

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE
MINUTES
WEDNESDAY, SEPTEMBER 17, 2008
BOARD ROOM**

CALL TO ORDER:

Chairperson Watkins called the meeting of the Executive Personnel and Compensation Committee to order at 10:00 a.m. Wednesday, September 17, 2008, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Matt Harris, Senior Director, Executive Office, led the pledge of allegiance.

ROLL CALL:

PRESENT: Committee Members: Finnila, Miller, Watkins

ABSENT: Committee Members: None

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Linda Gehlken, Assistant Authority Clerk I.

PUBLIC COMMENT: None

NEW BUSINESS:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the June 19, 2008 meeting, and July 1, 2008 and August 22, 2008 special meetings.

ACTION: Moved by Board Member Finnila and seconded by Board Member Miller to approve the minutes of the June 19, 2008 meeting, and July 1, 2008 and August 22, 2008 special meetings. Motion carried unanimously.

2. UPDATE ON EMPLOYEE BENEFITS RENEWAL:

Jeffrey Lindeman, Director, Human Resources, provided a presentation on Employee Benefits Renewal, which included background information, market trends; opportunities for education and lifestyle changes for Authority employees; proposed plans for 2009; and strategies for curtailing rising costs in employee benefits.

In response to Board Member Finnila regarding whether as a result of the employee education and lifestyle changes strategy, a projection could be made of expected percentage cost reduction over time, Mr. Lindeman stated that the Authority is already seeing a benefit in this regard. He stated that the average renewal percentage cost is higher for most California employers than that quoted for the Authority. He also stated that a comparison analysis of last year's employee claims with the current year indicates a considerable drop in this area.

Thella F. Bowens, President/CEO, stated that the advocacy programs offered assist employees in being healthier and more productive, and additionally benefit the Authority with securing better insurance rates from a carrier.

In response to Board Member Miller regarding what provisions are used to measure the success of health education programs, Mr. Lindeman stated that this factor is evaluated by the amount of participation in the programs, and the type of claims that are being submitted for payment.

In response to Chairperson Watkins' expressed concerns regarding the rising insurance costs reflected since 2003, Mr. Lindeman stated that a portion of this fluctuation is due to the increase in the number of employees being covered under the plan.

Chairperson Watkins suggested that the Authority get an independent perspective by consulting with a third party to provide oversight. He stated that this would aid in providing transparency, and avoid misconceptions, especially when the broker is providing services based on a commission based system.

Mr. Lindeman stated that staff would address the Committee's concerns by incorporating in the Employee Renewal Program presentation a transparency component, and a sustainable method for providing the plan for the October Board meeting.

In response to expressed concern by Board Member Watkins regarding the reflected percentages on utilization of services, Mr. Lindeman stated that to aggregate trends, a baseline will be developed relating to employee health.

Jennifer Peterson, GBA Associate, provided specific comparison percentages costs on utilization of services for the Authority.

ACTION: Moved by Board Member Finnila and seconded by Board Member Miller to refer this report to the Board, and that the Presentation to the Board include comparison data for the Authority, and an overview of the Authority's current health initiatives. Motion carried unanimously.

CLOSED SESSION: The Committee recessed into Closed Session at 10:42 a.m. to discuss Items 3 and 4.

3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Government Code 54957):
Title: General Counsel
4. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Government Code 54957):
Title: President/CEO


REPORT ON CLOSED SESSION:

The Committee reconvened into Open Session at 12:10 p.m. Chairperson Watkins stated that there was no reportable action.

ADJOURNMENT:

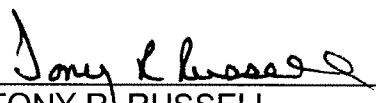
The meeting was adjourned at 12:11 p.m. The next meeting will be held on Wednesday, December 17, 2008 at 10:00 a.m., in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE EXECUTIVE PERSONNEL AND
COMPENSATION COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL
AIRPORT AUTHORITY THIS 16TH DAY OF DECEMBER, 2008.



JEFFREY WOODSON
VICE PRESIDENT, ADMINISTRATION

ATTEST:



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK