

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JANUARY 21, 2016
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:04 a.m. on Thursday, January 21, 2016, in the Board Room at the San Diego International Airport, Administration Building (formerly the Commuter Terminal), 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Alvarez, Berman (Ex Officio), Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom, Woodworth (Ex Officio)

ABSENT: Board Members: Ortega (Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Linda Gehlken, Assistant Authority Clerk I

Board Member Sessom arrived during the course of the meeting.

PRESENTATION:

A. EAST HARBOR ISLAND PLAN:

Jason Giffen, Assistant Vice President, Planning, Port of San Diego and Shaun Sumner, Assistant Vice President of Real Estate, Port of San Diego, provided a presentation on the East Harbor Island Plan which included Redevelopment Strategy, Harbor Island Subareas, Background, East Harbor Island Port Master Plan Amendment, Statement of Interest, Qualifications and Vision (SOIQV) Potential Components, and Project Timeline.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Board Member Robinson reported that the next Committee meeting is scheduled on February 1, 2016.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Board Member Hubbs reported that the next Committee meeting is scheduled on January 28 and that Board Member Alvarez will be chairing the meeting.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Desmond reported that the Committee met on January 19 and that the 2016 Employee Benefits information was presented by staff. He also reported that the Committee conducted the mid-year performance evaluations for the President/CEO and General Counsel. He stated that the next meeting is scheduled on May 25.
- **FINANCE COMMITTEE:**
Board Member Boling reported that the Committee met on January 11.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
None
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported that the installation of the exhibition Point of Entry is ongoing, and that the Performing Arts Residency Program is moving forward. He also reported that the Rental Car Center's Public Art is up and well received. He stated that the next meeting is scheduled on January 27.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
None
- **CALTRANS:**
Board Member Berman reported that in preparation for the opening of the Rental Car Center, CALTRANS and Authority staff collaborated on the Wayfinding signage. She also reported that the first phase of new State Route 11 near the U.S. Mexican Border is due to open in late February to early March.

- **INTER-GOVERNMENTAL AFFAIRS:**

Board Member Cox reported that both the State Legislature and Congress convened on January 4th to begin their legislative sessions. He reported that on January 14th, Mayor Mary Sessom was reappointed to the Airport Authority Board for a three-year term, representing the four East County cities of El Cajon, La Mesa, Lemon Grove, and Santee. He stated that on January 19th, Chair Gleason represented the Authority in Sacramento to receive the Governor's Environmental and Economic Leadership Award. He also reported that Chairman Ron Roberts is scheduled to deliver the State of the County Address on February 25th at 6:00 p.m. at the Hall of Champions.

- **MILITARY AFFAIRS:**

None.

- **PORT:**

None

- **WORLD TRADE CENTER:**

None

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**

Board Member Alvarez reported that the Committee met on January 15 and discussed the Regional Transportation Improvement Program, the Gilman Drive improvement construction project, and TRANSNET related updates on finance operation and capital projects.

CHAIR'S REPORT:

Chair Gleason expressed appreciation to staff for the grand opening events for the Rental Car Center. He reported that new assignments will be made for Board Committees at the February meeting, and requested that Board Members let him know their committee preferences. He stated that the Board Retreat is scheduled on February 26 and 27. He announced that the Airport Council International North America Commissioner's Conference will be in April and to let him know if they are interested in attending. He recognized the service awards for the Authority's Chief Auditor (10 years) and the President/CEO (20 years.)

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO, reported that the San Diego International Airport had a record breaking year with over 20 million annual passengers in 2015. She reported that effective January 15, 2016 Seaport Airlines ceased operations at San Diego International Airport and other locations due to pilot shortages. She announced that Allegiant Airlines will be adding service, twice weekly, from San Diego to Stockton, California and El Paso, Texas. She stated that the opening of the Rental Car Center

(RCC) has already reduced traffic on North Harbor Drive, and that the Authority will be monitoring the RCC operations closely in the next several weeks to address any issues. She reported that the Governor's Environmental and Economic Leadership Award recognized the Authority's following programs: Food Waste Collection Program, Air Conditioning Condensation Water Recovery and Recycling Initiative, and the Procurement Department's Environmentally Preferred Products Purchase Program. She also reported that staff is working on a new Sustainability Report and additional information will be forthcoming throughout the year. She stated that staff continues to work with the citizens of Point Loma on the noise issues, and that Councilman Scott Peterson attended the Authority's Airport Noise Advisory Committee.

Breton K. Lobner, General Counsel, announced that he will be retiring from the Authority effective May, 2016.

CLOSED SESSION: Chair Gleason reported that due to the retirement announcement by Breton K. Lobner, General Counsel, effective May, 2016, there is an immediate need to add an item to Closed Session to discuss the process to fill this position.

In response to Board Member Alvarez regarding the finding for this item for discussion, Mr. Lobner stated that California Code Section 54957 allows this personnel related item to be added to the agenda so that sufficient time may be provided for staff to begin the recruitment process.

ACTION: Moved by Board Member Sessom and seconded by Board Member Hubbs to add this discussion to the Closed Session agenda as Item 19. Motion carried by the following vote: YES – Alvarez, Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

NON-AGENDA PUBLIC COMMENT: None.

CONSENT AGENDA (Items 1-7):

ACTION: Moved by Board Member Desmond and seconded by Board Member Robinson to approve the Consent Agenda. Motion carried by the following vote: YES – Alvarez, Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 17, 2015, 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.
(Corporate & Information Governance: Tony Russell, Director/Authority Clerk)
3. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM NOVEMBER 23, 2015 THROUGH DECEMBER 27, 2015 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM NOVEMBER 23, 2015 THROUGH DECEMBER 27, 2015:**
RECOMMENDATION: Receive the report.
(Procurement: Jana Vargas, Director)
4. **JANUARY 2016 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2016-0001, approving the January 2016 Legislative Report.
(Inter-Governmental Relations: Michael Kulis, Director)

CLAIMS

5. **REJECT THE CLAIM OF DENNIS HIMES:**
RECOMMENDATION: Adopt Resolution No. 2016-0002, rejecting the claim of Dennis Himes.
(Legal: Breton Lobner, General Counsel)
6. **REJECT THE CLAIM OF HABIB PAGHMANI:**
RECOMMENDATION: Adopt Resolution No. 2016-0003, rejecting the claim of Habib Paghmani.
(Legal: Breton Lobner, General Counsel)

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

7. **APPROVE A RESTATED 401(A) DEFERRED COMPENSATION PLAN WITH MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY (MASSMUTUAL) RETIREMENT:**
RECOMMENDATION: Adopt Resolution No. 2016-0004, approving and authorizing the President/CEO to execute the restated 401(a) Deferred Compensation Plan ("Adoption Agreement") with Massachusetts Mutual Life Insurance Company (MASSMutual) Retirement and perform any and all other actions necessary to implement the adoption of the Plan.
(Talent, Culture & Capability: Kurt Gering, Director)

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

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

8. TRANSPORTATION NETWORK COMPANY (TNC) PILOT PROGRAM UPDATE:

Chair Gleason disclosed ex-parte communications with Adrian Kwiatkowski.

Board Member Boling disclosed ex-parte communications with Adrian Kwiatkowski.

Board Member Robinson disclosed ex-parte communications with Adrian Kwiatkowski.

Board Member Cox disclosed that ex-parte communications with Adrian Kwiatkowski took place with a member of his staff, Victor Avina.

David Boenitz, Director, Ground Transportation, provided an update on the Transportation Network Company (TNC) Pilot Program which included Key Dates and Actions, Challenges, Background Checks, Vehicle Trips, Cost Recovery Fees, Taxicab Impact, Parking Impact, Permit Violations, Customer Feedback, Current Issues, Summary, and Interim Recommendations.

ADRIAN KWIATKOWSKI, SAN DIEGO, representing Transportation Alliance Group (TAG), provided a presentation to the Board on the Transportation Network Company (TNC) Pilot program. He expressed concerns related to operations of TNC's and requested that the Board address issues such as waiting areas used by TNC.

MATT WHIFFEN, SAN DIEGO, representing Uber, spoke in support of the TNC program.

TONY HUESO, SAN DIEGO, expressed concern regarding TNC operating requirements. He asked the Board to level the "playing field" with others in the ground transportation industry.

Board Member Cox acknowledged the taxi cab industry's concerns. He stated that the Authority does not have control over many of the regulations and that the Public Utilities Commission and the legislature will have to address the issues. He suggested that maybe there could be separate pick up areas for alternative fuel TNC vehicles and non-alternative fuel TNC vehicles.

Board Member Hubbs concurred that there needs to be equity between the operations of taxis and TNC's.

Board Member Sessom suggested that the Authority do all it can to level the playing field between the taxis and TNC's through the permit process. She expressed support for a separate staging area for alternative fuel vehicles.

Board Member Alvarez stated that leveling the playing field between TNC's and other ground transportation carriers should be addressed. He suggested that it might be time for the Authority to request a new opinion from the Attorney General regarding our agency's authority to ensure compliance with the MOU in regards to alternative fuel vehicles.

Chair Gleason requested that staff look into holding lot options as next steps are brought to the Board with other recommendations at the end of the TNC pilot program in June, 2016. He also stated that an overview of the impact on customer service by TNC's, taxis, and shuttles be provided in the Ground Transportation update to the Board in April.

Chair Gleason requested that a Board memo outlining the requirements in the MOU that applies to all modes of transportation.

RECOMMENDATION: Receive the update.

[ACTION: No action taken.]

The Board recessed at 10:44 a.m. and reconvened at 10:54 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:55 a.m. to hear items 18 and 19.

- 9. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL

- 10. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC

- 11. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Donna Wilson; John Wilson v. San Diego Port Authority; San Diego International Airport; San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL (Meyer)
- 12. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a)):
Maria Paula Bermudez v. San Diego County Regional Airport Authority, American Airlines, Inc., et al.
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL.
- 13. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1))
Stanley Moore v. San Diego County Regional Airport Authority, et al
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL
- 14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
Cal. Gov. Code § 54956.9(a) and (d).
In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]
- 15. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)
Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al.,
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL
- 16. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
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.
Number of potential cases: 1
- 17. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2
- 18. THREAT TO PUBLIC SERVICES OR FACILITIES:**
Cal. Gov. Code §54957
Consultation with: Transportation Security Administration (TSA)
Federal Security Director and Harbor Police Chief

- 19. PUBLIC EMPLOYEE EMPLOYMENT (GC 54957):** (This item was added during the meeting)
Title: General Counsel

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 12:20 p.m. There was no reportable action.

NON-AGENDA PUBLIC COMMENT: None.

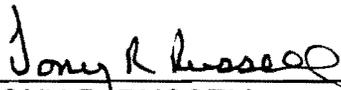
GENERAL COUNSEL REPORT: None.

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:

BOARD COMMENT: None.

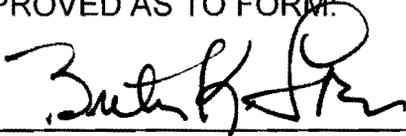
ADJOURNMENT: The meeting adjourned at 12:21 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 18TH DAY OF FEBRUARY, 2016.



TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL