

## BOARD OF DIRECTORS MEETING

MINUTES OF APRIL 18, 2018

The regular meeting of the Board of Directors was held in the Fifth Floor Conference Rooms at Two Potomac Yard, 2733 Crystal Drive, Arlington, VA. The Chairman called the meeting to order at 9:00 a.m. Fourteen Directors were present during the meeting:

Warner H. Session, Chairman  
Earl Adams, Jr.  
Anthony H. Griffin  
Katherine K. Hanley  
Barbara B. Lang  
Robert W. Lazaro, Jr.  
A. Bradley Mims

Thorn Pozen  
David G. Speck  
William E. Sudow  
J. Walter Tejada  
Mark E. Uncapher  
Nina Mitchell Wells  
Joslyn N. Williams

The Secretary and Executive Management were present:

John E. Potter, President and Chief Executive Officer  
Margaret McKeough, Executive Vice President and Chief Executive Officer  
Jerome L. Davis, Executive Vice President and Chief Revenue Officer

### I. MINUTES OF THE MARCH 28, 2018 BOARD OF DIRECTORS MEETING

The Chairman called for the approval of the Minutes of the March 28, 2018 Board of Directors Meeting, which were unanimously approved.

## II. COMMITTEE REPORTS

### a. Business Administration Committee

Mr. Lazaro reported that the Business Administration Committee had last met March 28. The Committee had concurred with the pre-solicitation terms for custodial services at Ronald Reagan Washington National Airport (Reagan National).

### b. Dulles Corridor Committee

Mr. Tejada reported that the Dulles Corridor Committee had last met March 28. Staff had presented the Dulles Metrorail Project's quarterly cost and schedule update for Phase 1, as well as the monthly cost and schedule update for Phase 2. Hensel Phelps had also presented a quarterly update on Phase 2 - Package B – Washington Metropolitan Area Transit Authority rail yard and maintenance facility.

### c. Finance Committee

Mr. Mims reported that the Finance Committee had last met March 28. The Financial Advisors' reports and the February 2018 financial reports for both enterprises were presented.

### d. Strategic Development Committee

Mr. Sudow reported that the Strategic Development Committee had last met March 28. Staff had provided an update on Project Journey.

## III. INFORMATION ITEMS

### a. President's Report

Mr. Potter acknowledged an incident at another airport the prior day when a passenger suffered a tragic loss of life on a Southwest Airlines flight, which made an emergency landing following an uncontained engine failure or explosion. The Airports Authority, as well as the entire aviation community, is keeping the passenger's family and the airline family of Southwest Airlines, which serves both Reagan National and Washington Dulles International Airport (Dulles International), in its thoughts and prayers. Mr. Potter stated that there is a strong history of safety throughout the aviation industry and everyone is committed to the

safety of the traveling public. He further stated that he believed that the unfortunate incident has caused everyone to redouble their efforts to assure the safe travel on aircraft across America.

Mr. Potter recalled that the March Board Meeting was rescheduled due to an early spring snowstorm, and stated that it appears that warmer weather may finally arrive later that afternoon. After many false starts, the cherry blossoms were finally in full bloom the prior weekend just in time for the past Saturday's Cherry Blossom Parade and other festivities. Mr. Potter reminded everyone that the Airports Authority is a sponsor of the National Cherry Blossom Festival, which is one of Washington's top events for tourism. Since more tourism translated into more business for Reagan National and Dulles International, Mr. Potter stated that staff believed that the sponsorship is a great investment, and Mr. Davis would provide more details in his report.

Mr. Potter reported that the Airports Authority is once again expecting Congressional debate to begin in the coming weeks on reauthorization legislation for the Federal Aviation Administration (FAA). He advised that the FAA Reauthorization Bill is one of several mechanisms sometimes used by Members of Congress to make changes to the slot and perimeter rules at Reagan National. Mr. Potter stated that the slot and perimeter rules are important tools in an effort to maintain balance in Washington's two-airport system. He further stated that by keeping long-haul flights at Dulles International, which has longer and larger facilities to accommodate bigger aircraft that make long-distance flights possible, the Airports Authority is able to maintain a balance between the two Airports. Mr. Potter advised that currently, there are approximately 20 daily exemptions to the perimeter rule, which allow flights to long-haul destinations, such as Los Angeles, San Francisco, and Seattle, to land and take off at Reagan National. He reported that the existing slot and perimeter rule has been a key factor in the migration or loss of passengers from Dulles International to Reagan National, and certainly has contributed to the current imbalance between the two Airports. Mr. Potter also reported that the Airports Authority has received great support from the local congressional delegation in recent years on the slot and perimeter rules and the same Members of Congress are helping once again. More Members of Congress joined the existing supporters when they signed a letter the prior week to the House and Senate leadership voicing strong opposition to any attempts to change the slot and perimeter rules in upcoming legislation. Mr. Potter reported that the letter noted that keeping the slot and perimeter rules intact with

no further changes benefits both Reagan National and Dulles International, as well as Baltimore Washington International Thurgood Marshall Airport. He stated that the Airports Authority is grateful to the supporting members, including District of Columbia Delegate Eleanor Holmes Norton; Virginia Senators Mark Warner and Tim Kaine; and Virginia House Members Barbara Comstock, Gerry Connolly, Don Beyer, Donald McEachin, Robert Wittman, and Bob Goodlatte; as well as Maryland Senators Chris Van Hollen and Ben Cardin, along with Maryland House Members Jamie Raskin, Anthony Brown, and John Delaney. There were also a number of signers from West Virginia who recognize that Dulles International serves as West Virginia's primary international airport. Mr. Potter advised that the West Virginia signers were Senators Joe Manchin and Shelley Moore Capito and House Members David McKinley, Alex Mooney, and Evan Jenkins. He stated that the Airports Authority is grateful for the strong bipartisan support from so many places and he would keep the Board apprised of developments as Congress debates and moves forward with the legislation.

In addition to activity on Capitol Hill, Mr. Potter reported that a lawsuit was filed the prior week against the Airports Authority challenging the toll rates on the Dulles Toll Road (DTR). He advised that the recent lawsuit is the fifth lawsuit of its kind. The Airports Authority was successful in the first four, and staff would keep the Board informed as the new lawsuit progresses.

With respect to financial matters, Mr. Potter stated that he was pleased to report that the Airports Authority's external audit for 2017 is complete, and the Airports Authority had once again received an unmodified, all-clean audit opinion with no material weaknesses involving financial reporting. He further stated that Andy Rountree, Vice President for Finance and Chief Financial Officer, would provide more details at the day's Finance Committee meeting. Additionally, Cherry Bekaert, LLP, the external auditor, would present its report at the day's Risk Management Committee meeting. Mr. Potter acknowledged Mr. Rountree and the finance team for producing a product deserving of a clean audit opinion and for ensuring that all of the transactional requirements and internal accounting controls are maintained throughout the year, which is reflected in the audit. He stated that everyone at the Airports Authority is extremely proud of the great news. Mr. Potter further stated that everyone is aware that the Airports Authority's number one goal is to lower the Cost per Enplanement (CPE)

at Dulles International. He reported that the Airports Authority charges the airlines what it anticipates the cost will be at the Airport with the goal at the end of the year to break even. In 2017, the Airports Authority charged the airlines that service Dulles International a CPE of \$18.97 and staff was pleased as it was the first time in a number of years the CPE was less than \$20. Mr. Potter advised that a true-up occurs at the end of the year as a part of the external audit. He reported that the actual cost to the airlines for CPEs was \$17, which was almost a \$2 improvement, representing a betterment of more than \$20 million compared to where the Airports Authority began. Mr. Potter explained that the reduced CPE is great news but that the airlines that service Dulles International would not see the benefit immediately. He advised that those airlines would begin to realize the benefits of the reduced CPE in 2019, the same year the Airports Authority will lose the \$25 million grant that the Commonwealth of Virginia provided the last two years. Mr. Potter thanked and congratulated everyone for their contributions in producing such excellent results.

In terms of the Airports Authority's operating system, the Board had approved moving from Ceridian to Workday in the human resources and payroll areas, and from Oracle to Workday in the finance areas. Mr. Potter reported that the Airports Authority had reached a big milestone in March when it successfully implemented Workday for the human resources and payroll functions. The financial functions would be implemented on or about July 1. Mr. Potter stated that he was initially unaware of the amount of effort required to make the required transitions, and the Workday team has done a yeoman's job, worked many hours, and worked extremely well together. He then ceased an opportunity to thank the team. The leadership group was led by Tony Vegliante, Vice President for Human Resources and Administrative Services; Goutam Kundu, Vice President for Technology and Chief Information Officer; Mr. Rountree; and Julia Hodge, Vice President for Supply Chain Management. Mr. Potter advised that he, Ms. McKeough, and Mr. Davis also participated at an executive level. He also advised that all Airports Authority employees participated since they were required to learn how to use Workday in order to input their time and be paid.

Mr. Potter acknowledged the members of the Workday team who were in attendance at the day's meeting: Chris Paolino, Deputy Vice President for Strategy, Business Transformation and Performance, led the effort and serves as the coordinator for the Airports Authority's Workday transition.

Mr. Potter stated that the functional area lead for human resources is Tanisha Lewis, Manager, HRIS, who made major contributions to Workday and deserves a great deal of credit. He reported that the finance lead is Chris Wedding, Controller, who was unfortunately not present. Mr. Potter advised that Mr. Wedding had recently undergone a triple bypass and is at home resting comfortably. In Mr. Wedding's absence, Anne Field, Acting Controller, has done a great job. Mr. Potter reported that Vamshi Pakiru, Manager, Business Transformation & Performance, is the lead for Information Technology (IT). He recognized Beth Walters, Payroll Manager, who worked long and hard to ensure that all employees were paid. Ms. Walters received a round of applause. Mr. Potter asked the other Workday team members to introduce themselves and identify their roles. Mr. Paolino thanked Mr. Potter for his kind remarks; Sam Pulcrano, Manager of Organization Design and Management, is the functional area lead for all the Workday communications; Ms. Lewis is the human capital management functional area lead; Nancy Robinson, Compensation Specialist, is the subject matter expert on the human capital management module; Laye Bouta, HRIS Technician, performed unit and end-to-end testing, served as an ambassador of Workday on Tour, and trained the end users on how to use Workday; Chia-yi Yang, Q&A Analyst, served as a Q&A testee; Laurie Carrigan, Employee Development Specialist, was responsible for talent management and served as a trainer; Cyndi Souder, Human Resources Communications Specialist, prepared the Workday newsletter and Workday emails; Edythe Richards, Organization Development Specialist, participated as a trainer; Taneisha Hicks, Management Intern – Human Resources, served as a Workday Ambassador, a subject matter expert for Core ACM, and helped to coordinate Workday on Tour events; Cynthia Demnitz, Employee Development Specialist, served on the business readiness team, coordinated 130 training sessions for the entire Airports Authority, and worked with the Workday Ambassador team; Mr. Pakiru serves as the IT functional area lead; Mike Rumberg, Compensation Specialist, ensured that all of the pay programs were programmed correctly into Workday so that employees could get paid; Ms. Walters thanked Mr. Potter for his kind words; Janet Carpenter, HRIS Manager, was responsible for ensuring appropriate time tracking and assisting with payroll; Melinda Crawford, Benefits Specialist, worked on benefits and part of the integration; Karen Perry, Benefits Specialist, worked on the development of benefits, conducted training, and assisted with integration; and Kevin Mount, Server Database Administrator, worked on staging the data for migration. Mr. Potter stated that he looked forward to introducing the Workday team members who have been instrumental

in the completion of the financial functions once they had been successfully implemented in July.

Chairman Session observed that the Board does not always have an opportunity to learn about all of the individuals who play important roles throughout the Airports Authority so it is important to recognize employees who make major contributions. He asked Ms. Lewis to stand and shared a recent encounter with her when he learned that she has worked at the Airports Authority for more than 20 years. At the time of the encounter, Ms. Lewis said, "The Authority has done well by me." Chairman Session stated that the Airports Authority promotes a very healthy and encouraging environment and it is a testament that people like Ms. Lewis remain employed by the Airports Authority for 20 years or more. He further stated that Mr. Potter would continue to recognize the employees who play an integral role at the Airports Authority.

Ms. Hanley observed that with a major IT project like Workday, the normal process is that it becomes a never-ending project. She inquired whether the recognized employees are still working on the project, to which Mr. Potter responded affirmatively. He described the process that occurred with the transition from a Ceridian model to a Workday model. Mr. Potter stated that the Airports Authority had purchased numerous Ceridian modules that were largely paper-based and never used. The Workday software system will expedite the hiring process and enable employees to perform many capabilities [such as benefit and payment elections] themselves. Mr. Potter stated that all employees will use the new system on a daily basis. As he previously reported, all employees will enter their time in one Workday system, which is different than the four prior systems that were used in the Ceridian model. Mr. Potter explained that there is a database of all the employees' schedules, which is more manageable. He stated that the use of Workday [and its efficiency] will increase even more once the finance modules are operable when all of the purchasing, as well as ordering supplies from the Airports Authority warehouse, will also be done through the system.

Ms. Hanley stated that when a migration occurs within a large organization, numerous schedules exist since employees have different days off and report to work at various times for different shifts, which can cause payroll challenges. Mr. Potter agreed and stated that Ms. Walters and other Workday team members had worked long hours to resolve many of the anomalies that occurred during the first payroll under the new system. He reported that the pay period for the second

payroll using Workday had just ended and it had been much better than the first. As anticipated, there are issues that must still be resolved throughout the ongoing Workday implementation.

#### b. Executive Vice Presidents' Reports

Ms. McKeough presented an update on two additional technology projects that are underway. She reported that she had provided information on the installation of the new parking revenue control system at Dulles International in November 2017. Ms. McKeough reminded everyone that the parking technology platform at the airports needs to be updated and improved periodically. In addition to updating the technology, the Airport's customers will have a more seamless experience as they will be able to swipe their debit or credit cards when they enter and exit the parking garages and not have to provide their forms of payment to an attendant or one of the pay-on-foot machines that presently exist. Ms. McKeough reported that the project is progressing nicely. She stated that the new system will be implemented in phases over several months because it involved lane closures while the parking facilities remain operable. Ms. McKeough reported that the installation of the new system was now completed and operable in both parking garages at Dulles International. Installation of the new revenue control system would begin in April in the hourly and daily surface parking lot in front of the Main Terminal, which Ms. McKeough advised is one of the heaviest used parking facilities due to the peak activity that occurs daily in the afternoon international flight arrivals bank. She stated that a methodical process would be required during the technology deployment in the daily surface lot to ensure that customers encountered no issues during their ingress and egress. Ms. McKeough advised that the deployment in this lot is expected to continue through June. She reported that once the new system is completed in the daily surface lot, the technology would be installed in the economy parking lot, which will occur throughout the summer and fall. Ms. McKeough stated that she would keep the Board informed as the project progressed. Once it is completed, the new parking revenue control system will render a much better experience to customers.

Ms. McKeough reported that the second technology upgrade project would be discussed at length later that day during the Dulles Corridor Committee meeting. She stated that the upgrade to the toll collection system on the DTR is very similar to the new parking revenue control system as it involves the upgrade of software and hardware in all 59

lanes along the DTR, both at the main toll plazas and on the ramps. Ms. McKeough emphasized that the DTR's fixed toll structure that presently exists would not be altered by this project.

