

**DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL EXECUTIVE AND FINANCE COMMITTEE MEETING MINUTES
TUESDAY, FEBRUARY 21, 2012
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER:

Chair Gleason called the Special Executive and Finance Committee and Special Board meeting to order at 9:02 a.m., Tuesday, February 21, 2012, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE:

Board Member Panknin led the Pledge of Allegiance.

ROLL CALL:

Executive Committee

Present:	Committee Members:	Cox, Gleason, Panknin
	Board Members:	Boland, Hubbs
Absent:	Committee Members:	None

Finance Committee

Present:	Committee Members:	Cox, Robinson, Smisek, Young
Absent:	Committee Members:	Desmond

Also Present: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Sara Real, Assistant Authority Clerk I

Board Member Young arrived during the course of the meeting.

NON-AGENDA PUBLIC COMMENT – None

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the January 30, 2012, regular meeting.

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

FINANCE COMMITTEE NEW BUSINESS

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SEVEN MONTHS ENDED JANUARY 31, 2012:

Vernon Evans, Vice President, Finance/Treasurer, and Kathy Kiefer, Director, Accounting, provided a presentation on the Unaudited Financial Statements for the Seven Months Ended January 31, 2012, which included Enplanements, Gross Landing Weight Units, Car Rental License Fees, Operating Revenues for the Month Ended January 31, 2012, Operating Expenses for the Month Ended January 31, 2012, Financial Summary for the Month Ended January 31, 2012, Monthly Operating Revenue FY 2012, and Balance Sheets.

Board Member Panknin suggested that staff look into a direct deposit system for the Passenger Facility Charges to make it easier to collect them and potentially save money.

RECOMMENDATION: Accept the report.

ACTION: Moved by Board Member Robinson and seconded by Board Member Smisek to accept the report. Motion carried unanimously, noting Board Members Desmond and Young as ABSENT.

Board Member Young arrived at 9:13 a.m.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF JANUARY 31, 2012:

Scott Brickner, Director, Financial Planning and Budget, provided a presentation on the Authority's Investment Report as of January 31, 2012, which included the Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity Distribution, Benchmark Comparison, Detail of Security Holdings, Bond Proceeds Summary, and Bond Proceeds Investment Transactions.

RECOMMENDATION: Accept the report.

ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to accept the report. Motion carried unanimously, noting Board Member Desmond as ABSENT.

EXECUTIVE COMMITTEE NEW BUSINESS

4. PROCUREMENT PROCESS UPDATE:

Jana Vargas, Director, Procurement, provided a presentation on the Procurement Process Update, which included an overview of the Procurement documentation process.

Board Member Panknin stated that it would be helpful to have a more robust debriefing process, and suggested that staff review the debriefing process used by SANDAG.

In response to Board Member Boland regarding how the selection panel is chosen, Ms. Vargas stated that the selection is based on suggestions from the contract owner, and is also based on the dollar amount of the contract and how critical it is.

Board Member Boland expressed concern with the possibility of monitoring the notes of individual panel members.

Thella F. Bowens, President/CEO, stated that for very large, complex projects, more detailed instructions are given to panel members, which could take a full day.

Chair Gleason stated that it is important that the panelists understand that the Authority is a public agency and the procurement documents are public records.

Breton Lobner, General Counsel, expressed concern regarding his office's involvement in the procurement process. He stated that the majority of the contracts go through his office and they are reviewed for the legal issues that are involved. He stated that the General Counsel's office adds value by reviewing documents for legal issues, such as the scope of work, the bid, and the proposal documents.

Ms. Bowens provided an overview of the procurement process, sent to the Board on May 26, 2011, which outlines the General Counsel's involvement in the process.

Board Member Hubbs stated that it is important for all departments to collaborate but one party must have the final say.

In response to Board Member Panknin regarding a discussion on small business preference, Chair Gleason stated that the Federal Aviation Administration is issuing new guidance so the discussion should take place after that has been received.

Board Member Hubbs expressed his opinion that raw scores should be destroyed.

Board Member Cox stated that it is important that panel members be able to adjust their scores throughout the process, and that the proposers be able to see how they were rated for each criteria. He stated that, in addition to the rankings, the final scores should be maintained.

RECOMMENDATION: Receive the report.

ACTION: No action taken.

5. 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 Cox and seconded by Board Member Panknin to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

6. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 1, 2012 BOARD MEETING:

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the March 1, 2012 Board Meeting.

Breton Lobner, General Counsel, reported that with regard to Item 22 under Closed Session on the February 9, 2012, Board agenda, Bikeway Village LLC have accepted the purchase price of \$375,000 for the Imperial Beach property. He stated that the terms are \$375,000 cash and that there be no objection from the FAA. He stated that during Closed Session at the February 9, 2012 Board Meeting, the motion to accept to purchase price was made by Board Member Desmond, and it was seconded by Board Member Smisek. The vote carried 8-0, noting Board Member Young as ABSENT.

**7. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 1, 2012
AIRPORT LAND USE COMMISSION MEETING:**

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the March 1, 2012 Airport Land Use Commission Meeting.

Chair Gleason noted that the ALUC agenda would be heard first.

Tony R. Russell, Director, Corporate Services/Authority Clerk, stated that the agenda posting would reflect the change.

ACTION: Moved by Board Member Panknin and seconded by Board Member Cox to accept both agendas, as amended. Motion carried unanimously.

COMMITTEE MEMBER COMMENT: None

ADJOURNMENT:

The meeting was adjourned at 10:06 a.m. The next meeting of the Executive and Finance Committee will be held on Monday, March 26, 2012, at 9:00 a.m. in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE EXECUTIVE COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 26th DAY OF MARCH, 2012.

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL