

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, OCTOBER 15, 2015
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:05 a.m. on Thursday, October 15, 2015, in the Board Room at the San Diego International Airport, Administration Building (formerly the Commuter Terminal), 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Desmond led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Alvarez, Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom

ABSENT: Board Members: Berman (Ex Officio), Ortega (Ex Officio), Woodworth (Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Lorraine Bennett, Assistant Authority Clerk II; Sara Real, Assistant Authority Clerk I

Board Members Alvarez, Cox and Sessom arrived during the course of the meeting.

PRESENTATION:

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member Hubbs announced that the next Committee meeting is scheduled on October 22, 2015.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** None.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Robinson reported that the committee met on October 1, 2015, to discuss various alternative roadway alignments to the airport.

Board Member Alvarez arrived at 9:07 a.m.

- **ART ADVISORY COMMITTEE:**

Chair Gleason reported that 12 submissions have been received for the performing arts residency project. He reported that the selected artwork for the Rental Car Center will be installed in November. He also reported that a Visioning Workshop will be held on October 19, 2015, for the Palm Street Park project.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**

Board Member Janney reported that he met with the City of Coronado regarding the Airport Land Use Plan for Naval Outlying Land Field Imperial Beach.

- **CALTRANS:** None.

- **INTER-GOVERNMENTAL AFFAIRS:**

Michael Kulis, Director, Inter-Governmental Relations, reported that the President signed into law legislation that extends the Federal Aviation Administration program authorizations for six-months. He reported that October 11th was the final day for the Governor to sign or veto bills passed by the State Legislator during its regular session. He also reported that several Airport Authority representatives participated in the San Diego Regional Chamber of Commerce's Mission to Washington, DC from September 27-30, 2015.

Chair Gleason reported on the Chamber of Commerce's Mission to Washington, which he attended along with Board Members Alvarez, Berman, Boling, and Robinson. He reported that he met with congressional offices on various Airport issues, including the position to increase the Passenger Facility Charge limit, and an FAA reauthorization bill. He also reported that he met with Senator Dianne Feinstein and expressed Authority support for her Consumer Drone Safety Act, as well as the need for enhanced customs and border protection support for incoming flights. He reported that they also met with Federal Aviation Administration officials.

Board Member Cox arrived at 9:10 a.m.

- **MILITARY AFFAIRS:** None.

- **PORT:**

Chair Gleason reported that a meeting is scheduled with the Port and Airport leadership on October 19, 2015, to discuss regional planning efforts.

- **WORLD TRADE CENTER:**
Chair Gleason reported that the Economic Development Corporation is convening a global Competitiveness Council for a meeting in December.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Hubbs reported that at its last meeting, the Committee met to discuss the Palm Street Connection. He also reported that Authority staff gave a presentation on the five Airport Development Plan options, and the three transportation options. He stated the need for the Authority to do a better job of presenting that the Airport is a part of the regional system, and not to be in an adversarial position with solving access problems.

CHAIR'S REPORT:

Chair Gleason reported that Board Member Boling represented the Airport at the Airport's Council International North America Conference in September.

He reported that the proposed 2016 meeting calendar was distributed for Board review. Board Member Desmond noted that the proposed January Executive Personnel & Compensation Committee dates conflict with the annual SANDAG retreat.

He reported that he attended a recent meeting with the Federal Aviation Administration (FAA), hosted by the Airport Authority, regarding its proposed Metroplex plan. He stated that many community comments were received by the Airport Authority, which were entered into the official record for the Metroplex public comment, prior to its public comment deadline.

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO, reported that the Authority is continuing a dialogue with the FAA regarding the Metroplex plan next steps. She also stated that the Authority continues to look for opportunities to work with the community, although it has no power or authority with the Metroplex plan. With regard to air traffic, she reported that the Thanksgiving travel schedules indicate that seats are anticipated to be up by four percent, and that capacity for 2015 is trending between five and six percent above last year. She reported that the Good Traveler Program has been launched, and partnerships are in place with Ryan Brothers Coffee, Paradise Point Resort, and the Lodge at Torrey Pines. She stated that this program will run through December, and then be evaluated for possible expansion to other airports. Ms. Bowens reported that Phase 1 of the photovoltaic has been installed on the west side of Terminal 2. She noted that Phase 2 photovoltaic on the east half of Terminal 2 should be completed by December. She also reported that the California Coastal Clean-Up Day took place on September 19, and the airport hosted a site at Spanish

Landing Park. She reported that the Airport held an airport-wide Sustainability Fair on October 2nd that collected over three tons of e-waste. She also reported that the Authority was the recipient of an Alonzo Award at the Downtown Partnership Alonzo Awards Dinner, in recognition of the Authority's work to enhance the facility and travel experience for customers at the airport.

NON-AGENDA PUBLIC COMMENT:

JARVIS ROSS, SAN DIEGO, spoke in opposition to the proposed Metroplex plan.

Chair Gleason noted that the Airport Authority submitted a comment letter to the FAA, requesting that the waypoint not be removed off the coast of Point Loma.

Board Member Sessom arrived at 9:31 a.m.

CONSENT AGENDA (Items 1-12):

In response to Board Member Desmond regarding whether the off-airport rental car companies will be sharing on-airport transportation costs, Scott Brickner, Vice President, Finance/Treasurer, stated that off-airport rental car companies will pay a reduced Customer Facility Charge of \$2.17, which includes all bussing and roadway.

Chair Gleason noted that Item 5 would be submitted for Board approval, excluding the Executive Personnel & Compensation Committee meeting dates.

ACTION: Moved by Board Member Janney and seconded by Board Member Desmond to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Alvarez, Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the September 17, 2015, 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, APPROVED CHANGE ORDERS FROM AUGUST 24, 2015, THROUGH SEPTEMBER 20, 2015 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM AUGUST 24, 2015 THROUGH SEPTEMBER 20, 2015:

RECOMMENDATION: Receive the report.

4. **OCTOBER 2015 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2015-0104, approving the October 2015 Legislative Report.
5. **APPROVE ESTABLISHING THE DATE AND TIME OF BOARD AND ALUC MEETINGS FOR 2016, AS INDICATED IN THE PROPOSED 2016 MASTER CALENDAR OF BOARD AND COMMITTEE MEETINGS:**
RECOMMENDATION: Adopt Resolution No. 2015-0105, establishing the date and time of Board and ALUC meetings for 2016 as indicated on the proposed 2016 Master Calendar of Board and Committee Meetings.

CLAIMS

6. **REJECT THE CLAIM OF MARIA ALMIRANTE:**
RECOMMENDATION: Adopt Resolution No. 2015-0106, rejecting the claim of Maria Almirante.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

7. **APPROVE AND AUTHORIZE AN INCREASE TO THE CONTRACT DURATION FOR THE TERMINAL LINK ROAD PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2015-0107, approving and authorizing an increase to the contract duration from 450 days to 510 days, for Project No. 104134, Terminal Link Road at San Diego International Airport.
8. **AWARD A CONTRACT TO FORDYCE CONSTRUCTION, INC. FOR INTERIM WASTE STORAGE FACILITY AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2015-0108, awarding a contract to Fordyce Construction, Inc. in the amount of \$156,822.00 for Project No. 104192, Interim Waste Storage Facility at San Diego International Airport.

9. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH POLSINELLI LLP FOR BOND DISCLOSURE LEGAL SERVICES:

RECOMMENDATION: Adopt Resolution No. 2015-0109, authorizing the President/CEO to negotiate and execute an agreement with Polsinelli LLP for bond disclosure legal services for a term of three years with two one-year options to renew and a not to exceed amount of \$300,000.

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AMENDMENTS TO THE CONCESSION LEASES BETWEEN HG-CV-EPICURE-MARTINEZ SAN DIEGO JV AND THE AUTHORITY:

RECOMMENDATION: Adopt Resolution No. 2015-0110, related to Lease-Package 2, and Resolution No. 2015-0111, related to Lease-Package 7 approving and authorizing the President/CEO to, respectively,; 1) execute an amendment to the Concession Lease between HG-CV-Epicure-Martinez JV and the Authority to remove concession locations, add additional concession locations, require additional capital investment and extend the term of the Lease; and 2) execute an amendment to the Concession Lease between HG-CV-Epicure-Martinez JV and the Authority to extend the term of the Lease.

11. AUTHORIZE THE PRESIDENT/CEO TO CONSENT TO A RENTAL CAR CONCESSION INDUSTRY AGREEMENT AND CORRESPONDING THIRD-PARTY OPERATIONS AND MAINTENANCE AGREEMENT FOR ONGOING OPERATING AND MAINTENANCE RESPONSIBILITIES FOR THE RENTAL CAR CENTER:

RECOMMENDATION: Adopt Resolution No. 2015-0112, and Resolution No. 2015-0113, respectively authorizing the President/CEO to: 1) negotiate and execute a consent to a third-party operations and maintenance agreement between the on-airport rental car companies and CONRAC Solutions LLC for ongoing operations and maintenance responsibilities for the rental car center facility; and 2) negotiate and execute a consent to a rental car concession industry agreement to address operating and maintenance responsibilities among the on-airport rental car companies

12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH NOSSAMAN LLP, FOR STATE LEGISLATIVE CONSULTING SERVICES:

RECOMMENDATION: Adopt Resolution No. 2015-0115, approving and authorizing the President/CEO to execute an agreement with Nossaman LLP, for State Legislative Consulting Services in an amount not-to-exceed \$723,000 for a term of three years, with two one-year extensions, exercisable at the exclusive option of the President/CEO.

The Board recessed at 9:36 a.m. and reconvened at 10:54 am.

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

NEW BUSINESS: None.

CLOSED SESSION: The Board recessed in to Closed Session at 10:55 a.m. to discuss Items 14 and 22.

- 13. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
(Real property negotiations pursuant to Cal. Gov. Code § 54954.5(b) and § 54956.8.)
Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego.
Agency Negotiators: Scott Brickner, Finance & Asset Management, Vice President/Treasurer.
Negotiating Parties: San Diego Gas & Electric, United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties.
Under Negotiation: Sale – terms and conditions.
- 14. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Donna Wilson; John Wilson v. San Diego Port Authority; San Diego International Airport; San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL (Meyer)
- 17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1).)
Joan M. Ward v. San Diego County Regional Airport Authority, et al
San Diego Superior Court Case No. 37-2014-00022181-CU-WT-CTL
- 18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a)):
Maria Paula Bermudez v. San Diego County Regional Airport Authority,
American Airlines, Inc., et al.
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL.

- 19. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1))
Stanley Moore v. San Diego County Regional Airport Authority, et al
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)
Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al.,
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL
- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 12:02 p.m. There was no reportable action.

NON-AGENDA PUBLIC COMMENT: None.

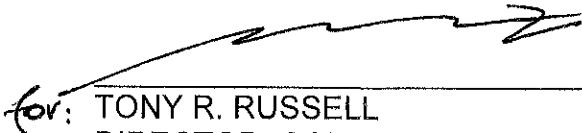
GENERAL COUNSEL REPORT: None.

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:

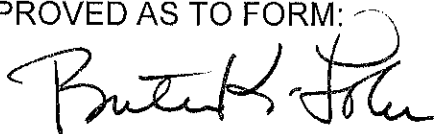
BOARD COMMENT: None.

ADJOURNMENT: The meeting was adjourned at 12:05 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 19th DAY OF NOVEMBER, 2015.


for: TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:


BRETON K. LOBNER
GENERAL COUNSEL