

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Robert H. Gleason
Jim Janney
Mark Kersey
Paul Robinson
Michael Schumacher
Mary Sessom

Ex-Officio Board Members

Laurie Berman
Eraina Ortega
Col. Jason Woodworth

President / CEO

Thella F. Bowens

DRAFT ACTION MINUTES

BOARD AGENDA

Thursday, March 2, 2017
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

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

CALL TO ORDER: Chairman Boling called the meeting to order at 9:02 a.m.

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

ROLL CALL: Board Members Cox, Berman (Ex Officio), Gleason and Ortega (Ex Officio) were ABSENT.

PRESENTATIONS:

- A. DISCUSSION REGARDING THE PARAMETERS FOR THE FISCAL YEAR 2018 AND FISCAL YEAR 2019 OPERATING BUDGETS:**
Presented by Scott Brickner, VP, Finance & Asset Management/Treasurer; and John Dillon, Director, Financial Management

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Gleason, Hollingworth, Robinson (Chair), Schumacher, Sessom, Tartre, Van Sambeek
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Gleason, Janney (Chair), Kersey, Robinson
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boling, Cox, Desmond (Chair), Kersey, Schumacher

*For reference only. This document is not the official actions of the meeting and should not be maintained once the final minutes are adopted.

- **FINANCE COMMITTEE:**
Committee Members: Boling (Chair), Cox, Janney, Sessom

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Robinson (Primary), Boling
- **ART ADVISORY COMMITTEE:**
Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
Liaison: Janney
- **CALTRANS:**
Liaison: Berman
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox
- **MILITARY AFFAIRS:**
Liaison: Woodworth
- **PORT:**
Liaisons: Boling, Cox, Gleason (Primary), Robinson
- **WORLD TRADE CENTER:**
Representatives: Gleason (Primary)

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Boling (Alternate), Janney (Primary)

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT: 1 Speaker

CONSENT AGENDA (Items 1- 7):

[ACTION: 5-0-4 to approve the Consent Agenda noting Board Members Cox, Gleason, Kersey and Sessom as ABSENT.]

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the February 2, 2017 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.
(Corporate & Information Governance: Tony R. Russell, Director/Authority Clerk)
3. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JANUARY 9, 2017 THROUGH FEBRUARY 5, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 9, 2017 THROUGH FEBRUARY 5, 2017:**
RECOMMENDATION: Receive the report.
(Procurement: Jana Vargas, Director)
4. **MARCH 2017 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2017-0015, approving the March 2017 Legislative Report.
(Inter-Governmental Relations: Michael Kulis, Director)

CLAIMS

5. **REJECT THE CLAIM OF JO-ANN MONTGOMERY:**
RECOMMENDATION: Adopt Resolution No. 2017-0016, rejecting the claim of Jo-Ann Montgomery.
(Legal: Amy Gonzalez, General Counsel)

COMMITTEE RECOMMENDATIONS

6. **SELECTION OF DEBT UNDERWRITERS FOR THE CAPITAL PROGRAM:**
RECOMMENDATION: Adopt Resolution No. 2017-0017, approving the selection of debt underwriters for the Capital Program.
(Presented by John Dillon, Director, Financial Management)

CONTRACTS AND AGREEMENTS

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

7. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE ON-CALL ELECTRICAL SERVICE AGREEMENTS WITH BAKER ELECTRIC, INC.; CHULA VISTA ELECTRIC CO.; GLOBAL POWER GROUP, INC.; M&K GENERAL CONTRACTORS, INC.; AND, NEAL ELECTRIC, INC.:**
RECOMMENDATION: Adopt Resolution No. 2017-0018, approving and authorizing the President/CEO to execute on-call electrical service agreements with Baker Electric, Inc.; Chula Vista Electric Co.; Global Power Group, Inc.; M&K General Contractors, Inc.; and, Neal Electric, Inc., – each agreement, for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$5,000,000 to provide on-call electrical services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program.
(Presented by David LaGuardia, Director, Facilities Management)

PUBLIC HEARINGS:

OLD BUSINESS:

8. **PRESENTATION AND APPROVAL OF THE AMENDED PREFERRED AIRPORT DEVELOPMENT PLAN CONCEPT (*CONTINUED FROM THE FEBRUARY 2, 2017 BOARD MEETING*):**
RECOMMENDATION: Adopt Resolution No. 2017-0013, refining the preferred Airport Development Plan Concept Alternative Five and directing staff to continue ADP programmatic planning and environmental analysis, based on the amended preferred alternative identified in the presentation and the staff report.
(Airport Planning & Noise Mitigation: Angela Jamison, Acting Director)

[ACTION: 7-0-2 to approve staff's recommendation, noting Board Members Cox and Gleason as ABSENT.]

NEW BUSINESS:

9. **APPROVE AND ADOPT A MID-YEAR ADJUSTMENT OF THE CAPITAL PROGRAM BUDGET FOR FISCAL YEARS 2017-2021 TO FUND THE TERMINAL 2 WEST FEDERAL INSPECTION SERVICES PROJECT; AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A DESIGN-BUILD AGREEMENT WITH TURNER-PCL FOR DESIGN AND CONSTRUCTION OF THE TERMINAL 2 WEST FEDERAL INSPECTION SERVICES FACILITY:**
RECOMMENDATION: Adopt Resolution No. 2017-0019, approving and adopting a mid-year adjustment to the Fiscal Year 2017-2021 Capital Program Budget to fund the Terminal 2 West Federal Inspection Services project for a Program budget of _____.

Adopt Resolution No. 2017-0020, approving and authorizing the President/CEO to negotiate and execute: 1) a Design-Build Agreement with Turner-PCL, for design and construction of the Terminal 2 West Federal Inspection Services facility for a Guaranteed Maximum Price (GMP) not-to-exceed _____; 2) negotiate and execute future change orders using uncommitted funds within the Program Budget of _____.

(Development: Jeffrey Woodson, Vice President)

[ACTION: 6-1-2 to approve staff's recommendation as amended to include the Chairman of the Board as a secondary signatory for any change orders over 4% of the contract value, noting Board Member Sessom's NO vote, and Board Members Cox and Gleason as ABSENT.]

CLOSED SESSION: The Board recessed into closed session at 12:12 p.m. to discuss Items 18 and 20.

10. **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
11. **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
12. **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

- 13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(d)(2))
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
- 14. 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.
- 15. 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.
- 16. 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.
- 17. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(d)(2))
Re: Navy Boat Channel
Number of potential cases: 1
- 18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9
Number of potential cases: 2
- 19. CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: 1 case
In re Seaport Airlines, Inc.
U.S. Bankruptcy Court Case No. 16-30406-rld7

20. PUBLIC EMPLOYEE APPOINTMENT:

Cal. Gov. Code §54957

Title: President/Chief Executive Officer

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 meeting was adjourned out of Closed Session at 12:55 p.m.