

MINUTES OF THE DECEMBER 18, 2020  
THE ALLEGHENY COUNTY AIRPORT AUTHORITY  
BOARD MEETING

A meeting of the Board of Directors of The Allegheny County Airport Authority was held at 11:30 a.m. on Friday, December 18, 2020 at the Pittsburgh International Airport in Conference Room B.

Members in Attendance via WebEx:

David Minnotte, Chairman  
Ashley Henry-Shook  
Rich Stanizzo  
Jan Rea  
Randy Vulakovich  
Lance Chimka  
Matthew Smith  
Cynthia Shapira

Also, in Attendance:

Christina A. Cassotis, Chief Executive Officer  
Eric Sprys, Executive Vice President and Chief Financial Officer (via WebEx)  
Jeffrey W. Letwin, Solicitor (via WebEx)  
Mark Nowak, Special Counsel (via WebEx)  
Members of staff, press and public (via WebEx)

The Chairman called the meeting to order and asked for approval of the minutes of the meeting of the Board of Directors of November 20, 2020 and the same were approved without amendment.

Ms. Christina Cassotis announced that Presley's Place, the sensory room inspired by heavy equipment operator Jason Rudge and his son, Presley has won another award from aviation leader Skift. Ms. Cassotis noted that Presley's Place won first place for accessibility and inclusion in the Skift IDEA Awards. These awards are the industry's recognition of innovation, design, and experiences defining the future of travel. Ms. Cassotis also noted that the second place for the Skift award went to a hotel in Paris that has developed a smart hotel room. Ms. Cassotis congratulated everyone who assisted in this project, including our trades who constructed this in-house, project leader Logan Williams and many others as well as our Marketing, Communications & Customer Experience team for promoting it with stories and videos that continue to get recognition in the industry and media.

Ms. Cassotis also announced that ACAA's Marketing, Communications, and Customer Experience won first place in the Responsive Communications category at Airports Council International's 2020 Marketing Communications/Customer Experience Awards virtual ceremony on Thursday and was a finalist in two other categories which were video and film production and digital advertising. According to ACI, the winner in Responsive Communications best

demonstrates successful communications surrounding any irregular or otherwise unscheduled operation or event, either internal or external. Ms. Cassotis noted from Blue Sky News production to positioning PIT as an industry thought leader to creating the branding around our Safe Travels program, this was truly a department-wide effort, that continues today.

Mr. Stanizzo reported that the Operations and Facilities Committee met and approved the minutes of the November 20, 2020 meeting. The following Action Items were presented:

- Action Item No. 604-20 United States Department of Agriculture (USDA)- Request authorization to enter into a Cooperative Services Agreement with the United States Department of Agriculture (USDA) Animal and Health Inspection Service (APHIS) Wildlife Services (WS) to continue Wildlife Hazard Management Support at Pittsburgh International Airport (PIT) and Allegheny County Airport (AGC). This agreement shall remain in effect for a period of six months beginning January 1, 2021 through June 30, 2021 for a not-to-exceed amount of \$130,288.26.
- Action Item No. 594-20 CDM Smith, Inc.- Request authorization from the Allegheny County Airport Board of Directors for the Chief Executive Officer to approve Contract Revision Number 13 to Contract Number 1635 with CDM Smith, Inc. to increase the contract amount by \$200,000.00 from \$5,769,773.97 to \$5,969,773.97 for Project Number 19A1-07, Deicing/Storm Treatment Plant Project at Pittsburgh International Airport.
- Action Item No. 598-20 SAI Consulting Engineers, Inc.- Request authorization from the Allegheny County Airport Authority Board of Directors for the Chief Executive Officer to award and execute a contract with SAI Consulting Engineers, Inc. for an amount not to exceed \$498,913.26 to provide pre-construction phase services for the Cargo 4 Building Intermodal Freight Transfer Facilities Development Project at Pittsburgh International Airport. The term of the contract shall be for 24 months from the notice to proceed.
- Action Item No. 599-20 Golden Triangle Construction - Request authorization from the Allegheny County Airport Authority Board of Directors for the Chief Executive Officer to approve Contract Revision Number 2 to Contract Number 4376 with Golden Triangle Construction Company to increase the contract amount by \$487,329.88 from \$3,707,545.54 to \$4,194,875.42 and extend the contract term by 36 calendar days from September 7, 2020 to October 13, 2020 for Project 40G2-18, Upper West Ramp Drainage & Pavement Improvements and Project 40G3-18, Terminal Parking Improvements Project at Allegheny County Airport.
- Action Item No. 600-20 Michael Baker International, Inc. - Request authorization from the Allegheny County Airport Authority Board of Directors for the Chief Executive Officer to award and execute a contract with Michael Baker International, Inc. to provide on-call professional engineering and document control services for a



not to exceed amount of \$150,000.00. The contract term will be from January 1, 2021 through December 31, 2023.

Upon motion duly made and seconded, the foregoing Action Items were approved. Ashley Henry-Shook abstained from Administrative Actions 594-20 CDM Smith, Inc.

Mr. Stanizzo reported that the committee did not enter into Executive Session.

Ms. Shook reported that the Business & Communications Committee met and approved the minutes of the meeting of November 20, 2020. The following Action Items were presented:

- Action Item No. 593-20 JCDecaux Airport, Inc. - Request the Allegheny County Airport Authority Board of Directors to authorize the Chief Executive Officer to amend contract #3579 with JCDecaux Airport, Inc. to extend the term from December 31, 2020 to June 30, 2021 and modify the financial terms, providing 50% of the revenue to ACAA. The agreement provides JCDecaux the right to sell advertising at approved locations in the airport.
- Action Item No. 596-20 The Buncher Company - Request the Allegheny County Airport Authority Board of Directors to authorize the Chief Executive Officer to enter into a Reimbursement Agreement with The Buncher Company for an amount not to exceed \$1,779,417.47 for site infrastructure improvements at the Pittsburgh Airport Innovation Campus. The work will include grading, roads, sidewalks, streetlights, landscaping, and other infrastructure items.
- Action Item No. 583-20 Ragan Consulting, LLC - Authorization to enter into a contract with Ragan Consulting Group for ongoing communications and brand journalism services for an amount not to exceed \$175,000. This contract will begin on January 1, 2021 and run through December 31, 2021.
- Action Item No. 607-20 Ailevon Pacific, Mead & Hunt, and The Meehan Aviation Group - Request authorization for the Chief Executive Officer to enter into professional service agreements with Ailevon Pacific, Mead & Hunt, and The Meehan Aviation Group for regional, domestic, and international air service development consulting services for a total amount not to exceed \$295,000 in year one, including reimbursable expenses. The term of this agreement is from January 1, 2021 to December 31, 2021, with two one-year options beginning on January 1, 2022.
- Action Item No. 601-20 Lightspeed Business Consulting Group, LLC - Authorization is requested from the Board of Directors to approve Revision Number 2 to Contract Number 4310 with LightSpeed Business Consulting Group LLC to increase the contract by \$180,000 from \$273,600 to \$453,600 for

functional and technical support of the Oracle/JD Edwards ERP system utilized by ACAA and extend the term from January 1st, 2021 through December 31st, 2021.

- Action Item No. 602-20 Solutions 4 Networks - Authorization is requested from the Board of Directors to approve Contract Revision Number 4 to Contract Number 4206 with Solutions 4 Networks to increase the contract amount by \$137,280.00 from \$229,680.00 to \$366,960.00 and extend the term through December 31, 2021 for advanced networking support and emergency services utilizing the Pennsylvania Co-Stars purchasing program with customer contract number 003-051.
- Action Item No. 603-20 Virtuo Group - Authorization is requested from the Board of Directors to approve Revision Number 4 to increase Contract Number 4326 with Virtuo Group Corporation by \$220,626.87 from \$328,025 to \$548,651.87, utilizing CoStars agreement #4400022117 for cybersecurity support services, and extend the term through December 31st, 2021.
- Action Item No. 582-20 Lynx FBO Pittsburgh - Authorization to enter into Amendment Number 2 for Contract Number 3158 with Lynx FBO Pittsburgh, LLC for Hangar 2 at the Allegheny County Airport to have a thirty (30) day termination clause for both the tenant and the Authority and extend the term for sixteen (16) months from January 1, 2021 to April 30, 2022. The annual revenue will be \$105,190.36. The total revenue for the lease term will be \$140,475.32.
- Action Item No. 575-20 PaDOT AGC Terminal Rehab - Board Ratification of the ACAA CEO Application for, and Acceptance of, the following PaDOT Grant for the following AGC Project: PaDOT 75% Grant #MMA-20-001 - \$1,004,848.55 - for the AGC Terminal Rehab Ph. 3 Project #921902.
- Action Item No. 576-20 PADCED EDCDI Grant Air Service Development - Board ratification of the Allegheny County Airport Authority Chief Executive Officer's application for, and acceptance of, the 2019-2020 PA DCED EDCDI Grant for \$2,000,000 in support of air service development initiatives.

Upon motion duly made and seconded, the foregoing Action Items were approved.

Ms. Shook reported that the committee did not enter into Executive Session.

Mr. Smith reported that the Finance and Administration Committee met and approved the November 20, 2020 meeting minutes. The following action items were hereby presented:

- Action Item No. 592-20 Automated Data Processing, LLC (ADP) - Authorization is requested for approval of Revision Number 11 to Contract Number 343300 with



Automated Data Processing, LLC (ADP) for Human Resources Information System (HRIS), Payroll, Timekeeping, Recruiting, On Boarding Hosted Solution Services, and Application Program Interface (API). This will increase the contract by \$176,837.86 from \$1,023,315.80 to \$1,200,153.66 and extend the contract from December 31, 2020 to December 31, 2021.

- Action Item No. 595-20 Involta, LLC - Request authorization from the Allegheny County Authority Board of Directors for the Chief Executive Officer to enter into a settlement agreement with Involta, LLC.
- Action Item No. 597-20 Saul Ewing Arnstein & Lehr LLP. - Authorization to approve Revision Number 2 to Contract Number 4447 with Saul Ewing Arnstein & Lehr, LLP (Jeffrey W. Letwin) for an amount not to exceed \$200,000. All other terms will remain unchanged.
- Action Item No. 606-20 PNC Resolution - Approval is requested to enter into an amended loan agreement with PNC Bank, NA to increase the Authority's borrowing capacity from \$100,000,000 to \$150,000,000 and extend the step up in that amount until the maturity date of December 16, 2022. The formal borrowing resolution is attached.

### **THE ALLEGHENY COUNTY AIRPORT AUTHORITY RESOLUTION 3 OF 2020**

WHEREAS, The Allegheny County Airport Authority, a body corporate and politic under the laws of the Commonwealth of Pennsylvania, organized by the County of Allegheny pursuant to the Municipality Authorities Act, approved June 19, 2001, P.L. 287, Act 22, as amended, 53 Pa.C.S. Section 5601 *et seq.* (the "Authority"), and PNC Bank, National Association (the "Bank") are parties to a subordinated revolving draw down credit facility in an amount up to \$200,000,000 evidenced by a series of draw down loans (collectively, the "Loan") in accordance with and subject to the provisions of the Authority's Master Trust Indenture dated as of December 1, 2019, by and between the Authority and Bank of New York Mellon Trust Company, N.A. as the "Trustee" (the "Master Indenture"), as supplemented by the First Supplemental Trust Indenture dated as of December 1, 2019, and First Amendment to First Supplemental Trust Indenture dated May 12, 2020, by and between the Authority and the Trustee (collectively, the "First Supplemental Indenture" together with the Master Indenture, the "Indenture"); and pursuant to the terms of a Loan Agreement dated as of December 18, 2019 as amended by the First Amendment to the Loan Agreement dated May 12, 2020 (the "First Amendment") by and between the Authority and the Bank (collectively, the "Loan Agreement"), and the Authority issued its Subordinate Obligation Airport Revenue Notes, Series 2019 pursuant to the Indenture (the "Series 2019 Subordinate Obligation Notes"). The Indenture, the Loan Agreement and the Series 2019 Subordinate Obligation Notes are collectively referred to as (the "Credit Facility Documents");

WHEREAS, pursuant to the Loan Agreement, the Maximum Commitment Amount (as defined in the Loan Agreement) was reduced to \$100,000,000 on June 1, 2020 (the "Step Down Date");



WHEREAS, pursuant to the First Amendment, the Authority and Bank agreed to extend the Step Down Date to December 1, 2020;

WHEREAS, as of December 1, 2020, the Maximum Commitment Amount is \$100,000,000;

WHEREAS, the Authority has requested, and the Bank has agreed, to further amend the Loan Agreement to increase the Maximum Commitment Amount to \$150,000,000 on a date to be mutually agreed upon which is subsequent to the satisfaction of certain pre-closing conditions as set forth in the Term Sheet (as defined herein) (the "Step Up Date") through December 16, 2022 (the "Initial Maturity Date");

WHEREAS, the Bank has provided a term sheet related to the amendment of the Loan Agreement, attached hereto as Exhibit A, which, among other things, increases the Maximum Commitment Amount from the Step Up Date through the Initial Maturity Date, revises certain of the Authority's covenants under the Loan Agreement and establishes certain conditions precedent to closing on the amendment (the "Term Sheet"); and

WHEREAS, the amendment of the Loan Agreement will require the execution and delivery of amended Credit Facility Documents as approved by the Board of the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the Authority is hereby authorized to execute the Term Sheet and enter into such amendments to the Credit Facility Documents described in the recitals hereto, consistent with the terms of the Loan Agreement as modified by the Term Sheet, including principal amount thereof to be set forth therein and such other agreements, certificates and related documents as the Chief Executive Officer, the Chief Financial Officer and/or the Chairman of the Authority shall deem necessary or desirable with respect to the transaction contemplated herein;

BE IT FURTHER RESOLVED, that the Chief Executive Officer, the Chief Financial Officer and/or the Chairman of the Authority be, and each of them are hereby, authorized to execute and deliver the amended Credit Facility Documents (and any further amendments or modifications thereto), and any other agreements, documents or instruments necessary or desirable in connection therewith in the name and on behalf of the Authority (which may be attested by the Secretary or any Assistant Secretary or the equivalent thereof of the Authority) or otherwise in the form previously presented to the Authority (with such changes, not inconsistent with the intent of these resolutions as the Chief Executive Officer, Chief Financial Officer and/or Chairman of the Authority, as evidenced by their execution thereof, shall deem necessary or desirable) and (ii) such other agreements and documents as are contemplated by the amended Credit Facility Documents, including without limitation, officer certificates, any tax compliance certificates, and/or forms and legal opinions;

BE IT FURTHER RESOLVED, that the Chief Executive Officer, Chief Financial Officer and/or Chairman of the Authority and its Solicitor be, and each of them hereby are, authorized to take all such further actions, to execute and deliver such further instruments and documents in



the name and on behalf of the Authority and if necessary or advisable (which may be attested by the Secretary or any Assistant Secretary or the equivalent thereof of the Authority) or otherwise to pay all such expenses as in their judgment shall be necessary or advisable in order to fully carry out the purposes of the foregoing resolutions; and

BE IT FURTHER RESOLVED, that all actions previously taken or that will be taken by any officer or the equivalent thereof, employee or agent of the Authority in connection with or related to the matters set forth in or reasonably contemplated by the foregoing resolutions be, and each of them hereby is, adopted, ratified, confirmed and approved in all respects as the acts and deeds of the Authority.

Upon motion duly made and seconded, the foregoing Action Items were approved.

Mr. Smith reported that the committee did not enter into Executive Session.

Ms. Christina Cassotis presented the November air service dashboard – Passengers in the month of November totaled 274,200, a 65.5% decrease when compared with November 2019, which had 795,000 total passengers. Total number of seats for November totaled 507,400 which is a 49.2% decrease when compared with November 2019 of 998,400. November available seats at Pittsburgh International Airport were down 49% as airlines adjusted to a challenged demand environment.

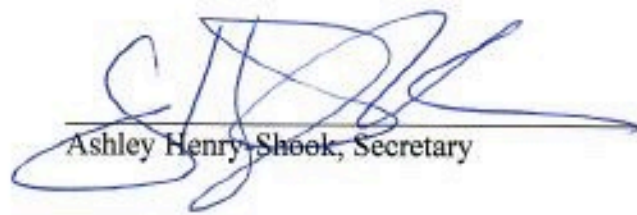
Ms. Cassotis reported that total year to date passengers for November 2020 is 3,410,000 which is a 62.0% decrease compared to November 2019 which was 8,970,000. Total year to date cargo for November 2020 was 64,000 metric tons for freight and 14,100 metric tons for mail representing a 3.7% decrease compared to the year to date for November 2019 which was 67,800 metric tons of freight and 13,400 metric tons of mail. While passenger airlines are generally carrying less cargo on dramatically fewer flights, several positive developments have been materializing. Ms. Cassotis noted Cathay Pacific wrapped up their charter program at PIT on November 26<sup>th</sup>. In early December, Qatar Airways launched a 6-month cargo charter program originating in Dhaka with a stop-over in Doha before arriving at PIT for weekly service

The four airlines with the highest percentage of passengers were: Southwest 25.8%, American 23.2%, Delta 14.4%, and Spirit 13.4%. United, Allegiant, JetBlue, and Alaska collectively make up 21%. In November, passengers at Pittsburgh International Airport were down nearly 65 percent on significantly reduced international and domestic travel demand due to the coronavirus pandemic.

Ms. Cassotis ended the meeting thanking the board members for their commitment and guidance for 2020. Ms. Cassotis thanked the ACAA team for their dedication and hard work.

The Chairman asked for any new business. There was no old business.

The Chairman stated there was no need for an Executive Session and the meeting stood adjourned.



Ashley Henry Shook, Secretary