

**MINUTES OF THE
DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD
February 5, 2009
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 February 5, 2009, 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 Mike Moncrief	Bernice J. Washington
Sanmi Akinmulero	Jayne Peters ¹

Board staff in attendance:

Jeff Fegan, Ken Buchanan, Jim Crites, Joe Lopano, Chris Poinsette, Linda Valdez Thompson, Rob Darby, Gary Keane, Alan Black, Zenola Campbell, Ken Capps, Armin Cruz, Carol Davis, William Flowers, Rusty Hodapp, Don O'Bannon, Allen Parra, Mike Phemister, Perfecto Solis, Gregory Spoon, John Terrell, Donna Schnell

- A. The invocation was given by Chaplain "DD" Hayes
- B. The Pledge of Allegiance was recited.
- C. Announcements
 - A check for \$28,000 was presented to the DFW USO by Tim Ward, President, Alliance Air / Aviation Services.
- D. The minutes of the Regular Board Meeting of January 8, 2009 were approved.
- E. Joe Lopano, Executive Vice President Marketing and Terminal Management, presented Air Service Highlights as follows:
 - Current Airline Performance
 - Flash Forecast
 - Chinese Human Resource Delegation
 - Customer Service Enhancements
- F. Jim Crites, Executive Vice President Operations, presented Operational Highlights as follows:

¹ Non-voting Member from the City of Coppell

- Employee Recognition
 - Irregular Operations Review
 - Mayor Moncrief requested that a thank you letter be sent to each concessionaire that stayed open past normal operating hours during the two days in January when there were icy weather conditions. The letter is to be signed by Mayor Moncrief, Mayor Leppert, and Chair Lillie Biggins.
 - Mayor Leppert requested a list of the concessionaires that chose not to stay open late.
 - 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)
 - Natural Gas Royalties Cash Received (301NG)
- H. Chris Poinsette, Chief Financial Officer, presented the Financial Report as follows:
- 102 Revenue and Expense Fund for the three months ended December 31, 2008
 - Quarterly Investment Report
 - Balance Sheet Review
 - FY 2009 Outlook

RETIREMENT/INVESTMENT COMMITTEE

Retirement/Investment Committee Chair Jeff Wentworth reported that the Retirement/Investment Committee met on Tuesday, February 3, 2009 at 12:30 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 December 2, 2008 were approved at the Committee Meeting of February 3, 2009.

Discussion Item

2. The Quarterly Investment Report was presented by John Picket of RBC Dain Rauscher at the Committee Meeting of February 3, 2009.

Action Item

3. The Airport Board unanimously adopted Resolution 2009-02-017 to approve Investment Policy for DFW Retirement Plans and OPEB Trust Fund and approve an indexed mutual fund as an asset allocation.

OPERATIONS COMMITTEE

Operations Committee Chair Ben Muro reported that the Operations Committee met on Tuesday, February 3, 2009, 1:00 p.m. in the Board Room of the Administration Building and recommended approval of the following:

4. The minutes of the Operations Committee Meeting of January 6, 2009 were approved at the Committee Meeting of February 3, 2009.

Consent Agenda Items for Consideration

5. Approve the following Consent Agenda items:*
- *6. The Airport Board unanimously adopted Resolution 2009-02-018 to approve Authorization to sign a Memorandum of Understanding (MOU) with the City of Irving for the purpose of using the City's Public Safety Radio frequencies to coordinate emergency response between the City of Irving and DFW Airport.
- *7. The Airport Board unanimously adopted Resolution 2009-02-019 to approve Execution of Contract 8500245, Supplemental Agreement 29, Parking Garages Repairs, with LopezGarcia Group, Inc., in the amount not to exceed \$113,186.52.

Action Items for Individual Consideration

8. The Airport Board unanimously adopted Resolution 2009-02-020 to approve rescission of Contract 7004070, Propane Gas, with Ferrellgas, LP, and Execute Contract 7004112, Propane Gas, with Huffhines Propane, LP, in the amount not to exceed \$750,000.
9. The Airport Board unanimously adopted Resolution 2009-02-021 to approve Execution of Change Order, Contract 8500242, Materials Testing and Inspection Services, with HVJ Associates, Inc., in the amount not to exceed \$1,000,000.
10. The Airport Board unanimously adopted Resolution 2009-02-022 to approve Execution of Contract 7004085, Maintenance Services for Public Facilities, with Trane U.S., Inc., in the amount not to exceed \$6,535,088.
11. A presentation of the Solicitation and Procurement process was given by Jim Crites, Executive Vice President Operations, and Greg Spoon, Vice President Procurement & Materials Management. The presentation responded to claims made by speaker Tom Krampitz during the Committee Meeting of February 3, 2009.

The following registered speakers addressed the Board:

- Bill Capps and Eddie Russell, with ERMIC
- Tom Krampitz, representing Axima
- Barbara Herrmann, with JBTC. Accompanying Ms. Herrmann was a representative from each of the subcontractors that support the current Terminal B

Integrated Facilities Maintenance contract.

- Ed Mendenhall, with Facilities Consulting (a subcontractor to JBTC)

The Airport Board unanimously adopted Resolution 2009-02-027 to approve Execution of Contract 7004084, Terminal B Integrated Facilities Maintenance Services, with ERMV IV, LP, in the amount not to exceed \$23,029,595. Committee Members Forrest Smith and Sanmi Akinmulero, who voted against this item at the Committee Meeting, changed their votes at the Board Meeting. This item was voted on after item 15.

12. The Airport Board unanimously adopted Resolution 2009-02-023 to approve Increase to Contract 7003494, CCTV Maintenance and Support, with SecureNet, Inc., in the amount not to exceed \$2,000,000.
13. The Airport Board unanimously adopted Resolution 2009-02-024 to approve Execution of Contract 7004115, TSA Video Security Enhancements, with SecureNet Inc., in the amount not to exceed \$1,971,476.11.
14. The Airport Board unanimously adopted Resolution 2009-02-025 to approve Award of Purchase Order 257384, for 800MHz Radio Frequency Spectrum, to Aeronautical Radio, Inc., aka ARINC, Inc., in the amount not to exceed \$250,000.
15. The Airport Board unanimously adopted Resolution 2009-02-026 to approve a five month Contract, State Legislative Consulting, with HillCo Partners, in the amount not to exceed \$100,000.

Discussion Items

16. There were no Construction and Professional Services Contract Increase(s) approved by Authorized Staff for this reporting period.
17. Decrease(s)/Increase(s) in Scope of Work approved by Authorized Staff were distributed to the Board.

FINANCE/AUDIT COMMITTEE

Finance/Audit Committee Chair Francisco Hernandez reported that the Finance/Audit Committee met on Tuesday, February 3, 2009, 2:00 p.m. in the Board Room of the Administration Building and recommended approval of the following:

18. The Minutes of the Finance/Audit Committee Meeting of January 6, 2009 were approved at the Committee Meeting of February 3, 2009.
19. The Financial Report was given in item H above.
20. The FY 2008 External Audit Results were presented by Kevin Smith of KPMG at the Committee Meeting of February 3, 2009 and again during the Board Meeting.

Consent Agenda Items for Consideration

21. Approve the following Consent Agenda items:*
- *22. The Airport Board unanimously adopted Resolution 2009-02-028 to approve Execution of Contract 7004086, Parking System Tickets, with Southland Printing Company, Inc., in the amount not the exceed \$112,080.10.

Action Items for Individual Consideration

23. The Airport Board unanimously adopted Resolution 2009-02-029 to approve Lease Agreement with SWACC, Inc., to develop and operate an upscale pet hotel and resort facility on airport property.
24. The Airport Board unanimously adopted Resolution 2009-02-030 to approve Award of Purchase Order 257363 for Cisco Network Equipment, to Coleman Technologies, Inc., in the amount of \$284,861.95.
25. The Airport Board unanimously adopted Resolution 2009-02-031 to approve Increase to Contract 7002660, Enterprise Document and Content Management for Oracle Governmental Financials Software Maintenance and Support, with Oracle Corporation, in the amount not to exceed \$339,526.
26. The Airport Board unanimously adopted Resolution 2009-02-032 to approve Termination of two Contracts for Parking Control System Consulting Services: Contract 8002311, with Walter P. Moore and Associates, Inc., and Contract 8002312, with Jacobs Consultancy, Inc., and Execute Contract 8002347, Parking Revenue Control System Consulting Services, with Kimley-Horn and Associates, in the amount not to exceed \$150,000.
27. The Airport Board unanimously adopted Resolution 2009-02-033 to approve Lease Agreement 239026 for Host International, Inc., dba Sbarro's.
28. The Airport Board adopted Resolution 2009-02-034 to approve Lease Agreement 239041 for D. Mitchell Concessions, Inc., dba Energy Zone. Board Member Sanmi Akinmulero excused himself during the voting of this item because of a conflict of interest.
29. The Airport Board unanimously adopted Resolution 2009-02-035 to approve Contract Renewal List for Third Quarter of Fiscal Year 2009.
30. The Airport Board unanimously adopted Resolution 2009-02-036 to approve Execution of a Contract with FM Global, for All Risk Property Insurance, in the amount not to exceed \$2,917,058.

Discussion Items

- 31. The Department of Audit Services' Quarterly Audit Update was presented by Rob Darby, Director Audit Services, at the Committee Meeting of February 3, 2009.
- 32. A presentation on the Chesapeake MWBE Program was given by Don O'Bannon, Vice President Business and Diversity Development at the Committee Meeting of February 3, 2009.
- 33. A presentation on Valet Parking was given by Ken Buchanan, Executive Vice President Revenue Management, during the Committee Meeting of February 3, 2009.

The following registered speakers addressed the Board:

- John Biebighauser, with The Airport Valet, spoke about his concerns related to the new Valet Parking letter agreement which will go into effect in March 2009.
 - Kenneth Kundmueller, with Freedom Park Airport Valet Services, spoke in favor of the new agreement and also spoke at the Committee Meeting of February 2, 2009.
- 34. Purchase Orders/Contracts and Professional Services Contracts approved by Authorized Staff were distributed to the Board.
- 35. License Issued by Commercial Development was distributed to the Board.
- 36. Monthly MWBE Expenditure Report was distributed to the Board.

CLOSED SESSION

- 37. 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:

(a) 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:

(b) Terminal Lease Negotiations

(c) 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:

- (d) 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.

OPEN SESSION

- 38. Registered Speaker Willie Briscoe, Esq., representing ICC Energy Corporation, addressed the Board regarding concerns related to minority business issues under the Chesapeake Energy contract and alleged that Chesapeake's M/WBE pay period reports were inflated.

Allen Tucker of Earth Haulers, Inc. was also registered to speak concerning minority business issues under the Chesapeake Energy contract. Mr. Tucker's daughter, Danielle Tucker, spoke in his place.

- 39. There was no other business.
- 40. Next Committee meetings – March 3, 2009
Next Regular Board meeting – March 5, 2009

Lillie Biggins
Chair

Francisco Hernandez
Secretary