

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, DECEMBER 1, 2011
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER: Chair Gleason called the special meeting of the San Diego County Regional Airport Authority Board to order at 10:00 A.M. on Thursday, December 1, 2011 in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Boland, Desmond, Gleason, Hubbs, Panknin, Robinson, Smisek, Young

ABSENT: Board Members: Berman (Ex Officio), Cox, Reyes (Ex Officio), Richie (Ex Officio)

ALSO PRESENT: Angela Shafer-Payne, Vice President, Planning & Operations; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Sara Real, Assistant Authority Clerk I

PRESENTATIONS:

- A. PRESENTATION OF PUBLIC OWNER OF THE YEAR AWARD:**
Mark Filanc, President, American General Contractors Association, presented the Airport Authority with the Public Owner of the Year award.

- B. GREEN BUILD CHALLENGES (EDUCATIONAL ITEM):**
David Brush, Director, Terminal Development Program, provided a presentation on the Green Build Challenges, which included Administrative Challenges, Terminal 2W Operational Challenges, Landside Operational Challenges, Third Party Challenges, Construction Challenges – Examples, Future Program Challenges, Construction At-A-Glance, and Guaranteed Maximum Price (GMP) Reserve Utilization.

NON-AGENDA PUBLIC COMMENT:

MARK STEWART, COSTA MESA, expressed concern regarding the ability of livery vehicles to be in compliance with the clear air vehicle requirements.

ALEX TEGEGNE, SAN DIEGO, expressed opposition to front of the line privileges for hybrid taxicab vehicles.

Angela Shafer-Payne, Vice President, Planning & Operations, stated that the public comments are regarding the incentives given to ground transportation drivers who purchase hybrid vehicles. She stated that drivers with hybrid vehicles receive front of the line privileges as well as reduced trip fees.

EDRIS WAHAB, SAN DIEGO, expressed opposition to front of the line privileges for hybrid taxicab vehicles.

Board Member Young arrived at 10:34 a.m.

MIKAIL HUSSEIN, SAN DIEGO, SAN DIEGO UNIFIED TAXI WORKERS, stated that he is in support of the incentive program but not the front of the line privileges for hybrid vehicles.

SARAH SAEZ, SAN DIEGO, SAN DIEGO UNIFIED TAXI WORKERS, expressed opposition to the front of the line privileges for hybrid vehicles. She urged the Board to renegotiate the incentives.

TONY HUESO, SAN DIEGO, expressed opposition to the ground transportation incentive program regarding the collection of trip fees and the front of the line privileges for hybrid vehicles. He urged the Board to place this issue on a future agenda for discussion.

JOHN AGOH, SAN DIEGO, expressed opposition to the front of the line privileges for hybrid vehicles and trip fees.

Board Member Young stated that this issue should be agendized for further discussion.

NASSER TEHRAN, POWAY, expressed opposition to the front of the line privileges for hybrid vehicles and about placing the trip fee on the meters.

Chair Gleason requested that staff report back to the Board regarding trip fees, age of vehicles and incentives related to hybrid vehicles. He stated he would like a discussion on how to move forward on this issue placed on the December 21, 2011, Executive/Finance Committee meeting agenda.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Board Member Smisek stated that the Audit Committee met on November 14, 2011, and forwarded several items to the Board.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None
- **FINANCE COMMITTEE:** None
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
Board Member Boland reported that the Committee is currently focused on required audits and will be providing an update to the Board.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Board Member Panknin reported that the Committee met on November 17, 2011, regarding planning and development at SDIA. He also reported that Oris Dunham was elected the Chair, and the next meeting will be held on February 29, 2012.
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported that the Art Advisory Committee met on November 28, 2011, and that the contract for the suspended artwork has been dissolved. He reported that the Chill Zone has been eliminated and a new scope is being developed for that project, as well as a relocation for the Performance Cube. He also noted that four public art opportunities are currently open and will be placed on the February 2012 Board agenda for award.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Board Member Robinson reported that an agency coordination meeting was held regarding the safety compatibility factor, and on November 17, 2011, a steering committee meeting was held regarding the second safety component.
- **CALTRANS:** None

- **INTER-GOVERNMENTAL AFFAIRS:** None
- **MILITARY AFFAIRS:**
Board Member Boland reported that the Authority received an achievement award from the San Diego Military Advisory Council.
- **PORT:**
Chair Gleason reported that the Authority and the Port are still working on cost reporting issues related to the Harbor Police contract.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Smisek reported that a technical update has been done on the smart growth concept map for land use incursion, which also relates to growth around airports. He stated that Authority staff should be involved in this process.
- **WORLD TRADE CENTER:**
Board Member Panknin reported that the World Trade Center will be having their annual membership meeting on December 8, 2011, and he urged the Board to attend.

PRESIDENT/CEO'S REPORT:

Angela Shafer-Payne, Vice President, Planning & Operations, reported that there is new daily nonstop service from San Diego to Honolulu which began on November 17. She reported that American Airlines has filed Chapter 11, and that currently, there is no change in operations. She stated that Christmas passenger traffic is expected to be about the same as last year.

CHAIR'S REPORT:

Chair Gleason reported that as part of the San Diego Foundation's regional visioning initiative, there is a request for input from the public regarding an alternative location for an international airport in the San Diego county region.

CONSENT AGENDA (Items 1-10):

ACTION: Moved by Board Member Smisek and seconded by Board Member Robinson to approve the Consent Agenda. Motion carried by the following vote: YES – Boland, Desmond, Gleason, Hubbs, Panknin, Robinson, Smisek, Young; NO – None; ABSENT – Cox. (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 8)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the November 3, 2011 regular 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, APPROVED CHANGE ORDERS FROM OCTOBER 10, 2011 THROUGH NOVEMBER 6, 2011 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 10, 2011 THROUGH NOVEMBER 6, 2011:

RECOMMENDATION: Receive the report.

4. DISPOSITION OF SURPLUS PROPERTY:

RECOMMENDATION: Adopt Resolution No. 2011-0141, authorizing the disposition of surplus property (materials and/or equipment) by: 1) sale to the highest bidder; 2) donating electronic surplus to San Diego Futures Foundation; 3) recycling; and 4) disposing of unwanted items as scrap.

5. DECEMBER 2011 LEGISLATIVE REPORT AND 2012 LEGISLATIVE AGENDA:

RECOMMENDATION: Adopt Resolution No. 2011-0142, approving the December 2011 Legislative Report and the 2012 Legislative Agenda.

6. APPOINTMENTS TO THE AIRPORT ART ADVISORY COMMITTEE:

RECOMMENDATION: Adopt Resolution No. 2011-0143, approving the appointments of Ben Fyffe and Deborah L. Van Huis to serve on the Airport Art Advisory Committee.

CLAIMS

7. AUTHORIZE THE REJECTION OF THE CLAIM OF PAULA TATE:

RECOMMENDATION: Adopt Resolution No. 2011-0144, Authorizing The Rejection Of The Claim Of Paula Tate.

COMMITTEE RECOMMENDATIONS

8. **EXTERNAL AUDITOR'S FISCAL YEAR ENDED JUNE 30, 2011, REPORTS: A) AUDITED FINANCIAL STATEMENTS, B) COMPLIANCE (SINGLE AUDIT) REPORT, C) PASSENGER FACILITY CHARGE COMPLIANCE REPORT, D) CUSTOMER FACILITY CHARGE COMPLIANCE REPORT, AND E) REPORT TO THE AUDIT COMMITTEE:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the reports.

9. **REVIEW OF THE COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR) FOR THE FISCAL YEAR ENDED JUNE 30, 2011:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

10. **QUARTERLY AUDIT ACTIVITIES REPORT – FISCAL YEAR 2012 FIRST QUARTER, AND REPORT ON AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

CONTRACTS AND AGREEMENTS

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

OLD BUSINESS: None

PUBLIC HEARINGS: None

NEW BUSINESS: None

The Board recessed at 11:02 a.m. and reconvened at 11:32 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 11:32 A.M. to discuss Items 12 and 15.

- 11. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Real property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8:
Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer
Negotiating Parties: United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties
Under Negotiation: Sale – terms and conditions
- 12. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Real Property Negotiations Pursuant To Cal. Gov. Code Sections 54954.5(B) and 54956.8.
Property: 1.15 Acre Parcel Located At The Northern Terminus Of 13th Street In Imperial Beach, CA
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer
Under Negotiation: Sale – Terms and Conditions
- 13. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9 (a)):
San Diego Unified Port District v. TDY Industries, Inc., et al., and related cross-actions. U.S. District Court, Southern District Case No. 03 CV 1146-B (POR)
- 14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a)):
City of San Diego, Historical Resources Board: In re: Western Salt Company Salt Works, Report No. HRB-08-005
- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a)):
West Tech, Inc. v. San Diego County Regional Airport Authority, et al., L.A.S.C 37-2010-00106565-CU-BC-CTL
- 16. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of §54956.9: (1 case)
- 17. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b) [Number of cases: 1] and §54956.9(b)(3)(C) [Liability claim against Authority by Theresa, Warren & Carl Hopkins]

18. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b):
Kelly Lancaster, David Boenitz, Mary Erickson and Richard Gilb, et al v.
SDCERS, San Diego Sup. Court Case No. 37-2011-G0096238-CU-PO-CT
Number of cases: 1
19. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (1 case)

REPORT ON CLOSED SESSION: The Board reconvened into open session at 12:16 P.M. Breton K. Lobner, General Counsel, stated that in regards to Items 12 and 15, there was no reportable action. He stated that during the November 3, 2011, Board meeting, the Board added an item to Closed Session regarding arbitration with former employees Xavier Mayo and Marcus Edwards. Mr. Lobner reported that the Board authorized a settlement of \$25,000 each and the vote was 8-1 with Board Member Boland voting NO.

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:

Board Member Robinson reported that he collected an Alonzo Award from the Downtown Partnership for the Green Build project.

Board Member Smisek reported that Chair Gleason and the Board received an honor from the Interfaith Committee for Worker Justice for the Authority's worker retention program.

ADJOURNMENT: The meeting was adjourned at 12:18 P.M.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 5TH DAY OF JANUARY, 2012.

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

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