the wage policy implementation with the Airports Authority's business partners with which it has existing contractual relations, which will need or may need to be modified. He added that notwithstanding the fact that some airports that the Airports Authority competes with have higher wage policies, many other airports do not, thus Mr. Uncapher expressed concern about the likely impact that this Board action may have on an airport's competitive position, especially that of Dulles International.

Mr. Williams stated that he joined Ms. Wells and Mr. Uncapher in commending the Committee and the Chairman with respect to the work done by the Committee. He particularly thanked Chairman McDermott and Mr. Griffin for their phenomenal guidance. Mr. Williams stated that both had acted with grace, dignity, and thoroughness, and he thanked them for their work. He announced that he agreed with the foundation of the report, but stated that he believes that the conclusions derived by the Committee do not go far enough to reward the employees who, by the Committee's own report, provide substantial service to the Airports Authority. He quoted several excerpts contained in the Committee Report and confirmed that there is clearly a recognition of the importance of the workers. Mr. Williams stated that the Committee failed to recognize that the employees had been operating at federal and Virginia minimum wages since 2009. While other airports had recognized the importance of their workers (Logan, LaGuardia, Newark, and Philadelphia) and had given them wage increases, Mr. Williams stated that all of the named airports currently pay their employees more than employees were paid at Reagan National and Dulles International. He further stated that the employees at Reagan National and Dulles International would not receive an increase until January 1, 2018 and they will never be able to catch up with the wages that they had lost between 2009 and 2017. Mr. Williams noted that employees at other airports are enjoying the fruits of their labor because officials have already recognized that they are important. While the suggested

increases represent a good first start, Mr. Williams stated that he believed that the increases need to be larger to express to the Airports' employees, "You have done a very good job. We recognize it, and we are going to begin by giving you the parity that workers elsewhere have and you do not have here." While he appreciated the great work done by the Committee, Mr. Williams stated that he did not believe it matched other airports. He reviewed the wage rates for the five regional peer airports and noted that the Airports' employees will be paid at the federal minimum wage, representing a disparity of over \$2 an hour. With respect to the minimum wage, Mr. Williams stated that he did not think that the Airports Authority had gone far enough. He announced that he believed that the employees demand and deserve a greater amount than they would receive based on the proposal.

Mr. Williams also expressed concern about the minimum wage of tipped workers. He stated that he found no rationale for why the tipped workers should be paid what is proposed, except that it is consistent with the federal government. Mr. Williams provided historical details about the federal government's minimum wage policy to tipped workers. He stated that he believed that this was a golden opportunity for the Committee to choose differently than the federal government and other states with regard to the pay for tipped workers. While he would not be voting enthusiastically in favor of the Committee's recommendations, Mr. Williams stated that he would cast a positive vote because he believes that to do otherwise would imply a support of the status quo and that the employees would suffer. Even though he would reluctantly vote for the recommendations, Mr. Williams asked his colleagues to vote for them as well and promise the Airports' employees that they would not have to wait until 2021 and beyond, but that a provision be included in the resolution that the Airports Authority will study this matter beginning in 2019. Even though many of the Directors may not be on the Board at that time, Mr. Williams stated that he believed that the Airports Authority deserves those employees to get close [in pay] to other employees and say to them, "We are grateful for the work that you do."

Mr. Tejada observed that one of the day's earlier presentations confirmed that the Washington Metropolitan Region is a diverse area with a diverse workforce with many challenges including the cost of living. He stated that when he joined the Airports Authority's Board the discussion on the Living Wage Program was underway and he had no impact on its initial foundation. Mr. Tejada expressed deep appreciation and thanked the Committee under Mr. Griffin's leadership. He also thanked the staff for

its diligent work and research, as well as the airlines and any business that has an interest in the process and had communicated with the Airports Authority, Unite Here and the SEIU for their input and their leadership in standing up for workers and informing the Airports Authority about the importance and value of their workers, and his colleagues who had reached out to him individually to enlighten and share opinions. He presented several scenarios where passengers depend on airport workers to provide essential services noting that when these workers are paid a wage where they can be comfortable, turnover is less likely, which adds to the safety and security of airports.

Mr. Tejada associated himself fully with Mr. Williams' comments. Although he also believed that the proposal falls a little short, it is a step forward. Therefore, he announced that he would support the proposal and looked forward to working diligently, steadily, and enthusiastically with his colleagues and Airports Authority staff in the future to ensure that workers are given the fair treatment that they deserve for the hard work that they perform so that passengers can be more secure and safe at Reagan National and Dulles International.

Mr. Griffin stated that he appreciated the comments of Mr. Williams and Mr. Tejada. He further stated that he had failed to appropriately thank numerous individuals who had participated in the process and who were instrumental in helping the Committee to reach its conclusion. Mr. Griffin also called attention to the seventh Resolved clause in the proposed resolution, which commits the Board to revisiting the issue at a minimum, and determining the Airports Authority's experience with the new Wage Policy, in 2019.

Chairman McDermott stated that he would be remiss if he did not extend his personal observations first to all the interested parties. He noted that the Airports Authority had heard from airlines, concessionaires, the broader business community, and public officials from every jurisdiction. Chairman McDermott commended SEIU and Unite Here and noted that the Airports Authority had personally heard from workers who had diligently attended the Board and Committee meetings, signed petitions, and made their views known. He extended thanks to the Airports Authority staff for its excellent job in conducting analyses, to the executive team who weighed in and gave their perspectives and experience from many sources over many years, and to Mr. Sunderland. Chairman McDermott also thanked the Board for exercising its fiduciary duties in support of the organization to which Members are appointed, and doing so with diligence, foresight, and some manner of courage while

focusing on the greater business interest of the Airports Authority and the safety, security, and comfort of the traveling public. He also commended some of the former Directors who had invested a tremendous amount of energy in the process.

The resolution was thereupon adopted, with one opposing vote. The final resolution filed in the Board of Directors Office includes a copy of the staff recommendation paper and supporting documents.

b. Recommendation to Amend the Reimbursement Agreement with American Airlines for the Design and Construction of Improvements to the Baggage System in Terminal B/c at Ronald Reagan Washington National Airport

Ms. Merrick moved the adoption of the following resolution, which was unanimously approved:

WHEREAS, Pursuant to Resolution 15-19, the Airports Authority entered into an agreement (Reimbursement Agreement) with American Airlines (American), pursuant to which the Airports Authority agreed to reimburse American an amount not to exceed \$36.9 million for American's outbound baggage system project in Terminal B/C North Pier at Ronald Reagan Washington National Airport (Reagan National);

WHEREAS, The Airports Authority is currently designing the baggage system to support the New North Concourse (NNC) and that system will connect into the North Pier baggage system being constructed by American;

WHEREAS, As the Airports Authority's design for the NNC has progressed, portions of the NNC baggage system and its connection to the Terminal B/C baggage system have been re-evaluated, resulting in changes to (i) the physical connection of the NNC and North Pier baggage system and (ii) the accommodation for American's commuter flight baggage transfer functions displaced by construction of the NNC; and

WHEREAS, As a result of these two changes, the Airports Authority has determined that certain work, including bag belt design and construction and construction of a temporary

baggage transfer function, should be added to the scope of the American baggage system project and that American should be reimbursed for such work; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized to amend the Reimbursement Agreement to increase American's scope of work for the design and construction of improvements to the baggage system at Reagan National and to increase the maximum reimbursement amount from \$36.9 million to \$40.2 million.

The final resolution filed in the Board of Directors Office includes a copy of the staff recommendation paper.

- c. Recommendation to Award a Sole Source Contract for Maintenance and Technical Support of the Central Heating and Cooling Plant's Distributed Control System at Ronald Reagan Washington National Airport

Ms. Merrick moved the adoption of the following resolution, which was unanimously approved by all 16 Directors present:

WHEREAS, Schneider Electric Systems USA, Inc. (Schneider) is the sole provider of the proprietary hardware and software of the Foxboro Intelligent Automation Series Distributed Control System (DCS) supporting the Central Heating and Cooling Plant operations at Ronald Reagan Washington National Airport (Reagan National);

WHEREAS, The Airports Authority has contracted with Invensys Systems Inc., now operating under the Schneider name, for preventive and corrective maintenance for the software and hardware in the Foxboro DCS at Reagan National since the system's installation in 1994;

WHEREAS, The current contract with Schneider for the provision of maintenance and technical support of the Central Heating and Cooling Plant operations at Reagan National expires on June 30, 2017;

WHEREAS, The proposed contract is for a five-year base period aligning with the forecasted remaining useful life of the

Central Plant equipment, at an estimated total cost of \$400,000; and

WHEREAS, As required by the Airports Authority's Contracting Manual, notice of this sole source contract award has been published on the Airports Authority's website for the required time period and no firm offered a capability statement for this requirement; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized to enter into a sole source contract with Schneider Electric Systems USA, Inc. for the provision of maintenance and technical support of the Central Heating and Cooling Plant operations at Reagan National, consistent with the terms presented to the Business Administration Committee at its April 19, 2017 meeting.

The final resolution filed in the Board of Directors Office includes a copy of the staff recommendation paper.

With regard to Tab 11.4, Mr. Speck stated that after consultation with the Ethics Officer, he had determined that he has a conflict of interests in the matter because he owns a substantial financial interest in Dominion Resources, Inc., the parent of Virginia Electric and Power Company doing business as Dominion Virginia Power. Accordingly, Mr. Speck stated that he had recused himself from participating in consideration of the agenda item. Additionally, he had executed a recusal agreement with the Ethics Officer and the Secretary and had asked the Secretary to file his recusal agreement in the Board's official records. Mr. Speck stated that he was stepping back from the Board table while this matter is considered.

d. Recommendation to Award a Sole Source Contract for Electrical Power Service for Interim Testing, Commissioning and Pre-Revenue Operations on Phase 2 of the Dulles Corridor Metrorail Project

Ms. Hanley moved the adoption of the following resolution, which was approved by 15 Directors [David Speck recused himself]:

WHEREAS, The Airports Authority is required to provide interim testing, commissioning and pre-revenue operations prior to turnover of the completed Dulles Corridor Metrorail

Project – Phase 2 (Project) to the Washington Metropolitan Area Transit Authority (WMATA);

WHEREAS, The Airports Authority currently has contracts with Dominion Virginia Power (DVP) for electric service at Ronald Reagan Washington National and Washington Dulles International Airports and the Dulles Toll Road, with rates established through the Virginia Energy Purchasing Governmental Association (VEPGA) structure;

WHEREAS, The new DVP contract for the interim testing, commissioning and pre-revenue operations is based on the same VEPGA negotiated rate structure currently used by participating agencies, including the Airports Authority;

WHEREAS, DVP is the sole provider of electricity in the Project region;

WHEREAS, The contract cost for interim testing, commissioning and pre-revenue operations, which is included in the current Project cost forecast and available budget, will be approximately \$10,500,000 for the period April 2017 through December 2019;

WHEREAS, The base rate is fixed through August 2019 and then will be adjusted to a new fixed rate;

WHEREAS, Upon turnover of the completed Project to WMATA in late 2019, the contract will expire, and WMATA will enter into a separate contract for system operations;

WHEREAS, The Contracting Manual, in paragraph 1.4.1(3)(d), authorizes the award of sole source contracts “when utility services or supplies are available from only one actual, or practicable source”; and

WHEREAS, As required by the Contracting Manual, notice of this intended sole source award was published on the Airports Authority’s website for the required time period and no firm offered a statement of capabilities to provide the service; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized and directed to award a sole source contract to Dominion Virginia Power for electrical power service for interim testing, commissioning and pre-revenue operations for Phase 2 of the Project, consistent with the terms presented to the Dulles Corridor Committee at its April 19, 2017 meeting.

The final resolution filed in the Board of Directors Office includes a copy of the staff recommendation paper.

e. Recommendation to Approve Lease to Loudoun County of Airports Authority Land Adjacent to Metrorail Loudoun Gateway Station

Ms. Hanley moved the adoption of the following resolution, which was unanimously approved:

WHEREAS, The Airports Authority leases the land at Washington Dulles International Airport from the United States pursuant to a lease agreement executed by the parties in 1987 (Federal Lease);

WHEREAS, Loudoun County (Loudoun) desires to lease a parcel of approximately 12 acres of Airports Authority land which is subject to the Federal Lease and is located adjacent to the Metrorail Loudoun Gateway Station (Station) now under construction as part of Phase 2 of the Dulles Corridor Metrorail Project (Lease Parcel);

WHEREAS, Loudoun wishes to use the Lease Parcel for the purpose of constructing, operating and maintaining a parking garage to serve individuals intending to use the Station, and for the additional purpose of operating and maintaining various transit-related facilities that will serve the Station following their construction on the Lease Parcel by the Dulles Corridor Metrorail Project (Metrorail Project);

WHEREAS, In a 2011 Memorandum of Agreement among the Airports Authority, the U.S. Department of Transportation, the Commonwealth of Virginia, Loudoun and Fairfax counties, and the Washington Metropolitan Area Transportation Authority, the Airports Authority agreed to

provide to Loudoun, “to the extent permitted by law” and “at no cost,” “such real property rights to land . . . as are reasonably necessary for the construction, location, and operation of, and vehicular access to and from, the parking facility that is to be constructed to serve the . . . Station”; WHEREAS, Airports Authority and Loudoun staff have negotiated a proposed deed of lease for the Lease Parcel;

WHEREAS, For reasons set out in a staff recommendation paper presented to the Dulles Corridor and Strategic Development Committees at the Committees’ joint meeting on April 19, 2017, the Committees have approved the leasing of the Lease Parcel and the deed of lease which was provided to the Committees as an attachment to the recommendation paper (Deed of Lease), and have recommended to the Board of Directors that it do the same; and

WHEREAS, The Board of Directors has accepted the Committees’ recommendation and has determined that the leasing of the Lease Parcel and the Deed of Lease should be approved; now, therefore, be it

RESOLVED, That the proposed leasing of Airports Authority land adjacent to the Metrorail Loudoun Gateway Station to Loudoun County, as well as the attached Deed of Lease, shall be and hereby are approved; and

2. That the President and Chief Executive Officer shall be and hereby is authorized to execute the Deed of Lease on behalf of the Airports Authority substantially in the form presented in the attachment to this Resolution.

The final resolution filed in the Board of Directors Office includes a copy of the staff recommendation paper.

VI. UNFINISHED BUSINESS

There was not any unfinished business.

VII. OTHER BUSINESS & ADJOURNMENT

The Meeting was thereupon adjourned at 11:22 a.m.

Respectfully submitted:

Monica R. Hargrove
Vice President and Secretary