

2. GREEN BUILD UPDATE:

Bob Bolton, Director, Airport Design & Construction, provided a presentation on the Green Build Update, which included Planned Opening Milestones, Program Update, Check-In Pavilion, New Ticket Lobby, Canine Security Sweep, Demo of Existing Concourse, LEED Update, and Budget Status.

3. GREEN BUILD ACTIVATION & COMMISSIONING UPDATE:

Murray Bauer, Director, Terminal Operations, provided a presentation on the Green Build Activation & Commissioning Update, which included Activation Items Recently Completed such as the Baggage Make Up Area/TSA, North Concourse/Tower, Reconfiguration of Active Gates, USO Opening, Temporary Relocation of US Airways Ticket Counter and Relocation of United "West" To Permanent Ticket Counters; Activation Items Looking Forward, including Modify Existing Ticket Counters, Customer Service Walkthrough, and Grand Opening.

4. CONCESSION DEVELOPMENT PROGRAM UPDATE:

Nyle Marmion, Manager Concession Development Program, provided a presentation on the Concession Development Program Update, which included Implementation Efforts to Date, Construction Statistics, Concession Development Program as of June 20, 2013, Stores Opening August 13, 2013, Marketing and Public Relations Initiatives, and Ribbon Cutting Schedule.

5. TERMINAL 2 EAST PROJECT UPDATES:

Iraj Ghaemi, Director, Facilities Development, provided a presentation on the Terminal 2 East Project Updates, which included an overview of Post-Security Terminal 2 East Facility Expansion, Terminal Building Pre-Security Work, Phased In Work, and Construction Progress Pictures.

6. NORTHSIDE DEVELOPMENT UPDATE:

Keith Wilschetz, Director, Airport Planning, provided a presentation on the North Side Development Update, which included Key Project Milestones.

In response to Chair Boland regarding the status of the earthquake fault line issue, Mr. Wilschetz stated that the fault line was impacting the original site of the Rental Car Center and the building layout was adjusted. He stated that further problems with the fault are not anticipated on the North Side, but that development of the cargo center could have a potential impact. He stated that planning staff are outlining cargo concepts to work around the fault for the cargo center.

In response to Board Member Robinson regarding taxiway issues on the North Side, Mr. Wilschetz stated that the issue is that Group 5 Aircraft on taxiway bravo are too close to the runway because of their size, causing them to shift to the North Side of the runway for take-off. He stated that staff are working on solutions to shift taxiway bravo south. He added that the shift would affect the location of the Least Tern Habitat.

Thella F. Bowens, President/CEO, stated that staff will be working collectively with Fish & Wildlife to find a solution to the Least Tern issue.

7. RENTAL CAR CENTER UPDATE:

Bob Bolton, Director, Airport Design & Construction, provided a presentation on the Rental Car Center Update, which included the North Side Development Site, Major Functional Areas, Architectural Concept, Landscaping Concept, Budget Overview, and Key Project Milestones.

In response to Board Member Robinson regarding the request from the Federal Aviation Administration for a National Environmental Protection Act (NEPA) review, Thella F. Bowens, President/CEO, stated that staff is working with the regional office and a compacted NEPA schedule has been developed to keep this project on schedule.

Board Member Gleason noted that the adjustment in the construction cost would adjust the percentage set aside in the art program budget for the Rental Car Center. He requested that these factors be addressed in the Board staff report.

Board Member Robinson moved to recommend that the Board approve and authorize the President/CEO to execute an amendment to the Demattei Wong Architecture, Inc. On-Call Rental Car Center Development Architect and Engineering Consultant Services Agreement, increasing the contract amount by \$12,000,000 for a revised maximum not-to-exceed dollar amount of \$22,000,000, and adding an option for a lump sum basis of compensation; and approve and authorize the President/CEO to execute an amendment to the Construction Management-At-Risk, Austin-Sundt Joint Venture Agreement, for revisions to the project description, construction budget, and completion date. Board Member Hubbs seconded the motion.

Chair Boland stated that action on this item would be taken after Item 8 is heard.

ACTION: Moved by Board Member Robinson and seconded by Board Member Hubbs to recommend that the Board approve and authorize the President/CEO to execute an amendment to the Demattei Wong Architecture, Inc. On-Call Rental Car Center Development Architect and Engineering Consultant Services Agreement, increasing the contract amount by \$12,000,000 for a revised maximum not-to-exceed dollar amount of \$22,000,000, and adding an option for a lump sum basis of compensation; and approve and authorize the President/CEO to execute an amendment to the Construction Management-At-Risk, Austin-Sundt Joint Venture Agreement, for revisions to the project description, construction budget, and completion date. Motion carried noting Board Member Alvarez's NO vote and Board Member Gleason's ABSTENTION.

Board Member Sessom left the meeting at 10:10 a.m.

8. FINANCIAL OVERVIEW OF THE GREEN BUILD AND RCC COSTS AND FUNDING SOURCES:

Scott Brickner, Director, Financial Planning & Budget, provided a presentation on the Financial Overview of the Green Building and RCC Costs and Funding Sources, which included Green Build Program by Contract, Green Build Program by Location, Green Build Program by Grant Summary, Green Build Program PFC Summary, Plan of Finance Total – Green Build, Green Build Program by Location, Green Build Program Cost Trend, RCC Program Financial Update Highlights, RCC Program, RCC Program Cost Trend, RCC Cost and Funding, and Projected Special Facility Bonds Sources and Uses.

With regard to the Plan of Finance for the Rental Car Center, Vernon Evans, Vice President, Finance/Treasurer, stated that at the time that this project was at the \$264M mark, there were adequate Customer Facility Charges (CFC's) to cover the entire project. He stated that with the addition of the \$52M, it caused a shortfall in the first three years due to the bussing costs incurred, which amounts to a \$29M deficit. He stated that staff is meeting with the rental car agencies to review options to lower the delta.

Thella F. Bowens, President/CEO, stated that the deficit was created because the rental car agencies are putting the operating costs of the busses into the CFC collection. She stated that to ensure the Authority is covered, there are currently discussions with the rental car agencies regarding obtaining a loan with interest paid back to the Authority, and the loan would be paid back through the over collection of CFC's.

Board Member Alvarez spoke in opposition to the motion for Item 7, Rental Car Center, suggesting that the Board take a position during negotiations for no deficit at all.

Mr. Brickner noted that the \$29M deficit is just on the bussing and is expected to be reduced in the next draft of the Financial Feasibility Report.

Board Member Alvarez left the meeting at 10:29 a.m.

9. CONSTRUCTION AUDIT STATUS REPORT:

Callie Ullman, Senior Auditor, provided a presentation on the Construction Audit Status Report, which included RW Block Consulting Task Authorization #4, AECOM Expenditures and Performance Audit, and Close-Out Audits of Kiewit/Sundt and Turner/PCL/Flatiron.

10. COMMUNITY COMMUNICATION UPDATE:

Diana Lucero, Director, Marketing and Public Relations, provided a presentation on the Community Communication Update, which included Security Checkpoint Opening, RDC: LEED Gold Certification, Six New Gates Open in Terminal 2, Terminal 2 Parking Lot Full Reopening, Baggage Handling Media Tour, San Diego Daily Transcript Special Supplement, North Side Development Speakers Bureau, Looking Ahead – Restaurants and Shops Opening, and The Green Build Grand Opening.

11. SMALL BUSINESS DEVELOPMENT REPORT:

Bob Silvas, Director, Small Business Development, provided a presentation on the Small Business Development Report, which included Green Build Activity Update, North Side Activity Update, Opportunity Awareness Outreach, and Small Business Support Activities.

Regarding the Disadvantaged Business Enterprise Program, Board Member Hubbs suggested using it as a model to contract in services to other agencies.

12. ART PROGRAM UPDATE:

Constance White, Manager, Public Art Program, provided an update on the Art Program.

Board Member Gleason noted that the Art Committee would be making recommendations at their next meeting in July.


NON-AGENDA PUBLIC COMMENT – None

COMMITTEE MEMBER COMMENTS

Thella F. Bowens, President/CEO, noted that a written communication was received from a member of the public about soil condition issues and associated cost overruns.

ADJOURNMENT The meeting was adjourned at 10:47 a.m.

APPROVED BY A MOTION OF THE CAPITAL IMPROVEMENT PROGRAM
OVERSIGHT COMMITTEE THIS 24TH DAY OF OCTOBER, 2013.



BRYAN ENARSON
VICE PRESIDENT, DEVELOPMENT

APPROVED AS TO FORM:



LORRAINE BENNETT
ASSISTANT AUTHORITY CLERK II