

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, APRIL 7, 2011
BOARD ROOM**

CALL TO ORDER: Vice Chair Smisek called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:03 a.m. on Thursday, April 7, 2011 in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Panknin led the pledge of allegiance.

ROLL CALL:

PRESENT: Board Members: Boland, Cox, Desmond, Hubbs, Panknin, Robinson, Smisek

ABSENT: Board Members: Berman (Ex-Officio), Gleason, Reyes (Ex-Officio), Richie (Ex-Officio), Young

ALSO PRESENT: Angela Shafer-Payne, Vice President, Planning & Operations; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk, Lisa Wolfson, Assistant Authority Clerk II

REPORT FROM CITIZEN COMMITTEE:

- **AUTHORITY ADVISORY COMMITTEE:**
Bella Heule, Chair, Authority Advisory Committee, provided a report on the March 16, 2011 meeting. She stated that Board Member Panknin gave an overview of the Board retreat held March 11 and March 12. She stated that Board Members Panknin and Desmond were selected to work on the structure and purpose of the RASP Committee to better utilize its talents. She advised that the April meeting had been cancelled.

Board Member Panknin added that he requested the RASP Subcommittee of the Advisory Committee draft a formal document with specific third-party recommendations regarding the RASP.

Board Member Robinson recognized and thanked the Marketing Department for their assistance in welcoming Dr. Inamori, founder of Kyocera and new chief executive officer of Japan Airlines (JAL), during his visit to San Diego and for helping foster the relationship with JAL.

PRESENTATIONS:

A. AIRPORT VEHICLE REBATE PROGRAM:

Heather Shepard, of the California Center for Sustainable Energy, provided an overview of the San Diego Airport Vehicle Rebate Program, which included the program summary, eligibility, clean vehicle eligibility (to include current eligible vehicles and proposed additional eligible vehicles), the proposed criteria and the implementation schedule.

Board Member Desmond requested information on greenhouse gas emissions for electric vehicles versus alternate fuel vehicles.

KAMRAN HAMIDI, SAN DIEGO, suggested a catchall program to include E85 flex-fuel vehicles to the list of eligible vehicles in the rebate program.

Vice Chair Smisek requested that staff address this issue.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** Vice Chair Smisek announced that Committee Member Buck submitted his resignation. He stated that the Audit Committee will look for replacements for Mr. Buck and Ms. Finnila.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** None.
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
Board Member Boland reported that the Committee met on April 4 and reviewed the progress of Contracts One and Two, to be discussed under Item 15. He stated that San Diego Mayor Sanders visited SDIA at the invitation of Peter Davoren of Turner Construction. He stated that he and Vice Chair Smisek met with Mayor Sanders and Mr. Davoren, and briefed them on the progress of the Green Build Project.
- **REGIONAL AVIATION STRATEGIC PLAN COMMITTEE:** None.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **PUBLIC ART ADVISORY COMMITTEE:** None.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Board Member Robinson reported that the ALUCP Steering Committee met on March 9 to discuss overflight compatibility factors. He stated that noise compatibility will be discussed at the next meeting of the Committee on April 28. He announced that there will also be an Open House on April 28.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** None.
- **MILITARY AFFAIRS:** None.

PORT: Vice Chair Smisek stated that the Committee will meet with the Port of San Diego on April 11.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Vice Chair Smisek reported that at its recent meeting the SANDAG Transportation Committee discussed bike paths in the region. He reported that they are looking for funding to complete the project.
- **WORLD TRADE CENTER:**
Board Member Panknin reported that an international mixer will be held this evening, April 7, at WTC facilities.

CHAIR'S REPORT: None.

PRESIDENT/CEO'S REPORT:

Angela Shafer-Payne, Vice President, Planning and Operations, reported that in the next two weeks Ms. Bowens will distribute a written President/CEO report, which will include a summary of the first quarter activities. She reported that Marketing and Air Service continue to work with British Airways on efforts to launch service beginning in June. She also announced that SDIA will receive the Recycler of the Year Award on April 21 at an event to be held on the USS Midway.

NON-AGENDA PUBLIC COMMENT: None

CONSENT AGENDA (Items 1-14):

Breton Lobner, General Counsel, requested that Item 6 be removed from the agenda. He stated that under Resolution No. 2008-0088 the General Counsel has the authority to negotiate and settle claims.

Board Member Robinson stated that during the San Diego Convention Center Expansion Update at the March 3, 2011 meeting, he requested information on the number of jobs created as a result of the expansion. Angela Shafer-Payne, Vice President, Planning and Operations, stated that the information had not been received and that staff would follow up with the San Diego Convention Center staff to obtain the information.

In regards to Item 4, Vice Chair Smisek reported that the City of Coronado requested through Assemblyman Ben Hueso, a placeholder in the legislative agenda for the Assembly, to discuss the land use around the North Island Airport. He stated that it is not a very clear bill at this time and that staff will be tracking its development.

In regards to Item 5, Board Member Boland welcomed Board Member Hubbs to the Board and expressed his appreciation to have him as a member on the Terminal Development Program Committee.

ACTION: Moved by Board Member Desmond and seconded by Board Member Boland to approve the Consent Agenda as amended. Motion carried by the following vote: YES - Boland, Cox, Desmond, Hubbs, Panknin, Robinson, Smisek; NO – None; ABSENT – Gleason, Young. (Weighted Vote Points: YES – 73; NO – 0; ABSENT – 27)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the March 3, 2011 regular meeting.

2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON 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, APPROVED CHANGE ORDERS FROM FEBRUARY 7, 2011 THROUGH MARCH 13, 2011 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 7, 2011 THROUGH MARCH 13, 2011:**
RECOMMENDATION: Receive the report.
4. **APRIL 2011 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2011-0038, approving the April 2011 Legislative Report.
5. **APPOINTMENT TO THE TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
RECOMMENDATION: Adopt Resolution No. 2011-0039, appointing Board Member Hubbs to the Terminal Development Program Committee.

CLAIMS

6. **AUTHORIZE THE REJECTION OF THE CLAIM OF LIA MCGUINNESS:**
ACTION: This item was pulled from the agenda.
7. **AUTHORIZE THE REJECTION OF THE CLAIM OF NANCY PULK:**
RECOMMENDATION: Adopt Resolution No. 2011-0041, authorizing the rejection of the claim of Nancy Pulk.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

8. **AUTHORIZE PRESIDENT/CEO TO EXECUTE A MEMORANDUM OF AGREEMENT BETWEEN THE TRANSPORTATION SECURITY ADMINISTRATION AND SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY REGARDING LOST AND UNCLAIMED PERSONAL PROPERTY:**
RECOMMENDATION: Adopt Resolution No. 2011-0050, authorizing the President/CEO to execute a Memorandum of Agreement between the Transportation Security Administration at San Diego International Airport ("TSA at SAN") and the San Diego County Regional Airport Authority ("SDCRAA") regarding lost and unclaimed personal property.

- 9. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE UPDATED PROGRAMMATIC AGREEMENT BETWEEN THE AUTHORITY AND VARIOUS AGENCIES REGARDING IMPLEMENTATION OF HISTORIC TREATMENT GUIDELINES FOR THE QUIETER HOME PROGRAM:**
RECOMMENDATION: Adopt Resolution No. 2011-0043, authorizing the President/CEO to execute the updated Programmatic Agreement among the Federal Aviation Administration, the Advisory Council on Historic Preservation, the California State Historic Preservation Officer, the San Diego County Regional Airport Authority, and the City of San Diego regarding implementation of Historic Treatment Guidelines for the Quieter Home Program for San Diego International Airport, Lindbergh Field.
- 10. APPROVE A SECOND AMENDMENT TO THE AGREEMENT WITH GODWIN RONQUILLO, P.C. AND AUTHORIZE THE PRESIDENT/CEO TO SIGN THE SECOND AMENDMENT TO THE AGREEMENT:**
RECOMMENDATION: Adopt Resolution No. 2011-0044, approving a Second Amendment to the Agreement for Professional Legal Services between the Authority and Godwin Ronquillo, P.C. and authorizing the President/CEO to execute the Second Amendment to the Agreement extending the term for one year to expire no later than March 31, 2012.
- 11. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE CONTRACT WITH WASTE MANAGEMENT OF SAN DIEGO, ALLOWING THE PURCHASE OF EQUIPMENT:**
RECOMMENDATION: Adopt Resolution No. 2011-0046, authorizing the President/CEO to execute a first amendment to the contract with Waste Management of San Diego, allowing the purchase of equipment.
- 12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE FIRST AMENDMENT TO THE AGREEMENT WITH AIRPROJECTS, INC. FOR CONSULTING SERVICES SUPPORTING THE DEVELOPMENT AND IMPLEMENTATION OF THE CONCESSION DEVELOPMENT PROGRAM:**
RECOMMENDATION: Adopt Resolution No. 2011-0049, approving and authorizing the President/CEO to execute the first amendment to the agreement with AirProjects, Inc. for consulting services supporting the development and implementation of the Concession Development Program increasing the current maximum amount payable under the agreement by \$300,000 for a new maximum amount payable of \$800,000 for the term of the agreement.

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

- 13. RATIFY CONTRACT NO. AA-1059 AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH AT&T CALIFORNIA (CALNET2):**
RECOMMENDATION: Adopt Resolution No. 2011-0045, ratifying Contract No. AA-1059 and authorizing the President/CEO to execute a second amendment to the contract with AT&T California CALNET 2 increasing the compensation amount by \$828,700 for a not-to-exceed amount of \$1,205,700.
- 14. AWARD A CONTRACT TO S&L SPECIALTY CONTRACTING, INC., FOR QUIETER HOME PROGRAM PHASE 5, GROUP 8B (24 EAST AND WEST SIDE, NON-HISTORIC, SINGLE FAMILY UNITS ON 24 RESIDENTIAL PROPERTIES):**
RECOMMENDATION: Adopt Resolution No. 2011-0042, awarding a contract to S&L Specialty Contracting, Inc., in the amount of \$1,123,550, for Phase 5, Group 8B, Project No. 380508B, of the San Diego County Regional Airport Authority's Quieter Home Program.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

- 15. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE GUARANTEED MAXIMUM PRICE AMENDMENTS TO THE EXISTING GREEN BUILD CONTRACTS ONE AND TWO:**
Bryan Enarson, Vice President, Development, provided a presentation on the Green Build contractual update, which included a Guaranteed Maximum Price (GMP) overview, GMP process and the impact of GMP. Mr. Enarson stated that staff will report back to the Board on what is negotiated.

Board Member Desmond requested that the Board be notified of any deviation in the negotiated costs and/or the use of contingency funds.

In response to Board Members Cox and Desmond, Mr. Enarson stated that change orders that are requested by the project owner, which is the Authority, are not included in the negotiated contingency funds.

Board Member Boland stated that in addition to locking in the cost of the project, GMP also provides much more flexibility in regards to scheduling.

RECOMMENDATION: Adopt Resolution No. 2011-0047, authorizing the President/CEO to negotiate and execute Guaranteed Price Amendments to the design-build agreements with Turner/PCL/Flatiron – a Joint Venture and Kiewit/Sundt – a Joint Venture establishing Guaranteed Maximum Prices for certain work under the Green Build and allowing work to proceed on a Guaranteed Maximum Price (GMP) basis rather than a “Progressive Design-Build” Task and Work Authorization basis on the Terminal Development Program.

ACTION: Moved by Board Member Boland and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES - Boland, Cox, Desmond, Hubbs, Panknin, Robinson, Smisek; NO – None; ABSENT – Gleason, Young. (Weighted Vote Points: YES – 73; NO – 0; ABSENT – 27)

16. AMEND AUTHORITY CODE 9.19, GROUND TRANSPORTATION – NON-TRANSFERABLE:

Vernon Evans, Vice President, Finance/Treasurer, provided an overview of the staff report.

RECOMMENDATION: Adopt Resolution No. 2011-0048, amending Authority Code 9.19, Ground Transportation, providing certain ground transportation service permit holder requirements and amending the restrictions on the transfer of ground transportation service permits at San Diego International Airport.

ACTION: Moved by Board Member Desmond and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES - Boland, Cox, Desmond, Hubbs, Panknin, Robinson, Smisek; NO – None; ABSENT – Gleason, Young. (Weighted Vote Points: YES – 73; NO – 0; ABSENT – 27)

17. DISCUSSION REGARDING THE FISCAL YEAR 2012-FISCAL YEAR 2016 CAPITAL IMPROVEMENT PROGRAM BUDGET:

Bryan Enarson, Vice President, Development, and Iraj Ghaemi, Director, Facilities Development, provided a presentation on the Capital Improvement Program Budget for Fiscal Year 2012-2016, which included a summary, project closeouts, and the North Side development plan; Teledyne Ryan site demolition – 30" storm drain and 30" pipe; reconstruction of Lot 8; airport electrical distribution system; Washington Street extension to the Central Receiving and Distribution Center; Master Plan update; Terminal 1 concessions; relocate Solar Turbines employee parking; relocate Lot 6 employee parking; revenue control system – Teledyne Ryan parking; Washington Street parking lot and revenue control system; relocate revenue control system – San Park Pacific Highway; and rehabilitate Runway 9-27 projects.

In response to Board Member Boland's question regarding the employee parking at Solar Turbines, Angela Shafer-Payne, Vice President, Planning and Operations, reported that staff continues to work with the Port District regarding this project and that staff recently met with representatives of Solar Turbines to discuss their needs.

RECOMMENDATION: Receive the report.

ACTION: No action was taken.

The Board recessed at 10:10 a.m. and reconvened at 10:37 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:38 a.m. to discuss Item 23.

18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:
Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (1 case)

19. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:
(Government Code Section 54956.9 (a)):
San Diego Unified Port District v. TDY Industries, Inc., et al., and related cross-actions. U.S. District Court, Southern District Case No. 03 CV 1146-B (POR).

- 20. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Real property negotiations pursuant to Cal. Gov. Code Sections 54954.5(b) and 54956.8:
Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer
Negotiating Parties: United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties
Under Negotiation: Sale – terms and conditions.
- 21. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Real Property Negotiations pursuant to Cal Gov. Code Sections 54954.5(b) and 54956.8:
Property: 3.76 acre easement across MCRD and San Diego Unified Port District property located on the Washington Street extension south of Pacific Highway, in the City of San Diego, CA.
Agency negotiators: Vernon Evans, Vice President, Finance/Treasurer and Troy Ann Leech, Director, Real Estate Management.
Under Negotiation: Consideration of MCRD's request for exclusive use of portion of the easement; possible realignment of access and rights; acquisition of easement or right of way from the San Diego Unified Port District.
- 22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code Section 54956.9(a)):
City of San Diego, Historical Resources Board: In re: Western Salt Company Salt Works, Report No. HRB-08-005
- 23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal.Gov. Code Section 54956.9(a)):
West Tech, Inc. v. San Diego County Regional Airport Authority, et al., L.A.S.C 37-2010-00106565-CU-BC-CTL

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 11:07 a.m. Vice Chair Smisek stated that there was no reportable action.

NON-AGENDA PUBLIC COMMENT: None.

GENERAL COUNSEL REPORT: None.

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: None.

ADJOURNMENT: The meeting was adjourned at 11:08 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 5th DAY OF MAY, 2011.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL