

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

ITEM 7



BOARD MEMBERS

LAURIE BERMAN*
BRUCE R. BOLAND
GREG COX
JIM DESMOND
ROBERT H. GLEASON
LLOYD B. HUBBS
JIM PANKNIN
PEDRO REYES*
COL. FRANK A. RICHIE*
PAUL ROBINSON
TOM SMISEK
ANTHONY K. YOUNG

* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO
THELLA F. BOWENS

REVISED 05/20/11

DRAFT SPECIAL BOARD AGENDA

Thursday, June 2, 2011
8:00 A.M.

San Diego International Airport
Commuter Terminal – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

*Live web casts of Authority Board meetings can be accessed at
http://www.san.org/airport_authority/boardmeetings.asp.*

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate Services and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate Services/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate Services/Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

REPORT FROM CITIZEN COMMITTEE:

PRESENTATION(S):

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Gleason, Smisek (Chair), Young, Tartre, Van Sambeek
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boland, Cox, Desmond (Chair), Smisek
- **FINANCE COMMITTEE:**
Committee Members: Cox (Chair), Panknin, Robinson, Young
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
Committee Members: Boland (Chair), Hubbs, Panknin, Robinson

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Panknin
- **PUBLIC ART ADVISORY COMMITTEE:**
Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Liaison: Robinson
- **CALTRANS:**
Liaison: Berman

- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox
- **MILITARY AFFAIRS:**
Liaisons: Boland (Primary), Panknin
- **PORT:**
Liaisons: Boland, Gleason (Primary), Smisek

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Panknin, Smisek (Primary)
- **WORLD TRADE CENTER:**
Representatives: Panknin (Primary), Young

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. *Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.*

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

CONSENT AGENDA (Items 1-19):

The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior Board meetings.

RECOMMENDATION: Approve the minutes of the May 5, 2011 regular meeting.

2. APPROVAL OF OUTSTANDING MINUTES FOR THE REGIONAL AVIATION STRATEGIC PLAN (RASP) COMMITTEE:

The Board is requested to approve minutes of prior RASP Committee meetings.
RECOMMENDATION: Approve the minutes of the November 18, 2010 and the January 11, 2011 meetings of the now defunct Regional Aviation Strategic Plan (RASP) Committee.

(Corporate Services: Tony Russell, Director/Authority Clerk)

3. 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:

The Board is requested to accept the reports.

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

(Corporate Services: Tony Russell, Director/Authority Clerk)

4. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM APRIL 11, 2011 THROUGH MAY 8, 2011 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM APRIL 11, 2011 THROUGH MAY 8, 2011:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

5. JUNE 2011 LEGISLATIVE REPORT:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2011-0060, approving the June 2011 Legislative report.

(Inter-Governmental Relations: Michael Kulis, Director)

6. ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2012 AND THE CAPITAL IMPROVEMENT PROGRAM FOR FISCAL YEARS 2012-2016 AND CONCEPTUAL APPROVAL OF THE OPERATING BUDGET FOR FISCAL YEAR 2013:

The Board is requested to adopt the operating budget and Capital Improvement Program.

RECOMMENDATION: Adopt Resolution No. 2011-0061, approving the Authority's Annual Operating Budget for Fiscal Year 2012 and the Capital Improvement Program (CIP) for Fiscal Years 2012-2016 and conceptually approving the operating budget for Fiscal Year 2013.

(Finance: Vernon Evans, Vice President/Treasurer)

7. AMEND AUTHORITY CODE 9.12 – GROUND TRANSPORTATION PERMITS:

The Board is requested to amend the code.

RECOMMENDATION: Adopt Resolution No. 2011-0065, amending Authority Code 9.12 – Ground Transportation Permits, authorizing additional daily taxicab service at San Diego International Airport.

(Finance: Vernon Evans, Vice President/Treasurer)

CLAIMS

8. AUTHORIZE THE REJECTION OF THE CLAIM OF HELEN MEJALA:

The Board is requested to reject the claim.

RECOMMENDATION: Adopt Resolution No. 2011-0062, authorizing the rejection of the claim of Helen Mejala.

(Legal: Breton Lobner, General Counsel)

9. AUTHORIZE THE REJECTION OF THE CLAIM OF KEN AND JILL KLEMPAN:

The Board is requested to reject the claim.

RECOMMENDATION: Adopt Resolution No. 2011-0063, authorizing the rejection of the claim of Ken and Jill Klempan.

(Legal: Breton Lobner, General Counsel)

COMMITTEE RECOMMENDATIONS

10. ANNUAL REVIEW AND APPROVAL OF AMENDMENTS TO AUTHORITY POLICY 4.20 – GUIDELINES FOR PRUDENT INVESTMENTS, AND DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS TO THE VICE PRESIDENT, FINANCE/TREASURER:

The Board is requested to review and approve amendments to the policy.

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2011-0064, amending Authority Policy 4.20 – Guidelines for Prudent Investments, and delegating authority to invest and manage Authority funds to the Vice President, Finance/Treasurer.

(Finance: Vernon Evans, Vice President/Treasurer)

11. FISCAL YEAR 2011 THIRD QUARTER AUDIT ACTIVITIES REPORT, AND REPORT ON AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:

The Board is requested to accept the report.

RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

(Audit: Mark Burchyett, Chief Auditor)

- 12. FISCAL YEAR 2012 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**
The Board is requested to accept the plan.
RECOMMENDATION: The Audit Committee recommends that the Board accept the plan.
(Audit: Mark Burchyett, Chief Auditor)
- 13. EXTERNAL AUDITOR'S FISCAL YEAR ENDED JUNE 30, 2010, CUSTOMER FACILITY CHARGE COMPLIANCE REPORT:**
The Board is requested to accept the report.
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
(Finance: Vernon Evans, Vice President/Treasurer; Audit: Mark Burchyett, Chief Auditor)
- 14. REQUIRED COMMUNICATIONS FROM THE EXTERNAL AUDITOR TO THE AUDIT COMMITTEE ON THE FISCAL YEAR ENDED JUNE 30, 2011, FINANCIAL AND COMPLIANCE AUDIT:**
The Board is requested to receive the report.
RECOMMENDATION: The Audit Committee recommends that the Board receive the report.
(Finance: Vernon Evans, Vice President/Treasurer; Audit: Mark Burchyett, Chief Auditor)

CONTRACTS AND AGREEMENTS

- 15. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE CONTRACT WITH HARRIS MILLER MILLER AND HANSON INC.:**
The Board is requested to authorize the President/CEO to execute the amendment.
RECOMMENDATION: Adopt Resolution No. 2011-0066, authorizing the President/CEO to execute the second amendment to the contract with Harris Miller Miller and Hanson Inc. extending the term to December 31, 2011.
(Airport Noise Mitigation: Dan Frazee, Director)

16. AWARD A CONTRACT TO ATLAS DEVELOPMENT CORPORATION, FOR QUIETER HOME PROGRAM PHASE 5, GROUP 12 (21 EAST SIDE, NON-HISTORIC, CONDOMINIUM UNITS IN 2 CONDOMINIUM BUILDINGS AND 11 SINGLE FAMILY UNITS ON 10 RESIDENTIAL PROPERTIES):

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2011-0067, awarding a contract to Atlas Development Corporation, in the amount of \$954,729, for Phase 5, Group 12, Project No. 380512, of the San Diego County Regional Airport Authority's Quieter Home Program.

(Facilities Development: Iraj Ghaemi, Director)

17. GRANT AN EASEMENT TO SAN DIEGO GAS & ELECTRIC COMPANY ("SDG&E") IN CONNECTION WITH THE GREEN BUILD PROJECT:

The Board is requested to grant an easement.

RECOMMENDATION: Adopt Resolution No. 2011-0068, granting an easement to San Diego Gas and Electric Company ("SDG&E") for electrical and gas service, for a term commensurate with the remaining or extended term of the San Diego County Regional Airport Authority's ("Authority") Lease from the San Diego Unified Port District, commonly referred to as the Master Lease; and authorizing the President/CEO to execute the Easement.

(Real Estate Management: Troy Ann Leech, Director)

18. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AMENDMENT NO. 1 TO THE LEASE WITH THE SAN DIEGO UNIFIED PORT DISTRICT ("PORT") FOR PROPERTY COMMONLY REFERRED TO AS THE FORMER GENERAL DYNAMICS SITE:

The Board is requested to authorize the President/CEO to execute the amendment.

RECOMMENDATION: Adopt Resolution No. 2011-0069, authorizing the President/CEO to execute Amendment No. 1 to the Lease with the Port covering property commonly referred to as the former General Dynamics Site ("Lease") to increase the premises by approximately 35,720 square feet for property rights necessary to construct improvements supporting the Washington Street Intersection and Access Improvements Project.

(Real Estate Management: Troy Ann Leech, Director)

19. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN EXCLUSIVE USE AGREEMENT TO THE UNITED STATES MARINE CORPS, MARINE CORPS RECRUIT DEPOT SAN DIEGO (“MCRD”); AND ACCEPT AND GRANT SIMULTANEOUS GRANTS OF EASEMENTS TO/FROM MCRD AND THE UNITED STATES OF AMERICA THROUGH THE DEPARTMENT OF THE NAVY AS REPRESENTED BY THE COMMANDING OFFICER NAVAL FACILITIES ENGINEERING COMMAND – SOUTHWEST (“NAVFAC”):

The Board is requested to grant agreements and easements.

RECOMMENDATION: Adopt Resolution No. 2011-0070, authorizing the President/CEO to negotiate and execute an Exclusive Use Agreement and Simultaneous Grant of Easements to/from MCRD and NAVFAC, respectively, and any related agreements, for the property rights necessary to construct the improvements supporting the Washington Street Intersection and Access Improvements Project.

(Real Estate Management: Troy Ann Leech, Director)

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

PUBLIC HEARINGS:

NEW BUSINESS:

CLOSED SESSION:

20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

Initiation of litigation pursuant to subdivision (c) of Section 54956.9: (1 case)

21. 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).

22. 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.

23. 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

24. 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:

NON-AGENDA PUBLIC COMMENT:

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Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

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:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a “Request to Speak” form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

NOTE: This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk’s Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at www.san.org.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Commuter Terminal. Bring your ticket to the third floor receptionist for validation.

You may also reach the Commuter Terminal by using public transit via the San Diego MTS system, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

UPCOMING MEETING SCHEDULE				
<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
July 7	Thursday	9:00 a.m.	Regular	Board Room
August 4	Thursday	9:00 a.m.	Regular	Board Room
September 1	Thursday	9:00 a.m.	Regular	Board Room