

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, SEPTEMBER 7, 2023
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD ROOM**

CALL TO ORDER: Chair Cabrera called the meeting of the San Diego County Regional Airport Authority Board to order at 9:01 a.m. on Thursday, September 7, 2023, at the San Diego County Regional Airport Authority, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Chair Cabrera led the pledge of allegiance.

ROLL CALL:

PRESENT: Board Members: Cabrera, Casillas Salas, Dallarda (Ex-Officio),
Martinez, McNamara, Perez, Sanchez, Sly

ABSENT: Board Members: Bedell (Ex-Officio), Miller (Ex-Officio), von Wilpert

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

Tony Guinn, Assistant Airport Operation Officer/Airfield Manager attended the meeting on behalf of Board Member Bedell (Ex-Officio).

PRESENTATIONS:

**A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR
ENDED JUNE 30, 2023:**

Scott Brickner, Vice President/CFO provided a presentation on the Review of the Unaudited Financial Statements for the Fiscal Year Ended June 30, 2023, that included Operating Revenue and Expenses, Non-operating Revenue and Expenses, Financial Summary, Statement of Net Position and Assets and Liabilities.

Board Member Casillas Salas arrived at 9:11 a.m.

Board Member Sanchez arrived at 9:22 a.m.

B. SANDAG PRESENTATION ON AIRPORT TRANSIT CONNECTION:

Angela Shafer-Payne, Vice President/CDO; Victoria Stackwick, Chief of Staff; and Ryan Kohut, Director of Strategic Projects with SANDAG provided a presentation that included Concept Evaluation Study Findings, Concept Study Summary, Light Rail Trolley Extension, Automated People Mover, Enhanced Bus Service, Overall Ridership, including Airport employees, Trolley Concept, Capital Costs, Potential Funding Sources, and Travel Time Savings Across Airport Passenger Base.

ALEX SHAH, San Diego, spoke in support of an Airport Transit Connection.

WILLIAM MOORE, San Diego, Circulate San Diego, spoke in support of an Airport Transit Connection.

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

- **AUDIT COMMITTEE:** Board Member Martinez reported the Audit Committee has not met since the last Board Meeting and that the next meeting is scheduled for September 11, 2023.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member McNamara reported that the last CIPOC meeting was held July 20, 2023, with presentations on New Terminal 1 outreach, construction, financial update, and a Small Business Development briefing.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee met on August 24, 2023, and that Item 16 of the agenda is a recommendation from the committee.
- **FINANCE COMMITTEE:** Board Member McNamara reported that the committee met on August 28, 2023, and reviewed the Unaudited Financial Statements for the Fiscal Year ended June 30, 2023, and Authority's Investment Report as of July 31, 2023. He also reported that the committee recommended that the Board approve the sale of up to \$2 Billion in aggregate principal amount of one or more series and San Diego County Regional Airport Authority Senior Airport Revenue Bonds.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Casillas Salas reported that the committee met on July 19, 2023, and received an update on the New T1 Construction and Concessions Program.

- **ARTS ADVISORY COMMITTEE:** Board Member Casillas Salas reported that the Art Advisory Committee will welcome new committee members Claire Haggerty, Cat Chiu Phillips, and Matt Rich at the next meeting in October. She reported that the summer concessions campaign and performances have concluded with a total of thirteen performances over nine weeks in five locations across Terminals 1 and 2. She reported that the Performing Arts Producer role is currently open for applications through Planet Bids until September 28, 2023.

LIAISONS

- **CALTRANS:** Board Member Dallarda reported Caltrans participated in a Ribbon Cutting on August 4th in the community of Ramona marking the completion of a Clean California State Beautification Project. He also reported that on August 9th, Caltrans joined the U.S. Department of Transportation, MTS, and the City of Chula Vista in a grant for a project on Palomar Street along the Blue Line and that on August 12th, participated in a Ribbon Cutting for the San Elijo and Manchester Avenue Multi-use Facility parking lot. He reported that during Tropical Storm Hillary, nine highways were closed due to debris, flooding, and boulders and that extensive damage repair continues along the San Diego/Imperial County line. He reported that on August 31st, Caltrans awarded 41 million dollars in grants for Sustainable Transportation projects throughout the State. He also reported the closure of Highway 5 South from 9 p.m. Friday, September 8, 2023, to 5 a.m. Monday, September 11, 2023, for repairs to the bridge on I-5 over Hwy 163.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that on the State level, the team has advocated for the passage of several priority bills and at the Federal level, Congress faces a long list of pending items, including the FAA Reauthorization, and extending government funding beyond the end of the fiscal year, which ends September 30th. He reported that the team has been conducting outreach to elected officials and community groups to update them on the New T1 project and other Authority projects and programs.
- **MILITARY AFFAIRS:** Tony Guinn, Assistant Airport Operation Officer/Airfield Manager reported that at the Miramar Base protection measures, which include speed bumps and denial barriers, are the cause of traffic congestion in and around the base. He reported on the arrival of new F35 aircraft and on the demolition and construction of new hangars to accommodate them, as well as the repair of runway pavement. He reported the Miramar Base is currently operating on a single runway. He announced that the Airshow will be held September 22-24, 2023.
- **PORT:** None
- **WORLD TRADE CENTER:** None

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors participated in a workshop to help inform the development of the 2025 Regional Plan, which included an overview of State and Federal requirements, traditional and new funding sources, and best practices from Metropolitan Planning Organizations across the country. He reported that in the last meeting, Directors were briefed on the Airport Transit Connector, and a Concept Evaluation Study of the leading concepts to connect San Diego International Airport to the regional transit system.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Sanchez reported that the Committee met once since the last Board Meeting and at the meeting staff presented an overview of the 2022 State of Commute.

CHAIR REPORT: Chair Cabrera reported that while Tropical Storm Hillary could have been catastrophic, the proactive planning and diligence of the airport staff, airlines, tenants; and Regional and National Agencies helped to minimize the impact. He announced that the Topping Out Ceremony of the New T1 will be held on November 15, 2023.

PRESIDENT/CEO REPORT: Kim Becker, President/CEO reported that briefings regarding New T1 progress with elected officials continues and included Representatives Scott Peters, Juan Vargas, and Mike Levin. She reported hosting VIP, Tom Perez, Senior Advisor to President Biden and Director of the White House Intergovernmental Affairs later today. She reported that for the second year in a row, SAN has been awarded SANDAG's Platinum Tier Diamond Award for excellence in employee commuter programs. She reported that Finance was awarded the Certificate of Achievement for our Annual Comprehensive Financial Report for the Fiscal Year; and that the Least Terns have not been observed since July, so U.S. Fish and Wildlife Services granted permission to end the season early on August 15, 2023, which allows for construction to resume in the area. She reported that the Airport saw eight nests and twelve fledglings this season.

NON-AGENDA PUBLIC COMMENT: None

CONSENT AGENDA (ITEMS 1 - 14):

ACTION: Moved by Board Member McNamara and seconded by Board Member Sanchez to approve the Consent Agenda. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sanchez, Sly; NO - None; ABSENT - von Wilpert; (Weighted Vote Points: YES - 79; NO - 0; ABSENT - 13) noting Board Member Casillas Salas' ABSTENTION on Item 1.

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approval of the minutes of the July 13, 2023, and July 20, 2023, special Board 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 AND APPROVED CHANGE ORDERS FROM JUNE 12, 2023, THROUGH AUGUST 13, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JUNE 12, 2023, THROUGH AUGUST 13, 2023:

RECOMMENDATION: Receive the report.

4. SEPTEMBER 2023 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0070, approving the September 2023 Legislative Report.

CLAIMS

COMMITTEE RECOMMENDATIONS

5. ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2023:

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

6. ACCEPT THE AUTHORITY INVESTMENT REPORT AS OF JUNE 30, 2023:

RECOMMENDATION: Accept the report.

CONTRACTS AND AGREEMENTS

- 7. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE AGREEMENT WITH MIS SCIENCES CORPORATION:**
RECOMMENDATION: Adopt Resolution No. 2023-0072, approving and authorizing the President/CEO to execute a Third Amendment to the Service & Consulting Agreement with MIS Sciences Corporation for Hosted Cloud-Based System and Support Services, extending the term for one (1) year to expire no later than November 30, 2024.
- 8. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AIRPORT PARKING MANAGEMENT CONTRACT:**
RECOMMENDATION: Adopt Resolution No. 2023-0073R* authorizing the President/CEO to execute a First amendment to the Parking Management Services Contract to extend the agreement 123 days to January 31, 2024, with no increase in the maximum amount payable.
- 9. ADOPT AUTHORITY POLICY 5.06 - SIGNATURE AUTHORITY TO ACCEPT GRANT OFFERS:**
RECOMMENDATION: Adopt Resolution No. 2023-0074, approving Policy 5.06 – Signature Authority to accept Grant Offers authorizing the President/CEO or their designee to accept Grant Offers on behalf of the San Diego County Regional Airport Authority.
- 10. 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. 2023-0075, 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 pedestrian curbs, fire service lines, water service lines, irrigation service lines, and sewer lines, all located on McCain Road in support of Project No. 414002 New T1 New Administration Building at San Diego International Airport.

11. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 12, GROUP 11, PROJECT NO. 381211 TWENTY-FIVE (25) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON TWO (2) RESIDENTIAL PROPERTIES LOCATED WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0076, awarding a contract to S&L Construction, Inc. in the amount of \$385,800.00 for Phase 12, Group 11, Project No. 381211 of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH ASPEN RISK MANAGEMENT GROUP:

RECOMMENDATION: Adopt Resolution No. 2023-0077 approving and authorizing the President /CEO to execute an agreement with Aspen Risk Management Group, to provide a Safety Management System Manual and Implementation Plan for San Diego International Airport in an amount not to exceed \$281,274.00.

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

13. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 12, GROUP 9, PROJECT NO. 381209 THIRTY-SIX (36) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON TWENTY-EIGHT (28) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0078, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,526,500 for Phase 12, Group 9, Project No. 381209, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

14. APPROVE AND AUTHORIZE THE PRESIDENT/ CEO TO NEGOTIATE AND EXECUTE AN ON-CALL AIRPORT SIGNAGE FABRICATION AND REPAIR SERVICE AGREEMENT WITH SIGN AGE IDENTITY SYSTEMS, INC:

RECOMMENDATION: Adopt Resolution No. 2023-0079, approving and authorizing the President/ CEO to negotiate and execute an On-Call Airport Signage Fabrication and Repair Service Agreement with Sign Age Identity Systems, Inc. for a term of three (3) years, with the option for two (2) one-year extensions exercisable at the sole discretion of the President/ CEO, for an amount not-to-exceed \$2,200,000.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

15. AUTHORIZE THE ISSUANCE AND SALE OF NOT TO EXCEED \$2.0 BILLION IN AGGREGATE PRINCIPAL AMOUNT OF ONE OR MORE SERIES OF SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY SENIOR AIRPORT REVENUE BONDS; APPROVE THE TENDER OFFER FOR THE SUBORDINATE SERIES 2021C BONDS, AND APPROVE RELATED DOCUMENTS AND MATTERS:

Scott Brickner, Vice President/CFO and John Dillon, Director, Finance and Risk Management provided a presentation that included 2023 Senior Airport Revenue Bonds Series 2023A (Non-AMT), 2023 Senior Airport Revenue Bonds Series 2023B (AMT), Feasibility Report, Municipal Bond Market, Planned Debt Issuance, Potential Bond Tender for Economic Savings, Environmental Social Governance, Debt Profile, Principal Documents of the GARB Sale, The Authority's Team, and Preliminary Timeline for 2023 Bonds.

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2023-0080 authorizing the issuance and sale of not to exceed \$2.0 billion in aggregate principal amount of one or more series of San Diego County Regional Airport Authority Senior Airport Revenue Bonds; authorizing the solicitation of the Holders of the San Diego County Regional Airport Authority Subordinate Airport Revenue Refunding Bonds, Series 2021C (Federally taxable) for the purchase of such bonds; approving the forms of a Fifth Supplemental Trust Indenture, Preliminary and Final Official Statements, a Purchase Contract, a Continuing Disclosure Certificate, a Dealer Manager Agreement and certain other tender offer materials; and certain related matters.

ACTION: Moved by Board Member McNamara and seconded by Board Member Casillas Salas to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, McNamara, Martinez, Perez, Sanchez, Sly; NO - None; ABSENT - von Wilpert; (Weighted Vote Points: YES - 79; NO - 0; ABSENT - 13)

- 16. APPROVE AMENDMENTS TO: 1) THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RETIREMENT PLAN AND TRUST OF 2013; AND 2) THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S 457(B) DEFERRED COMPENSATION AND 401(A) DEFINED CONTRIBUTION PLANS TO OFFER UNREPRESENTED NEW EMPLOYEES AN IRREVOCABLE CHOICE TO PARTICIPATE IN EITHER THE AUTHORITY'S SDCERS DEFINED BENEFIT PLAN OR THE AUTHORITY'S 401(A)/457(B) DEFINED CONTRIBUTION PLAN:**

Scott Brickner, Vice President/CFO provided a presentation that included: Current Retirement Options for Employees, PEPR, Impacts and Evaluation of Options, Actuarial Analysis, New Unrepresented Employee Details, and Fiscal Impact.

RECOMMENDATION: The Executive Personnel and Compensation Committee recommends that the Board adopt Resolution No. 2023-0081, approving amendments to: 1) the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013; and 2) the San Diego County Regional Airport Authority's 457(b) Deferred Compensation and 401(a) Defined Contribution Plans.

Chair Cabrera requested that staff report back to the Board in one to two years on the status of this item.

ACTION: Moved by Board Member Sly and seconded by Board Member Sanchez to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sanchez, Sly; NO - None; ABSENT - von Wilpert; (Weighted Vote Points: YES - 79; NO - 0; ABSENT - 13)

17. APPROVE AN AMENDMENT TO THE ON-CALL AIRPORT PAVEMENT REPAIR SERVICES AGREEMENT WITH RP GENERAL CONSTRUCTION, INC:

Rick Francis, Vice president/COO; Jeronimo Chavez, Project Manager, Facilities Management; and Andrew Hoge, Manager, Facilities Management provided a presentation that included Significant Completed Airfield Paving Repairs, Air Cargo Repair Footprint (in progress), and Future One-Year Lookahead Repair Projects.

RECOMMENDATION: Adopt Resolution No. 2023-0082, approving an amendment to the On-Call Airport Pavement Repair Services Agreement with RP General Construction, Inc., to increase the total not-to-exceed amount by \$11,500,000, making the new maximum contract value \$23,500,000 in support of maintaining and repairing existing airside and landside pavement surfaces at San Diego International Airport ("SDIA")

ACTION: Moved by Board Member Casillas Salas and seconded by Board Member Sly to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sanchez, Sly; NO - None; ABSENT - von Wilpert; (Weighted Vote Points: YES - 79; NO - 0; ABSENT - 13)

18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH THE CITY OF SAN DIEGO FOR EMT - PARAMEDIC SERVICES:

RECOMMENDATION: Adopt Resolution No. 2023-0071 approving and authorizing the President/CEO to execute a First Amendment to the Agreement with the City of San Diego for EMT-Paramedic Services increasing the not to exceed compensation amount by \$1,000,000.

ACTION: Moved by Board Member Martinez and seconded by Board Member Sly to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sanchez, Sly; NO - None; ABSENT - von Wilpert; (Weighted Vote Points: YES - 79; NO - 0; ABSENT - 13)

The Board recessed at 10:55 a.m. and reconvened at 11:09 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 11:09 a.m. to hear Items 19-22.

19. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

Name of Case: *San Diego County Regional Airport Authority v. Aquatherm L.P., et al.*, San Diego Superior Court Case No. 37-2022-00037121-CU-BC-CTL

20. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9

Name of Case: *United States of America v. City of San Diego, et al. and Related Cross Actions* United States District Court Case No. 3:23-CV-00541-LL-BGS

21. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

Number of cases: 3

22. CONFERENCE WITH LABOR NEGOTIATORS:

Cal. Gov. Code §54957.6 Agency designated representatives: Monty Bell, Scott Brickner, Lee Parravano, Amy Gonzalez Employee organization: California Teamsters Local 911

REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 12:39 p.m. There was no reportable action.

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 12:39 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 5th DAY OF OCTOBER 2023.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL