

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND
EXECUTIVE AND FINANCE COMMITTEE MEETING MINUTES
MONDAY, JULY 11, 2016
BOARD ROOM**

CALL TO ORDER: Chair Boling called the Special Board and Executive and Finance Committee Meeting to order at 9:02 a.m., on Monday, July 11, 2016, in the Board Room of the San Diego International Airport, Administration Building, 3225 N. Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

Board

Present: Board Members: Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom

Absent: Board Members: Berman (Ex-Officio), Ortega (Ex-Officio), Woodworth (Ex-Officio)

Executive Committee

Present: Committee Members: Boling (Chair), Janney, Robinson

Absent: Committee Members: None

Finance Committee

Present: Committee Members: Boling (Chair), Cox, Janney, Sessom

Absent: Committee Members: None

Also Present: Thella F. Bowens, President/CEO; Amy Gonzalez, General Counsel; Tony Russell, Director, Corporate and Information Governance/ Authority Clerk; Vanessa Scarbrough, Assistant Authority Clerk II

Chair Boling presented Board Member Gleason with a gift for his service as chair of the Board from January 2010 to June 2016.

NON-AGENDA PUBLIC COMMENT:

1. KAMRAN HAMPI, SAN DIEGO, spoke regarding ground transportation operations at the airport. He also stated that the trip fee is an illegal tax.

BOARD BUSINESS

NEW BUSINESS:

1. PROPOSED ADOPTION OF PUBLIC PARKING RATE INCREASE:

Scott Brickner, Vice President, Finance & Asset Management/Treasurer provided a presentation on FY 2017 Proposed Parking Rates increase.

Board Member Sessom expressed concern regarding the \$6.00 parking fee that customers would have to pay for parking only 35 minutes in the terminal lots.

RECOMMENDATION: Adopt Resolution No. 2016-0058, approving an increase to certain parking rates, beginning July 12, 2016.

ACTION: Moved by Board Member Hubbs and seconded by Board Member Robinson to approve staff's recommendations. Motion carried by the following vote: YES – Boling, Cox, Desmond, Hubbs, Gleason, Janney, Robinson; NO – Kersey, Sessom; ABSENT – None; (Weighted Vote Points: YES – 79; NO – 21; ABSENT – 0)

PUBLIC HEARING:

2. USE OF AUTOMATED LICENSE PLATE RECOGNITION SYSTEM AT SAN DIEGO INTERNATIONAL AIRPORT:

David Boenitz, Director, Ground Transportation and Mr. Mike DeGraffenreid, Ace Parking Management Operator, provided a presentation on the Use of Automated License Plate Recognition (ALPR) Systems which included definitions, background, ALPR operations, ALPR system uses, ALPR End-Users, and next steps.

Board Member Sessom expressed concern that the Authority has been allowing the collection of this data and questioned if this personal information is being protected. She stated that this item needs to come back to the Board because she doesn't feel that a policy can be put in place in 30 days to secure and protect the data. She stated that the Board needs to understand this process and stated that this issue needs to go to a committee and come back to the Board for discussion.

Thella F. Bowens, President/CEO stated that the Authority had been using an automated system and when notified of the new law, staff ceased collecting the data using the system to allow for this public hearing.

Board Member Desmond questioned if the Authority could get a list of the people who has access to the data and the cost benefit of collecting the data.

Ms. Bowens stated that it's as much of a customer service issue also in assisting passengers in finding their vehicles.

Board Member Gleason stated that there are Board issues regarding this process that are not included in staff's recommended action.

Chair Boling stated that she wants to see the procedures for the ALPR System and that this needs to come back to the Board to review the procedures. She stated that the existing privacy policy may not be robust enough to address the Board concerns.

RECOMMENDATION: Approve Resolution No. 2016-0059, authorizing the use of an automated license plate recognition system at San Diego International Airport.

ACTION: Moved by Board Member Cox and seconded by Board Member Janney to direct staff to come back with the ALPR procedures and policy in September for Board discussion. Motion carried unanimously.

EXECUTIVE/FINANCE BUSINESS

NEW BUSINESS:

3. APPROVAL OF MINUTES:

KATHERYN RHODES, San Diego, expressed concern regarding the costs of the Terminal 2 parking plaza.

RECOMMENDATION: Approve the minutes of the June 13, 2016 regular meeting.

ACTION: Moved by Board Member Robinson and seconded by Board Member Hubbs to approve staff's recommendation. Motion carried unanimously.

FINANCE COMMITTEE

4. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE ELEVEN MONTHS ENDED MAY 31, 2016:

Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Unaudited Financial Statements for the Eleven Months Ended May 31, 2016, which included Gross Landing Weight Units (000lbs), Enplanements, Car Rental License Fees, Food and Beverage Concessions Revenue, Retail Concessions Revenue, Total Terminal Concessions, Parking Revenue, Operating Revenues for Month Ended May 31, 2016, Operating Revenues for Month Ended May 31, 2016, Financial Summary for Month Ended May 31, 2016, Non-Operating Revenues and Expenses for Month Ended May 31, 2016, Monthly Operating Revenue Unaudited, Operating Revenues for Eleven Months Ended May 31, 2016 Unaudited, Operating Revenues for Eleven

Months Ended May 31, 2016 Unaudited, Monthly Operating Expenses Unaudited, Operating Expenses for the Eleven Months Ended May 31, 2016 Unaudited, Financial Summary for Eleven Months Ended May 31, 2016 Unaudited, Non-operating Revenues and Expenses for Eleven Months Ended May 31, 2016 Unaudited, Statements of Net Position Unaudited for May 31, 2016 and 2016.

KATHERYN RHODES, SAN DIEGO, suggested that the Authority can use FAA restricted revenue to mitigate for Capital Improvement Projects.

In response to Ms. Rhodes comments, Board Member Sessom stated that at a recent meeting, the SANDAG Executive Committee questioned if the Authority is required to mitigate offsite issues and what funds the Authority has to pay for the mitigation.

Board Member Cox requested a report from staff regarding the different alternatives for accessing the Rental Car Center.

5. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF MAY 31, 2016:

Geoff Bryan, Manager, Airport Finance, provided a presentation on the Authority's Investment Report as of May 31, 2016 which included Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity, Benchmark Comparison, Detail of Security Holdings as of May 31, 2016, Portfolio Investment Transactions from May 1, 2016–May 31, 2016, Bond Proceeds Summary of 2010, 2013 and 2014 Bonded Proceeds, Bond Proceeds Investment Transactions from May 1, 2016 – May 31, 2016.

RECOMMENDATION: Accept the report.

EXECUTIVE COMMITTEE

6. 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 Robinson and seconded by Board Member Janney to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

7. REVIEW OF THE DRAFT AGENDA FOR THE JULY 21, 2016 BOARD MEETING:

Presented by: Thella F. Bowens, President/CEO provided an overview of the draft agenda for the July 21, 2016 Board Meeting.

8. REVIEW OF THE DRAFT AGENDA FOR THE JULY 21, 2016 AIRPORT LAND USE COMMISSION MEETING:

Thella F. Bowens, President/CEO provided an overview of the draft agenda for the July 21, 2016 Board Meeting. Ms. Bowens stated that staff would be adding an item to the agenda regarding prioritizing items back into the scope of the Parking Plaza Project. Tony R. Russell, Director of Corporate and Information Governance requested that Item 5 be pulled from the agenda.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve Items 7 and 8 as amended. Motion carried unanimously.

CLOSED SESSION: The Board recessed into Closed Session at 10:34 a.m. to discuss Item 9.

9. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Cal. Gov. Code §54957

Title: President/Chief Executive Officer

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 10:55 a.m. There was no reportable action.

NON-AGENDA PUBLIC COMMENT:

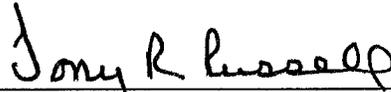
KATHERYN RHODES, SAN DIEGO, expressed concern about seismic issues near the airport.

COMMITTEE MEMBER COMMENTS: None

ADJOURNMENT:

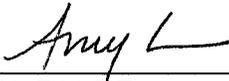
The meeting was adjourned at 11:35 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY EXECUTIVE COMMITTEE THIS 6th DAY OF SEPTEMBER, 2016.



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

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL