

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, FEBRUARY 13, 2025
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD ROOM**

CALL TO ORDER: Chair Cabrera called the meeting of the San Diego County Regional Airport Authority Board to order at 9:07 a.m. on Thursday, February 13, 2025, at the San Diego County Regional Airport Authority, Administration Building, 2417 McCain Road, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Chair Cabrera led the pledge of allegiance.

ROLL CALL:

PRESENT: Board Members: Benzian, Cabrera (Chair), Fox (Ex-Officio), Herrmann (Ex-Officio), Martinez, Montgomery Steppe, Perez, Sanchez, Sly (Vice Chair), Vaus, von Wilpert

ABSENT: Board Members: Perrault (Ex-Officio)

ALSO PRESENT: Kimberly Becker, President/CEO; Lee Kaminetz, Assistant General Counsel; Annette Fagan Ortiz, Authority Clerk; Patricia Willis, Assistant Authority Clerk I

PRESENTATIONS:

A. REVIEW OF UNAUDITED FINANCIAL STATEMENTS FOR SIX MONTHS ENDED DECEMBER 31, 2024, AND 2023:

Scott Brickner, Vice President/Chief Financial Officer provided a presentation on the Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2024, and 2023, that included Unaudited Operating Revenues, Operating Expenses, Non-Operating Revenue & Expenses, Financial Summary, Statement of Net Position and Budget – Timeline of Key Dates.

Board Member Sly arrived at the meeting at 9:12 a.m.

Board Member Fox arrived at the meeting at 9:12 a.m.

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

- **AUDIT COMMITTEE:** Chair Newsom reported that the Audit Committee last met on February 10, 2025, and during that meeting, the Committee reviewed and requested several agenda items be forwarded to the Board, and those items will be included in the Board's March Agenda materials. She reported that the Audit Committee meeting agenda included a review of the Chief Auditor Job Description, a Second Quarter Audit Activity Report, a Construction Audit Update, as well as a Revision to the Office of the Chief Auditor's Audit Plan for Fiscal Year 2025. She also reported that the next meeting of the Audit Committee is scheduled for May 5, 2025.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that the committee last met on January 16, 2025. She reported that the committee received an update on the New Terminal 1 Construction and Logistics, a Budget and Contingency Status on the project, and a presentation highlighting a Non-NT1 Capital Project, Taxiway Bravo, and the AT&T Tenant Project. She also reported that concession tenants are gearing up to begin their buildouts, and the finished work is progressing, with terrazzo nearing completion, ticket counters and gate podiums being installed, carpeting begun, and security checkpoint equipment installation expected to start arriving next month. She reported that we are 222 days from opening and that the next CIPOC meeting is scheduled for April 17, 2025, and will be combined with the Capital Budget Workshop.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee has not met since the last Board meeting and that the first meeting of the year is scheduled for May 29, 2025.
- **FINANCE COMMITTEE:** Board Member Sly reported that the committee met on January 27, 2025, and at that meeting, the committee reviewed the Unaudited Financial Statements for the Six Months Ended December 31, 2024. He also reported that the committee reviewed the Authority Investment Report as of December 31, 2024. The next meeting is scheduled for February 24, 2025.

ADVISORY COMMITTEES:

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Martinez reported that the committee has not met since the last Board meeting and that the next meeting is currently scheduled for March 20, 2025.

- **ARTS ADVISORY COMMITTEE:** Board Member Martinez reported that the Airport is welcoming the Spring 2025 Performing Arts Residents, Poets Underground, as they begin their in-terminal residency at the end of the month, and that they will start creating poetry with passengers in Terminal 2, which will culminate in a performance this May. She reported that the next scheduled meeting will be on March 13, 2025.

LIAISONS:

- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that Congress is fast approaching a March 14, 2025, federal agency funding deadline under the current Continuing Resolution (CR). Congressional leaders are attempting to come to an agreement, but another CR may become necessary. He reported that in Sacramento, Governor Newsom, and legislative leaders from across the state have focused heavily on their response to the devastating wildfires in the Los Angeles region, and this includes securing substantial federal emergency resources, committing \$2.5 billion in state funds, and orders to remove regulatory barriers for recovery. He also reported that Governor Newsom unveiled a \$322 billion budget for Fiscal Year 2025-2026, which is currently projected to have a \$363 million surplus, and that the state is also preparing for potential legal battles with the federal administration.
- **MILITARY AFFAIRS:** Board Member Herrmann reported that the common course rules and instructions for military fliers in the area were signed off by North Island, Air Station at Camp Pendleton, and Marine Corps Air Station Miramar, and this should help improve the ability for aircraft to maneuver around San Diego. He also reported that an E8-18 Growler crashed off North Island. Local fishermen recovered the crew very quickly, and there was no report of severe injuries. He reported that the crash is still being investigated, and North Island is back open.
- **PORT:** None.
- **WORLD TRADE CENTER:** None

BOARD REPRESENTATIVES (EXTERNAL):

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors has met three times since our last Board meeting. He reported that at the first meeting, staff presented an update on the Otay Mesa East Port of Entry Project and that SANDAG Board was asked to approve and authorize the execution and delivery of the Federal Project Agreement of the Otay Mesa East Port of Entry project.

He reported that at the second meeting, the Office of the Independent Performance Auditor presented the results of the 2024 SANDAG Ethical Climate Survey for information and discussion, and at the third meeting, the Board was asked to discuss the San Diego County Grand Jury Report and the Draft SANDAG response and provide their feedback. The next meeting is scheduled for February 14, 2025.

- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Perez reported the committee has met twice since the last Board meeting. He reported that at the first meeting, staff presented an update on the initial planning for six new Next Gen Rapid Routes. These six routes are a part of the Regional Plan and focus on connecting people to job centers, education, and other destinations via transit that is competitive with automobile travel. He reported that at the second meeting, staff also presented an overview of the work completed to date for the San Ysidro Mobility Hub and Blue Line Transit-Oriented Development Studies. The next meeting is scheduled for February 21, 2025.

CHAIR REPORT: Chair Cabrera reported that February marks Black History Month, a time to celebrate the extraordinary contributions of Black Americans in all fields, including aviation, and as an Airport Authority, we take pride in recognizing the achievements of Black pioneers whose groundbreaking work has left a lasting impact on the aviation industry. We are honored to recognize the Tuskegee Airmen, the first African American military aviators whose bravery during World War II shaped aviation history and played a pivotal role in advancing civil rights. We're proud to have our Tuskegee Conference Room named in their honor, keeping their legacy alive. He reported that last month, Board members had the opportunity to tour the New Terminal 1 project.

PRESIDENT/CEO REPORT: Kim Becker, President/CEO, reported that the Airport Authority had an exceptional year in 2024, setting a new record with 25.24 million passengers, topping the previous high of 25.18 million in 2019. She reported that the New T1 project is on schedule and expected to open in late summer of this year. She reported that Phase 1A of the New T1 project is approximately 82% complete, and Stage 2 of the New Terminal 1 Parking Plaza is 85% complete and is on track to open in Summer of this year. She also reported that as part of the ongoing construction and preparation for the New Terminal 1, the roadways are changing, and we have an upcoming traffic switch scheduled to begin next Thursday, February 20th, and continue through Friday, February 21, 2025. Starting, February 20, 2025, travelers should expect delays on Airport Terminal Road as they approach Terminal 1. Multiple lanes approaching Terminal 1 will be closed for construction, requiring vehicles to merge as they pass the new terminal. We encourage anyone driving to the airport to plan ahead and arrive a little bit early.

These lane closures are expected to be in place until May. She also reported that beginning May 15, 2025, Alaska Airlines will offer a new daily nonstop flight to Medford, Oregon, from San Diego International Airport and that Japan Airlines will increase service to Tokyo-Narita to daily service beginning March 30, 2025, and that this expanded service will run through October 25, of this year. She reported that since early 2019, the Airport Authority has been upgrading our airport's fuel system to have hydrant fueling capability across the entire campus, and sufficient progress has been made, and this month, we will test the hydrant fueling system at gates 46-51 and expect those gates to be fully operational by the end of February; the entire system will be operational by February 2028. She reported that Secretary of Transportation Sean Duffy was confirmed by the U.S., and both the FAA and TSA Administrators, Mike Whitaker and David Pekoske have resigned. Chris Rocheleau, previous COO of the National Business Aviation Association (NBAA), was appointed Deputy Administrator and is now serving as acting FAA Administrator. The Associate Administrator for Airports, previously held by Shannetta Griffin, who was at our New T1 groundbreaking, resigned, and that position is vacant. She also reported that several executive orders were aimed at pausing or dismantling federal spending, and this has led to a broad review across government agencies. Specifically, the Department of Transportation (DOT) is currently assessing its funding programs to ensure compliance. She reported that, as a result, FAA grants and programs are now under review, and the Authority will continue to monitor and keep everyone posted. She reported that Congress passed a Continuing Resolution (CR) to keep government agencies funded through March 14; however, negotiations for a full Fiscal Year 2025 funding bill remain ongoing, and given the complexities of these discussions, it's highly likely that another CR will be needed to prevent any disruption to government agencies while congressional leaders work toward a final agreement. She also reported that both the House and Senate have introduced their respective budget resolutions for Fiscal Year 2025 as part of the impending reconciliation bill, and just last night, the Senate Budget Committee advanced their blueprint for reconciliation along party lines, passing it with an 11-0 vote, the House is expected to review and consider its own budget version during today's House Budget Committee meeting. We will continue to monitor these developments closely, as they may impact our airport and overall industry.

NON-AGENDA PUBLIC COMMENT: Mayra Guerrero and Eddie Torres, owners of Phoenix Cleaning Corp., wanted to thank the Airport Authority for investing in general contractors that invest in disabled veterans' small businesses.

CONSENT AGENDA (ITEMS 1 - 9):

ACTION: Moved by Board Member Vaus and seconded by Board Member Sly to approve the Consent Agenda. Motion carried by the following votes: YES – Benzian, Cabrera, Martinez, Montgomery Steppe, Perez, Sanchez, Sly, Vaus, von Wilpert;
NOTING: Montgomery Steppe abstention of Item 1. NO – None; ABSENT – NONE
(Weighted Vote Points: YES – 100; NO – 0; ABSENT - 0)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the January 9, 2025, 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 AND APPROVED CHANGE ORDERS FROM DECEMBER 9, 2024, THROUGH JANUARY 9, 2025, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM DECEMBER 9, 2024, THROUGH JANUARY 9, 2025:

RECOMMENDATION: Receive the report.

4. FEBRUARY 2025 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2025-0004, approving the February 2025 Legislative Report.

5. APPOINTMENTS TO BOARD COMMITTEES, LIAISON POSITIONS, OTHER REPRESENTATIVE AND ALTERNATE POSITIONS:

RECOMMENDATION: Adopt Resolution No. 2025-0005, making appointments to Board committees, liaison, and representative positions.

CLAIMS:

COMMITTEE RECOMMENDATIONS:

6. ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2024:

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

- 7. ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2024:**
RECOMMENDATION: The Finance Committee recommends that the Board accept the report.

CONTRACTS AND AGREEMENTS:

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

- 8. AWARD A CONTRACT TO Q&D CONSTRUCTION, LLC FOR TAXIWAY B JOINT SEAL IMPROVEMENTS AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2025-0006, awarding a contract to Q&D Construction, LLC, in the amount of \$2,439,000 for Project 104317 Taxiway B Joint Seal Improvements at San Diego International Airport.
- 9. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 13, GROUP 11, PROJECT NO. 381311 FORTY-ONE (41) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON EIGHTEEN (18) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**
Recommendation: Adopt Resolution No. 2025-0007, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,780,600 for Phase 13, Group 11, Project No. 381311, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

PUBLIC HEARINGS:

OLD BUSINESS:

The Board recessed at 9:33 a.m. and reconvened at 9:53 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 9:54 a.m. to hear item 12 anticipated litigation two cases.

- 10. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**
Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9
Name of Case: San Diego County Regional Airport Authority v. AQ US SW Holding Co., et al., San Diego Superior Court Case No. 37-2023-00032124-CU-BC- CTL
- 11. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**
Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9
Name of Case: Sara Mitchell v. San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 24CU022992C

12. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

Number of potential Cases: 1

REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 10:32 a.m.

GENERAL COUNSEL REPORT:

Lee Kaminetz, Assistant General Counsel, reported that on January 9, 2025, the Board met in closed session and passed a resolution authorizing the Airport Authority to defend Andrew Hoge in a lawsuit filed by Sarah Mitchell for sexual harassment, gender discrimination, retaliation, failure to prevent harassment, and wrongful termination. The defense is subject to reservation of rights and is through separate counsel. Board Members Cabrera, Benzian, Martinez, Perez, Sanchez, Sly, Vaus, and von Wilpert voted yes, and Montgomery Steppe was absent.

BOARD COMMENT:

ADJOURNMENT: The meeting adjourned at 10:33 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 6TH DAY OF MARCH 2025.

ATTEST:



ANNETTE FAGAN ORTIZ
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL