

**MINUTES OF THE  
DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD  
December 4, 2008  
8:30 a.m.**

**Convening of the Meeting** - The Regular Meeting of the Dallas-Fort Worth International Airport Board was duly convened and held in the Board Room of the Administration Building of the Dallas-Fort Worth International Airport Board at 8:30 a.m. on December 4, 2008, pursuant to earlier notification thereof to the members of the Board and public. The following quorum was present:

Lillie Biggins, Chair	Robert Hsueh
Ben Muro, Vice Chair	John Loza
Francisco Hernandez, Secretary	Forrest Smith
Mayor Tom Leppert	Jeff Wentworth
Mayor Pro Tem Kathleen Hicks <sup>1</sup>	Jayne Peters <sup>2</sup>
Sanmi Akinmulero	

**Board staff in attendance:**

Jeff Fegan, Ken Buchanan, Jim Crites, Joe Lopano, Linda Valdez Thompson, Rob Darby, Gary Keane, Andy Bell, Dan Bergman, Alan Black, Zenola Campbell, Armin Cruz, William Flowers, Rusty Hodapp, Mike Phemister, Perfecto Solis, Gregory Spoon, John Terrell, Max Underwood, Cecilia Gentry, Donna Schnell

- A. The invocation was given by Chaplain “DD” Hayes.
- B. The Pledge of Allegiance was recited.
- C. Announcements
  - Tim McKinney, President and CEO of Tarrant County United Way, was presented the check from DFW’s 2008 United Way Campaign.
  - The upcoming 2008 Aviation & Transportation Career Expo was announced and the Expo’s Grand Marshall Jamail Larkins was introduced. Former Board Chair Jan Collmer was also recognized for his participation in the event.
  - DFW’s Risk Management Department was recognized for receiving the following awards:
    - Excellence in Workforce Wellness from Champions in Health 2008
    - Enterprise Risk Management and LiveWell Programs from Texas Public Risk Management Association (PRIMA)
    - Airports Council International – North America (ACI – NA) Award for the LiveWell Guide

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<sup>1</sup> Designated voting representative by the City of Fort Worth for Mayor Mike Moncrief, per Contract and Agreement, Paragraph 4B(3), and Fort Worth Resolution 3634-07-2008.

<sup>2</sup> Non-voting Member from the City of Coppell

- D. The minutes of the regular Board Meeting of November 6, 2008 were approved.
- E. Joe Lopano, Executive Vice President Marketing and Terminal Management, presented Air Service Highlights as follows:
- Current Airline Performance
  - Flash Forecast
  - Shanghai Airport Agreement
  - IATA Slots Conference
- F. Jim Crites, Executive Vice President Operations, presented Operational Highlights as follows:
- Employee Recognition
  - Irregular Operations Review
  - Operational Performance Report
- G. Ken Buchanan, Executive Vice President Revenue Management, presented Revenue Management Highlights as follows:
- Revenue Management (Fund 0102)
  - Parking
  - Concessions
  - Rental Car Facility
  - Commercial Development
  - Grand Hyatt (910 Fund)
  - Concessionaire Employee of the Year Recognition
  - Employee Recognition
- H. Chris Poinsette, Chief Financial Officer, presented the Financial Report as follows:
- Final FY 2008 Settlement
  - 102 Revenue and Expense Fund Report for October 2008
  - Award – Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association (GFOA)

#### **RETIREMENT/INVESTMENT COMMITTEE**

Retirement/Investment Committee Chair Jeff Wentworth reported that the Retirement/Investment Committee met on Tuesday, December 2, 2008 at 1:00 p.m. in the Board Room of the Administration Building and recommended approval of the following:

1. The minutes of the Retirement/Investment Committee Meeting of November 4, 2008 were approved at the Committee Meeting of December 2, 2008.

#### **Discussion Items**

2. A Presentation of the Quarterly Investment Report was given by John Pickett of RBC Dain Rauscher at the Committee Meeting of December 2, 2008.

3. A Presentation of the Small-Cap Value Investment was given by Gerald Smith and Cyril Theccanat of Smith Graham at the Committee Meeting of December 2, 2008.
4. The November 2008 Update was given by John Picket of RBC Dain Rauscher following item 2 at the Committee Meeting of December 2, 2008.
5. A Discussion of Real Estate Investment Trusts (REITs) was given by Chris Poinsatte, Chief Financial Officer, at the Committee Meeting of December 2, 2008.
6. A Discussion of Retirement Plan Investment Allocation options was given by Chris Poinsatte, Chief Financial Officer, at the Committee Meeting of December 2, 2008.

### **OPERATIONS COMMITTEE**

Operations Committee Chair Ben Muro reported that the Operations Committee met on Tuesday, December 2, 2008, at 2:30 p.m. in the Board Room of the Administration Building and recommended approval of the following:

7. The minutes of the Operations Committee Meeting of November 4, 2008 were approved at the Committee Meeting of December 2, 2008.

### **Discussion Item**

8. An update on the Terminal Renovation Program was given by Perfecto Solis, Vice President Airport Development & Engineering, at the Committee Meeting of December 2, 2008.

### **Consent Agenda Items for Consideration**

9. Approve the following Consent Agenda items:\*
- \*10. The Airport Board unanimously adopted Resolution 2008-12-275 to approve Increase to Contract 7004042, Guard Services, with Ruiz Protective Services Inc., in an amount not to exceed \$94,000.
- \*11. The Airport Board unanimously adopted Resolution 2008-12-276 to approve Execution of Change Order to Contract 9500329, AOA Physical Perimeter Security Upgrades, with EAS Contracting, L.P., in an amount not to exceed \$154,236.72.
- \*12. The Airport Board unanimously adopted Resolution 2008-12-277 to approve Execution of Change Order to Contract 9500315, Terminals A & C Interior Lighting Upgrade, with NovaTech Energy Services Group, Inc., in an amount not to exceed \$133,510.62.
- \*13. The Airport Board unanimously adopted Resolution 2008-12-278 to approve Execution of Change Order to Contract 9500343, Terminals A, C & E Replace Upper Level Entry Doors, with Skye Building Services, LLC, in an amount not to exceed \$110,598.

### **Action Items for Individual Consideration**

14. The Airport Board unanimously adopted Resolution 2008-12-279 to approve Execution of Change Order to Contract 8500234, Northeast Quadrant Perimeter Taxiway Design Services, with Kellogg Brown and Root Services, Inc., in an amount not to exceed \$2,942,348.
15. The Airport Board unanimously adopted Resolution 2008-12-280 to approve Execution of Change Order to Contract 9500302, Hangar Drainage Modifications, with North Texas Contracting, Inc., in an amount not to exceed \$381,777.
16. The Airport Board unanimously adopted Resolution 2008-12-281 to approve Execution of Contract 9500361, Millwork Replacement at Terminals A & C, with LEMCO Construction Services, L.P., in an amount not to exceed \$995,000.
17. The Airport Board unanimously adopted Resolution 2008-12-282 to approve Execution of Contract 9500360, Restroom Rehabilitation at Terminal E, with Mega Contractors, Inc., in an amount not to exceed \$2,172,451.29.
18. The Airport Board unanimously adopted Resolution 2008-12-283 to approve Execution of Change Order to Supplemental Agreement 26, Contract 8500245, Terminal Area Redevelopment Plan, with LopezGarcia Group, Inc., in an amount not to exceed \$3,988,027.
19. The Airport Board unanimously adopted Resolution 2008-12-284 to approve Execution of Change Order to Supplemental Agreement 7, Contract 8500245, ADP Update/ Aviation Planning Services, with LopezGarcia Group, Inc., in an amount not to exceed \$490,039.
20. The Airport Board unanimously adopted Resolution 2008-12-285 to approve Execution of Contract 7004070, Propane, with Ferrellgas, LP, in an amount not to exceed \$750,000.
21. The Airport Board unanimously adopted Resolution 2008-12-286 to approve Execution of three Contracts, Public Safety Uniforms and Special Clothing, Contract 7004074, with Uniforms, Inc., in an amount not to exceed \$101,474.10; Contract 7004080, with GST Public Safety Supply, LLC, in an amount not to exceed \$255,921.40; and Contract 7004081, with Bratwear Group, LLC, in an amount not to exceed \$23,640.
22. The Airport Board unanimously adopted Resolution 208-12-287 to approve Renewal of Contract 7003899, Supply of Natural Gas, with NGTS, LP, in an amount not to exceed \$4,000,000.
23. The Airport Board unanimously adopted Resolution 2008-12-288 to approve Execution of Change Order to Supplemental Agreement 1, Contract 8500245, Asbestos Inspection Services, with LopezGarcia Group, Inc., in an amount not to exceed \$239,000.

24. The Airport Board unanimously adopted Resolution 2008-12-289 to approve Execution of Change Order to Supplemental Agreement 2, Contract 8500245, Terminal B Gate 6 and Terminal C Gate 35 Remediation Systems Operation and Maintenance, with LopezGarcia Group, Inc., in an amount not to exceed \$341,909.88.

### **Discussion Items**

25. Perfecto Solis, Vice President Airport Development & Engineering and Norma Essary, Assistant Vice President Risk Management, gave a Presentation on the Project Controlled Insurance Program (PCIP) at the Committee Meeting of December 2, 2008. PCIP covered the Capital Development Program, which included construction of International Terminal D, Skylink, and related projects. The presentation was requested at the November Committee Meeting to help Board Members understand how the program was administered and to further explain a current contract and claim related to repair work on the Skylink.
26. Construction and Professional Services Contract Increase(s) approved by Authorized Staff were distributed to the Board.
27. There were no Decrease(s)/Increase(s) in Scope of Work approved by Authorized Staff for this reporting period.

### **FINANCE/AUDIT COMMITTEE**

Finance/Audit Committee Chair Francisco Hernandez reported that the Finance/Audit Committee met on Tuesday, December 2, 2008 at 3:30 p.m. in the Board Room of the Administration Building and recommended approval of the following:

28. The minutes of the Finance/Audit Committee Meeting of November 4, 2008 were approved at the Committee Meeting of December 2, 2008.
29. The Financial Report was given in item H above.

### **Consent Agenda Items for Consideration**

30. Approve the following Consent Agenda items:\*
- \*31. The Airport Board unanimously adopted Resolution 2008-12-290 to approve Execution of Insurance Policy with Midwest Employers Casualty Company, for Excess Workers Compensation Insurance, in the amount of \$200,043.
- \*32. The Airport Board unanimously adopted Resolution 2008-12-291 to approve Award of Purchase Order 257037, Storage Area Network Expansion Equipment, to Lumenate, LP, in the amount of \$176,808.
- \*33. The Airport Board unanimously adopted Resolution 2008-12-292 to approve Revision to Resolution 2008-09-230, to reflect the correct Contractor's name of IED Support Services, LLC, dba IED On Call, Contract 7004041, Terminal D Public Address/Voice Evacuation System Maintenance Agreement.

- \*34. The Airport Board unanimously adopted Resolution 2008-12-293 to approve Increase to Contract 7006321, Automated Access Control System Services, with Siemens Building Technologies, Inc., in the amount not to exceed \$87,636.

### **Action Items for Individual Consideration**

35. The Airport Board unanimously adopted Resolution 2008-12-294 to approve Execution of Contract 8002288, Employee Total Rewards Consulting Services, with The Hay Group, Inc., in an amount not to exceed \$1,200,000.
36. The Airport Board unanimously adopted Resolution 2008-12-295 to approve Termination of Rental Car Concession and Lease Agreement with Southwest-Tex Leasing Co., Inc., dba Advantage Rent-A-Car, for non-payment of rents, fees and taxes, and failure to continue business operations.
37. The Airport Board unanimously adopted Resolution 2008-12-296 to approve Execution of Agreement with Canteen Vending Services, Inc.
38. The Airport Board unanimously adopted Resolution 2008-12-297 to approve Execution of Lease Agreement with National Air Ventures, dba Hudson Booksellers.
39. The Airport Board unanimously adopted Resolution 2008-12-298 to approve Execution of Sponsorship Agreement with Samsung Electronics America, Inc.
40. The Airport Board unanimously adopted Resolution 2008-12-299 to approve Award of Purchase Order 257059, Remote Economy and Trinity Rail Shuttle Buses, to Lasseter Bus Company, Inc., in the amount of \$4,122,152.
41. The Airport Board unanimously adopted Resolution 2008-12-300 to approve 2009-2010 Federal and State Legislative Agenda.
42. The Airport Board unanimously adopted Resolution 2008-12-301 to approve Execution of four nine-month Contracts, Legislative Representation and Consulting Services, Contract 8002349, with Cal Varner of Varner and Associates, in an amount not to exceed \$51,975; Contract 8002350, with Charles Evans, in an amount not to exceed \$56,700; Contract 8002352, with Gibson D. Lewis, in an amount not to exceed \$51,975; and Contract 8002351, with Gilbert Turrieta, in an amount not to exceed \$51,975.
43. The Airport Board unanimously adopted Resolution 2008-12-302 to approve Execution of two Renewal Contracts, Federal Legislative Representation and Consulting Services, Contract 8002264, with Felix Sanchez, dba Quorum, LLC, in an amount not to exceed \$100,000; and Contract 8002265, with Hogan and Hartson, LLP, in an amount not to exceed \$240,000.
44. The Airport Board unanimously adopted Resolution 2008-12-303 to approve Increase to Contract 7002660, Oracle Governmental Financials Software Maintenance and Support, with Oracle Corporation, in an amount not to exceed \$850,000.
45. The Airport Board unanimously adopted Resolution 2008-12-304 to approve Investment Policy, Authorized Broker/Dealers and Investment Strategies.

46. The Airport Board unanimously adopted Resolution 2008-12-305 to approve Authorization to Execute a Depository Agreement with Citibank, N.A.
47. The Airport Board adopted Resolution 2008-12-306 to approve Execution of Contract 8002356, Consulting Services Relative to Foreign Trade Zone 39, with Ernst and Young, L.L.P., in an amount not to exceed \$225,000. Board Member Sanmi Akinmulero voted against this item.
48. The Airport Board unanimously adopted Resolution 2008-12-307 to approve Execution of Reimbursement Agreement with Twinrose Regent, LLC, in an amount not to exceed \$53,379.74.

### **Discussion**

49. Purchase Orders/Contracts and Professional Services Contracts approved by Authorized Staff were distributed to the Board.
50. Permits Issued by Aviation Real Estate were distributed to the Board.
51. Permits Issued by Revenue Management were distributed to the Board.
52. A presentation on Lease Management Recommendations was deferred until January.
53. Permit Issued by Commercial Development was distributed to the Board.
54. A presentation of the Commercial Development Task Force was given by John Terrell, Vice President Commercial Development.
55. A presentation of the DART/DFW Transit Oriented Development was given by John Terrell, Vice President Commercial Development.
56. Monthly M/WBE Expenditure Report was distributed to the Board.

### **CLOSED SESSION**

57. In accordance with the provisions of Section 551.071 of the Texas Government Code, a closed session was held for the purpose of seeking the Board's attorney's advice with respect to pending or contemplated litigation, to wit:

- (a) Dallas-Fort Worth International Airport vs Federal APD, pending in Dallas State District Court and Federal APD vs Dallas-Fort Worth International Airport Board, pending in Dallas Federal District Court.

And;

In accordance with provisions of Section 551.076 of the Texas Government Code, a closed session was not held relating to the deployment, and/or specific occasions for implementation, of security personnel or devices, to wit:

(b) Transportation Security Act Compliance

And;

In accordance with provision of Section 551.072 of the Texas Government Code, a closed session was not held relating to sale or lease of real property, or negotiated contracts for donations to the Board, when such discussions would have a detrimental effect on the negotiating position of the Board, to wit:

(c) Terminal Lease Negotiations

(d) Use Agreement Negotiations

And;

In accordance with provisions of Sections 551.071 and 551.072 of the Texas Government Code, a closed session was held with respect to:

- (e) Discussion of (1) gas royalty dispute with Chesapeake Energy Corporation, (2) Chesapeake's request to transport off-Airport gas across Airport, (3) Chesapeake's request to waive 80/20 requirement for pooling with off-Airport gas, (4) Chesapeake's request to dispose of off-Airport wastewater on the Airport, and (5) dispute with Chesapeake regarding mandatory number of drilling rigs at the Airport.

And;

In accordance with provisions of Section 551.074 of the Texas Government Code, a closed session was held to discuss the qualifications or performance of an identifiable Board employee, to wit:

- (f) Review and Evaluate the Performance of the Director of the Department of Audit Services.

- (g) Review and Evaluate the Performance of the Chief Executive Officer.

## **OPEN SESSION**

### **Action Items**

58. The Airport Board unanimously adopted Resolution 2008-12-308 to approve Increase to Legal Services Contract, with Moses, Palmer & Howell, in the amount not to exceed \$100,000.
59. The Airport Board unanimously adopted Resolution 2008-12-309 to approve Compensation and/or Benefits Adjustments for the Director of the Department of Audit Services.

60. The Airport Board unanimously adopted Resolution 2008-12-310 to approve Compensation and/or Benefits Adjustments for the Chief Executive Officer.

**Discussion**

61. Registered Speakers (items unrelated to agenda items)

Mr. Albert Zapanta with PAZ Energy LLC addressed the Board regarding ongoing settlement discussions between his company, Chesapeake Energy Corporation, and the Airport. A copy of his remarks, which he read at the Board Meeting, is on file with the Airport Board Staff Secretary.

62. There was no other business.
63. Next Committee meetings – January 6, 2009  
Next Regular Board meeting – January 8, 2009

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Lillie Biggins  
Chair

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Francisco Hernandez  
Secretary