

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JULY 11, 2024
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD ROOM**

CALL TO ORDER: Chair Cabrera called the meeting of the San Diego County Regional Airport Authority Board to order at 9:00 a.m. on Thursday, July 11, 2024, at the San Diego County Regional Airport Authority, Administration Building, 2417 McCain Road, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Bedell (Ex-Officio), Cabrera, Martinez, Montgomery Steppe, Perez, Sanchez, Sly, Townsend (Ex-Officio), von Wilpert

ABSENT: Board Members: Benzian, Perrault (Ex-Officio), Vaus

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Shawna Morales, Assistant Authority Clerk II; Patricia Willis, Assistant Authority Clerk I

PRESENTATIONS:

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

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that there has been no CIPOC Meeting since the last Board meeting. The next meeting is scheduled for July 18, 2024, where staff will provide a project update and updates on the New Terminal 1 Parking Plaza opening along with the committee's Marketing Strategy and a Concession Update.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee met this morning to discuss the Public Employee Performance Evaluation of the President/CEO, the General Counsel, and the Chief Auditor.

- **FINANCE COMMITTEE:** Board Member Sly reported that the committee met on June 24, 2024, where the committee reviewed the Unaudited Financial Statements for the Eleven Months Ended May 31, 2024, and reviewed the Authority Investment Report as of May 31, 2024. He also reported that the committee approved the continuation of a Short-Term Borrowing Program to provide an interim funding source for the New T1 and other capital projects.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ARTS ADVISORY COMMITTEE:** None.

LIAISONS

- **CALTRANS:** Board Member Townsend reported that Caltrans is continuing the maintenance efforts along the I-5 freeway corridor and the 163 freeway. He also reported that Caltrans will start a rehabilitation project at the beginning of 2025 that will have closures along the I-5 freeway and that he will provide more information as Caltrans gets closer to starting the project.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that the House Appropriations Committee marked up the Fiscal Year 2025 Transportation Bill, which included \$4 billion for the Airport Improvement Program. He also reported that the House of Representatives approved the Fiscal Year 2025 Department of Homeland Security Funding Bill, which calls for restoring funding to important security programs at airports, the Law Enforcement Officer Reimbursement Program, the state/local Canine Law Enforcement Officer Reimbursement Program, and the Transportation Security Administration staffing of exit lanes. He also reported that July 3, 2024, was the last day for policy committees to meet and report bills and that the legislators are on Summer Recess until August 5, 2024.
- **MILITARY AFFAIRS:** Board Member Bedell reported that this is his last Board meeting, and he thanked the Board for allowing him to participate in the meetings. He reported that the airfield is back to dual runway operations and that the project for repairs was completed ahead of schedule. He also reported that there is a lot of construction on the airfield as the continuation of transitioning from F18 to F35 and that the second of three hangers is well underway. He reported that advertisement is displayed around the city for the America's Air Show that will be held on September 27, 2024, through September 29, 2024.

Chair Cabrera thanked Board Member Bedell for this service on the Authority Board.

- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors has met twice since the last Board meeting and at the first meeting, SANDAG, in collaboration with the Southern California Tribal Chairmen's Association, held the 2024 Tribal Summit. He reported that at the second meeting, staff presented an update on the California Environmental Quality Act Notice of Preparation and Future National Environmental Policy Act processes for the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Realignment project, including proposed public outreach and engagement activities during the scoping period.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Sanchez reported that the committee has met once since the last Board meeting, and at the meeting, staff and expert panelists discussed opportunities to address public health and safety through the 2025 Regional Plan. She also reported that staff presented an update on its work related to safety in the Vision Zero Action Plan.

CHAIR REPORT: Chair Cabrera thanked the Federal Aviation Administration for its award of \$23.5 million in discretionary grant funds to San Diego International Airport as part of the Bipartisan Infrastructure Law Airport Infrastructure Grants program. He reported that the grant dollars will help fund the ongoing construction of our modern and efficient New Terminal 1, which includes 30 gates and will replace the current Terminal, and he acknowledged the San Diego's Congressional Delegation who fought for this funding legislation, including Congressman Scott Peters. He also reported that July is Pride Month in San Diego and that the Airport Authority will be participating in the San Diego Pride Parade & Festival on July 20, 2024 and July 21, 2024, where this event is not only a celebration of the LGBTQ+ community but also a significant civic event, drawing over 300,000 supporters. He thanked the Pride Planning Committee for their efforts in organizing and coordinating the Authority's participation in the parade and at the festival booth.

PRESIDENT/CEO REPORT: Kim Becker, President/CEO, reported that stage one of the T1 Parking Plaza is nearly one hundred percent complete and is on track to open during Labor Day weekend. She reported that the T1 Parking Plaza reservation system will be open July 22, 2024, for parking inventory availability on August 30, 2024, and onward. She reported that July 4th holiday was busy, nearly 80,000 passengers traveled through SAN, which is an increase of five to seven percent from last year and three to five percent growth over the pre-pandemic numbers. She thanked the ambassadors who gave their time and willingness to assist the passengers throughout the airport during that time.

She also reported that the Terminal Operations Department hosted a third annual Ready-Pet-Go therapy dog appreciation event for the volunteers and their dogs who volunteer their time at the airport to brighten the journey of thousands of travelers that make their way through SAN. She reported that the FAA requires SAN to have an operation certificate and part of that certification requires an annual Part 139 Airport Inspection, which was recently completed, and it covered inspection areas of aircraft rescue, firefighting, fueling, markings, lighting, record keeping and a few other certification requirements. She also reported that the preliminary results of the inspection have been positive and that the final results will arrive in a couple of weeks. She reported that SAN is one of thirteen airports that will have a designated area for passengers to sign up for TSA Precheck in Terminal 2 on the second floor by the Precheck sign and will be open seven days a week between the hours of 6:00 a.m. and 5:00 p.m. She also reported that May 5, 2025, is the deadline for travelers who must present a federal compliant ID, which is a passport, military ID or Real ID, to board a passenger flight, and to apply for a Real ID, visit www.dmv.ca.gov. She also reported that the Planning & Environment Affairs team hosted the FAA short video shoot on the topic of SAN's Climate Resilient Initiative Program and this video project is an extension of the FAA Pilot Project called Airport Resilience Analysis Framework that provides climate exposure information to airports. She reported that the team included discussions on SAN's approach to combating sea level rise, conserving water and saving energy.

NON-AGENDA PUBLIC COMMENT:

CONSENT AGENDA (ITEMS 1 - 13):

ACTION: Moved by Board Member Sanchez and seconded by Board Member Sly to approve the Consent Agenda. 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)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the June 3, 2024, special meeting and June 6, 2024, 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 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.

4. JULY 2024 LEGISLATIVE REPORT:

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

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.

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:

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.

8. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AMENDMENT TO 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.

9. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AMENDMENT TO 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.

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.

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.

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.

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.

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:

John Dillon, Director, Finance and Risk Management provided a presentation on San Diego County Regional Airport Authority Short Term Borrowing Program that included, Rational for a Short-term Variable Rate Debt Program; Request for Proposal Results; Revolving Credit Agreement; and Program Documents.

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.

ACTION: Moved by Board Member von Wilpert and seconded by Board Member Sly to approve Staff's recommendation. 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)

15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A COMPUTERIZED MAINTENANCE MANAGEMENT SYSTEM AGREEMENT WITH WOOLPERT, INC.:

Stephen Mosca, Director, Facilities Management Department provided a presentation on Computerized Maintenance Management Systems (CMMS) that included, What is CMMS?; Airport Assets Include; SAN's Facilities Management Department (FMD); Typical FMD Projects; CMMS Cos & Value Benefits; About Woolpert.

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.

ACTION: Moved by Board Member Sanchez and seconded by Board Member Sly to approve the Staff's recommendation. 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.

Amy Gonzalez, General Counsel, announced that Item 24 will be 1 case. She also announced that on Item 25, the existing facts and circumstances, pursuant to Section E3, is the receipt of a claim, pursuant to the Government Code and the Government Claims Act, which claim is available for inspection.

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

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.

NEW BUSINESS, CONTINUED:

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.

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.

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)

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.

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)

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 was adjourned at 11:19 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD THIS 5th DAY OF SEPTEMBER 2024.

ATTEST:



SHAWNA MORALES
ASSISTANT AUTHORITY CLERK II

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL