

## BOARD OF DIRECTORS MEETING Minutes of October 19, 2022

The Meeting of the Board of Directors was held in a hybrid manner using Zoom for public participants. The meeting was held at the Corporate Offices of the Airports Authority, in the Fifth Floor Conference Meeting Rooms at Two Potomac Yard, 2733 Crystal Drive, Arlington, VA.

Chairperson Sudow called the meeting to order and welcomed the Board, executive staff and other attendees to the October 19, 2022, Meeting of the Metropolitan Washington Airports Authority (Airports Authority) Board of Directors.

Chairperson Sudow asked the Secretary to confirm that a quorum was present. Fourteen Directors were present during the meeting:

William E. Sudow, Chairperson  
Thorn Pozen, Vice-Chairperson  
Judith Batty  
John Braun  
Sean Burton  
Albert Dwoskin  
Robert W. Lazaro, Jr.

Mamie Mallory  
Timothy Poole  
Warner H. Session  
David G. Speck  
J. Walter Tejada  
Mark E. Uncapher  
Joslyn N. Williams

Chairperson Sudow called the October 19, 2022, Meeting of the Metropolitan Washington Airports Authority Board of Directors to order at 9:38 a.m. He welcomed new federal Board appointee Sean Burton to his first Board meeting and stated that the last prior federal appointee on the Board of Directors was Shaw McDermott, who served as Board Chairperson through November of 2017. Chairperson Sudow reiterated earlier remarks concerning Mr. Burton's experience on the Los Angeles Airport Board, where several very successful forward-looking capital improvements were made during his tenure on the Board. He invited Mr. Burton to make comments.

Mr. Burton stated that he was happy to serve on the Board of the Airports Authority and thanked all for the warm welcome.



The Secretary and Executive Management were present:

John E. Potter, President and Chief Executive Officer

Chryssa Westerlund, Executive Vice President and Chief Revenue Officer

## I. MINUTES OF THE SEPTEMBER 21, 2022, BOARD OF DIRECTORS MEETING

Chairperson Sudow called for the approval of the Minutes of the September 21, 2022, Board of Directors Meeting, Tab 10. Mr. Uncapher made a motion to approve the minutes, which was seconded by Mr. Poole, and approved unanimously.

## II. COMMITTEE REPORTS

### a. Finance Committee - David Speck, Co-Chair

Mr. Speck reported that the Finance Committee last met that morning, October 19, 2022. During that meeting, the Committee approved the Summary Minutes of the September 21, 2022, Committee meeting and received four Informational Report: the Financial Reports for the Aviation Enterprise as of September 2022; the Financial Reports for the Dulles Corridor Enterprise as of September 2022; and the Financial Advisors' Reports for both the Aviation Enterprise and the Dulles Corridor Enterprise. He stated that the Committee also approved staff's recommendation to Award a Revolving Loan Program for the Dulles Corridor Enterprise which would be presented to the Board for consideration later in the day's meeting.

### b. Business Administration Committee - Bob Lazaro, Co-Chair

Mr. Lazaro reported that the Business Administration Committee last met that morning and also on September 21, 2022. During the September 21 meeting, the Committee approved the Summary Minutes of the July 20, 2022, Committee meeting. The Committee also concurred with staff's recommendation on the Pre-Solicitation Terms for the Rental Car Concession Contracts at Ronald Reagan National Airport and approved the following recommendations: one to award a contract for Airport Guest Information Assistance Services at Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International), one to award a contract for Electronic Security Systems Services at Reagan National and Dulles International, and a

recommendation to award a contract for the Metropolitan Washington Airports Authority's Duty-Free/Duty-Paid Concessions. He stated that the recommendations for awards would be presented to the Board for consideration later in the day's meeting. He also reported that during that meeting the Committee received two Informational Reports, a Concessions Program Update and the Quarterly Acquisition Report for the period ended June 30, 2022.

During the meeting earlier on October 19, the Committee approved the Summary Minutes of the September 21, 2022, committee meeting. The Committee approved a recommendation to Extend an Existing Fixed-Base Operator contract at Dulles International and also concurred with staff's recommendation for the Pre-Solicitation Terms for a Fixed-Base Operator at Dulles International. Mr. Lazaro stated that the Recommendation to Extend the Fixed-Base Operator contract would be also presented to the Board for consideration later in the day's meeting.

c. Nominations Committee – David Speck, Co-Chair

Mr. Speck stated that the Nominations Committee last met September 21, 2022. The Committee first elected its 2022 Chairperson, David Speck. The Committee also approved the Summary Minutes of the November 17, 2021, Committee meeting, and reviewed the process and schedule that it will follow for reporting nominations of one or more candidates for 2023 Chairperson, Vice Chairperson and Secretary at the November 16, 2022, Annual Board Meeting.

d. Joint Dulles Corridor and Finance Committee - Judith Batty,  
Co-Chair

Ms. Batty reported that the Joint Dulles Corridor and Finance Committee last met on September 21, 2022, when the Committee approved the Summary Minutes of the July 20, 2022, Committee meeting and received two Informational Reports on the Public Comments on the Proposed Amendment to Part 10.1 of the Regulation Establishing Toll Rates for the Dulles Toll Road and on the Public Comments on the Proposed Amendment to Part 10, Section 10.3 of the Regulation Governing Administrative Fees on the Dulles Toll Road.

e. Dulles Corridor Committee – Walter Tejada, Co-Chair

Mr. Tejada reported that the Dulles Corridor Committee last met on September 21, 2022. During that meeting, the Committee approved the Summary Minutes of the June 15, 2022, Committee Meeting and received two Informational Reports, the Dulles Corridor Metrorail Project Phase 1 Project Update, and the Dulles Corridor Metrorail Project Phase 2 Project Update.

f. Strategic Development Committee – Mark Uncapher, Co-Chair

Mr. Uncapher reported that the Strategic Development Committee last met on September 21, 2022. During the meeting, the Committee approved the Summary Minutes of the July 20, 2022, Committee Meeting. The Committee also concurred with staff's recommendation on the Pre-Solicitation Terms for Project Control Services for the Metropolitan Washington Airports Authority. The Committee also received a Capital Projects Update and an Airline Business Development Update.

### III. INFORMATION ITEMS

a. President's Report

Mr. Potter greeted Chairperson Sudow and members of the Board of Directors, and welcomed new Board member Sean Burton, representing the federal government. He stated that as Chairperson Sudow had advised, Mr. Burton was appointed by President Biden and recently confirmed by the Senate. He brings deep experience from his involvement on the board of the Los Angeles airports. Mr. Potter stated that the staff of the Airports Authority look forward to working with Mr. Burton in the months and years ahead.

Mr. Potter stated, in addition, that Governor Youngkin of Virginia recently announced an appointment to the Airports Authority's Board, Brett Gibson of Arlington, who is head of the Washington office of the investment firm Brown Advisory, a lieutenant colonel in the U.S. Army, and who will join the Board in December.

He also announced a change in the management ranks of the Airports Authority. Mr. Potter stated that the Director of Customer and Concessions Development, Deven Judd, had announced plans to join the senior management team at the Greenville-Spartanburg Airport in South

Carolina. He stated that Deven had been a key leader in the Airports Authority's airport concessions programs, and recently served as the Acting Vice President of Marketing and Consumer Strategy. He stated that Executive Vice President and Chief Revenue Officer, Chryssa Westerlund would have more to report on Deven Judd's future plans and his many contributions to the Airports Authority, during her report.

Mr. Potter personally thanked Deven for all of his great work and wished him all the best in his next chapter.

Mr. Potter than stated that the Airports Authority's business recovery from the COVID pandemic continues to trend in the right direction. He stated that passenger traffic remains on an upward path as the Airports Authority enters the holiday travel season, with passenger counts at Reagan National already exceeding the 2019 pre-pandemic levels and traffic at Dulles International approaching 2019 levels. He stated that since passenger traffic has increased, revenue has also rebounded as was reported during the day's Finance Committee meeting, with total year-to-date revenue in the Aviation Enterprise exceeding \$573 million, which is 46 percent higher than 2021, and over 13 percent higher than expected in the Airports Authority's 2022 budget. Mr. Potter stated that despite the added workload, the operations and maintenance expenses of the Airports Authority are still tracking below budget.

Mr. Potter stated that the Airports Authority is on a good trajectory, and he thanked and congratulated everyone at the Airports Authority whose hard work and dedication are helping to increase revenue and hold down expenses, while continuing to provide first-rate service to the passengers at both airports. He stated that management is keeping a very watchful eye on the national and global economic conditions, especially inflation and geopolitical events around the world that could impact the Airports Authority's business, along with the ever-present COVID.

As a slide providing displays of American Airlines' new Admirals Club at Reagan National was displayed, Mr. Potter reported that new amenities at the Airports Authority's airports continue to help enhance the passenger experience. He stated that at Reagan National, American Airlines is adding the finishing touches on its new Admirals Club lounge in Concourse E. He stated that the new 14,000 square-foot club overlooks the new concourse at Reagan National and offers great panoramic views of downtown Washington, along with the latest in customer amenities for American's passengers. He stated that the Airports Authority looks forward to the

official opening of the new facility, which was scheduled for the following week.

Mr. Potter reported that improvements to the passenger experience in the security lines, with new magnetic stanchions at the east and west checkpoints, are being implemented at Dulles International. He stated that instead of the larger traditional stanchions, the new type, which was illustrated on a slide during his presentation, is supported by a magnetic network embedded in the floor and can be quickly re-arranged to accommodate more people, thereby increasing the capacity of screening-line areas by up to 20 percent or more, which helps the lines run more efficiently.

Mr. Potter thanked the Dulles Airport team and the Strategy and Operational Support groups for the great improvement, which will help the Airports Authority continue to rise in the customer satisfaction surveys.

As a slide entitled "Airport Rankings" was displayed, Mr. Potter stated that he was pleased to report that the progress of the Airports Authority is being reflected in the latest airport rankings. He reported, for example, that the J.D. Power's recently released ratings for "America's Best Airports" in 2022, placed Reagan National and Dulles International in the Top 20 for the "large airport" category, which includes airports with annual passenger counts of between 10 and 33 million passengers.

Mr. Potter stated that J.D. Power surveyed customer views on the quality and efficiency of terminal facilities, baggage handling, security screening, and food, beverage, and retail options, as well as timely flight departures and arrivals. In those rankings, Dulles International was Number 13, and Reagan National ranked 19th. He commented that the two airports fared well in almost all categories. Mr. Potter stated that the survey also pointed out a new challenge this year for a number of airports, including those of the Airports Authority, which is parking availability.

Mr. Potter stated that as air travel continues to increase, more people are driving and parking, which is pushing parking demand to record levels. He stated that airport parking and operations teams at the Airports Authority are working diligently to address the issue. Both of the Airports Authority's airports offer the opportunity to reserve parking online in advance, which is strongly recommend to anyone with holiday travel plans.

Mr. Potter reported that the Airports Authority's airports also performed well in another recent ranking, from Scott's Cheap Flights, an organization

that searches online for low-cost travel options. That survey rates Dulles International as the second-best airport in the country for great deals on international travel. The organization analyzed more than 180 U.S. airports over the past year to find the best discounts offered for overseas trips. Mr. Potter stated that the study found over 430 great deals at Dulles International, with an average round-trip price of \$449. The report also noted the wide variety of international destinations offered by Dulles International and touted the coming of the Silver Line Metro service to Dulles International as a major advantage for travelers.

As a slide displaying a Metro train at the Dulles Airport Metro Station was displayed, Mr. Potter stated that the Airports Authority's Rail Office team continues working closely with the Washington Metropolitan Area Transit Authority (WMATA) in preparation for the opening of passenger service on the Silver Line. Mr. Potter stated that the management of both enterprises is making excellent progress, with trains regularly running along the Phase 2 tracks and through the Dulles Airport Station, displayed on a photo shared during his remarks. He stated that the Airports Authority continues to await WMATA's decision on when the new stations will open for business.

Mr. Potter expressed thanks to the Rail Office team for helping to move this important project ever closer to the finish line and stated that the completion of the project will have a major positive impact for Dulles International and airport passengers, as well as the entire DMV region.

On another positive impact involving Dulles International, Mr. Potter stated that the Airports Authority recently learned that the U.S. Department of Homeland Security approved a grant of nearly \$1.4 million to reimburse the Airports Authority for expenses incurred in 2021, when Dulles International welcomed more than 52,000 evacuees from Afghanistan as part of the U.S. military's withdrawal from that country. He stated that the Board might recall that from late August to early September of 2021, more than 200 charter flights from Afghanistan landed at Dulles International, which served as the key point of entry to the United States for the evacuees.

Mr. Potter stated that with as many as 20 of those flights arriving daily over a three-week period, the Dulles International team rose to the occasion, converting the airport's large snow-equipment storage building to a temporary shelter, and working with U.S. Customs and Border Protection and other agencies to process the Afghan passengers and provide health screenings and other services.

Mr. Potter stated that the Airports Authority is grateful to members of our congressional delegation for supporting the efforts to receive reimbursement for its services during the evacuation effort. He stated that the Airports Authority was proud to be part of the important and historic operation, and he saluted the Dulles team for their spirit of public service.

As another example of public service in the Airports Authority's airport community during the month of September, Mr. Potter described and provided photos of several dozen United Airlines (United) employees gathered at Dulles International to pack thousands of meals for charity. He explained that the project was part of United's company-wide "September of Service" initiative, which was created to honor the United employees and passengers who were lost in the September 11<sup>th</sup> attacks. The meals were delivered to an organization called Rise Against Hunger, an international non-profit that provides food to millions of families around the world. Mr. Potter acknowledged with gratitude the Airports Authority's colleagues at United for their community service.

As another example of community service, Mr. Potter displayed photos of the Airports Authority's October 1<sup>st</sup> "Run on the Runway." He explained that the annual 5K and 10K foot race on a Dulles runway is a follow-up event to the Dulles Day and Plane Pull events, which were held in September. He stated that despite taking place during the rainy remnants of Hurricane Ian, over 1,700 runners showed up to compete in the event. He explained further that the event supports Special Olympics Virginia, which is a charitable effort that also includes the Washington Airports Task Force and the Committee for Dulles Community Outreach program, which funds scholarships for the children of workers at Dulles International. Mr. Potter stated that with the proceeds from the competition, combined with the money raised at the Dulles Day and the Plane Pull, the Airports Authority collected about \$500,000 for the Special Olympics and other charities in 2022.

Mr. Potter expressed thanks and congratulations to the Committee for Dulles, the Washington Airports Task Force and the National Air and Space Museum's Stephen F. Udvar-Hazy Center, which served as the starting point for this year's race.

Mr. Potter stated that all of the foregoing community service and outreach events are occurring as Dulles International celebrates 60 years of service. He stated that the anniversary activities will include a dinner event sponsored by the Committee for Dulles on November 17, which is the date



in 1962 when then-President Kennedy and former President Eisenhower presided over the ribbon-cutting ceremony to officially open the new airport that is now the National Capital Region's Gateway to the World.

He concluded by stating that the Airports Authority is making excellent progress in many areas and that it is great to be recognized for success in providing top-quality transportation opportunities for the traveling public and for our efforts to make a positive difference in the communities we serve.

Chairperson Sudow thanked Mr. Potter for his remarks and commented that the report was very comprehensive and informative. He then invited questions and/or comments from the Directors. There were no questions or comments.

b. Executive Vice President's Report

Chryssa Westerlund, Executive Vice President and Chief Revenue Officer greeted Mr. Sudow and the Board of Directors and extended a special welcome to the newest Board member, Director Burton. She stated that all members of the Airports Authority look forward to working him.

Ms. Westerlund started her report with a thank you, a congratulations, and a bittersweet farewell to Deven Judd. She stated that as Mr. Potter stated earlier, Deven would be leaving the Airports Authority to serve as Vice President and Chief Commercial Officer for the Greenville-Spartanburg Airport District. He will be leading the business initiatives related to all airport revenue areas which include airport concessions and rental car activities, public parking, ground transportation, real estate development, and airline leases. Ms. Westerlund stated that Deven joined the Airports Authority in June of 2016 and played a critical role in enhancing the passenger experience and growing revenue. Under his leadership concessions revenue grew, concessions for a new concourse were built out with rave reviews from customers, mobile ordering was launched, and a green concessions program was kicked off. She stated that during all of her years of working with Deven, the one thing that she was most impressed by was his incredible passion to ensure that the concessionaires of the Airports Authority were able to stay in business during the course of the pandemic. She stated that Deven was an advocate for generous rent relief and spent countless hours negotiating and renegotiating acceptable terms for contracts that were expiring or were needed to keep the new concourse on track to open with concessions in place. Of the Airports Authority's concessionaires, 99 percent did in fact

stay in business and are now enjoying sales comparable to pre-pandemic levels because of Deven's commitment. Ms. Westerlund thanked Deven and invited him to make comments.

Mr. Judd greeted Chairperson Sudow and members of the Board, his colleagues at the Airports Authority, including his parents and his wife. He thanked Mr. Potter, Ms. Westerlund, and Steven Baker, Deputy Vice President, Real Estate Department, for providing the opportunity for him to work on many exciting projects at the Airports Authority. He stated that because of their leadership, guidance, and examples, he will leave the Airports Authority with greater skills and insights than when he arrived. He stated that the concessions team had done good work in bringing new opportunities to the Airports Authority that positively impacted the customer experience at both Reagan National and Dulles International. He stated that he and the concessions team could not have accomplished all that they did without the Office of Revenue's team. He also acknowledged the friendships and professional contacts that he developed while at the Airports Authority, from the airlines, concessionaires, and contractors, all of whom are important to the mission of the Airports Authority to develop, promote and safely operate Reagan National and Dulles International Airports. He stated that he is grateful for all of the advice, words of encouragement and tips on navigating in the industry and at the Airports Authority, that he received. He wished the members of the Board of Directors, the executive management team, and all of the employees of the Airports Authority well and invited all to contact him if they find themselves in the Greenville, Spartanburg International Airport. He concluded his remarks by saying he was not saying goodbye, but only acknowledging everyone until their paths crossed again.

Ms. Westerlund again thanked Deven and stated that all at the Airports Authority wish him the best of luck in your new role.

Chairperson Sudow, and several other Directors of the Airports Authority, including former Board Chairperson Warner Session, wished Deven the very best in his future endeavors.

Ms. Westerlund stated that the Airports Authority's Airports continue to report strong passenger traffic with total August passenger traffic close to 4.2 million passengers, which is 33 percent higher than August of 2021, and 94 percent of 2019 pre-pandemic passenger levels. She stated that passenger traffic at Reagan National exceeded pre-pandemic levels by three percent in August, with American notably leading the way at almost 13 percent over 2019 passenger levels for the month. She reported that

International traffic at Dulles International continued to come back strong in August at 96 percent of pre-pandemic levels. United Airlines, which carries more international travelers than any other airline at Dulles International, saw an increase in international passengers of 88 percent in August compared to 2021, and was at 99 percent of pre-pandemic levels for the month.

With passenger levels coming back strong, Ms. Westerlund stated that it is not surprising that non-airline revenue is also performing very well. Year-to-date non-airline revenue as of August was at \$288 million, which is \$46 million, or 19 percent over budgeted levels and 99 percent of pre-pandemic revenue. Ms. Westerlund reported that in August, non-airline revenue grew by 32 percent over the prior year and exceeded pre-pandemic revenue performance. She stated that some of the areas showing significant growth over prior year, and that are now exceeding pre-pandemic levels in the month of August, include food and beverage, which is up 144 percent over prior year; parking, which increased by 38 percent; and Transportation Network Carrier (TNC) revenues including Uber, Lyft and Alto, which increased by 55 percent over the prior year.

Ms. Westerlund stated that while the strong financial performance is a boon, the Office of Revenue does not want that growth to come at the expense of the customer experience. She commented that parking demand remains tight at both Airports for the close-in garages during the Metro shut down, which has strained capacity in the Reagan National economy lots during peak travel periods. Ms. Westerlund stated that with the holiday season rapidly approaching, she joined Mr. Potter in reminding passengers to have peace of mind by making a reservation for the parking product of their choice well in advance, and if unable to obtain a reservation, to please check the website for available parking. And, she again encouraged airport passengers to consider the Metro as an environmentally friendly transportation option.

As a slide entitled Tailwinds new service was displayed, Ms. Westerlund stated that the Office of Revenue is looking to the passenger experience of the future. She stated that some in attendance of the day's meetings might have read in the newspaper about a new commercial operator at Dulles International. On October 14, Tailwinds had its inaugural flight from Dulles International to the New York City's 23<sup>rd</sup> Street Seaport. Ms. Westerlund stated that Tailwinds is a special kind of operator, and the first of its kind, to operate out of Dulles International, in which its scheduled commercial service is not subject to TSA security screening due to the small number of passengers on each flight. In the case of Tailwind,

the capacity of each flight is eight passengers. Tailwind's commercial service will be operating from the Jet Aviation FBO at Dulles.

Ms. Westerlund also reported that United recently announced new and expanded routes to Berlin and Paris in May and June of 2023, respectively. Berlin represents Dulles International's 41<sup>st</sup> capital-to-capital nonstop route, and the service to Paris will increase to twice daily for the first time since 2015.

Ms. Westerlund reminded that Board that as they were advised during the Airline Business Update provided in September, that international growth is not coincidental. She stated that she had the opportunity to spend the prior three days before the day's meeting at World Routes with the Airline Business Development sales team, where they conducted over 80 meetings with airlines and airports from around the world. For every targeted opportunity a detailed and analytical presentation was developed that was unique to the particular airline. She stated that it was clear that several airlines were seriously considering executing on the opportunities as early as summer of 2023, and others were looking further into the future. She stated that the Airport Authority's team was joined by Vice President of Tourism at Destination DC, Theresa Belpusi, in the Airports Authority's airline meetings. She stated that Theresa and Destination DC as a whole have been strong partners to the Airports Authority in driving new routes and passenger traffic to the region.

On the concessions front, Ms. Westerlund reported that she was happy to announce another addition to the future passenger experience at Reagan National. She reminded the Board that last month, Jaimini Erskine, Vice President of Marketing and Concessions, presented to the Board nine new concepts that the Airports Authority's Fee Manager, Marketplace Development, would be bringing to the Airports of the Airports Authority. She stated that she was excited to present the last location from the recent leasing effort, which some might have seen or heard about in the prior day's press release by the Airports Authority. The awarded concept, *Capital One Landing*, is a new chef-driven concept focused on bringing an elevated dining experience to Reagan National.

Ms. Westerlund stated that Capital One is continuing to lead the way in rethinking the travel experience. Working with their exclusive partner, the legendary Chef José Andrés and his Jose Andres Group team, they will design Capital One Landing's unique and inventive food and beverage menu, focusing on authentic Spanish-style tapas. The new culinary-focused concept will offer a top-notch dining experience that travelers can

enjoy just a short walk from their gate. Capital One Landing at Reagan National will be over 5,000 square feet and centrally located at the intersection of National Hall and Concourse D, with convenient access to Concourses B, C, D and E. She stated that the Concessions team looks forward to bringing this new, innovative experience to travelers at Reagan National by the end of 2023.

Ms. Westerlund then reported that enhancing the passenger experience is a key focus for the arts program of the Airports Authority. At Reagan National, the Office of Diversity, Inclusion and Social Impact has created the Youth Art Walk, located between Terminals 1 and 2. Through partnerships with various organizations, non-profits, and schools, the Airports Authority provides space for short-term exhibits to feature student artwork. She stated that the current exhibition partners with the Capital City DC Chapter of The Links, Incorporated, for its 2022 Poster Art Competition. This year's theme, "The Art of Social Justice to Transform Communities," asked students to reflect and artistically express the work of social justice leaders, issues and efforts that impact their communities. Ms. Westerlund stated that the Youth Art Walk will highlight artwork from students at D.C. area schools.

Nearly 130 feet of artwork from students attending Jackson-Reed High School, Duke Ellington School for the Arts, and the Whittle School and Studios in Washington, DC is currently on display at the Youth Art Walk.

Ana Ruggie is the Manager of Social Impact and worked closely with Capital Links and Jackson Reed High School to curate artwork and coordinate installation. She stated that Director Judith Batty is on the board of the Capital Links Foundation and served as National Chair of Grants and Grants-in-Aid from 2014 until 2018. She continues to support the mission of Capital Links and their commitment to art and education. She thanked Director Batty for her long-term commitment to the young people in the region and the nation.

In addition to the Youth art walk, Ms. Westerlund stated that on October 7, a world-class exhibit of works by 15 contemporary Portuguese artists opened at Dulles International under an agreement between the Airports Authority's Art and Exhibits Program and Portugal's Arte Institute. The exhibit, which is titled "Arte Box: Unboxing Portuguese contemporary culture," was unveiled in conjunction with a sister display at Lisbon's Humberto Delgado Airport. The mission of Portugal's Arte Institute is to promote Portuguese contemporary culture around the world. A group of Portuguese officials, including Portugal's Ambassador to the United States

Francisco Duarte Lopes, were on hand for the opening. The exhibit is located on the ticketing level of Dulles International's main terminal in the West Hold Room near the TSA Pre-Check entrance. Housed in eight large cabinets, the art will be on display for at least six months.

Ms. Westerlund then presented as her final report, information regarding an exhibit of Ukranian Children's Art, which is scheduled to open on the ticketing level of Dulles International's main terminal in October. She stated that the exhibit – suggested by First Lady of Virginia Suzanne Youngkin and funded by the Cifers Foundation – will feature works of art by Ukrainian refugees under 14, depicting hope and peace in a time of war and conflict. The show will include about two dozen works of art. This exhibit was first presented in this summer at the Longwood Center for the Visual Arts in Farmville, Virginia. Ms. Westerlund expressed special thanks to Michael Cabbage, Corporate Relations Program Manager, for managing the arts program and his continuing role to enhance the customer experience by bringing art exhibits to Reagan National and Dulles International.

Ms. Westerlund stated that she is always happy to showcase some of the great things happening at the Airports Authority through collaboration and engagement across the Airports Authority, the Board, and the community. She stated that she looks forward to sharing some of the planned holiday passenger experiences in November.

Chairperson Sudow thanked Ms. Westerlund for her report and invited Directors to raise questions or to make comments.

Ms. Batty asked Ms. Westerlund if the Office of Revenue is able to make distinctions between the return of leisure travel and business travel.

Ms. Westerlund stated that they are unable to make official distinctions but advised that the team regularly talks with the airline partners about their corporate bookings, and they also monitor the parking garages because the time of travel tends to be somewhat different for business and leisure travelers. She stated that during discussions with the airlines at the World Roots conference, many of them commented that they are beginning to see increases in business travel. They have commented that they are not observing business travel returning for high yield revenue passenger, which means that the profitability for business travel may not yet be where the airlines desire.

Chairperson Sudow asked if the Office of Revenue team had been able to track return to office work trends in the metropolitan D.C. area as compared with other areas and how that has impacted travel from our airports. He also asked if there is any Conventions Bureau data available tracking trade shows and conferences in the region.

Ms. Westerlund advised that the Office of Revenue receives a report that tracks badge swipes for office buildings with secure entries, and stated that the data showed that the Washington, D.C. metropolitan region is a little slower than other areas of the country in the rate of employees returning to work in offices. She stated that she had not seen the latest version of that report and could not comment on current statistics.

Chairperson Sudow asked about available reports from Convention Bureaus on books in 2022 and for travel in 2023.

Ms. Westerlund stated that the Office of Revenue team works closely with other travel partners in the region and reported that convention travel is starting to increase. She mentioned that the World Bank had its Annual Meeting in Washington, D.C. a few weeks earlier. She stated that the signs are positive with respect to an increase in convention travel and added that hotels are reporting better bookings at the current time.

