

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JANUARY 6, 2022
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Cabrera called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:02 a.m. on Thursday, January 6, 2022, electronically and via teleconference pursuant to the provisions of California Assembly Bill 361 and Resolution No. 2021-0147 at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

ROLL CALL:

PRESENT: Board Members: Cabrera, Bedell (Ex-Officio), Dallarda (Ex-Officio), Lloyd, McNamara, Robinson, Schiavoni, von Wilpert

ABSENT: Board Members: Blakespear, Casillas-Salas, Miller (Ex-Officio), Vargas

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Board Services/Authority Clerk; Arely Valenzuela, Assistant Authority Clerk I

PRESENTATIONS:

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

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** Board Member Lloyd reported that the Committee met on December 20th and reviewed the Unaudited Financial Statements and the Investment Report as of November 30, 2021, and received an update on the Authority's Revolving Credit Facility and Outstanding Balances.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ARTS ADVISORY COMMITTEE:** None.

LIAISONS

- **CALTRANS:** Board Member Dallarda reported on the opening of the Imperial Avenue Interchange on I-8 in the city of El Centro; the Southbound 125 to Eastbound State Route 11 and State Route 905 connectors. He also reported that CALTRANS introduced a new Go Safety Campaign as a three year partnership with Office of Traffic Safety.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that the President signed a bill to fund the Federal Government through February and that the Administration and congressional leader continued to negotiate on a longer term plan to prevent a lapse in funding for federal programs and agencies. He also reported that the prospects for the Build Back Better Act diminished in December. He reported that the California Legislature resumed session on Monday and that the Governor is expected to release his 2022-2023 Budget proposal. He also reported that staff will review the budget to identify any funding grant opportunities available to the Authority or our Concessionaire partners.
- **MILITARY AFFAIRS:** Board member Bedell reported that they have some upcoming exercises, they did a station wide FOD walk and that they are getting back to some previous COVID constrains.
- **PORT:**
- **WORLD TRADE CENTER:**

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors met three times in the month of December and that at their first meeting, an update was provided on the transit connector to the San Diego International Airport and the Central Mobility Health Project; and at their second meeting, the Board adopted the 2021 Regional Plan and final Environmental Impact report, and at their third meeting, an update was provided with a status of major SANDAG and CALTRANS projects and programs in the San Diego Region and they adopted the Digital Equity Strategy and Action plan.
- **SANDAG TRANSPORTATION COMMITTEE:** None.

CHAIR'S REPORT: Chair Cabrera reported that the groundbreaking celebration for the New T1 was held on December 13, 2021. He reported that there were nearly 300 people in attendance that included federal, state, and local officials. He reported that Board Member Nora Vargas was honored with the "Chair Leadership Award" by the Leon L. Williams Human Relations Commission. He also recognized and thanked Board Member Lloyd, whose term expires January 31, 2022, for his service on the Board.

PRESIDENT/CEO'S REPORT: Kim Becker, President/CEO, reported that construction of the New T1 has begun and that the Authority is working hard to minimize impacts from construction on our passengers. She reported that she will use this monthly report to keep everyone apprised of the latest construction impacts to ensure that our stakeholders are updated and also to help make it a better travel experience for all customers. She also reported that the Cell Phone Lot has been relocated to the Terminal 2 West Parking Lot on McCain Road; and that the curbside valet service and the inter-terminal shuttle service are scheduled to resume on January 10, 2022. She reported that Lufthansa will offer nonstop service to Munich beginning March 30th, and that this new flight replaces the service to Frankfurt. She reported that 822,000 passengers traveled through the airport from December 17th through December 31st. She addressed the concerns regarding the 5G network and its potential to interfere with aircraft systems, causing increased delays, diversions, cancelation, and disruptions. She reported that, at this time 5G has not been implemented at SAN, though it is in scope for the New T1. She also reported that the telecoms agreed to work with FAA and the aviation industry to support technical assessments that will help FAA and operators ensure continued operations at affected airports. She reported on the San Diego County mask guidance, as the California Department of Public Health is once again requiring masks to be worn in all indoor public settings through January 15th, irrespective of vaccination status. She reported that the Airport Authority earned its 17th consecutive Distinguished Budget Presentation Award from the Government Finance Office Association, which reflects the Authority's commitment to meeting the highest principles of government budgeting. She also reported that the most important thing to know this month is that parking has been temporarily reduced in front of both terminals.

NON-AGENDA PUBLIC COMMENT:

CONSENT AGENDA (Items 1- 11):

Board Member Schiavoni requested that Item 6 be removed from the consent agenda for discussion.

ACTION: Moved by Board Member Robinson and seconded by Board Member Lloyd to approve the Consent Agenda as amended. Motion carried by the following votes: YES – Cabrera, Lloyd, McNamara, Robinson, Schiavoni, von Wilpert; NO – None; ABSENT – Blakespear, Casillas-Salas, Vargas, (Weighted Vote Points: YES –68; NO – 0; ABSENT – 32)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 2, 2021, regular Board meeting and December 20, 2021, Special Board Meeting(s).

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 8, 2021 THROUGH DECEMBER 5, 2021 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM NOVEMBER 8, 2021 THROUGH DECEMBER 5, 2021:

RECOMMENDATION: Receive the report.

4. GRANT AN EASEMENT FOR ELECTRICAL SERVICE TO SAN DIEGO GAS & ELECTRIC COMPANY:

RECOMMENDATION: Adopt Resolution No. 2022-0001, authorizing the President/CEO to negotiate and execute an easement for electrical utility service with San Diego Gas & Electric Company for the relocation of a portion of existing electrical utility infrastructure in support of the Administration Building project.

5. GRANT AN EASEMENT FOR GAS SERVICE TO SAN DIEGO GAS & ELECTRIC COMPANY:

RECOMMENDATION: Adopt Resolution No. 2022-0002, authorizing the President/CEO to negotiate and execute an easement for gas utility service with San Diego Gas & Electric Company for the relocation of a portion of existing gas pipeline infrastructure in support of the Administration Building project.

- 6. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXTEND THE RENT FORBEARANCE AND ABATEMENT PROGRAM TO PROVIDE RENT ABATEMENT TO QUALIFYING NON-AIRLINE TENANTS FOR AN ADDITIONAL TEMPORARY PERIOD NOT TO EXCEED SIX MONTHS, AS A RESULT OF THE CONTINUED IMPACT OF THE COVID-19 PANDEMIC:**

ACTION: This item was pulled from the Consent Agenda for discussion.

- 7. CONSIDERATION OF WHETHER TO CONTINUE VIRTUAL MEETINGS FOR AUTHORITY BOARD AND COMMITTEE MEETINGS PURSUANT TO AB 361:**
RECOMMENDATION: Adopt Resolution No. 2022-0004, finding that it is in the best interest of the Authority and the public it serves to continue to hold virtual public meetings of the Board and its Committees because a declared state of emergency is ongoing and continues to directly impact the ability of the Board and its Committees to meet safely in person and state and local officials recommend measures to promote social distancing.

CLAIMS

- 8. REJECT THE CLAIM OF HECTOR GREEN:**
RECOMMENDATION: Adopt Resolution No. 2022-0005, rejecting the claim of Hector Green.

COMMITTEE RECOMMENDATIONS

- 9. AMEND SDCERS AMENDED AND RESTATED RETIREMENT PLAN AND TRUST TO CLARIFY THE AMOUNT CREDITED TO DEFERRED RETIREMENT OPTION PLAN (DROP) ACCOUNTS WHEN EMPLOYEES WORK LESS THAN EIGHTY HOURS PER WEEK:**
RECOMMENDATION: Adopt Resolution No. 2022-0006, approving an amendment to the Amended and Restated Retirement Plan and Trust to clarify that for Deferred Retirement Option Plan (DROP) Participants, the amount credited to their DROP account is equal to Paid Base Compensation times 3.05%.

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

- 10. AWARD A CONTRACT TO BILBRO CONSTRUCTION COMPANY FOR TERMINAL 2 EAST ELECTRICAL MODERNIZATION AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2022-0007, awarding a contract to Bilbro Construction Company in the amount of \$4,170,518 for Project No. 104263, Terminal 2 East Electrical Modernization at San Diego International Airport.

11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL MATERIALS TESTING & CONSTRUCTION SUPPORT SERVICES AGREEMENT AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2022-0008, approving and authorizing the President/CEO to negotiate and execute an On-Call Material Testing & Construction Support Services Agreement with Group Delta Consultants, for a term of five years, with the option for two one-year extensions at the sole discretion of the President/CEO, in an amount not-to-exceed \$5,000,000 in support of the New T1 and Capital Improvement Program at San Diego International Airport.

ITEM REMOVED FROM THE CONSENT AGENDA:

6. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXTEND THE RENT FORBEARANCE AND ABATEMENT PROGRAM TO PROVIDE RENT ABATEMENT TO QUALIFYING NON-AIRLINE TENANTS FOR AN ADDITIONAL TEMPORARY PERIOD NOT TO EXCEED SIX MONTHS, AS A RESULT OF THE CONTINUED IMPACT OF THE COVID-19 PANDEMIC:

In response to Board Member Schiavoni's question regarding the record keeping and systemization audit recommendation, Hampton Brown, Vice President, Marketing & Innovation, stated that staff is planning to implement the Rent Forbearance and Abatements as soon as possible.

Lee Parravano, Chief Auditor stated that management is doing a good job. He stated that there were some documentation issues and that staff is putting measures in place to address the recommendation.

RECOMMENDATION: Adopt Resolution No. 2022-0003, approving and authorizing the President/CEO to execute the required agreements to extend the Authority's temporary rent forbearance and abatement program to temporarily reduce rental obligations of qualifying non-airline tenants at the Airport, by providing abatement of monthly minimum annual guarantee (MAG), certain fixed rents and Marketing fees for a period not to exceed six (6) months beginning January 1, 2022 and ending June 30, 2022, in response to the continued impact of the COVID-19 pandemic crisis.

ACTION: Moved by Board Member Schiavoni and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Lloyd, McNamara, Robinson, Schiavoni, von Wilpert; NO - None; ABSENT - Blakespear, Casillas-Salas, Vargas, (Weighted Vote Points: YES -68; NO - 0; ABSENT - 32)

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

NEW BUSINESS:

12. JANUARY 2022 LEGISLATIVE REPORT AND 2022 LEGISLATIVE AGENDA:

Matt Harris, Director, Government Relations; Sam Whitehorn and Rob Chamberlain, Elevate Government Affairs; and Steve Cruz, Cruz Strategies, provided a presentation on the 2022 January Legislative Report and 2022 Legislative Agenda that included the Legislative Advocacy Program; 2021 Review; COVID-19 Relief for Airports and Air Carriers; Infrastructure Funding; Federal Updates, 2022 State of Play: The Biden Administration, Congress, Aviation Industry, Outreach Targets; 2022 Federal Legislative Priorities; State Updates, 2021 Review, 2022 State of Play: Legislature; 2022 Engagement: Outreach Targets and 2022 State Legislative Priorities.

RECOMMENDATION: Adopt Resolution No. 2022-0009, approving the January 2022 Legislative Report and 2022 Legislative Agenda.

ACTION: Moved by Board Member Robinson and seconded by Board Member Schiavoni to approve staff's recommendation. Motion carried by the following votes: YES – Cabrera, Lloyd, McNamara, Robinson, Schiavoni, von Wilpert; NO – None; ABSENT – Blakespear, Casillas-Salas, Vargas, (Weighted Vote Points: YES -68; NO - 0; ABSENT - 32)

13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AMENDMENT TO THE TURNER-FLATIRON, A JOINT VENTURE, CONTRACT FOR NEW T1 TERMINAL AND ROADWAYS:

Dennis Probst, Vice President, Development, provided a presentation on the New T1 Terminal and Roadways Performance Based Incentive Program.

Chair Cabrera requested that staff report back to the Board on the incentives.

Mr. Probst stated that the program will be reviewed annually.

RECOMMENDATION: Adopt Resolution No. 2022-0010, approving and authorizing the President/CEO to negotiate and execute an amendment to the contract with Turner-Flatiron, a Joint Venture for New T1 Terminal and Roadways to add a Performance Based Incentive Program.

ACTION: Moved by Board Member von Wilpert and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following votes: YES – Cabrera, Lloyd, McNamara, Robinson, Schiavoni, von Wilpert; NO – None; ABSENT – Blakespear, Casillas-Salas, Vargas, (Weighted Vote Points: YES -68; NO - 0; ABSENT - 32)

The Board recessed at 10:22 a.m. and reconvened 10:26 a.m.

CLOSED SESSION: The Board did not meet in Closed Session.

14. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: John Van De Walker v. Brian K. Widener, et al., United States District
Court Case No. 21-cv-1829-BAS-BG

REPORT ON CLOSED SESSION: None.

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 10:27 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 3rd DAY OF FEBRUARY, 2022.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL