

## **DRAFT ACTION MINUTES**

### **Board Meeting Agenda**

**Thursday, November 4, 2021**  
**9:00 A.M.**

San Diego International Airport  
SDCRAA Administration Building  
3225 N. Harbor Drive  
San Diego, California 92101

#### **Board Members**

Gil Cabrera (Chair)  
Paul Robinson (Vice Chair)  
Catherine Blakespear  
Mary Casillas Salas  
Robert T. Lloyd  
Paul McNamara  
Johanna Schiavoni  
Nora E. Vargas  
Marni von Wilpert

#### **Ex-Officio Board Members**

Col. Thomas M. Bedell  
Gustavo Dallarda  
Gayle Miller

#### **President/CEO**

Kimberly J. Becker

*Live webcasts of Authority Board meetings can be accessed at*  
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>

**CALL TO ORDER:** Chair Cabrera called the meeting to order at 9:00 a.m.

**ROLL CALL:** Board Member Bedell (Ex-Officio) and Miller (Ex-Officio) were ABSENT.

#### **ITEMS REMOVED FOR THE CONSENT AGENDA:**

**[ACTION: 8-0-1 to approve Staff's Recommendation Item 6, noting Board Member von Wilpert as ABSENT]**

#### **6. CONSIDERATION OF WHETHER TO CONTINUE VIRTUAL MEETINGS FOR AUTHORITY BOARD AND COMMITTEE MEETINGS PURSUANT TO AB 361:**

RECOMMENDATION: Adopt Resolution No. 2021-0123, finding that it is in the best interest of the Authority and the public it serves to continue to hold virtual public meetings of the Board and its Committees because a declared state of emergency is ongoing and continues to directly impact the ability of the Board and its Committees to meet safely in person and state and local officials recommend measures to promote social distancing.

#### **PRESENTATIONS:**

#### **A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2021:**

Presented by Scott Brickner, Vice President/Chief Financial Officer

**B. 2020-2021 AIRPORT AUTHORITY SUSTAINABILITY REPORT:**

Presented by Michelle Brega, Sr. Director, External Relations

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

- **AUDIT COMMITTEE:**  
Committee Members: Blakespear, Casillas Salas, Lloyd, Vann (Chair), Newsom, Vargas, Wong Nickerson
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**  
Committee Members: Blakespear, Cabrera, McNamara (Chair), Schiavoni, von Wilpert
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Committee Members: McNamara, Robinson (Chair), Schiavoni, Vargas
- **FINANCE COMMITTEE:**  
Committee Members: Cabrera, Casillas Salas, Lloyd (Chair), von Wilpert

**ADVISORY COMMITTEES**

- **AUTHORITY ADVISORY COMMITTEE:**  
Liaison: Casillas Salas (Primary), Robinson
- **ARTS ADVISORY COMMITTEE:**  
Committee Member: Schiavoni

**LIAISONS**

- **CALTRANS:**  
Liaison: Dallarda
- **INTER-GOVERNMENTAL AFFAIRS:**  
Liaison: Cabrera
- **MILITARY AFFAIRS:**  
Liaison: Dockery
- **PORT:**  
Liaisons: Robinson, Schiavoni (Primary), Vargas

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- **WORLD TRADE CENTER:**  
Representatives: Robert H. Gleason

**BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG BOARD OF DIRECTORS:**  
Representative: Cabrera (Primary), Schiavoni
- **SANDAG TRANSPORTATION COMMITTEE:**  
Representatives: Lloyd (Primary), Robinson

**CHAIR REPORT:**

**PRESIDENT/CEO REPORT:**

**NON-AGENDA PUBLIC COMMENT:**

**CONSENT AGENDA (ITEMS 1- 5, 7-12):**

*Board Member von Wilpert joined the meeting at 9:20 a.m.*

**[ACTION: 9-0 to approve the Consent Agenda as amended]**

1. **APPROVAL OF MINUTES:**  
RECOMMENDATION: Approve the minutes of the September 27, 2021, special and October 7, 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 SEPTEMBER 13, 2021, THROUGH OCTOBER 10, 2021, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM SEPTEMBER 13, 2021, THROUGH OCTOBER 10, 2021:**  
RECOMMENDATION: Receive the report.

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**4. NOVEMBER 2021 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2021-0121, approving the November 2021 Legislative Report.

**5. APPROVE AN AMENDMENT TO THE AMENDED AND RESTATED SUBORDINATED, PROMISSORY NOTE BETWEEN THE SAN DIEGO UNIFIED PORT DISTRICT AND SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY:**

RECOMMENDATION: Adopt Resolution No. 2021-0122, approving an amendment to the amended and restated subordinated, promissory note between the San Diego Unified Port District and San Diego County Regional Airport Authority.

**CLAIMS**

**COMMITTEE RECOMMENDATIONS**

**7. ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2021:**

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

**8. ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF SEPTEMBER 30, 2021:**

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

**CONTRACTS AND AGREEMENTS**

**9. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A THIRD AMENDMENT TO THE CONCESSION LEASE WITH IN-TER-SPACE SERVICES, INC., DBA CLEAR CHANNEL AIRPORTS:**

RECOMMENDATION: Adopt Resolution No. 2021-0124, approving and authorizing the President/CEO to negotiate and execute a Third Amendment to the Concession Lease with In-Ter-Space Services, Inc., dba Clear Channel Airports.

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

**10. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 11, GROUP 5, PROJECT NO. 381105 THIRTY-FOUR (34) NON-HISTORIC SINGLE FAMILY AND MULTI-FAMILY UNITS ON NINETEEN (19) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2021-0125, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,419,951.90 for Phase 11, Group 5, Project No. 381105, of the San Diego County Regional Airport Authority's ("Authority") Quieter Home Program.

**11. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A CONTRACT FOR THE OWNER CONTROLLED INSURANCE PROGRAM:**

RECOMMENDATION: Adopt Resolution No. 2021-0126, authorizing the President/CEO to negotiate and execute a contract to bind coverage for the Owner Controlled Insurance Program (OCIP) in an amount not-to-exceed \$20,000,000 for seven (7) years.

**12. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A CONTRACT FOR THE BUILDERS RISK INSURANCE POLICY:**

RECOMMENDATION: Adopt Resolution No. 2021-0127, authorizing the President/CEO to negotiate and execute a contract to bind coverage for the Builders Risk Insurance Policy in an amount not-to-exceed \$15,000,000 for seven (7) years.

**PUBLIC HEARINGS:**

**OLD BUSINESS:**

**NEW BUSINESS:**

*Board Member Casilla Salas left the meeting at 10:00 a.m.*

*Board Member Vargas left the meeting at 10:23 a.m.*

13. **AUTHORIZATION AND APPROVAL OF THE SALE OF UP TO \$2.5 BILLION OF SUBORDINATE AIRPORT REVENUE AND REVENUE REFUNDING BONDS, INCLUDING DELEGATION OF PRICING AUTHORITY AND APPROVAL OF RELATED DOCUMENTS, TO FUND THE NEW T1 PROJECTS AND TO REFUND THE AUTHORITY'S OUTSTANDING SENIOR SERIES 2013 BONDS:**

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2021-0128, authorizing the issuance and sale of not to exceed \$2.5 billion in aggregate principal amount of one or more series of San Diego County Regional Airport Authority Subordinate Airport Revenue and Revenue Refunding Bonds; Approving the forms of a Ninth Supplemental Subordinate Trust Indenture, Preliminary and Final Official Statements, a Purchase Contract, an Escrow Agreement, a Continuing Disclosure Certificate, and certain related matters.

**[ACTION: 7-0-2 to approve staff's recommendation, noting Board Members Casillas Salas and Vargas as ABSENT]**

14. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A TELECOMMUNICATION LICENSE AGREEMENT TO CELLCO PARTNERSHIP DBA VERIZON WIRELESS TO FINANCE, DESIGN, BUILD, OPERATE AND MAINTAIN AN AIRPORT CAMPUS-WIDE CELLULAR SERVICE INFRASTRUCTURE:**

RECOMMENDATION: Adopt Resolution No. 2021-0129, authorizing the President/CEO to negotiate and execute a Telecommunication License Agreement to Cellco Partnership dba Verizon Wireless to finance, design, build, operate, and maintain an Airport Campus-wide Cellular Service Infrastructure for a term of 15-years, with the option for one 5-year extension at the discretion of either Party.

**[ACTION: 7-0-2 to approve staff's recommendation, noting Board Members Casillas Salas and Vargas as ABSENT]**

**15. AWARD A TEN-YEAR CONCESSION LEASE TO AD PARTNERSHIP, LLC DBA AIRPORT DIMENSIONS TO DESIGN, BUILD AND OPERATE A COMMON USE LOUNGE WITHIN TERMINAL 2 WEST:**

RECOMMENDATION: Adopt Resolution No. 2021-0130, awarding a non-exclusive concession lease to AD Partnership, LLC dba Airport Dimensions to design, build and operate an airport lounge within Terminal 2 West at San Diego International Airport for a term not to exceed ten (10) years with rent of the greater of 30% gross revenues or the required Minimum Annual Guarantee for each year and authorizing the President/CEO to take all necessary actions to execute the concession lease.

**[ACTION: 7-0-2 to approve staff's recommendation, noting Board Members Casillas Salas and Vargas as ABSENT]**

*Board Member Lloyd left the meeting at 11:10 a.m.*

**16. AUTHORIZE FOOD & BEVERAGE CONCESSIONAIRES TO ADD A 2% SURCHARGE TO BE USED FOR EMPLOYEE COMPENSATION AND RETENTION:**

RECOMMENDATION: Adopt Resolution No. 2021-0131, authorizing the President/CEO to execute amendments to Food & Beverage Concession Leases to allow Food & Beverage Concessionaires to voluntarily add a surcharge of 2% to be used for employee compensation and retention.

**[ACTION: 7-0-2 to approve staff's recommendation, noting Board Members Casillas Salas and Vargas as ABSENT]**

*Board Member von Wilpert left the meeting at 11:09 a.m.*

*The Board recessed at 11:10 a.m. and reconvened at 11:15 a.m.*

**CLOSED SESSION:** The Board did not meet in Closed Session.

**17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Name of Case: Reyna-Bolanos v. San Diego County Regional Airport Authority  
San Diego Superior Court Case No. 37-2020-00015247-CU-PO-CTL

**18. 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

**19. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of case: Neighbors Against Noise and Traffic v. City of El Cajon, et al., San Diego Superior Court Case No. 37-2021-00016823-CU-TT-CTL

**20. CONFERENCE WITH LEGAL COUNSEL – EXISTING 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

**21. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**

(Government Code §54956.8)

Property: 2 parcels of land situated in the City of San Diego, County of San Diego, State of California, said parcels being a portion of that 231.21 acre tract of land acquired by Warranty Deed from San Diego Securities Company dated June 4, 1917 and recorded June 9, 1917 in Book 740 at page 61 of Deeds in the Office of the Recorder of San Diego County and a portion of that 180.34 acre tract of land acquired by Deed from the City of San Diego dated December 1, 1916 and recorded September 5, 1917 in Book 739 at page 307 of Deeds in the Office of the Recorder of San Diego County and said parcels being designated for the purpose of this description as Parcel 1 and Parcel 2. Parcel 1- approximately 14.03 acres of land and Parcel 2-approximately 2.39 acres of land as more specifically described in the Lease Agreement between the United States of America and the San Diego County Regional Airport Authority, Authority Lease No. LE-0107.

Agency negotiator: Hampton Brown, Matt Harris, Susan Diekman, Jim DeCock, Amy Gonzalez

Negotiating parties: David Bixler, Michael Oestericher, Russell Rang, Reid Merrill, Curtis Permitto- United State of America, Department of the Navy

Under negotiation: Price and terms of payment

**REPORT ON CLOSED SESSION:** 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 board adjourned at 11:15 a.m.

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