

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MARCH 14, 2019
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the special meeting of the San Diego County Regional Airport Authority Board to order at 9:03 a.m. on Thursday, March 14, 2019, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

ROLL CALL:

PRESENT: Board Members: Binns (Ex Officio), Boling, Desmond, Dockery (Ex-Officio), Kersey, Lloyd, Robinson

ABSENT: Board Members: Cox, Schiavoni, Schumacher, West, Wong-Hernandez (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Lee Kaminetz, Director, Counsel Services; Tony R. Russell, Director, Board Services/Authority Clerk; Martha Morales, Assistant Authority Clerk I

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

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

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **AUDIT COMMITTEE:** Board Member Robinson reported that a Special Audit Committee Meeting will be held on March 25 for the selection of the Authority's external auditor.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** None.

AD HOC COMMITTEES

- **GROUND TRANSPORTATION AD HOC:** Board Member Lloyd reported that the Ad Hoc Committee met on February 14 regarding the evolving world of airport landside operations, innovations in ground transportation, the Airport Development Plan, the changing face of landside, and possible transit connectivity options. He also reported that they met on February 21 in which they identified the parameters to be considered in the development of the operating

strategy recommendations, long-range Ground Transportation Plan and the ground transportation environment.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:** Chris Chalupsky, Senior Manager, Art & Community Partnership, reported that the mural by local artist Adriene Hughes was installed on Admiral Boland Way as of March 12; and that the San Diego Dance Theatre continues their Performing Arts Residency at the airport.

LIAISONS

- **CALTRANS:** Board Member Binns reported that CalTrans continues to participate in the Airport Subcommittee Workgroups that look at connectivity from Interstate 5. He reported that for safety during construction of the corridor, a speed reduction has been established on Interstate 5 between Manchester Avenue and Palomar Airport Road. He reported that the Morena Boulevard ramp, on Westbound Interstate 8, has been re-opened without issues. He also reported that the Planning grant results to study airport connectivity should be announced by early May.
- **INTER-GOVERNMENTAL AFFAIRS:** Matt Harris, Director, Government Relations, reported that the deadline to introduce bills into the California State Legislature was February 22. He reported that staff briefed the Escondido Mayor, Carlsbad Mayor, and City Council Members on the Airport Development Plan (ADP) and provided an ADP presentation at a meeting of the El Cajon City Council. He reported that Board Member Kersey and staff participated in the 2019 San Diego Regional Chamber of Commerce Delegation to Sacramento; and that staff attended the 2019 ACI-NA/AAAE Washington Legislative Conference where meetings were held with Representative Mike Levin, staff of Representative Scott Peters, and the Federal Aviation Administration.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chairman Boling reported that at the first SANDAG Board meeting, they approved amendments to the ordinance adjusting MTS and NCTD fares. She reported that the second SANDAG Board meeting focused on the financial capacity of the TransNet program and a new action plan for the Regional Transportation Plan. She reported that in order to complete all of the projects in the TransNet Major Corridors program, an additional \$9.8 billion in funding would be needed, which resulted in a discussion about the need for prioritization of projects going forward. She reported that the SANDAG Board approved to extend the RTP completion date from October 2019 to November 2021. She reported that the SANDAG Board Retreat was held last week and there was discussion about new ideas for our transportation system with one of the sessions being a panel of the heads of the region's transportation agencies. She also reported that at the third Airport Connectivity Subcommittee meeting, they heard from a panel of experts on new technologies for conveying passengers, including a significant discussion about autonomous vehicles.
- **SANDAG TRANSPORTATION COMMITTEE:** None.
- **SCAG AVIATION TASK FORCE:** None.

CHAIR'S REPORT: None.

PRESIDENT/CEO'S REPORT: Kimberly Becker, President/CEO, reported that she joined leaders from the Port of San Diego, City of San Diego, North County Transit District, San Diego Metropolitan Transit System, and Caltrans on an airport connectivity panel as part of SANDAG's Board retreat in which each panelist spoke to what success in the airport connectivity effort looks like to them. She reported that the discussion helped strengthen the broadening consensus around how to move the airport's Draft Environmental Impact Report forward. She also reported that on March 4, Alaska Airlines began operating commercial service from Paine Field in Everett, Washington to provide a more convenient air travel plan for travelers from northern Seattle by avoiding traveling south into downtown; and that San Diego is among the eight West Coast cities where the airline is offering daily nonstop flights. She reported that March 22 marks the one-year anniversary of service between Frankfurt, Germany and San Diego on Lufthansa; and that to commemorate the occasion, the airport is supporting the airline with an event for passengers pre-security. She also reported that the second phase of the airport's Federal Inspection Station begins operations today; and that Alaska Airlines will be the first to utilize the new Gate 46 gatehouse.

NON-AGENDA PUBLIC COMMENT: None.

NEW BUSINESS:

12. APPROVE THE ARTS MASTER PLAN AND AMEND AUTHORITY POLICY 8.50 – AIRPORT AUTHORITY ARTS PROGRAM:

Chris Chalupsky, Senior Manager, Art & Community Partnership, Customer Experience Design & Innovation; Robert H. Gleason, Committee Member, Art Advisory Committee; Indra Gardiner, Chair, Art Advisory Committee, and Meridith McKinley, Partner, Via Partnership, provided a presentation on the Arts Master Plan and Amendment to Arts Policy 8.50 which included How We Got Here, SAN Arts Program, Traditional Media Coverage, Social Media Coverage, Arts Master Plan Purpose, Online and Intercept Survey Findings, Benchmarking, Arts Program Vision and Goals, Select Artistic Program Recommendations, Site and Opportunities Plan for Airport Development Plan, Deaccession and Relocation, and Arts Program Policy 8.50.

RECOMMENDATION: Adopt Resolution No. 2019-0030, approving the Arts Master Plan.

Adopt Resolution 2019-0031, approving amendments to Authority Policy 8.50.

ACTION: Moved by Board Member Kersey and seconded by Board Member Robinson to approve the staff's recommendation. Motion carried by the following votes: YES – Boling, Desmond, Kersey, Lloyd, Robinson; NO – None; ABSENT – Cox, Schiavoni, Schumacher, West (Weighted Vote Points: YES – 55; NO – 0; ABSENT – 45).

CONSENT AGENDA (Items 1-11):

ACTION: Moved by Board Member Desmond and seconded by Board Member Robinson to approve the Consent Agenda. Motion carried by the following votes: YES – Boling, Desmond, Kersey, Lloyd, Robinson; NO – None; ABSENT – Cox, Schiavoni, Schumacher, West; (Weighted Vote Points: YES – 55; NO – 0; ABSENT – 45).

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the January 28, 2019 special and February 7, 2019 regular meetings.

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 JANUARY 14, 2019 THROUGH FEBRUARY 10, 2019 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 14, 2019 THROUGH FEBRUARY 10, 2019:**

RECOMMENDATION: Receive the report.

4. **MARCH 2019 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2019-0023, approving the March 2019 Legislative Report.

CLAIMS

5. **REJECT THE CLAIM OF DARREN TANZELLA:**

RECOMMENDATION: Adopt Resolution No. 2019-0024, rejecting the claim of Darren Tanzella.

COMMITTEE RECOMMENDATIONS

6. **ADOPTION OF AMENDMENTS TO AUTHORITY CODES AND POLICIES:**

RECOMMENDATION: The Executive Committee recommends that the Board Adopt Resolution No. 2019-0025, approving amendments to Authority Codes 8.01, 8.02, 8.10, 8.11, 8.20, 8.21, 8.41, 8.42, and 8.51.

7. **FISCAL YEAR 2019 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.

CONTRACTS AND AGREEMENTS

8. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE AGREEMENT WITH ANDERSON & KREIGER:**

RECOMMENDATION: Adopt Resolution No. 2019-0026, approving and authorizing the President/CEO to execute a Third Amendment to the Agreement with Anderson & Kreiger LLP for Professional Legal Services increasing the term by one year resulting in a termination date no later than October 2, 2020 and the compensation by \$100,000 for a not-to-exceed compensation amount of \$500,000.

9. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE AGREEMENT WITH MEYERS NAVE RIBACK SILVER & WILSON:**

RECOMMENDATION: Adopt Resolution No. 2019-0027, approving and authorizing the President/CEO to execute a Third Amendment to the Legal Services Agreement with Meyers Nave Riback Silver & Wilson extending the term by one year.

- 10. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE SCHWEERS TECHNOLOGIES INC. SERVICE CONTRACT:**
RECOMMENDATION: Adopt Resolution No. 2019-0028, authorizing the President/CEO to execute a first amendment to the contract with Schweers Technologies Inc. for hand-held citation issuance devices, software customizations, and other support services increasing the total contract amount by \$150,000, resulting in a new not-to-exceed amount of \$320,500.

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

- 11. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC. FOR QUIETER HOME PROGRAM PHASE 9, GROUP 11, PROJECT NO. 380911 FORTY-EIGHT (48) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON TWENTY (20) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2019-0029, awarding a contract to G&G Specialty Contractors, Inc. in the amount of \$1,414,854 for Phase 9, Group 11, Project No. 380911, of the San Diego County Regional Airport Authority's Quieter Home Program.

PRESENTATIONS:

- A. DISCUSSION REGARDING THE PARAMETERS FOR THE FISCAL YEAR 2020 AND FISCAL YEAR 2021 OPERATING BUDGETS:**
Scott Brickner, Vice President/CFO; and Maya Dayan, Manager, Airport Finance, provided a presentation on the Parameters for the Fiscal Year 2020 and Fiscal Year 2021 Operating Budgets which included Strategic Goals, Fiscal Year 2020 Focus Areas, Rating Agencies Airport Outlook, Current Debt Profile, Future Anticipated Debt, General Airport Revenue Bond and Variable Debt Service, Special Facilities Debt Service for RCC, Enplanements Forecast, Revenue Assumptions, Expense Assumptions, Fiscal Year 2020 - Fiscal Year 2021 Budget Guidelines, and Budget Timeline of Key Dates.

PUBLIC HEARINGS:

OLD BUSINESS:

The Board recessed at 9:56 a.m. and reconvened at 10:02 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:03 a.m. to discuss Items 22, 23, and 24.

- 13. 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

- 14. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code 54956.9)
Name of Case: Robert Bobbett and Donna Kashani v. San Diego Unified Port District, et al.
San Diego Superior Court Case No. 37-2018-00014667-CU-PO-CTL
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Enterprise Rent-a-Car Co. Of Los Angeles LLC v. San Diego Unified Port District, San Diego Superior Court Case No. 37-2018-00028276-CU-MC-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Park Assist LLC v. San Diego County Regional Airport Authority, et al.
United States District Court Case No. 18 CV2068 LAB MDD
- 18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Sheila Culbreath v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2018-00036327-CU-PA-CTL
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 2
- 20. 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
- 21. 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

- 22. 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
- 23. 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
- 24. THREAT TO PUBLIC SERVICES OR FACILITIES:**
Consultation With: Clint Welch, Director Aviation Security and Public Safety; Jessica Bishop, Director Information Technology Services; John Thomes, Cyber Security Specialist

REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 11:25 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 adjourned at 11:25 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 4TH DAY OF APRIL, 2019.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL