

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JANUARY 4, 2018
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:00 a.m. on Thursday, January 4, 2018, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Boling (Chairman), Cox, Janney, Kersey, Robinson, Schumacher, Sessom, Woodworth (Ex Officio)

ABSENT: Board Members: Binns (Ex Officio), Desmond, Ortega (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Lee Kaminetz, Sr. Attorney; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Linda Gehlken, Assistant Authority Clerk I

PRESENTATIONS:

A. AIRPORT DEVELOPMENT PLAN:

Kimberly J. Becker, President/CEO, Bob Bolton, Director, Airport Design & Construction, and Ted Anasis, Manager, Planning & Environmental Affairs, provided a presentation on the Airport Development Plan (ADP) which included ADP Board Goals, SAN and Airline Conditions of Satisfaction for the ADP Program, ADP Program Preparation, ADP Work Flow, Benefits of a Programmatic Document, ADP Phase 1 – 30 Gate Implementation, 22 Gate Implementation, and Schedule, Harbor Drive Mobility Committee, Schedule of Environmental Review, and Next Steps.

In response to Board Member Robinson regarding whether a Climate Action Plan is needed, Lee Kaminetz, Sr. Attorney, stated that the General Counsel's office would investigate and report back to the Board.

Chairman Boling expressed agreement with bringing the airlines into the planning earlier so that there is motivation for all parties to work together.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Board Member Desmond reported that at the upcoming January 11 meeting, evaluations are planned for the President/CEO, General Counsel and Auditor.
- **FINANCE COMMITTEE:** Chairman Boling reported that at the December meeting the Committee received information on the impact of the recently signed tax reform law on the Authority's bond funding

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None
- **ART ADVISORY COMMITTEE:** None

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:** None
- **CALTRANS:** None
- **INTER-GOVERNMENTAL AFFAIRS:** Board Member Cox reported that on December 22nd, President Trump signed the Tax Cuts and Jobs Act passed by Congress into law. He also reported that the final version of this bill retains the tax exempt status for Private Activity Bonds and eliminates the Alternative Minimum Tax for corporations, but it eliminates the Advance Refunding of Bonds. He reported that the State Legislature reconvened this week for the 2018 legislative session and that legislators have until February 16 to introduce their 2018 bills. He stated that the U.S. Senate also reconvened this week, and that the House of Representatives are scheduled to return to work on January 8. He also stated that the update being provided by the state and federal legislative consultants today will provide insight on what to expect this year in Sacramento and Washington.

- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:** None.

CHAIR'S REPORT: Chairman Boling reported that Board Member Gleason resigned from the Board effective December 31, 2017 and that he would be recognized for his contributions to the Authority at the February meeting. She also announced that Board Member Janney will be completing his term on January 31, 2018. She stated that he served one three-year term, and was on numerous committees during his tenure. She highlighted the ground breaking for the Parking Plaza in September 2016, completion of the \$316M Rental Car Center in January 2016, and the ground breaking for the new Federal Inspection Station in May 2017 among the events that took place during Board Member Janney's tenure on the Board. She presented him with a plaque on behalf of the Authority.

PRESIDENT/CEO'S REPORT: Kimberly Becker, President/CEO, reported that due to dense fog over the past week, operations were impacted throughout the airport. She reported that six curfew violations incurred and that construction on the airport's runway rehabilitation project was halted. She reported that despite the weather delays, the runway project remains on schedule for its targeted completion in late October. She reported that Southwest Airline will inaugurate nonstop service between San Diego and Tampa Bay, Florida on Monday.

NON-AGENDA PUBLIC COMMENT: None

CONSENT AGENDA (Items 1-6):

ACTION: Moved by Board Member Kersey and seconded by Board Member Sessom to approve the Consent Agenda. Motion carried by the following votes:

YES – Boling, Cox, Janney, Kersey, Robinson, Schumacher, Sessom; NO – None; ABSENT – Desmond; (Weighted Vote Points: YES – 74; NO – 0; ABSENT – 12).

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 7, 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 NOVEMBER 13, 2017 THROUGH DECEMBER 10, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM NOVEMBER 13, 2017 THROUGH DECEMBER 10, 2017:**
RECOMMENDATION: Receive the report.

CLAIMS

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

4. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST SUPPLEMENTAL AGREEMENT TO MEMORANDUM OF AGREEMENT BETWEEN FEDERAL AVIATION ADMINISTRATION (FAA) AND SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY:**
RECOMMENDATION: Adopt Resolution No. 2018-0001, approving and authorizing the President/CEO to execute a First Supplemental Agreement to the Memorandum of Agreement between the Federal Aviation Administration and the San Diego County Regional Airport Authority, authorizing an increase from \$619,500 to \$725,000 for the term of the agreement to fund the addition of power and communication services for a new Federal Aviation Administration Medium Intensity Approach Lighting System Building at San Diego International Airport.

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

5. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL RUNWAY RUBBER REMOVAL SERVICES AGREEMENT:**
RECOMMENDATION: Adopt Resolution No. 2018-0002, approving and authorizing the President/CEO to execute an On-Call Runway Rubber Removal Services Agreement with Abhe & Svoboda, for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$1,610,000, to provide runway rubber removal services, at San Diego International Airport.

6. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LANDSCAPE MAINTENANCE AGREEMENT:

RECOMMENDATION: Adopt Resolution No. 2018-0003, approving and authorizing the President/CEO to execute a Landscape Maintenance Agreement with Aztec Landscaping, Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$2,887,789, to provide landscape maintenance services, at San Diego International Airport.

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

NEW BUSINESS:

7. APPROVE THE JANUARY 2018 LEGISLATIVE REPORT AND 2018 LEGISLATIVE AGENDA:

Mike Kulis, Director, Inter-Governmental Relations, Richard Harris, Senior Policy Advisor, Nossaman, and Sam Whitehorn, Managing Director, Signal Group, provided a presentation on the 2018 Legislative Agenda which included 2017 State Highlights, State Political Landscape, 2018 State Legislative Proposals, 2017 Federal Highlights, Key Aviation Issues, Appropriations, FAA Reauthorization, TSA Reauthorization, Infrastructure, 2018 Federal Legislative Proposals, and Recommended Action.

Board Member Sessom left the dais at 10:15 a.m.

RECOMMENDATION: Adopt Resolution No. 2018-0004, approving the January 2018 Legislative Report and 2018 Legislative Agenda.

ACTION: Moved by Board Member Robinson and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following votes:

YES – Boling, Cox, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Desmond, Sessom; (Weighted Vote Points: YES – 66; NO – 0; ABSENT – 20).

The Board recessed at 10:45 a.m. and reconvened at 10:47 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:47 a.m. to discuss Item 14.

8. **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
9. **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
10. **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
11. **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
12. **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
13. **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
14. **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

- 15. 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 adjourned out of Closed Session at 11:14 a.m. There was no report on the Closed Session.

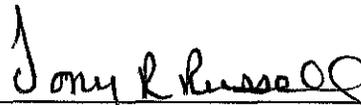
GENERAL COUNSEL REPORT: None.

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: None.

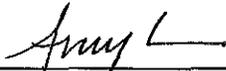
ADJOURNMENT: The meeting adjourned at 11:14 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 1ST DAY OF FEBRUARY, 2018.



TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL