

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Robert H. Gleason
Jim Janney
Mark Kersey
Paul Robinson
Michael Schumacher
Mary Sessom

Ex-Officio Board Members

Laurie Berman
Eraina Ortega
Col. Jason Woodworth

President / CEO

Kimberly J. Becker

DRAFT ACTION MINUTES **BOARD** **AGENDA**

Thursday, November 2, 2017
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

*Live webcasts of Authority Board meetings can be accessed at
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>*

CALL TO ORDER: Chairman Boling called the meeting to order at 9:00 a.m.

PLEDGE OF ALLEGIANCE: Board Member Schumacher led the Pledge of Allegiance.

ROLL CALL: Board Members Cox and Ortega (Ex Officio) as ABSENT.

NON-AGENDA PUBLIC COMMENT: There were 4 public speakers.

Chairman Boling announced that she was recusing herself on Item 11 due to a potential conflict of interest.

NEW BUSINESS:

11. **DISCUSSION AND POSSIBLE ACTION REGARDING STREET PRICING REQUIREMENT CONTAINED IN CONCESSION AGREEMENTS:**
RECOMMENDATION: Provide direction to staff.

[ACTION: 6-1-2 to Approve and Authorize the President/CEO to Amend the Food & Beverage and Retail Concession Leases to allow Street Pricing + 15%, contingent upon the execution of outstanding amendments, effective January 1, 2018, noting Board Member Gleason's NO vote and Chair Boling and Board Member Cox as ABSENT.]

CLOSED SESSION: The Board recessed into Closed Session at 9:48 a.m. to discuss Item 20.

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- 14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al., San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
- 17. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al. San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL
- 18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Navy Boat Channel Environmental Remediation
Number of potential cases: 1
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 2
- 21. CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
In re Seaport Airlines, Inc., U.S. Bankruptcy Court Case No. 16-30406-rld7
Number of potential cases: 1

- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 1

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 11:03 a.m. There was no report on the closed session.

Board Member Desmond left the dais at 11:05 a.m.

- 12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH THE CITY OF SAN DIEGO FOR AIRCRAFT RESCUE AND FIREFIGHTING SERVICES:**
RECOMMENDATION: Adopt Resolution No. 2017-0102, approving and authorizing the President/CEO to execute an agreement with the City of San Diego for a term of three (3) years, with the option for two (2) one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$30,872,807 for Aircraft Rescue & Firefighting Services.

[ACTION: 7-0-2 to approve staff's recommendation, noting Board Members Cox and Desmond as ABSENT.]

- 13. STRATEGY FOR COMMERCIAL SPACE AT RENTAL CAR CENTER:**
RECOMMENDATION: Suspend formal recruitment efforts for the Commercial Space at the Rental Car Center until market conditions improve.

[ACTION: 7-0-2 to approve staff's recommendation, noting Board Members Cox and Desmond as ABSENT.]

REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN COMMITTEES AND LIAISONS:

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Gleason, Hollingworth, Robinson (Chair), Schumacher, Sessom, Tartre, Van Sambeek
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Gleason, Janney(Chair), Kersey, Robinson
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boling, Cox, Desmond (Chair), Kersey, Schumacher

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- **FINANCE COMMITTEE:**

Committee Members: Boling (Chair), Cox, Janney, Sessom

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**

Liaison: Robinson (Primary), Boling

- **ART ADVISORY COMMITTEE:**

Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**

Liaison: Janney

- **CALTRANS:**

Liaison: Berman

- **INTER-GOVERNMENTAL AFFAIRS:**

Liaison: Cox

- **MILITARY AFFAIRS:**

Liaison: Woodworth

- **PORT:**

Liaisons: Boling, Cox, Gleason (Primary), Robinson

- **WORLD TRADE CENTER:**

Representatives: Gleason (Primary)

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**

Representatives: Boling (Alternate), Janney (Primary)

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

CONSENT AGENDA (Items 1-10):

[ACTION: 7-0-2 to approve the Consent Agenda, noting Board Members Cox and Desmond as ABSENT.]

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the October 5, 2017, regular meeting.

2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM SEPTEMBER 11, 2017 THROUGH OCTOBER 8, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM SEPTEMBER 11, 2017 THROUGH OCTOBER 8, 2017:

RECOMMENDATION: Receive the report.

4. NOVEMBER 2017 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2017-0097, approving the November 2017 Legislative Report.

CLAIMS

5. REJECT THE CLAIM OF KESHAV LAKSHMANA:

RECOMMENDATION: Adopt Resolution No. 2017-0098, rejecting the claim of Keshav Lakshmana.

COMMITTEE RECOMMENDATIONS

6. ACCEPTANCE OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017:

RECOMMENDATION: Accept the report.

7. ACCEPTANCE OF THE AUTHORITY'S INVESTMENT REPORT FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017:

RECOMMENDATION: Accept the report.

CONTRACTS AND AGREEMENTS

8. AUTHORIZE REMOVAL OF THE WEST WING MODULAR BUILDING FROM THE AIRPORT PREMISES:

RECOMMENDATION: Adopt Resolution No. 2017-0099, authorizing the President/CEO to negotiate and execute an agreement with Design Space Modular Buildings for the removal of the West Wing Modular Building from the Airport.

9. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC. FOR QUIETER HOME PROGRAM PHASE 8, GROUP 10, PROJECT NO. 380810, TWELVE (12) HISTORIC SINGLE-FAMILY HOMES ON TWELVE (12) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2017-0100, awarding a contract to G&G Specialty Contractors, Inc. in the amount of \$877,050.00 for Phase 8, Group 10, Project No. 380810, of the San Diego County Regional Airport Authority's Quieter Home Program.

CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE ON-CALL INDUSTRIAL HYGIENE SERVICES AGREEMENTS WITH AURORA INDUSTRIAL HYGIENE AND TETRA TECH, INCORPORATED:

RECOMMENDATION: Adopt Resolution No. 2017-0101, approving and authorizing the President/CEO to execute On-Call Industrial Hygiene Services Agreements with Aurora Industrial Hygiene and Tetra Tech, Incorporated, each agreement for a term of three years with the option for two one-year extensions exercisable at the sole discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$1,250,000.

Chairman Boling left the dais at 11:36 a.m.

PRESENTATIONS:

A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017:

Presented by Kathy Kiefer, Senior Director, Finance and Business Management

PUBLIC HEARINGS:

OLD BUSINESS:

REPORT ON CLOSED SESSION:

GENERAL COUNSEL REPORT:

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BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT:

ADJOURNMENT: The meeting adjourned at 11:41 a.m.