

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
JANUARY 29, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Dwight E. Smith, Vice Chair
Don M. Casto, III
Frank J. Cipriano
James P. Loomis, P.E.
George A. Skestos
Dennis L. White

Absent: John W. Kessler
Wm. J. Lhota

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Alan Harding/Don Peters, Columbus Flight Watch
Marla Rose/Tim Doulin, Columbus Dispatch
STAFF: Bush/Frankl/Goodwin/Holderman/Kitchen/
Langston/Laughlin/Meleski/A. Newland/R. Newland/
Schick/Tanner/Whitaker

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of November 27, 2007. Hearing none, Cipriano moved for approval; Loomis seconded. Minutes approved unanimously.

Committee Reports

Business Development. In Kessler's absence, Roberts said there was nothing to report this month.

Facilities & Services. At the Committee's meeting last week, Loomis reported that they had an opportunity to tour some of the new in-terminal additions. The tour included the new lavatories at the throat of Concourse B which are much roomier and very nice as well as the concessions that have either been added or upgraded recently in Concourses B and C.

The Committee also reviewed and recommended approval of the Facilities-related Resolutions. Two of those Resolutions are large dollar ones. Resolution 10-08 authorizes an expenditure of \$4.1 million for the purchase of 36 parcels of land in a residential area just off the west end of what will be the new South Runway. Resolution 11-08 authorizes an expenditure of \$3.6 million for construction of Phase 2 of the Crossover Taxiway Project, which will get under way in about a month.

Finance. Smith reported that Deloitte & Touche gave a presentation at today's Committee meeting of their penetration testing of the Authority's network. It was the second consecutive year that they have conducted penetration testing of our network to ensure that we are secure and it was significantly improved from last year, thanks to the great job the IT team has done. In fact, all of the vulnerabilities that had been identified in the first year of testing have been addressed satisfactorily. Smith explained that penetration testing is always conducted on a surprise basis and will be done again in 2008 to ensure the security of our network.

Prior to presenting the report, Byrum pointed out that we are still closing the books, finalizing the year-end accrual adjustments, etc., and even though we do not think there will be significant changes, there might be a change in some of the numbers as we continue through the closing process.

For the year ended December 31, 2007, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$75.7 million and Total Operating Expenses of \$49.8 million, leaving an Operating Income Before Depreciation of \$25.9 million. That is approximately \$1.1 million greater than projected. In addition, we added about \$17.2 million of Non-Operating Income, Grants, and Passenger Facility Charges bringing the Net Assets portion of the Balance Sheet to over \$43 million—a significant increase.

The Combined Statement of Net Assets Versus Prior Year End shows almost \$727 million of Assets under management. Cash did decline slightly; it was noted, however, that we issued \$25 million of Commercial Paper Notes in September and if we had not done that Cash would have been reduced around \$30 million. This was not unanticipated based on the fact that we had a large construction budget for 2007. In addition, we had over \$92 million of Fixed Assets—land, buildings, runways, and construction in progress for all three airports, including the Rickenbacker Global Logistics Park.

On the Liabilities side, we have Commercial Paper Notes outstanding of \$25 million. Byrum anticipates that the Notes will be outstanding on a go-forward basis; however, we might reduce that slightly but we do want to be in the marketplace with our name recognition as we are out there anticipating the need to borrow on a Commercial Paper basis when we begin the renovations to the runway or even further down the road for the Capital construction projects for the terminal.

Regarding the percentage rate associated with the Commercial Paper Notes, Byrum explained that we rolled three—basically reissued three segments for 30, 60, and 90 days. The last ones we were able to issue were at 2.6 percent on an annualized basis for about 113 days, so it goes up into May. In addition, when the cost of the Letter of Credit that guarantees that is added in, it is probably close to about a 3 percent rate. At that time, the STAR Ohio State Treasurer's Fund was paying about 4.3 percent on their day-to-day investments. In checking that rate today, it is 4.1 percent and the length of time for STAR Ohio's outstanding is about 25 days as of now, but that will continue to slide a bit as the Federal Reserve lowers the rates. Byrum anticipates getting very good rates on a short-term basis and commented that it is a good time to be sitting on the sidelines watching the market and being able to pick and choose when we want to go back in there. With a \$75 million Commercial Paper Program we can borrow our needs even with an increase in the velocity of our Capital Program. This gives us the chance to choose when we go to the market for permanent financing. In summary, it is good to be where we are right now while the credit crisis and everything else kind of filters through the market from that.

Overall, in 2007 we retired almost \$5.3 million worth of debt, paid off the City use payments on December 31, refinanced a portion of our 2008 Bonds at about a \$2.4 million interest cost savings, and as mentioned previously issued the Commercial Paper Notes.

Bush reported that Parking Revenue for the months of November and December were excellent. For the month of December, we were just under \$2.2 million or about \$330,000 ahead of December 2006. For the full year, we set a record of almost \$28.5 million in parking Revenue or about \$5 million ahead of 2006. Staff now has a new goal of \$30 million in parking Revenue to work toward for 2008.

Human Resources. Casto had nothing to report this month.

President & CEO Report

Roberts directed attention to the activity report for the month of December and year-end numbers. It was a terrific 2007—passenger traffic for every single month was a record month and the year ended up a record year with over 7.7 million total passengers. Skybus brought the lion's share of the growth; however, Southwest, American, Continental, Midwest, and United were all also up for the year. For the month of December, Skybus came into second place market share with 112,000 passengers versus Southwest's 128,000 and are now above Delta's, American's, and US Airways' market share.

Skybus is continuing to grow. They have announced additional schedule changes as well as two new cities that will start up service in March when they swap the longer haul flights and put them into shorter haul markets at the two new cities: Niagara Falls near Buffalo and about an hour-plus drive to/from Toronto and Wilmington, Delaware, near Philadelphia. In addition, they began serving Newburgh, New York, in the greater New York City area on January 6 and opened their second base in Greensboro, North Carolina, earlier this month. Their April schedule shows them with 26 daily departures to 16 different cities--excellent service for us and the community.

Southwest recently announced that they will be adding a third flight to Las Vegas beginning in May, bringing them up to 30 daily departures with 737 aircraft--a benchmark that puts us up into another size of airport from a Southwest perspective.

Skybus' growth has generated quite a bit of interest from other airports--not only talking with Skybus to get them to come to their airports but the airports are contacting us to see what it is like operating/working with Skybus. Last week, staff spent about 2.5 hours with a delegation from the Gulfport-Biloxi Airport--one or two of their Board members as well as a couple of other staff people. According to them, they have a lot of people going down to the Gulf Coast/New Orleans area from here and will be paying for advertising on the side of a Skybus airplane to promote tourism in the region. On January 31, a delegation of seven or eight people will be coming in from the Port Authority of New York/New Jersey. The PANY/NJ own and operate Stewart Airport, which Skybus just started serving this month, and it is a former military base so they are very interested in our Rickenbacker story as well as what Skybus is doing here in Columbus.

As mentioned over the last two or three months, we continue to experience challenges in terms of customer service--especially in the early morning peak period. Some of the facilities are coming on-line to meet those needs and staff is working really hard to find ways to alleviate the congestion. There are a number of things in the works such as moving some of the Skybus check-in kiosks out toward the front of the terminal building and the hiring of some part-time customer-service agents to physically be in the lobby at 4-5 a.m. to direct passengers to where they want or need to be. We are also looking at how we are going to accommodate the continued growth of Skybus in their baggage makeup area. They have some really constrained areas right now that we are attempting to figure out how to expand quickly and will continue to work with the Facilities & Services Committee and

share information with the Board as things are finalized. In summary, there is a lot of work going on to continue to make Port Columbus a user-friendly airport and to encourage airlines to want to continue to add more flights here.

Regarding a lot of discussion in our industry about mergers such as Delta talking with Northwest and United, Roberts directed the Board's attention to a one-page handout chart showing Delta/Northwest/United operations here at Port Columbus. The chart shows that those three airlines represent a little over a third of our number of non-stop destinations and roughly about a third of all total flights and about a fourth of the total seats flown out of Port Columbus. Our biggest risk is if there is a hub closed as the result of a merger, we have non-stop flights to all of those major hubs and so a merged airline would look at what is the local demand going to those markets. Roberts doubts that Delta, or a merged carrier, could justify seven daily flights to Cincinnati if that were not a connecting hub. In addition, from what she has read in the industry press, Cincinnati may be a little more at risk since they have been downsizing that hub over the last few years. On the other side of the coin, if they were to close a hub that close to us, we could see other carriers come in-giving Port Columbus more competition.

The Bowl charters for the BCS national championship game went very well this year. We had 9 charter flights out of Rickenbacker and 13 charter flights out of Port Columbus. The processing of both outbound and return flights went more smoothly than ever before. The only glitch was a baggage mix-up on two returning flights.

Cargo traffic and loads at Rickenbacker were down 12 percent year-over-year. As we have reported for several months now, 2007 was a difficult year for the cargo industry in general and specifically for textile importers due to the retail slowdown and cost pressures to move goods more economically. We hope to see air cargo pick back up and projections are for solid steady growth in the not-too-distant future. We will continue our aggressive marketing and business development efforts and still believe that Rickenbacker is a very strong candidate as an independent gateway for air cargo as an alternative to Chicago or Kennedy, in particular.

We have been working on a couple of major projects and one in particular that we will be focusing on in the upcoming year or so is the in-line baggage solution to get the large baggage screening machines out of the ticket lobby. This past week staff had a series of meetings with our design consultant, airlines, and TSA to evaluate a number of alternatives that might work in this

building. The alternatives were pared down to three options and the design consultant is taking the next step to come up with a preferred option by the end of March. Once the preferred alternative is selected we will have a better cost estimate. We will then present the concept to TSA Headquarters in Washington to get their support and to ultimately request Federal funding to help pay for the system. Once the TSA signs off, we would begin design which would take probably close to a year. After that, we would start construction which will be quite challenging to build in space for this kind of a system that is integrated with all of the bag belts for all of the airlines that are going to three different concourses without disrupting day-to-day operations, especially in a building that was built in the late 50's that has been added to so many times.

During the holidays, the provider of our ARFF services, Rural Metro, offered free blood pressure checks and blood glucose screening to our traveling public as a customer service amenity. The initiative was picked up by *USA Today* as an example of creative customer service during the holidays by airports.

Regarding the fire right before Christmas at the air cargo building on Fifth Avenue, we are still not totally sure what caused it. There is some speculation that there had been a power surge that triggered a short or something; however, it is still being investigated. The fire destroyed all of the Authority's assets and inventory being held there. A temporary wall has been put up between the damaged space and the space next door being leased by Worldwide Services. Power and heat have also been restored to that leased space, so Worldwide Services has been able to continue their belly cargo handling for the passenger airlines.

Resolution 14-08 for the Board's consideration would authorize allowing the Authority to proceed quickly to contract with a company for demolition and reconstruction of that portion of the building that was destroyed. There are only two certified contractors for the Star Building Systems--the type of building that this was--the original contractor and one other company and they are both local companies. Both companies have looked at the site and are working up quotes to restore the building. The quotes are due February 1 and subject to favorable Board consideration we will be able to proceed immediately to award the contract to the qualified contractor that submits the lowest quote. The cost of this reconstruction would be fully reimbursed, less our deductible.

As mentioned earlier, the City's transfer of title to the Authority of Port Columbus and Bolton Field that occurred on

December 31 was a huge accomplishment and a nice way to end the year. The title transfer of the two airports was part of the Airport Operation and Use Agreement that was executed by the City and the Authority in 1991, so the process took about 17 years. Borden, Tanner, and Tursic are to be credited with a lot of the leg work along with the finance team wiring the money.

On March 13, we will be holding a major briefing on our Five-Year Capital Program for interested parties—contractors, consultants, professional firms—at the Concourse Hotel. The Authority had one of these briefings a couple of years ago that attracted well over 100 people and would expect more than that this time due to the major projects on the horizon—runway, terminal expansion, future terminal planning, etc.

With assistance from the Ray and Barney Group, we are making good progress on our organizational improvement initiative. A key meeting will be held February 4 with our entire management group to focus on what our priorities are going to be for 2008 from a strategic view. On the best practices review by Division, we started with the Human Resources and Legal Divisions and will be wrapping up those two divisions later in February.

Ransier, Roberts, and Frankl, who is on the National Board for AAAE, attended AAAE's Annual Aviation Issues Conference a couple of weeks ago. Each year, this policy-focused Conference brings together airlines, airports, some members of Congress (not as many as in past years due to rule changes with respect to those types of trips), and a number of Appropriations Committee staff. It was an excellent Conference with about 550 attendees and there was considerable discussion this year about the FAA Reauthorization Bill. That Bill expired at the end of September 2007 and Congress extended the ability to continue collecting on the aviation taxes that go into the Trust Fund which are the funds that help airports pay for Federal projects through Grants. Unfortunately, Congress only extended the Bill through February, so we have a major effort under way with our trade organizations to try to get Congress to extend the Reauthorization Bill at least through March in order to give the FAA authority to issue Grants.

At Port Columbus alone, we are waiting on an \$8 million payment from our Letter of Intent (LOI) to reimburse us for work that was done a few years ago and that also includes the crossover taxiway, runway reconstruction, and some of the other projects. That is our last payment due from the current LOI and we will be requesting additional monies for the future runway. The impact of having to continue to float those monies is estimated conservatively at about \$400,000 if one looks at a 5 percent cost

of using that money. This scenario is playing out at airports all over the country. That is why it is critical that we get Congress to adopt the Reauthorization Bill or if not, minimally at least, authorize another extension so that the Federal Grants can begin flowing.

Ransier added that she thinks that is the main issue and the lack of optimism that the Reauthorization Bill will be completed in 2008 because of the elections. She thinks it is an outstanding Conference insofar as learning what the issues are that the industry faces. In fact, she thinks it really is more in depth in a sense without the politicians because people are not quoting them so much as really talking about what everyone faces and how to correct things. Roberts explained that the format is a little different than a lot of AAAE's conferences and seminars in that there are group discussions and there might be members of airports, airlines, regulatory agencies all on a panel together, depending on the topic, which allows for an open debate and different perspectives on the various issues.

Reading of Resolutions

01-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY EXTENDING THE TERM AND MODIFYING CERTAIN PROVISIONS OF THE ANNEXATION AGREEMENT BETWEEN THE AUTHORITY AND THE CITY OF COLUMBUS PERTAINING TO CERTAIN PROPERTY AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Skestos
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

02-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A LEASE AGREEMENT WITH THE UNITED STATES OF AMERICA, THROUGH THE UNITED STATES AIR FORCE, FOR THE PORTION OF SECOND STREET WITHIN THE MILITARY CAMPUS AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Smith ; SECONDED: Casto
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

03-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE GRANT OF AN EASEMENT AND RELATED DOCUMENTS TO THE CITY OF COLUMBUS, OHIO, FOR LAND ADJACENT TO AND ALONG ASHVILLE PIKE AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: White
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

04-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY RESCINDING RESOLUTION 105-07 AND AUTHORIZING A CONTRACT WITH AERO SPECIALTIES, INC., FOR THE PURCHASE OF FIVE NEW MA50 TUGS, ONE NEW 90 KVA GROUND POWER UNIT, AND ONE REFURBISHED TUG WIDE-BODY BELT LOADER FOR USE AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Smith
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

05-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH DENNY EICHENBAUM FOR THE PURCHASE OF ONE USED MAIN DECK CARGO LOADER FOR USE AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Cipriano
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

06-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH KRONOS TO SUPPLY ALL SOFTWARE, TIME-KEEPING HARDWARE, AND SUPPORT FOR THE AUTOMATED TIME & ATTENDANCE PROJECT AT PORT COLUMBUS INTERNATIONAL, RICKENBACKER INTERNATIONAL, AND BOLTON FIELD AIRPORTS

MOVED: Skestos ; SECONDED: Cipriano
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

07-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH INTERNATIONAL TRUCK COMPANY FOR THE PURCHASE UNDER STS515 STATE CO-OP PURCHASING CONTRACT OF ONE HEAVY-DUTY SINGLE-AXLE DUMP TRUCK FOR USE AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Cipriano
YEA: 6 NAY: 0 ABSTAIN: Ransier
APPROVED/1-29-08

08-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH MISTRAL SECURITY, INC., FOR THE PURCHASE OF BLAST-RESISTANT WASTE RECEPTACLES FOR USE AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: White
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

09-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE PROJECT BUDGET FOR THE PURCHASE OF CERTAIN PROPERTY ALONG DRAKE ROAD NEAR PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Smith ; SECONDED: Casto
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

10-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY ESTABLISHING A PROJECT BUDGET FOR PAYMENTS TO PROPERTY OWNERS AND AUTHORIZING THE PURCHASE OF 36 PARCELS OF PROPERTY ALONG EAST 13TH AVENUE NEAR PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Smith
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

11-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH SHELLY & SANDS CONSTRUCTION COMPANY, INC., FOR THE CROSSOVER TAXIWAY PHASE 2 PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: Ransier
APPROVED/1-29-08

12-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH THE DICK CORPORATION FOR GENERAL CONSTRUCTION ADMINISTRATION SERVICES FOR VARIOUS PROJECTS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Smith ; SECONDED: Casto
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

13-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH AMERICAN ELECTRIC POWER COMPANY FOR THE RELOCATION OF ELECTRICAL DUCT BANKS FOR THE CROSSOVER TAXIWAY PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Casto
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

14-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY DECLARING AN EMERGENCY AND AUTHORIZING A CONTRACT WITH THE QUALIFIED CONTRACTOR THAT SUBMITS THE LOWEST QUOTE FOR THE DEMOLITION AND REHABILITATION OF PORTIONS OF AIR CARGO CENTER 1 AT 4760 EAST FIFTH AVENUE DAMAGED BY FIRE AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Loomis
YEA: 7 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/1-29-08

Other Business

With no further business to be brought before the Board, Ransier adjourned the meeting

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT & CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
FEBRUARY 26, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Don M. Casto, III
Frank J. Cipriano
John W. Kessler
James P. Loomis, P.E.
Dennis L. White

Absent: Dwight E. Smith, Vice Chair
Wm. J. Lhota
George A. Skestos

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Alan Harding/Don Peters, Columbus Flight Watch
STAFF: Bush/Holderman/Langston/Mulchaey/
R. Newland/Schick/Tanner/Whitaker

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of January 29, 2008. Hearing none, Kessler moved for approval; Casto seconded. Minutes approved unanimously.

Committee Reports

Business Development. Kessler had nothing to report this month.

Facilities & Services. Loomis had nothing to report this month.

Finance. Byrum reported that for the month ended January 31, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$7.1 million and Total Operating Expenses of \$4.2 million, leaving an Operating Income Before Depreciation of \$2.8 million. That is about \$90,000 greater than projected.

The Combined Statement of Net Assets Versus Prior Year End shows a little over \$728 million worth of Assets, down slightly from the end of the year.

On the Liabilities side, Trade Payables and Retainages are down \$9 million—cash we have collected has been used to pay our bills and we have a \$2.8 million increase in Net Assets from Operations.

Human Resources. Casto had nothing to report this month.

President & CEO Report

Roberts reported that passenger traffic for January was another record month with more than 588,000 passengers, a 10.6 percent increase over January 2007. In addition, for the month of January Skybus became our largest carrier, with almost 115,000 passengers—about 2,000 more passengers than Southwest. With the exception of Skybus, it was a fairly sluggish month for all the other carriers. So without them, our passenger numbers would have been down.

Kessler asked if Skybus were getting any better with their customers and Roberts responded that, overall, Skybus has reported that their on-time schedule for arrivals and departures is better than average. In addition, they have acquired another aircraft to bring into service when there are mechanicals. Skybus currently has seven aircraft in Columbus and four aircraft in Greensboro. Ransier added that Skybus has added in-house Counsel, Pete Barlowe, whose forte is acquiring aircraft.

One of the things we are seeing in the industry and which is not unique to Columbus because of fuel costs, is that a lot of the carriers are trying to reduce their capacity by lowering/cutting some of their seats out. Midwest recently announced that they were cutting their two flights to Kansas City April 6 and Delta will be cutting their seasonal Fort Lauderdale flight but will re-visit their Florida markets next fall/winter. Delta also recently announced that they were cutting back their Los Angeles flight, so it is really a tough time for the industry.

The final count on the Bowl charters was a little down from last year—21 was the final count compared to 40 last year.

At Rickenbacker, we saw an increase in cargo which is a reversal of the trend we were seeing late last year.

Extra copies were available of the 2007 Annual Report that was sent to the Board in their advance Board package.

Roberts directed the Board's attention to the Diversity Initiative report handout that she had shared with the Chair and Vice Chair last week and they thought it would be something the full Board would find of interest. The Diversity Initiative is between the Authority, the City, both Counties, and Norfolk Southern for our project at Rickenbacker for the Intermodal Facility and some of the development related to our Global Logistics Park. As the report shows, it is extremely favorable—almost \$5 million worth of work so far and about 31 subcontracts to local, small, minority, women-owned, and disadvantaged businesses—some very significant

percentages of participation by minority firms. It was pointed out that this is a progress report since we continue to have a lot of projects on the horizon. Damita Brown, our Business Diversity Program Administrator, is leading the Initiative for the Authority and has done a really great job.

The Board should have received a notice late last week to Save the Date for the Intermodal opening, which is scheduled for March 10 and we hope those Board members that are in town will join us at the event. We will have a tent on the Intermodal site and the event starts at 12:15 p.m. with the speaking starting at 1:00 p.m. and concluding at about 2:15 p.m. This will certainly be a huge milestone and a terrific event. Governor Strickland; Senator Voinovich; Representatives Hobson, Pryce, and Tiberi; Mayor Coleman; and the County Commissioners from both Franklin and Pickaway Counties have all confirmed their attendance. We are awaiting confirmation from Senator Brown, but believe he will be there as well.

At last week's Experience Columbus Annual Meeting, the Authority was one of four recipients of an EXPY Award for our help in hosting the Gathering of Mustangs & Legends event that attracted a significant number of people to the city. Skybus was also one of the recipients for the economy and attracting new visitors.

On March 13, our Planning, Engineering, and Procurement/Diversity staff will be hosting a "Making the Connection" event at the Concourse Hotel for contractors/consultants/people who want to do business with the Authority. There will be about an hour briefing on our Capital Program of the work that will be coming up over the next few years, followed by a networking reception. The last Making the Connection event we held was extremely popular and for those of you who are asked by others about how to get work out here, encourage them to attend that March 13 event.

In February, the Regional FAA Program Manager and the Runway Safety Action Team held a three-day workshop focused very heavily on runway safety at Port Columbus. They met with Roberts, Borden, our management team, as well as a lot of the users of the airport. There has been national publicity about the importance of preventing runway incursions and we are very fortunate in that we have a good track record here. Part of the reason for that is the separation of our runways and where the terminal and roadway system is located. The Regional FAA Program Manager was formerly an inspector for both Port Columbus and Rickenbacker before he got promoted and he was highly complimentary of our staff and team for the special focus we have on safety and the record we have had here as well as the fact that a lot of the improvements that were

in progress when he was here doing inspections are now completed. He was extremely impressed and our facilities/operations team deserves an extra pat on the back because to get that kind of a clean bill of health as well as endorsement out of the FAA is significant.

Word was finally received about who our new Federal Security Director (FSD) will be. His name is Donald Barker, who spent 21 years in the Marines and was first appointed as an FSD in 2002. He is currently at Memphis International Airport which, with their FedEx cargo hub, is a very busy airport. He is expected to start here on March 17 and we will look for an opportunity to introduce him to the Board at an upcoming meeting.

Last fall, the Board approved a very large contract for an organizational review using the Ray & Barney Group to do Best Practices Assessments of each one of our Divisions. To date, Assessments have been completed for two Divisions—Legal and Human Resources—and we are in the middle of a third Division, Planning & Engineering. There has been a learning curve for everyone and Roberts feels we have a commitment from the vast majority of the leadership group and people are starting to see the value of the process. After the assessments, the next step will be to take those recommendations that are prioritized by quick wins, what can we do in the next 90 days, short-term, and then long-term, resulting in action plans that will be developed for each Division. The Navigators Group, which is the Executive staff (Roberts' direct reports), is the governing group that meets and hears out recommendations and holds each other accountable to ensure that we stay focused on this effort.

Kessler asked if she were encouraged that it would be what she thought it would be. Roberts said she is very encouraged; in fact, it is in some ways exceeding her expectations the more she begins to understand what we are doing and the benefits of that. Prior to beginning the assessments, it was necessary to look at the alignment of work responsibilities and goals. Over the last five years, the Authority has grown considerably and as we step back and look at it, we have a number of areas of responsibility that we have taken on; i.e., Diversity Initiative, environmental, real estate, industrial development, Rickenbacker. As a result, instead of really stopping and reorganizing or restructuring ourselves, we have just picked up the workload by whoever is capable of doing it which at times results in an overlap of responsibilities. As the workload has increased, we have seen the need to sort through who has that ownership, who has accountability, which ultimately means we will have less need to be in as many problem-solving meetings and hopefully less stress.

It is expected that all of the assessments will be done by late summer and as each one is done will go immediately into the implementation stage. The lion's share of the first phase will be done by the end of the year and then it will be maintaining the momentum to ensure that we keep the focus after the consultants are gone.

As we have done every year, the entire management team goes through a planning process. We look at last year's priorities and goals and what were our accomplishments. The next step is to look at what our priorities are for the upcoming year. Seven key priorities have been identified for 2008 and these will be used to prioritize workloads and help the management team identify what resources might be needed. Strategic is defined as those items that if they were not done this year they will pose bigger problems for us in future years. These are often called our critical success factors.

First, and these are not ranked in order of priority—they are all important—is to continue to lead what we are calling this cultural transformation, the Best Practices Initiative, and to make sure that we implement the recommendations after completion of the assessments.

Second is to look for ways to enhance the customer experience at Port Columbus. With double-digit record growth last year and the projection of double-digit growth this year, we have many challenges. We have congestion and accessibility in the terminal and roadway construction, so there are a number of things the different Divisions will be participating in. The worst case would be to have people have such a bad experience when they come here that they start choosing not to drive further to use Port Columbus.

Third is to finance and implement key pieces of the Capital Program that are preparing us for the new terminal, such as keeping on schedule to complete the Interchange, crossover taxiway, and parking expansion. Our best estimate right now for the new terminal to be completed is probably 2015 or 2016; however, there are so many variables to consider: continued growth, no carrier going out of business, mergers happen which might eliminate the need for space, etc. All of the projects are really getting us ready for a green-field facility so it will be easier to do a design and build a terminal for the first phase of the terminal if all of these other things are done. It also spreads out the cost and makes it easier to sell to the airlines when we need those first ten gates. In addition, it helps us get the new runway, which is one of those big projects. Even though

it is not needed to be done physically for the new terminal, it does help financially and with some of our parking and possibly rental car solutions. It is a roughly \$160 million project so it helps to get that funded and fully implemented before we have to start possibly borrowing money for a new terminal. We have gone through financial feasibility studies to look at cash flow to manage the Capital Program. For example, one of the preparatory projects is looking at the utilities and the possibility of getting a utility corridor constructed in 2009 for the future terminal.

Fourth is to ensure that we continue to make significant progress toward our goal of self-sufficiency at Rickenbacker. There are some things that did not quite get done last year: getting the rest of the our land that is obligated to be development-ready for the Logistics Park, constructing a new cargo building, and either rehabilitating or constructing leaseable facilities in order to generate more revenue.

Fifth is in our operating area. In a post 9/11 environment, we have to continue to improve on our emergency preparedness, safety, and security. We have made good progress in the last couple of years on our pandemic and evacuation plans and are putting together a comprehensive plan on how to upgrade our Communications Center and the Emergency Operations Center and how we do communications.

Sixth, assuming a successful selection by NetJets to stay/expand at Port Columbus, is to ensure the successful development of their corporate campus. Holderman will be leading that initiative and it will be a massive effort involving environmental, infrastructure, utilities, roadway improvements, etc., and possibly having to move the radar for the entire airport--so it is very complex. We are keeping our fingers crossed that a favorable decision will be coming soon. This would be huge for the Authority and we would have to do it right to help them be successful. It will involve a lot of interaction with the State and City and other political jurisdictions, so from that view we feel like it is really critical for our success and our image and reputation.

Seventh, we will be revisiting our General Business Plan. This is the fifth year of the Plan since it was updated after the merger with Rickenbacker. As we get through the Best Practices Assessments of all of the Divisions, we will dovetail that right on into revisiting the Business Plan and involving the Board in that process as well.

Reading of Resolutions

15-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE GRANT OF AN EASEMENT AND RELATED DOCUMENTS TO SOUTH CENTRAL POWER FOR LAND BETWEEN THE NORTH PERIMETER ROAD AND AIR CARGO BUILDING #4 FOR ELECTRICAL LINES TO SUPPORT AIR CARGO BUILDING #4 AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

16-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH FRANKLIN TRACTOR SALES, INC., FOR THE PURCHASE UNDER STS 515 STATE CO-OP PURCHASING CONTRACT OF ONE NEW HOLLAND TRACTOR-LOADER BACKHOE FOR USE AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Loomis
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

17-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH JD EQUIPMENT FOR THE PURCHASE UNDER STS 515 STATE CO-OP PURCHASING CONTRACT OF ONE JOHN DEERE TRACTOR FOR USE AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Loomis
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

18-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE SHELLY COMPANY FOR THE BLUE LOT EXPANSION PHASE 3 PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Loomis
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

19-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER FOR THE EXPAND EAST APRON DE-ICE AREA PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT, SUBJECT TO BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR APPROVAL PRIOR TO EXECUTION OF THE CONTRACT

MOVED: Kessler ; SECONDED: Loomis
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

20-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH POST, BUCKLEY, SCHUH, & JERNIGAN, INC., TO PROVIDE CONSTRUCTION ADMINISTRATION, MATERIALS TESTING, AND INSPECTION SERVICES FOR THE EXPAND EAST APRON DE-ICE AREA PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Loomis
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

21-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH GRESHAM, SMITH & PARTNERS FOR STORM WATER MANAGEMENT SERVICES AT PORT COLUMBUS INTERNATIONAL, RICKENBACKER INTERNATIONAL, AND BOLTON FIELD AIRPORTS

MOVED: Loomis ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

22-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY ESTABLISHING A PROJECT BUDGET FOR THE PURCHASE AND INSTALLATION AND RELATED ELECTRICAL DESIGN AND CONSTRUCTION OF AN AIRCRAFT AUXILIARY POWER UNIT ON THE GATE B-32 JETBRIDGE AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Loomis
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

23-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A LEASE AGREEMENT WITH TEAM AIR EXPRESS, INC., FOR DISTRIBUTION SPACE IN AIR CARGO CENTER 2 AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/2-26-08

Other Business

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Casto so moved; Loomis seconded. Ransier adjourned the meeting

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT & CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
MARCH 25, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Dwight E. Smith, Vice Chair
Don M. Casto, III
Wm. J. Lhota
James P. Loomis, P.E.
Dennis L. White

Absent: Frank J. Cipriano
John W. Kessler
George A. Skestos

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
John Levitt/Auditor of State
Les Wright, Paradies
Marla Rose/Columbus Dispatch
Don Peters, Columbus Flight Watch
Mike Bulkley/Rural Metro
STAFF: Bush/Frankl/Goodwin/Holderman/Langston/
Meleski/Morgan/Mulchaey/A. Newland/Schick/Streit

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of February 26, 2008. Hearing none, Casto moved for approval; Smith seconded. Minutes approved unanimously. Ransier then introduced and welcomed John Levitt, of the Office of the Auditor of the State of Ohio.

On behalf of the Auditor of State, Mary Taylor, Levitt presented two awards to the Authority for Excellence in Financial Accountability for the fiscal years 2005 and 2006. To put into perspective how difficult it is to win this award, he explained that the State Auditor's Office audits about 5,000 entities every year and fewer than 5 percent of those audited actually receive the award. The fact that the Authority has qualified for the award for two consecutive years is excellent. After reading the plaque, Levitt presented it to the Authority's CFO, John Byrum.

Byrum thanked Levitt for the Auditor of State's award and recognized Langston, Controller, and Streit, Assistant Controller, as well as the entire Accounting staff for their contributions that enabled the Authority to win the award for 2005 and 2006.

After a hearty round of applause, Ransier called for the Committee Reports.

Business Development. In Kessler's absence, Roberts asked Holderman to present an update on some development that recently took place. Holderman reported that on March 20, we sold our first building that we developed on the North Campus of the Global Logistics Park to a Swiss Pension Fund. The building was about 1.2 million square feet and with the current credit markets that was not an easy challenge. With the current state of domestic credit markets, we were not getting the kind of price we thought this building could command and we ended up selling it at about a 7.3 cap rate, which in this market for a building whose longest lease term is five years, is a major coup. It was a very strong sale that equates to about \$42.50 a foot or a \$51 million sale which nets the Authority in cash about \$5.5 million and a net gain of about \$3 million. That was certainly far and above what was anticipated on a per building basis. There is another building under construction adjacent to the one that just sold that has some good prospect activity. Holderman hopes that the Swiss Pension Fund is a portfolio buyer and will roll through to the next building and possibly more. In summary, it was an excellent sale giving us the kind of numbers we expect to generate on the next go-round.

Casto commented that the sale was better than excellent, it was exceptional.

Facilities & Services. Loomis had nothing to report this month.

Finance. Byrum reported that for the year-to-date through February 29, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$13.5 million and Total Operating Expenses of \$8.1 million, leaving an Operating Income Before Depreciation of almost \$5.5 million. That is about three-quarters of a million dollars over Budget for the year-to-date period caused primarily by our setting up our initial valuation of inventory of about \$620,000 that was credited as an Expense and set up as an Asset. Otherwise we would be very close to our Budget numbers. We will be managing that Asset as we go forward.

The Combined Statement of Net Assets Versus Prior Year End shows that we have over \$724 million of Assets under management. We have declined a bit since the end of the calendar year but that was expected. On the Liabilities side, it shows that we have paid our Trade Payables and Retainages, Real Estate Taxes, and Interest as well as reduced our Long-Term Debt with a payment of \$3.1 million. Overall, the Authority continues on a strong financial footing very close to Budget.

Regarding the Authority's investments, Byrum ensured the Board that we do not have any auction-rate bonds or mortgage-backed securities as investments. In addition, it is not anticipated that we will need to go to the Capital markets anytime in the next three years or so based on current activity. What that does is it allows us to sit on the sidelines as an observer rather than as a participant as this credit crisis/credit market situation clears itself and settles down and we will continue to monitor that as we go forward.

Human Resources. Casto had nothing to report this month.

President & CEO Report

Roberts said "What a month!" On March 10, we had a great turnout for the grand opening of the Intermodal facility. In addition to several of our Board members in attendance, our entire Congressional delegation was there. Kudos to Tabor and her team who planned the event as well as to Bush and Goodwin for their support in getting everything ready for the event at Rickenbacker.

On March 12, NetJets announced that they were staying and expanding in Columbus. Thanks to Holderman's efforts, our part of the deal would not have happened but for his staying with it hour after hour, day after day, to help negotiate the deal on the Authority's behalf.

On March 13, Newland, Meleski, Tanner, and our Diversity Program Coordinator, Brown, hosted a successful "Making the Connection" event at the Concourse Hotel. Over 200 consultants and contractors interested in doing business with the Authority were briefed on our Capital Program for the next few years as well as our diversity efforts.

Port Columbus' passenger numbers continue to grow. For the year-to-date, we are up almost 14 percent and for the month of February we are up 17 percent over February 2007. Roberts cautioned that for the first five months we will see big monthly and year-to-date numbers because Skybus has still not rotated around with twelve months of operations. As a result, when one looks at the numbers we are up 84,000 total passengers for the month and 99,000 of those passengers were attributable to Skybus. So without Skybus, passenger traffic would have been down. Southwest continues to grow with over 12,000 more passengers for the month and Midwest Airlines also had a big percentage of growth. Midwest doubled their passengers by adding flights last year to Kansas City and Milwaukee. Even though the numbers are very positive and encouraging, with the state of the industry we will have to watch closely to see what happens.

Last week, Delta announced cutbacks and is literally selling off or grounding a lot of their 50-seat smaller regional jets as not profitable to fly because of the high fuel prices. They have cut back their Fort Lauderdale, Tampa, Hartford, and Fort Myers flights. It was initially reported to the Board that Washington-Reagan would also be cut. However, right now is not for sure. Delta hopes to keep the Washington-Reagan flight since they are very pleased with the service to Columbus. Part of the issue is related to slots that they are being required to give up. Delta is also bringing back the Los Angeles flight and is telling us that it is only for the summer but they were very pleased with its performance as well in the past.

On March 24, it was announced that Bill Diffenderffer, CEO of Skybus, resigned. Staff has been working closely with Skybus and their senior management team to look for ways to improve their operational efficiencies and the winter did not help them this year. De-icing and weather delays hurt all the airlines; however, an airline like Skybus that is so dependent on turning airplanes around in 25 minutes and keeping them flying 14 hours a day, was especially hurt by some of their operational issues and they are working very hard to improve those.

Staff is continuing to work on things we can do specifically to help in the early morning peak periods. Frankl's staff has taken a leadership position, along with Whitaker as well as others, in the customer service area. We are in the process of hiring part-time customer service agents which we are finding challenging to find people who want to work a split shift starting at 4 a.m. for three or four hours and then again in the afternoon peak period. Roberts expressed her thanks to the entire management team who volunteered their time over the last few weeks during spring break to help out with customer service and customer assistance in the lobby.

Regarding activity for the month, Smith pointed out that in addition to gaining an airline we lost one in JetBlue. As a result, the earlier comment about minus Skybus we would be down rather we would probably be about flat because JetBlue had 13,000 passengers in February last year. Roberts agreed—JetBlue stopped flying in early January so we would have been about even. We still feel confident that we have a strong market and just like we experienced five years ago when America West downsized, we were confident that we would recover particularly since we do not rely on a lot of connecting flights like the Cincinnati hub does. On the other hand if all the carriers are really challenged because of the fuel prices and looking for ways to cut capacity or park airplanes, it will not be a pretty picture.

At Rickenbacker, cargo was down less than 1 percent in February and for the year-to-date is basically even—a positive 0.1 percent. We continue to be optimistic for the long term in terms of cargo growth and operations. However, again, some of the same things that are affecting the passenger markets are also affecting the cargo markets. Whitaker and his team are working on a new market study and an action plan to determine how we can deal with the consolidation going on in our air cargo environment. In fact, Whitaker brought in some of the companies that do business at Rickenbacker—UPS, FedEx, and others—to discuss that action plan and how we can generate more business.

Myrtle Beach Direct Air, a charter airline, started service a week-and-a-half ago out of Rickenbacker with three flights a week to Myrtle Beach. We do not have any information as yet about load factors but it appears to be a good response so far.

On March 19, MORPC hosted an Ohio Transportation Leadership Forum with presentations by numerous top-notch policy type people from around the country and Washington. Seven of our senior team attended the nearly all-day event. The Forum focused on how are we going to pay for future infrastructure—not just airports but highways and bridges and ports and how this really is not getting talked about much in the political campaigns. The investment in future infrastructure is really going to be critical for the U.S. in order to have a first-class economy if we don't want to lose ground to China, India, and others in the world. The Forum was extremely informative and eye opening and a good experience to see the impact on the entire transportation industry.

At the request of Mayor Coleman, on March 27 Roberts and Holderman will be giving a presentation at the all central Ohio Mayors and City Managers meeting that is held every other month. They are to present an update on everything going at Port Columbus and Rickenbacker because the group is obviously very interested in NetJets, Skybus, our long-range development plans, and the Global Logistics Park. The presentation and Q&A session is anticipated to be well over an hour.

Earlier this month, Roberts presented an airport update to well over 100 attendees at the Athens Rotary Club. In addition, she also presented an airport update about what is going on and how to manage during times of high growth at COTA's Management Retreat this morning.

Also, after the Intermodal event, the Chamber hosted a business roundtable discussion with Senator Sherrod Brown. Roberts was invited to participate and found it to be highly productive. One

of the things that came out of that is the Senator expressed some interest about our issues with getting FAA reauthorization through Congress and he requested a copy of the testimony that she had given last spring before the House Transportation Committee. As a result, Roberts feels we at least have him a bit more up to speed about our concerns and issues.

On Wednesday, May 7, the Authority will be hosting a dinner for Southwest Airlines CEO, Gary Kelly. He will be in Columbus for a major event that the Chamber is hosting the next morning and through Whitaker's and Tabor's efforts, were fortunate to get him to agree to a private dinner. We will be inviting the Board and a few key community leaders to join us and, based on his schedule and other commitments, will probably be held at around 7:30. She asked those interested Board members to hold the evening of May 7.

As mentioned last month, we have a new Federal Security director for TSA coming on board. His name is Donald Barker. His original start date was postponed but he starts next Monday, March 31. He was formerly the FSD at the Memphis Airport and Roberts talked with her counterpart at Memphis recently and he speaks extremely highly of Barker. We will attempt to schedule him to be at the next meeting to introduce him to the Board.

Our Facilities and Maintenance teams did a terrific job during the huge snow storm of March 7 and 8, which was the single largest storm on record of snowfall on one date. She then asked Borden to present a quick update on the incident involving the Continental Airlines aircraft that went off the end of the runway and the effort our team put forth with that.

Borden reported that total snowfall which began on Friday, March 7, and continued through Saturday, March 8, was in excess of 20 inches—the largest single storm total on record in Columbus. At 11:20 p.m. on March 7 the Continental Airlines 737 arriving from Houston with a total of 130 passengers and crew aboard slid off the east end of the north runway—landing from west to east. There was heavy snow at the time and the aircraft came to rest about 500 feet beyond the end of the runway and in the process of over-running, the aircraft slid sideways to the right and ended up about 100 feet south of the extended runway's centerline. The landing gear of the aircraft sunk into the soft earth to a depth about three-quarters of the way up the main landing gear's tires which, quite frankly, was fortunate. The soft earth really slowed the aircraft rather quickly and fortunately no one was injured and the aircraft was not damaged.

The Captain of the aircraft along with the ARFF Captain made an excellent decision not to evacuate the passengers from the aircraft but to keep them on board and sheltered, which was a very good decision. Within 15 minutes of the incident we had four shuttle buses from our parking operation on scene, which was really remarkable under the circumstances—kudos to Bush's ground transportation staff. The operation of getting the passengers off of the airplane and into the terminal building went very smoothly, albeit somewhat slowly. The passengers were taken into the Gate C-46 area, which is the Customs facility. After the passengers were taken off, we assisted with getting the baggage off of the airplane so the passengers ultimately could claim their baggage and go on their way.

The aircraft recovery contractor arrived in the middle of the snowstorm on Saturday and the aircraft was recovered late that afternoon. The contractor was able to remove the aircraft which enabled us to get that runway open again Sunday afternoon.

The NTSB is still investigating the incident so we will not speculate on the cause. Borden does want the Board to know, however, that we are very confident in the condition of that runway at the time of the landing and are comfortable that we will come out of this in good shape. The runway had been plowed and treated and reopened approximately 20 minutes before the aircraft landed. We take friction measurements, braking action measurements, on the runway before it is reopened and we had very good numbers on the runway. Five minutes after the incident, as a matter of procedure, we took runway braking action measurements again and the numbers were still in the acceptable range. So we were quite comfortable with the condition of the runway at the time.

Regarding our snow removal efforts, Borden cannot say enough about our crews and how they performed throughout that weekend. Not only on Friday when we had both runways available but in particular then after the Continental Airlines incident when we were effectively down to one runway for the remainder of the weekend, our crews were able to keep the south runway open for arrivals and departures as needed. They changed their operating methods somewhat because they only had one runway available and what they did was they stayed on that runway, only reopening it upon request for an arrival or for a departure. It was fortunate that most of the airline's schedules were cancelled on Saturday so it did make it a little easier for our crews. Nevertheless they did a phenomenal job of having that runway available at the times when it was needed.

As an example, Skybus' Vice President of Operations, whom Borden and Frankl had lunch with earlier today, related how difficult it was to get their airplanes in and out because most of the time visibility was below the required minimums. So when visibility would come up briefly, they had a very narrow window to get their flights in or out and our crews did a phenomenal job of having that runway available at that particular instant when visibility allowed them to take off or land.

Prior to the lunch meeting, Borden got the following e-mail from Skybus' Vice President of Operations during the storm, and what he said was: "Your airport snow team has been giving an Herculean effort through the night and into this morning. Their runway clearing and coordination plan during the early hours Saturday saved us three divers. Please let your team know how grateful we are for their fine work." It was very satisfying to get that acknowledgement from Skybus for our crews for really putting all their efforts into doing such a great job.

Lhota asked how does one get a 737 out of the mud and back on the runway and once that is done do they just fly it away?. Borden explained that we have a list of contractors in our Emergency Plan that we can call upon in an incident like this. What they do is they have heavy equipment and they will come out and will jack up the airplane enough to typically get steel plates, large steel construction plates like those used on roadway work, and put that under the wheels of the aircraft and then back the airplane or pull it forward and just keep laying the steel plates in progression as they move the airplane back onto the pavement. After the aircraft is back on the runway, the mechanics check it out and if there is no damage the aircraft is cleared to fly.

In conclusion, Roberts thanked Borden for his efforts as well as all of those that responded during the incident--ARFF Chief Bulkley, Operations, Public Safety, Ground Transportation, and Newland's snow team. Roberts also remarked that the airport was shut down for about 90 minutes on Friday in the middle of the snowstorm due to visibility. This action contradicted what she had recently told some people that our airport never closes because we can always keep one runway open. It is a rare day when we have to literally close both runways and having one out of operation due to the incident with Continental's aircraft, put a lot of burden on our folks but they did do a terrific job under extreme circumstances.

Reading of Resolutions

24-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN AGREEMENT WITH CLIFTON FAMILY FARMS PARTNERSHIP FOR THE LEASE OF UP TO 1300 ACRES OF FARMLAND AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

25-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH KOKOSING CONSTRUCTION CO. FOR RUNWAY 5L/23R PAVEMENT IMPROVEMENTS PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Smith
YEA: 5 NAY: 0 ABSTAIN: Ransier
APPROVED/3-25-08

26-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH DUBLIN BUILDING SYSTEMS FOR HANGAR IMPROVEMENTS, HANGAR 1001 PROJECT, AT RICKENBACKER INTRNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

27-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH TRUCCO CONSTRUCTION COMPANY FOR CONSTRUCTION OF RAMP 3, PHASE 3 RECONSTRUCTION WITH FUEL HYDRANT LOOP EXTENSION PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

28-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH R.W. ARMSTRONG FOR CONSTRUCTION ADMINISTRATION AND INSPECTION SERVICES IN CONJUNCTION WITH THE CARGO RAMP #3 RECONSTRUCTION PHASE 3 AND FUEL HYDRANT LOOP EXTENSION PROJECTS AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

29-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH WOOLPERT, INC., TO PROVIDE AERIAL PHOTOGRAPHY AND PHOTOGRAMMETRY SERVICES AT PORT COLUMBUS INTERNATIONAL, RICKENBACKER INTERNATIONAL, AND BOLTON FIELD AIRPORTS

MOVED: Loomis ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: Ransier
APPROVED/3-25-08

30-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH COMMAND HEATING, INC., FOR THE HANGAR #1 HVAC RENOVATIONS PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

31-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH POST, BUCKLEY, SCHUH, & JERNIGAN, INC., TO PROVIDE A STUDY OF THE CAPACITY AND SPACE REQUIREMENTS FOR THE AIRFIELD LIGHTING VAULT, DESIGN SERVICES FOR EXPANSION OF THE NETJETS AIRCRAFT RAMP, AND FOR OTHER CONTRACT AMENDMENTS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

32-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE EDGE GROUP, INC., TO PROVIDE LANDSCAPE MASTER PLANNING SERVICES FOR INTERNATIONAL GATEWAY AT PORT COLUMBUS INTERNATIONAL AIRPORT AND TO DEVELOP A STREETScape CONCEPT FOR STELZER ROAD IN COOPERATION WITH THE CITY OF COLUMBUS

MOVED: Loomis ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

33-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH LANDRUM & BROWN FOR THE PREPARATION OF AN ENVIRONMENTAL ASSESSMENT AND CATEGORICAL EXCLUSION FOR THE NETJETS EXPANSION PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/3-25-08

34-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY RATIFYING THE EXECUTION OF A MEMORANDUM OF UNDERSTANDING AS WELL AS AUTHORIZING OTHER REQUIRED AND RELATED AGREEMENTS WITH NETJETS AND/OR ITS AFFILIATES AND/OR WITH OTHER POLITICAL SUBDIVISIONS OF THE STATE OF OHIO RECOGNIZING THE GENERAL TERMS AND CONDITIONS NEGOTIATED FOR THE EXTENSION OF NETJETS' LEASE AND THE DEVELOPMENT OF LAND LOCATED ADJACENT TO NETJETS' FACILITY ON THE NORTH AIRFIELD AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: Smith
APPROVED/3-25-08

Other Business

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Casto so moved; Lhota seconded. Ransier adjourned the meeting

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT & CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
APRIL 22, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Don M. Casto, III
Frank J. Cipriano
James P. Loomis, P.E.
Dennis L. White

Absent: Dwight E. Smith, Vice Chair
John W. Kessler
Wm. J. Lhota
George A. Skestos

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Ian Porter, SNP News
Marla Rose, Columbus Dispatch
Alan Harding/Don Peters, Columbus Flight Watch
STAFF: Bush/Goodwin/Holderman/Johnson/Langston/
Meleski/Mulchaey/Schick/Tanner/Whitaker

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of March 25, 2008. Hearing none, Cipriano moved for approval; Loomis seconded. Minutes approved unanimously.

Committee Reports

Business Development. Nothing to report this month.

Facilities & Services. Loomis reported that at last week's meeting staff briefed the Committee on steps they are taking to measure the impact of Skybus' shutdown—not only on the Budget but the scheduling of the Capital Projects as well. The Board will be looking forward to what those changes will look like; however, it will be a few weeks before that is done.

Finance. Byrum reported that the Finance Committee acting as the Audit Committee met on April 15 with our independent audit firm of Clark, Schaefer, Hackett & Co. to review the audit results for the year ended December 31, 2007. The independent auditors report again expressed an unqualified, or clean, opinion for not only the general audit but also the A133 which is the audit of our governmental programs. In addition, there were no significant deficiencies or material weaknesses in our internal control over financial reporting, no instances of any non-compliance of a

material nature, and there was no management letter issued this year since they found no points even of a clerical nature that were deemed necessary to be communicated. After Vice Chair Smith met with the independent auditors in Executive Session, he said he was very pleased with the audit and asked that Byrum convey that to the full Board.

Regarding the financial statements, Byrum reported that for the year-to-date through March 31, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$20.4 million and Total Operating Expenses of \$13.3 million, leaving an Operating Income Before Depreciation of almost \$7.1 million. That is about \$220,000 over Budget or a little over 3 percent. As previously mentioned, we are working on some Budget revisions to be presented at a later time. One item to highlight on this statement is the Realized/Unrealized Gain of about \$3.1 million which represents the gain recorded on the sale of property at Rickenbacker that Holderman spoke to last month.

The Combined Statement of Net Assets Versus Prior Year End shows that we have \$729.2 million of Assets under management, which is down \$6.2 million compared to March 31, 2007. Cash is up over \$6 million; however, there was a reduction of \$2.8 million in Land and Land Improvements under Property & Equipment which relates to the land that was sold for the above-mentioned transaction. On the Liabilities side, it shows that we have paid our Accounts Payables, Trade Payables and Retainages as well as reduced our Long-Term Debt by almost \$3.4 million.

Human Resources. Casto reported that the Fraternal Order of Police (FOP) challenged the Ohio Patrolmen's Benevolent Association, who currently represents Police Officers, for the right to represent our Police Officers. An election was held on April 11 and the FOP won by a vote of 20 to 4. The Police Officers contract expired March 31, and it is anticipated that the Authority will receive formal notice to bargain within the next three to four weeks. Negotiations should begin in late May or early June. In addition, negotiations are progressing with the AFSCME bargaining unit which represents approximately 150 Airport Authority employees, primarily maintenance, custodial, and communications technicians. That contract also expired on March 31 and has been extended to June 30.

President & CEO Report

Roberts reported that the biggest news since the Board last met was the decision by Skybus to cease operations. Before giving the

Board a high-level overview of where we are, the impact to the Authority, and how we are dealing with it, she publicly thanked Whitaker and Borden, in particular, as well as many of our staff who stepped up to the plate to assist those passengers who were stranded since she had just left on vacation the day of the announcement.

At the time of Skybus' decision to cease operations, they were operating 23 daily flights to 15 cities out of Columbus and were our second largest carrier with over 100,000 passengers per month. In fact, for the month of March they had almost 125,000 passengers representing 18 percent market share; Southwest, our largest carrier had about 23 percent market share for the month of March. Of course, those numbers will start to change in April but until we get through May it is expected that we will start seeing probably negative numbers since Skybus did not start operating till late May 2007.

We are currently forecasting about a 6.5 percent reduction in passengers this year compared to 2007 with a bit of a caveat since right now it is difficult to project what all the airlines are going to do. The industry now is having some really challenging times with fuel costs and the sluggish economy contributing significantly to airline decisions. In an article from a national aviation publication today it talked about all the other major carriers and some of the capacity cutbacks that they have either already announced or will be announcing later this year--those are national cutbacks not specific to Columbus.

Delta has already announced a few cutbacks here since they are flying fewer of the 50-seat regional jets, other than the ones that feed into their larger hub markets, because they are not as fuel efficient. Additionally, with the recently announced proposed merger with Northwest (which we will not know for a while whether that will be approved by the regulators), we do not see that as having a major impact on us because there is no overlap in their markets. Even though they have indicated that they would not close any of their hubs, if they change their mind various experts have said that Cincinnati is probably the most at-risk. However, if they do not cut any of their hub cities, we should be pretty safe for the moment.

To reiterate, based on the schedules that we know of to date we are projecting about a 6.5 percent passenger loss this year over our record last year. Roberts handed out to the Board a copy of our current schedule showing which cities are served by which carriers--167 daily flights and one weekly flight to 35 different destinations by ten different airlines. As a result, we still feel confident that we have a strong market here.

As one looks at what really drives the demand for air service, it is the local market, local community, and the demographics. The fact that Columbus is the state capital, has a good balanced economy, and numerous universities in the region, as well as the fact that the region's population is projected to continue growing are all positive signs. We feel confident that we will fully recover from Skybus' cessation of operations as well as the cut-backs by Delta, just as we did five years ago after America West downsized.

The flights that Delta has announced that they will be pulling out of by the end of May are primarily to Florida—Fort Lauderdale, Fort Myers, and Tampa—as well as their Hartford flights and two-a-day flights to Washington-National. Those are markets that were also served by Skybus, Fort Lauderdale in particular as well as Hartford via the Chicopee, Massachusetts, airport. Fort Lauderdale and Kansas City were the two largest markets we have that were served by two airlines, including Skybus. Kansas City was also being served by Midwest until recently. As a result those two cities are high on our list of targeted markets that we will continue to go after with our air service Incentive Program.

Whitaker and his team have been reaching out to all of the other airlines as well as carriers who are not currently here trying to determine if there is any interest in filling some of the voids. Because of the general situation all of the airlines find themselves in right now, none of them are stepping up like we saw with America West's downsizing when numerous airlines said they were ready to add flights. Some of the airlines may revisit the possibility of adding flights later this fall especially some of the Florida markets that are so popular going into the winter season. We will continue to talk with carriers as well as those who are not here such as JetBlue who recently left because they did not realize the feed through their JFK connecting hub for other destinations. JetBlue has since changed their model and are starting to do some point-to-point flights from some of their other markets into the Florida area in particular and we think those kind of flights would be extremely successful in the Columbus market.

Southwest continues to grow and on May 10 will add a third flight to Las Vegas, taking them to 30 daily departures. However, that is a bit short-lived because after Labor Day they have indicated that they intend to cut back frequencies—reducing one flight from Orlando, Tampa, and Las Vegas, taking them back to 27 daily departures. It is thought that we will continue to see a bit of this bouncing around nationally as the airlines are trying to cut anywhere from 1.5 to 5 percent of their capacity as a way to cut costs as the fuel prices continue to be so high.

In general, it is a very tough time for all of the airlines and startup airlines are always high risk. We knew that going into the decision with Skybus and in hindsight Roberts does not think we would have done anything differently. Skybus made a great effort and had ten months of very strong numbers and from a national publicity standpoint, put Columbus on the map in some respects with a lot of positive press. It also showed that the demand and the market was here for the leisure traveler.

Overall, our core purpose and mission as an Authority, as a public entity, is to try to achieve good air service for our community. So anytime we have an airline that either wants to come in and start up operations or an airline that exists that wants to come to Columbus or an airline that is already here that wants to expand its service, we are going to sit down with them and look for ways to help them grow or expand here.

With Skybus, we did everything we knew to do at the time in terms of having their Business Plan looked at by a third party expert and the business community and investors were really the ones that said "this makes sense, let's try it." Unfortunately, it did not work and for that we were very disappointed for our customers. However, Roberts feels it was the perfect storm coming together in terms of the economy and the fuel prices as evidenced by the fact that three other airlines ceased operations within a week of Skybus' demise and Frontier Airlines declared bankruptcy, so it was not unique just to Skybus.

In response to the projected \$700,000 to \$800,000 per month loss of revenue, staff is taking a hard look at our Operating Budget to see what we can do to tighten the belt--lower some of our Operating costs and expenses. As a result, we will be coming back to the Board in the next month or two with an amended Budget for the remainder of the year largely because of the significance of the revenue stream. Roberts noted that the largest revenue streams are parking, food/beverage/concessions, and auto rental that would see the impact of a reduced number of passengers. In addition, we have also put a freeze on hiring or filling vacancies, other than due to an operational need. At this point in time, she does not see the need for layoffs since we still have strong cash reserves and liquidity. The intent is to live within the means of our Budget and revenues.

Staff has also taken a look at our Capital Budget and how this will affect our Capital Program. Most of the projects that are either under way or that were being planned to position us for future growth will continue. Projects such as the runway, Interchange, and crossover taxiway since most of these projects

take several years to plan, design, and construct. The one project that will be most impacted will be the timeline for the new terminal. It had been 2018 but with Skybus and the growth we experienced last year, we were thinking possibly as early as 2015. So that is now pushed back to at least 2018 and maybe even a bit beyond that. As we have consistently told the airlines, a new terminal will be driven by demand and need so until we start approaching around 10 million passengers in this terminal, we are in very good shape to stay here for the long term.

In response to White's question about the status of Skybus' aircraft and does the Authority get recovery costs for keeping the aircraft here, Roberts said that their fleet is tied up in the bankruptcy and the Authority has asked to be represented on the Creditors' Committee. Tanner added that, pursuant to legal documents that have to be honored through the bankruptcy process, the aircraft are not to be moved without permission from the Bankruptcy Court and they do incur expenses that are eligible to be reimbursed through the bankruptcy.

We are working closely and making good progress with NetJets to get ready for their development on the north side of the airport. Holderman, Meleski and some of his Planning staff, as well as a top executive from NetJets traveled to Fort Worth, Texas, this past week to meet with those in the FAA that will be responsible for helping us get the radar moved from the north side which was a condition of NetJets expansion. The FAA had about 20 people in attendance from different divisions so it was given very serious attention.

A couple of other things related to the NetJets project. We are on the street with a Request for Proposals and Qualifications to conduct a traffic study jointly between the Authority and the City. At today's meeting the Board will be asked to consider a Resolution authorizing that traffic study. We have also started the design of their ramp expansion for additional aircraft parking on the north side. That project will be under construction later this summer and will be completed before the end of the year.

As mentioned last month, our new TSA Federal Security Director, Donald Barker, came on board at the end of March. Roberts has met with him and he had planned on being at this meeting to meet our Board members. Unfortunately, he got called out of town on some TSA business and sent his regrets. We will schedule his visit for one of our upcoming Board meetings.

Congratulations were extended to Borden and the Public Safety Division on receiving re-accreditation from the Commission on

Accreditation of Law Enforcement agencies (CALEA). Roberts explained that three years ago our Public Safety Division received its accreditation from CALEA. The process is one that very few Airport Police Departments take the time and effort to go through since there is a lot of work involved, including re-accreditation every three years. This year CALEA's national evaluation team came to the airport and held public meetings in an open-house format for those who wanted to express their opinions and comments on their relationship with our Airport Police. The evaluation team also looked into our professionalism, training, records, etc., and were quite pleased and impressed with our team and granted the re-accreditation. As a point of information, at the time we were initially accredited three years ago, there were a total of seven airports whose Police Departments were accredited and about 5 percent of all Police Departments nationwide. The Columbus Police Department is accredited.

Reading of Resolutions

35-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE GRANT OF AN EASEMENT TO SOUTH CENTRAL POWER FOR LAND ADJACENT TO ALUM CREEK DRIVE FOR ELECTRICAL LINES AND EQUIPMENT TO SUPPORT THE DEVELOPMENT OF BUILDING 936 AT THE GLOBAL LOGISTICS PARK NORTH CAMPUS AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Casto
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

36-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH JD EQUIPMENT COMPANY FOR THE PURCHASE UNDER STS 515W STATE CO-OP PURCHASING CONTRACT OF MOWING AND AIRFIELD MAINTENANCE EQUIPMENT FOR USE AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Casto
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

37-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH REYNOLDS, SMITH AND HILLS FOR CONSTRUCTION ADMINISTRATION AND INSPECTION SERVICES IN CONJUNCTION WITH THE HANGAR IMPROVEMENTS, HANGAR 1001, RENOVATION PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Loomis
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

38-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH OSHKOSH TRUCK CORPORATION FOR THE PURCHASE OF A CLASS 4, SIX-WHEEL DRIVE AIRCRAFT RESCUE AND FIRE-FIGHTING VEHICLE FOR PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Loomis
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

39-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A THREE-YEAR CONTRACT EXTENSION WITH PARKING SOLUTIONS, INC., TO CONTINUE THE OPERATION OF CURSIDE VALET PARKING SERVICES AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Cipriano
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

40-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE FEDERAL AVIATION ADMINISTRATION FOR REIMBURSABLE EXPENSES ASSOCIATED WITH THE RELOCATION OF THE AIRPORT SURVEILLANCE RADAR MODEL 9 AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Cipriano
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

41-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE FEDERAL AVIATION ADMINISTRATION FOR REIMBURSABLE EXPENSES ASSOCIATED WITH A STUDY FOR THE RELOCATION OF REMOTE TRANSMITTERS/RECEIVERS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Cipriano
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

42-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE SELECTED CONSULTANT FOR TRAFFIC STUDIES RELATED TO THE NETJETS EXPANSION PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT, SUBJECT TO REVIEW AND APPROVAL BY BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR PRIOR TO EXECUTION OF THE CONTRACT

MOVED: Casto ; SECONDED: Cipriano
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/4-22-08

43-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A FIRST SUPPLEMENTAL TRUST INDENTURE AMENDING AND SUPPLEMENTING A TRUST INDENTURE DATED AS OF JANUARY 1, 2002, BETWEEN THE COLUMBUS REGIONAL AIRPORT AUTHORITY AND U.S. BANK, NATIONAL ASSOCIATION AS TRUSTEE IN CONNECTION WITH OASBO EXPANDED ASSET POOLED FINANCING PROGRAM

MOVED: Loomis ; SECONDED: Casto
YEA: 4 NAY: 0 ABSTAIN: Ransier
APPROVED/4-22-08

44-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A THIRD SUPPLEMENTAL TRUST INDENTURE AMENDING AND SUPPLEMENTING A TRUST INDENTURE DATED AS OF MARCH 1, 2004, BETWEEN THE COLUMBUS REGIONAL AIRPORT AUTHORITY AND U.S. BANK, NATIONAL ASSOCIATION AS TRUSTEE IN CONNECTION WITH OASBO EXPANDED ASSET POOLED FINANCING PROGRAM

MOVED: Loomis ; SECONDED: Casto
YEA: 4 NAY: 0 ABSTAIN: Ransier
APPROVED UNANIMOUSLY/4-22-08

Other Business

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Casto so moved; Loomis seconded. Ransier adjourned the meeting

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT & CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
MAY 27, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Frank J. Cipriano
John W. Kessler
Wm. J. Lhota
James P. Loomis, P.E.
Dennis L. White

Absent: Dwight E. Smith, Vice Chair
Don M. Casto, III
George A. Skestos

OTHERS PRESENT: Elaine Roberts, President & CEO
John Byrum, VP/Chief Financial Officer
Mike Bulkley, Rural Metro
Don Barker, TSA
Marla Rose/Keelee Hurlburt/Tim Doulin, Dispatch
Don Peters, Columbus Flight Watch
STAFF: Bush/Goodwin/Holderman/Langston/Meleski/
Morgan/Mulchaey/A. Newland/R. Newland/Schick/
Tanner/Whitaker

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of April 22, 2008. Hearing none, Kessler moved for approval; Loomis seconded. Minutes approved unanimously. Prior to proceeding with the Committee Reports, Ransier asked Roberts to introduce a guest. Roberts introduced Don Barker, our new Federal Security Director for TSA, and asked him to take a few minutes to tell the Board a bit about himself.

Barker recounted that he has been with TSA since the beginning in 2002. He has been a Federal Security Director for 21 different airports in Alaska, California, Oregon, Tennessee, and now here in Columbus and this is finally getting him home after 30 years. The Marine Corps took him away from Columbus 30 years ago. Roberts added that Barker came here from the Memphis Airport and she had talked with her counterpart there, Larry Cox, before Barker came to Columbus and Cox spoke extremely highly of Barker and said that we were extremely lucky to have him and that we would be lucky to keep him very long because he is probably going to higher things in Washington.

In response to Lhota's question about what he had done in the Marine Corps and what was the last assignment that he retired from, Barker said he started out as an infantry officer and at about the ten-year mark the Corps sent him to Penn State for their Supply Chain Management Program. He then spent the next twelve

years managing all the Marine Corps seaport and air cargo operations. His last assignment was at Camp Pendleton in San Diego as the Senior Logistics Officer for that major unit there. Barker is also a dedicated Buckeye fan.

On behalf of the Board, Ransier welcomed him aboard.

Committee Reports

Business Development. Kessler had nothing to report this month.

Facilities & Services. Loomis reported that at the Committee's meeting last week one of the Resolutions, 57-08, called for an additional not-to-exceed amount of \$4.5 million for the Authority's contribution to construction of the Stelzer Road/International Gateway Interchange Project. The original estimate of the cost was about \$36 million, with the State and the Authority splitting the cost. However, the State's share was a fixed amount so any increase in the construction cost once Phase 2 was analyzed would fall to the Authority and the Committee recommended Board approval. Roberts noted that they will be bidding the Phase 2 work in July and it is anticipated that the Interchange will be completed in the fall of 2009.

Finance. Lhota reported that the Committee met earlier this afternoon and went over a full agenda and asked Byrum to give an update on the finances.

Before getting into the financials, Byrum pointed out that the information compared in the year-to-date through April is against our original Budget which we are in the process of revising due to Skybus ceasing operations on April 4. Staff will be presenting a revised 2008 Budget to the Finance Committee on June 3 and will bring it to the full Board for consideration at the June meeting. He also noted that the variances are going to be a little larger than in the past.

For the year-to-date through April 30, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of almost \$27 million and Total Operating Expenses of \$18.2 million, leaving an Operating Income Before Depreciation of almost \$8.8 million. That is a little over \$900,000 below what our original Budget was. The major variances are in auto parking, concessions, and miscellaneous lessees. In addition, Salaries/Wages/Benefits are a little higher than projected, due primarily to the heavy snow season. The credit on Supplies and Materials was due to the fact that we set up as an initial inventory item expenses that had been

previously written off. We began tracking those this year and credited that back, resulting in about a \$600,000 adjustment to lower Expenses. Services are a bit behind because of the nature of the timing since many of those costs relate to construction projects. Under Depreciation and Other Reconciling Items, Interest Income is a bit ahead of projection, Realized Gain of about \$3 million represents the sale of the first building at Rickenbacker for the Global Logistics Park, and Debt Interest Payments are about \$750,000 less than projected. That was the result of our entering into a \$75 million Commercial Paper Program last September. We have \$25 million outstanding at an average blended rate of a little over 2.1 percent which is significantly less than the 4 to 4.5 percent we had projected.

On the Combined Statement of Net Assets Versus Prior Year End, we have \$732.2 million of Assets Under Management which is about \$3.2 million less than at the beginning of the year. Cash is up about \$6.3 million and our Fixed Assets, Land, Property & Equipment, have increased by \$4.3 million on Gross but reduced when Depreciation is accounted for. There was a reduction in Land & Land Improvements, representing the sale of the land at the Global Logistics Park and, since our construction season is just beginning, we are up about \$5.7 million in our Construction In Progress.

On the Liabilities side, we continue to make our Accounts Payable payments for Trade & Retainages and Accrued Expenses. In addition, we have reduced our Long-Term Debt by a little over \$3.4 million so we continue in a very strong financial position.

Last week, we made presentations to the three rating agencies and they were pleased with our overall long-term plans, Capital planning, and cash liquidity of 648 days, or about 22 months, of equivalent cash. The average cash liquidity for airports is around 12 months. Again, a very strong financial position.

Bush reported that parking Revenues for the month of April were just over \$2.4 million, ahead of April 2007 by \$114,000 but short of Budget by about \$225,000. For the year-to-date, parking Revenues were just over \$10 million, ahead of year-to-date 2007 by \$1 million but again short of Budget from where we thought we would be. As noted by Byrum, the parking Revenues through April are against our original Budget which we are in the process of revising due to Skybus ceasing operations on April 4.

Human Resources. No report this month.

President & CEO Report

Roberts reported that, for the month of April, passenger traffic was down 6 percent compared to April 2007; year-to-date, traffic was up 6.8 percent. Skybus did not start flying until May 22, so there has not been a full one-year cycle from their startup time. April was the end of an 18-month streak of record passenger numbers growing every month. Of course, the numbers will probably continue to decline over the next few months and we are forecasting about a 9.5 percent passenger decline for 2008 compared to 2007 which was a record year with almost 15 percent growth.

For the month of April, passenger traffic for all of the airlines was down with the exception of Southwest and they were up almost 16 percent. Southwest, our largest carrier with nine non-stop destinations added their thirtieth daily departure and now represents 31 percent of all the seats flying out of Port Columbus.

On May 7, the Authority hosted a dinner for Gary Kelly, CEO of Southwest Airlines. Along with staff, Board members, Ransier, Smith, Cipriano, and Loomis were in attendance and Kelly very much appreciated the opportunity to meet with them. He spoke very highly of the Columbus market and expects to see continued, steady growth. Southwest will not be stepping in to fill the voids created by Skybus' demise, but they will continue to add flights when they deem them to be justified. Ransier added that Kelly was very positive and personable and expressed a desire to go to a Buckeye game. As a result, she sent him the schedule and told him to let her know and we would make it happen. Roberts noted that as of last week with Herb Kelleher stepping down as Chairman, Kelly added another title. He is now Chairman, President, and CEO.

With fuel prices going through the roof, we are facing challenging times. The majority of the airlines are cutting capacity by 5 to 10 percent. American was the most recent airline to say they were going to cut at least 10 percent of their capacity by the end of the year and are now charging for the first checked bag. What was a unique concept in one way with Skybus and Ryanair in Europe charging everything ala carte, it is now starting to look like all of the airlines will be charging ala carte for everything from leg room or aisle seats or checked bags or food. Roberts thinks the industry is going to be facing some tough times for the next year or two at least with the potential for more consolidation. Many of the airlines will have to keep parking planes that are not flying to where they can make money or where the aircraft are not

fuel efficient such as the 50-seat regional jets. She feels we will not be seeing them flying much longer except to feed the large hubs and even then only with some very high fares into the very small markets.

Last week, we gave presentations to the three rating agencies on three consecutive days: Moody's, Standard & Poor's, and Fitch. It was noted that these were scheduled prior to the announcement by Skybus, so the scheduling of the meetings was unrelated to that event. These were set up as five-hour informational meetings with each of them following on the heels of a little over a year ago when staff went to New York to do a re-financing of our Bonds. At that time, each rating agency indicated a desire to stay up-to-date on what's happening so they have all been put on our distribution lists to receive our materials and newsletters and it was agreed that we would give them a personal briefing at least every year to year-and-a-half.

At this year's meetings, they were each very interested mostly in Rickenbacker and what has been going on and where we are headed as the ten-year term winds down for the County subsidy. In addition, they have heard a lot about the Intermodal facility, the logistics industry, and the development in the Rickenbacker Global Logistics Park so each rating agency was given a tour of Rickenbacker. With respect to the air service issues, for the most part they did not really view Skybus as a huge negative for us; rather they looked at our passenger numbers historically. As one of the rating agency representatives said "we view Skybus as probably just a blip on the radar" and they do not view that as a big negative in the same way that they may have five years ago with the downsizing of America West.

With respect to Rickenbacker, cargo tonnage is up slightly by 5 percent; however, the international numbers are down significantly.

Whitaker and Malabad just returned from a trip to Europe where they met with and aggressively marketed Columbus to five airlines for international passenger service. Brady, of Whitaker's staff, is in Asia now marketing Rickenbacker to cargo carriers. Because of the Board's strong interest in this topic, Roberts asked Whitaker to give a report and update on those meetings.

Whitaker reported that, as they did last year, he and Malabad traveled to Europe last week seeking world gateway service to a European hub, thereby eliminating the U.S. connecting point in order to launch our passengers straight to Europe. He then directed the Board's attention to the "International Air Service Potential" handout that he would be speaking to.

On the cover of the handout are the premier European gateways that can handle the majority of our passengers: Amsterdam, Brussels, Dublin, Frankfurt, London, and Paris.

On the inside, the top left graph shows current Central Ohio demand which includes Port Columbus International and Dayton International passengers per day each way (PPD) to Europe (244 PPD), India (36 PPD), Africa (25 PPD), and the Middle East (24 PPD), for a total of 329 passengers per day each way to those four regions of the world. That is a big number and an indication of the strength of the market and international nature of our market. Of course, since this is a very fluid industry our numbers may look different a year from now but those were the numbers presented to the air carriers this year. The graph also shows the year-over-year increase in those numbers which is equally impressive: Europe, 15 percent; India, 30 percent; Africa, 10 percent, and the Middle East, 14 percent.

How are our passengers currently getting to those locations? The middle graph shows current international routing for Columbus and Dayton passengers require connecting in the U.S. The hubs of choice are Chicago, New York, Detroit, and Washington Dulles. In many instances, those passengers have to connect a second or even third time in order to get to their final destination. Those second hubs are Amsterdam, Frankfurt, London, and Paris and the third hubs are India, the Middle East, and South Africa.

The following page aligns airline opportunities with demand and lists the hub cities in descending order of the best to the least that can meet those demands. Again, those cities are: Paris, Frankfurt, Amsterdam, London, Brussels, and Dublin. Based on an analysis of airline schedule and our demand, we have a total of 19 PPD to Paris which is the best-case scenario. Air France, connecting at Paris, can accommodate 236 of the total 329 PPD and with inter-line connections at Paris an additional 43 PPD could be accommodated for a total of 298 PPD on the Air France-Delta system over the Paris hub. That is about 90 percent of the total demand that could be accommodated by a single hub. Of course, that would assume that if they came into the market they would be able to capture 100 percent of the market which is not a good assumption and quickly discounted.

So, if we have such good numbers why do we not have non-stop gateway service to a European hub? The graph at the bottom of the prior page lists what we have going for us and what is working against us and what we will need to do to move forward. Our strengths versus our competition include: population growth, economic growth, international air traffic growth to key markets,

cargo/logistics synergy that may be second to none, a strong corporate base, and a solid draw from outside the metropolitan area.

Our challenges include: difficult industry conditions, intense airport competition, no single dominant international destination, recent domestic setbacks, no reputation for Columbus, and surrounded by existing hubs.

If we are to be successful, the necessities include complete and total collaboration. The Authority, local corporations, and the local and state public sector must come together and collectively remain as proactive as possible. This includes staying in front of the air carriers, securing corporate commitments to use the service, considering a breakeven revenue guarantee to the carrier that provides the service, and coming up with other innovative incentives. Whitaker thinks that if we are able to do those aforementioned things, we can have success sooner than our competition. If the community/region/Central Ohio does not want to make those commitments and that may be the case because there is terrific risk, then we can wait until the non-stop European gateway service comes to us. However, he does not think that will be soon if that is the chosen path.

The insert in the handout shows current U.S. non-stop gateways to Europe by departures that our and other passengers are using to get to Europe on the one side of the page; the other side of the page shows European non-stop gateways to the U.S. by departures—London Heathrow being far and away the number one.

Separate from the gateway service is the hub and spoke, or point-to-point service. Whitaker and Malabad had a very cordial second meeting with Ryanair in Dublin on May 23. They were inquisitive about our perspective on the U.S. market and the broader region and why they might consider coming into Port Columbus. Whitaker considers Ryanair to be in an information-gathering mode since they have not been given a green light to go trans-Atlantic by their senior leadership. They are, however, continuing to study it very hard and have been now for the last 12 to 15 months. By granting Whitaker and Malabad a second audience and spending a couple of hours with them to review the information very closely, Whitaker is, at a minimum, encouraged by their interest in our market without them making any commitments whatsoever. Whitaker pointed out that Ryanair would not be a gateway where there would be a lot of beyond service. Rather Ryanair would be a point-to-point service such as Columbus to London or Columbus to Dublin. Ryanair has a number of base locations in Europe and one could pick any of them. They fly into London Stansted, which would make the most sense.

Brady, our Manager of Business Development for Air Cargo, is in Hong Kong now and will be in Shanghai later in the week and Seoul, South Korea, early the following week, talking with cargo airlines and freight forwarders trying to get air freight landings into Rickenbacker. With Rickenbacker's great geography we have an excellent proposition there and are trying to get some additional traction.

In response to White's question about what do the airlines want, Whitaker said they want much higher passenger numbers. In fact, Air France said that if we were at a thousand passengers per day each way in the total column there would be more to talk about. They also said that Air France is in Cincinnati and Detroit and suggested that we direct customers there first to see if we could get a trend going and then maybe we would get our own service.

It is a tough sell, particularly in this environment. There are real passengers here but we must coalesce under the necessities and tell a prospective carrier that we will occupy that flight in great numbers and if, for some reason, there is a loss in the first couple of years the community would be there to help them with a breakeven revenue guarantee. The Authority is prohibited from participating in a breakeven revenue guarantee or an operational subsidy. The Authority can, however, provide incentives such as marketing dollars and fee waivers and for this type of service the value of the Incentive Program is estimated to be about \$2 million.

The advantage of international service for the airport and the community is the profound economic impact. The benefit to the State of Ohio and the city combined is in the neighborhood of \$30 million a year in economic impact for one daily non-stop flight to Europe, according to Dr. Bill LaFayette of the Chamber. The intangibles include what it does to our image as a community in helping to attract businesses, etc. Since the impact is all-encompassing for the State, everyone will need to rally around it to understand where that benefit comes from and agree to invest up front to secure the international service.

As an example of the annual investment an airline would have to make to provide service here, we did an assessment last year of the cost of a 757 Columbus/Amsterdam daily flight. It came out to approximately a \$40 million annual investment to provide that service here—a huge investment and that was at last year's fuel prices. Roberts added that the international markets are far outgrowing the domestic markets since the long-haul is more

profitable than the domestic markets. In fact, there is speculation that many of the legacy carriers are going to leave a lot of the U.S. domestic traffic to the low-cost carriers, short of those that feed their main hubs.

In conclusion, Whitaker noted that a good example of a success story is Hartford, Connecticut, which has secured non-stop service to Amsterdam even though they are not a hub. The airline called the city about offering the service since it is a bedroom community for upstate New York so it saves a lot of people from driving into New York and it appears they were right about that. The service has been in place now for about a year and from what we understand it is doing okay.

Roberts thanked Whitaker for the update and had just a couple of other quick items. The Board should have received in the mail the latest editions of our newsletter, *Regional Approach*; our piece targeted to cargo operators and shippers, *Logistically Speaking*; and *CMH AirSpace*, our piece targeted to all the airlines. The Board should also have received in their advance mailing a flyer recognizing our recent ten recipients of the President's Award of Excellence. This Award is given twice a year and includes a \$1,500 check that was presented to each of the ten employees at a luncheon to recognize them for going above and beyond their duties.

As a result of AirNet's recent announcement that they were being acquired by Bay Side Capital, Whitaker, Brady, and Roberts met with AirNet to discuss business development and determine what their plans were and would this affect their growth at Rickenbacker. AirNet moved from Port Columbus to Rickenbacker and invested over \$12 million in their facilities down there and we were concerned about what that acquisition meant to the company. AirNet was very positive and upbeat and said their plans are to grow the business and that the new owner is planning to do more acquisitions and continue to expand what they are doing at Rickenbacker. They did, however, ask us to take a look at the potential for the Authority to purchase their facilities with a leaseback in order to get the cost of those facilities off of AirNet's bottom line. Byrum and his financial staff have been talking with AirNet and need more information before deciding if we want to recommend that to the Finance Committee and the Board. Ultimately, we would come back to the full Board if that were a decision that we would recommend.

On May 22, the switch-over of the roadway occurred resulting in a major change in the look of the front door to the airport. Two of the three traffic lights on International Gateway are now gone.

There is still one flashing yellow light at Sawyer Road and when that construction is done in July, we will be on the full permanent loop road which means we will be ready to accommodate a future terminal building and future parking garage as demand warrants. And, finally, the third set of lights will go away at International Gateway and Stelzer Road next fall when the ramps are completed by ODOT

Last week, Rickenbacker held its required annual review of the Airport's Emergency Plan. A full-scale Exercise is required every three years and a review of that Plan is required in the intervening years. The majority of our mutual aid partners participated and we had a good review. Port Columbus will have its full-scale Exercise on September 9.

FOR THE RECORD: Kessler left the meeting at 5:45 p.m. due to a prior commitment.

Reading of Resolutions

45-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE SPONSORSHIP OF AN APPLICATION TO THE FOREIGN-TRADE ZONES BOARD FOR THE ESTABLISHMENT OF A FOREIGN-TRADE SUBZONE FOR THE ABERCROMBIE & FITCH FACILITY IN NEW ALBANY

MOVED: Lhota ; SECONDED: Loomis
YEA: 4 NAY: 0 ABSTAIN: Ransier
APPROVED/5-27-08

46-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A PAYMENT TO THE FRANKLIN COUNTY SANITARY ENGINEER FOR WATER CAPACITY FEES FOR THE HANGAR IMPROVEMENTS, HANGAR 1001 PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

47-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A REIMBURSEMENT TO DRCS, LLC, FOR THE DEMOLITION OF STRUCTURES ON RECENTLY ACQUIRED PROPERTIES AND FOR THE RELOCATION OF A DRAINAGE DITCH ASSOCIATED WITH THE GLOBAL LOGISTICS PARK AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Cipriano
YEA: 4 NAY: 0 ABSTAIN: Ransier
APPROVED/5-27-08

48-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH LOCHARD CORPORATION AND A PROJECT BUDGET FOR ENHANCEMENTS TO THE NOISE AND FLIGHT TRACK MONITORING SYSTEM AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

49-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH TRUCCO CONSTRUCTION COMPANY FOR CONSTRUCTION OF THE RAMP #3, PHASE 3 RECONSTRUCTION WITH FUEL HYDRANT LOOP EXTENSION PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Loomis
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

50-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH MARYSVILLE FENCE COMPANY FOR WILDLIFE FENCING, PHASE 4, AT BOLTON FIELD AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

51-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH MOTOROLA, INC., FOR THE REPLACEMENT OF SEVENTEEN 800 MHZ RADIOS

MOVED: Lhota ; SECONDED: Loomis
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

52-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH WOOLPERT, INCORPORATED, TO PROVIDE APPROACH OBSTRUCTION SURVEY AND MAPPING SERVICES AT PORT COLUMBUS INTERNATIONAL AND BOLTON FIELD AIRPORTS

MOVED: Lhota ; SECONDED: White
YEA: 4 NAY: 0 ABSTAIN: Ransier
APPROVED/5-27-08

53-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE RIGTER COMPANY FOR THE CONCOURSE B STRUCTURAL REPAIRS PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

54-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH FERGUSON CONSTRUCTION COMPANY FOR THE AIRFIELD MAINTENANCE FACILITY MATERIAL STORAGE BUILDING IMPROVEMENTS PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

55-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH WILLIAMSON BUILDERS FOR THE ARFF FIRE STATION IMPROVEMENTS PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Lhota
YEA: 4 NAY: 0 ABSTAIN: Ransier
APPROVED/5-27-08

56-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER FOR THE SHUTTLE BUS ADMINISTRATIVE FACILITY PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT, SUBJECT TO BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR REVIEW AND APPROVAL PRIOR TO EXECUTION OF THE CONTRACT

MOVED: Loomis ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

57-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE MEMORANDUM OF AGREEMENT WITH THE OHIO DEPARTMENT OF TRANSPORTATION FOR CONSTRUCTION OF THE STELZER ROAD/INTERNATIONAL GATEWAY INTERCHANGE PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Cipriano
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

58-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A MEMORANDUM OF AGREEMENT WITH THE OHIO DEPARTMENT OF TRANSPORTATION AND, IF REQUIRED, WITH THE CITY OF COLUMBUS IDENTIFYING THE FUTURE MAINTENANCE OBLIGATIONS ASSOCIATED WITH THE STELZER ROAD/INTERNATIONAL GATEWAY INTERCHANGE PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

59-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A MEMORANDUM OF AGREEMENT WITH THE FEDERAL AVIATION ADMINISTRATION TO PROVIDE FOR THE PLACEMENT, CONSTRUCTION, OPERATION, AND MAINTENANCE OF FAA-OWNED NAVIGATION, COMMUNICATION, AND WEATHER AIDS FOR THE SUPPORT OF AIR TRAFFIC OPERATIONS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/5-27-08

60-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH KOKOSING CONSTRUCTION CO. FOR RUNWAY 5L/23R PAVEMENT IMPROVEMENTS PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: White ; SECONDED: Cipriano
YEA: 4 NAY: 0 ABSTAIN: Ransier
APPROVED/5-27-08

Other Business

Roberts advised the Board that the Ohio Society of Professional Engineer's presented their Citation Award to our Vice President of Planning & Engineering, Angela Newland, last week. The Award is "in recognition of a successful career representing the highest ideals and complete dedication to the technical and professional aspects of the engineering profession." After a hearty round of applause, Lhota remarked that he was in attendance when she received the Award and could attest that it is very well deserved. Roberts added that in the ODOT Transportation Priorities Task Force meeting of the Subcommittee on the movement of freight this morning, the Executive Director of the American Association of Engineers, the association for engineers across the country, sat next to her. He asked Roberts if she knew Angela Newland; Roberts said yes and then he said "well, she is sure a smart great lady."

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Cipriano so moved; Lhota seconded. Ransier adjourned the meeting

Respectfully submitted,

A handwritten signature in cursive script that reads "Elaine Roberts". The signature is written in dark ink and has a fluid, connected style.

Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT &
CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
JUNE 24, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Dwight E. Smith, Vice Chair
Don M. Casto, III
Frank J. Cipriano
Wm. J. Lhota
James P. Loomis, P.E.
George A. Skestos
Dennis L. White

Absent: John W. Kessler

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Kay Cipriano
VORYS, SATER, SEYMOUR & PEASE: Liam Gruzds/Eric
Whisler/Matt Malone/Grace Twesigye/Anjali Nadig/
Shantae Clayborn
Don Peters/Alan Harding, Columbus Flight Watch
STAFF: Bush/Frankl/Holderman/Johnson/Langston/
Morgan/Mulchaey/A. Newland/R. Newland/Schick/
Tanner

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of May 27, 2008. Hearing none, Skestos moved for approval; Smith seconded. Minutes approved unanimously.

Committee Reports

Facilities & Services. Loomis reported that at last week's meeting, the Committee reviewed a summary of the 2007 statistics regarding the amount of business the Authority conducts with contractors and consultants and how much of that stays in Columbus by various measures. A copy of the summary table was included in the Board's advance mailing and Loomis asked Newland to go over those statistics.

Newland pointed out that the summary table represents all active consultants and construction contracts that the Planning & Engineering staff managed in 2007. Seventy-five percent of the \$140 million in contracts was performed by companies that have Franklin County billing addresses, which she found very impressive. \$107 million of that total was in construction contracts and 94 percent of all the construction contracts were with companies that have Franklin County billing addresses. Forty percent of all the 2007 contracts were funded with FAA Grant

funds. So far in 2008, we currently have construction and consultant contracts in the amount of \$95 million and, here too, 75 percent of that amount is with companies having Franklin County billing addresses. In addition, our current Disadvantaged Business Enterprise (DBE) participation is 14 percent.

As a point of clarification regarding what constitutes a Franklin County billing address, Newland noted that it is a company that has an active staff office in Franklin County which is where we receive the invoices from and where we mail the payments to.

Finance. Lhota asked Byrum to go over the financials first followed by Bush who he had asked to comment on the increase in the parking fees and how that will not impact the short-term parker.

Byrum reported that this month's financial statements are a comparison against our original Operating Budget. During the past month staff met with the Finance Committee to review a revision to that Budget; the Board will be considering a Resolution to adopt a revised 2008 Operating Budget today.

For the year-to-date through May 31, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$33.3 million and Total Operating Expenses of almost \$23 million, leaving an Operating Income Before Depreciation of \$10.3 million. After adding \$6.9 million of Non-Operating Income items, Net Assets increased by \$17.3 million. Also a couple of other points under Non-Operating Income. There was almost \$2.8 million of positive variance for Realized/Unrealized Gain & Loss related to the sale of the first building at Rickenbacker for the Global Logistics Park as well as the positive impact on the Debt Interest Payments as a result of the rates we are receiving on our short-term Commercial Paper. We are currently paying about 1.7 percent on a blended rate—slightly more than that if the Letter of Credit fees are added in. The rates have been very good; however, he anticipates that we will be seeing that go up a bit since it is the cash market that is very short term.

On the Combined Statement of Net Assets Versus Prior Year End, Cash and Cash Equivalents Under Management is almost \$124 million, up about \$8.3 million over the end of the year. As we go into the construction season, we will start to spend that down throughout the summer months.

On the Liabilities side, we continue to pay down our Accounts Payable for construction and other items. Accrued Expenses have

also been reduced by \$3.3 million and Long-Term Debt has declined almost \$3.5 million. In summary, we remain very strong financially and are cautiously optimistic as we go forward, protecting what we have and taking a look at trying to maintain our financial integrity as we go into the future.

Bush noted that included in today's Board package is a Resolution to increase our garage rates. As Lhota stated, the short-term rates are not increasing. It is currently a flat rate of \$2 per hour and the incremental rate on an hourly basis is not changing. The only rates that will change, if adopted by the Board, will be a rate change from \$15 a day to \$17 a day on the long-term side of the garage and to ensure that we do not push more people into the short-term side of the garage the daily rate will change from \$25 a day to \$27 a day. In addition, Valet parking will be increased from \$18 to \$20 a day.

The Board's attention was then directed to the Parking Report which showed that revenues were about \$70,000 less than May 2007. This is the first month of the year where we have dipped below last year so we are beginning to see the effect from Skybus and are projecting that to probably continue through the remainder of the year as well.

Skestos asked if the garage rate increase would pick up the difference caused by the loss of Skybus and Bush said that it would help. Explaining further, Bush noted that it had been three years since we had a rate increase in the garage and it was much needed. In response to Cipriano's question, utilization of the covered parking has grown tremendously. In fact, this is the first year that it has been strong in the summer with close to 70 percent utilization.

Human Resources. Casto had nothing to report.

President & CEO Report

Roberts reported that passenger activity for the month of May was down 8 percent compared to May 2007; year-to-date we are up just a little under 4 percent compared to last year. We expect these numbers to continue to decline due to the large passenger loss we saw from Skybus as well as what is probably coming down the road in the next few months.

Southwest is the bright star. Compared to last May, their passenger count was up by almost 19 percent. They added more capacity and more flights, while everybody else continued to run pretty flat or even negative.

Delta is probably the carrier that has retreated the most of all the carriers who did not pull out of the market entirely like JetBlue or Skybus. When you go back and look at Delta's schedule, a year ago they had 37 daily flights and today they are down to 28 daily flights—a reduction of nine daily flights. Last month, we lost their Fort Lauderdale and Fort Myers direct flights and this month we lost their direct flights to Tampa, Hartford, and Washington-Reagan. Delta did, however, add an additional flight to LaGuardia and one more flight to Atlanta as well as having re-started their Los Angeles service June 5, which they have already told us that they were not going to continue. Washington-Reagan was a real shock and disappointment to us since it is such a strong business market. In addition, US Airways cut one of their Washington flights so we are down to three flights a day to Washington-Reagan.

Several of the airlines are projecting major nationwide capacity cutbacks in the third and fourth quarter, so we are waiting to see what these other planned reductions are. Most of the flights we have now are through some of the major carrier's hubs and typically they will continue to fly their hubs. What they are doing is cutting back where they have other point-to-point service, which is what Delta is doing—cutting a lot of their 50-seat and 70-seat regional jets but continuing to fly through their Atlanta, Cincinnati, and Salt Lake City hubs. It is not a very good picture for the short term and Roberts thinks, depending on what happens with fuel prices and possibly some national energy policy, that we are looking for some tough times the remainder of this year as well as 2009.

A bit of good news at Rickenbacker, Myrtle Beach Direct Air continues to do well and have high load factors and bookings. She cautioned, however, that charter carriers typically are some of the first to be hit by the higher cost in fuel prices so we are not really sure how long term that will be. For the year, they are at 8,500 passengers. This means we should hit the 10,000 passenger threshold that triggers the \$1 million FAA entitlement funds for Capital Projects.

We will continue to talk with airlines about opportunities for growing here. In fact, Whitaker and Malabad are in Pittsburgh now at an annual airport/airline conference called JumpStart. They have appointments scheduled with five of the airlines that do not serve Port Columbus today including AirTran, JetBlue, Frontier, Virgin America, and Spirit and will also be meeting with several of the carriers already serving Port Columbus. In addition, the Ohio Commercial Airports Consortium, which is made up of the commercial service airports in Ohio, is jointly hosting a breakfast at JumpStart for the airline schedule planners. This

will give our Ohio airports an opportunity to network with the planners and talk a bit about all of the airports and some of the benefits of our markets and geography of serving the Midwest through Ohio.

Cargo at Rickenbacker is down a little over 3 percent for the month of May and pretty much flat for the year-to-date compared to last year. The cargo airlines are not immune from the same issues facing the passenger airlines. They do, however, have a little better ability than the airlines to pass on some of those fuel costs through surcharges to their customers since there is not as much competition. In the package delivery world, DHL recently announced it was downsizing its major operation in Wilmington and contracting its express packages to UPS. As a result, that move will pretty much leave UPS and FedEx as the two big carriers handling express packages and light cargo.

With the economy and the efficiency of using Rickenbacker as an alternative to the Chicago or New York gateways, which are considerably more expensive, it is thought that Rickenbacker is a better sell right now in this time of a downturn than it would be normally. This is the case we will continue to make when marketing Rickenbacker.

Brady, our Manager of Business Development for Cargo, recently returned from a second trip to Shanghai and some other places in China as well as Hong Kong and Korea and developed some very good leads which we are working on now. Additionally, he and Whitaker have a planned trip back to Shanghai in late October in conjunction with the State of Ohio, Department of Development Global Markets Division. While there, the Authority will host a reception and briefing on Rickenbacker with a number of Chinese freight forwarders and air/ocean carriers. With the help of a consultant that has been working with us, we are really starting to make some inroads now in the Chinese markets. The City and Chamber have been invited to join the trip but we do not know yet if they will.

From Shanghai, Whitaker and Brady will go straight to Kuala Lumpur, Malaysia, where the Authority will have a booth promoting Rickenbacker at the International Air Cargo Association's Bi-Annual Trade Show. This is a huge event and is the only trade show that the Authority displays at.

As reported earlier by Newland, on the development front we currently have about \$95 million worth of projects under way. Just to mention a couple, the International Gateway/Stelzer Road Interchange Project is on schedule and the second phase is out for

bids by ODOT with an expected award date of July 9. The entire Project is still on schedule to be completed by fall 2009. The Sawyer Road Project to rebuild the pavement between McDonald's and the hotels is nearly complete. It is expected that in two or three weeks everyone will be able to use the new Loop Road System.

Staff met last week with both corporate and local representatives of five airlines to review the final two recommended options for the proposed in-line checked baggage screening system. The airlines are very sensitive to any project that would increase their operating costs and even if it were to be 100 percent Federal funded, which is highly unlikely, it would carry a significant O&M annual cost that would pass through to the carriers. Currently, this is about a \$50 million project and what we want to do is try to get Federal TSA support to fund at least 75 percent of the project. Since we will be competing with other airports larger than Port Columbus, who knows where we will fall on the priority list. At minimum, getting the project designed and on a funding commitment list is important. We will continue to work with the carriers to try to work something out in terms of funding and will not proceed without their support. Since this project directly relates to the carriers' operations, the annual operating and maintenance costs would be spread throughout the airlines based on a formula.

The screening machines currently in the ticket lobby are provided, maintained, and staffed by TSA. By going to an in-line automated baggage system, TSA would benefit significantly as a result of reduced staffing levels. TSA would continue to buy the machines and equipment and help pay for construction but they would not have any responsibility for maintaining the equipment. That would be the responsibility of the Authority or the airlines or a contracted provider at our cost. The benefit of having an in-line automated baggage system is that it would get the machines out of the ticket lobby giving us more physical space when the need arises. With Skybus ceasing operations, the airlines are saying the airport is not that congested. However, with a two or three year project we cannot afford to wait until it is needed to start the process. We have been researching the options and looking at the alternatives for about a year and have determined that the physical location for each of the recommended options are on the ramp on either side of Concourse B. That location really helps minimize disruption inside the terminal while the system is under construction but we will lose one aircraft parking position which is not as critical to us at this time.

We have been working with the City of Columbus and an outside consultant on the Stelzer Road/International Gateway Streetscape

Concepts/Landscaping Project. With multiple roadway, future terminal, etc., projects being undertaken we wanted to have a plan for what it would look like. At next month's meeting we plan to have our consultant present the proposed Streetscape Concepts/Landscaping Project to the Board which will also be presented in advance to the Facilities & Services Committee.

We continue to make good progress on the NetJets Project. The FAA is working very closely with us especially as it relates to relocation of the radar. On July 8 we have a joint planning conference scheduled--the FAA will have about 20 people from its Detroit, Chicago, and local offices as well as control tower staff here for the meeting. They want to discuss all of the major projects at Port Columbus but the two major focuses of that meeting will be on NetJets' development and the relocation of the runway.

Byrum's and Langston's staff are starting to look at the 2009 Capital and Operating Budget. We have a lot of static fixed costs--labor, utilities, taxes, etc.--and because of the airlines' situation with fewer people traveling and less landed weight, preparation of the Budget will be our biggest challenge in years.

Negotiations are under way with both of our largest Unions. Negotiations with AFSCME are progressing well and we hope those will be concluded by the end of July. Negotiations with the FOP have just started and there do not appear to be any major issues that will keep us from reaching a timely agreement with the Police Officers. Staff will be reviewing those contracts with Casto, the Human Resources Committee Chair, before bringing them to the Board for consideration.

Planning is under way for Port Columbus' FAA-required full-scale Emergency Exercise scheduled for Friday, September 12. The Exercise will involve all of our emergency response personnel as well as all the mutual aid partners we have and about 150 volunteers that work in different roles and capacities. Additionally, we have not yet heard when the FAA will conduct our annual Certification inspections of both Port Columbus and Rickenbacker. The inspections generally occur between late July and early September so hopefully we will hear something soon.

At next month's meeting we will take the Board into a short Executive Session for a status report on the Skybus bankruptcy proceedings by our Associate General Counsel, Allen Nederveld. We will be filing our final claim shortly and since he serves on the Creditors' Committee on the Authority's behalf Roberts felt this was something the Board would be interested in hearing about.

Lhota reported that last week COTA had a session at the terminal at Rickenbacker to discuss public transportation to get workers to Rickenbacker. There were over 70 attendees—half of them were businesses located in the area and the other half of them were social service agencies. It was a very productive session and helpful to COTA and resulted in the formation of a Subcommittee to look at how COTA can get buses to Rickenbacker. Roberts thanked Lhota for mentioning that and added that she heard that it was an excellent response. In addition, Commissioner Marilyn Brown is personally very interested and attended the session as well and will be participating on the Subcommittee.

Reading of Resolutions

61-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH TREMCO, INC., UNDER THE STATE CO-OP PURCHASING CONTRACT FOR THE BUILDING 441 ROOFING PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Skestos ; SECONDED: Loomis
YEA: 8 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/6-24-08

62-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH TREMCO, INC., UNDER THE STATE CO-OP PURCHASING CONTRACT FOR BUILDINGS 1000 AND 1002 RENOVATION PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Smith ; SECONDED: Casto
YEA: 8 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/6-24-08

63-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH TIP-DAN ELECTRICAL CONSTRUCTION FOR THE RICKENBACKER PARKWAY STREET LIGHTING PROJECT WITHIN THE GLOBAL LOGISTICS PARK AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Smith
YEA: 8 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/6-24-08

64-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH COMPLETE GENERAL CONSTRUCTION COMPANY FOR THE RUNWAY 5R/23L PAVEMENT AND LIGHTING REHABILITATION, PHASE 1, PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Cipriano
YEA: 7 NAY: 0 ABSTAIN: Ransier
APPROVED/6-24-08

65-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY RESCINDING RESOLUTION 56-08 AND AUTHORIZING A CONTRACT WITH THE FIRM SUBMITTING THE LOWEST RESPONSIVE, RESPONSIBLE QUOTE FOR THE SHUTTLE BUS ADMINISTRATIVE FACILITY PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT, SUBJECT TO BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR REVIEW AND APPROVAL PRIOR TO EXECUTION OF THE CONTRACT

MOVED: Smith ; SECONDED: Loomis
YEA: 8 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/6-24-08

66-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH EVANS, MECHWART, HAMBLETON & TILTON, INC., FOR VARIOUS DESIGN SERVICES FOR ENVIRONMENTAL MITIGATION AND STORM WATER SOLUTIONS AT PORT COLUMBUS INTERNATIONAL, RICKENBACKER INTERNATIONAL, AND BOLTON FIELD AIRPORTS

MOVED: Cipriano ; SECONDED: Lhota
YEA: 8 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/6-24-08

67-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT & CEO TO IMPLEMENT PARKING RATE STRUCTURE ADJUSTMENTS EFFECTIVE AUGUST 1, 2008, AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Smith
YEA: 8 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/6-24-08

68-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY ADOPTING A REVISED OPERATING BUDGET FOR CALENDAR YEAR 2008

MOVED: Lhota ; SECONDED: Loomis
YEA: 8 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/6-24-08

Other Business

Smith, who was involved in a Workforce Summit earlier today, said that one of the things discussed was the importance of keeping young, talented people in Central Ohio and remarked to Ransier, that she had brought some guests to today's meeting. Ransier thanked him for bringing that up and said that she had brought some extremely talented young people to today's meeting. They are referred to at the Vorys law firm as Summer Associates and when she learned that one of their excursions had been cancelled she

thought they might enjoy seeing how the Airport Authority operated. Ransier extended thanks to Frankl, who gave the group a tour of the Communications Center and the Public Safety area prior to the Board meeting. Lhota asked them to introduce themselves and tell the Board where they are from. Vorys Summer Associates: Liam Gruz, London, Ohio; Eric Whisler, Columbus; Matt Malone, Ashland, Ohio; Grace Twesigye, Delaware, Ohio; Anjali Nadig, Cleveland; Shantae Clayborn, Richmond, Virginia. After a rousing round of applause, Ransier thanked the Board and the Airport Authority for accommodating the group.

Roberts then welcomed and introduced another special guest, John Johnson, the Authority's new President of AFSCME, who has attended a couple of our Board meetings as a way of keeping himself informed about what the Authority is doing and how the Board operates.

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Lhota so moved; Cipriano seconded. Ransier adjourned the meeting

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT & CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
JULY 22, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Frank J. Cipriano
John W. Kessler
Wm. J. Lhota
James P. Loomis, P.E.
Dennis L. White

Absent: Dwight E. Smith, Vice Chair
Don M. Casto, III
George A. Skestos

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Tedd Hardesty/Ryan Pearson, EDGE Group
Marla Rose/Tim Doulin, Columbus Dispatch
Don Peters/Alan Harding, Columbus Flight Watch
STAFF: Bush/Frankl/Goodwin/Holderman/Langston/
Mentel/Mulchaey/Nederveld/A. Newland/Schick/
Whitaker/Yoder

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of June 24, 2008. Hearing none, Kessler moved for approval; Lhota seconded. Minutes approved unanimously.

Committee Reports

Business Development. Kessler had nothing to report this month.

Facilities & Services. Loomis reported that the Committee met last week at Rickenbacker to see some of the developments down there: the new 48,000 sq.ft. Air Cargo #4 building that has no supporting posts and that opens out onto the new Air Cargo Ramp #3 currently under construction, as well as the old Blue Hangar 1004 currently being renovated. Cipriano asked what the rent might be for space in the Air Cargo #4 building and Holderman said it would probably be in the \$5 blended range--how much office and how much warehouse. Loomis noted that the Committee also got a glimpse of the landscaping plan for Stelzer Road/International Gateway to be presented to the Board and called on Newland to give a bit of background and introduce the consultant.

Newland noted that the Authority has been working with the City of Columbus and our consultant, the EDGE Group, for about the last four months on the development of a Landscape Master Plan for International Gateway, Stelzer Road, and the Interchange. She then turned the floor over to Tedd Hardesty of the EDGE Group.

Hardesty first commended the Authority and the City for working together and realizing that the vision of this is beyond just International Gateway since people approach the airport from a variety of different ways and to work together made all the sense in the world. In terms of the limits of the study from the Authority's perspective, it was from I-670 and the Interchange all the way along the new International Gateway to the terminal. From the City's perspective, it was the north-south corridor of Stelzer Road and those approaches to Port Columbus.

Before proceeding with the power point presentation, Hardesty explained that several stakeholder meetings were held with Authority and City staff to discuss and brainstorm what these concepts and images should convey.

The power point presentation depicted Concept Master Plan Objectives to:

- Establish a landscape vision for International Gateway from I-670 to the existing terminal.
- Establish a vision for the reconstruction of Stelzer Road from Johnstown Road to Allegheny Avenue.
- Establish the appropriate identity for the City of Columbus and Port Columbus International Airport.
- Establish project budgets and logical phases for all proposed improvements.
- Explore opportunities for sustainable site development practices.

The Landscaping Master Plan identified, prioritized, and included preliminary budget figures (in 2008 dollars) for the following zones:

- Welcome Zone, Priority #1, at an estimated total project cost of \$3 million to \$3.5 million. Project could be done in phases.
- Terminal Zone, Priority #1B, at an estimated total project cost of \$125,000.
- Interchange, Priority #2, at an estimated total project cost of \$150,000.
- I-670 Approach, Priority #3, at an estimated total project cost of \$580,000.

Hardesty noted that the EDGE Group is now ready to finalize the report and said he would welcome any comments or preference for one of the various concepts from the Board. The EDGE Group will also be presenting these concepts to the Mayor to gauge his

preference as well. Once the Master Plan is wrapped up, the next step will be to identify which portions make sense and at what time over the next several years.

Kessler asked how much the City would pay toward the cost and Hardesty said the International Gateway improvements would be at the Authority's expense and the Stelzer Road improvements would be at the City's expense. He explained also that, since as one thinks about the experience of entry into the City and looking for the right identity, they were interested in the Mayor's opinion.

Backing up a bit as a point of clarification, Roberts explained that the Interchange Project that we are doing with ODOT had a small amount of money programmed into the budget for landscaping (trees/grass) once the Project was done. At a meeting Ransier and Roberts had with the Mayor, they mentioned an interest in looking at the whole entrance to the airport as well as Stelzer Road, which is a City street although as it goes north is in the County. As a result of that conversation and the fact that we were building the Loop Road and talking about a new terminal, it was agreed to go down a path together and take a look, not just at the Interchange and Stelzer Road, but to have a Master Plan that could be implemented in phases over time. That would allow for continuity and a similar look instead of the Authority and City doing different landscaping projects in a piecemeal manner.

That is what prompted the desire to engage a firm to come in and work with us on a Master Plan. The City wanted to do something on Stelzer Road so we agreed to go together and share those costs. There is a fairly significant price tag for everything the City wants to do with Stelzer Road related to the aviation cluster and NetJets as well as some of the concepts depicted in Hardesty's power point presentation. Those are costs that would be separately funded by the City and exceeds the landscaping piece of the Master Plan for International Gateway. In summary, the cost for the Stelzer Road improvements would be borne by the City and the cost for the International Gateway improvements would be borne by the Authority.

In response to Cipriano's question about how the design for the welcome sign would be selected, Hardesty said their approach is to share them with the Board as well as solicit other opinions. The designs are all within a realm but they will need to be refined into one kind of preferred scheme. Roberts asked that the Board members share any feedback on any ideas or thoughts they have on any one of the particular designs. The concepts have been short listed down to three; however, once a concept is selected the next phase would be a detailed design that would allow more opportunity for input on what it might look like.

Lhota asked if there were to be any sidewalks on Stelzer Road. Hardesty responded that, through working with the City, a sidewalk will be in the zone south of the airfield on the east side of the street. On the west side, there will be a bike path/multi-purpose trail that will continue through the airfield. Some have questioned why that is needed but in the long-range plan for the City there are bike paths planned along Johnstown Road and along Fifth Avenue so that is seen as a north-south connector in terms of bike paths.

In response to White's question about the target date for completion of the International Gateway improvements, Roberts said if she were asked that question last year she would have said a fairly good amount of money would be budgeted in 2009 and 2010. However, with passenger reductions, revenues going down, and having to cut our Operating Budget, this project would not be critical. The Interchange will not be completed until late 2009 and the Loop Road will be completed later this year, so as projects get completed we will be looking at some minimal landscaping treatment. She is guessing that if things improve a bit, 2010 would be when we start looking to try to budget a larger amount of money to do some of the landscaping plan.

Finance.

Byrum reported that for the year-to-date through June 30, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$40.7 million and Total Operating Expenses of \$27.4 million, leaving an Operating Income Before Depreciation of \$13.3 million. That is a little over \$350,000 under the Revised Budget and as mentioned last month, the Revised Budget was done immediately after Skybus ceased operations and as we continue through the year anticipate further deterioration from that standpoint. The Authority is still very strong financially, however, with an Increase in Net Assets of \$22.4 million.

On the Combined Statement of Net Assets Versus Prior Year End, Cash and Cash Equivalents Under Management is over \$123 million, up almost \$8 million over the end of the year. As we go into the construction season, we will continue to see that depleted as we pay for the things we are building but we will maintain adequate Cash Reserves. We have almost \$736 million of Assets Under Management with the majority under Land, Property & Equipment with about \$11.4 million of construction in progress since the end of the year.

On the Liabilities side, we continue to pay down our Accounts Payable for construction and other items and Long-Term Debt has declined almost \$3.5 million. In summary, even though there are challenging times ahead, we remain strong financially and will continue to monitor that going forward.

Human Resources. No report this month.

President & CEO Report

Roberts reported that passenger activity for the month of June was down 13 percent compared with June 2007 and was our first full month for year-over-year comparison without Skybus. For the year-to-date, we are relatively flat-up 0.3 percent-although that will probably revert to a negative number in July. On the positive side, passenger activity for Northwest, US Airways, and Southwest was up-especially Southwest with 16 percent more passengers for the month and 12 percent more for the year-to-date bringing them to over 29 percent of market share.

As everyone is aware, we are in for a pretty tough ride for the rest of the year. The Board's attention was directed to two handouts. The first was a small chart showing Columbus air service changes and a larger chart showing the actual departures and flight comparisons from the first of the year to what we have been told will be the schedule in December. The larger chart shows that, by the end of the year, we are going to be down 46 total flights-22 of those 46 flights, or almost half, were Skybus.

The cutting of flights is an industry trend and not unique to Columbus. In fact, there is a lot of discussion in the industry that potentially at least 100 airports in small communities may lose all of their regular scheduled service by the end of the year and upward of 200 cities could lose service entirely if oil and fuel prices go up to closer to \$200 a barrel. Since the beginning of the year, airlines have already announced cuts of about 31,000 jobs and over 600 aircraft have been retired or are going to be grounded by the end of this year, especially the smaller 50-seat regional jets that are not as fuel efficient as well as some of the older aircraft. Ten airlines have declared bankruptcy-only two are still flying and eight have already gone out of business.

As the larger chart also shows, American is going from 29 flights a day to 19 with most of that being a reduction in frequencies. The only city that they are stopping non-stop service from Columbus to is St. Louis, but we sill have non-stop service to St. Louis on Southwest.

Delta on the other hand is a bit more troubling. After the America West downsizing, Delta named Columbus a focus city and added destinations. Of the 35 flights a day at the beginning of this year, they are only cutting eight which is a smaller percentage than American. The problem, however, is that Delta will totally pull out of seven non-stop markets from Columbus-Fort Lauderdale, Fort Myers, Orlando, Tampa, Hartford, Washington-Reagan, and by the end of the year, Los Angeles.

Besides the Skybus closure, American and Delta account for the vast majority of our flights going away, so those are the two large impacts. All of the other carriers have very small adjustments-seat or aircraft changes or cutting one or two flights a day. What is happening industrywide is that the major carriers are feeding their hubs and reducing some of those point-to-point cities in the mid-size markets since the regional jet aircraft serving those markets are being grounded for fuel-efficiency purposes.

We have heard that all of the schedule changes have been loaded into the system for booking purposes, so this is what we think the impact is going to be through the end of the year. If fuel prices which have stabilized at the moment jump back up or something really serious happens in the industry, we could see more across-the-board cuts-not just in Columbus and not just one or two carriers that would be trying to continue to find more ways to save money and to stay in business.

Earlier this month, AAAE hosted an Energy/Aviation Summit meeting in Washington, D.C., that included several other organizations: ACI-NA, Air Transport Association, and some government agencies to put a spotlight on the fact that most of the schedule cuts are coming late summer/fall and some of the cities may not be aware yet of how bad this is going to get before it gets better. The message that the airlines, airports, and local communities was trying to convey was that we need to bring some focus to our members of Congress with respect to slowing down some of the speculation to see what can be done to stabilize oil prices. Without some stabilization of cost to the carriers, we will be lucky to have a handful of them still flying next year if things continue the way they are. A Task Force has been assembled to look at some immediate emergency actions to possibly having input to a national energy policy that recognizes the importance of aviation to our global economy.

That is kind of a snapshot of where we are. We continue to have confidence in Central Ohio and this market as well as confidence in Whitaker and his team who are out there working aggressively trying to get new airlines and work with existing carriers.

Roberts recommended favorable Board consideration of Resolution 72-08 that authorizes some enhancements to our existing Airline Incentive Program. We think it is not only appropriate to enhance our existing Program but probably more important at a time like this to try to get carriers who are already here to add back flights, add more frequencies, and grow markets that are more than 50 passengers a day. If a carrier were to grow the market to over another 50 or more passengers, they would be able to see some additional incentives—either marketing dollars or dollars they could use for offsetting some of their operating costs.

Cargo at Rickenbacker is down about 8 percent for the month and down about 1 percent for year-to-date. Again, that is driven by fuel prices and consumer demand as well as a softening economy. We continue to pitch Rickenbacker as a lower cost alternative to flying cargo through New York, Chicago, or some of the other larger congested airports and think that bodes pretty well for us.

We remain optimistic that the market will rebound—it really is a question of how long. Right now, we would forecast that passenger traffic will be down about 12 percent this year and another 10 percent on top of that next year based on the flights that have been cut or announced to be cut. Of course, that assumes that none of the flights will come back which is not necessarily a given, depending on seasonality, fuel prices, and what else is going on in the general economy.

Currently, we think that is a fairly conservative approach and as a result in the last several weeks have begun working on the 2009 Operating Budget. Those Budget assumptions were shared with Lhota at this afternoon's Finance Committee meeting. In addition, briefings about these changes have begun with employees and our Management Team. There will be some serious cuts on the expense side and revenues are going to be down and we are encouraging our employees to step up and offer suggestions or ideas on ways to either lower costs or increase revenues. One such example of lowering our costs is that we are starting to use electric golf carts instead of vehicles where possible for running errands or routine maintenance. We have one at the Fire Station, a couple at Airfield Maintenance, and are getting some for Rickenbacker.

As we prepare the 2009 Budget, one of our biggest challenges is communicating with our employees. Negotiations are currently under way with a couple of our bargaining units and those are going very well. With business being down, Kessler asked if the same stance were being taken with the Union negotiations and Roberts said we were. There is a hiring freeze in place and we are looking at a wage freeze for 2009 which, of course, have to be negotiated and discussed with the Unions.

We are also reviewing the entire Capital Program, project-by-project, to determine what can be deferred. We are taking a hard look at the big projects such as the runway because of the expense associated with that size of a project. However, if a project is funded with multi-year Grants from the FAA as well as PFCs, it may be one that would be prudent to continue since it takes so many years getting to that point of implementing such a project as well as the fact that the cost is going to continue to rise.

Two representatives from the Transportation Security Administration came in last week to meet with a team led by Frankl and Heaton. The team, composed of Authority staff as well as CMH Federal Security Director/TSA, and the airlines, have been looking at an in-line baggage solution to remove the big machines out of the ticket lobby. There is a recommended alternative now as well as a rough preliminary cost estimate in the neighborhood of \$50 million. We are looking at the funding choices from TSA and whether we proceed with the project or put it on hold because of the potential pass-through cost to the airlines for maintaining the system once it is in place.

A joint planning conference was held earlier this month with the FAA. Officials participated either by phone or in person and included representatives from the FAA's Dallas-Fort Worth Central Office, Washington headquarters, Detroit District Office, and Chicago Regional Office. It was a very positive four-hour in-depth meeting talking mostly about the runway project as well as the radar project for NetJets and how to keep advancing both of those complicated projects.

The FAA will be conducting Certification Inspections of both Port Columbus and Rickenbacker next week. For several consecutive years, we have had no deficiencies and hope to be able to report the same result next month.

The Board's attention was directed to a poster on the credenza at the back of the room. The poster was done by COTA to advertise its safety efforts and some of the security partnerships with the Columbus Police, TSA, and the Airport Police. On the right of the poster is one of our Airport Bomb Dog Teams, Greg Davies and Segal. On behalf of COTA, its employees and customers, Lhota thanked the Authority and remarked that he had recently observed a huge effort on High Street where Columbus Police, COTA folks, and the bomb team were sweeping the buses on a random basis.

One last item. Newland and her Engineering team received the Portland Cement Association's 2008 Bridge Design Award of Excellence for the Crossover Taxiway bridge. On behalf of the

Board, Roberts extended congratulations to Newland and her team-Yoder, Gotschall, and others who have been involved with that project. She also mentioned that she had recently driven through the new road system at night. There are blue lights embedded in the sides of the of the bridge so it is quite spectacular when one drives through there at night and with the proposed landscaping plan it is exciting to think about what the future vision for Port Columbus will be.

Reading of Resolutions

69-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH BUS SERVICE, INC., FOR THE PURCHASE OF SEVEN 2008 FOURTEEN-PASSENGER SHUTTLE BUSES FOR USE IN THE REMOTE SHUTTLE LOTS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/7-22-08

70-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH NETWAVE CORPORATION TO SUPPLY ALL HARDWARE, SOFTWARE, AND SUPPORT FOR THE DISASTER RECOVERY PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Loomis ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/7-22-08

71-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH URS CORPORATION FOR PHASE 1 DESIGN SERVICES RELATED TO RENTAL CAR FACILITIES AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: Ransier
APPROVED/7-22-08

72-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT & CEO TO UPDATE THE AIRLINE INCENTIVE PROGRAM FOR PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Kessler
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/7-22-08

Other Business

With no other business brought forth, Ransier asked for a motion to take the Board into Executive Session pursuant to ORC 121.22(G)(3) and ORC 4582.58 to discuss pending litigation related to a former tenant and that is required by law to be kept confidential pursuant to ORC 121.22(G)(5). Cipriano so moved; Lhota seconded; roll call vote of the six Board members in attendance approved unanimously the motion to take the Board into Executive Session and asked that Nederveld and Whitaker remain. Executive Session was convened at 4:55 p.m. At 5:15 p.m., Loomis moved to reconvene; Cipriano seconded; approved unanimously.

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Loomis so moved; Cipriano seconded. Ransier adjourned the meeting

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT &
CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
AUGUST 26, 2008

BOARD MEMBERS

Present: Wm. J. Lhota, Past Chair
Don M. Casto, III
Frank J. Cipriano
John W. Kessler
Susan Tomasky
Dennis L. White

Absent: Kathleen H. Ransier, Chair
Dwight E. Smith, Vice Chair
George A. Skestos

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Marla Rose, Columbus Dispatch
Don Peters, Columbus Flight Watch
STAFF: Bush/Frankl/Goodwin/Holderman/Langston/
Laughlin/Morgan/Mulchaey/A. Newland/R. Newland/
Schick/Tanner/Whitaker

In Ransier's absence, Lhota called the meeting to order and asked if there were any additions or corrections to the Minutes of July 22, 2008. Hearing none, Casto moved for approval; Cipriano seconded. Minutes approved unanimously.

Lhota then introduced and welcomed new Board member, Susan Tomasky, whom he has known for several years and who was a former colleague of his at AEP. Tomasky has held many executive positions at AEP: General Counsel, Chief Financial Officer, and is currently President of the Transmission subsidiary of American Electric Power. She is an attorney and prior to joining AEP served as General Counsel for the Federal Energy Regulatory Commission and then went to Hogan & Hartson in Washington, D.C.

At Lhota's suggestion, Roberts asked her staff to stand and introduce themselves to Tomasky. Bob Tanner, General Counsel; Mark Mulchaey, General Manager of Bolton Field Airport; Angela Newland, Planning & Engineering Vice President; Robin Holderman, Vice President of Real Estate; Charlie Goodwin, General Manager of Rickenbacker; Linda Frankl, Director of Airport Operations; Ron Newland, Director of Facilities and Airfield; Rod Borden, Chief Operating Officer; Randy Bush, Director of Parking, Transportation & Audit Services; David Whitaker, Vice President of Business Development & Communications; Linda Laughlin, Director of Human Resources; Dick Morgan, Director of Public Safety; Gwen Langston, Director of Finance & IT; John Byrum, Chief Financial Officer, and Shirley Schick, Assistant to the President & CEO.

Committee Reports

Business Development. Kessler had nothing to report this month, although the Committee has a meeting scheduled for August 28.

Facilities & Services. Cipriano had nothing to report this month since the Committee did not meet this month.

Finance.

Byrum reported that for the year-to-date through July 31, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$47.3 million and Total Operating Expenses of \$31.9 million, leaving an Operating Income Before Depreciation of \$15.3 million. That is about \$200,000 under the Revised Budget that was adopted in June as a result of the significant downsizing after Skybus ceased operations in April. Highlighting a couple of other areas, Interest Income is over Budget since the rates we have been able to secure are a little higher longer term and our Debt Interest Payments are significantly lower than projected. This is the result of the Fed cutting interest rates so our Commercial Paper Rates have been much lower than anticipated.

On the Combined Statement of Net Assets Versus Prior Year End, we have \$738.6 million of Assets Under Management and \$124 million of Cash, which is up about \$8.7 million over the end of the year. We continue to collect on our Operations and any Receivables that were open. Under Land, Property & Equipment, we have added \$16.4 million for construction, including land and land improvements, building improvements, and construction work-in-progress. The reduction in Land and Land Improvements is the result of the sale of the property at Rickenbacker earlier in the year.

On the Liabilities side, we continue to pay down our Accounts Payable, a significant portion of those payments were for construction, as well as Accrued Expenses for real estate taxes, interest, and estimated airline charges. In September, as part of our Budget process, we will begin estimating where the expenses will be for the year and then begin a true-up process to determine where we will need to make adjustments on a monthly basis. Long-Term Debt shows a reduction of about \$3.5 million with slightly over \$100 million outstanding. At the current time, this is a very modest amount in comparison to other airports.

Byrum directed the Board's attention to the handout, Moody's *U.S. Public Finance-2008 U.S. Airport Sector Outlook*, that was

distributed to the Finance Committee earlier. The review of the airport sector shows that airports continue to be rated very high; however, the uncertainty on the airline side remains a concern.

Bush reported that, for the month of July, parking revenues were down substantially from July 2007. The long-term remote lots were down about 21 percent for the month. Still, considering the drop in passenger traffic, it was a decent month with \$2.3 million in parking revenues. On August 1, the garage and valet parking rate increase went into effect and we have seen no reduction in the demand for either the garage or valet parking operation—a positive sign.

Human Resources. Casto reported that staff had successfully concluded negotiations with the AFSCME Local 3770 Union as reflected in Resolution 87-08 that the Board will be considering. The most significant accomplishments include the Union agreeing to:

- Pay increases based on an annual market variable, 3.5 percent for contract year 1 effective April 1, 2008, plus the results of an annual performance evaluation, which are consistent with increases for all non-bargaining unit employees.
- For the 2009 and 2010 contract years, the parties agreed to meet no later than 90 days prior to the end of the prior contract year to negotiate wages and merit increases for the next contract year.
- Increases in employee contribution to premiums for medical, dental, and vision plans in each year of the three-year contract, and elimination of the legal services plan as a benefit at an estimated annual savings of \$54,000.

The Committee recommended Board approval of Resolution 87-08.

President & CEO Report

Roberts reported that, as expected, passenger traffic continues its downward trend—down almost 16 percent for the month of July compared to July 2007 and down about 2.5 percent for the year-to-date. It is thought that we will continue to see double-digit negative numbers the rest of the year and, in fact, they may even get significantly higher. Possibly upward of 20 percent or even a little higher. The year-end numbers we are projecting may end up about 11 percent down compared to year-end 2007 due not only to

the impact of Skybus ceasing operations but by the American and Delta and other schedule cutbacks that will occur by probably October at the very latest.

In terms of total numbers, we now have approximately 161 daily departures and expect to lose about 11 more daily departures between now and the end of the year. On a daily basis, this equates to the loss of about 1,000 airline seats from our current daily airline seats of a little over 13,000. If we factor out the Skybus numbers of about 22 daily flights with large aircraft to mostly secondary markets, we would only be down about four non-stop destinations and down about 13 percent of our daily seats and 16 percent of our departures.

A bit of good news. AirTran will be starting service at Port Columbus on November 6 with four daily departures. Two daily departures to Atlanta, which is a large hub for them, as well as one daily flight to Fort Myers and Orlando, which is their headquarters. The non-stop to Fort Myers is especially good news since we recently lost Delta's non-stop service there and early indications are that the bookings for Fort Myers are very strong. AirTran has also indicated that if the response to their product is strong, as we think it will be, they could potentially grow this market and possibly add three to five more flights. AirTran will be occupying the former Skybus ticket counter space and operate out of Gate C-48, which is a very good space to operate from. Information will be forwarded to the Board regarding their inaugural flight event which will be held November 6 in the 12 noon to 2 p.m. timeframe.

Southwest continues to be very strong--activity for the month was up 9 percent compared to July 2007 and up almost 12 percent year-to-date. They had 28 percent of market share for the month and over 25 percent market share for the year-to-date.

Cargo activity at Rickenbacker was up about 5 percent, largely due to FedEx with almost 2 million more pounds of cargo in the month of July which is about 17 percent growth. UPS was up as well for the month. FedEx and UPS are the two largest cargo operators at Rickenbacker, with FedEx being the largest handling about 70 percent of the cargo.

The Columbus Region Logistics Council (CRLC), a private industry-driven group under the umbrella of the Columbus Chamber, will be hosting its first industry networking meeting at the Rickenbacker Charter Terminal from 4 to 6 p.m. on September 10. Roberts is a member of CRLC and both Whitaker and Holderman are active members

on a couple of the committees. Commissioner Marilyn Brown will be speaking at the event and there will be an optional tour of the Intermodal Terminal.

Last weekend, the *Columbus Dispatch* had an article on the roadway projects at Port Columbus that included the new cell phone lot scheduled to open in late September. The cell phone lot will have 50 spaces and be located behind McDonald's and the hotels. The other major roadway projects to be concluded this fall include the Loop Road Project, the first phase of the Interchange Project, and the Crossover Taxiway Project. The second phase of the Interchange Project will start next month and anticipate that Project finishing up by the end of next year or late fall. At that time, we will have the grade-separated entrance to the airport going over Stelzer Road with no stop lights or obstructions to the terminal.

Roberts announced that Cipriano will be Chair of the Facilities & Services Committee, replacing Loomis. A recognition dinner will be held next month for Loomis to thank him for his service over these many years.

Staff has been working on the Capital and Operating Budgets for 2009 and will bring the final product to the Board at the November meeting. Prior to that, staff will meet separately with the Finance and the Facilities & Services Committees to go over the Operating and Capital Budgets as well as with the Personnel Committee to review the personnel component of the Budget.

A meeting is scheduled for October 2 with the airlines to go over the rates & charges that will be proposed for next year. In addition, we will be starting to lay out the framework and strategy for our Operating Agreement with the carriers since 2009 is the last year of that five-year Agreement. It is expected that the budget meeting with the airlines will be quite challenging this year. Not only are the airlines cutting back on their service but they are also looking for airports to cut their costs for them to operate as well.

The FAA conducted inspections of both Rickenbacker and Port Columbus in late July and both airports received no discrepancy reports. Congratulations were extended to Borden, Morgan, Frankl, and Goodwin for their efforts. Roberts asked Borden to pass on what the FAA Inspector had to say about our airport. Borden said that the Inspector said they would like to not have to inspect Port Columbus every year and also said that he holds Port Columbus out as a model for other airports in the region and refers them to us, which was very gratifying.

The Transportation Security Administration (TSA) folks came in last week to determine our interest in participating in a pilot program to work with our local Federal Security Director, Don Barker, to collaborate on redesigning our Airport Security Plan. We were selected as one of four airports in the country to participate in this pilot program and we quickly agreed that we were interested. What this means is that we will have some flexibility to make some changes in what normally is routine standard security directives that come out of Washington that apply across the board to all airports regardless of size and which generally imposes some pretty burdensome procedures that we have to follow. The other airports that were selected to participate in this pilot program were Washington-Reagan, Detroit, and Indianapolis.

Our full-scale emergency preparedness exercise for Port Columbus will be held on September 12. The FAA requires a full-scale exercise every three years and on the alternate two years we review procedures. The exercise focuses on mutual aid—the inter-agency communications with all the other jurisdictions that interact with us if there were to be a real emergency in terms of an aircraft incident as well as testing procedures in the Emergency Operations Center (EOC). This includes how we would handle family and friends of passengers in the first few hours of an incident until the airline can send a team here to respond. The full-scale exercise takes several hours and will be headed up under Borden's leadership and our Operations staff.

Lhota asked Chief Morgan about the automatic car with robotic dog being operated by one of our Police Officers he had seen last week and commented that it was a great attraction, especially for the little kids. Morgan said the car is about 5 feet long and has a dog that talks. The car is interactive with a microphone in the car so the operator can talk to the people. It was purchased with Grant funds from Franklin County and it has been a hit everywhere it has gone—our adopt-a-school, East Columbus; Cops and Kids Day; Children's Hospital—just to name a few. Currently, the dog's name is Officer "Woofy" but there will be a contest in the near future to give him a proper name. Lhota suggested that Morgan bring Officer Woofy to one of the future Board meetings which Morgan agreed to do.

Reading of Resolutions

73-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE AUTHORITY TO CONSENT TO GENE AND STEPHEN HYMES TO INCREASE THE HEIGHT OF A COMMUNICATIONS TOWER THAT IS LIMITED UNDER AN EXISTING AVIGATION EASEMENT

MOVED: Cipriano ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

74-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE EXECUTION OF A LEASE WITH OHIO HEALTH AND AUTHORIZING THE EXECUTION OF AGREEMENTS RELATED TO THE LEASING OF SUITES A AND B OF AIR CARGO BUILDING 1 AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

75-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE GRANT OF AN EASEMENT AND RELATED DOCUMENTS TO SOUTH CENTRAL POWER FOR LAND AT THE INTERSECTION OF HAYES ROAD AND PONTIUS ROAD FOR ELECTRICAL LINES TO IMPROVE SERVICE NORTH OF THE AIRFIELD AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Kessler
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

76-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE GRANT OF AN EASEMENT AND RELATED DOCUMENTS TO SOUTH CENTRAL POWER FOR LAND BETWEEN THE NORTH PERIMETER ROAD AND BUILDING #1001 FOR ELECTRICAL LINES AND RELATED EQUIPMENT TO SUPPORT AIR CARGO BULIDING #1001 AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

77-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A GRANT OF EASEMENT TO THE CITY OF COLUMBUS, OHIO, FOR LAND ADJACENT TO STELZER ROAD FOR THE INSTALLATION, OPERATION, AND MAINTENANCE OF A SANITARY SEWER LINE TO PROVIDE SERVICE TO THE NEW SHUTTLE BUS ADMINISTRATION BUILDING AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

78-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A REIMBURSEMENT TO DRCS, LLC, FOR THE RELOCATION OF A DRAINAGE DITCH ASSOCIATED WITH THE GLOBAL LOGISTICS PARK AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

79-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER FOR THE DEMOLITION OF THE OLD ARFF FIRE STATION AT RICKENBACKER INTERNATIONAL AIRPORT, SUBJECT TO BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR REVIEW AND APPROVAL PRIOR TO EXECUTION OF THE CONTRACT

MOVED: Cipriano ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

80-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH REYNOLDS, SMITH AND HILLS FOR DESIGN AND CONSTRUCTION ADMINISTRATION FOR VARIOUS PROJECTS AT PORT COLUMBUS INTERNATIONAL AND RICKENBACKER INTERNATIONAL AIRPORTS

MOVED: Casto ; SECONDED: Cipriano
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

81-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY TO AUTHORIZE TWO CONTRACTS FOR DEMOLITION OF RESIDENTIAL PROPERTIES OBTAINED FOR THE REPLACEMENT RUNWAY PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT AND FOR DEVELOPMENT IN THE AREA OF THE INTERMODAL TERMINAL AT RICKENBACKER INTERNATIONAL AIRPORT, SUBJECT TO BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR REVIEW AND APPROVAL PRIOR TO EXECUTION OF THE CONTRACTS

MOVED: Kessler ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

82-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH MAC CONSULTING, LLC, FOR PROFESSIONAL FINANCIAL PLANNING AND CONTRACT NEGOTIATION SERVICES RELATED TO THE FUTURE CONSOLIDATED RENTAL CAR FACILITY AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

83-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH JOHNSON CONTROLS, INC., TO PERFORM AIR AND WATER BALANCING OF THE TERMINAL'S HVAC SYSTEMS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

84-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH DLZ OHIO, INC., FOR ADDITIONAL DESIGN AND CONSTRUCTION ADMINISTRATION SERVICES AS PART OF THE ROADWAY, TRAFFIC, AND PAVEMENT PROJECTS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Cipriano
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

85-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH COMPLETE GENERAL CONSTRUCTION COMPANY FOR THE INTERNATIONAL GATEWAY LOOP ROAD SYSTEM PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

86-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH POST, BUCKLEY, SCHUH, & JERNIGAN, INC., TO PROVIDE DESIGN SERVICES FOR EXPANSION OF THE NETJETS AIRCRAFT RAMP AND TAXIWAY AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

87-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT & CEO TO ENTER INTO THE NEGOTIATED COLLECTIVE BARGAINING AGREEMENT WITH THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES, AFL-CIO, OHIO COUNCIL 8, LOCAL 3770, RETROACTIVE TO APRIL 1, 2008, PAY PERIOD THROUGH MARCH 31, 2011

MOVED: Casto ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/8-26-08

Other Business

With no further business to be brought before the Board, Lhota called for a motion to adjourn. Casto so moved; Tomasky seconded. Lhota adjourned the meeting

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT & CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
SEPTEMBER 30, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Dwight E. Smith, Vice Chair
Don M. Casto, III
John W. Kessler
Wm. J. Lhota
Susan Tomasky

Absent: Frank J. Cipriano
George A. Skestos
Dennis L. White

OTHERS PRESENT: Elaine Roberts, President & CEO
Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Timothy Doulin, Columbus Dispatch
Marla Rose, Columbus Dispatch
Alan Harding, Columbus Flight Watch
Mindy Price, RBG
Mike Bulkley, Rural Metro
STAFF: Baughman/Bush/Frankl/Goodwin/Holderman/
Langston/Landis/Meleski/Nederveld/A.Newland/
R. Newland/Polcyn/Stromberg/Whitaker

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of August 26, 2008. Hearing none, Casto moved for approval; Lhota seconded. Minutes approved unanimously.

Ransier introduced Lt. Rick Landis, Officer Chris Baughman and Officer Woofy. Woofy is a Robotronics Dog in a police car that was purchased through a grant with Homeland Security funds. Officer Baughman demonstrated the things that Woofy can do. He is used in the terminal as well as in the community including parades, Special Olympics, Nationwide Children's Hospital, East Columbus Elementary School and activities related to our business partners. Officer Baughman has the ability to interact with people personally from a distance with a remote control transmitter device.

Response to Woofy has been great both here at CRAA and in the community. The children at East Columbus Elementary School will be giving Woofy a more formal name through a program at the school.

Committee Reports

Business Development. Kessler, along with the other committee members, thought it would be important for the total Board to hear an update on the NetJets project.

Robin Holderman gave a PowerPoint presentation with an overview and update on the NetJets project. It had been about six months since the NetJets' MOU was approved. This is a very important project for the community.

NetJets was founded in Columbus in 1964 as Executive Jet as the nation's first aircraft charter company. In 1984, Richard Santulli bought the company and launched the fractional ownership program in 1986. In 1998 Warren Buffet's Berkshire Hathaway purchased the company and renamed it NetJets in 2002. In the last 10 years, the ownership shares have grown from 1,500 to over 7,000. NetJets has an 80% market share in the fractional jet ownership concept.

One interesting fact about NetJets is that they have the second largest fleet of aircraft in the world next to American Airlines. NetJets has 7,300 employees and operations in the US, Europe and the Middle East. In Ohio last year, NetJets spent about \$300 million.

Flight Safety International is a flight training company also owned by Berkshire Hathaway. FSI currently has a training facility in the southeast corner of the airfield. Currently, they have 7 simulators at a cost of \$15 million each. FSI will increase the number of simulators to up to 28 once their training facility on the new campus is complete. In addition, they have 43 training centers in the US, Canada, France and the United Kingdom.

The project will include 300,000SF of corporate offices and a 200,000SF training facility for FSI. Also being contemplated are a day care and hotel to be located on the north airfield.

NetJets has approximately 2,000 employees in Central Ohio and is planning to add another 800 high-wage jobs over the next several years. These are excellent jobs for the community.

There are three option areas designated on the north airfield. The City, State, NetJets and ourselves are hoping to market those option areas to companies providing services to NetJets or other aviation related businesses that may be compatible with NetJets. NetJets will be the anchor for the aviation cluster complex at CMH.

In the MOU, in order to accommodate NetJets expansion, CRAA committed to acquire certain properties on Gayle Drive, relocate two cell towers presently located on the north airfield, provide a storm water detention basin, mitigate / relocate any wetlands and/or streams on the property, upgrade Hubler Road, construct additional apron and taxiway and relocate the ASR-9.

The estimated cost to relocate the ASR-9 is \$11.8 million. The original estimate was \$4.5 million. The latest figure includes a 10% contingency and a 26.5% overhead fee charged by the FAA. The original estimate was based on costs incurred at another airport to relocate their ASR-9. After much discussion with the FAA, it was determined a replacement ASR-9 was not available in their system. Thus, the FAA is providing CRAA the temporary use of an ASR-8 which will be sited and made operational next to our existing ASR-9 while it is being relocated to a new site. This process requires two sitings, the temporary ASR-8 and the new ASR-9, instead of one siting which was originally anticipated effectively doubling the cost.

The apron expansion and taxiway has a cost of \$5.2 million with a 5% contingency. NetJets is contributing \$875k for deicing capability and some other minor items they would like included on the apron. The State of Ohio has committed \$2 million in 629 funds to the Hubler Road improvements. The State has also committed \$1 million for the ASR-9 relocation. The City of Columbus has agreed to provide redundant power to the site expected to cost \$250k.

The wetland and stream mitigation costs, if any, will be determined once NetJets has completed their site development plan. It is hoped the existing stream will be incorporated into the site plan so there may be little or no cost for that particular element. The cost of the detention basin has a 25% contingency in it as well.

The cell tower relocations and the Gayle Drive property acquisitions are estimated at roughly \$4 million in aggregate.

The original cost estimate for CRAA's portion of the project was \$11.5 million. Currently, the worst case cost scenario (including the FAA overhead charge and contingencies) is \$31.5 million. Assuming the FAA overhead charge is waived and the contingencies are either not needed or value-engineered out of the project, the total estimated cost could drop to approximately \$24.1 million. Of the variance between this number and the original estimate, 58% can be attributed to the increased cost of relocating the ASR-9.

The incentive package has input from the State, City and the Port Authority. The \$37.4 million from the State and \$22 million from

the City is nearly all in tax credits, tax abatements; incentives that are not really cash. Our number is cash out of pocket. We are working with the City and the State to try and get that number down.

We are about a week away from finalizing a lease with NetJets. We have been negotiating for the last couple of months.

Two of the most successful projects in Franklin County right now are Rickenbacker and this opportunity with NetJets. These projects are two of the big economic drivers in the area and it is pretty impressive.

Kessler thanked Robin, Elaine and the staff for their tremendous amount of effort put towards this project.

Facilities & Services. Roberts reported that there was not a facilities committee meeting this month.

Finance. Byrum reported the year to date financial information in the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$53.7 million worth of revenues and \$36.4 million worth of expenses, leaving an Operating Income Before Depreciation of \$17.3 million. That is a little over \$100,000 of the Revised Budget that was adopted at the June meeting. We still remain very strong financially from a standpoint of having almost \$17.3 million worth of operating income. It is highlighted that we have \$123 million of cash and cash equivalents which is a little over \$7 million where we were at the end of the year last year. Most of those funds have been used to add to our land, property and equipment which have increased almost to \$22 million; that is offset by an increase in our accumulated depreciation of \$16.7 for a net increase of a little over \$5 million.

We have also paid down our long term debt and are in agreement to have a little less than \$104 million outstanding, very modest in comparison to other airports.

Lhota added that Byrum has been working on the Commercial Paper program and anticipating the rollovers of October 7th and 15th. Tomasky asked the amount of the Commercial Paper. Byrum answered that it is \$25 million.

Human Resources. Casto had no report this month.

President & CEO Report

Passenger numbers were down 21% for the month of August and for the year to date, down 5%. We are now forecasting that we will be down close to 11% by the end of the year. Just as a reminder, we had a record first quarter of this year. Skybus was still operating. We are riding on the heels of a record 2007 so the swing is pretty drastic.

The good news is that in August four airlines had positive numbers compared to a year ago. Northwest, Southwest, United and Air Canada had positive numbers and we are very excited about the start of AirTran on November 6th. There will be an inaugural event that day. As soon as we get more information we will be sharing it with the Board. AirTran will be operating out of Gate C48 which is right past the security checkpoint in C Concourse. They will serve Atlanta, which is their hub in addition to Orlando and Ft. Myers. Their bookings are very strong so far.

Turning to Rickenbacker, the economy continues to affect our cargo operations as well. We are down in tonnage 16% for the month of August and year to date a little over 2%. Last week there was news about AirNet relocating their flight operations to Chicago Midway. They will continue to have their corporate office and maintenance facility at Rickenbacker. Even before their announcement they were down 69% in cargo for the month of August. We have factored that into our 2009 budget; it is in the neighborhood of roughly \$600,000 per year in lost revenues.

The Business Development Division is putting out an extensive direct mailing campaign for cargo users in the next few months to promote activity at Rickenbacker.

On Thursday of this week we will be hosting our corporate airline real estate representatives for the annual Rates and Charges budget meeting. We have done a lot in our preliminary process to try to hold their costs down as much as we can. Their 5 year use agreement with the airport expires in 2009 so we will start a discussion of that at this meeting. Right now we are thinking about another 5 year agreement, but we will have to see what the airlines interest is.

As you came into the terminal today you could see major progress where the entrance signage has been in place. We should have nearly the entire roadway project complete by the end of October.

We also have a major project under construction on our apron. We are expanding the area where the airplanes are deiced. The project is nearly complete and will be ready for this winter.

Angela and her team recently received an award from the Central Ohio Section of the American Society of Highway Engineers. This is for the intermodal facility at Rickenbacker; a project of the year award.

The month of September began with a tragic accident at Rickenbacker when an Air Tahoma aircraft crashed off the end of the runway in a cornfield. There were 3 crew members on board that were killed. It will be sometime before we know the actual cause of the accident. It is being investigated by NTSB and it is their policy that they will not speculate on causes, so we will not know the cause for awhile.

The September wind storm happened two weeks later. Fortunately here at Port Columbus the terminal and our navigational aids were not without power. Some of the facilities on our north side, including our maintenance facility were down without power for about 1-1/2 days but had a back up generator. We had some roof damage to the terminal. There was also damage at the fire station and the original hangar had significant roof damage. We are still collecting damage reports in terms of dollars.

Rickenbacker was without power for about 8 hours. They were able to operate their navigational aids with battery back up power. The terminal back up generator did fail. There was a charter flight that came in while the power was out and the portable stairs had to be used. The wind did knock one passenger down.

At Bolton Field we had power off for about 19 hours but systems operated on a generator with very minimal damage.

We had a full scale emergency preparedness exercise on September 12th. It was very successful. We also had a center for handling passengers' family and friends that was also practiced here for the first time. I am very pleased that it turned out well. We can congratulate Rod and his team for the success of the exercise. This is a requirement of the FAA for our certification to operate as a commercial airport.

I will plan on presenting a full report at the November meeting on the organizational effectiveness initiative we have been undertaking during the past year. Best Practices Assessments have been completed in all of our divisions, including a review of staff capabilities. We have made great progress and we are almost done. A couple of weeks ago I announced the creation of a new Office of Strategy and Organizational Effectiveness. It is going to be headed by Linda Frankl. She will be reporting directly to me and working on performance indicators, benchmarking, cross divisional

improvements and follow up to our best practices. Part of that office will include Chris Kitchen who currently is in the Human Resources office. He will focus on talent management, succession planning and development and training.

Borden reported that Charlie Goodwin, our General Manager of Rickenbacker will step into Linda's position and take over airport operations here at Port Columbus. He will retain his duties as the General Manager of Rickenbacker and will combine the airport operations from Port Columbus and Rickenbacker so they will essentially be a single unit.

Roberts added that Mark Mulchaey, the current manager at Bolton Field will be moving to Port Columbus and reporting to Dave Whitaker. Mark will be working with Dave on business development for general aviation at all of our airports as well as overseeing our customer service and customer relation initiative.

Next month Roberts will be traveling and Rod Borden will acting in Roberts' absence.

Reading of Resolutions

88-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE GRANT OF AN EASEMENT AND RELATED DOCUMENTS TO COLUMBIA GAS OF OHIO FOR THE INSTALLATION OF A NATURAL GAS PIPELINE ADJACENT TO ALKIRE ROAD AT BOLTON FIELD AIRPORT

MOVED: Tomasky ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

89-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING THE EXECUTION OF A LEASE AND RELATED AGREEMENTS FOR THE LEASING OF SUITES C AND D OF AIR CARGO BUILDING 1 TO KUEHNE + NAGEL AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

90-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH REYNOLDS, SMITH AND HILLS, INC., FOR CONSTRUCTION ADMINISTRATION AND TESTING FOR PHASE 1, AND FINAL DESIGN AND BIDDING SERVICES FOR PHASE 2 OF THE RUNWAY 5R/23L PAVEMENT AND LIGHTING REHABILITATION PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

91-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY RATIFYING SUBMISSION OF AN APPLICATION FOR FUNDING TO THE MID-OHIO REGIONAL PLANNING COMMISSION FOR THE ALUM CREEK DRIVE EXTENSION PHASE 3 (RICKENBACKER PARKWAY LOOP ROAD) PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

92-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER FOR THE PURCHASE AND INSTALLATION OF A NEW TELEPHONE AND VOICEMAIL SYSTEM TO BE USED AT PORT COLUMBUS INTERNATIONAL AIRPORT, SUBJECT TO BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR REVIEW AND APPROVAL PRIOR TO EXECUTION OF THE CONTRACT

MOVED: Smith ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

93-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH TREMCO/WEATHERPROOFING TECHNOLOGIES, INC., TO PROVIDE CONSTRUCTION SERVICES FOR THE TERMINAL ROOF REPLACEMENT PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

94-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH LANDRUM & BROWN FOR THE PREPARATION OF AN ENVIRONMENTAL ASSESSMENT AND CATEGORICAL EXCLUSION FOR THE NETJETS EXPANSION PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

95-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE RENTAL CAR CUSTOMER FACILITY CHARGE AT PORT COLUMBUS INTERNATIONAL AIRPORT TO THREE DOLLARS AND EIGHTY-FIVE CENTS FOR PURPOSES OF FUNDING PLANNING, DESIGN, CONSTRUCTION, EQUIPMENT ACQUISITION, GARAGE IMPROVEMENTS AND OTHER ASSOCIATED COSTS RELATED TO FUTURE RENTAL CAR FACILITIES

MOVED: Lhota ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/9-30-08

Other Business

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Lhota so moved; Casto seconded. Ransier adjourned the meeting.

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT &
CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
OCTOBER 28, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Dwight E. Smith, Vice Chair
Don M. Casto, III
Frank J. Cipriano
John W. Kessler
Susan Tomasky

Absent: Wm. J. Lhota
George A. Skestos
Dennis L. White

OTHERS PRESENT: Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Marla Rose, Columbus Dispatch
Don Peters/Alan Harding, Columbus Flight Watch
STAFF: Bush/Frankl/Goodwin/Holderman/Langston/
Laughlin/Meleski/Morgan/A. Newland/R. Newland/
Schick/Tanner/Wall

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of September 30, 2008. Hearing none, Casto moved for approval; Tomasky seconded. Minutes approved unanimously.

Committee Reports

Business Development. Kessler reported that everything was in order.

Facilities & Services. Cipriano reported that at the Committee's meeting last week staff presented a comprehensive review of the Capital Improvements Budget. He asked Dave Wall to give a brief recap of that presentation.

Wall directed the Board's attention to the handout titled "CRAA Capital Program," which is a high-level overview of the Program that starts in 2009 and goes through 2027—an 18-year Program. The Capital Program is broken down into four separate business units: Port Columbus, Rickenbacker, the Global Logistics Park, and Bolton Field and within each of those business units, they are further broken down into different types of Projects: airfield, equipment, landside, noise, security, and terminal. The estimated cost of the 18-year Capital Program is \$886.8 million dollars, with Port Columbus having the lion's share at \$770.8 million, Rickenbacker at \$110.7 million, Global Logistics Park at \$3.9 million, and Bolton Field at \$1.2 million.

The major elements of the Authority's Capital Improvement Program has seven focus areas:

- Stelzer Road Interchange, which will be finished in 2009.
- NetJets Development, which is expected to be completed by 2012.
- Replacement Runway, which includes a three-year Environmental Impact Study, that is expected to be concluded in April 2009 with the Runway commissioning in 2012.
- Consolidated Rental Car Facility, with construction scheduled for 2010 to 2012.
- In-Line Baggage Screening, with design scheduled for 2009 and construction in 2010 and 2011.
- New Terminal Development, with design estimated to occur in 2022 to 2024 and expected completion of construction of the first phase in 2027.
- Rickenbacker Global Logistics Park, with land acquisition for the GLP expected to be completed in 2010.

Projects over \$2 million in the 2009 Capital Budget for Port Columbus include:

- Design of the replacement runway and supporting taxiway as well as design for relocating one of the FAA's antenna systems that is in the way of the replacement runway/supporting taxiway -- \$7 million.
- Stormwater detention for Turkey Run for basin construction for stormwater runoff -- \$8.5 million.
- Acquisition of 35 properties in the new Runway Protection Zone. Three homes have already been purchased and another seven homes are in contract; expect the majority of purchases to be completed in 2009 -- \$2 million.
- Replacement Employee Parking Lot construction -- \$3.8 million.
- Consolidated Rental Car Facility design -- \$3.6 million.
- Stelzer Road Interchange will be finishing up at the end of next year -- \$12.5 million. The total cost for the Interchange Project, including ODOT's \$18 million share on top of the Authority's costs, come to close to \$45 million.
- NetJets Apron Expansion and Taxiway construction -- \$4.8 million.
- NetJets Expansion area requires the Authority to relocate the ASR-9 (Airport Surveillance Radar) on the north side of the field -- \$11.9 million.

- Gayle Drive Property Acquisitions to make way for NetJets' expansion -- \$2 million.

The major project at Rickenbacker in 2009 is the Phase 1 rehabilitation of the outside runway, 5R/23L. This Phase 1 of a three-phase project encompasses the first 1500 feet of the south portion of the runway which will replace the concrete with asphalt as well as rehabilitate the 25-foot shoulder going along the length of the runway at a total cost of \$4.1 million.

Finance. Smith reported that the Committee spent a good bit of time reviewing the 2009 Budget and that the Budget information will be distributed to the full Board for its review and consideration prior to hopefully approving the Budget at next month's meeting. Smith complimented Byrum and his team for their work on a very well done Budget.

Byrum reported that for the year-to-date through September 30, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$59.9 million and Total Operating Expenses of \$40.7 million, leaving an Operating Income Before Depreciation of \$19.2 million. That is about \$400,000 greater than the Revised Budget, the majority of which comes from increased Revenues that were found as a result of completed Rental Car audits. A Liability showing that the Authority owed money was actually not a Liability, thus allowing us to pick up additional Revenue this month. In addition, Interest Income is a little higher and our Interest Expense is a little lower than anticipated because of the Commercial Paper Program.

There continues to be volatility in the financial markets; however, a bit of stability appears to be coming back to the markets at least from the borrowing side. Commercial Paper was up to almost 8 percent a few weeks ago and most recently we got a rate of 2.3 percent and expect that to go even lower with our next rollover. Staff has kept the Finance Committee advised and has been closely monitoring that with our Financial Advisor as well as the banks and other financial institutions that we deal with.

On the Combined Statement of Net Assets Versus Prior Year End, we have \$748.9 million of Assets Under Management and \$126 million of Cash, which is up about \$13.4 million over the end of the previous year. Under Land, Property & Equipment, we have added almost \$30 million worth of Fixed Assets which was offset by Accumulated Depreciation increases of almost \$19 million.

On the Liabilities side, we continue to pay down our Accounts Payable—a significant portion of those payments were for our construction program, as well as Accrued Expenses for real estate taxes and interest. In addition, our Long-Term Debt has been lowered by \$3.5 million. In summary, the Authority is well off from a liquidity standpoint and remains strong financially in this uncertain time.

Smith noted that on the agenda for a future meeting is the Ray & Barney study which looks at Best Practices as they relate to best practices in the private sector as well as at the Authority. He feels that it is very important that we get as much as we can out of the assets and resources that we manage as we plan the 2009 Budget since we, like every other organization, are really feeling a lot of the stretch. Borden added that he believed that Roberts plans to brief the Board in more detail at next month's meeting.

Human Resources. Casto reported that the Committee reviewed the 2009 Salaries, Wages, and Benefits package that was distributed by management in early September. The Committee had no questions about the package and complimented the Authority staff on the cost-cutting measures planned for the 2009 Budget. The measures seem prudent given the current economic climate and the conditions that are facing the Authority and the airlines. Thanks were extended to staff for the clear and concise presentation materials and the Committee approved the 2009 Salaries, Wages, and Benefits component of the Budget that will be included in the overall Budget the Board will be considering next month.

President & CEO Report

In Roberts' absence, Borden, Chief Operating Officer, reported that it was another disappointing month for passenger activity, although not unexpected. Total passengers were down 23.5 percent compared to September 2007 and for the year-to-date, they were down 7.2 percent. Disregarding Skybus' activity in both 2007 and 2008, total passengers in September would have been down 11.7 percent; however, for the year-to-date, activity would have been down 7.8 percent—almost the same as with the Skybus numbers.

In September, all of the carriers were either down or flat except for Northwest Airlines who was up 2 percent, which is significant in terms of the economic environment. For the year-to-date, Southwest continues to be the bright spot, with a 9.4 increase in passengers and they are comfortably in first place with a market share of 26.7 percent. The next closest carrier is US Airways with 17.4 percent market share.

Even though a lot of the news is grim, there are some positives. AirTran begins service on November 6 with two daily non-stop flights to Atlanta, one to Orlando, and one to Fort Myers. In conjunction with the commencement of service, they are planning two events. The first event will be at their Gate, C-48, from 12:30 to 1:30 on the afternoon of November 6, which marks their inaugural flight that will arrive from Orlando at 1:27. Our Chair will offer remarks on behalf of the Board at that event. The second event is a 5:30 reception at the Columbus Zoo. All Board members should have received invitations to both of those events.

In a meeting with our airline managers today, Borden learned that the Delta/Northwest merger may be approved by the Department of Justice as early as later this week, which is much sooner than expected. The combination of the operations of the two carriers is expected to take at least a year after the approval of the merger. So even though it has been a lengthy process up to this point, it will continue to take some time before they are able to merge the operations. The merged airline will be called Delta Airlines with its headquarters located in Atlanta. At this point, it is uncertain about the effect the merged airline will have on flight activity at Port Columbus. We do know, though, that ultimately we will be relocating Northwest to be adjacent to Delta in Concourse C.

At Rickenbacker, on the passenger side, there were over 9,300 enplaned passengers with the charter airlines. As a result, we are quite optimistic that we will reach the 10,000 enplaned passenger threshold to qualify for the passenger entitlements. Interestingly, the number of charter flights for the year-to-date is triple the number of charter flights in 2007 which is very encouraging. On the cargo side, September activity was down 19.8 percent versus September 2007—very similar to the commercial passenger activity at Port Columbus. To a large degree, that is due to AirNet restructuring their route system. They have reduced the number of flights at Rickenbacker by about two-thirds and their cargo volumes at Rickenbacker are down about 71 percent. So a very significant impact there. For the year-to-date, activity was down 4.3 percent.

Whitaker is on a trade mission to Shanghai, Hong Kong, and Kuala Lumpur. The trip is focused on air cargo development and he is accompanied by Mike Brady of his staff as well as Matt McCollister from the Columbus Chamber. They will be joined by an Ohio Trade representative as well as a representative of the U.S. Consulate. On October 29, the Authority is sponsoring a reception in Shanghai for cargo, freight forwarder, and airline officials. To date, there are over 50 confirmed attendees who will be given

presentations on doing business in the U.S., the State of Ohio and Columbus, as well as at Rickenbacker. It should be a very informative event that hopefully will pay some dividends for us. That event will then be followed by individual meetings with airline and cargo officials in both Shanghai and Hong Kong. From there, Whitaker will go to Kuala Lumpur to participate in the International Air Cargo Association's trade show.

Borden directed the Board's attention to a direct marketing campaign handout titled "Air Cargo Industry Survival Guide, prepared by Whitaker and his staff. The Guide is a series of six pamphlets that point out the benefits to cargo airlines, freight forwarders, etc., for doing business at Rickenbacker. For example: reduce your fuel costs; offload your cargo quickly; cut your fees in half; take advantage of great resources; serve your customers better; and save money, time, and frustration.

Evergreen International Airlines has been granted authority to fly cargo between the United States and Shanghai. There are four cities in the United States authorized to fly that route—New York, Chicago, Dallas, and finally Columbus which is Rickenbacker. We are very hopeful that we will see some international cargo activity between Shanghai and Rickenbacker from Evergreen. Of course, there is no guarantee that we will see that. It depends very much now on Evergreen being able to generate the business. But having the authority to fly the routes is certainly a step in the right direction.

In terms of other business development, the NetJets lease that the Board had approved several months ago was executed about two weeks ago. Holderman noted that the lease was signed October 14 and said that "it was a long process, like those things tend to be, but we shook hands and walked from the table and felt like we put a fair deal together."

As mentioned earlier, Borden pointed out that the appropriate Committees have reviewed their respective components of the 2009 Budget and we expect to bring that to the Board for consideration at next month's meeting.

On October 2, staff met with the airlines on the 2009 Rates & Charges. Borden was unable to attend that meeting but by all reports, the airlines were very appreciative of the efforts of staff to reduce the costs to be passed on to them next year. There were significant reductions in the overall airline expenses of operating at Port Columbus even though, due to their projected declines in activity, the Authority rates will be increasing—the

landing fee in particular and their cost per enplaned passenger. However, in terms of real dollars, we significantly reduced the airline costs, which was very well received by the airlines.

Since the airline lease agreement expires at the end of 2009, we expect to begin renewal discussions with them early in the year and hope to have it wrapped up by mid-year in order to get a new lease with the carriers executed. He feels it is likely that the term of the new agreement will be the same as the current agreement which is a five-year agreement. In addition, at this point in time he does not think that either the Authority or the airlines see any major impediments or significant items that need to be re-negotiated or need to change the deal in any significant way. Borden is very optimistic, as is Byrum and Roberts, that those talks will go smoothly and hopefully quickly.

The night before the meeting with the airlines, Whitaker and Borden had dinner with a number of the airline representatives. In a setting like that where one can relax and socialize a bit, they had a good opportunity to get a feel for how the airline folks are really feeling about things in terms of the industry as well as doing business here. It was very encouraging. They expressed appreciation for what we have done with the Budget and were complimentary of how we manage. Even more telling, was the fact that they seem to be approaching the current economic situation the industry is facing in a very businesslike manner. The industry is very cyclical and the airlines have been there a number of times in the past, but the representatives do not seem to be in any kind of a panic mode and recognize that it is a situation that needs to be managed through and intend to work with us and all their other airport partners to work through it. They recognize that there will always be a need for air travel and that the cycle will turn around at some point—even though it may take some time.

The following several projects are completed or wrapping up:

- The Crossover Taxiway Project is complete and will be open to traffic next week. Tabor is coordinating a media photo opportunity for the first airplane to use the taxiway and is talking with NetJets about the possibility of using one of their airplanes for the photo opportunity.
- The Loop Road Project is also complete except for a few signage items that will be taken care of in the very near future.
- The cell phone lot is being striped with a tentative opening date of October 31.

- The Remote Deicing Area Expansion Project is completed. That is the area off the east end of the terminal building where, when they are not deicing in winter weather conditions, airlines will park airplanes overnight. Since we had some congestion out there last year, we expanded the area by adding three deicing positions to bring the total to seven positions. In addition, we expanded the glycol collection area as well. This will allow us to collect the new area separately from the old area if we wish so we do not have to collect a lot of stormwater and then process that through the City at great expense. In other words, we can scale that to the level of activity that is needed.
- Phase 1 of the International Gateway/Stelzer Road Interchange is complete and Phase 2, which involves the construction of the overpass, is now under way. Phase 2 will be done at the end of 2009.

We experienced some maintenance traffic glitches during a couple of days when the International Gateway/Stelzer Road intersection was being paved. There were some delays coming onto the airport by up to 15 to 20 minutes. Staff worked closely with ODOT and their contractor and were quite pleased with how responsive and sensitive they were to the issue. We will continue to work with ODOT and their contractor to ensure that if and when there are additional closures needed to the roadways for paving or putting steel in place, etc., that we do not have any kind of significant delays for people coming onto the airport.

Regarding the Authority's preparations for winter operations, the good news is that the hiring of our seasonal workers is proceeding nicely and we expect to have them all on board within the next couple of weeks. The not so good news is that there are likely to be some pricing and availability issues this winter with chemicals, including salt, which we use on the roadways, as well as liquid deicer, which we use on the runways. The problem with getting the salt is that it is a transportation issue due to the flooding that occurred early in the summer, since the barges that transport the salt have experienced a great deal of difficulty getting up the Mississippi River. The problem with the liquid deicer is that one of the plants that produces one of the critical elements has been on strike, which has impacted all of the producers of liquid deicer. In addition, we have seen prices triple, or even go higher, for the liquid deicer.

In order to respond to the expected shortages and higher prices in a proactive way, the Authority stocked up on both salt and sand as well as the liquid deicer. Additionally, we will rely more this

winter on using just sand and mechanical removal methods—plows, brooms, etc. That will be more labor and equipment intensive and does tend to take more fuel but will probably be the most cost effective, given what we are seeing with higher prices on the salt and chemicals. In summary, we do have adequate supplies on hand right now. Of course, if we have a severe winter, we could be facing some shortages.

Reading of Resolutions

96-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH TREMCO/WEATHER-PROOFING TECHNOLOGIES, INC., TO PERFORM REPAIRS AND A ROOF REPLACEMENT ON HANGAR #1 AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/10-28-08

97-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH BURGESS & NIPLE, INC., FOR ENGINEERING AND DESIGN RELATED SERVICES FOR THE RICKENBACKER PARKWAY PHASE 2 PROJECT AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Smith ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/10-28-08

98-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH MAVERICK BUILDERS, INC., FOR THE DEMOLITION AND REHABILITATION OF PORTIONS OF AIR CARGO CENTER 1 AT 4760 EAST FIFTH AVENUE AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Kessler
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/10-28-08

99-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A PROFESSIONAL SERVICES CONTRACT WITH ME COMPANIES TO MANAGE THE ACQUISITION OF 11 PARCELS OF PROPERTY ALONG JOHNSTOWN ROAD NEAR PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Kessler ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/10-28-08

100-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING CONTRACTS WITH RICONDO AND ASSOCIATES, INC., FOR THE PREPARATION OF NOISE LAND INVENTORY AND REUSE PLANS FOR PORT COLUMBUS INTERNATIONAL AND RICKENBACKER INTERNATIONAL AIRPORTS

MOVED: Casto ; SECONDED: Smith
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/10-28-08

Other Business

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Tomasky so moved; Casto seconded. Ransier adjourned the meeting.

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT & CEO'S OFFICE DURING NORMAL BUSINESS HOURS

MINUTES
COLUMBUS REGIONAL AIRPORT AUTHORITY
NOVEMBER 25, 2008

BOARD MEMBERS

Present: Kathleen H. Ransier, Chair
Don M. Casto, III
Frank J. Cipriano
Wm. J. Lhota
Susan Tomasky
Dennis L. White

Absent: John W. Kessler
George A. Skestos
Dwight E. Smith, Vice Chair

OTHERS PRESENT: Rod C. Borden, Sr. VP/Chief Operating Officer
John Byrum, VP/Chief Financial Officer
Wendy Larzelere/Mindy Price, Ray & Barney Group
Don Peters/Alan Harding, Columbus Flight Watch
Mike Raubenolt/Robert Kuederle, Woolpert
STAFF: Bush/Frankl/Goodwin/Holderman/Kitchen/
Langston/Laughlin/Morgan/Newland/Schick/Tanner/
Wall/Whitaker

Ransier called the meeting to order and asked if there were any additions or corrections to the Minutes of October 28, 2008. Hearing none, Lhota moved for approval; Cipriano seconded. Minutes approved unanimously.

Committee Reports

Business Development. In Kessler's absence, Roberts said there was nothing to report this month.

Facilities & Services. Cipriano reported that after going through the Agenda at the Committee meeting last week, they discussed the major Capital expenditures for the coming year. He then asked Newland to give a quick rundown of the Capital Improvements Budget for 2009. Newland reported that the major components of the Capital Program for Port Columbus include over \$20 million for NetJets—the apron expansion, roadway improvements, taxiway, etc. In addition, design is also in process for the Consolidated Rental Car Facility as well as design for the runway relocation. At Rickenbacker, part of the outside runway will be rehabilitated.

Finance. Byrum reported that for the year-to-date through October 31, 2008, the Combined Statement of Revenues, Expenses and Changes in Net Assets Versus Budget shows Total Operating Revenues of \$66 million and Total Operating Expenses of \$45.1 million, leaving an Operating Income Before Depreciation of \$20.9 million. That is

almost \$350,000 greater than the Revised Budget, the majority of which comes from increased Revenues that were found as a result of completed Rental Car audits. A Liability showing that the Authority owed money was actually not a Liability, thus allowing us to pick up additional Revenue. Under Depreciation and Other Reconciling Items, Debt Interest Payments were a little over \$842,000 under Budget. In addition, the Commercial Paper crisis is somewhat settled now—we were able to issue Paper for 36 and 98 days this past month, one at 1.35 percent and one at 1.58 percent. The average balance for the \$19.5 million Commercial Paper we have outstanding is 1.55 percent.

On the Combined Statement of Net Assets Versus Prior Year End, we have over \$115 million worth of Cash and Cash Equivalents which is very similar to the levels that we were at the end of last year. We have almost \$900 million worth of Land, Property & Equipment—an increase of over \$37 million since last year. A large component of that is in the on-going construction work in process and is offset by an increase in Depreciation of almost \$21 million, leaving \$744 million worth of Total Assets Under Management.

On the Liabilities side, Accounts Payable has declined over \$12 million and we retired \$5.5 million worth of the Commercial Paper Notes that came due about four weeks ago. Accrued Expenses for real estate taxes and interest have been reduced about \$6 million since the end of the year and Total Long-Term Debt has declined by \$3.5 million, leaving a little over \$101 million of debt at Port Columbus and a couple million dollars at Rickenbacker.

Bush reported that, for the month of October, parking revenues are well balanced with where we expected them to be on a Revised Budget basis. For the year-to-date, we are about \$420,000 ahead of where we thought we would be. Utilization in the facilities for the month of October was down a little over 21 percent and is aligning with what is happening with passenger traffic. Although utilization is down, the rate increase in the garage has helped revenue-wise.

Human Resources. Casto reported that the Board would be considering Resolution 116-08 to extend the services provided by the Ray & Barney Group. For a little over a year now, the Ray & Barney Group has performed a Best Practices Assessment of all of the Authority's business areas. This involved assessing staffing levels, capabilities, organizational structure, performance alignment, benchmarking of leadership capabilities, and identification of core competencies to use in recruiting and retaining top talent. This work has been very valuable and has resulted in many benefits including a reduction in competing organizational

priorities, streamlined efficiencies, and creation of new standard operating procedures. To continue to build on these successes and ensure a maximum return on investment, the Committee recommended Board approval of Resolution 116-08 authorizing the Ray & Barney Group be retained in 2009 to provide coaching and mentoring services and to assist the newly created Office of Strategy and Organizational Effectiveness in moving the Authority team to the next level of planning, prioritization, and performance accountability.

The scope of work also includes Ray & Barney's services to help identify the optimum plan for centralizing all of the technology services under one area of leadership, allowing the Authority to provide integrated technology services that are aligned to the overall business objectives. Casto noted that Roberts would be reporting on this in greater detail during her report to the Board.

Prior to Roberts report, Borden brought in and introduced special guest, Cathy Stover, and her partner, Speedy, to the Board. Cathy and Speedy graduated about two weeks ago from the TSA Bomb Dog school at Lackland Air Force Base in San Antonio. They are the latest addition to our Canine Unit and were awarded the Top Dog Award which means they graduated at the top of their class. The training is a ten week, very intensive program, and Cathy and Speedy are now fully operational and part of the Bomb Dog Team which includes three other teams. Borden noted that the other three Bomb Dogs and their handlers recently successfully achieved their annual recertification. This involved a TSA inspector spending several days testing, evaluating, and watching each of the teams. The other members of the Bomb Dog Team include Greg Davies and his partner, Segal; Catarina Ruchti and her partner, Charley; and Dave Knepper and his partner, Ketty.

The TSA reimburses the Authority approximately \$40,000 for each of the Bomb Dog Teams, so we currently have four reimbursements in place. The funding is intended to cover each dog's expenses—veterinary bills, food, lodging when they need to be boarded when their handler goes on vacation, etc. Borden also pointed out that each dog is with the handler 24/7 and the only special consideration the handlers get for being part of the Canine Unit is one hour a day for caring for the dog such as feeding, grooming, etc. Other than that, they are in the same classification and compensated exactly the same as our other Officers—it is really a service on their part and we are very proud of what they do.

President & CEO Report

Roberts reported that passenger activity for the month of October was down 19 percent compared with October 2007, which was a record month, and is just a little improvement over the 23 percent we were down in September. For the year-to-date, we were down 8.5 percent. Southwest continues to be a strong performer—up almost 13 percent for the month and up about 10 percent for the year-to-date. After the Skybus shutdown and the announced cutbacks by some of the other carriers, we forecasted that activity would be down in the 10 or 11 percent range by the end of this year, so we are approaching that mark with two months to go. It is hoped that we do not see more cutbacks by the airlines after the first of the year since, traditionally, January-February are pretty slow months. To date, we have not been notified of any cutbacks here at Port Columbus.

Governor Strickland, Mayor Coleman, and Franklin County Commission President Marilyn Brown, were all in attendance to kick off AirTran's new service on November 6. The inaugural event also featured Archie Griffin who was made an honorary Captain and boarded the first flight outbound. AirTran is offering four daily flights: two to Atlanta, one to Fort Myers, and one to Orlando. This is very good, positive new service and we are very hopeful that we might see additional AirTran service next spring and summer. The bookings to Fort Myers are particularly strong, to Orlando they are very good, and they are okay to Atlanta probably as a result of Delta matching them on fares to Atlanta, which is really one of the benefits of getting AirTran.

The U.S. Department of Justice gave final approval for the Delta/Northwest merger. They will be integrating their operations over the next several months and it may take up to three years for full integration. Once they are fully integrated, they will be the largest commercial airline in the world. They are currently doing a lot of international expansion, especially in Europe and Asia. This means they will be a strong competitor for years to come. At Port Columbus, they will be co-locating and branding everything by the middle of next year with Northwest relocating to the Delta gates in Concourse C.

Whitaker's team has put together a TV campaign, airing on our three local affiliates until December 12, to promote flying out of Port Columbus. In the past, our advertising dollars were spent primarily in the Dayton and Cincinnati areas. This year, with the economy and the sluggish demand for service, we felt we needed to remind people of what our service is and what some of their options are. The ad directs viewers to our flycolumbus.com

website that shows a map where the all the flights go from Columbus to all over the country and includes a link to each carrier's site for airfares. The ad campaign was modestly budgeted at \$50,000 and we have seen a tripling of traffic to the website as a result of that ad campaign.

Similar to the passenger traffic at Port Columbus, cargo at Rickenbacker is down 19 percent for the month and down about 6 percent for the year-to-date, largely attributable to AirNet's not using Rickenbacker as their hub for operations. In addition, many of the charters to the Far East are down, reflecting the current economic conditions not only in the U.S. but worldwide.

Whitaker and Brady recently returned from a marketing trip to Shanghai and Hong Kong to promote Rickenbacker. Matt McCollister of the Chamber accompanied them. They met with a number of customers/potential customers and also hosted a reception in Shanghai for the logistics community, making some valuable contacts there. Whitaker and Brady then went on to Kuala Lumpur, Malaysia, for a bi-annual International Air Cargo Association Trade Show and were able to meet with several prospective customers. We try to budget a promotional trip once a year to keep the Rickenbacker name and presence out there. Another promotional effort in progress is the direct mail campaign with the survivor theme. The fifth piece of the six-piece series was recently mailed out.

The U.S. Department of Transportation has awarded Evergreen International Airlines a new cargo route between the U.S. and Shanghai. When that service starts up in the spring, April, Evergreen has indicated that they are going to connect Rickenbacker to Shanghai. Staff is working with Evergreen to see what we can do to help facilitate that startup.

On a fun note, the championship team of the Columbus Crew arrived at Port Columbus on a Delta flight about 11 p.m. last night. The Mayor and a large crowd estimated at 200 or so fans were here to welcome them.

The Cell Phone Lot is now officially open. It can be accessed by going west on the Loop Road towards I-670. The signage for the Cell Phone Lot on the left of the Loop Road will direct you to turn off the road into the Lot that has about 50 spaces for cars. A map giving directions to the Cell Phone Lot has also been added to our website.

The crossover taxiway also is now officially opened. NetJets was the first aircraft to use it.

To conclude the President & CEO Report, Roberts gave a power point presentation on the Best Practices Initiative that the HR Chair referenced earlier.

Background

Two years ago, the Authority engaged the Ray & Barney Group, a local consulting firm, to take a look at staffing, project management, and best practices of our IT Division. That process was so successful and beneficial that a number of our senior team involved with the process suggested it be done organization-wide. As a result, in the fall of 2007 the Board approved a Resolution authorizing a contract with Ray & Barney for an organization-wide assessment.

The project included two phases.

- A Leadership DNA Assessment to benchmark what our leadership capabilities were and where we could identify future leaders within the organization. It also looked at our core competencies and what we wanted the DNA of our culture to be in the future so we would know how to recruit and retain talent to those competencies.
- A Best Practices Assessment of each Division to look at overall workload and the capacity of staff in place to perform that workload. As the Authority has grown since the merger with the Rickenbacker Port Authority, a lot of new areas of responsibility were taken over by staff stepping up without really clarifying where they should really align in the organization—who should own them and who should be accountable. In some cases, this resulted in duplication and overlapping responsibilities.

Summary of Results

The Best Practices Assessment clarified work ownership, realigned and/or eliminated areas of confusion, and identified a few areas where there was some redundancy, resulting in the elimination of some positions a little over a week ago that the Board had been made aware of. Some sustainable programs were created that will be with us now and in the future as to how we operate. One is a Business Partner Program that defines how the different operating units and divisions work together. Another is the creation of a Project Management Office primarily under the Planning & Engineering Division in partnership with the IT Division.

In addition, we created an Office of Strategy and Organizational Effectiveness, headed up by Linda Frankl and also includes Chris Kitchen, formerly in the HR Office. The Talent Management Program will fall under the leadership of that Office and will focus on numerous areas: strategic initiatives that are cross-divisional, performance culture to determine how are we going to develop our people, how do we recruit, and how do we retain talent. That Program will also define the kind of person we want to hire, their competencies, what their role should be, etc. That Office has also developed a Talent Matrix that we are using now as a tool to assess the capabilities of our existing staff and what is needed to become an A or B player and possibly be promotable. Ultimately, this all ties into a program that looks at succession planning and building for the future.

Benefits

Some of the benefits include:

- A reduction of competing priorities within the organization by aligning and determining the appropriate owner.
- Increased efficiency by eliminating the duplication of work effort.
- The creation of Standard Operating Procedures, largely with respect to meetings and the way we operate.
- A common language to lead staff toward this cultural transformation.
- New and different expectations for accountability and performance throughout the organization at all levels.
- The retention and expansion of the right talent and the identification of emerging leaders that we hope to grow further and develop for the future.

Key Changes

As previously mentioned, the Office of Strategy and Organizational Effectiveness was created, resulting in the realignment of Linda Frankl and Chris Kitchen. Frankl formerly was Director of Airport Operations and is now one of Roberts' direct reports. Other key changes include:

- Charles Goodwin, formerly General Manager of Rickenbacker, replaced Frankl as Director of Airport Operations and will continue in his role as Rickenbacker's General Manager as well as pick up Bolton Field. This position reports to Borden, Senior VP/Chief Operating Officer.

- Mark Mulchaey, formerly General Manager of Bolton Field, has been realigned to a newly created position within Business Development & Communications, reporting to Whitaker. In that role, he will focus on general aviation business development at all three of our airports and will also have responsibility for over-seeing customer service. One of the changes in our customer service area is to go to an all-volunteer workforce at the Information Booth located on the baggage claim area. To help staff that, we are looking to partner with some of the local universities.
- Elevating the importance of the Emergency Preparedness/Business Continuity function under Donna Monell, reporting directly to Borden, Senior VP/Chief Operating Officer.
- Paul Kennedy's role as the environmental staff person has been expanded and realigned from the Legal Division. He will now head up the newly created Office of Energy and Environment reporting to Goodwin, Director of Airport Operations. A fuel supervisor at Rickenbacker will become a member of that Office as well.
- The safety function, since it deals primarily with workplace or occupational safety, will realign to the Operating area from the Legal Division. Jim Yorke, Safety Coordinator, will report directly to Monell, Emergency Preparedness/Business Continuity.
- One of the major changes is in Ground Transportation and Parking. On April 1, 2009, that function will transition to the Operating area. Tracey Pomeroy, Manager of Ground Transportation and Parking, will then report to Goodwin, Director of Airport Operations.
- Randy Bush, who formerly headed up Ground Transportation, Parking, and Audit Services, will become Director of Finance and Audit Services. In addition, procurement, under Barb Johnson, will transition from Legal to Finance & Audit.
- There will be a new strategic focus on Community Relations aligned to Whitaker's Business Development & Communications Division.
- There will be a new strategic focus on Enterprise Risk Management aligned to Legal, with Allen Nederveld as principal owner of that function.

Following this discussion, Roberts directed the Board's attention to a few high-level organization charts depicting the realigned positions.

Conclusion

In summary, the results of the Best Practices initiative have been extremely valuable to the Authority and the Ray & Barney Group was the right partner to facilitate these changes. As recommended earlier by Casto, HR Chair, staff too recommended an extension of their contract in 2009 to help us build on these successes. The scope of work to be performed is largely through individual leadership coaching, mentoring, and providing tools to the new Office of Strategy & Organizational Effectiveness to operate optimally.

The scope of work also includes the Ray & Barney Group's services to identify an optimum plan for how we can centralize all of our technology services. Byrum and Borden, working with the Ray & Barney Group, would be co-sponsors of this effort to look at how we consolidate and centralize those technology services under one umbrella, where does it appropriately belong within the organization, and what do we need to appropriately staff it.

Reading of Resolutions

101-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN AGREEMENT WITH CLIFTON FAMILY FARMS PARTNERSHIP FOR THE LEASE AND IMPROVEMENT OF APPROXIMATELY NINE HUNDRED ACRES OF FARMLAND AT BOLTON FIELD AIRPORT

MOVED: Casto ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

102-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY RESCINDING RESOLUTION 74-08 AND AUTHORIZING THE EXECUTION OF A LEASE WITH OHIO HEALTH FOR SUITES A & B OF AIR CARGO BUILDING 1 AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Casto
YEA: 5 NAY: 0 ABSTAIN: Ransier
APPROVED/11-25-08

103-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE LOWEST RESPONSIVE, RESPONSIBLE BIDDER FOR IMPROVEMENTS TO SUITES A & B OF AIR CARGO BUILDING 1 AT RICKENBACKER INTERNATIONAL AIRPORT, SUBJECT TO REVIEW AND APPROVAL BY BOARD CHAIR AND FACILITIES & SERVICES COMMITTEE CHAIR PRIOR TO EXECUTION OF THE CONTRACT

MOVED: Tomasky ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

104-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH TRANSYSTEMS CORPORATION TO PREPARE ENVIRONMENTAL DOCUMENTATION AND WATERWAYS PERMIT PROCESSING FOR THE AIR CARGO CAMPUS OF THE GLOBAL LOGISTICS PARK AT RICKENBACKER INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

105-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH INTELLISOFT, INC., FOR THE PURCHASE, INSTALLATION, AND PRELIMINARY SUPPORT/TRAINING OF AIRPORT IDENTIFICATION SECURITY COMPLIANCE SOFTWARE AT PORT COLUMBUS INTERNATIONAL AND RICKENBACKER INTERNATIONAL AIRPORTS

MOVED: Cipriano ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

106-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH BUS SERVICE, INC., FOR THE PURCHASE OF FIVE 2008 FOURTEEN-PASSENGER SHUTTLE BUSES FOR USE IN THE REMOTE SHUTTLE LOTS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

107-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH SIGNATURE CONTROL SYSTEMS, LLC, FOR THE PURCHASE OF TWO MOBILE LICENSE PLATE INVENTORY PACKAGES FOR USE IN THE PARKING GARAGE AND THE REMOTE SHUTTLE LOTS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Lhota
YEA: 5 NAY: 0 ABSTAIN: Ransier
APPROVED/11-25-08

108-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH CENTRIC CONSULTING, LLC, TO DESIGN, DEVELOP, AND IMPLEMENT THE NEXT GENERATION EZ PARK SYSTEM AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

109-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A MODIFICATION TO THE EXISTING CONCESSION AGREEMENT WITH THE PARADIES SHOPS TO EXTEND THE TERM, ACKNOWLEDGE THE CONSTRUCTION OF TWO NEW CONCESSION LOCATIONS, AND PROVIDE FOR FUTURE CONCEPT REFURBISHMENT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

110-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH WILLIAMSON BUILDERS FOR THE ARFF FIRE STATION IMPROVEMENTS PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Casto
YEA: 5 NAY: 0 ABSTAIN: Ransier
APPROVED/11-25-08

111-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH MESSER CONSTRUCTION CO. FOR CONSTRUCTION MANAGEMENT SERVICES RELATED TO THE CONSOLIDATED RENTAL CAR FACILITY PROGRAM AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Cipriano ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

112-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH THE FEDERAL AVIATION ADMINISTRATION FOR REIMBURSABLE EXPENSES ASSOCIATED WITH THE INVENTORY, TRANSPORTATION, AND STORAGE OF A TEMPORARY AIRPORT SURVEILLANCE RADAR FROM MONTEREY, CALIFORNIA, TO PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Casto ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

113-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH WOOLPERT, INC., FOR ENGINEERING DESIGN AND RELATED SERVICES FOR THE NETJETS INFRASTRUCTURE DEVELOPMENT PROJECTS AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Casto
YEA: 5 NAY: 0 ABSTAIN: Ransier
APPROVED/11-25-08

114-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A CONTRACT WITH CH2M HILL, INCORPORATED, FOR PRE-DESIGN SERVICES RELATED TO THE RELOCATION OF RUNWAY 10R/28L AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Lhota ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

115-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF COLUMBUS IDENTIFYING THE FUTURE OBLIGATIONS ASSOCIATED WITH THE MODIFICATIONS TO THE AIRPORT GOLF COURSE RESULTING FROM THE REPLACEMENT RUNWAY PROJECT AT PORT COLUMBUS INTERNATIONAL AIRPORT

MOVED: Tomasky ; SECONDED: Casto
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

116-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AUTHORIZING AN INCREASE TO THE CONTRACT WITH RAY & BARNEY GROUP FOR ADDITIONAL CONSULTING SERVICES TO BUILD UPON THE RECENTLY COMPLETED BEST PRACTICES ASSESSMENT FOR THE AUTHORITY

MOVED: Casto ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

117-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY AMENDING AND ADOPTING THE RICKENBACKER FOREIGN-TRADE ZONE NO. 138 FEE SCHEDULE AND AUTHORIZING FILING WITH THE U.S. FOREIGN-TRADE ZONES BOARD

MOVED: Tomasky ; SECONDED: Lhota
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

118-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY ADOPTING OPERATING AND CAPITAL BUDGETS FOR CALENDAR YEAR 2009

MOVED: Lhota ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

Prior to the reading of Resolution 119-08, Ransier asked for a motion to take the Board into Executive Session pursuant to ORC 121.22(G)(1) and ORC 4582.58 to discuss certain employment actions of the Authority. Cipriano so moved; Lhota seconded; roll call vote of the six Board members in attendance approved unanimously the motion to take the Board into Executive Session. Executive Session was convened at 4:50 p.m. At 5:12 p.m., Lhota moved to adjourn Executive Session; Casto seconded, roll call vote of the six Board members in attendance approved unanimously the motion to adjourn Executive Session.

FOR THE RECORD: There were no Resolutions read, no motions made, or any votes taken during Executive Session.

The Board then reconvened and resumed the Reading of Resolutions.

119-08 A RESOLUTION OF THE COLUMBUS REGIONAL AIRPORT AUTHORITY APPROVING AN EMPLOYMENT CONTRACT WITH ELAINE ROBERTS, PRESIDENT & CEO, EFFECTIVE JANUARY 1, 2009, THROUGH DECEMBER 31, 2013

MOVED: White ; SECONDED: Tomasky
YEA: 6 NAY: 0 ABSTAIN: _____
APPROVED UNANIMOUSLY/11-25-08

Other Business

With no further business to be brought before the Board, Ransier called for a motion to adjourn. Lhota so moved; Casto seconded. Ransier adjourned the meeting.

Respectfully submitted,



Elaine Roberts, A.A.E.
Secretary

ER/sss

NOTE: TAPE OF MEETING AVAILABLE FOR REVIEW AT THE PRESIDENT &
CEO'S OFFICE DURING NORMAL BUSINESS HOURS