

**DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND EXECUTIVE AND FINANCE COMMITTEE MEETING
MINUTES
MONDAY, JANUARY 30, 2012
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER:

Chair Gleason called the Special Board and Executive and Finance Committee meeting to order at 9:01 a.m., Monday, January 30, 2012, in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE:

Board Member Desmond led the Pledge of Allegiance.

ROLL CALL:

Board

Present:	Board Members:	Cox, Desmond, Gleason, Hubbs, Panknin, Robinson, Smisek, Young
Absent:	Board Members:	Boland, Figge (Ex Officio), Reyes (Ex Officio), Richie (Ex Officio)

Executive Committee

Present:	Committee Members:	Cox, Gleason, Smisek
Absent:	Committee Members:	None

Finance Committee

Present:	Committee Members:	Cox, Desmond, Panknin, Robinson, Young
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Absent:	Committee Members:	None
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Also Present: Thella F. Bowens, President/CEO; Angela Shafer-Payne, Vice President, Planning & Operations; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Sara Real, Assistant Authority Clerk I

NON-AGENDA PUBLIC COMMENT – None

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 21, 2011, special meeting.

ACTION: Moved by Board Member Cox and seconded by Board Member Smisek to accept staff's recommendation. Motion carried unanimously.

EXECUTIVE COMMITTEE NEW BUSINESS

5. UPDATE AND DISCUSSION OF NEXT STEPS REGARDING THE AUTHORITY'S STRATEGIC ENGAGEMENT EFFORTS:

Jeffrey Lindeman, Senior Director, Organizational Performance & Development, and Gary Magenta, Root Learning, provided a presentation on the Next Steps Regarding the Authority's Strategic Engagement Efforts, which included Aligning the Board and Executive Team (Session 1), Cascading the Message to All of the Authority, Results, Compass Training, Top 7 Priorities FY 12 & 13, Managing the 7 Priorities, Engaging Our Employees to Engage Our Customers, and Engaging Our Partners in the Strategy.

Board Member Panknin suggested that the Transportation Security Administration (TSA) be included as a stakeholder.

Board Member Hubbs suggested that metrics be developed to track the success of our efforts.

Chair Gleason requested to see more measurable results and stated that the expected outcome needs to be clearer.

RECOMMENDATION: Forward this item to the Board for approval.

ACTION: The Committee concurred to forward this item to the Board.

FINANCE COMMITTEE NEW BUSINESS

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2011:

Vernon Evans, Vice President, Finance/Treasurer, and Kathy Kiefer, Director, Accounting, provided a presentation on the Unaudited Financial Statements for the Six Months Ended December 31, 2011, which included Enplanements, Gross Landing Weight Units, Car Rental License Fees, Operating Revenues for the Month Ended December 31, 2011, Operating Expenses for the Month Ended December 31, 2011, Financial Summary for the Month Ended December 31, 2011, Monthly Operating Revenue FY 2012, Airport Parking Transactions, Short Term Parking Revenue, Long Term Parking Revenue, Monthly Operating Expenses, Nonoperating Revenue and Expenses, and Balance Sheets.

Chair Gleason expressed concern regarding the delay in finalizing the parking and shuttle contracts. He requested that staff provide an update on the contracts at the February 9, 2012 Board Meeting.

RECOMMENDATION: Forward to the Board for acceptance.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2011:

Scott Brickner, Director, Financial Planning and Budget, provided a presentation on the Authority's Investment Report as of December 30, 2011, which included the Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity Distribution, Benchmark Comparison, Detail of Security Holdings, and Bond Proceeds Summary.

RECOMMENDATION: Forward to the Board for acceptance.

ACTION: Moved by Board Member Panknin and seconded by Board Member Desmond to forward Items 2 and 3 to the Board for acceptance. Motion carried unanimously.

4. UPDATE ON THE PARKING MANAGEMENT PLAN:

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Update on the Parking Management Plan, which included an overview of the guiding principles and recommendations.

In response to Board Member Hubbs' concerns regarding any unintended consequences with changing the names of the parking lots, Mr. Evans stated that it was the recommendation of the consultant, and the names being proposed are recognized names in the parking arena.

Chair Gleason expressed concern regarding the decreased level of service with the valet and retrieval of vehicles, and urged staff to encourage the lot operator to provide better customer service.

Chair Gleason noted that many of the proposed recommendations came out of the bid process for parking management. He stated that since the expense cost is fixed in the contract, he urged staff to ensure that the vendor is held to their promises.

Board Member Desmond suggested that another traffic lane be added to the Cell Phone Lot to help with traffic circulation, and that the names of the parking lots be changed to "long term" or "short term" to make them easily identifiable for passengers.

RECOMMENDATION: Receive the report.

ACTION: No action taken.

The Board recessed at 10:15 a.m. and reconvened at 10:24 a.m.

EXECUTIVE COMMITTEE NEW BUSINESS

6. PROCUREMENT PROCESS UPDATE:

Jana Vargas, Director, Procurement, and Ann Mendelson, Senior Management Analysis, provided a presentation on the Procurement Process, which included the Current Contracting Processes: Strengths and Weaknesses, Responsibility Charting (RACI), Evaluation Panels, Organizational Benefits, Contracting Responsibility Matrices, RFP / RFQ Responsibilities Proposed, RFB Responsibilities Proposed, and RFB Public Construction Projects Responsibilities Proposed.

Board Member Desmond suggested that the process be expanded to include other areas, such as Real Estate and consultants.

Breton Lobner, General Counsel, stated that the solicitation terms and instructions for each contract currently goes through the General Counsel's office. He also stated that under the new proposed process, the contract would not go to General Counsel until it was ready for approval to legal form. He stated that contracts should be reviewed by the General Counsel's office because issues may be identified in the scope of work, as well as for monetary considerations.

Chair Gleason stated that this report was intended to explain the panel and evaluation matrix procedure as it relates to records retention. He stated that public trust, accountability and transparency are vital. He further stated that the General Counsel's office needs to be involved in the review so that the Board is confident in what is presented to them.

Board Member Robinson stated that the General Counsel's office must sign off on the agreement.

Board Member Desmond agreed that the General Counsel's office should review the contract before it goes out.

In response to Board Member Desmond regarding retaining scoring sheets, Mr. Lobner stated that if the documents are retained, they are part of the public record.

Board Member Desmond stated that he is okay with the summary scores and that the Board doesn't need to get into details.

Chair Gleason stated that an aggregated detail of the scoring should be contained in the staff report. He also stated that the source information should be retained for any public records request.

Board Member Cox noted that individual scores of the rated components can be helpful, and he stated that scoring sheets should be retained for public records requests.

Board Member Hubbs stated that ranking is important, and he expressed concern about distributing raw data. He stated that he supported destroying the working documents.

In response to Board Member Young regarding what information is available to bidders when proposals are issued, Mr. Lobner stated that the protest procedure is contained in the bid package, and bidders may complain about any part. He stated that the law is unclear regarding the raw scores, but the public perception is that all documents should be retained.

Board Member Young stated that the bidders should be made aware of the entire process from start to finish, including what information they may request and what they can expect from the process.

Board Member Cox stated that evaluators should remain anonymous, but unsuccessful bidders should still be able to understand how they ranked according to the criteria.

RECOMMENDATION: Receive the report.

ACTION: No action taken.

7. 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 Cox and seconded by Board Member Smisek to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

8. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 9, 2012 BOARD MEETING:

Angela Shafer-Payne, Vice President, Planning & Operations, provided an overview of the draft agenda for the February 9, 2012 Board Meeting.

Ms. Shafer-Payne noted that an item would be added to the Consent Agenda regarding a proposed public parking rate increase.

Ms. Shafer-Payne noted that an item would be added regarding the contract for strategic engagement.

Chair Gleason requested that Item 14, Amend Contract with U.S. Bank, be moved to New Business so that he may recuse himself from any discussion and the vote.

Ms. Shafer-Payne noted that an update regarding parking and shuttle contract negotiations would be provided.

9. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 9, 2012 AIRPORT LAND USE COMMISSION MEETING:

Angela Shafer-Payne, Vice President, Planning & Operations, provided an overview of the draft agenda for the February 9, 2012 Airport Land Use Commission Meeting.

Board Member Robinson requested to know the developer for Item 2 so that he may recuse himself, if necessary.

ACTION: Moved by Board Member Cox and seconded by Board Member Smisek to approve the draft agendas as amended. Motion carried unanimously.

CLOSED SESSION: The Board recessed into Closed Session at 11:12 a.m.

10. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Real Property Negotiations Pursuant To Cal. Gov. Code Sections 54954.5(B) and 54956.8.

Property: 1.15 Acre Parcel Located At The Northern Terminus Of 13th Street In Imperial Beach, CA

Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer
Under Negotiation: Sale – Terms and Conditions

REPORT ON CLOSED SESSION: The Board reconvened at 11:26 a.m. Breton Lobner, General Counsel, reported that the Board authorized an agreement for the sale of the property with certain conditions, such as that there be an escrow, that there be two deeds, a reconveyance deed from the City of Imperial Beach, a requirement that there be concurrence from the FAA, and a number of other terms regarding a validation action under the Code of Civil Procedure. He reported that all Board Members were present, and the Board voted unanimously in favor of the motion, noting Board Member Boland as ABSENT.

COMMITTEE MEMBER COMMENT: None

ADJOURNMENT:

The meeting was adjourned at 11:26 a.m. The next meeting of the Executive and Finance Committee will be held on Tuesday, February 21, 2012, at 9:00 a.m. in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE EXECUTIVE COMMITTEE OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 21st DAY OF FEBRUARY, 2012.

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL