

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND EXECUTIVE AND FINANCE COMMITTEE MEETING
MINUTES
MONDAY, AUGUST 26, 2013
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER:

Chair Gleason called the Special Board Meeting and Executive and Finance Committee meeting to order at 9:04 a.m., Monday, August 26, 2013, 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 Hubbs led the Pledge of Allegiance.

ROLL CALL:

Board

Present: Board Members: Alvarez, Cox, Gleason, Hubbs,
Robinson, Sessom, Smisek

Absent: Board Members: Berman (Ex Officio), Boland, Desmond,
Farnam (Ex-Officio)

Executive Committee

Present: Committee Members: Gleason, Robinson, Smisek

Absent: Committee Members: None

Finance Committee

Present: Committee Members: Alvarez, Cox, Hubbs, Robinson,
Sessom

Absent: Committee Members: None

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

BOARD BUSINESS

1. **AWARD A CONSTRUCTION CONTRACT TO HELIX ELECTRIC, INC. FOR THE CONSTRUCT AIRPORT ELECTRICAL DISTRIBUTION SYSTEM (12KV) PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2013-0075, awarding a contract to Helix Electric, Inc. in the amount of \$16,257,000 for Project No. 104136, Construct Airport Electrical Distribution System at San Diego International Airport.

ACTION: Moved by Board Member Alvarez and seconded by Board Member Cox to accept staff's recommendation. Motion carried by the following vote: YES – Alvarez, Cox, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Boland, Desmond; (Weighted Vote Points: YES - 75; NO - 0; ABSENT- 25).

2. **AUTHORIZE THE DENIAL OF THE APPLICATION FOR LEAVE TO PRESENT A LATE CLAIM OF LAURIE FRIEDMAN:**

RECOMMENDATION: Adopt Resolution No. 2013-0076, authorizing the denial of the "Application for Leave to Present a Late Claim" of Laurie Friedman.

ACTION: Moved by Board Member Sessom and seconded by Board Member Alvarez to accept staff's recommendation. Motion carried by the following vote: YES – Alvarez, Cox, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Boland, Desmond; (Weighted Vote Points: YES - 75; NO - 0; ABSENT- 25).

3. **APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AND THE SAN DIEGO UNIFIED PORT DISTRICT REGARDING POLICE SERVICES COSTS:**

This item was heard following Closed Session on the Agenda.

FINANCE COMMITTEE NEW BUSINESS

4. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2013:

Vernon Evans, Vice President, Finance/Treasurer and Kathy Kiefer, Director, Accounting, provided a presentation on the Unaudited Financial Statements for the Fiscal Year Ended June 30, 2013, which included, Enplanements, Gross Landing Weight Units, Car Rental License Fees, Parking Revenue; Revenues and Expenses (Unaudited) for the Fiscal Years Ended June 30, 2013 and 2012, which included, Monthly Operating Revenue, Fiscal Year 2013, Operating Revenues, Monthly Operating Expenses, Fiscal Year 2013, Operating Expenses, Financial Summary, Nonoperating Revenues and Expenses, and Balance Sheets (Unaudited),

RECOMMENDATION: Forward to the Board for acceptance.

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

5. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF JULY 31, 2013:

Scott Brickner, Director, Financial Planning and Budget, provided a presentation on the Investment Report As of July 31, 2013, which included, Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity Distribution, Benchmark Comparison, Detail of Security Holdings, Portfolio Investment Transactions, Bond Proceeds Summary, and Bond Proceeds Investment Transactions.

RECOMMENDATION: Accept the Report.

ACTION: No action taken.

EXECUTIVE COMMITTEE NEW BUSINESS

6. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the June 24, 2013, regular meeting.

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

7. **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 Board Member Smisek to accept staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

8. **REVIEW OF THE DRAFT AGENDA FOR THE SEPTEMBER 12, 2013, BOARD MEETING:**
Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the September 12, 2013 Special Board Meeting.

Chair Gleason requested that an item be added to the agenda under "Presentations", for the Employee of the Quarter and Employee of the Year.

Chair Gleason requested staff to re-circulate the On-Call Memorandum previously sent to the Board.

In regard to Item 7, Chair Gleason requested that the item be moved to "New Business" on the Agenda.

In regard to Item 8, Board Member Alvarez requested a summary of the proposed changes to the 401(A) Plan.

Board Member Alvarez requested staff to provide an update on Stellar Partners.

9. **REVIEW OF THE DRAFT AGENDA FOR THE SEPTEMBER 12, 2013, AIRPORT LAND USE COMMISSION MEETING:**
Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the September 12, 2013, Special Airport Land Use Commission meeting.

ACTION: Moved by Board Member Robinson and seconded by Board Member Smisek to approve Agenda Items 8 and 9, as amended. Motion carried unanimously.

CLOSED SESSION: The Board recessed into Closed Session at 9:42 a.m. to discuss Items 10 and 11.

- 10. CONFERENCE WITH LABOR NEGOTIATORS:**
Labor negotiations pursuant to Cal. Gov. Code §54957.6:
Authority Designated Negotiators: Thella F. Bowens, President/CEO; and Jeff Lindeman, Senior Director, Organizational Performance & Development
Employee Organization: Teamsters 911
- 11. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of §54956.9: (3 cases)

REPORT ON CLOSED SESSION: The Board reconvened into open session at 10:38 a.m. Chair Gleason reported that in regard to Item 10, the Board provided direction to staff. There was no other reportable action.

Chair Gleason announced that Item 3 would be heard at this time.

BOARD BUSINESS, Continued

- 3. APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AND THE SAN DIEGO UNIFIED PORT DISTRICT REGARDING POLICE SERVICES COSTS:**
RECOMMENDATION: Adopt Resolution No. 2013-0031, approving the Memorandum of Understanding between the San Diego County Regional Airport Authority and the San Diego Unified Port District regarding police services costs.

ACTION: Moved by Board Member Smisek and seconded by Board Member Cox to accept staff's recommendation. Motion carried by the following vote: YES – Cox, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Alvarez, Boland, Desmond; (Weighted Vote Points: YES - 62; NO - 0; ABSENT- 38).

COMMITTEE MEMBER COMMENTS

Board Member Cox stated that the San Diego County Regional Airport Authority Act "Clean Up" Bill (AB 1058) was recently signed by the Governor. He commented on the success of the completion of the Green Build Project.

ADJOURNMENT

The meeting was adjourned at 10:40 a.m. The next meeting of the Executive and Finance Committee will be held on Monday, September 23rd, 2013, 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 BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 3rd DAY OF OCTOBER, 2013.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL