

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, OCTOBER 5, 2023
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD ROOM**

CALL TO ORDER: Chair Cabrera called the meeting of the San Diego County Regional Airport Authority Board to order at 9:06 a.m. on Thursday, October 5, 2023, at the San Diego County Regional Airport Authority, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Bedell (Ex-Officio), Cabrera, Dallarda (Ex-Officio), Martinez, McNamara, Perez, Sly, von Wilpert

ABSENT: Board Members: Casillas Salas, Miller (Ex-Officio), Sanchez

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Board Services/Authority Clerk; Patricia Willis, Assistant Authority Clerk I

PRESENTATIONS:

A. UPDATE ON 2023 BOND ISSUANCE:

Scott Brickner, Vice President/Chief Financial Officer provided a presentation on the Series 2023 Bond Sale Briefing that included, Overview, Market Conditions, Credit Ratings, Pricing Results, Series 2023AB Bonds, 2021C Tender Results, and Authority Garb Issues.

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

- **AUDIT COMMITTEE:** Board Member Martinez reported that the committee met on September 11th and that staff presented the Audit Committee's Fiscal Year 2023 Annual Report and a recommendation to revise the Charter for the Office of the Chief Auditor.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Kim Becker, President/CEO reported that there has not been a meeting since the last Board meeting and that at the October 19th meeting, staff will provide an Update on the Construction Progress of the New T1, Community Outreach and the Project Budget.

- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee met on September 21st and the committee heard a presentation on the Renewal of the Health & Welfare Benefits Program for 2024.
- **FINANCE COMMITTEE:** Board Member McNamara reported that the committee met on September 25th and at that meeting the committee reviewed the Unaudited Financial Statements for the Two Months Ended August 31, 2023 and the Authority's Investment Report as of August 31, 2023.

ADVISORY COMMITTEES:

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Martinez reported that the committee has not met since the last Board meeting and the next meeting is scheduled for November 16, 2023.
- **ARTS ADVISORY COMMITTEE:** Hampton Brown, Vice President/CRO reported that the next committee meeting is scheduled for October 19, 2023, at 9:00 a.m. He also reported that over the next month, three iconic public art works from Terminal 1; Guillermo, also known as The Running Man; Signal Scape, an Interactive Light Sculpture; and Astralgraph will find new homes at the new administration building.

LIAISONS

- **CALTRANS:** Board Member Dallarda reported that the work on Hwy 163 bridges over I-5 Southbound and Northbound is completed. He reported that CalTrans Officials will be traveling to Mexico City, October 8th through October 11th with the San Diego Regional Chamber Officials to discuss the binational issues affecting our region. He also reported that as of October 1st, any project that is State funded will have an additional five percent small business goal, in addition to other goals Caltrans have on State funded projects. He stated that this is a continuous effort to increase small business participation on State funded contracts. He reported that on October 10th, Caltrans is hosting a statewide Disadvantage Business Enterprise Summit in the city of Richmond, CA for small businesses that are eligible to become DBEs or are already DBEs.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that Congress avoided a government shutdown by passing a bill that keeps the federal government open until November 17th and extends FAA programs until December 31st. He reported that the Senate Commerce Committee announced it will hold a confirmation hearing for Michael Whitaker, who is President Biden's nominee for FAA Administrator. He also reported that in Sacramento, September 14th marked the end of the annual legislative session during which lawmakers reviewed nearly a thousand bills in the final two weeks and sent over half of them to Governor Newsom for his signature or veto by October 14th.

- **MILITARY AFFAIRS:** Board Member Bedell reported that the Airshow had about 300,000 visitors this year and that an Innovation and Technology Expo was added. He reported that this event will be featured in the SDMAC Economic Impact Report. He also reported that the gate work at the entry of the base is complete and that the base will have single runway operations for the next year or so due to repairs. He also reported that construction will begin in April 2024 on F35 hangers. He reported that he will be hosting the Southern California Course Rules Conference in late November or early December for the tenant units at North Island and Camp Pendleton to make sure they are aware of all the course rules associated with getting in and out of Miramar. He also reported that later this month there will be a week of operations after midnight and in the early morning.
- **PORT:** None
- **WORLD TRADE CENTER:** None

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board met twice since the last Board meeting and that at the first meeting, they discussed the policies and programs that are being considered as part of the development of the 2025 Regional Plan; and that during the second meeting, staff presented an overview of the methodology being used to develop cost estimates for the 2025 Regional Plan, including general and expected trends for construction and project costs.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Perez reported that the committee has not met since the last board meeting and that the next meeting is scheduled for October 6th. He reported that this meeting will be a joint session between Transportation Borders, Regional Planning and Public Safety Committees and will feature the 2025 Regional Plan Workshop.

CHAIR REPORT: Chair Cabrera reported that since September 15th, our country and the Airport Authority has been celebrating Hispanic and Latinx Heritage Month. He reported that San Diego's Hispanic and Latinx community has a rich and storied history and that the Airport Authority and the entire region is working together to increase awareness. He reported that the collaboration between the Airport Authority, Water Works, Inc and East Village Brewing Company to create beers using purified condensate water is ongoing, and includes Hoppy Travel, a West Coast IPA, and Cruising Ale-titude and are currently on tap and in cans at the East Village Brewing Company and on tap at concessions in Terminal 2. He reported that Brother Benno's, an Oceanside nonprofit that has served meals to the homeless for forty years, has hired its first full-time Executive Director, Board Member Paul McNamara. He reported that the date of the next Executive/Finance Committee meeting has been moved up to October 19th and will be held in the current Administration Building. He reported that the November Board meeting has been pushed back to November 9th and will be held in the new Administration Building and that immediately after the meeting, the Board will receive a tour of the new building and a small housewarming event for Board members and employees.

PRESIDENT/CEO REPORT: Kim Becker, President/CEO, reported that the Airport Authority was well represented at the ACI this past weekend, with several team members who served as panelists including Amy Gonzalez, Lee Kaminetz, Sabrina Lo Piccolo and Chad Reese. She reported that at the ACI conference the airport was presented the 2023 ACI-NA Environmental Achievement Award in the Mitigation Award Category, which recognizes the airport's efforts to introduce clean-burning renewable diesel fuel for all non-road diesel vehicles and equipment on the airside. She also reported that this program was recognized by Assembly Member Tasha Boerner who honored the airport with the first ever Environmental Hero Award for Assembly District 77. She reported that the Authority received another award this month, for the twentieth consecutive year, the Authority's Annual Comprehensive Financial Report has earned the Certificate of Achievement for Excellence in Financial Reporting, and this award recognizes government organizations that go beyond the minimum requirements while demonstration the spirit of transparency and full disclosure. She reported that British Airways will add a second daily flight to London departure starting in April, while Lufthansa will increase service to Munich from three flights a week to five flights a week starting in April and transition to daily service starting in June. She also reported that Alaska Airlines announce new daily service between San Diego and Atlanta starting on May 16th. She reported that on September 7th, the Small Business Development Department hosted Meet the Primes, a free annual networking event designed to provide opportunities for small and local businesses; and that on September 23rd, the Airport Authority and I Love A Clean San Diego helped beautify San Diego Bay as part of the Coastal Cleanup Day. She reported that the New Administration Building is coming along very well, and that the last meeting in this building will be October 19th and the first meeting in the new Board room will be November 9th.

NON-AGENDA PUBLIC COMMENT: Jeremy Ogul, Lemon Grove, provided a handout and spoke regarding improving the airport Wi-Fi.

CONSENT AGENDA (ITEMS 1 - 12):

ACTION: Moved by Board Member Martinez and seconded by Board Member Sly to approve the Consent Agenda. Motion carried by the following votes: YES - Cabrera, Martinez, McNamara, Perez, Sly, von Wilpert; NO - None; ABSENT - Casillas Salas, Sanchez. (Weighted Vote Points: YES - 67; NO - 0; ABSENT - 24)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the September 7, 2023, regular Board 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 AND APPROVED CHANGE ORDERS FROM AUGUST 14, 2023, THROUGH SEPTEMBER 10, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM AUGUST 14, 2023, THROUGH SEPTEMBER 10, 2023:

RECOMMENDATION: Receive the report.

4. OCTOBER 2023 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0083, approving the October 2023 Legislative Report.

5. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:

RECOMMENDATION: Adopt Resolution No. 2023-0084, appointing members to the Authority Advisory Committee.

CLAIMS:

6. REJECT THE CLAIM OF GERARD MANGAN:

RECOMMENDATION: Adopt Resolution No. 2023-0085, rejecting the claim of Gerard Mangan.

COMMITTEE RECOMMENDATIONS:

7. **FISCAL YEAR 2023 ANNUAL REPORT FROM THE AUDIT COMMITTEE:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
8. **REVISION TO THE CHARTER FOR THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2023-0086, approving the revision to the Charter for the Office of the Chief Auditor.

CONTRACTS AND AGREEMENTS:

9. **APPROVE THE FIRST AMENDMENT TO THE CONCESSION LEASE WITH AD PARTNERSHIP, LLC TO EXTEND THE TERM AND ADJUST THE RENT COMMENCEMENT DATE:**
RECOMMENDATION: Adopt Resolution No. 2023-0087, approving and authorizing the President/CEO to negotiate and execute the first amendment to the concession lease with AD Partnership, LLC to extend the term and adjust the rent commencement date.

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

10. **AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 12, GROUP 12, PROJECT NO. 381212 TWENTY-NINE (29) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON TWENTY-TWO (22) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2023-0088, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,557,400 for Phase 12, Group 12, Project No. 381212, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.
11. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT FOR INTEGRATED PEST MANAGEMENT SERVICES WITH CARTWRIGHT TERMITE & PEST CONTROL, INC.:**
RECOMMENDATION: Adopt Resolution No. 2023-0089, approving and authorizing the President/CEO to execute an Integrated Pest Management Service Agreement with Cartwright Termite & Pest Control, Inc. for a total amount not to exceed \$5,000,000 for a three (3) year term with an option for two (2) one-year extensions, exercisable at the sole discretion of the President/CEO.

12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL ROADWAY PAINTING AND SLURRY SEALING SERVICE AGREEMENT WITH STATEWIDE STRIPES, INC.:

RECOMMENDATION: Adopt Resolution No. 2023-0090, approving and authorizing the President/CEO to execute an On-Call Roadway Painting and Slurry Sealing Service Agreement with Statewide Stripes, Inc., for a term of three (3) years, with the option for two (2) one-year extensions, exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$6,812,000 and making a finding that the services under this agreement are exempt from the California Environmental Quality Act.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

13. RENEWAL OF THE HEALTH & WELFARE BENEFITS PROGRAM FOR 2024:

Monty Bell, Director, Human Resources provided a presentation on the Health and Welfare Renewal Benefits Program for 2024 that included Current Program Overview, Medical Overview, Ancillary Overview, and New Benefits.

RECOMMENDATION: Adopt Resolution No. 2023-0091, approving the renewal of the Health and Welfare Benefits Program for 2024.

ACTION: Moved by Board Member Sly and seconded by Board Member Martinez to approve staff's recommendation. Motion carried by the following votes: YES – Cabrera, Martinez, McNamara, Perez, Sly, von Wilpert; NO – None; ABSENT – Casillas Salas, Sanchez. (Weighted Vote Points: YES – 67; NO – 0; ABSENT - 24)

CLOSED SESSION: The Board did not recess into Closed Session

14. 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. Aquatherm L.P., et al.*,
San Diego Superior Court Case No. 37-2022-00037121-CU-BC-CTL

15. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9
Number of cases: 1

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: The meeting was adjourned at 10:19 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD THIS 9th DAY OF NOVEMBER 2023.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL