

WORKING GROUP MEETING TRANSCRIPT – 9/11/2018

Paul Payne: [00:02](#) Alright in the interest of time today, let's get started. This is the meeting of the Airport Advisory Working Group for September 11th. Materials have been circulated prior to the meeting if any members do not have their items, we do have extra copies here. First item on the agenda is the approval of the minutes from the meeting of August 28th.

Linda Martinez: [00:44](#) I have one comment, I thought we had talked a little bit about an Emma notice with regard to, potentially an Emma notice to be considered by the disclosure council. I thought maybe ...

Paul Payne: [00:55](#) Is that an open?

Linda Martinez: [00:55](#) Yeah it was an open session.

Paul Payne: [00:59](#) Okay

Linda Martinez: [00:59](#) I think we talked about it in both sessions.

Paul Payne: [01:01](#) So, specifically mention that?

Linda Martinez: [01:03](#) Yeah if we could. And I think the disclosure council as Jim mentioned would be looking into that. To make sure that if there's something we should say to the market that we address that.

Paul Payne: [01:15](#) Okay so that's the paragraph signal to the market. How did we reference it?

Linda Martinez: [01:24](#) That the city's disclosure council would be following up to make any recommendations necessary with regard to a memo, a SRV notice. Other than that I would move towards approval.

Speaker 3: [01:40](#) I'll second

Paul Payne: [01:41](#) Okay so there's a motion seconded with that addition to the minutes for approval. Any objections? All in favor?

Group: [01:53](#) Aye.

Paul Payne: [01:54](#) Thank you. Alright. Second item on the agenda, work streams. Airport due diligence. I think John is going to start off with that.

John Schmidt: [02:08](#) Alright the due diligence process is very much continuing. Lots of additional documents have been downloaded at this point. Still to the Mayor Brown site, we haven't yet quite finalized the agreement with Merrill that you approved at the last meeting to migrate them over to the other website, but that hasn't stopped the process. The documents are being downloaded. Different members of our advisory team are looking at different documents, we've been reviewing contracts to look at the question of whether they are assignable or not or particular issues they might raise. Jim Claiborne and his firm are looking at the real estate aspects, they've begun to get into that. On the financial side, I think Omar maybe you want to report, because I know you and others from others from Moelis were out at the airport on Friday talking through some of the financial issues.

Omar Karar: [02:57](#) Sure. So I wouldn't characterize it as issues but it's just [crosstalk 00:03:00] Yeah just questions, understanding more the nuts and bolts on specifically how different components of the airlines financials reconcile with the original ledgers. Just as a reminder the whole general thesis on why it is we are working on the financial aspect right now is to get a base case model, a functioning financial model to understand how continued airport operations would look like under continued management as well as being able to flex different options on how it may look like under lease operation.

Omar Karar: [03:33](#) That's going well. We appreciate all the time from your team, it's been good. We've kind of showed a little bit of the work that we've done that continues on, so thank you for that.

John Schmidt: [03:45](#) And Alethia and the Seibert PFM team I think already had all the documents related to existing financing, but their at work, as they reported last time I think, on the analysis in that area. I think Joletta was going to give a little report on the environmental review? We don't have her here up at the table? [crosstalk 00:04:06] particularly reviewing environmental aspect at the airport.

Joletta Golik: [04:18](#) Hello everyone. My name is Joletta Golik with Charbonett and Associates. We are working on for environmental site assessments and liabilities. As I mentioned about two weeks ago we had received about 5,000 files from the airport. Our team is very efficient, we were able to go through them, there is about 500 files which are relevant to environmental assessments based on studies of the environmental management report were done by the airport.

Joletta Golik: [04:56](#) At the moment we are starting to schedule our site visits at a number of locations throughout the airport operations. We were able to send with help from airport properties to [inter 00:05:12] measures to tenants, giving them a heads up and asking for permission to do site assessments. As you know we are following phase one site assessments standard so we have about 20 different type of tasks that we have to do. On a database I reach out to Kasey Williams with Mayor Brown because today the environmental files were recorded on revenues files. Those need to be moved to environmental. My understanding is that the eventual new database is going to be copy based on the extrament. So I wanted to make sure that all my environmental files are in that area.

Joletta Golik: [05:57](#) We are also working with the airport to reach out to regulatory agency to review their databases. So one of the questions we had, I think Kathy will still get with Michael Flemming regarding contacting FAA then a few minutes afterwards then we can check what would be the communication with FAA in our region.

Linda Martinez: [06:25](#) Okay

Joletta Golik: [06:25](#) So we are very well progressing on our work. Thank you.

Linda Martinez: [06:30](#) What do you think the timeline is on the analysis for phase one?

Joletta Golik: [06:37](#) Well it's definitely a process. So right now we are going through the recommendation and records with you, making some assessments based on that, site visits, regulatory agency. So that the production of the report is going to take several months. But once we go through certain sections, we will be able to define some conclusions that you seek. So this is what we will be presenting in the next meetings.

Linda Martinez: [07:07](#) Thank you.

Joletta Golik: [07:07](#) Thank you.

John Schmidt: [07:08](#) I think it's fair to say we're doing everything on the assumption that it is to be essentially complete, the basic due diligence, before the end on this year. So we're on that. And I don't think anybody feels at this point we're not on that time frame. Obviously you never know what may be a problem.

John Schmidt: [07:24](#) The one action item we have is to get your approval for our retention of Unison Consulting to do a projection of operations

of the airport assuming continuing city management. You should have all received a brief description of that and the proposal. Maybe Omar you want to speak briefly since Omar reached out to Unison who I have to say were immediately responsive, came up with that proposal last week. Did some tweaking and I think were eager to get involved because they were already involved at the airport and know an awful lot about this airport so they bring a lot to it.

- Omar Karar: [08:00](#) Yep, as John mentioned, Unison has been working with the airport for a number of years. We got in contact with the same team, asked them for a proposal to touch a number of things. Mainly in summary forecasts. Forecasts, long term forecasts for the airport, aero, non-aero revenue; airline by airline projection. They were very responsive, excited about the prospect of the project and then when we reviewed the proposal, we had a few changes that we would like them to include in their scope and then of course we were curious about how overall costs was in line with market rates. And so we found it a good proposal and we felt comfortable putting it forward to the city and saying we recommend for approval.
- John Schmidt: [08:47](#) Mark and the Grow Missouri people are comfortable with the financial aspects of it. It's hourly with a not to exceed figure. Seems we should also note this is one of the leading minority owned firms, certainly in airport consulting business, so there's an added plus there to bring them in as part of the team.
- Omar Karar: [09:08](#) This is the team that typically you work with on that?
- Rhonda Hamm-Niebruegge: [09:10](#) Yeah, it is. And one of the questions that we chatted just a little bit about this last week, the 50 year forecast I think is what we are looking for from a passenger perspective, so I think the only question I had was just coming back to the airport to be able to, you know we obviously haven't looked 50 years out so that seems like a challenging forecast to produce. And a little just about the process of looking at a 50 year forecast and what's entailed in that, and I haven't asked Unison but that's a -
- John Schmidt: [09:43](#) I think they share a little of that, if I can call it, skepticism. Well 50 years would be good if you can do it you know? At some point it obviously turns into arithmetic more than anything else.
- Omar Karar: [09:56](#) I think that's right, I think some econometrics and some Monte Carlo simulations post sort of a 20 year period, where it is that we sensed there was the most level of confidence which is in the 5 - 10 year period and then closer to when you get past the

20 year period is when you have to sort of, there's no way to predict the future past 20 years. It starts to get a little bit fuzzy post 20 years. Frankly, is we have a 20 year, even a 30 year projection, it gives us enough to go off of for our analysis.

- Rhonda Hamm-Niebruegge: [10:28](#) And then the only other question I had was whether or not we would get a chance to, I guess, review that before it became a final document.
- John Schmidt: [10:35](#) Certainly
- Omar Karar: [10:36](#) Oh absolutely.
- John Schmidt: [10:36](#) I think you're going to be part of this process.
- Rhonda Hamm-Niebruegge: [10:39](#) - of the proposal, that we would get drafts of it.
- John Schmidt: [10:42](#) They're going to be doing it in conjunction with your people I think.
- Omar Karar: [10:44](#) The other thing to note is time frames so what we had asked for is a kind of a three to four month period. Presumably in that period is going to be specific analysis we'll probably need sooner rather than later so we make ask them to kind of front load some certain areas when we're in various discussion with different parts. They remain flexible and excited about the project and we certainly recommend them to go ahead.
- Paul Payne: [11:09](#) That's going to be a key document so we're obviously going to want to review as it progresses.
- Marlene Davis: [11:14](#) May I ask a question about the, and working with this company, have they been offering you suggestions along the way as you have been doing your planning recently?
- Rhonda Hamm-Niebruegge: [11:26](#) They worked with us on the last use lease - suggestions to privatization, no.
- Marlene Davis: [11:31](#) No I mean -
- Rhonda Hamm-Niebruegge: [11:31](#) About the airport?
- Marlene Davis: [11:32](#) About the airport, yeah.
- Rhonda Hamm-Niebruegge: [11:32](#) They've been with us quite a number of years and when we did the last use and lease agreement, which we just started

year three, they were a key component of that. They ran all of the models for us.

Marlene Davis: [11:42](#) Okay

Rhonda Hamm-Niebruegge: [11:43](#) So we looked at different scenarios and they ran those. They also currently do our annual forecast for us on our passenger. So they are very involved with us on a day to day basis when we're looking at the finances, when we're looking at projections, when we're looking at passenger forecast and plane that's landed, weighed all of those things.

Marlene Davis: [12:02](#) One of the things I have a concern about is retail concessions planning and management. Because I went back five years and I looked at different airports and a lot of them have changed their model. We already outsource the host to manage our different things and another company to manage other retail that don't deal with food. So the reason I ask that question was were any of these new models that are being used, have they been brought to your attention?

Rhonda Hamm-Niebruegge: [12:34](#) Yes, on the concession side. Because our concession contract initial is scheduled to expire in 2020, we had actually reached out to Unison a year and half ago now to put together a concession plan for us, which we have that. Right now that's kind of just sitting in this pile until we decide how to move forward with the concessions, but they have and what we looked at, you know currently our agreement calls for a solicitation for a bid, which we believe is outdated and should be more of an RFP process. SO those are some of things that they came out in the study and we can certainly share that study. They are undertaking part of that second phase, was to sort of do some surveys at the airport of what consumers like, what types of food we have that they like, what types of food are we missing. So that survey's ongoing right now to help just get the data as to what the consumers looking for and the best possible concession opportunities. We can certainly share that with the team as far as the concession plan.

Marlene Davis: [13:40](#) And I'll share some of the data that I have as well. I didn't hear what I wanted to hear.

Rhonda Hamm-Niebruegge: [13:49](#) Okay

Marlene Davis: [13:49](#) Alright, we'll talk about that later.

Rhonda Hamm-Niebruegge: [13:51](#) Okay

Linda Martinez: [13:52](#) Rhonda, one other question I had for you, I know we're doing the ALPRP, I don't know if it's been issued yet, and we have a section on conflicts of interest, not having anybody who's working on the ALP also representing anybody who's potentially bidding on a lease as we explored the options. I'm looking at page eight and I didn't know if in connection with the ALP, Unison was going to be doing any financial projections, the financial chapter, if that's still required under the ALP versus the master plan. I would think we give them an exception to the rule.

Rhonda Hamm-Niebruegge: [14:30](#) And that was only for operators, so when that's released - the only thing we're waiting for is final review from the FAA which we expect back this week and then that RFP will be released. But in that the restriction came to any potential -

Linda Martinez: [14:44](#) Bidders, so this is fine.

Rhonda Hamm-Niebruegge: [14:45](#) Yeah

Linda Martinez: [14:46](#) I just wanted to make sure I didn't have any problems.

Rhonda Hamm-Niebruegge: [14:48](#) Yeah. Because it doesn't make sense not to use their forecasting if they're doing it on both sides of the house.

Linda Martinez: [14:53](#) I agree. Okay. Thanks.

John Schmidt: [14:57](#) So we would like to get your approval to move forward with Unison according to the proposal.

Linda Martinez: [15:02](#) I would move that we select Unison as an additional service provider under their agreement.

Paul Payne: [15:09](#) Second? I'll second. Any discussion? All in favor?

Group: [15:16](#) Aye.

Paul Payne: [15:16](#) Any opposed? Thank you.

Paul Payne: [15:23](#) Alright everyone that brings us to community outreach and communications. LeJuan is going to do a short update on that, see where we're at right now.

LeJuan Strickland: [15:32](#) We've only been in the field for a little less than a week. Thank you all for your prompt feedback on getting the materials approved. We've been to the north, the south, and the central and the amazing thing about the feedback is a lot of people

were just unaware. So it's been very ... conversation are, I'm not going to call them basic, just making folks aware that this is going on and where they can go for information has been most of the time. We have been spending about 17 - 18 minutes per person on the door, which is a long time one the door

Marlene Davis: [16:04](#)

That's a long time.

LeJuan Strickland: [16:06](#)

It is. And so we may come back later on, revisiting the script to maybe make some modifications. We want to give it at least a whole week before we make any changes to it. But we will submit it back through the group to take a look at it if we have any recommended changes. We will start doing report next meeting. You'll have a report ahead of the working group meeting so you can just see what the numbers are and what wards the numbers are coming from.

Linda Martinez: [16:31](#)

Do you have an estimate of how many doors you knocked on the first week?

LeJuan Strickland: [16:34](#)

The first week, we almost hit about 6,000 doors, which is crazy. It's knocking on doors when folks aren't home is one thing. But every time we talk some one it's an 18 minute time. It's amazing, like I said, we want to get to 20,000 folks and 18 minutes, you can see how challenging that will get. We're trying to figure some things out. But it's been overall very positive, people are happy to talk to us. Folks are like "Oh this could be a great idea, could be a bad idea." They don't know, they just want more information, which the team has been very, we've only had maybe two negative encounters. I think they were already just waiting for someone to knock on the door to talk about the airport. But other than that, every thing's been very positive so far.

Paul Payne: [17:29](#)

Thank you for incorporating all of our comments. Anything else on communications?

Marlene Davis: [17:39](#)

I think we need to be plugged in and we all need to go out on some of those. So in the next week or two make sure that all of the working group has opportunity too be out there at least an hour or two hours. So that we can get feel first hand to what is going on.

LeJuan Strickland: [17:57](#)

Yes mam, I will send over a schedule and I'll send it to the group so you guys can see where we're going to be. And you can jump in wherever you want to go.

Marlene Davis: [18:04](#) That's good.

Linda Martinez: [18:04](#) The other thing Alderwoman and Rhonda, I was just wondering, it seemed like there was a lot of questions with the airport commission and I'm hoping, LeJuan, that we start talking about the next phases of communication on a parallel path. I really thing that the corporate community and the flying community are extremely hungry to know what's going on. And I think, what ever outreach schedule, we might need to accelerate that at this point in time.

LeJuan Strickland: [18:31](#) Yes mam.

Paul Payne: [18:33](#) Yeah and I was going to jump right in on that comment too because we also have the other comment about other, not potentially investors but other people asking about potential business and things like that. I didn't bring it with me, Marc had crafted a communication on that. Basically it was directing an inquiries similar to what we did with your other communications so we don't bombarded to Moelis to deal with that. I would've brought it for approval but I think it's pretty much boiler plate saying "Hey, if you have inquiries this is where you want to direct your inquiries."

Linda Martinez: [19:07](#) I think a lot of people are looking to be hired, looking to be advisors to different bidding teams and they just don't know where to get the information from.

Paul Payne: [19:15](#) So I think that's something we can put out there to keep us from having to get pulled in to all this individual call.

Paul Payne: [19:29](#) Anything else on communications?

Paul Payne: [19:34](#) Okay, the next item on the agenda we received a request from the president of the board's office to bring up -

John Schmidt: [19:41](#) Actually there's one item before, I'm sorry Paul, we have a very very short market update.

Paul Payne: [19:46](#) Did I jump? Oh I did, I did jump.

Marc Ellinger: [19:49](#) You could have easily skipped over, it's very short, I wanted to make sure Omar had an opportunity to give you a very short update.

Omar Karar: [19:55](#) Glenn, are you one the line? Glenn can you hear us?

Omar Karar: [20:07](#) Okay I'll be happy to do it, super short. There isn't too much more to update as last time. Investor communication went out to a lot of potential bidder. We said direct it back to us, make sure not to get in touch with anybody else from the city. We gave them kind of the main principles on what it is we'll be looking for. And then some timing guidance. The idea was through the end of 2018 we're going to be kind of in organization mode and preparing. And then if and when we wanted to go out to market, you guys would be kind of getting updates on an RFQ process if we're there.

Omar Karar: [20:42](#) A couple of them have actually reached out and said "Can we meet with the airport personnel all together?" They're CEOs or very senior level folks in the investment community as well as airport operators who were basically saying "Oh, we're in St. Louis, we want to meet you." Instead we kind of have to push that back and say "Look we're not there, it's not part of the process. We'll let you know when that's appropriate but that's well into the future." So that's the market update.

Rhonda Hamm-Niebruegge: [21:12](#) They call every week. It's easy for me to say no.

Paul Payne: [21:18](#) When is the ... we're gathering data now so some of that's going to be publicly accessible so it's going to be proprietary on when is the piece of the silo going to say "Hey if you're interested in information regarding the airport, you can go to this site to look it up." Or something like that. When does that get triggered?

Omar Karar: [21:41](#) Glenn if you're on, if you had an opinion on that, but I think we're kind of shying away from just that at this moment.

Paul Payne: [21:49](#) They are aware of the airport -

Omar Karar: [21:50](#) I'm sorry, Glenn?

Glenn: [21:53](#) Yeah I guess the first question I have is can everyone hear me?

Group: [21:59](#) Yes.

Glenn: [21:59](#) Okay great, thank you. So thanks for the question, the way we see the process working is, it's very consistent with other processes, is the first thing we'll do is RFQ, the request for qualifications. So people won't have access to the confidential information until you decide that they're qualified with our advice and recommendations. So the first stage is really a generic description of the opportunity, an outline of the criteria we'll be using to judge whether or not bidders will be qualified,

and people will be called upon to respond to that. It isn't customary to share confidential information at that point time. We'd only be getting to share confidential information once we decided there was ... we had selected down to the number of parties that we thought was prudent for coming into the process and seeing confidential information and seriously considering the opportunity. Does that answer your question? I think it was Paul?

Paul Payne: [23:01](#)

Yeah, yes it does. Thanks.

Marlene Davis: [23:05](#)

Do we need to talk about this just a little bit longer now because sometimes people get a lot of pressure at some point and they'll make a decision that hasn't been made as a whole. So can we just simply say that we know that we won't do anything as far as even putting out the RFQ until the second quarter. Start preparing for that because you still have a minimum of four to six months of gathering some very important information. Then you have to discern the information and get it prepared for the next phase of the due diligence. And so getting people hyped up and more involved than they need to be too early only causes problems for all of us. And so, I also check too, how long it takes for some one to put together a proposal and many people are doing what they think they know they need to do now. So giving them a time frame of six months is fine. And we've already said that this entire process is going to take at least 18 months. So anything before that second quarter, moving in that direction I think would just be harmful to the process. Does anybody else have an opinion?

Glenn: [24:31](#)

Yeah, maybe I'll comment on that Marlene. I think it's the extent that we pull things more together more quickly than we anticipate. And the working group pulled the trigger and decides to proceed with the process, I think we would like to leave open the possibility that we might proceed in the first quarter. I think there are numerous reasons why we might want to consider that, again only if we've done our work and only if the working group approves that.

Glenn: [24:59](#)

So the way we've been characterizing it is early 2019 which is pretty open ended. I think as we get closer to the date, we can get more precise, but I'm not sure we're in that place today.

Marlene Davis: [25:13](#)

I am but, I'm going to listen to you for just a moment. So by the next meeting, I'm hoping that everybody can think about that. I am not in a rush, there's no rush to this process for me or

anybody that I talk to. So what I would rather do is be extremely thorough and respectful of the community, their ability to keep up with the process, and also not be bombarded with unnecessary problems by us moving too fast.

Glenn: [25:46](#) And we understand that and we agree. We don't want to do anything before it's time. I guess, thinking about any transaction, every additional day creates risk so as you're independent investment banking advisor, or financial advisor, I think advice we would ordinarily give to clients is certainly we want to make sure everything is in place. But the longer we wait for any transaction, the more risk that exists. So I completely hear you on wanting to do all the work, be prudent, make sure that the community research has been done along with all the other work we need to do. But also we don't want to wait unduly long to the extent that the city decided to launch a process. So that's really my only comment for now and we're certainly happy to talk about that further as well.

Rhonda Hamm-Niebruegge: [26:41](#) Glen this is Rhonda. When you say "risk" what do you mean by "risk"? Risk that investors walk away or other risks. What's deemed risk in that scenario?

Glenn: [26:55](#) Yeah, thanks Rhonda. The risk, in answering that, is really the market risk. A recession happens, it's something that if we got the transaction done before some market unsettling occurred, that would be to the city's advantage versus waiting until after it, at which point either the prices would be lower or the city would experience the downturn directly by virtue of continuing to operate the airport. Again, all things being equal earlier is better because with each day there's an incremental risk related to what may or may not happen in the market. That's really the only thing.

Marlene Davis: [27:37](#) Glenn, I think we covered this the last time we met. So the conversations and assumptions that there will be a process that ends with accepting some bids and going forward with the privatization cannot be the ultimate thought process today. So if we keep talking like that, I'm going have to remove myself from this process. Because I'm not going to give the public any inkling that we have made a decision because we have not, we have not done the due diligence, and I want you to do your work. But I do also know and understand a lot about the market and I do also know that what you just said is not an absolute. If there is a recession, if anything we need to step back if we see the signs of recession.

Marlene Davis: [28:27](#) So at the end of this, and this is the last time I'm going to talk about this because the next time I hear it, I'm going to leave the room, we cannot talk today as though a decision has been made. And I don't know how many times I can say it. I don't know how many times we cannot have that understanding on behalf of the public. But it has to be very clear from this point on.

Glenn: [28:58](#) Point taken. Thank you, understood.

Andrew McKenna: [29:03](#) I think the only other incremental consideration is cost. So if we do and are able to complete our work in a timely fashion, all of those considerations have been made, delaying even further beyond that would be other cost considerations to the city. We are done with our work and you are satisfied and the working group is satisfied, we may want to leave open the potential that if that process is completed we say "Well why would we wait another 30, 60, or 90 days to put out the RFQ?" When in fact the work is done and burned. But again that is not a decision we're going to make today, we just want to leave open ended the possibility. That's all I'm suggesting. And cost should be thought around that as well.

Marlene Davis: [29:45](#) Cost should be thought about when the idea came up.

Andrew McKenna: [29:50](#) We're not opposed to cost, we just don't want to be spending money needlessly.

Marlene Davis: [29:55](#) I don't want to talk about cost. I won't talk about cost because at the end of the day when you approach a project like this, you always forecast out a minimum of 10% more than what was offered to you to do it. And some times you know that you may come out 15% - 20% overrun on it. Because this is not a predictable process.

Andrew McKenna: [30:16](#) Unquestionably.

Marlene Davis: [30:17](#) It's not a predictable process.

Andrew McKenna: [30:18](#) I completely agree with you.

Marlene Davis: [30:19](#) Okay so we won't talk about cost.

Andrew McKenna: [30:19](#) It's just a consideration to the city that could -

Marlene Davis: [30:24](#) The city has to take the burden because they started it, okay? I'm not going to argue if it runs over. No anybody else want to

talk about it, that's fine, but I'm not. So the cost is what is at the end of the day.

Paul Payne: [30:44](#) I think I'm good. Anyone else on this market discussion?

Paul Payne: [30:53](#) Okay as I mentioned earlier, the president of the board's office asked me to invite Greenburg Traurig in, Jean Wilson's here. Why don't you come on up and grab a seat at the table. As you know we got a contract with various consultances and Greenburg is under a specific direction by the president board of alderman office and he wanted to introduce himself to us so that we know his role and he can just meet us, if he had some things to say, afford him that opportunity here today.

Jean Wilson: [31:35](#) Well thank you, thank you. And thank you all for allowing me some time on your agenda. First of all I want to apologize, my partner, Ernest Greer who is from St. Louis, who was here at the original meeting, loves to come back to St. Louis every opportunity he gets to see his mom, could not make it here today. But I bring you greetings from him. He's based in Atlanta now, but takes every opportunity to come back to St. Louis.

Jean Wilson: [32:03](#) We talked about being brought in as independent transaction council and we really are trying to catch up to the process in terms of what you guys have been dealing with here for a bit. But what we wanted to do was introduce the firm, Greenburg Traurig, which is approximately about a 2,000 lawyer firm, a multi-disciplinary firm that's involved in every aspect of these types of transactions that you all are looking at. So we have the resources and the talent available to you. And as you go about taking on the challenges of evaluating, as you suggest, as to whether or not to do a transaction, we're here. We just want you to know we are available to you and as you guys approve these carious work phases, we want to be engaged and available to help you evaluate the process.

Jean Wilson: [33:10](#) We've had the chance to talk to a few of the working group members, Linda was kind enough to give us some time yesterday and she shared some perspectives. Jim and Rhonda and I have talked and I've talked with Gerard and I apologize to Jim that we have not had the chance to talk. And we just want to sensitize you to the fact that we are here and available to do as much or as little as you would like us to do as you take on the challenges. You've amassed a pretty impressive group of advisors. We certainly appreciate being on the team and we'll make ourselves available to you as often as we can.

Jean Wilson: [33:48](#) As I mentioned I mentioned to Jim, we are dealing with quite a few tropical storms right now in and around Florida so the option to be here and enjoy this weather ... we may not go home for a while.

Jean Wilson: [34:04](#) But again, we're here. My colleague Melissa Lopez-Rogers came up with me. We have a team of professionals in every discipline that can be made available to you. And again we're just happy to be on the team and thank you for the opportunity.

Paul Payne: [34:20](#) Well again welcome and thanks for coming today and as you can tell just by the people we have here, I'm sure we've got bond council covered I think pretty much. But any communications that we need to extend towards you, that you would need to advise for the president's office, we'll definitely do that. We just want to make sure that communication lines are open and remain open through the process.

Jean Wilson: [34:48](#) Really appreciate it. Thank you Paul.

Paul Payne: [34:53](#) Thank you.

Paul Payne: [34:56](#) We also have PFM and Seibert here. I think most of our conversation though is on some disclosure items and it'll be a closed session so unless you have anything you want to bring up in open session.

Paul Payne: [35:11](#) Is there anything that we have left on the open session that anyone would like to bring up.

Rhonda Hamm-Niebruegge: [35:17](#) I just have one more question. I know we talked about the contract with Unison. The last group meeting we also talked about additional contracts. Have we gone anywhere on those? Has there been any RPFs released?

Marc Ellinger: [35:29](#) I can give, or Omar maybe you are in the best realm here, we have started down that process of exploring other, two potential very narrow, very technical service providers that we might need to ad. We have just started that process, I don't think we have any substantive update at this point. But certainly we're happy to discuss it. There may be an issue with them that we might have to go to closed session to talk about only in that there may be a contractual negotiation issue that may go with one of the areas of technical service providers.

Rhonda Hamm-Niebruegge: [36:00](#) Alright thank you.

Paul Payne: [36:03](#) Oh wait, is the sign in sheet still floating around somewhere?

Linda Martinez: [36:05](#) Yeah I haven't signed it.

Marc Ellinger: [36:13](#) Paul, we do have one other very short item and it's really almost a housekeeping, administrative item and I think Andrew may be the right person to talk it. This is generally ... as we move forward with this process, who we need in the room as opposed to who we need up on screen. So Andrew -

Andrew McKenna: [36:30](#) Yeah, I'd just like to make a proposal to the committee that we are thoughtful around cost and that each one of the presenting representative firms have someone here physically. We think that's important that if anyone is presenting with material information, slides, and updates, we think that one representative from the firm should be here. And if needed, of course two if there's a multitude of reasons, but we'd like the other members, with the approval of the committee, to think thoughtfully about using modern technology as much as possible. We should also note that WebEx and the Cisco system has been setup dedicated, we had a little bit of dial-in issues this morning, I'll take full responsibility for that. But what we'd like to do is open that line early and at the discretion of the committee, be able to decide whether or not they would like to be able to see everyone's bright, shining faces up here on the screen or they would only like them to dial-in and hear the conversation and be able to participate in that way. So it'd be a little more regimented about that but we'd like to make that proposal to the group to cut down on unneeded travel expenses and otherwise.

Andrew McKenna: [37:27](#) I'd also like to go back to the question on further consultants. We're going to bring those on, on an as needed basis, on a customary basis for a potential transaction that may or may not occur in this case. So these consultants will only be brought on, on an as needed basis when it becomes customary. So the Unison contract that you all have approved is a customary work that needs to be done at this phase. We will only bring those proposals to you if we all decide that we get to those next gated phases. So when you all turn the traffic light green, we will then go and bring those other consultants on the technical basis. Most of them will be around passenger count, environmental and they'll be very narrowly focused. And they will all be people that will be required for any potential outreach to the community or bidders or airlines requirements, we're obviously going to take a lot of input when we get to that phase, from the airlines and others. I know Bob Montgomery's here in the back

of the room some where. And we will work on a basis and work along those technical providers.

- Andrew McKenna: [38:29](#) So back to the first on cost and travel, I'd like to make that proposal to the group for consideration. And again if your firm is due to present, we expect the lead presenter to be here and as needed a second presenter. But otherwise, we would ask that you limit having too many folks in the room.
- Paul Payne: [38:50](#) I'm fine with that as long as our conference technology is working.
- Andrew McKenna: [38:54](#) And again my responsibility. We established a WebEx, which is a Cisco product which is very well known. We tested security, it's a low cost providing an offering. It also gives a lot of flexibility for all of you to see who's been dialed in. It records everyone that's in for document retention purposes and allows flexibility for the group to decide if they want voice and video, you click and have that capability to add and subtract people as need. We can have as many as 50 people dialed in and their voices up and then we can give that command and control to the committee to adjudicate that. We can even make the decision in the meeting how you want to do that.
- Andrew McKenna: [39:33](#) We'll get better at it and we apologize for it not being seamless.
- Paul Payne: [39:36](#) Okay great. And then on the other thing, in terms of the other contracts and going with the other companies, just so long as we can get a copy of those pretty well in advance so we're not bombarded at the last minute before a meeting.
- Marc Ellinger: [39:49](#) Unless there's a very unique situation with a, Unison's a little different because there's a long history of the airport working with Unison, we will make sure we get you plenty of lead time on any item that we're going to discuss of decision purposes.
- Marc Ellinger: [40:02](#) With respect to WebEx, I wouldn't go one thing, and hopefully everybody who's online can hear me when I say this. There are some people who have dialed in and not put their names in. On a going forward basis, please put our names in because it's really important that we have a record of who's in attendance. I think that's important for the city's purposes and it's important for the working group to know who's on the phone and who's not. With this system as you see, it puts everybody's name up there and we can deliver a copy of that to Michelle if she'd like it so she has a list of all the names that were in attendance. People who dialed in on this call-in, User 11 I don't know who

that person is off the top of my head, we can find out because we can go back and look at the phone number and figure out who that its. We'll supplement that to you also so you have a complete record.

- Paul Payne: [40:45](#) Great, thanks.
- Linda Martinez: [40:46](#) Maybe in the future, if they don't put their name, we won't let them participate?
- Marc Ellinger: [40:50](#) Correct.
- Rhonda Hamm-Niebruegge: [40:52](#) You can remove anyone from the meeting at any time? You people, you have a lot of control here.
- Linda Martinez: [40:59](#) I think we need to know who they are.
- Rhonda Hamm-Niebruegge: [41:01](#) Even the initial "LS" you don't know who the initials are.
- Paul Payne: [41:04](#) Okay very good. Anything else for open session. Right, do we have a motion to go into closed session.
- Linda Martinez: [41:18](#) I make a motion we go into closed session and that the agenda of this meeting also includes the option to vote on going to closed session pursuant to section 610.0211 to discuss legal action, 610.0212 discuss leasing of real estate, 610.0213 to discuss the hiring of employees, section 610.02112 to discuss sealed proposals and related contracts, and 610.02114 to discuss records which are protected from disclosure by law.
- Marc Ellinger: [41:53](#) I second.
- Paul Payne: [41:55](#) Okay it's been moved and seconded. All in favor?
- Group: [41:58](#) Aye.
- Paul Payne: [42:01](#) Okay so we'd like to clear the room of those -