

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, APRIL 23, 2015
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:05 a.m. on Thursday, April 23, 2015, 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 Boling led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Alvarez, Boling, Desmond, Farnam (Ex Officio), Gleason, Hubbs, Janney, Robinson

ABSENT: Board Members: Berman (Ex Officio), Cox, Ortega (Ex Officio), Sessom

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Sara Real, Assistant Authority Clerk I

Board Member Alvarez arrived at 9:15 a.m.

PRESENTATION:

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Board Member Robinson announced that the next Committee Meeting is scheduled on May 4, 2015.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Board Member Hubbs announced that the next Committee Meeting is scheduled on April 30, 2015.

- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Desmond announced that the next Committee Meeting is scheduled on June 17, 2015.
- **FINANCE COMMITTEE:** None.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported that there were 20 responsive applicants for the Parking Plaza Public Art Opportunity Request for Qualifications. He stated that the artist selection panel will be meeting in May.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Board Member Janney reported that he has been working with the Cities of Coronado and Imperial Beach on the land use plans for Naval Air Station North Island, Coronado.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** None
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:**
Chair Gleason reported that after discussions with the City of San Diego and the Port of San Diego, consensus has been reached on how to provide services on a regional basis going forward, and that there will be an item on the next Board agenda regarding the license.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Hubbs reported that budget increases were recently approved for Bus Rapid Transit for I-15. He also reported that the midcoast trolley line will be starting soon and will be a major connection between the University of California San Diego, University Town Center and downtown.

CHAIR'S REPORT:

Chair Gleason reported that he and other Board Members attended the Airport Council International Conference. He also reported that the National Geographic Smart Cities documentary on San Diego has premiered, which is an overview of all the innovative things that are happening in San Diego across the region and across industries. He stated that San Diego is the only city in North America being featured.

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO, reported that air service at the Commuter Terminal will cease on June 3, 2015. She stated that the airlines are being relocated to the main terminals, and the parking lot in front of the Commuter Terminal will be redeployed. She reported that the Authority has scheduled May 6-8 for Customer Appreciation events during National Travel & Tourism Week, which is an opportunity for the Authority to thank the many passengers that use our airport. She reported that the topping out ceremony for the Rental Car Center will be in June, and that there will also be an opportunity to celebrate the naming of the interior roadway as Admiral Boland Way. She also reported that four design-build teams have been short listed for the Parking Plaza RFP. She also reported that the Green Build has received the Engineering News Record "Best of the Best 2014" award.

Board Member Alvarez reported on his Mexico delegation trip, stating that he had meetings with officials on tourism and border infrastructure.

NON-AGENDA PUBLIC COMMENT:

CONSENT AGENDA (Items 1-15):

Chair Gleason requested that Items 4 and 15 be pulled for discussion.

ACTION: Moved by Board Member Robinson and seconded by Board Member Boling to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Alvarez, Boling, Desmond, Gleason, Hubbs, Janney, Robinson; NO – None; ABSENT – Cox, Sessom. (Weighted Vote Points: YES – 84; NO – 0; ABSENT – 16)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the March 19, 2015, 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:**
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 FEBRUARY 23, 2015 THROUGH MARCH 29, 2015 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 23, 2015 THROUGH MARCH 29, 2015:**
RECOMMENDATION: Receive the report.
4. **APRIL 2015 LEGISLATIVE REPORT:**
ACTION: This item was pulled from the Consent Agenda for discussion.
5. **AMEND AUTHORITY POLICY 9.20 – SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE (ANAC):**
RECOMMENDATION: Adopt Resolution No. 2015-0025, amending Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee (ANAC).
6. **AMEND AUTHORITY CODE 7.03 – SMOKING, TO ADDRESS ELECTRONIC DELIVERY DEVICES:**
RECOMMENDATION: Adopt Resolution No. 2015-0026, amending Authority Code 7.03 – Smoking, to Address Electronic Delivery Devices.
7. **GRANT A WATER EASEMENT TO THE CITY OF SAN DIEGO:**
RECOMMENDATION: Adopt Resolution No. 2015-0027, authorizing the President/CEO to negotiate and execute a water easement with the City of San Diego in support of north side development projects.

CLAIMS

8. **REJECT THE CLAIM OF JAMES WALTERS:**
RECOMMENDATION: Adopt Resolution No. 2015-0028, rejecting the claim of James Walters.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

- 9. APPROVE AND AUTHORIZE AN INCREASE TO THE CONTRACT DURATION FOR CONSTRUCT ELECTRICAL DISTRIBUTION SYSTEM (12KV) PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2015-0029, approving and authorizing an increase to the contract duration from 479 days to 661 days, for Project No. 104136, Construct Electrical Distribution System (12kV) at San Diego International Airport.
- 10. APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY FOR PROJECT 104118 NORTH SIDE INTERIOR ROAD AND UTILITIES, FROM \$372,953 TO \$453,000:**
RECOMMENDATION: Adopt Resolution No. 2015-0030, approving and authorizing an increase in the President/CEO's change order authority from \$372,953 to an amount not to exceed \$452,953, for Project No. 104118, North Side Interior Road and Utilities at San Diego International Airport.
- 11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE TECHNICAL SUPPORT SERVICES AGREEMENT WITH ORACLE AMERICA, INC.:**
RECOMMENDATION: Adopt Resolution No. 2015-0031, approving and authorizing the President/CEO to execute a First Amendment to the Technical Support Services Agreement with Oracle America, Inc., extending the term for 5 years and increasing the compensation amount by \$750,000 for a not-to-exceed amount of \$1,625,000.
- 12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH THE CITY OF SAN DIEGO FOR THE EMT-PARAMEDIC SERVICES:**
RECOMMENDATION: Adopt Resolution No. 2015-0032, approving and authorizing the President/CEO to execute a Second Amendment to the Agreement for Emergency Medical Technician (EMT)-Paramedic services between the San Diego County Regional Airport Authority and the City of San Diego, to increase the compensation amount by \$500,000 for a total not-to-exceed compensation amount of \$5,318,000 and to exercise the two one-year renewal periods.

- 13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH OCEAN BLUE ENVIRONMENTAL SERVICES, INCORPORATED, FOR PROFESSIONAL ON-CALL HAZARDOUS WASTE DISPOSAL SERVICES:**
RECOMMENDATION: Adopt Resolution No. 2015-0033, approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Ocean Blue Environmental Services, Incorporated, for professional on-call hazardous waste disposal services to increase the original overall not-to-exceed Agreement amount of \$3,750,000 by \$2,000,000 for a revised overall not-to-exceed Agreement amount of \$5,750,000.
- 14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A LICENSE AGREEMENT AND GENERATING FACILITY INTERCONNECTION AGREEMENTS WITH SAN DIEGO GAS & ELECTRIC COMPANY ASSOCIATED WITH THE TERMINAL 2 SOLAR PHOTOVOLTAIC GENERATING SYSTEMS AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2015-0034, approving and authorizing the President/CEO to negotiate and execute: (1) a license agreement with San Diego Gas & Electric Company ("SDG&E"), for the installation, operation, and maintenance of smart meter network communications devices, for a maximum term of 20 years; and (2) two Generating Facility Interconnection Agreements with SDG&E to permit the San Diego County Regional Airport Authority to interconnect and operate electrical generating facilities on the Terminal 2 West roof and in the Terminal 2 parking lot in parallel with SDG&E's distribution system, at San Diego International Airport.

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

- 15. AWARD A CONTRACT TO GRANITE CONSTRUCTION COMPANY FOR CONSTRUCT RENTAL CAR CENTER (RCC) BUS PARKING FACILITY AT SAN DIEGO INTERNATIONAL AIRPORT:**
ACTION: This item was pulled from the Consent Agenda for discussion.

ITEMS PULLED FROM THE CONSENT AGENDA FOR DISCUSSION:

4. APRIL 2015 LEGISLATIVE REPORT:

Mike Kulis, Director, Inter-Governmental Relations, stated that staff is recommending that the position on AB 24 be changed because the bill includes the provision that Transportation Network Companies would be required to participate in the Department of Motor Vehicles Employer Pull Notice Program. He further stated that because the requirement that a Department of Justice criminal background check for TNC drivers was struck from the bill, staff is recommending that the Board adopt a "Support if Amended" position as this would allow the Authority to advocate for restoring the Department of Justice background check language if the bill continues to move forward.

RECOMMENDATION: Adopt Resolution No. 2015-0024, approving the April 2015 Legislative Report.

ACTION: Moved by Board Member Desmond and seconded by Board Member Robinson to approve staff's recommendation, as amended. Motion carried by the following vote: YES – Alvarez, Boling, Desmond, Gleason, Hubbs, Janney, Robinson; NO – None; ABSENT – Cox, Sessom. (Weighted Vote Points: YES – 84; NO – 0; ABSENT – 16)

15. AWARD A CONTRACT TO GRANITE CONSTRUCTION COMPANY FOR CONSTRUCT RENTAL CAR CENTER (RCC) BUS PARKING FACILITY AT SAN DIEGO INTERNATIONAL AIRPORT:

Iraj Ghaemi, Director, Facilities Development, provided an overview of the staff report.

In response to Board Member Alvarez regarding why the bus parking facility is not being built as part of the Rental Car Center, Mr. Ghaemi stated that there was limited space in that area to accommodate the facility.

Thella F. Bowens, President/CEO, noted that staff is working with the bus operators to determine the most cost effective way to transport passengers.

RECOMMENDATION: Adopt Resolution No. 2015-0035, awarding a contract to Granite Construction Company, in the amount of \$5,513,027 for Project No. 104181, Construct RCC Bus Parking Facility at San Diego International Airport.

ACTION: Moved by Board Member Hubbs and seconded by Board Member Boling to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Boling, Desmond, Gleason, Hubbs, Janney, Robinson; NO – None; ABSENT – Cox, Sessom. (Weighted Vote Points: YES – 84; NO – 0; ABSENT – 16)

NEW BUSINESS: None

WORKSHOP:

16. DISCUSSION REGARDING THE FISCAL YEAR 2016-2020 CAPITAL PROGRAM:

Jeffrey Woodson, Vice President, Development, and Iraj Ghaemi, Director, Facilities Development, provided a presentation on the Fiscal Year 2016-2020 Capital Program, which included the Capital Improvement Program (CIP) Overview, CIP Project Development Process, Proposed New FY2016-2020 CIP Projects, Proposed FY 2016-2020 Capital Project Adjustments, and Capital Project Summary.

Board Member Hubbs expressed concern that SANDAG should do more to make the trolley stop that will be connected to the observation area more user-friendly. He also requested that staff provide a report on which projects are current and which have been closed.

Board Member Alvarez requested that staff indicate which year each project is scheduled to begin.

In response to Board Member Boling regarding the estimates on what the annual cost savings will be for the HVAC modernization, Thella F. Bowens, President/CEO, stated that staff will provide the Board with information regarding energy usage and costs.

Chair Gleason suggested that the Authority get someone on board early to integrate art into the observation area.

Board Member Janney urged staff to consider incorporating San Diego's climate into future projects by creating outdoor spaces.

Board Member Hubbs questioned if the Authority have discussed mitigating the least terns with SANDAG because they have a very robust plan for mitigation.

Chair Gleason stated that the Board will see all projects, the timelines, and the plan of finance at the budget workshop. He requested that the place holders for projects in this year's program be reviewed next year with an update to the Board.

Board Member Boling requested that staff provide the next two or three projects on staff's priority list that didn't make it into the program.

ACTION: No action taken.

CLOSED SESSION: The Board recessed into Closed Session at 11:07 a.m. to discuss Item 26.

- 17. 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: Scott Brickner, Finance & Asset Management, Vice President/Treasurer.
Negotiating Parties: San Diego Gas & Electric, United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties.
Under Negotiation: Sale – terms and conditions.
- 18. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL
- 19. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
- 20. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Donna Wilson; John Wilson v. San Diego Port Authority; San Diego International Airport; San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL (Meyer)
- 21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1).)
Jennifer Cain v. San Diego County Regional Airport Authority, et al
San Diego Superior Court Case No. 37-2014-00030402-CU-PO-CTL
- 22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1).)
Joan M. Ward v. San Diego County Regional Airport Authority, et al
San Diego Superior Court Case No. 37-2014-00022181-CU-WT-CTL
- 23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Alice Boehm v. San Diego County Regional Airport Authority, et al,
San Diego Superior Court Case No. 37-2014-00022124-CU-PO-CTL

- 24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)
Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al.,
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL
- 25. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
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.
Number of potential cases: 1
- 26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2

REPORT ON CLOSED SESSION: The Board reconvened at 11:41 a.m. There was no reportable action.

NON-AGENDA PUBLIC COMMENT: 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 was adjourned at 11:42 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 21ST DAY OF MAY, 2015.



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

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL