BOARD OF DIRECTORS MEETING

Minutes of June 4, 2008

The regular monthly meeting was held in the Board Conference Room at 1 Aviation Circle and was called to order by the Chairman at 9:05 a.m. Eleven Directors were present during the meeting:

H.R. Crawford, Chairman
James L. Banks, Jr.
William W. Cobey Jr.
Anne Crossman
Michael David Epstein
Weldon H. Latham
Leonard Manning
Michael L. O'Reilly
Mame Reiley
Charles D. Snelling
David G. Speck

The following Officers were present:

James E. Bennett, President and Chief Executive Officer
Margaret E. McKeough, Executive Vice President and Chief Operating Officer
Philip G. Sunderland, Vice President and General Counsel

I. MINUTES OF THE MAY 7, 2008 BOARD MEETING

The Chairman called for approval of the minutes of the May 7, 2008 meeting, which were unanimously adopted.

II. COMMITTEE REPORTS

a. Audit Committee

Mr. O'Reilly reported that the Audit Committee met on May 21, 2008 with PricewaterhouseCoopers, the financial statement auditors. The auditors presented the results of the 2007 calendar year financial statement audit. The auditors highlighted a few items that were discussed with the Committee. Bert Smith & Company provided the results of the A-133 Audit which is required by federal law. The Auditors stated that no compliance issues were noted. The Committee also considered recommendations to improve controls and financial results for a large revenue producer at Dulles. The Committee acknowledged that Management would follow-up on this review and update the Committee at a future meeting.

b. Business Administration Committee

Mr. Manning reported that the Business Administration Committee met on May 21, 2008. The Committee received a report from Steve Baker on $221,000,000 of contracts awarded for February, March and April 2008. The Committee received a presentation by Chris Browne to proceed with the award of six (6) rental car contracts serving Dulles Airport which will be presented later in the meeting. Mr. Manning reported that Steve Baker updated the Committee on the Airline Use and Lease Agreement, and stated that he, Mr. Browne and Mr. Bennett would have a discussion at a later date. The Committee received a report from Paul Malandrino and Chris Browne on the skycap wages at Reagan National and Dulles Airports.

Mr. Latham asked if staff had proceeded with advertising on Metrobuses as previously discussed. Ms. McKeough stated that there will be a presentation at the June 18 meeting about all of the Airports Authority's advertising analysis, and new venues for advertising.

c. Dulles Corridor Committee

On behalf of Ms. Reiley, Mr. Brown reported that a joint meeting of the Dulles Corridor and Finance Committee was held on May 21, 2008 to discuss the Rail Project. The meeting was in executive session and a number of topics were discussed with regards to the Airports Authority relationships with the Federal Government.

d. Finance Committee

Mr. Brown stated that the Finance Committee met on May 21, 2008 and heard a report from the financial advisors regarding the spring financing discussed over the past few months. The Committee received a recommendation to move forward with a $250 million fixed-rate financing to be priced and mailed over the next 10 days. The Committee discussed that a smaller series of bond anticipated notes (BANS) totaling $150 million in short serial bonds would be priced shortly thereafter. The purpose of the financings are to take advantage of current market opportunities and to increase liquidity for construction. These financings will be used to pay off certain outstanding commercial paper and to provide cash to support the Airports Authority's ongoing construction program. The Resolution with respect to the short term financing will give delegation authority to the Finance Committee to act at its June 18, 2008 meeting with respect to the specific size of the financing. An Executive Session meeting was also held with the financial advisors to discuss the Dulles Corridor Program.

Mr. Crawford stated that the Board Members had been in conversation with Mr. Brown and hopefully were in accord with the modifications to the Resolution to be made today.

e. Strategic Development Committee

Mr. Cobey stated that the Committee met on May 21, 2008 in Executive Session and a brief summary was included with materials for the day's meeting. There were no questions and concluded his report.

III. INFORMATION ITEMS

a. President's Report

Mr. Bennett reported on a number of items.

Dulles Metrorail Update. He stated that work is continuing on the rail project, and a team is in Philadelphia meeting with the regional administrator and staff to get the FTA's signoff to initiate early construction in the Tysons Corner area. This construction will focus on critical path items such as the tunnel at Route 123 and Route 7. Mr. Bennett stated that the Airports Authority has met with Dulles Transit Partners, Fairfax and Loudoun counties, WMATA, and the Commonwealth of Virginia to discuss advancing the project. The Airports Authority executed an Amended Agreement which allows the work to continue. The Airports Authority will begin to escalate the level of intensity and activity on utility relocation in the Tysons Corner area. The Airports Authority is hiring new staff dedicated to the Rail Project and the level of staffing will increase as the momentum of the project picks up.

Mr. Bennett stated that the Virginia Supreme Court should render its decision on the lawsuit challenging the Commonwealth's ability to transfer the Toll Road to the Airports Authority by June 6. If the Commonwealth and the Authority receive a favorable determination, the activity for transferring the Toll Road will escalate quickly, and the Airports Authority would attempt to consummate such a transaction within a few weeks. This action would give the Airports Authority operational control of the Toll Road, and place the Airports Authority in a better position to fund the construction. Mr. Bennett stated that he would provide an update to the Board later in the meeting about the Supreme Court decision.

Runway Project at Dulles. Mr. Bennett reported that work continues on this project, and that a preliminary flight check of the runway was completed. The flight check identified the need to adjust the approach lights from the south. This approach presents challenges as one approaches the lights because the pilot has to cross an active runway and parallel taxiway. The Airports Authority staff is adjusting these lights based on the flight test. The new runway will be officially designated as Runway 1 left 19 right at Dulles, and the existing runway will become Runway 1 center 19 center. This process requires changing numerous airfield signs that lead pilots and others to the runway. The FAA will be required to change its publications worldwide to notify the airline industry of changes to the Dulles runways. It requires the Airports Authority to re-paint the runway numbers to the appropriate designation. The National Weather Service at Dulles has a new radar system that is operating in test mode and they will be switching over to this system shortly. Removal of the old radar system will clear the runway's north approach.

Memorial Day. Mr. Bennett reported that the first holiday of the summer travel season went relatively smoothly. Both Airports were busy, but operations worked well. Security lines were not bad, traffic was strong, however, it is too soon to compare the level of activity to previous years.

Mr. Bennett anticipated that there will be a considerable reduction in domestic capacity in the 4th quarter of this year as airlines deal with rising fuel costs. United Airlines announced that it will undergo major reductions in its operations in the fall. United will be reducing domestic capacity by 17-18 percent this year into early 2009. United will begin parking approximately 100 planes as it struggles with rising fuel costs.

Taxi meters: The new D.C. Taxi meter regulation is being enforced. The transition has been smooth and the Airports Authority has not had any major problems of taxicabs showing up without installed meters. The Airports Authority implemented its new parking rates at both Airports and we have experienced no difficulties at Reagan National. At Dulles, vendor supplied software upgrades for the pay & go machines were not working with the new rate increases. While this problem was being corrected, the pay & go fees were collected at the booths.

Mr. Bennett reported that the Washington Post is working on a series of articles concerning commuting around the Washington Metropolitan region and how people are coping with high fuel prices and roadway congestion. He stated that people are looking for ways to cheat the system. One of those ways is backtracking through Dulles Airport and commuting on the access highway versus the Dulles Toll Road. The Post has been interviewing Police Chief Holl and the Virginia State Police on the number of people doing this, and how they enforce the backtracking program.

Ms. Reiley stated that the article might be interesting, but it will also make people aware that you can do it. Currently, only a small percentage of people are aware how to do this. Ms. Reiley fears that a story like this may serve as a "How to Guide". She also stated that the Airports Authority could be put in a position of having a much larger issue to deal with. Ms. Reiley asked if there had been discussion with the Post about the affects of this article.

Mr. Bennett stated that the Airports Authority focused more on the number of tickets written, the amount of fines charged and the number of points assessed to a driver caught backtracking. He noted that the Airports Authority has an aggressive enforcement program and did not disclose how the Airports Authority enforced it. Ms. Reiley stated that there are people who are looking to break the rules and it would be extremely hard to enforce, unless a system is in place to prevent it. Ms. Reiley suggested that this situation be re-visited with the Post.

AED Machines. Mr. Bennett shared a "good news" story about the AED machines that are located throughout both Airports. On May 31, two Airports Authority police officers, Luis Castellon and Keith Shibley were informed that a female passenger collapsed near the escalators by security at Dulles. Another passenger, who was a doctor happened by the scene and assisted as Airports Authority officers retrieved an AED, and administered CPR to revive the passenger. The AED administered a shock and revived the passenger who was alert when the rescue unit arrived. She was transported to the hospital for further treatment. Mr. Bennett noted that several similar situations had occurred where an AED machine was needed. He encouraged staff to get trained using this equipment.

Dulles Corridor Rail Association Reception. Mr. Bennett reminded everyone that the DCRA is hosting an appreciation reception on June 11 honoring Governor Kaine for his work in getting the Dulles Rail Project approved and into final design. The Airports Authority is one of the sponsors and Mr. Bennett encouraged Board Members to attend.

Ms. Reiley inquired about TSA staffing improvements. Mr. Bennett stated that TSA staffing is under control at both Airports and that efforts are being made to install new x-ray machines. These machines should do a better job of imaging bags during the screening process.

Mr. Crawford asked about his request to make the Airports more customer friendly by providing a place where passengers could recharge their cell phones and computers. Mr. Bennett responded that the Airports Authority currently has an agreement with a firm to install charging stations for laptops and cell phones throughout the Airports. This effort will be discussed in more detail in the Business Administration report on Advertising Opportunities.

Mr. Crawford inquired about the Authority adding additional signage to inform the public about cancellations and delays. Mr. Bennett stated that the Airports Authority is revising some locations for the placement of the Mufid signs. He stated that there are challenges with accomplishing this at Dulles, due to the temporary situation with security; there are not many places to put the signs before reaching the security check points.

Mr. Crawford requested that staff plan a meeting with John Catoe, WMATA's General Manager, and the WMATA Board. Mr. Bennett stated that he communicates with Mr. Catoe frequently. Mr. Snelling noted that it would be beneficial to meet WMATA's Board Chair and Management, and to develop a less formal, and more collegiate and collaborative relationship with the leadership. It was acknowledged that this had not happened in the past. Mr. Crawford agreed and noted that WMATA is the Airports Authority's partner. He suggested that staff schedule an informal meeting in the fall. Mr. Crawford also stated that the Airports Authority would make a presentation on the Toll Road project planning to the Federal City Council in the fall.

Mr. Snelling recommended that wi-fi should be made available in all of the terminals. Mr. Bennett stated that wi-fi exists throughout both airports and a few coverage poles at Dulles. He reported that passengers who subscribed with AT&T or Verizon enjoyed a very robust system at both Airports. Mr. Snelling clarified that he was suggesting that free wi-fi be made available. Mr. Bennett stated that he would explore the future possibility, but that the Airports Authority vendor contract allows the vendor to sell this service to individuals who are not current subscribers in exchange for installation costs. The Airports Authority has a consortium of cell phone providers on the network.

b. Executive Vice President's Report

April Passenger Activity. Ms. McKeough summarized April's passenger activity and noted it was consistent with today's U.S. aviation industry. Over the past few months, the Airports Authority reported on a comparative basis, a decline in passenger activity level to the same period last year. This is due to a decrease in airline servicing at both Airports. The airlines continue to struggle as they adapt to existing financial challenges. In April 2008, the U.S. aviation industry experienced an average decline in passenger activity of 4.5%. During this same period National's activity declined by 4%, a decrease of 70,000 passengers, and Dulles by 7.6%, a decrease of 170,000 passengers. The Airports Authority's domestic activity at Dulles declined about 11% while international activity increased by 3.5%. Cargo activity at Dulles increased by 2% and freight increased by 1% with international freight activity increasing by 5%. For the first four months in 2008, the U.S. aviation industry passenger activity level decreased 1%. National and Dulles both exceeded that level at 3% and 4.3%, respectively. International activity at Dulles was up11% compared to the first four months of 2007. Mr. Snelling asked, "if staff understood why Reagan National had a lesser decline than Dulles." Ms. McKeough stated that Reagan National is a demand-driven Airport with a slot structure in place so the Airports Authority realizes less capacity reductions.

Mr. Speck asked, how often the Airports Authority conducted focus group meetings. Ms. McKeough stated that the focus group meetings are scheduled annually towards the end of each year, but none have been scheduled for this year thus far. Mr. Speck believed that the group meetings were quite helpful and asked to be notified when they are scheduled.

IT Update. Ms. Crossman stated that the pre-bid conference for the Enterprise Resource Program was held in April and over 100 firms were represented. Over 300 questions relating to the RFP process had been received and answered by staff. The original due date for proposals receipt had been extended to June 3, and additional proposals have since been received. The Technical Evaluation Committee is currently being assembled to evaluate the proposals and the pre-ERP activities are underway.

IV. NEW BUSINESS

a. Award of Contract for Rental Car Concessions at Dulles

Mr. Manning reported that the Business Administration Committee recommends Board approval to award six contracts for rental car concessions at Dulles Airport effective July 1, 2008. The following companies were recommended: The Hertz Corporation; Avis Rent A Car System, LLC; Vanguard Car Rental USA, Inc.; Budget Rent A Car System, Inc.; Dollar Thrifty Automotive Group, Inc.; and Enterprise Leasing Company. The minimum guaranteed revenues for these contracts totaled $79,969,841 compared to the previous five-year contract guarantee of $42,705,610. Mr. Manning stated that the car rental revenues are expected to exceed the minimum annual guarantee, therefore, the companies will be required to pay 10% of their gross receipts, instead of the minimum guaranteed amount.

Mr. Latham asked if the Audit process evaluates how well the 10% annual DBE goal is being met. Ms. McKeough stated that Equal Employment Opportunity staff works with both Airports to ensure the rental car companies report on a monthly basis. Ms. McKeough acknowledged the challenge to accomplish this efforts. Mr. Latham asked if there were any penalties imposed if the goal was not met. For example, if at the end of the first year, the goal was not met, what action does the Airports Authority take. Mr. Baker and Margaret McKeough noted how the structure of the Federal DBE regulations impact the type of DBE participation that could be formally acknowledged, and addressed some of the historical issues impacting the rental car DBE participation levels across the industry. Mr. Latham requested staff to be more aggressive in the oversight of the DBE participation levels. He requested that Mr. Bennett meet with the rental industry to emphasize the Airports Authority's commitment to the DBE contract terms and program achievements prior to the execution of the new Dulles rental car contracts. Mr. Latham indicated that he would be willing to participate in such a meeting. He also requested the Airports Authority management continue to monitor and meet with the companies annually to review their progress.

Mr. Bennett responded that he would try to make arrangements for that meeting. Mr. Bennett also stated that there was a separate set aside opportunity for a DBE to participate in a car rental business. He stated that the Airports Authority worked with several operators and tried to facilitate such companies entry into the rental car business as a minority-owned firm. These operators were unable to secure financing, and affiliations with reservation systems and travel agencies to be successful in establishing the business. He stated that management has worked with multiple firms and that opportunities are still available at Dulles for any minority or DBE firm to set up an operation.

Mr. Snelling stated that the rental car companies have been resistant in complying with their responsibilities under the contract. He stated that management must pursue them and hold them accountable. He stated that these contracts need tougher restrictions in this area and should give the Airports Authority more enforcement opportunities. Mr. Snelling agreed with Mr. Latham that the Airports Authority must make it tough for them to resist.

Mr. Crawford asked if the rental car companies produced the largest income for the Authority. Mr. Bennett responded that they were second and that public parking was the largest. Mr. Crawford stated that in view of these comments and concerns expressed by the Board, such information should be communicated to the rental car companies.

A motion was made to vote on this issue; it was seconded and approved.

b. <u>Authorization of Airport System Revenue Bonds, Series 2008A and Series 2008B</u>

Mr. Brown offered a resolution to adjust the Proposed Resolution located under Tab A-5. The original authorization amount for the Series 2008B Bonds totaled $150 million including the series one's notes. Mr. Brown indicated that some refinements had been made over the past week and the Airports Authority will probably end up with a lower number. He stated that the authorization should recommend the full $150 million issue. Additionally, that page 2 of the resolution discussed the Bond Purchase Agreement for the Series 2008A Bonds between the Airports Authority and Morgan Stanley. The Series 2008A Bonds will be underwritten by Morgan Stanley and Siebert Branford Shank as Co-Senior Managers and the Airports Authority's remaining underwriters, except for Bear Stearns. Mr. Brown stated that for the Series 2008B Bonds, Siebert Branford Shank would be the Senior Manager and the Bond Purchase Agreement will be amended to provide Siebert Branford Shank and Morgan Stanley as Co-Seniors. Mr. Brown noted that with respect to the bonds the resolution contains a delegation to make changes to size, structure and to approve pricing.

The official statements should be in substantial complete form. Mr. Brown wanted comfort from counsel that this is sufficient to accommodate changes that may be made as part of the due diligent process. Staff will have some changes that may be material in the course of their discussion with underwriters and counsel. Mr. Brown wanted the minutes to reflect that counsels "head nodding" in acceptance that they have some latitude to make changes in the official statements.

Mr. Brown expressed that the delegation has a termination date. With regards to the Series 2008B Bonds, the delegation would initially be with the Finance Committee and should be reflected in the resolution. Additionally, delegated authority should be given to the following designated officers (Chairman, or Vice Chairman and the Chairman of the Finance Committee) to act as necessary. As a governance matter, Mr. Brown indicated a preference when possible, that delegations be made through duly constituted Committtees. Mr. Brown thought this would be a better way to conduct the Directors' business, and he preferred to see delegation with additional latitude for Officers. Subsequently, Mr. Brown reported that if the Finance Committee needed delegation for the pricing or to make a decision on the size and structure of Series 2008B Bonds, this should be accomplished by the Finance Committee, and not by individual Officers. Additionally, discussion was held about the Finance Committee's delegation of authority on the Series 2008B Bonds with respect to sizing, structure and pricing. Mr. Brown stated that all of the delegation listed on pricing and call features should remain in place for individual Officers for the Series 2008A and Series B Bonds.

Mr. Brown explained in detail the Finance Committee's thinking around execution of the Series 2008A and 2008B Bonds issuance after questions were raised by the Board. A discussion was held about the market and interest rate levels.

Mr. Snelling expressed that the market was still unstable and the Financial Advisor, Ken Gibbs provided an oversight of the market, risk and executions. Mr. Banks inquired about the bond sizing and Mr. Brown responded about the Finance Committee's discussion on this issue. Mr. Brown also discussed the Airports Authority need for liquidity to support capital need.

Ms. Reiley asked Mr. Gibbs if he agreed with the structure. Mr. Gibbs responded affirmatively.

Mr. O'Reilly inquired about the financing team's determination that the deal should not exceed $350 million. He reported he was uncomfortable in allowing the Finance Committee the authority to exceed the amount determined by the financing team. He stated that the Finance Committee was now requesting that the Board authorize the financing team to go up to $400 million. Mr. O'Reilly stated that he was reluctant to proceed differently than the financing team's recommendation, which would allow the Finance Committee the authority to exceed historical limitations. Mr. Banks expressed similar concerns.

Mr. Brown provided discussion around the coverage ratio and agreed that the delegation in the resolution exceeded the historical test, and the amount of the deal should be capped based on the financing team's recommendation.

A discussion occurred regarding BANs and the resolution under which BANs could be issued.

Mr. Speck asked for clarification on the Financial Advisor's recommendation and questioned the circumstances under which another $50 million could be issued. Further discussion was held about BANs and the timing of when the additional financing could be issued. The Financial Advisor provided more clarification regarding the evolution of the structure and the benefits of the execution, as well as, a comparison of how the deals conformed with historical structure of previous Airports Authority's financings.

Mr. Snelling reported that he is comfortable with the financing team and felt that they have been working to resolve the problems with the structure.

Mr. O'Reilly asked to amend the amendment he offered to meet the appropriate test, whether historical or prospective, as determined by the finance team.

Mr. Brown was in agreement at its core and stated that the Finance Committee would take no action in violation of the Airports Authority's bond covenants.

Ms. Crossman asked if someone could provide a list of changes to the resolution before a vote was held. Mr. Brown discussed the changes. Ms. Crossman requested a copy of the revised proposed resolution.

Mr. Speck asked if the Board had concerns about creating a liquidity problem. Mr. Snelling responded that the Board is making sure that funds are available, if needed. Mr. Speck expressed some discomfort about the deal structure and indicated that the Board did not necessarily need to execute this deal.

Mr. Brown acknowledged Mr. Speck's concern and described how the deal was previously executed and the Finance Committee's goal of making sure that funding is available. He stated that staff should not be constrained because funding is not available to carry out projects. He stated that the Committee's goal is to make sure that funding is available as needed and that staff will make a decision on how fast to pursue the construction program. Mr. Brown stated that the Committee wanted to be a little bit ahead on the funding side.

The Resolution was thereupon unanimously adopted.

V. UNFINISHED BUSINESS

Mr. Crawford inquired about the status of the Job Fair, sponsored by the Airports Authority, scheduled for Thursday, June 19, 2008, at the ARCH. Ms. McKeough responded that preparations were complete, the participating airline and airport businesses had been confirmed and that Mayor Fenty and Members of the Council of the District of Columbia had been invited.

Mr. Crawford requested that Ms. Reiley and Mr. Manning plan a Board retreat.

VI. OTHER BUSINESS AND ADJOURNMENT

There being no further business, the Chairman adjourned the meeting.

Respectfully submitted,

Quince T. Brinkley, Jr.
Vice President and Secretary

Approved 9.3.08

RESOLUTION NO. 08-6

Authorizing Issuance of
Airport System Revenue Bonds, Series 2008A and 2008B
And
Bond Anticipation Notes, Series One

WHEREAS, the Board of Directors of the Metropolitan Washington Airports Authority ("Authority") desires to authorize the issuance of (a) Airport System Revenue Bonds, Series 2008A ("Series 2008A Bonds") in an aggregate amount not to exceed $250,000,000 to refund a portion of its outstanding commercial paper notes, and (b) up to an aggregate amount not to exceed $150,000,000 of Airport System Revenue Bonds, (the "Series 2008B Bonds") and Airport System Revenue Bond Anticipation Notes, Series One (the "Series One Notes" and together with the Series 2008A Bonds and the Series 2008B Bonds, the "Obligations") to finance certain capital improvements ("Projects") at Ronald Reagan Washington National Airport and Washington Dulles International Airport (collectively, the "Airports");

WHEREAS, the Board of Directors wishes to set forth guidelines for determining the interest rate or rates, maturities and other terms of the Obligations;

WHEREAS, a public hearing has been held relating to the Projects to the extent required by Section 147 of the Internal Revenue Code of 1986, as amended (the "Code");

WHEREAS, the Governor of Virginia and the Mayor of the District of Columbia have approved the issuance of the Obligations, to the extent that these bonds and notes are subject to Section 147 of the Code;

WHEREAS, the Authority desires to declare its "official intent" to finance a portion of the cost of the Projects, including capitalized interest with respect to the Projects, with proceeds of bonds, other than the Obligations, (the "Future Bonds") and for the Authority to be eligible for reimbursement from proceeds of Future Bonds, when issued, for expenditures related to the Projects paid prior to the issuance of such Future Bonds;

WHEREAS, the Series One Notes will be issued as bond anticipation notes and will be secured, in part, by proceeds of the bonds (the "Take-out Bonds") to be issued, as provided in this Resolution, under the Amended and Restated Master Indenture of Trust, dated as of September 1, 2001, as amended, between the Authority and Manufacturers and Traders Trust Company (the "Trustee"), successor to Allfirst Bank, (the "Master Indenture") as provided in this Resolution;

WHEREAS, the Board of Directors now desires to authorize the issuance of the Take-out Bonds, subject to compliance with all provisions of the Master Indenture applicable thereto and in accordance with conditions herein; and

WHEREAS, there has been presented to the Board of Directors the form of the following documents that the Authority proposes to execute in connection with the issuance of the Obligations, copies of which documents have been filed in the records of the Authority:

(a) a Supplemental Indenture of Trust (the "Series 2008A Supplemental Indenture"), between the Authority and the Trustee, relating to the issuance of the Series 2008A Bonds, which supplements the Master Indenture;

(b) a Supplemental Indenture of Trust (the "Series 2008 B Supplemental Indenture"), between the Authority and the Trustee, relating to the issuance of the Series 2008B Bonds, which supplements the Master Indenture;

(c) a Supplemental Indenture of Trust (the "Series One Notes Supplemental Indenture" and together with the Series 2008A Supplemental Indenture and the Series 2008B Supplemental Indenture, the "Supplemental Indentures"), between the Authority and the Trustee, relating to the issuance of the Series One Notes, which supplements the Master Indenture;

(d) the form of the Series 2008A Bonds, attached as Exhibit A to the Series 2008A Supplemental Indenture;

(e) the form of the Series 2008B Bonds, attached as Exhibit B to the Series 2008B Supplemental Indenture;

(f) the form of the Series One Notes, attached as Exhibit B to the Series 2008B Supplemental Indenture;

(g) the Bond Purchase Agreement relating to the Series 2008A Bonds (the "Series 2008A Purchase Contract") between the Authority and Morgan Stanley and Co., Incorporated, on behalf of itself and the other underwriters listed therein (collectively, the "Series 2008A Underwriters");

(h) the Bond Purchase Agreement relating to the Series 2008B Bonds (the "Series 2008B Purchase Contract") between the Authority and Siebert Brandford Shank & Co., LLC, on behalf of itself and the other underwriter listed therein (collectively, the "Subseries 2008B Underwriters");

(i) Bond Purchase Agreement relating to the Series One Notes (the "Series One Notes Purchase Contract" and together with the Series 2008A Purchase Contract and the Series 2008B Purchase Contract, the "Purchase Contracts") between the Authority and Siebert Brandford Shank & Co., LLC, on behalf of itself and the other underwriter listed therein (collectively, the "Series One Notes Underwriters" and together with the Series 2008A Underwriters, and the Subseries 2008B Underwriters, the "Underwriters");

(j) the form of a Refunding Agreement (the "CP One Refunding Agreement") between the Authority and the Trustee relating to a portion of the Authority's outstanding Airport System Commercial Paper Notes, Series One (the "Refunded One CP Notes");

(k) the form of a Refunding Agreement (the "CP Two Refunding Agreement" and together with the CP One Refunding Agreement, the "CP Refunding Agreements") between the Authority and the Trustee relating to all of the Authority's outstanding Airport System Commercial Paper Notes, Series Two ("Refunded CP Two Notes" and together with the Refunded CP One Notes, the "Refunded CP Notes"); and

(l) the Official Statements in preliminary form, relating to the public offering of the Obligations (the "Official Statements");

NOW, THEREFORE, BE IT RESOLVED

1. That the Underwriters are authorized to distribute the Official Statements to prospective purchasers of the Obligations;

2. That the Obligations shall be issued in book entry form pursuant to the Master Indenture and the Supplemental Indentures and sold to the

Underwriters pursuant to the Purchase Contracts, all upon the terms and conditions specified therein;

3. That the Finance Committee shall determine at the June meeting of such committee the amount and bond structure of Series 2008B Bonds and Series One Notes to be issued; provided however, the issuance of any such Series 2008B Bonds and Series One Notes shall be in compliance with the conditions and covenants of the Master Indenture relating to the issuance of additional Bonds.

4. That, subject to paragraph 3 above, the Chairman, or Vice Chairman, and the Chairman of the Finance Committee are authorized until July 2, 2008, and directed to jointly determine, after the series of Obligations have been priced in the market, the following:

(a) the exact principal amount and series designation of the Obligations, which may be sold at different times;

(b) the interest rate or rates of the Obligations;

(c) the maturity or maturities of the Obligations, including the amount and date of any mandatory sinking fund redemption for a maturity;

(d) the provisions for redemption of the Series 2008A Bonds and the Series 2008B Bonds prior to maturity;

(e) the amount and extent of any credit enhancement and liquidity for the Obligations, and the provider thereof;

(f) the amount and provider of any Debt Service Reserve Fund surety bond;

(g) the amount of the purchase price for the Obligations; and

(h) the amount and series of refunded CP Notes to actually be refunded pursuant to the CP Refunding Agreements;

all in a manner to achieve the most favorable net effective interest rate on the entire long-term debt of the Authority, including the Obligations; provided, that the determinations made pursuant to this paragraph shall comply with the following requirements: (i) the maximum term of the Series 2008A Bonds and the Series