AGENDA
OPERATIONS COMMITTEE MEETING
TUESDAY, JANUARY 8, 2019
12:30 p.m.

OPERATIONS COMMITTEE

1. Approve Minutes of the Operations Committee Meeting of December 4, 2018.

Consent Items for Consideration

T. Huddleston 2. Approve execution of Contract No. 5000977, Memorandum of Agreement with the Fort Worth District, U.S. Army Corps of Engineers of Fort Worth, Texas, in an amount not to exceed $30,000.00.

3. Approve execution of Contract No. 7006727, for Auto Parts, with IEH Auto Parts LLC dba Auto Plus Auto Parts, of Kennesaw, Georgia, in an amount not to exceed $135,524.97, for the initial one-year term of the Contract, with options to renew for four additional one-year periods.

Action Items for Consideration

R. Hodapp 4. Approve authorization to amend Contract No. 9500623, for Northeast End Around Taxiway Package 1, to remove Contract allowances in the amount of $1,100,000.00; and execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,100,000.00.

5. Approve authorization to amend Contract No. 9500629, for Taxiway Y Bridge Reinforcement, to remove Contract allowances in the amount of $1,225,000.00; and execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,225,000.00.

6. Approve authorization to amend Contract No. 9500614, for Runway 17C-35C Rehabilitation, to remove Contract allowances in the amount of $1,650,000.00; and execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,650,000.00.

Discussion Items

R. Hodapp 7. There are no Construction and Professional Services Contract increase(s) approved by Authorized Staff for this reporting period.

8. There are no decrease(s)/increase(s) in Scope of Work approved by Authorized Staff for this reporting period.
Date: 01/10/2019
Committee: Operations
Subject: Memorandum of Agreement with the Fort Worth District, U.S. Army Corps of Engineers
Resolution #

**Action**
That the Chief Executive Officer or designee be authorized to execute Contract No. 5000977, Memorandum of Agreement with the Fort Worth District, U.S. Army Corps of Engineers (USACE) of Fort Worth, Texas, in an amount not to exceed $30,000.00.

**Description**
- This action will allow the Airport to enter into a Memorandum of Agreement (MOA) with the USACE and allow them to train Board staff in support of monitoring and analyzing potential movement of the dam at Trigg Lake.
- This action is to provide Airport staff training on using the inclinometers, interpreting data and understanding the performance of the inclinometers.
- This Agreement provides funding for the USACE to establish these services.

**Justification**
- Two Texas Commission on Environmental Quality (TCEQ) on-site inspections provided recommendations for the Airport's efforts to safely maintain the dam properly, control erosion, and increase dam stability.
- The completion of this project will allow the dam to maintain compliance with TCEQ regulations.
- This MOA covers the requirements for the use of equipment.
- The purpose of inclinometer monitoring is to provide reliable information for subsurface movement within the earthen embankment to minimize potential impacts of earthquakes or breaches on the dam.
- This action does not involve any construction contract administration by the Fort Worth District, USACE.

**D/S/M/WBE Information**
- N/A - Not subject to a goal per the Board's SBE Policy due to the nature of the procurement (Memorandum of Agreement- MOA).

**Schedule/Term**
- The Memorandum of Agreement with the USACE takes effect upon signature of both parties and continues in effect until March 2020.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
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<tbody>
<tr>
<td>5000977</td>
<td>NTE</td>
<td>$30,000.00</td>
<td></td>
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**For Information contact**
- Tammy Huddleston
  - 3-6132
- Brett Peveto
  - 3-1730

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>0102</td>
<td></td>
<td></td>
<td>$30,000.00</td>
</tr>
</tbody>
</table>
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute Contract No. 5000977, Memorandum of Agreement with the Fort Worth District, U.S. Army Corps of Engineers (USACE) of Fort Worth, Texas, in an amount not-to-exceed $30,000.

<table>
<thead>
<tr>
<th>Approved as to Form by</th>
<th>Approved as to Funding by</th>
<th>Approved as to M/WBE by</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rodriguez, Elaine</td>
<td>Underwood, Max</td>
<td>Burks Lee, Tamela</td>
</tr>
<tr>
<td>Legal Counsel</td>
<td>Vice President Finance</td>
<td>Vice President Business Diversity and Development</td>
</tr>
<tr>
<td>Dec 20, 2018 1:19 pm</td>
<td>Finance</td>
<td>Business Diversity and Development</td>
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<tr>
<td></td>
<td>Dec 20, 2018 11:34 am</td>
<td>Dec 20, 2018 10:37 am</td>
</tr>
</tbody>
</table>

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Energy & Transportation Mgmt
Dec 19, 2018 10:22 am

Chief Executive Officer
Pending
Date
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
OFFICIAL BOARD ACTION/RESOLUTION

<table>
<thead>
<tr>
<th>Date</th>
<th>Committee</th>
<th>Subject</th>
<th>Resolution #</th>
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<tbody>
<tr>
<td>01/10/2019</td>
<td>Operations</td>
<td>Auto Parts</td>
<td></td>
</tr>
</tbody>
</table>

**Action**
That the Chief Executive Officer or designee be authorized to execute Contract No. 7006727, for Auto Parts, with IEH Auto Parts LLC dba Auto Plus Auto Parts, of Kennesaw, Georgia, in an amount not to exceed $135,524.97, for the initial one-year term of the Contract, with options to renew for four additional one-year periods.

**Description**
- Award a Contract for Auto Parts in support of the Airport’s Energy, Transportation, and Asset Management Department.

**Justification**
- Replaces an existing Contract that has been in place for four years.
- Fleet Maintenance will utilize these parts on the approximately 500 vehicles they service.
- This Contract will provide 208 different automotive parts for service, maintenance and repair of Airport fleet vehicles.
- Auto Parts will be ordered on an as-needed basis.

**D/S/M/WBE Information**
- N/A - Not subject to the goal per the Board’s SBE Policy due to the nature of procurement (Goods/Finished Products).

**Schedule/Term**
- Start Date: January 2019
- Contract Terms: One year, with four one-year renewal options.

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<thead>
<tr>
<th>Contract #</th>
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<th>Action Amount</th>
<th>Revised Amount</th>
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</thead>
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<tr>
<td>7006727</td>
<td>NTE</td>
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**For Information contact**
- Tammy Huddleston
  - 3-6132
- Cathy Halliburton
  - 3-5776

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<th>Fund</th>
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<tbody>
<tr>
<td>0102</td>
<td></td>
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$135,524.97
Additional Information

- Five (5) bids, none from SBE firms, were received on or before December 5, 2018.

<table>
<thead>
<tr>
<th>Bidders</th>
<th>Bid Amount</th>
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</thead>
<tbody>
<tr>
<td>IEH Auto Parts LLC dba Auto Plus Auto Parts</td>
<td>$135,524.97</td>
</tr>
<tr>
<td>Kennesaw, Georgia</td>
<td></td>
</tr>
<tr>
<td>Midway Auto Supply</td>
<td>$163,128.37</td>
</tr>
<tr>
<td>Dallas, Texas</td>
<td></td>
</tr>
<tr>
<td>O'Reilly Auto Enterprises, LLC dba O'Reilly Auto Parts</td>
<td>$165,637.86</td>
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<tr>
<td>Springfield, Missouri</td>
<td></td>
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<tr>
<td>Mi-Sher Auto Supply, Inc.</td>
<td>$154,744.26</td>
</tr>
<tr>
<td>Grapevine, Texas</td>
<td></td>
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<tr>
<td>Stewart &amp; Stevenson, LLC</td>
<td>Non-Responsive</td>
</tr>
<tr>
<td>Dallas, Texas</td>
<td></td>
</tr>
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</table>

- Steward & Stevenson, LLC, of Dallas, Texas, was determined to be non-responsive as they did not meet the specifications outlined in the Airport's solicitation.
- IEH Auto Parts LLC dba Auto Plus Auto Parts, of Kennesaw, Georgia, is the lowest responsive, responsible bidder.
- The Airport account will be serviced through the Auto Plus Auto Parts local store in Carrollton, Texas. There are 18 locations within a 25-mile radius of the Airport.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute Contract No. 7006727, for Auto Parts, with IEH Auto Parts LLC dba Auto Plus Auto Parts, of Kennesaw, Georgia, in an amount not to exceed $135,524.97, for the initial one-year term of the Contract, with options to renew for four additional one-year periods.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 1:23 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:35 am

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity
and Development
Business Diversity and
Development
Dec 20, 2018 10:37 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by
Department Head
Energy & Transportation Mgmt
Dec 19, 2018 10:12 am
DATE: 01/10/2019

COMMITTEE: Operations

SUBJECT: Northeast End Around Taxiway Package 1

ACTION:
That the Chief Executive Officer or his designee be authorized to (i) amend Contract No. 9500623, for Northeast End Around Taxiway Package 1, to remove Contract allowances in the amount of $1,100,000.00; and (ii) execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,100,000.00.

DESCRIPTION:
- This action will remove allowances in the amount not to exceed $1,100,000.00, for a revised Contract amount of $30,335,636.75.
- This action also specifically authorizes the CEO or his designee to execute change orders for future Contract change requirements on an as-needed basis up to an amount not to exceed $1,100,000.00.
- This action removes Contract allowances from this Federal Aviation Administration (FAA) funded Contract in response to a change in the FAA’s interpretation of certain regulations that was recently provided to Airport staff.

JUSTIFICATION:
- The FAA has deemed that allowances within the Contract capacity is an unallowable expense. To ensure compliance with the FAA guidance and maximize grant funds the removal of all allowances is necessary.
- The specific authorization to the CEO or his designee will permit the execution of construction change orders on an as-needed basis, when conditions require changes in the Contract to keep projects on schedule and avoid the expense of contractor delay claims.

D/S/M/WBE INFORMATION:
- In accordance with the Board's DBE Program, all DBE goals will be applied to any future change orders or actions as a result of this OBA.

SCHEDULE/TERM:
- The term of this Contract is not affected by this action.

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<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>9500623</td>
<td>NTE</td>
<td></td>
<td>$1,100,000.00</td>
<td>$30,335,636.75</td>
</tr>
</tbody>
</table>

FOR INFORMATION CONTACT:
- Rusty Hodapp  
  3-8131  
- Ron Duncan  
  3-5613

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Joint Capital Account</td>
<td>26640-01</td>
<td></td>
<td>$1,100,000.00</td>
</tr>
</tbody>
</table>
Resolution #

Justification continued:

- Airport staff will report Contract change orders issued pursuant to this Action to the Board on a monthly basis.
- The not to exceed amount of $1,100,000.00 will be used to address tasks such as unforeseen conditions or changes in quantities, in order to avoid delays in construction. Some tasks may include concrete paving, lighting installation, pavement demolition, site work and storm drainage, end around taxiway screen installation, installation of cable, signage installation, fence relocation or installation, demolition of the FOTS shelter, air freight drainage channel work and waterline relocation.

### BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or his designee be authorized to (i) amend Contract No. 9500623, for Northeast End Around Taxiway Package 1, to remove Contract allowances in the amount of $1,100,000.00; and (ii) execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,100,000.00.

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<td>Underwood, Max</td>
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</tr>
<tr>
<td>Legal Counsel</td>
<td>Vice President Finance</td>
<td>Vice President Business Diversity and Development</td>
</tr>
<tr>
<td>Dec 20, 2018 1:24 pm</td>
<td>Dec 20, 2018 11:35 am</td>
<td>Dec 20, 2018 10:37 am</td>
</tr>
</tbody>
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### SIGNATURE REQUIRED FOR APPROVAL

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<tr>
<th>Approved by</th>
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<tr>
<td>Department Head</td>
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</tbody>
</table>

Dec 20, 2018 9:53 am

Pending

Chief Executive Officer Date
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
OFFICIAL BOARD ACTION/RESOLUTION

<table>
<thead>
<tr>
<th>Date</th>
<th>Committee</th>
<th>Subject</th>
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<tbody>
<tr>
<td>01/10/2019</td>
<td>Operations</td>
<td>Taxiway Y Bridge Reinforcement</td>
<td></td>
</tr>
</tbody>
</table>

**Action**

That the Chief Executive Officer or his designee be authorized to (i) amend Contract No. 9500629, for Taxiway Y Bridge Reinforcement, to remove Contract allowances in the amount of $1,225,000.00; and (ii) execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,225,000.00.

**Description**

- This action will remove allowances in the amount not to exceed $1,225,000.00, for a revised Contract amount of $8,458,273.00.
- This action also specifically authorizes the CEO or his designee to execute change orders for future Contract change requirements on an as-needed basis up to an amount not to exceed $1,225,000.00.
- This action removes Contract allowances from this Federal Aviation Administration (FAA) funded Contract in response to a change in the FAA's interpretation of certain regulations that was recently provided to Airport staff.

**Justification**

- The FAA has deemed that allowances within the contract capacity is an unallowable expense. To ensure compliance with the FAA guidance and maximize grant funds the removal of all allowances is necessary.
- The specific authorization to the CEO or his designee will permit the execution of construction change orders on an as-needed basis, when conditions require changes in the Contract to keep projects on schedule and avoid the expense of contractor delay claims.

**D/S/M/WBE Information**

- In accordance with the Board's DBE Program, all DBE goals will be applied to any future change orders or actions as a result of this OBA.

**Schedule/Term**

- The term of this Contract is not affected by this action.

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<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>9500629</td>
<td>NTE</td>
<td></td>
<td>NTE $1,225,000.00</td>
<td>$8,458,273.00</td>
</tr>
</tbody>
</table>

For Information contact

- Rusty Hodapp 3-8131
- Ron Duncan 3-5613

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
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<tr>
<td>Joint Capital Account</td>
<td>26503-01</td>
<td></td>
<td>$1,225,000.00</td>
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</table>
Justification continued

- Airport staff will report Contract change orders issued pursuant to this Action to the Board on a monthly basis.
- The not to exceed amount of $1,225,000.00 will be used to address tasks such as unforeseen conditions or changes in quantities, in order to avoid delays in construction. Some tasks may include concrete paving, lighting installation, pavement demolition, site work and storm drainage, installation of cable, signage installation, steel decking repairs and concrete curbs/walls and utility relocation.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or his designee be authorized to (i) amend Contract No. 9500629, for Taxiway Y Bridge Reinforcement, to remove Contract allowances in the amount of $1,225,000.00; and (ii) execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,225,000.00.

Approved as to Form by 
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 1:24 pm

Approved as to Funding by 
Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:35 am

Approved as to M/WBE by 
Burks Lee, Tamela
Vice President Business Diversity
and Development
Business Diversity and
Development
Dec 20, 2018 10:38 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by 
Department Head
Dec 20, 2018 9:53 am

Chief Executive Officer
Date
Action
That the Chief Executive Officer or his designee be authorized to (i) amend Contract No. 9500614, for Runway 17C-35C Rehabilitation, to remove Contract allowances in the amount of $1,650,000.00; and (ii) execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,650,000.00.

Description
- This action will remove allowances in the amount not to exceed $1,650,000.00, for a revised Contract amount of $102,625,000.00.
- This action also specifically authorizes the CEO or his designee to execute change orders for future Contract change requirements on an as-needed basis up to an amount not to exceed $1,650,000.00.
- This action removes Contract allowances from this Federal Aviation Administration (FAA) funded Contract in response to a change in the FAA’s interpretation of certain regulations that was recently provided to Airport staff.

Justification
- The FAA has deemed that allowances within the Contract capacity is an unallowable expense. To ensure compliance with the FAA guidance and maximize grant funds the removal of all allowances is necessary.
- The specific authorization to the CEO or his designee will permit the execution of construction change orders on an as-needed basis, when conditions require changes in the Contract to keep projects on schedule and avoid the expense of contractor delay claims.

D/S/M/WBE Information
- In accordance to the Board's DBE Program, all DBE goals will be applied to any future contract change orders or actions as a result of this OBA.

Schedule/Term
- The term of this Contract is not affected by this action.

<table>
<thead>
<tr>
<th>Contract #</th>
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<td>$102,625,000.00</td>
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</table>

For Information contact
Rusty Hodapp
3-8131
Ron Duncan
3-5613

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<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
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<tr>
<td>Joint Capital Account</td>
<td>26581-01</td>
<td></td>
<td>$1,650,000.00</td>
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Resolution #

Justification continued

- Airport staff will report Contract change orders issued pursuant to this Board Action to the Board on a monthly basis.
- The not to exceed amount of $1,650,000.00 will be used to address tasks such as unforeseen conditions or changes in quantities in order to avoid delays in construction. Some tasks may include concrete paving, lighting installation, pavement demolition, site work and storm drainage, installation of cable, signage installation, asphalt paving, grooving, and FAA equipment and utility relocation.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or his designee be authorized to (i) amend Contract No. 9500614, for Runway 17C-35C Rehabilitation, to remove Contract allowances in the amount of $1,650,000.00; and (ii) execute change orders to such Contract on an as-needed basis in the aggregate amount not to exceed $1,650,000.00.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 1:24 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:35 am

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:40 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by
Department Head
Dec 20, 2018 9:53 am

Chief Executive Officer
Date

Pending
AGENDA
FINANCE/AUDIT COMMITTEE MEETING
TUESDAY, JANUARY 8, 2019
12:35 p.m.

FINANCE/AUDIT COMMITTEE

9. Approve Minutes of the Finance/Audit Committee Meeting of December 4, 2018.

M. Underwood


Consent Item for Consideration

M. De La Paz

11. Approve an increase to Contract No. 8005238, for Airline Business Development Consulting Services, with Cross Borders Advisors, LLC, of Dallas, Texas, in an amount not to exceed $30,000.00, for a revised Contract amount of $80,000.00.

E. Rodriguez

12. Approve an increase to Legal Services Contract No. 8004980 with the firm of Farrow-Gillespie & Heath LLP of Dallas, Texas, in an amount not to exceed $50,000.00 for a revised contract amount not to exceed $197,500.00.

13. Approve an increase to Legal Services Contract No. 8005214 with the firm of Telecommunications Law Professionals PLLC of Washington, DC, in an amount not to exceed $50,000.00, for a revised Contract amount not to exceed $98,750.00.

14. Approve an increase to Legal Services Contract No. 8005215 with the firm of Koning Rubarts LLP of Dallas, Texas, in an amount not to exceed $75,000.00, for a revised Contract amount not to exceed $123,750.00.

M. Youngs

15. Approve an increase to Legal Services Contract No. 8004985 with the firm of Moses, Palmer & Howell, L.L.P., of Fort Worth, Texas, in an amount not to exceed $200,000.00, for a revised Contract amount not to exceed $743,000.00.

16. Approve an increase to Contract No. 7006574 and revise the term to year-to-year periods, for SAS Office Analytics Software, with SAS Institute, Inc., of Cary, North Carolina, an amount not to exceed $10,170.00 for a revised Contract amount of $58,170.00.

17. Approve an increase to Contract No. 8005076, for LocusLabs Location Platform Services, with LocusLabs, Inc., of Oakland, California, in an amount not to exceed $57,350.00, for a revised Contract amount of $294,850.00.
**Action Items for Consideration**

J. Benvegnu 18. Approve an amendment to increase project funding for the Terminal E Satellite rehabilitation to be performed through the Terminal E Satellite Reimbursement Agreement with American Airlines, Inc. (American) in an amount not to exceed $12,100,000.00 for a revised Reimbursement Agreement amount not to exceed $32,100,000.00.

M. Underwood 19. Approve use of $4,500,000.00 of Contingency that was included in the Approved FY 2019 Budget.

**Discussion Items**


Dallas Fort Worth International Airport
KPIs and Financial Report – FY 2019
For the Two Months Ended November 30, 2018 – Unaudited
# Key Performance Indicator Scorecard

For the Two Months Ended November 30, 2018 – Unaudited

<table>
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<td>DFW CC Net Revenues</td>
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<td>$25.5</td>
<td>$22.4</td>
<td>$3.1 13.7%</td>
<td>$133.3</td>
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<td>Total Expenditure Budget</td>
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<td>$162.0</td>
<td>$162.9</td>
<td>($0.9) (0.5%)</td>
<td>$1,008.4</td>
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<tr>
<td>Airline Costs</td>
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<td>$74.9</td>
<td>$77.6</td>
<td>($2.6) (3.4%)</td>
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<tr>
<td>Total Passengers* (Ms)</td>
<td>11.28</td>
<td>11.35</td>
<td>11.35</td>
<td>(0.00) (0.0%)</td>
<td>72.3</td>
</tr>
</tbody>
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* Updated FY 2019 Passenger Forecast

**Results Status Bar**
- Green: Improved/Constant
- Yellow: Worse

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*Financial Report – Fiscal Year 2019*
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</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Parking</td>
<td>$28.1</td>
<td>$30.1</td>
<td>$29.5</td>
<td>$0.6</td>
<td>2.0%</td>
</tr>
<tr>
<td>Concessions</td>
<td>13.8</td>
<td>14.8</td>
<td>14.2</td>
<td>0.7</td>
<td>4.6%</td>
</tr>
<tr>
<td>Rental Car</td>
<td>5.8</td>
<td>5.9</td>
<td>6.0</td>
<td>(0.1)</td>
<td>(1.8%)</td>
</tr>
<tr>
<td>Commercial Development</td>
<td>8.0</td>
<td>8.2</td>
<td>8.2</td>
<td>0.0</td>
<td>0.1%</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>6.3</td>
<td>7.2</td>
<td>6.5</td>
<td>0.7</td>
<td>11.1%</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>62.0</td>
<td>66.2</td>
<td>64.4</td>
<td>1.8</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>DFW CC Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td>22.1</td>
<td>22.9</td>
<td>24.0</td>
<td>(1.1)</td>
<td>(4.7%)</td>
</tr>
<tr>
<td>Debt Service, net</td>
<td>10.4</td>
<td>10.1</td>
<td>10.1</td>
<td>0.0</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Total Expenditures</strong></td>
<td>32.5</td>
<td>33.0</td>
<td>34.2</td>
<td>(1.1)</td>
<td>(3.3%)</td>
</tr>
<tr>
<td><strong>Gross Margin - DFW Cost Center</strong></td>
<td>29.5</td>
<td>33.2</td>
<td>30.2</td>
<td>3.0</td>
<td>9.8%</td>
</tr>
<tr>
<td><strong>Less Transfers and Skylink</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DFW Terminal Contribution</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Skylink Costs</td>
<td>6.2</td>
<td>7.2</td>
<td>7.3</td>
<td>(0.1)</td>
<td>(1.6%)</td>
</tr>
<tr>
<td><strong>Net Revenues from DFW Cost Center</strong></td>
<td>$22.9</td>
<td>$25.5</td>
<td>$22.4</td>
<td>$3.1</td>
<td>13.7%</td>
</tr>
<tr>
<td><strong>Actuals vs. Budget Increase/Decrease</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

DFW Cost Center
For the Two Months Ended November 30, 2018 – Unaudited
### Airfield and Terminal Cost Centers
**For the Two Months Ended November 30, 2018 – Unaudited**

<table>
<thead>
<tr>
<th>(in millions)</th>
<th>FY 2018 Actuals</th>
<th>FY 2019 Actuals</th>
<th>FY 2019 Budget</th>
<th>Actuals vs. Budget Increase/(Decrease)</th>
<th>Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landing Fees</td>
<td>$25.6</td>
<td>$19.4</td>
<td>$19.4</td>
<td>$0.0</td>
<td>0.1% $122.9</td>
</tr>
<tr>
<td>Other Airfield</td>
<td>2.1</td>
<td>2.2</td>
<td>2.0</td>
<td>0.2</td>
<td>8.6% 11.7</td>
</tr>
<tr>
<td>Transfer from DFW Cost Center</td>
<td>4.8</td>
<td>10.6</td>
<td>8.3</td>
<td>2.3</td>
<td>27.8% 48.8</td>
</tr>
<tr>
<td>Total Airfield Revenue</td>
<td>32.4</td>
<td>32.2</td>
<td>29.7</td>
<td>2.5</td>
<td>8.4% 183.5</td>
</tr>
<tr>
<td>Terminal Leases</td>
<td>44.6</td>
<td>51.5</td>
<td>51.4</td>
<td>0.1</td>
<td>0.3% 313.3</td>
</tr>
<tr>
<td>FIS Fees</td>
<td>3.8</td>
<td>3.8</td>
<td>3.7</td>
<td>0.1</td>
<td>4.0% 25.8</td>
</tr>
<tr>
<td>Turn Fees and Other</td>
<td>8.8</td>
<td>9.3</td>
<td>9.1</td>
<td>0.2</td>
<td>2.2% 55.8</td>
</tr>
<tr>
<td>Total Terminal Revenues</td>
<td>57.3</td>
<td>64.7</td>
<td>64.2</td>
<td>0.5</td>
<td>0.7% 394.9</td>
</tr>
<tr>
<td>DFW Terminal Contributions</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.0</td>
<td>0.0% 2.9</td>
</tr>
<tr>
<td>Total Transfers</td>
<td>0.5</td>
<td>0.5</td>
<td>0.5</td>
<td>0.0</td>
<td>0.0% 2.9</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>90.2</td>
<td>97.4</td>
<td>94.4</td>
<td>3.0</td>
<td>3.2% 581.4</td>
</tr>
<tr>
<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenditures</td>
<td>45.5</td>
<td>50.7</td>
<td>50.1</td>
<td>0.5</td>
<td>1.0% 313.5</td>
</tr>
<tr>
<td>Debt Service, net</td>
<td>39.1</td>
<td>41.3</td>
<td>41.4</td>
<td>(0.1)</td>
<td>(0.3%) 267.9</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>84.7</td>
<td>92.0</td>
<td>91.6</td>
<td>0.4</td>
<td>0.4% 581.4</td>
</tr>
<tr>
<td>Total Airfield /Terminal Net Income/(Loss)</td>
<td>$5.6</td>
<td>$5.4</td>
<td>$2.8</td>
<td>$2.6</td>
<td>91.1% ($0.0)</td>
</tr>
</tbody>
</table>
## Operating Fund – Total Expenditures
For the Two Months Ended November 30, 2018 – Unaudited

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>$24.1</td>
<td>$25.5</td>
<td>$25.1</td>
<td>$0.4</td>
<td>1.5% $159.8</td>
</tr>
<tr>
<td>Benefits</td>
<td>11.2</td>
<td>10.9</td>
<td>12.0</td>
<td>(1.1)(9.5%)</td>
<td>74.2</td>
</tr>
<tr>
<td>Facility Maintenance Contracts</td>
<td>11.2</td>
<td>11.3</td>
<td>11.2</td>
<td>0.1</td>
<td>0.9% 72.2</td>
</tr>
<tr>
<td>Other Contract Services</td>
<td>13.0</td>
<td>16.4</td>
<td>16.8</td>
<td>(0.4)(2.6%)</td>
<td>115.1</td>
</tr>
<tr>
<td>Utilities</td>
<td>3.5</td>
<td>4.5</td>
<td>4.2</td>
<td>0.3</td>
<td>6.9% 25.6</td>
</tr>
<tr>
<td>Equipment and Other Supplies</td>
<td>2.1</td>
<td>2.6</td>
<td>2.3</td>
<td>0.3</td>
<td>15.2% 19.7</td>
</tr>
<tr>
<td>Insurance</td>
<td>0.8</td>
<td>0.9</td>
<td>0.9</td>
<td>0.0</td>
<td>2.0% 5.7</td>
</tr>
<tr>
<td>Fuels</td>
<td>0.8</td>
<td>0.7</td>
<td>0.7</td>
<td>(0.0)(6.3%)</td>
<td>4.3</td>
</tr>
<tr>
<td>General, Administrative, and Other</td>
<td>1.3</td>
<td>1.0</td>
<td>1.2</td>
<td>(0.2)(19.5%)</td>
<td>13.7</td>
</tr>
<tr>
<td>Change in Operating Reserves</td>
<td>4.6</td>
<td>5.9</td>
<td>5.9</td>
<td>0.0</td>
<td>0.0% 5.9</td>
</tr>
<tr>
<td>Total Operating Expenditures</td>
<td>72.6</td>
<td>79.7</td>
<td>80.4</td>
<td>(0.7)(0.9%)</td>
<td>496.2</td>
</tr>
<tr>
<td>Debt Service, gross</td>
<td>76.1</td>
<td>82.3</td>
<td>82.4</td>
<td>(0.1)(0.1%)</td>
<td>512.2</td>
</tr>
<tr>
<td>Total 102 Fund Expenditures</td>
<td>$148.7</td>
<td>$162.0</td>
<td>$162.9</td>
<td>($0.9)(0.5%)</td>
<td>$1,008.4</td>
</tr>
</tbody>
</table>
## Notes to the Statement of Revenues and Expenses
For the Two Months Ended November 30, 2018 – Unaudited

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking</td>
<td>Parking revenue was $30.1 million, $0.6 million (2.0%) higher than budget as a result of changes in the utilization of parking products and an increase in the average length of stay.</td>
</tr>
<tr>
<td>Concessions</td>
<td>Concessions revenues were $14.8 million, $0.7 million (4.6%) higher than budget primarily in food &amp; beverage and passenger services.</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>Other revenues were $7.2 million, $0.7 million (11.1%) higher than budget primarily due to higher water rates, building permit fees and interest income resulting from higher than expected interest rates.</td>
</tr>
<tr>
<td>Transfer from DFW Cost Center</td>
<td>Transfer from DFW Cost Center revenues were $10.6 million, $2.3 million (27.8%) higher than budget primarily due to increased DFW Cost Center net revenues, 75% of which are shared with the airlines.</td>
</tr>
<tr>
<td>Salaries and Wages</td>
<td>Salaries and wages were $25.5 million, $0.4 million (1.5%) higher than budget primarily due to overtime related to various events and initiatives.</td>
</tr>
<tr>
<td>Benefits</td>
<td>Benefits were $10.9 million, $1.1 million (9.5%) lower than budget primarily due to lower healthcare costs as a result of stop loss reimbursements received in October and November.</td>
</tr>
<tr>
<td>Equipment &amp; Supplies</td>
<td>Equipment &amp; Supplies were $2.6 million, $0.3 million (15.2%) higher than budget primarily due to usage of maintenance supplies partially offset by reduced spending in uniforms.</td>
</tr>
</tbody>
</table>
Date: 01/10/2019
Committee: Finance/Audit
Subject: Airline Business Development Consulting Services

Action
That the Chief Executive Officer or designee be authorized to increase Contract No. 8005238, for Airline Business Development Consulting Services, with Cross Borders Advisors, LLC, of Dallas, Texas, in an amount not to exceed $30,000.00, for a revised Contract amount of $80,000.00.

Description
- Increase this Contract for Airline Business Development Consulting Services for the Airport's Research and Analytics Department.

Justification
- Consulting services to help establish new cargo air service between the Airport and Zhengzho Xinzheng International Airport, China and develop a cargo hub at the Airport.
- Cross Borders Advisors, LLC (CBA) uses personal relationships in China to assist Airport staff to meet with Henan Civil Aviation Development & Investment Co (HNCA) and related parties.
- HNCA has a small operation in Chicago, however is seeking to expand and have a larger hub in North America.
- CBA works with Airport staff to help transition HNCA operations to the Airport.

D/S/M/WBE Information
- In accordance with the Board's D/S/M/WBE Program, no D/S/M/WBE goal was determined for this Contract due to the original contract being under $50,000.

Schedule/Term
- The current Contract end date of September 9, 2019, is not affected by this action.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8005238</td>
<td>NTE</td>
<td></td>
<td>NTE $30,000.00</td>
<td>$80,000.00</td>
</tr>
</tbody>
</table>

For Information contact
Milton De La Paz
3-5864
Shannon Hamilton
3-5620

Fund 0102
Project #
External Funding Source
Amount

Fund Project # External Funding Source Amount

$30,000.00
### Additional Information

- This is a Specified Source.
- Cross Borders Advisors, LLC. of Dallas, Texas possess unique qualifications and expertise to perform the specified work.

### Resolution

**BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD**

That the Chief Executive Officer or designee be authorized to increase Contract No. 8005238, for Airline Business Development Consulting Services, with Cross Borders Advisors, LLC, of Dallas, Texas, in an amount not to exceed $30,000.00, for a revised Contract amount of $80,000.00.

**Approved as to Form by**

Rodriguez, Elaine  
Legal Counsel  
Dec 20, 2018 1:24 pm

**Approved as to Funding by**

Underwood, Max  
Vice President Finance  
Finance  
Dec 20, 2018 11:36 am

**Approved as to M/WBE by**

Burks Lee, Tamela  
Vice President Business Diversity and Development  
Business Diversity and Development  
Dec 20, 2018 10:40 am

### Signature Required for Approval

**Approved by**

Department Head  
Dec 19, 2018 3:49 pm

Pending  
Chief Executive Officer  
Date
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
OFFICIAL BOARD ACTION/RESOLUTION

Date 01/10/2019
Committee Finance/Audit
Subject Increase to Legal Services Contract No. 8004980 with the firm of Farrow-Gillespie & Heath LLP
Resolution #

Action
That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8004980 with the firm of Farrow-Gillespie & Heath LLP of Dallas, Texas, in an amount not to exceed $50,000.00 for a revised contract amount not to exceed $197,500.00.

Description
- This action would increase the Board's contract for Legal Services providing for legal representation regarding employment matters.

Justification
- On June 12, 2015, under the CEO's contracting authority, the Board entered into a legal services contract with Farrow-Gillespie & Heath LLP of Dallas, Texas, for legal representation regarding employment matters.
- This action would continue to fund representation on an as-needed basis with employment related legal matters.

D/S/M/WBE Information
- In accordance with the Board’s SBE Program, no SBE goal was determined for this Contract due to the original contract being under $50,000.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8004980</td>
<td></td>
<td></td>
<td>$50,000.00</td>
<td>$197,500.00</td>
</tr>
</tbody>
</table>

For Information contact
Elaine Rodriguez
3-5487

Fund 102
Project #
External Funding Source
Amount $50,000.00
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8004980 with the firm of Farrow-Gillespie & Heath LLP of Dallas, Texas, in an amount not to exceed $50,000.00 for a revised contract amount not to exceed $197,500.00.

Approved as to Form by

Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 1:25 pm

Approved as to Funding by

Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:36 am

Approved as to M/WBE by

Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:40 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Legal
Dec 18, 2018 1:21 pm

Chief Executive Officer

Pending
Date
Date: 01/10/2019
Committee: Finance/Audit
Subject: Increase to Legal Services Contract No. 8005214 with the firm of Telecommunications Law Professionals PLLC
Resolution #:

Action
That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8005214 with the firm of Telecommunications Law Professionals PLLC of Washington, DC, in an amount not to exceed $50,000.00, for a revised Contract amount not to exceed $98,750.00.

Description
- This action would increase the Board’s contract for legal services in connection with telecommunications issues.

Justification
- On November 9, 2018, the Board selected Telecommunications Law Professionals PLLC (Carl W. Northrop) to provide legal advice regarding telecommunications issues to the Board.

D/S/M/WBE Information
- In accordance with the Board's SBE Program, no SBE goal was set for this Contract due to no availability of SBE firms that perform this service.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8005214</td>
<td></td>
<td></td>
<td>$50,000.00</td>
<td>$98,750.00</td>
</tr>
</tbody>
</table>

For Information contact
Elaine Rodriguez
Fund: 102  Project #:  External Funding Source: Amount
3-5487: $50,000.00
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8005214 with the firm of Telecommunications Law Professionals PLLC of Washington, DC, in an amount not to exceed $50,000.00, for a revised Contract amount not to exceed $98,750.00.

Approved as to Form by

Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 1:26 pm

Approved as to Funding by

Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:36 am

Approved as to M/WBE by

Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:41 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Legal
Dec 18, 2018 1:22 pm

Pending

Chief Executive Officer
Date
Date: 01/10/2019
Committee: Finance/Audit
Subject: Increase to Legal Services Contract No. 8005215 with the firm of Koning Rubarts LLP
Resolution #

Action
That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8005215 with the firm of Koning Rubarts LLP of Dallas, Texas, in an amount not to exceed $75,000.00, for a revised Contract amount not to exceed $123,750.00.

Description

- This action would increase the Board’s contract for legal services in connection with the S.L.B. Inc, d/b/a/ Goodfellows Shoeshine lawsuit.

Justification

- On November, 13, 2018, the Board selected Koning Rubarts LLP (John McDowell, Jerry Beane’s former partner) to provide legal representation in connection with the Goodfellows lawsuit. Beane had worked on the matter previously so McDowell is already familiar with the matter.

D/S/M/WBE Information

- In accordance with the Board’s SBE Program, no SBE goal was determined for this Contract due to the original contract being under $50,000.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8005215</td>
<td></td>
<td></td>
<td>$75,000.00</td>
<td>$123,750.00</td>
</tr>
</tbody>
</table>

For Information contact
Elaine Rodriguez
3-5487

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>102</td>
<td></td>
<td></td>
<td>$75,000.00</td>
</tr>
</tbody>
</table>
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8005215 with the firm of Koning Rubarts LLP of Dallas, Texas, in an amount not to exceed $75,000.00, for a revised Contract amount not to exceed $123,750.00.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 1:26 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:37 am

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:59 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by
Department Head
Legal
Dec 18, 2018 1:22 pm

Chief Executive Officer
**Date** 01/10/2019  |  **Committee** Finance/Audit  |  **Subject** Increase to Legal Services Contract No. 8004985 with the firm of Moses, Palmer & Howell, L.L.P. of Fort Worth, Texas  |  **Resolution #**

### Action

That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8004985 with the firm of Moses, Palmer & Howell, L.L.P., of Fort Worth, Texas, in an amount not to exceed $200,000.00, for a revised Contract amount not to exceed $743,000.00.

### Description

- This action would increase the Board’s contract for legal services in connection with oil and gas matters.

### Justification

- On October 30, 2015, the Board selected Moses, Palmer & Howell, L.L.P. (Shayne Moses), to provide legal representation in connection with oil and gas matters, including representing the Board with its pending lawsuit against Chesapeake.

### D/S/M/WBE Information

- In accordance with the Board’s SBE Program, no SBE goal was determined for this Contract due to the original contract being under $50,000.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8004985</td>
<td></td>
<td></td>
<td>$200,000.00</td>
<td>$743,000.00</td>
</tr>
</tbody>
</table>

### For Information contact

Elaine Rodriguez 3-5487

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Capital Account</td>
<td>26024-12</td>
<td></td>
<td>$200,000.00</td>
</tr>
</tbody>
</table>
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to increase Legal Services Contract No. 8004985 with the firm of Moses, Palmer & Howell, L.L.P., of Fort Worth, Texas, in an amount not to exceed $200,000.00, for a revised Contract amount not to exceed $743,000.00.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 1:26 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:37 am

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:45 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Legal
Dec 18, 2018 1:22 pm

Chief Executive Officer
Pending
Date
### Action
That the Chief Executive Officer or designee be authorized to increase Contract No. 7006574 and revise the term to year-to-year periods, for SAS Office Analytics Software, with SAS Institute, Inc., of Cary, North Carolina, an amount not to exceed $10,170.00 for a revised Contract amount of $58,170.00.

### Description
- Increase the Contract for SAS Enterprise Licenses for the Airport's Research and Analytics Department.

### Justification
- Software was originally procured to support development of airline route forecasting and models used to build business cases for new air service.
- The Contract increase will allow for additional DFW Departments to utilize the software for generating complex statistical analyses and modeling.

### D/S/M/WBE Information
- N/A - Not subject to goal per the Board's D/S/M/WBE Policy due to the nature of the procurement (original contract value under $50,000).

### Schedule/Term
- Contract Start Date: September 29, 2017.
- Current Contract End Date: September 28, 2018.
- Revised Contract Term: Annual renewals.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>7006574</td>
<td>NTE</td>
<td></td>
<td>$10,170.00</td>
<td>$58,170.00</td>
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</tbody>
</table>

### For Information contact
- Michael Youngs 3-5350
- Shannon Hamilton 3-5620

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>0102</td>
<td></td>
<td></td>
<td>$10,170.00</td>
</tr>
</tbody>
</table>
Additional Information

- This is a Sole Source.
- SAS Institute, Inc., of Cary, North Carolina possess unique qualifications and expertise to perform the specified work.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to increase Contract No. 7006574 and revise the term to year-to-year periods, for SAS Office Analytics Software, with SAS Institute, Inc., of Cary, North Carolina, an amount not to exceed $10,170.00 for a revised Contract amount of $58,170.00.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:13 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:37 am

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:46 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by
Department Head
Information Technology Svcs
Dec 19, 2018 10:14 am

Chief Executive Officer
Pending
Date
### Action

That the Chief Executive Officer or designee be authorized to increase Contract No. 8005076, for LocusLabs Location Platform Services, with LocusLabs, Inc., of Oakland, California, in an amount not to exceed $57,350.00, for a revised Contract amount of $294,850.00.

### Description

- Increase the contract to accommodate ongoing support for digital wayfinding in the terminals, mobile app, and web (DFWAirport.com) to improve the customer experience in the terminals.

### Justification

- The LocusLabs software was purchased to provide interactive terminal maps, with search and query location information available on DFW's mobile application, touch screen monitors, and website.
- This contract increase will be used to fund increased contractor support, an increase in devices, and additional translation requests and map changes.

### D/S/M/WBE Information

- N/A - Not subject to a goal per the Board's SBE Policy due to the nature of the procurement (Government Code Exemption).

### Schedule/Term

- The current Contract Expiration date of September 30, 2019, will not be affected by this action.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>8005076</td>
<td>NTE</td>
<td>$57,350.00</td>
<td>NTE $57,350.00</td>
<td>$294,850.00</td>
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</tbody>
</table>

### For Information contact

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>0102</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Michael Youngs | 3-5350 |
| Timothy Schmdt | 3-4627 |

Fund Project # External Funding Source Amount

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0102</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Additional Information

- This is a Sole Source.
- On June 2, 2016, by Resolution No. 2016-06-140, the Board awarded Contract No. 8005076, for LocusLabs Location Platform Services, with LocusLabs, Inc., of San Francisco, California.

---

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to increase Contract No. 8005076, for LocusLabs Location Platform Services, with LocusLabs, Inc., of Oakland, California, in an amount not to exceed $57,350.00, for a revised Contract amount of $294,850.00.

Approved as to Form by

Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:16 pm

Approved as to Funding by

Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:37 am

Approved as to M/WBE by

Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:46 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Information Technology Svcs
Dec 19, 2018 10:30 am

Pending
Chief Executive Officer

Date
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
OFFICIAL BOARD ACTION/RESOLUTION

<table>
<thead>
<tr>
<th>Date</th>
<th>Committee</th>
<th>Subject</th>
<th>Resolution #</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/10/2019</td>
<td>Finance/Audit</td>
<td>Approve Amendment to Terminal E Satellite Reimbursement Agreement</td>
<td></td>
</tr>
</tbody>
</table>

**Action**
That the Chief Executive Officer or designee be authorized to approve an amendment to increase project funding for the Terminal E Satellite rehabilitation to be performed through the Terminal E Satellite Reimbursement Agreement with American Airlines, Inc. (American) in an amount not to exceed $12,100,000.00 for a revised Reimbursement Agreement amount not to exceed $32,100,000.00

**Description**
- In April 2018, the Board approved a Reimbursement Agreement with American for the rehabilitation and reactivation of the Terminal E Satellite.
- An initial cost of $20,000,000 was estimated before the project design was complete.
- Verified conditions and scope have necessitated supplemental funds in an amount not to exceed $12,100,000 in order to complete the work necessary to reactivate the facility.
- Project requires Majority In Interest approval of Signatory Airlines.
- Supplemental funds will be recovered through Airline terminal rental rates.

**Justification**
- Significant renovations are needed to prepare the Satellite for ongoing use, including work to both mechanical and electrical systems to sustain daily operations.
- Architectural upgrades are needed to enhance the customer experience and provide an appearance consistent with the renovated terminals.
- In order to make a June 2019 delivery date for their expanded DFW operations, American had to make a very rough cost estimate to allow the approval process to begin. The original $20,000,000 estimate was prior to an architectural and engineering firm and contractor being on board to determine the exact scope of the project.
- Verification of conditions has identified considerable work needed due to deterioration of existing systems, many at the end of their life span.
- Agreement will be subject to new Board policy, approved at the December Board meeting, requiring Reimbursement Agreements to be subject to DFW's DBE requirements.

**D/S/M/WBE Information**
- American Airlines has set a 22% goal on this project.
- American Airlines has awarded the contract to Ghafari Associates, and Ghafari Associates has committed to achieving 49% participation.

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>$12,100,000.00</td>
<td>$32,100,000.00</td>
</tr>
</tbody>
</table>

**For Information contact**
Jeff Benvegnu
3-4640

<table>
<thead>
<tr>
<th>Fund</th>
<th>Project #</th>
<th>External Funding Source</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Joint Capital Account</td>
<td>26697-01</td>
<td></td>
<td>$12,100,000.00</td>
</tr>
</tbody>
</table>
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to approve an amendment to increase project funding for the Terminal E Satellite rehabilitation to be performed through the Terminal E Satellite Reimbursement Agreement with American Airlines, Inc. (American) in an amount not to exceed $12,100,000.00 for a revised Reimbursement Agreement amount not to exceed $32,100,000.00

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:17 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:41 pm

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:46 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Dec 19, 2018 10:52 am

Pending

Chief Executive Officer
Date
Date  
01/10/2019  
Committee  
Finance/Audit  
Subject  
Use of Contingency in Approved FY 2019 Budget  
Resolution #

**Action**
That the Chief Executive Officer or designee be authorized to use $4.5 million of Contingency that was included in the Approved FY 2019 Budget.

**Description**

- On June 7, 2018, the Board approved the FY 2018 Operating and Expense Fund Budget (Resolution 2018-06-130) in the amount of $1.0084 billion for Expenses and Debt Service and $10 million for Contingency outside of the rate base.
- Management requests the use of Contingency in the amount of $4.5 million for the following:
  - Enhanced security measures of $3.6 million
  - Operating Reserve (25%) of $0.9 million

**Justification**

- The use of Contingency requires Board approval.
- DFW has experienced a significant cost change since the budget was approved last June.
- Additional security resources are required for enhanced staffing of terminal portal doors, concession loading docks, terminal curbside, and airfield perimeter security. The Board was briefed on the security situation in November.
- DFW's master bond ordinance requires a 90-day (25%) operating reserve be maintained.

**D/S/M/WBE Information**

- N/A - Not subject to a goal per the Board's SBE Policy due to the nature of the Board Action. (Budget Contingency)

<table>
<thead>
<tr>
<th>Contract #</th>
<th>Agreement #</th>
<th>Purchase Order #</th>
<th>Action Amount</th>
<th>Revised Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>For Information contact</td>
<td>Fund</td>
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<td>External Funding Source</td>
<td>Amount</td>
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<tr>
<td>Max Underwood</td>
<td>102</td>
<td></td>
<td></td>
<td>$4,500,000.00</td>
</tr>
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</table>
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to use $4.5 million of Contingency that was included in the Approved FY 2019 Budget.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:23 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:42 pm

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:52 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by
Underwood, Max
Finance
Dec 19, 2018 1:52 pm

Chief Executive Officer

Pending
Date
### Item For Discussion
Report to the Airport Board all Contracts and Purchase Orders valued between $25,000.00 and $50,000.00 and Contract/Purchase Order Increases/Decreases valued between $25,000.00 and $50,000.00, for the month of November 2018.

### Description

- Report to the Airport Board all Contracts and Purchase Orders valued between $25,000.00 and $50,000.00 and Contract/Purchase Order Increases/Decreases valued between $25,000.00 and $50,000.00, for the month of November 2018.
## PURCHASE ORDERS BETWEEN $25,000.00 AND $50,000.00 (NOVEMBER 2018)

<table>
<thead>
<tr>
<th>VENDOR/LOCATION</th>
<th>PO/CONTRACT NO.</th>
<th>DESCRIPTION</th>
<th>DEPARTMENT</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Associated Time and Parking Controls</td>
<td>275087</td>
<td>Booths</td>
<td>Parking Business Unit</td>
<td>NTE $31,300.00</td>
</tr>
<tr>
<td>Dallas, Texas</td>
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<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>Big Al’s Smokehouse BBQ&lt;sup&gt;N1&lt;/sup&gt;</td>
<td>275182</td>
<td>Catering Services</td>
<td>Human Resources</td>
<td>NTE $39,550.00</td>
</tr>
<tr>
<td>Dallas, Texas</td>
<td></td>
<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>Cursus Technologies, Inc.</td>
<td>275500</td>
<td>Purchase Three Kiosks</td>
<td>Revenue Management</td>
<td>NTE $48,093.00</td>
</tr>
<tr>
<td>Houston, Texas</td>
<td></td>
<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>Gunfighter Supply LLC&lt;sup&gt;N2&lt;/sup&gt;</td>
<td>275498</td>
<td>Purchase Practice Ammunition</td>
<td>Department of Public Safety</td>
<td>$31,705.00</td>
</tr>
<tr>
<td>Krum, Texas</td>
<td></td>
<td></td>
<td>Paid to Date: $0.00</td>
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</tr>
<tr>
<td>Holt Cat</td>
<td>275502</td>
<td>Remove and Repair Engine</td>
<td>Energy Transportation and Asset Management</td>
<td>NTE $45,025.26</td>
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<tr>
<td>Dallas, Texas</td>
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<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>Nicol Scales LP</td>
<td>275202</td>
<td>Truck Scale Replacement</td>
<td>Energy Transportation and Asset Management</td>
<td>NTE $37,462.50</td>
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<tr>
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<tr>
<td>Salsbury Industries</td>
<td>275482</td>
<td>Mail boxes</td>
<td>Design, Code and Compliance</td>
<td>$32,697.66</td>
</tr>
<tr>
<td>Los Angeles, California</td>
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<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>Texas Interior Resources LLC dba</td>
<td>275219</td>
<td>Replacement Furniture</td>
<td>Department of Public Safety</td>
<td>NTE $36,215.00</td>
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<tr>
<td>Interior Resources Group</td>
<td></td>
<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>Dallas, Texas</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL** $302,048.42

Note:
2. State of Texas-HUB Certified.
## NON-PROFESSIONAL SERVICES CONTRACTS BETWEEN $25,000.00 AND $50,000.00 (NOVEMBER 2018)

<table>
<thead>
<tr>
<th>VENDOR/LOCATION</th>
<th>PO/CONTRACT NO.</th>
<th>DESCRIPTION</th>
<th>DEPARTMENT</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Systems Research Institute, Inc.</td>
<td>7006711</td>
<td>GIS Software License</td>
<td>Information Technology Services</td>
<td>$34,281.92</td>
</tr>
<tr>
<td>Redlands, California</td>
<td></td>
<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>Grubbs Infiniti LTD</td>
<td>7006751</td>
<td>Vehicle Lease</td>
<td>Executive Office</td>
<td>NTE $32,119.94</td>
</tr>
<tr>
<td>Grapevine, Texas</td>
<td></td>
<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>IC Synergy International LLC</td>
<td>8005249</td>
<td>Oracle Multi-Factor Authentication</td>
<td>Information Technology Services</td>
<td>NTE $49,600.00</td>
</tr>
<tr>
<td>Plano, Texas</td>
<td></td>
<td></td>
<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td>SADA Systems, Inc.</td>
<td>7006603</td>
<td>Google Cloud Service License</td>
<td>Information Technology Services</td>
<td>NTE $42,000.00</td>
</tr>
<tr>
<td>North Hollywood, California</td>
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<td>Paid to Date: $0.00</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
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<td><strong>$158,001.86</strong></td>
</tr>
<tr>
<td>VENDOR/LOCATION</td>
<td>PO/CONTRACT NO.</td>
<td>DESCRIPTION</td>
<td>DEPARTMENT</td>
<td>AMOUNT</td>
</tr>
<tr>
<td>----------------</td>
<td>----------------</td>
<td>-------------</td>
<td>------------</td>
<td>--------</td>
</tr>
<tr>
<td>K&amp;R Group LLP dba Koning Rubarts LLP Dallas, Texas</td>
<td>8005215</td>
<td>Legal Services</td>
<td>Legal</td>
<td>$35,000.00</td>
</tr>
<tr>
<td>Katten Muchin Rosenman LLP Chicago, Illinois</td>
<td>8005212</td>
<td>Legal Services</td>
<td>Legal</td>
<td>NTE $35,000.00</td>
</tr>
<tr>
<td>The Posey Law Firm PC Austin, Texas</td>
<td>8005264</td>
<td>State Legislative Consulting Services</td>
<td>Global Strategy &amp; Development</td>
<td>NTE $28,000.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
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<td></td>
<td><strong>$98,000.00</strong></td>
</tr>
</tbody>
</table>
## CONTRACT/PURCHASE ORDER INCREASES/DECREASES ($25,000 OR GREATER)
(APPROVED BY BOARD STAFF UNDER THEIR DELEGATED AUTHORITY – NOVEMBER 2018)

<table>
<thead>
<tr>
<th>VENDOR/LOCATION</th>
<th>PO/CONTRACT NO.</th>
<th>DESCRIPTION</th>
<th>DEPARTMENT</th>
<th>CONTRACT DATA</th>
</tr>
</thead>
</table>
| American Concrete Washout, Inc.  | 7006082         | Concrete Washout Containers                      | Environmental Affairs                  | Contract Value: $390,600.00  
This Action: $49,000.00  
Revised Contract Value: $439,600.00  
Paid to Date: $284,501.59 |
| Folsom, California               |                 |                                                  |                                        |                                                   |
| Habasit America, Inc.            | 7006820         | Baggage Handling System Parts                    | Energy Transportation and Asset Management | Contract Value: $90,155.94  
This Action: $48,750.00  
Revised Contract Value: $138,905.94  
Paid to Date: $87,281.74 |
| Suwanee, Georgia                 |                 |                                                  |                                        |                                                   |
| Ammeraal Beltech                 | 7006282         | Baggage Handling System Parts                    | Energy Transportation and Asset Management | Contract Value: $119,179.96  
This Action: $48,750.00  
Revised Contract Value: $167,929.96  
Paid to Date: $107,115.25 |
| Skokie, Illinois                 |                 |                                                  |                                        |                                                   |
| Willis of Texas, Inc.            | 8004141         | Broker of Record/Administrator for Rolling Owner Controlled Insurance Program | Risk Management                        | Contract Value: $10,368,802.84  
This Action: $34,108.88  
Revised Contract Value: $10,402,911.72  
Paid to Date: $10,368,802.84 |
| Addison, Texas                   |                 |                                                  |                                        |                                                   |
| Root, Inc.                       | 8004909         | Management Development Program                   | Human Resources                        | Contract Value: $390,490.00  
This Action: $45,750.00  
Revised Contract Value: $436,240.00  
Paid to Date: $318,993.06 |
| Sylvania, Ohio                   |                 |                                                  |                                        |                                                   |
| Vital Smarts LC                  | 8005023         | Employee Leadership Training                     | Human Resources                        | Contract Value: $177,200.00  
This Action: $37,200.00  
Revised Contract Value: $214,400.00  
Paid to Date: $136,218.47 |
| Provo, Utah                       |                 |                                                  |                                        |                                                   |
| **TOTAL**                        |                 |                                                  |                                        | **$263,558.88**                                           |
CONCESSIONS/COMMERCIAL DEVELOPMENT COMMITTEE

22. Approve the minutes of the Concessions/Commercial Development Meeting of December 4, 2018.

Consent Items for Consideration

Z. Campbell
23. Approve change of control of leases between DFW Pop Restaurants, LLC and Four Leaf Ventures, LLC.

J. Terrell
24. Approve execution of an amendment to reduce the Ameriflight, LLC leased premises by approximately 1.34 acres in support of future air cargo development.

25. Approve execution of an amendment to the Prologis, LP lease to remove approximately 0.05 acres of land.

26. Approve execution of Contract 8005269, for Foreign Trade Zone Consulting Services, with Ernst & Young, LLP, of Dallas, Texas, in an amount not to exceed $100,000.00, for the initial one-year term of the Contract, with options to renew for four additional one-year periods.

Action Items for Consideration

Z. Campbell
27. Approve execution of Contract No. 8500365, Concessions and Customer Experience Design with Corgan Associates, Inc., dba Corgan, of Dallas, Texas in an amount not to exceed $4,000,000.00, for the initial three years of the Contract, with options to renew for two additional one-year periods.

J. Terrell
28. Approve execution of a ground lease agreement with DFW Commerce Center II, LLC for +/-59.075 acres of land.

29. Approve execution of a reimbursement agreement with DFW Commerce Center II, LLC for an amount not to exceed $955,814.00.

30. Approve the expenditures by the Public Facilities Improvement Corporation (PFIC) Board in an amount not to exceed (NTE) $2,200,000.00 for Hotel management expenses and an amount NTE $300,000.00 for asset management expenses for the Southgate Hyatt House Hotel (Hotel). Total amount of action NTE $2,500,000.00.
### Official Board Action/Resolution

**Date**
01/10/2019

**Committee**
Concessions/Commercial Development

**Subject**
Change of Control of Leases

**Resolution #**

<table>
<thead>
<tr>
<th><strong>Action</strong></th>
<th>That the Chief Executive Officer or designee be authorized to change control of leases between DFW Pop Restaurants, LLC and Four Leaf Ventures, LLC.</th>
</tr>
</thead>
</table>

**Description**

- An ownership change has taken place between Pop Four Leaf DFW JV, LLC, Blue Sky Dining, LLC and DFW Pop Restaurants, LLC.
- The ownership entity of Pop Four Leaf DFW JV, LLC will be owned 100% by Four Leaf Ventures, LLC to include the following locations:
  - Ling & Louie's, Terminal A, Gate A13
  - Panda Express, Terminal B, Gate B15
  - GNC, Terminal A, Gate A28
- The ownership entity of Blue Sky Dining, LLC will be owned 100% by Four Leaf Ventures, LLC to include the following locations:
  - Cru Wine Bar, Terminal D, Gate D25
  - Applebee’s, Terminal D, Gate D10
- The ownership entity of DFW Pop Restaurants, LLC will be owned 100% by DFW Pop Restaurants for the following location:
  - Rodeo Bar, Terminal B, Gate B32

**Justification**

- This change in ownership is following the terms of the Settlement Agreement between Guillermo Perales and Luis Ibarguengoytia.

**D/S/M/WBE Information**

- In accordance with the Board’s ACDBE Program, no ACDBE goals are applicable to the two DFW Pop Restaurants, LLC locations based on historical information.
- Four Leaf Ventures, LLC (HM-C: 100%) is a certified Airport Concession Disadvantaged Business Enterprise therefore their self-performance will count towards any ACDBE goals associated with their locations.

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**For Information contact**

Zenola Campbell
3-4830

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<th><strong>External Funding Source</strong></th>
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BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to change control of leases between DFW Pop Restaurants, LLC and Four Leaf Ventures, LLC.

Approved as to Form by

Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:23 pm

Approved as to Funding by

Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:38 am

Approved as to M/WBE by

Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:49 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Dec 19, 2018 4:03 pm

Pending

Chief Executive Officer  Date
Date | Committee | Subject | Resolution #
--- | --- | --- | ---
01/10/2019 | Concessions/Commercial Development | Amendment of lease agreement with Ameriflight, LLC | |

**Action**
That the Chief Executive Officer or designee be authorized to execute an amendment to reduce the Ameriflight, LLC leased premises by approximately 1.34 acres in support of future air cargo development.

**Description**
- Enter into an amendment to reduce the premises on an existing lease agreement by +/- 1.34 acres of air side land.

**Justification**
- The land comprising the reduction of leased premises of +/- 1.34 acres consists of taxilane and green space.
- As DFW Airport works toward the demolition of the former Evergreen building and the Aeroterm ABCD buildings to provide space for new air cargo facilities, this taxilane and green space will be included as taxilane and ramp space to be used for future air cargo aircraft.

**D/S/M/WBE Information**
- N/A - Not subject to a goal per the Board's D/S/M/WBE Policy due to the nature of the procurement (Conveyance / Selling of Airport Board Property).

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For Information contact
John Terrell
3-4655

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</table>
Additional Information

- The existing lease contains +/- 4.622 acres and runs through September 30, 2022 including extension options.
- Current rent is $36,000 per month and $432,000 annually and will be reduced by approximately $3,173 per month or $38,056 annually

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute an amendment to reduce the Ameriflight, LLC leased premises by approximately 1.34 acres in support of future air cargo development.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:26 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:43 pm

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:49 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by
Department Head
Commercial Development
Dec 19, 2018 9:18 am
The Ameriflight, LLC lease agreement currently includes ±4.622 acres, and the building is approximately 87,744 square feet including the hangar. Of the ±4.622 acres of ground, approximately 1.34 acres are part of the taxi lane north of the building.

As the Airport moves toward the demolition of the former Evergreen facility and the Aeroterm ABCD buildings to make way for new air cargo facilities, this leased taxi lane should be under Airport control.

By removing the ±1.34 acres from the Ameriflight, LLC leased premises, the monthly rent will be reduced by approximately $3,171 per month, or $38,056 annually. The rental rate for the lease is based on the annually calculated Ground Rental Rate as published in the Schedule of Charges.

While reducing the annual rent received from Ameriflight, LLC, removing this acreage will better position the Airport to incorporate the space into the overall air cargo development.
Amendment of lease agreement with Ameriflight, LLC

Remove +/- 1.34 acres

Ameriflight Lease
4.622 acres
**DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD**
**OFFICIAL BOARD ACTION/RESOLUTION**

<table>
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<tr>
<th>Date</th>
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<tbody>
<tr>
<td>01/10/2019</td>
<td>Concessions/Commercial Development</td>
<td>Amendment of lease agreement with Prologis, LP</td>
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</tbody>
</table>

**Action**
That the Chief Executive Officer or designee be authorized to execute an amendment to the Prologis, LP lease to remove approximately 0.05 acres of land.

**Description**
- Enter into an amendment to reduce the premises on an existing lease agreement by +/- 0.05 acres of air side land.

**Justification**
- Approximately 0.05 acres of the Prologis, LP lease area will need to be removed due to the alignment of the NE End Around Taxiway project.

**D/S/M/WBE Information**
- N/A - Not subject to a goal per the Board's D/S/M/WBE Policy due to the nature of the procurement (Conveyance / Selling of Airport Board Property).

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**For Information contact**
- John Terrell
- 3-4655

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Additional Information

- The existing lease contains +/-23.528 acres and runs through January 31, 2027.
- Current rent is $94,446 per month and $1,133,363 annually and will be reduced by approximately $343 per month or $4,110 annually.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute an amendment to the Prologis, LP lease to remove approximately 0.05 acres of land.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:27 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:43 pm

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:50 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by
Department Head
Commercial Development
Dec 19, 2018 9:18 am

Chief Executive Officer
Pending
Date
Prologis, LP leases approximately 23.528 acres of land at DFW International Airport pursuant to the Amended, Restated and Consolidated Agreement of Lease between the Airport Board and Prologis, LP dated January 17, 1997.

As part of the NE End Around Taxiway Project, approximately 0.05 acres of the Prologis, LP lease premises will need to be removed due to the alignment of the new taxiway. By removing the ±0.05 acres from the Prologis, LP lease, the annual rent will be reduced by approximately $4,110. The rental rate is based on a combination of the contractual amount for apron plus the annually calculated Ground Rental rate as set forth in the DFW Schedule of Charges.

The removal of the ±0.05 acres from the Prologis, LP lease is critical for the alignment of the NE End Around Taxiway Project.
Amendment of Lease Agreement with Prologis, LP

-0.05 acres to be removed

Prologis, LP Lease - PROL 0048 ±23.528 acres
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
OFFICIAL BOARD ACTION/RESOLUTION

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<td>01/10/2019</td>
<td>Concessions/Commercial Development</td>
<td>Foreign Trade Zone Consulting Services</td>
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**Action**
That the Chief Executive Officer or designee be authorized to execute Contract 8005269, for Foreign Trade Zone Consulting Services, with Ernst & Young, LLP, of Dallas, Texas in an amount not to exceed $100,000.00, for the initial one-year term of the Contract, with options to renew for four additional one-year periods.

**Description**
- Award a Contract for Foreign Trade Zone Consulting Services for the Commercial Development Department.

**Justification**
- This is a replacement for an existing Contract, which has been in place for five years.
- Due to the ever changing regulations governing foreign trade zone grants, it is necessary to retain the services of a professional consultant within the foreign trade zone field to assist potential tenants and/or users of the DFW Foreign Trade Zone No. 39 in the development of plans, specifications and applications to ensure compliance with foreign trade zone regulations regarding the establishment of zones.
- Services include, but are not limited to, coordinating foreign trade zone boundary modifications with the federal regulatory agency, consultation with the Owner Cities, making recommendations relative to proposed foreign trade zone policy changes, analyzing regulatory and other related impacts on DFW Airport, and researching and recommending international trade and business development strategies.

**D/S/M/WBE Information**
- In accordance with the Board's SBE Program, no SBE goal was set for this Contract due to no availability of SBE firms that perform this service.

**Schedule/Term**
- Start Date: February 2019
- Contract Term: One year, with four additional one-year periods

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</table>

**For Information contact**
- John Terrell  
  Fund 0102  
  $100,000.00
- Sonji Brown-Killyon
  3-5648
Additional Information

- This is a Specified Source.
- Ernst & Young, LLP has had a relationship with DFW International Airport for more than 30 years, including a comprehensive understanding of the Airport’s historical foreign trade zone transactions and related rationales, excellent rapport with the Foreign Trade Zone Board administration and expertise in international free trade zone regulations as needed to maximize the Airport’s trade zone alliance strategies.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute Contract 8005269, for Foreign Trade Zone Consulting Services, with Ernst & Young, LLP, of Dallas, Texas in an amount not to exceed $100,000.00, for the initial one-year term of the Contract, with options to renew for four additional one-year periods.

Approved as to Form by

Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:41 pm

Approved as to Funding by

Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:43 pm

Approved as to M/WBE by

Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:51 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Commercial Development
Dec 19, 2018 9:18 am

Pending

Chief Executive Officer
Date
## OFFICIAL BOARD ACTION/RESOLUTION

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<td>01/10/2019</td>
<td>Concessions/Commercial Development</td>
<td>Concessions and Customer Experience Design</td>
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### Action

That the Chief Executive Officer or designee be authorized to execute Contract No. 8500365 Concessions and Customer Experience Design with Corgan Associates, Inc., dba Corgan, of Dallas, Texas in an amount not to exceed $4,000,000.00 for the initial three years of the Contract, with options to renew for two additional one-year periods.

### Description

- Award a Contract for Concessions and Customer Experience Design, in support of the Airport's Concession and Customer Experience Departments.

### Justification

- This Contract will provide architectural, engineering and design management services on an indefinite delivery basis.
- The indefinite delivery approach allows the Airport to efficiently respond to project and program needs as the volume of work dictates.
- Services will be authorized and funded on an as needed basis by issuance of individual delivery orders.
- This Contract gives Concessions and Customer Experience a method to pilot and test design options before implementing formal holistic programs.

### D/S/M/WBE Information

- In accordance with the Board's M/WBE Program, the M/WBE goal for this contract is 35%.
- Corgan Associates, Inc., dba Corgan has committed to achieving 37% M/WBE participation utilizing the attached Subcontractor list.

### Schedule/Term

- Contract Start Date: January 2019
- Contract Term: Three years, with two one-year renewal options.

### Contract # Agreement # Purchase Order # Action Amount Revised Amount
8500365 NTE $4,000,000.00 $0

### For Information contact
Zenola Campbell 3-4830
Brett Peveto 3-1730

### Fund Project # External Funding Source Amount
Various | Various | Various | $4,000,000.00
Additional Information

- Six (6) Proposals, none from M/WBE firms, were received and opened on September 7, 2018
  - Corgan Associates, Inc. dba Corgan, of Dallas, Texas
  - Blue Stone Management LLC and CallisonRTKL, Inc. of Los Angeles, California
  - McAfee 3 Architects, Inc. of Dallas, Texas
  - Mead & Hunt Inc. of Dallas, Texas
  - Muller & Muller, Ltd. Chicago, Illinois
  - Respicio AI LLC of Irving, Texas

- Based on evaluations of the Proposals submitted, the Evaluation Committee, consisting of representatives for the Airport's Concessions, Business Diversity and Development, Customer Experience and Design, Code and Construction, recommends that the Contract be awarded to Corgan Associates, Inc. dba Corgan, of Dallas, Texas.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute Contract No. 8500365 Concessions and Customer Experience Design with Corgan Associates, Inc., dba Corgan, of Dallas, Texas in an amount not to exceed $4,000,000.00 for the initial three years of the Contract, with options to renew for two additional one-year periods.

Approved as to Form by

[Signature]
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:41 pm

Approved as to Funding by

[Signature]
Underwood, Max
Vice President Finance
Finance
Dec 20, 2018 11:38 am

Approved as to M/WBE by

[Signature]
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:53 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

[Signature]
Rodriguez, Elaine
Dec 19, 2018 12:58 pm

Pending

Chief Executive Officer
Date
Contract 8500365
Concessions and Customer Experience Design

Corgan Associates, Inc., dba Corgan
M/WBE Subcontractors

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<td><strong>Total</strong></td>
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Overall Total 37.00%
Date: 01/10/2019
Committee: Concessions/Commercial Development
Subject: Ground lease agreement with DFW Commerce Center II, LLC
Resolution #:

Action
That the Chief Executive Officer or designee be authorized to execute a ground lease agreement with DFW Commerce Center II, LLC for +/-59.075 acres of land.

Description
• Enter into a ground lease on +/-59.075 acres in Irving, Texas with DFW Commerce Center II, LLC (Tenant) for an industrial development for warehouse, distribution, logistics, office and operations incidental thereto for a term of 40 years
• This single-building development will contain +/-1,029,000 square feet (sf) of space.
• The lease contemplated in the OBA is contingent on (i) finalizing lease terms, and (ii) obtaining a National Environmental Policy Act permit from the Federal Aviation Administration.

Justification
• Development of this facility will generate initial rent income of approximately $1,029,323 per year ($85,777 per month)
• Strategic Plan benefits:
  ♦ Assists with development of land on DFW Airport in support of the Board's Land Use Plan
  ♦ Encourages non-core business developments consistent with the Board's policies
  ♦ Increases non-airline revenues and supports trade within the Dallas/Fort Worth region
• The Board will reimburse Tenant through a separate Reimbursement Agreement, for the actual cost incurred to design and construct Board Improvements; tree clearing and mass grading. Reimbursement to the Tenant shall not exceed $955,814. The reimbursement will be paid not more than monthly with receipt of paid invoices. Details of the Reimbursement Agreement are contained in a separate OBA request titled, "Reimbursement Agreement with DFW Commerce Center II, LLC".

D/S/M/WBE Information
• In accordance with the Board’s M/WBE and MBE Programs, the goals for this agreement are 25% M/WBE participation for design and 20% MBE participation for the construction of the development.
• DFW Commerce I, LLC has committed to achieving 25% M/WBE participation for design and 20% MBE participation for the construction of the development.

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For Information contact
John Terrell
3-4655

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Additional Information

- Initial ground rent shall be at a rate of $0.40 per sf applied to +/-59.075 acres of land.
- The lease contains ground rent escalations throughout the 40-year term. Rent escalations occur every five (5) years at a rate of 3% per year compounded annually for the first 20 years. After 20 years, the land will be appraised and the ground rent reestablished based on the new appraised value. Ground rent will increase with the Consumer Price Index after years 25, 30 and 35.

Funding

- Board Improvements will include tree clearing and mass grading activities on the +/-59.075-acre site. The Tenant will design and construct the Board Improvements for the Board, and be reimbursed under a separate Reimbursement Agreement.
- Total not-to exceed (NTE) amount = $955,814
- Total annual rent (DFW Commerce Center II, LLC) is $1,029,323.
- Internal Rate of Return on *investment = 108.1%
- Project payback on *investment = 0.93 years

*Approved investment amount includes worst case internal overhead costs.

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute a ground lease agreement with DFW Commerce Center II, LLC for +/-59.075 acres of land

Approved as to Form by

Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:43 pm

Approved as to Funding by

Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:43 pm

Approved as to M/WBE by

Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:53 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Commercial Development
Dec 19, 2018 9:18 am

Pending

Chief Executive Officer
Date
DFW Commerce Center II, LLC
a Delaware limited liability company

Project Summary and Justification

DFW Commerce Center II, LLC is 100% owned by Copeland Commercial, LLC. Copeland Commercial is an industrial development company with a 10+ year track record of success in portfolio strategy, investment management, asset management, investment sales, leasing, acquisitions, dispositions and development.

DFW Commerce Center II, LLC, requests to lease approximately 59.075 acres of land for the development of approximately 1,029,000 S.F. of building.

This 40-year ground lease with DFW Commerce Center II, LLC supports the Strategic Imperatives by increasing non-airline revenues, and increasing the economic benefits that Dallas and Fort Worth receive from concurrent commercial development.

This proposed lease of land will generate initial ground rent income of approximately $1,029,323 per year ($85,777 per month) for the approximately 59.075-acre lease premises, which represents 10% per year of appraised value of $4.00 per square foot on the premises or $0.40 per square foot. The appraisal of the lease premises used to establish the ground rent was performed by Pyles - Whatley, Dallas, Texas.

The ground rental will be increased every five years at a rate of 3% per year compounded annually for the first 20 years totaling 56% increase over this period of time. After 20 years, the lease premises will be appraised and ground rent re-established based upon 10% of the new appraised value. Ground rent will thereafter increase with the CPI (Consumer Price Index) after years 25, 30, and 35.

Upon construction, the facility will become property of DFW Airport to be occupied by DFW Commerce Center II, LLC under the leasehold estate created by the ground lease. Upon expiration or termination of this 40 year lease, the possession and control of the facility will belong to DFW Airport. At that time, the facility can be available for DFW Airport to refurbish, if necessary, and then lease - thereby generating facility rent in addition to ground rent. The cost to construct the initial new facilities containing approximately 1,029,000 S.F. is approximately $41.16 million.
Ground Lease Agreement and Reimbursement Agreement with DFW Commerce Center II
### Date
01/10/2019

### Committee
Concessions/Commercial Development

### Subject
Reimbursement agreement with DFW Commerce Center II, LLC

### Resolution #

#### Action
That the Chief Executive Officer or designee be authorized to execute a reimbursement agreement with DFW Commerce Center II, LLC for an amount not to exceed $955,814.00.

#### Description
- A separate Official Board Action is being requested at the January 10, 2019 Board meeting to authorize DFW Airport to lease +/-59.075 acres to DFW Commerce Center II, LLC.
- The subject reimbursement agreement associated with the above mentioned lease references Board Improvements to be designed and constructed by DFW Commerce Center II, LLC (Tenant), and reimbursed by DFW Airport. These Board Improvements will support the following development at DFW Airport:
  - DFW Commerce Center II, LLC (+/-59.075 acres)
- In order to execute the above mentioned lease, the site will need tree clearing and mass grading (Board Improvements).
- The reimbursement agreement associated with the lease references Board Improvements to be designed and constructed by the Tenant and reimbursed by the Airport Board.

#### Justification
- DFW Commerce Center II, planned for this site, will be an excellent, long-term asset that provides an ideal fit for freight forwarders and cargo logistics providers, benefiting from proximity to DFW Airport air cargo areas.
- Development of this facility will generate initial ground rent of approximately $1,029,323 per year ($85,777 per month):
  - Strategic Plan benefit:
    - Assists with development of land on the Board's Land Use Plan
    - Encourages non-core business developments consistent with the Board's policies
    - Increases non-airline revenue and supports trade within the Dallas/Fort Worth region
- The payback for this investment is approximately 0.93 years and the Internal Rate of Return is 108.1%. The investment also includes worst case internal overhead costs.

#### D/S/M/WBE Information
- DFW Commerce Center II, LLC has committed to achieving 25% M/WBE participation for design and 20% MBE participation for the construction of the development.
- The 25% M/WBE and 20% MBE commitments apply in aggregate to the design and construction associated with the Reimbursement Agreement.

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For Information contact
John Terrell
3-4655

<table>
<thead>
<tr>
<th>Fund</th>
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<th>External Funding Source</th>
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<td>DFWCA-BOND</td>
<td>26755-01</td>
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<td>$955,814.00</td>
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Additional Information

Financial Analysis:

- Total not to exceed (NTE) amount = $955,814
- Total annual rent (DFW Commercial Center II, LLC) = $1,029,323
- Internal Rate of Return on *investment = 108.1%
- Project payback on *investment = 0.93 years

*Approved investment amount of $955,814 includes worst case internal overhead costs

Funding:

- CIP is approved, minimum 20% bond funding

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to execute a reimbursement agreement with DFW Commerce Center II, LLC for an amount not to exceed $955,814.00.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:44 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:44 pm

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:54 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Commercial Development
Dec 19, 2018 9:18 am

Pending
Chief Executive Officer
Date
DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD
OFFICIAL BOARD ACTION/RESOLUTION

<table>
<thead>
<tr>
<th>Date</th>
<th>Committee</th>
<th>Subject</th>
<th>Resolution #</th>
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<tbody>
<tr>
<td>01/10/2019</td>
<td>Concessions/Commercial Development</td>
<td>Approve certain expenditures of the Public Facilities Improvement Corporation Board relating to the Southgate Hyatt House Hotel</td>
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**Action**
That the Chief Executive Officer or designee be authorized to approve the expenditures by the Public Facilities Improvement Corporation (PFIC) Board in an amount not to exceed (NTE) $2,200,000.00 for Hotel management expenses and an amount NTE $300,000.00 for asset management expenses for the Southgate Hyatt House Hotel (Hotel). Total Amount of Action NTE $2,500,000.00.

**Description**
- On June 7, 2018, the Airport Board approved certain expenditures of the PFIC Board relating to the design and construction of the Hotel in an amount NTE $34,600,000.00
  - This includes amounts sufficient to fund the product and design assistance agreement as well as the pre-opening components of the Hotel management agreement:
    - NTE $124,000.00 for the Product and Design Assistance Agreement
    - NTE $350,000.00 for pre-opening expenses which are part of the Hotel Management Agreement NTE $2,600,000.00
- Since that time, the PFIC has negotiated the necessary agreements for management and asset management of the Hotel
  - As the Rules and Regulations of the PFIC require that the Airport Board approve any expenditures over $40,000.00, it is requested that the Airport Board approve the following expenditures:
    - An amount NTE $2,200,000.00 to be paid to Select Hotels Group, L.L.C. (Hyatt) for the initial five-year term to manage the Hotel
    - An amount NTE $300,000.00 to be paid to the Woodbine Development I, LTD. (Woodbine) for the initial five-year term to serve as the asset manager for the Hotel
  - Note: These expenditures will not be incurred until opening and will be paid from Hotel operations revenue

**Justification**
- This action will provide for the maintenance and operation of the Southgate Hyatt House Hotel

**D/S/M/WBE Information**
- In accordance with the Board's M/WBE and MBE Programs, the goals for this agreement are 10% M/WBE participation for design and 25% MBE participation for the construction of the development.
- Woodbine Development Corporation has committed to achieving 10% M/WBE participation for design and 25% MBE participation for the construction of the development.
- In accordance with the Board's ACDBE Program, no ACDBE goal is applicable. The private owner, Woodbine, will operate and manage the Hyatt House Hotel.

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**For Information contact**
John Terrell
3-4655

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<tr>
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Additional Information
Projected Annual Tax Revenue from proposed Hyatt House Hotel Occupancy Tax (H.O.T.) and Sales Tax in 2022

- Owner Cities = $280,080
  - City of Euless = $140,040

Current Annual Tax Revenue from Hyatt Place DFW through H.O.T. and Sales Tax

- Owner Cities = $268,262
  - City of Euless = $134,131

BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to approve the expenditures by the Public Facilities Improvement Corporation (PFIC) Board in an amount Not To Exceed (NTE) $2,200,000 for Hotel management expenses and an amount NTE $300,000.00 for asset management expenses for the Southgate Hyatt House Hotel (Hotel). Total Amount of Action NTE $2,500,000.00.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 20, 2018 2:46 pm

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 2:44 pm

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:54 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Commercial Development
Dec 19, 2018 9:19 am

Pending

Chief Executive Officer
Date
DETAIL INFORMATION SHEET FOR:

Expenditures of the PFIC Board Relating to the Southgate Hyatt House Hotel

Project Summary and Justification

Earlier this year, the Public Facility Improvement Corporation (PFIC) Board agreed to finance and construct, on behalf of the Airport, a Hyatt House Hotel (Hotel), to be located in Southgate Plaza on approximately 2.5 acres. The new facility is planned to be a six-story, extended stay hotel with 125 key rooms from the second through sixth floors (no ground floor rooms). The total area is approximately 99,000 sf, and includes meeting/boardroom/pre-function spaces, an enclosed pool, a fitness center, extended lobby with a restaurant/bar and 135 parking spaces.

The Airport Board and the Owner Cities of Dallas and Fort Worth approved, earlier this year, the Hotel as an authorized PFIC project (Airport Board approved in March 2018 and Owner Cities in April 2018).

In addition, on June 7, 2018, the Airport Board approved all design and construction expenditures related to the Hotel: 1) a Development Agreement between the PFIC Board and the DFW Airport Board relating to the financing and construction of the Southgate Hyatt House Hotel, 2) a Lease Agreement between the PFIC Board and the DFW Airport Board relating to the Southgate Hyatt House Hotel, 3) certain expenditures of the PFIC Board relating to the design and construction of the Hotel in an amount not to exceed (NTE) $34,600.00. These Agreements were approved by the PFIC Board on May 31, 2018.

Since that time, the PFIC has negotiated the necessary additional agreements for the ongoing management and asset management of the Hotel. As a result, on November 27, 2018, the following agreements were approved by the PFIC Board: 1) Product and Design Assistance Agreement with Select Hotels Group, L.L.C. (Hyatt), in an amount NTE $124,000, 2) Fixed fee Hotel Management Agreement, including pre-opening expenses, with Hyatt, in an amount NTE $2.6 million for the first five-year term, 3) Fixed fee Asset Management Agreement with Woodbine in an amount NTE $300,000 for the first five-year term.

With Airport Board approval of the management expenditures by the PFIC Board in an amount NTE $2,200,000 for hotel management expenses and an amount NTE $300,000 for asset management expenses for the Southgate Hyatt House Hotel, the PFIC will execute all agreements and immediately schedule a kick-off design and construction meeting. The proposed schedule for the Hotel allows seven months for design and permitting and seventeen months for construction. The Hotel’s anticipated opening to the public is the end of 2020.
Approve certain expenditures of the PFIC Board relating to the Southgate Hyatt House Hotel
AGENDA
RETIREMENT/INVESTMENT COMMITTEE MEETING
TUESDAY, JANUARY 8, 2019
12:50 p.m.

RETIREMENT/INVESTMENT COMMITTEE


Discussion Item


Action Items

M. Phemister 33. Approve an Asset Management Agreement with the IFM Global Infrastructure Fund, in a commitment amount of $10,000,000.

34. Approve an Asset Management Agreement with the Dune Real Estate Partners Fund IV, in a commitment amount of $5,000,000.
Date
01/10/2019
Committee
Retirement & Investments
Subject
Approval of an Asset Management Agreement with IFM Global Infrastructure Fund
Resolution #
Action
That the Chief Executive Officer or designee be authorized to enter into an Asset Management Agreement with the IFM Global Infrastructure Fund, in a commitment amount of $10,000,000.00.
Description
- IFM is one of the largest and most active infrastructure investment firms in the world, with almost $80 billion in assets under management. The Global Infrastructure Fund has an equity value of $22 billion, across 13 investments comprised of 41 individual assets.
- Targeted investments include seaports, airports, rail, electricity generation, telecommunications and renewable energy projects, among others.
- An approximate 10% Annualized Rate of Return is expected.
- The management fee of 77 basis points is charged on committed capital, with a preferred return of 8%, after which 80% will be distributed to the limited partners.
- It is recommended that a commitment of $10,000,000.00 be made to the fund on behalf of the DFW Retirement Plans.
Justification
- This action will provide further diversification of the portfolio.
- This action will bring the allocation in Real Assets closer to its targeted goal.
D/S/M/WBE Information
- N/A - Not subject to a goal per the Board's SBE Policy due to the nature of the procurement (Financial Transaction).

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For Information contact
Michael Phemister 3-5447

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BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to enter into an Asset Management Agreement with the IFM Global Infrastructure Fund, in a commitment amount of $10,000,000.00.

Approved as to Form by
Rodriguez, Elaine
Legal Counsel
Dec 19, 2018 9:16 am

Approved as to Funding by
Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 8:26 am

Approved as to M/WBE by
Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:36 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Dec 18, 2018 11:31 am

Chief Executive Officer

Pending Date
Date: 01/10/2019
Committee: Retirement & Investments
Subject: Approval of an Asset Management Agreement with Dune Real Estate Partners

Resolution #

**Action**
That the Chief Executive Officer or designee be authorized to enter into an Asset Management Agreement with the Dune Real Estate Partners Fund IV, in a commitment amount of $5,000,000.00.

**Description**
- In August 2014, DFW Airport, on behalf of its Retirement Plans, entered into an Asset Management Agreement with Dune Real Estate Partners Fund III, in a commitment amount of $10,000,000.00. Fund III is performing as anticipated with a projected Net Internal Rate of Return (IRR) of around 14%.
- Dune is an opportunistic real-estate investment firm, with over $4 billion under management.
- As Fund III is nearing its realization period, it is the recommendation of Airport Management that a commitment of $5,000,000.00 be made to Fund IV.
- Fund IV, like Fund III, will focus on distressed institutional real estate investments, primarily in the U.S., across diverse sectors, with leverage not to exceed 75% of the portfolio.
- Net returns in the 15% - 17% range are expected.
- The management fee for Fund IV will be 150 basis points on committed capital. This is in line with other actively managed real estate investment firms. The preferred return will be 9% with 80% of additional profits distributed to the limited partners.

**Justification**
- This action will provide the opportunity to reinvest with a firm with a proven track record at a lower commitment level, thus bringing the Retirement Plans Real Estate allocation more closely aligned to its targeted goal.

**D/S/M/WBE Information**
- N/A - Not subject to a goal per the Board’s SBE Policy due to the nature of the procurement (Financial Transaction).

**Contract #** | **Agreement #** | **Purchase Order #** | **Action Amount** | **Revised Amount**
---|---|---|---|---
| | | | $0 | $0

**For Information contact**
Michael Phemister
3-5447

**Fund** | **Project #** | **External Funding Source** | **Amount**
---|---|---|---
| | | | $0
BE IT RESOLVED BY THE DALLAS FORT WORTH INTERNATIONAL AIRPORT BOARD

That the Chief Executive Officer or designee be authorized to enter into an Asset Management Agreement with the Dune Real Estate Partners Fund IV, in a commitment amount of $5,000,000.00.

Approved as to Form by

Rodriguez, Elaine
Legal Counsel
Dec 19, 2018 9:17 am

Approved as to Funding by

Underwood, Max
Vice President Finance
Finance
Dec 19, 2018 8:26 am

Approved as to M/WBE by

Burks Lee, Tamela
Vice President Business Diversity and Development
Business Diversity and Development
Dec 20, 2018 10:36 am

SIGNATURE REQUIRED FOR APPROVAL

Approved by

Department Head
Dec 18, 2018 11:30 am

Chief Executive Officer
Pending

Date