

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Mark Kersey
Robert T. Lloyd
Paul Robinson
Johanna S. Schiavoni
Michael Schumacher
Mark B. West

SPECIAL BOARD **AGENDA**

Thursday, May 30, 2019
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

Ex-Officio Board Members

Cory Binns
Col. Charles B. Dockery
Jacqueline Wong-Hernandez

President / CEO

Kimberly J. Becker

Live webcasts of Authority Board meetings can be accessed at
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Board Services and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Board Services/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Board Services /Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATIONS:

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

- **AUDIT COMMITTEE:**
Committee Members: Hollingworth, Lloyd, Robinson (Chair), Schiavoni, Tartre, Van Sambeek, West
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Boling, Kersey (Chair), Schumacher, Robinson
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boling, Cox, Desmond (Chair), Kersey
- **FINANCE COMMITTEE:**
Committee Members: Cox (Chair), Lloyd, Schiavoni, West

AD HOC COMMITTEES

- **GROUND TRANSPORTATION AD HOC:**
Committee Members: Lloyd, Schiavoni, West (Chair)

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Robinson (Primary), Schiavoni
- **ART ADVISORY COMMITTEE:**
Committee Member: Robert H. Gleason

LIAISONS

- **CALTRANS:**
Liaison: Binns
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox
- **MILITARY AFFAIRS:**
Liaison: Dockery

- **PORT:**
Liaisons: Boling (Primary), Cox, Robinson
- **WORLD TRADE CENTER:**
Representatives: Robert H. Gleason

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:**
Representative: Boling
- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Schiavoni (Primary), Schumacher
- **SCAG AVIATION TASK FORCE:**
Representative: Boling

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

CONSENT AGENDA (Items 1-18):

The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior meetings.

RECOMMENDATION: Approve the minutes of the May 2, 2019 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:**
The Board is requested to accept the reports.
RECOMMENDATION: Accept the reports and pre-approve Board Member attendance at other meetings, trainings and events not covered by the current resolution.
(Board Services: Tony R. Russell, Director/Authority Clerk)
- 3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM APRIL 8, 2019 THROUGH MAY 12, 2019 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM APRIL 8, 2019 THROUGH MAY 12, 2019:**
The Board is requested to receive the report.
RECOMMENDATION: Receive the report.
(Procurement: Jana Vargas, Director)
- 4. JUNE 2019 LEGISLATIVE REPORT:**
The Board is requested to approve the report.
RECOMMENDATION: Adopt Resolution No. 2019-0046, approving the June 2019 Legislative Report.
(Government Relations: Matt Harris, Director)
- 5. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBER:**
The Board is requested to make an appointment.
RECOMMENDATION: Adopt Resolution No. 2019-0047, approving an appointment to the Authority Advisory Committee.
(Board Services: Tony R. Russell, Director/Authority Clerk)
- 6. APPOINTMENT OF PUBLIC MEMBER TO THE AUDIT COMMITTEE:**
The Board is requested to make an appointment.
RECOMMENDATION: Adopt Resolution No. 2019-0048, appointing Andy Hollingworth to a new term as a public member of the Audit Committee.
(Board Services: Tony R. Russell, Director/Authority Clerk)
- 7. APPROVE APPOINTMENTS TO THE ART ADVISORY COMMITTEE:**
The Board is requested to approve an appointment.
RECOMMENDATION: Adopt Resolution No. 2019-0049, approving the appointments of Larry Baza and Carmen Vann to the Arts Advisory Committee.
(Customer Experience & Innovation: Chris Chalupsky, Senior Manager, Arts Program)

8. AMEND AUTHORITY POLICY 5.12 - PREFERENCE TO SMALL, VETERAN OWNED, AND LOCAL BUSINESS:

The Board is requested to amend a policy.

RECOMMENDATION: Adopt Resolution No. 2019-0050, amending Policy 5.12 - Preference to Small, Veteran Owned, and Local Business, allowing for qualification based criteria the use of the preference points to be applied to the recommended final contract award.

(Small Business Development: Regina Brown, Manager)

9. AMEND AUTHORITY POLICY 6.30 FEES, RATES, LICENSES AND CHARGES:

The Board is requested to amend the policy.

RECOMMENDATION: Adopt Resolution No. 2019-0051, approving amendments to Authority Policy 6.30 Fees, Rates, Licenses and Charges.

(Finance & Risk Management: John Dillon, Director)

CLAIMS

10. REJECT THE CLAIM OF AIR CANADA:

The Board is requested to reject a claim.

RECOMMENDATION: Adopt Resolution No. 2019-0052, rejecting the claim of Air Canada.

(Legal: Amy Gonzalez, General Counsel)

COMMITTEE RECOMMENDATIONS

11. REQUIRED COMMUNICATION TO THE AUDIT COMMITTEE ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE FISCAL YEAR ENDED JUNE 30, 2019:

The Board is requested to accept the information.

RECOMMENDATION: The Audit Committee recommends that the Board accept the information.

(Finance & Asset Management: Kathy Kiefer, Senior Director)

12. RESULTS FROM THE QUALITY ASSESSMENT REVIEW OF THE OFFICE OF THE CHIEF AUDITOR:

The Board is requested to accept the information.

RECOMMENDATION: The Audit Committee recommends that the Board accept the information.

(Audit: Lee Parravano, Chief Auditor)

13. FISCAL YEAR 2019 THIRD QUARTER ACTIVITY REPORT:

The Board is requested to accept the report.

RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

(Audit: Lee Parravano, Chief Auditor)

14. REVISION TO THE FISCAL YEAR 2019 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:

The Board is requested to revise the plan.

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2019-0053, approving the revision to the Fiscal Year 2019 Audit Plan of the Office of the Chief Auditor.

(Audit: Lee Parravano, Chief Auditor)

15. FISCAL YEAR 2020 RISK ASSESSMENT AND PROPOSED AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:

The Board is requested to approve the plan.

RECOMMENDATION: The Audit Committee recommends that the Board Adopt Resolution No. 2019-0054, approving the Fiscal Year 2020 Proposed Audit Plan of the Office of the Chief Auditor.

(Audit: Lee Parravano, Chief Auditor)

16. ANNUAL REVIEW AND APPROVAL OF AUTHORITY POLICY 4.20 - GUIDELINES FOR PRUDENT INVESTMENTS, DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS TO THE VICE PRESIDENT/ CFO:

The Board is requested to receive the information.

RECOMMENDATION: The Finance Committee recommends that the Board Adopt Resolution No. 2019-0055, approving Authority Policy 4.20 - Guidelines for Prudent Investments, and delegating authority to invest and manage Authority funds to the Vice President, Chief Financial Officer.

(Business Management: Geoff Bryant, Manager, Airport Finance)

17. APPROVAL OF AMENDMENTS TO AUTHORITY POLICY 4.40 – DEBT ISSUANCE AND MANAGEMENT:

The Board is requested to approve amendments.

RECOMMENDATION: The Finance Committee recommends that the Board Adopt Resolution No. 2019-0056, approving amendments to Authority Policy 4.40 - Guidelines for Debt Issuance and Management.

(Business & Financial Management: John Dillon, Director)

CONTRACTS AND AGREEMENTS

18. AWARD A CONTRACT FOR CONSTRUCTION BROKER SERVICES WITH WILLIS TOWERS WATSON:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2019-0057, approving the agreement with Willis Towers Watson as construction broker service provider.

(Business & Financial Management: John Dillon, Director)

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

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

19. ACCEPT THE CLIMATE RESILIENCY PLAN:

The Board is requested to accept the plan.

RECOMMENDATION: The Board is requested to accept the Climate Resiliency Plan prepared for San Diego International Airport.

(Planning & Environmental Affairs: Ralph Redman, Manager)

20. APPROVAL AND ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2020, THE CAPITAL PROGRAM FOR FISCAL YEARS 2020-2024, AND CONCEPTUAL APPROVAL OF THE OPERATING BUDGET FOR FISCAL YEAR 2021:

The Board is requested to approve the budgets.

RECOMMENDATION: Adopt Resolution No. 2019-0058, approving and adopting the Authority's Annual Operating Budget for Fiscal Year 2020, the Capital Program for Fiscal Years 2020-2024, and conceptually approving the Operating Budget for Fiscal Year 2021.

(Business & Financial Management: John Dillon, Director)

CLOSED SESSION:

21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL

22. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.

San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL

23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: Park Assist LLC v. San Diego County Regional Airport Authority, et al.

United States District Court Case No. 18 CV2068 LAB MDD

- 24. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Sheila Culbreath v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2018-00036327-CU-PA-CTL
- 25. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 2
- 26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 27. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Navy Boat Channel Environmental Remediation
Number of potential cases: 1
- 28. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 1
- 29. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Order No. WQ 2019-0005-DWQ by the State Water Resources Control Board pertaining to PFAS
Number of potential cases: 1
- 30. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Property: Airline Operating and Lease Agreement - San Diego International Airport
Agency Negotiator: Kim Becker, Scott Brickner, John Dillon, Kathy Kiefer, Amy Gonzalez
Negotiating Parties: Alaska Airlines, Allegiant Airlines, American Airlines, British Airways, Delta Airlines, FedEx, JetBlue Airlines, Southwest Airlines, United Airlines
Under Negotiation: price and terms of payment

- 31. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: President/Chief Executive Officer
- 32. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: General Counsel
- 33. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION:

GENERAL COUNSEL REPORT:

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:

ADJOURNMENT:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

NOTE: This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at www.san.org.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Administration Building. Bring your ticket to the third floor receptionist for validation.

You may also reach the SDCRAA Building by using public transit via the San Diego MTS System, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

ITEMS 1 TO 20

**Materials for these items will
be provided prior to the
meeting.**