

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND
EXECUTIVE-FINANCE COMMITTEE MEETING MINUTES
MONDAY, OCTOBER 26, 2020
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the Special Board and Executive - Finance Committee meeting to order at 9:02 a.m., on Monday, October 26, 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: Board Members: Blakespear, Boling (Chairman), Cox, Kersey, Lloyd, McNamara, Robinson, Schiavoni, West

Absent: Board Members: 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; Martha Morales, 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 read the following comment into the record.

EDRIS WAHAB, requested that the Board postpone opening the airports to all taxis to allow airport taxis to recover from the impacts of COVID-19.

BOARD NEW BUSINESS:

- 1. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO (1) EXTEND THE RENT FORBEARANCE AND ABATEMENT PROGRAM TO PROVIDE RENT ABATEMENT TO QUALIFYING NON-AIRLINE TENANTS FOR AN ADDITIONAL TEMPORARY PERIOD NOT TO EXCEED THREE MONTHS, AS A RESULT OF THE CONTINUED IMPACT OF THE COVID-19 PANDEMIC; AND, (2) INCLUDE INFLIGHT SERVICES AS AN ELIGIBLE BUSINESS CATEGORY FOR PARTICIPATION AS A NON-AIRLINE TENANT IN THE RENT FORBEARANCE AND ABATEMENT PROGRAM AND PROVIDE RENT ABATEMENT TO THE QUALIFYING INFLIGHT SERVICES PROVIDER RETROACTIVE FOR A SIX MONTH PERIOD:**

Jim DeCock, Acting Director, Revenue Generation & Partnership Development provided a presentation on Non-Airline Tenant Relief Extension that included SAN Passenger Throughput Continues at Historic Lows, SAN Weekly Concession Sales Declines Mirror Declines in Enplanements, Rental Car Gross Revenues Mirror the Enplanement Downward Trend, Gate Gourmet Gross Revenue Mirror the Enplanement Downward Trend, Proposed Rent Abatement Extension In-Terminal Concessions, Proposed Rent Abatement Extension On-Airport Rental Car Companies, Proposed Rent Abatement Gate Gourmet and Total Proposed Rent Abatement

RECOMMENDATION: Adopt Resolution No. 2020-0099, approving and authorizing the President/CEO to execute the required agreements to extend the Authority's temporary rent forbearance and abatement program to temporarily reduce rental obligations of qualifying non-airline tenants at the Airport, by providing abatement of monthly minimum annual guarantee (MAG), certain fixed-rent, and a portion of cost recovery payments for a period not to exceed three (3) months beginning October 1, 2020 and ending December 31, 2020, in response to the continued impact of the COVID-19 pandemic crisis.

ACTION: Moved by Board Member West and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following votes: YES – Blakespear, Boling, Cox, Kersey, Lloyd, McNamara, Robinson, Schiavoni, West; NO – None; ABSENT – None; (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

Adopt Resolution No. 2020-0100, approving and authorizing the President/CEO to execute the required agreements to retroactively provide temporary rent forbearance and abatement to the qualifying inflight services provider at the Airport, by providing abatement of monthly License Fees for a period not to exceed six (6) months beginning April 1, 2020 and ending September 30, 2020, in response to the COVID-19 pandemic crisis.

ACTION: Moved by Board Member West and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following votes: YES – Blakespear, Boling, Cox, Kersey, Lloyd, McNamara, Robinson, Schiavoni, West; NO – None; ABSENT – None; (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

FINANCE COMMITTEE NEW BUSINESS:

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2020:

Scott Brickner, Vice President/CFO, provided a presentation on the Review of the Unaudited Financial Statements for the Three Months Ended September 30, 2020 that included Enplanements, Gross Landing Weight Units, Total Operating Revenue, Total Operating Expenses, Net Operating Income Summary, Nonoperating Revenues & Expenses and Statements of Net Position.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

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

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF SEPTEMBER 30, 2020:

Geoff Bryant, Manager, Airport Finance, provided a presentation on the Investment Report that included Portfolio Characteristics, Sector Distribution, Quality and Maturity Distribution, Investment Performance and Bond Proceeds.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

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

EXECUTIVE COMMITTEE NEW BUSINESS:

4. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the September 21, 2020 regular meeting.

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

5. 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 Robinson and seconded by Chairman Boling to approve staff's recommendation. Motion carried unanimously.

6. REVIEW OF THE PROPOSED 2021 MASTER CALENDAR OF BOARD AND COMMITTEE MEETINGS;

RECOMMENDATION: Forward this item to the Board with a recommendation for approval.

In response to Board Member Schiavoni's inquiry as to whether we will be transitioning to the latest Teams update that would allow all Board Member's to be seen on the screen at once, Mr. Russell stated that he would consult with the Authority's IT department and report back.

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

REVIEW OF FUTURE AGENDAS:

7. REVIEW OF THE DRAFT AGENDA FOR THE NOVEMBER 5, 2020 BOARD MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the November 5, 2020 Draft Board Agenda.

Board Member Schiavoni requested that the Board receive the presentation given to the Authority Advisory Committee on Item 11 for Lease Agreements with Southwest Airlines, American Airlines, United Airlines, and Delta Airlines for the Airline Support Building.

8. REVIEW OF THE DRAFT AGENDA FOR THE NOVEMBER 5, 2020 AIRPORT LAND USE COMMISSION MEETING:

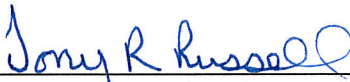
Kimberly J. Becker, President/CEO, provided an overview of the November 5, 2020 Draft Airport Land Use Commission meeting agenda.

COMMITTEE MEMBER COMMENTS: None.

ADJOURNMENT: The meeting adjourned at 9:55 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY EXECUTIVE COMMITTEE THIS 23RD DAY OF NOVEMBER, 2020.

ATTEST:



TONY R. RUSSELL
DIRECTOR, BOARD SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL