

DRAFT

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JULY 12, 2012
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 9:07 A.M. on Thursday, July 12, 2012, in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

ROLL CALL:

PRESENT: Board Members: Berman (Ex Officio), Boland, Gleason, Hubbs, Panknin, Richie (Ex Officio), Robinson, Smisek

ABSENT: Board Members: Cox, Desmond, Reyes (Ex Officio), Young

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Lorraine Bennett, Assistant Authority Clerk II

Board Member Cox arrived during the course of the meeting.

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

Chair Gleason recognized and thanked Board Member Richie for his service on the Board.

NON-AGENDA PUBLIC COMMENT: None

PRESENTATIONS:

A. AIRPORT POWER SYSTEM BRIEFING:

Wayne Harvey, Director, Facilities Management provided a presentation on the Airport Power System, which included the Transmission System Summary, Reactor Cycle, Local Supply Points, Terminal Distribution, Terminal Load and Backup Power, Backup System, Planned Infrastructure, Future Demand/Cost, and Future Planning.

The Board recessed at 9:34 a.m. and reconvened at 9:36 a.m.

Chair Gleason reported that with the concurrence of the Board, Item 14 would be taken out of order and addressed at this time.

14. UPDATE AND POTENTIAL ACTION REGARDING GROUND TRANSPORTATION:

Chair Gleason disclosed *ex parte* communications with representatives from the Livery Association, Xema Jacobson, representing Super Shuttle, Representatives from the San Diego County Airport Shuttle Association (SDCASA), and Humberto Peraza, representing San Diego Taxi Association (SDTA).

Board Member Boland disclosed *ex parte* communications with the San Diego County Airport Shuttle Association Members.

Board Member Smisek disclosed *ex parte* communications with San Diego County Airport Shuttle Association.

Board Member Panknin disclosed *ex parte* communications with SDCASA.

Board Member Robinson disclosed *ex parte* communications with Karan Mody, Primetime Shuttle, Gonzalo Ayala, Airport Shuttle, Anthony Carneiro, Advanced Shuttle, Victor Jong, Coronado Livery, Kevin Kohl, Sea Breeze Shuttle, Sup Datta, Ez Ride Shuttle, Carelyn Reynolds, San Diego Direct, Jeff Marston, Marston & Marston, Inc., and Brenda Brabant, AAA Luxury Services.

George Condon, Director, Aviation Operations and Public Safety, provided a presentation and update on Ground Transportation, which included Guiding Documents, Vehicle Conversion Incentive-Based Program, Airport Vehicle Rebate Program, Taxicab Trip Fee Update, Taxicab Front-of-Line Privileges, Taxicab Wait Times, Status of Memorandum of Agreements (MOAs) with Taxicabs/Shuttles, and Vehicle Age Policy.

Chair Gleason requested data on peak taxicab wait times.

Board Member Cox arrived at 10:05 a.m.

Board Member Smisek expressed concern with the availability of vehicles and fueling infrastructure. He stated that the seven year age limit on taxicabs and shuttles is too restrictive, and he suggested that the vehicle life be extended to ten years for all modes.

000002

Chair Gleason expressed concern regarding the availability of alternative fuel vehicles and fueling infrastructures. He requested a list of the status of the ground transportation improvements outlined in the Memorandum of Agreements by agreement holder.

In response to whether or not staff has a recommendation regarding the transfer of taxi permits, Ms. Bowens stated staff's recommendation is that the policy of transferability remains as approved.

The Board recessed at 10:16 a.m. and reconvened at 10:26 a.m.

XEMA JACOBSON, SPRING VALLEY, SuperShuttle, provided a presentation and update on the status of the SuperShuttle Memorandum of Understanding with the San Diego Regional Airport Authority.

JEFF MARSTON, SAN DIEGO, San Diego County Airport Shuttle Association (SDCASA), provided a presentation about the Alternative Fuel Vehicle Infrastructure and Fact Finding.

TONY HUESO, San Diego Transportation Association, distributed correspondence to the Board regarding their request that the Authority allow for the transfer of taxi permits.

LISA MCGHEE, San Diego Airport Parking Company Off-Site Parking Operator, provided a presentation about the Access Green Alternative Fuel Vehicle Conversion Strategy, for 100 percent alternative fuel vehicle conversion by 2017.

ROBERT MILLER, ESCONDIDO, requested a level playing field for vehicle compliance to include owners of independent shuttle vehicles.

SUP DATTA, SAN DIEGO, Easy Ride Shuttle, and SDCASA, spoke regarding the lack of public access to fueling stations for alternative fuel vehicles.

CARELYN REYNOLDS, CORONADO, SDCASA, requested that the Board extend the vehicle life requirement and to add more incentives.

MARK STEWART, COSTA MESA, Greater California Livery Association, requested that the item be tabled as it relates to the charter vehicle industry, and to suspend the current program as it relates to the industry, until issues are resolved.

BRIAN GIARDINA, SAN DIEGO, United Taxi Workers of San Diego, spoke in opposition to the disincentive raise in trip fees for Taxicabs at the Airport.

LORRAINE M. LEIGHTON, EL CAJON, requested that there be no action taken on the item, and spoke about the enforcement action against limousines, shuttles, and bus companies, for violations of the Public Utilities Code and CPUC rules and regulations.

Board Member Cox disclosed *ex parte* communications with Jeff Marston, Sup Datta, Carelyn Reynolds, and Victor Johg.

Board Member Cox commented on the inadequacy of available fueling sites, and suggested that since we are requesting the conversion, the Authority should consider locating fueling stations at San Diego International Airport.

Board Member Panknin suggested maybe looking at using actual emissions, rather than the fuel for compliance.

Board Member Boland requested that staff return with updated information regarding the Customer Service Representative (CSR) issue; increase the seven year vehicle age limit to ten years for all vehicles; examine the disproportionate funding between shuttle operators; and continue to re-evaluate the Memorandum of Agreement with the Attorney General.

ACTION: Moved by Board Member Hubbs and seconded by Board Member Robinson to extend the vehicle age requirement from seven (7) years to ten (10) years for all modes, and in addition, require annual inspections after seven (7) years. Motion carried by the following vote: YES – Boland, Cox, Gleason, Hubbs, Panknin, Robinson, Smisek; NO – None; ABSENT – Desmond, Young. (Weighted Vote Points: YES – 75; NO – 0; ABSENT – 25)

Board Member Smisek stated that he didn't think it's fair that if the Authority is going to allow one company to have their own CSR that the costs be spread to the other operators.

Board Member Panknin requested that staff be directed to work with the various groups regarding Customer Service Representatives and report back to the Board with a solution.

Several Board Members expressed concerns regarding the cost recovery fees for Customer Service Representatives, and the fees that are assessed to all modes of transportation.

Board Member Cox requested that the issue of cost recovery for Customer Service Representatives be scheduled for the September Board Meeting Agenda.

Board Member Panknin moved to suspend the 25% disincentive for all modes for one (1) year, in order to look at an alternative fuel plan. Board Member Smisek seconded the motion.

Board Member Robinson recommended pushing the schedule back by two (2) years for incentives and disincentives, because we don't have the fueling infrastructure to service the vehicles.

Some Board Members expressed concern with the impact suspending the disincentive fee for one (1) year would have on the budget.

Board Member Boland recommended keeping the current fees in tact until an updated report on the fiscal impact is provided to the Board at its September meeting.

Board Member Panknin agreed to amend his motion to defer the implementation of the 25% disincentive until the September 2012 Board Meeting, in order to receive more information on fueling infrastructure and the impact on the budget. Board Member Smisek concurred with the amendment.

ACTION: Moved by Board Member Panknin and seconded by Board Member Smisek, to defer collection of the 25% disincentive until the September Board Meeting for all modes. Motion carried by the following vote: YES – Boland, Cox, Gleason Hubbs, Panknin, Smisek; NO – Robinson; ABSENT – Desmond and Young. (Weighted Vote Points: YES – 67; NO – 8; ABSENT – 25).

Breton Lobner, General Counsel, stated that it has been the position of the Authority that there is no long term ownership of a taxicab right to operate at the Airport, that permits are renewed each year.

Board Member Cox requested that staff provide a report at the September Board meeting on how permits are managed for all modes in regards to whether or not they can be transferred.

CLOSED SESSION: The Board recessed in to Closed Session at 12:13 p.m. to discuss Items 17, 18, 19, 20, 23, 26, 27, 28, 29, 32 and 33.

17. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
(Government Code 54957):
Title: President/CEO
18. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
(Government Code 54957):
Title: General Counsel
19. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
(Government Code Section 54957)
Title: Chief Auditor

000005

- 20. CONFERENCE WITH LABOR NEGOTIATOR:**
Labor Negotiations pursuant to Cal. Gov. Code §54957.6:
Authority Designated Negotiators: Thella F. Bowens, President/CEO; and Jeffrey Woodson, Vice President, Administration
Employee Organization: Teamsters 911
- 21. 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
- 22. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Legal Authority: Real property negotiations pursuant to Cal. Gov. Code § 54954.5(b) and § 54956.8
Property: 4347 North Harbor Drive, San Diego, CA 92101
Authority Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer and Troy Ann Leech
Negotiating Party: City of San Diego
Under Negotiation: Terms and conditions of purchase
- 23. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Legal Authority: Real property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8.
Property: 3312 Goldsmith Street, San Diego, CA 92106 (Assessor's parcel #450-142-13-00)
Agency Negotiators: Vernon Evans, Vice President, Finance/Treasurer and Troy Ann Leech, Director, Real Estate
Under Negotiation: Sale of property – terms and conditions
- 24. 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)
- 25. 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

26. **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
27. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**
(Cal. Gov. Code §54956.9(a))
Ann Marie Tejcek v. San Diego County Regional Airport Authority, et al.
LASC No. 37-2011-00102856-CU-PO-CTL
28. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**
(Cal. Gov. Code § 54956.9(a))
Jacob Mojadam, individually and on behalf of all those similarly situated v.
San Diego County Regional Airport Authority, et al
San Diego Superior Court Case No. 37-2012-00098040-CU-MC-CTL
29. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of §54956.9: (1 case)
30. **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]
31. **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
32. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (1
case)
33. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
Significant exposure to litigation (Cal. Gov. Code §§ 54956.9 (b) and
54954.5)
Number of potential cases: 1
Re: Investigative Order No. R9-2012-0009 by the California Regional
Water Quality Control Board regarding submission of technical reports
pertaining to an investigation of bay sediments at the Downtown
Anchorage Area in San Diego Bay

REPORT ON CLOSED SESSION: The Board reconvened in to open session at 1:32 p.m. Breton Lobner, General Counsel, reported that at the June 7, 2012 Board Meeting, the Board authorized settlements in the total amount of \$49,996.32, with payments to JR Garza Construction and Management Inc., dba JRG Services, Tri City Fence Company, Inc., and Tom Malloy Corporation, dba Trench Shoring.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Board Member Smisek noted Consent Agenda Item 5 for the re-appointment of Jack Van Sambeek as a Public Member to the Audit Committee.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Desmond reported that the Committee met to conduct the performance reviews of the President/CEO, Chief Auditor and General Counsel.
- **FINANCE COMMITTEE:** None.
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
Board Member Boland provided an update on the Terminal Development Program, reporting that it was on schedule and ahead of budget. He highlighted the Green Build Program work demographics, noting a 72 % increase in local contractor participation over the last quarter.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Board Member Panknin reported that the Committee, at its last meeting, discussed the kick off for the next phase of the Airport Master Plan. He suggested a revisit of Destination Lindberg by the Board as a group. He encouraged the Board to attend future meetings of the Committee.
- **ART ADVISORY COMMITTEE:**
Chair Gleason provided an update on the removal of the Lucky Spirit mural on the east wall of the Commuter Terminal, reporting that the mural panels would be assessed for damage repair costs, with a future report to the Committee, and recommendations to the Board. He noted approval by the Board, of Consent Agenda Item 7 for the commission of the New Media/Multi-Media Lounge Environment Public Art.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Board Member Robinson reported that the draft Airport Land Use Compatibility Plan for San Diego International Airport is complete and has been approved internally, and that the document is currently being reviewed by General Counsel, after which it will be provided to the Steering Committee for its review.

He reported that staff was continuing its work with outside stakeholders on both the San Diego Airport Land Use Compatibility Plans and the North Island Airport Land Use Compatibility Plans.

- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:**
Board Member Cox reported that on June 25, 2012, Vice Chair Panknin provided an Airport update to the La Mesa City Council; Airport staff participated in a Town Hall meeting on June 27, 2012, hosted by San Diego Councilmember Kevin Faulconer; and on June 27, 2012, Governor Brown signed Senate Bill 1006, streamlining the process for airports to adjust the customer facility charge rates.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Smisek reported that at its last meeting, the Committee discussed the high speed rail link between Los Angeles and San Diego.
- **WORLD TRADE CENTER:**
Board Member Panknin reported that Japan Airlines was the guest speaker at the last meeting of the World Trade Center, hosted at the University of San Diego.

CHAIR'S REPORT:

Chair Gleason noted that there would be no August Board or Executive/Finance Committee Meetings. He stated that an afternoon Board retreat is scheduled in September.

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO, reported that U.S. Airways recently initiated its daytime departures to Reagan National Airport. She reported that the Quieter Home Program celebration is scheduled for July 26, 2012 from 5:00 p.m. to 7:00 p.m., at the Point Loma Tennis Club; the addition of new flights by Alaska Airlines, U.S. Airways, and Spirit Airlines; and that the TDY Remediation is entering its final phase of completion.

NON-AGENDA PUBLIC COMMENT: None.

CONSENT AGENDA (Items 1-13 and 16):

Chair Gleason reported that with the concurrence of the Board, Item 16 would be approved as part of the Consent Agenda approval.

ACTION: Moved by Board Member Smisek and seconded by Board Member Boland to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Boland, Cox, Gleason Hubbs, Panknin, Robinson, Smisek; NO – None; ABSENT – Desmond and Young. (Weighted Vote Points: YES – 75; NO – 0; ABSENT – 25).

- 1. APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the May 16, 2012 Special meeting, and June 7, 2012 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 MAY 14, 2012 THROUGH JUNE 10, 2012 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MAY 14, 2012 THROUGH JUNE 10, 2012:**
RECOMMENDATION: Receive the report.
- 4. JULY 2012 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2012-0070, approving the July, 2012 Legislative Report.
- 5. APPOINTMENT OF PUBLIC MEMBER TO THE AUDIT COMMITTEE:**
RECOMMENDATION: Adopt Resolution No. 2012-0071, appointing Jack Van Sambeek as a public member to the Audit Committee.

CLAIMS

- 6. AUTHORIZE THE REJECTION OF THE CLAIM OF ORVILLE C. ANDERSON:**
RECOMMENDATION: Adopt Resolution No. 2012-0072, authorizing the rejection of the claim of Orville C. Anderson.

COMMITTEE RECOMMENDATIONS

7. AUTHORIZE A CONTRACT WITH JASON BRUGES STUDIO LIMITED TO DESIGN INTEGRATED ARTWORK FOR THE TERMINAL DEVELOPMENT PROGRAM:

RECOMMENDATION: The Art Advisory Committee recommends that the Board adopt Resolution No. 2012-0073, authorizing a contract with Jason Bruges Studio Limited for the commission of the New Media/Multi-Media Lounge Environment Public Art Opportunity in an amount not to exceed \$400,000.

CONTRACTS AND AGREEMENTS

8. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AGREEMENTS FOR GENERAL LEGAL SERVICES WITH MORRISON & FOERSTER, LLP, AND BEST BEST KRIEGER, LLP:

RECOMMENDATION: Adopt Resolution No. 2012-0074, approving and authorizing the President/CEO to execute an agreement for general legal services with Morrison & Foerster LLP, for a term of three (3) years, with two (2) additional one-year options, with a maximum amount payable not to exceed \$300,000.

Adopt Resolution No. 2012-0075, approving and authorizing the President/CEO to execute an agreement for general legal services with Best Best and Krieger LLP, for a term of three (3) years, with two (2) additional one-year options, with a maximum amount payable not to exceed \$300,000.

9. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE ON-CALL AIRSIDE/LANDSIDE ARCHITECT & ENGINEERING CONSULTANT SERVICES AGREEMENT WITH CH2M HILL, INC:

RECOMMENDATION: Adopt Resolution No. 2012-0076, approving and authorizing the President/CEO to execute a Second Amendment to the agreement with CH2M Hill, Inc., extending the term of the agreement by two (2) years, to expire on August 1, 2014, to provide on-call professional airside/landside architect & engineering consultant services for Capital Improvement and Major Maintenance projects.

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

- 10. AWARD A CONTRACT TO S&L SPECIALTY CONTRACTING, INC., FOR QUIETER HOME PROGRAM PHASE 6, GROUP 5 (30 WEST SIDE, NON-HISTORIC, CONDOMINIUM UNITS):**
RECOMMENDATION: Adopt Resolution No. 2012-0077, awarding a contract to S&L Specialty Contracting, Inc., in the amount of \$1,219,550, for Phase 6, Group 5, Project No. 380605, of the San Diego County Regional Airport Authority's Quieter Home Program.
- 11. AWARD A CONTRACT TO HAZARD CONSTRUCTION COMPANY, TO RELOCATE LOT 6 EMPLOYEE PARKING FROM HARBOR ISLAND TO THE FORMER TELEDYNE RYAN SITE AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2012-0078, awarding a contract to Hazard Construction Company, in the amount of \$3,334,537, for Project No. 104145, Relocate Lot 6 Employee Parking from Harbor Island to former Teledyne Ryan site, at San Diego International Airport.
- 12. AWARD A CONTRACT TO HAZARD CONSTRUCTION COMPANY, TO RECONSTRUCT LOT 8/SAN PARK HARBOR DRIVE, AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2012-0079, rejecting the apparent low bidder, Southland Paving, Inc., due to non-responsiveness of its bid, and awarding a contract to Hazard Construction Company, in the amount of \$2,515,879, for Project No. 104127, Reconstruction of Lot 8/SAN Park Harbor Drive, at San Diego International Airport.
- 13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL AIRPORT PAVEMENT REPAIR AGREEMENT:**
RECOMMENDATION: Adopt Resolution No. 2012-0080, approving and authorizing the President/CEO to execute an On-Call Airport Pavement Repair Agreement with Hazard Construction Company, for a term of three (3) years, with the option for two (2) one-year (1) extensions to be exercised at the discretion of the President/CEO, in an amount not to exceed \$9,246,500, in support of the existing pavement surfaces at San Diego International Airport.

16. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXERCISE THE OPTION TO EXTEND THE TERM OF THE AGREEMENT WITH DAVID BRUSH CONSULTING FOR PROGRAM MANAGEMENT CONSULTATION SERVICES TO DECEMBER 31, 2015, AND AMEND THE AGREEMENT TO ADD CONSULTING SERVICES FOR THE RENTAL CAR CENTER, AND INCREASE THE MAXIMUM COMPENSATION LEVEL:

RECOMMENDATION: Adopt Resolution No. 2012-0082, approving and authorizing the President/CEO to exercise the option to extend the term of the Agreement with David Brush Consulting to December 31, 2015, and amend the Agreement to: (1) add program management consultation services for construction of the Rental Car Center to the Agreement's scope of work; and (2) increase the Agreement's maximum compensation by Five Hundred Ninety-eight Thousand, Seventy-five Dollars (\$598,075) to Two Million, Seventeen Thousand, Seven Hundred Dollars (\$2,017,700).

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

NEW BUSINESS:

15. GRANT A 7-YEAR CONCESSION LEASE TO DUTY FREE AMERICAS SAN DIEGO, LLC TO DESIGN, BUILD AND OPERATE A DUTY FREE STORE IN TERMINAL 2 EAST:

Nyle Marmion, Manager, Concession Development Aviation & Commercial Business Department provided a presentation on the 7-year Concession Lease to Duty Free Americas San Diego, LLC, to design, build and operate a duty free store in Terminal 2 East, which included a Site Plan, Duty Free Selection Timeline, Request for Proposal Provisions, Evaluation Criteria, Financial Offer, Proposal Scoring and Rankings, Proposed Renderings, and Next Steps.

SIMON FALIC, MIAMI BEACH, Chairman, Duty Free Americas, spoke in support of the staff recommendation.

RECOMMENDATION: Adopt Resolution No. 2012-0081, awarding a seven-year concession lease to Duty Free Americas San Diego, LLC to design, build, and operate a duty free store in Terminal 2 East at San Diego International Airport, subject to Federal Aviation Administration (FAA) approval of term, and authorizing the President/CEO to take all necessary actions to execute the concession lease.

ACTION: Moved by Board Member Cox and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following vote: YES – Boland, Cox, Gleason Hubbs, Panknin, Robinson, Smisek; NO – None; ABSENT – Desmond and Young. (Weighted Vote Points: YES – 75; NO – 0; ABSENT – 25).

- 16. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXERCISE THE OPTION TO EXTEND THE TERM OF THE AGREEMENT WITH DAVID BRUSH CONSULTING FOR PROGRAM MANAGEMENT CONSULTATION SERVICES TO DECEMBER 31, 2015, AND AMEND THE AGREEMENT TO ADD CONSULTING SERVICES FOR THE RENTAL CAR CENTER, AND INCREASE THE MAXIMUM COMPENSATION LEVEL:**

ACTION: The Board concurred to move item 16 to the Consent Agenda for approval.

NON-AGENDA PUBLIC COMMENT: None.

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: None.

BOARD COMMENT: None.

ADJOURNMENT: The Board adjourned at 2:00 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL
AIRPORT AUTHORITY BOARD THIS 6TH DAY OF SEPTEMBER, 2012.

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

000014