

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, FEBRUARY 2, 2023
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Cabrera called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:00 a.m. on Thursday, February 2, 2023, at the San Diego County Regional Airport Authority, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Fletcher led the pledge of allegiance.

ROLL CALL:

PRESENT: Board Members: Cabrera (Chair), Casillas Salas, Fletcher, Martinez, McNamara, Perez, Sanchez, Sly, von Wilpert, Bedell (Ex-Officio)

ABSENT: Board Members: Dallarda (Ex-Officio), Miller (Ex-Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Board Services/Authority Clerk; Patricia Willis, Assistant Authority Clerk I

PRESENTATIONS:

A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2022:

Scott Brickner, Vice President/Chief Financial Officer, provided a presentation on the Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2022, that included, Operating Revenues; Operating Expenses; Non-Operating Revenue and Expenses; Financial Summary; and Statement of Net Position.

B. DISCUSSION REGARDING THE PARAMETERS FOR THE FISCAL YEAR 2024 AND FISCAL YEAR 2025 OPERATING BUDGETS:

Scott Brickner, Vice President/Chief Financial Officer and John Dillon, Director, Finance & Risk Management, provided a presentation on Discussion Regarding the Parameters for the Fiscal Year 2024 and Fiscal Year 2025 Operating Budgets, that included, Strategic Plan; Economic Updated and Airports Outlook; Authority Debt Profile; Authority Financial Overview and Plan of Finance; and Budget Guidelines.

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

- **AUDIT COMMITTEE:** Lee Parravano, Chief Auditor reported that the Audit Committee has not met since the last regularly scheduled Board Meeting and that the next regular meeting is scheduled for February 6 at 10:00 a.m.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE (CIPOC):** Board Member von Wilpert reported that there was a CIPOC meeting held on January 19, 2023, where staff provided an update on the construction progress of the NT1, Community Outreach and the art program. She reported that the next CIPOC meeting is scheduled for April 20, 2023, and will be combined with the annual Capital Budget Workshop where the Board will receive a presentation on the Authority's Capital Program and Associated Finances, and a Small Business Update.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee did not meet last month.
- **FINANCE COMMITTEE:** Board Member McNamara reported that the Finance Committee met on January 23 and that the next meeting is scheduled for February 16.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Casillas Salas reported that the next committee meeting is scheduled for March 9, 2023.
- **ARTS ADVISORY COMMITTEE:** Christopher Chalupsky, Senior Manager, Arts Program reported that the Airport Arts Advisory Committee did not meet this month but plan to begin quarterly meetings in Q1 of this year. He reported that nearly all Installations for the Airport's new Temporary Art Exhibition (titled *A Necessary Departure*) are complete; and he reported that the displays and related content will continue to be highlighted on SAN's social media channels, and an opening artist-led tour and event will be planned for next month. He also reported that on Saturday, January 14, the Arts Program staff led an airport arts tour for the University of San Diego's Arts & Culture Leadership Program, and they learned about the Airport Arts Program's focus areas, strategies, and guiding principles for arts programming at a "non-traditional" venue of an airport.

LIAISONS

- **CALTRANS:** None

- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that, in Washington, Congress has begun its work on the Federal Aviation Administration Reauthorization legislation expected later this year and that staff have worked with the airport industry trade associations as they compiled a list of reauthorization priorities. He reported that the recommendations were shared with House and Senate leaders last month and that Authority's legislative team is engaged in the process and will work to ensure that the Authority's priorities are known by the relevant committees. He reported that in Sacramento, the State Legislature is engaged in the bill introduction process as it gets its committees up and running for the new legislative session. He also reported that, with the bill introduction deadline of February 17, Members are still in the process of crafting and vetting legislation and that Committee hearings will not begin in earnest until sometime in March.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors met twice since the last Board Meeting and at the first meeting, staff presented an update on the regional economy; and at the second meeting, staff provided a brief overview of the role and responsibilities of SANDAG and its Board of Directors as the Metropolitan Planning Organization for the San Diego region.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Sly reported that the next meeting is scheduled for February 3, 2023.

CHAIR'S REPORT: Chair Cabrera welcomed Nathan Fletcher, Lidia Martinez, and Rafael Perez as new members of the Board. He also congratulated Supervisor Vargas on her recent appointment as Chair of the San Diego County Board of Supervisors and Chair of the SANDAG Board of Directors. He thanked Chair Vargas, for her service and leadership on the Airport Authority Board. He reported that the San Diego Regional Chamber of Commerce will be presenting Kim Becker, President/CEO with the Moving San Diego Forward Award during its 152nd Anniversary Celebration on February 9 and that she was asked by Airports Council International to serve as the vice chair of its large hub committee. He requested that Tony R. Russell, Director, Board Services/Authority Clerk introduce the Board Service Team responsible for the distribution of Board and Committee communications and coordination of meetings.

PRESIDENT/CEO'S REPORT: Kim Becker, President/CEO, reported that on Saturday, February 4, the work to demo a bridge to accommodate the new elevated roadways for NT1 begins. She also reported that the work crews will close the entrance to T2 from Westbound N Harbor Drive for 24 hours and that this work is part of the series of closures that was shared last month where two other recent projects in front of Terminal 1 were launched successfully. She reported that on January 11, the road that connects Terminal 2 to Terminal 1 closed permanently, and on January 20, the approach and exit to Harbor Island/Point Loma closed for a two-week duration and that there are detour signs in strategic locations for all closures. She reported that Alaska Airlines announced it will add daily nonstop flights to Washington Dulles and Eugene, Oregon beginning June 15, and that they will also add seasonal nonstop flights to Tampa Bay, Florida beginning October 5 which will operate daily. She reported that on January 18, the Airport Authority's Employee DEI Committee hosted a Lunch and Learn event where approximately 80 people from various departments learned about the importance of diversity, equity and inclusion at the Airport Authority and how they could get involved. She also reported that the Authority is acknowledging Black History Month in February by raising awareness and highlighting the background of some of the team members. She reported that the total stormwater collection for 2022 was 812,500 gallons of water through the Stormwater Reuse Treatment System on the top level of the Terminal 2 Parking Plaza and since October 2018, the system has captured, treated, and reused over five million gallons of stormwater. She acknowledged Cara Nager, Manager in the Airport Authority Environment Affairs Department, as the Employee of the Quarter.

NON-AGENDA PUBLIC COMMENT None.

CONSENT AGENDA (ITEMS 1 - 10):

ACTION: Moved by Board Member Casillas Salas and seconded by Board Member Sly to approve the Consent Agenda. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Fletcher, Martinez, McNamara, Perez, Sanchez, Sly, von Wilpert; NO - None; ABSENT - None; (Weighted Vote Points: YES-100; NO - 0; ABSENT - 0)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the January 5, 2023, Board 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 AND APPROVED CHANGE ORDERS FROM DECEMBER 5, 2022, THROUGH JANUARY 8, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM DECEMBER 5, 2022 THROUGH JANUARY 8, 2023:

RECOMMENDATION: Receive the Report.

4. FEBRUARY 2023 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution no.2023-2010, approving the February 2023, Legislative Report.

5. APPOINTMENTS TO BOARD COMMITTEES, LIAISON AND REPRESENTATIVE POSITIONS:

RECOMMENDATION: Adopt Resolution No. 2023-0011, making appointments to Board committees, liaison and representative positions.

CLAIMS:

COMMITTEE RECOMMENDATIONS:

6. ACCEPTANCE OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2022:

RECOMMENDATION: The Finance Committee recommends that the Board accept the report.

7. ACCEPTANCE OF THE AUTHORITY INVESTMENT REPORT AS OF DECEMBER 31,2022:

RECOMMENDATION: The Finance Committee recommends that the Board accept the report

CONTRACTS AND AGREEMENTS

8. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE THIRD AMENDMENT TO THE AGREEMENT WITH THE SAN DIEGO COUNTY SUPERINTENDENT OF SCHOOLS FOR WEBCASTING SERVICES:

RECOMMENDATION: Adopt Resolution No. 2023-0012, approving and authorizing the President/CEO to execute the Third Amendment to the Agreement with the San Diego County Superintendent of Schools for Webcasting Services, increasing the amount payable by \$16,000 for a new total amount not-to-exceed \$125,000 and extending the term for fifteen (15) months to expire May 26, 2024.

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

9. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL RUNWAY RUBBER REMOVAL SERVICES AGREEMENT:

RECOMMENDATION: Adopt Resolution No. 2023-0013, approving and authorizing the President/CEO to execute an On-Call Runway Rubber Removal Services Agreement with Abhe & Svoboda, Inc., for a term of three (3) years, with the option for two one (1) year extensions, exercisable at the sole discretion of the President/CEO, for a total not-to-exceed amount of \$2,173,500, to provide on-call runway rubber removal services, at San Diego International Airport.

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO AWARD PURCHASE ORDERS TO PURCHASE FACILITIES MAINTENANCE, REPAIR AND OPERATIONS SUPPLIES AS NEEDED FOR REPAIR AND MAINTENANCE:

RECOMMENDATION: Adopt Resolution No. 2023-0014, approving and authorizing the President/CEO to award blanket purchase orders to MSC Industrial Supply Co., for a three (3) year term with an option for two one (1) year extensions, in an amount not-to-exceed \$1,290,000, for the purchase of facilities maintenance, repair and operations supplies for repair and maintenance at San Diego International Airport.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

11. APPROVE A MAXIMUM RATE FOR PUBLIC PARKING AND AMEND BOARD POLICY 6.30, ESTABLISHMENT OF FEES, RATES, LICENSES AND CHARGES:

Hampton Brown provided a presentation on Parking Revenue Strategy that included, Parking Strategy Review in 2022; Stakeholder; Parking Review-Revenue Forecast Summary; Drive-Up Rate Benchmarking; Drive-Up Pricing Recommendation; Reservation Pricing Recommendation; and Hourly Pricing Recommendation.

Board Member von Wilpert requested that staff keep the Board updated on the impacts of the increase in parking rates and dynamic pricing and any decrease in revenue as a result of the implementation of the new parking strategy and increase in parking rates.

RECOMMENDATION: Adopt Resolution No. 2023-0015, approving a maximum rate for public parking rates beginning March 1, 2023;

ACTION: Moved by Board Member Martinez and seconded by Board Member McNamara to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Fletcher, Martinez, McNamara, Perez, Sanchez, Sly, von Wilpert; NO - None; ABSENT - None; (Weighted Vote Points: YES - 100; NO - 0; ABSENT - 0)

and

Adopt Resolution No. 2023-0016, amending Authority Policy 6.30, Establishment of Fees, Rates, Licenses and Charges.

ACTION: Moved by Board Member von Wilpert and seconded by Board Member Sanchez to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Fletcher, Martinez, McNamara, Perez, Sanchez, Sly, von Wilpert; NO - None; ABSENT - None; (Weighted Vote Points: YES - 100; NO - 0; ABSENT - 0)

The Board recessed at 10:32 a.m. and reconvened at 10:34 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:34 a.m. to hear Item 12.

12. THREAT TO PUBLIC SERVICES OR FACILITIES:

Consultation with Clint Welch, Director, Aviation Security and Public Safety; Jessica Bishop, Director, Information & Technology Services; and John Thomes, Cyber Security Specialist.

REPORT ON CLOSED SESSION: The Board adjourned out of closed session at 11:25 am.

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 11:25 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 2nd DAY OF MARCH 2023.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL