

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MARCH 4, 2021
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Schiavoni called the meeting of the San Diego County Regional Airport Authority Board to order at 9:01 a.m. on Thursday, March 4, 2021, 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, Cabrera, Casillas Salas, Dallarda (Ex-Officio), Lloyd, McNamara, Robinson, Schiavoni, Vargas, von Wilpert

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

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

Robert Gleason, Chair of the Authority Arts Advisory Committee, acknowledged the passing of Committee Member Larry Baza and recognized his contribution to the Authority and the San Diego community.

PRESENTATIONS:

A. DISCUSSION REGARDING THE PARAMETERS FOR FISCAL YEAR 2022 AND FISCAL YEAR 2023 OPERATING BUDGETS:

Kimberly J. Becker, President/CEO, Scott Brickner, Vice President/CFO, John Dillon, Director, Financial Planning & Budget and Maya Dayan, Manager, Airport Finance provided a presentation on the Parameters for the FY 2022 and FY 2023 Operating Budgets that included Strategic Plan Future State Description, Strategic Goals, Focus Areas, Top Three Priorities, Airport Development Program (ADP) Action Items, Optimizing Ongoing Business (OOB) Action Items, Transforming Customer Experience (TCE) Action Items, Enplanements, Total Operating Revenue, Revenue Budget Parameters, Total Operating Expenses & Equipment Outlay, Expense Budget Parameters, Budget – Timeline of Key Dates.

Board Member Blakespear requested that if the Airport decides to not move towards 100% renewable power that it be brought back to the Board for discussion.

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

- **AUDIT COMMITTEE:** Committee Member Vann reported that the Committee met on February 8th and the meeting included the Fiscal Year 2021 Second Quarter Report from the Office of the Chief Auditor and a Revision to the Fiscal Year 2021 Audit Plan of the Office of the Chief Auditor. She also reported that the Audit Committee is accepting applications to fill an upcoming public member vacancy on the Audit Committee.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** Board Member Lloyd reported that the Committee met on February 22nd to review the Unaudited Financial Statements for the Seven Months Ended January 31, 2021 as well as the Investment Report as of January 31, 2021.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:** Chris Chalupsky, Senior Manager, Arts Program, reported that the call for submissions for the Airport's new artist mentorship program called "Under the Wing" closed on March 4th. He also reported on the loss of Larry Baza from our Arts Advisory Committee and that the committee will discuss ways the Authority can memorialize the late Committee Member at an upcoming meeting.

LIAISONS

- **CALTRANS:** Board Member Dallarda reported that the Torrey Meadows Bridge opened on February 13th. He also reported that on February 18th the Gilman Bridge was illuminated. He announced the upcoming March 6th "Tarp Your Load" event and the March 30th Disadvantage Business Enterprise Summit and that the United States Department of Transportation released a Notice of Availability for Infrastructure for Rebuilding America (INFRA) Grants and that applications are due on March 19th. He also reported that CALTRANS has released the California Transportation Plan (CTP) 2050.
- **INTER-GOVERNMENTAL AFFAIRS:** Board Member Cabrera reported that the House of Representatives approved the Pandemic Relief Package and that it has progressed to the Senate and that this legislation includes \$6.5 billion for commercial airports and \$800 million for concessionaires. He also reported that the Government Relations team is working with local government agency partners, federal consultants, and trade associations to deliver Letters in Support for additional relief to San Diego Congressional Delegation and made personal contact with key Congressional Staff to advocate for the inclusion of the airport industry in the final Bill. He reported that President Biden is expected to release

details of the Infrastructure Proposal and that, in response, the Authority has developed a list of Capital Improvement Projects that are shovel ready and will help the regional economy recover and that this will be included in the Authority's advocacy efforts. He also reported that the Governor and Legislature continue to address the impact of the COVID-19 pandemic and prepare the state for recovery and that on February 23rd the Golden State Stimulus Plan was signed. He reported that the San Diego City Council voted to create a temporary COVID-19 Response and Recovery Committee and it will be co-chaired by Board Member von Wilpert and Jennifer Campbell, Council President. He also reported that the Government Relations Team continues to deliver briefings to local elected officials and their staff on the impacts of COVID-19, the Airport Development Program and additional topics of importance and interest.

- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Schiavoni reported that the Board met on February 12th where the Board approved additional bond refinancing and short-term debt refunding, adopted SANDAG's Commitment to Equity statement and received a presentation on the Initial Performance Results, Key Planning Assumptions and Upcoming Milestones for the development of the 2021 Regional Plan. She also reported that at the February 26th meeting the Board received presentations on SANDAG's Disadvantage Business Enterprise and Workforce Utilization Program, received a report on the Equal Opportunity Program and Internal Employment Program, a Regional Economic update and that the Board approved an amendment to the SANDAG budget for the current Fiscal Year.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Cabrera reported that the Committee heard a report on the Proposed 2021 Bond Issuance Refunding and New Debt and heard additional updates on the Regional Transportation Improvement Program, the Otay Mesa East Port of Entry and an Update on the Next Generation Transit Fare System and Possible Fare Changes.

Board Member Lloyd reported that the Committee also heard updates on the North County Trolley System.

Board Member Blakespear reported on SANDAG's Litter Abatement Subcommittee's efforts to reduce litter on San Diego highways and on the Committee's support of the CALTRAN's "Tarp Your Load" program in reducing litter by unsecured loads.

CHAIR'S REPORT: Chair Schiavoni congratulated Board Member Vargas on her appointment as the Chair of SANDAG's Transportation Committee. She also reported that the Airport Innovation Lab has launched its fifth cohort and that the cohort will focus on health and safety in the terminals. She also reported that the Facilities Management Department and the Airport Design and Construction teams worked together to save the Authority more than \$300,000 by trading two sweeper trucks for two new machines powered by clean diesel which will further reduce emissions. She also reported that the Airport Authority has received the Distinguished Budget Presentation Award from the Government Finance Officers Association for its annual budget for the fiscal year beginning July 1, 2019 and that this marks the 16th consecutive year that the Authority has earned this award. She also reported that the Design-Build Institute of America has presented the airport with two "2020 Design-Build for Transportation/Aviation Leadership" awards for Terminal 2 Parking Plaza and the International Arrivals facility projects.

PRESIDENT/CEO'S REPORT: Kim Becker, President/CEO, reported that Japan Airlines resumed its nonstop service to Tokyo on March 3rd and that this is the first overseas route that SAN has been able to regain. She also reported that Alaska Airlines has announced that they will offer seasonal nonstop service from SAN to Kalispell and Bozeman, Montana starting May 20th, and, in two weeks, will begin nonstop service to Missoula, Montana. She reported that Allegiant announced it would offer seasonal nonstop service to Kalispell and Bozeman, Montana, Pasco, Washington, Des Moines, Iowa, and Mesa, Arizona as early as the end of May. She also reported that the Valentine's/President's Day weekend provided a slight bump to passenger traffic and that the Authority ended February down 70% over last year. She also provided an update on the federal mask mandate, which requires that individuals who do not wear a mask to be removed from the premises, and that guidance has been provided on what constitutes an appropriate facial covering to travelers. She reported that individuals who are not in compliance will be offered disposable masks and that the Authority continues to provide education to passengers through a variety of means, including the website, in-terminal signage, and social media posts. She reported that on February 11th, researchers from the Harvard T.H. Chan School of Public Health released an independent report under their Aviation Public Health Initiative that examines the strategies implemented by airports to reduce the transmission of COVID-19. She reported that this report found that a multi-layered approach to health and safety significantly contributed to risk reduction of COVID-19 transmission and it also made it clear that passengers have a role to play in preventing the spread of COVID-19 by wearing masks, physically distancing, and practicing hand hygiene and that SAN continues to evaluate and modify health and safety mitigation strategies based on the best available science. She also reported that the Authority published the 2019-2020 Sustainability Report at the end of 2020 and that a one-page summary sheet has been created which can be downloaded at sustain.san.org.

NON-AGENDA PUBLIC COMMENT: None.

CONSENT AGENDA (Items 1-10):

ACTION: Moved by Board Member Robinson and seconded by Board Member Cabrera to approve the Consent Agenda. Motion carried by the following votes: YES – Blakespear, Cabrera, Casillas Salas, Lloyd, McNamara, Robinson, Schiavoni, Vargas, von Wilpert; NO – None; ABSENT – None; (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the January 25, 2021 Special and the February 4, 2021 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 JANUARY 11, 2021 THROUGH FEBRUARY 7, 2021 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 11, 2021 THROUGH FEBRUARY 7, 2021:**
RECOMMENDATION: Receive the report.
4. **MARCH 2021 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2021-0021, approving the March 2021 Legislative Report.
5. **CONTINUE THE DECLARATION OF THE EXISTENCE OF A LOCAL EMERGENCY IN REPSONSE TO THE SERIOUS AND IMMINENT THREAT OF THE NOVEL CORONAVIRUS (COVID-19):**
RECOMMENDATION: Adopt Resolution No. 2021-0022, confirming the need to continue the Declaration of a Local Emergency in response to COVID-19.
6. **APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:**
RECOMMENDATION: Adopt Resolution No. 2021-0023, appointing members to the Authority Advisory Committee.

CLAIMS

COMMITTEE RECOMMENDATIONS

7. **FISCAL YEAR 2021 SECOND QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
8. **REVISION TO THE FISCAL YEAR 2021 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board Adopt Resolution No. 2021-0024, approving the revision to the Fiscal Year 2021 Audit Plan of the Office of the Chief Auditor.

CONTRACTS AND AGREEMENTS

9. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE ON-CALL INDUSTRIAL HYGIENE SERVICES AGREEMENT WITH TETRA TECH EM INC.:**
RECOMMENDATION: Adopt Resolution No. 2021-0025, approving and authorizing the President/CEO to execute a Second Amendment to the On-call Industrial Hygiene Services Agreement with Tetra Tech EM Inc., increasing the amount payable by \$775,000 for a total not-to-exceed compensation amount of \$1,475,000.
10. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AMENDMENT TO A REIMBURSABLE AGREEMENT BETWEEN THE FEDERAL AVIATION ADMINISTRATION (FAA) FOR THE RELOCATION OF TWO COMPONENTS OF AN FAA SYSTEM THAT CONFLICT WITH ADP PACKAGE 1: TERMINAL AND ROADWAYS:**
RECOMMENDATION: Adopt Resolution No. 2021-0026, approving and authorizing the President/CEO to negotiate and execute an Amendment to a Reimbursable Agreement between the Federal Aviation Administration (FAA) and the San Diego County Regional Airport Authority for the relocation of two components of an FAA system.

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

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

The Board recessed at 10:40 a.m. and reconvened at 10:43 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:44 a.m. to discuss Items 13 and 23.

11. **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
12. **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
13. **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
14. **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
15. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: Elizabeth Stillwagon v. San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2020-00015509-CU-OE-CTL
16. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: City of Coronado v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2020-00039394-CU-TT-CTL
17. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of case: In re Advantage Holdco, Inc., et al., Case No. 20-11259-JTD
18. **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

- 19. 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
- 20. 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
- 21. 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
- 22. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
(Government Code §54956.8)
Property: 2554-2610 California Street, San Diego CA 92101
Agency negotiator: Hampton Brown, Eric Podnieks
Negotiating parties: Ryan King, Voit Estate Services
Under negotiation: Price and terms of payment
- 23. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
(Government Code §54956.8)
Property: Approximately 104,830 square feet of land area located at 2535 Pacific Highway in the City of San Diego, California; approximately 135,521 square feet of land area located at 3032 North Harbor Drive in the City of San Diego; approximately 60,958 square feet of land area on the east side of Harbor Island Drive near North Harbor Drive; and 261,130 square feet of land area located north-easterly of the neck of Harbor Island Drive and adjacent easterly to 1380 Harbor Island Drive in the City of San Diego, California
Agency negotiator: Hampton Brown, Eric Podnieks
Negotiating parties: Taylor Stack, Asset Manager, Real Estate-San Diego Unified Port District, Anette Dahl, Department Manager, Real Estate-San Diego Unified Port District
Under negotiation: Price and terms of payment
- 24. THREAT TO PUBLIC SERVICES OR FACILITIES:**
Consultation with: General Counsel and President/CEO

REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 11:40 a.m.

GENERAL COUNSEL REPORT: None.

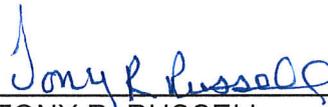
BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY: None.

BOARD COMMENT: None.

ADJOURNMENT: The meeting adjourned at 11:40 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 1ST DAY OF APRIL, 2021.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL