

BOARD OF DIRECTORS MEETING

Minutes of September 18, 2019

The regular meeting of the Board of Directors was held in the Fifth Floor Conference Rooms at Two Potomac Yard, 2733 Crystal Drive, Arlington, VA. The Chairman called the meeting to order at 8:35 a.m. Fourteen Directors were present during the meeting:

Warner H. Session, Chairman
Earl Adams, Jr.
Judith N. Batty
John A. Braun
Albert J. Dwoskin
Katherine K. Hanley
Robert W. Lazaro, Jr.

A. Bradley Mims
Thorn Pozen
David G. Speck
William E. Sudow
J. Walter Tejada
Mark E. Uncapher
Joslyn N. Williams

The Secretary and Executive Management were present:

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

I. MINUTES OF THE JULY 17, 2019 BOARD OF DIRECTORS MEETING

The Chairman called for the approval of the Minutes of the July 17, 2019 Board of Directors Meeting, which were unanimously approved.



II. COMMITTEE REPORTS

a. Business Administration Committee – Robert W. Lazaro, Jr.

Mr. Lazaro reported that the Business Administration Committee had last met July 17. The Committee had approved three recommendations – 1) to award a sole source contract for Geographic Information System Software; 2) to approve an Airline Reimbursement Agreement with United Airlines (United) for the installation of electric charging ports at Washington Dulles International Airport (Dulles International); and 3) to award a sole source contract for Vehicle Movement Area Transponder units at Ronald Reagan Washington National Airport (Reagan National) and Dulles International. Mr. Lazaro stated that he will offer resolutions for Board approval of all three recommendations later in the day's meeting.

b. Dulles Corridor Committee – Katherine K. Hanley, Co-Chair

Ms. Hanley reported that the Dulles Corridor Committee had last met July 17. Staff had presented the Dulles Corridor Metrorail Project Monthly Cost and Schedule Update for Phase 2. Ms. Hanley advised that complete details of the meeting could be found in the Summary Minutes distributed for the day's meeting.

c. Finance Committee – A. Bradley Mims, Co-Chair

Mr. Mims reported that the Finance Committee had last met July 17. The Financial Advisors had presented the monthly reports for the Aviation and Dulles Corridor Enterprises. Staff had presented information on Continuing Disclosure Obligations and Investor Relations, as well as the June 2019 Financial Report for both enterprises.

d. Human Resources Committee – Joslyn N. Williams, Co-Chair

Mr. Williams reported that the Human Resources Committee had last met July 17. The Committee and Board had approved the recommendation to award contracts for the Metropolitan Washington Airports Authority's (Airports Authority) Medical, Prescription Drug, and Dental Benefits Plans. Staff had presented the Airports Authority's Retirement Plan Updates.

e. Risk Management Committee – Mark E. Uncapher, Co-Chair

Mr. Uncapher reported that the Risk Management Committee had last met July 17. The Committee had received the results of a recently-completed audit on fleet management. Mr. Uncapher advised that in executive session, the Committee was given the opportunity to ask questions about the results of the audit, and staff had also provided an update on audit recommendations as of June 30, 2019. He stated that pursuant to Article IX, Section 3(c) of the Airports Authority Bylaws, the Board and its Committees are permitted to move into executive session to discuss existing or prospective contracts, business or legal relationships in order to protect proprietary or confidential information of the Airports Authority; any person or company; the financial interest of the Airports Authority; or the negotiating position of the Airports Authority.

f. Strategic Development Committee – William E. Sudow, Co-Chair

Mr. Sudow reported that the Strategic Development Committee had last met July 17. Staff presented the Airline Business Development Information Report and an update on Project Journey. Turner Construction (Turner) presented its Quarterly Update on Project Journey.

III. INFORMATION ITEMS

a. President's Report

Mr. Potter congratulated Steve Settle, the 27-year Airports Authority employee with a well-known presence at Dulles International on his recent promotion to Manager of the Dulles Toll Road (DTR). He stated that Mr. Settle had begun his Airports Authority career in 1992 as a structural maintenance mechanic at Reagan National and advanced through the ranks at both Airports serving as Structures and Grounds Division Manager at Dulles International since 2006. Mr. Potter advised that Mr. Settle now oversees the team that keeps the DTR running 24 hours a day, seven days a week, regardless of weather or challenges. He congratulated Mr. Settle, who received a round of applause.

Mr. Potter reported that two long-time, very valuable members of the Airports Authority would retire later this month - Rita Alston, Budget

Manager, and Kathy Ruhl, Procurement and Contracts Manager for the Aviation Enterprise in the Office of Supply Chain Management. Mr. Potter stated that Ms. Alston and Ms. Ruhl are among the employees who were part of the Airports Authority at its beginning more than 30 years ago. He thanked them for their many years of excellent service and wished them all the best in their future endeavors. Ms. Alston and Ms. Ruhl received a round of applause.

Mr. Potter provided updates on Project Journey and the Silver Line. As the Board is aware, he advised that Project Journey has experienced schedule challenges due to weather and other unforeseen conditions at the construction site. Mr. Potter reported that the Airports Authority has been able to work with the prime contractor, Turner, to keep the work on schedule for the New Concourse. He further reported that the other major part of Project Journey, the construction of two new security checkpoint areas, still faces some challenges, which Roger Natsuhara, Vice President for Engineering, would provide details about later that day. Additionally, Mr. Natsuhara would provide information about an accident that had recently occurred. Mr. Potter reported that the Airports Authority will continue to work with the Turner team in an effort to recover lost time. With regard to the Metrorail Project, the Airports Authority is working closely with its contractors, Capital Rail Constructors and Hensel Phelps, to resolve a number of issues, most of which have been reported in the news. Mr. Potter expressly stated that the Airports Authority is committed to completing a safe, reliable, and durable project working with the Washington Metropolitan Area Transit Authority (WMATA) that the community will enjoy for many, many, many years to come. He advised that Charles Stark, Vice President, Dulles Corridor Metrorail Project, will provide more details later that day in his presentation.

Mr. Potter reported that the Airports Authority has been recently recognized in a number of ways for its top-quality facilities and services to the traveling public and its neighboring communities. In late August the Airports Authority was honored by the Greater Washington Region Clean Cities Coalition with its annual Visionary Award, which is focused on the organization's efforts to minimize environmental impacts through initiatives that include electric vehicle charging stations, solar panels to produce some of its own electricity, encouraging the use of clean fuel vehicles on airfields, promoting public transportation, and requiring rental car contractors to include hybrid or electric vehicles in their fleets. The ceremony acknowledged the environmental commitment of the

Airports Authority's staff and management team, as well as leadership in the area from the Board of Directors, particularly the work of Director Bob Lazaro.

Additionally, several travel-related publications are ranking Reagan National and Dulles International among the best in the nation in several areas. Mr. Potter reported that the publication, "The Points Guy," released its annual rankings in August for the nation's 50 largest airports. Dulles International ranked Number 19 overall with a Number 9 ranking for amenities and a Number 10 ranking for on-time flights. In that same annual ranking, Mr. Potter advised that Reagan National ranked 29th overall and Number 4 for best commute time in getting to the Airport. In another ranking by a group called "Upgraded Points," Dulles International ranked Number 2 among the nation's 25 busiest airports for the shortest Transportation Security Administration (TSA) wait times. Mr. Potter reported that the average wait time at Dulles International is approximately 10 minutes. He also reported that the same survey ranked another nearby airport as one of the five U.S. airports with the longest TSA wait times. Mr. Potter stated that he believed that these rankings are a testament to the hard work of many men and women across the Airports Authority, particularly the partners at TSA, who work to provide the passengers a great travel experience.

With regard to public engagement and outreach efforts, Mr. Potter reported that the Airports Authority's Office of Supply Chain Management kicked off the second "Small Business University" non-credit executive certificate program. He advised that the Airports Authority is partnering this year with George Mason University, noting that it had worked with Georgetown University in the past. Mr. Potter stated that over the next seven weeks, the 35-person class, made up of Local Disadvantaged Business Enterprise (LDBE) business owners, will assist LDBEs in learning how to advance their businesses from high potential to high growth. He further stated that the Airports Authority is proud to offer this great program, and extended congratulations to Julia Hodge, Vice President for Supply Chain Management, and Wande Leintu, Deputy Vice President for Supplier Diversity, and their entire team on this important effort.

Mr. Potter reported that staff from several Airports Authority offices partnered with Prince George's County government and Prince George's Community College to host a business opportunity outreach event on September 16. He advised that topics included how to do business with

the Airports Authority and upcoming contracting opportunities in the areas of engineering, information technology, professional services, and concessions. Additionally, the supplier diversity team also led an LDBE workshop which was well received by participants. Mr. Potter thanked Directors Mark Uncapher, Brad Mims, and Earl Adams, as well as Chairman Session, for participating in the event.

Since the July Board Meeting, extreme weather conditions occurred, resulting in numerous flight delays, cancellations, and logistical challenges. Mr. Potter stated that the Airport Operations teams at both Airports had risen to the occasion as they worked collaboratively to recover from setbacks, take care of stranded passengers whose flights had been delayed and sometimes canceled, and worked diligently to keep the Airports running.

Mike Stewart, Vice President and Airport Manager, Dulles International, stated that maintenance employees at Dulles International maintain the Airport with pride, and work together with employees within Airport Operations, Police and Fire departments, to keep the Airport safe and secure. He reported that the impacts of the summer weather have been extremely challenging when added to existing responsibilities of employees working daily to maintain 3,800 acres of pavement on the Airport field, 237 lane miles of concrete, and 5.2 million square feet of buildings, as well as the many systems.

Mr. Stewart shared slides illustrating some of the weather-related events that contributed to some of the summer challenges at Dulles International. On July 8, a torrential downpour impacted Reagan National more than Dulles International. Therefore, Dulles International was able to accommodate several flights that were diverted from Reagan National. On August 15, Dulles International experienced an intense thunderstorm which produced 2.2 inches of rain in less than an hour, wind gusts up to 66 miles an hour, and periods of near zero visibility. Over a dozen lightning strikes impacted the fuel system, runway NAV aids, and some of the security gates. Mr. Stewart reported that staff from Airport Operations, Maintenance, Engineering, Contracts, and the Work Order Desk worked together to efficiently get all the systems operable with very little impact to the traveling public. He also reported that numerous mini-floods occurred inside the terminal, AeroTrain stations, and underneath the concourse. The Airport's teams quickly coned off the flooded areas, and with the help of the custodial staff and elevator

contractors, the water was cleaned up and there was minimal impact to the flight operations.

In addition to the water, Mr. Stewart reported that five electrical feeder failures had occurred during the summer. He shared a brief video that showed tasks that employees performed to address each electrical failure. Mr. Stewart explained that while the video showed employees pulling 300 feet of copper cable in bundles through an underground area, a couple more guys were at the other end pulling the cables. He reported that the failure of the electrical feeders had minimal impact to the Airport because of redundant systems. The extra electricians were able to switch systems very quickly to access one of the redundant feeds and repair the electrical feeders so that the redundancy could be maintained.

Mr. Stewart advised that a main breaker failure had occurred on June 11 impacting Gates C17 through C27, a part of United's expansion efforts in Concourse C/D. Within three hours, the Airports Authority electricians responded and connected an old repurposed Y2K emergency generator to keep the Concourse up and running. Mr. Stewart also reported that the Airports Authority worked with United to minimize flight impacts. The generator remained in place for approximately 36 hours until power was restored.

Mr. Stewart reported that several communication outages had occurred, impacting most things associated with flights, including the check-in systems, delayed ticketing, processing of bags, international arrivals, and parking. As a result of a great deal of teamwork, staff at Dulles International was able to take care of the customers. Mr. Stewart advised that the staff at the Work Order Desk tracks all of the Airport's operations and keeps essential employees informed, and dispatches Airport Operations and Maintenance trade employees to assist with restoring the communications. Mr. Stewart reported that staff worked with the Office of Information Technology to get the communications restored. He also reported on the well-publicized U.S. Customs and Border Protection (CBP) nationwide outage on August 16 during a peak period in the afternoon at Dulles International. Mr. Stewart stated that two federal inspection stations were both out of service, and the Airport was unable to process international passengers. The Airports Authority worked with CBP and combined all the officers, moved them into the Main International Arrivals Building, and worked with United so passengers continuing their destinations on United were able to retrieve

their bags before boarding flights in the Midfield Concourse. Mr. Stewart advised that United had held a few flights to allow passengers to get to the Midfield Concourse and reported that no flight cancellations or major disruptions occurred because of the CBP nationwide outage.

Mr. Stewart also reported that some of the fiber cables on the DTR have been in place since the road was first built. He advised that there are no indicators on the DTR to identify where these fiber cables are located. While guardrail work was underway on the DTR, one of the fiber cables was cut and impacted the eastbound toll collection plaza at Route 28, one of the busiest locations. Historically a communications outage such as this would have prevented the ability to keep up with the DTR transactions. However, with staff's ingenuity, they were able to download the information on a thumb drive, which allowed them to take it back to the DTR Administration Building and resume the ability to monitor the transactions. Mr. Stewart reported that even though the system was out of service for several days, no transactions were impacted.

Lastly, Mr. Stewart shared a video of plumbers at work as they developed a process to unclog a blockage of a dedicated sanitary sewer line, which took a great deal of effort, both mentally and physically.

Mr. Stewart recognized some of the employees in attendance at the day's meeting representing the Dulles International team -- Gary Barrett, Plumber/Pipefitter Planner/Scheduler; Mike Cottle, Exterior Electrician; Mike Lyon, Work Center Control Manager; and Selina Johnson, Airport Operations Duty Manager. Mr. Stewart thanked the recognized employees and all the employees at Dulles International who had been a part of the summer challenges, and they received a round of applause.

Paul Malandrino, Vice President and Airport Manager, Reagan National, stated that the summer travel season brings additional passengers to airports. In addition to the Project Journey construction, more challenges occurred during the summer. On July 8, 3.3 inches of rain fell in one hour at Reagan National, which caused major flooding in and around the Airport. As a result of the rain event, a total of 24 aircraft were diverted from Reagan National, as well as two cancellations and 39 delays. Mr. Malandrino reported that with great teamwork, minimal impact occurred to the customers. He advised that the water was cleaned up in approximately two hours. Mr. Malandrino shared slides of cars stranded on the George Washington Memorial Parkway (Parkway). He reported that members of the Airports Authority's Fire Department,

including the River Rescue Team, helped to rescue 32 individuals from 16 vehicles. The Police Team used a parking shuttle bus that was staged on Thomas Avenue adjacent to the Economy Parking Lot to provide shelter for the rescued individuals. Mr. Malandrino also shared slides of flooding in the Terminal B/C baggage basement, on the sidewalks and the lower level roadways in front of Terminal B/C, as well as the tunnel leading from Terminal A to the garage and terminal loading docks.

Mr. Malandrino reviewed the details of the shutdown of all six Metrorail stations south of Reagan National from May 25 until September 8. He stated that the Airports Authority began its coordination for the shutdown with the Washington Metropolitan Area Transit Authority (WMATA), DASH, and other regional partners earlier in the year, which included numerous conference calls and site visits. Mr. Malandrino advised that the Airport Operation's team, along with the Office of Communications, developed and executed an extensive communications plan to ensure that all customers were informed of the changes. Additionally, DASH buses used the employee bus stop area across from Garage C to drop off and pick up passengers, and a bus staging area on the Airport was provided for DASH to help prevent surges and to keep passenger wait time to a minimum. Mr. Malandrino reported that the average daily ridership of the blue line replacement shuttle bus exceeded 2,000 people per day from Reagan National. With all the Metrorail stations south of the Airport closed, a significant increase occurred in the number of entries and exits at the Reagan Airport Metrorail Station compared to previous summers. Mr. Malandrino reported that the extensive hours spent planning for the shutdown produced huge dividends as there were minimal customer and operational impacts to the Airport customers.

Mr. Malandrino introduced the following professionals representing those teams who helped with the summer challenges and produced outstanding results: Lieutenant David Yaeger from the Police Department; Steven Gervis, Assistant Fire Chief and Support Services; Swapnil Shah, Airport Operations Department; and Zach Coleman from the Airport Engineering and Maintenance Department. They received a round of applause.

Ms. Hanley inquired whether there is a history of flooding at Reagan National. Mr. Malandrino responded negatively, noting that there are certain areas on the Airport where higher levels of water may accumulate. He advised that the Parkway floods occasionally. Mr.

Malandrino stated that the recent levels of flooding had not occurred at Reagan National during the last 13 years since he has been at the Airport. Ms. Hanley stated that she is trying to determine if the environment has changed in some way that may be causing the recent flooding or whether something new has been built along the Parkway or on the Airport that may have impacted the drainage, or if the recent event was just a particularly heavy rainstorm and nothing has changed. Mr. Malandrino stated that nothing has changed to warrant the recent flood. Mr. Potter noted that the Airport had never received 3.3 inches of rainfall in one hour.

While discussions in the meetings are often associated with concepts and programs, Mr. Potter stated that the true work of the Airports Authority is accomplished on a day-to-day basis by dedicated employees who work to keep the lights on, respond to emergencies, and rise to the challenge during a crisis. He thanked Mr. Stewart and Mr. Malandrino, as well as Bryan Norwood, Vice President for Public Safety, for their leadership. The employees recognized who responded to the summer challenges received another round of applause.

Mr. Potter reported that the annual Dulles Day and Plane Pull event was held September 14, and approximately \$415,000 was raised for the Special Olympics of Virginia. He described the day's events, which included several races, displays of aircraft and classic cars, activities for kids, tours of the Airport on mobile lounges, coupled with food, music, and many other attractions. Mr. Potter advised that the event, which began 27 years ago, was organized by a member of the Airport's Authority Police Department who worked with the airlines at that time. Since then, the event has grown in size, and many other similar events around the country have been organized, for which the Special Olympics is extremely grateful. Mr. Potter advised that United is now one of the big sponsors for the Special Olympics. The Airports Authority is delighted to have this annual event at Dulles International, and he thanked the Dulles community, Public Safety team, and others for the work they do to make Dulles Day successful.

Mr. Pozen advised that he had had the distinct pleasure to attend this year's Dulles Day event. He described the day's logistics and the smooth operations of the event while flights continued at the Airport. Mr. Pozen stated that the attendees were filled with excitement to see the Special Olympic athletes on the very first pull of the day, representing one of the

25 teams. He thanked all involved who contributed to the success of the event.

Ms. Hanley mentioned that the Chesapeake's Sheriff's Office is becoming the team to beat at the annual event. Mr. Stewart advised that that team had won for 12 consecutive years, this year beating out the Fairfax County Sheriff's Office team by only .01 second.

b. Executive Vice President's Report

Mr. Davis reported that passenger and revenue growth continues to be strong as the summer travel season moves into the fall. He also reported that year-to-date non-airline revenue is up approximately \$10.5 million compared to the prior year and up about \$2.3 million in August. Growth occurred across all categories, with parking and ground transportation up \$1.5 million, or 7.5 percent in August and up \$4.1 million, or 2.9 percent year-to-date. Mr. Davis reported that terminal concessions revenue increased approximately \$504,000, or 8.6 percent in August, and up \$3 million, or 6.6 percent year-to-date. He also reported that business-to-business revenue, including non-airline rents from the gas station, advertising, in-flight kitchen and Fixed Base Operator operations, is up \$263,000 or 2.7 percent in August, and up about \$4.1 million or 5.5 percent year-to-date.

Mr. Davis reported that Dulles International is exceeding revenue expectations with the new rental car concessions contract and the ongoing passenger growth at the Airport. He stated that the Airports Authority expects no surprises and that the balance of the year will remain strong from a revenue standpoint.

From a passenger growth standpoint, Dulles International served a total of 4.5 million passengers in July, a 1.4 percent increase over July 2018. Mr. Davis noted that the increase was attributed to the 3 percent increase over last July in passenger traffic at Dulles International, including 99,000 more United passengers than the prior July, which represented an increase of 6.6 percent. He reported that year-to-date both Airports served 28 million passengers through July, which is a 2.6 percent increase over the same period in 2018. Mr. Davis noted that passenger traffic at Dulles International is up 4.2 percent or 14.1 million passengers through July. For the same period, Reagan National served 13.9 million passengers, which is down slightly, at about 0.5 percent, from the first seven months of last year.

Mr. Davis reported that one factor affecting passenger traffic that the Airports Authority continues to monitor closely is the impact that the continued grounding of the Boeing 737 Max airliner is having on some of the carriers serving Reagan National and Dulles International. He advised that while the effects of this situation have been minimal so far at both Airports, some airlines had been expecting to introduce more of these planes into their fleets over time. Since the Boeing 737 Max is not expected to be flying again until late this year or early next year, there could be some resulting reductions in passenger counts at Reagan National and Dulles International between now and the end of the year. Mr. Davis reported that staff would provide more details in the Airline Business Development Information Report at the day's Strategic Development Committee Meeting.

In other passenger-related matters, Mr. Davis reported that the week marks the beginning of the Airports Authority's annual celebration of Hispanic Heritage Month, and the Airports Authority will proudly celebrate the many contributions of the Hispanic community to the region's rich cultural diversity and continued growth. Mr. Davis advised that between September 15 and October 15 passengers traveling through both Airports will experience music and dance performances that reflect the diverse and lively Hispanic culture. He reported that the Airports Authority's commitment to building a connection with the thriving Hispanic community is also reflected in the ongoing Spanish language advertising campaigns that extend beyond this month. The Spanish language advertising includes radio ads on El Zol, one of the region's most popular Spanish language stations, print ads in the El Tiempo newspaper, as well as ads on bus shelters in the region. Mr. Davis advised that the engagement with passengers in the Airport goes beyond celebrating themed months. It includes surprising and delighting the passengers with unexpected surprises as they begin or end their journey at Reagan National and Dulles International, as was evidenced on July 16 and July 23 when passengers traveling from Dulles International to Tomorrowland, a three-day electronic dance music festival in Belgium, were treated to preflight gate parties.

Mr. Davis reported that the Airports Authority celebrated summer by surprising passengers at both Airports. On August 15 members of an Airports Authority team distributed bottled water, smartphone-powered fans, and other free items to passengers in Terminal A at Reagan National. Mr. Davis stated that giving passengers something for nothing makes a huge impact. On August 29, an Airports Authority team

roamed the hallways of Dulles International with end of summer giveaways. Mr. Davis shared a short video to show how the passengers reacted to the Airports Authority's summer celebrations. While the presentations are usually filled with metrics about performance and discussions about ideas to market, products to sell, and future plans, the Airports Authority is made up of teams of performance-driven individuals who are also interested in developing passenger appreciation efforts that are uniquely different than what another airport may do.

Mr. Davis reported that David Mould, Vice President for Communications, and Michael Cabbage, Corporate Relations Program Manager, will provide details about the Art and Exhibits Program. As advised in July, the Airports Authority kicked off the Art and Exhibits Program with using exhibits from the Newseum and Smithsonian Institution (Smithsonian), including interesting displays about the moon landing. Mr. Davis reported that staff will share the Airports Authority's vision about the Art and Exhibits Program. He advised that future plans may include an opportunity for the public to visit Reagan National and Dulles International, but not necessarily just to fly but to have them to pay to come in to see some of the exhibits at the Airports, and then leave similar to a museum. Mr. Davis stated that he believed that with the relationships that the Airports Authority is establishing that the scenario that he described may be a possibility for the future.

As previously discussed, Mr. Mould stated that giving passengers interesting things to see and do during their time in the airport is becoming increasingly important as the airport business becomes more competitive. He advised that the results of surveys of the world's greatest airports indicate that art, exhibits, and performances are what people state that they like about the airport. The Airports Authority decided to take a leading role in that trend and make Reagan National and Dulles International true destinations for world class exhibits. Mr. Mould stated that the Airports Authority is uniquely positioned because the metropolitan area is ground zero for world class museums, several with which the Airports Authority has established partnerships, and continues to explore opportunities with even more in the future. He introduced Mr. Cabbage, who worked with the National Aeronautics and Space Administration (NASA) where he was involved in similar undertakings prior to joining the Airports Authority.

Mr. Cabbage advised that one of the most important things for any art and exhibits program is a steady stream of interesting, temporary

exhibits that rotate every four to six months. He shared a slide that showed some of the Airports Authority's temporary exhibits that have attracted a great deal of positive reaction, including front pages from the Apollo 11 moon landing, the NASA exhibit highlighting the agency's accomplishments on its 60th birthday, and a USAID photo exhibit to heighten awareness about the deadly Zika virus epidemic in Latin America. Mr. Cabbage reported that in the coming six months, the Airports Authority will rotate in a number of new exhibits, including the Smithsonian Mail Call, which features letters written home from soldiers during the American Revolutionary War up to the current war in Afghanistan. Additionally, the Art and Exhibits Program will feature two new exhibits from the Newseum -- one in November that celebrates the 30th Anniversary of the fall of the Berlin Wall, including an actual piece of the wall travelers can touch, and the other marks the 100th Anniversary of Women's Suffrage for Women's History Month, in March 2020. Mr. Cabbage reported that the Airports Authority signed a three-year in-kind agreement in April with the Newseum, a world class exhibitor, which already has been a tremendous partner. He advised that Reagan National and Dulles International will become the first airports to participate as exhibitors in the Smithsonian Institution Traveling Exhibit Service, known as SITES. Additionally, NASA has completed its first exhibit with the Airports Authority, with plans for future long-term multimedia displays featuring the latest images from the Hubble Space Telescope and the soon to be launched James Webb Space Telescope. Mr. Cabbage reported that discussions are underway with a number of other organizations, including the Washington Nationals and the Washington Redskins.

Mr. Cabbage reported that any successful art and exhibits program has permanent long-term exhibits to complement its rotating, temporary exhibits. He also reported that earlier this month the Airports Authority awarded a contract to develop and build permanent exhibits to one of the premier art and exhibit contractors in the world, Design and Production Incorporated of Lorton, Virginia (D&P). Mr. Cabbage advised that the Airports Authority is looking forward to working with D&P, which has been building nationally-known exhibits since 1949, including major exhibits for the Smithsonian, the International Civil Rights Center and Museum, the National Museums of the Army, and the Marine Corps, as well as four presidential libraries. Discussions are underway for new projects that would contribute to a number of long-term exhibits that would be developed by D&P. The new projects include another regional Baseball Hall of Fame which would be done in coordination with the

Washington Nationals and Major League Baseball; a possible music venue at Dulles International with an adjacent Washington-area Music Hall of Fame; past and present New York exhibits on the Tuskegee Airmen; expanding and renovating the Abingdon Plantation displays and artifacts; and an educational exhibit on the work of the principal architect of Dulles International, Eero Saarinen.

Mr. Cabbage reported that one other major role that D&P will undertake is the identification and installation of art and exhibits in the New Concourse and checkpoints at Reagan National associated with Project Journey. He shared a slide illustrating a number of areas in the New Concourse that have been identified by the Airports Authority's engineering team as possible places for different types of art. Mr. Cabbage reported that the Airports Authority has formed a five-person committee comprised of staff from the Corporate Office Building who will consider recommendations from a 90-day study conducted by D&P, along with feedback from a panel of local artists, and make decisions on what types of art and exhibits should be installed. The committee will meet for the first time the following week to begin the process for the art and exhibits for \$2 million designated for Project Journey. Mr. Cabbage shared a pair of tweets recently received that are indicative of the tremendous positive response to the Art and Exhibits Program.

Mr. Speck referenced the report on the strong non-aviation revenue for August, which surprised him since it is historically a slow month. He requested additional information. Mr. Davis stated that the increase in non-aviation revenue is the result of the increased number of passengers at Dulles International, compared to the prior year. He advised that the 99,000 additional United passengers made a big impact on non-airline revenue, such as concessions, food and beverage, restaurants, and ground transportation. Mr. Davis reported that if the increased passenger trend continues, it will impact the non-airline revenue and be very favorable for the Airports Authority. In addition to the information that Mr. Davis provided, Mr. Potter noted that passengers spend more time, known as dwell time, at the Airports when bad weather causes delayed flights and cancellations. Mr. Davis clarified that the increase in non-airline revenue that he reported on earlier represented the period of the prior August until August 2019.

Mr. Tejada reported that he believed that the installation of the planned exhibits once Project Journey is completed is a terrific idea due to the rich history. He stated that the concept of using baseball and football as

part of the exhibits is great, but Mr. Tejada suggested that other professional sports teams, such as hockey, basketball, and soccer, as well as women's professional teams, also be considered. Mr. Cabbage advised that the Airports Authority has already spoken with representatives of the Washington football and baseball teams, but that that does not preclude the Airports Authority from involving other sports teams.

Ms. Batty requested additional information regarding the possibility to charge individuals to come to the Airports to view the art and exhibits. Mr. Davis stated that the Airports Authority is considering the possibility. He explained that some of the international airports have already implemented the process. Mr. Davis stated that for airports that can achieve a highly-desirable art and exhibits program, it would become a destination for people to visit and view. He advised that at Singapore Changi Airport, people are allowed to come to the airport, get a pass for a period of time which provides an opportunity to tour the airport museums, and then depart. Mr. Davis reported that paying to visit the airport museum may become another revenue stream, as well as provide other revenue benefits, such as the potential increase of parking at the Airports and visitors spending more time and money at the Airports.

Mr. Adams expressed his support for securing additional revenue sources, but shared an opinion that paying to gain entry to museums is not a concept associated with the D.C. region. While he understood that the concept for paid entry to view the art and exhibits at both Airports is a potential development for the future, Mr. Adams requested that the Airports Authority continue to consider the way in which this type of culture is currently procured in this region. He recalled that the exhibits from the Smithsonian would be used, and he inquired whether opportunities existed for the Airports Authority to partner with community art groups. Mr. Adams noted the existing partnership with schools in Virginia, and encouraged the Airports Authority to ensure that the program be as inclusive as possible. With regard to sponsorship opportunities, Mr. Adams inquired whether the Airports Authority is working with local philanthropy communities to help underwrite costs associated with the Art and Exhibits Program.

Mr. Cabbage apologized for not including details in his presentation, but he advised that local artists and groups are an important part of the Airports Authority's existing plan. As mentioned, the Airports Authority has relationships with schools, including colleges, and one of the ideas

under consideration is to designate a section of the Art and Exhibits Program in both Airports that will rotate art from local students. In terms of sponsorships, Mr. Cabbage reported that one of the Airports Authority's goals is to make the funding of the art program as self sufficient as possible. He advised that the existing partnerships are in-kind and that the Airports Authority is currently exploring the larger community for economic support options. Mr. Cabbage noted longer term projects are also being considered. He advised that one of the original Wright flyers is stored in a barn in Virginia, and the Airports Authority is hopeful that it would be able to hang it from a ceiling in the historic lobby or elsewhere in Reagan National. Funds would be needed to complete the restoration and to install the plane, and efforts are underway to retain corporate sponsors.

Mr. Sudow shared that he had recently attended the Wolf Trap Ball. In addition to these different organizations, there are a number of other non-profit groups that have local companies. He stated that offering performance venues on a short-term basis may present an opportunity to showcase some of the non-profit groups and promote possibilities for partnership.

Mr. Sudow referenced the July aviation statistics for Reagan National. He stated that attention had been focused on the increased United passengers at Dulles International and inquired whether the decrease at Reagan National is relative only to July, or if it represents a concern about a potential trend. Mr. Davis stated that the statistics apply only for July and there is no need to be concerned about a trend. Additional information would be shared later in the day's Airline Business Information Report.

Chairman Session extended congratulations to all of the employees who were acknowledged at the day's meeting. He stated that his favorite part of the monthly Board Meeting agenda is to recognize the many employees who go unnoticed on a day-to-day basis.

IV. NEW BUSINESS

a. Recommendation to Award a Sole Source Contract for Geographic Information System Software

Mr. Lazaro moved the adoption of the following resolution, which was approved by 12 Directors present at that time (excluding Kate Hanley and Thorn Pozen):

WHEREAS, The Office of Engineering created an Enterprise Geographic Information System (GIS) using Environmental Systems Research Institute (ESRI) GIS software in 2008 to support the Metropolitan Washington Airports Authority's (Airports Authority) infrastructure spatial data for mapping;

WHEREAS, The Airports Authority's GIS software licenses expire in October 2019;

WHEREAS, The ESRI suite of applications is proprietary software and it does not resell this software or support services through any other sources or vendor;

WHEREAS, The contract will have a one-year base term with four one-year options and the estimated cost for equipment and maintenance for the five-year contract is \$1,300,000;

WHEREAS, As required by the Airports Authority's Contracting Manual, notice of this sole source contract award has been published on the Airports Authority's website for the required time period and no firm offered a capability statement for this requirement; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized to enter into a sole source contract with Environmental Systems Research Institute for the purchase and maintenance of GIS software for Airports Authority-wide use.

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

b. Recommendation to Approve an Airline Reimbursement Agreement with United Airlines for the Installation of Electric Charging Ports at Washington Dulles International Airport

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

WHEREAS, The Federal Aviation Administration (FAA) administers the Voluntary Airport Low Emission Program (VALE), which was created in 2004 and intended to improve airport air quality;

WHEREAS, The FAA has awarded the Metropolitan Washington Airports Authority (Airports Authority) a VALE grant of up to \$4,000,000 to install 112 electric charging ports at Washington Dulles International Airport (Dulles International) to support electric ground service equipment (eGSE) used by airlines and their ground handlers to service aircraft;

WHEREAS, The VALE grant requires a financial match of at least 25 percent of total project costs;

WHEREAS, United Airlines (United) has identified cost effective opportunities to improve the environmental sustainability of its operations by reducing emissions from its vehicle fleet at Dulles International;

WHEREAS, United has agreed to undertake the purchase, design and installation of the improvements to support the use of eGSE by all tenant airlines at Dulles International and the reduction of emissions at that Airport;

WHEREAS, The total cost estimate for this project, which was developed by United and reviewed and approved by Airports Authority Engineering staff, is \$5,537,580;

WHEREAS, United will provide the matching funds required under the VALE grant of at least 25 percent of the total project cost and be reimbursed up to the amount of the VALE grant, not to exceed \$4,000,000;

WHEREAS, The Department of Supplier Diversity has reviewed the project scope and estimate, and established a 25 percent Disadvantaged Business Enterprise goal for the project, based on the availability of Airports Authority certified firms with the capability to perform this work;

WHEREAS, United will be required to submit detailed accounting of all payments associated with the project, to include invoices and proof of payment;

WHEREAS, Title to the charging equipment shall vest in the Airports Authority immediately upon substantial completion and acceptance by the Airports Authority;

WHEREAS, The project is included in the approved 2019 Airports Authority's Capital Construction Program; and

WHEREAS, Consistent with Section 1.4.1(2) of the Airports Authority's Contracting Manual, it is in the best interest of the Airports Authority to have United purchase, design and install these improvements; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized and directed to enter into an airline reimbursement agreement with United for an amount not to exceed \$4,000,000 to install electric charging ports to support eGSE at Dulles International.

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

- c. Recommendation to Award a Sole Source Contract for Vehicle Movement Area Transponder Units at Ronald Reagan Washington National and Washington Dulles International Airports

Mr. Lazaro moved the adoption of the following resolution, which was approved by 12 Directors present at that time (excluding Kate Hanley and Thorn Pozen):

WHEREAS, Vehicle Movement Area Transponders (VMAT) are part of the Federal Aviation Administration's initiative to

reduce the number and severity of movement area incidents which can occur when pilots, air traffic controllers, and surface vehicle operators are unaware of each other's movements;

WHEREAS, L3Harris Technologies, Inc. is the only company approved by the FAA to provide VMAT units;

WHEREAS, The Metropolitan Washington Airports Authority (Airports Authority) received an Airports Improvement Program grant from FAA to reimburse up to 75 percent of the cost to purchase and install 75 VMAT units at each Airport;

WHEREAS, The total cost for equipment, installation, and maintenance support for the five-year contract will not exceed \$1,746,064;

WHEREAS, As required by the Airports Authority's Contracting Manual, notice of this sole source contract award has been published on the Airports Authority's website for the required time period and no firm offered a capability statement for this requirement; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized to enter into a sole source contract with L3Harris Technologies, Inc. for the purchase, installation and maintenance support of VMAT units and the equipment used to monitor the location of VMAT unit equipped vehicles at Reagan National and Dulles International.

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

V. UNFINISHED BUSINESS

There was not any unfinished business.

VI. OTHER BUSINESS & ADJOURNMENT

There was not any other business.

The Meeting was thereupon adjourned at 9:42 a.m.

Respectfully submitted:

Monica R. Hargrove

Monica R. Hargrove
Vice President and Secretary

Approved October 16, 2019