

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND
EXECUTIVE AND FINANCE COMMITTEE MEETING MINUTES -
MONDAY, APRIL 23, 2018
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the Special Board and Executive-Finance Committee Meeting to order at 9:00 a.m., on Monday, April 23, 2018, in the Board Room of the San Diego International Airport, Administration Building, 3225 N Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

Board

Present: Board Members: Boling (Chair), Cox, Kersey, Lloyd
Robinson, Schiavoni, West

Absent: Board Members: Desmond, Gubbins (Ex-Officio),
Schumacher, Wong-Hernandez
(Ex-Officio), Woodworth (Ex-Officio)

Executive Committee

Present: Committee Members: Boling (Chair), Robinson

Absent: Committee Members: Schumacher

Finance Committee

Present: Committee Members: Cox, Lloyd, Schiavoni, West

Absent: Committee Members: None

Also Present: Kimberly J. Becker, President/CEO; Amy Gonzalez, General
Counsel; Tony Russell, Director, Corporate & Information
Governance/Authority Clerk; Martha Morales, Assistant Authority
Clerk I

NON-AGENDA PUBLIC COMMENT:

MIKAILL HUSSEIN, SAN DIEGO, UNITED TAXI WORKERS OF SAN DIEGO, spoke regarding his request to meet with staff regarding taxi issues.

BOARD

NEW BUSINESS:

1. REDUCTION OF MINIMUM INSURANCE REQUIREMENT FOR AIRPORT PERMITTED TAXIS:

Marc Nichols, Director, Ground Transportation, provided a presentation on the Reduction of Minimum Insurance Requirement for Airport Permitted Taxis which included Background/Justification, Level Playing Field, MTS/City of San Diego Requirements, Airport Permit Insurance Requirements, Key Dates, and Recommendation.

RECOMMENDATION: Accept the report and/or take possible action.

Board Member West expressed concern after learning that only one company provides insurance coverage for most of the Taxi companies.

ABDUL ABDI, SAN DIEGO, spoke in support of reducing the insurance requirement.

MIKAIL HUSSEIN, SAN DIEGO, spoke in support of staff's recommendation.

LUCERO CHAVEZ, OFFICE OF ASSEMBLY MEMBER LORENA GONZALEZ FLETCHER, SAN DIEGO, spoke in support of the taxi workers and reducing the insurance requirement.

ADRIAN KWIATKOWSKI, TRANSPORTATION ALLIANCE GROUP, SAN DIEGO, provided a handout and spoke in support of reducing the insurance requirement.

YONAS MEHARI, SAN DIEGO, spoke in support of opening the airport to all taxis.

KAMRAN HAMIDI, SAN DIEGO, provided a presentation and handout and spoke regarding insurance requirements and issues with the current taxi insurance provider.

KIDANE WELDEMICHAEL, SAN DIEGO, spoke in support of issuing new permits to owner-operator taxis and lowering the insurance requirement.

FEKADU HITAHA, SAN DIEGO, spoke regarding insurance requirements.

ANTHONY PALMERI, SAN DIEGO, spoke in support of the taxi industry and lowering the insurance requirement.

CARELYN REYNOLDS, TRANSPORTATION ALLIANCE GROUP, spoke in support of staff's recommendation and recommended that the Board look into the TNC's requirements.

TONY HUESO, SAN DIEGO, spoke in support of staff's recommendation.

ALEM ZEBIB, spoke regarding diversifying insurance companies and insurance requirements.

In response to Chairman Boling regarding if Board action is required, Amy Gonzalez, General Counsel, confirmed that the Authority's Policy grants the ability to lower insurance requirement to the President/CEO without Board action.

Kim Becker, President/CEO, stated that her goal was to level the playing field and she supported lowering the insurance requirement, but welcomed Board's input.

Board Member Cox stated that the Authority needs to be consistent with MTS and the City of San Diego. He moved to accept staff's recommendation.

Board Member Kersey stated that he did not support lowering the insurance requirement at the City, but would support it at the Authority to make it consistent.

Board Member West expressed concern that the Authority didn't do any research on insurance options but stated that whatever we can do to help the taxis is good.

Board Member Robinson stated that he supports staff's recommendation and recommended looking at umbrella policies.

ACTION: Moved by Board Member Cox and seconded by Board Member Robinson to accept the report. Motion carried by the following votes: YES – Boling, Cox, Kersey, Lloyd, Robinson, Schiavoni, West; NO – None; ABSENT – Desmond, Schumacher; (Weighted Vote Points: YES – 76; NO – 0; ABSENT – 24).

2. APRIL 2018 LEGISLATIVE REPORT:

Mike Kulis, Director, Intergovernmental Affairs, provided an overview of the staff report.

RECOMMENDATION: Adopt Resolution No. 2018-0048, approving the April 2018 Legislative Report.

ACTION: Moved by Board Member Kersey and seconded by Board Member West to approve staff's recommendation. Motion carried by the following votes: YES – Boling, Cox, Kersey, Lloyd, Robinson, Schiavoni, West; NO – None; ABSENT – Desmond, Schumacher; (Weighted Vote Points: YES – 76; NO – 0; ABSENT – 24).

FINANCE COMMITTEE

NEW BUSINESS:

3. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2018:

Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Review of the Unaudited Financial Statements for the Nine Months Ended March 31, 2018, which included Enplanements, Gross Landing Weight Units, Car Rental License Fees, Food and Beverage Concessions Revenue, Retail Concessions Revenue, Total Terminal Concessions, Parking Revenue, Operating Revenues, Operating Expenses, Net Operating Income Summary, Nonoperating Revenues & Expenses, Operating Revenues, Operating Expenses, Net Operating Income Summary, Nonoperating Revenues and Expenses, and Statements of Net Positions.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

4. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF MARCH 31, 2018:

Geoff Bryant, Manager, Airport Finance, provided a presentation on the Authority's Investment Report as of March 31, 2018 which included Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity, Benchmark Comparison, Detail of Security Holdings, Portfolio Investment Transactions, Bond Proceeds Summary, and Bond Proceeds Investment Transactions.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

ACTION: Moved by Board Member Schiavoni and seconded by Board Member West to approve staff's recommendation for items 3 and 4. Motion carried unanimously.

EXECUTIVE COMMITTEE

NEW BUSINESS:

5. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the March 26, 2018 regular meeting.

ACTION: Moved by Board Member Robinson and seconded by Chairman Boling to approve staff's recommendation. Motion carried unanimously noting Board Member Schumacher as ABSENT.

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 Robinson and seconded by Chairman Boling to approve staff's recommendation. Motion carried unanimously noting Board Member Schumacher as ABSENT.

REVIEW OF FUTURE AGENDAS:

7. REVIEW OF THE DRAFT AGENDA FOR THE MAY 3, 2018 BOARD MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the draft agenda for the May 3, 2018, Board meeting.

8. REVIEW OF THE DRAFT AGENDA FOR THE MAY 3, 2018 AIRPORT LAND USE COMMISSION MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the draft agenda for the May 3, 2018, ALUC meeting.

BOARD (CONTINUED)

CLOSED SESSION: The Board recessed into Closed Session at 10:22 a.m. to discuss Items 9 and 10.

9. CONFERENCE WITH REAL PARTY NEGOTIATORS:

Property: Airline Operating and Lease Agreement - San Diego International Airport Agency Negotiator: Kim Becker, Scott Brickner, Amy Gonzalez
Negotiating Parties: Alaska Airlines, Allegiant Airlines, American Airlines, British Airways, Delta Airlines, FedEx, JetBlue Airlines, Southwest Airlines Under Negotiation: price and terms of payment

10. 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

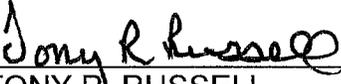
REPORT ON CLOSED SESSION: The Board reconvened into open session at 11:25 a.m. There was no reportable action.

BOARD AND COMMITTEE MEMBER COMMENTS: None.

ADJOURNMENT: The meeting adjourned at 11:26 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY EXECUTIVE COMMITTEE THIS 24th DAY OF MAY, 2018.

ATTEST:



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

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL