

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JUNE 1, 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 9:01 a.m. on Thursday, June 1, 2023, at the San Diego County Regional Airport Authority, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Cabrera (Chair), Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert

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

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

Tony Guinn, Assistant Airfield Operations Officer/Airfield Manager attended on behalf of Board Member Bedell.

PRESENTATION:

A. NT1 SUSTAINABILITY PRESENTATION:

Lori Ann Stevens, Stacy Olson, Tannaz Tahmassebi, Michel Pendergrass, Gary Conover and Courtney Easton with Arrive Joint Venture, provided a presentation on the NT1 Sustainability that included Triple Crown: LEED, Parksmart, Envision; LEED Strategy: Current Scorecard; Water Strategy, Operational Energy Saving; Embodied Carbon Savings and Reduction Strategies; Site Strategy; Light Pollution Reduction; Parksmart: Current Scorecard; and Envision: Current Scorecard.

Chair Cabrera announced that Committee reports would be heard after the Action Items.

CONSENT AGENDA (ITEMS 1 - 16):

ACTION: Moved by Board Member von Wilpert and seconded by Board Member Martinez to approve the Consent Agenda. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert; NO - None; ABSENT - Sanchez; (Weighted Vote Points: YES - 80; NO - 0; ABSENT - 12)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the April 20, 2023, Special Board meeting, April 27, 2023, Special Board meeting, and May 4, 2023, regular 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 APRIL 10, 2023, THROUGH MAY 7, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM APRIL 10, 2023, THROUGH MAY 7, 2023:

RECOMMENDATION: Receive the report.

4. JUNE 2023 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0033, approving the June 2023 Legislative Report.

CLAIMS:

5. REJECT THE CLAIM OF CORNELIA WOOD:

RECOMMENDATION: Adopt Resolution No. 2023-0035, rejecting the claim of Cornelia Wood.

6. REJECT THE CLAIM OF LOIS O'NEILL:

RECOMMENDATION: Adopt Resolution No. 2023-0036, rejecting the claim of Lois O'Neill.

7. REJECT THE CLAIM OF ANDREA DAMSKY:

RECOMMENDATION: Adopt Resolution No. 2023-0037, rejecting the claim of Andrea Damsky.

**8. DENY THE APPLICATION FOR LEAVE TO PRESENT A LATE CLAIM
BY KAREN DUNNE:**

RECOMMENDATION: Adopt Resolution No. 2023-0038, denying the application for leave to present late claim by Karen Dunne.

COMMITTEE RECOMMENDATIONS:

**9. REVIEW OF AUTHORITY POLICY 4.40 – DEBT ISSUANCE AND MANAGEMENT
POLICY:**

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2023-0039 approving amendments to Authority Policy 4.40 – Debt Issuance and Management Policy.

**10. REVIEW OF AUTHORITY POLICY 4.20 - GUIDELINES FOR PRUDENT INVESTMENTS
AND DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS
TO THE VICE PRESIDENT/CHIEF FINANCIAL OFFICER/TREASURER:**

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2023-0040, approving amendments to Authority Policy 4.20- Guidelines for Prudent Investments and delegating authority to invest and manage Authority Funds to the Vice President/Chief Financial Officer/Treasurer.

**11. FISCAL YEAR 2023 THIRD QUARTER REPORT FROM THE OFFICE OF THE CHIEF
AUDITOR:**

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

**12. APPROVE THE RISK ASSESSMENT AND PROPOSED FISCAL YEAR 2024 AUDIT
PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2023-0041, approving the Fiscal Year 2024 Proposed Audit Plan of the office of the Chief Auditor.

**13. REQUIRED COMMUNICATION TO THE AUDIT COMMITTEE ON THE FINANCIAL
AND COMPLIANCE AUDITS FOR THE FISCAL YEAR ENDED JUNE 30, 2023:**

RECOMMENDATION: The Audit Committee recommends that the Board accept the information.

14. APPOINTMENT OF PUBLIC MEMBERS TO THE AUDIT COMMITTEE:

RECOMMENDATION: Adopt Resolution No. 2023-0042, appointing Claudia Huerta as a public member to the Audit Committee to fill a vacancy with a term ending June 30, 2025, appointing Agnes Wong Nickerson as a public member to the Audit Committee to commence July 1, 2023 for a new three-year term; and appointing Gretchen Newsom as Chair of the Audit Committee.

CONTRACTS AND AGREEMENTS

15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ENCROACHMENT MAINTENANCE AND REMOVAL AGREEMENT WITH THE CITY OF SAN DIEGO RELATED TO THE CONSTRUCTION OF THE NEW ADMINISTRATION BUILDING:

RECOMMENDATION: Adopt Resolution No. 2023-0043, approving and authorizing the President/CEO to execute an Encroachment Maintenance and Removal Agreement with the City of San Diego ("City") for an encroachment into the City right-of-way for the installation of 17.5 linear feet of rolled curb along McCain Road adjacent to the New Administration Building, in support of Project No. 413002 New T1 Administration Building at San Diego International Airport.

16. APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY AND INCREASE IN THE CONTRACT DURATION FOR THE RUNWAY ELECTRICAL VAULT UPGRADES PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0045 waiving Policy 5.02(4)(b)(ii) and approving and authorizing 1) an increase in the President/CEO's change order authority from \$83,963.94 to an amount not to exceed \$200,000; and 2) an increase in contract duration from 180 days not to exceed 360 days for Project No. 104264, Runway Electrical Vault Upgrades at San Diego International Airport.

PUBLIC HEARINGS: None.

OLD BUSINESS: None

NEW BUSINESS:

17. APPROVAL AND ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2024, THE CAPITAL PROGRAM FOR FISCAL YEARS 2024-2028 AND CONCEPTUAL APPROVAL OF THE OPERATING BUDGET FOR FISCAL YEAR 2025:

Scott Brickner, Vice President/CFO provided a presentation that included: Budget Overview; Revenue and Expenses; Budget Summary; Capital Program Budget; and Plan of Finance FY 2024-2028.

RECOMMENDATION: Adopt Resolution No. 2023-0046 approving and adopting the Authority's Annual Operating Budget for Fiscal Year 2024, the Capital Program for Fiscal Years 2024-2028, and conceptually approving the Operating Budget for Fiscal Year 2025.

ACTION: Moved by Board Member McNamara and seconded by Board Member Perez to approve staff's recommendation. Motion carried by the following votes: YES – Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert; NO - None; ABSENT – Sanchez; (Weighted Vote Points: YES – 80; NO - 0; ABSENT – 12)

18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LEASE AGREEMENT WITH CONCESSIONAIRE HIGH FLYING FOODS, FOR THE OPERATION OF FIVE FOOD & BEVERAGE LOCATIONS IN NEW TERMINAL 1:

Deanna Zachrisson, Director, Revenue Generation and Partnership Development, provided a presentation that included New Terminal 1 Food and Beverage Program; Concession Development; Solicitation Timeline; and Variety and Availability of Packages.

RECOMMENDATION: Adopt Resolution No. 2023-0047, approving a non-exclusive lease agreement with High Flying Foods, to design, build and operate five food and beverage locations in New Terminal 1 at San Diego International Airport for an operating term not to exceed fifteen (15) years and authorizing the President/CEO to take all necessary actions to execute the lease agreement.

ACTION: Moved by Board Member Martinez and seconded by Board Member Casillas Salas to approve staff's recommendation. Motion carried by the following votes: YES – Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert; NO - None; ABSENT – Sanchez; (Weighted Vote Points: YES – 80; NO - 0; ABSENT – 12)

ALDO MACIEL, SAN DIEGO, Research Analyst of United Local 30, spoke in support of staff's recommendation.

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

- **AUDIT COMMITTEE:** Board Member Martinez reported that at the May meeting the Committee interviewed three applicants to fill a Public Member vacancy. She also reported that the required communication from the Authority's external auditor regarding the Audit of fiscal Year-End June 30, 2023, the Chief Auditor's Fiscal Year 2024 Audit Plan, and the Chief Auditor's Third Quarter Report are on the today's agenda for Board approval.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that the Committee has not met since the last board meeting. She also reported that at the July 20, 2023, meeting, a presentation will be made on the ongoing communication efforts related to New Terminal 1 construction, a Small Business update, and New Terminal 1 construction and logistics.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee did not meet last month, and that the next scheduled meeting is for June 15, 2023.
- **FINANCE COMMITTEE:** Board Member McNamara reported that the Finance Committee last met on May 22, 2023, and at that meeting, the committee reviewed the Unaudited Financial Statements for the Ten Months Ended April 30, 2023, as well as the Authority's Investment Report. He also reported that the Committee considered the annual review of Authority Policy 4.40-Guidelines for Debt Issuance and Management, and Authority Policy 4.20-Guidelines for Prudent Investments, and delegating authority to invest and manage Authority funds to Vice President/ Chief Financial Officer/Treasurer.

ADVISORY COMMITTEES:

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Casillas Salas reported that the committee has not met since the last Board meeting and that the next meeting is July 12, 2023.
- **ARTS ADVISORY COMMITTEE:** Board Member Casillas Salas reported that Jennifer Easton and Cris Scorza, will end their three-year term at the June 29th meeting. She reported that new Arts Advisory committee members will be recommended to the Board in July. She reported that on May 15, 2023, the Arts Team participated in an outreach tour organized in partnership with future temporary exhibition selection panelist, Ligia Santillan. She also reported that the call for artists for the Airport's new Temporary Exhibition, titled Espacios & Lines, will assemble a portrait of our binational landscape by exhibiting artwork from Tijuana and San Diego artists as a natural connector to the 2024 World Design Capital designation.

LIAISONS

- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that White House negotiators reached an agreement on a legislative package to raise the federal debt limit until the end of 2024. He reported that Authority Staff continue to monitor the FAA Reauthorization process and expects the House and Senate to begin considering bills in the coming weeks. He also reported that in Sacramento, bills are proceeding through the process and that Authority staff and consultants are monitoring and providing the Authority's position on bills of interest.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** Hampton Brown, Vice President/CRO reported that the Board met on May 18, 2023, and at that meeting staff provided an update on the 2023 Work Plan and License holder deliverables. He reported that the key takeaways were that the TNO Dutch Applied Science and Research Institute has hired its first North American employee and that employee will be based here in San Diego. He reported that in the autumn of this year, the WTC will embark upon a trade mission to Korea.

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 the Final FY 2024 Program Budget. He reported that during the second meeting the Board of Directors participated in Part II of the 2025 Regional Plan Workshop.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Perez reported that the Committee met twice since the last Board meeting and at the first meeting, staff presented an update on the San Diego and Imperial Counties Sustainable Freight Implementation Strategy. He reported that during the second meeting, staff presented an update on the Blue Line Express Study.

CHAIR'S REPORT: Chair Cabrera reported that the Airport Authority celebrated National Travel and Tourism Week with a great event at the San Diego Zoo, hosted by the San Diego Tourism Authority on May 10, 2023, and that Kim Becker is ending her term as Chair of the SDTA Board. He reported that he represented the Airport Authority at a news conference observing National Infrastructure Week on May 19, 2023. He reported that the New T1 project would not be possible without the dedication and support of our Congressional delegation in Washington D.C., which has helped us secure more than \$200 million in federal grants.

PRESIDENT/CEO'S REPORT: Kim Becker, President/CEO reported that more nighttime work will begin, and to expect detours but no closures. She reported that construction has ceased around the Least Tern nesting area and is expected to resume in September. She reported that Memorial Day marks the beginning of summer travel and that we were up 12% compared to last year. She reported that Air France is offering a one time only non-stop flight from San Diego to Paris, December 8, 2023, and returning on December 12, 2023. She reported that during the month of May, a meeting was held that included representatives of approximately 10 labor unions that have workers at the airport. She reported that the month of May offered opportunities for celebration, the first being Asian American Native Hawaiian and Pacific Islander Heritage Month, followed by thanking volunteers of the Airport Ambassador Program and Ready, Pet Go Dog Therapy Program by hosting an outing at a San Diego Padres game on May 3, 2023. She reported that on May 18, 2023, the Planning and Environmental Affairs team manned a pitstop during the Bike-to-Work Day and assisted 134 cyclists.

NON-AGENDA PUBLIC COMMENT:

CLOSED SESSION:

REPORT ON CLOSED SESSION:

GENERAL COUNSEL REPORT:

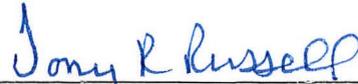
BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT:

ADJOURNMENT: The meeting was adjourned at 10:28 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD THIS 13th DAY OF JULY 2023.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL