

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD  
MINUTES  
THURSDAY, DECEMBER 5, 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 9:19 a.m. on Thursday, December 5, 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: Cabrera (Chair), Fox (Ex-Officio), Herrmann (Ex-Officio), Martinez, Montgomery Steppe, Sly (Vice Chair), von Wilpert

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

ALSO PRESENT: Kimberly J. Becker, President/CEO; Lee Kaminetz, Assistant General Counsel; Annette Fagan Ortiz, Authority Clerk; Patricia Willis, Assistant Authority Clerk I

*Board Member Sly arrived at 9:28 a.m.*

**PRESENTATIONS:**

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

- **AUDIT COMMITTEE:** Chair Newsom reported that the committee met in November and requested several agenda items be forwarded to the Board. She reported that the items are on today's Consent Agenda and include the Authority's Audited Financial Statements for the Fiscal Year ended June 30, 2024, and a revision to the Office of the Chief Auditor's Audit Plan for Fiscal Year 2025. She also reported excellent results on the financial statements, and the external auditor's opinion was a clean/unmodified opinion, which is the best opinion the Authority can receive. She reported that the next Audit Committee meeting is scheduled for Monday, February 10, 2025.

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that the committee met on November 25, 2024, and at the meeting, the committee received an update on the New Terminal 1 Construction and Logistics, along with a budget and contingency status on the project. She also reported that the project remains on schedule with no logistical moves before the holidays, but at least one major traffic switch is expected next year. She reported that tenant concession spaces in Terminal 1 are scheduled to be turned over by the end of December. She also reported that the Authority staff is hosting regional executives from Southwest Airlines who are in town to tour the building today. She reported that the CIPOC meeting is scheduled for January 16, 2025.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee did not meet last month, and there are no scheduled meetings for the rest of the year.
- **FINANCE COMMITTEE:** Board Member Martinez reported that the committee met on November 25, 2024. She reported that at that meeting, the committee reviewed the Unaudited Financial Statements for the four months ended October 31, 2024, and the Authority Investment Report as of October 31, 2024. She reported that the next meeting is scheduled for December 19, 2024.

**ADVISORY COMMITTEES:**

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Martinez reported that the committee met on November 21, 2024, and received an update on the New Terminal 1 Airside Improvement Project, which included information about the New Terminal 1 traffic switches and logistics and updates on the Small Business Development programs. No further meetings are scheduled in 2024, the 2025 schedule is currently being developed, and the next meeting is planned for early 2025.
- **ARTS ADVISORY COMMITTEE:** Board Member Martinez reported that on December 4, 2024, Malashock Dance launched its three-month Airport Performing Arts Residency, You Are Here. She reported that the program invites audiences to experience dance inspired by oral history interviews with airport passengers and county residents, and that these personal stories serve as the soundtrack for new choreography, bringing the community and visitor narratives to life. She also reported that the next scheduled committee meeting will be on December 12, 2024, from 2:00 p.m. to 4:00 p.m.

**LIAISONS:**

- **CALTRANS:** Board Member Fox reported that there is a planned event at Balboa Park, Holiday of Lights, this weekend. She reported that there would be a lot of visitors and there will be slow traffic around downtown San Diego. She reported that Caltrans will have additional signs out to alert drivers of the slower traffic. She also reported that Caltrans continues to perform enhanced letter embankments on Interstate 5 and SR-163 in the downtown San Diego area and on the ramps to and from the airport. She reported that Caltrans continues to relocate the unsheltered encampments to more appropriate shelters in coordination with homeless service providers.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that the federal government continues to operate under a continuing resolution which keeps federal agencies funded at Fiscal Year 2024 levels through December 20, 2024. He reported that Congress will likely use another continuing resolution to delay more permanent funding decisions until the new Administration and Senate majority take over in January. He also reported that in Sacramento, the legislature returned on December 6, 2024, for the swearing-in of 29 newly elected Senators and Assembly members and began the special session called by Governor Newsom to respond to potential actions taken by the incoming federal administration. He reported that the Legislature will reconvene on January 6, 2025, for the new two-year legislative session, and in the weeks ahead, the Governor has a statutory deadline of January 10, 2025, to present his Fiscal Year 2025-2026 state budget proposal outlining his policy and spending priorities.
- **MILITARY AFFAIRS:** Board Member Herrmann reported that the Secretary of the Navy, Honorable Carlos Del Toro, arrived at Marine Corps Air Station Miramar on December 3, 2024, to spend the day with the Marines and on the USS Boxer. He reported that construction projects continue, with the completion of the taxiway coming up next month and the large F35 hangar completion in December 2025. He reported that Honoring Our Fallen, Laura Herzog, Founder, worked with Authority Airport staff, security, and the airport to do the Dignified Transfer of one of Miramar's Marines. He also reported that in January 2025, there is a planned meeting with the Air Station Commanding Officers at Camp Pendleton and North Island to work on the common course rules and instructions for all military fliers in the area, and by February 2025 meeting, this will be signed off.
- **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. He reported that at the first meeting, staff presented updates on major corridor projects, and at the second meeting, staff provided an update on the Otay Mesa East Port of Entry Project, including the toll revenue legal and financial parameters. He reported that the next scheduled meeting is on December 6, 2024.
- **SANDAG TRANSPORTATION COMMITTEE:** Chair Cabrera reported that the committee met once since the last Board meeting. He reported that at the meeting, the committee received an update on regional safety efforts in developing the Regional Vision Zero Action Plan and an update on Advanced Planning and Outreach for the Airport Transit Connection project. He reported that the next original meeting was canceled and has been rescheduled to a special meeting on December 20, 2024.

**CHAIR REPORT:** Chair Cabrera reported that Board Members Lidia Martinez, James Sly, and CEO Kimberly Becker were named to the San Diego Business Journal's SD 500 list, which represents the most influential members of the San Diego business and civic sectors who have shaped how the region has grown over the years. He reported that Scott Chadwick is the newly appointed CEO of the San Diego Unified Port District. He also reported that this year has been a special year at the Airport Authority with the progress on New Terminal 1, the opening of the New T1 Parking Plaza, and the work in the community that the Authority has done.

**PRESIDENT/CEO REPORT:** Kim Becker, CEO/President, reported that during the travel week, Tuesday, November 26, 2024, through Sunday, December 1, 2024, nearly half a million travelers passed through the airport, averaging 76 thousand travelers per day. She reported a 4% to 6% increase over the same period last year and will continue with the December holiday travel increase of 3% to 5% over the same period last year. She reported that KLM announced air service to Europe from three Alliances: Star Alliance, Lufthansa, and One World, which will give the community more options. She reported that Porter Airlines will have flights between San Diego and Toronto, Canada, four times a week starting December 4, 2024. She reported that on December 3, 2024, the Airport Authority staff involved in negotiating and signing the Navy Lease joined Capt. Laurie Scott and his staff to celebrate. She also reported that today, December 5, 2024, is the ribbon-cutting ceremony for the opening of the Chase Sapphire Lounge in Terminal 2.

**NON-AGENDA PUBLIC COMMENT:** None

**CONSENT AGENDA (ITEMS 1 - 18):**

**ACTION: Moved by Board Member Martinez and seconded by Board Member von Wilpert to approve the Consent Agenda. Motion carried by the following votes: YES – Cabrera, Martinez, Montgomery Steppe, Sly, von Wilpert; NO – None; ABSENT – Benzian, Perez, Sanchez, Vaus (Weighted Vote Points: YES – 56; NO – 0; ABSENT - 44)**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the November 7, 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 OCTOBER 7, 2024, THROUGH NOVEMBER 7, 2024, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 7, 2024, THROUGH NOVEMBER 7, 2024:**

RECOMMENDATION: Receive the report.

**4. DECEMBER 2024 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2024-0097, approving the December 2024 Legislative Report.

**5. BIENNIAL REVIEW AND AMENDMENT OF AUTHORITY CODE SECTION 2.30 – CONFLICT OF INTEREST CODE:**

RECOMMENDATION: Adopt Resolution No. 2024-0098, amending Authority Code Section 2.30 – Conflict of Interest Code.

**(Office of the Authority Clerk: Annette Fagan Ortiz, Authority Clerk)**

**6. APPROVE AND AUTHORIZE A REVISED AIR SERVICE INCENTIVE PROGRAM (ASIP25) AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2024-0099, approving and authorizing a revised Air Service Incentive Program (ASIP25) at San Diego International Airport to promote new air service and replace the existing air service incentive program authorized by resolution 2022-0098.

**CLAIMS:**

- 7. REJECT THE CLAIM OF VASILE RADULESCU:**  
RECOMMENDATION: Adopt Resolution No. 2024-0100, rejecting the claim of Vasile Radulesch.
- 8. REJECT THE CLAIM OF IBOLYA RADULESCU:**  
RECOMMENDATION: Adopt Resolution No. 2024-0101, rejecting the claim of Ibolya Radulesch.
- 9. REJECT THE CLAIM OF MICHELE AVERY:**  
RECOMMENDATION: Adopt Resolution No. 2024-0102, rejecting the claim of Michele Avery.
- 10. REJECT THE CLAIM OF JODY MYERS:**  
RECOMMENDATION: Adopt Resolution No. 2024-0103, rejecting the claim of Jody Myers.

**COMMITTEE RECOMMENDATIONS:**

- 11. EXTERNAL AUDITOR'S REPORTS FOR FISCAL YEAR ENDED JUNE 30, 2024: A) AUDITED FINANCIAL STATEMENTS, B) SINGLE AUDIT REPORTS, C) PASSENGER FACILITY CHARGES COMPLIANCE REPORT, D) CUSTOMER FACILITY CHARGE COMPLIANCE REPORT, AND E) LETTER TO THE BOARD:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the reports.
- 12. REVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE YEAR ENDED JUNE 30, 2024:**  
The Board is requested to accept the report.  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
- 13. FISCAL YEAR 2025 FIRST QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
- 14. REVISION TO THE FISCAL YEAR 2025 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2024-0104, approving the revision to the Fiscal Year 2025 Audit Plan of the Office of the Chief Auditor.

**15. DISPOSITION OF SURPLUS PROPERTY:**

RECOMMENDATION: Adopt Resolution No. 2024-0105 authorizing the disposition of surplus property (materials and/or equipment) by: (1) sale to highest bidder; (2) donation; and, (3) recycling and disposing of unwanted items as scrap in accordance with Policy 8.21.

**CONTRACTS AND AGREEMENTS:**

**16. GRANT PUBLIC ROADWAY EASEMENTS TO THE CITY OF SAN DIEGO:**

RECOMMENDATION: Adopt Resolution No. 2024-0106, authorizing the President/CEO to negotiate and grant public roadway easements to the City of San Diego in support of the NewT1 Project.

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

**17. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 13, GROUP 10, PROJECT NO. 381310 TWENTY-TWO (22) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON SIXTEEN (16) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2024-0107, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,078,200 for Phase 13, Group 10, Project No. 381310, 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.

**18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRE ALARM AND RELATED SYSTEMS MAINTENANCE SERVICE AGREEMENT WITH SYGNAL SYSTEMS:**

RECOMMENDATION: Adopt Resolution No. 2024-0108, approving and authorizing the President/CEO to execute a Fire Alarm and Related Systems Maintenance Service Agreement with Sygnal Systems, for a term of three years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed compensation amount of \$2,100,000, to provide fire alarm and related systems maintenance services, at San Diego International Airport ("SDIA").

**PUBLIC HEARINGS:**

**OLD BUSINESS:**

**NEW BUSINESS:**

**19. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE WITH CAVU EXPERIENCES (AMER), LLC TO DESIGN, BUILD, FINANCE, OPERATE, AND MAINTAIN A COMMON-USE AIRPORT LOUNGE WITHIN THE NEW TERMINAL 1:**

Deanna Zachrisson, Director, Revenue Generation & Partnership Development, provided a presentation on the New Terminal 1 Common Use Airport Lounge, Escape Lounges that included New Terminal 1 Lounge Location, Selection Process, About CAVU, Your Airport, Our Inspiration, Spaces for Relaxation & Play, Plan Overview, Escape Lounge Proposal Summary, Small Business Inclusion, and Project Schedule.

RECOMMENDATION: Adopt Resolution No. 2024-0109, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease with CAVU EXPERIENCES (AMER), LLC to design, build, finance, operate, and maintain a common-use airport lounge within the New Terminal 1 at San Diego International Airport for a term not to exceed a fifteen-year operating term and additional term for the design and construction period and authorizing the President/CEO to take all necessary actions to execute the concession lease.

**ACTION: Moved by Board Member von Wilpert and seconded by Board Member Montgomery Steppe to approve the recommendation. Motion carried by the following votes: YES - Cabrera, Martinez, Montgomery Steppe, Sly, von Wilpert; NO - None; ABSENT - Benzian, Perez, Sanchez, Vaus (Weighted Vote Points: YES - 56; NO - 0; ABSENT - 44)**

*The Board recessed at 9:50 a.m. and reconvened at 9:52 a.m.*

**CLOSED SESSION:** The Board recessed into Closed Session at 9:53 a.m. to hear items 20 through 23.

**20. 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

**21. 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

**22. 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



**23. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION:**

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

Name of Case: *In re Advantage Holdco, Inc., et al.*, United States Bankruptcy Court for the District of Delaware Case No, 20-11259

**REPORT ON CLOSED SESSION:** The Board reconvened out of Closed Session at 11:10 a.m. Lee Kamenetz, Assistant General Counsel, reported that the Board gave direction on item 22 on the delay damage claim asserted by AD Partnership.

**GENERAL COUNSEL REPORT:**

**BOARD COMMENT:**

**ADJOURNMENT:** The meeting adjourned at 11:11 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 9<sup>th</sup> DAY OF JANUARY 2025.

**ATTEST:**



ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**



AMY GONZALEZ  
GENERAL COUNSEL