

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MAY 2, 2019
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:03 a.m. on Thursday, May 2, 2019, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Binns (Ex-Officio), Boling, Desmond, Dockery (Ex-Officio) Lloyd, Robinson, Schiavoni, Schumacher

ABSENT: Board Members: Cox, Kersey, West, Wong-Hernandez (Ex-Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Lee Kaminetz, Director, General Counsel Services; Tony R. Russell, Director, Board Services/Authority Clerk; Deborah Harrington, Assistant Authority Clerk II

PRESENTATIONS:

A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2019:

Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the review of the Unaudited Financial Statements for the nine months ending March 31, 2019 that included Operating Revenues, Operating Expenses, Non-operating Revenue and Expenses, Financial Summary and the Statement of Net Position for Assets, Liabilities and Net Position.

B. REGIONAL ENDORSEMENTS INCLUSIVE GROWTH WORKPLACE EQUITY:

Kurt Gering, Director, Talent, Culture & Capability, and Danna Cotman, President of the Lawyer's Club of San Diego, provided a presentation on Inclusive Growth Workplace Equity that included the Strategic Goals, EDS Inclusive Growth Development Strategy, SDCRAA Talent Pipeline, Small Business and Workplace Equity and Lawyer's Club Workplace Equity.

In response to Board Member Schiavoni regarding how the Authority can incorporate this into Authority Policy to be included in all contracts, Jana Vargas stated the Authority has a robust small business program which is a part of our culture and has outreach efforts to be more inclusive.

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

- **AUDIT COMMITTEE:** Board Member Robinson reported that the next meeting of the Audit Committee will be held on May 13, 2019.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member Robinson reported that the next meeting of the Capital Improvement Program Oversight Committee will be held on May 9, 2019.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Board Member Desmond reported that the Committee met on April 25th and received a presentation on the status of the Compensation Philosophy. He stated that the next Committee meeting will be held on May 30th to conduct the annual performance reviews for the President/CEO, General Counsel and Chief Auditor.
- **FINANCE COMMITTEE:** Board Member Schiavoni reported that the Committee met on April 22nd and reviewed financial information and forwarded it to the Board for acceptance.

AD HOC COMMITTEES

- **GROUND TRANSPORTATION AD HOC:** Board Member Lloyd reported that there have been several meetings of the Ad Hoc Committee with the most recent held on April 29th. He reported that concerns during this meeting centered on the Lyft pilot program of allowing the routing of rideshare vehicles. He reported that it is anticipated that the Ad Hoc Committee report will be brought to the full board in June or no later than July.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Robinson reported that the next meeting will be held on June 5, 2019.
- **ART ADVISORY COMMITTEE:** Chris Chalupsky, Senior Manager, Art & Community Partnership, reported the Request for Proposals for the Airline Support Building Public Art Opportunity will close on May 22nd and that the participants in the Design AHEAD initiative will be installing their site-specific paintings and 3D work throughout Terminal 2 next week. He reported that the next Arts Advisory Committee meeting will be held on May 22nd.

LIAISONS

- **CALTRANS:** Board Member Binns reported that Caltrans is currently reviewing the draft Airport Connectivity Study. He also reported that the Governor appointed a new Agency Secretary, Brian Annis. He noted Bike to Work day is May 16th; Work Safety Awareness Week is this week and new lanes will be opening along sections of I-8 and I-5.
- **INTER-GOVERNMENTAL AFFAIRS:** Matt Harris, Director, Government Relations, reported that Airport Authority staff briefed the San Diego Taxpayers Educational Foundation on the Airport Development Plan; provided Councilmember Jen Campbell with an Airport briefing; met with staff from Representative Scott Peters' office to discuss issues relating to Airport noise; attended the San Diego Regional Chamber of Commerce 2019 Congressional Luncheon where five members of San Diego's delegation in the U.S. House of Representative provided an update on their efforts in Washington D.C. and answered various questions, and reported that Democratic leaders and President Trump reached a deal to pursue a \$2 trillion infrastructure package.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chairman Boling reported that the SANDAG Board of Directors met in a joint session with all of the SANDAG Policy Advisory Committees and Independent Taxpayer Oversight Committee to discuss the new 2021 Regional Transportation Plan. She reported that SANDAG is proposing five "Big Moves" to enhance connectivity, increase sustainability, and improve quality of life. She reported that the concepts are complete Corridors, Transit Leap, Mobility Hubs, Flexible Fleet and Next OS. She noted that there were two airport-related conceptual transportation projects involving a tunnel from the proposed Grand Central Station to Coronado via the airport and another tunnel from Grand Central to the Cross Border Xpress on the Mexican border via this airport.

Board Member Desmond stated the plan in effect would financially take funds from the outlying areas where roads work and bring it to the inner core where transit works. He stated that a balanced approach would be appropriate to solve the regional transportation needs.

- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Schiavoni reported that a joint meeting on the Regional Transportation Plan involved the SANDAG Transportation

Committee, other policy committees, the Independent Taxpayer Oversight Committee and the Board. She noted that they received an update on the State Route 78 corridor project and regional bikeways program, mid-coast transit corridor project, trolley extension and other projects.

- **SCAG AVIATION TASK FORCE:** Chairman Boling noted that the SCAG Aviation Task Force met for the first time on April 29th and reviewed the role of SCAG, noting the organization is responsible for creating a long range transportation plan. She reported that the goal of the task force is to inform the 2020 Transportation Plan Cycle and have ongoing discussions with airports regarding multimodal ways to bring passengers to airports.

CHAIR'S REPORT: None.

PRESIDENT/CEO'S REPORT: Kimberly Becker, President/CEO, reported that the comment period is open for the Notice of Preparation and Initial Study for a Draft Environmental Impact Report for the Airport Land Use Compatibility Plan for Naval Air Station North Island (NASNI) located in the City of Coronado. She reported that NASNI has a new Executive Director, Captain John DePree, and staff is in contact to share information. She reported that a public scoping meeting will be held on May 6 at the Coronado Public Library on the draft ALUCP and environmental review process and that NASNI is the only remaining airport in the San Diego region without a formal airport land use compatibility plan. She reported that Frontier Airlines commenced service between Las Vegas and San Diego and that Southwest, Delta and Spirit Airlines is also providing nonstop service to Las Vegas from San Diego. She also reported that a new Military Intern Program is in place with Navy Commander Jim Fabiszak serving as the first Military Intern. She stated that the Internship is provided through the Department of Defense Skill-bridge Program which allows fully employed military service personnel who are six months from transition to accept intern and apprenticeships to gain civilian experience with the military continuing to pay full salary and benefits. She reported that she attended the San Diego Regional Chamber of Commerce's LEAD Influence program and provided an overview of the Airport Authority and a status update on the Airport Development Plan.

NON-AGENDA PUBLIC COMMENT:

NAJI BARKZAI, SAN DIEGO, expressed concern with the new Lyft pilot program. He asked that it be delayed.

CARELYN REYNOLDS, asked for a postponement of the Lyft pilot program and ask staff to come back with more solutions involving technology.

PETER ZSCHIESCHE, SAN DIEGO, expressed concern with the Lyft pilot program.

ABEBE ANTALLO, SAN DIEGO, expressed concern with the Lyft pilot program.

ABEL SEITU, SAN DIEGO, expressed concern with the Lyft pilot program.

FEYISSA ERIGO, SAN DIEGO, expressed concern with the Lyft pilot program.

ADRIAN KWIATKOWSKI, SAN DIEGO, expressed concern with the Lyft pilot program involving non-taxi cab vehicles and requested it be placed on hold until the ad hoc committee process is complete.

TONY HUESO, SAN DIEGO, San Diego Transportation Association, expressed concern with the Lyft pilot program.

SAYED GEORGE, SAN DIEGO, expressed concern with the Lyft pilot program.

MARGO TANGUAY, SAN DIEGO, expressed concern with TNC operations versus taxi requirements and the Lyft pilot program.

ALFRED BANKS, SAN DIEGO, expressed concern with the Lyft pilot program.

CONSENT AGENDA (Items 1-10):

In regards to Item 4, Board Member Desmond requested that if there is a recommended change to the Authority's position on AB 1332, the Sanctuary State Contracting Investment Act, to "support" that it be brought back to the Board as an agenda item for discussion.

ACTION: Moved by Board Member Desmond and seconded by Board Member Schiavoni, to approve the Consent Agenda. Motion carried by the following votes: YES – Boling, Desmond, Lloyd, Robinson, Schiavoni, Schumacher; NO – None; ABSENT – Cox, Kersey, West (Weighted Vote Points: YES – 67; NO – 0; ABSENT – 33).

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the April 4, 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:**
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 MARCH 11, 2019 THROUGH APRIL 7, 2019 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MARCH 11, 2019 THROUGH APRIL 7, 2019:**
RECOMMENDATION: Receive the report.
4. **MAY 2019 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2019-0041, approving the May 2019 Legislative Report.

5. **ANNUAL REVIEW AND NOTIFICATION OF BOARD MEMBER WEIGHTED VOTE POINT ALLOCATION AS REQUIRED BY SECTION 170014 OF THE CALIFORNIA PUBLIC UTILITIES CODE:**
RECOMMENDATION: Adopt Resolution No. 2019-0042, accepting the Board Member Weighted Vote Point Allocation as required by Section 170014 of the California Public Utilities Code.

CLAIMS

COMMITTEE RECOMMENDATIONS

6. **ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2019:**
RECOMMENDATION: The Finance Committee recommends that the Board accept the report.
7. **ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF MARCH 31, 2019:**
RECOMMENDATION: The Finance Committee recommends that the Board accept the report.

CONTRACTS AND AGREEMENTS

8. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE AGREEMENT WITH DEVANEY PATE MORRIS & CAMERON LLP:**
RECOMMENDATION: Adopt Resolution No. 2019-0044, approving and authorizing the President/CEO to execute a Third Amendment to the Agreement with Devaney Pate Morris & Cameron LLP for professional legal services extending the term for one year to expire no later than April 30, 2020.

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

9. **AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 10, GROUP 1, PROJECT NO. 381001 FIFTY-FOUR (54) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON TWENTY-FIVE (25) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2019-0045, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,394,642 for Phase 10, Group 1, Project No. 381001, of the San Diego County Regional Airport Authority's Quieter Home Program.

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

The Board recessed at 10:27 a.m. and reconvened at 10:29 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:29 a.m. to discuss Items 13, 20 and 22.

10. **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
11. **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
12. **CONFERENCE WITH LEGAL COUNSEL EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code 54956.9)
Name of Case: Robert Bobbett and Donna Kashani v. San Diego Unified Port District, et al.
San Diego Superior Court Case No. 37-2018-00014667-CU-PO-CTL
13. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Enterprise Rent-a-Car Co. Of Los Angeles LLC v. San Diego Unified Port District, San Diego Superior Court Case No. 37-2018-00028276-CU-MC-CTL
14. **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
15. **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
16. **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

- 17. 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
- 18. 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
- 19. 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
- 20. 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
- 21. 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

REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 12:25 p.m. Lee Kaminetz, Director, Counsel Services, reported that in regards to Item 13, the Authority approved a global settlement agreement between the Plaintiffs and all Defendants in the amount of \$500,000 with no monetary contribution from the Authority, which was approved 6-0-3 with Board Members Boling, Desmond, Lloyd, Robinson, Schiavoni, and Schumacher voting YES, noting Board Members Cox, Kersey, and West as ABSENT

GENERAL COUNSEL REPORT: None.

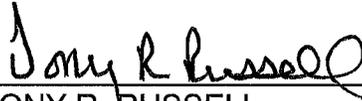
BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT: None.

ADJOURNMENT: The meeting adjourned at 12:26 p.m.

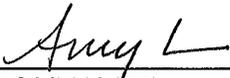
APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 30TH DAY OF MAY, 2019.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL