

BOARD OF DIRECTORS MEETING

Minutes of February 17, 2021

The Meeting of the Board of Directors was held virtually using Zoom. The Chairperson called the meeting to order at 9:00 a.m. Thirteen Directors were present during the meeting:

Earl Adams, Jr., Chairperson
William E. Sudow, Vice Chairperson
Judith N. Batty
John A. Braun
Albert J. Dwoskin
Katherine K. Hanley
Robert W. Lazaro, Jr.

Thorn Pozen
Warner H. Session
David G. Speck
J. Walter Tejada
Mark E. Uncapher
Joslyn N. Williams

The Secretary and Executive Management were also present:

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

Chairperson Adams welcomed the Directors, Metropolitan Washington Airports Authority (Airports Authority) staff and others to the Airports Authority's February 17 Board of Directors Meeting, which he stated was being held virtually as had most of the other meetings of the Airports Authority's Board of Directors during 2020, in compliance with Executive Orders of the Governor of Virginia regarding the COVID pandemic.



I. MINUTES OF THE JANUARY 27, 2021 BOARD OF DIRECTORS MEETING

The Chairperson called for the approval of the Minutes of the January 27, 2021 Board of Directors Meeting, Tab 1, which were unanimously approved.

II. COMMITTEE REPORTS

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

Mr. Session reported that the Business Administration Committee had last met on January 27 where it approved the Summary Minutes of the November 18, 2020 meeting. Additionally, the Committee approved two recommendations: a contract award for Unarmed Security Guard Services at Ronald Reagan Washington National Airport (Reagan National) to Butler Security, Inc. and a contract award for Baggage Cart Services at Reagan National and Washington Dulles International Airport (Dulles International) to Smarte Carte Inc.

b. Dulles Corridor Committee – J. Walter Tejada, Co-Chair

Mr. Tejada reported that the Dulles Corridor Committee had last met on January 27. The Committee approved the Summary Minutes of the December 16, 2020 Dulles Corridor Committee Meeting. Staff presented the Dulles Corridor Metrorail Project Quarterly Cost and Schedule Update for Phase 2 as of November 30, 2020.

c. Risk Management Committee -- John Braun, Co-Chair

Mr. Braun reported that the Risk Management Committee had last met on January 27 where it approved the Summary Minutes of the November 18, 2020 meeting. Staff presented pre-solicitation terms for financial statements, defined pension and specialized audit services, and the Committee unanimously concurred with those terms.

d. Strategic Development Committee – Mark Uncapher,
Co-Chair

Mr. Uncapher reported that the Strategic Development Committee had last met on January 27, when the Committee approved the Summary Minutes of the December 16, 2020 meeting and concurred with the pre-solicitation terms for the architectural and engineering design services for the Dulles Toll Road, Dulles International Airport Access Highway and Dulles International facilities. Staff presented an update on Project Journey.

e. Sustainability Committee – Bob Lazaro, Co-Chair

Mr. Lazaro reported that the Sustainability Committee had last met on January 27. The Committee approved the Summary Minutes of the September 16, 2020 meeting and staff presented a Sustainability Plan Update.

Chairperson Adams reminded the Directors to use the “Chat” function within the Zoom virtual meeting format if they had questions during the day’s meetings and stated that since a quorum of the Board was present, votes would be taken by simply raising of hands or responding by use of the word “aye”.

III. INFORMATION ITEMS

a. President’s Report

Mr. Potter extended greetings and began by stating that when the Board last met in January, it was noted that after a very difficult year in 2020, the new year of 2021 was off to a rocky start for the airport business because of continuing low passenger traffic resulting from the COVID pandemic and the expectation of a slow recovery. He stated that management was optimistic that even though the pandemic continues, things would begin to improve in 2021 as approval of distribution of vaccines would lead to general economic recovery and eventual resumption of air travel. Mr. Potter further stated that looking back at the full year of 2020 passenger statistics, one could see that passenger traffic was down significantly throughout the year as compared to 2019.

Mr. Potter reported that as was discussed at the January Board Meeting, there were very low numbers of passengers traveling to the Washington, D.C. area for the Presidential Inauguration, which suggests that air travel may be returning more slowly than the Airports Authority's management had hoped. He stated that they were counting on the COVID vaccine to bring back air travel, but observed that only a small percentage of the population had been vaccinated, with supply and distribution problems impeding the inoculation process. Mr. Potter referred to a map to illustrate that states that appeared in dark green were the vaccination leaders and had given at least one shot to 10 percent of their populations and contrasted the lighter shaded states on the map, which had made much less progress in vaccinating their state residents. He stated that a lot of work was yet to be done in distributing the vaccine.

In addition, Mr. Potter stated that job losses, business failures and other economic impacts from almost a year of lockdowns across the country had made air travel, which is often a discretionary expense, unattainable for many companies, families and individuals, at least for the near term. He also stated that there appeared to be some encouraging news for the Washington, D.C. metropolitan area despite a sharp increase in cases that began in October 2020, because the region seemed to be leveling off in COVID cases and the vaccination process was moving forward in the District of Columbia, Maryland and Virginia. Mr. Potter expressed hope that the progress that the area was experiencing would continue and soon be seen in other geographic areas of the country. He cautioned, however, that the Airports Authority would not achieve solid passenger recovery until passenger air travel improved throughout the country for domestic travel and globally for international travel. Mr. Potter emphasized that both passenger traffic recovery and vaccination distribution needed to move very quickly.

Mr. Potter stated that the Airports Authority was working with its partners to restore confidence in flying by maintaining a safe and healthy environment for the customers who are traveling to its Airports. A big part of restoring confidence, as described by Mr. Potter, is associated with making sure that the Airports Authority's management remains current and knowledgeable on all government health and safety guidelines. He applauded the new Administration's heightened emphasis on face coverings throughout

the passenger's journey, including in places like airports and train stations, as well as in flight.

Mr. Potter stated his opinion that the new mask protocol fits well with the state of Virginia's policies, the social distancing policies, the Centers for Disease Control and Prevention (CDC) cleaning protocols, plexiglass shields and other safety measures that the Airports Authority has implemented in its facilities. To help support the new federal mandate, Mr. Potter stated that the Airports Authority was expanding its campaign to remind people that masks are required throughout the Airports, including through the use of signage to ensure that everyone receives the message, as well as through the use of new reminders featuring photos of mask-wearing passengers on all digital communication platforms.

Mr. Potter reported that efforts are underway to continue working closely with the airlines and other business partners to ensure that: a) there is heightened awareness of all of the Airports Authority's health and safety enhancements and b) the public is made aware of the Airports Authority's efforts through coordinated marketing and communications activities. He also reported that there was growing interest by Airport customers about having COVID testing in Airports, and that more countries are requiring visitors to have obtained a negative COVID test result prior to traveling.

Mr. Potter stated that in response to interests expressed in COVID testing at the Airports, he was pleased to announce that the Airports Authority would be bringing onsite COVID testing to Reagan National and Dulles International in the near future through services provided by a company called Express Check, which would begin operating COVID testing sites in pre-security locations at both Airports in early March. He stated that Airport passengers would be able to obtain onsite tests with results available in one to three days, as well as rapid tests that provide immediate results at established fees. Passengers would also be able to make appointments to get tested or be tested on a walk-in basis. Mr. Potter stated that the Airports Authority was excited to offer the testing services to its passengers and hoped the services would make their journeys easier and help to rebuild confidence in flying. He also stated that additional details regarding the services were expected to be available in the days ahead. Mr. Potter thanked the revenue, legal and Airport teams of

the Airports Authority, along with its concession fee manager, Marketplace Development, for their work on that important project.

Mr. Potter stated that the traditional challenges of managing and running the Airports would continue while the pandemic's impacts were felt. He mentioned that as recently as the night before the Board Meeting there had been weather issues, including several winter storms in the area. Mr. Potter stated that the Airports Authority's crews were doing a stellar job in clearing ice and snow from all the runways, taxiways, Airport roadways, walkways and parking areas, as well as the Dulles Toll Road. He further stated that snow removal is a big task requiring a lot of people working many extra hours, and like many other things, COVID had impacted that task also.

Mr. Potter reported that whenever weather strikes, the Airports Authority's snow crews were called in for around the clock snow duty, which required that all workers live onsite for the duration of each weather event. Previously, snow crews ate together in dining hall style, and slept in barrack-like facilities between shifts so that they would be near their work areas and would not need to drive on icy roads to and from home. Mr. Potter stated that social distancing had made the usual arrangements totally impractical, and the Operations teams had to improvise and plan ahead and devise new ways of handling snow removal and deicing operations. The team developed a plan that keeps snow workers further apart at meal time, relies on boxed meals labeled in the kitchens, then packed for distribution to team members who dine in a spread-out manner to assure adequate social distancing.

Mr. Potter stated that the Operations team also reassessed the sleeping arrangements for the snow crews to ensure adequate social distancing, and used offices, conference rooms, maintenance buildings, and in the case of Dulles International, rooms at the Dulles Marriott. Mr. Potter extended special thanks to the partners at the Marriott for being part of the Airport snow clearing effort. He then recognized the recent death of Arne Sorenson, the former President and Chief Executive Officer of Marriott International, whom he said would be sorely missed.

Mr. Potter stated that the late January storms came with ice and freezing rain, and were a great test for the snow teams of the Airports

Authority after a few seasons without much action, and the required adaptation to the COVID situation. He extended hats off to all of the snow team members who braved the frigid conditions, and worked around the clock in very unusual circumstances to keep the Airports open and running well. Mr. Potter reported that he was even more confident of the capabilities of the snow teams and their readiness no matter the weather conditions or challenges, after the dress rehearsal of what he thought might be the biggest snowstorm of 2021, which was expected to begin about 3:00 a.m. the following morning (February 18) and continue through Friday (February 19). He stated that the Airports Authority's management and employees know that everything they do is focused on the passengers, that the team always rises to the occasion, and that customer service is always at the heart of all of the Airports Authority's efforts, such as implementing and promoting health and safety protocols, keeping the Airports Authority operating throughout bad weather, assuring that concessions and other services are available and advancing its construction projects to give future travelers an even better Airport experience.

Mr. Potter stated that he was pleased to report that the Project Journey construction team had been taking advantage of decreased passenger air traffic at Reagan National to make faster progress on building out the New Concourse and the new Security Checkpoints. As a result, the New Concourse is expected to open sooner than planned and the Airports Authority was working with American Airlines to begin operations in the New Concourse as early as April 20, even before all of the stores and concessions open, and finishing touches are completed. Mr. Potter stated that the early completion of the Concourse is a major customer service milestone that the Airports Authority was reaching in record time, much earlier than expected and that was again a reflection of the Airports Authority's ongoing efforts to continue to focus on making the customer experience at its Airports the best experience possible.

Mr. Potter stated that the Airports Authority is highlighting progress when it comes to the Airports Authority's customer and community focus in the new edition of its Corporate Social Responsibility Report (Report), which is an annual publication that was launched in 2020. The Report features updates on the Airports Authority's efforts in sustainability and environmental performance, diversity and inclusion, workforce development, partnerships with local, small and

minority businesses, and community outreach, as well as its commitment to customer service and contributions to the regional economy.

Mr. Potter introduced Anthony (Tony) Vegliante, Senior Vice President of Human Resources and Administrative Services, and Tanisha Lewis, Human Capital Management Performance and Business Readiness Manager, who led the production team, to provide an overview of the Report.

Mr. Vegliante stated that he and Ms. Lewis would present the 2020 Report, which would also be available on the Airports Authority website for all to review. He stated that the 2020 Report is the second report of that type by the Airports Authority, which had made great progress in one year. Mr. Vegliante further stated that the 60-page report contains very rich and informative data based on enhanced programs for the year. He also stated that the day's presentation would provide an overview and some highlights of the Report and encouraged all to read the full Report.

Mr. Vegliante reported that COVID created many challenges for the Airports Authority which required management to find innovative ways to get things done. He stated that the Report demonstrates that the employees collaborated, were creative and innovative, focused on getting the job done and despite the difficulties encountered during the year, performed well. On behalf of leadership, Mr. Vegliante expressed thanks to the employees of the Airports Authority for their focus, efforts, and resilience in 2020. He stated that the Report would demonstrate the range of different approaches taken by employees in various departments and functional areas, who had to find new and different ways to accomplish their tasks. Mr. Vegliante also stated that the employees not only got things done, but in some cases made improvements. He again extended a hats off congratulations to the employees and thanked the persons who worked on the Report who spent a lot of time and effort to create a very good product.

Mr. Vegliante then introduced Ms. Lewis, the leader of the Corporate Social Responsibility (CSR) employee group. Ms. Lewis extended greetings and stated that the theme of the second annual Report is "We're all in this together," representing the significance of teamwork and collaboration during the COVID pandemic. She stated that the

2020 cover of the Report features photos of essential workers of the Airports Authority: Clara Irurita, Firefighter III, from Regan National Fire Station 301; Sergeant Tanika Brown from Dulles International; Alvin Owens, Lead Locksmith from Reagan National and William Caldwell, Manager of Compensation and Benefits, who is lovingly called the COVID-19 vaccine czar.

Ms. Lewis stated that the Report opens with an overview of the Airports Authority's response to the COVID challenge entitled "Rising to the Challenge," which lists a variety of new safeguards that were introduced, including mandated face coverings, health screenings, increased surface cleaning, the installation of plexiglass barriers, the creation and installation of over 7,000 distancing reminders and educational messages and announcements. The identified changes were implemented to ensure the safety and wellbeing of the entire Airports Authority community.

Ms. Lewis then referred to a slide that provided information from the business by the numbers section of the Report, which reports that the Airports Authority has over 1,600 employees and oversees 13,500 acres of Airport property. In 2020, the Airports Authority was responsible for \$6 billion of construction projects and served over 28 million drivers on the Dulles Toll Road. Ms. Lewis stated that the Airports Authority is an economic generator for the National Capital Region and continues to be a good steward of the community and that many of the organization's contributions are highlighted in the 2020 Report.

Ms. Lewis directed attention to a slide that outlines the Airports Authority's approach to corporate responsibility featuring six categories: community, environment, supplier diversity, people, safety and security, and governance. Serving the community and supporting local organizations were identified as critical parts of the Airports Authority's commitment to the National Capital Region. Ms. Lewis stated that the 2020 Report highlights employee participation in events that support and strengthen the local communities of the Airports Authority and highlights some services offered to the traveling public, including pet relief areas, award winning facilities for nursing mothers and children's play areas. The contributions of three amazing employees of the Airports Authority were also highlighted: Carl Schultz, Airline Business Development Director, who volunteered with the District of Columbia Medical Reserve Corps

to provide staffing at COVID testing sites; Ann Helms, Manager, Materials Management at Reagan National, who created masks for the essential employees of the Airports Authority; and Fanny Salazar, Ambassador, who collected food, toiletries and baby items for those affected by the pandemic.

In 2020, the Airports Authority continued its involvement in community events, including a virtual Dulles Plane Pull, Operation Gratitude, blood drives and the Virginia Special Olympics. In addition, the Airports Authority continued community partnerships and affiliations throughout the region, and the Report features continued efforts with the Reagan National community noise working group, as well as an update on Project Journey.

Ms. Lewis stated that the Airports Authority's commitment to developing and implementing sustainable business practices while providing world class transportation facilities is evident in this year's report. The environment section provides an overview of the many activities underway, including the development of a new Sustainability Plan and the 2020 Design Manual, which integrates design standards that ensure energy efficient lighting and waste minimization initiatives are addressed during project design. As part of the Sustainability Plan, the Airports Authority is working to assess areas for improvement and set goals for the reduction of municipal solid waste generated, increase recycling rates and supporting the generation renewable energy through increased use of energy efficient lighting, among other things. In 2020, the Airports Authority recycled and diverted over 40 tons of petroleum, 12.5 tons of universal waste, and over 10,000 gallons of cooking oil. Ms. Lewis noted that 2020 was also an amazing year for the engineering team, whose goal is to continue to improve the implementation of practices that improve the Airports Authority's positive impact on the environment.

Ms. Lewis stated that the Airports Authority is committed to making small, local and minority- and women-owned businesses an integral part of the supply chain since they create competitive advantages, deliver regional economic development and enhance the passenger experience. She reported that the 2020 Report highlights the Office of Supplier Diversity's strategic outreach, certification and compliance activities, including the Small Business University Program, the strategic response to the COVID pandemic and the

many awards and recognitions received by the Airports Authority's Supplier Diversity team, including the 2020 Civil Rights Advocate and Partner Award for Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs. The dedicated professionals in the Office of Supplier Diversity distributed over 150 notices to small businesses, supported supplier diversity outreach events and conducted certification workshops, increasing the number of certified firms in the Airports Authority's database to nearly 2,400 firms. In 2020, \$173 million was spent with certified Local Disadvantaged Business Enterprise and DBE firms. Ms. Lewis referred to a slide that featured a photo of the Supplier Diversity team on the cover of the Supplier Diversity section of the Report and stated that the Report recognizes both the commitment and dedication of the members of that team.

Ms. Lewis stated that the Airports Authority recognizes that people are its most important resource and stated that management is committed to providing them with a workplace where they can grow and thrive. The 2020 Report highlights the Airports Authority's proactive response to the COVID pandemic, including the variety of preventive measures implemented such as social distancing, new telework policies and a robust employee training and education series. Ms. Lewis reported that in 2020 the Airports Authority partnered with local departments of health to assure that its employees had access to the approved COVID vaccines, starting in late December 2020, when its first responders began receiving their first doses of the vaccine.

Caring for the employees of the Airports Authority has always been a top priority as is evidenced by the organization's receipt of the 2020 Pension and Investment EDI Awards. Ms. Lewis reported that employees receive valuable information about their benefits and financial planning options, ensuring that they are kept informed of the many benefits available to them through constant communications. She also reported that while the nation was ravished by civil unrest in 2020, the Airports Authority quickly addressed employees' questions and concerns by providing unconscious bias trainings and discussions.

Ms. Lewis stated that the Airports Authority promotes a culture of safety and security and acknowledges its enterprise-wide responsibility to protect its employees, customers, stakeholders and

infrastructure. Because of its location in the National Capital Region, management of the Airports Authority works and collaborates with dozens of law enforcement, fire and rescue, and emergency preparedness organizations. The mutual aid support provided by the Public Safety teams of the Airports Authority were especially important during the COVID pandemic as police, fire and rescue and emergency preparedness departments in the region could not always provide the support needed, and the Airports Authority's teams often came to the rescue.

Ms. Lewis stated that the Report highlighted the sworn police officers, emergency communications technicians, firefighters and medics of the Airports Authority who work diligently to maintain safety at both Airports by detecting and deterring crime and ensuring the safety and health of its employees, customers and community. She reported that the emergency preparedness section of the Report highlights the coordination of the COVID response and recovery operations across the Airports Authority, including the purchase and deployment of personal protective equipment for employees, passengers and tenants.

Ms. Lewis then referred to the Governance section of the Report, which highlights the efforts of the Board of Directors, including the composition of the Board, the Committees and the jurisdiction of each, and concluding with a letter from Chairperson Earl Adams, Jr., in which he reinforces the Board's continued commitment to the environment, good corporate citizenship, diversity and inclusion and its endeavors to rebuild the air travel sector and restore public confidence in flying.

Ms. Lewis recognized the team that made the Report a success, including the following:

- from the Office of Communications—Michael Cabbage, Christina Saull, and David Mould, who wrote several sections and edited the entire document;
- from the Marketing and Consumer Strategy Section, Bong Lee, photographer and graphic designer, Kimberly Barnes and Chryssa Westerlund, who provided the layout and made the ideas come to life;

- from the Office of Engineering, Roger Natsuhara, Tom Beatty, Andrew Hascall, and Jonathan Matheny, who provided information for the environmental section of the Report;
- from the Office of Supply Chain Management and Supplier Diversity, Wande Leintu and Julia Hodge;
- from the Office of Human Resources and Administrative Services, Wanda Barrett, Doua Mahgoub, Edythe Richards and Tony Vegliante; and
- from the Office of Strategy, Business Transformation and Performance, Christopher Paolino, who wrote the Governance Section.

Ms. Lewis thanked the Report team and reiterated that the full Report is available on the Airports Authority's website under the About the Authority header, via the Corporate Social Responsibility header.

Mr. Potter stated that management is very proud of the Report.

Chairperson Adams thanked Mr. Potter for the comprehensive report and congratulated the entire team. He also thanked Ms. Lewis for the presentation and Mr. Vegliante for his leadership.

Mr. Lazaro agreed with Chairperson Adams' comments. He thanked Mr. Potter, who spent an hour with elected leaders of the Northern Virginia Regional Commission during its January 2021 meeting. Mr. Lazaro advised that 20 of the 24 regional commissioners were in attendance and that Mr. Potter remained to answer all of their questions, which he greatly appreciated inasmuch as he discussed important issues to the region as a whole. Mr. Potter thanked Mr. Lazaro for his comments.

Mr. Williams thanked the presenters for the excellent presentation and encouraged staff to distribute written reports of that size at least 24 hours in advance of the meetings to allow Directors to read and be prepared to discuss them in advance.

Mr. Potter advised that there were some technical difficulties in distributing the Report and apologized, and stated that the Report has been posted to the website. He stated that the matters included in the Report had been discussed throughout the year and are constantly updated and that the Report itself reflects those discussions. Mr. Potter welcomed the opportunity to meet and discuss any part of the Report with any interested Director.

Chairperson Adams agreed with the points made by Mr. Potter concerning the ongoing discussions of the matters included in the Report but suggested that notwithstanding technical difficulties next year's Report be distributed a few days before being discussed by the Board.

Vice Chairperson Sudow asked management about Environmental, Social and Governance (ESG) issues that are being raised across all corporations. He congratulated the team for the publication of the Report and continuing focus on the issues covered in it. Mr. Sudow stated that it should be a year-round focus for the management team and the Board of Directors. He recognized that there is always room for improvement of any report and again expressed congratulations to the team for a very good report.

Mr. Tejada stated that he appreciated the slide that listed the names of the Report team because he thought it was important to highlight those who are being intentional in supporting these efforts. He also stated that he was pleased to see that 40 percent of the Airports Authority staff is comprised of people of color and to see the diversity issues are part of the Airports Authority's culture. Mr. Tejada complimented the inclusion of a photo reflecting an Airport sign in Spanish within the section concerning the Airports Authority's COVID response, which he recognized as an important part of embracing different cultures and diversity. He congratulated the team for the Report, which he stated was highly appreciated, and encouraged them to continue the good work.

Mr. Potter thanked Mr. Tejada for his comments.

Chairperson Adams concurred with Mr. Tejada's comments. He then stated that he recently had the opportunity to tour Project Journey and congratulated the Engineering and Operations teams for the progress on that project. He stated that the Airports Authority had

done amazing work during a difficult time and that the project would be of great value to the traveling public at Reagan National. Chairperson Adams then asked Mr. Potter if he had any concerns about the preparation for what had been forecasted as a very large snowfall the next day. Mr. Potter stated that his only concern about the forecasted snow event was that there might not be an adequate supply of some of the chemicals needed due to COVID's impact on deliveries. He also stated that the situation was being monitored but that the team believed there would not be a problem, especially if most of the precipitation fell as snow rather than ice. Mr. Potter explained that the chemicals would be needed to treat ice. He stated that he was confident that the snow teams were prepared for the event. Chairperson Adams thanked Mr. Potter for his response.

b. Executive Vice President's Report

Mr. Davis greeted the Directors. Mr. Davis stated that as Mr. Potter and the earlier staff presenters shared, the Airports Authority is working diligently on a number of fronts to respond to the COVID pandemic and its impact on the business of the Airports Authority. He reported that the Office of Revenue continues to identify new and innovative ways to connect with passengers and that the Airports Authority is well positioned to meet and exceed passenger needs and expectations when business returns to the Airports.

Mr. Davis reminded Chairperson Adams and the Directors that during his remarks in January he discussed Reagan National's nomination for the second time in recent years for USA Today's list of the nation's top 10 best large airports. He stated that the winners are selected based on votes received from the traveling public. Mr. Davis stated that he was pleased to report that Reagan National received enough votes to make the top ten best large airports list again and thanked everyone who cast ballots supporting Reagan National. He also congratulated the entire Reagan National team for providing the Airport's customers with such great facilities and services.

Mr. Davis stated that the airport passenger experience was about to improve. He reminded the Directors that last year the Airports Authority announced its first ever Capitol One branded lounge at Dulles International, which would be its first non-airline affiliated airport lounge. He stated that after months of work by a large team

across the Airports Authority, an agreement had been reached with the American Express Corporation to build one of its very popular and highly regarded Centurion lounges at Reagan National.

Mr. Davis stated that the new Centurion Lounge would provide yet another place for passengers to relax and recharge before and after their flights. He stated that the new American Express Centurion Lounge would be located near the current B Concourse, would be about 11,000 square feet and would be set to open following the completion of the Project Journey construction. Mr. Davis stated that its post security entrance will give eligible passengers the ability to easily visit the lounge from anywhere in the Airport and quickly reach their gates. He reported that access to the Centurion Lounge is complimentary for American Express Global Platinum card and Centurion card members. The Centurion Lounge at Reagan National will be the 16th airport lounge that American Express has opened throughout the world, joining their flagship lounges at other world class airports such as Hong Kong, London Heathrow, San Francisco, and Seattle.

Mr. Davis stated that passenger amenities will include a gourmet menu and signature cocktails developed by renowned chefs, private workspaces and conference rooms with high speed Wi-Fi, spa-like showers and restrooms and a family area with toys and video games, floor to ceiling windows, as well as other high end features with an emphasis on art and innovation. He stated that the Airports Authority is looking forward to the lounge opening by the end of 2022. Mr. Davis thanked the entire Airports Authority team who worked to make the availability of the lounge at Reagan National possible, including: Chryssa Westerlund, Vice President of Marketing and Consumer Strategy; Devin Judd, Director of Concessions and the many individuals in the Engineering Department and across the Airports Authority who were critical in making the project a reality, including Chad Menge, Principal Architect; Tom Beatty, Deputy Vice President of Engineering; and Roger Natsuhara, Vice President of Engineering. He stated that the team remained on top of the project and helped the Airports Authority achieve the outcome that was best for both MWA and American Express.

Mr. Davis acknowledged that February was Black History Month, which the Airports Authority traditionally celebrates with the best

entertainment and exhibits possible at Reagan National and Dulles International Airports, and in its advertising. In past years the Airports Authority has commemorated the month by spotlighting African American leaders in the development of aviation, along with African Americans who helped shape American history. He stated that in 2021, under the campaign of Black Excellence, the Airports Authority turned its focus a bit inward to recognize some of the men and women who are making a difference for its Airports, the air travel business and in the communities that the Airports Authority serves. The Airports Authority highlighted African American colleagues who play key roles in making its Airports some of the best anywhere through advertising webpages, social media posts and other communication channels. He stated that the highlights were being done through a four-part video and story series during the month of February, including interviews and personal stories in which the profiled leaders discuss their experiences and inspirations, and explain what diversity and inclusion mean to them and the business of the Airports Authority, as well as their views on how the Airports Authority's business has changed since the pandemic.

Mr. Davis stated that the persons being spotlighted by the Airports Authority include Robert Cruz, Managing Partner of Cruz Corporation, which manages concessions at Reagan National and other major airports across the United States; Donata Russell Ross, the owner and CEO of Concession International, another provider of services to Airports Authority airport passengers. Several members of the Airports Authority staff, including Tanisha Lewis, Manager, Human Capital Management and Business Performance in the Office of Human Resources, and others, including Chairperson Earl Adams, Jr. and Executive Vice President and Chief Revenue Officer Jerome Davis. He stated that he was sure that Chairperson Adams shared his gratitude in being honored by the Airports Authority in that way, as well as of being part of an incredible team at the Airports Authority and the progress it continues to make for the travelers it serves. Mr. Davis also reported that new exhibits were also on display in the Airports in observance of Black History Month.

Mr. Davis stated that as he had recently noted, through its Airports Art Program, the Airports Authority created a display honoring the famous Tuskegee Airmen of World War II at Dulles International near the Aerotrains Station on Concourse C. He stated that during the prior week both Airports received new displays from the Newseum

entitled “*Fair Play*”, an exhibit that celebrates trailblazing African American athletes who exercise their constitutional freedoms, sometimes at great personal risk, to speak out against social injustice. Some of the athletes featured include boxing legend Muhammed Ali, baseball greats Jackie Robinson and Curt Flood, tennis star Venus Williams and basketball pioneer Bill Russell. Mr. Davis stated that the Newseum is one of several major museums with which the Airports Authority has partnered in its Airport Arts and Exhibits Program, and through which art is displayed in cooperation with the Freedom Forum, a nonprofit organization dedicated to protecting First Amendment rights.

Mr. Davis stated that the exhibit at Dulles International is located on Concourse B, near Gate 50 and that the exhibit at Reagan National is in the Historic Lobby. He stated that the exhibit will run through the summer because Black History is part of American history and is not just a focus for one month. Mr. Davis reported that the Airports Authority would be highlighting local Black artists during the summer as part of its corporate partnership with Pepsi under the Pepsi Lifewater Black Art Rising Program. He stated that he hoped the various programs and exhibits would help entertain and enlighten airport passengers in the days ahead. He also expressed his hope that everyone would take an opportunity to visit the Airports and experience the wonderful displays and positive messages that they provide for today’s times.

Chairperson Adams thanked the Office of Revenue team for considering him and allowing him to participate in the Airports Authority’s Black History highlights. He stated that he had the opportunity to see the Black History display at Reagan National and that he remembered the efforts of those persons displayed and that the exhibit was a great reminder of their work and efforts.

Mr. Speck asked for clarification regarding the timetable for the opening of the American Express Lounge in 2022, and asked whether since it is post-security, it will not commence operating until the completion of the Secure National Hall construction. Mr. Davis confirmed that the lounge would open in 2022 following the completion of the Secure National Hall construction.

Chairperson Adams reminded the Directors that they would receive invitations to schedule tours of both the Secure National Hall and

Project Journey construction in the coming weeks. He encouraged the Directors to take the tour.

IV. NEW BUSINESS

a. Recommendation to Award a Contract for Unarmed Security Guard Services at Ronald Reagan National Airport

Mr. Session moved the adoption of the following recommendation, which was unanimously approved by 13 Directors:

WHEREAS, The Transportation Security Administration Regulations and Directives require airport operators to control access to certain parts of their facility;

WHEREAS, The contract for unarmed security guard services at Ronald Reagan Washington National Airport (Reagan National) is scheduled to expire March 31, 2021;

WHEREAS, The Business Administration Committee concurred in the issuance of a Request for Proposals for these services at its June 17, 2020, meeting;

WHEREAS, A Technical Evaluation Committee reviewed the competing proposals submitted in response to a Request for Proposals, and recommended the selection of Armed Security Inc. T/A Butler Security, Inc. of Halethorpe, MD (Butler Security, Inc.) for a five-year contract with a three-year base term for \$6.7 million and with one two-year option period, to provide unarmed security guard services at Reagan National at a total contract value of \$11.3 million over the full five-year term; and

WHEREAS, The Business Administration Committee is satisfied with the results of the competitive procurement process, as presented at its January 27, 2021, meeting; now, therefore, be it

RESOLVED, That the President and Chief Executive Officer is authorized and directed to enter into a five-year contract with Butler Security, Inc., for the provision of

unarmed security guard services at Reagan National, consistent with the terms presented to the Business Administration Committee at its January 27, 2021 meeting.

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

b. Recommendation to Award a Contract for Baggage Cart Services at Ronald Reagan National and Washington Dulles International Airports

Mr. Session moved the adoption of the following recommendation, which was approved unanimously by 13 Directors:

WHEREAS, In 2014, following a competitive procurement process, the Metropolitan Washington Airports Authority (Airports Authority) awarded two concessions contracts, each for five-year terms, to Smarte Carte to provide luggage cart services at Ronald Reagan Washington National Airport (Reagan National) and Washington Dulles International Airport (Dulles International);

WHEREAS, The original terms of the contracts expired August 31, 2019 and October 31, 2019, respectively;

WHEREAS, Market analysis in 2019 showed that Smart Carte acquired its only competitor and is currently the only provider of luggage cart services in the United States that offers baggage cart services to the scope required at airports;

WHEREAS, Section 6.7.2 of the Contracting Manual (Manual) permits the Chief Executive Officer to grant an extension of up to 12 months of any concession contract “necessary to maintain services and revenue during periods when timely award of a new contract cannot be made before the expiration of the current contract”;

WHEREAS, In 2019, the contracts for Reagan National and Dulles International were extended through August 31 and October 31, 2020, respectively, to permit staff

analysis of the contracts' structures and terms in light of industry changes, including consolidation of potential offerors;

WHEREAS, In light of the COVID-19 pandemic and the resulting effect on passenger activity, staff recommended further extensions of the contracts to allow time for additional research efforts;

WHEREAS, Smarte Carte agreed to the proposed extensions of both contracts on a month-to-month basis not to exceed 12 months, consistent with the current contract terms;

WHEREAS, Section 6.7.2 of the Manual requires the Board of Directors to approve concessions contract extensions that exceed 12 months;

WHEREAS, On July 15, 2020, the Board approved Resolution 20-12 which authorized the President and Chief Executive Officer contract with Smarte Carte for Reagan National and Dulles International on a month-to-month basis for up to twelve months;

WHEREAS, The Airports Authority and Smarte Carte have agreed to terms of a contract for Smarte Carte to operate a baggage cart concession at each of Reagan National Airport and Dulles International Airport as set forth in the presentation made to the Business Administration Committee at its January 27, 2021 meeting;

WHEREAS, As required by Section 2.9.3 of the Contracting Manual, notice of this intended sole source award was published on the Airports Authority's website for the required time period, and no statements of capabilities were received;

RESOLVED; That the President and Chief Executive Officer is authorized and directed to enter into a sole source contract with Smarte Carte, consistent with the terms and conditions presented to the Business

Administration Committee at its January 27, 2021 meeting.

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

Chairperson Adams thanked the Directors for their participation in the Board Retreat earlier that month, which he stated was the third year in which the Board gathered together in the beginning of the year to discuss Board priorities and plans for the year. He stated that obviously the recovery from COVID-19 continues to be the primary Board priority.

Chairperson Adams stated that the Board will focus its energies during 2021 in supporting the goals and objectives that the Airports Authority's management team had advanced and that a memo was being prepared summarizing matters discussed during the Retreat, as well as proposed next steps. He also stated that he appreciated the time taken by the Directors to participate in the Retreat and stated that there may be a follow-up session in June or July. Chairperson Adams further stated that the Board needed to remain flexible in order to react to the changing conditions under which the Airports Authority is currently operating as a result of the COVID pandemic.

Chairperson Adams announced changes within the Board's Committee structure, first, noting that due to the departure of former Director A. Bradley Mims, who had been appointed Deputy Director Administrator for the Federal Aviation Administration, that Director Judith Batty had graciously accepted the role of Co-Chair of the Finance Committee. He thanked Ms. Batty for her willingness to assume that role. Chairperson Adams stated that the leadership and memberships of all of the other Board Committees would remain the same in 2021.

Chairperson Adams announced the creation of a newly-formed Ad Hoc Committee on Public Safety for which Directors John Braun and Thorn Pozen would serve as Co-Chairs. He stated that the jurisdiction of the committee was under development and would be included in the materials summarizing the Board Retreat, and thanked Directors Braun and Pozen for their willingness to serve.

Chairperson Adams stated that for the benefit of the public, as is customary, the anticipated schedule for meetings of the Committees of the Board would be posted on the Airports Authority website in the coming months.

There being no other business, the Meeting was thereupon adjourned at 9:58 a.m.

Respectfully submitted,

Monica R. Hargrove

Monica R. Hargrove
Vice President and Secretary

Approved April 21, 2021