

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, APRIL 21, 2016
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 9:03 a.m. on Thursday, April 21, 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 Boling led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Alvarez, Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom

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

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

Board Members Alvarez and Sessom arrived during the course of the meeting.

PRESENTATIONS: None

Chair Gleason announced that the Consent Agenda would be heard first, followed by Item 12.

CONSENT AGENDA (Items 1-10):

Chair Gleason requested that Item 4 be pulled from the Consent Agenda for discussion.

ACTION: Moved by Board Member Desmond and seconded by Board Member Janney to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson; NO – None; ABSENT – Alvarez, Sessom. (Weighted Vote Points: YES – 79; NO – 0; ABSENT – 21)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the March 7, 2016 special meeting and the March 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 FEBRUARY 22, 2016 THROUGH MARCH 20, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 22, 2016 THROUGH MARCH 20, 2016:

RECOMMENDATION: Receive the report.

4. APRIL 2016 LEGISLATIVE REPORT:

ACTION: This item was removed from the Consent Agenda for discussion.

5. AMEND AUTHORITY POLICIES 1.20 - FORMATION OF BOARD COMMITTEES AND 1.30 – MEETINGS OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES:

RECOMMENDATION: Adopt Resolution No. 2016-0027, amending Authority Policy 1.20 – Formation of Committees and Policy 1.30 – Meetings, Agendas and Voting of the Board of Directors, to set the date, time and place of Board and Committee meetings.

CLAIMS

6. REJECT THE CLAIM OF ANTHONY NACIN:

RECOMMENDATION: Adopt Resolution No. 2016-0028, rejecting the claim of Anthony Nacin.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

7. APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY FOR NORTH SIDE UTILITY (NSU) STORM DRAIN TRUNK PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2016-0029, approving and authorizing an increase in the President/CEO's change order authority from \$415,867.20 to an amount not to exceed \$439,895.88, for Project No. 104118E, NSU Storm Drain Trunk at San Diego International Airport.

- 8. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE VEBA TRUST AGREEMENT WITH MATRIX TRUST COMPANY AS SUCCESSOR TRUSTEE TO US BANK:**
RECOMMENDATION: Adopt Resolution 2016-0030, authorizing the President/CEO to execute the Matrix Trust Company VEBA Trust Agreement and perform any and all other actions necessary to assign Matrix Trust Company as the successor trustee.
- 9. APPROVE THE ASSIGNMENT OF AUTHORITY AGREEMENT 2091730S WITH STUTZ ARTIANO SHINOFF & HOLTZ APC FOR GENERAL LEGAL SERVICES TO DEVANEY PATE MORRIS & CAMERON LLP:**
RECOMMENDATION: Adopt Resolution No. 2016-0031, approving the assignment of Authority Agreement No. 2091730S with Stutz Artiano Shinoff & Holtz APC for General Legal Services to Devaney Pate Morris & Cameron LLP.
- 10. GRANT A RENTAL CAR CENTER LEASE AND CONCESSION AGREEMENT TO GREEN MOTION SAN, LLC:**
RECOMMENDATION: Adopt Resolution No. 2016-0032, authorizing the President/CEO to negotiate and execute a Non-Exclusive On-Airport Rental Car Concession Agreement and a Rental Car Center Lease Agreement with Green Motion SAN, LLC.

Board Member Alvarez arrived at 9:08 a.m.

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

- 12. STATUS UPDATE AND POSSIBLE ACTION ON COMMUNITY NOISE ISSUES:**
Sjohnna Knack, Program Manager, and Breton K. Lobner, General Counsel, provided a presentation which included the Legal Aspects of Noise, Timeline – Aircraft Noise Concerns, Aircraft Noise and Operations Monitoring System (ANOMS), Airport Noise Advisory Committee (ANAC), Noise Dot Clarification, Common Noise Sources, Shrinking Contours, Total Operations 2005 through 2015, Point Loma Peninsula Analysis, Five Noise Studies, Ground Noise Modeling Summary, Pt. Loma Peninsula Monitoring, Definitions: Early Turns and Missed Approach, Annual Noise Statistics, Additional Efforts, and Board Recommendations.

Board Member Sessom arrived at 9:28 a.m.

Board Member Cox recommended that two voting representatives be added to the composition of the ANAC, and they be a member who resides in the 60-65 dB CNEL area, and the other member represent an organized community group focused on noise issues.

Board Member Boling stated that the ex officio member should be a voting member and that the subcommittee should feed information up to the ANAC. She also stated that the additional voting member should be a member of the subcommittee.

Chair Gleason recommended that staff improve the environment of the ANAC meetings and consider changing facilitators.

In response to Board Member Alvarez regarding observations and notifications of deviations from the Red Dot Agreement, Barry Davis, Federal Aviation Administration (FAA) Terminal Radar Approach Control (TRACON), stated that they try to comply with the Red Dot Agreement at all times; but deviations may occur from the departure procedures or the agreement sometimes due to weather conditions or to maintain the safety and/or efficiency of flight. He further stated that there is no official notification, but that a review is done to establish the cause of the deviation.

Board Member Hubbs requested that the noise dot flight tracker and complaints be provided.

In response to Board Member Cox regarding efforts being made by the Authority to diminish "early turn" activity, Ms. Knack stated that there are ongoing meetings with the airlines and chief pilot groups for air carriers to identify ways to bring more attention to "early turns" and to ensure they understand the definition.

Thella F. Bowens, President/CEO, stated that annual meetings have been held with air carriers and the chief pilot groups over the years to discuss how flights occur over the area of San Diego International Airport. She stated that in response to the latest community concerns, the frequency of these meetings was increased, and include all carriers servicing the airport.

In regards to the "Fly Quiet Program," Ms. Bowens stated that staff would update the Board on how quickly it can be implemented.

SANDY VALONE, SAN DIEGO, stated that there has been an increase in noise that has impacted their quality of life. She urged the Board to investigate the issue and to provide possible noise abatement assistance for impacted residents in the area.

CASEY SCHNOOR, SAN DIEGO, expressed concern regarding an increase in noise in the Point Loma area and encouraged the Board to create a subcommittee of the ANAC.

JULIE GILDRED CONNOLLY, SAN DIEGO, urged the Board to address the noise in her community.

BRUCE BAILEY, SAN DIEGO, expressed appreciation to the Board for their time and energy in addressing the concerns of the community, but also expressed frustration with the ANAC meeting process.

ALAN HARRIS, SAN DIEGO, representing residents of Pacific Beach, asked that an opportunity be provided to allow residents of his community to voice their concerns regarding the noise issues.

Board Member Cox recommended restructuring the ANAC, and stated that he concurred with the proposal to increase the frequency of meetings. He recommended that a sub-committee be added to the ANAC, and that the membership of the ANAC be expanded by two voting members to include one member who resides in the 60-65 dB CNEL area and the other member who represents an organized community group focused on noise issues. He also requested that staff come back with suggestions on how to memorialize the Red Dot Agreement. He recommended the frequency of the ANAC meetings for the immediate future be bi-monthly.

Board Member Sessom expressed concern that the Authority may be taking on an issue which it does not have control, due to the regulations of the FAA and TRACON. She stated that the Authority's role is to facilitate the process, not solve the problems and raise expectations.

Board Member Janney stated that it seems like the issues are more focused on the South and not the North. He also stated that he is not sure that the "Fly Quiet Program" have been discussed enough.

Board Member Hubbs expressed concern that the Authority is embarking on an impossible task and that we need to keep the lines of communication open. He stated that he doesn't think there will be any perfect solutions.

Board Member Boling stated that the Authority has a responsibility to provide information to the community and to do everything we can to help solve the issues. She stated that the subcommittee should be a "Standing Committee."

Chair Gleason expressed concern that the Board doesn't understand what's involved in formalizing the Noise Dot Agreement.

Ms. Bowens recommended that, with today's direction from the Board, the Authority work with the air carriers to try and address the issues before entering into a process to formalize the Red Dot Agreement.

Chair Gleason clarified that the Board's direction still includes moving forward with looking at increasing the frequency of downloading flight track data, identifying the reasons for the early turns, that early turns will no longer include an altitude ceiling and that ANAC notices be included in the Board Information Packet.

Board Member Alvarez questioned if the motion included leaving all other dots in their current locations.

RECOMMENDATION: Adopt Resolution No. 2016-0034, approving the April 21, 2016 Update – Noise Issues.

ACTION: Moved by Board Member Cox and seconded by Board Member Robinson to approve Resolution No. 2016-0034R as amended to request that Noise Dots 1,2,4 and 5 remain in place and that the Board direct staff to: 1) conduct bi-monthly meetings of the Airport Noise Advisory Committee (ANAC); 2) expand the membership of the ANAC to include representation of two additional voting members, one member who resides in the 60-65 dB CNEL area and the other member who represents an organized community group focused on noise issues; 3) request a noise audit by the State through Assembly Woman Atkins' Office; 4) create an Ad Hoc subcommittee of the ANAC to address noise issues, and report back to the Board at the May meeting with the requested direction for Board approval; and 5) at a later date, report back to the Board with a report outlining the pros and cons associated with memorializing the Noise Dot Agreement so that there is consistent application. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Robinson; NO – Hubbs, Janney, Sessom; ABSENT – None. (Weighted Vote Points: YES – 68; NO –32; ABSENT – 0)

NEW BUSINESS:

11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FOURTH AMENDMENT TO THE CONTRACT WITH ACE PARKING MANAGEMENT, INC.:

Angela Shafer-Payne, Vice President, Operations, provided a presentation on the ACE Airport Shuttle Services Amendment which included Background and Contract Summary.

KEITH JONES, SAN DIEGO, representing ACE Parking Management, spoke in support of the contract amendment.

TONY YOUNG, SAN DIEGO, spoke in support of the contract amendment and ACE Parking Management.

Board Member Robinson reported ex parte communication with Keith Jones.

Board Member Hubbs reported ex parte communication with Keith Jones.

RECOMMENDATION: Adopt Resolution No. 2016-0033, approving and authorizing the President/CEO to execute a Fourth Amendment to the contract with ACE Parking Management, Inc. for Airport Shuttle Services to increase the compensation by \$2,530,682 resulting in a not-to-exceed compensation amount of \$31,330,682.

ACTION: Moved by Board Member Desmond and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom; NO – None; ABSENT- None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

Board Member Janney left the dais at 12:03 p.m.

13. AUTHORIZE AND ADOPT THE CREATION OF A SEASONAL INTERNATIONAL AIR SERVICE INCENTIVE PROGRAM (SIASIP):

RECOMMENDATION: Adopt Resolution No. 2016-0026, authorizing the creation of a Seasonal International Air Service Incentive Program (SIASIP).

ACTION: Moved by Board Member Alvarez and seconded by Board Member Sessom to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Hubbs, Robinson, Sessom; NO – None; ABSENT- Janney. (Weighted Vote Points: YES – 88; NO – 0; ABSENT – 12)

Board Member Janney returned to the dais at 12:07 p.m.

The Board recessed at 12:08 p.m. and reconvened at 12:13 p.m.

Chair Gleason stated that Consent Item 4 would be heard at this time.

ITEMS REMOVED FROM THE CONSENT AGENDA FOR DISCUSSION

4. APRIL 2016 LEGISLATIVE REPORT:

Michael Kulis, Director, Inter-Governmental Relations, stated that due to the change in the language of AB2611, staff is recommending that the Board change its position from "Support" to "Watch." He also reported that the Federal Aviation Administration Reauthorization Bill was approved by the U.S. Senate and assigned the new number, H.R. 636.

RECOMMENDATION: Adopt Resolution No. 2016-0025, approving the April 2016 Legislative Report.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve the April 2016 Legislative Report as amended. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom; NO – None; ABSENT- None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

PUBLIC HEARINGS: None

OLD BUSINESS: None

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:**
Board Member Boling reported that the Committee met on April 4th and reviewed and accepted the financial reports of the Authority.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
None
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported that the Request for Proposal (RFP) for the 2017 temporary exhibitions will be released next month, and that the Performing Residency Program with Fern Street Circus will begin performances in May. He also reported that there will be a public art dedication on April 28 for the Rental Car Center and encouraged Board Members to attend.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
None
- **CALTRANS:**
None
- **INTER-GOVERNMENTAL AFFAIRS:**
Board Member Cox reported that on April 19 the U.S. Senate approved an 18-month FAA Re-Authorization Bill, and stated that the current bill does not include any change to the Passenger Facility Charge limit and does not provide assistance in re-establishing non-stop service between San Diego and Ronald Reagan Washington National Airport. He reported that Congress has until July 15, 2016 to either pass this bill or to approve another extension. He reported that the Senate Appropriation Committee is expected to begin consideration of the Fiscal Year 2017 Transportation Appropriations Bill. He also reported that on April 5th Authority

staff provided a briefing and tour to California Air Resources Board staff, and on April 7, Authority staff participated in the California Airport Council Board meeting held in Sacramento. He reported that Authority staff is scheduled to provide an Airport Land Use Compatibility Plan briefing to Coronado Mayor Casey Tanaka.

- **MILITARY AFFAIRS:**
None
- **PORT:**
None
- **WORLD TRADE CENTER:**
None

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Janney reported that during their recent meeting, the Committee had a presentation regarding Transportation Investment Generating Economic Recovery (TIGER) Grants; he suggested that the Authority explore engaging in this competitive process as it appears to be a good opportunity for funds.

Scott Brickner, Vice President, Finance and Asset Management, stated that although not successful in past attempts, staff has been pursuing this opportunity and will continue to apply.

CHAIR'S REPORT:

Chair Gleason reported that Board Member Alvarez represented the Authority on the Chamber of Commerce's delegation to the California Mexico Trade Initiative Conference in Mexico City.

Board Member Alvarez reported that during the trip to Mexico City, tourism focused issues were discussed, mainly sports and fishing and ways to attract more tourism. He stated that the delegation met with the Secretary of Tourism. He also stated that a written report will be provided to the Board.

Chair Gleason reported that he attended the opening dinner of the Cross Border Terminal. He also reminded the Board that as the current Fiscal Year closes and a new one begins, budget discussions will be at the center of upcoming meetings.

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO, reported that Small Business Development is partnering with Vision, Voice and Engagement staff to create a social media outreach group to increase participation in the Small Business programs. She reported that the Authority has once again been recognized as a Recycler of the Year by the City of San Diego. She also provided an overview of the ACI World Governing Board Meeting she attended recently.

NON-AGENDA PUBLIC COMMENT: None

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

- 14. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL
- 15. 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-El-NC
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Donna Wilson; John Wilson v. San Diego County Regional Airport Authority;
Turner-PCL-Flatiron, a joint venture.
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL (Meyer)
- 17. 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
- 18. 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
- 19. 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)]
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)
Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al.,
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL

21. **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
22. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2

REPORT ON CLOSED SESSION: None

NON-AGENDA PUBLIC COMMENT: None

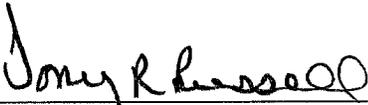
GENERAL COUNSEL REPORT: None

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: None

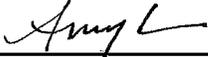
ADJOURNMENT: The meeting was adjourned at 12:27 p.m.

APPROVED BY A MOTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 23RD DAY OF JUNE, 2016.



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

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL