

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, APRIL 3, 2014
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:05 a.m. on Thursday, April 3, 2014, in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

ROLL CALL:

PRESENT: Board Members: Alvarez, Boland, Cox, Desmond, Farnam (Ex Officio), Gleason, Hubbs, Robinson, Smisek

ABSENT: Board Members: Berman (Ex Officio), Sessom, Ortega (Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Lorraine Bennett, Assistant Authority Clerk II

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

Board Member's Alvarez and Robinson arrived during the course of the meeting.

PRESENTATION:

A. PRESENTATION OF 2014 AIRPORT REVENUE NEWS CONCESSION AWARDS:

David Broderick, Executive Director/Publisher, Airport Revenue News, presented awards to the Authority, recognizing the Airport as winners of the best overall concessions program, best concessions program design, and best concessions management team for the Medium Airport Division.

The Board recessed at 9:10 a.m. and reconvened at 10:47 a.m.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Board Member Boland reported that the Economy Lot is completed, and a ribbon-cutting ceremony was held on March 19th. He provided an update on the progress of the Rental Car Center (RCC) construction. He invited Board Members to tour the RCC and the Long-term parking lot.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
None.
- **FINANCE COMMITTEE:** None.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported that two of the remaining Green Build projects, the pedestrian bridge sculptures and the Reflection Room, are completed. He provided an update on the temporary rotating exhibits in the Commuter Terminal, and that the third art opportunity for the Rental Car Center is out for submissions. He announced that the Terminal 1 Food Court project installation is scheduled for completion next week, and the Terminal 2 East ceiling project is being evaluated for re-fabrication and installation. He also reported on the success of the recent Art and Culture Symposium at the new Central Library, titled "Aesthetics and Authenticity".

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:** None.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:**
Board Member Cox reported that on March 24th–27th, Thella Bowens, President/CEO, and Inter-Governmental Relations staff participated in the Airport Legislative Alliance Conference in Washington, DC. He reported that during the last two weeks, Authority staff provided Airport Development Plan briefings to Senator Marty Block's Office and Senator Dianne Feinstein's Office, Mayor Kevin Faulconer, and the Offices of Councilmember's Gloria, Lightner, Kersey, Sherman, Emerald, and Cole. He also reported that he, together with Board Member Robinson, attended the San Diego Regional Chamber of Commerce's Mission to Mexico City, and were joined by many other businesses and community leaders from San Diego/Baja California region, to discuss numerous policy and business issues with Mexican officials and business leaders.

- **MILITARY AFFAIRS:** None.
- **PORT:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Smisek reported that two meetings were held on March 7th and 21st, and that the main accomplishment was the submittal of the Draft Performance Measurements on successes for the regional plan in to the future, for approval by the Board.
- **WORLD TRADE CENTER:**
Chair Gleason reported that the World Trade Center continues its transition and is currently being housed at the San Diego State University facility. He reported that there will be a meeting to discuss the future structure of the organization.

CHAIR'S REPORT: None.

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO, reported that the Board-approved site lease agreement for the development and installation of a solar photovoltaic generating system at Terminal 2 West, has received positive media coverage. She also reported that on March 21st, she participated in a panel discussion for the third annual Restoring Respect Conference at the Joan Kroc Center for Peace and Justice, and spoke about the Authority's outreach programs and goal of the Board to be transparent and collaborative in its work. She reported that she will be working with the Airport Minority Affairs Council regarding the Airport Improvement Program reauthorization for next year. She announced that the Concession Development Program opened its 70th store, CNBC Express San Diego, and stated that an update would be forthcoming to the Board regarding schedule changes for the concessions.

NON-AGENDA PUBLIC COMMENT:

KEITH JONES, SAN DIEGO, distributed a letter and provided the Board with a performance update for ACE Parking in regards to their commitments as outlined within the agreement.

CARELYN REYNOLDS, SAN DIEGO, representing Transportation Alliance Group (TAG), spoke regarding ground transportation issues and requested that concessions not be considered.

BUCK MATOUSHEK, EL CAJON, OWNER, LA MESA DRIVING SCHOOL, provided an overview of his Company's work with TAG by providing driver training, as well as training provided to the Authority's Airport Traffic Officers.

ANNE DANIELLS, SAN DIEGO, representing TAG, spoke regarding the risks associated with Transportation Network Companies, and asked for a safe, level playing field.

ED FELIX, HUNTINGTON BEACH, representing Advantage Funding, provided an overview of financial funding opportunities for vehicle fuel conversions for commercial vehicles operating at the Airport.

LISA MCGHEE, SAN DIEGO, spoke regarding the lack of funding availability for Ground Transportation vehicles to meet the Authority's Commercial Vehicle Conversion Goal.

TONY HUESO, SAN DIEGO, representing San Diego Transportation Alliance, and USA Cab, submitted a letter dated April 3, 2014 and spoke regarding the lack of funding opportunities for vehicle fuel conversions, and recommended that penalties be removed.

ADRIAN KWIATKOWSKI, SAN DIEGO, representing TAG, provided a presentation on ground transportation issues and stated that TAG will be returning to the Board with a proposal to eliminate permit fee premiums, and providing a permanent discount for converting to Alternative Fuel Vehicles.

CONSENT AGENDA (Items 1-13):

ACTION: Moved by Board Member Cox, and seconded by Board Member Smisek to approve the Consent Agenda. Motion carried by the following vote: YES – Alvarez, Boland, Cox, Desmond, Gleason, Hubbs, Robinson, Smisek; NO - None; ABSENT – Sessom. (Weighted Vote Points: YES - 92; NO - 0; ABSENT- 8).

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the February 24, February 28, and March 1, 2014 special meetings, and the March 6, 2014, 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, APPROVED CHANGE ORDERS FROM FEBRUARY 10, 2014, THROUGH MARCH 9, 2014, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 10, 2014, THROUGH MARCH 9, 2014:

RECOMMENDATION: Receive the report.

4. **APRIL 2014 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2014-0023, approving the April 2014 Legislative Report.
5. **RESCIND BOARD RESOLUTION NO. 2013-0128 AND GRANT EASEMENTS FOR ELECTRICAL AND PEDESTRIAN ACCESS TO THE CITY OF SAN DIEGO:**
RECOMMENDATION: Adopt Resolution No. 2014-0024, rescinding Resolution 2013-0128, and authorizing the President/CEO to negotiate and execute two revised easements with the City of San Diego for an electrical traffic loop and pedestrian access in support of the North Side Interior Road and Utilities project.

CLAIMS

6. **REJECT THE CLAIM OF DONNA SCHIPPER:**
RECOMMENDATION: Adopt Resolution No. 2014-0025, rejecting the claim of Donna Schipper.
7. **REJECT THE CLAIM OF BENEDICT PERRINO:**
RECOMMENDATION: Adopt Resolution No. 2014-0026, rejecting the claim of Benedict Perrino.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

8. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE ON-CALL MECHANICAL AND ELECTRICAL CONSULTANT SERVICES AGREEMENT WITH PBS ENGINEERS, INC.:**
RECOMMENDATION: Adopt Resolution No. 2014-0027, approving and authorizing the President/CEO to execute a Second Amendment to the agreement with PBS Engineers, Inc., extending the term of the agreement by one year to expire on July 31, 2015, to provide On-Call Professional Mechanical and Electrical Consultant Services for Capital Improvement and Major Maintenance projects.

- 9. APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CONSTRUCTION CHANGE ORDER AUTHORITY, AND INCREASE THE CONTRACT DURATION FOR EXPAND TERMINAL 2 EAST FACILITY: GATE 25 - GATE 27 PROJECT:**
RECOMMENDATION: Adopt Resolution No. 2014-0028, approving and authorizing an increase in the President/CEO's Change Order Authority from \$477,640 to \$955,280, and increasing the contract duration from 450 to 530 calendar days for Project No. 104056 - Expand Terminal 2 East Facility: Gate 25-27 at San Diego International Airport.
- 10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE ON-CALL AIRSIDE/LANDSIDE ARCHITECT AND ENGINEERING CONSULTANT SERVICES AGREEMENT WITH CH2M HILL, INC.:**
RECOMMENDATION: Adopt Resolution No. 2014-0029, approving and authorizing the President/CEO to execute a third amendment to the agreement with CH2M Hill, Inc., extending the term of the agreement by one year to expire on August 1, 2015, to provide On-Call Professional Airside/Landside Architect and Engineering Consultant Services for Capital Improvement and Major Maintenance projects.
- 11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH STUTZ ARTIANO SHINOFF & HOLTZ APC FOR GENERAL LEGAL SERVICES:**
RECOMMENDATION: Adopt Resolution No. 2014-0030, approving and authorizing the President/CEO to negotiate and execute an agreement with Stutz Artiano Shinoff & Holtz APC for general legal services for a term of three (3) years with two (2) additional one-year options to renew, for a maximum amount payable of \$300,000.
- 12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE PUBLIC ART AGREEMENT WITH JASON BRUGES STUDIO LIMITED (JBS) FOR THE TERMINAL 2 GREEN BUILD PUBLIC ART PROJECT - NEW MEDIA/MULTI-MEDIA LOUNGE ENVIRONMENT (AIRSPACE LOUNGE):**
RECOMMENDATION: Adopt Resolution No. 2014-0031, approving and authorizing the President/CEO to execute a Second Amendment to the Public Art Agreement with Jason Bruges Studio Limited (JBS) to complete post installation services for the Terminal 2 Green Build Public Art Project – New Media/Multi-Media Lounge Environment (AIRspace Lounge), extending the term for an additional forty-five (45) days, resulting in a termination date of May 15, 2014.

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

13. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT BETWEEN AND AMONG THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, THE COUNTY OF SAN DIEGO, AND PARTICIPATING CITIES AND JURISDICTIONS REGARDING THE NEXT GENERATION REGIONAL COMMUNICATION SYSTEM PROVIDING COMMUNICATION SERVICES TO PUBLIC SAFETY AND PUBLIC SERVICE AGENCIES OPERATING IN SAN DIEGO COUNTY AND IMPERIAL COUNTY:**

RECOMMENDATION: Adopt Resolution No. 2014-0035, approving and authorizing the President/CEO to execute an agreement between and among the Airport Authority, the County of San Diego, and participating cities and jurisdictions regarding the Next Generation Regional Communication System, for a term of twenty (20) years, in an amount not to exceed \$2,100,000.

PUBLIC HEARINGS:

14. **APPROVAL OF THE SAN DIEGO INTERNATIONAL AIRPORT'S SHORT-RANGE TRANSIT PLAN AND EXEMPTION PURSUANT TO CALIFORNIA VEHICLE CODE §35554(d):**

Chair Gleason opened the Public Hearing. With there being no members of the public who wished to speak to the item, Chair Gleason closed the Public Hearing.

RECOMMENDATION: Adopt Resolution No. 2014-0032, approving the San Diego International Airport's Short-Range Transit Plan describing the Airport's transit system and its operation.

Adopt Resolution No. 2014-0033, declaring (1) the Authority's bus operations as a "transit system", (2) the Rental Car Center (RCC) buses as "transit buses," to allow the Authority to purchase and operate passenger buses weighing in excess of the 20,500 pound axle limit per the provisions of Cal. Veh. Code § 35554(d).

ACTION: Moved by Board Member Alvarez and seconded by Board Member Boland to approve staff's recommendations. Motion carried by the following vote: YES – Alvarez, Boland, Cox, Desmond, Hubbs, Gleason, Robinson, Smisek; NO – None; ABSENT – Sessom. (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 8).

OLD BUSINESS: None.

NEW BUSINESS:

15. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH SP PLUS CORPORATION FOR RENTAL CAR CENTER SHUTTLE BUS SERVICES:

Angela Shafer-Payne, Vice President, Operations, David Boenitz, Director, Ground Transportation, and Scott Brickner, Vice President, Finance & Asset Management/Treasurer, provided a presentation on the Agreement with SP Plus Corporation for Rental Car Center Shuttle Bus Services, which included Background, Rental Car Center (RCC) Shuttle Services Contractor Selection – Evaluation Criteria, RCC Request For Proposal (RFP) Cost Comparison (Normalized) (SP Plus Corp. vs. Lowest Bidder), RFP Respondents and Short-List, Panelist Ranking and Combined Weighted Scores, and Short List Panelist Ranking and Combined Weighted Scores.

RICK GRIFFIN, JACOBSEN DANIELS ASSOCIATES, PHOENIX, ARIZONA, spoke in support of the staff's recommendation.

In response to Board Member Desmond regarding whether any preference is being provided by SP Plus to interview the existing pool of rental car company drivers, Mr. Boenitz responded that SP Plus has made a strong commitment to interviewing the current drivers first, to operate their buses.

RICHARD LEDFORD, SAN DIEGO, spoke in support of staff's recommendation.

In response to Chair Gleason regarding his request for a guarantee that interviews will be extended to the existing rental car bus drivers who are interested, Mr. Ricchiuto responded affirmatively.

RECOMMENDATION: Adopt Resolution No. 2014-0036, awarding and authorizing the President/CEO to: (1) Issue a purchase order to SP Plus Corporation to procure sixteen (16) shuttle buses in an amount not to exceed \$7,791,277 and authorize the President/CEO to execute the purchase order; and (2) Award an Agreement to SP Plus Corporation for Rental Car Center Shuttle Services for an amount not to exceed \$29,208,723; and authorize the President/CEO to execute the agreement for (a) a term of one and one-half (1.5) years to (i) manage the procurement and delivery of sixteen (16) buses to the Authority, and (ii) test and accept the buses and the storage facilities; and (b) for a term of five (5) years, to operate the RCC buses in accordance with the Authority's defined performance specifications and standards.

ACTION: Moved by Board Member Robinson and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Boland, Cox, Desmond, Hubbs, Gleason, Robinson, Smisek; NO – None; ABSENT – Sessom. (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 8).

Board Member Alvarez left the meeting at 11:52 a.m.

WORKSHOP:

16. DISCUSSION REGARDING FISCAL YEAR 2015-FISCAL YEAR 2019 CAPITAL PROGRAM BUDGET:

Jeffrey Woodson, Vice President, Development, and Iraj Ghaemi, Director, Facilities Development, provided a presentation on the Fiscal Year 2015-2019 Capital Program Budget, which included Capital Improvement Program (CIP) Project Development Process, Capital Program Overview, FY2014-2018 Capital Program – Sources of Funds, Current CIP Projects – Project Status, Current/Proposed CIP Program – Project Location, Capital Budget Summary, an overview of the Proposed FY2015-2019 Capital Projects, and Proposed FY2015-2019 Capital Project Adjustments.

Board Member Robinson stated that he would like to see the proposed Parking Garage project included in the Capital Program.

In response to Board Member Desmond regarding how capital projects are prioritized and funded, Ms. Bowens explained that the current list of projects have the highest priority in terms of need for safety, security, facilities and other criteria.

Chair Gleason requested that staff include the Parking Garage project in the upcoming Budget Workshop for discussion.

RECOMMENDATION: Provide direction to staff.

ACTION: No action taken.

CLOSED SESSION: The Board recessed into Closed Session at 12:25 p.m. to discuss Items 17, 20, 21 and 22.

17. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Real property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8:

Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego

Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer

Negotiating Parties: San Diego Gas & Electric, United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties

Under Negotiation: Sale – terms and conditions

18. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code Section 54956.9(a))
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority S.D.S.C Case No. 37-2012-00088083-CU-BT-CTL
19. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a))
Melvin R. McFarlin v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2013-00066152-CU-OE-CTL
20. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal.Gov. Code §54956.9(a))
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court, North County Case No. 37-2014-00004077-CU-
EI-NC
21. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a))
People for the Ethical Treatment of Animals, Inc. v. San Diego County
Regional Airport Authority and JCDecaux North America,
U.S. Dist. Ct. for So. Dist. of CA, Case No. 14CV0532 CAB RBB
22. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a))
Cornelius White v. San Diego County Regional Airport Authority, San
Diego Sup. Court Case No. 37-2013-00057745-CU-WT-CTL.
Number of cases: 1
23. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of §54956.9: (1 case)
24. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
AND EXISTING LITIGATION:**
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b)
and Cal. Gov. Code § 54956.9(a): Jay A. Bass, et al v. San Diego City
Employees' Retirement System, et al., San Diego Sup. Court Case No. 37-
2013-00077566-CU-OE-CTL
Number of cases: 1
25. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation (Cal. Gov. Code §§ 54956.9 (b) and
54954.5)
Number of potential cases: 1
Re: Investigative Order No. R9-2012-0009 by the California Regional
Water Quality Control Board regarding submission of technical reports
pertaining to an investigation of bay sediments at the Downtown
Anchorage Area in San Diego

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 1:10 p.m. There was not reportable action.

NON-AGENDA PUBLIC COMMENT: None.

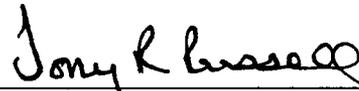
GENERAL COUNSEL REPORT: None.

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: Board Member Boland announced that the next Capital Improvements Oversight Committee Meeting will be held on April 15, 2014.

ADJOURNMENT: The meeting was adjourned at 1:11p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 1ST DAY OF MAY, 2014.



TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL