

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JULY 9, 2020
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the meeting of the San Diego County Regional Airport Authority Board to order at 9:03 a.m. on Thursday, July 9, 2020, electronically and via teleconference pursuant to Executive Order N-29-20 at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

ROLL CALL:

PRESENT: Board Members: Blakespear, Boling, Cox, Dallarda (Ex-Officio), Dockery (Ex-Officio), Kersey, Lloyd, McNamara, Robinson, Schiavoni, West

ABSENT: Board Members: Cox, Miller (Ex-Officio)

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

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

- **AUDIT COMMITTEE:** Board Member Kersey reported that the Committee's next meeting will be on September 10 where they will welcome a new Committee Member, Agnes Wong-Nickerson.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member West reported that the next Committee meeting will be on July 16. Chair Boling encouraged all Board Members to attend to stay up-to-date with the Capital Improvement Program.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Board Member Schiavoni reported that the Committee met on June 25 in Closed Session.
- **FINANCE COMMITTEE:** Board Member Kersey reported that the Committee met on June 22 to review the Financial Statements and Investment Report as of May 30, 2020.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.

- **ART ADVISORY COMMITTEE:** Chris Chalupsky, Senior Manager, Art & Community Partnership, reported that the Arts Program continued to transition programming and projects in response to the pandemic. He reported that the Airport's current Temporary Art Exhibition has been extended through 2020 and that staff worked collaboratively with Procurement and Finance to amend the artist agreements at a savings to the Airport. He also reported that the Spring Performing Arts Residency group, Beck+Col have wrapped up their residency and that digital performance content from their final months is streamable on arts.san.org. He reported that the incoming artist Margaret Noble, who begins her residency this month, will explore sound installation performance art. He also reported that the Arts Program is working on a number of ADP public art solicitations to be released as an RFQ later this summer. He also reported that staff launched a series of interviews between our Airport Arts Ambassadors and artists with work in our collection, that reveal the stories behind the pieces and the artists. He reported that the videos allow the public virtual ways to experience the public art collection and that the videos can be found at arts.san.org. He also reported that the next Arts Advisory Committee meeting is tentatively scheduled for August 4 or 5.

LIAISONS

- **CALTRANS:** Board Member Dallarda reported that at the height of the pandemic the traffic decreased as much as 50% on San Diego's state highways, but it is now at about 80% normal flow with some congestion starting. He also reported that CALTRANS has dedicated a portion of their staff to COVID-19 contact tracing.
- **INTER-GOVERNMENTAL AFFAIRS:** Matt Harris, Director, Government Relations reported that the House Transportation and Housing and Urban Development Appropriations Subcommittee gave its approval to the Fiscal Year 2021 Transportation-HUD Appropriations bill. He reported that the bill would provide full funding for the Airport Improvement Program (AIP) at \$3.35 billion and appropriate an extra \$500 million in general-fund revenue for additional AIP discretionary grants available to all size airports. He reported that the measure would also provide the FAA with \$2.5 billion for discretionary airport grants to respond to the COVID-19 emergency, including \$250 million specifically for airport sustainability projects. He reported that the bill now moves to the full committee for consideration. He also reported that staff continues to monitor news involving the next COVID-19 relief package; and that to date the negotiations involving the scope of the next bill have not begun. He also reported that last week, a U.S. Government interagency group issued a document that offers guidance to airports and airlines for implementing measures to mitigate the public health risks associated with COVID-19. He reported that the document, which was jointly developed by the U.S. Departments of Transportation, Homeland Security, and Health and Human Services identifies 11 measures that airports and airlines should implement across all operations and all phases of travel to, from, and within the United States. He reported that staff is reviewing

the document to ensure that our airport has adopted these measures to protect our employees and travelers at all stages of travel. He also reported that at the state level, the Governor signed a \$202 billion state budget that includes emergency pandemic funding, expanded unemployment aid and billions of dollars in cuts forced by the COVID-19 pandemic. He reported that the final budget avoided some immediate cuts in school funding and vital state programs by deferring billions of dollars in payments until later in year. He reported that the Administration is closely monitoring discussions on the federal level regarding another COVID-19 relief package that could include additional funds for states and local governments. He also reported that in June, staff continued outreach to elected officials, our public agency partners, and key regional stakeholders on the status of San Diego International Airport operations and health and safety efforts conducted by the Airport Authority.

- **MILITARY AFFAIRS:** Board Member Dockery reported that the 2020 Miramar Air Show has been cancelled. He reported that on June 20 the Air Station was successfully islanded using their internal micro grid and that in September they plan to island the Air Station under a full operational load. He reported that they are operating all of their services largely in-line with the State and County Guidelines for COVID-19.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chairman Boling reported that the Board passed SANDAG's annual budget which included reduced revenue and expenses due to the impacts of COVID-19. She also reported that the Board heard and adjudicated the regional assessment plans with adoption of the final Regional Housing Needs Assessment Plan scheduled for July 10.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Schiavoni reported that the Committee received a presentation on the Comprehensive Multimodal Corridor Plans for 12 corridors throughout the region and that five of these have been designated as priority corridors. She reported that SANDAG's team is working to complete the plans for these corridors by summer 2021 using a policy, data, and collaboration-driven approach and that the next steps are stakeholder engagement and public outreach. She reported that the Committee also heard an overview of the current conditions and efforts underway to develop a long-term solution for the rail infrastructure along the rail corridor through the Del Mar area. She also reported that the Committee approved the FY 2021 Operating Budgets for the Metropolitan Transit System and North County Transit District; as well as received an update on the Regional Bikeway Program.

CHAIR'S REPORT: Chairman Boling expressed gratitude to Board Members for their continued flexibility in conducting virtual meetings and thanked Tony R. Russell, Director, Board Services/Authority Clerk, and the Board Services team for working with Board Members to ensure that virtual meetings work for everyone. She also reported that live public comment will be available for the first time during the July 9 Board and ALUC Meetings. She also reported that the next step is to focus on when and how Board Members and Authority staff will return to in-person meetings and that they are reviewing the logistics and legal requirements in order to accomplish this safely. She reported that the goal is to keep everyone safe while allowing the public to personally speak to members of the Board if they desire. She reported that, as Airport Authority Board Members, the hope is that the public will have confidence in traveling through the Airport, so holding in-person meetings will show that the Board Members have confidence in the efforts that the Authority has made in keeping everyone safe. She also reported that the Airport Development Plan recently reached a milestone, the interview panel conducted interviews for a Design/Build firm, thereby completing the final step in the thorough RFQ/RFP engagement process for the Terminal & Roadways Project. She reported that the panel will bring a recommendation regarding award of this contract to the regular Board meeting on September 3. She also reported that as the Authority continues to move forward with the ADP process, they are carefully evaluating all aspects of the project along the way given the COVID-19 pandemic and related financial challenges and that the Authority has built-in opportunities to slow down, speed up, or even stop work altogether. She reported that at the end of June, the Facilities Management Department and Procurement teams moved to the new buildings located along Admiral Boland Way next to the Rental Car Center.

PRESIDENT/CEO'S REPORT: Kim Becker, President/CEO, reported that Terminal 2 East opened back up as of July 8. She also reported that American Airlines and Alaska Airlines have moved back to their check-in and ticketing operations, TSA opened the passenger and screening operations and that many concessions have re-opened with limited operating hours while some concessions remain closed. She reported that the Authority is working with concession partners to identify future opportunities to re-open or extend hours as passenger levels dictate. She also reported that the Authority received 67,500 cloth masks from FEMA to be distributed and used by SAN essential workers, including employees of airlines, concessionaires, and other tenants and that the Authority anticipates receiving an additional 1.2 million face coverings for distribution to passengers. She also reported that Twenty-nine tenant employees and one Airport Authority employee have tested positive for COVID-19 and that the Authority has followed Center for Disease Control (CDC) protocols for informing staff and tenants as well as cleaning and sanitizing work areas of infected employees. She also reported that passenger numbers have continued rise over the last month. She reported that in June, the number of people through the Transportation Security Administration (TSA) checkpoint was down about 82 percent from last year. She also reported that the Authority saw 12,630 passengers through the TSA check during one day, which is a record for the pandemic, but still a third of pre-pandemic numbers. She also reported that most SAN flights are to large regional origin-destination markets or hubs and that International travel to and from San Diego is still severely restricted. She reported that in June, Alaska Airlines resumed Los Cabos, making it the only international service currently offered from SAN. She also reported that, domestically, Allegiant Air launched

new seasonal flights to previously unserved destinations across the U.S. in June and JetBlue recently announced they will add once daily, nonstop service to Newark Liberty International Airport beginning August 6. She also reported that the Authority has launched a “Let’s Go Safely” campaign, aimed at informing and reassuring passengers and highlighting the health and safety measures we’ve implemented in the terminals. She reported that the campaign has a new webpage – san.org/gosafely – which provides passengers with information on how to prepare for their trip, what to expect, COVID-19 resources, and frequently asked questions. She also reported that many of the health and safety measures have been highlighted at many local media outlets as part of a targeted media outreach strategy. She reported that these stories were all very positive helping spread this important information to thousands of San Diegans.

NON-AGENDA PUBLIC COMMENT: Tony R. Russell, Authority Clerk, reported that all non-agenda public comments received by the Authority Clerk via e-mail were sent to the Board. He read the following comments into the record.

EDRIS WAHAB, requested that the Board postpone opening the airports to all taxis to allow time for the current permit holders to recover from the impacts of COVID-19.

ABEL SEIFU, requested that the Board postpone opening the airports to all taxis.

RAY SALEHI, requested that the Board add an item to the agenda to postpone opening airport permits to all taxi cabs.

CONSENT AGENDA (Items 1-9):

ACTION: Moved by Board Member Schiavoni and seconded by Board Member West to approve the Consent Agenda. Motion carried by the following votes: YES – Blakespear, Boling, Kersey, Lloyd, McNamara, Robinson, Schiavoni, West; NO – None; ABSENT – Cox; (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 8)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the May 21, 2020 special closed session and the May 21, 2020 special and June 4, 2020 regular Board meetings.

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 MAY 11, 2020 THROUGH JUNE 14, 2020 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MAY 11, 2020 THROUGH JUNE 14, 2020:
RECOMMENDATION: Receive the report.

4. **JULY 2020 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2020-0072, approving the July 2020 Legislative Report.

CLAIMS

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

5. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SOLE SOURCE AGREEMENT WITH RUNWAY SAFE, INC., FOR ENGINEERED MATERIAL ARRESTING SYSTEM MATERIALS AND ON-SITE SERVICES AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2020-0073, approving and authorizing the President/CEO to execute a sole source agreement with Runway Safe, Inc., for Engineered Material Arresting System Materials and on-site services, in an amount not-to-exceed \$9,805,058, in support of Project No. 104281, Upgrade Energy Mass Arresting System (EMAS) at San Diego International Airport.
6. **APPROVE AND AUTHORIZE THE AWARD OF A CONTRACT TO HAZARD CONSTRUCTION COMPANY FOR UPGRADE ENERGY MASS ARRESTING SYSTEM AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2020-0074, awarding a contract to Hazard Construction Company, in the amount of \$2,414,650 for Project No. 104281, Upgrade Energy Mass Arresting System (EMAS) at San Diego International Airport.
7. **APPROVE AND AUTHORIZE THE AWARD OF A CONTRACT TO GRANITE CONSTRUCTION COMPANY FOR REHABILITATE APRON PAVEMENT AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2020-0075, awarding a contract to Granite Construction Company, in the amount of \$3,636,636 for Project No. 104278, Rehabilitate Apron Pavement at San Diego International Airport.
8. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO AWARD A PURCHASE ORDER FOR CISCO HARDWARE AND MAINTENANCE SERVICES:**
RECOMMENDATION: Adopt Resolution No. 2020-0076, approving and authorizing the President/CEO to award a Purchase Order to Logicalis, Inc., to provide network hardware and maintenance services in support of the approved AVSEC Network Redesign Capital Improvement Project 104254.

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

9. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 10, GROUP 8, PROJECT NO. 381008 FIFTY-ONE (51) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON FIFTY (50) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2020-0077, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,744,756.23 for Phase 10, Group 8, Project No. 381008, of the San Diego County Regional Airport Authority's Quieter Home Program.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT FOR CONTRACT SECURITY SERVICES:

Clint Welch, Director, Aviation Security & Public Safety, provided a presentation on the Approval of the Agreement for Contract Security Services that included RFP Background and Process, Criteria for Proposals, Shortlist Selection, Criteria for Interviews, Final Evaluation Panel Rankings, Respondent Proposed Fees and Background of Global Aviation Management Group, Inc.

In response to Board Member West's concern about interactions between Air Traffic Officers (ATO) and the public with respect to current events, Angela Shafer Payne, Vice President and Chief Operating Officer, stated that the Authority is mindful of current events and has continued ongoing training on de-escalation and appropriate public engagement.

RECOMMENDATION: Adopt Resolution No. 2020-0078, approving and authorizing the President/CEO to execute an Agreement with Global Aviation Management Group, Inc., for contract security services in an amount not-to-exceed forty million dollars (\$40,000,000) for a term of three (3) years, with the option of four (4) one-year extensions at the sole discretion of the President/CEO and an additional not-to-exceed one-hundred eight (108) days to the first one-year term of the Agreement for service transition at no cost to the Authority.

ACTION: Moved by Board Member Robinson and seconded by Board Member West to approve the staff's recommendation. Motion carried by the following votes: YES – Blakespear, Boling, Kersey, Lloyd, McNamara, Robinson, Schiavoni, West; NO – None; ABSENT – Cox; (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 8)

The Board recessed at 9:43 a.m. and reconvened at 9:45 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 9:46 a.m. to discuss Items 16, 25, 26 and 27.

- 14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Park Assist LLC v. San Diego County Regional Airport Authority, et al.
United States District Court Case No. 18 CV2068 LAB MDD
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: M.W. Vasquez Construction Co. Inc. v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2019-00021
- 17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Quiet Skies San Diego v. San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2020-00007998-CU-TT-CTL
- 18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: In re Hertz Global Holdings, Inc., Case No. 20-11219-MFW
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 2
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 1

- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Order No. WQ 2019-0005-DWQ by the State Water Resources Control Board pertaining to PFAS
Number of potential cases: 1
- 23. CONFERENCE WITH LABOR NEGOTIATORS:**
(Cal. Gov. Code section 54957.6)
Agency designated representatives: Angela Shafer-Payne, Monty Bell, Lola Barnes, Greg Halsey, Rod Betts
Employee organization: California Teamsters Local 911
- 24. THREAT TO PUBLIC SERVICES OR FACILITIES:**
Consultation with: General Counsel and President/CEO
- 25. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: President/Chief Executive Officer
- 26. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: General Counsel
- 27. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 11:40 a.m. Amy Gonzalez, General Counsel, reported that in regards to Item 16, the Board authorized settlement of the litigation in the amount of \$29,296.45, which was approved 8-0-1 with Board Members Blakespear, Boling, Kersey, Lloyd, McNamara, Robinson, Schiavoni, and West voting YES, noting Board Member Cox as ABSENT.

Board Member Schiavoni reported that the Board reviewed the performance of the President/CEO, General Counsel, and Chief Auditor and had reports to provide for Item 11, 12, and 13.

NEW BUSINESS (CONTINUED):

11. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING THE COMPENSATION OF THE PRESIDENT/CEO:

Board Member Schiavoni reported that the Board gave the President/CEO a positive performance evaluation, that the Board is taking a fiscally prudent approach and that there is no recommendation for an increase in salary or bonus at this time. She also reported that the contract with the President/CEO has renewed as of July 1 on its existing terms.

RECOMMENDATION: The Board will be discussing and possibly taking action regarding the employment contract of the President/Chief Executive Officer.

12. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING THE COMPENSATION OF THE GENERAL COUNSEL:

Board Member Schiavoni reported that the Board gave the General Counsel a positive performance evaluation, that the Board is taking a fiscally prudent approach and that there is no recommendation for an increase in salary or bonus at this time. She also reported that the contract with General Counsel has renewed as of July 1 on its existing terms.

RECOMMENDATION: The Board will be discussing and possibly taking action regarding the employment contract of the General Counsel.

13. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING THE COMPENSATION OF THE CHIEF AUDITOR:

Board Member Schiavoni reported that the Board gave the Chief Auditor a positive performance evaluation, that the Board is taking a fiscally prudent approach and there is no recommendation for an increase in salary or bonus at this time. She also reported that the contract with the Chief Auditor has renewed as of July 1 on its existing terms.

RECOMMENDATION: The Board will be discussing and possibly taking action regarding the employment contract of the Chief Auditor.

GENERAL COUNSEL REPORT: None.

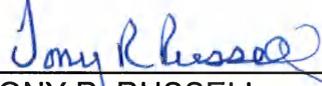
BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY: None.

BOARD COMMENT: None.

ADJOURNMENT: The meeting adjourned at 11:42 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 3RD DAY OF SEPTEMBER, 2020.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL