

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, JANUARY 7, 2010
BOARD ROOM**

CALL TO ORDER: Chairperson Watkins called the meeting of the San Diego County Regional Airport Authority Board to order at 9:00 a.m. on Thursday, January 7, 2010 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 Desmond led the pledge of allegiance.

ROLL CALL:

PRESENT: Board Members: Berman (Ex-Officio), Boland, Desmond, Finnila, Gleason, Panknin, Col. Richie (Ex-Officio), Smisek, Watkins, Young

ABSENT: Board Members: None

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Linda Gehlken, Assistant Authority Clerk I.

BOARD BUSINESS:

ADMINISTER OATH OR AFFIRMATION AND INSTALLATION OF BOARD MEMBERS:

Tony R. Russell, Director, Corporate Services/Authority Clerk, administered the oath of office to Board Member John Davies.

The Board recessed at 9:03 A.M. and reconvened at 9:07 A.M.

Board Member Young arrived at 9:08 A.M.

REPORT FROM CITIZEN COMMITTEE:

AIRPORT ADVISORY COMMITTEE:

Chairperson Watkins stated that the report from the Chair of the Airport Advisory Committee would be deferred to a later time during the meeting.

PRESENTATION:

A. REPORT ON THE AUTHORITY'S FINANCIAL CONDITION:

Vernon Evans, Vice President, Finance/Treasurer, provided an update on the Authority's Financial Condition which included Enplanements; Gross Landing Weight Units; Airport Parking Transactions; Car Rental License Fees; Unaudited Revenues and Expenses For the Five Months Ended November 30, 2009; Liabilities and Net Assets; Monthly Operating Revenue; Operating Revenues for the Five Months Ended November 30, 2009; Total Portfolio Summary; and a Summary of Outstanding Commercial Paper.

PUBLIC COMMENT (18 MINUTES):

KAMRAN HAMIDI, SAN DIEGO, provided a handout to the Board, and suggested that there is a cash discrepancy in the Authority's Comprehensive Annual Financial Reports (CAFR) for years 2006 and 2007.

CONSENT AGENDA:

Breton Lobner, General Counsel, stated that in the Staff Report for Item 4, under "Background/Justification", should be clarified to describe that the incident occurred on an "escalator" and not at the curb.

ACTION: Moved by Board Member Finnila and seconded by Board Member Desmond to approve the Consent Agenda. Motion carried by the following vote: YES – Boland, Davies, Desmond, Finnila, Gleason, Panknin, Smisek, Watkins, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT - 0)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 3, 2009 Board meeting.

2. ACCEPTANCE OF BOARD MEMBER'S 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 attendance at other meetings, trainings and events not covered by the current resolution.

3. JANUARY 2010 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2010-0001, approving the January 2010 Legislative Report.

CLAIMS

4. **AUTHORIZE THE REJECTION OF THE CLAIM OF MARY KENNEDY AND DORRY BATTLE:**
RECOMMENDATION: Adopt Resolution No. 2010- 0002, authorizing the rejection of the claim of Mary Kennedy and Dorry Battle.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

5. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM NOVEMBER 9, 2009 THROUGH DECEMBER 7, 2009 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM NOVEMBER 9, 2009 THROUGH DECEMBER 7, 2009:**
RECOMMENDATION: Accept the report.
6. **FIRST AMENDMENT TO THE GROUND TRANSPORTATION CONSULTING AGREEMENT WITH JACOBSEN DANIELS ASSOCIATES, L.L.C.:**
RECOMMENDATION: Adopt Resolution No. 2010-0003, authorizing a First Amendment to the Ground Transportation Consulting Agreement with Jacobsen Daniels Associates, LLC., increasing the amount of the contract by \$45,000, for a total contract amount of \$210,000.

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

7. **AWARD A CONTRACT TO STRONG TOWER CONSTRUCTION, D.B.A. KOCH CORPORATION, FOR QUIETER HOME PROGRAM PHASE 5, GROUP 4 (64 WEST SIDE, NON-HISTORIC CONDOMINIUM UNITS):**
RECOMMENDATION: Adopt Resolution No. 2010-0004, rejecting the low bid of Designer Builder, as non-responsive and awarding a contract to the second lowest bidder, Strong Tower Construction, d.b.a. Koch Corporation, in the amount of \$1,763,929, for Phase 5, Group 4, Project No. 380504, of the San Diego County Regional Airport Authority's Quieter Home Program.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

8. CONSIDERATION AND POSSIBLE APPROVAL OF THE COMPREHENSIVE GROUND TRANSPORTATION MANAGEMENT PLAN:

Vernon Evans, Vice President/Treasurer, provided a presentation of the Comprehensive Ground Transportation Management Plan which included Plan Goals and Process; Recommended 5-Year Ground Transportation Management Components; Cost Recovery Calculations; Implementation Timeline; and Next steps.

Board Member Finnila requested that usage of "low floor" buses be included in the Plan to facilitate luggage handling for travelers.

In response to concern expressed by Chairperson Watkins in regard to how the Authority will ensure that non-permitted taxis operating at the airport on an as-needed basis have adequate insurance coverage, Jim Myers, Manager, Ground Transportation, stated that plans are being made to address this directly with the entities providing taxi service to ensure that the Authority is added to the respective insurance policies.

Chairperson Watkins suggested exploring whether incentives could be offered to permitted cab drivers, who already have the adequate insurance coverage and service SDIA during the day, to possibly provide service during other hours.

Thella F. Bowens, President/CEO, stated that many of the cabs servicing the airport during the day are independently owned and operated. She stated that one of the reasons that consultants and staff are recommending a concessions program is to address this issue from a quality control perspective.

Board Member Desmond suggested that the current insurance coverage be increased to \$1 Million for operators servicing the airport.

JOHN BROOKS, SAN DIEGO, spoke in support of implementing a transportation program that encouraged an emissions-free Lindbergh Field. He provided a Lindbergh Field Emissions Initiative hand out for Board Members.

REPORT FROM CITIZEN COMMITTEE:

AIRPORT ADVISORY COMMITTEE:

Bella Heule, Chair, Airport Advisory Committee provided a summary report of the December Airport Advisory Committee meeting. She also stated that the Committee did not have enough time to review the Ground Transportation Management Plan.

Board Member Desmond requested that a copy of the Executive Summary Report from the December 11, 2009 Airport Advisory Committee meeting be provided to the Board.

8. CONSIDERATION AND POSSIBLE APPROVAL OF THE COMPREHENSIVE GROUND TRANSPORTATION MANAGEMENT PLAN: (Continued)

MIKE MCDADE, SAN DIEGO, spoke in opposition of implementing a concessions process within the Ground Transportation Plan.

Board Member Berman arrived at 10:00 A.M.

TONY HUESO, SAN DIEGO, urged the Board not to move forward on this issue until suggestions previously submitted by stakeholders to staff in this regard have been thoroughly reviewed.

ALEX GHEBRESELASSIE, CHULA VISTA, spoke in opposition to a concessions program.

DARLENE D. DAVIS, dba SUNSET TAXI, SAN DIEGO, expressed concern regarding the implementation of a concessions program.

FILMON SEMERE, SAN DIEGO, spoke against implementing a concessions program.

JO ANNE GOLDEN, SAN DIEGO, requested that a decision in regard to the Ground Transportation Management Plan be deferred at this time.

JACQUELINE REYNOSO, NATIONAL CITY CHAMBER OF COMMERCE, NATIONAL CITY, requested that this item be deferred to allow further review of the RFP concession program system and taxi cab issues.

H Aidari Ghulam, SAN DIEGO, spoke in opposition of implementing a concession program system.

JOHN EUBANK, SAN DIEGO, spoke in opposition to implementing a concession program.

KEN CLARK, CHULA VISTA, spoke in opposition to the implementation of a concession program. He provided a handout to the Board.

IDA SELASSIE, CHULA VISTA, spoke in opposition to a concession program.

MEDHANIE WELDEGIORGIS, LEMON GROVE, spoke in opposition to implementing a concession program.

NAZRET WELDEGHIORGIS, SAN DIEGO, urged the Board not to approve the implementation of a concession program.

KIBROM GHEBRESELASSIE, CHULA VISTA, spoke in opposition to a concession program.

PAULOS HAILEMICHAEL, SAN DIEGO, spoke in opposition to implementing a concession program.

