

BOARD OF DIRECTORS ANNUAL MEETING

Minutes of November 16, 2016

The thirtieth annual meeting of the Board of Directors was held in the first floor Conference Rooms 1A, 1B and 1C at 1 Aviation Circle. The Chairman called the meeting to order at 10:15 a.m. Fourteen Directors were present during the meeting:

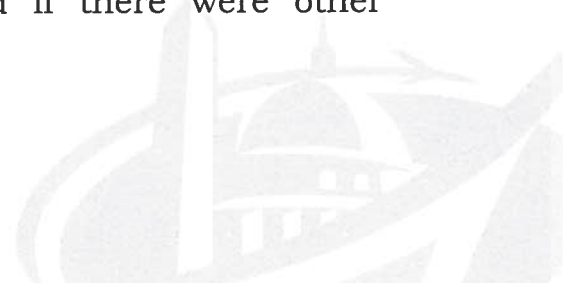
William Shaw McDermott, Chairman	Caren Merrick
Warner H. Session, Vice Chairman	A. Bradley Mims
Earl Adams, Jr.	Thorn Pozen
Michael A. Curto	William E. Sudow
Anthony H. Griffin	T. Walter Tejada
Katherine K. Hanley	Nina Mitchell Wells
Barbara Lang	Joslyn N. Williams

The Secretary and Executive Management were present:

John E. Potter, President and Chief Executive Officer
Margaret E. McKeough, Executive Vice President and Chief
Operating Officer
Jerome L. Davis, Executive Vice President and Chief Revenue
Officer

I. ELECTON OF Chairman, Vice Chairman and Secretary

Mr. Curto reported that at the day's Nominations Committee Meeting, the following slate of nominees was advanced: William Shaw McDermott for Chairman, Warner H. Session for Vice Chairman, and Monica R. Hargrove for Secretary. Consistent with the Airports Authority's tradition and the Bylaws, Chairman McDermott stated that each nominee would be offered individually. He then asked if there were other nominations for Chairman. Hearing none, a motion to approve the nomination presented by the Nominations Committee was offered. Mr. McDermott was elected as the Chairman. He then asked if there were other



nominations for Vice Chairman. Hearing none, a motion to approve the nomination presented by the Nominations Committee was offered. Mr. Session was elected as the Vice Chairman. The Chairman then asked if there were other nominations for Secretary. Hearing none, a motion to approve the nomination presented by the Nominations Committee was offered. Ms. Hargrove was elected as the Secretary.

II. MINUTES OF THE OCTOBER 19, 2016 BOARD OF DIRECTORS MEETING

The Chairman called for the approval of the Minutes of the October 19, 2016 Board of Directors Meeting, which were unanimously adopted.

III. COMMITTEE REPORTS

a. Business Administration Committee – Warner H. Session, Co-Chair

Mr. Session reported that the Business Administration Committee had met that morning. The Committee had approved the staff recommendation to award contracts for rental car concessions at Ronald Reagan Washington National (Reagan National). Mr. Session reported that he will offer a resolution later in the day's meeting. The Committee had also received information on the Annual Operational Insurance Policy Renewals and the Quarterly Acquisition Report.

b. Executive and Governance Committee – William Shaw McDermott, Chair

Mr. McDermott reported that the Executive and Governance Committee had last met October 19. Staff had presented the results of an Audit Report on Travel and Business Expenses for the period July 1, 2014 through June 30, 2015.

c. Finance Committee – Earl Adams, Jr., Co-Chair

Mr. Adams reported that the Finance Committee had last met October 19. The Committee had concurred with the pre-solicitation terms for the credit facility associated with the Aviation Enterprise's Commercial Paper Program. Staff had presented the Financial Advisors' Reports for both Enterprises, as well as the draft 2017 Budget. Due to time restraints,

Mr. Adams noted that the September 2016 Financial Reports for both Enterprises had been accepted, as submitted.

d. Strategic Development Committee – Nina Mitchell Wells, Co-Chair

Ms. Wells reported that the Strategic Development Committee had met that morning. The Committee had approved the staff recommendation to approve the Virginia Department of Transportation's request for easements located along Route 123 for construction of a sidewalk providing access to the McLean Metrorail Station. Ms. Wells stated that she would offer a resolution later in the day's meeting. Staff had presented a report on the New Corporate Office Building.

IV. INFORMATION ITEMS

a. President's Report

Mr. Potter reported that he wanted to acknowledge some individuals who are departing the Airports Authority. He stated that Bruce Gates, who represented the Commonwealth of Virginia, was unfortunately not present for his last official meeting. Mr. Potter reported that he had been extremely supportive and effective and that his experience and expertise in government relations and other key areas, including Human Resources, have served the Airports Authority well. He thanked Mr. Gates for his service and wished him well in his future endeavors.

Mr. Potter also reported that Kevin Chapman, a Senior Advisor to U. S. Secretary of Transportation Anthony Foxx, has served as the liaison between the Secretary of Transportation and the Airports Authority for the last five years. Mr. Potter reported that Mr. Chapman has been invaluable in terms of enabling the Metropolitan Washington Airports Authority (Airports Authority) to build a bridge with the Department of Transportation. He congratulated Mr. Chapman on his new position with the Big Brothers Big Sisters in Tampa, Florida and thanked him for all of the contributions he had made to the Airports Authority. Mr. Chapman received a round of applause.

Mr. Potter reported that Michael Curto, who represented Maryland for the last six years, was attending his last official meeting. In his most recent role as Finance Co-Chair, Mr. Curto had made invaluable contributions to meetings with the analysts on Wall Street and to the

Airports Authority's successful efforts to refinance debt, which has been a key factor in lowering the cost per enplanement (CPE) at Washington Dulles International (Dulles International). He noted the contribution that Mr. Curto made when he stepped up as Chairman after serving on the Board for less than a year was pivotal, and he helped to guide the Airports Authority in an extraordinary manner. At that time, there were concerns with the Office of Inspector General (OIG) report and the credibility of the organization, and Mr. Curto exhibited his leadership, both externally and within the Airports Authority, in a huge way. Mr. Potter personally thanked Mr. Curto for his service, guidance, leadership and friendship. He noted that the Airports Authority is much stronger, much more accountable, and a much more successful organization today because of the contributions that he had made. Mr. Curto received a standing ovation.

Mr. Potter congratulated the winners of the November elections. He stated that the Airports Authority looks forward to working with the officials on issues affecting Reagan National and Dulles International, and the important role that they play in serving the traveling public. Mr. Potter reported that the Airports Authority's Government Affairs team is already working to brief newly-elected and re-elected officials on Airport-related issues, and the Airports Authority stands ready to serve as a resource to all political leaders as they transition into their new roles.

Mr. Potter reported that both Airports were preparing for a very busy holiday travel season during Thanksgiving, which would begin in a couple days. Industry experts are predicting near-record passenger traffic this year across the nation. Mr. Potter stated that the Airports Authority is working with its partners at the Transportation Security Administration (TSA) and U.S. Customs and Border Protection (CBP) to make passage through Reagan National and Dulles International as easy, efficient, and convenient as possible for its customers. He further stated that Ms. McKeough would provide more information on holiday travel plans and expectations in her report.

Mr. Potter also reported that the Airports Authority is moving forward with preparations for the construction program at Reagan National, which will improve terminal facilities, relocate security to make the Airport more accessible for passengers, and add a new commuter concourse. He noted that improvements underway to the Airport's roadways were likely noticeable to those who drove to the day's meetings. Although this morning's big traffic jam was not expected when Mr.

Potter's report had been written, he stated that the newly-configured lanes to improve traffic flow are among the many steps that will be taken in the months ahead to help ease frequent traffic congestion during certain times of the day. Mr. Potter complimented and congratulated Paul Malandrino, Vice President and Airport Manager, and his team, as well as the operations team, along with Roger Natsuhara, Vice President for Engineering, and the entire engineering group for reacting so quickly and performing these changes in a very efficient manner. He stated that the work will help the Airports Authority to prepare for the new traffic patterns that will result from the terminal construction project.

With regard to the Reagan National construction project, Mr. Potter reported that the Airports Authority had received the Environmental Assessment (EA) approval from the Federal Aviation Administration (FAA). He explained that the approval of the EA marked a major milestone which clears the way for construction to begin on this important project that is designed to further enhance the customer experience at the Airport.

As a result of a recent survey conducted by an organization called ThePointsGuy.com, Mr. Potter reported that both Airports were among the nation's top 25 in terms of quality of service. The results of the survey, which had appeared in *USA Today* and several other media outlets, ranked Reagan National at number 13. The results called attention to the Airport's upgraded shopping and dining establishments, convenient location, low number of flight delays, and recent improvements to terminal facilities. Dulles International, which was ranked number 24, received accolades for the number and quality of its passenger lounges, as well as its new concession offerings. Mr. Potter reported that a new arrangement with rental car companies, which will add brands to the options available onsite at Reagan National, is now included on the growing list of improvements in the passenger experience. As previously reported, the new arrangement will increase the number of rental car companies that have vehicles available for passengers to pick up at the terminal without having to ride a shuttle bus to offsite locations. Mr. Potter reported that the Airports Authority believes this is one more way to make the Airport experience more pleasant and convenient for its customers.

Mr. Potter reported that it appears that the Airports are popular places to work. Two years ago the Airports Authority launched an intensive training program for new members of its fire and rescue team as part of

the effort to ensure that Reagan National and Dulles International continue to have top-quality emergency response service. Mr. Potter reported that the Airports Authority received 920 applications for ten slots advertised in this new program. Seven of the candidates were selected and they recently graduated from the training program. Mr. Potter stated that the Airports Authority is delighted that they are helping to serve and protect the passengers, employees, and members of the public. He further stated that the Airports Authority is grateful to Bryan Norwood, Vice President for Public Safety, and Tony Vegliante, Vice President for Human Resources and Administrative Services, as well as its colleagues at the Prince George's County Fire Department, who helped to provide facilities and training for making this program such a great success. Mr. Potter shared a picture of the new public safety graduates.

Mr. Potter shared a brief story and pictures of heroism by the Airports Authority's fire and rescue team. On Halloween, the fire dispatchers at Dulles International responded to a call from someone in the Green Lot of the economy parking area who had found a kitten with its head stuck in what appeared to be a metal post hole for a road sign. When the crews arrived on the scene, they determined that it would be nearly impossible to break or cut the metal without harming the kitten. After assessing the situation, they decided the best course was to try to gently pull the kitten's head back through the hole. Mr. Potter reported that fire technicians Arnold Dowdy and David Shulen slowly and methodically worked together to safely free the kitten from the hole. Once the kitten was rescued, the crews took him home to the fire station and cared for him. Although several campaigned to keep the kitten as the fire station mascot, another Airport employee volunteered to take him home to become part of a family that already had cats, which would be a much better place for him.

Mr. Potter wished everyone a Happy Thanksgiving.

b. Executive Vice Presidents' Reports

Ms. McKeough reported that September air traffic statistics were located under Tab 10 in the materials provided for the day's meeting. She stated that passenger volumes at both Airports revealed that September was another strong month, most noteworthy at Dulles International. Ms. McKeough noted that this positive growth has continued. September marked the fourth consecutive month this year where positive growth

was recorded for Dulles International. Ms. McKeough noted that there has been a continuous effort to reverse the prior trend. She stated that she was pleased to report that the existing trend line for the last four months is forecasted to continue for the next couple of months. At Dulles International, the international passenger activity level had increased 9 percent in September. In addition to the increased activity of United Airlines (United), growth occurred in passenger activity levels across most of the foreign flag carriers that have added capacity and more international seats to Dulles International. Ms. McKeough noted that the newer air service of Air Canada and LATAM Peru also contributed to the monthly increase in international growth.

Ms. McKeough reported that positive growth of almost 4 percent was recorded at Reagan National in September. She stated that a similar increase had not occurred since late spring and noted that it would be another interesting trend line to monitor. Ms. McKeough explained that the activity was fueled by Delta Airlines and Southwest Airlines, which strategically altered some of their markets served from Reagan National. As a two-Airport combined system, Ms. McKeough reported positive growth of approximately 2 percent in September.

Ms. McKeough reported that the Airports Authority is preparing for another busy holiday season, which is expected to begin in several days. As Mr. Potter stated, Thanksgiving is one of the busiest travel times of the year. Ms. McKeough stated that the communications team had issued a number of press releases informing customers to arrive at the Airports early since this Thanksgiving is expected to produce one of the highest travel volumes of passengers to occur throughout the industry in some time. She reported that the Airports Authority is mobilizing extra personnel in the terminals, on the roadway systems, and at the curbs. The messaging also reminds passengers that the Reagan National roadway systems are very congested, and that with the increased level of activity, the limitations of the Airport's roadway systems continue to be challenging. The messaging system encourages passengers to use the parking reservation system at Reagan National for a more efficient way to get in and park so that they can board their flights.

At Dulles International, Ms. McKeough reported that a lot of the messaging addresses on-going construction work. She noted that continuous collaboration with the Dulles Corridor Metrorail Project team occurs to stage construction activity in a manner that will not be disruptive for holiday travelers. Customers are reminded that there are plenty of surface parking spaces in front of the building for convenient

entry and exit. Additionally, staff is also highlighting all of the new concession activities and service amenities that have opened up since last year.

Ms. McKeough reported that the performing arts program will offer a number of live musical performances at both Airports to keep everyone in a festive spirit as they travel during the busy holiday season.

In addition to the holiday season, Ms. McKeough reported that the Airports Authority has already activated its planning activities for the Presidential Inauguration on January 20, 2017. The Inaugural festivities represent another peak activity event for the Airports Authority as both Airports will be heavily used by travelers coming to the area for the activities. Airport Managers at Reagan National and Dulles International, as well as Mr. Norwood and the public safety team, are very engaged with all of the planning activity underway throughout the region with the Council of Governments, regional partners, and the Secret Service. The Inauguration will result in increased passenger traffic and general aviation activity, which will need to be strategically managed on the airfields in an effort not to disrupt the continual commercial operations. Ms. McKeough stated that more updates will be available as January approaches, and the Airports will be prepared, consistent with prior years.

Ms. McKeough commended the hard-working employees of the Airports Authority who will give up their holidays to support the front lines over the next couple of months to ensure that the traveling public will be accommodated as efficiently as possible.

On behalf of the Board, the Chairman joined Ms. McKeough in her expressions of gratitude to the Airports Authority employees who do such a great job at every level throughout the campuses and other places where they are employed.

Mr. Davis reported that the Office of Revenue is also very focused on the holiday travel season and enhancing the travel experience for the Airports Authority's customers. One significant aspect of the experience is to make it easy and pleasant for passengers to get the information they need to move through the Airport and to find the services they need. Mr. Davis stated that the major way that passengers get that information is through their mobile devices, which is why the Airports Authority redesigned its website last year and why staff continues to make improvements to the website and its features.

After implementing the new website in September 2015, Mr. Davis stated that staff was able to use online analytical tools to monitor the activity of visitors to the site in a way that had not been done historically. One thing that was learned is that a large number of visitors to Dulles International spoke a language other than American English. A very large number of passengers also spoke languages other than English. Mr. Davis reported that the analysis showed that when these passengers visited the website, they had a bounce rate of over 64 percent. He explained that after logging on to the website, more than 64 percent of those users whose primary language was something other than English would quickly leave the website. Mr. Davis stated that the most likely reason that they left the website was because they could not find information in their home language.

Mr. Davis reported that the website analytics showed that the most prevalent primary languages of those who visited it were Spanish, Chinese, German, French, and Japanese. He stated that by benchmarking the website of other international airports, staff determined that the most common and most cost-effective approach to providing airport information in a passenger's home language is to focus on translating the most requested information from people visiting airports' websites for which they have the most interest, including the TSA, CBP, airport maps, shopping and dining options, ground transportation options, and other flight information. Mr. Davis reported that over the past several months, the marketing team has been working to get that information translated for posting to the Airports Authority's website in a way that is easy for people to find and to keep updated. He explained that the Airports Authority is taking the approach of using a simplified or academic version of each language to enable website visitors who speak a particular language to better understand the content, even if it is not in their home dialect. Additionally, to further ensure that the website visitors have an understanding, the Airports Authority's translations went through a two-step quality review using native language speakers and local translators.

Mr. Davis reported that information in five additional languages -- Spanish, Chinese, German, French, and Japanese -- will go live on the Dulles International website within the next several days. While the Airports Authority is excited to add this customer service feature on its website, Mr. Davis reported that staff planned to continue this expansion in the next year to provide additional languages on the Dulles

International website and to add other languages on Reagan National's website.

On another customer service front, Mr. Davis reported that passengers will also continue to see new shops and restaurants opening at both Airports in the coming months with the launching of the next phase of the Airports Authority's concessions redevelopment program, which began about three years ago. Among the new concepts coming soon will be the region's first airport Chick-fil-A restaurant, with its family-friendly menu, at Reagan National, along with Pei Wei, a restaurant featuring freshly-prepared Asian fusion cuisine, at Dulles International in Concourse B. Additionally, a second Wolfgang Puck restaurant will join an expanded list of celebrity chef-driven concepts. Mr. Davis reported that one of the most innovative additions in the lineup will be the Washington Redskins Burgundy & Gold restaurant. He noted that when there is no recognition of franchises linked to the area's pro sports teams at area airports, it is disappointing. Mr. Davis thanked Steve Baker, Deputy Vice President for Customer and Concessions Development, along with Chryssa Westerlund, Vice President for Marketing and Consumer Strategy, for their efforts to bring the restaurant to Dulles International. He observed that the Airports Authority will have an opportunity to do some very unique things with the history of the Redskins' organization and will ensure that the website shares the exciting news to highlight the restaurant at the Airport.

Mr. Davis reported that the focus for Phase 5 of the concessions redevelopment process remains on driving revenue in a way that reflects the diversity of the region that the Airports Authority serves as reflected in the food and retail offerings at Reagan National and Dulles International. He noted that the grand opening of the new gas station and convenience store at Dulles International would be held within a few weeks. The new station, located close to the site of the existing Exxon station, near the economy parking area on Dulles International, will be operated by Sunoco. It will also feature a large A-Plus convenience store, a Subway sandwich shop, and a Laredo Taco Company restaurant. The new station is a much larger facility than the current station, and it is expected to sell more gas and food and bring in more revenue. Mr. Davis reported that the existing Exxon station will close once the new station opens, and the land will be repurposed. He stated that the new facility is another part of the Airports Authority's effort to expand and enhance offerings to passengers.

Mr. Davis also extended a Happy Thanksgiving to everyone.

Ms. Lang stated that she had visited the Bergamo Airport in October on non-Airports Authority business. She commented that the airport is a real destination and observed that people go there to take advantage of the numerous food offerings and retail opportunities even when they are not traveling. Additionally, an enclosed mall is across the street from the Airport. Ms. Lang inquired whether this type of real destination is a possibility for Dulles International. She recalled that one District of Columbia vendor had complained to her about the location of his concession at one of the Airports because it was post security, and he believed that he was missing out on a substantial number of sales because travelers preferred to get through the TSA lines before considering retail opportunities. Mr. Davis responded that staff had explored options with regard to the real destination possibilities at Dulles International, but that nothing had been confirmed at this time. He stated that management believed that the ability to upgrade Concourses C and D and solutions to get more passenger traffic moving throughout all of the terminals is a positive development. Unlike at Reagan National where many of the retail opportunities are located post security, there are not many immediate options at Dulles International. Mr. Davis stated that the management team still believed that the Airport will offer many other positive developments that may potentially include real estate opportunities that will ultimately impact passengers.

Ms. McKeough stated that it is fairly complicated to implement the destination concept within the U.S. aviation industry. As Mr. Davis had indicated, the Airports Authority's strategies are mostly based on building on the Airports' opportunities rather than competing as a destination for things other than travel.

Mr. Mims complimented staff for bringing Chick-fil-A to Reagan National. He inquired whether the restaurant would be open on Sundays. Mr. Davis responded that while Chick-fil-A will not provide services on Sunday, staff is exploring options to possibly have other types of services offered in that location on that day. He observed that typically Chick-Fil-A conducts more business in six days than most food offerings do in seven.

Mr. Mims commented on a recent experience at an airport where the gas stations adjacent to that airport is charging at least 50 cents more per gallon of gas compared to other area locations. While it is important to increase revenue, Mr. Mims expressed concern and wanted to ensure

that such a practice would not occur with the new Sunoco gas station. Mr. Davis stated that the Airports Authority remains cautious about that practice and noted that language had been included in the contract to ensure that it would not occur.

Mr. Tejada stated that he hoped that healthy options would also be considered for food offerings in the Airports. He also expressed his delight with regard to the addition of the five languages on the Dulles International website. Mr. Tejada stated that he had communicated the idea to staff when he first joined the Board and learned at that time that the concept was already underway. He also stated that he appreciated the events that had occurred during the Hispanic Heritage Month and hoped that the Airports Authority could find other ways to show its appreciation for the diverse travelers that use the Airports. Mr. Tejada commended Mr. Potter.

Mr. Sudow commended Mr. Davis on the growth of revenues that the Airports Authority has achieved since he joined the Board. He observed that increases in the non-airline revenue and the concessions revenue are indications that the teams are working together for the collective benefit. Mr. Sudow inquired whether staff has considered all revenue options and potential for concessions or whether opportunities to continue growth and improve revenue still exist. Mr. Davis stated that he believed that the growth can continue. He further stated that Phase 5 of the concessions redevelopment would add 20 to 25 concessions. Additionally, he noted that as a result of an arrangement that had been established with the concessions three years ago, a capital infusion to upgrade some of the restaurants would occur in 2018 and 2019. Mr. Davis stated that staff now has the benefit of performance business analytics that did not exist before that will allow the Airports Authority to look closely at concessions that are underperforming and have an opportunity to make changes with MarketPlace Development with regard to leasing options. Mr. Sudow agreed that metrics is a good idea in terms of looking at gross sales per square foot, revenue per square foot, and other enhancements that the Airports Authority could provide to support the tenants to drive more revenue.

Ms. Merrick inquired as to the methods that staff used to share the holiday travel tips that Ms. McKeough referenced in her report. Ms. McKeough stated that a formal press release had been issued that week, and that many of the same messages were posted on the Airports Authority's website. Additionally, social media is also being used as a

means to make sure that the traveling public is aware of the holiday travel tips.

Ms. Merrick inquired as to whether the Airports Authority is increasing its followers on Twitter and other social media applications. She requested that staff provide a report regarding the growth of these applications in terms of the Airports Authority's followers, as well as strategies to grow them. Mr. Davis stated that a report would be provided.

Mr. Davis reported that Jim Poff, Manager, Business Development, and Johnna Spera, Deputy General Counsel, had reminded him that the Airports Authority's 11-year lease for the new Corporate Office Building included one-year of free rent.

V. NEW BUSINESS

a. Recommendation to Award Contracts for Rental Car Concessions at Ronald Reagan Washington National Airport

Ms. Merrick moved the adoption of the following resolution, which was unanimously approved:

WHEREAS, On May 18, 2016, the Business Administration Committee concurred with staff's request to issue an Invitation for Bid (IFB) for the operation of three on-Airport rental car concessions at Ronald Reagan Washington National (Reagan National);

WHEREAS, three bids were received, all of which were responsive to the terms of the IFB;

WHEREAS, the Minimum Annual Guarantees (MAGs) from the three bidders over the five-year terms of the contracts total \$89,168,147; and

WHEREAS, on November 16, 2016, the Business Administration Committee was presented the results of the bids received in response to the IFB, and recommended that the Board of Directors approve the selection of the following three rental car companies for the operation of on-Airport rental car concessions:

Enterprise RAC Company of Maryland, LLC
The Hertz Corporation
Avis Budget Car Rental, LLC;

now, therefore, be it

RESOLVED, That the Board of Directors approve the selection of the following three rental car companies to operate rental car concessions on-Airport at Reagan National for five-year terms, effective February 1, 2017:

Enterprise RAC Company of Maryland, LLC
The Hertz Corporation
Avis Budget Car Rental, LLC;

and

2. That the President and Chief Executive Officer is authorized and directed to enter into concession contracts with the three rental car companies listed above, consistent with the terms presented to the Business Administration Committee at its November 16, 2016 meeting.

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

b. Recommendation to Approve Virginia Department of Transportation's Request for Easements Located along Route 123 for Construction of a Sidewalk Providing Access to the McLean Metrorail Station

Ms. Wells moved the adoption of the following resolution, which was unanimously approved:

WHEREAS, The Virginia Department of Transportation (VDOT) is working on a locally-administered project with Fairfax County to provide certain improvements for pedestrian access to the McLean Metrorail Station (Project);

WHEREAS, The Project includes construction of a 10-foot wide multi-use sidewalk, for a total length of approximately

0.45 miles along the northbound side of Route 123, between Great Falls Street and the Route 267 eastbound on-ramp;

WHEREAS, In order to construct the Project, VDOT is requesting a permanent sidewalk easement totaling approximately 0.17 acres, a permanent storm drainage easement totaling approximately 0.19 acres, and a temporary grading and construction easement totaling approximately 0.33 acres, across Airports Authority property adjacent to Route 123; and

WHEREAS, The Strategic Development Committee has reviewed the proposed easements, as presented by staff at its November 2016 meeting, and recommended that the easements should be granted at no cost; now, therefore be it

RESOLVED, That the President and Chief Executive Officer is authorized and directed to execute the easements in favor of the Virginia Department of Transportation as identified in detail in the documents presented to the Board of Directors at its November 2016 meeting.

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

VI. UNFINISHED BUSINESS

There was not any unfinished business.

VII. OTHER BUSINESS & ADJOURNMENT

On behalf of Ms. Wells, former Director Richard Kennedy, and himself, the Chairman stated that Mr. Chapman has been an invaluable source of guidance and wisdom to advise them as to how they could best serve the national interest as presidential appointees to the Board.

Chairman McDermott stated that the Airports Authority was incredibly fortunate that Mr. Curto had donated such an enormous amount of time while serving as Managing Partner of Squire Patton Boggs in the Washington. He stated that Mr. Curto was appointed in January 2011 for a six-year term, which would conclude in a few days. Mr. Curto was first elected Chairman in 2012 and is presently the longest-serving

member of the Board. In addition to serving as the Chair of the Nominations Committee, he also serves as the Co-Chair of the Finance Committee, and is a member of the Executive and Governance, Dulles Corridor, and Human Resources Committees. He has also been involved in the Airports Authority's Retirement Committee.

The Chairman reported that The *Virginia Watchdog* publication once said of Mr. Curto's leadership during various reforms that the Airports Authority was implementing during the course of his tenure that if James Brown was the hardest-working man in show business, then Mr. Curto may be the James Brown of Airports Authority governance. He stated that he had worked very closely with Mr. Curto who had helped to educate him as a new Chairman and that the Board was truly indebted for the service that he had contributed. The Chairman thanked Mr. Curto once again, and he received another round of applause. He then presented Mr. Curto with departing gifts, including an Airports Authority traveler bag.

Mr. Curto thanked the Chairman for his gracious remarks. He thanked all of his colleagues on the Board, past and present, noting particularly Charles Snelling, Mame Reiley, and Elaine McConnell, who were now deceased. Mr. Curto stated that it had been a terrific, heartening experience over the last couple of years under the leadership of the Chairman and Vice Chairman. He remarked that the camaraderie of the current Board had been enjoyable, and he thanked his colleagues for their personal courtesies that he greatly appreciated.

Mr. Curto then thanked the Board Office Staff for their support and efforts. He also thanked Mr. Potter for his methodical, tenacious manner for which he had transformed the culture of the Airports Authority. Mr. Curto also recognized and thanked numerous members of the senior management team, as well as the financial advisors and underwriting syndicate. He received a round of applause.

Although Mr. Gates was unable to attend the day's meeting, the Chairman noted that he had extended written thanks to him, first personally and now on behalf of the Board, for all of his contributions during his tenure. He stated that Mr. Gates serves as the Senior Vice President for External Affairs for Altria Client Services. Mr. Gates had filled two partial terms of former Directors. The Chairman stated that he had served as Co-Chair of the Human Resources Committee the prior

two years and that he currently serves on the Dulles Corridor and Strategic Development Committees.

The Chairman then recognized Mr. Potter noting that the strength that he had given to the leadership, management, and day-to-day operations is well regarded within the Airports Authority and externally. He stated that Mr. Potter had led a number of reforms that were designed to address ethics, governance, procurement issues, and the myriad of topics that were raised by the OIG report. Chairman McDermott recognized the innovative organizational changes that Mr. Potter had implemented, including the creation of the Internal Controls Department, the Office of Revenue with a new Executive Vice President, and more recently, the Supply Chain Management Department. He remarked that Mr. Potter's effort with lowering the CPE at Dulles International had been observed by many Directors. The Chairman also reported on the invaluable contributions of Mr. Potter in working with the Commonwealth of Virginia for the provision of \$50 million to reduce airline operation costs at Dulles International, as well as with United for its recent renewal of the hub operation and extension of the Use and Lease Agreement at Dulles International.

Chairman McDermott noted that Mr. Potter is highly regarded, and the Airports Authority is thankful for his distinction, hard work, and inspiration that led to the creation of a different culture within the organization. He was recently appointed by the U.S. Secretary of Transportation to the National Advisory Committee on Travel and Tourism Infrastructure. Since 2014, Mr. Potter has served on the FAA Management Council, which is a 13-member board of industry leaders that advises the FAA Administrator on carrying out that agency's mission.

The Chairman shared a letter that he had sent to Mr. Potter, dated November 2, stating that he offered heartfelt congratulations to him in recognition of his completion of five years of service. He presented a check to Mr. Potter that was customary for employees who completed five-year and other increments of service with the Airports Authority.

Mr. Potter received a round of applause.

The Chairman extended Thanksgiving wishes to everyone. He reminded everyone that the Board and Committee Meetings will be held on December 14 (instead of December 21).

The Meeting was thereupon adjourned at 11:24 a.m.

Respectfully submitted:

Monica R. Hargrove

Monica R. Hargrove
Vice President and Secretary

Approved 12/14/2016