#### IV. NEW BUSINESS

- a. Recommendation To Award A Contract for Airport Guest Information Assistance Services at Ronald Reagan Washington National and Washington Dulles International Airports

Mr. Lazaro, Co-Chair of the Business Administration Committee, moved the adoption of the following recommendation, which was unanimously approved by all 14 Directors present:

WHEREAS, In February 2022, the Business Administration Committee concurred with staff's recommendation to issue a solicitation for airport guest information assistance services at Ronald Reagan Washington National (Reagan National) and Washington Dulles International (Dulles International) Airports using the competitively negotiated Best Value procurement method;

WHEREAS, On April 14, 2022, a Request for Proposals (RFP) was issued, and three proposals were received on May 12, 2022;

WHEREAS, The Technical Evaluation Committee (TEC) evaluated the three proposals against the evaluation criteria stated in the solicitation;

WHEREAS, The TEC concluded that only the proposal from Travelers Aid International, Inc. was technically acceptable;

WHEREAS, The Contracting Officer separately analyzed the price proposal and determined that the price submitted by Travelers Aid International, Inc. was fair and reasonable;

WHEREAS, On September 21, 2022, the Business Administration Committee was presented with the results of the competitive procurement process and recommended that the Board of Directors approve the selection of Travelers Aid International, Inc.; now, therefore, be it

RESOLVED, That the selection of Travelers Aid International, Inc. to provide Airport guest information assistance services at Reagan National and Dulles International for a three-year base term and two, one-year option periods for a combined total cost of \$4.1 million is approved; and

2. That the President and Chief Executive Officer is authorized and directed to enter into a contract with Travelers Aid International, Inc., consistent with the terms presented to the Business Administration Committee at its September 21, 2022, meeting.

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

b. Recommendation To Award A Contract for Electronic Security Systems at Ronald Reagan Washington National Airport and Washington Dulles International Airport

Mr. Lazaro, Co-Chair of the Business Administration Committee, moved the adoption of the following recommendation, which was unanimously approved by all 14 Directors present:

WHEREAS, Transportation Security Administration (TSA) regulations and directives require airport operators to control access and prevent and detect the unauthorized entry, presence and



movement of individuals and vehicles, into and within the secure areas of their airports; and

WHEREAS, Access to the secure areas is controlled by access badge credentials, card readers, and video cameras, along with each airport's Electronic Security System (ESS) services consisting of four sub-systems: namely, an Identification Badging System; Access Control and Alarm Monitoring System; Video Management System and Physical Security Information Management System; and

WHEREAS, The Airport Managers for Ronald Reagan Washington National (Reagan National) and Washington Dulles International (Dulles International) Airports are directly responsible and accountable to the TSA for each Airport's compliance with the aforementioned TSA requirements; and

WHEREAS, in November 2021, the Business Administration Committee concurred with staff's recommendation to issue a solicitation for using a two-phase competitively negotiated Best Value procurement method to obtain ESS services to meet TSA requirements at both Airports; and

WHEREAS, on January 22, 2022, a Request for Proposal (RFP) was issued, and proposals were received from three firms; and

WHEREAS, A Technical Evaluation Committee (TEC) evaluated the proposals using the evaluation criteria stated in the RFP and concluded that only the proposal from M.C. Dean, Inc. (M.C. Dean) was technically acceptable; and

WHEREAS, The Contracting Officer separately evaluated the price proposal and determined that M.C. Dean's proposal was reasonable, feasible, and complete; and

WHEREAS, The three-year base term award is valued at \$26.9 million and the two, one-year option periods are valued at \$20 million, with a total value for the five-year contract at \$46.0 million; and

WHEREAS, M.C. Dean proposes to meet the 20 percent Local Disadvantaged Business Enterprise participation requirement by subcontracting to a certified LDBE for technical labor and assistance with supplemental service; and

WHEREAS, M.C. Dean will be required to comply with the Airports Authority's Living Wage Program; and

WHEREAS, The Business Administration Committee is satisfied with the results of the competitive procurement process, as presented at its September 21, 2022, meeting; now, therefore, be it

RESOLVED, That the selection of M.C. Dean to provide ESS services at Reagan National and Dulles International for a three-year base term and two one-year option periods for a combined total cost value of \$46.9 million is approved; and

2. That the President and Chief Executive Officer is authorized and directed to enter into a contract with M.C. Dean consistent with the terms presented to the Business Administration Committee at its September 21, 2022, Meeting.

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

c. Recommendation To Award a Contract for the Metropolitan Washington Airports Authority's Duty-Free/Duty-Paid Concessions

Mr. Lazaro, Co-Chair of the Business Administration Committee, moved the adoption of the following recommendation, which was unanimously approved by all 14 Directors present:

WHEREAS, In April 2022, the Business Administration Committee concurred with staff's recommendation to issue a solicitation for the development, construction, operation, and management of a Duty-Free/Duty-Paid concession at the Metropolitan Washington Airports Authority (Airports Authority) using the Highest Price, Technically Acceptable procurement method;

WHEREAS, A Request for Proposal (RFP) was issued on May 6, 2022, and proposals were received from five firms;

WHEREAS, The Technical Evaluation Committee (TEC) evaluated the proposals using the evaluation criteria stated in the RFP and determined that all proposals were technically acceptable;

WHEREAS, The Contracting Officer separately reviewed the financial offers and determined that Dulles Duty Free LLC (Dulles Duty Free), a joint venture between Duty Free Americas (Virginia), Inc., Concourse Concessions, Inc., and RMD Holdings, LLC, offered the highest price, technically acceptable offer;

WHEREAS, Dulles Duty Free will pay the Airports Authority the greater of the MAG or 22 percent of gross receipts, with an expected total revenue for the ten-year term of \$100.3 million;

WHEREAS, Dulles Duty Free will be required to invest a minimum of \$3 million to remodel all Duty-Free/Duty-Paid locations no later than 24 months from contract commencement;

WHEREAS, The Duty-Free/Duty-Paid contract provides for four locations at Washington Dulles International Airport that will offer tax-exempt items (Duty-Free) for passengers traveling internationally;

WHEREAS, The Duty-Free/Duty-Paid contract includes a 16 percent Airport Concessions Disadvantaged Business Enterprise (ACDBE) goal that Dulles Duty Free plans to exceed with its utilization of two certified ACDBE firms who will manage the gate delivery process and on-site storage;

WHEREAS, Dulles Duty Free will be required to comply with the Airports Authority's Workers Wage Program; and

WHEREAS, The Business Administration Committee is satisfied with the results of the competitive procurement process, as presented at its September 21, 2022, meeting; now, therefore, be it

RESOLVED, That the selection of Dulles Duty Free for the development, construction, operation, and management of the Duty-Free/Duty-Paid concession for a ten-year term is approved; and

2. That the President and Chief Executive Officer is authorized and directed to enter into a contract with Dulles Duty Free to develop, construct, operate, and manage the Duty-Free/Duty-Paid concession for the Airports Authority, consistent with the terms presented to the Business Administration Committee at its September 21, 2022, meeting.

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

d. Recommendation to Award a Revolving Loan Program for the Dulles Corridor Enterprise

Mr. Speck, Co-Chair of the Finance Committee, moved the adoption of the following recommendation, which was unanimously approved by all 14 Directors present:

WHEREAS, On November 1, 2008, the Virginia Department of Transportation (“VDOT”) transferred the Dulles Toll Road to the Metropolitan Washington Airports Authority (“Airports Authority”) pursuant to the Master Transfer Agreement Relating to the Dulles Toll Road and the Dulles Corridor Metrorail Project, dated December 29, 2006, by and between VDOT and the Airports Authority;

WHEREAS, On the same date, VDOT and the Airports Authority entered into the Dulles Toll Road Permit and Operating Agreement (“Permit and Operating Agreement”) granting a permit to the Airports Authority for the following 50 years, among other things, to operate, maintain and improve the Dulles Toll Road, to establish, charge and collect tolls and other fees for the privilege of using the Dulles Toll Road, and to retain, use, pledge and assign revenues from such tolls and other fees, all in accordance with the terms and conditions of the Permit and Operating Agreement;

WHEREAS, Under the Permit and Operating Agreement, the Airports Authority is responsible for the design and construction of an extension of the Washington Metrorail system from the West Falls Church Station to and through Washington Dulles International Airport, ending at a new station on Virginia Route 772 (the “Dulles Metrorail Project”), to be located in part within the Dulles International Airport Access Highway right-of-way;

WHEREAS, Pursuant to the Master Indenture of Trust, between the Airports Authority and Manufacturers and Traders Trust Company, as trustee (the “Trustee”), dated as of August 1, 2009, as amended (the “Master Indenture”), and various supplemental indentures of trust related thereto, the Airports Authority has issued various Series of Bonds relating to Costs of the Dulles Metrorail Project, certain Capital Improvements, and certain other purposes (each of the capitalized terms as defined in the Master Indenture);

WHEREAS, The Airports Authority is, from time to time, in need of interim financing relating to Costs of the Dulles Metrorail Project, certain Capital Improvements, and certain other purposes;

WHEREAS, City National Bank, a national banking association (together with its successors and permitted assigns, the “Taxable Lender”), and CN Financing, Inc. (together with its successors and permitted assigns, the “Tax-Exempt Lender,” and together with the Taxable Lender, the “Lender”) have agreed to provide such interim financing through loans (the “Revolving Loans”) under the provisions of a Revolving Credit Agreement to be entered into between the Airports Authority and the Lender (the “Revolving Credit Agreement”);

WHEREAS, In connection with such Revolving Loans, the Airports Authority desires to authorize the issuance to the Lender of a Series of Bonds to be designated “Dulles Toll Road Second Senior Lien Revenue Revolving Loan Notes, Series One (Dulles Metrorail and Capital Improvements Projects)” in the aggregate principal amount not to exceed \$150,000,000 outstanding at any one time, to be issued in two subseries as further described in the hereinafter defined Fourteenth Supplemental Indenture (the “Revolving Loan Notes”), the proceeds of which shall be used, as determined from time to time, to (i) finance Costs of the Dulles Metrorail Project, certain Capital Improvements, and certain other purposes, including reimbursements to the Airports Authority, and (ii) pay costs of issuing the Revolving Loan Notes; and

WHEREAS, There has been presented to the Airports Authority the forms of the following documents for execution in connection with the Revolving Loans and the issuance of the Revolving Loan Notes, copies of which documents shall be filed in the records of the Airports Authority:

- a. the form of the Fourteenth Supplemental Indenture of Trust, between the Airports Authority and the Trustee, dated as of November \_\_, 2022 (the “Fourteenth Supplemental Indenture”), relating to the issuance of the Revolving Loan Notes, which supplements the Master Indenture;
- b. the forms of the Revolving Loan Notes, attached as Exhibits A-1 and A-2 to the Fourteenth Supplemental Indenture; and
- c. the form of the Revolving Credit Agreement.

NOW, THEREFORE, BE IT RESOLVED,

1. That the Fourteenth Supplemental Indenture, the Revolving Loan Notes and the Revolving Credit Agreement (collectively, the "Revolving Loan Documents") shall be and hereby are approved in substantially the forms submitted to the Board of Directors at this meeting, with such completions, omissions, insertions and changes necessary to reflect the transactions to be accomplished by such documents or as otherwise may be approved by the persons executing them, their execution to constitute conclusive evidence of the Board of Directors' approval of such completions, omissions, insertions and changes;
2. That the Revolving Loan Notes shall be issued as Second Senior Lien Bonds, pursuant to the Master Indenture and the Fourteenth Supplemental Indenture, and delivered to the Lender to evidence the Reimbursement Obligations (as defined in the Revolving Credit Agreement) and all Other Obligations (as defined in the Revolving Credit Agreement) of the Airports Authority to the Lender under the Revolving Credit Agreement, all upon the terms and conditions specified therein and in the Master Indenture and the Fourteenth Supplemental Indenture;
3. That the Other Obligations of the Airports Authority under the Revolving Credit Agreement shall constitute Operation and Maintenance Expenses as defined in the Master Indenture and shall be payable from amounts in the Operation and Maintenance Fund established under the Master Indenture;
4. That each of the Chairperson, the Vice Chairperson, either Co-Chair of the Finance Committee, the President and Chief Executive Officer, the Senior Vice President and General Counsel, the Senior Vice President for Finance and Chief Financial Officer and the Manager of Treasury is hereby appointed as an "Authority Representative" under the Master Indenture and the Fourteenth Supplemental Indenture;
5. That the application of the proceeds of the Revolving Loans for the purposes set forth herein is authorized and directed;

6. That the Chairperson or the Vice Chairperson is authorized and directed to execute, by manual or facsimile signature, the Revolving Loan Documents and any other documents or certificates necessary in connection therewith;
7. That the Secretary or Assistant Secretary is authorized and directed to affix, as applicable, the Seal of the Airports Authority or a facsimile thereof on the Revolving Loan Documents, after their execution by the Chairperson or Vice Chairperson, to attest the same, by a manual or facsimile signature, and to deliver the Revolving Loan Notes to the Trustee for authentication upon the terms provided in the Master Indenture and the Fourteenth Supplemental Indenture;
8. That each of the Authority Representatives is authorized, with respect to the Revolving Loan Notes, to execute one or more tax compliance certificates on behalf of the Airports Authority to implement the covenants and agreements set forth in the Fourteenth Supplemental Indenture and to make any election permitted by the Internal Revenue Code of 1986, as amended, that is determined by such officer to be to the advantage of the Airports Authority; and the representations, agreements and elections set forth in the executed tax compliance certificate(s) shall be deemed to be the representations, agreements and elections of the Airports Authority, as if the same were set forth in the Fourteenth Supplemental Indenture;
9. That each of the Authority Representatives is authorized to execute, deliver and file all other certificates and instruments related to the Revolving Loans and the issuance and delivery of the Revolving Loan Notes, including the Internal Revenue Service Forms 8038 and/or 8038-G, as applicable, and to take any further action as the officer may consider necessary or desirable in connection with the Revolving Loans and the issuance and delivery of the Revolving Loan Notes;
10. That any authorization provided in this Resolution to execute a document shall include authorization to deliver the document to the other parties thereto; and

11. That any other acts of the Authority Representatives or any other officer of the Airports Authority that are in conformity with the purposes, intent and conditions of this Resolution and in furtherance of the execution, delivery and performance by the Airports Authority of the Revolving Loan Documents are hereby authorized, and the authorizations granted herein to such officers of the Airports Authority shall apply equally to any person serving in such capacity on an interim or acting basis; and
12. That the Airports Authority is authorized to make expenditures for the purpose for which Revolving Loan Notes are to be issued in advance of the issuance and receipt of the proceeds of thereof and to reimburse such expenditures from the proceeds of the Revolving Loan Notes. The adoption of this Resolution shall be considered as an “official intent” within the meaning of Treasury Regulation Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

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

e. Recommendation to Extend Existing Fixed-Base Operator Contract at Washington Dulles International Airport

Mr. Lazaro, Co-Chair of the Business Administration Committee, moved the adoption of the following recommendation, which was unanimously approved by all 14 Directors present:

WHEREAS, In January 2022, the Metropolitan Washington Airports Authority (Airports Authority) solicited for two Fixed-Base Operators (FBO) for Leaseholds #1 and #2 at Washington Dulles International Airport (Dulles International);

WHEREAS, In June 2022, the Business Administration Committee approved the award of two FBO operators, one for Leasehold #1 to Signature Flight Support LLC (Signature) and one for Leasehold #2 to Jet Aviation Dulles LLC (Jet Aviation);

WHEREAS, Signature executed its contract for Leasehold #1 on August 9, 2022;



WHEREAS, Jet Aviation declined to execute the contract for Leasehold #2 and the Airports Authority consequently cancelled the award to Jet Aviation;

WHEREAS, The current contract with Jet Aviation expires on October 31, 2022;

WHEREAS, The proposed amendment extends the contract through October 31, 2023, to allow for re-solicitation and allows the Airports Authority to terminate the contract with 60 days' notice;

WHEREAS, There is a significant amount of transient traffic and there are existing hangar tenants requiring FBO services, such as aircraft fueling, ground handling, passenger handling, aircraft charter operations, and aircraft parking, towing, and maintenance;

WHEREAS, The Airports Authority requires two FBOs to manage these operations;

WHEREAS, Jet Aviation is the only contractor able to provide FBO services at Leasehold #2 without disruption of service to general aviation clients at Dulles International and a loss of revenue to the Airports Authority;

WHEREAS, The proposed sole source extension is permitted in accordance with Section 3.7.5 of the Airports Authority's Contracting Manual; now therefore be it

RESOLVED, That the President and Chief Executive Officer is authorized and directed to enter into a 12-month extension of the existing Contract with Jet Aviation, Contract No. MWAA-6-15-C001, to provide FBO operations for 12 months, through October 31, 2023, as presented to the Business Administration Committee at its October 19, 2022, meeting.

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

## **V. Unfinished Business**

There was no Unfinished Business.

## VI. Other Business & Adjournment

Mr. Sudow thanked everyone for their attendance of the day's Board Meeting.

Chairperson Sudow stated that he anticipates that the Board and Executive staff will return to in-person Board and Committee meetings at the Airports Authority's Corporate Office Building at Two Potomac Yard for the November 16, 2022, Annual Meeting of the Airports Authority's Board of Directors. He stated that the public will continue to participate in the meetings virtually, through a Zoom link made available on the Airports Authority's website.

A motion to adjourn the October 19, 2022, Board of Directors Meeting was made by Mr. Pozen, seconded by Ms. Batty, and unanimously approved. The Meeting was thereupon adjourned at 10:22 a.m.

Respectfully submitted,



Monica R. Hargrove  
Vice President and Secretary

Approved November 16, 2022