

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, FEBRUARY 7, 2008
SHERATON SAN DIEGO HOTEL AND MARINA
WEST TOWER – FAIRBANKS BALLROOM**

CALL TO ORDER:

Chairperson Bersin called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:26 a.m. Thursday, February 7, 2008, in the Fairbanks Ballroom at the Sheraton San Diego Hotel and Marina, 1590 Harbor Island Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Bersin, Boland, Desmond, Finnila,
Miller, Panknin, Watkins, Young,
Zettel

ABSENT: Board Members: Sheehan (Ex-Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Service/Authority Clerk; Maritza C. Steele, Deputy Authority Clerk.

ADMINISTER OATH OR AFFIRMATION AND INSTALLATION OF BOARD MEMBER:

Chairperson Bersin administered the Oath of Office to Board Member Pedro Orso-Delgado.

PUBLIC COMMENT:

JARVIS ROSS, SAN DIEGO, requested that the Revision of the Guiding Principles be continued until staff and the Board has had an opportunity to review comments received on the Environmental Impact Report.

BILL INGRAM, SAN DIEGO, commented on the Adoption of the Sustainability Policy and expressed concern regarding the Environmental Impact Report and the effects of traffic, pollution, and unsafe conditions in the Peninsula area.

LANCE MURPHY, SAN DIEGO, expressed concern regarding the Airport Master Plan and the Part 150 study. He also expressed concern regarding the mission of the Advisory Committee, and its community representation, and about the purpose of the Guiding Principles.

GREG FINLEY, SAN DIEGO, stated that San Diego is in need of a safe airport to provide for the economic future of the community.

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

- **ADVISORY COMMITTEE REPORT:**

Dan Frazee, Director, Airport Noise Mitigation, reported that the Committee had its first meeting with the expanded membership of 54 members on January 17, 2008. He stated that Heidi Gantwerk, Vice President, Viewpoint Learning, presented a report regarding the leadership dialogue, and a special presentation was given by Dr. Stephen Van Beek, Director, Jacobs Consultancy, regarding the aviation industry and what lies ahead for San Diego. He stated that the Committee also discussed the introduction of sub-committees to the Advisory Committee and that the next meeting is scheduled for April 10, 2008.

Board Member Panknin requested that staff expedite the establishment of the Vision and Economic Growth Committee, and that the next Advisory Committee be scheduled as a workshop to address issues such as a multi-modal transit center in conjunction with the airport.

- **AUDIT COMMITTEE REPORT:**

Board Member Finnila reported that the Audit Committee is scheduled to meet on February 12, 2008, at 9:00 a.m.

- **EXECUTIVE PERSONNEL COMMITTEE REPORT:**

Board Member Watkins stated that the Executive Personnel Committee met on January 9, 2008, and addressed requirements of Senate Bill 10 as well as issues related to Board compensation. He reported that the committee would like to develop a process that will allow Board Members to submit monthly schedules. He reported that the Committee is recommending that the Board compensation be \$200 per day, with a maximum of eight days per month, as set forth in Senate Bill 10. He reported that each member is required to attend at least 50 percent of the meeting. He reported that it was also recommended that the Board Chair receive an additional \$500 per month for attendance at meetings and other activities. He reported that the Committee recommended a period of six months for the Board to review the effectiveness of the process. He further reported that the Committee requested that the cost of living

portion of the existing contracts for the President/CEO and Chief Auditor, be incorporated into the contract for the General Counsel. He stated that the next meeting is scheduled for March 20, 2008, to address goals and objectives for the President/CEO, Chief Auditor, and General Counsel.

- **AIRPORT MASTER PLAN (AMP) PARKING AD HOC COMMITTEE REPORT:**
Board Member Miller reported that the Committee had no new information. He stated that he will be presenting a report on the parking issues to a smaller group of the members of the Board prior to the next meeting.
- **SOUTHERN CALIFORNIA REGIONAL AIRPORT AUTHORITY (SCRAA) REPRESENTATIVE REPORT:**
Board Member Boland reported that he attended a SCRAA meeting on January 31, 2008, with Board Member Finnila and Authority staff. He stated that after discussions, it was decided that the Committee would be disbanded. He stated that the remaining funds in the Committee will be used to address issues such as the inter-modal transportation between the airports in the region.

Board Member Finnila reported that a survey was conducted with 45 interested parties about what SCRAA should look like, and one of the categories surveyed related to the need for other airports in the region to accept additional capacity.

