BOARD OF DIRECTORS MEETING

Minutes of July 10, 2002

The regular meeting was held in the Board Conference Room at 1 Aviation Circle and was called to order by the Chairman at 9:00 a.m. Eight Directors were present during the meeting:

Norman M. Glasgow, Jr., Chairman
Robert L. Calhoun, Vice Chairman
Robert Clarke Brown
H.R. Crawford
William A. Hazel
Robert M. Rosenthal
Jeffrey Earl Thompson
Robert B. Young, Jr.

The Secretary and the following Officers were present:

James A. Wilding, President and Chief Executive Officer
James E. Bennett, Executive Vice President and Chief Operating Officer

I. MINUTES OF THE JUNE 5, 2002 MEETING

The Chairman then called for the approval of the Minutes of the June 5 Meeting. Mr. Crawford referred to the Committee Reports section of the minutes, noting that a Legal Committee meeting had been held May 9 at the offices of Holland & Knight. He asked if Chairmen were allowed to call committee meetings at their own offices. The Chairman said the situation was unusual; it had been scheduled as a convenience subsequent to a briefing for staff in the same room on diversity issues. Because a number of Directors had attended, the venue had been convenient for the members of the Committee. Mr. Crawford said he had never served on a board that held meetings off-site; he believed it would be especially important to hold meetings at headquarters when there were divisions among members. The Chairman agreed, and said that the policy would be that future meetings would be held at either Airport. The minutes were thereupon unanimously approved.

II. COMMITTEE REPORTS

a. Planning Committee

Mr. Hazel reported that the Planning Committee had met that morning and had heard the regular air service development report. There had not been any significant developments.

The Committee had also heard a report on an easement for a backup waterline at Reagan National. The Airport had needed the line for many years, but only recently had the parties involved been able to sort out their interests.

The easement would run from the Crystal City side of the George Washington Parkway and the CSX railroad tracks, passing along the Park Service maintenance area at the south end of the Airport. In summary, the Authority would be trading an unused 1940 sewer easement and the right to relocate a 1967 sewer easement for a new waterline easement connecting with the Arlington County water system. Board action would be required.

Finally, the Committee had heard a report on plans to solicit for an "on-call" consultant for architectural/engineering/planning services at both Airports. The Committee had agreed to the proposal, and the staff would proceed to issue the solicitation documents.

b. Business Administration Committee

Mr. Calhoun reported that the Business Administration Committee had last met June 19. It had first heard the report of a panel on the selection of a firm to operate the Dulles employee shuttle buses and the Washington Flyer Coaches that run between the Dulles Main Terminal and West Falls Church. The Committee had agreed to the proposed award to the incumbent, ShuttlePort Group, of Oak Brook, Illinois, for one year with two-one year options. He would offer a resolution later in the meeting.

The Committee had also been briefed on travel assistance services for passengers, currently provided at both Airports by Travelers Aid International, a non-profit organization staffed chiefly by volunteers. The Authority paid overhead and other costs; the current level was about $400,000 per year. At commercial rates, the cost had been estimated at about $1 million.

In anticipation of the contract's expiration in the fall, the staff had proposed to solicit expressions of interest from other public and private entities. If there were none, the staff would proceed with a new contract with Travelers Aid. Mr. Young, a member of the Committee, had pointed out that the Authority should be open to providing additional customer services, and that Travelers Aid should not have an exclusive contract that might limit the Authority's options. The staff had assured the Committee that the contract would not be exclusive, and the Committee had agreed to the informal solicitation approach.

Finally, the Committee had received a status report on the new procurement manual. The latest draft had been made available to the public on the Authority's web site, distributed to interested parties, and given to the Department of Transportation and the General Accounting Office. Comments would be received in July, and the staff expected to return to the Committee with a final proposal in September.

The General Counsel had reported that the manual would include a separate set of protest procedures that would relieve the Board of its role as a court of appeals. The procedures would employ an administrative panel made up of qualified members appointed by the Board. Although they would ultimately be a part of the procurement manual, the protest rules would be considered separately from the rest of it, and would be adopted as a regulation with the force of law.

c. <u>Finance Committee</u>

Mr. Brown reported that the Finance Committee had met three times since the last Board Meeting: June 19, July 9 and again before the Planning Committee that morning. On the 9th, the Committee had interviewed candidate firms for financial advisory services. He would offer a motion later to approve the Committee's selection. That morning, they had met to discuss the refunding of the Series 1992A Airport System Revenue Bonds.

At the June 19 meeting, the financial advisors had briefed the Committee on a number of alternative strategies for refunding the Series 1992A bonds, the bonds for which the

Authority had done a "synthetic advance refunding" with a rate "swap" that would "go live" [take effect] in August.

The options for the swap had been several, including issuing variable rate demand obligations, 7-day floater bonds such as those the Authority had issued in the past. The Financial Advisors had also discussed refunding the outstanding Series 1 Commercial Paper, which would refresh the $100,000,000 tax-exempt line of credit. At the June 19 meeting, the staff had recommended, on the basis of extensive analysis, that the swap go live and that the refunding bonds be issued as variable rate demand obligations. The best bid to support the 7-day floater bonds had included insurance from Financial Security Assurance Inc. ("FSA"), with liquidity provided by a division of Dexia Bank. That would produce a significantly lower borrowing cost than had been anticipated.

At the Committee's request, the Financial Advisors had also discussed the investment of debt service reserve funds, and had asked the staff to present at its July Meeting a report on alternative methods of investing the reserve funds to improve the performance.

The May financial reports had been presented at the June 19 meeting. Five months into the year, operating income had been $1.4 million, slightly ahead of the figure for 2001. The improvement was the result of a mild winter, with little snow removal and lower utility costs. The Committee had asked the staff to include a monthly cash flow statement in the monthly financial reports.

The Committee had also heard a report from Lehman Brothers, manager of the last financing, on the sale of the Series 2002A and B revenue bonds. The Authority had sold about $50 million retail, a substantial amount, and the true interest cost had been 5.34 percent. Relative to the standard market index, the rate had been the best attained for any airport credit since September 11, 2001.

III. INFORMATION ITEMS

a. <u>President's Report</u>

Mr. Wilding said the Authority was very much concerned with securing the two Airports, working with the new Transportation Security Administration ("TSA"). The process was driven by two deadlines set by law in February: November 19th, the date by which all passenger screeners had to be federal employees, and December 31st, when sufficient baggage screening devices had to be in place to handle all checked bags.

The TSA was obliged to hire staff at the rate of 5,000 per week through the fall. About three weeks before, the agency had signed two substantial contracts, one with Lockheed Martin, the other with Boeing. Lockheed Martin was responsible for passenger screening, and was to assure that physical equipment in a certain configuration be in place at every screening point in all 429 airports. Lockheed would also be responsible for training all the screeners. Boeing's task, to have enough baggage screening equipment in place by the end of the year, was more difficult. About 1100 large and 5000 small machines had been ordered. Boeing was assessing each airport to determine where they could be installed, and was also responsible for training operators for the new machines.

Teams from both firms had visited Reagan National and Dulles. If the deadlines were met, massive amounts of hardware would be place in areas formerly used for lobbies or ticket lines. Mr. Wilding said there appeared to be a consensus of airport operators, airlines, and even the TSA, that the proper way to install the machinery was through major new construction in baggage processing areas. There was not time, however, before the end of the year. Thus for several years the baggage screening equipment would be in public space, then after some expensive construction moved out of sight.

Mr. Wilding reported that the massive draft environmental impact statement on the Dulles rail project had been issued. Public hearings would be held the last three weeks in July. In the fall, the "locally preferred alternative" would be selected.

With respect to air service, Mr. Wilding said that USAirways had begun daily service between Reagan National and Bermuda the previous weekend. The carrier had obtained permission to operate services to the Bahamas, beginning later in the year.

Both USAirways and United had applied to the federal loan guarantee program, USAirways for $900 million and United for $1.8 billion. About 12 carriers had applied at the last minute.

A major taxiway project had just been completed at Dulles. Bids were due July 24 on "Package 6" at Dulles, the on-airport people mover station at the Main Terminal. Construction of the project would be delicate, as it was close to the Terminal. Best and final offers for the people mover itself had just been received, and Mr. Wilding expected to bring the staff evaluation to the Board at a workshop, with time to approve the award at the September meeting.

Finally, Mr. Wilding noted that the annual report had been issued.

Because eight members were present, Mr. Glasgow then called for action on the refunding of the Series 1992A bonds.

IV. NEW BUSINESS

a. Authorizing the Series 2002C and Series 2002D Airport System Revenue Bonds

Mr. Brown moved the adoption of the following resolution, noting that it authorized the two series of bonds and authorized the Chairman or the Vice Chairman and the Chairman of the Finance Committee to approve the final details of the sales. He said the Series 2002C Bonds would be variable rate demand obligations, enhanced by FSA insurance; the Series 2002D Bonds would be a $100,000,000 fixed rate issue. The manager for 2002C bonds would be UBS PaineWebber; the senior manager for the 2002D bonds would be Siebert, Bradford Shank.

> WHEREAS, The Board of Directors of the Metropolitan Washington Airports Authority (the "Authority") desires to authorize the issuance of two Series of Airport System Revenue Bonds (collectively, referred to herein as the "Series 2002C-D Bonds") in an amount not to exceed $400,000,000 to refund the outstanding balance of the Airport System Revenue Bonds, Series 1992A (the "Prior Bonds") and to refund $100,000,000 principal amount of outstanding Airport System Revenue Commercial Paper Notes, Series One (the "Prior Notes" together with the Prior Bonds, the "Refunded Bonds") that were issued to finance certain capital improvements (the "Projects") at Ronald Reagan Washington National Airport and Washington Dulles International Airport (collectively, the "Airports") and to set forth the guidelines for determining the interest rate or rates on, and other details in connection with, such bonds;
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> WHEREAS, The Authority entered into interest rate swap transactions with Merrill Lynch Capital Services, Inc. and Lehman Brothers Special

Financing Inc., respectively, on July 31, 2001(the "Swaps") in connection with refunding the Prior Bonds to achieve debt service savings with respect to any Series 2002C-D Bonds that are issued as variable rate obligations for such purpose as if such Series 2002C-D Bonds otherwise had been issued as fixed interest rate bonds;

WHEREAS, Credit enhancement for the Series 2002C-D Bonds will be provided by Financial Security Assurance Inc. (the "Bond Insurer") and liquidity support for payment of any Series 2002C-D Bonds issued as variable rate obligations will be provided initially by a standby bond purchase agreement ("Liquidity Facility") to be issued by Dexia Public Finance Bank (the "Bank");

WHEREAS, There have been presented at this meeting forms of the following documents that the Authority proposes to execute to carry out the refunding transaction described above for any Series 2002C-D Bonds issued as fixed interest rate or variable interest rate obligations, copies of which documents shall be filed with the records of the Authority:

(a) Supplemental Indentures of Trust, dated as of August 1, 2002 (collectively referred to as the "Supplemental Indentures"), between the Authority and Allfirst Bank (the "Trustee"), which supplement an Amended and Restated Master Indenture of Trust, dated as of September 1, 2001, between the Authority and the Trustee (the "Master Indenture") relating to the issuance of any Series of the Series 2002C-D Bonds as fixed or variable interest rate obligations;

(b) bond forms relating to the issuance of any Series of the Series 2002C-D Bonds as fixed or variable interest rate obligations, each attached as an exhibit to a Supplemental Indenture;

(c) an Official Statement to be dated the date of sale of any Series 2002C-D Bonds (the "Official Statement"), in preliminary form, relating to the public offering of the Series 2002C-D Bonds;

(d) a Bond Purchase Agreement (the "Purchase Contract") between the Authority and the underwriters to be selected by the Authority on behalf of themselves and the other underwriters listed therein, if any (collectively, the "Underwriters") for any Series of the Series 2002C-D Bonds;

(e) a Refunding Agreement dated as of August 1, 2002 (the "Refunding Agreement") between the Authority and the Trustee, including the notice of redemption of the Prior Bonds;

(f) the Standby Bond Purchase Agreement, dated as of August 1, 2002, between the Authority and the Bank;

(g) a Remarketing Agreement dated as of August 1, 2002 (the "Remarketing Agreement") between the Authority and a remarketing agent or agents selected by the Authority for any Series of the Series 2002C-D Bonds;

now, therefore, be it

RESOLVED, That the Series 2002C Bonds shall be issued as variable rate bonds and the Series 2002D Bonds shall be issued as fixed rate bonds.

2. That the Underwriters are authorized to distribute to prospective purchasers the Official Statements relating to each Series of the 2002C-D Bonds;

3. That the Series 2002C-D Bonds shall be issued in book entry form pursuant to the Master Indenture and the Supplemental Indentures and sold to the Underwriters pursuant to Purchase Contracts, all upon the terms and conditions specified therein;

4. That the Chairman or Vice Chairman and the Chairman of the Finance Committee are jointly authorized and directed to determine, after the Series 2002C and the Series 2002D Bonds have been priced in the market:

i. the exact principal amount of the Series 2002C and the Series 2002D Bonds; provided that the combined aggregate principal amount of the Series 2002C-D Bonds shall not exceed $400,000,000,

ii. the interest rate or rates on any fixed interest rate bonds and the method for determining the prevailing interest rate on any variable rate bonds,

iii. the maturity or maturities of any Series including the amount and date of any mandatory sinking fund redemption for a maturity,

iv. the provisions for redemption of each Series prior to maturity,

v. the amount and extent of any bond insurance to be provided by the Bond Insurer,

vi. the amount and provider of any Debt Service Reserve Fund surety bond, if any, and

vii. the amount of the purchase price;

in a manner to achieve the most favorable net effective interest rate on the Authority's long-term debt incurred through the issuance of the Series 2002C-D Bonds and to diversify interest rate exposure; provided that estimated true interest cost of each Series shall not exceed 7 percent, the underwriter's discount relating to each Series shall not exceed 1 percent of the principal amount thereof, the Series 2002C-D Bonds shall be subject to redemption at the option of the Authority not later than ten years after their issuance date and the redemption premium shall not exceed three percent of the principal amount thereof, the maximum term of each Series shall not exceed 31 years, and that each Series shall be offered to the public at a price of not more than 110 percent of the principal amount thereof plus accrued interest;

5. That the Chairman or the Vice Chairman is authorized and directed to execute the Supplemental Indentures, any Purchase Contracts, any Refunding Agreements, any Official Statements, the Standby Bond Purchase Agreement, and any Remarketing Agreements, and the Secretary or Assistant Secretary is authorized and directed to affix the Seal of the Authority on such documents as required, and to attest the same;

6. That the Chairman or the Vice Chairman is authorized and directed to execute, by manual or facsimile signature, the Series 2002C-D Bonds, the Secretary or Assistant Secretary is authorized and directed to affix the Seal of the Authority or a facsimile thereof on the Series 2002C-D Bonds, and to attest the same, by a manual or facsimile signature, and either is authorized and directed to deliver the Series 2002C-D Bonds to the Trustee for authentication upon the terms provided in the Master Indenture and the Supplemental Indentures;

7. That the Supplemental Indentures, any Refunding Agreements, any Purchase Contracts, the Series 2002C-D Bonds, any Official Statements, the Standby Bond Purchase Agreement, and any Remarketing Agreements shall be in substantially the forms submitted to the Board of Directors at this meeting, which are approved, with such completions, omissions, insertions and changes necessary to reflect the bond principal amount and other terms of the Series 2002C-D Bonds and as otherwise may be approved by the persons executing them, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes;

8. That the Chairman, the Vice Chairman, the President and Chief Executive Officer, and the Vice President for Finance and Chief Financial Officer are hereby individually authorized with respect to the Series 2002C-D Bonds to execute tax certificates on behalf of the Authority in implementation of the covenants and agreements set forth in the Supplemental Indentures, or to make any election permitted by the Code, and determined by such officer to be to the advantage of the Authority; and the representations, agreements, and elections set forth therein shall be deemed the representations, agreements, and elections of the Authority, as if the same were set forth in the Supplemental Indentures;

9. That the Officers of the Authority including the President and Chief Executive Officer, and the Vice President for Finance and Chief Financial Officer are individually authorized to execute, deliver and file all other certificates and instruments, including Internal Revenue Service Forms 8038 and any reimbursement agreement relating to any Debt Service Reserve Fund surety bond, and to take all such further action as they may

consider necessary or desirable in connection with the issuance and sale of the Series 2002C-D Bonds;

10. That any authorization herein to execute a document shall include authorization to deliver it to the other parties thereto; and

11. That all other acts of the Chairman and Chairman of the Finance Committee, the President and Chief Executive Officer, the Vice President for Finance and Chief Financial Officer or any other Officers that are in conformity with the purposes and intent of this Bond Authorizing Resolution and in furtherance of the issuance and sale of the Series 2002C-D Bonds are hereby approved and confirmed.

Mr. Calhoun observed that the original draft of the proposed resolution had included three alternatives, and asked which one was being offered for adoption. Mr. Brown said he had described the two alternatives selected, the variable rate demand obligations for the larger issue refunding the Series 1992A bonds, and the fixed rate bonds for refunding the commercial paper.

Mr. Calhoun said the resolution would have to be redrafted, and asked that the record should be clear on what would be changed. He asked that the pending motion be amended to include a provision that the Chairman of the Finance Committee would work with counsel to assure that the final form of the resolution accurately represented the Board's action.

Michael Cheroutes of Hogan & Hartson, bond counsel, explained that at the time the draft resolution had been distributed to the Board, the auction option had not yet been ruled out, so the draft include three different approaches. He pointed out that the sections of the resolution that would have to be deleted were so marked.

The Chairman explained that the Board was essentially approving the draft resolution provided. Mr. Brown added that all references to the auction rate product would be deleted. Bond counsel then provided a "blacklined" version of the resolution, with the appropriate sections crossed out. Mr. Brown noted that managers still had to be appointed; the authorizing resolution did include them.

The Board then voted, and the Chairman announced that all eight Directors present had voted in favor of the resolution.

Mr. Brown then moved that UBS PaineWebber be selected to manage the Series 2002C bonds, and that Siebert Brandford Shank &Company L.L.C. be selected the senior manager for the Series 2002D bonds. Mr. Brown observed that Siebert Brandford was a minority firm, the first to serve as senior manager for an Authority bond issue. The motion was unanimously adopted.

The Chairman then returned to the regular order of the agenda.

II. COMMITTEE REPORTS, continued

d. Audit Committee Report

Mr. Thompson reported that the Audit Committee had met June 5, and had dealt with the resolution of management recommendations from the 2000 Audit. The Committee had also discussed a KPMG audit of the Authority's telecommunications program with the Vice President for Audit and the Vice President for Telecommunications. The report had identified several areas where tighter controls were required for security purposes. The Vice President for Audit had also presented a risk assessment and audit plan for 2002.

Mr. Young asked for a brief explanation of who would own the new baggage screening equipment, and who would handle its installation. Mr. Wilding said the TSA would buy, own, and operate the equipment. That agency would not, however, pay for the space the equipment would occupy. It was open, however, to paying for support facilities, such as break rooms, for the substantial federal security workforce. The problem was complicated by resistance in the Congress to the $4.4 billion supplemental appropriation TSA was seeking.

Mr. Young asked if the Congress was aware that the expenses imposed on airports would be enormous. Mr. Wilding said the airport industry had been making its case on the Hill, and had caused some of the delays in adoption of the supplemental. Mr. Young asked that staff provide a detailed estimate of expenses, once the scope of the space demands had been determined.

Mr. Thompson asked if the TSA had consulted with the Authority on its plans for the screening equipment. Mr. Wilding said consultations had started the week before, when the private contractors had been retained.

Mr. Calhoun said that Denver Airport had projected it would need space for 5,000 of the new federal security employees, and asked if the Authority had enough space for them, particularly at Reagan National. Mr. Wilding said there was not enough space on the Airport, and that he expected TSA to find office space in Crystal City.

Mr. Young said there would be space for them in the Dulles corridor.

The Chairman then called for the Executive Vice President's report.

III. INFORMATION ITEMS, continued

b. Executive Vice President's Report

Mr. Bennett said that rent abatement for Reagan National concessionaires, part of the relief provided for the period of closures and restricted operations, covered the first six months of 2002 and was therefore about to end. The minimum annual guarantees had been waived, and rental payments had been based on a percentage of gross. Mr. Thompson asked if they had been paying regularly; Mr. Bennett said that they had. He noted that the concessionaires at both Airports had actually been experiencing sales levels greater than the year before.

Mr. Wilding noted that a few of the concessionaires preferred the abatement arrangement, and might be contacting Directors about it. Mr. Thompson asked how much relief the Authority had provided; Mr. Bennett said about $10.2 million, chiefly in rent abatement.

Mr. Bennett said that the new revenue control system the Board had approved about a year ago would be installed at Dulles over the next six weeks. It would include a "pay-and-go" feature, which would allow customers to pay for their parking with debit or credit cards at a machine in the terminal. The system would be operational in September. Customers who did not wish to use it could still pay at the exit, but that would take longer than the pay-and-go option. The Chairman asked if there could be staffing deficiencies at the exit gates; Mr. Bennett said the Authority had full control over how many would be staffed to meet demand. Mr. Rosenthal asked if the new system would be advertised; Mr. Bennett said that it would.

Mr. Bennett said that another important feature of the system would be license plate recognition. Cameras would photograph the back of each entering vehicle and store the photograph in a database. A second photograph would be taken on exit and matched with the entry photograph. This would replace a manual practice of tallying all cars in each parking lot and adding the list to a database. On exit, attendants currently checked plates against the database, an approach necessary to prevent fraud.

Mr. Rosenthal asked who collected the parking revenues. Mr. Bennett said that the lots and revenue systems were operated under a management contract; the revenues, though physically collected and reconciled by the contractor, were the Authority's. Airport staff oversaw the process. Mr. Rosenthal said he was concerned about auditing. Mr. Bennett said there were regular printouts of the revenue data, and the contract was one the Authority audited often.

Mr. Young asked what was done with the photographs, which he said showed more than just the license plate and therefore raised some privacy concerns. Mr. Bennett said the data were maintained for a while, then destroyed. Mr. Young said the Authority should be careful not to release them. He asked for a paper explaining how the system worked.

The Chairman asked Mr. Bennett to summarize the air traffic report. Mr. Bennett said that Dulles passengers had been down about 5.7 percent for May, while sixteen carriers had shown an increase. International traffic was down less than 1 percent.

V. UNFINISHED BUSINESS

There was not any unfinished business, and the Chairman returned to New Business.

IV. NEW BUSINESS, continued

b. Proposed Easement for a Backup Waterline for Reagan National

Mr. Hazel moved the adoption of the following resolution:

> WHEREAS, The Authority has long sought a backup waterline to serve Ronald Reagan Washington National Airport; and
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> WHEREAS, The staff has negotiated agreements with the National Park Service, the Arlington County Department of Public Works, and Crescent Resources, LLC, for the exchange of easement rights beneath the CSX

Railroad tracks and the George Washington Memorial Parkway, the realignment of a sewer line, and the construction of a new waterline; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized to enter into any necessary agreements with the parties named above, to accomplish the construction of a second waterline to the Airport, consistent with the proposal presented to the Planning Committee July 10, 2002.

The Chairman asked that the resolution be amended to require that the settlements it contemplated all occur simultaneously. The amendment was accepted, and the resolution unanimously adopted.

c. <u>Proposed Selection of an Operator for the Employee Shuttle Bus System at Dulles and the Washington Flyer Coach System and Ticket Sales</u>

Mr. Calhoun moved the adoption of the following resolution:

RESOLVED, That the ShuttlePort Group is hereby selected to staff and operate the Washington Dulles Employee Shuttle Bus System and the Washington Flyer Coach System and Ticket Sales;

RESOLVED, That the President and Chief Executive Officer is authorized to enter into a contract with SuttlePort Group for these services for one year, with two one-year extension options, consistent with the documentation of the proposal presented to the Business Administration Committee June 19, 2002.

Mr. Rosenthal noted that the Authority was providing everything under the contract except the people to operate it. Mr. Calhoun said that the Committee had discussed the need to continue to provide bus service to the West Falls Church Metrorail Station. As the Authority owned the buses, the Committee had concluded the proposed contract was an appropriate means of operating them. In the future, however, as transit developed in the Dulles corridor, the responsibility should be transferred to the transit authority. On the other hand, the employee shuttle was clearly the Authority's business.

Mr. Rosenthal asked about the distribution of costs under the contract. Mr. Wilding said 75 percent went to the employee shuttle, for which the contractor provided buses, fuel and personnel. The rest went to the West Falls Church shuttle, where the Authority provided buses and fuel, and the contractor only the drivers.

The resolution was thereupon unanimously adopted.

d. Proposed Selection of Financial Advisors

Mr. Brown said the Finance Committee had met the day before to interview candidate firms for Financial Advisor, and had decided to recommend that the Board select the incumbent firms, P.G. Corbin and First Albany. He so moved, and the motion was unanimously adopted.

VI. OTHER BUSINESS AND ADJOURNMENT

The meeting was thereupon adjourned at 10:00 a.m.

Respectfully submitted:

Gregory Wolfe
Vice President and Secretary

approved August 7, 2002
GW