

# DFW Airport Board of Directors Committee Meetings

Tuesday, October 5, 2021 - 12:30 p.m.

Online viewers: to enable audio:

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For Agendas and Actions:

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The meeting will begin shortly.  
Thank you for joining us today!

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# Operations Committee

October 5, 2021



## 7. Emergency Response and Clean-Up for Contaminants

### PURPOSE:

Authorize an increase and extension to Contract 7006213, with NRC Gulf Environmental Services, Inc., of Grand Prairie, Texas.

### DESCRIPTION:

Increase the contract for emergency response and clean-up of contaminants to provide as-needed glycol removal services.

Benefits to DFW include:

- Enabling a more cost-effective, consortium approach to as-needed glycol recovery services at deicing pads during the winter weather season.
- Ensuring the most efficient equipment is used, reducing time required for pad cleaning operations and allowing for greater operational throughput.
- Providing contracted staff fully trained in hazardous materials response with the knowledge to properly manage spent glycol and efficiently respond to environmental emergencies.

**\$500,000**

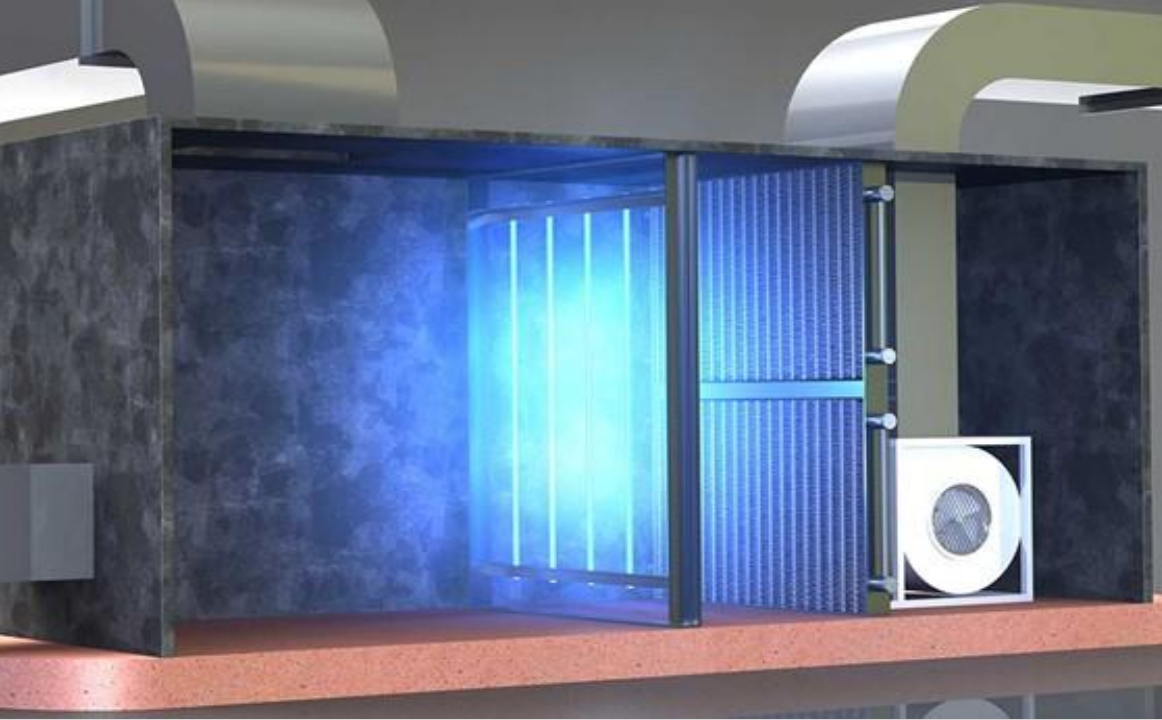
ACTION  
AMOUNT

**Operating Fund**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION



## 8. Purchase UV-C Light Arrays for Air Handling Units

### PURPOSE:

Execute Contract No. 278134, with Texas AirSystems, LLC, of Irving, Texas.

### DESCRIPTION:

Installation of UV-C light technology is in response to the COVID-19 pandemic.

UV-C light technology has been installed in Terminals A, B, C, D, E, and E Satellite, terminal connectors, Rental Car Center, and Airport Headquarters Buildings with installations in progress in seven (7) non-Terminal buildings.

This Contract is to advance purchase the UV-C Light Systems material that will be installed in the remaining twenty-one (21) non-terminal facilities under a separate contract in 2022.

**\$497,950**

ACTION  
AMOUNT

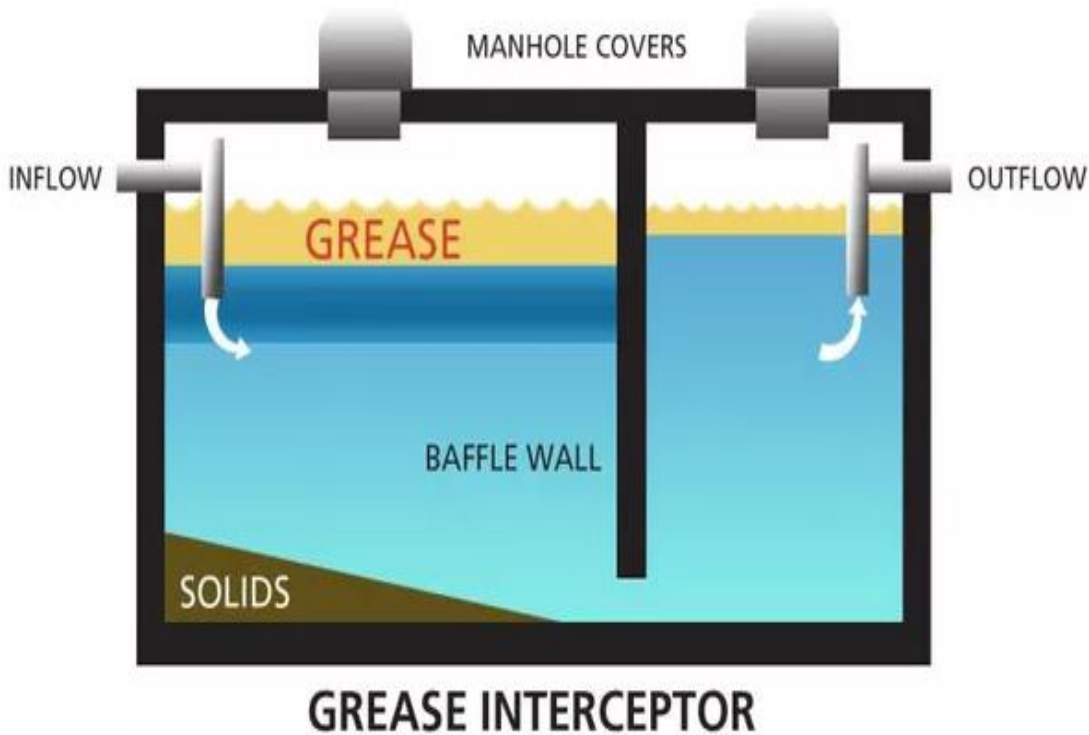
**DFW Capital**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION

## 9. Grease Interceptor Inspection and Cleaning Services



### PURPOSE :

Execute Contract No. 7007099, with Southwaste Disposal LLC, of Houston, Texas.

### DESCRIPTION :

Replaces a contract that has been in place for six (6) years.

Provides grease interceptor cleaning services, including waste and debris removal from grease interceptor vaults.

Inspection of the 45 grease interceptor tanks, with 211,741 gallons of capacity to be performed monthly.

Cleaning of these tanks will be performed on an as-needed basis.

These tanks service 90 food and beverage Concessionaires.

**\$521,592**

ACTION  
AMOUNT

**Operating Fund**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION



# 10. Reimbursement Agreement - Atmos Gas Line Installation at Terminal C

## PURPOSE:

Execute Contract No. 5001011, with Atmos Energy Corporation, of Dallas, Texas.

## DESCRIPTION:

This action will reimburse Atmos Energy Corporation for the cost associated with installing new natural gas service to Terminal C.

Gas service is being provided to the Terminal concessionaires as part of the High C Demolition and Reconstruction Project, Terminal C Renovations, and Central Terminal Area Expansion Terminals C and A, and future needs.

Atmos will only recover costs allowed by regulatory authority, without additional profits.

**\$1,600,000**

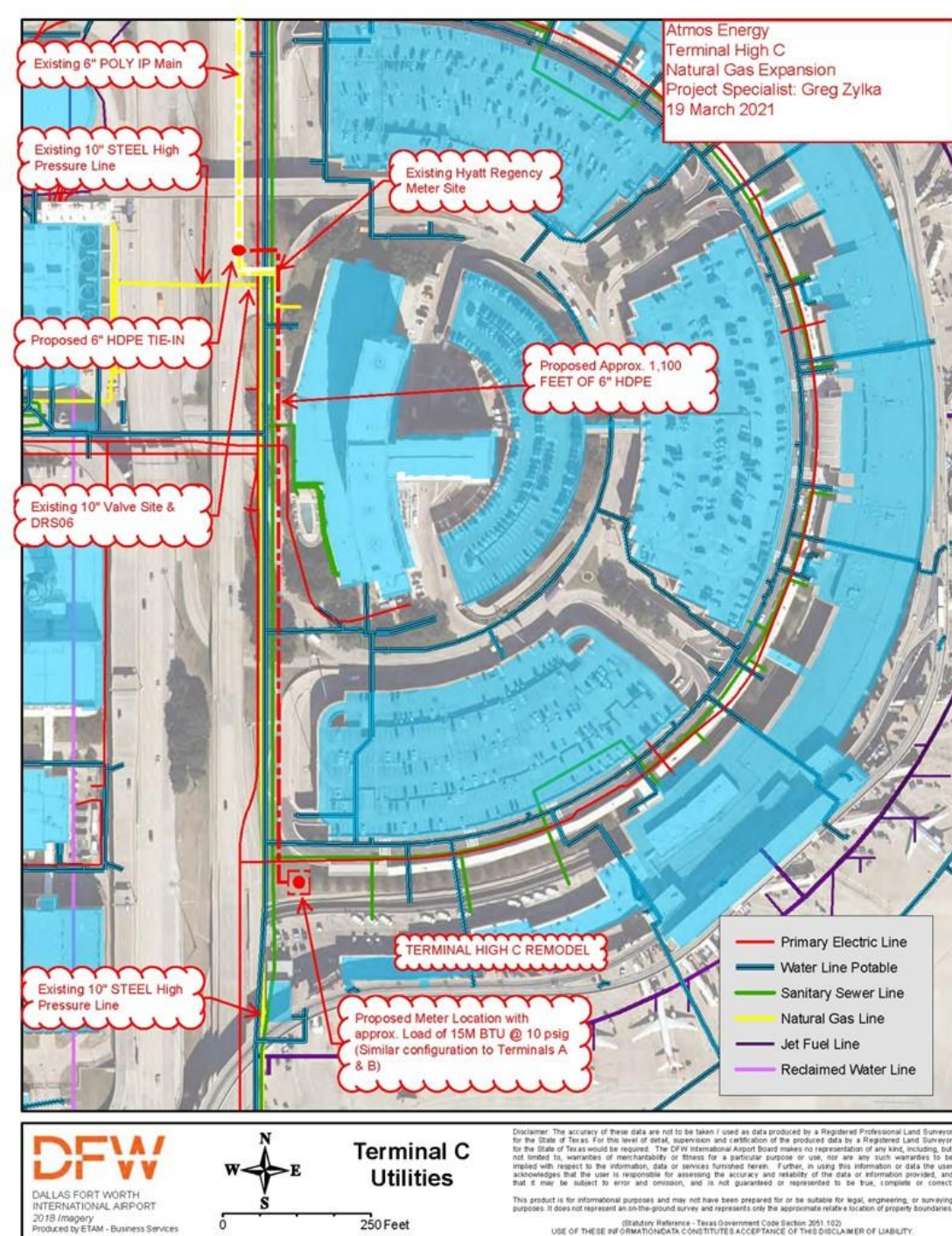
ACTION  
AMOUNT

**Joint Capital**

FUNDING  
SOURCE(S)

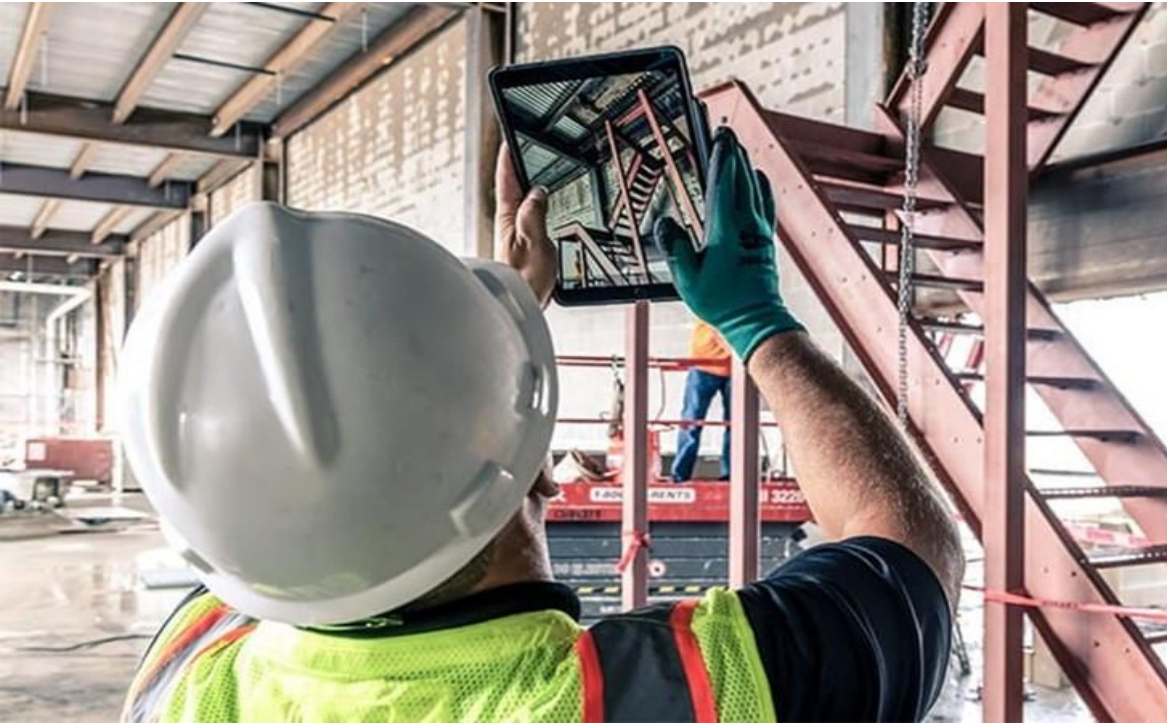
**N/A**

D/S/M/WBE  
PARTICIPATION



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# 11. Quality Assurance Inspection Services

## PURPOSE:

Execute Contract No. 8500382, with Foster CM Group, of Dallas, TX; Contract No. 8500388, with Keville Enterprises, Inc., of Irving, TX; and Contract No. 8500389, with PSA Constructors, Inc. dba PSA Management, Inc., of Dallas, Texas. Rescind Contract No. 8500390, with Southwestern Testing Laboratories, LLC, dba STL Engineers, LLC, of Dallas, Texas.

## DESCRIPTION:

Previously awarded four \$5M contracts for Quality Assurance Inspection Services in support of Design, Code & Construction.

These Contracts provide construction quality assurance inspection services on an indefinite delivery basis, which allows the Airport to rapidly respond to project and program needs as the volume of work dictates.

Contract 8500390 is to be rescinded, and the \$5M NTE amount will be equally divided between the three (3) remaining Contracts 8500382, 8500388, and 8500389.

## Quality in Construction Airport Pavement Award

FOR EXEMPLARY QUALITY IN  
AIRPORT PAVEMENTS



NATIONAL ASPHALT  
PAVEMENT ASSOCIATION



**\$4,980,000**

ACTION  
AMOUNT

**Various**

FUNDING  
SOURCE(S)

**20%**

D/S/M/WBE  
PARTICIPATION



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# Concessions/ Commercial Development Committee

October 5, 2021





# 15. Base Rent Structure for JCDecaux & Concession Locations in Terminal D

**PURPOSE:**

That the Chief Executive Officer or designee be authorized to amend the lease for JCDecaux North America and all current Concession leases in Terminal D.

**DESCRIPTION:**

- Rescind Board Resolution 2019-12-314 that approved the resetting of the minimum annual guarantee (MAG) for the Concessions Leases with locations in Terminal D South/Center to 75% of the total rents paid during FY2020.
- Board Resolution 2020-06-129 approved the suspension of MAG for Concessions Leases until March 1, 2021.
- In light of the pandemic and further decreases in international traffic, this action authorizes staff to suspend MAG for all current Concession Leases in Terminal D from October 1, 2021 to March 31, 2022 (a period of 6 months).
- This action would authorize staff to amend Lease No. 010068, JCDecaux North America, to reduce the MAG to \$10 million (the original lease amount) effective October 1, 2021.

N/A

ACTION AMOUNT

N/A

FUNDING SOURCE(S)

N/A

D/S/M/WBE PARTICIPATION



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# Finance/Audit Committee

October 5, 2021

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# KPIs and Financial Report – FY 2021

Eleven months ending August 31, 2021 – Unaudited

# Key Performance Indicator Scorecard

Eleven months ending August 31, 2021 – Unaudited

(\$ in millions)

Key Performance Indicator	Year-To-Date				FY 2021 Annual Budget
	FY 2020 Actuals	FY 2021 Actuals	FY 2021 Budget	Actuals vs. Budget Increase/(Decrease)	
Application of Federal Relief Proceeds	\$138.9	\$103.2	\$123.7	(\$20.5) (16.6%) <span style="color: green;">■</span>	\$142.5
Total Expenditure Budget	\$863.5	\$846.7	\$868.7	(\$22.0) (2.5%) <span style="color: green;">■</span>	\$977.5
Total Passengers (Ms)	44.0	50.0	47.6	2.4 5.0% <span style="color: green;">■</span>	53.1
Total Landed Weights (Bs)	33.6	36.3	38.1	(1.8) (4.8%) <span style="color: yellow;">■</span>	42.0

## Results Status Bar

- Improved/Constant
- Worse



# Application of Federal Relief Proceeds

Eleven months ending August 31, 2021 – Unaudited

	Year-to-Date (\$ in millions)			
	August Actuals	August Budget	Actuals vs. Budget Favorable/(Unfavor)	
DFWCC Revenues*	\$272.4	\$265.3	\$7.0	2.7%
Airfield & Terminal Revenues*	507.6	521.2	(13.6)	(2.6%)
Total Revenues *	780.0	786.5	(6.5)	(0.8%)
Total Expenditures	846.7	868.7	22.0	2.5%
Passenger Facility Charges	99.4	94.3	5.1	5.4%
Net Variance			<u><u>\$20.5</u></u>	

\* Excludes Federal Relief Proceeds

# DFW Cost Center

Eleven months ending August 31, 2021 – Unaudited

	Year-To-Date				FY 2021	
	FY 2020 Actuals	FY2021 Actuals	FY 2021 Budget	Actuals vs. Budget Increase/(Decrease)	Annual Budget	
<b>Revenues</b>						
Parking	\$95.1	\$100.1	\$95.8	\$4.3	4.5%	\$107.6
Concessions	57.4	60.2	62.9	(2.7)	(4.2%)	69.8
Rental Car	22.1	28.9	22.6	6.3	28.1%	25.1
Commercial Development	49.6	54.9	52.6	2.3	4.4%	57.4
Other Revenues	38.6	28.2	31.4	(3.3)	(10.4%)	34.5
<b>Total Revenues before FRP</b>	<b>262.8</b>	<b>272.4</b>	<b>265.3</b>	<b>7.0</b>	<b>2.7%</b>	<b>294.4</b>
<b>DFW CC Expenditures</b>						
Operating Expenditures	113.3	101.3	106.8	(5.6)	(5.2%)	125.7
Debt Service, net	59.2	50.0	52.5	(2.5)	(4.8%)	55.3
<b>Total Expenditures</b>	<b>172.5</b>	<b>151.2</b>	<b>159.3</b>	<b>(8.1)</b>	<b>(5.1%)</b>	<b>181.0</b>
<b>Gross Margin - DFW Cost Center</b>	<b>90.3</b>	<b>121.1</b>	<b>106.0</b>	<b>15.1</b>	<b>14.3%</b>	<b>113.4</b>
<b>Less Transfers and Skylink</b>						
DFW Terminal Contribution	2.6	2.6	2.6	0.0	0.0%	2.8
Skylink Costs	36.3	39.0	39.4	(0.4)	(1.0%)	44.3
<b>Net Revenues before FRP</b>	<b>51.4</b>	<b>79.5</b>	<b>64.0</b>	<b>15.5</b>	<b>24.2%</b>	<b>66.2</b>
<b>Federal Relief Proceeds (FRP)</b>	<b>101.4</b>	<b>70.6</b>	<b>86.1</b>	<b>(15.5)</b>	<b>(18.0%)</b>	<b>97.8</b>
<b>Net Revenues</b>	<b>\$152.8</b>	<b>\$150.1</b>	<b>\$150.1</b>	<b>(\$0.0)</b>	<b>(0.0%)</b>	<b>\$164.0</b>

# Airfield and Terminal Cost Centers

Eleven months ending August 31, 2021 – Unaudited

	Year-To-Date				FY 2021	
	FY 2020 Actuals	FY2021 Actuals	FY 2021 Budget	Actuals vs. Budget Increase/(Decrease)	Annual Budget	
<b>Revenues</b>						
Landing Fees	\$78.8	\$80.7	\$84.7	(\$4.0)	(4.7%)	\$93.5
Other Airfield	10.0	11.8	10.6	1.2	11.6%	10.7
Transfer from DFW Cost Center	66.5	64.1	64.1	(0.0)	(0.0%)	70.0
<b>Total Airfield Revenue</b>	<b>155.3</b>	<b>156.7</b>	<b>159.4</b>	<b>(2.7)</b>	<b>(1.7%)</b>	<b>174.2</b>
Terminal Leases	304.5	303.9	304.2	(0.3)	(0.1%)	331.8
FIS Fees	13.3	14.8	13.7	1.1	8.3%	15.3
Turn Fees	14.6	13.8	22.5	(8.7)	(38.6%)	24.7
Other Terminal	21.0	15.8	18.8	(3.0)	(15.8%)	20.8
<b>Total Terminal Revenues</b>	<b>353.3</b>	<b>348.3</b>	<b>359.1</b>	<b>(10.8)</b>	<b>(3.0%)</b>	<b>392.7</b>
DFW Terminal Contributions	2.6	2.6	2.6	0.0	0.0%	2.8
<b>Total Revenues before FRP</b>	<b>511.2</b>	<b>507.6</b>	<b>521.2</b>	<b>(13.6)</b>	<b>(2.6%)</b>	<b>569.7</b>
<b>Expenditures</b>						
Operating Expenditures	286.2	292.3	298.4	(6.1)	(2.1%)	345.8
Debt Service, net	248.5	235.6	248.1	(12.5)	(5.0%)	268.7
<b>Total Expenditures</b>	<b>534.7</b>	<b>527.9</b>	<b>546.5</b>	<b>(18.6)</b>	<b>(3.4%)</b>	<b>614.4</b>
<b>Net Income/(Loss) before FRP</b>	<b>(23.4)</b>	<b>(20.3)</b>	<b>(25.3)</b>	<b>5.0</b>	<b>(19.9%)</b>	<b>(44.7)</b>
Federal Relief Proceeds (FRP)	37.5	32.6	37.6	(5.0)	(13.4%)	44.7
<b>Net Income/(Loss)</b>	<b>\$14.1</b>	<b>\$12.3</b>	<b>\$12.3</b>	<b>\$0.0</b>	<b>0.0%</b>	<b>(\$0.0)</b>

# Operating Fund – Total Expenditures

Eleven months ending August 31, 2021 – Unaudited

	Year-To-Date				FY 2021
	FY 2020 Actuals	FY2021 Actuals	FY 2021 Budget	Actuals vs. Budget Increase/(Decrease)	Annual Budget
<b>Operating Expenditures</b>					
Salaries and Wages	\$147.7	\$144.5	\$148.7	(\$4.1) (2.8%)	\$166.3
Benefits	65.0	66.3	67.4	(1.1) (1.7%)	84.4
Facility Maintenance Contracts	68.6	74.1	78.1	(4.0) (5.2%)	86.2
Other Contract Services	89.3	88.1	88.2	(0.1) (0.2%)	99.8
Utilities	23.8	24.1	23.4	0.7 3.0%	26.1
Equipment and Other Supplies	15.6	14.8	15.4	(0.6) (3.8%)	17.9
Insurance	6.1	8.2	9.0	(0.8) (9.0%)	10.0
Fuels	0.3	2.0	2.9	(0.9) (31.0%)	3.2
General, Administrative, and Other	5.0	3.3	4.2	(0.9) (20.5%)	9.9
Change in Operating Reserves	8.1	2.2	2.2	0.0 0.0%	5.6
<b>Total Operating Expenditures</b>	<b>429.5</b>	<b>427.7</b>	<b>439.5</b>	<b>(11.9) (2.7%)</b>	<b>509.4</b>
Debt Service, gross	434.0	419.0	429.2	(10.1) (2.4%)	468.2
<b>Total Operating Fund Expenditures</b>	<b>\$863.5</b>	<b>\$846.7</b>	<b>\$868.7</b>	<b>(\$22.0) (2.5%)</b>	<b>\$977.5</b>





## 25. Social Media Moderation Services

### PURPOSE:

Award Contract NO. 8005442 to ModSquad, Inc. of Sacramento, CA

### DESCRIPTION:

Social media moderation is one of the ways we provide customer communications to our travelers as well as identify and respond to potential crisis situations around the clock.

The vendor will be responsible for monitoring all social media platforms to engage customers, assisting with wayfinding, troubleshoot complaints and escalate issues as needed.

**\$300,699**

ACTION  
AMOUNT

**Operating Fund 6% Goal**

FUNDING  
SOURCE(S)

D/S/M/WBE  
PARTICIPATION

# 26. Employee Benefit Contracts

## PURPOSE:

To authorize the Chief Executive Officer or designee to extend the employee health and disability benefit services contracts for a one-year period, including employee medical and pharmacy, employee dental, employee vision and employee life insurance starting January 1, 2022.

## DESCRIPTION:

Extend or Renew Contracts for employee health and disability benefit services for Airport employees, their qualified dependents and qualified retirees.

**\$622,800**

ACTION  
AMOUNT

**Operating Fund**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION

# 27. Preliminary Official Statements for the 2021 Bond Issuances

## PURPOSE:

Approve the form of the Preliminary Official Statements, in connection with the sale of the DFW Airport Joint Revenue Bonds issued under the 60<sup>th</sup> Supplemental Bond Ordinance.

## DESCRIPTION:

Cities approved the 60<sup>th</sup> Supplemental bond ordinance authorizing issuances of bonds in an amount not to exceed \$2.4B.

Issued in multiple instances in late October.

Intended for the proceeds is to advance refund for savings.

Alternative Minimum Tax Bonds callable on 11/1/2022, and refund Commercial Paper and Tax-Exempt Bonds currently callable on 11/1/2021.

**N/A**

ACTION  
AMOUNT

**N/A**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION

# 28. Approval of Interlocal Agreement

## PURPOSE:

Authorization to enter into an Interlocal Agreement between DFW Airport, Dallas Area Rapid Transit, and Trinity Metro for bus service between the Trinity Rail Express (TRE) CentrePort Station and DFW Airport.

## DESCRIPTION:

Provides bus service between TRE, CentrePort Station and the Airport.

Existing agreement expired September 30, 2021.

It is estimated that the costs to the Airport will not exceed \$300,000 over the Term of the Agreement.

Trinity Metro plans to purchase electric vehicles and infrastructure by Fiscal Year 2025.

**\$300,000**

ACTION  
AMOUNT

**Operating Fund**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION



# 29. Coffee Service

## PURPOSE:

Award a Contract for Coffee Service for all Airport Departments.

## DESCRIPTION:

This is a replacement Contract that has been in place for four years.

The Contract will provide for traditional brewer equipment, including new thermal decanters, and various coffee and breakroom supplies.

**\$656,308.80**

ACTION  
AMOUNT

**Operating Fund**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION

# 30. Appoint John Ackerman to PFIC Board

## PURPOSE:

Appoint John Ackerman, EVP Global Strategies and Development, to the Public Facilities Improvement Board.

## DESCRIPTION:

Members of the PFIC Board are appointed by the Airport Board

Current members include Sean Donohue, Ken Buchanan, Khaled Naja, and Chris Poinsatte.

John is filling the position left vacant by Linda Valdez Thompson.

**N/A**

ACTION  
AMOUNT

**N/A**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION

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# The Airport Board is now in Closed Session

We will resume shortly. Thank you for your patience.

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# 32. Privileged Access Management Software



## PURPOSE:

- Award a Contract for Privileged Access Management Software in support of the Airport's technology program.

## DESCRIPTION:

- Platform licensing and consulting services for implementation, maintenance, and support of all systems allowed to log into with administrative or elevated access privileges.
- Allows control over what different users or roles can access and provides monitoring for privileged access sessions
- Mitigate risks associated with privileged user accounts.
- Improve security associated with privileged user credentials.
- Improved credential management and automated password rotation.
- Isolation and monitoring of privileged credential user session
- Improved threat detection and response.

**\$319,002**

ACTION  
AMOUNT

**Various**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION

### 33. Darkweb Immune System Software



#### PURPOSE:

- Award a Contract for Darkweb Immune System Software in support of the Airport's technology program.

#### DESCRIPTION:

- This is a replacement Contract that has been in place for 5 months.
- Darktrace is used by ITS Compliance to audit systems, proactively detect network intrusion, enhance reporting capabilities, and pen test compliance and remediation
- Darktrace is used by the security team to continuously assess network health and conduct detailed investigations into network threats and anomalies across business, cloud, and OT networks
- Risks, vulnerabilities, and issues are also tracked against standards (NIST, CIS, CJIS, ISO)

**\$565,000**

ACTION  
AMOUNT

**Various**

FUNDING  
SOURCE(S)

**N/A**

D/S/M/WBE  
PARTICIPATION