- **SCAG AVIATION TASK FORCE:**
Board Member Boland stated that this committee did not meet.

Chairperson Bersin requested that staff come back with information to the Board on how the Authority can interact with Orange County, Los Angeles County, San Bernardino County, and Riverside County, since there is a common interest in finding an approach to regional air capacity.

Board Member Orso-Delgado reported that Caltrans went out to bid on the State Route 905 project and construction will begin in approximately one month on the first segment. He stated that they will also be competing for funding for the remainder of the freeway which includes Otay Mesa to Interstate 805. He stated that the Presidential Permit Application for the new border crossing at Otay Mesa East and a new State Route 11 was also submitted. He stated that Caltrans is also working with the Seaport Authority on several projects.

Board Member Finnila requested that the Agenda include a place for Board Member Orso-Delgado to make monthly reports from Caltrans.

PRESIDENT/CEO REPORT:

- Airport Facilities Plan Guiding Principles
- Phase 1 – Airport Master Plan
- Airport Long Range Facilities Visionary Plan
- Airport Ground Transportation (Multi-Modal Accessibility) Planning
- Regional Aviation Strategic Plan
- Public Outreach and Communication
- International Air Service
- San Diego Unified Port District Collaboration

Thella F. Bowens, President/CEO, reported that the comment period for the Environmental Report (EIR) closed on February 4, 2008, and 58 comments were received. She stated that staff is organizing the comments and will be making a presentation to the Board to certify the EIR. She reported that staff will be presenting updates on costs and concepts for the Airport Master Plan program next month. She stated that as the plans move forward, additional staff and accommodations for staff will be required.

Ms. Bowens reported that staff will be making presentations on the Airport Long Range Facilities Visionary Plan. She reported that there is a leadership dialogue scheduled for February 12, 2008, and approximately 30 community leaders and stakeholders will be participating. She stated that a second dialogue has been scheduled for February 13, 2008. She reported that the selection process for a consultant to assist with the planning process has been completed, and staff will be working with them on development of the North Side to its maximum capacity.

Ms. Bowens reported that staff is continuing to work with the San Diego Association of Governments (SANDAG) on the Multi-Modal Accessibility project, and are trying to coordinate the project with the Regional Aviation Strategic Plan, and Transit Plan.

Ms. Bowens reported that a ceremony will be held on February 15, 2008 to promote the MTS 992 Airport Flyer service to the Commuter Terminal. She stated that the buses run on clean natural gas, and have low floor access and a luggage rack. She stated that staff will also continue to work with MTS on the frequency and schedule for the bus. She stated that meetings were held with the Airport and MTS on December 12, 2007, and January 9, 2008, and a discussion on the Escondido Transit Center's effort to coordinate marketing efforts to promote transit to the airport was led by Bags, Inc.

Ms. Bowens reported that staff will be meeting with all airports in the County regarding the purpose of the Regional Aviation Strategic Plan. She stated that a joint meeting with SANDAG staff and others involved in the process will be held on February 11, 2008.

Ms. Bowens reported that Public Outreach meetings were held in December and January in Point Loma and Bankers Hill regarding the Airport Master Plan. She stated that the EIR for the Airport Master Plan includes an animation regarding improvements to Terminal 2 and the proposed garage. She stated that the animation is located on the Authority's website.

Ms. Bowens reported that Zoom Airlines will begin its flights to London in June. She stated that the kickoff for Virgin America is scheduled for February 12, 2008.

Ms. Bowens reported that staff is continuing to work with the Port District to schedule a joint meeting.

In response to Board Member Desmond regarding the 18-24 month period for the Long Range Vision Plan, Ms. Bowens stated that the forecast and demand will be done, and staff will be working with various stakeholders to develop concepts to move forward with the North Side. She stated that staff will be able to conceptually lay out the facilities at this airport and do some preliminary analysis on the costs. She stated that staff anticipates presenting several of the concepts to the Board within the next six months for the Board to decide how they will be implemented.

CONSENT AGENDA:

Chairperson Bersin requested that Item 2 be pulled from the consent agenda for discussion.

Board Member Panknin requested that Item 3 be pulled from the consent agenda for discussion.

Board Member Zettel requested Item 7 be pulled from the consent agenda for discussion.

ACTION: Moved by Board Member Watkins and seconded by Board Member Boland to approve the consent agenda as amended. Motion carried unanimously. (WEIGHTED VOTE POINTS: YES=100, NO=0, ABSENT=0)

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the January 3, 2008 meeting.
2. **FEBRUARY 2008 LEGISLATIVE REPORT:**
ACTION: This item was pulled from the consent agenda for discussion.
3. **APPOINTMENTS TO THE AIRPORT ADVISORY COMMITTEE:**
ACTION: This item was pulled from the consent agenda for discussion.

CLAIMS

4. **RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE CLAIM OF JOHN C. MATHISON:**
RECOMMENDATION: Adopt Resolution No. 2008-0011, authorizing the acceptance of the claim of John C. Mathison.

COMMITTEE RECOMMENDATIONS

5. **REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2007:**
RECOMMENDATION: Receive the information.
6. **REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2007:**
RECOMMENDATION: Receive the information.

CONTRACTS AND AGREEMENTS

7. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM DECEMBER 3, 2007 THROUGH DECEMBER 30, 2007 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM DECEMBER 3, 2007 THROUGH DECEMBER 30, 2007:**
ACTION: This item was pulled from the consent agenda for discussion.

8. **AWARD A CONSTRUCTION CONTRACT TO S&L SPECIALTY CONTRACTING, INC., FOR PHASE 3, GROUP 4, PROJECT NO. 300304, OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S QUIETER HOME PROGRAM:**
RECOMMENDATION: Adopt Resolution No. 2008-0012, awarding a construction contract to S&L Specialty Contracting, Inc., in the amount of \$1,127,300.00, for Phase 3, Group 4, Project No. 300304, of the San Diego County Regional Airport Authority's Quieter Home Program.

ITEMS PULLED FROM THE CONSENT AGENDA FOR DISCUSSION:

2. **FEBRUARY 2008 LEGISLATIVE REPORT:**
Chairperson Bersin requested that this item be continued to the March Board meeting and requested that staff prepare a list of pending legislative matters identifying where they are in the process and staff's recommended position on the legislation.

RECOMMENDATION: Adopt Resolution No. 2008-0009, approving the February 2008 Legislative Report.

ACTION: This item was continued to the March Board meeting.

3. **APPOINTMENTS TO THE AIRPORT ADVISORY COMMITTEE:**
Board Member Orso-Delgado requested that Laurie Berman, his Chief Deputy, serve in his place on the Airport Advisory Committee.

Board Member Panknin expressed concern that Larry Stambaugh and Joseph Panetta are from the same profession, and requested more time to discuss the appointments to select only one person, and to add another member from the community.

Board Member Zettel stated that Mr. Stambaugh is the CEO of a business and a long time resident of San Diego, while Mr. Panetta is a CEO of a professional organization. She stated that these positions are not necessarily the same.

RECOMMENDATION: Adopt Resolution No. 2008-0010, approving the appointment of Doug Eatros, Larry Stambaugh, and Joseph Panetta to serve as members of the Airport Advisory Committee.

ACTION: Moved by Board Member Panknin and seconded by Board Member Desmond to approve staff's recommendation and to appoint Laurie Berman to the Advisory Committee to serve in place of Board Member Orso-Delgado. Motion carried with Board Member Watkins voting NO. (WEIGHTED VOTE POINTS: YES=92, NO=8, ABSENT=0)

7. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM DECEMBER 3, 2007 THROUGH DECEMBER 30, 2007 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM DECEMBER 3, 2007 THROUGH DECEMBER 30, 2007:

Board Member Zettel requested clarification on the reasons for the sole source contract with WIDCO, Inc. for the installation of the Board Room audio visual system.

Jana Vargas, Director, Procurement, stated that it was financially prudent to move forward with a sole source contract because the existing maintenance contract would have been null and void if another vendor was chosen to re-configure work being done in the Board Room. In addition, she stated that staff was under a time crunch for not only the re-configuration of the existing and new equipment, but it was important to have someone available in the beginning stages of the project.

Board Member Zettel stated that consideration of another vendor is helpful in negotiating the most financially competitive bid.

RECOMMENDATION: Receive the report.

ACTION: Moved by Board Member Zettel and seconded by Board Member Finnilla to approve staff's recommendation. Motion carried unanimously. (WEIGHTED VOTE POINTS: YES= 100, NO=0, ABSTAIN=0)

The Board recessed at 11:00 a.m. and reconvened at 11:15 a.m.

Chairman Bersin requested that Item 9 be heard at this time followed by Item 14.

PUBLIC HEARINGS: None

OLD BUSINESS:

9. DISCUSSION AND POSSIBLE ACTIONS REGARDING THE IMPLEMENTATION OF SENATE BILL 10 (Continued from the December 10, 2007 and January 3, 2008 Meetings):

Mike Kulis, Director, Inter-Governmental Relations, provided a presentation on the implementation of Senate Bill 10. He stated that on January 9, 2007, the Executive Personnel discussed Senate Bill 10 and recommended that the Board take several actions. He stated that on February 12, 2008, the Audit Committee will consider the audit related provisions for Senate Bill 10, and provide recommendations to the Board. He stated that Senate Bill 10 requires that the Board enter into an agreement with the San Diego Association of Governments (SANDAG) to coordinate the Regional Aviation Strategic Plan and the responsibilities of the Airport Multi-Modal Accessibility Plan. He stated that the Regional Aviation Strategic Plan (RASP) must also be completed and submitted to SANDAG by June 30, 2011. He stated that the Board is also required to elect and identify the members of the Executive Committee.

Breton Lobner, General Counsel, provided information on compensation as referenced in Public Utilities Code 170010. He stated that the Board may provide by Ordinance or Resolution, compensation in an amount not to exceed \$200 for each day of service. He also referred to Section 82030(b)(2) of the Political Reform Act of 1974 which states that the salary received from a governmental agency is not considered income, and does not prohibit the Board from voting on the Board's compensation. He stated that he did an exhaustive search of the State of California's statutes regarding this issue. He stated that the California Government Code makes it unlawful for a Board to take action on an issue wherein the Board has an economic interest. He stated that based on his research, it is not a violation for Board Members to vote on Board compensation.

Board Member Watkins stated that he does not see this process as the Board setting compensation because it is established by Senate Bill 10. He stated that the Board is establishing a process on how to determine the accountability of compensation.

Board Member Young questioned whether the Board will be voting on individual compensation or for the entire Board.

Mr. Lobner stated that the Board would be approving the specific amount that would be allowed for each day of service as required by the statutes for all Board Members. He advised that the Chair not vote on the additional \$500 a month for himself.

Mr. Kulis stated that communication from Senator Kehoe's office revealed that the intent of Senate Bill 10 is to limit a day of service to one calendar day. He stated that the bill requires that Board Members provide a written monthly report.

Mr. Lobner stated that the statutes make a distinction between Brown Act meetings and other types of meetings. He stated that written reports are not required for Brown Act meetings.

Board Member Zettel suggested that travel requests be approved by a Board Officer.

MOTION #1

ACTION: Moved by Board Member Desmond and seconded by Board Member Boland to approve the recommendation of the Executive Personnel Committee to:

- **Approve a \$200 per day of service compensation level for Board members**
- **Adopt a resolution approving for an initial six-month period Board member representation at all of the types of meetings and events identified in SB 10**
- **Require Board members to attend scheduled Board meetings and meetings of the Board committees to which they are assigned in order to receive their total allowable level of compensation**
- **Require Board members to submit a written monthly report detailing each meeting/day of service for approval at the following month's Board meeting via a consent agenda item**
- **Authorize Authority staff to make one monthly distribution of compensation for each approved day of service**
- **Request that the Audit Committee conduct a six-month review of the compensation process and provide the Board with any suggestions to change the compensation policy**
- **Allow the Board to adopt a long-term resolution approving Board member representation at the types of meetings and events as identified in SB 10 (following a satisfactory six-month review of the compensation policy)**
- **Identifying the four types of meetings eligible for compensation as: 1) Authority Brown Act meetings, 2) other agency Brown Act meetings, 3) calendared events sponsored by the Authority, and 4) special events sponsored by the Authority.**
- **That all Board attendees at a meeting be compensated and that the Board define as many of the various types of ad hoc and special meetings as possible.**

- **That the new compensation policy be retroactive to January 1, 2008.**

**Motion carried with Board Member Watkins ABSTAINING.
(WEIGHTED VOTE POINTS: YES=92, NO=0, ABSTAIN=8)**

Vice Chair Finnila assumes the role of Chair on the following motion.

Chairperson Bersin requested that staff prepare an information sheet for Board Members as to how they should proceed with regard to submitting the form that is developed regarding compensation for meetings attended required by Senate Bill 10.

Board Member Finnila requested that approval for days of service be made by the Chair.

Board Member Watkins stated that he abstained on Motion No. 1 because of his involvement with the development of Senate Bill 10.

Board Member Watkins stated that he would accept the responsibility for approval of travel requests in the absence of the Chair.

RECOMMENDATION: Provide direction to staff regarding the implementation of Senate Bill 10.

MOTION #2

Moved by Board Member Zettel and seconded by Board Member Desmond to approve an additional \$500 per month compensation for the Board chair. Motion carried with Chairperson Bersin ABSTAINING. (WEIGHTED VOTE POINTS: YES=86, NO=0, ABSTAIN=14)

Chairperson Bersin resumed the role as Chair.

Board Member Panknin stated that he would like to see the Executive Committee Membership rotated among the sub-regions.

Chairperson Bersin stated that based on advice and consent from each of the Members, Board Member Finnilla will become part of the Executive Committee. He stated that he is also recommending that Board Member Finnilla continue in her position as Vice Chair for the remainder of this year and that the position of Vice Chair rotate to the representative from the County beginning January, 2009.

MOTION #3

Moved by Chairperson Bersin and seconded by Board Member Watkins that the Board Officers (Chair and Vice Chair) be on the Executive Committee; that Board Member Finnilla continue as Vice Chair through the end of this year and that the Vice Chair rotate to the County beginning in January 2009; that the Executive Committee membership rotate among the members from the sub-regions; and that the members of the Executive Committee consist of Chairperson Bersin and Board Members Watkins and Finnilla. Motion carried unanimously. (WEIGHTED VOTE POINTS: YES=100, NO=0, ABSTAIN=0)

Board Member Watkins requested information on all costs involved with the implementation of Senate Bill 10.

REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, CITIZEN COMMITTEES AND LIAISONS (Continued):

- **MILITARY AFFAIRS LIAISON REPORT:**
Board Member Boland reported that the Authority is currently in discussions with the military regarding the Washington Street Gate 5, and that the Marines are increasing troops at MCRD. He stated that with the approval of Senate Bill 10, the Chair requested that a representative of the Department of the Navy sit on the Board in an Ex-Officio capacity.
- **SANDAG TRANSPORTATION COMMITTEE REPRESENTATIVE REPORT:**
Board Member Zettel reported that she attended the SANDAG retreat which addressed quality of life issues. She reported that the group focused on issues such as water quality, public transit, habitat conservation, and shoreline preservation. She stated that Senator Kehoe presented a legislative report on the year ahead which is not fiscally

strong. She stated that representatives from King County addressed visionary policies created in the State of Washington.

Board Member Boland left the meeting at 11:45 a.m.

NEW BUSINESS:

14. CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING WITH THE SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) REGARDING THE AIRPORT MASTER PLAN:

Board Member Desmond stated that on January 18, 2008, he provided a presentation to the SANDAG Transportation Committee regarding the short term plans for SDIA, which included the Environmental Impact Report. He stated that presentations to the Committee were also made by Senator Steve Peace and Carl Nettleton. He stated that attendants at the meeting were interested in the long term plans for the airport and on how traffic impacts will be addressed. He stated that a joint meeting with the Authority and SANDAG is scheduled for February 8, 2008. He stated that the Memorandum of Understanding with SANDAG will be discussed at the joint meeting. He stated that he also had an opportunity to speak with Mr. Gary Gallegos about moving forward with the plans for the airport.

Board Member Orso-Delgado stated that funding for short and long term plans is a concern for some agencies. He stated that transportation should be looked at as a system.

Board Member Finnila stated that in order for the Authority to do a long term vision plan, it has to be a part of SANDAG's Regional Transportation Plan and Regional Comprehensive Plan. She stated that if SANDAG is willing to partner with the Authority, a commitment would have to be made.

Chairperson Bersin stated that the Authority has an agreement for three out of four elements in Phase I, and a process to resolve the parking structure. He stated that the proposal for the Board to consider will require a separate analysis, and there has been an impasse between SANDAG and the Authority regarding traffic impacts. He stated that the Authority and CEQA's position is that traffic will increase whether or not the project is implemented. He stated that part of the agreement is to discuss the issue independent of CEQA and to analyze traffic impacts together with the Authority, SANDAG, the City of San Diego, and CALTRANS. He stated that the Authority is prepared to examine costs, recognizing that there are FAA revenue diversion rules. He stated that the MOU will be discussed in a way for Mr. Peace, Mr. Nettleton, and the SANDAG Board to recognize the Authority's need for short term

measures, and the Authority's responsibility for proposing a North Side build-out and improvements to the South Side.

Thella F. Bowens, President/CEO, stated that it is important for the Board to lead all of the policy issues, especially those that include various jurisdictions, and to focus on the Authority's mission.

Board Member Panknin suggested development of a policy expressing the Authority's interest in an inter-modal transportation system, and development of the North Side of the airport.

Board Member Young suggested that the Authority create an Ad Hoc Committee to interface with MTS. He stated that he made a similar motion at an MTS Board meeting.

RECOMMENDATION: Provide direction to staff.

ACTION: No action taken.

13. CONSIDERATION OF A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF SAN DIEGO REGARDING THE AIRPORT MASTER PLAN:

Bret Lobner, General Counsel, stated that a letter was sent to William Anderson, Deputy Chief Operating Officer, Land Use and Economic Development, City of San Diego, regarding the draft MOU sent to SANDAG. He stated that staff would like to ensure the City of San Diego that the expenditure of City of funds would not be used for mitigation measures as a part of the Airport Master Plan under the EIR.

RECOMMENDATION: Provide direction to staff.

ACTION: No action taken.

OLD BUSINESS (Continued)

10. REVISION OF GUIDING PRINCIPLES FOR LONG-TERM VISION PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT (Continued from the December 10, 2007 and January 3, 2008 Meetings):

Diana Lucero, Director, Public Community and Customer Relations, provided an overview of the staff report. She stated that changes were made to the principles based upon comments made by the Board at the January meeting.

Chairperson Bersin clarified that the Board is committed to an inter-modal center, working with other agencies to develop the center, and developing the North Side of the airport.

Board Member Panknin suggested preparation of a joint vision with SANDAG and the Port to work on a multi-modal center.

CYNTHIA CONGER, SAN DIEGO, expressed concern regarding changes made by staff to the resolution for the Guiding Principles, capacity for the single runway and the Airport Master Plan.

In response to Board Member Young regarding changes made to the resolution for the Guiding Principles, Thella F. Bowens, President/CEO, confirmed that no changes were made.

RECOMMENDATION: Adopt Resolution No. 2008-0008, approving revised Guiding Principles 1, 2, 4 and 7.

ACTION: Moved by Board Member Watkins and seconded by Board Member Desmond to approve staff's recommendation. Motion carried unanimously noting Board Member Boland as ABSENT. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

NEW BUSINESS (Continued):

11. ADOPTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY SUSTAINABILITY POLICY:

Paul Manasjan, Director, Environmental, provided a presentation which included the policy that addresses present and future needs, and includes four sustainability areas which include economic viability, operational excellence, social responsibility, and natural resource conservation for the region.

David Boenitz, Director, Business Planning, stated that the process began in 2006 at workshops with other agencies. He stated that the Policy conveys the Authority's environmental commitment, obligation to regional partnerships, use of a holistic approach, Emphasis on total cost of ownership, the LEED criteria, focus on tenant/business partner involvement, need to change fundamental business processes, commitment to employees and work environment, and prominent community leadership role. He stated that the next steps include encouraging and educating Authority employees, tenants, and business partners, and integrating existing and new initiatives into a sustainable business plan.

Board Member Zettel stated that it is important for staff to share the Authority's effort on sustainability with other agencies in the region.

Chairperson Bersin encouraged staff to establish metrics to measure performance.

BILL INGRAM, SAN DIEGO, stated that the Authority's Sustainability Policy does not meet the requirements of the Airport Council International-North America, developers of the EONS elements.

RECOMMENDATION: Adopt Resolution No. 2008-0013, approving Authority Policy 8.31, Sustainability Policy.

ACTION: Moved by Board Member Board Member Finnila and seconded by Board Member Zettel to approve staff's recommendation. Motion carried unanimously noting Board Member Boland as ABSENT. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

Board Member Young left the meeting at 1:00 p.m.

12. APPROVE THE RELEASE OF A REQUEST FOR PROPOSAL (RFP) FOR A REAL ESTATE AGREEMENT TO DEVELOP A WEST WING ANNEX ABLE TO ACCOMMODATE UP TO 131-140 AIRPORT AUTHORITY STAFF:

Keith Wilschetz, Director, Airport System Planning, provided a presentation which included an overview for the need of additional office space to accommodate staff, and that staff will be displaced as a result of the Airport Master Plan. He also provided information on the location of the building and the number of employees that will be accommodated.

Thella F. Bowens, President/CEO, stated that the building will be a temporary structure. She stated that the Sustainability Plan requires that staff look at the total cost of ownership, and some of the jobs for the Airport Master Plan carry over into the total operation of new facilities.

Board Member Watkins expressed concern regarding the impact of adding more employees, recognizing pension issues in the future. He questioned whether service for the needed expertise could be outsourced.

RECOMMENDATION: Adopt Resolution No. 2008-0014, approving the release of a Request for Proposal for a Real Estate Agreement to construct a new temporary structure for office space adjacent to the existing West Wing.

ACTION: Moved by Board Member Watkins and seconded by Board Member Panknin to approve staff's recommendation. Motion carried unanimously noting Board Members Boland and Young as ABSENT. (WEIGHTED VOTE POINTS: YES= 74, NO=0, 26=ABSENT)

RECONSIDERATION OF ITEM 3 - APPOINTMENTS TO THE AIRPORT ADVISORY COMMITTEE:

Board Member Panknin requested that Item 3 be reconsidered.

Board Member Watkins stated that he did not have sufficient time to review the appointments to the Advisory Group and requested that the matter be continued for 30 days.

ACTION: Moved by Board Member Panknin and seconded by Board Member Miller to reconsider this item and to continue the item to the March Board meeting. Motion failed with Board Members Bersin, Miller, Panknin, Watkins and Zettel voting YES; Board Members Desmond and Finnila voting NO; and noting Board Members Boland and Young as ABSENT. (WEIGHTED VOTE POINTS: YES= 49, NO= 25, ABSENT= 26) (Board action requires at least a majority of the Board Members and 51 vote points)

CLOSED SESSION: The Board recessed into closed session at 1:12 P.M. to discuss Items 15 and 22.

15. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:
(Government Code 54957):**
Titles: President/CEO, General Counsel, Chief Auditor
16. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
(Government Code Section 54956.9(b)(d)):**
Number of potential cases: 1 (regarding environmental matter)
17. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(a)):**
Britt v. San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2007-00072794-CU-MC-CTL
18. **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).

19. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(a)):**
Regarding the Application of San Diego County Regional Airport Authority, San Diego International Airport (SDIA), Before the Office of Administrative Hearings, State of California, OAH Case No. 2004120097
20. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(a)):**
Hernandez v. San Diego County Regional Airport Authority, San Diego Superior Court Case No. GIC 871979
21. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(a)):**
Name of Case: Jimsair Aviation Services, Inc. v. San Diego County Regional Airport Authority, before the Federal Aviation Administration, Washington, D.C., FAA Part 16 Airport Proceedings Docket No. 16-06-08.
Number of cases: 1
22. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
(Government Code Section 54956.9(a)):**
Jimsair Aviation Services, Inc. v. San Diego County Regional Airport Authority, San Diego Superior Court Case No. GIC 865099

Board Member Boland returned to the dais at 2:10 p.m.

REPORT ON CLOSED SESSION: The Board reconvened into open session at 2:06 P.M.

ACTION: Moved by Chairperson Bersin and seconded by Board Member Watkins that in regards to Item 15 – Employee Performance Evaluation, the President/CEO, Chief Auditor and General Counsel receive a cost of living increases as stipulated; that they receive a 5.5 % bonus; that the President/CEO's contract be extended to September 30, 2010; and that the General Counsel's contract be amended to include a cost of living provision. Motion carried with Board Member Panknin ABSTAINING and noting Board Member Young as ABSENT. **(WEIGHTED VOTE POINTS: YES=79; NO=0; ABSTAIN=8; ABSENT=13)**

WORKSHOP

23. FISCAL YEAR 2009 OPERATING BUDGET OVERVIEW AND FOLLOW UP TO NOVEMBER STRATEGIC PLANNING/BUDGET WORKSHOP:

Thella F. Bowens, President/CEO, provided a presentation on the Authority's Economic Environment, the aviation industry, passenger growth, FY09 Budget priorities, and an overview of the revenue projections for the year.

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Authority's resources needed to support the priorities identified in the FY 09 Operating Budget. He addressed structural increases in salaries and benefits due to merit increases, inflationary increases in fuel, materials, supplies and other ongoing operational costs; increase in police airfield rescue and firefighting, paramedic, and TSA mandated guard services; increase in Authority's public parking operations; Regional Communication System; Higher Utilities; Ground Transportation/Sustainability Program; International Air Service Development; Community Input and Outreach; Higher annual maintenance costs; and New Employee Requests. He also addressed the Airport Planning increase as a result of Airport land use planning and Senate Bill 10; Safety and Security Improvements; Operating Efficiency Improvements; Equipment Replacement; Environmental Services; Terminal Development Program (AMP2); Terminal Facility Improvements; Employee Development; and Office relocation and furnishings. He provided an overview of the Airline Revenue Assumptions; Non-Airline Revenue Assumptions; Revenue Outlook; Airline Revenue Guideline; and Airline Cost per Enplaned Passenger.

In response to Chairperson Bersin regarding increases in the last 3-4 years for medical benefits, Mr. Woodson stated that the Authority has averaged approximately seven to nine percent increases. He stated that this year there was a major increase in usage and medical benefits have increased to approximately 17 percent.

Mr. Evans stated that the increase in the Authority's public parking operations is due to the management of the contract with LPI, the manager of all parking lot operations.

Ms. Bowens stated that LPI provides all buses for inter-terminal services. She stated that some of the buses were replaced, adding to the cost of that service.

Board Member Watkins requested a breakdown of the costs for services provided by LPI.

Board Member Finnila stated that it would be appropriate to benchmark higher utilities for the Sustainability metrics.

In response to Board Member Watkins regarding the outsourcing of certain work, Bryan Enarson, Vice President, Development, stated that in regards to higher maintenance costs, some of the work is outsourced and some is performed by Authority staff. He stated that the addition of 33 employees is Authority-wide.

Ms. Bowens stated that the budget presented today is where staff currently is. She stated that the Board priorities identified today will assist staff in knowing what the Board's needs are and how to establish priorities.

Chairperson Bersin expressed concern with increasing the headcount considering all associated overhead costs.

Board Member Finnila stated that it is important to know whether the increase of 33 employees is a must have for projects already in place, or for the Airport Master Plan. She stated that this information will assist the Board in making a decision regarding the outsourcing of these positions.

Board Member Panknin left the meeting at 3:06 p.m.

In response to Board Member Finnila regarding capacity needs for air service, Ms. Bowens stated that staff has already identified spaces on the airfield to park aircraft, and acquire a plane mate to load people at the terminals. She stated that if air service is to be developed in San Diego, staff must be able to take advantage of what airlines are offering today.

Board Member Desmond requested a breakdown on the costs for updating the Airport Land Use Compatibility Plans to include ongoing costs.

Chairperson Bersin left the meeting at 3:18 p.m.

Board Member Desmond left the meeting at 3:18 p.m.

Board Member Boland left the meeting at 3:20 p.m.

Board Member Finnila assumed the role of Chair

Board Member Watkins suggest that staff adjust parking to provide more parking opportunities, and look at what other airports are doing with dual service of taxicabs and shuttles under an RFP to pick up some of the overhead costs being absorbed by the airport.

In response to Board Member Watkins regarding meeting with concessions, Ms. Bowens stated that staff will be coming forward to the Board with a proposal addressing the concession issues at this airports when contracts expire in 2012.

In response to Board Member Finnila regarding performance measures being included in the budget, Ms. Bowens stated that a metrics is included in the Authority's regular objectives.

RECOMMENDATION: Provide direction to staff.

ACTION: No action taken.

PUBLIC COMMENT:

GENERAL COUNSEL REPORT:


BOARD MEMBER REPORTS ON MEETINGS ATTENDED AT THE EXPENSE OF THE AUTHORITY:

Board Member Zettel reported on her trip to Sacramento to meet with Senator Christine Kehoe regarding Senate Bill 10. She stated that she also met with Kurt Augustine, from the Governor's staff, and with staff from the Senate Rules Committee.

ADJOURNMENT:

The meeting was adjourned at 3:36 p.m. The next regular meeting will be held on Thursday, March 6, 2007 at 9:00 a.m., in the Wright Conference Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL
AIRPORT AUTHORITY BOARD THIS 6TH DAY OF MARCH, 2008.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL