

**DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
EXECUTIVE AND FINANCE COMMITTEE MEETING MINUTES
MONDAY, AUGUST 27, 2012
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER:

Chair Gleason called the regular meeting of the Executive and Finance Committee and Special Board meetings to order at 9:04 a.m., Monday, August 27, 2012, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

Executive Committee

Present:	Committee Members:	Cox, Gleason, Panknin
	Board Members:	Boland, Hubbs
Absent:	Committee Members:	None

Finance Committee

Present:	Committee Members:	Cox, Desmond, Robinson, Smisek
Absent:	Committee Members:	Young

Also Present: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Lorraine Bennett, Assistant Authority Clerk II

NON-AGENDA PUBLIC COMMENT - None.

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the June 25, 2012, regular meeting.

ACTION: Moved by Board Member Panknin and seconded by Board Member Cox to approve staff's recommendation. Motion carried unanimously.

FINANCE COMMITTEE NEW BUSINESS

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2012:

Vernon Evans, Vice President, Finance/Treasurer and Kathy Kiefer, Director, Accounting, provided a presentation on the Unaudited Financial Statements for the Year Ended June 30, 2012, which included Enplanements, Gross Landing Weight Units, Car Rental License Fees, Airport Parking Revenue, Operating Revenues for the Year Ended June 30, 2012, Operating Expenses for the Year Ended June 30, 2012, Financial Summary for the Year ended June 30, 2012, Non-operating Revenues and Expenses for the Year ended June 30, 2012, and Balance Sheets.

RECOMMENDATION: Forward to the Board for approval.

ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to approve staff's recommendation. Motion carried unanimously.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF JULY 31, 2012:

Scott Brickner, Director, Financial Planning and Budget, provided a presentation on the Authority's Investment Report as of July 31, 2012, which included Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity Distribution, Benchmark Comparison, Details of Security Holdings, Portfolio of Investment Transactions, Bond Proceeds Summary, and Bond Proceeds Investment Transactions.

RECOMMENDATION: Accept the report.

ACTION: No action taken.

4. DEBT UPDATE PRESENTATION:

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Debt Update, which included Outstanding Debt Profile, 2010 Bond Funds & Future Issuance, Projected 2013 GARB Sources, Projected 2013 GARB Uses, Projected 2013 GARB Debt Service, Net Annual Debt Service, Major Milestones for Issuance, Rental Car Center Funding – CFC Bonds, and Rental Car Center Funding – Projected Debt Service.

Board Member Desmond expressed concern regarding the amount of the projected debt payment over time and questioned whether the Authority would have bonding capacity available for future projects.

Thella F. Bowens, Present/CEO, stated that staff is looking at ways to increase non-airline revenues, considering opportunities for an increase in the Passenger Facilities Charge (PFC), and increasing aircraft operations and enplanements.

In response to Board Member Robinson regarding how the Authority's debt compared with other airports, Mr. Evans stated that staff would provide the Board with a chart of the Authority's debt in comparison with other airports.

Chair Gleason requested that staff provide an analysis of how payments are leveled out over time and whether or not it is cost beneficial or if it would be cheaper to schedule payments another way.

EXECUTIVE COMMITTEE NEW BUSINESS

5. AUGUST 2013 OPENING EVENTS FOR THE GREEN BUILD TERMINAL EXPANSION AND RELATED PROJECTS:

Diana Lucero, Director, Marketing and Public Relations, provided a presentation on the August 2013 Opening Events for the Green Build Terminal Expansion and Related Projects, which included Calendar at a Glance, Proposed Events, and Funding.

Board Member Boland stated that the schedule of events and funding for the Green Build Terminal Expansion and Related Projects would be scheduled for discussion at a future Terminal Development Committee Meeting.

Chair Gleason requested a breakdown of the budget for the proposed Green Build Promotions Activities.

6. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

ACTION: Moved by Board Member Panknin and seconded by Board Member Cox to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

7. REVIEW OF THE DRAFT AGENDA FOR THE SEPTEMBER 6, 2012 BOARD MEETING:

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the September 6, 2012 Special Board Meeting.

Chair Gleason requested staff to outline the items to be discussed for Item 25.

In regards to Items 18 and 19, Board Member Hubbs commented that the Board should consider increasing the President/CEO's change order limit.

8. REVIEW OF THE DRAFT AGENDA FOR THE SEPTEMBER 6, 2012 AIRPORT LAND USE COMMISSION MEETING:

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the September 6, 2012 Special Airport Land Use Commission Meeting.

ACTION: Moved by Board Member Panknin and seconded by Board Member Cox to approve the draft agendas as amended. Motion carried unanimously.

COMMITTEE MEMBER COMMENTS

Chair Gleason noted that the Board Retreat is scheduled for Friday, September 21, 2012 commencing at noon, at an off-site location to be determined.

It was the consensus of the Board to change the September 6, 2012 Board Meeting start time to 10:00 a.m.

ADJOURNMENT:

The meeting was adjourned at 10:12 a.m. The next meeting of the Executive and Finance Committee will be held on Monday, September 24, 2012, at 9:00 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 COMMITTEE OF THE SAN
DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 24th DAY OF
SEPTEMBER, 2012.

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL