

**DRAFT**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD**  
**MINUTES**  
**THURSDAY, MARCH 3, 2011**  
**BOARD ROOM**

**CALL TO ORDER:** Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:02 a.m. on Thursday, March 3, 2011 in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Board Member Desmond led the pledge of allegiance.

**ROLL CALL:**

**PRESENT:** Board Members: Berman (Ex-Officio), Boland, Cox, Desmond, Gleason, Panknin, Richie (Ex-Officio), Robinson, Smisek, Young

**ABSENT:** Board Members: None

**ALSO PRESENT:** Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk, Lisa Wolfson, Assistant Authority Clerk II

Chair Gleason noted that Items B and 12 would be heard after the Authority Advisory Committee report.

**REPORT FROM CITIZEN COMMITTEE:**

- **AUTHORITY ADVISORY COMMITTEE:**  
John Hawkins, First Vice Chair, Authority Advisory Committee, provided a report on the February 16, 2011 meeting. He stated that the committee received a briefing on the North Side Development, the CONRAC facility, the RASP, and an update on the state of aviation from Dr. Steven Van Beek.

**PRESENTATIONS:**

**B. SAN DIEGO CONVENTION CENTER EXPANSION UPDATE:**

Alexis Gutierrez, Chair of the San Diego Convention Center Corporation, and Charles Black, Project Manager, provided a presentation on the San Diego Convention Center expansion project, which included an overview of stakeholder engagement and the request for qualifications and proposal process. They also provided an overview of the open space, enhanced waterfront views, improved waterfront access, and exhibition space.

In response to Board Member Robinson regarding the number of jobs that will be created as a result of the convention center expansion, Carol Wallace, President/CEO of the San Diego Convention Center Corporation, stated that the information would be provided to Authority staff.

Board Member Young requested to know how the expansion will impact Authority operations.

**OLD BUSINESS:**

**12. COMPREHENSIVE GROUND TRANSPORTATION MANAGEMENT PLAN UPDATE: TAXICAB & SHUTTLE VAN PERFORMANCE IMPROVEMENT PROGRAM:**

Chair Gleason disclosed ex parte communications with Michael McDade.

Board Member Cox disclosed ex parte communications with Kamran Hamidi.

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Comprehensive Ground Transportation Management Plan, which included an update on the comprehensive performance improvement program, Ground Transportation Plan, impacts of increasing daily taxicab service levels, status of industry MOAs and the taxicab permit transferability issues.

In response to Board Member Panknin regarding whether independent taxis would have to be part of an association, Thella F. Bowens, President/CEO stated that individual taxi drivers would need to be part of one of the associations in order to continue operating at the Airport. She stated that if they chose not to participate in an association, their permits would need to be surrendered to the Authority.

In response to Board Member Young regarding the potential risk of a lawsuit in regard to the permit transfer issue, Breton Lobner, General Counsel provided an overview of the current regulations regarding taxi permits, which includes the language that "permittee may not assign, transfer, license, convey, or sell this permit or any rights of permittee hereunder, whether voluntarily or by operation of law, without prior approval of the Authority." He stated that the regulations are provided to the drivers when they are issued a permit and/or renewal. He stated that permits are issued for one year and must be renewed. If it is not renewed, there is no further right. He stated that currently regulation requires the President/CEO's (or her designee's) approval for any transfers.

MIKE MCDADE, SAN DIEGO, stated that most cab owners prefer the status quo; however, many of them would support Option 2.

JEFF MARSTON, SAN DIEGO, spoke in support for continuing negotiations with the associations.

NASSER TEHRANI, POWAY, spoke in opposition to the trip fee.

PAULOS HAILEMICHAEL, SAN DIEGO, spoke in support of Option 2.

KAMRAN HAMIDI, SAN DIEGO, suggested the Authority limit the number of transfers and to rescind the trip fee.

TONY HUESO, SAN DIEGO, expressed concern regarding the increasing fees that impact operators.

EDRIS WAHAB, SAN DIEGO, spoke in opposition to discontinuing permit transfers.

MICHEL ANDERSON, SAN DIEGO, spoke in support of staff's recommendation.

MOSSES WOLDEMARIAM, SAN DIEGO, suggested keeping the status quo and to charge a transfer fee.

JOHN AGOH, SAN DIEGO, spoke in support of Option 2.

RAY SALEHI, SAN DIEGO, stated that the recommended options are not fair.

XEMA JACOBSON, SPRING VALLEY, spoke in support of staff's recommendation.

Board Member Panknin stated that he could not support Options 1 or 2 regarding permit transfers. He stated that the Authority should take control of the permits for the future. He suggested creating an Option 3 to address the issue.

In response to Board Member Panknin's question regarding individual operators being able to sign the MOA, Thella F. Bowens, President/CEO, stated they need to be part of a group to sign the MOA according to rules adopted last summer. She added individuals may form separate associations.

Board Member Boland spoke in support of Option 2, and that he supported independent drivers being able to join in the MOA process.

Board Member Smisek stated that he thinks the permit is an asset. He spoke in support of an Option 3 concept, which would include a fair transfer fee.

Board Member Robinson expressed disappointment that the trip fee adopted by the Board is not on the meter yet. He requested Board Member Young's support to obtain the San Diego City Council approval to allow the fee to be added to the meter.

Chair Gleason clarified that MTS is the rate-setting authority and that MTS looks to the City of San Diego for responsible guidance and Council approval.

Board Member Desmond spoke in support of Option 2 with an end date for transfer beyond 2014. He expressed concern that individuals consider the permits their property, when in fact the permits belong to the Airport Authority.

**RECOMMENDATION:** Adopt Resolution No. 2011-0036, approving the continuation of the taxicab and shuttle van performance improvement program with increased daily taxicab service levels and authorizing the execution of Memorandum of Agreement with SuperShuttle San Diego and a continuation of negotiations with San Diego County Airport Shuttle Association and San Diego Transportation Association for the purpose of implementing ground transportation service improvements at San Diego International Airport.

**MOTION #1**

Moved by Board Member Panknin and seconded by Board Member Smisek to direct staff to continue negotiations with the various associations looking for a third option to codify the value of permits and to formalize the way permits are transferred. Motion FAILED by the following vote: YES – Panknin, Smisek, Young; NO – Boland, Cox, Desmond, Gleason, Robinson; ABSENT – None. (Weighted Vote Points: YES – 32; NO – 55; ABSENT – 0)

**MOTION #2**

Moved by Board Member Young and seconded by Board Member Robinson to approve Option #2 which states, "Until June 30, 2014, Permit holder may transfer Permit to an eligible recipient, with Authority Approval. – Status Quo. Beginning July 1, 2014, taxicab service permit holders no longer wishing to operate under or renew a permit must return the permit to the Authority's control, or, with the approval of the Authority, execute a single transfer to an eligible recipient for a fee of \$3,000. The new permit holder must acknowledge, in writing, that when he/she no longer wishes to operate under or renew the permit, the permit is to be returned to the Authority," with the understanding that the requirements under Authority Codes regarding Ground Transportation Driver Permits remain in effect. Motion CARRIED by the following vote: YES – Boland, Cox, Desmond, Gleason, Robinson, Young; NO – Panknin, Smisek; ABSENT – None. (Weighted Vote Points: YES – 68; NO – 19; ABSENT – 0)

**MOTION #3**

Moved by Board Member Smisek and seconded by Board Member Young to adopt Resolution No. 2011-0036, approving staff's recommendation. Motion CARRIED by the following vote: YES – Boland, Cox, Desmond, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 87; NO – 0; ABSENT – 0)

*The Board recessed at 11:45 a.m. and reconvened at 11:54 a.m.*

**PRESENTATIONS (Continued):**

- A. **OVERVIEW OF READY SERVICE AGREEMENTS (EDUCATIONAL ITEM):**  
Wayne Harvey, Director, Facilities Maintenance, and Bob Silvas, Director, Small Business Development, provided a presentation on Ready Service Agreements, which included 2008 issues; solutions; the process; results; and impacts to the local community.

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- C. AIR QUALITY MANAGEMENT PLAN AND COMPLIANCE WITH ATTORNEY GENERAL MEMORANDUM OF UNDERSTANDING UPDATE:** Matt Harris, Senior Director, Executive Office, and Paul Manasjan, Director, Environmental, provided a presentation on the Air Quality Management Plan, which included providing power and preconditioned air at all gates; aircraft emissions on the ground; replace shuttles with electric or alternative fuel vehicles; LEED certification; green construction practices; tenants/contractor engagement; greenhouse gas emissions; reduction; and monitoring and reporting.

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

***STANDING BOARD COMMITTEES***

- **AUDIT COMMITTEE:** None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None
- **FINANCE COMMITTEE:**  
Board Member Cox reported that the Committee discussed the proposed FY 2011 budget (Item 15) at its February 22, 2011 meeting and recommended approval.
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**  
Board Member Boland reported that the Terminal Development Program is progressing and that updates are being provided on a regular basis.
- **REGIONAL AVIATION STRATEGIC PLAN COMMITTEE:**  
Chair Gleason reported that the City of San Diego's Rules Committee and the County Board of Supervisors were briefed on the plan.

***ADVISORY COMMITTEES***

- **AUTHORITY ADVISORY COMMITTEE:** None
- **PUBLIC ART ADVISORY COMMITTEE:**  
Chair Gleason reported that at the last Art Advisory Committee meeting they received updates on the tile backsplashes and rotating exhibits. He stated that restoration of the Charles Lindbergh mural on the Commuter Terminal will need to be addressed by the Board in the near future.

## **LIAISONS**

- **CALTRANS:**  
Board Member Berman announced that Caltrans will have a groundbreaking ceremony on March 19 for Highway 52 in Santee. She also announced that a small business exchange will be held in Balboa Park in support of the Disadvantaged Business Enterprise.
- **INTER-GOVERNMENTAL AFFAIRS:**  
Board Member Cox reported that a RASP update was received by the City of San Diego Rules Committee on February 16 and that the City of San Diego's Mayor's Office received an update on the Airport Land Use Compatibility Plan on February 18. He also reported that the County Board of Supervisors received an update on the RASP. He stated that the tour for Assembly Member Nathan Fletcher was rescheduled for March 24, and that this week's information packet included letters to congressional delegates supporting the inclusion of several issues in the FAA Reauthorization Bill.
- **MILITARY AFFAIRS:** None
- **PORT:**  
Chair Gleason announced that meetings continue with the new Port leadership, headed by Scott Peters.
- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**  
Board Member Robinson reported that the first steering meeting was held on February 23. He reported that a public agency coordination meeting will be held and that a second steering committee will be held on March 9.

## **BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG TRANSPORTATION COMMITTEE:**  
Board Member Smisek reported that the Committee discussed an increase in sales tax for TransNet and Transportation Development Act funds.
- **WORLD TRADE CENTER:**  
Board Member Panknin reported that a mixer will be held on April 7. He also reported that World Trade Center will host a global green supply chain symposium in May.

**NON-AGENDA PUBLIC COMMENT:** None

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**CONSENT AGENDA (Items 1-11):**

**ACTION: Moved by Board Member Cox and seconded by Board Member Desmond to approve the Consent Agenda. Motion carried by the following vote: YES – Boland, Cox, Desmond, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 87; NO – 0; ABSENT – 0)**

1. **APPROVAL OF MINUTES:**  
RECOMMENDATION: Approve the minutes of the February 10, 2011 special meeting.
2. **ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS' WRITTEN REPORTS ON 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 JANUARY 10, 2011 THROUGH FEBRUARY 6, 2011 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 10, 2011 THROUGH FEBRUARY 6, 2011:**  
RECOMMENDATION: Receive the report.
4. **DONATION OF SURPLUS COMPUTERS AND RELATED EQUIPMENT TO CHARITABLE ORGANIZATIONS:**  
RECOMMENDATION: Receive the report.
5. **MARCH 2011 LEGISLATIVE REPORT:**  
RECOMMENDATION: Adopt Resolution No. 2011-0026, approving the March 2011 Legislative Report.
6. **REVISE THE AUTHORITY'S INTERNATIONAL AIR SERVICE INCENTIVE PROGRAM TO REFINE THE PROGRAM'S APPLICATION AND INCREASE ITS UTILITY:**  
RECOMMENDATION: Adopt Resolution No. 2011-0034, revising the Authority's International Air Service Incentive Program.
7. **APPOINTMENT TO THE AUTHORITY ADVISORY COMMITTEE:**  
RECOMMENDATION: Adopt Resolution No. 2011-0032, approving the appointment of Charlie Ferraro to the Authority Advisory Committee.

**CLAIMS**

8. **AUTHORIZE REJECTION OF THE CLAIM OF GUILLERMINA GANDARILLA:**  
RECOMMENDATION: Adopt Resolution No. 2011-0028, authorizing the rejection of the claim of Guillermina Gandarilla.
9. **AUTHORIZE REJECTION OF THE CLAIM OF PARI MEFTAH:**  
RECOMMENDATION: Adopt Resolution No. 2011-0029, authorizing the rejection of the claim of Pari Meftah.
10. **AUTHORIZE REJECTION OF THE CLAIM OF MICHAEL CAMPBELL:**  
RECOMMENDATION: Adopt Resolution No. 2011-0033, authorizing the rejection of the claim of Michael Campbell.

**COMMITTEE RECOMMENDATIONS**

11. **QUARTERLY AUDIT ACTIVITIES REPORT – FISCAL YEAR 2011 SECOND QUARTER, AND REPORT ON AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

**CONTRACTS AND AGREEMENTS**

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

**CLOSED SESSION:** The Board recessed into Closed Session at 12:40 pm to discuss Item 22.

17. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (1 case)
18. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Government Code Section 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).
19. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**  
Real property negotiations pursuant to Cal. Gov. Code Sections 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, GGTV, LLC (current tenant) and/or other interested parties  
Under Negotiation: Sale – terms and conditions.
20. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**  
Real Property Negotiations pursuant to Cal Gov. Code Sections 54954.5(b) and 54956.8:  
Property: 3.76 acre easement across MCRD and San Diego Unified Port District property located on the Washington Street extension south of Pacific Highway, in the City of San Diego, CA.  
Agency negotiators: Vernon Evans, Vice President, Finance/Treasurer and Troy Ann Leech, Director, Real Estate Management.  
Under Negotiation: Consideration of MCRD's request for exclusive use of portion of the easement; possible realignment of access and rights; acquisition of easement or right of way from the San Diego Unified Port District.
21. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal. Gov. Code Section 54956.9(a)):  
City of San Diego, Historical Resources Board: In re: Western Salt Company Salt Works, Report No. HRB-08-005
22. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal.Gov. Code Section 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

**REPORT ON CLOSED SESSION:** The Board reconvened at 1:17 pm. Breton Lobner, General Counsel, reported that there was no reportable action.

**PUBLIC HEARINGS:**

**NEW BUSINESS:**

**13. ACCEPT THE TECHNICAL FINDINGS FOR THE REGIONAL AVIATION STRATEGIC PLAN AND TRANSMIT THE FINDINGS TO SANDAG TO INCLUDE IN PREPARATION OF THE REGIONAL TRANSPORTATION PLAN:**

Ted Anasis, Manager, Regional Planning, along with Eric Bernhardt, Leigh Fisher Consultants, and Brenda Deeley, Porter Novelli, provided a presentation on the final results of the Regional Aviation Strategic Plan, which included a project recap and review; summary of findings; public outreach recap; SANDAG AMAP integration; and next steps.

Board Member Panknin stated that there should be a coordinating entity to assist with the implementation of the plan. He suggested that the Airport Authority take the lead in bringing the affected jurisdictions together.

**RECOMMENDATION:** Adopt Resolution No. 2011-0031, accepting the technical findings for the Regional Aviation Strategic Plan and transmit the findings to the San Diego Association of Governments (SANDAG) to include in preparation of the Regional Transportation Plan.

**ACTION:** Moved by Board Member Boland and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES – Boland, Cox, Desmond, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 87; NO – 0; ABSENT – 0)

**14. ADOPT A NEGATIVE DECLARATION TO CONSTRUCT AND OPERATE A CENTRAL RECEIVING AND DISTRIBUTION CENTER AT SAN DIEGO INTERNATIONAL AIRPORT:**

Ted Anasis, Manager, Regional Planning, provided an overview of the staff report.

**RECOMMENDATION:** Adopt Resolution No. 2011-0030, adopting a negative declaration prepared in accordance with the California Environmental Quality Act (CEQA) to construct and operate a central receiving distribution center (Proposed Project) at San Diego International Airport (SDIA).

**ACTION:** Moved by Board Member Young and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES – Boland, Cox, Desmond, Gleason, Panknin, Robinson, Smisek, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 87; NO – 0; ABSENT – 0)

*Board Member Young left the dais at 1:29 p.m.*

**15. PROPOSED AMENDMENTS TO THE FISCAL YEAR 2011 OPERATING BUDGET:**

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Fiscal Year 2011 Operating Budget.

**RECOMMENDATION:** Adopt Resolution No. 2011-0035, approving amendments to the Authority's Annual Operating Budget for Fiscal Year 2011.

**ACTION:** Moved by Board Member Cox and seconded by Board Member Smisek to approve staff's recommendation. Motion carried by the following vote: YES – Boland, Cox, Desmond, Gleason, Panknin, Robinson, Smisek; NO – None; ABSENT – Young. (Weighted Vote Points: YES – 74; NO – 0; ABSENT – 13)

**16. DISCUSSION REGARDING FISCAL YEAR 2012 AND FISCAL YEAR 2013 OPERATING BUDGETS:**

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the proposed operating budgets for Fiscal Year 2012 and Fiscal Year 2013, which included the organization goals, sustainability objectives, budget challenges, guiding principles, a status and timeline.

Board member Boland stated that the reason why revenues have gone up needs to be clarified.

Chair Gleason stated that the Authority needs to be clear on its priorities, specifically in regard to the Bond covenants.

RECOMMENDATION: Provide direction to staff.

**ACTION: No action was taken.**

Tony Russell, Director, Corporate Services/Authority Clerk, announced the Budget Workshop has been rescheduled for May 23, following the Executive Committee meeting.

**CHAIR'S REPORT:**

Chair Gleason discussed the upcoming retreat scheduled for March 11 and March 12. He also noted that British Airways will have their inaugural flight out of San Diego in June.

**PRESIDENT/CEO'S REPORT:**

Thella F. Bowens, President/CEO, provided updates on the new service by British Airways and the Green Build. She pointed out that many of the materials used in the Green Build project, such as the steel, were manufactured in the U.S.

**GENERAL COUNSEL REPORT:**

Breton Lobner, General Counsel, announced that a letter was sent to the Securities Exchange Commission regarding a proposed rule requiring appointed officials who issue bonds to undergo education and tests.

**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 was adjourned at 1:55 pm.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY BOARD THIS 7<sup>th</sup> DAY OF APRIL, 2011.

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TONY R. RUSSELL  
DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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