

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND
EXECUTIVE AND FINANCE COMMITTEE MEETING MINUTES
MONDAY, JANUARY 28, 2019
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the Special Board and Executive-Finance Committee Meeting to order at 9:00 a.m., on Monday, January 28, 2019, in the Board Room of the San Diego International Airport, Administration Building, 3225 N Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

Board

Present: Board Members: Boling (Chair), Cox, Kersey, Lloyd
Robinson, Schiavoni, Schumacher,
West

Absent: Board Members: Binns (Ex-Officio), Desmond,
Dockery (Ex-Officio), Wong-Hernandez
(Ex-Officio)

Executive Committee

Present: Committee Members: Boling (Chair), Robinson, Schumacher

Absent: Committee Members: None

Finance Committee

Present: Committee Members: Cox, Lloyd, Schiavoni, West

Absent: Committee Members: None

Also Present: Kimberly J. Becker, President/CEO; Amy Gonzalez, General
Counsel; Tony R. Russell, Director, Board Services/Authority Clerk;
Martha Morales, Assistant Authority Clerk I

NON-AGENDA PUBLIC COMMENT: None.

BOARD NEW BUSINESS:

1. **APPOINTMENTS TO BOARD COMMITTEES, LIAISON POSITIONS, OTHER REPRESENTATIVE AND ALTERNATE POSITIONS:**
RECOMMENDATION: Adopt Resolution No. 2019-0011, appointing Board Member Johanna Schiavoni as the primary member and Board Member Michael Schumacher as the alternate to the SANDAG Transportation Committee.

ACTION: Moved by Board Member Cox and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following votes: YES – Boling, Cox, Kersey, Lloyd, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Desmond; (Weighted Vote Points: YES – 88; NO – 0; ABSENT – 12).

FINANCE COMMITTEE NEW BUSINESS:

2. **REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2018:**
Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2018, which included Enplanements, Gross Landing Weight Units, Operating Revenue, Operating Expenses, Net Operating Income, Nonoperating Revenue & Expenses, Statements of Net Position, and Budget - Timeline of Key Dates.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.
3. **REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2018:**
Geoff Bryant, Manager, Airport Finance, provided a presentation on the Authority's Investment Report as of December 31, 2018, which included Portfolio Characteristics, Sector Distribution, Quality & Maturity Distribution, Investment Performance, and Bond Proceeds.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

ACTION: Moved by Board Member Schiavoni and seconded by Board Member West to approve staff's recommendation for Items 2 and 3. Motion carried unanimously.

4. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND AMEND A LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT WITH US BANK, NA TO SUPPORT THE AUTHORITY'S BONDING AND CONTRACT FINANCING ASSISTANCE PROGRAM:

John Dillon, Director, Financial Planning & Budget, and Geoff Bryant, Manager, Airport Finance, provided a presentation on the Small Business Letter of Credit (LOC) Facility, which included Bonding & Contract Financing Assistance Program, Existing LOC Facility, and 2019 LOC Amendment.

RECOMMENDATION: Forward to the Board with a recommendation for approval.

ACTION: Moved by Board Member Schiavoni and seconded by Board Member West to approve staff's recommendation. Motion carried unanimously.

EXECUTIVE COMMITTEE NEW BUSINESS:

5. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 20, 2018 regular meeting.

ACTION: Moved by Board Member Robinson and seconded by Board Member Schumacher to approve staff's recommendation. Motion carried unanimously.

6. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

ACTION: Moved by Board Member Robinson and seconded by Board Member Schumacher to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

7. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 7, 2019 BOARD MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the draft agenda for the February 7, 2019, Board meeting. She stated that Items 13 and 14 would be moved to New Business.

8. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 7, 2019 AIRPORT LAND USE COMMISSION MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the draft agenda for the February 7, 2019, ALUC meeting.

WORKSHOP

9. REVIEW PROPOSED AMENDMENTS TO AUTHORITY CODES AND POLICIES:

Tony R. Russell, Director, Board Services/Authority Clerk, provided a presentation with a summary of the amendments to Authority Codes and Policies. He stated Authority Code 1.18 was pulled and would be heard at a later date.

RECOMMENDATION: Review proposed amendments, provide possible direction to staff, and forward to the Board with a recommendation for approval.

ACTION: Moved by Board Member Cox and seconded by Board Member West to approve staff's recommendation. Motion carried unanimously.

BOARD CLOSED SESSION: The Board recessed into Closed Session at 9:39 a.m. to discuss Items 10 and 11.

- 10. 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: 1

- 11. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Property: Airline Operating and Lease Agreement - San Diego International Airport
Agency Negotiator: Kim Becker, Scott Brickner, John Dillon, Kathy Kiefer, Amy Gonzalez
Negotiating Parties: Alaska Airlines, Allegiant Airlines, American Airlines, British Airways, Delta Airlines, FedEx, JetBlue Airlines, Southwest Airlines, United Airlines
Under Negotiation: price and terms of payment

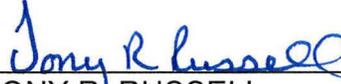
REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 11:30 a.m. There was no reportable action.

BOARD AND COMMITTEE MEMBER COMMENTS: None.

ADJOURNMENT: The meeting adjourned at 11:30 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 14th DAY OF MARCH, 2019.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL