

# 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, April 6, 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 call the meeting to order at 9:01 a.m.

**PLEDGE OF ALLEGIANCE:** Board Member Berman (Ex Officio) led the Pledge of Allegiance.

**ROLL CALL:** Board Members Ortega (Ex Officio), Schumacher and Woodworth (Ex Officio) were ABSENT.

### **PRESENTATIONS:**

#### **A. ART PROGRAM POLICY 8.50:**

Presented by Chris Chalupsky, Senior Manager, Vision, Voice, and Engagement; and Lauren Lockhart, Arts Program Manager, Vision, Voice, and Engagement

*Board Member Kersey arrived at 9:16 a.m.*

### **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

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

- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Committee Members: Boling, Cox, Desmond (Chair), Kersey, Schumacher
- **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: 2 Speakers**

**CONSENT AGENDA (Items 1-18):**

**[ACTION: 8-0-1 to approve the Consent Agenda, noting Board Member Gleason's ABSTENTION on Item 8 and Board Member Schumacher as ABSENT.]**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the March 2, 2017 regular meeting and March 20, 2017 special 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 6, 2017 THROUGH MARCH 12, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 6, 2017 THROUGH MARCH 12, 2017:**

RECOMMENDATION: Receive the report.

**CLAIMS**

**4. REJECT THE CLAIM OF AMANDA JOHNSON:**

RECOMMENDATION: Adopt Resolution No. 2017-0025, rejecting the claim of Amanda Johnson.

**5. REJECT THE CLAIM OF AUDRA MARKMAN:**

RECOMMENDATION: Adopt Resolution No. 2017-0026, rejecting the claim of Audra Markman.

**6. REJECT THE CLAIM OF CAL-A-VIE SPA:**

RECOMMENDATION: Adopt Resolution No. 2017-0027, rejecting the claim of Cal-a-Vie Spa.

**COMMITTEE RECOMMENDATIONS**

**7. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH FRASCA & ASSOCIATES, LLC FOR FINANCIAL ADVISORY SERVICES:**

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2017-0028, approving and authorizing the President/CEO to execute an agreement for Financial Advisory Services with Frasca & Associates LLC for a term of three (3) years with two (2) one-year options to extend the term with a maximum amount payable not-to-exceed \$2,500,000.

**8. AUTHORIZATION OF A SUBORDINATE REVOLVING DRAWDOWN BOND PROGRAM WITH RBC CAPITAL MARKETS, LLC OF UP TO \$100,000,000 AND AN EXTENSION OF AN AMENDMENT TO THE EXISTING US BANK \$125,000,000 REVOLVING CREDIT AGREEMENT:**

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2017-0029, reauthorizing revolving line of credit in an aggregate principal amount not to exceed \$125,000,000 outstanding at any one time and approving a first amendment to revolving credit agreement and certain other matters; and authorizing the issuance and/or incurrence of San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds from time to time in the form of a revolving drawdown bond program in an aggregate principal amount not to exceed \$100,000,000 outstanding at any one time, and approving a Fourth Supplemental Subordinate Trust Indenture, a Bondholder's Agreement, a Bond Purchase Agreement, and certain documents and matters related to the subordinate drawdown bonds.

**9. FISCAL YEAR 2017 SECOND 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.

**10. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH AARON T. STEPHAN TO DESIGN, PRODUCE AND INSTALL INTEGRATED ARTWORK FOR THE FIS ATRIUM SUSPENDED PUBLIC ART OPPORTUNITY:**

RECOMMENDATION: The Art Advisory Committee recommends that the Board adopt Resolution No. 2017-0030, awarding and authorizing the President/CEO to execute a contract with Aaron T. Stephan to design, produce and install integrated artwork for the FIS Atrium Suspended Public Art Opportunity in an amount not-to-exceed \$300,000.

**11. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH HOOD DESIGN TO DESIGN, PRODUCE AND INSTALL INTEGRATED ARTWORK FOR THE FIS GLASS PARTITION WALL PUBLIC ART OPPORTUNITY:**

RECOMMENDATION: The Art Advisory Committee recommends that the Board adopt Resolution No. 2017-0031, awarding and authorizing the President/CEO to execute a contract with Hood Design to design, produce and install integrated artwork for the FIS Glass Partition Wall Public Art Opportunity in amount not-to-exceed \$950,000.

**CONTRACTS AND AGREEMENTS**

**12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A PUBLIC IMPROVEMENT MAINTENANCE AGREEMENT WITH THE CITY OF SAN DIEGO:**

RECOMMENDATION: Adopt Resolution No. 2017-0032, approving and authorizing the President/CEO to negotiate and execute a Public Improvement Maintenance Agreement with the City of San Diego for an airport noise pole monitoring site.

**13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE PROFESSIONAL LEGAL SERVICES AGREEMENT WITH BEST BEST & KRIEGER:**

RECOMMENDATION: Adopt Resolution No. 2017- 0033, approving and authorizing the President/CEO to execute a Second Amendment to the Agreement with Best Best & Krieger LLP for Professional Legal Services extending the term for one year and increasing the compensation amount by \$200,000 for a total not-to-exceed amount of \$800,000.

**14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE PROFESSIONAL LEGAL SERVICES AGREEMENT WITH MEYERS NAVE RIBACK SILVER AND WILSON:**

RECOMMENDATION: Adopt Resolution No. 2017-0034, approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Meyers Nave Riback Silver & Wilson for Professional Legal Services extending the term for one year.

- 15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE PUBLIC ART AGREEMENT WITH UEBERALL INTERNATIONAL, LLC FOR RENTAL CAR CENTER PUBLIC ART PROJECT:**  
RECOMMENDATION: Adopt Resolution No. 2017-0035, approving and authorizing the President/CEO to execute a Third Amendment to the Public Art Agreement with Ueberall International, LLC to extend the term for four (4) months resulting in a termination date of August 31, 2017.

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

- 16. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ENGINEERING CONSULTING SERVICES AGREEMENT WITH P2S ENGINEERING, INC.:**  
RECOMMENDATION: Adopt Resolution No. 2017-0036, approving and authorizing the President/CEO to execute an Engineering Consulting Services Agreement with P2S Engineering, Inc., in an amount not-to-exceed \$5,000,000, for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO in support of the Central Utility Plant Optimization and Site Utilities Integration Program, at San Diego International Airport.
- 17. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL HAZARDOUS WASTE MANAGEMENT SERVICE AGREEMENT WITH OCEAN BLUE ENVIRONMENTAL SERVICES, INCORPORATED:**  
RECOMMENDATION: Adopt Resolution No. 2017-0037, approving and authorizing the President/CEO to execute an On-Call Hazardous Waste Management Service Agreement with Ocean Blue Environmental Services, Incorporated, for a term of three years, with the option for two one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$7,000,000.
- 18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH FERRELLGAS, LP FOR ON-SITE PROPANE FUEL SUPPLIER FOR PARKING AND EMPLOYEE SHUTTLE BUSES:**  
RECOMMENDATION: Adopt Resolution No. 2017-0038, approving and authorizing the President/CEO to execute an agreement with Ferrellgas, LP for on-site delivery and dispensing of liquid propane fuel to the parking and employee shuttle bus fleet operation, for a term of three years with two one-year options to extend and an amount not to exceed \$3,300,000.

**PUBLIC HEARINGS:** None

**OLD BUSINESS:** None

**NEW BUSINESS:**

**19. APRIL 2017 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2017-0024, approving the April 2017 Legislative Report.

**[ACTION: 8-0-1 to approve staff's recommendation as amended, removing AB805 and AB1069 from the report to be presented separately at a future meeting, noting Board Member Schumacher as ABSENT.]**

*The Board recessed at 10:24 a.m. and reconvened at 10:41 a.m.*

**WORKSHOP:**

**20. REVIEW OF THE DRAFT FIVE-YEAR STRATEGIC PLAN FOR THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY:**

RECOMMENDATION: Discuss the Draft Five-Year Strategic Plan.

**[ACTION: No action taken.]**

**CLOSED SESSION:** The Board did not recess into Closed Session.

**21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL

**22. 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. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL

**23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

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

**24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.

Number of potential cases: 1

**25. 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.

**26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

The Receipt of a Government Claim from Cal-a-Vie Spa

Number of potential cases: 1

**27. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Navy Boat Channel Environmental Remediation

Number of potential cases: 1

**28. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Number of potential cases: 2

**29. CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION:**

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

In re Seaport Airlines, Inc., U.S. Bankruptcy Court Case No. 16-30406-rld7

Number of potential cases: 1

**30. 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:**

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**BOARD COMMENT:** None.

**ADJOURNMENT:** The meeting adjourned at 11:10 a.m.

DRAFT