

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, DECEMBER 1, 2022
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Cabrera called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:01 a.m. on Thursday, December 1, 2022, at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Blakespear led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Blakespear, Cabrera (Chair), Casillas Salas, Dallarda (Ex-Officio), Robinson, Schiavoni, Sly, Vargas, von Wilpert

ABSENT: Board Members: Bedell (Ex-Officio), McNamara, Miller (Ex-Officio),

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony Russell, Director, Board Services/Authority Clerk; Sean Harris, Assistant Authority Clerk II

PRESENTATIONS:

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

- **AUDIT COMMITTEE:** Board Member Schiavoni reported that the Committee met on November 21, 2022 and received a report from FORVIS, external auditors, on the Authority's financial reports for the year-ended June 30, 2022. She also reported that this year's audit included work to implement the new Governmental Accounting Standards Board (GASB) Statement 87 reporting requirements.

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that the Committee has not met since the last Board meeting. She reported that the next Committee meeting is scheduled for January 19, 2023, where they will receive a report on construction progress for the New Terminal 1 and the Airport's outreach efforts related to the program.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** Board Member Schiavoni reported that the Committee met on November 21, 2022, and the unaudited financial statements for the four months ended October 31, 2022, as well as the Authority's investment report as of October 31, 2022. She also reported that there was an update provided on the authority's revolving credit facility and outstanding balances.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Vice Chair Casillas Salas reported that the Committee met on November 9 and received presentations on the Airport Authority's Sustainability Report, New Terminal 1 Construction, New Terminal 1 Outreach, and the New Terminal 1 Concession/Small Business. She reported that two new members were welcomed to the Committee: Kavin Schiefedecker from the San Diego Tourism Authority and Mary Dover from the North County Transit District.
- **ARTS ADVISORY COMMITTEE:** Board Member Schiavoni reported that the next Committee meeting is on December 14 and the Committee will review progress updates on New Terminal 1 art projects and receive an overview of incoming temporary exhibition (A Necessary Departure), a presentation on Diversity, Equity, and Inclusion (DEI), and recommended selection panelists for the Admiral Boland Way Mural Program.

LIAISONS

- **CALTRANS:** Board Member Dallarda reported that the Clean California Local Grant Program Cycle 2's funding opportunity will be available soon in the amount of \$100 million statewide. He reported that the Reconnecting Communities Highways to Boulevards funding opportunity in the amount of \$149 million was established in the 2022-23 State budget. He also reported that the call for projects for this funding opportunity would be in January and applications will be received between January and March.

- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that in Washington, Congress is working through a number of key legislative priorities during its “lame duck” session this month, the most critical of which is passage of a Federal appropriations package to fund the government for the rest of Fiscal Year 2023. He reported that in Sacramento, the State Legislature will convene for its organizational session next week, and members will begin introducing bills thereafter, which will be considered over the coming months.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** Hampton Brown, Vice President/CRO, reported that a meeting of the Board of Directors of the World Trade Center San Diego was held at the Authority offices on November 17, and that the Board welcomed Board Member Dan Malcolm. He reported that there was an election of officers that confirmed Robert Gleason, as Chair; Christina Bibler, as Secretary; and Dan Malcolm, as Treasurer. He reported that the Board heard an update on the 2022 Workplan and Annual Report as well as an update on the Global Competitiveness Council and License Holder Deliverables. He also reported a priority of the 2022 Workplan was retention of international air service. He reported that the resumption of nonstop service to Europe was highlighted by Lufthansa’s sponsorship of the Netherland’s Trade Mission as outlined in the 2022 Workplan.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors met once since the last Board meeting, and that during the meeting, Miami-Dade Transportation Planning Organization Executive Director Aileen Bouclé presented an update on projects and agency initiatives from the Miami-Dade region. He also reported that SANDAG staff also presented an update on the regional economy.
- **SANDAG TRANSPORTATION COMMITTEE:** None.

CHAIR'S REPORT: Chair Cabrera mentioned the passings of former Airport Authority Board Chair Joe Craver and Advisory Committee member Deanna Spehn. He reported that Board members Paul Robinson and James Sly, as well as Kim Becker, were recognized in the San Diego Business Journal's list of the 500 Most Influential People in San Diego. He reported that the Airport Authority's finance team was awarded the Bond Buyer's "Deal of the Year" for the Far West Region for our 2021 bond sale. He acknowledged Board Member Catherine Blakespear's election to the California State Senate. He presented Board Member Blakespear with a plaque to commemorate her service on the Board. He also reported that the North County Coastal Mayors appointed Oceanside Mayor Esther Sanchez to fill the vacancy on the Board caused by the resignation of Board Member Blakespear.

PRESIDENT/CEO'S REPORT: Kim Becker, President/CEO, reported that SAN saw an average of about 69,000 people a day coming through the airport over the Thanksgiving holidays. She also reported that November passenger traffic ended at about 94% of our 2019 passenger numbers. She reported that tomorrow the Airport and Japan Airlines (JAL) will celebrate 10 years of service at SAN. She reported that this month the Quieter Home Program is celebrating the completion of sound insulation of 5,000 homes. She reported that on November 16, we welcomed 27 high school students from City Heights' Hoover High School for the Authority's Take Flight program, an event that highlights the many jobs available at the airport and encourages students to pursue careers in aviation. She reported that we are partnering with the East Village Brewing Company to brew two beers using condensate water captured from air conditioning units attached to airport jet bridges. She reported that the Airport Authority recently receiving an "Outstanding Sustainability Program Award" at the AAAE Airports Going Green Conference for our industry-leading conversion of airport shuttles to zero-emission technologies. She reported that the local chapter of the Public Relations Society of America awarded the New T1 strategic communications team with three awards for excellence in media relations, community relations, and video production. She reported that the Wall Street Journal ranked SAN as the second-best "medium-sized" airport in the U.S., behind Sacramento.

Board Member Casillas Salas requested more information regarding the outreach efforts regarding the Take Flight program.

NON-AGENDA PUBLIC COMMENT: None.

CONSENT AGENDA (ITEMS 1 - 15):

ACTION: Moved by Board Member von Wilpert and seconded by Board Member Vargas to approve the Consent Agenda. Motion carried by the following votes: YES – Blakespear, Cabrera, Casillas Salas, Robinson, Schiavoni, Sly, Vargas, von Wilpert; NO – None; ABSENT – McNamara; (Weighted Vote Points: YES – 88 NO – 0; ABSENT – 12)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the November 3, 2022, Board 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 AND APPROVED CHANGE ORDERS FROM OCTOBER 10, 2022 THROUGH NOVEMBER 6 2022, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 10, 2022 THROUGH NOVEMBER 6, 2022:

RECOMMENDATION: Receive the Report.

4. DECEMBER 2022 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2022-0106, approving the December 2022 Legislative Report.

5. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:

RECOMMENDATION: Adopt Resolution No. 2022-0107, appointing Jamie Abbott and Danny Byers to the Authority Advisory Committee.

CLAIMS

6. REJECT CLAIM OF CALBRIELLE LUNA:

RECOMMENDATION: Adopt Resolution No. 2022-0108, rejecting the claim of Calbrielle Luna.

7. REJECT CLAIM OF DUANE MARACIN:

RECOMMENDATION: Adopt Resolution No. 2022-0109, rejecting the claim of Duane Maracin.

COMMITTEE RECOMMENDATIONS

8. ESTABLISH THE DATE AND TIME OF BOARD AND ALUC MEETINGS FOR 2023, AS INDICATED ON THE PROPOSED 2023 MASTER CALENDAR OF BOARD AND COMMITTEE MEETINGS:

RECOMMENDATION: Adopt Resolution No. 2022-0110, establishing the date and time of Board and ALUC meetings; and Committee meetings for 2023 as indicated on the proposed 2023 Master Calendar of Board and Committee Meetings.

9. EXTERNAL AUDITOR'S FISCAL YEAR ENDED JUNE 30, 2022 REPORT: A) AUDITED FINANCIAL STATEMENTS, B) SINGLE AUDIT REPORTS, C) PASSENGER FACILITY CHARGES COMPLIANCE REPORT, D) CUSTOMER FACILITY CHARGE COMPLIANCE REPORT, AND E) LETTER TO THE BOARD:

RECOMMENDATION: The Audit Committee recommends that that Board accept the reports.

10. REVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE FISCAL YEAR ENDED JUNE 30, 2022:

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

11. FISCAL YEAR 2022 ANNUAL REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:

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

12. FISCAL YEAR 2023 FIRST QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:

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

13. REVISION TO THE FISCAL YEAR 2023 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2022-0111, approving the revision to the Fiscal Year 2023 Audit Plan of the Office of the Chief Auditor.

14. AMENDMENT TO AUTHORITY CODE 2.16 –ENFORCEMENT (ETHICS AND CONDUCT):

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2022-0112, approving the proposed amendments to Authority Code 2.16 – Enforcement (Ethics and Conduct).

CONTRACTS AND AGREEMENTS

15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AGREEMENTS FOR GENERAL LEGAL SERVICES:

RECOMMENDATION: Adopt Resolution No. 2022-0113 approving and authorizing the President/CEO to execute general legal services agreements with Anderson Kreiger LP, Best Best & Krieger LLP, Devaney Pate Morris & Cameron LLP, Gatzke Dillon & Ballance LLP, Kaplan Kirsch Rockwell LLP, and Procopio, Cory, Hargreaves & Savitch LLP each for a term of three (3) years with two (2) one-year options to renew and a not to exceed compensation amount of \$650,000.

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

PUBLIC HEARINGS:

Chair Cabrera reported his recusal on Item 16, left the dais, and turned the meeting over to Vice Chair Casillas Salas.

16. HEARING ON ANONYMOUS ETHICS COMPLAINT AGAINST THE AIRPORT AUTHORITY BOARD CHAIR

Lee Parravano, Chief Auditor, reported that on May 26, 2022, the Airport Authority received an anonymous ethics complaint regarding Board Chair Gil Cabrera. He reported that the Board adopted a resolution retaining Best, Best & Krieger to conduct the investigation and introduced Christopher Skinnell, who investigated the complaint.

Christopher Skinnell, Partner, Nielsen Marksamer, reported that the conclusion of the investigation of the anonymous complaint was that there was no violation of the Ethics Code. He reported that the first allegation was that Chair Cabrera improperly solicited contractors of the Airport Authority to provide campaign contributions to a Political Action Committee (PAC) of which he is the principal officer.

He reported that the evidence discovered indicates that Chair did not participate in soliciting any of the contributions reported and therefore did not run afoul of that prohibition. He reported that the second allegation was that the PAC in question sent an email broadly to the public urging the public to vote for certain candidates. He reported that the email blast that was sent did not target employees or contractors and never identified Mr. Cabrera as being involved, and did not run afoul of the Ethics provision in question.

ACTION: Moved by Board Member Vargas and seconded by Board Member Robinson to make a finding that there was no ethics violation by Board Chair Cabrera. Motion carried by the following votes: YES – Blakespear, Casillas Salas, Robinson, Schiavoni, Sly, Vargas, von Wilpert; NO – None; ABSENT – Cabrera, McNamara; (Weighted Vote Points: YES – 74; NO – 0; ABSENT – 26)

Chair Cabrera rejoined the meeting.

OLD BUSINESS: None.

NEW BUSINESS: None.

The Board recessed at 9:44 a.m. and reconvened into Open Session at 9:45 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 9:46 a.m. to hear Items 17 and 18.

17. 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, San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL

18. PUBLIC EMPLOYEE COMPLAINT:

Government Code §54957

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 10:09 a.m. and Amy Gonzalez, General Counsel, reported that in regards to Item 17, there was no action. She also reported that in regards to Item 18, the Board considered all of the ethics allegations and, after being presented evidence by the investigator, made a finding that there were no ethics violations and that the findings would be made public by the report. She reported that the vote was unanimous, noting Board Member McNamara as ABSENT.

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 10:10 a.m.

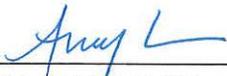
APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 5th DAY OF JANUARY 2023.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL