

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD  
MINUTES  
THURSDAY, DECEMBER 15, 2016  
SAN DIEGO INTERNATIONAL AIRPORT  
BOARD ROOM**

**CALL TO ORDER:** Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:00 a.m. on Thursday, December 15, 2016, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

**ROLL CALL:**

PRESENT:            Board Members:            Berman (Ex Officio), Boling, Cox  
Desmond, Gleason, Hubbs, Janney,  
Kersey, Robinson, Col. Woodworth (Ex  
Officio)

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

ALSO PRESENT:    Angela Shafer-Payne, Vice President, Operations; Amy Gonzalez,  
General Counsel; Tony R. Russell, Director, Corporate and  
Information Governance/Authority Clerk; Ariel Levy-Mayer,  
Assistant Authority Clerk I

*Board Member Kersey arrived during the course of the meeting.*

**PRESENTATIONS:**

**A.    STATUS UPDATE ON THE AIRPORT DEVELOPMENT PLAN:**

Keith Wilschetz, Director, Airport Planning & Noise Mitigation, provided a presentation on the Status Update on the Airport Development Plan which included Alternative 5 (Spring/Summer 2016), Alternative 5: Phase 1 (Spring/Summer 2016), Alternative 5: Continued Refinement, Phase 1A, Phase 1B, Anticipated Schedule Phases 1A and 1B, and Next Steps.

Chairman Boling requested that General Counsel advise the Board as to whether or not a second Board action is required due to the changes made to Alternative 5 since it was originally approved by the Board.

In response to Board Member Desmond's concern regarding the effect of the relocation of the Federal Inspection Services (FIS) Facility to the end of the facility, whereas it was originally planned to be built more towards the center of the terminals and how the Authority will handle international traffic, Jeffrey Woodson, Vice President, Development stated that staff is currently looking at options such as airline relocation and the shuttling of passengers.

Board Member Desmond stated that the focus should be on an FIS Facility that works for future demands.

Board Member Janney expressed concern regarding the large number of changes to Alternative 5 and the relocation of the FIS facility.

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

#### ***STANDING BOARD COMMITTEES***

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** None.

#### ***ADVISORY COMMITTEES***

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Robinson reported that the Authority Advisory Committee met November 30, 2016 to discuss Airport Development Plan, Federal Inspection Services (FIS) Facility, the Terminal 2 Parking Plaza and International Air Service.
- **ART ADVISORY COMMITTEE:** Board Member Gleason reported that 6 of the 15 Intergalactic Dreaming Exhibitions have been installed and will be complete next month. He also reported that the Fern St. Circus had a meet and greet on December 15 and 16. He reported that transcDANCE will begin their Performing Arts Residency with an orientation and site research. He also reported that as part of the ongoing concert series, roaming musicians will perform for travelers on December 21, 2016. He also reported that the Public Art for the Rental Car Center is ahead of schedule. He reported that RFP's for two Public Art opportunities, the glass partition wall artwork and atrium suspended artwork, were published December 15, 2016. He also reported that the art.san.org website is live and that Joey Herring joined the Arts Program as Arts Coordinator II on December 7, 2016

## **LIAISONS**

- **AIRPORT LAND USE COMPATIBILITY PLAN:** None.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Board Member Cox reported that Elaine Chao was nominated as Secretary of Transportation on November 29, 2016, John Kelly was nominated as lead of the Department of Homeland Security on December 7, 2016, and that congress would reconvene on January 3, 2017.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

## **BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG TRANSPORTATION COMMITTEE:** None.

**CHAIR'S REPORT:** Chairman Boling reported that an average of 65,000 passengers use San Diego International Airport daily, a 3% increase from last year. She also reported that a new marketing campaign with the concessionaires is underway for the holidays. She reported that Board Member Janney attended the Airport Ambassadors Holiday Event on behalf of the Board and thanked the volunteers for their service. She reported that with the announcement of Ms. Bowens retirement in March 2017 that Board has elected to engage an executive search firm to recruit nationally for candidates and that we are in the process of interviewing various firms to select a firm soon.

**PRESIDENT/CEO'S REPORT:** Angela Shafer-Payne, Vice President, Operations, reported that pile driving began on the Terminal 2 Parking Plaza and that the noise output is continually being monitored. She reported that the Authority exceeded its goal of \$92,000 for the United Way Campaign, by raising \$100,410. She also reported that David Boenitz, Director of Ground Transportation, is retiring this month and Keith Wilschetz, Director of Airport Planning & Noise Mitigation, will be leaving for another opportunity on December 16, 2016.

**NON-AGENDA PUBLIC COMMENT:**

KAMRAN HAMIDI, SAN DIEGO, spoke regarding taxi operations at San Diego International Airport.

RICHARD LEDFORD, SAN DIEGO, spoke regarding improvements in ground transportation at the airport and attributes it to David Boenitz and recognized him for his work at the Authority.

WILLIAM JOHNSON, SAN DIEGO, with United Taxi Workers of San Diego spoke regarding the taxi permitting process and stated that they would like to present their own proposal to the Board.

**CONSENT AGENDA (Items 1-11):**

KAMRAN HAMIDI, SAN DIEGO, spoke in opposition to the rejection of claims identified in Items No. 4 and 5.

EDWARD TEYSSIER, SAN DIEGO, spoke in opposition to the rejection of the claims and requested the record reflect that Item No. 5 is a Class Claim.

RICHARD RIDER, SAN DIEGO, spoke regarding Items 4 and 5 and stated that they should be taken more seriously.

**ACTION: Moved by Board Member Robinson and seconded by Board Member Desmond to approve the Consent Agenda. Motion carried by the following vote: YES – Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson; No – None; ABSENT – Sessom. (Weighted Vote Points: Yes – 92, NO – 0, ABSENT – 8)**

1. **APPROVAL OF MINUTES:**  
RECOMMENDATION: Approve the minutes of the November 17, 2016 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 OCTOBER 24, 2016 THROUGH NOVEMBER 20, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 24, 2016 THROUGH NOVEMBER 20, 2016:**  
RECOMMENDATION: Receive the report.

## **CLAIMS**

4. **REJECT THE CLAIM OF V.I.P. TAXI CO.:**  
RECOMMENDATION: Adopt Resolution No. 2016-0107, rejecting the claim of V.I.P. Taxi Co.
5. **REJECT THE AMENDED CLAIM OF K.S.A.N. L.L.C:**  
RECOMMENDATION: Adopt Resolution No. 2016-0108, rejecting the amended claim of K.S.A.N. LLC.

## **COMMITTEE RECOMMENDATION**

6. **EXTERNAL AUDITOR'S FISCAL YEAR ENDED JUNE 30, 2016, REPORTS: A) AUDITED FINANCIAL STATEMENTS, B) SINGLE AUDIT REPORTS, C) PASSENGER FACILITY CHARGE COMPLIANCE REPORT, D) CUSTOMER FACILITY CHARGE COMPLIANCE REPORT, AND E) LETTER TO THE BOARD:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the reports.
7. **REVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE FISCAL YEAR ENDED JUNE 30, 2016:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
8. **FISCAL YEAR 2017 FIRST QUARTER ACTIVITIES REPORT AND AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

## **CONTRACTS AND AGREEMENTS**

9. **AWARD A CONTRACT TO VASQUEZ CONSTRUCTION COMPANY, INC., FOR CONSTRUCT CONCESSIONAIRES AND JANITORIAL WASH AREAS AT SAN DIEGO INTERNATIONAL AIRPORT:**  
RECOMMENDATION: Adopt Resolution No. 2016-0109, awarding a contract to Vasquez Construction Company, Inc., in the amount of \$185,388 for Project No. 104199, Construct Concessionaires and Janitorial Wash Areas at San Diego International Airport.
10. **AWARD A CONTRACT TO CYBER PROFESSIONAL SOLUTIONS CORPORATION FOR CONSTRUCT CENTRALIZED AIRPORT COMMUNICATION CENTER AT SAN DIEGO INTERNATIONAL AIRPORT:**  
RECOMMENDATION: Adopt Resolution No. 2016-0110, awarding a contract to Cyber Professional Solutions Corporation, in the amount of \$168,499.98 for Project No. 104217, Construct Centralized Airport Communication Center at San Diego International Airport.

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

**11. AWARD A CONTRACT TO FORDYCE CONSTRUCTION, INC., FOR SOLID WASTE DISPOSAL AND RECYCLING FACILITY AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2016-0111, awarding a contract to Fordyce Construction, Inc., in the amount of \$1,185,471 for Project No. 104193, Solid Waste Disposal and Recycling Facility at San Diego International Airport.

**PUBLIC HEARINGS:** None.

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**12. APPROVE THE DECEMBER 2016 LEGISLATIVE REPORT AND 2017 LEGISLATIVE AGENDA:**

Mike Kulis, Director, Inter-Governmental Relations; Richard C. Harris, Senior Policy Advisor, Nossaman LLP; and Sam Whitehorn, Managing Director, Signal Group provided a presentation on the December 2016 Legislative Report and 2017 Legislative Agenda which included Legislative Advocacy Program, 2016 State Highlights, State Political Landscape, 2017 State Legislative Proposals, 2016 Federal Highlights, Federal Political Landscape, 2017 Federal Legislative Proposals, and Recommended Action.

Board Member Gleason stated that the Authority should be very involved in the Customs and Border Protection (CBP) conversation regarding the value of international trade and what it means for the Authority. He also stated that there is a role for the Authority to talk about the value of international trade and that groups need to start working together.

Chairman Boling requested that staff come back to the Board with another briefing on the 2017 Legislative Agenda in four months.

RECOMMENDATION: Adopt Resolution No. 2016-0112, approving the December 2016 Legislative Report and 2017 Legislative Agenda.

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

**CLOSED SESSION:** The Board recessed into Closed Session at 10:24 a.m. to discuss Items 14, 19, 22, 23, and 24.

- 13. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal. Gov. Code § 54956.9(a)):  
Maria Paula Bermudez v. San Diego County Regional Airport Authority, American Airlines, Inc., et al.  
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL
- 14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal. Gov. Code §54956.9(a) and (d)(1))  
Stanley Moore v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
Cal. Gov. Code § 54956.9(a) and (d).  
In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal. Gov. Code §54956.9(a))  
GGTW LLC v San Diego County Regional Airport Authority, et al.  
San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal. Gov. Code §54956.9(a))  
San Diego County Regional Airport Authority v. American Car Rental, Inc.  
San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal. Gov. Code § 54956.9(a) and (d)(1).)  
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EINC
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)  
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.  
Number of potential cases: 1
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)  
Number of cases: 2

- 21. CONFERENCE WITH REAL PROPERTY NEGOTIATORS AND WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**  
(Gov. Code §§54956.9(d)(e)(1) and 54954.5(b))  
Property: Concession leases (food & beverage) with Host, High Flying Foods and SSP  
Agency Negotiator: Scott Brickner, Kathy Kiefer and Eric Podnieks  
Negotiating Parties: Host, High Flying Foods San Diego Partnership, SSP America, Inc. and Stellar Partners, Inc.  
Under negotiation: rent (price and terms of payment), closure/conversion of locations, new concession buildout, ACDBE participation, lease compliance issues, claim by Host and close outs/permits.
- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to cal. Gov. Code §54956.9(e)(3))  
The Receipt of a Government Claim from VIP Taxi Inc.
- 23. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to Cal. Gov. Code section 54956.9(e)(3))  
The Receipt of a Government Claim from K.S.A.N. L.L.C.
- 24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to Cal.Gov. Code §54956.9(d)(2))  
Fordyce Construction-Interim Waste Storage Facility, Project No. CIP104192
- 25. PUBLIC EMPLOYEE APPOINTMENT:**  
Cal. Gov. Code §54957  
Title: President/Chief Executive Officer

**REPORT ON CLOSED SESSION:** The Board reconvened into open session at 11:06 a.m. There was no reportable action.

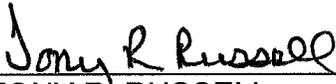
**GENERAL COUNSEL REPORT:** None.

**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:**

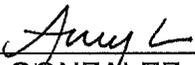
**BOARD COMMENT:** None.

**ADJOURNMENT:** The meeting was adjourned at 11:07 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY BOARD THIS 5<sup>th</sup> DAY OF JANUARY, 2017.

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

APPROVED AS TO FORM:

  
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AMY GONZALEZ  
GENERAL COUNSEL