



## BOARD OF DIRECTORS ANNUAL MEETING

Minutes of September 1, 2010

The twenty-fourth annual meeting of the Board of Directors was held in the Board Conference Room at 1 Aviation Circle and was called to order by the Chairman at 9:37 a.m. The following Directors were present during the meeting:

Charles D. Snelling, Chairman	Michael D. Epstein
Michael L. O'Reilly, Vice Chairman	Jack A. Garson
Robert Clarke Brown	Leonard Manning
William W. Cobey Jr.	Dennis L. Martire
Frank M. Conner III	Mame Reiley
H.R. Crawford	David G. Speck

The Secretary and Executive Management were present:

E. Lynn Hampton, President and Chief Executive Officer  
Margaret E. McKeough, Executive Vice President and Chief Operating Officer

### I. ELECTION OF CHAIRMAN, VICE CHAIRMAN, AND SECRETARY

The Chairman said he did not wish to chair the vote for Chairman, as he might be a candidate and asked Mr. Martire to do so. Mr. Martire called for nominations for Chairman, Vice Chairman, and Secretary. Ms. Reiley nominated the current Chairman, Mr. Snelling, for reelection. She said that it was her honor to nominate Mr. Snelling, who had done an excellent job and had worked hard to bring the Board to consensus. Mr. Crawford said he seconded the nomination with great pride, agreeing that Mr. Snelling had done an outstanding job. Mr. Epstein also seconded the nomination. The nominations were then closed. Mr. Snelling was unanimously elected Chairman for 2011 by all 12 Directors present. He said that he was grateful and appreciative and that he would work hard to earn the Directors' respect in the future. Mr. Snelling said that the Board was working much harder than it had ever been before and that each Director was an equal participant.

The Chairman then asked for nominations for Vice Chairman. Mr. Crawford said that it was with great pride and honor that he nominated his friend and colleague,

Mr. Manning, for Vice Chairman. Mr. Brown seconded the nomination, noting that he and Mr. Manning had been colleagues for many years and that he respected Mr. Manning's ability and commitment to the Airports Authority.

Mr. Epstein nominated Mr. Conner for Vice Chairman. Mr. Conner withdrew his nomination and moved that nominations for the Vice Chairman be closed, which was passed 11-1.

Mr. Manning was then unanimously elected Vice Chairman. Mr. Manning thanked all Directors for their votes and said that he looked forward to working with everyone throughout the year.

Mr. Crawford nominated Mr. Brinkley as Secretary. Mr. Brinkley was also unanimously elected. The Chairman said that Mr. Brinkley was a hard-working, capable Secretary.

## II. COMMITTEE REPORTS

### a. Business Administration Committee

Mr. Manning reported that the Committee had last met on August 18, 2010. In executive session the Committee had considered the food and beverage and retail concessions contract for Reagan National and Dulles International. Mr. Manning reported that in regular session, staff had presented a recommendation that MarketPlace Development be selected to market, lease and manage the food and beverage and retail concession program under a single contract for both Airports. Mr. Manning said that the Committee had agreed with the recommendation, and that he would offer a resolution to authorize the award later in the meeting.

Mr. Manning reported that the Committee had heard the regular monthly Contracting Report. He reported that June contracts had totaled \$7.4 million; non-federally assisted new contract awards had totaled \$182.2 million since the beginning of the year. Mr. Manning also reported that Local Disadvantaged Business Enterprise contract awards had totaled \$89.6 million, or 49.2 percent of the total. Of the \$4.1 million in federal aid contracts, Disadvantaged Business Enterprises had received \$645,700, or 15.6 percent of the total.

Mr. Manning reported that the Committee had also considered and concurred in the following contract extensions: 1) a five-year extension on the Sky Chefs lease for an in-flight catering facility at Dulles International; 2) a final, single-year contract extension of the Parking Revenue Control System Hardware Maintenance Services at Dulles International; 3) the first of two option years on

the Taxi Dispatch Management Contract at Dulles International; and 4) a final option year extension for the Taxi Dispatch Contract at Reagan National.

Mr. Manning reported that staff had also presented a pre-solicitation report on the scheduled bus service concession at Dulles International, which is the Washington Flyer bus service between the Airport and West Falls Church. He said that the Committee had learned that the service would be cut back to only serve Wiehle Avenue Station when the Metrorail began operating there in several years. Mr. Manning reported that the Committee had concurred in the solicitation proposal.

Mr. Manning said that that the Committee had deferred action on the contract for unarmed guard services at Reagan National. The Committee hoped to consider the award at its next meeting.

### III. MINUTES OF THE AUGUST 4, 2010 BOARD MEETING

The Chairman called for the approval of the Minutes of the August 4, 2010 Board Meeting, which were unanimously adopted.

### II. COMMITTEE REPORTS (cont'd)

#### b. Dulles Corridor Committee

Ms. Reiley reported that the Dulles Corridor Committee had met on August 18 and again earlier that morning.

Ms. Reiley said that the day's earlier meeting had followed an extensive discussion that had occurred at the August 18 meeting on Phase 2 contracting, where the Committee had discussed the merits of several alternative alignments for the Metrorail line and station at Dulles International. She said that because of additional information that the Committee still needed to consider, she had informed Airports Authority staff that the Committee may not be prepared to reach a decision at its September 15 Committee meeting. However, Ms. Reiley noted that it was the Committee's desire to come to a decision by the September date.

Ms. Reiley reported that the Committee had received the regular Cost Summary and Project Update for the Corridor. She said that Pat Nowakowski, Executive Director of the Metrorail Project, had reported that expenditures in July had totaled \$800 million. Approximately \$200,000 of contingency funds had been used in July.

Ms. Reiley informed the Board that the Committee had also received an update on the highway noise policy for the Corridor. She said that Steve Smith, Deputy Vice President for Engineering, had reported that a public workshop had produced ninety public comments that had raised questions about the effectiveness of the existing noise walls. Ms. Reiley noted that the Federal Highway Administration had recently updated the Part 772 Rules that applied to noise abatement, which meant some delays in the further development of the Airports Authority's noise policy would occur.

Ms. Reiley reported that the Committee had received its regular monthly Financial Report for the Dulles Corridor Enterprise Fund. She said that Andy Rountree, Acting Vice President and Chief Financial Officer, had reported that at seven months into the year, revenues had reached 58.3 percent of budget, and that expenses were tracking at 60.1 percent of budget.

c. Finance Committee

Mr. Conner reported that the Finance Committee had last met on August 18. He reported that the Committee had recommended to the Board that it proceed with the variable rate funding and allow the swaps to go live, matching them with the Series 2010D "index floater" note issued to Wells Fargo Bank. He indicated that the note was a new product in the marketplace with certain beneficial aspects, including taking advantage of lower pricing on a Letter of Credit from Barclays Bank PLC (Barclays), which would permit the Airports Authority to achieve substantial cost savings.

Mr. Conner reported that he would present two proposed resolutions later in the day's meeting, the first to authorize the issuance of the variable rate bonds, the second, to appoint Barclays to serve as underwriter for the Series 2010C Bonds.

Mr. Conner reported that the Committee had received a report from Barclays on a successful offering, and that additional refunding was being considered because the interest rate environment continued to be attractive.

Mr. Conner reported that the Dulles Corridor Enterprise Financial Advisors reported that the market for Build America Bond issuances required a continued look. He reported that the Committee had agreed to act on a budget amendment to add \$10 million as a match to the TIGER II grant for the cost of constructing a ramp from southbound I-495 to westbound Dulles Airport Access Highway and Dulles Toll Road.

Mr. Conner reported that the Committee had recommended that the staff exercise the second one-year contract extension to Jacobs Consultancy so that it

could continue to provide airport consulting services, and noted that no further action was required by the Board.

Mr. Conner noted that the debt service coverage had continued to improve; it was currently 1.42 compared to 1.38 in June.

d. Legal and Governance Committee

On Mr. Garson's behalf, Mr. Epstein reported that the Legal and Governance Committee had met in executive session on August 4 and August 18. At the August 4 meeting, the Committee had discussed the occasional Claims and Litigation Report and the executive search process to hire a new President and CEO.

At the August 18 meeting, the Committee had continued its discussion on the search process and how Krauthamer and Associates, Inc. should proceed in preparing a draft position description.

e. Planning and Construction Committee

Mr. Martire reported that the Planning and Construction Committee had last met August 18. In his absence, Mr. Cobey had chaired the meeting.

Mr. Martire said that the Committee had received the monthly Capital Construction Program Cost Report. Frank Holly, Vice President for Engineering, had reported that a .684 annual escalation figure had been applied to projects less than half finished. He added that, as a result, costs had increased at both Reagan National and Dulles International, approximately \$2.6 million and \$2.5 million, respectively.

Mr. Martire reported that the Committee had considered and agreed on the selection panel's recommendation to award an architectural and engineering services contract for rehabilitation of the C/D concourse at Dulles International to Gensler. He noted that the Local Disadvantaged Business Enterprise requirement for the contract was 35 percent. Mr. Martire said that he would offer a resolution to authorize the contract award later in the day's meeting.

Mr. Martire reported that the Committee had received an extensive Parsons Management Consultants (PMC) Quarterly Report from Bern Seals, PMC Program Manager, including illustrations of the active and recently closed-out projects.

Mr. Martire added that the Committee had made two information requests, one

for a report on the status of a proper electrical backup for the Information Technology systems, and the other for regular updates on the AeroTrain's performance.

d. Steering Committee

Mr. Crawford reported that the Steering Committee had met earlier that morning to discuss the possibility of retaining L&L Consulting, LLC (L&L) to conduct the organizational study. He noted that L&L is the firm that the Board had initially chosen to assist it with the selection of a consultant to study the Airports Authority's organization. Mr. Crawford added that the Committee had been impressed with L&L's understanding of the present organization and its prevailing culture.

Mr. Crawford reported that the Committee's goal had been to expedite the organizational study. At the day's meeting, the Committee had considered proceeding with hiring an organizational consultant to track with the appointment of a new President and CEO. Based on the earlier discussion, Mr. Crawford reported that the Committee had unanimously agreed to have L&L develop a new scope of work to expedite completion of the study.

Mr. Crawford said that he would offer a resolution later in the day's meeting. Seven affirmative votes would be required for the new contract since it would be awarded without further competition.

e. Strategic Development Committee

Mr. Brown reported that the Strategic Development Committee had last met on August 18 in executive session to discuss the Committee's examination and strategic position on future renegotiation of the Airport Use and Premises Lease Agreement and the Federal Aviation Administration (FAA) reauthorization bill pending on Capitol Hill. He added that the Committee had tried to meet to consider its full agenda on August 18 but because of the timing, it had postponed the air service development report and had abbreviated other discussions.

Mr. Brown also reported that in regular session, Mark Treadaway, Vice President for Air Service Planning and Development, had presented a report on the development of a corporate branding strategy. He said that staff had proposed retaining a consultant to assist with this effort. Staff had agreed to provide the Committee with a draft Request for Qualifications before advertising for consultant support.

#### IV. INFORMATION ITEMS

##### a. President's Report

Lynn Hampton noted that the FAA reauthorization bill had been extended through September 2010. Staff would continue efforts with its contacts on Capitol Hill to get a new bill passed. She reported that the Department of Justice had approved the merge between United Airlines and Continental Airlines; it should be made final by October. Ms. Hampton reported that she and Mr. Treadaway would contact the merged airline's new management to address issues at Dulles International, particularly the inability to move forward with Tier 2. She said that staff would provide a progress report to the Board.

Mr. Brown said that it would be interesting to learn the new management's view about Tier 2. He said he believed that new management would need to be diligent with customer service in response to complaints about Concourse C/D.

Mr. Snelling commented that staff had spent a substantial amount of time on internal benchmarking and measuring performance with customers. He said that there should ultimately be vigorous representation to the airlines on their partnership duties to the public.

Ms. Hampton reported that all aircraft housed in the Dulles Jet Center that had been damaged by last winter's snow storm had been removed; and that negotiations between Landow and Signature continued.

Ms. Hampton reported that an agreement with the Washington Metropolitan Area Transit Authority had been signed. The order for train cars for Phase 1 and Phase 2 of the Rail Project had been placed at the original price.

Ms. Hampton reported that the planned closure of Route 66 had been completed ahead of schedule. While other closures were planned, fewer than originally expected would occur.

Ms. Hampton reported that two evening meetings on the environmental assessment changes to Phase 2 would be held on September 13 in Reston and September 14 in Sterling.

Ms. Hampton reported that she had attended an informal meeting of a committee created to review WMATA's organizational structure. She said that the committee, comprised of the Board of Trade and the Council of Governments, had been impressed with the operation of the Airports Authority Board and was interested in examining it.

Ms. Hampton reported that the TIGER II grant had been submitted. Staff would inform the Board as details became available.

Mr. Crawford inquired about the study that Weldon Latham had performed on policies and business practices regarding diversity and inclusion at the Airports Authority. Ms. Hampton responded that she and Ms. McKeough had received the study; they were presently reviewing it with Mr. Baker. She noted that staff would present its recommendations to the Business Administration Committee.

Mr. Crawford inquired about the number of railcars that had been ordered, and the cost associated with the railcars. Mr. Crawford expressed some concern about emergency water and lavatory facilities and solutions for addressing these needs, in an event of an emergency or passengers being stuck for a substantial amount of time on a car. Ms. Hampton responded that 64 cars had been ordered for each Phase for a total of 128 cars. She noted that a meeting could be scheduled to discuss this issue.

b. Executive Vice President's Report

Ms. McKeough reported that the Airports Authority would hold its Triennial Emergency Preparedness Drill on September 18 at Reagan National. She noted that the event, similar to the drill held at Dulles International two months ago, would involve the Airports Authority's mutual public safety partners. Ms. McKeough reported that the Airports Authority's largest community event, the Annual Dulles Day Plane Pull, would be held on September 25 to benefit the Special Olympics. The Airports Authority would host its 20<sup>th</sup> Annual Business Opportunity Seminar on October 14. The outreach event, which promotes various procurement offerings to the contracting community, would be held at the Renaissance Hotel in the District of Columbia.

Ms. McKeough reported that she and Ms. Hampton would meet with Airports Authority employees at Reagan National and Dulles International in September to share their insights and provide updates on events within the industry that may affect them, particularly customer service issues.

Ms. McKeough reported that Turkish Airlines would begin service from Dulles International to Istanbul five times per week beginning November 7. She reported that Lufthansa announced that it would retain its daily Munich flight throughout the fall and winter season.

Ms. McKeough reported that at Reagan National, the U.S. Department of Transportation had initiated a public process to reallocate two slots formerly held

by Midwest Express before its acquisition by Republic Airlines, to other airlines. She said that applications were due by the end of September, and that JetBlue had expressed interest. Ms. McKeough reported that Republic Airlines had received prior approval for five slot slides, which would reallocate existing early- and late-day slots to the middle of the day. She said that DOT was reconsidering those slot slides for possible return to the original flying times; staff would continue to monitor the issue.

Ms. McKeough reported that Reagan National had served 1.6 million passengers in July 2010. At Dulles International, 2.3 million passengers had been served in July 2010, representing an increase of 2 percent, comprised of both domestic and international activity, over July 2009. Ms. McKeough noted that the July 2010 passenger activity level at Dulles International had marked the highest monthly level since August 2005.

Mr. Garson inquired whether the increase at Dulles International had been attributed to any identifiable factors, to which Ms. McKeough responded that new international routes had been a large factor.

Ms. McKeough reported that cargo and freight activity had both increased at Dulles International in July 2010, at 18 and 20 percent, respectively.

Mr. Epstein inquired about the recent issue where nine passengers had been asked to leave a departing United Airlines flight at Dulles International. Ms. McKeough responded that the issue had not involved the Airports Authority directly, noting that the pilot had the discretion to remove passengers. She reported that the pilot had exercised this discretion after information had been presented to him about the passengers' inappropriate behavior.

Mr. Manning inquired whether Mexicana Airlines had filed for bankruptcy. Ms. McKeough responded affirmatively, noting that the airline had hoped to reorganize, but that its plans for reorganization had been complicated by labor issues.

## V. NEW BUSINESS

### a. Recommendation of a Food and Beverage and Retail Concession Fee Manager for both Airports

Mr. Manning offered the following resolution to approve the award of a five-year contract to Marketplace Development to market, lease and manage the food and beverage and retail concessions at both Reagan National and Dulles International, which was unanimously approved:

WHEREAS, the separate fee manager contracts for Food and Beverage and Retail Concessions at both Ronald Reagan Washington National Airport and Washington Dulles International Airport both expire December 31, 2010;

WHEREAS, a staff evaluation committee has conducted a competitive selection process, evaluating detailed proposals and interviewing the proponent firms for a single contract covering both Airports;

WHEREAS, the evaluation committee has recommended the selection of MarketPlace Development to market, lease and manage the food and beverage and retail concessions at both Airports for a five-year term, with two two-year extension options; and

WHEREAS, the Business Administration Committee is satisfied with the results of the competitive process and recommends that the Board of Directors approve the award of the contract to MarketPlace Development;

**NOW, THEREFORE, BE IT RESOLVED**

1. That the President and Chief Executive Officer is authorized to enter into a contract with MarketPlace Development, consistent with the terms presented to the Business Administration Committee at its August 18, 2010 meeting; 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 to Amend the 2010 Budget for the Dulles Corridor Enterprise Fund

Mr. Conner offered a resolution to amend the 2010 Budget for the Dulles Corridor Enterprise Fund to provide a \$10 million match to the TIGER II grant to build a ramp from I-495 to the Dulles Access Road. The following resolution was unanimously approved by all 12 Directors present:

WHEREAS, in Resolution 09-41, the Board of Directors approved the 2010 Budget;

WHEREAS, under the approved 2010 Budget, the Capital Improvement Program for the Dulles Corridor Enterprise Fund provides authorization for

certain expenditures, including funding for construction of two of the three I-495 Dulles Airport Access Highway Interchange ramps in the interchange ramp system;

WHEREAS, in order to construct the third and remaining ramp of the interchange system, Westbound Interchange Ramp 3, the Airports Authority has submitted a Letter of Intent to the U.S. Department of Transportation, requesting a program grant pursuant to the Transportation Investment Generating Economic Recovery II Discretionary Grant Program (TIGER II Grant Program) for 80 percent of the project cost;

WHEREAS, the Airports Authority estimates the cost of construction of Westbound Interchange Ramp 3 to be \$50 million, \$40 million of which would be funded from the TIGER II Grant Program and \$10 million from Dulles Toll Road Revenue Bonds;

WHEREAS, to support the grant application the Airports Authority must take formal action to assure the availability of its 20 percent share; and

WHEREAS, completion of the Westbound Interchange Ramp 3 will be in the best interests of the Airports Authority and the motorists in the area as it will improve the safety and usability of the Dulles Toll Road, Dulles Airport Access Highway and the I-495 Capital Beltway;

**NOW, THEREFORE, BE IT RESOLVED**

1. That the 2010 Budget is amended to increase the authorized expenditures for the Dulles Corridor Enterprise Fund Capital Improvement Program by \$10 million in order to construct the Dulles Corridor I-495 Westbound Interchange Ramp 3; 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.

c. Appointment of an Underwriter and Remarketing Agent for the Airport System Revenue Variable Rate Bonds, Series 2010C

Mr. Conner offered the following resolution to appoint Barclays Capital Inc. as the underwriter for the Series 2010C Airport System Revenue Variable Rate Bonds to enable taking advantage of the Barclays lower cost Letter of Credit. The following resolution was unanimously approved:

WHEREAS, the Metropolitan Washington Airports Authority (the "Airports Authority") is preparing for the issuance of its Airport System Revenue Variable Rate Bonds, Series 2010C which may be issued in one or more series or subseries;

WHEREAS, the Airports Authority has selected a syndicate of investment banking firms to serve as underwriters for the program financing costs of certain capital improvements at Ronald Reagan Washington National Airport and Washington Dulles International Airport; and

WHEREAS, the Airports Authority desires to appoint a firm from the syndicate to serve as underwriter for the sale of its Airport System Revenue Variable Rate Bonds, Series 2010C and as remarketing agent for such bonds;

**NOW, THEREFORE, BE IT RESOLVED**

1. That Barclays Capital Inc. is appointed as the underwriter and remarketing agent for the Airport System Revenue Variable Rate Bonds, Series 2010C; and
2. That this Resolution shall be effective upon its adoption.
  - d. Recommendation to Approve the Authorizing Issuance of the Airport System Revenue Bonds, Series 2010C and Series 2010D

Mr. Conner offered a resolution to proceed with issuing \$170 million Series 2010D Index Floaters to Wells Fargo as a direct purchase to fund new money needs, including the refinancing of outstanding Commercial Paper Notes, Series 2. The issuance would be associated with the \$170 million forward starting swap effective October 1, 2010. The following resolution was approved by 11 affirmative votes, with Mr. Speck abstaining:

WHEREAS, the Board of Directors (the "Board of Directors") of the Metropolitan Washington Airports Authority ("Airports Authority") desires to authorize the issuance of Airport System Revenue Refunding Bonds, Series 2010C (the "Series 2010C Bonds") and Airport System Revenue Bonds, Series 2010D (the "Series 2010D Bonds" and together with the Series 2010C Bonds, the "Series 2010 Bonds") which may be issued in one or more series or subseries in an aggregate principal amount not to exceed \$340,000,000 to finance or refinance a portion of the costs of certain capital improvements ("Projects") at Ronald Reagan Washington National Air-

port and Washington Dulles International Airport and for other purposes identified below;

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 2010 Bonds, to the extent that these bonds are subject to Section 147 of the Code;

WHEREAS, the Board of Directors in Resolution No. 10-33 has appointed Barclays Capital Inc. as underwriter (the "Underwriter") and Remarketing Agent (the "Remarketing Agent") for the Series 2010C Bonds;

WHEREAS, the Series 2010C Bonds may be issued as fixed interest rate obligations or as variable interest rate obligations with credit enhancement and liquidity support for payment of the Series 2010C Bonds to be provided initially by a letter of credit of Barclays Bank PLC;

WHEREAS, the Board of Directors desires that the Series 2010D Bonds be issued as variable interest rate obligations with the initial variable rate based on LIBOR or the SIFMA Index, and be sold upon issuance directly to Wells Fargo Bank, N.A., which, as the initial purchaser of the Series 2010D Bonds, will have no right to optionally tender such bonds for purchase;

WHEREAS, the Board of Directors desires that a portion of the proceeds of the Series 2010 Bonds be used to refund a portion of the outstanding Airport System Revenue Commercial Paper Notes, Series One, that were issued in 2009 and 2010 (the "Refunded CP One Notes");

WHEREAS, the Airports Authority and Wachovia Bank executed an interest rate exchange agreement with an effective date of October 1, 2010 (the "Swap Agreement") and the Swap Agreement may be terminated prior to its effective date;

WHEREAS, in the event the Swap Agreement is terminated prior to its effective date, the Board of Directors desires to authorize payment of the resulting swap termination fee, if any, with a portion of the proceeds of the Series 2010 Bonds;

WHEREAS, the Board of Directors desires that a portion of the proceeds of the Series 2010 Bonds be used for the current refunding of all outstanding Airport System Revenue Variable Rate Bonds, Subseries 2003D-2 (the "Refunded 2003D Bonds"), and a portion of the outstanding Airport System Revenue Variable Rate Bonds, Series 2009A (the "Refunded 2009A Bonds");

WHEREAS, the Board of Directors desires that a portion of the proceeds of the Series 2010 Bonds be used to purchase all or a portion of the AMT Bonds issued between 2004 and 2008 (the "AMT Bonds" and together with the Refunded 2003D Bonds and the Refunded 2009A Bonds, the "Refunded Bonds") from the owners thereof, and further desires to appoint an agent (the "Manager") to purchase such AMT Bonds and to provide for the cancellation of such AMT Bonds following the purchase thereof;

WHEREAS, the Board of Directors in Resolution No. 09-20 authorized the issuance of Airport System Revenue Variable Rate Bonds, Series 2009D (the "Series 2009D Bonds"), under the Amended and Restated Master Indenture of Trust, dated as of September 1, 2001, as amended (the "Master Indenture") and the Thirty-fourth Supplemental Indenture of Trust, dated as of July 1, 2009, each between the Airports Authority and Manufacturers and Traders Trust Company (successor to Allfirst Bank), as Trustee (the "Trustee");

WHEREAS, Bank of America, N.A. (the "Bank") issued a letter of credit (the "Series 2009D Letter of Credit") under a reimbursement agreement dated as of July 1, 2009 between the Airports Authority and Bank (the "Series 2009D Reimbursement Agreement") which provides credit and liquidity support for payment of the Series 2009D Bonds;

WHEREAS, the Board of Directors desires to amend the Series 2009D Reimbursement Agreement and to amend the Series 2009D Letter of Credit to extend its term from July 2012 to September 2013, to reduce the facility fees paid under the Series 2009D Reimbursement Agreement for the Series 2009D Letter of Credit and to make certain other amendments;

WHEREAS, Wells Fargo Bank, National Association ("Wells"), as successor in interest to Wachovia Bank, National Association, issued a letter of credit under a letter of credit and reimbursement agreement dated as of March 12, 2008 between the Airports Authority and Wells (the "Subseries 2003D-1 Reimbursement Agreement") which provides credit and liquidity support for payment of the Airport System Revenue Variable Rate Bonds, Subseries 2003D-1;

WHEREAS, the Airports Authority and Wells entered into a letter of credit and reimbursement agreement dated July 29, 2009 relating to the Airport System Revenue Variable Rate Bonds, Subseries 2003D-2 (the "Subseries 2003D-2 Reimbursement Agreement") which included amendments to the Subseries 2003D-1 Reimbursement Agreement;

WHEREAS, the Subseries 2003D-2 Reimbursement Agreement will terminate upon the refunding of the Subseries 2003D-2 Bonds with proceeds of the Series 2010 Bonds and the Board of Directors desires to provide for such amendments to the Subseries 2003D-1 Reimbursement Agreement in a separate agreement;

WHEREAS, the Board of Directors desires to set forth guidelines for determining the interest rate or rates, maturities and other terms of the Series 2010 Bonds;

WHEREAS, there has been presented to the Board of Directors the form of the following documents that the Airports Authority proposes to execute in connection with the issuance of the Series 2010 Bonds, the amendment of the Series 2009D Reimbursement Agreement and the Series 2009D Letter of Credit, and the amendment to the Subseries 2003D-1 Reimbursement Agreement, copies of which documents shall be filed in the records of the Airports Authority:

- (a) the Thirty-seventh Supplemental Indenture of Trust (the "Thirty-seventh Supplemental Indenture"), between the Airports Authority and the Trustee, relating to the issuance of the Series 2010C Bonds, which supplements the Master Indenture;
- (b) the Thirty-eighth Supplemental Indenture of Trust (the "Thirty-eighth Supplemental Indenture"), between the Airports Authority and the Trustee, relating to the issuance of the Series 2010D Bonds, which supplements Master Indenture;
- (c) the form of the Series 2010C Bonds, attached as Exhibit A to the Thirty-seventh Supplemental Indenture;
- (d) the form of the Series 2010D Bonds, attached as Exhibit A to the Thirty-eighth Supplemental Indenture;
- (e) the Bond Purchase Agreement relating to the Series 2010C Bonds (the "Purchase Contract"), between the Airports Authority and Barclays Capital Inc. (the "Series 2010C Underwriter");

- (f) the Official Statement relating to the public offering of the Series 2010C Bonds (the "Official Statement");
- (g) the Continuing Covenants Agreement relating to the Series 2010D Bonds between the Airports Authority and Wells Fargo Bank, N.A. (the "Purchaser") (the "Continuing Covenants Agreement");
- (h) the Reimbursement Agreement between the Airports Authority and Barclays Bank PLC relating to the Series 2010C Bonds (the "Reimbursement Agreement"), including the irrevocable, direct-pay letter of credit attached as Exhibit A to the Reimbursement Agreement;
- (i) the Remarketing Agreement (the "Remarketing Agreement") between the Airports Authority and Barclays Capital Inc., as remarketing agent for the Series 2010C Bonds;
- (j) the Refunding Agreement between the Airports Authority and the Trustee relating to the refunding of the Refunded CP One Notes (the "CP One Refunding Agreement"); and
- (k) the Refunding Agreements between the Airports Authority and the Trustee relating to the refunding of the Refunded 2003D-2 Bonds and the Refunded 2009A Bonds (collectively, the "Bond Refunding Agreements" and together with the CP One Refunding Agreement, the "Refunding Agreements");
- (l) the Manager Agreement (the "Manager Agreement") between the Airports Authority and Barclays Capital Inc., as the Manager, relating to the purchase of certain AMT Bonds;
- (m) the First Amendment to the Series 2009D Reimbursement Agreement (the "Amendment to the Series 2009D Reimbursement Agreement"); and
- (n) the First Amendment to the Subseries 2003D-1 Reimbursement Agreement (the "Amendment to the Subseries 2003D-1 Reimbursement Agreement");

NOW, THEREFORE, BE IT RESOLVED

1. That the Series 2010C Underwriter is authorized to distribute the Official Statement to prospective purchasers of the Series 2010C Bonds;

