MINUTES OF THE DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD July 12, 2012 8:30 a.m.

<u>Conveying of the Meeting</u> – 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 at 8:30 a.m., on Thursday, July 12, 2012, pursuant to earlier notification thereof to the members of the Board and public. The following quorum was present:

Robert Hsueh, Chair

Lillie Biggins, Vice Chair

Sam Coats, Secretary

Mayor Mike Rawlings

Mayor Betsy Price

Francisco Hernandez

Ben Muro

Brenda E. Reyes

Forrest Smith

Bernice J. Washington

Jeff Wentworth

Glenn Porterfield¹

Board staff in attendance:

Jeff Fegan, Ken Buchanan, Jim Crites, Chris Poinsatte, Phil Ritter, Linda Valdez Thompson, Rob Darby, Elaine Rodriguez, Robert Caput, Alan Black, Zenola Campbell, Armin Cruz, Thomas Dallam, William Flowers, Rusty Hodapp, Tamela Lee, Mary Jo Polidore, Luis Perez, Perfecto Solis, Greg Spoon, John Terrell, Byford Treanor, and Donna Schnell

.

AGENDA

- A. The invocation was given by Chaplain "DD" Hayes.
- B. The Pledge of Allegiance was recited.
- C. The Minutes of the Regular Board Meeting of June 7, 2012 were approved.

Due to the Board Retreat, scheduled to commence immediately following the Board Meeting, there were no announcements.

OPERATIONS COMMITTEE

Operations Committee Chair Bernice Washington reported that the Committee met on Tuesday, July 10, 2012, at 12:30 p.m., in the Board Room of the Administration Building and recommended approval of the following:

1. The Minutes of the Operations Committee Meeting of June 5, 2012 were approved during the Committee Meeting of July 10, 2012.

Consent Items for Consideration

2. The Airport Board unanimously adopted Resolution 2012-07-201 to approve Execution of a Change Order to Contract 9500414, DPS Fire Training Facility Upgrades, with FJW Construction in an amount not to exceed 56,945.

- 3. The Airport Board unanimously adopted Resolution 2012-07-202 to approve Termination of Contract 9500479, Parking Control System Infrastructure Construction Phase 2, with Mega Contractors, Inc., in a deductive amount of (\$1,797,676.15); and Approve Execution of a Change Order to Contract 9500462, Parking Control System Infrastructure, with Thos. S. Byrne, Ltd., in an amount not to exceed \$575,000.
- The Airport Board unanimously adopted Resolution 2012-07-203 to approve Execution of a Change Order to Supplemental Agreement 4, Contract 8500271, Reclaimed Water Delivery System, with DMJM/EJES Joint Venture, in an amount not to exceed \$149,297.76.
- The Airport Board unanimously adopted Resolution 2012-07-204 to approve Rejection of the bid received for Contract 9500457, Rehabilitate Fire Alarm System Panels, from Honeywell International, Inc.
- 6. The Airport Board unanimously adopted Resolution 2012-07-205 to approve Execution of a Contract Modification for additional incremental work under Supplemental Agreement 9, Contract 8500271, TRIP-Subcontractor Construction Area, with DMJM/EJES Joint Venture, in an amount not to exceed \$194,710.73.
- 7. The Airport Board unanimously adopted Resolution 2012-07-206 to approve Increase to Contract 7003917, Terminal B and Parking Garage Custodial Services, with UBM Enterprise, Inc., in an amount not to exceed \$75,000, for a revised contract amount not to exceed \$8,089,643.73, and extend the term of the contract by fifteen days.
- 8. The Airport Board unanimously adopted Resolution 2012-07-207 to approve Execution of Contract 7005542, Terminal Seating Maintenance, with DMCA, Inc., in an amount not to exceed \$243,786.24.
- 9. The Airport Board unanimously adopted Resolution 2012-07-208 to approve Execution of Contract 7005525, Concrete Washout Containers, with American Concrete Washouts, Inc., in an amount not to exceed \$72,000.
- 10. The Airport Board unanimously adopted Resolution 2012-07-209 to approve Increase to Contract 7003936, Disposal of Hazardous and Non-Hazardous Waste, with Green Planet, Inc., in an amount not to exceed \$31,250, for a revised contract amount not to exceed \$281,250.
- 11. The Airport Board unanimously adopted Resolution 2012-07-210 to approve Increase to Contract 7005334, Sign/Banner Fabrication and Installation Services, with Centerline Supply, Ltd., in an amount not to exceed \$150,000, for a revised contract amount not to exceed \$1,750,000.

Action Items for Consideration

 The Airport Board unanimously adopted Resolution 2012-07-211 to approve Execution of a Change Order to Contract 9500325, ATSAC II Terminal A In-Line EDS Baggage Handling System, with Jervis B. Webb Company, in an amount not to exceed \$918,094.32.

- 13. The Airport Board unanimously adopted Resolution 2012-07-212 to approve Execution of a Supplemental Agreement to Contract 8500292, Parking 1W North Express Expansion, with Parsons Transportation Group, Inc., in an amount not to exceed \$540,571.47.
- 14. The Airport Board unanimously adopted Resolution 2012-07-213 to approve Execution of Contract 9500501, Snow and Ice Operations Facility, with a contractor to be determined, in an amount not to exceed \$1,400,000.
- 15. The Airport Board unanimously adopted Resolution 2012-07-214 to approve Execution of a Change Order to Contract 8500289, Program Management Implementation Services, with Freese and Nichols, Inc., in an amount not to exceed \$12,500,000.
- 16. The Airport Board unanimously adopted Resolution 2012-07-215 to approve Execution of Contract 7005534, Annual Conveyance Inspection Services, with Atlas Elevator Inspection Service, Inc., in an amount not to exceed \$408,360.
- 17. The Airport Board adopted Resolution 2012-07-216 to approve Execution of Contract 7005508, Terminal B and Corporate Aviation Custodial Services, with C.K. World Service, Inc., in an amount not to exceed \$7,634,770.61. Board Chairman Robert Hsueh opposed.
 - Registered speaker, Mr. Tailim Song, representing United Building Maintenance Services, spoke in opposition of contracts being award to C.K. World Service, Inc. (item 17) and Oriental Building Services, Inc. (item 18).
- 18. The Airport Board unanimously voted to reject Execution of Contract 7005481, Terminal E Custodial Maintenance Services, with Oriental Building Services, Inc., in an amount not to exceed \$6,573,142.15.
 - Registered speaker, Mr. Nixon Shum, with Oriental Building Services, Inc., spoke regarding his company's bid which was withdrawn and then reinstated.
- 19. The Airport Board unanimously adopted Resolution 2012-07-217 to approve Increase to Contract 7003908, Terminal E, Satellite, and Parking Garage Integrated Facilities Maintenance Services, with John Bean Technologies Corporation, in an amount not to exceed \$546,850, for a revised contract not to exceed \$68,299,508.66; and extend the term of the contract by 45 days.
- 20. The Airport Board unanimously adopted Resolution 2012-07-218 to approve Execution of Contract 7005518, Terminals A and C Food Court Custodial Services, with C.K. World Service, Inc., in an amount not to exceed \$1,048,686.56.
- 21. The Airport Board unanimously adopted Resolution 2012-07-219 to approve Increase to Contract 7005350, Skylink Operations and Maintenance, with Bombardier Transportation (Holdings) USA, Inc., in an amount not to exceed \$486,028 for a revised contract amount not to exceed \$165,355,231.
- 22. The Airport Board unanimously adopted Resolution 2012-07-220 to approve Execution of Contract 8004295, Aviation Security Clearance Services, with Telos Identity Management Solutions, LLC dba Telos ID, in an amount not to exceed \$400,000.

Discussion Items

23. TRIP Working Group Update was presented by Brenda E. Reyes, TRIP Working Group Chair.

Terminal Renewal and Improvement Program Action Items

- 24. The Airport Board unanimously adopted Resolution 2012-07-221 to approve Execution of a Supplemental Agreement to Contract 8500292, Indefinite Delivery of Commissioning Services, with Parsons Transportation Group, Inc., in an amount not to exceed \$6,000,000.
- 25. The Airport Board unanimously adopted Resolution 2012-07-222 to approve Execution of a Supplemental Agreement to Contract 8500285, Holistic Terminal Area Wayfinding Graphics, with Jacobs Engineering Group, Inc., in an amount not to exceed \$392,156.91.
- 26. The Airport Board unanimously adopted Resolution 2012-07-223 to approve Execution of a Contract Modification for additional incremental work under Supplemental Agreement 4, Contract 8500285, Terminal A Design Services, with Jacobs Engineering Group, Inc., in an amount not to exceed \$483,769.11.
- 27. The Airport Board unanimously adopted Resolution 2012-07-224 to approve Execution of a Change Order to Supplemental Agreement 5, Contract 9500421, Terminal A Section A Construction, with Balfour Beatty/Azteca/Russell/CARCON, a joint venture, in an amount not to exceed \$2,022,851.
- 28. The Airport Board unanimously adopted Resolution 2012-07-225 to approve Execution of a Change Order to Contract 8500271, Supplemental Agreement 12, Terminal B North Stinger Design and Design Management Services, and Supplemental Agreement 14, Terminal B-D Connector FIS Corridor Design and Design Management Services, with DMJM/EJES Joint Venture, in an amount not to exceed \$440,937.58, for Supplemental Agreement 12 and \$255,096.78, for Supplemental Agreement 14.
- 29. The Airport Board unanimously adopted Resolution 2012-07-226 to approve Execution of a Contract Modification for additional incremental work under Supplemental Agreement 5, Contract 9500406, Terminal B Phase I, with Manhattan/BYRNE/JRT/3i, a joint venture, in an amount not to exceed \$6.280,222.
- 30. The Airport Board unanimously adopted Resolution 2012-07-227 to approve Execution of a Supplemental Agreement to Contract 9500406, Terminal E Phase 2 Baggage Handling System Construction, with Manhattan/BYRNE/JRT/3i, a joint venture, in an amount not to exceed \$16,755,262.
- 31. The Airport Board unanimously adopted Resolution 2012-07-228 to approve Execution of a Supplemental Agreement to Contract 9500406, Terminal E Phase 2 Construction, with Manhattan/BYRNE/JRT/3i, a joint venture, in an amount not to exceed \$119,448,274.
- 32. The Airport Board unanimously adopted Resolution 2012-07-229 to approve Execution of a Change Order to Supplemental Agreement 6, Contract 9500406, Terminal E Satellite Re-Gating, with Manhattan/BYRNE/JRT/3i, a joint venture, in an amount not to exceed \$2,306,540.

33. The Airport Board unanimously adopted Resolution 2012-07-230 to approve Execution of a Change Order to Supplemental Agreement 8, Contract 9500406, Terminal E Satellite Reactivation Construction, with Manhattan/BYRNE/JRT/3i, a joint venture, in an amount not to exceed \$8,534,733.

Discussion Items

- 34. TSA Other Transaction Agreement (OTA) for Law Enforcement Reimbursement was presented by Alan Black, Director Public Safety during the Committee Meeting of July 10, 2012.
- 35. Construction and Professional Services Contract Increase(s) approved by Authorized Staff were distributed to the Board.
- 36. Decrease(s)/increase(s) in Scope of Work approved by Authorized Staff were distributed to the Board.

FINANCE/AUDIT COMMITTEE

Finance/Audit Committee Chair Jeff Wentworth reported that the Committee met on Tuesday, July 10, 2012, at 1:15pm, in the Board Room of the Administration Building and recommended approval of the following:

- 37. The Minutes of the Finance/Audit Committee Meeting of June 5, 2012 were approved during the Committee Meeting of July 10, 2102.
- 38. Financial Report was presented by Max Underwood, VP Finance, during the Committee Meeting of July 10, 2012.
- 39. FY2013 Budget Preview was presented by Chris Poinsatte, CFO, during the Committee Meeting of July 10, 2012.

Consent Items for Consideration

- 40. The Airport Board unanimously adopted Resolution 2012-07-231 to approve Increase to Contract 8004281, Bankruptcy Consulting Services, with Tailwind Consultants, LLC (formerly known as GCW Consulting, LLC), in an amount not to exceed \$75,000, for a revised contract amount not to exceed \$175,000.
- 41. The Airport Board unanimously adopted Resolution 2012-07-232 to approve Increase to Contract 7005493, Information Technology Fiber Installation Services, with ABLe Communications, Inc., in an amount not to exceed \$107,965, for a revised contract amount not to exceed \$539,825.35.
- 42. The Airport Board unanimously adopted Resolution 2012-07-233 to approve Award of Purchase Order 264932, Linux Blade Server Refresh, to Thomas Gallaway Corporation dba Technologent, in an amount not to exceed \$225,737.14.

- 43. The Airport Board unanimously adopted Resolution 2012-07-234 to approve Decrease to Contract 7005324, Maintenance Services for the CUTE/EVIDS System, with ARINC, Incorporated, in an amount of (\$45,690.66), for a revised Contract amount not to exceed \$6,414,338.95.
- 44. The Airport Board unanimously adopted Resolution 2012-07-235 to approve Rejection of the bid received for Solicitation 264787, for Memory Cards and Support; and to Award Purchase Order 264918, for Memory Cards and Support, to Lumenate, LP, in an amount not to exceed \$96,512.40.
- 45. The Airport Board unanimously adopted Resolution 2012-07-236 to approve Increase to Contract 8002116, Legal Services, with Moses, Palmer & Howell, L.L.P., in an amount not to exceed \$100,000, for a new not to exceed amount of \$1,503,000.
- 46. The Airport Board unanimously adopted Resolution 2012-07-237 to approve Increase to Contract 8001501, Legal Services, with Cantey Hanger, LLP, in an amount not to exceed \$100,000 for a new not to exceed amount of \$3,511,000.
- 47. Item pulled. Approve Authorization to Extend the existing Special Facility Fueling System Lease Agreement between DFW and participating Signatory Airlines, including American Airlines, effective immediately and continuing through September 30, 2013.

Action Items for Consideration

- 48. The Airport Board unanimously adopted Resolution 2012-07-238 to approve Execution of three Contracts: (1) Contract 8004290, Employee Medical/Dental Health Benefit Administrative Services, with Aetna Life Insurance Company, in an amount not to exceed \$2,817,087; (2) Contract 8004305, Employee Dental Health Maintenance Organization Services, with Aetna Dental Inc., (TX), in an amount not to exceed \$257,782; and (3) 8004306, Employee Group Life Insurance Services, with Aetna Life Insurance Company, in an amount not to exceed \$958,267.
- 49. The Airport Board unanimously adopted Resolution 2012-07-239 to approve Adoption of the Small Business Enterprise (SBE) component to the Disadvantaged Business Enterprise (DBE) Program.
- 50. The Airport Board unanimously adopted Resolution 2012-07-240 to approve the Forms of the Preliminary Official Statements for the Sale of 2012D and 2012E Bonds and Authorize other actions in connections with the sale of the bonds.

Discussion Items

- 51. Purchase Orders/Contracts and Professional Services Contracts approved by Authorized Staff were distributed to the Board.
- 52. M/WBE Program Recommendations Pursuant to the A&D Study Findings was presented by Tamela Lee, VP Business Development & Diversity, during the Committee Meeting of July 10, 2012.

53. Monthly M/WBE Expenditure Report was distributed to the Board.

CONCESSIONS/COMMERCIAL DEVELOPMENT COMMITTEE

Concessions/Commercial Development Committee Chair Lillie Biggins reported that the Committee met on Tuesday, July 10, 2012 at 2:00 p.m., in The Board Room of the Administration Building and recommended approval of the following:

54. The Minutes of the Concessions/Commercial Development Committee Meeting of June 5, 2012 were approved during the Committee Meeting of July 10, 2012.

CLOSED SESSION

- 55. In accordance with the provisions of Section 551.071 of the Texas Government Code, a closed session was held during the Committee Meeting of July 10, 2012 for the purpose of seeking the Board's attorney's advice with respect to pending or contemplated litigation, a settlement offer, or other matters that are exempt from public disclosure under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas (Article X, Section 9 of the State Bar Rules), to wit:
 - (a) Terminal A TGI Friday's Leasehold Acquisition

And:

In accordance with provisions of Section 551.072 of the Texas Government Code, a closed session was held during the Committee Meeting of July 10, 2012 relating to the purchase, exchange, lease, or value of real property if deliberations in an opening meeting would have a detrimental effect on the negotiating position of the Board, to wit:

- (b) Dart I-2 Compensation and Dart I-3
- (c) North Airport Commercial Development Opportunities
- (d) Coppell Inter-local Agreement

OPEN SESSION

Consent Items for Consideration

- 56. The Airport Board unanimously adopted Resolution 2012-07-241 to approve the 2012 Commercial Development Land Use Plan, updated from the 2007 Land Use Plan approved by Board Resolution 2007-06-159, dated June 7, 2007, and originally adopted as the 2001 Land Use Plan pursuant to Board Resolution 2001-02-78, dated February 1, 2001.
- 57. The Airport Board unanimously adopted Resolution 2012-07-242 to approve requests that the cities of Dallas and Fort Worth commence proceedings to acquire by Condemnation, if necessary, the leasehold Interest of TGIF Restaurant Joint Venture

- Lease 238280 with respect to the TGIF Restaurant located at Terminal A in the amount of \$1,729,200, representing its Fair Market Value as determined by a certified appraiser and, therefore constitutes a bona fide offer required by Section 21.0113(a) and (b) (4) of the Texas Property Code.
- 58. The Airport Board unanimously adopted Resolution 2012-07-243 to approve Increase to Contract 8004138, Legal Services, with Economic Insight, Inc., in an amount not to exceed \$50,000, for a new not to exceed amount of \$315,000.
- 59. The Airport Board unanimously adopted Resolution 2012-07-244 to approve Increase to Contract 8004137, Professional Consulting Services, with WR Energy, LLC, in an amount not to exceed \$50,000, for a new not to exceed amount of \$95,000.

Action Items for Consideration

- 60. The Airport Board unanimously adopted Resolution 2012-07-245 to approve Lease Agreement with Cousin's Bar-B-Q, Terminal B, LLC, in Terminal B.
- 61. The Airport Board unanimously adopted Resolution 2012-07-246 to approve Lease Agreement with Dickey's Barbecue Restaurants, Inc. in Terminal C.
- 62. The Airport Board unanimously adopted Resolution 2012-07-247 to approve Lease Agreement with FGR New Ventures, LLC, to operate an Uno Due Go pizza location in Terminal E.
- 63. The Airport Board unanimously adopted Resolution 2012-07-248 to approve Lease Agreement with LaTrelle's DFW Joint Venture to operate a Subway in Terminal B.
- 64. The Airport Board unanimously adopted Resolution 2012-07-249 to approve Rental Car Lease Agreement with Silvercar, Inc.

Discussion Items

- 65. Concessions Update was presented by Zenola Campbell, VP Concessions, during the Committee Meeting of July 10, 2012.
- 66. Concessions Sales Update was presented by Zenola Campbell, VP Concessions, during the Committee Meeting of July 10, 2012.
- 67. Permits issued by Concessions were distributed to the Board.

FULL BOARD

CLOSED SESSION

- 68. 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, a settlement offer, or other matters that are exempt from public disclosure under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas (Article X, Section 9 of the State Bar Rules), to wit:
 - (a) Terminal A TGI Friday's Leasehold Acquisition
 - (b) <u>Association of Taxicab Operators, USA v. Dallas-Fort Worth International</u> Airport Board, Cause No. 10-00279
 - (c) In re AMR Corporation, *et al.*, Case No. 11-15463 (SHL), United States Bankruptcy Court, Southern District of New York
 - (d) PAZ Energy LLC v. Dallas/Fort Worth International Airport Board, City of Dallas, City of Fort Worth, Cause No. 153-237052-09

And;

In accordance with provisions of Section 551.072 of the Texas Government Code, a closed session was held relating to the purchase, exchange, lease, or value of real property if deliberations in an opening meeting would have a detrimental effect on the negotiating position of the Board, to wit:

- (e) Dart I-2 Compensation and Dart I-3
- (f) North Airport Commercial Development Opportunities
- (g) Coppell Inter-local Agreement

OPEN SESSION

Action Item

- 69. Executive Compensation Committee Chair Ben Muro reported that the Executive Compensation Committee met at 8:00 a.m. on July 12, 2012, and recommended approval of item 69.
 - The Airport Board unanimously adopted Resolution 2012-07-250 to approve Incentive Compensation Plan for the Director of Audit Services.
- 70. The Airport Board unanimously adopted Resolution 2012-07-251 to approve Interlocal

Agreement with the City of Coppell, the City of Dallas, and the City of Fort Worth.

Discussion Items

- 71. There were no registered speakers unrelated to agenda items.
- 72. Special Board meeting Presentation of 2013 Budget July 26, 2012 Next Committee meetings – July 31, 2012 Next Regular Board meeting – August 2, 2012