MINUTES OF THE
DALLAS-FORT WORTH INTERNATIONAL AIRPORT BOARD
December 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, December 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
Curtis E. Ransom
Forrest Smith
Bernice J. Washington
Jeff Wentworth
Mayor Beth Van Duyne[1]

Board staff in attendance:
Sean Donohue, Ken Buchanan, Jim Crites, Phil Ritter, Linda Valdez Thompson, Rob Darby, Elaine Rodriguez, Jeff Benvegnu, Zenola Campbell, Armin Cruz, Thomas Dallam, Norma Essary, William Flowers, Tamela Lee, Sharon McCloskey, Mary Jo Polidore, Luis Perez, Perfecto Solis, Greg Spoon, John Terrell, Max Underwood, David Magaña, Donna Schnell and Paula Purdy

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AGENDA

A. The Invocation was given by Chaplain "DD" Hayes.

B. The Pledge of Allegiance was recited.

C. Announcements and recognitions by Sean Donohue, CEO:
- The birthdays of Board Chair Robert Hsueh, Board Member Regina Montoya, and Board Member Jeff Wentworth were acknowledged.
- DFW Airport's IT Team led by William Flowers, VP Information Technology Services, and Operations Team led by Paul Martinez, VP Operations, were congratulated for their recognition as a recipient of the 2013 CIO 100 Awards for development of the C3 Portal.
- Chris Poinsatte, CFO/EVP Finance and ITS, Max Underwood, VP Finance, and the Finance Team were recognized for DFW Airport's receipt of the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Association of the United States and Canada.
- The Air Service Development Team led by Luis Perez, VP Air Service Development, and the Marketing Team, led by Sharon McCloskey, VP Marketing, were recognized for DFW Airport's receipt of the Capa Aviation Centre Airport Marketing Award for air service development in airports over 15 million annual passengers.

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

- Sean Donohue, CEO, Zenola Campbell, VP Concessions, and Jeff Benvegnu, VP Aviation Real Estate, presented United Way with a check for $437,952 and recognized the leaders of the campaign. The goal for this year was $405,000.
- DFW Airport Media Highlights were presented.

Announcements and recognitions by Robert Hsueh, Chair:

- Board Member Sam Coats recognized T. Michael Browning, Director of Aviation, Valley International Airport.
- Board Member Bernice J. Washington presented Sean Donohue, CEO, with a gift from the DFW Airport Board of Directors.

D. The Minutes of the Regular Board Meeting of November 7, 2013 were approved.

E. Air Service Highlights were presented by Luis Perez, VP 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.

OPERATIONS COMMITTEE REPORT

Operations Committee Chair Francisco Hernandez reported that the Committee met on Tuesday, December 3, 2013, at 12:30 p.m., in the Board Room of the Administration Building and recommended approval of the following:

OPERATIONS COMMITTEE

1. The Minutes of the Operations Committee Meeting of November 5, 2013 were approved during the Committee Meeting of December 3, 2013.

Consent Item for Consideration

2. The Airport Board unanimously adopted Resolution 2013-12-329 to approve execution of a Supplemental Agreement to Contract 8500304, Terminal D, Clubs 1 and 5 Finish-Out, with HKS, Inc., in an amount not to exceed $249,018.32.

Action Items for Consideration

3. The Airport Board unanimously adopted Resolution 2013-12-330 to approve execution of two Contracts for Dispenser Paper Products: Contract 7005922, with Janpak, Inc., in an amount not to exceed $643,148.64; and Contract 7005989, with Torrez Paper, in an amount not to exceed $424,305.

4. The Airport Board unanimously adopted Resolution 2013-12-331 to approve execution of agreement settling the lawsuit styled Hypower, Inc. v. The Dallas/Fort Worth International Airport Board, Cause No. 096-254107-11, 96th Judicial District Court, Tarrant County, Texas; and a Change Order increasing Contract 9500385 by $146,745.07.

5. The Airport Board unanimously adopted Resolution 2013-12-332 to approve award of Purchase Order 267664, for Armored Vehicle, to Lenco Industries, Inc. dba Lenco Armored Vehicles, in the amount of $349,604.

Discussion Item

6. The TRIP Working Group Update was presented in Item G above.

Terminal Renewal and Improvement Program Action Items

7. The Airport Board unanimously adopted Resolution 2013-12-333 to approve execution of Change Order to Supplemental Agreement 04, Contract 8500285, Terminal Renewal and Improvement Program – Terminal A Design Services, with Jacobs Engineering Group Inc., in an amount not to exceed $527,271.68.

8. The Airport Board unanimously adopted Resolution 2013-12-334 to approve execution of Contract Modification for additional incremental work under Supplemental Agreement 9, Contract 9500421, Terminal Renewal and Improvement Program – Terminal A Phase 2, with Balfour/Azteca/Russell/CARCON, a joint venture, in an amount not to exceed $46,753,671.

9. The Airport Board unanimously adopted Resolution 2013-12-335 to approve execution of Change Order to Supplemental Agreement 20, Contract 8500285, Design and Design Management – Terminal E Enhanced Parking Structure Design, with Jacobs Engineering Group Inc., in an amount not to exceed $6,275,094.

Discussion Items

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

11. Decrease(s)/increase(s) in Scope of Work approved by Authorized Staff were presented to the Board.

FINANCE/AUDIT COMMITTEE REPORT

Finance/Audit Committee Chair Sam Coats reported that the Committee met on Tuesday, December 3, at 12:45 p.m., in the Board Room of the Administration Building and recommended approval of the following:

12. The Minutes of the Finance/Audit Committee Meeting of November 5, 2013 were approved during the Committee Meeting of December 3, 2013.

13. The Financial Report was presented in Item F above.

14. Parking Control System Briefing was presented by Ken Buchanan, EVP Revenue Management.

15. The Financial Plan – Capital Projects Briefing was presented during the Finance/Audit Committee Meeting of December 3, 2013.

Consent Items for Consideration

16. The Airport Board unanimously adopted Resolution 2013-12-336 to approve execution of Contract 8004892, Employee Engagement Training Services, with Center for Talent Solutions, Inc., in an amount not to exceed $75,000.

17. The Airport Board unanimously adopted Resolution 2013-12-337 to approve increase to Contract 7005917, Automated Passport Control Kiosks, with Olea Kiosks, Inc., in an amount not to exceed $82,000.

18. The Airport Board unanimously adopted Resolution 2013-12-338 to approve execution of an Insurance Policy for Excess Workers' Compensation Insurance, with Midwest Employers Casualty Company, in the amount of $265,634 for the policy year effective January 1, 2014.

19. The Airport Board unanimously adopted Resolution 2013-12-339 to approve execution of the Investment Policy, Investment Strategies, Approved Broker/Dealers and Authorized Training Sources for the period of February 1, 2014 through January 31, 2015.

Action Items for Consideration

20. The Airport Board unanimously adopted Resolution 2013-12-340 to approve increase to Contract 7004151, CCTV Maintenance Program Extension, with NICE Systems, Inc., in an amount not to exceed $1,342,636.

21. The Airport Board unanimously adopted Resolution 2013-12-341 to approve execution of Contract 7005970, Telephone System Service and Maintenance, with NEC Corporation of America, Inc., in an amount not to exceed $3,783,707.33.

22. The Airport Board unanimously adopted Resolution 2013-12-342 to: (1) approve an increase to $50,000 in the Chief Executive Officer's (CEO) or Designee's authority to approve existing contract increases/decreases for construction, goods, and general services; (2) approve an increase to $50,000 in the CEO's or Designee's authority to approve existing contract increases/decreases for professional services contracts; and (3) instruct staff to comply with applicable business diversity and development policies in making expenditures between $3,000 and $50,000.

Discussion Items

23. The Annual S/MWBE Report was presented by Tamela Lee, VP Business Diversity and Development.

24. The Monthly D/S/M/WBE Expenditure Report was distributed to the Board.

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

CONCESSIONS/COMMERCIAL DEVELOPMENT COMMITTEE REPORT

Concessions/Commercial Development Committee Chair Lillie Biggins reported that the Committee met on Tuesday, December 3, 2013, at 1:15 p.m., in the Board Room of the Administration Building and recommended approval of the following:

26. The Minutes of the Concessions/Commercial Development Committee Meeting of November 5, 2013 were approved during the Committee Meeting of December 3, 2013.

Action Items for Consideration

27. The Airport Board unanimously adopted Resolution 2013-12-343 to approve execution of Amendment 2 to the Lease Agreement dated 12/17/93 with Fidelity Real Estate Company, LLC fka Fidelity Properties, Inc.

28. The Airport Board unanimously adopted Resolution 2013-12-344 to approve execution of an Agreement with Clear Channel Outdoor, Inc. dba Clear Channel Airports for a Video Wall Advertising Concession.

Discussion Items

29. The Concessions Update was presented during the Concessions/Commercial Development Committee Meeting of December 3, 2013.

30. The Concessions Sales Update was distributed to the Board.

31. Permits issued by Concessions were distributed to the Board.

32. The Commercial Development Update was not presented.

33. The Marketing Update was not presented.

FULL BOARD

CLOSED SESSION

34. In accordance with the provisions of Section 551.071 of the Texas Government Code, a closed session was not 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

    And,

    In accordance with provisions of Section 551.072 of the Texas Government Code, a closed session was not 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:

    (c) North Airport Commercial Development Opportunities

    And,

    In accordance with provisions Section 551.076 of the Texas Government Code, the Texas Open Meetings Act, a closed session was not held for deliberations regarding the deployment or specific occasions for implementation of security personnel or devices, to wit:

    (d) Terminal Security

    And;

    In accordance with provisions of Section 551.074 of the Texas Government Code, a closed session was not held to discuss the qualifications or performance of identifiable Board employees, to wit:

    (e) Review and Evaluate the Performance of the Director of Audit Services.

OPEN SESSION

Jim Crites, EVP Operations, updated the Board on winter weather preparations and cancellations already occurring.

Discussion Item

35. FY2013 Management Incentive Payout

Action Items

36. The Airport Board unanimously adopted Resolution 2013-12-345 to approve a Salary Adjustment for the Director of Audit Services.

37. The Airport Board unanimously adopted Resolution 2013-12-346 to approve an Incentive Compensation Payment for FY2013 for the Director of Audit Services.

Discussion Items

35. There were no Registered Speakers.

36. Next Committee meetings – January 7, 2014
    Next Regular Board meeting – January 9, 2014