

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

DRAFT – REVISED 5/24/12

BOARD

AGENDA

Thursday, June 7, 2012
9:00 A.M.

San Diego International Airport
Commuter Terminal – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

***Live webcasts of Authority Board meetings can be accessed at
http://www.san.org/airport_authority/boardmeetings.asp.***

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate Services and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate Services/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate Services/Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.



BOARD MEMBERS

LAURIE BERMAN*
BRUCE R. BOLAND
GREG COX
JIM DESMOND
ROBERT H. GLEASON
LLOYD B. HUBBS
JIM PANKNIN
PEDRO REYES*
COL. FRANK A. RICHIE*
PAUL ROBINSON
TOM SMISEK
ANTHONY K. YOUNG

* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO
THELLA F. BOWENS

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATION:

A. UPDATE ON THE SAN DIEGO INTERNATIONAL AIRPORT AIRCRAFT RESCUE AND FIRE FIGHTING (ARFF) SERVICES:

Presented by George Condon, Director, Aviation Operations & Public Safety

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Gleason, Hollingworth, Hubbs, Smisek (Chair), Tartre, Van Sambeek, Young
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boland, Cox, Desmond (Chair), Smisek
- **FINANCE COMMITTEE:**
Committee Members: Cox (Chair), Desmond, Panknin, Robinson, Young
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
Committee Members: Boland (Chair), Gleason, Hubbs, Panknin, Robinson

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Panknin
- **ART ADVISORY COMMITTEE:**
Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Liaison: Robinson

- **CALTRANS:**
Liaison: Berman
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox
- **MILITARY AFFAIRS:**
Liaisons: Boland (Primary), Panknin
- **PORT:**
Liaisons: Boland, Gleason (Primary), Smisek

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Panknin, Smisek (Primary)
- **WORLD TRADE CENTER:**
Representatives: Panknin (Primary), Young

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

CONSENT AGENDA (Items 1-12):

The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior Board meetings.

RECOMMENDATION: Approve the minutes of the May 3, 2012, 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:

The Board is requested to accept the reports.

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

(Corporate Services: Tony Russell, Director/Authority Clerk)

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM APRIL 9, 2012, THROUGH MAY 13, 2012, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM APRIL 9, 2012, THROUGH MAY 13, 2012:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

4. JUNE 2012 LEGISLATIVE REPORT:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2012-_____, approving the June 2012 Legislative Report.

(Inter-Governmental Relations: Michael Kulis, Director)

CLAIMS

COMMITTEE RECOMMENDATIONS

5. REQUIRED COMMUNICATIONS FROM THE EXTERNAL AUDITOR TO THE AUDIT COMMITTEE ON THE FISCAL YEAR ENDED JUNE 30, 2012, FINANCIAL AND COMPLIANCE AUDIT:

The Board is requested to accept the report.

RECOMMENDATION: The Audit Committee recommends that the Board accept the information.

(Audit: Mark Burchyett, Chief Auditor)

6. FISCAL YEAR 2012 THIRD QUARTER AUDIT ACTIVITIES REPORT, AND REPORT ON AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:

The Board is requested to accept the report.

RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

(Audit: Mark Burchyett, Chief Auditor)

7. FISCAL YEAR 2013 PROPOSED AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:

The Board is requested to accept the report.

RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

(Audit: Mark Burchyett, Chief Auditor)

8. ANNUAL REVIEW AND APPROVAL OF AMENDMENTS TO AUTHORITY POLICY 4.20 - GUIDELINES FOR PRUDENT INVESTMENTS, AND DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS TO THE VICE PRESIDENT, FINANCE/TREASURER:

The Board is requested to approve the amendments.

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2012-____, approving amendments to Authority Policy 4.20 – Guidelines for Prudent Investments, and delegation of authority to invest and manage Authority funds to the Vice President, Finance/Treasurer.

(Finance: Vernon Evans, Vice President/Treasurer)

9. REVIEW AND APPROVAL OF AMENDMENTS TO AUTHORITY POLICY 4.40 – DEBT ISSUANCE AND MANAGEMENT:

The Board is requested to approve the amendments.

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2012-____, approving amendments to Authority Policy 4.40 – Debt Issuance and Management.

(Finance: Vernon Evans, Vice President/Treasurer)

CONTRACTS AND AGREEMENTS

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

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE TWO ON-CALL AIRSIDE/LANDSIDE ENGINEERING CONSULTING SERVICES AGREEMENTS:

The Board is requested to approve and authorize the agreements.

RECOMMENDATION: Adopt Resolution No. 2012-____, approving and authorizing the President/CEO to execute an On-Call Airside/Landside Architect and Engineering Consultant Services Agreement with Hatch Mott MacDonald, LLC, for a term of three years, with the option for two one-year extensions, in an amount not-to-exceed \$5,000,000, in support of the Capital Improvement and Major Maintenance Programs, at San Diego International Airport.

Adopt Resolution No. 2012-____, approving and authorizing the President/CEO to execute an On-Call Airside/Landside Architect and Engineering Consultant Services Agreement with VA Consulting, Inc. , for a term of three years, with the option for two one-year extensions, in an amount-not-to exceed \$5,000,000, in support of the Capital Improvement and Major Maintenance Programs, at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THREE ON-CALL MATERIAL TESTING, SPECIAL INSPECTION, AND GEOTECHNICAL SERVICE AGREEMENTS TO SUPPORT THE AUTHORITY'S CAPITAL IMPROVEMENT AND MAJOR MAINTENANCE PROGRAMS:

The Board is requested to approve and authorize the agreements.

RECOMMENDATION: Adopt Resolution No. 2012-____, approving and authorizing the President/CEO to execute an On-Call Material Testing, Special Inspection, and Geotechnical Service Agreement with AMEC Environmental and Infrastructure, Inc., for a term of three years, with the option for a one-year extension, in an amount not-to-exceed \$3,500,000, to support the Capital Improvement and Major Maintenance Programs.

Adopt Resolution No. 2012-____, approving and authorizing the President/CEO to execute an On-Call Material Testing, Special Inspection, and Geotechnical Service Agreement with Kleinfelder West, Inc., for a term of three years, with the option for a one-year extension, in an amount not-to-exceed \$3,500,000, to support the Capital Improvement and Major Maintenance Programs.

Adopt Resolution No. 2012-____, approving and authorizing the President/CEO to execute an On-Call Material Testing, Special Inspection, and Geotechnical Service Agreement with Ninyo & Moore Geotechnical & Environmental Sciences Consultants, for a term of three years, with the option for a one-year extension, in an amount not-to-exceed \$3,500,000, to support the Capital Improvement and Major Maintenance Programs.

(Facilities Development: Iraj Ghaemi, Director)

12. AWARD A CONTRACT TO FLATIRON WEST, INC., TO CONSTRUCT WASHINGTON STREET ACCESS IMPROVEMENTS, AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2012-____, awarding a contract to Flatiron West, Inc., in the amount of \$2,873,776.00, for Project No. 104124, Washington Street Access Improvements at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

13. ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2013 AND THE CAPITAL PROGRAM FOR FISCAL YEARS 2013-2017 AND CONCEPTUAL APPROVAL OF THE OPERATING BUDGET FOR FISCAL YEAR 2014:

The Board is requested to adopt the operating budget.

RECOMMENDATION: Adopt Resolution No. 2012-____, approving the Authority's Annual Operating Budget for Fiscal Year 2013 and the Capital Program for Fiscal Years 2013-2017, and conceptual approval of the annual operating budget for Fiscal Year 2014.

(Finance: Vernon Evans, Vice President/Treasurer)

14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL ARCHITECT AND ENGINEERING CONSULTANT SERVICES AGREEMENT FOR THE CONSOLIDATED RENTAL CAR FACILITY (CONRAC) DEVELOPMENT PROJECT (Estimated Agreement Value \$10,000,000):

The Board is requested to approve and authorize the agreement.

RECOMMENDATION: Adopt Resolution No. 2012-____, approving and authorizing the President/CEO to execute an On-Call Consolidated Rental Car Facility ("ConRAC") Development Architect and Engineering Consultant Services Agreement with Demattei Wong Architecture, Inc. , for a term of four years, with the option for a one-year extension, in an amount not-to-exceed \$10,000,000, in support of the ConRAC Development Project, at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

CLOSED SESSION:

15. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

(Government Code 54957):

Title: President/CEO

16. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

(Government Code 54957):

Title: General Counsel

17. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

(Government Code Section 54957)

Title: Chief Auditor

18. CONFERENCE WITH LABOR NEGOTIATOR:

Labor Negotiations pursuant to Cal. Gov. Code §54957.6:

Authority Designated Negotiators: Thella F. Bowens, President/CEO; and Jeffrey Woodson, Vice President, Administration

Employee Organization: Teamsters 911

19. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Real property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8:

Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego

Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer

Negotiating Parties: United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties

Under Negotiation: Sale – terms and conditions

20. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Legal Authority: Real property negotiations pursuant to Cal. Gov. Code § 54954.5(b) and § 54956.8

Property: 4347 North Harbor Drive, San Diego, CA 92101

Authority Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer and Troy Ann Leech

Negotiating Party: City of San Diego

Under Negotiation: Terms and conditions of purchase

21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code §54956.9 (a)):

San Diego Unified Port District v. TDY Industries, Inc., et al., and related cross-actions. U.S. District Court, Southern District Case No. 03 CV 1146-B (POR)

22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code §54956.9(a)):

City of San Diego, Historical Resources Board: In re: Western Salt Company Salt Works, Report No. HRB-08-005

23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal.Gov. Code §54956.9(a)):

West Tech, Inc. v. San Diego County Regional Airport Authority, et al., L.A.S.C 37-2010-00106565-CU-BC-CTL

24. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

(Cal.Gov.Code §54956.9(a))

Ann Marie Tejcek v. San Diego County Regional Airport Authority, et al. LASC No. 37-2011-00102856-CU-PO-CTL

- 25. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of §54956.9: (1 case)
- 26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b)
[Number of cases: 1] and §54956.9(b)(3)(C) [Liability claim against Authority by
Theresa, Warren & Carl Hopkins]
- 27. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b):
Kelly Lancaster, David Boenitz, Mary Erickson and Richard Gilb, et al v. SDCERS,
San Diego Sup. Court Case No. 37-2011-G0096238-CU-PO-CT
Number of cases: 1
- 28. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (1 case)
- 29. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation (Cal. Gov. Code §§ 54956.9 (b) and 54954.5)
Number of potential cases: 1
Re: Investigative Order No. R9-2012-0009 by the California Regional Water
Quality Control Board regarding submission of technical reports pertaining to an
investigation of bay sediments at the Downtown Anchorage Area in San Diego
Bay

REPORT ON CLOSED SESSION:

NON-AGENDA PUBLIC COMMENT:

Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

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GENERAL COUNSEL REPORT:

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:

ADJOURNMENT:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

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You may also reach the Commuter Terminal by using public transit via the San Diego MTS system, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

UPCOMING MEETING SCHEDULE

<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
July 12	Thursday	9:00 A.M.	Special	Board Room
August 2(If needed)	Thursday	9:00 A.M.	Regular	Board Room
September 6	Thursday	9:00 A.M.	Regular	Board Room