

MASSACHUSETTS PORT AUTHORITY
MINUTES OF THE MEETING HELD ON
FEBRUARY 16, 2017 AT 9:00 A.M.
ONE HARBORSIDE DRIVE, EAST BOSTON, MA

The meeting of the Members of the Massachusetts Port Authority was held at One Harborside Drive, East Boston, Massachusetts on February 16, 2017. Chairman Michael P. Angelini presided. Lewis G. Evangelidis, L. Duane Jackson, Patricia A. Jacobs, Sean M. O'Brien, Thomas P. Glynn, CEO and Executive Director, Catherine McDonald, Chief Legal Counsel, Elizabeth Morse, Chief of Staff, John P. Prankevicius, Director of Administration and Finance and Secretary-Treasurer, Edward C. Freni, Director of Aviation, Lisa Wieland, Port Director, Houssam H. Sleiman, Director, Capital Programs & Environmental Affairs, James Doolin, Chief Development Officer, Gordon Carr, Acting Deputy Director of Strategic and Business Planning, Major Frank McGinn, Troop F Commander, and Michael A. Grieco, Assistant Secretary-Treasurer were in attendance.

The meeting commenced at 9:00 A.M.

Public Comment

There were no requests to speak during the Public Comment Period.

Ratification and approval of the minutes of the January 19, 2017 Board Meeting

Upon a motion duly made and seconded, it was

VOTED:

To ratify and approve the minutes of the January 19, 2017 Board Meeting.

Members Angelini, Jackson, Jacobs, and O'Brien voted Yes.

Chairman's Comments

Report of the CEO

Mr. Glynn presented information on the activity at Terminal E following President Trump's Travel Ban Executive Order, on some new international flights, on the Newspaper Headlines Exhibit in Terminal E, on JetBlue's Logan growth plans, on the Mass Insight poll's high favorability rating for Logan and for the Authority, on GE's acknowledgment that it no longer requires a publicly accessible helipad, on an upcoming meeting with Worcester civic leaders regarding the Worcester Airport and a JetBlue announcement about new service from JFK to Worcester Airport, on the daily volume of trucks traveling through the Seaport, on the proposed Cypher and E Street connection, on the Conley container crane constraints, on the new Flynn Cruiseport Boston signage, on the Sail Boston 2017 event and some potential South Boston and East Boston berthing and viewing locations, and on a potential redevelopment of the Seaport World Trade Center. Mr. Freni presented information on the Emirates A380 airplane that visited Logan in January, on the upcoming school vacation weeks and the expected Logan parking overflow situation, and on the start of Uber and Lyft operations at Logan on February 1st.

Mr. Evangelidis joined the meeting at 9:20 A.M.

Strategic Plan Implementation

FY17-21 Capital Program and Financing Plan Presentation

Mr. Prankevicius presented information on the healthy aviation business activity projections for passengers, terminal and rental car concessions, and bus, limo, taxi, and TNC revenues, on maritime activity for containers, cruise passengers, and seafood and autoport revenues, and for a slight increase in real estate revenues. Mr. Prankevicius noted that key strategic initiatives will increase debt outstanding by over \$1 billion, that Logan terminal rates will increase due to capital expenditures for airline growth, some potential risks and challenges to achieving the financial plan goals, and some required Board actions. After some discussion regarding risks and challenges to the financial plan, it was determined that staff would present a financial sensitivity analysis at a future meeting. Mr. Sleiman presented information on the five year \$2 billion Capital Program (the "Program") structure, on the Program evaluation criteria, on the Program expenditures by facility and by year, on some projects at various aviation and maritime facilities, on some unfunded projects, on the Program's economic impact by year, and on some Program metrics.

FY17-21 Capital Program

Upon a motion duly made and seconded, it was

VOTED:

To approve the attached Capital Program for Fiscal Years 2017-2021.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

*A copy of the Capital Program for Fiscal Years 2017-2021 is kept with the Board Minutes on file with the Secretary-Treasurer.

Financial Advisor Contract

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, pursuant to Section 12 of Chapter 465 of the Acts of 1956, as amended (the "Enabling Act") the Authority is required to appoint a financial advisor whose appointment is subject to the approval of the Governor; and

WHEREAS, staff of the Authority issued a request for proposals for financial advisory services, reviewed the responses to such request, and interviewed those firms deemed qualified; and

WHEREAS, based upon the written responses to the request for proposals and interviews with those firms deemed qualified, staff has recommended that the Members of the Authority (the "Board") appoint PFM Financial Advisors LLC as the financial advisor to the Authority, as set forth below;

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. PFM Financial Advisors LLC (the “Financial Advisor”) is hereby appointed as the financial advisor to the Authority for a term of five (5) years. The execution and delivery of an agreement consistent with this Resolution between the Authority and the Financial Advisor in the Authority’s standard form with such additional or altered terms and conditions as may be acceptable to the CEO or the CFO is hereby authorized, and any one of the CEO, the CFO or the Assistant Secretary-Treasurer (each an “Authorized Officer”), acting singly, is hereby authorized to execute such an agreement on behalf of the Authority. The total compensation to be paid to the Financial Advisor under the term of said agreement shall not exceed One Million Six Hundred Thousand Dollars (\$1,600,000.00).
2. Each Authorized Officer, acting singly, is hereby authorized and directed to do all acts and things and to execute and deliver any and all documents, certificates and other instruments necessary or desirable to effectuate the transaction contemplated by this Resolution.
3. This Resolution shall take effect immediately.

Members Angelini, Evangelidis, Jackson, Jacobs, and O’Brien voted Yes.

Potential Items for Subsequent Reimbursement by Bond Funds

Upon a motion duly made and seconded, it was

VOTED:

Declaration of Official Intent

February 16, 2017

That the Massachusetts Port Authority (the “Authority”) intends to, and reasonably expects that it will, reimburse itself for capital expenditures made in connection with the projects described in Schedule A hereto (the “Projects”) from the proceeds of obligations issued by the Authority in the maximum principal amount of up to \$2,217,597,000. The original expenditures will be made from the Authority’s available funds. This maximum principal amount is based upon the information regarding the Projects listed in Schedule A, but it is not intended that the amounts shown on Schedule A for each individual Project limit the amount that may be reimbursed for that Project to the listed amount. The Members of the Authority hereby confirm such intention, evidenced by a prior vote of the Authority, as to those Projects previously included in Schedule A and not indicated with an (a). The Members of the Authority hereby acknowledge that the costs of the Projects indicated with a (b) include project costs that are eligible for funding with Passenger Facility Charges (“PFCs”), Customer Facility Charges (“CFCs”), Capital Budget Funds, Maintenance Reserve Funds and/or grants (together, “Other Funding Sources”), and the costs of Projects indicated with a (c) have increased since the prior vote of February 25, 2016, and the amount of such costs to be reimbursed with bond proceeds may be reduced, in the discretion of the Authority, by the amount of Other Funding Sources applied to such projects prior to the issuance of such bonds. This resolution is intended to be a “declaration of official intent” under Section 1.150-2(e) of the U.S. Treasury Regulations.

Members Angelini, Evangelidis, Jackson, Jacobs, and O’Brien voted Yes.

Massachusetts Port Authority
 Minutes of the meeting held on February 16, 2017
 Page 5

Schedule A
As of February 2017
 Maximum Principal Amount
 (in dollars, 000's omitted)

Section 1		
CBIS REPLACEMENT/OPTIMIZATION	216,000	(b)
TERMINAL E RENOVATIONS AND ENHANCEMENTS	167,000	
RUNWAY-END 33L SAFETY IMPROVEMENTS	84,350	(b)
NEW PARKING GARAGE - 2050 SPACES	91,000	(b)
TERMINALS C TO E CONNECTOR	60,000	(b)
TERMINAL C ROADWAYS	50,000	
REHAB OF RUNWAYS 33L & A5R, TAXIWAY C	22,100	(b)
RUNWAY 4R/22L LIGHT PIER REHABILITATION & CAT III	20,000	(b)
SUBSTATION & ELECTRICAL UPGRADE PROGRAM	26,300	
REHAB EAST ALPHA & BRAVO	18,600	(b)
AIRFIELD ELECTRICAL SYSTEM UPGRADE	15,700	(b)
REHAB NORTH ALPHA & BRAVO	15,690	(b)
AIRPORT EDGE BUFFERS	15,000	(b)
ROOF REPLACEMENT PROGRAM	12,000	
DEMOLISH HANGAR - BUILDING 16	12,000	(b)
CRAWL SPACE ACCESS & IMPROVEMENTS	9,400	
RUNWAY 22R RSA SAFETY IMPROVEMENTS & REPL OF 4L EMAS	9,300	(b)
REHAB OF T/W ECHO & KILO WEST	14,750	(b)
TAXIWAY C3 PAVEMENT REHAB AND NEW BYPASS TAXIWAY	7,500	
LOGAN AIRPORT GREENWAY	6,875	(b)
REPLACEMENT OF MARINE 1	5,885	
AIR RIGHTS PURCHASE - REV-LYN CRANE	5,624	
REPLACE RUNWAY 4R APPROACH LIGHT PIER	5,000	(b)
TERMINAL C ENTRY WAY & INTERIOR IMPROVEMENTS	4,000	
TAXIWAY N	3,500	
R/W 15L/33R RSA IMPROVEMENT	2,300	(b)
AIRFIELD ACCESS CONTROL FROM CARGO BUILDINGS	1,200	(b)
POST SECURITY CONCOURSE FROM GATES 37/38 TO THE FOOD COURT	25,000	(b)
TERMINAL A AIRLINE RELOCATION	23,000	(b)
HVAC EQUIPMENT REPLACEMENT PROGRAM	34,500	
HVAC EQUIPMENT DISTRIBUTION	9,000	
RUNWAY 4L-22R	15,800	(b)
TAXIWAY M, R, Y, M2 & M3	16,000	
A380 AIRFIELD IMPROVEMENTS	10,000	
REHABILITATION OF RUNWAY 22I	8,000	
REHAB TERMINAL A TAXILANES	6,750	
REHABILITATION OF TAXIWAYS F, H, P/E, M1 7 M	4,300	
EXPANDED USE OF SHIP RADAR	3,000	
15KV MANHOLE REPLACEMENTS	1,800	(b)
SECURITY GATEHOUSE RENOVATIONS	1,750	
IN-GROUND SNOWMELTER REPLACEMENTS	15,223	(b)
TERMINAL B - AIRLINE CONSOLIDATION AND ENHANCEMENT	180,000	(b)
CBP IMPROVEMENTS	5,000	(b)
PARKING CAPACITY - 5000 SPACES	251,500	(b)
TERMINAL E IMPROVEMENTS PHASE 1	500,000	(b)
Subtotal of projects previously added to this list	\$ 2,011,697	
Section 2		
PROPERTY ACQUISITION AND IMPROVEMENT - BRAINTREE	47,500	(b), (c)
SOUTH BOSTON WATERFRONT TRANSPORTATION CENTER	87,000	(b), (c)
CENTRAL HEATING PLANT UPGRADE	33,000	(b), (c)
RUNWAY 9-27 REHAB	19,000	(a)
TAXIWAY D, D1, MS REHAB	5,600	(a)
RUNWAY INCURSION MITIGATION STUDY	1,800	(a)
RESURFACE NORTH CARGO APRON	7,000	(a)
TERMINAL E WEST SUBSTATION	5,000	(a)
Subtotal of modified/new projects (See Schedule B)	\$ 205,900	
Total	\$ 2,217,597	

(a) Projects added since the vote of February 2016
 (b) Full project costs are listed; amounts bonded are reasonably expected to be net of
 (c) Project costs that have increased since the February 2016 vote
 Capital Budget Funds, Maintenance Reserve Funds, PFCs,
 CFCs and/or grants, as applied in the discretion of the Authority.

Massachusetts Port Authority
 Minutes of the meeting held on February 16, 2017
 Page 6

Schedule B
As of February 2017
 Maximum Principal Amount
 (in dollars, 000's omitted)

Projects with increased budgets (b), (c)	<u>Previous Budget</u>	<u>Revised Budget</u>
PROPERTY ACQUISITION AND IMPROVEMENT - BRAINTREE	30,000	47,500
SOUTH BOSTON WATERFRONT TRANSPORTATION CENTER	85,000	87,000
CENTRAL HEATING PLANT UPGRADE	<u>20,000</u>	<u>33,000</u>
	135,000	167,500
New Projects added (a)		
RUNWAY 9-27 REHAB	n.a.	19,000
TAXIWAY D, D1, MS REHAB	n.a.	5,600
RUNWAY INCURSION MITIGATION STUDY	n.a.	1,800
RESURFACE NORTH CARGO APRON	n.a.	7,000
TERMINAL E WEST SUBSTATION	<u>n.a.</u>	<u>5,000</u>
	<u>-</u>	<u>38,400</u>
Total Project Costs	\$ <u>135,000</u>	\$ <u>205,900</u>

Note: Full project costs are listed; amounts bonded are reasonably expected to be net of Capital Budget, Maintenance Reserve Funds, PFCs, CFCs, and or grants.

Parking Demand and Parking Freeze Update

Mr. Carr provided information on some actual annual Logan passenger numbers and some passenger forecasts including projections of when Logan would reach 40 million passengers, on changes in some annual Logan passenger ground access mode shares, on some key findings from the 2016 air passenger survey, on the need for 5,000 more Logan commercial parking spaces to accommodate passenger growth, on the number of Logan parkers either diverted or valeted in 2016, and on the DEP process schedule for amending the Logan parking freeze. Mr. Carr also presented information on the January Mass Insight transportation poll which included questions on Logan parking and access, and information on some key Logan parking findings.

Safety and Security Committee

Introduction of Captain Steven Gallant

Major McGinn introduced Captain Steven Gallant as the new Troop F Executive Officer.

Human Resources and Compensation Committee

Community Outreach Committee

Massport CAC Update

Mr. Glynn noted that at the request of the Massport CAC a Massport RNAV Pilot Study forum will be held on February 22nd.

Real Estate and Strategic Initiatives Committee

Facilities and Construction Committee

MPA M425 – South Boston Waterfront Transportation Center, Maritime, South Boston, MA,
Project Budget

Mr. Sleiman presented information on the South Boston Waterfront Transportation Center (the “SBWTC”) dedicated pedestrian pathway, on the SBWTC video wall and kiosks, and on the SBWTC facade.

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to take all actions necessary or desirable and to execute all agreements necessary or desirable in order to continue with and complete the Authority's Capital Project known as the South Boston Waterfront Transportation Center (MPA M425) subject to the following conditions: funds expended for the South Boston Waterfront Transportation Center Capital Project shall not exceed \$87,000,000.00 (the "Approved Budget") as shown on the Financial Summary presented at the Board Meeting on February 16, 2017; the Director of Capital Programs and Environmental Affairs will provide to the Board annual updates on expenditures, contract amendments and change orders related to the South Boston Waterfront Transportation Center Capital Project and shall report back to the Board if at any time during the life of the Project it appears likely that the Project will exceed the Approved Budget; the Director of Capital Programs and Environmental Affairs shall also report any material changes to the scope of work for the Capital Project as described in the back up materials presented at the Board Meeting on February 16, 2017. The CEO & Executive Director shall obtain all necessary permits and approvals and shall conduct all required environmental reviews prior to the execution of any agreement or to the commencement of any action all as may be required by law. The Authority intends to fund all or a portion of the cost of this Capital Project with tax exempt bonds. Any agreement arising out of this vote shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

MPA L1305 – Rehabilitate Runway 4R, Logan International Airport, East Boston, MA, Final Project Budget

Mr. Sleiman presented information on Logan runway configurations used during southwest and northeast wind flows, on the Runway 4R light pier replacement, and on the flight and community impacts related to the Runway 4R rehab project.

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to take all actions necessary or desirable and to execute all agreements necessary or desirable in order to continue with and complete the Authority's Capital Project known as the Rehabilitate Runway 4R (MPA L1305) subject to the following conditions: funds expended for the Rehabilitate Runway 4R Capital Project shall not exceed \$35,800,000.00 (the "Approved Final Budget") as shown on the Financial Summary presented at the Board Meeting on February 16, 2017; the Director of Capital Programs and Environmental Affairs will provide to the Board annual updates on expenditures, contract amendments and change orders related to the Rehabilitate Runway 4R Capital Project and shall report back to the Board if at any time during the life of the Project it appears likely that the Project will exceed the Approved Final Budget; the Director of Capital Programs and Environmental Affairs shall also report any material changes to the scope of work for the Capital Project as described in the back up materials presented at the Board Meeting on February 16, 2017. The CEO & Executive Director shall obtain all necessary permits and approvals and shall conduct all required environmental reviews prior to the execution of any agreement or to the commencement of any action all as may be required by law. Any agreement arising out of this vote shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

MPA L1430 – Terminal B Pier A Post Security Concourse from Gates 37/38 to the Food Court, East Boston, MA, Final Project Budget

Mr. Sleiman presented information on some elements of the project including a pre-security concourse node, a feature wall depicting the history of the annual Head of the Charles event, and an expanded holdroom.

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to take all actions necessary or desirable and to execute all agreements necessary or desirable in order to continue with and complete the Authority's Capital Project known as the Terminal B Pier A Post Security Concourse from Gates 37/38 to the Food Court (MPA L1430) subject to the following conditions: funds expended for the Terminal B Pier A Post Security Concourse from Gates 37/38 to the Food Court Capital Project shall not exceed \$25,000,000.00 (the "Approved Final Budget") as shown on the Financial Summary presented at the Board Meeting on February 16, 2017; the Director of Capital Programs and Environmental Affairs will provide to the Board annual updates on expenditures, contract amendments and change orders related to Terminal B Pier A Post Security Concourse from Gates 37/38 to the Food Court Capital Project and shall report back to the Board if at any time during the life of the Project it appears likely that the Project will exceed the Approved Final Budget; the Director of Capital Programs and Environmental Affairs shall also report any material changes to the scope of work for the Capital Project as described in the back up materials presented at the Board Meeting on February 16, 2017. The CEO & Executive Director shall obtain all necessary permits and approvals and shall conduct all required environmental reviews prior to the execution of any agreement or to the commencement of any action all as may be required by law. Any agreement arising out of this vote shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

Audit and Finance Committee

Assent Agenda

MPA L1434 – HVAC Equipment Distribution, Logan International Airport, East Boston, MA,
Project Budget

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to take all actions necessary or desirable and to execute all agreements necessary or desirable in order to continue with and complete the Authority's Capital Project known as the HVAC Equipment Distribution (MPA L1434) subject to the following conditions: funds expended for the HVAC Equipment Distribution Capital Project shall not exceed \$9,000,000.00 (the "Approved Budget") as shown on the Financial Summary presented at the Board Meeting on February 16, 2017; the Director of Capital Programs and Environmental Affairs will provide to the Board annual updates on expenditures, contract amendments and change orders related to the HVAC Equipment Distribution Capital Project and shall report back to the Board if at any time during the life of the Project it appears likely that the Project will exceed the Approved Budget; the Director of Capital Programs and Environmental Affairs shall also report any material changes to the scope of work for the Capital Project as described in the back up materials presented at the Board Meeting on February 16, 2017. The CEO & Executive Director shall obtain all necessary permits and approvals and shall conduct all required environmental reviews prior to the execution of any agreement or to the commencement of any action all as may be required by law. The Authority intends to fund all or a portion of the cost of this Capital Project with tax exempt bonds. Any agreement arising out of this vote shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

MPA L1281 – In-Ground Snowmelter Replacements, Logan International Airport, East Boston, MA, Partial Project Budget Revision

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to take all actions necessary or desirable and to execute all agreements necessary or desirable in order to continue with and complete the Authority's Capital Project known as the In-Ground Snowmelter Replacements (MPA L1281) subject to the following conditions: funds expended for the In-Ground Snowmelter Replacements Capital Project shall not exceed \$9,500,000.00 (the "Approved Revised Partial Project Budget") as shown on the Financial Summary presented at the Board Meeting on February 16, 2017; the Director of Capital Programs and Environmental Affairs will provide to the Board annual updates on expenditures, contract amendments and change orders related to the In-Ground Snowmelter Replacements Capital Project and shall report back to the Board if at any time during the life of the Project it appears likely that the Project will exceed the Approved Revised Partial Project Budget; the Director of Capital Programs and Environmental Affairs shall also report any material changes to the scope of work for the Capital Project as described in the back up materials presented at the Board Meeting on February 16, 2017. The CEO & Executive Director shall obtain all necessary permits and approvals and shall conduct all required environmental reviews prior to the execution of any agreement or to the commencement of any action all as may be required by law. Any agreement arising out of this vote shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

MPA M574 – Black Falcon Cruise Terminal Facade Repairs and Coating, Black Falcon Cruise Terminal, South Boston, MA, Project Budget

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to take all actions necessary or desirable and to execute all agreements necessary or desirable in order to continue with and complete the Authority's Capital Project known as the Black Falcon Cruise Terminal Facade Repairs and Coating (MPA M574) subject to the following conditions: funds expended for the Black Falcon Cruise Terminal Facade Repairs and Coating Capital Project shall not exceed \$3,000,000.00 (the "Approved Budget") as shown on the Financial Summary presented at the Board Meeting on February 16, 2017; the Director of Capital Programs and Environmental Affairs will provide to the Board annual updates on expenditures, contract amendments and change orders related to the Black Falcon Cruise Terminal Facade Repairs and Coating Capital Project and shall report back to the Board if at any time during the life of the Project it appears likely that the Project will exceed the Approved Budget; the Director of Capital Programs and Environmental Affairs shall also report any material changes to the scope of work for the Capital Project as described in the back up materials presented at the Board Meeting on February 16, 2017. The CEO & Executive Director shall obtain all necessary permits and approvals and shall conduct all required environmental reviews prior to the execution of any agreement or to the commencement of any action all as may be required by law. Any agreement arising out of this vote shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

MPA AP1712 – Stormwater Permit Compliance Services, Logan International Airport, East Boston, MA, Consultant Contract

Upon a motion duly made and seconded, it was

VOTED:

To authorize the CEO & Executive Director, Secretary-Treasurer or Assistant Secretary-Treasurer to execute on behalf of the Authority an agreement for MPA AP1712 – Stormwater Permit Compliance Services with CDM Smith in the not-to-exceed amount of \$2,000,000.00. The agreement shall contain such other terms and conditions as the person executing in accordance with this vote deems necessary or desirable.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

Deferred Compensation Plan Matched Contribution

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, on March 15, 2007, the Board voted to increase employee contributions to health insurance premiums, and, at the same time, to make matched contributions to the Authority's deferred compensation plan established under Section 457(b) of the Internal Revenue Code (the "Deferred Compensation Plan") for each administrative employee who had been employed by the Authority for more than six (6) months; and

WHEREAS, the vote authorized the Authority to match employee contributions to the Deferred Compensation Plan, on a dollar for dollar basis, in amounts not to exceed Seven Hundred Fifty Dollars (\$750.00) in calendar year 2007; One Thousand Five Hundred Dollars (\$1,500.00) in calendar year 2008; and Three Thousand Dollars (\$3,000.00) in calendar year 2009 and every year thereafter; and

WHEREAS, as a result of collective bargaining, the Deferred Compensation Plan match program vote also applies to those unionized employees who are eligible to partake in the match program pursuant to their applicable collective bargaining agreements; and

WHEREAS, the nine collective bargaining units at the Authority have negotiated the right for their members to participate in the match program to the same extent as administrative employees and their participation is subject to any subsequent change or termination of the policy by vote of the Authority; and

WHEREAS, the vote on March 15, 2007, anticipated that the contribution approved for calendar year 2009 would continue for each calendar year thereafter but required the Board to review the maximum amount of the annual matched contribution prior to January 1, 2010, and every two years thereafter, and to make adjustments to said amount, as the Board deemed appropriate, taking into consideration relevant factors, including, but not limited to, the cost of living and the consumer price indexes; and

WHEREAS, the Board voted on November 18, 2009, and November 12, 2010, to continue the Three Thousand Dollars (\$3,000.00) matched contribution in calendar years 2010 and 2011, respectively, and on November 17, 2011, provided that the deferred compensation plan matched contribution of Three Thousand Dollars (\$3,000.00) continue for year 2012 and that this matter be brought to the Board for a review on an annual basis; and

WHEREAS, since the Board vote of November 12, 2010, staff has reviewed with the Board on an annual basis that the deferred compensation plan matched contribution of Three Thousand Dollars (\$3,000.00) would remain in place; and

WHEREAS, it is recommended that the Board continue this deferred compensation plan matched contribution program for 2017, consistent with the Board's November 12, 2010, vote retaining the maximum match amount of Three Thousand Dollars (\$3,000.00) per eligible employee and continue to offer this maximum match amount on an annual basis without bringing this item to the Board for an annual review until such time as staff recommends an amended match amount.

NOW, THEREFORE, BE IT RESOLVED AND VOTED THAT:

1. Effective as of January 1, 2017, and for each calendar year thereafter, the Authority shall make matched contributions to the Deferred Compensation Plan for administrative employees, and for those union employees eligible to participate in this program as a result of the terms of their collective bargaining agreement, who have been employed by the Authority for more than six (6) months and who are current employees of the Authority as of the date on which the Authority is scheduled to make such contributions, as follows: for the calendar year commencing January 1, 2011, and for each calendar year thereafter, the Authority shall make a matched contribution, on a dollar for dollar basis, of the amount of the participating employee's contributions, up to a maximum contribution by the Authority of Three Thousand Dollars (\$3,000.00); provided, that the maximum amount of the annual matched contribution to be made by the Authority shall continue for each subsequent calendar year unless and until staff recommends and the Board authorizes a revised maximum contribution, taking into consideration relevant factors, including, but not limited to, the cost of living and consumer price indexes; and, provided further, that the total contribution made by each employee and the Authority to the employee's Deferred Compensation Plan shall be subject to the maximum contribution amount allowable by the terms of the plan document for said Deferred Compensation Plan. The Authority shall make its annual matched contributions on a pro-rated quarterly basis. Matched contributions made hereunder by the Authority to an employee's Deferred Compensation Plan shall vest at 100% with said employee, such vesting to occur on the date on which said contribution is made.

2. The Director of Human Resources and the Director of Administration and Finance, and their respective designees, are hereby directed to take such steps as may be necessary and appropriate to implement the provisions of this vote.

This vote supersedes all previous votes, policies and practices of the Authority to the extent inconsistent with the provisions of this vote.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

Cruise Passenger Parking Rates

Upon a motion duly made and seconded, it was

VOTED:

WHEREAS, the Authority leases a parcel of land consisting of approximately 28.1 acres known as the Massport Marine Terminal located on Fid Kennedy Avenue in South Boston, Massachusetts (the "MMT"); and

WHEREAS, the Authority owns and operates the Flynn Cruiseport Boston located at the Black Falcon Terminal from which thousands of passengers depart on cruises to Bermuda, Canada and other ports of call; and

WHEREAS, there is limited cruise passenger parking in the immediate vicinity of Flynn Cruiseport Boston; and

WHEREAS, in order to accommodate the increased cruise activity in the 2017 cruise season, Maritime staff is planning to offer additional cruise passenger parking at the MMT; and

WHEREAS, the Authority desires to increase the existing standard flat rate for daily parking of cruise passengers at the MMT, effective March 1, 2017.

NOW, THEREFORE, BE IT RESOLVED AND VOTED THAT:

Effective March 1, 2017, the standard flat rate charged for daily parking at the MMT for cruise passenger parking shall be as follows: \$20 per parking space for same-day purchase at the MMT; and \$18 per parking space if purchased in advance.

The Board hereby delegates authority to the Director of Administration and Finance to adjust the cruise passenger parking rates based on the written recommendation of the Port Director should such adjustments be appropriate for customer service and Maritime business operations. All such adjustments to the cruise passenger parking rates shall be promptly communicated to the Board in the next monthly delegated items report.

The Chief Executive Officer and Executive Director, Director of Administration and Finance/Secretary-Treasurer, the Assistant Secretary-Treasurer, Port Director, and Chief Legal Counsel, each acting singly, is hereby authorized and directed to take such actions as may be necessary and appropriate to implement the provisions of this Vote.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

FY17 Six Month Financial Performance

No discussion.

Executive Session

Upon a motion duly made and seconded, it was

VOTED:

That the Authority enter executive session to consider the purchase, exchange, lease or value of real property, specifically regarding the Summer Street Hotel Project Development Agreement, since a discussion in open session may have a detrimental effect on the negotiating position of the Authority.

That the Authority enter executive session to discuss litigation strategy, specifically regarding Eversource Energy, since a discussion in open session may have a detrimental effect on the litigating position of the Authority.

That the Authority enter executive session to discuss the deployment of security personnel or devices, or strategies with respect thereto.

Members Angelini, Evangelidis, Jackson, Jacobs, and O'Brien voted Yes.

Mr. Angelini stated that the Authority will reconvene after Executive Session.

The public session recessed at 10:30 A.M.

The public session reconvened at 10:50 A.M.

Public Session

Terminal E

Mr. Sleiman presented information on the Terminal C to E Connector project, on the Terminal E Renovation/A380 Gates project, and on the Terminal E Modernization and Expansion project. Mr. Sleiman also noted the new Nobel Laureates and News Desk exhibits.

Public Session adjourned at 10:55 A.M.

Michael A. Grieco
Assistant Secretary-Treasurer

List of Documents and Other Exhibits Used in Public Session

1. Board Book
2. CEO Report PowerPoint
3. Expanding Massport's Financial Capacity to Fund \$2.0 Billion Capital Investment PowerPoint
4. FY17-21 Capital Program PowerPoint
5. Parking Demand and Parking Freeze Update PowerPoint
6. Mass Insight January 2017 Poll PowerPoint Slides
7. Massport CAC Update PowerPoint Slide
8. South Boston Waterfront Transportation Center Project Update PowerPoint Slides
9. Runway 4R-22L Rehab and 4R Pier Replacement PowerPoint Slides
10. Terminal B Gates 37-38 Connector Project Design Update PowerPoint Slides
11. BOS Terminal E Renovations and Enhancements PowerPoint