

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, NOVEMBER 17, 2016
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:03 a.m. on Thursday, November 17, 2016, 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 Gleason led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Boling, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom, Col. Woodworth (Ex Officio)

ABSENT: Board Members: Berman (Ex Officio), Cox, Ortega (Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Dawn D'Acquisto, Assistant Authority Clerk I

Board Member's Kersey and Sessom arrived during the course of the meeting.

PRESENTATIONS:

A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2016:

Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Review of the Unaudited Financial Statements for the Three Months Ended September 30, 2016, which included Operating Revenues, Operating Expenses, Non-operating Revenue and Expenses, Financial Summary, and Statement of Net Positions.

NEW BUSINESS:

14. TRANSPORTATION NETWORK COMPANY (TNC) PERMIT APPLICATION UPDATE AND APPROVED CONTINUATION OF THE TNC PERMIT PROGRAM:

David Boenitz, Director, Ground Transportation; Brendan Reed, Director, Environmental Affairs; Jeffrey Wolf, Manager, Business Development and Analysis, Port of Seattle, provided a presentation on the Transportation Network Company (TNC) Permit Application Update, which included recommendations, SAN & GHG Emissions, Transportation Emissions Reduction Strategies, Vehicle Conversion Incentive Program, Vehicle Conversions, Vehicle Incentives, TNC Solutions, Seattle Solutions, SDIA Solutions, TNC Vehicle Trip Fees, GHG Reduction Fee, and Summary.

ACTION: Moved by Board Member Robinson and seconded by Board Member Hubbs to approve the requested ten minute presentation by Uber and Lyft and reduce the public comment time to one minute and thirty seconds per speaker. Motion carried by the following vote: YES – Boling, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson Sessom; NO – None; ABSENT – Cox. (Weighted Vote Points: Yes – 92; NO – 0; ABSENT – 8)

Board Member Sessom requested that staff inform the Board of any new information from the TNC's.

Tony R. Russell, Director, Cooperate & Information Governance/Authority Clerk, reported ex-parte communications for Board Member Gleason with Brian Hughes and Wai on Man from Uber and Kimberly Miller and others with Lyft, as well as ex-parte communications for Chairman Boling with Kimberly Miller and others from Lyft.

Board Member Robinson reported ex-parte communications with Kimberly Miller.

Board Member Hubbs reported ex-parte communications with Sara from Uber.

Board Member Kersey reported ex-parte communications with United Taxi Workers, Uber, and Lyft.

Board Member Desmond reported ex-parte communications with representatives from Uber and Lyft.

BRIAN HUGHES, UBER; BARKARI BROCK AND TOMMY HAYES, LYFT, provided a presentation on TNC GHG Emissions at SDIA, which included an Executive Summary, Understanding the San Diego TNC Driver, Learnings from Sea-Tac Airport, Reducing GHG Through Phased Shared Mobility, Measuring Results, and Data Reporting & Measurement.

Board Member Sessom expressed concerns that the TNC's system can't collect the required data.

Board Member Janney reported ex-parte communications with Lyft and Uber representatives, and an email exchange with the taxi industry.

KAMRAN HAMIDI, SAN DIEGO, representing the San Diego Taxi Association, spoke in regards to leveling the playing field for taxis by adjusting requirements.

JUAN J. ROMAN, SAN DIEGO, spoke in opposition to staff's recommendations and in support of keeping TNC's at the airport.

ANGELIKA JAEHN, BONITA, spoke in opposition to staff's recommendation and expressed concerns with losing the ability to pick up at the airport.

JOHN PETERSON, OCEANSIDE, spoke in opposition to staff's recommendation and expressed concerns with losing the ability to pick up from the airport.

SOPHIE BARNHORST, SAN DIEGO, representing the San Diego Chamber of Commerce, spoke in opposition to staff's recommendation.

DANIEL REEVES, SAN DIEGO, representing the San Diego Downtown Partnership, spoke in opposition to this item and stated that it would reduce ridesharing.

ABDI ABDUL, SAN DIEGO, spoke in support of staff's recommendation and in regards to equal treatment for Taxi's.

WILLIAM JOHNSON, SAN DIEGO, stated that the TNC's should be required to provide the same information as Taxi's.

MIKAIL HUSSEIN, SAN DIEGO, spoke in opposition to staff's recommendation.

JERRY KOAST, SAN DIEGO, spoke in opposition to staff's recommendation.

JANET B. GAINS, CHULA VISTA, spoke in opposition to staff's recommendation.

Mr. Russell announced that April Miller expressed opposition to this item but did not wish to speak.

ROBERT M. CASTELLANOS, LEMON GROVE, spoke in opposition to this item.

TONY HUESO, SAN DIEGO, representing USA Cab Transportation, expressed concerns with the unequitable standards between TNC's and Taxi's.

KEYONDA CHASTINE, SAN DIEGO, spoke in opposition to this item.

BRANDON PLASCMCIA, SAN DIEGO, spoke in opposition to this item.

IAN CLAMPETT, SAN DIEGO, representing Councilman Chris Kate's office, spoke in regards to leveling the playing field and requested that the Board vote No and reenter negotiations with the TNC's.

ABEBE ANTALLO, SAN DIEGO, spoke in support of staff's recommendation and expressed concerns with allowing all Taxi's access to the airport.

TAREK AFIFI, CHULA VISTA, spoke in support of staff's recommendation and in regards to unfair treatment between Taxi's and TNC's.

CARELYN REYNOLDS, SAN DIEGO, spoke in support of staff's recommendation.

MARGO TANGUAY, SAN DIEGO, spoke in support of staff's recommendation and expressed concerns with the inequitable treatment between TNC's and Taxi's.

The Board recessed at 11:14 a.m. and reconvened at 11:21 a.m.

Board Member Robinson reported an ex-parte communication with Brian Hughes.

Board Member Sessom stated that she would like to see more regulations on the individual TNC drivers to ensure that customers know who they are getting and that she would like to have background checks done. She expressed concerns with TNC's not providing the requested data.

Board Member Kersey expressed concerns with the conversion schedule for TNC's. He recommended continuing the program for another year to see what the data shows.

Angela Shafer-Payne, Vice President, Operations, stated that staff would collect data in Calendar Year 2017, and would not apply the multiplier trip fee, so that a baseline can be determined with real data.

Board Member Hubbs expressed concerns with TNC's not providing the requested data.

Board Member Janney expressed concerns with data not being provided by the TNC's.

Board Member Desmond expressed concern with continuing this issue, and stated that the Authority should get the data to establish a baseline.

Board Member Gleason expressed concerns with consumers not having the ability to select the vehicle type. He also expressed concerns with giving the TNC's more time to provide information. He stated that the resolution is way too broad and that he would like to see a baseline when this item comes back to the Board. He also stated that he would like to understand what a different approach would look like similar to Seattle Airport.

RECOMMENDATION: Adopt Resolution No. 2016-0106, approving the continuation of the Transportation Network Company (TNC) operations at San Diego International Airport and authorizing the President/CEO to negotiate and execute a TNC permit.

ACTION: Moved by Board Member Sessom and seconded by Board Member Robinson to continue the TNC Pilot Permit until the January 2017 Board meeting, and for the TNC's to respond to how the proposed trip fee will be implemented and directed staff to work with the TNC's on the outstanding items and to come to a consensus on what information will be provided. Motion carried by the following vote: YES – Boling, Gleason, Janney, Kersey, Robinson, Sessom; NO – Desmond, Hubbs; ABSENT – Cox. (Weighted Vote Points: Yes – 68; NO – 24; ABSENT – 8)

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** None.

Board Member Kersey left the dais at 12:09 p.m.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:** Board Member Gleason reported that the first four temporary exhibitions were installed and the remaining exhibitions will continue to be installed through January 2017. He reported that the Performing Arts Residency Program received twenty applications for 2017. He also reported that the Palm Street Park is in the construction documents phase and advertisement of bid package for general contractor is scheduled for December.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:** None.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Mike Kullis, Director, Inter-Governmental Affairs reported that following the elections, both the House and Senate reconvened this week for a lame-duck session of Congress, and that the major item to be considered is to provide funding for federal programs beyond the December 9th stopgap funding expiration date. He also reported that President-elect Trump announced that a primary focus of his administration will be to provide a significant level of new spending for critical infrastructure projects. He reported that Authority staff provided an airfield tour for Congressman John Garamendi and City of Vista Councilmember Cody Campbell.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** Board Member Gleason reported that the committee is moving forward while working with the San Diego Regional Economic Development and will be meeting quarterly.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Janney reported that at the most recent meeting the committee appropriated additional money to continue the project on Pacific Highway.

CHAIR'S REPORT: Chairman Boling reported that the San Diego International Airport was ranked 3rd best airport in the United States according to the Point Sky Com report, which included being ranked number one for the shortest amount of time travelers take to get from City Center to the airport using public transportation, 4th best in security wait time, high score for free Wi-Fi, lowest score received was in parking which received 19 out of 30. She also reported that the Authority continues to work on water conservation efforts and reported that multiple water conservation projects are in the works.

PRESIDENT/CEO'S REPORT: Thella F. Bowens, President/CEO, reported that there has been a three percent increase in seat capacity and three percent passenger increase. She also report that Alaska Airlines announced non-stop flights from San Diego to Baltimore, and services to Boston, Orlando, and Newark. She reported that San Diego International Airport received honorable mentions during the 2016 ASI Marketing and Communications conference in regards to marketing and customer service. She also reported that the Authority has received a clean audit for 2016, which makes this the 13th year in a row. She reported that the Authority hosted 55 students from San Diego High School and Crawford High School for the Take Flight event.

NON-AGENDA PUBLIC COMMENT:

KAMRAN HAMIDI, SAN DIEGO, distributed an amendment to Item 6 and requested removal of Item 6 from the consent agenda.

NATHANIEL LEACHMAN, SAN DIEGO, expressed concerns with the Quieter Home Program funding and the decrease in the number of homes being treated.

CONSENT AGENDA (Items 1-13):

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

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the October 20, 2016 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 SEPTEMBER 26, 2016 THROUGH OCTOBER 23, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM SEPTEMBER 26, 2016 THROUGH OCTOBER 23, 2016:

RECOMMENDATION: Receive the report.

4. NOVEMBER 2016 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2016-0097, approving the November 2016 Legislative Report.

5. DISPOSITION OF SURPLUS PROPERTY:

RECOMMENDATION: Adopt Resolution No. 2016-0098, authorizing the disposition of surplus property (materials and/or equipment) by: (1) donating electronics surplus to San Diego Futures Foundation [SDFF]; (2) sale to the highest bidder; (3) recycling and disposing of unwanted items as scrap; and (4) disposing of heater meals & water packets by donating to San Diego Food Bank.

CLAIMS

- 6. REJECT CLAIM OF K.S.A.N. LLC.:**
RECOMMENDATION: Adopt Resolution No. 2016-0099, rejecting the Claim and Amended Claim of K.S.A.N. LLC.
- 7. REJECT CLAIM OF STEVE WAHL:**
RECOMMENDATION: Adopt Resolution No. 2016-0100, rejecting the Claim of Steve Wahl.
- 8. REJECT CLAIM OF RICHARD MARTIN:**
RECOMMENDATION: Adopt Resolution No. 2016-0101, rejecting the Claim of Richard Martin.

COMMITTEE RECOMMENDATIONS

- 9. APPROVE ESTABLISHING THE DATE AND TIME OF BOARD AND ALUC MEETINGS FOR 2017, AS INDICATED IN THE PROPOSED 2017 MASTER CALENDAR OF BOARD AND COMMITTEE MEETINGS:**
RECOMMENDATION: Adopt Resolution No. 2016-0102, establishing the date and time of Board and ALUC meetings for 2017 as indicated on the proposed 2017 Master Calendar of Board and Committee Meetings.
- 10. ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2016:**
RECOMMENDATION: Accept the report.
- 11. ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF SEPTEMBER 30, 2016:**
RECOMMENDATION: Accept the report.

CONTRACTS AND AGREEMENTS

- 12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE PUBLIC ART AGREEMENT WITH UEBERALL INTERNATIONAL, LLC FOR RENTAL CAR CENTER PUBLIC ART PROJECT:**
RECOMMENDATION: Adopt Resolution No. 2016-0103, approving and authorizing the President/CEO to execute a Second Amendment to the Public Art Agreement with Ueberall International, LLC to extend the term for an additional three (3) months resulting in a termination date of April 30, 2017.

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

13. AWARD A CONTRACT TO FUTURE DB INTERNATIONAL INC., FOR CLEAR OBJECT FREE AREA (OFA) TAXIWAY B AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2016-0105, awarding a contract to Future DB International Inc., in the amount of \$4,775,162.11 for Project 104129, Clear Object Free Area (OFA) Taxiway B at San Diego International Airport.

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

The Board adjourned at 12:30 p.m.

The Board reconvened at 12:36 p.m.

CLOSED SESSION: The Board recessed into Closed Session at 12:37 p.m. to discuss Items 16, 22 and 23.

15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code § 54956.9(a)):

Maria Paula Bermudez v. San Diego County Regional Airport Authority, American Airlines, Inc., et al.

San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL

16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code §54956.9(a) and (d)(1))

Stanley Moore v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL

17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

Cal. Gov. Code § 54956.9(a) and (d).

In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]

18. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

(Cal. Gov. Code §54956.9(a))

GGTW LLC v San Diego County Regional Airport Authority, et al.

San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL

- 19. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a))
San Diego County Regional Airport Authority v. American Car Rental, Inc.
San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2
- 22. CONFERENCE WITH REAL PROPERTY NEGOTIATORS AND WITH LEGAL COUNSEL –ANTICIPATED LITIGATION**
(Gov. Code §§54956.9(d)(e)(1) and 54954.5(b))
Property: Concession leases (food & beverage) with Host, High Flying Foods and SSP
Agency Negotiator: Scott Brickner, Kathy Kiefer and Eric Podnieks
Negotiating Parties: Host, High Flying Foods San Diego Partnership, SSP America, Inc. and Stellar Partners, Inc.
Under negotiation: rent (price and terms of payment), closure/conversion of locations, new concession buildout, ACDBE participation, lease compliance issues, claim by Host and close outs/permits.
- 23. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EINC
- 24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to cal. Gov. Code §54956.9(e)(3))
The Receipt of a Government Claim from VIP Taxi Inc.
- 25. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code section 54956.9(e)(3))
The Receipt of a Government Claim from K.S.A.N. L.L.C.
- 26. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: President/Chief Executive Officer

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 1:34 p.m. There was no reportable action.

NON-AGENDA PUBLIC COMMENT: None.


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 was adjourned at 1:35 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 15TH DAY OF DECEMBER, 2016.



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

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL