

**REVISED 5/6/10**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD**  
**MINUTES**  
**THURSDAY, APRIL 1, 2010**  
**BOARD ROOM**

**CALL TO ORDER:** Chairperson Gleason called the meeting of the San Diego County Regional Airport Authority Board to order at 9:00 a.m. on Thursday, April 1, 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 Richie led the pledge of allegiance.

**ROLL CALL:**

**PRESENT:** Board Members: Berman (Ex-Officio), Boland, Cox, Desmond, Finnila, Gleason, Panknin, Col. Richie (Ex-Officio), Smisek, 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; Sara Real, Assistant Authority Clerk I

**BOARD BUSINESS:**

**PRESENTATIONS:**

- A. AIRPORT'S INTERNET-BASED AIRCRAFT FLIGHT-TRACKING SYSTEM:**  
Dan Frazee, Director, Noise Mitigation, and Fred Roe, Regional Sales Director, PASSUR, provided a presentation on the Airport's Internet-Based Aircraft Flight Tracking System, which included PASSUR Aerospace, What PASSUR does for San Diego, PASSUR Flightperform, Operations and Community Relations, PASSUR Portal Web Dashboard, PASSUR Radar: The Database Foundation, and SAN PASSUR AirportMonitor.

Board Member Panknin suggested that the public be notified of Visual Flight Rules (VFR) flights.

In response to Board Member Finnila regarding listing the minimum altitudes, Mr. Frazee stated that there are none, and this could be explained to the public.

**B. AIRPORT'S QUIETER HOME PROGRAM UPDATE:**

Sjohnna Knack, Manager, Quieter Home Program, provided a presentation on the Airport Residential Sound Insulation Program Update, which included Quieter Home Program (QHP) History, Historic Evaluations, Program Boundary, East Side Program Expansion, West Side Program Expansion, Project Statistics, and Program Highlights.

Thella F. Bowens, President/CEO, noted that the time to complete the program is based on the availability of grant funds from the Federal Aviation Administration.

**C. PRESENTATION ON THE STRATEGY FOR MOVING FORWARD WITH STRATEGIC PLANNING AND EMPLOYEE COMMITMENT TO THE STRATEGIC PLAN:**

Jeffrey Woodson, Vice President, Administration, provided a presentation on the Strategic Planning Process, which included Why Have a Strategic Plan?, How Will We Accomplish a Strategic Plan?, and Timeline.

Chairperson Gleason stated that this is the beginning of a long process and further actions will be brought back to the Board.

**D. PRESENTATION REGARDING THE SAN DIEGO BUSINESS JOURNALS HEALTHY EMPLOYER AWARD:**

Jeff Lindeman, Director, Human Resources, announced that the Authority was recognized for the San Diego Business Journals Healthy Employer Award.

**E. 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, Operating Revenues, Authority Net Income, Operating Revenues for the Eight Months Ended February 28, 2010; Financial Summary for the Eight Months Ended February 28, 2010; Nonoperating Revenues, Balance Sheets, Liabilities and Net Assets, Total Portfolio Summary, and Summary of Outstanding Commercial Paper as of February 28, 2010.

Board Member Panknin requested that a five-year average be provided so that comparisons are made over a longer period of time.

**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 Desmond reported that pension funding levels were discussed at the last Committee Meeting.

- **FINANCE COMMITTEE:** None

- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**

Board Member Boland reported that tours of the Green Build construction are being offered.

- **RASP COMMITTEE:**

Board Member Finnila reported that staff has participated in a number of different presentations on the progress of the RASP, including the March 18 Advisory Committee Meeting, March 19 SANDAG Meeting, and March 26 meeting of the South County Economic Development Corporation.

Chairperson Gleason stated that the City of San Diego sent correspondence regarding Brown Field.

#### ***AD HOC COMMITTEE***

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

#### ***LIAISONS***

- **MILITARY AFFAIRS LIAISONS:**

Board Member Boland reported that he had a meeting at MCRD regarding items of mutual interest.

- **CALTRANS:** None

#### ***BOARD REPRESENTATIVES***

- **SANDAG TRANSPORTATION COMMITTEE REPRESENTATIVE:**

Board Member Smisek reported that he attended two SANDAG meetings where a RASP Update was received, as well as an update on the AMAP.

- **SCAG AVIATION TASK FORCE:** None

- **WORLD TRADE CENTER:**

Board Member Panknin reported that an international relations office has been opened.

**PRESIDENT/CEO REPORT:**

Thella F. Bowens, President/CEO, reported that the San Diego and Imperial Counties Labor Council held their annual labor march through the terminals on Cesar Chavez Day. She also reported that the Green Build is moving ahead, with the recent demolition of the baggage building and the relocation of the USO. She further reported that Aeromexico will be terminating its flight to Cabo San Lucas in May.

*The Board recessed at 10:40 a.m. and reconvened at 10:51 a.m.*

**NON-AGENDA PUBLIC COMMENT (18 MINUTES):**

TOM DELAHANTY, SAN DIEGO, stated that the airport cannot accommodate the long term needs of the flying public.

SUHAIL KHALIL, POINT LOMA, urged the Board to ensure accountability and transparency, and he expressed concern that the Flight Tracker System was not certified by the FAA.