THOMAS WATSON, AVANT-GARDE GLOBAL TRANSPORTATION, CORONADO, expressed concern that a Concession Agreement would ultimately not allow small business owners the ability to continue to operate at SDIA. He urged the Board to defer a vote on this issue until other options are explored.

SUP DATTA, EZ RIDE SHUTTLE, SAN DIEGO, spoke in opposition to implementing a concession program.

ANTHONY CARNEIRO, CEO, ADVANCED SHUTTLE, SAN DIEGO, expressed his opposition to the implementation of a concession program.

KEVIN KOHL, CEO, SEA BREEZE SHUTTLE, SAN DIEGO, requested that the Board defer a vote on the Comprehensive Ground Transportation Management Plan until the Ground Transportation Advisory Group has had the opportunity to conduct a more in-depth review of the Plan in regards to shuttles for hire.

CAROLYN REYNOLDS, SAN DIEGO, indicated that the Ground Transportation Advisory Group would like to have additional time to review the Plan, and requested that the Board defer a vote on the item at this time.

EDRIS WAHAB, SAN DIEGO, spoke in opposition to a concession program.

FARAIDON BUSTANI, LA MESA, urged the Board to vote against the implementation of a concession program.

SEMERE TETLE, CHULA VISTA, spoke in opposition to a concession program.

GEORGE ABRAHAM, SAN DIEGO, spoke in opposition to implementing a concession program.

MARLO FERETA, SAN DIEGO, encouraged the Board to vote against a concession program.

LUUL MAHARI, SKY CAB, DELTA AIRLINES, SAN DIEGO, spoke in support of the cab drivers at SDIA.

RON ASENAS, SKY CAB, AMERICAN AIRLINES, SAN DIEGO, spoke in support of the cab drivers at SDIA.

CHRIS AGOH, SAN DIEGO, spoke in opposition to a concession program.

JELENA (YELENA) ROWE, SEAL BEACH, spoke in support of implementing a Comprehensive Ground Transportation Management Plan, and the Board's efforts in regards to encouraging alternative fuel vehicles use, and expressed concern in regard to the trip fee methodology.

ALAN S. BEKER, LA MESA, spoke in opposition to a concession program.

SERGIO DAVIES, REPRESENTING THE SAN DIEGO COUNTY HOTEL/MOTEL ASSOCIATION, SAN DIEGO, spoke in support of implementing a Comprehensive Ground Transportation Management Plan, and permit fees for courtesy shuttles.

DEBBIE MC GEE, SAN DIEGO, REPRESENTING ACCESS SHUTTLE, spoke in opposition to the Plan and requested that the Board defer voting on the Plan at this time.

JOHN I. AGOH, SAN DIEGO, spoke in opposition to implementing the concession program.

JACK MONGER, CORONADO, expressed concern that off-airport parking companies are competing with the Authority in regards to providing parking.

MICHEL ANDERSON, SAN DIEGO, spoke in support of implementing a concession program.

MOSSES WOLDEMARIAM, SAN DIEGO, spoke in opposition to a concession program.

ABEBE LANKEBO, SAN DIEGO, spoke in opposition to a concession program.

MARGO TANQUAY, SAN DIEGO, expressed opposition to a concession program.

KAMRAN HAMIDI, SAN DIEGO, spoke in opposition to the various fees being proposed in the Plan, and highlighted opposition to a concession program, and having trip fees assessed. He also provided a hand out for the Board.

RICHARD ABDALA, SAN DIEGO, spoke in opposition to the proposed alternative fuel program component in the Plan.

WOLDE SIYUM, SAN DIEGO, spoke in opposition to a concession program.

The Board recessed to at 11:50 a.m. and reconvened at 11:58 a.m.

Board Member Davies left the meeting at 11:58 a.m.

In response to Board Member Finnilla regarding whether it is common for taxi owners to be displaced when a Concession Agreement Program is implemented at airports, Matt Johnson, Jacobsen Daniels Associates, stated that it is not usual to have displacement. He indicated that there are ways for the Authority to safeguard opportunity concerns in this regard through an RFP process, such as the creation of a "Driver Cooperative".

Chairperson Watkins stated that regardless of what action that is taken by the Board, including the adoption of a Concession Agreement, it should be clear that the Authority would not nullify the existing permits of independent business owners.

Board Member Young stated that he is not convinced that the Authority cannot manage the taxis now. He stated that staff needs to convince him that the current taxis' drivers with permits will not be harmed.

Board Member Desmond recommended moving forward with the Plan. He requested again increasing the insurance coverage limit to \$1 Million, and suggested that individual cab owners/drivers be included in the process of developing a concession program.

Board Member Boland stated that there has been outreach to the community for an extended period of time, and likewise, the opportunity provided to give feedback on this issue. He stated that it is important to move forward.

Board Member Gleason reported the following *ex-parte* communications: 1) he received e-mails from an independent taxi driver, and Clean Energy Fuels, Inc.; and 2) had a telephone conversation with Adrian Kwiatkowski. He stated that he would like more input from the independent drivers before he votes for a concession program.

Board Member Young stated that he is willing to support a motion to move forward with the Plan, but would request that staff come back to the Board with a plan to allow current taxis drivers with permits to maintain their investment.

Board Member Smisek expressed concern about moving forward with the Plan as presented. He stated that based on feedback received from the various groups at today's meeting, he recommends further discussions and a look at possible alternatives to a Concession Agreement.

Breton Lobner, General Counsel, suggested that the resolution for this item include Board direction to staff to develop plans in regard to taxis, shuttles, and potential concession programs that would protect the interests of the existing operators while taking into account the environment, and additionally stipulate that staff return to the Board for further direction.

Board Member Panknin stated that he was not sure what he was being asked to vote on. He stated that there is no summary as to what happened in the various meetings regarding the groups' recommendations, and that he is not able to vote on this item at this time.

Board Member Gleason suggested that the limo fees should be left at \$200, and that the off-airport parking fee should be a flat \$2,400 per year. He expressed concern with the trip fee for taxis.

In regards to Board Member Desmond's request to increase insurance coverage to \$1 Million, Board Member Young requested that staff come back to the Board with the impacts any increase in insurance coverage would have on individual taxi drivers.

RECOMMENDATION: Consider and possibly approve the Comprehensive Ground Transportation Management Plan.

ACTION: Moved by Board Member Young and seconded by Board Member Finnilla to adopt Resolution No. 2010-0006 approving the implementation of the Comprehensive Ground Transportation Management Plan and directed that staff develop plans with regards to taxis, shuttles for hire, a potential concession program that would protect the interests of the existing operators and take into account the environment and return to the Board for further direction. Motion carried by the following vote: YES – Boland, Desmond, Finnilla, Watkins, Young; NO – Gleason, Panknin, Smisek; ABSENT – Davies. (Weighted Vote Points: YES – 59; NO – 33; ABSENT - 8)

CLOSED SESSION: The Board recessed into closed session at 1:00 P.M. to hear Items 14, 16 and 18.

10. **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).
11. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Real Property Negotiations pursuant to Cal. Gov. Code sections 54954.5(b) and section 54956.8.
Property: 1.15 acre parcel located at the northern terminus of 13th Street in Imperial Beach
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer under Negotiation: Sale – Terms of Payment and Conditions

12. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Real property negotiations pursuant to Cal. Gov. Code sections 54954.5(b) and section 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

13. CONFERENCE WITH LABOR NEGOTIATORS:

Labor negotiations pursuant to Cal. Gov. Code §54957.6.

Authority Designated Negotiators: Thella F. Bowens, President/CEO and Jeffrey Woodson, Vice President, Administration.

Employee Organization: Teamsters 911

14. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

Pursuant to Government Code section 54956.9(a):

Save Our Heritage Organization v. San Diego Unified Port District, et al., San Diego Superior Court Case No. 37-2009-00097828-CU-TT-CTL

15. CONFERENCE WITH LEGAL COUNSEL--EXISTING LITIGATION

(Cal. Gov. Code Section 54956.9(a)):

San Diego Unified Port District v. Argonaut Insurance Company, et al, L.A.S.C. GIC 874394

16. PUBLIC EMPLOYEE EMPLOYMENT:

(Cal. Gov. Code Section 54957)

Title: President/CEO

17. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

Exposure to litigation pursuant to Cal. Gov. Code §54956.9(b). Number of potential cases: 1.

18. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Real Property Negotiations pursuant to Cal Gov. Code §§ 54954.5(b) 54956.8

Property: 3.76 acre easement across MCRD 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 Leech, Director, Real Estate Management.

Under Negotiation: Consideration of MCRD's request for exclusive use of portion of the easement.

REPORT ON CLOSED SESSION: The Board reconvened into open session at 1:50 P.M. Breton Lobner reported that, in regards to Item 16, it was moved by Board Member Watkins and seconded by Board Member Desmond to extend the President/CEO's employment contract to March 31, 2013 and that the motion carried noting Board Member Gleason's ABSTENTION, and Board Members Davies and Young as ABSENT.

9. AMEND CONTRACT WITH ANNE MUDGE FOR CURBSIDE SEATING PUBLIC ART:

Constance White, Art Program Manager, provided a report regarding amending a contract for Curbside Seating Public Art.

RECOMMENDATION: Adopt Resolution No. 2010-0005, amending the contract with Anne Mudge to modify the scope of work for Project 104041A – Curbside Seating Public Art, to omit the Commuter Terminal seating cubes and to increase the contract amount by \$25,000 for a total contract amount of \$175,000.

ACTION: Moved by Board Member Gleason and seconded by Board Member Smisek to approve staff's recommendation. Motion carried by the following vote: YES – Boland, Desmond, Finnila, Gleason, Panknin, Smisek, Watkins; NO – None; ABSENT – Davies, Young. (Weighted Vote Points: YES – 79; NO – 0; ABSENT - 21)

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Watkins reported that the Committee discussed the labor agreements at the last meeting, and will be undertaking the evaluation process for the three executives soon.
- **FINANCE COMMITTEE:** None
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
Board Member Boland reported that the meeting scheduled for January 20, 2010 will be cancelled, and a new meeting scheduled in February.

AD HOC COMMITTEE

- **RASP/AMAP AD HOC COMMITTEE:**
Board Member Finnila stated that the Committee met and continues to gather information. She stated that technical findings were presented to the subcommittee in December. She stated that Jacobsen Consultancy is completing the development of the Regional Demand Model. She reported that the Committee's time has expired. She stated that General Counsel suggested that consideration be given to having the Committee become a standing Board Committee.

Tony R. Russell, Director, Corporate Services/Authority Clerk, informed the Board that Standing Board Committees are established in Authority Policy 1.50. He stated that this action will require that the policy be amended accordingly. He suggested that the policy be presented for approval at the February Board meeting.

ACTION: Moved by Board Member Panknin and seconded by Board Member Boland to make the RASP/AMAP Ad Hoc Committee a standing committee. Motion carried by the following vote: YES – Boland, Desmond, Finnila, Gleason, Panknin, Smisek, Watkins; NO – None; ABSENT – Davies, Young. (Weighted Vote Points: YES – 79; NO – 0; ABSENT - 21)

- **PORT DISTRICT AD HOC COMMITTEE:** None

LIAISONS

- **MILITARY AFFAIRS LIAISONS:**
Board Member Boland reported that the Authority's President/CEO and General Counsel met with the Marine Corps to discuss mutual access of Gate 5. He stated that discussions will continue.
- **CALTRANS:** None

BOARD REPRESENTATIVES

- **SANDAG TRANSPORTATION COMMITTEE REPRESENTATIVE:**
Board Member Smisek reported that at the last meeting, there was a discussion of discontinuing some MTS Sunday services due to continued budget shortfalls. He stated that Senate Bill 375 will require, among other things, a Sustainability Community Strategy.
- **SCAG AVIATION TASK FORCE:** None
- **WORLD TRADE CENTER:**
Board Member Watkins reported that the annual meeting was well attended, and that a presentation was provided highlighting "free trade" and the benefits of supporting the American capitalistic model.

PUBLIC COMMENT: None

GENERAL COUNSEL REPORT:

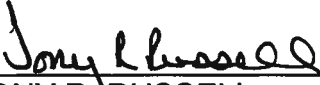
PRESIDENT/CEO REPORT:

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: The meeting was adjourned at 2:09 P.M.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 4TH DAY OF FEBRUARY, 2010.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL