



## BOARD OF DIRECTORS MEETING

Minutes of January 7, 2009

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

H.R. Crawford, Chairman  
James L. Banks, Jr.  
Robert Clarke Brown  
William W. Cobey Jr.  
Anne Crossman

Jack A. Garson  
Leonard Manning  
Michael L. O'Reilly  
Charles D. Snelling  
David G. Speck

The Secretary and the following Officers were present:

James E. Bennett, President and Chief Executive Officer  
Margaret E. McKeough, Executive Vice President and Chief Operating Officer

The Chairman welcomed Jack A. Garson, who was recently appointed by Governor O'Malley to succeed Weldon Latham. Mr. Garson stated that he was happy to attend the day's meeting and that he looked forward to learning and working with fellow Directors. The Chairman also welcomed Earle C. Horton, III, the nominee from the District of Columbia, who would hopefully be approved expeditiously by the Council of the District of Columbia.

### I. MINUTES OF THE DECEMBER 3, 2008 BOARD MEETING

The Chairman reported that the minutes of the December 3, 2008 Board Meeting were modified to include Anne Crossman's attendance. He called for approval of the minutes of the December 3, 2008 meeting, which were unanimously adopted.

### II. COMMITTEE REPORTS

#### a. Business Administration Committee

Mr. Manning reported that the Business Administration Committee met December 17, 2008. The Committee received the monthly contracting report from Steve Baker. Mr. Baker reported that new monthly contracts awarded and modifications

to existing contracts totaled \$17 million in November 2008. He also reviewed the LDBE and DBE contract participation and the two largest contracts awarded.

Chris Browne provided an update on the performance and operations of the Washington Flyer Taxi System at Dulles as approved by the Board and implemented on February 1, 2008. The Airports Authority has three taxi concession operators, each with a fleet of approximately 200 taxicabs, and a separate contract for dispatching services. Mr. Browne stated that 720,000 outbound trips have been dispatched year to date.

Mr. Browne reported that vehicle standards are maintained through annual taxi and spot inspections by staff and police officers, as well as a review of the taxi company's inspection reports. September 2008 inspections revealed significant discrepancies that required levying liquidated damages against two taxicab companies. The November 2008 inspections did not reveal vehicle standard deficiencies.

Mr. Manning stated that new solicitation terms for the airside snow removal and the ice control services contract at Dulles were presented by Mr. Browne, including a summary of the scope of work required to perform airside snow removal and ice control for approximately 7 million square feet of space at Dulles. He responded to questions about cost, equipment and the extension of these services to the Toll Road. The Committee concurred to proceed.

Margaret McKeough referenced Jim Bennett's earlier presentation on the progress made to the 2008 Business Plan.

b. Dulles Corridor Committee

In Ms. Reiley's absence, Mr. O'Reilly presented the Dulles Corridor Committee report. He reported that Ms. Reiley chaired the Dulles Corridor Committee meeting on December 17, 2008. Mr. O'Reilly stated that staff provided a presentation regarding the current operation of the Toll Road in executive session. In future meetings, management will present information regarding operating models in which the Committee has expressed interest and will seek further policy guidance from the Committee in planning the future Toll Road operations.

In regular session, Mark Treadaway presented a list of outreach activities currently underway that supports the Dulles Corridor Metrorail Project as it advances closer to receiving the award of the Full Funding Grant Agreement

during the first quarter of next year.

The 2008 Business Plan Update included significant achievements and items to be carried into the 2009 Plan.

Additional 2009 Business Plan items are to be submitted by December 31, 2008. Mr. Bennett reported that the 2009 Business Plan would be on the agenda for the February 4, 2009 Board of Directors Meeting. With no objections from the presiding Committee Chairmen, Ms. Reiley requested that agenda items listed under other Committees pertaining to the Dulles Corridor be held as joint meetings.

c. Finance Committee

Mr. Brown reported that the Finance Committee met on December 17, 2008. He stated that the agenda was organized to present the Aviation Enterprise and the Dulles Corridor Enterprise as separate programs.

The Airports' financial advisors provided an update on the financial markets, and Mr. Brown noted that the Committee remained hopeful that it could proceed to issue bonds in the market place. The Committee considered a new resolution authorizing the Series 2009A Bonds to replace the previously planned and authorized Series 2008B Bonds. The resolution would also extend the delegation to Board Officers to manage the swaps for an additional four months, as well as extending the term and start date of the swaps. Mr. Brown presented a resolution later in the day's meeting.

The Committee considered a resolution to substitute Barclays Capital (Barclays) for Lehman Brothers in the Airports Authority's underwriting syndicate. Mr. Brown noted that the Lehman Brothers bankers' team that worked with the Airports Authority was now employed by Barclays since its acquisition of Lehman Brothers. He presented a resolution later in the day's meeting.

The bond authorizing resolution increased the issuance of the Series 2009A Bonds from \$250 million to \$300 million. Mr. Brown noted that it was not likely that the full amount would be used, but the Committee wanted to have a little extra authority in the amount of \$50 million in the event that the Airports Authority is able to get additional long term debt in the market place at an attractive rate. The bond authorizing resolution increased the issuance of the Series 2009A Bonds from \$250 million to \$300 million.

The Finance Committee discussed the 2009 Business Plan and the Committee added a few additions to that Plan.

The Committee reviewed the Quarterly Investment Program Report from the Investment Committee.

The Dulles Corridor Enterprise financial advisors reported that the Full Funding Grant Agreement is with the Secretary of Transportation and is still proceeding within the Executive Branch and will require submission to the Congressional authorizing committees for their approval.

Mr. Brown reported that since the December Finance Committee meeting a Request for Proposals (RFP) was issued to hire a senior manager underwriter for the new Dulles Corridor Enterprise financing program. The finance team prepared a draft RFP and sought comments from the Finance Committee. The RFP was issued January 2, 2009 to approximately 25 interested firms believed to be capable of serving in a senior manager role. A separate RFP will be issued to solicit co-managers within the underwriters' syndicate.

d. Legal Committee

In Mr. Latham's absence, Mr. O'Reilly chaired the Legal Committee meeting on December 17, 2008. Mr. Reiley reported that in executive session, the Committee received a briefing from Phil Sunderland on a number of issues relating to Board Member emails, meetings and Committee operating procedures. At the conclusion of the meeting, the Committee identified a few areas requiring policy clarifications. The Committee requested Mr. Sunderland prepare the clarifications and present them to the Committee at a later date; Mr. Sunderland agreed.

e. Planning and Construction Committee

In Mr. Epstein's absence, Mr. Snelling chaired the Planning and Construction Committee meeting on December 17, 2008. He reported that the Committee received a presentation from Bruce Swanson, Program Manager, on the Capital Construction Program (CCP) quarterly report, which included statistics on significant milestones achieved. Mr. Swanson reviewed the status of the design and construction projects at Reagan National. He also reviewed construction projects underway at Dulles, including the AeroTrain Automated People Mover (APM) System.

Frank Holly presented the monthly CCP cost report. There were no significant changes to any of the forecasts; they remained stable throughout the year.

Steve Smith gave an update on the Environmental Assessment (EA) for Runway 1-19 Runway Safety Area Improvements at Reagan National. Mr. Snelling stated that the Airports Authority is required to make more overruns without shortening the runway. He noted that the EA report will be submitted to FAA for its review in February 2009. Another public workshop will be held before the final EA will be completed in July 2009.

Jim Bennett presented an update on the progress made on the 2008 Business Plan. The update included significant achievements and items to be carried into the 2009 Plan.

Mr. Bennett presented the draft 2009 Business Plan and asked Directors to notify him of any additional items to be included. He noted that the items were listed by individual Committees and referred to page 3 for the Planning and Construction Committee items.

Mr. Speck referred to the organizational structure review listed under the Strategic Development Committee and inquired about the \$500,000 estimated cost. Mr. Bennett reported that about \$750,000 was spent on the last review approximately 11 years ago. Mr. Bennett noted that the price would be dependent upon the scoping which was not yet complete.

Ms. Reiley asked whether it was essential to proceed with the review in light of the existing budget concerns. Mr. Cobey suggested that the Strategic Development Committee discuss the issue at its January 21, 2009 meeting. Mr. Brown noted that the Board was faced with making difficult 2009 budget decisions, including granting employees a raise, which had been a priority. In an effort to keep costs under control, Mr. Brown believed that it would be beneficial to delay any projects which did not require immediate action.

Mr. Snelling expressed concern about the Use and Lease Agreement issue. After considerable conversation, the recommendation was made that the Executive Committee should discuss the jurisdictional matter.

The Chairman moved that all Committee reports be accepted. Hearing no opposition, all reports were accepted.

The Chairman personally commended Mr. Bennett, Mark Treadaway and Ann Pina on their recent trip and applauded the team for its efforts. The Chairman traveled to South Korea with the staff and observed the staff's interaction during a meeting with executives of Korean Airlines. The Chairman stated that he was very pleased how well staff complemented each other and was particularly impressed with Ms. Pina. On the trip he learned that prior to joining the Airports Authority that Ms. Pina worked for the Executive Branch of the District of Columbia. He believed that more Directors needed to witness the "team" in action and applauded Mr. Bennett for retaining such outstanding employees. The Chairman noted that he and staff participated in the daily inaugural flight from Seoul to Dulles International Airport. He hoped that his complementary remarks would be included in Ms. Pina's employee record.

### III. INFORMATION ITEMS

#### a. President's Report

Mr. Bennett welcomed Mr. Garson and Mr. Horton to the Airports Authority Board of Directors.

Inauguration Day Activities. Mr. Bennett reported that Inauguration Day would be a holiday for Airports Authority and federal government employees. He noted that the Airports Authority was working closely with regional transportation agencies to develop a transportation plan for the inaugural period. The Airports Authority would oversee the aviation and ground transportation aspects of the plan. With respect to aviation, Mr. Bennett reported that most of the airlines would add extra sections to increase its capacities. Mr. Brown inquired how those extra sections impacted the slot rule. Mr. Bennett responded that the slot rule included the flexibility to address the extra sections.

Mr. Bennett reported that approximately 500-700 corporate and business aircraft was expected at Dulles, while 40 corporate aircraft was expected at Reagan National.

Mr. Bennett expressed his concerns about ground transportation during the inaugural period, particularly the regional plan for road closures. Mr. Bennett reported that surface traffic at Reagan National would be very isolated. Management was working to address measures to ensure that Airports Authority staff, concessionaires and tenants would be able to report to work. Since access to the Airports would be difficult, Mr. Bennett indicated that Airports Authority employees working on January 20 would be provided food and shelter as these

employees would most likely be forced to arrive the day before the Inaugural and remain until January 21. He noted that in connection with the Inauguration Day holiday, Monday, January 19, is Dr. Martin Luther King, Jr. Day. Concessionaires would have to schedule their deliveries to ensure that enough food, beverages and merchandise were available to continue serving customers throughout the inaugural period.

The Office of Communications was developing a public outreach program to be posted on the Airports Authority website. The information would be updated ongoing to help travelers navigate traveling during the inaugural period. Mr. Bennett reported that later that day the Virginia State Police and the Virginia Department of Transportation (VDOT) were scheduled to hold a press briefing announcing its plans, including road and bridge closures and time lines. The Airports Authority's Chief of Police, Steve Holl, would represent the Airports Authority at the day's press briefing.

Chief Holl serves as liaison to the regional planning effort underway and provided a comprehensive update about the regional transportation plans, focusing primarily on road closures. He reported that the United States Secret Service, who was in charge of the inaugural activities, was also scheduled to have a press conference later that day. Chief Holl stated that he was repeatedly communicating with Secret Service officials the importance of having airport access. He reported that the Airports Authority Emergency Operation Center would be open on Inauguration Day. Airports Authority representatives would be posted at the Transportation Center in Fairfax, Virginia and the Secret Service Headquarters so that they can remain abreast of all changes in events and traffic patterns.

Mr. Cobey asked Mr. Bennett to address potential traffic complications the day after the inauguration. Mr. Bennett stated that due to major arteries remaining closed throughout the evening on January 20, he was unsure whether access during the January 21 morning rush hour would be any better than Inauguration Day traffic. While the Office of Human Resources had not received any information from the Office of Personnel Management (OPM), Mr. Bennett reported that staff would continue to monitor the situation closely to learn whether OPM would release information to federal government employees about reporting to work on January 22. Mr. Cobey proposed a motion to delay the January 21 Committee meetings to Thursday, January 22. Mr. Brown stated that the January 21 meetings had been scheduled far in advance and that he, and perhaps other Directors, already had travel arrangements confirmed. Therefore, Mr. Brown stated that his preference would be that the meetings be held as scheduled. The

Chairman advised that he and other Board Members had discussed the issue prior to the day's meeting and the consensus was that it would be almost impossible to travel in the region the day after the Inauguration. Mr. Cobey's motion to postpone the meetings to January 22 was unanimously adopted.

The 2009 Presidential Inaugural Law Enforcement and Public Safety Affairs Subcommittee Joint Transportation Plan press release was distributed to the Directors.

Mr. Manning reported that the Federal Bureau of Investigations (FBI) and the Secret Service were scheduled to hold a press conference the following morning at 8 a.m. at the Sheraton Hotel (12 and K Streets, N.W.) to discuss the District of Columbia's street closures. He suggested that an Airports Authority representative attend. Mr. Bennett agreed.

Air Tran Airways Incident. Mr. Bennett reported on an incident that occurred on January 1, 2009 on an Air Tran Airways flight at Reagan National. On this flight, a group of passengers allegedly made comments causing them to be removed from the flight. Mr. Bennett reported that Transportation Security Administration (TSA) representatives contacted the Airports Authority police for assistance. Once the FBI and TSA interviewed and cleared the discharged passengers of any threats, it was reported that Air Tran denied them the right to re-board one of its flights. Mr. Bennett stated that a third-party group has submitted a letter to the United States Department of Transportation (DOT) about the way passengers were treated and DOT would most likely conduct an investigation. He noted that Congressman Eleanor Holmes Norton of the District of Columbia suggested that the House of Representatives hold a hearing on the event. The situation would be monitored and future updates will be provided as required. Mr. Manning reported that Jet Blue Airways was recently fined for similar actions.

Dulles Toll Road. Mr. Bennett reported that a meeting was held on Monday, January 5, 2009, with local and elected officials whose districts are included in the Dulles Corridor area. Attendees were briefed on the Dulles Corridor history, its roadway improvements, environment, and roles and involvement of officials. Mr. Bennett thanked David Speck for representing the Board at the meeting. The meeting also served as an opportunity to learn about officials' concerns related to noise and efforts to mitigate the existing noise. Mitigation efforts relating to the rail construction project were also discussed. Mr. O'Reilly requested that staff provide a list of elected officials who attended the meeting.

Mr. Bennett reported that no activity occurred over the holiday period regarding the FFGA execution. He stated that the Airports Authority remains on track for DOT to approve the FFGA so that the Notice to Proceed can be issued in March 2009.

VDOT Issue. Mr. Bennett recalled a recent Board of Directors action authorizing the modification of existing easements for the Dulles Toll Road and Interstate Route 495. He reported that he conversed that morning with Virginia officials who asked that the Airports Authority consider issuing a preliminary right of entry while it finalized the discussion regarding the easement. Mr. Bennett stated that he would consult with the Chairman or Vice Chairman and the Chairman of the Planning and Construction Committee the following week regarding Virginia's request.

United Way Campaign. Mr. Bennett thanked Arl Williams who spearheaded this year's successful fundraiser campaign. The campaign raised slightly more than \$75,000 in employee contributions, which marked a very robust effort although it was slightly lower than last year's amount. Additionally, the Dulles Team raised about \$35,000 at its annual United Way Golf Tournament. Mr. Bennett thanked members of the Dulles Team who participated in the annual event. Overall, the Airports Authority's United Way contribution totaled an impressive \$110,000.

The Chairman inquired whether any requests had been received to allow buses to use Airport parking on Inauguration Day. Mr. Bennett responded that preliminary conversations were held with Virginia officials who expressed interest in using lots at Dulles. Historically, despite repeatedly requests, the Airports Authority has never allowed the parking lots to be used for other purposes. Presently, management was not inclined to offer the Airport parking lots for public parking. Mr. Manning noted that two "METRO" lots previously reserved for bus parking would now be used for public parking, which should lessen the demand.

#### IV. NEW BUSINESS

##### b. Substitution of Firms in Underwriting Syndicate for Airport System Revenue Bonds

Mr. Brown moved the adoption of the following resolution, which was unanimously adopted:

WHEREAS, Lehman Brothers ("Lehman") has been acquired by Barclays Capital ("Barclays") and several of the Lehman bankers who have

previously provided underwriting services to the Airports Authority now are providing underwriting services at Barclays, and Barclays has requested that it be included in the underwriting syndicate for the issuance of the Airports Authority's bonds; and

NOW, THEREFORE, IT IS RESOLVED

1. That Barclays be added to the syndicate of underwriters in substitution of Lehman; and
2. That this Resolution shall be effective upon its adoption.

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

b. Recommendation for the 2008 Interest Rate Swaps and Series 2009A Bonds

Mr. Brown moved the adoption of the following resolution, which was unanimously adopted by all ten Directors:

WHEREAS, the Board of Directors of the Metropolitan Washington Airports Authority ("Airports Authority") desires to authorize the issuance of Airport System Revenue Bonds, Series 2009A, which may be issued in one or more series or subseries, (collectively, "Series 2009A Bonds") in an aggregate amount not to exceed \$300,000,000 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 desires to set forth guidelines for determining the interest rate or rates, maturities and other terms of the Series 2009A Bonds;

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 Series 2009A Bonds, to the extent that these bonds are subject to Section 147 of the Code;

WHEREAS, there are Airport System Commercial Paper Notes, Series One (the "CP One Notes") and Airport System Commercial Paper Notes, Series Two (the "CP Two Notes" and together with the CP One Notes, the "CP Notes") outstanding and the Airports Authority desires to authorize the refunding of all or a portion of each series of the outstanding CP Notes with a portion of the proceeds of the Series 2009A Bonds (the "Refunded CP Notes");

WHEREAS, to provide a hedge against rising interest rates, the Airports Authority has executed forward starting interest rate swap agreements with Wachovia Bank, N.A. (the "Wachovia Swap") and Bank of Montreal (the "BMO Swaps"), as counterparties with an effective date of January 15, 2009 (collectively, the "Swaps") in connection with future debt issuances;

WHEREAS, the Airports Authority has in effect interest rate swap agreements with Merrill Lynch Capital Services, Inc., Wachovia Bank, N.A., Bank of Montreal, Bear Stearns Financial Products, and Bank of America serving as counterparties in connection with its outstanding bonds and future debt issuances (collectively, the "Existing Swaps") and the credit rating and financial condition of some counterparties has decreased;

WHEREAS, the determination to issue all or a portion of the Series 2009A Bonds as fixed interest rate or variable interest rate obligations, to proceed with, terminate, transfer, defer, extend, or revise the Swaps, and to enter into one or more new swaps (collectively, the "New Swaps") with any of the counterparties listed on Attachment A to this Resolution (collectively, the "Other Counterparties") will be based on market conditions proximate to the sale date of the Series 2009A Bonds and an assessment of the Airports Authority's exposure to interest rate, market and credit risks, and will be designed to achieve the most favorable result to the Airports Authority;

WHEREAS, copies of the following documents relating to each of the Swaps and to swap transactions executed by the Airports Authority with certain of the Other Counterparties have been filed previously in the records of the Authority:

- (a) an ISDA Master Agreement in the form executed by the Airports Authority (the "Master Agreement");
- (b) a Schedule attached to the Master Agreement (the "Schedule"); and

(c) a Confirmation (the "Confirmation");

WHEREAS, liquidity support for payment of the Series 2009A Bonds if issued as variable interest rate obligations is to be provided initially by Landesbank Baden-Württemberg (the "Bank");

WHEREAS, pursuant to Resolution No. 08-15, as amended, the Board of Directors authorized the issuance of \$250,000,000 of Airport System Revenue Bonds, Series 2008B (the "Series 2008B Bonds"), which have not been issued due to disruption in the financial markets, and authorized certain actions be taken in connection with the Swaps and the New Swaps; there was presented to the Board of Directors the form of the following documents that the Airports Authority proposed to execute to carry out the transactions described in Resolution No. 08-15, as amended, in connection with the issuance of the Series 2008B Bonds, the Swaps and the New Swaps, copies of which documents have been filed in the records of the Authority; and the Airports Authority proposes to execute such documents in connection with the issuance of the Series 2009A Bonds and to carry out the other transactions described in this resolution:

(a) a Supplemental Indenture of Trust (the "Series 2009A VRDO Supplemental Indenture"), between the Airports Authority and Manufacturers and Traders Trust Company (successor to Allfirst Bank), as Trustee (the "Trustee"), relating to the issuance of the Series 2009A Bonds as variable interest rate obligations, which supplements the Amended and Restated Master Indenture of Trust, dated as of September 1, 2001, as amended (the "Master Indenture");

(b) a Supplemental Indenture of Trust (the "Series 2009A Fixed Rate Supplemental Indenture" and together with the Series 2009A VRDO Supplemental Indenture, the "Series 2009A Supplemental Indentures"), between the Airports Authority and the Trustee, relating to the issuance of the Series 2009A Bonds as fixed interest rate obligations, which supplements the Master Indenture;

(c) the form of the Series 2009A Bonds, attached as Exhibit A to each of the Series 2009A Supplemental Indentures;

(d) the Bond Purchase Agreement relating to the Series 2009A Bonds (the "Purchase Contract") between the Airports Authority and

Siebert Brandford Shank & Co., LLC, on behalf of itself and the other underwriters listed therein (collectively, the "Underwriters");

(e) the Official Statement relating to the public offering of the Series 2009A Bonds (the "Official Statement");

(f) the Standby Bond Purchase Agreement between the Airports Authority and the Bank (the "Standby Agreement");

(g) the Remarketing Agreement (the "Morgan Stanley Remarketing Agreement") between the Airports Authority and Morgan Stanley & Co. Incorporated, as remarketing agent for all or a portion of the Series 2009A Bonds;

(h) the Remarketing Agreement (the "Morgan Keegan Remarketing Agreement" and together with the Morgan Stanley Remarketing Agreement, the "Remarketing Agreements") between the Airports Authority and Morgan Keegan & Company, Inc., as remarketing agent for all or a portion of the Series 2009A Bonds;

(i) a Confirmation relating to a New Swap (the "New Swap Confirmation") with any of the Other Counterparties listed on Attachment A to this Resolution other than Morgan Stanley; and

(j) the form of the Refunding Agreement between the Airports Authority and the Trustee that the Airports Authority proposes to execute in connection with the refunding of each series of the Refunded CP Notes.

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

(a) the ISDA Master Agreement (the "MS Master Agreement") between the Airports Authority and Morgan Stanley;

(b) the Schedule attached to the MS Master Agreement (the "MS Schedule");

(c) the Confirmation between the Airports Authority and Morgan Stanley (the "MS Confirmation" and together with the MS Master Agreement and the MS Schedule, collectively the "MS Swap Documents"); and

WHEREAS, the Airports Authority desires to select firms to provide underwriting services in connection with the issuance and sale of the Series 2009A Bonds;

NOW, THEREFORE, IT IS RESOLVED

1. That the Series 2009A Bonds may be issued in one or more series or subseries, all or a portion of which may be issued as variable interest rate or fixed rate bonds, or a combination thereof;
2. That the Underwriters are authorized to distribute the Official Statement to prospective purchasers of the Series 2009A Bonds;
3. That the Series 2009A Bonds shall be issued in book entry form pursuant to the Master Indenture and the Series 2009A Supplemental Indentures and sold to the Underwriters pursuant to the Purchase Contract, all upon the terms and conditions specified therein;
4. That the Chairman, or Vice Chairman, and the Chairman of the Finance Committee (and if timing and schedule permit, with the advice and consent of the Finance Committee) (the "Authority Representatives") are authorized until May 15, 2009, and directed to jointly determine, after the Series 2009A Bonds have been priced in the market, the following:
  - (a) the exact principal amount, series, and subseries designation of the Series 2009A Bonds, provided that the combined aggregate principal amount of the Series 2009A Bonds shall not exceed \$300,000,000;
  - (b) the initial interest rate of each series or subseries of the Series 2009A Bonds and whether it is to be fixed or variable;
  - (c) the maturity or maturities of each series or subseries of the Series 2009A Bonds, including the amount and date of any mandatory sinking fund redemption for a maturity;

(d) the provisions for tender, purchase and redemption of the Series 2009A Bonds prior to maturity;

(e) the amount and extent of any liquidity facility for the Series 2009A Bonds;

(f) the amount of the debt service reserve requirement, if any, and the provider of any Debt Service Reserve Fund surety bond; and

(g) the amount of the purchase price for each series or subseries of Series 2009A Bonds;

all in a manner to achieve the most favorable net effective interest rate while balancing the Airports Authority's exposure to interest rate, market and credit risks on the entire long-term debt of the Authority, including the Series 2009A Bonds; provided, that the determinations made pursuant to this paragraph shall comply with the following requirements: (i) the maximum term of the Series 2009A Bonds shall not exceed 31 years; (ii) the Series 2009A Bonds shall be subject to redemption at a redemption premium not to exceed three percent (3%) of the principal amount thereof; (iii) the underwriter's discount relating to the Series 2009A Bonds shall not exceed two percent (2%) of the principal amount thereof; (iv) the true interest cost of the Series 2009A Bonds shall not exceed nine percent (9%) per annum; (v) the Series 2009A Bonds shall be offered to the public at a price of not less than 95 percent (95%) and not more than 110 percent (110%) of the principal amount thereof, plus accrued interest; and (vi) the maximum interest rate on any Series 2009A Bond bearing interest at a variable interest rate shall not exceed twelve percent (12%) per annum or such higher rate provided in the Standby Agreement;

5. That the Authority Representatives are hereby appointed as joint representatives of the Airports Authority with respect to the termination, transfer or revision of the Swaps and the execution of the New Swaps and are authorized, until May 15, 2009, to determine whether:

(a) to allow any or all of the Swaps to become effective on January 15, 2009;

(b) to terminate any or all of the Swaps;

(c) to enter into one or more New Swaps and, in the case of a determination to enter any such swap, to determine the Other Counterparty;

(d) to defer any or all of the Swaps by extending their effective date and by approving the final revised terms and conditions of the applicable Master Agreement, Schedule and Confirmation, including, but not limited to, the notional principal amount, amortization schedule, nominal effective date, final maturity date, pricing and the designation of the series of Bonds to which the revised Swaps relate; and

(e) to extend, modify or terminate the insurance provided by Ambac Assurance Corporation with respect to any of the Swaps or obtain insurance relating to any New Swaps;

provided, that, in determining whether to allow the Swaps to become effective or to terminate them, the Authority Representatives shall seek to balance the Airports Authority's exposure to interest rate, market and credit risks to achieve the most favorable results to the Authority; and provided further, that the Authority Representatives may determine to defer any Swap or to enter any New Swap only if (i) the revised Swap or the New Swap complies with the derivatives policy approved by the Airports Authority on November 5, 2003, (ii) the fixed swap interest rate related to the notional principal amount in the revised Swap or the New Swap does not exceed 7 percent (7%) per annum, (iii) the maximum term of the revised Swap or the New Swap does not exceed 35 years from its effective date, and (iv) the floating interest rate in the revised Swap or the New Swap is based on an index estimated to correspond to the expected interest rate of the underlying series of Bonds;

6. That the Authority Representatives are hereby appointed as joint representatives of the Airports Authority with respect to the termination of the Existing Swaps and are authorized, until May 15, 2009, to determine, after consultation with the Airports Authority's financial advisors and management, whether to terminate any or all of the Existing Swaps; provided, that, in determining whether to terminate any Existing Swap, the Authority Representatives shall seek to balance the Airports Authority's exposure to interest rate, market and credit risks to achieve the most favorable results to the Airports Authority;

7. That the Authority Representatives are authorized and directed to:

(a) execute any amendments, supplements or other documents, including revisions to any Master Agreement, Schedule and Confirmation, necessary or desirable to implement decisions the Authority Representatives make pursuant to paragraphs 5 and 6 of this Resolution and to incorporate the terms and conditions they approve in connection with those decisions; provided, that any such revised Master Agreement, Schedule and Confirmation executed by the Authority Representatives shall be in substantially the same form as the previously filed documents; and

(b) execute the MS Swap Documents, and/or the Master Agreement, Schedule and New Swap Confirmation with any of the Other Counterparties except Morgan Stanley, as well as any other documents, necessary or desirable to implement decisions the Authorized Representatives make pursuant to paragraph 5 of this Resolution to enter into one or more New Swaps, as such documents may be revised to reflect changes, insertions, completions, and omissions that are necessary or desirable to incorporate the terms and conditions the Authority Representatives approve in connection with those decisions; provided, that the aggregate notional principal amount of the New Swaps shall not exceed \$110,000,000;

8. That any revised Master Agreement, Schedule and Confirmation relating to the revised Swaps, and any other document that implements decisions made by the Authority Representatives pursuant to paragraph 5 of this Resolution and incorporates the terms and conditions they approve in connection with those decisions, are hereby approved, and the provisions of any such revised Master Agreement, Schedule, Confirmation and other document are hereby incorporated in this Resolution;

9. That the Airports Authority Representatives are authorized and directed to jointly determine, after the Series 2009A Bonds have been priced in the market, the amount, if any, of the outstanding CP Notes to be refunded with proceeds from the Series 2009A Bonds pursuant to the respective CP Notes Refunding Agreement, and that the Chairman or the Vice Chairman is authorized to execute, by manual or facsimile signature, the respective CP Notes Refunding Agreement and to take any further

