

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD
AND
EXECUTIVE-FINANCE COMMITTEE MEETING MINUTES
THURSDAY, MAY 21, 2020
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the Special Board and Executive-Finance Committee meeting to order at 10:14 a.m., on Thursday, May 21, 2020, electronically and via teleconference, pursuant to Executive Order N-29-20, at the San Diego International Airport, Administration Building, 3225 N. Harbor Drive, San Diego, CA 92101.

ROLL CALL:

Board

Present: Blakespear, Boling (Chairman), Cox, Kersey, Lloyd, McNamara, Robinson, Schiavoni, West

Absent: Dallarda (Ex-Officio), Dockery (Ex-Officio), Miller (Ex-Officio)

Executive Committee

Present: Committee Members: Boling (Chairman), Lloyd, Robinson

Absent: Committee Members: None

Finance Committee

Present: Committee Members: Blakespear, Kersey (Chairman), McNamara, Schiavoni

Absent: Committee Members: None

Also Present: Kim Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Board Services/Authority Clerk; Linda Gehlken, Assistant Authority Clerk I

NON-AGENDA PUBLIC COMMENT: Tony R. Russell, Authority Clerk, reported that all non-agenda public comments received by the Authority Clerk via e-mail were sent to the Board. He stated that per the instructions on the agenda, those received before 4:00 p.m. the day prior to the meeting would be read for the record.

RAY SEYED SALEHI, requested that the Board add an item to the agenda to postpone opening airport permits to all taxi cabs.

EDRIS WAHAB, requested that the Board allow airport taxis two to three years to recover from the impacts of Covid-19.

NASSER TEHRANI, requested that the Board postpone opening the airport to all taxis for a couple of years.

ABEL SEIFU, requested that the Board provide direction regarding the numerous requests made about postponing opening the airport to all taxis in December 2020.

HARESS EBRAHIM, requested that the Board postpone the opening of all taxis at the San Diego Airport until things are back to normal.

ZABIULLAH QARGHA, requested that the Board extend the time for opening the airport to all taxis for three years; until 2023.

GEORGE SADAT, requested that the Board direct staff to bring the December 2020 deadline up for discussion.

AKLILU FRAY, requested that the Board direct staff to bring the issue of the December 2020 taxi deadline up for discussion.

FARAIDON BUSTANI, requested that the Board place the postponing of opening the airport to all taxis on the next Board agenda.

ALFRED BANKS, requested that the Board place a hold on entry of new taxis into the airport, suspend transfer fees, due to COVID-19, for all modes, suspend non-transferability policy, and allow current permit sticker to be extended for another year.

BELAL QARGHA, requested that the Board postpone opening the airport, as well as taxi permits, for at least three years, December 2023.

ZABULLAH QARGHA, requested that the matter to postpone the 2021 opening permit for two more years, until 2023, be placed on the next Board agenda for discussion.

ALAN BEKER, requested that the Board place on the next agenda a discussion regarding the postponement of opening airport permits to City taxis for three years.

AMJAD ALASADY, requested that the Board place on the next agenda an item in order to discuss the postponement of the opening of airport permits to City cabs for a minimum of three years.

EXECUTIVE COMMITTEE NEW BUSINESS:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the April 16, 2020 special meeting.

ACTION: Moved by Board Member Robinson and seconded by Board Member Lloyd to approve staff's recommendation. Motion carried unanimously.

2. 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:

Tony R. Russell, Authority Clerk, reported that there were no requests submitted for approval.

RECOMMENDATION: Pre-approve travel requests, and approve business and travel expense reimbursement requests.

ACTION: No action taken.

FINANCE COMMITTEE NEW BUSINESS:

3. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE TEN MONTHS ENDED APRIL 30, 2020:

Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Review of the Unaudited Financial Statements for the Ten Months Ended April 30, 2020, that included Enplanements, Gross Landing Weight Units, Operating Revenue, Operating Expenses, Net Operating Income, Nonoperating Revenue & Expenses, and Statements of Net Position.

4. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF APRIL 30, 2020:

John Dillon, Director, Financial Management, provided a presentation on the Authority's Investment Report as of April 30, 2020, that included Portfolio Characteristics, Sector Distribution, Quality & Maturity Distribution, Investment Performance, and Bond Proceeds.

5. ANNUAL REVIEW OF AUTHORITY POLICY 4.40 – DEBT ISSUANCE AND MANAGEMENT:

John Dillon, Director, Financial Management, provided a presentation on the annual review of Authority Policy 4.40 – Debt Issuance and Management that included Debt Policy Overview, Debt Policy Objectives, and Debt Policy Amendments.

RECOMMENDATION: Forward this item to the Board with a recommendation to approve amendments to Authority Policy 4.40 - Guidelines for Debt Issuance and Management.

ACTION: Moved by Board Member Schiavoni and seconded by Chair Kersey to approve staff's recommendation. Motion carried unanimously.

6. ANNUAL REVIEW OF AUTHORITY POLICY 4.20 – GUIDELINES FOR PRUDENT INVESTMENTS, AND DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS TO THE VICE PRESIDENT, CHIEF FINANCIAL OFFICER:

John Dillon, Director, Financial Management provided a presentation on the annual review of Authority Policy 4.20 – Guidelines for prudent investments, and delegation of authority to invest and manage Authority funds to the Vice President/Chief Financial Officer that included Investment Policy Overview, Investment Policy 2020 Updates, and Delegation of Investment Authority.

RECOMMENDATION: Forward this item to the Board with a recommendation to accept the review of Authority Policy 4.20 - Guidelines for Prudent Investments, and delegating authority to invest and manage Authority funds to the Vice President, Chief Financial Officer.

ACTION: Moved by Board Member Schiavoni and seconded by Board Member McNamara to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS:

7. REVIEW OF THE DRAFT AGENDA FOR THE JUNE 4, 2020 BOARD MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the June 4, 2020 Draft Board Agenda.

Chairman Boling requested that Committee and Liaison reports be added back to the Board agendas.

Chairman Boling noted that the Board had received comments from some members of the taxi cab industry requesting the Board to reconsider its decision to allow all taxicabs to serve the airport starting January, 2021. She stated that one of the responsibilities of the Executive Committee is to set and approve agendas for Board meetings and that there is a process for adding items. She stated that this is the appropriate time to acknowledge the requests. She stated that the decision of this Board to allow any and all cabs wishing to serve the Airport was a decision that was made after a long period of study, deliberation and input from the taxicab industry and the public. She stated that the Board convened an Ad Hoc committee, comprised of Board Members, and representatives from the taxi industry and other ground transportation modes, who worked tirelessly to examine this issue. She also stated that many public meetings were held and that after months of consideration and study, the Board held additional public meetings and made a decision to open up the airport to all taxis that wish to operate at San Diego International Airport. She stated that although she did not believe that the recent issues related to the COVID-19 pandemic should affect the Board's decision and did not believe that the Board should reconsider that decision, she wanted to bring this up to allow any Board member to provide comments as to whether or not this item should be added to a future agenda.

Chairman Boling reported that the June 4, 2020 Board agenda was accepted as amended.

8. REVIEW OF THE DRAFT AGENDA FOR THE JUNE 4, 2020 AIRPORT LAND USE COMMISSION MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the June 4, 2020 Draft Airport Land Use Commission meeting agenda.

BOARD BUDGET WORKSHOP:

9. DISCUSSION REGARDING THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY FISCAL YEAR 2021 PROPOSED BUDGET AND FISCAL YEAR 2022 PROPOSED CONCEPTUAL BUDGET:

John Dillon, Director, Financial Planning & Budget; and Maya Dayan, Manager, Airport Finance, provided a presentation on the Authority Fiscal Year 2021 Proposed Budget and Fiscal Year 2022 Proposed Conceptual Budget that included Covid -19 Fiscal Impact, Economic, Industry and Credit Overview, Budget Process, Revenue Budget Overview, Expense Budget Overview, Capital Program Budget Fiscal Years 2021-2025, and Plan of Finance Fiscal Years 2021-2025.

In regards to the decrease in expenses identified under the major drivers, Board Member Schiavoni questioned the difference between deferred vs. reduction. She also questioned what would be permanent savings.

Board Members Robinson and Schiavoni left the meeting at 11:58 a.m.

Board Member West left the meeting at 12:00 p.m.

Tony R. Russell, Authority Clerk, read into the record public comment received for this item.

ADRIAN KWIATKOWSKI, TRANSPORTATION ALLIANCE GROUP, SAN DIEGO, requested that the Board make a budget modification to reduce ground transportation trip fees by 50% for the next fiscal year and eliminate the taxi permit transfer fee given the eventual transition to an open airport system.

RECOMMENDATION: Discuss the Fiscal Year 2021 Proposed Budget and Fiscal Year 2022 Proposed Conceptual Budget.

ACTION: No Action Taken.

COMMITTEE MEMBER COMMENTS: None.

ADJOURNMENT: The meeting adjourned at 12:11 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 9TH DAY OF JULY, 2020.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL