BOARD OF DIRECTORS MEETING

Minutes of July 7, 2010

The regular 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 10:30 a.m. The following Directors were present during the meeting:

Charles D. Snelling, Chairman
Michael L. O'Reilly, Vice Chairman
Robert Clarke Brown
Frank M. Conner III
H.R. Crawford
Jack A. Garson
Leonard Manning
Dennis L. Martire
Mame Reiley

The Secretary and Executive Management were present:

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

Mr. Speck participated in the meeting via telephone.

I. MINUTES OF THE JUNE 2, 2010 BOARD MEETING

The Chairman called for approval of the minutes of the June 2, 2010 Board Meeting, which were unanimously adopted.

II. COMMITTEE REPORTS

a. Business Administration Committee

Mr. Manning said that he had been in Israel attending a conference and that Mr. Crawford had chaired the June 16 Business Administration Committee in his absence. He reported that the Committee had received the statistics from the April and May Contracting Report. Steve Baker, Vice President for Business Administration, had reported that $163.7 million in non-federally assisted new contracts had been awarded in 2010.

Local Disadvantaged Business Enterprises had received $79.6 million, or 48.6 percent of that total. Mr. Manning added that of the $2.2 million in federally assisted contracts, Disadvantaged Business Enterprises had received $645,000 or 29 percent. He noted that total contracting numbers remained relatively low because no major construction contract had been awarded so far this year.

Mr. Manning reported that Committee concurrence had been sought by the two Airport Managers on an Request for Proposals for the travel assistance service contract held by Travelers Aid. Mr. Manning noted that other contractors had shown an interest in providing these services and he thought that there could be a competitive field this year. The Committee had concurred with the issuance of the RFP.

Mr. Manning stated that staff had provided the first report on upcoming extension options for service and concession contracts for the remainder of 2010 and the first quarter of 2011. He reported that staff would be preparing reports on the airports' financial consultant services contract and the taxicab contract for Reagan National in response to Board Member inquiries.

b. Finance Committee

Mr. Conner reported that the Finance Committee had last met on June 16. Several Members had also participated in a June 28 workshop that had affected some of the opinions offered at the June 16 meeting.

Mr. Conner reported that the Financial Advisors' Report for the Aviation Enterprise Fund, as well as three recommended actions, had been presented at the June 16 meeting. He reported that the Committee had considered the authorization of $1.1 billion of financing, noting that the amount included about $385 million in new funding to refinance Commercial Paper and fund Capital Construction Program projects through October 2011. Mr. Conner explained that the new funding would be divided into two parts, totaling $385 million: 1) a fixed rate debt of approximately $215 million; and 2) variable rate bonds of approximately $170 million. He reported that the rest of the $1.1 billion would consist of AMT refunding bonds to refund outstanding Series 1998B Bonds and Series 1999A Bonds for debt service savings. Mr. Conner stated that the Airports Authority would also pursue a secondary market purchase program for certain outstanding AMT bonds for debt service savings.

Mr. Conner reported that the $170 million forward-starting interest rate swap was scheduled to go live on October 1, 2010, which is part of the new money financing of $385 million. As part of the process for soliciting liquidity support for the issuance of variable rate bonds, bank solicitations had been distributed for both

Letters of Credit and Securities Industry and Financial Markets Association index (SIFMA) loan products in order to gauge the pricing and the terms. Mr. Conner noted that the pricing and the SIFMA loan products appeared very attractive, particularly in view of the volatility of the market.

Mr. Conner reported that a proposal to split the $385 million of new funding into the fixed rate debt and variable rate bonds would be provided to the full Board. He added that fixed rate debt would proceed immediately, but that the variable rate bonds would require additional study; it would not be proposed for authorization at this time. Mr. Conner also noted that because the solicitation was so favorable, the Airports Authority would allow it to be used as liquidity support for future financings of variable rate debt, and that this structure would achieve a cost savings of approximately $1 million a year.

Mr. Conner reported that Andy Rountree had presented the first quarterly Budget Reprogramming Report, which had ended March 31, 2010. Approximately $414,000 of reprogramming relating to the Aviation Operating and Maintenance budget for Reagan National had occurred in the first quarter.

Mr. Conner reported that the Dulles Corridor Financial Advisors' Report had shown that the recent issuance of $342 million in Series 2010 Revenue Bonds had been successful. He noted that of the three components (Capital Appreciation Bonds (CABs), convertible CABs and Build America Bonds (BABs), the Committee would request Board authorization to sell additional BABs during 2010. Mr. Conner further reported that favorable financing costs had been achieved in a difficult market, and while all bonds had not been issued as originally anticipated, the result had been positive and much of the risk had been removed.

Mr. Conner reported that as of June 15, the investment portfolio balance had been more than $2 billion, almost equally divided between the Aviation Enterprise and the Dulles Corridor Enterprise Funds. Because of these historically high balances, Mr. Conner noted that further examination of the portfolio would occur, and a more detailed report would be provided at future Finance Committee meetings.

Mr. Conner briefly reported that the debt service coverage ratio had continued to improve, noting that as of May 31 it had been at 1.33; in April, it had been at 1.30. He stated that in previous months, the debt service coverage ratio had been below the stated requirements, but was manageable with additional funding coming from the airlines. Mr. Conner indicated that on behalf of the Committee he would offer three recommendations to: 1) approve the proposed issuance of the Airport System Revenue Bonds, Series 2010A and 2010B; 2) appoint co-managing underwriters for the bonds; and 3) authorize an extension of time, to provide for the issuance of additional BABs before the end of 2010. This effort would allow the Airports Authority the opportunity to take full advantage of the 35 percent federal subsidy. He noted that the federal program had not yet been extended, and that presently, it was not an attractive time to issue additional BABs, but that it may be beneficial in the future.

c. <u>Legal and Governance Committee</u>

Mr. Garson reported that the Legal and Governance Committee had met on June 2 and July 7 with a number of executive search firms regarding the new President and Chief Executive Officer search process. He stated that the Committee had reached a consensus to recommend the selection of Krauthamer & Associates, Inc. Mr. Garson reported that since the action had not been included on the day's agenda, he would request a waiver of notice requirements to allow for a vote by the full Board.

d. <u>Planning and Construction Committee</u>

Mr. Martire reported that the Planning and Construction Committee had met on June 16. Frank Holly had presented the monthly Capital Construction Program Cost Report, reporting that despite minor changes, that projects had remained within budget. He had also reported that rehabilitation of the parking garage and Runway 1C-19C at Reagan National had been completed a month early, and that adverse weather conditions had delayed progress on the International Arrivals Building at Dulles International for two months.

Mr. Martire reported that the Committee had received a report on modifications in process to accommodate JetBlue in Terminal A at Reagan National. While there were enough gates in that area to accommodate the additional slots acquired by JetBlue, the area had been built to serve only one carrier and was now serving five carriers. Mr. Martire said that the solution to providing capacity for JetBlue was to reopen the former American Airlines ticketing area. He added that JetBlue would construct the necessary facilities and that the Airports Authority would provide reimbursement from its 2011 Budget.

Mr. Martire reminded the Board that a package on Best Value contracting practices had been sent to each Director. Staff would respond to the issue at a future Business Administration Committee meeting.

e. Steering Committee

Mr. Crawford reported that the Steering Committee had met on July 6 to select a consultant to prepare a Request for Proposals for a firm to conduct an organizational study of the Airports Authority. He reported that the Committee had interviewed four firms that had responded to the Request for Qualifications and had reached a consensus on the selection of L&L Consulting, LLC. He said that he would offer a resolution later in the day's meeting.

f. Strategic Development Committee

Mr. Brown reported that the Strategic Development Committee had held a special meeting earlier that day to consider a Memorandum of Understanding (MOU) with the Ronald Reagan Foundation. He reminded the Board that in 1998, Congress had renamed Washington National Airport to Ronald Reagan Washington National Airport and that shortly thereafter, the Reagan Foundation had approached the Airports Authority about erecting a statue of former President Reagan at the Airport.

Mr. Brown noted that, at that time, the Airports Authority and the Foundation had held discussions on cost sharing arrangements, but nothing had developed until recently when the Foundation advised the Airports Authority that it had its share of the funding available to commission a statue. Mr. Brown reported that Airports Authority staff had negotiated an MOU outlining the cost sharing division. He noted that the Airports Authority would undertake the preparation and maintenance of the site and that the Foundation would pay the cost of commissioning, erecting and maintaining the statue. He noted that the Airports Authority also retained the right to relocate the statue, if necessary. Mr. Brown stated that the Committee was satisfied with the terms of the MOU and that he would offer a resolution later in the day's meeting to approve it.

III. INFORMATION ITEMS

a. President's Report

The President and Chief Executive Officer reported that she and Margaret McKeough had prepared a monthly report for the Board, including details of a number of issues submitted by Senior staff throughout the Airports Authority. Ms. Hampton reported that a vote on the Federal Aviation Administration (FAA) reauthorization bill had been extended to August. She said that significant attention had been given to the conversion of slots at Reagan National, with discussion of converting 48 slots or 24 roundtrips, and adding an additional five slots. Ms. Hampton noted that the conversion slots and additional slots proposed were to be outside of the 1,250-mile perimeter and to be moved from early morning to peak hours. She reported that Senators Mark Warner and Jim Webb were working diligently in support of the Airports Authority's interest on this issue. Other items of interest in the bill included the potential increase in passenger facility charges; funding of the next generation of air traffic control systems; and funding of the Airport Improvement Program. Ms. Hampton said that staff would keep the Board abreast of developments as the bill progressed through Congress.

Ms. Hampton reported that the proposed slot swaps between US Airways and Delta had also generated attention. She noted that the airlines had agreed to trade 42 slots at Reagan National for 125 slots at LaGuardia Airport. To approve the slot swap, the FAA required that some of the slots would go to air carriers with less than five percent of the existing air service. She reported that Delta and US Airways had rejected the conditions imposed on the transaction by the government and announced their intent to sue the FAA.

Ms. Hampton announced that effective August 1, 100 percent of passenger cargo at Dulles would require screening; the existing screening requirement was 60 percent. She reported that the Airports Authority was prepared to adhere to the Department of Homeland Security requirements.

Ms. Hampton reported that construction activity on the Dulles Corridor Metrorail Project had maintained its aggressive schedule, noting that tunnel activity and pier testing had progressed ahead of schedule with very positive results and no remedial action required. She noted the piles erected in 1960 were found at Difficult Run Bridge that had been installed when the Dulles Access Road had been built. She stated that the Commonwealth of Virginia did not possess as-built drawings for these piles, however, the Airports Authority did. Ms. Hampton stated that the truss installation along the Dulles Access Road had gone smoothly and that it would be the subject of an article on the children's page in the *Washington Post*.

Ms. Hampton reported that the Airports Authority had participated in a meeting with the Northern Virginia Transportation Commission that hosted legislators from the Commonwealth of Virginia. These legislators toured the Dulles Rail Project and received first-hand experience of the traffic conditions in Northern Virginia.

Ms. Hampton reported that the Airports Authority's aviation enterprise bond ratings unfortunately had received a negative outlook from Moody's. She noted that the negative rating, which could last up to 18 months, was related to the costs at Dulles International, the Airports Authority's level of debt, and the economy. She speculated that as the economy and aviation activity improved, the Airports Authority would report the positive developments to the rating agencies.

Ms. Hampton reported that wheelchair transport would soon be available on both ends of the Concourse C walk-back tunnel at Dulles Airport. She said that student ambassadors would facilitate the transport using radio communication.

Ms. Hampton reported that there would be a rotating photo exhibit displayed until September in the pedestrian tunnel to and from Concourse C, beginning with photos from White House photographers. Beginning in October, photos would be displayed from the National Aeronautics and Space Administration, which would help pay part of the cost of displaying the photo exhibit. Regarding the arts program at Reagan National, Ms. Hampton reported that the area where art from the Torpedo Factory was currently displayed would change. Ms. Hampton noted that five art groups had expressed interest in the space and said she anticipated that a new group's art exhibit would be installed within the next year.

Ms. Reiley complimented the President and CEO and staff on their representation of the Board's position not to extend additional long distance slots at Reagan National. She said it was important that the Airports Authority maintain the trust of the community. She also stated that the extension would have impacts on passenger delays, including getting through security checkpoints and parking; would be unfavorable. Ms. Reiley noted that larger planes departing Reagan National would also contribute more noise to the surrounding communities. She said that there were many reasons to maintain the existing number and, current hourly distribution of slots.

Ms. Reiley thanked Ms. Hampton, Robert Sullivan, Kathy Willey, and Margaret Bishop for their assistance with the July 4th celebration for the interns from the Orphan Foundation of America. The interns from all over the United States had been given a unique opportunity to enjoy dinner and fireworks at Reagan National.

Ms. Reiley thanked Cecelia Baxter, the summer intern in the Board Office, who had completed her assignment with the Airports Authority. Ms. Baxter had done an outstanding job and would be attending Fordham University.

Ms. Reiley stated that she appreciated the courtesies that the Airports Authority staff had extended to Ms. Baxter and the Orphan Foundation.

b. Executive Vice President's Report

Margaret McKeough reported that the Airports Authority had held its first regularly scheduled meeting this year with the corporate representatives of the airlines that served Reagan National and Dulles International. She reported that the staff had provided a status update on several construction projects and on airport financials since the beginning of 2010.

Ms. McKeough reported that previously the vendor that operated the largest market share for the Registered Traveler (RT) Program had filed bankruptcy, causing the program to fold within the industry. She stated that the assets had been purchased out of bankruptcy by Algood Holdings, which was currently reintroducing the program at airports throughout the U.S. Ms. McKeough noted that the Airports Authority's contracts with the prior vendor had been cancelled with the bankruptcy filing, but that staff would continue to monitor the RT Program.

Ms. McKeough thanked Chris Browne and staff for their efforts in keeping the signage program updated since the opening of the Aero Train in January.

Ms. McKeough reported that the Airports Authority would host its Third Annual Job Fair the following day at the Town Hall Education Arts and Recreation Center in Washington, D.C. In addition to the Airports Authority, more than 30 companies would attend to promote job opportunities being offered.

Ms. McKeough reported that the US aviation growth in May 2010 was 2.3 percent. At Reagan National, passenger activity in May 2010 had increased approximately 2 percent over May 2009. At Dulles International, passenger activity had posted an increase of 3.8 percent, which included a 2 percent increase in domestic activity and an 8 percent increase in international activity. Ms. McKeough reported that the passenger activity for the year had recovered at both Airports. She added that metrics for passenger statistics for June appeared positive.

Ms. McKeough reported that cargo activity at Dulles International had increased 27 percent in May 2010 compared to May 2009; international freight had increased 40 percent, while domestic freight had increased 10 percent. Year-to-date cargo activity at Dulles International had increased 25 percent.

IV. NEW BUSINESS

Mr. Speck noted that he was unable to vote because he was participating telephonically, but noted that had he been present, he would have abstained from voting in the first three resolutions. At that point, Mr. Speck ended his participation in the day's meeting.

a. Recommendation to Approve the Proposed Resolution Authorizing Issuance of the Airport System Revenue Bonds, Series 2010A and 2010B

Mr. Conner moved the adoption of the resolution, which would authorize up to $1.1 billion of Series 2010A and 2010B Bonds, noting that $385 million would be used to refinance Commercial Paper and $165 million would be used to provide for new financing. He noted that approximately $300 million was included to refinance certain outstanding Series 1998B and 1999A Bonds and up to $400 million for current refunding of non-AMT bonds.

The following resolution was unanimously approved by all nine Directors present:

WHEREAS, the Board of Directors of the Metropolitan Washington Airports Authority ("Airports Authority") desires to authorize the issuance of Airport System Revenue Bonds, Series 2010A (the "Series 2010A Bonds") and Airport System Revenue Refunding Bonds, Series 2010B (the "Series 2010B Bonds" and together with the Series 2010A Bonds, the "Series 2010 Bonds") which may be issued in one or more series or subseries in an aggregate principal amount not to exceed $1,100,000,000 to finance or refinance a portion of the costs of certain capital improvements ("Projects") at Ronald Reagan Washington National Airport and Washington Dulles International Airport and for other purposes identified below;

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, 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 Airports Authority adopted Resolution No. 10-19 appointing Barclays Capital Inc. and JP Morgan Securities Inc. as co-senior managers (collectively, the "Co-Senior Managers") for the issuance of the Series 2010 Bonds;

WHEREAS, there are outstanding 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") 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 2010A Bonds (the "Refunded CP 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 since the Swap Agreement may be terminated prior to its effective date, the Airports Authority desires to authorize payment of the resulting swap termination fees, if any, with a portion of the proceeds of the Series 2010A Bonds;

WHEREAS, the Airports Authority desires to authorize the current refunding of all or a portion of its outstanding Airport System Revenue Bonds, Series 1998B (the "Refunded 1998B Bonds"), all or a portion of its outstanding Airport System Revenue Bonds, Series 1999A (the "Refunded 1999A Bonds"), and certain Airport System Revenue Bonds which were issued between 2004 and 2008 (the "AMT Bonds" and together with the Refunded 1998B Bonds and the Refunded 1999A Bonds, the "Refunded Bonds") with a portion of the proceeds of the Series 2010 Bonds,

WHEREAS, the Airports Authority may purchase all or a portion of the AMT Bonds from the owners thereof with a portion of the proceeds of the Series 2010A Bonds, and the Airports Authority desires to appoint an agent (the "Manager") to purchase such AMT Bonds issued between 2004 and 2008 and to provide for the cancellation of such AMT Bonds following the purchase thereof;

WHEREAS, there have been presented to the Board of Directors forms of the following documents that the Airports Authority proposes to execute in connection with the issuance of the Series 2010A Bonds and the Series 2010B Bonds, copies of which documents shall be filed in the records of the Airports Authority:

(a) the Thirty-sixth Supplemental Indenture of Trust (the "Thirty-sixth 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 2010 Bonds, which supplements the Amended and Restated

Master Indenture of Trust, dated as of September 1, 2001, as amended (the "Master Indenture");

(b) the Series 2010A Bonds, attached as Exhibit A to the Thirty-sixth Supplemental Indenture;

(c) the Series 2010B Bonds, attached as Exhibit C to the Thirty-sixth Supplemental Indenture;

(d) the Bond Purchase Agreement relating to the Series 2010A Bonds (the "Series 2010A Purchase Contract"), between the Airports Authority and Barclays Capital Inc., on behalf of themselves and the other underwriters listed therein (collectively, the "Series 2010A Underwriters");

(e) the Bond Purchase Agreement relating to the Series 2010B Bonds (the "Series 2010B Purchase Contract" and together with the Series 2010A Purchase Contract, the "Purchase Contracts"), between the Airports Authority and Barclays Capital Inc., on behalf of themselves and the other underwriters listed therein (collectively, the "Series 2010B Underwriters" and together with the Series 2010A Underwriters, the "Underwriters");

(f) the Official Statement relating to the public offering of the Series 2010 Bonds (the "Official Statement");

(g) the Refunding Agreement between the Airports Authority and the Trustee relating to the refunding of each of the respective series of the Refunded CP Notes (collectively, the "CP Refunding Agreements");

(h) the Refunding Agreement between the Airports Authority and the Trustee relating to the refunding of the Refunded 1998B Bonds and the Refunded1999A Bonds (collectively, the "Bond Refunding Agreements" and together with the CP Refunding Agreements, the "Refunding Agreements"); and

(i) the Manager Agreement (the "Manager Agreement") between the Airports Authority and a firm serving as Co-Senior Manager, as the Manager, relating to the purchase of certain AMT Bonds;

NOW, THEREFORE, BE IT RESOLVED

1. That the Underwriters are authorized to distribute the Official Statement to prospective purchasers of the Series 2010 Bonds;

2. That the Series 2010 Bonds shall be issued in book entry form pursuant to the Master Indenture and the Thirty-sixth Supplemental Indenture and such bonds shall be sold to the respective Underwriters pursuant to the Purchase Contracts, all upon the terms and conditions specified therein;

3. 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 October 1, 2010, and directed to jointly determine, after each series of the Series 2010 Bonds have been priced in the market, the following:

(a) whether to (i) use a portion of the proceeds of the Series 2010A Bonds to currently refund any of the AMT Bonds by the purchase and cancellation thereof, and (ii) terminate the Swap Agreement;

(b) whether to issue the Series 2010B Bonds to currently refund the Refunded 1998B Bonds and the Refunded 1999A Bonds;

(c) the exact principal amount, series, and subseries designation of the Series 2010 Bonds, provided that the aggregate principal amount of the Series 2010A Bonds shall not exceed $800,000,000 and the aggregate principal amount of the Series 2010B Bonds shall not exceed $300,000,000;

(d) the interest rate or rates of each series of the Series 2010 Bonds;

(e) the maturity or maturities of each series of the Series 2010 Bonds, including the amount and date of any mandatory sinking fund redemption for a maturity;

(f) the provisions for redemption of each series of the Series 2010 Bonds prior to maturity;

(g) the amount and extent of any credit facility for any Series 2010 Bonds and the provider thereof;

(h) the amount of the debt service reserve requirement, if any, and the provider of any Debt Service Reserve Fund surety bond for each series of the Series 2010 Bonds;

(i) the amount of the purchase price for each series or subseries of Series 2010 Bonds;

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

(k) the amount of Refunded 1998B Bonds and the Refunded 1999A Bonds to be refunded pursuant to the Bond Refunding Agreements; and

(l) the amount and series of AMT Bonds to be purchased pursuant to the Manager Agreement;

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 within the Airports Authority's Aviation Enterprise Fund, including the Series 2010 Bonds; provided, that the determinations made pursuant to this paragraph 3 shall comply with the following requirements: (i) the maximum term of the Series 2010 Bonds shall not exceed 31 years; (ii) the Series 2010 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 2010 Bonds shall not exceed two percent (2%) of the principal amount thereof; (iv) the true interest cost of the Series 2010 Bonds shall not exceed nine percent (9%) per annum; (v) the Series 2010 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 refunding or purchase of the Refunded Bonds with a portion of the proceeds of the Series 2010 Bonds shall be consistent with the criteria for issuing bonds for such purpose as described in the report of the financial advisors' dated June 16, 2010 the text of which is attached hereto and incorporated herein;

4. That the payment, redemption or purchase of, the Refunded CP Notes and the Refunded Bonds with a portion of the proceeds of the Series 2010 Bonds, together with other funds, and cancellation of the AMT Bonds as determined in paragraph 3, is authorized and directed in the manner and the amounts set forth in the Refunding Agreements and the Manager Agreement and the Board of Directors hereby approves the can-

cellation of such AMT Bonds in the manner provided in the Master Indenture;

5. That the Chairman or the Vice Chairman is authorized and directed to execute, by manual or facsimile signature, the Thirty-sixth Supplemental Indenture, the Series 2010 Bonds, the Purchase Contracts, the Official Statement, the Refunding Agreements, and the Manager Agreement, forms of which are hereby approved, with such changes, insertions, completions and omissions as are necessary to reflect the bond principal amounts, the series or subseries designations of the Series 2010 Bonds, and other terms of each series of the Series 2010 Bonds determined pursuant to, and actions authorized in, paragraph 3 of this Resolution, and the execution of these documents by the Chairman or Vice Chairman shall constitute conclusive evidence of their approval by the Board of Directors;

6. That the Secretary is authorized and directed to affix the Seal of the Airports Authority or a facsimile thereof on the Thirty-sixth Supplemental Indenture, the Series 2010 Bonds, the Purchase Contracts, the Official Statement, the Refunding Agreements and the Manager Agreement, after their execution by the Chairman or Vice Chairman, to attest the same, by a manual or facsimile signature, and to deliver the Series 2010 Bonds to the Trustee for authentication upon the terms provided in the Master Indenture and the Thirty-sixth Supplemental Indenture;

7. That the Chairman, the Vice Chairman, the President and Chief Executive Officer, and the Vice President for Finance and Chief Financial Officer are each authorized and directed, with respect to the Series 2010 Bonds, to execute a tax certificate on behalf of the Airports Authority in implementation of the covenants and agreements set forth in the Thirty-sixth Supplemental Indenture and to make any election permitted by the Internal Revenue Code of 1986, as amended, that is determined by such officer to be to the advantage of the Airports Authority; and the representations, agreements and elections set forth in the executed tax certificate shall be deemed to be the representations, agreements and elections of the Airports Authority, as if the same were set forth in the Thirty-sixth Supplemental Indenture;

8. That the President and Chief Executive Officer and the Vice President for Finance and Chief Financial Officer are each authorized and directed to execute, deliver and file all other certificates and instruments related to the issuance and sales of the Series 2010 Bonds, including Internal Revenue Service Form 8038, any reimbursement agreement relating to any Debt Service Reserve Fund surety bond, and any agreement for the

investment of proceeds from the sale of the Series 2010 Bonds, and to take any further action as the officers may consider necessary or desirable in connection with the issuance and sale of the Series 2010 Bonds, the refunding of the Refunded Bonds including the purchase and cancellation thereof, the termination of the Swap Agreement, and any other actions authorized in paragraph 3 of this Resolution;

9. That any authorization provided in this Resolution to execute a document shall include authorization to deliver the document to the other parties thereto; and

10. That any other acts of the Chairman, the Vice Chairman, the Chairman of the Finance Committee, the President and Chief Executive Officer, the Vice President for Finance and Chief Financial Officer or any other officer of the Airports Authority that are in conformity with the purposes, intent and conditions of this Resolution and in furtherance of the execution, delivery and performance by the Airports Authority of the Thirty-sixth Supplemental Indenture are hereby authorized, and the authorizations granted herein to such officers of the Airports Authority shall apply equally to any person serving in such capacity on an interim or acting basis, except that the Board of Directors reserves unto itself the authority to appoint or remove any person or entity named, appointed or described in this Resolution or in the form of the Thirty-sixth Supplemental Indenture or Manager Agreement presented to the Board of Directors who is to serve as underwriter, trustee, manager or in any similar role relating to the Series 2010 Bonds or the Refunded Bonds.

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

b. <u>Recommendation to Appoint Co-Managing Underwriters for the Airport System Revenue Bonds, Series 2010</u>

Mr. Conner moved the adoption of the following resolution, which was unanimously approved:

WHEREAS, the Board of Directors of the Metropolitan Washington Airports Authority (the "Airports Authority") is preparing for the issuance of its Airport System Revenue Bonds, Series 2010A and Airport System Revenue Refunding Bonds, Series 2010B (collectively, the "Series 2010 Bonds") which may be issued in one or more series or subseries in an aggregate principal amount not to exceed $1,100,000,000;