Ms. McKeough stated that she wanted to acknowledge the excellent work that the Airports Authority's Public Safety team does daily at both Airports, as well as along the DTR. She advised that the prior day's incident in the industry served as a reminder of the significant mission the men and women of the public safety team may encounter on a daily basis. If needed, they respond to aircraft emergency alerts that might occur on the airfield; they provide a significant amount of medical assistance to travelers who come through the facilities and are in need of medical attention; they help to celebrate the military's honor flights with water cannon and escorting assistance; and they handle a significant amount of traffic management daily on the DTR and at both Airports. Ms. McKeough stated that she wanted to particularly recognize the Airports Authority's Public Safety team since it has been challenged and is doing an excellent job in responding to all of the traffic challenges at Reagan National associated with Project Journey. She reported that the Public Safety team would demonstrate its entire skill set on Saturday, May 5, at Dulles International at the Federal Aviation Administration (FAA)-mandated triennial emergency exercise. Ms. McKeough advised that the drill provides an opportunity to practice emergency response plans should the Airports Authority's Public Safety team have to respond to a large-scale aircraft incident event, similar to what the industry experienced the prior day. She reported that the drill also involves numerous mutual-aid partners, including public safety colleagues from Fairfax, Loudoun, and Arlington Counties, as well as the city of Alexandria, because the Airports Authority would need their support and resources if it had to respond to a mass emergency event. The Airports Authority's federal partners, such as the Transportation Security Administration, FAA, and the Federal Bureau of Investigation, will also participate in the exercise. In addition to actually drilling on the public safety exercise itself, Dulles International will exercise its family assistance support program. Ms. McKeough stated that should an incident ever occur at the Airport, Airports Authority staff will need to be prepared to reunite and communicate with family members who may come to the Airport looking for answers. She advised that these types of events tend to also attract a great deal of media coverage so the Airports Authority staff will promote the exercise throughout the communities to ensure that the public is aware it is a practice drill. Ms. McKeough personally invited Board Members to the May 5 triennial drill at Dulles

International. She stated that staff would provide the details to Ms. Hargrove for distribution to the Board.

Bryan Norwood, Vice President for Public Safety, introduced Denise Pouget, who became the new Assistant Fire Chief on March 5. He stated that Chief Pouget has 37 years of experience from Montgomery and Frederick Counties in Maryland, as well as Alexandria, Virginia. Mr. Norwood reported that Chief Pouget is highly decorated, highly motivated, and has already proven to be a great asset. Chief Pouget stated that her Airports Authority's experience has been a wonderful one thus far. She shared information about her work experience and spoke about her fascination with aviation, as well as her extensive background in safety and training. Chief Pouget stated that she has been an instructor for 27 years with the Maryland Fire Rescue Institute and a professor for the University of Florida for the last four years. She is the proud grandmother of two (almost three). Chief Pouget encouraged Directors to find her if they attended the May 5 triennial emergency exercise drill.

Mr. Norwood also introduced David Huchler, who became the Chief of Police on April 2. He stated that Chief Huchler has 25 years of experience from the Alexandria Police Department where he commanded the investigations bureau, dealt with internal affairs, and worked with special operations in terms of the SWAT teams. Mr. Norwood reported that Chief Huchler is a highly-decorated, highly-accomplished police chief. Chief Huchler thanked Mr. Potter, Ms. McKeough, and Mr. Norwood for the opportunity to serve as the Airports Authority Chief of Police. He stated that he is an adjunct instructor at George Mason University and provides consulting services for the State Department, which he believes will help him to support the Airports Authority's mission. While he gained a fairly good understanding of the Airports Authority and its mission as he conducted research and prepared for the hiring process, Chief Huchler stated that he was not fully aware of the complexities of policing at airports. He further stated that he had informed his staff that he believes they go about their jobs with great humility and that they are probably some of the best-trained police officers in this region.

Mr. Speck made a couple of comments in a tribute to the professionalism and discretion with which the search for the new police chief had been conducted. He stated that he was unaware that Chief Huchler was competing for the position and the decision until it was announced,

which is the correct way. Mr. Speck shared that he had known Chief Huchler for more than 20 years as he continued to rise in the police department ranks in Alexandria. He stated that he believes it is a great opportunity for the Airports Authority to gain an employee with the kind of experience, skill, and knowledge that Chief Huchler possesses. Mr. Speck further stated that he is really pleased for Chief Huchler, but that he is particularly pleased for the Airports Authority. He welcomed Chief Huchler.

Chief Pouget and Chief Huchler received a round of applause.

As Mr. Potter previously reported, Mr. Davis stated that the Airports Authority is a sponsor of the National Cherry Blossom Festival, which has become an annual event. He reported that this year's festivities and flowers were in synch with each other to the delight of visitors from around the world. At this year's festival, the Airports Authority was represented in the parade by two floats and over 40 volunteers wearing Airports-branded T-shirts and carrying Airport banners. Mr. Davis advised that Reagan National and Dulles International were recognized by the parade announcers in news media coverage as the Cherry Blossom Festival's preferred airports in the region. He shared slides of the festive atmosphere in both Airports demonstrated by pink lighting illuminated at both Dulles International and Reagan National, and special offers such as pink drinks and retail items offered by the Airports' concessionaires. In a passenger favorite, the Cherry Blossom stilt walkers greeted passengers as they passed through Reagan National and Dulles International.

Mr. Davis reported that it has been a busy month for new technology-focused initiatives to enhance the passengers' Airport experience. He advised that the Airports Authority's website had been updated to keep up with the rapidly changing trends and preferences for online communications, and to make the website and the services it offers more useful and relevant to customers. Mr. Davis shared a slide of the new home page for the Airports Authority's website. He reported that on April 14, Dulles International and Reagan National became two of the first airports in the country to launch online booking through their home pages. Mr. Davis explained that passengers can now visit [FlyDulles.com](http://FlyDulles.com) or [FlyReagan.com](http://FlyReagan.com) and book flights, hotels, car rentals, and vacation packages, sometimes at a significant discount. He reported that the technology is powered by Priceline, an internationally-known online travel agent, in partnership with the Airports Authority. Mr. Davis stated

that the Airports Authority's goal is to ultimately be able to offer travelers who book through its website the best deals on parking and concessions, as well as other offers to enhance their journey. He advised that although the features just launched last week, there has already been a growing number of customers taking advantage of these new booking options.

Mr. Davis shared a slide about another exciting addition to the website. The "things to do" calendar, which was developed in-house by the marketing and IT teams, allows visitors to select a date on the Airports Authority's website and find a wide variety of events taking place in the region. Mr. Davis provided an example of how to access the list of possible activities. He stated that the Airports Authority believes the calendar is a great feature to promote the diverse and vibrant region to visitors. Mr. Davis reported that future phases of the events calendar will include major events and venues such as professional sporting events, the Kennedy Center, and Wolf Trap. He stated that the Airports Authority believes it is the first in the industry to have such a feature on the website, and he encouraged everyone to try it and provide feedback. In recognition of the employees' hard work and commitment to innovation, Mr. Davis expressed appreciation for the outstanding work of the core team that drove these exciting changes to the website. From the IT group, he recognized Saurabh Sharma, Ashma Shrestha, Karthik Baikati, Kannan Seenivasagam, Balaji Karuppiah, and Asad Naeem; James McIsaac from General Counsel; Don Laffert from Supply Chain Management; and Brian McCoy, Gene Sutch, and Matt Sherwood from Marketing and Consumer Strategy. Mr. Davis also extended expressions of recognition to Chryssa Westerlund, Vice President for Marketing and Consumer Strategy, and Mr. Kundu.

Mr. Davis reported that the partnership with 1776 and its online business platform called Union, the entrepreneurial incubator organization discussed a number of times over the past several months, took a big step forward the prior week. In March, Mr. Davis announced an app and service known as FetchyFox that provides delivery of food and retail items to airport passengers at their gates, and GoWith, a social platform that connects passengers with similar interests and likes at the airport, were winners of the 1776 Airports Authority Innovation Challenge. He advised that both companies were selected from a talented pool of groundbreaking proposals that were submitted to the Challenge over the past few months. Mr. Davis reported that the Airports Authority launched its official work with both groups, as well as

with Sleepbox, a company that will participate in the program as a fellow. He thanked Ms. Merrick and Mr. Adams for attending the April 11 kickoff meeting. As part of the 12-week curriculum of the Airport Innovation Challenge, the startup companies will work with subject matter experts from the Airports Authority to refine and further develop their products in ways that best meet the needs of the traveling public. Initially, the startups will be working with IT and marketing subject matter experts. The companies will also spend time in 1776's Crystal City Incubator, located close to the Corporate Office Building, to further refine their products and services. Mr. Davis reported that the Airports Authority will host a demo day later this summer at which time each startup company will present its pilot programs to the leadership team. He stated that he is looking forward to watching their ideas progress and would keep the Board updated. Mr. Davis noted that since passengers love technology, especially technology they can access on their smartphones and other mobile devices, the Airports Authority is very excited about bringing the new innovative offerings to their fingertips. He stated that it is a part of the Airports Authority's effort to position Reagan National and Dulles International on the cutting edge of technologies and amenities that enhance the passenger experience and provide world class facilities and services for the traveling public.

Mr. Griffin inquired about the services that FetchyFox and GoWith would provide. Mr. Davis described FetchyFox as a service that could deliver items that passengers may have forgotten [or desire] to the gates. GoWith is a company that has a social platform that offers airport passengers some possibilities to connect customers at the Airport who may share the same likes and interests to venture out together for opportunities that are very unique and different. Mr. Davis stated that GoWith may serve as a great opportunity to leverage tourism. He reported that Sleepbox is a company that has already completed a procurement process, and it is participating in the program as a fellow. Mr. Davis advised that Sleepbox is geared toward customers who typically travel internationally. Mr. Davis noted that Sleepbox provides a space that is conveniently located on the airport that customers may use to rest, meet and sleep.

Mr. Sudow inquired as to whether an increase occurred in this year's Cherry Blossom-related enplanements compared to last year's enplanements. Ms. Westerlund stated that she had reviewed the March air traffic statistics that morning and passenger activity at Dulles International was stronger in March than it had been since she joined

the Airports Authority [in 2015]. She advised that historically there has been a 10 percent increase in retail sales based on the concessionaires' reporting. Ms. Westerlund stated that the Cherry Blossom parade is great for the Airports, passengers, and the community. Mr. Davis advised that staff would provide a more comprehensive update at the May Board meeting.

Mr. Adams commended Mr. Davis and the team on the professionalism and the thoughtfulness dedicated to the startup process. As he had previously reported, Mr. Davis would keep the Board informed about the incubation process and potential opportunities that will help position the Airports Authority to be further aligned with exciting things that are happening internationally.

#### IV. NEW BUSINESS

Mr. Adams reported that there was not any new business.

#### V. UNFINISHED BUSINESS

Mr. Adams reported that there was not any unfinished business.

#### VI. OTHER BUSINESS & ADJOURNMENT

Mr. Adams announced that the Board would meet in executive session immediately following the day's Risk Management Committee meeting to discuss matters of a sensitive nature, including the communications item, Project Journey, and a pending DTR rate increase. Pursuant to Article IX, Section 3(c) of the Airports Authority, the Board and its Committees are permitted to move into executive session to discuss existing or prospective contracts, business, or legal relationships in order to protect proprietary or confidential information of the Airports Authority, any person or company, the financial interests of the Airports Authority or the negotiating position of the Authority.

The Meeting was thereupon adjourned at 9:49 a.m.

Respectfully submitted:

Monica R. Hargrove  
Vice President and Secretary