Corporate and Association Counsel Division

by John Okray

Discussion with Elaine Rodriguez, General Counsel of Dallas/Fort Worth International Airport

Elaine Flud Rodriguez has served as general

counsel of Dallas/Fort Worth International Airport (DFW) since August 2011. Rodriguez previously served as general counsel of EF Johnson Technologies, CellStar Corporation, and Zoecon Corporation. Prior to those roles, she was a corporate associate in the law firms of Akin Gump Strauss Hauer & Feld LLP and Atlas & Hall. She has been named a Super Lawyer numerous times by Texas Monthly and the Texas Super Lawyer Magazine. Rodriguez received her Bachelor of Arts from Loyola University New Orleans and her Juris Doctor from Tulane University Law School.

Everyone has heard of DFW, but can you put its size, number of flights, and passenger traffic into perspective versus other airports?

Dallas/Fort Worth International Airport is the world's third-busiest airport, hosting 1,850 flights a day and serving 60 million customers a year. DFW offers nonstop service to 56 international destinations and 147 cities in the United States, with every major city in the United States, Canada and Mexico within a four-hour flight. The airport is located halfway between its owner cities of Dallas and Fort Worth, Texas. DFW is the second-largest airport in terms of landmass in the United States, with about 17,200 acres of land, an area larger than the size of Manhattan Island. With seven runways, we have more operational capacity than any airport in the world, and we have the capacity to land, park, and gate the Airbus A380, currently the largest passenger airliner in the world.

Can you describe the scope of your role as general counsel of one of the world's busiest airports? How many attorneys work in DFW's legal department? What types of legal matters do you typically encounter?

The DFW legal department is responsible for handling all legal matters at the airport. One thing that I quickly learned when I came to DFW almost three years ago is that airport law is a recog-



nizable legal discipline. The statutes, regulations, and federal policies governing the operation of airports are very distinct from the rules governing other land uses and modes of transit. I am very fortunate to have a staff of four very capable and experienced attorneys who have been representing the airport for quite some time and are subject-matter experts in their particular practice areas.

Like most in-house legal departments, we try to handle as much of the legal work as we can but obviously have to turn to outside

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counsel for matters requiring particular areas of legal expertise that we may not have in house, such as environmental, bankruptcy, eminent domain, or employee benefits. Due to the small size of our department, we also use outside counsel for litigation matters; however, we work closely with them in all phases of the litigation process.

Most of our day-to-day legal work involves procurement contracts, employment matters, federal/state regulatory matters, and governance issues. We provide legal advice and support for the airport's revenue-generating businesses, such as the parking business unit, the terminal concessions department, and the commercial development department. Of the more than 17,000 acres of total landmass here at the airport, slightly less than half has been developed for use for runways, taxiways, terminals, roads,

We provide legal advice to our Department of Public Safety on security matters involving TSA—everything from reimbursement agreements for security checkpoint staffing to bomb-sniffing dogs. As a governmental entity, we also receive quite a few open records requests for videos of occurrences such as slip-and-falls or altercations occurring on the secure side of the terminal, all of which have to be reviewed and coordinated with TSA to ensure that we're not disclosing sensitive security information.

As DFW continues to add new flights to international destinations, the number of international passengers coming into our arrivals hall continues to increase. The airport has worked closely with CBP on a number of initiatives aimed at speeding up the arrival process, and the legal department has been very much involved in those efforts. One of those initiatives involved the design and

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and commercially developed property. Our commercial development group is very active in their efforts to develop projects that have airport synergy, such as logistics and warehousing. We also provide legal support and advice in connection with the airport's natural gas exploration and extraction projects.

In 2010, the airport kicked off its multibillion-dollar Terminal Renewal and Improvement Project (TRIP) designed to extensively renovate and update the airport's four original terminals and their parking garages. The legal department is supporting those efforts, including reviewing construction/engineering agreements, related procurements, bonding/insurance requirements, construction claims, and handling related litigation.

DFW also has its own police and fire departments with more than 200 officers, and our ground transportation department is responsible for inspecting and permitting taxicabs, limos, and other shared ride providers. We provide legal support for all of these departments.

How much of your role involves working with the Federal Aviation Administration (FAA), the Transportation Security Administration (TSA), Customs and Border Protection (CBP), and other government agencies?

We regularly work with our counterparts at FAA, TSA, and CBP. A big part of our job is helping to ensure that the airport complies with its grant assurances under the FAA's Airport Improvement Program (AIP). AIP is a federal grant program that provides major funding for projects related to enhancing airport safety, capacity, security, and environmental concerns. The list of grant assurances is pretty lengthy but includes such things as ensuring compatible land use and zoning, prohibitions on the use of airport revenues for nonairport purposes, restrictions on the disposition of property, complying with Disadvantaged Business Enterprise requirements, and maintaining a fee and rental structure for airport facilities and services, which allows the airport to be as self-sustaining as possible.

deployment of automated passport control kiosks in the arrivals hall. All told, DFW has reduced the average entry wait times for international travelers by at least 30 percent.

What is the governance structure of DFW, and how do you interact with its board and other senior management?

DFW is governed by the Dallas/Fort Worth International Airport Board, which is a joint board of the Cities of Dallas and Fort Worth. The board was created pursuant to state law and the 1968 Contract and Agreement between the owner cities to plan, acquire, construct, maintain, operate, regulate, and police the airport. All land and improvements are owned by the owner cities as joint tenants—7/11ths Dallas and 4/11ths Fort Worth. The board exercises on behalf of the owner cities, all the powers of the cities with respect to the airport, except that the city councils of both cities must approve any purchase or sale of real estate, any permanent easement or lease in excess of 40 years, any amendment to the airport's Code of Rules and Regulations, and annual budgets. Subject to those limitations, the board has the authority to contract in its own right, so the board's contracts are not contracts of the owner cities. Likewise, the board's roughly 1,800 employees are not employees of the cities.

The board consists of 11 members—seven from Dallas and four from Fort Worth. The mayors of both owner cities serve as one of the appointed members from each city. There is also one nonvoting position that is held on an annual rotating basis by the host cities of Irving, Grapevine, Euless, and Coppell. The board is a governmental entity, subject to the Texas Public Information Act, the Texas Open Meetings Act, the Texas Tort Claims Act, and most other laws that affect local governments. However, it is not an independent airport authority; it does not have the power of taxation, and its members are not elected.

The board hires the chief executive officer of the airport who, in turn, has the authority to staff such positions as he deems necessary for the operation of the airport, the only exception being the internal auditor and legal counsel. The internal auditor is an employee of the airport but is hired by and reports to the chairman of the board. Pursuant to the 1968 Contract and Agreement, legal counsel is provided to the airport board by the city attorneys of the owner cities. As a result, the legal department here at the airport consists of me and two attorneys who are employees of the City of Dallas and two attorneys who are employees of the City of Fort Worth. We all office at the airport and are on permanent assignment to the airport. As general counsel, I report to the chairman of the airport board and the city attorneys of both owner cities, and my clients are the airport board and the owner cities. If a conflict were to arise among those clients, I would have to recuse myself and the airport would hire its own outside legal counsel to represent it in that matter. Luckily, no such conflicts have arisen since the disputes over the Wright Amendment and Love Field were resolved.

Despite the slightly convoluted governance structure, the attorneys in the legal department are very much a part of the airport's management team. I office next to the chief executive officer, attend all executive staff meetings, and participate in the short- and long-term strategic planning for the airport. Likewise, my attorneys attend regular staff meetings for the various departments they support.

Are there any exciting developments going on in the airline or airport industries that people may not be aware of? What do you anticipate for the future of the aviation industry?

The exciting development in the airline industry is that more and more people are choosing to fly and creating new international markets for airlines to serve. We are literally creating a global economy through air travel. Here at DFW, our airport has been growing internationally by leaps and bounds, bringing in 19 new international destinations within the past three and a half years, so I would say that for us, the future is very much a global future. We are preparing for DFW's first flights to Shanghai and Hong Kong, and there are more new destinations coming such as Doha, Qatar, and Abu Dhabi, United Arab Emirates, later this year. With airlines consolidating in the United States, the entire industry has gotten much healthier and is providing more locations and options to our customers than ever before.

How would you describe the level of diversity among attorneys in aviation law, and in particular, general counsels of airports and airlines?

There is a community of about 100 lawyers nationwide who practice airport law full time; almost all of whom work for governmental airport authorities. I've never seen any data on diversity in the various airport legal departments around the country, but they typically report to governing boards or city councils that usually

monitor diversity and demand inclusion of all groups.

If you could change anything in the aviation law sector, what would it be?

The legislative agenda of the airport community mostly involves financing issues, such as federal funding of airport improvements, as well as our continuing request to increase the Passenger Facility Charges (PFCs) that airports are allowed to collect to finance airport projects. With the inevitable arrival of NextGen technology that will increase the number of aircraft in flight that the FAA is able to handle, it is imperative that airports be able to land and gate all those aircraft commensurately, and that requires infrastructure.

What is one of the most interesting things to have ever happened at DFW?

DFW's newest terminal, Terminal D, which handles all international arrivals, together with the Grand Hyatt Hotel that sits atop Terminal D and the elevated Skylink train that now connects all the terminals, were already in the design phase at the time of the terrorist attacks on 9/11. The general consternation in the industry forced our board to re-examine the entire multibillion-dollar capital development program. In the end, it made some bold decisions and opted to forge ahead with all of them. The resulting terminal, hotel, and Skylink are among DFW's most prized assets and have proven very successful both at achieving customer satisfaction and in motivating international carriers to initiate direct service to DFW from all over the world.

Another one of the most interesting things here at DFW is that our airport has built perhaps the world's finest aircraft firefighter training center. The DFW Airport Fire Training and Research Center was established in 1994 in response to two fatal airliner accidents that occurred at DFW in the 1980s. Our team just reopened the center last year after a year-long refurbishment and renovation, and it now has highly advanced facilities for live fire training along with interactive classroom technology and some of the best-trained airport firefighting instructors in the world. It also has the nation's first fuel spill burn area with a full-sized Airbus A380 mockup. DFW has trained airport firefighters from 40 U.S. states and 31 countries around the world at the center.

Other than DFW of course, what is your favorite airport and why?

Probably the Hong Kong International Airport. It's very clean and efficient and has incredible shopping—just about every designer fashion, jewelry, handbag, and accessory retailer you can imagine. It even has an IMAX theatre and a golf course. Then, of course, there's the Stephenville, Texas, airport, because it has a Hard Eight Barbecue restaurant just across the street. \odot

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