MINUTES OF THE
DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD
September 5, 2013
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 at 8:30 a.m., on Thursday, September 5, 2013, 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
Regina Montoya
Curtis E. Ransom
Bernice Washington
Jeff Wentworth
Mayor Beth Van Duyne[1]

Board staff in attendance:
Ken Buchannan, Jim Crites, Phil Ritter, Linda Valdez Thompson, Rob Darby, Elaine Rodriguez, Sandy Lancaster, Zenola Campbell, Armin Cruz, Norma Essary, William Flowers, Tamela Lee, Paul Martinez, Sharon McCloskey, Luis Perez, Perfecto Solis, Greg Spoon, John Terrell, Byford Treanor, Max Underwood, David Magaña, Donna Schnell and Paula Purdy

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AGENDA

A. The Invocation was given by Chaplain Doni Evans.

B. The Pledge of Allegiance was recited.

C. Announcements and recognitions by Robert Hsueh, Chair:
- Incoming Board Member Mayor Beth Van Duyne from the City of Irving was welcomed.
- Newly appointed CEO, Sean Donohue, was introduced and welcomed.

Announcements and recognitions by Jeff Fegan, former CEO:
- On August 20th DFW Airport launched the 2013 United Way campaign, "We're In It Together."
- John Brookby, AVP Retail/Office Development and Leasing, was recognized for receiving his Accredited Airport Executive (AAE) accreditation through American Association of Airport Executives (AAAE) in August.
- DFW Airport will host, for the 1st time, the 3rd annual AAAE Social Media Summit on September 9th and 10th.
- On October 4th, DFW Airport, in conjunction with American Airlines, the Federal Aviation Administration (FAA) and Tarrant County College (TCC), will host students at the 10th annual Aviation and Transportation

[1] Non-voting Board Member from the City of Irving.

Career Expo. DFW Airport will also support the Airpower Foundation as a presenting sponsor of Sky Ball XI on October 5th honoring all of our Nation's Military service members, Veterans, and their families. Paul Martinez, VP Operations, presented an overview of the Expo and Sky Ball XI as well as recognized Barbara Pack, Community Relations Specialist, for her role in organizing these events.

- Alan Black, Director of Public Safety, announced that the DFW Airport Fire Training Research Center (FTRC) recently received an Excellence Award from the International Academy of Visual Arts for its innovative, interactive technological classroom.
- DFW Airport dedicated a memorial marker on August 31st in honor of the victims of Delta Air Lines Flight 1141, a Boeing 727 which crashed on takeoff at DFW 25 years ago on August 31, 1988.
- Armin Cruz, VP Parking Business Unit, announced the launch of DFW Airport's new Parking Control System (PCS).
- Sandy Lancaster, AVP Environmental Affairs, presented DFW Airport's objections to the proposed Irving residential development at the Irving City Council's Work Session on September 4th. Irving City Council is scheduled to vote on the two parcels that comprise the project later this evening.
- DFW Airport Media Highlights were presented.

Announcements and recognition by Robert Hsueh, Chair:

- Jeff Fegan, former CEO, at his 236th and final DFW Airport Board meeting, was presented with a formal DFW Airport Board Resolution and a small token of appreciation.
- Board Members were reminded of the community reception on September 17th at the Hyatt Regency DFW, celebrating the Airport's achievements and community partnership under Jeff Fegan's leadership.

D. The Minutes of the Regular Board Meeting of August 1, 2013 were approved.

E. Air Service Highlights were presented by Naveen Bandla, Senior Market Plan & Analysis Manager of Air Service Development, as follows:

- Current Airline Performance
- Flash Forecast
- Air Service Development

F. The Financial Report was presented by Max Underwood, VP Finance.

G. The TRIP Briefing was presented by Perfecto Solis, VP Airport Development & Engineering, and Barry Kendrick, TRIP Managing Executive. At the request of the Board, Clay Paslay, Consultant and Founder of Paslay Management Group, addressed the Board regarding TRIP.

RETIREMENT/INVESTMENT COMMITTEE

Retirement/Investment Committee Chair Jeff Wentworth reported that the Committee met on Tuesday, September 3, 2013, 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 July 30, 2013 were approved during the Committee Meeting of September 3, 2013.

Discussion Items

2. The Quarterly Investment Report was presented by Richard Holbien of The Bogdahn Group during the Committee Meeting of September 3, 2013.

3. The Audit of Actuarial Valuations and Studies was presented by Rob Darby, Director Audit Services during the Committee Meeting of September 3, 2013.

Action Item for Consideration

4. The Airport Board unanimously adopted Resolution 2013-09-242 to approve execution of required documents to invest funds of the DFW Retirement Plans in the PIMCO Tactical Opportunities Fund, in an amount not to exceed $10,000,000.

OPERATIONS COMMITTEE

Operations Committee Chair Francisco Hernandez reported that the Committee met on Tuesday, September 3, 2013, at 1:00 p.m., in the Board Room of the Administration Building and recommended approval of the following:

5. The Minutes of the Operations Committee Meeting of July 30, 2013 were approved during the Committee Meeting of September 3, 2013.

Consent Items for Consideration

6. The Airport Board unanimously adopted Resolution 2013-09-243 to approve execution of Contract 9500508, Installation of Traffic Signal at Crossunder #6, with Gilbert May Inc., dba Phillips/May Corporation, in an amount not to exceed $238,398.45.

7. The Airport Board unanimously adopted Resolution 2013-09-244 to approve an increase to Contract 7005367, Custodial Services for Terminal D, with UBM Enterprise, Inc., in an amount not to exceed $103,500, for a revised Contract amount not to exceed $15,345,095.47.

8. The Airport Board unanimously adopted Resolution 2013-09-245 to approve an increase to Contract 7005343, Window Cleaning Services, with City Wide Building Services, Inc., in an amount not to exceed $45,460, for a revised Contract amount not to exceed $6,837,849.

9. The Airport Board unanimously adopted Resolution 2013-09-246 to approve an increase to Contract 7005325, Maintenance Services for Virtual Driving Simulators, with Adacel Systems, Inc., in an amount not to exceed $25,929.29, for a revised Contract amount not to exceed $115,556.29.

Action Items for Consideration

10. The Airport Board unanimously adopted Resolution 2013-09-247 to approve execution of a Change Order to Contract 9500458, West Airfield Drive & Mid-Cities Blvd. Expansion, with Austin Bridge & Road, LP, in an amount not to exceed $394,121.25; Contract 5000957, Relocate Electric Ductbank, with ONCOR Electric Delivery Company, in an amount not to exceed $106,514.05; and Contract 5000956, Relocate Verizon Ductbank, with Verizon, in an amount not to exceed $69,692.66.

11. The Airport Board unanimously adopted Resolution 2013-09-248 to approve execution of Change Orders to increase two existing contracts for Asbestos Abatement/Air Monitoring Consulting Services: Contract 8004299, with ATC Group Services dba Cardno ATC, in an amount not to exceed $2,025,000, for a revised Contract amount not to exceed $3,150,000; and Contract 8004778, with Enercon Services, Inc., in an amount not to exceed $2,025,000, for a revised Contract amount not to exceed $3,150,000; for a total action amount of $4,050,000.

12. The Airport Board unanimously adopted Resolution 2013-09-249 to approve revision of Resolution 2013-06-161, to amend the Contract award amount of three Contracts for Baggage Handling Parts: Contract 7005928, with Habasit America, in an amount not to exceed $59,655.19; Contract 7005929, with Vanderlande Industries Inc., in an amount not to exceed $1,263,470.47; and Contract 7005930, with John Bean Technologies Corporation – JBT AeroTech, Airport Services, in an amount not to exceed $1,921,680.69.

13. The Airport Board unanimously adopted Resolution 2013-09-250 to approve an increase to Contract 7004030, Custodial Services at the Rental Car Center Facilities, with UBM Enterprise, Inc., in an amount not to exceed $770,068, for a revised Contract amount not to exceed $4,232,212.06.

Discussion Items

14. The TRIP Working Group Update was presented by Bernice J. Washington, TRIP Working Group Chair.

15. The Sky Ball Announcement was presented in Item C above.

16. Construction and Professional Services Contract Increase(s) approved by Authorized Staff were distributed to the Board.

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 Sam Coats reported that the Committee met on Tuesday, September 3, 2013, at 2:50 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 July 30, 2013 were approved during the Committee Meeting of September 3, 2013.

19. The Financial Report was presented by Max Underwood, VP Finance, during the Committee Meeting of September 3, 2013.

Consent Items for Consideration

20. The Airport Board unanimously adopted Resolution 2013-09-251 to approve the award of Contract 7005954, for Stanchions, to Lavi Industries, in an amount not to exceed $207,306.23.

21. The Airport Board unanimously adopted Resolution 2013-09-252 to approve an increase to Contract 8004780, Learning Management Software, with Success Factors, Inc., in an amount not to exceed $25,000, for a revised Contract amount not to exceed $280,700.

22. The Airport Board unanimously adopted Resolution 2013-09-253 to approve delegation of expenditure/signature authority previously granted to the CEO pursuant to Board Resolution 94-01-359, as amended by Board Resolution 2000-07-243 and 2007-11-306, to the Executive Vice President of Operations, the Executive Vice President of Administration and Diversity, the Vice President of Airport Development and Engineering and the Vice President of Procurement and Materials Management (the "Authorized Officers") for the execution of all contracts and purchase orders of $50,000 or less, all change orders of $25,000 or less, and professional service change orders of $40,000 or less; (ii) the delegation of signature and approval authority to the Authorized Officers for all contracts, purchase orders and change orders for which Board approval has been obtained; and (iii) the delegation of signature and approval authority to the Authorized Officers for all state and federal grants, grant agreements and other financial assistance agreements.

23. The Airport Board unanimously adopted Resolution 2013-09-254 to approve an increase to Contract 8004236, Legal Services, with Cantey Hanger, L.L.P., in the amount of $100,000; for a new not to exceed amount of $640,000.

24. The Airport Board unanimously adopted Resolution 2013-09-255 to approve an increase to Contract 8004258, Legal Services, with Munck Wilson Mandala, in the amount of $50,000; for a new not to exceed amount of $100,000.

25. The Airport Board unanimously adopted Resolution 2013-09-256 to approve ratification of payments made year to date and anticipated through the end of Fiscal Year 2013 to West Group, in an amount not to exceed $60,000, and approve future expenditures to the same vendor for Fiscal Year 2014; total estimated expenditure for Fiscal Year 2013 is $60,000.

26. The Airport Board unanimously adopted Resolution 2013-09-257 to approve an increase to Contract 8004190, Communications Consulting Services, with The CG Group, in an amount not to exceed $30,000, for a revised Contract amount not to exceed $190,000.

27. The Airport Board unanimously adopted Resolution 2013-09-258 to approve an increase to Contract 8004785, Public Affairs Strategic Communication Consultant Services, with Virginia Trenery, in an amount not to exceed $45,000, for a revised Contract amount not to exceed $90,000.

28. The Airport Board unanimously adopted Resolution 2013-09-259 to approve Airports Operator's General Liability Insurance Coverage, with ACE Property & Casualty Insurance Company, effective October 1, 2013, in an amount not to exceed $253,125.

29. The Airport Board unanimously adopted Resolution 2013-09-260 to approve Airport Public Officials' Liability Insurance Coverage with ACE American Insurance Company, effective October 1, 2013, in the amount of $122,030.

30. The Airport Board unanimously adopted Resolution 2013-09-261 to approve authorization to accept grants and execute the related grant agreements in Fiscal Year 2014.

31. The Airport Board unanimously adopted Resolution 2013-09-262 to approve (i) rescission of Resolution 94-01-380, (ii) authorization of the Chief Executive Officer (Executive Director) (CEO) and the Executive Vice President – Chief Financial Officer (EVP - CFO) to conduct banking business on behalf of the Airport Board; and (iii) authorization of the EVP – CFO to be the sole signatory on all Board disbursement checks pending the arrival of the new Chief Executive Officer.

Action Items for Consideration

32. The Airport Board unanimously adopted Resolution 2013-09-263 to approve execution of Contract 8004833, Aviation Industry Consulting Services, with Sabre, Inc., in an amount not to exceed $400,000.

33. The Airport Board unanimously adopted Resolution 2013-09-264 to approve Audit Services' FY 2014 Annual Plan.

34. The Airport Board unanimously adopted Resolution 2013-09-265 to approve an increase to Contract 8004082, Payment Processing Services, with JetPay, LLC, in an amount not to exceed $933,333, for a revised Contract amount not to exceed $6,533,333.

35. The Airport Board unanimously adopted Resolution 2013-09-266 to approve execution of Contract 8004874, Automated Passport Control and FTRC Software Consulting Services, with Dedo, Inc., in an amount not to exceed $600,000.

36. The Airport Board unanimously adopted Resolution 2013-09-267 to approve execution of Contract 8004861, Trunked Radio System Consulting and Project Management Services, with EJB Project Management Services LLC, for a fixed lump sum amount of $1,622,664.40.

37. The Airport Board unanimously adopted Resolution 2013-09-268 to approve the Fiscal Year 2014 Budget for the Dallas/Fort Worth International Airport Public Facility Improvement Corporation (PFIC).

38. The Airport Board unanimously adopted Resolution 2013-09-269 to approve the forms of the Preliminary Official Statements (POS), prepared in connection with the sales of the Dallas/Fort Worth International Airport Joint Revenue Bonds, Series 2013F, 2013G, 2013H and authorizing any necessary actions in connection with the sale of the bonds.

Discussion Items

39. Purchase Orders/Contracts and Professional Services Contracts approved by Authorized Staff were distributed to the Board.

40. Monthly D/S/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, September 3, 2013, at 2:20 p.m., in the Board Room of the Administration Building and recommended approval of the following:

41. The Minutes of the Concessions/Commercial Development Committee Meeting of July 30, 2013 were approved during the Committee Meeting of September 3, 2013.

Action Items for Consideration

42. The Airport Board unanimously adopted Resolution 2013-09-270 to approve Terminal D Concessions Master Plan – Expanded Retail Locations.

CLOSED SESSION

43. In accordance with provisions of Section 551.072 of the Texas Government Code, a closed session will be 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:

    (a) North Airport Commercial Development Opportunities

    This item was addressed in Item 54 below.

OPEN SESSION

Action Items for Consideration

44. The Airport Board unanimously adopted Resolution 2013-09-271 to approve execution of a Lease Agreement with DFW Global Logistics II, LLC, for approximately 21.57 acres of land in the vicinity of Mustang Drive and 17th Street.

45. The Airport Board unanimously adopted Resolution 2013-09-272 to approve purchase of 10.5 credits from Bunker Sands Mitigation Bank to enable rescission of 'Notice of Restriction' on the remaining 34.7 acres Bethel Road Wetland Mitigation Site.

46. The Airport Board unanimously adopted Resolution 2013-09-273 to approve authorization to fund an amount not to exceed $197,800 to extend utilities for future adjacent tenant developments traversing the DFW Harmon Property's site.

Discussion Items

47. The Concessions Update was presented by Zenola Campbell.

48. Concessions Sales Update was distributed to the Board.

49. There were no permits issued by Concessions.

50. Awards and Recognition presented by John Terrell:

    - In the past year, Grand Hyatt DFW was the recipient of: The Expedia Insider Select Award; a Trip Advisor Certificate of Excellence; and Meetings Focus Magazine's Best Meetings in the South. Additionally, in the SKYTRAX World Airline Awards, DFW Airport was the number one airport in all of North America and in the top five airports in the world.

    A presentation of the newly renovated Grand Met was given by Lance Marin, General Manager of Grand Hyatt DFW.

51. Commercial Development Update was presented by John Terrell, VP Commercial Development.

52. There were no license(s) issued by Commercial Development.

53. Marketing Update: Customer Satisfaction Study was presented by Sharon McCloskey, VP Marketing, during the Committee Meeting of September 3, 2013.

FULL BOARD

CLOSED SESSION

54. 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) In re AMR Corporation, et al., Case 11-15463 (SHL), United States Bankruptcy Court, Southern District of New York

    (b) Hypower, Inc. v. Dallas/Fort Worth International Airport Board, Cause 096-254107-11, 96th District Court, Tarrant County

    (c) Discussion of Airline Use Agreement regarding MII approval for Terminal E Garage

    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:

    (b) The T (TEX Rail)

    (c) North Airport Commercial Development Opportunities

OPEN SESSION

Discussion Items

55. There were no Registered Speakers.

56. Next Committee meetings – October 1, 2013
Next Regular Board meeting – October 3, 2013

_____
Robert Hsueh
Chair

_____
Sam Coats
Secretary