

DRAFT ACTION MINUTES **Board Meeting Agenda**

Thursday, July 11, 2024

9:00 A.M. or immediately following the Special EPCC Meeting

San Diego County Regional Airport Authority
Administration Building
First Floor – Board Room
2417 McCain Road
San Diego, California 92101

Board Members

Gil Cabrera (Chair)
James Sly (Vice-Chair)
Whitney Benzian
Lidia S. Martinez
Monica Montgomery Steppe
Rafael Perez
Esther C. Sanchez
Steve Vaus
Marni von Wilpert

Ex-Officio Board Members

Col. Thomas M. Bedell
Michele Perrault
Everett Townsend

President/CEO

Kimberly J. Becker

*Live webcasts of Authority Board meetings can be accessed at
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>*

CALL TO ORDER: Chair Cabrera called the meeting to order at 9:00 a.m.

PLEDGE OF ALLEGIANCE: Chair Cabrera led the pledge of allegiance.

ROLL CALL: Board Members Benzian, Perrault (Ex-Officio) and Vaus were ABSENT.

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

- **AUDIT COMMITTEE:**
Committee Members: Huerta, Newsom (Chair), Montgomery Steppe, Perez, Sanchez, Vaus, Wong Nickerson
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Benzian, Martinez, Perez, Sanchez, von Wilpert (Chair)
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Cabrera (Chair), Martinez, Sly
- **FINANCE COMMITTEE:**
Committee Members: Martinez, Sly (Chair), von Wilpert

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Benzian, Martinez (Primary)
- **ARTS ADVISORY COMMITTEE:**
Liaison: Martinez

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LIAISONS

- **CALTRANS:**
Liaison: Townsend
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cabrera
- **MILITARY AFFAIRS:**
Liaison: Bedell
- **PORT:**
Liaisons: Cabrera (Primary), von Wilpert
- **WORLD TRADE CENTER:**
Representative: Sly

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:**
Representatives: Cabrera (Primary), Sly
- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Sanchez (Primary), Perez

CHAIR REPORT:

PRESIDENT/CEO REPORT:

CONSENT AGENDA (ITEMS 1- 13):

[ACTION: 7-0 to approve the Consent Agenda, noting Board Members Benzian and Vaus as ABSENT.]

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the June 3, 2024, special meeting and June 6, 2024, regular meeting.

For reference only. This document is not the official action of the meeting and should not be maintained once the final minutes are adopted.

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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.

(Government Relations: Matt Harris, Director)

3. AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM MAY 13, 2024, THROUGH JUNE 9, 2024, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MAY 13, 2024, THROUGH JUNE 9, 2024:

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

4. JULY 2024 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0054, approving the July 2024 Legislative Report.

(Government Relations: Matt Harris, Director)

5. AMEND AUTHORITY POLICY 3.30 – BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT POLICY:

RECOMMENDATION: Staff recommends that the Board Adopt Resolution No. 2024-0055, amending Authority Policy 3.30 – Business and Travel Expense Reimbursement Policy.

(Finance: Scott Brickner, Vice President/Chief Financial Officer)

CLAIMS:

6. DENY APPLICATION FOR LEAVE TO PRESENT A LATE CLAIM OF NADIA SMALLEY:

RECOMMENDATION: Adopt Resolution No. 2024-0056, denying the application for leave to present a late claim of Nadia Smalley.

COMMITTEE RECOMMENDATIONS:

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CONTRACTS AND AGREEMENTS:

- 7. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIFTH AMENDMENT TO LEASE NO. GS-09P-LCA00680 WITH THE GENERAL SERVICES ADMINISTRATION (FOR THE TRANSPORTATION SECURITY ADMINISTRATION) THAT EXTENDS THE LEASE BY 5 YEARS:**

RECOMMENDATION: Adopt Resolution No. 2024-0057, approving and authorizing the President/CEO to execute a fifth amendment to Lease No. GS-09P-LCA00680 with the General Services Administration to extend the term by five years to August 31, 2029.

(Capital Financial Planning and Airline Relations: Maya Dayan, Director)

- 8. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AMENDMENT OF THE AIRPORT TERMINAL AND ROADWAYS GATEWAY PUBLIC ART PROJECT AGREEMENT:**

RECOMMENDATION: Adopt Resolution No. 2024-0058, approving and authorizing the President/CEO to execute an amendment of the Airport Terminal and Roadways Gateway Public Art Project Agreement with Hood Design Studio, Inc. to increase the total not-to-exceed amount by \$400,000, for the Design, Fabrication, Transportation and Delivery, and Consultation During Installation of Public Artwork.

(Marketing, Arts & Air Service Development: Jon Graves, Director)

- 9. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AMENDMENT OF THE AIRPORT TERMINAL AND ROADWAYS OUTDOOR PLAZA PUBLIC ART PROJECT AGREEMENT:**

RECOMMENDATION: Adopt Resolution No. 2024-0059, approving and authorizing the President/CEO to execute an amendment of the Airport Terminal and Roadways Outdoor Plaza Public Art Project Agreement with Social Space, LLC to increase the total not-to-exceed amount by \$140,000, for the Design, Fabrication, Transportation and Delivery, and Consultation During Installation of Public Artwork.

(Marketing, Arts & Air Service Development: Jon Graves, Director)

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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 13, GROUP 7, PROJECT NO. 381307 TWENTY-SIX (26) NON-HISTORIC SINGLE-FAMILY UNITS ON TWENTY-SIX (26) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2024-0060, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,313,600 for Phase 13, Group 7, Project No. 381307, 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.

(Planning & Environment Affairs: Sjohnna Knack, Director)

- 11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN ON-CALL ENVIRONMENTAL CONSULTING SERVICES AGREEMENT TO PROVIDE TECHNICAL SERVICES ASSOCIATED WITH THE AIRPORT AUTHORITY'S ENVIRONMENTAL SUSTAINABILITY PROJECTS AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2024-0061, approving and authorizing the President/CEO to negotiate and execute an On-Call Environmental Consulting Services Agreement with C&S Engineers, Inc., for a term of three (3) years, with the option for two (2) one-year extensions, for a maximum amount not to exceed \$2,000,000 to provide technical services associated with environmental and sustainability projects at San Diego International Airport and authorize the President/CEO to award an agreement to the next ranked proposer if negotiations with C&S Engineers, Inc. are unsuccessful.

(Planning & Environment Affairs: Sjohnna Knack, Director)

- 12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO AWARD A PURCHASE ORDER FOR MICROSOFT ENTERPRISE LICENSE AGREEMENT:**

RECOMMENDATION: Adopt Resolution No. 2024-0062, approving and authorizing the President/CEO to award a purchase order to Insight Public Sector for a three-year term, in an amount not-to-exceed \$1,542,662.25 for the purchase of Microsoft software licenses.

(Information & Technology Services: Jessica Bishop, Director)

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13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A PURCHASE ORDER FOR THE PROCUREMENT OF A MOBILE CHARGING SYSTEM FOR ELECTRIC GROUND SUPPORT EQUIPMENT:

RECOMMENDATION: Adopt Resolution No. 2024-0063, approving and authorizing the President/CEO to execute a purchase order with Averest Incorporated in an amount not to exceed \$1,929,000 for the procurement of three mobile charging systems for electric ground support equipment to be used by the cargo operators.
(Planning & Environment Affairs: Sjohnna Knack, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

14. APPROVE THE CONTINUATION OF A SHORT-TERM BORROWING PROGRAM TO PROVIDE AN INTERIM FUNDING SOURCE FOR THE NEW T1 AND OTHER CAPITAL PROJECTS:

RECOMMENDATION: Forward to Board with a recommendation to adopt resolution No. 2024-0064 (1) approving the continuation of a Short-Term Borrowing Program in an aggregate principal amount not to exceed \$200,000,000 outstanding at any one time to provide an interim funding source for the New T1 and other capital projects; (2) authorizing the President/CEO (or such other Designated Officer) to negotiate and execute an Amended and Restated Revolving Credit Agreement with Bank of America, N.A.; and (3) approving the forms of a Tenth Supplemental Subordinate Trust Indenture, an AMT Note, a Non-AMT Note and a Taxable Note and all related documentation and certain related matters.

(Finance and Risk Management: John Dillon, Director)

[ACTION: 7-0 to approve staff's recommendation, noting Board Members Benzian and Vaus as ABSENT.]

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- 15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM AGREEMENT WITH WOOLPERT, INC.:**
RECOMMENDATION: Adopt Resolution No. 2024-0065, approving and authorizing the President/CEO to execute an agreement with Woolpert, Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$3,146,607.00 to provide installation, configuration, training, maintenance, and technical support for a computerized maintenance management database system.
(Facilities Management: Stephen Mosca, Director)

[ACTION: 7-0 to approve staff's recommendation, noting Board Members Benzian and Vaus as ABSENT.]

- 16. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING COMPENSATION FOR THE PRESIDENT/CEO:**
RECOMMENDATION: The Board will be discussing and possibly taking action regarding the performance of the President/CEO.
(Human Resources: Monty Bell, Director)

[ACTION: Moved by Chair Cabrera and seconded by Board Member Sly, as a result of exemplary performance, to award the President/CEO, a merit increase of 3.0% to the base salary and a discretionary bonus of 18%. Motion carried by the following votes: YES –Cabrera, Martinez, Montgomery Steppe, Perez, Sanchez, Sly, von Wilpert; NO – None; ABSENT – Benzian, Vaus; (Weighted Vote Points: YES – 76; NO – 0; ABSENT - 24]

- 17. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING COMPENSATION FOR THE GENERAL COUNSEL:**
RECOMMENDATION: The Board will be discussing and possibly taking action regarding the performance of the General Counsel.
(Human Resources: Monty Bell, Director)

[ACTION: Moved by Chair Cabrera and seconded by Board Member Sly, as a result of exemplary performance, to award the General Counsel, a merit increase of 3.0% to the base salary and a discretionary bonus of 18%. Motion carried by the following votes: YES –Cabrera, Martinez, Montgomery Steppe, Perez, Sanchez, Sly, von Wilpert; NO – None; ABSENT – Benzian, Vaus; (Weighted Vote Points: YES – 76; NO – 0; ABSENT - 24]

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18. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING COMPENSATION FOR THE CHIEF AUDITOR:

RECOMMENDATION: The Board will be discussing and possibly taking action regarding the performance of the Chief Auditor.

(Human Resources: Monty Bell, Director)

[ACTION: Moved by Chair Cabrera and seconded by Board Member Sly, as a result of exemplary performance, to award the Chief Auditor, a merit increase of 3.0% to the base salary and a discretionary bonus of 18%. Motion carried by the following votes: YES -Cabrera, Martinez, Montgomery Steppe, Perez, Sanchez, Sly, von Wilpert; NO - None; ABSENT - Benzian, Vaus; (Weighted Vote Points: YES - 76; NO - 0; ABSENT - 24]

The Board recessed at 9:34 a.m. and reconvened at 10:12 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:14 a.m. to hear items 19-25.

19. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Cal. Gov. Code §54957

Title: President/Chief Executive Officer

20. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Cal. Gov. Code §54957

Title: General Counsel

21. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Cal. Gov. Code §54957

Title: Chief Auditor

22. 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. AQ US SW Holding Co., et al.*, San Diego Superior Court Case No. 37-2023-00032124-CU-BC-CTL

23. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9

Name of Case: *United States of America v. City of San Diego, et al. and Related Cross Actions*

United States District Court Case No. 3:23-CV-00541-LL-BGS

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24. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9:
Number of potential Cases: 2

25. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:

Significant exposure of litigation pursuant to paragraph (2) of subdivision (d) of
Section 54956.9: Number of potential Cases: 1

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 11:12 a.m.

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 adjourned at 11:19 a.m.