

**Minutes of the Meeting of the
Air Transportation Stabilization Board
November 30, 2001**

The meeting of the Air Transportation Stabilization Board (“Board”) was held in Room 3311, Diplomatic Reception Room, U.S. Department of the Treasury, 1500 Pennsylvania Avenue, N.W., Washington, D.C., on Friday, November 30, 2001 starting at 11:00 a.m.

The following people were present at the meeting:

Board

Edward M. Gramlich, Chairman of the Board, and Governor, Federal Reserve Board (via conference call)
Peter R. Fisher, Voting Member of the Board, and Under Secretary for Domestic Finance, Department of the Treasury
Kirk K. Van Tine, Voting Member of the Board, and General Counsel, Department of Transportation

Board Staff

Roger E. Kodat, Acting Executive Director, and Deputy Assistant Secretary for Government Financial Policy, Department of the Treasury
Michael D. Scott, Acting Chief Administrative Officer, and Senior Advisor to the Deputy Assistant Secretary for Government Financial Policy, Department of the Treasury
Brad S. Lerner, Acting Legal Counsel, and Attorney, Office of the General Counsel, Department of the Treasury

Others

Federal Reserve Board

J. Virgil Mattingly, General Counsel
Donald J. Winn, Assistant to the Board
Stephen D. Oliner, Associate Director, Division of Research and Statistics
Daniel E. Sichel, Senior Economist, Division of Research and Statistics

Department of the Treasury

Brian C. Roseboro, Assistant Secretary for Financial Markets
Mark K. Wiedman, Senior Advisor to the Assistant Secretary for Financial Markets
Jared Gross, Senior Advisor to the Under Secretary for Domestic Finance
James McCament, Attorney

Department of Transportation

Terence W. Carlson, Attorney, Office of General Counsel
Nancy Kessler, Attorney, Office of General Counsel
Janet Forsgren, Program Analyst, Office of Assistant Secretary for Budget and Programs
Regis Milan, Associate Director, Office of Aviation Analysis, Office of the Assistant Secretary for Aviation and International Affairs

Outside Consultants (participated by conference call for non-deliberative portions of the meeting, solely to provide information)

KPMG

Timothy F. Kenny, Managing Director

James Steck, Manager

GRA

Frank Berardino, President

Richard S. Golaszewski, Executive Vice President

Chris A. Frankel, Partner

Dr. Robert Kolb

Fitch IBCA, Duff & Phelps

Mark A. Oline, Managing Director

William T. Warlick, Director

GAO did not attend this meeting.

Governor Gramlich called the meeting to order.

Mr. Kodat provided an update on America West (AWA) since the November 21 letter sent to AWA management. The Board received the AWA response on November 26 and met with AWA management for 12 hours.

The AWA application was discussed in detail. Board members asked questions of GRA and Dr. Kolb about their analyses of the AWA application.

Under Secretary Fisher moved to inform the applicant that the Board could not approve their application as presented. Mr. Van Tine seconded. All Board members voted affirmatively.

Governor Gramlich instructed Mr. Kodat to issue a letter to AWA on the Board's decision that highlights the main concerns.

The meeting adjourned at 12:46 p.m.