**CONSENT AGENDA:**

Board Member Young requested that Item 3 be removed from the Consent Agenda for discussion.

Board Member Finnila requested that Item 6 be removed from the Consent Agenda for discussion.

Chairperson Gleason requested that Item 9 be removed from the Consent Agenda for discussion.

Breton Lobner, General Counsel, stated that the draft minutes of the March 4, 2010 Board Meeting should be amended to reflect more detail for the Report on Closed Session. He stated that regarding Item 18, Board Member Davies recused himself, and the motion was made by Board Member Cox and seconded by Board Member Smisek with a vote of 7-0, Board Member Young was absent. Regarding Item 22, it was moved by Board Member Boland and seconded by Board Member Davies with a vote of 8-0, Board Member Young was absent.

Regarding Item 5, Disposition of Surplus Property, Board Member Cox suggested donating the surplus computer equipment to local schools.

**ACTION: Moved by Board Member Desmond and seconded by Board Member Finnila to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Boland, Cox, Desmond, Finnila, Gleason, Panknin, Smisek, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 0)**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the March 4, 2010 regular 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. APPOINTMENT OF REPRESENTATIVES AND ALTERNATES TO THE SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) TRANSPORTATION COMMITTEE AND LIAISONS:**

**ACTION: This item was pulled from the Consent Agenda for discussion.**

**4. APRIL 2010 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2010-0035, approving the April 2010 Legislative Report.

**5. DISPOSITION OF SURPLUS PROPERTY:**

RECOMMENDATION: Adopt Resolution No. 2010-0036, authorizing the disposition of electronic surplus property (materials and or equipment) through recycling, other miscellaneous surplus property to the highest bidders and to dispose of unwanted items as scrap.

**6. ADOPT AUTHORITY POLICY 2.02 REGARDING THE DISTRIBUTION OF TICKETS AND PASSES:**

**ACTION: This item was pulled from the Consent Agenda for discussion.**

**7. AMEND POLICY 1.41 TO GRANT BLANKET AUTHORIZATION TO GENERAL COUNSEL TO SETTLE LEGAL ACTIONS BROUGHT BY THE AUTHORITY TO RECOVER COSTS AND DAMAGES OF TEN THOUSAND DOLLARS OR LESS:**

RECOMMENDATION: Adopt Resolution No. 2010-0038, amending Policy 1.41 to grant blanket authorization to the General Counsel to negotiate and settle legal actions brought by the Authority, in addition to claims and legal actions brought against the Authority, when the amount in controversy is ten thousand dollars or less.

8. **ACCEPT THE REVISED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S VISION STATEMENT:**  
RECOMMENDATION: Accept the revised vision statement: "Working to Master the Art of Airports".

**CLAIMS**

**COMMITTEE RECOMMENDATIONS**

**CONTRACTS AND AGREEMENTS**

9. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM FEBRUARY 8, 2010 THROUGH MARCH 7, 2010 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 8, 2010 THROUGH MARCH 7, 2010:**  
ACTION: This item was pulled from the Consent Agenda for discussion.
10. **AUTHORIZE THE PRESIDENT/CEO TO AWARD A CONTRACT TO HPS MECHANICAL, INC. TO REPLACE TERMINAL 2 EAST WATERLINE – FIRE SUPPRESSION AT SAN DIEGO INTERNATIONAL AIRPORT:**  
RECOMMENDATION: Adopt Resolution No. 2010-0040, authorizing the President/CEO to award a contract to HPS Mechanical, Inc. in the amount of \$730,020, for Project No. 104056-1, Replace Terminal 2 East Waterline – Fire Suppression at Terminal 2 East, San Diego International Airport ("SDIA").
11. **APPROVE THE FIRST AMENDMENT TO THE LEGAL SERVICES AGREEMENT BETWEEN THE AUTHORITY AND GODWIN PAPPAS RONQUILLO LLP:**  
RECOMMENDATION: Adopt Resolution No. 2010-0041, authorizing the first amendment to the agreement with Godwin Pappas Ronquillo, LLP, to extend the term for one year.

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

**PUBLIC HEARINGS:**

**OLD BUSINESS:**

**ITEMS PULLED FROM THE CONSENT AGENDA FOR DISCUSSION:**

3. **APPOINTMENT OF REPRESENTATIVES AND ALTERNATES TO THE SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG) TRANSPORTATION COMMITTEE AND LIAISONS:**  
Board Member Young stated that because he already represents the City of San Diego for SANDAG, someone else should be appointed.

Board Member Panknin volunteered to be the alternate on the SANDAG Transportation Committee.

**RECOMMENDATION:** Adopt Resolution No. 2010-0034, making appointments to representatives and alternates to the SANDAG Transportation Committee and Liaisons.

**ACTION:** Moved by Board Member Young and seconded by Board Member Smisek to approve the appointment of Board Member Panknin as an alternate on the SANDAG Transportation Committee and the Liaison appointment. Motion carried by the following vote: YES – Boland, Cox, Desmond, Finnila, Gleason, Panknin, Smisek, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 0)

**6. ADOPT AUTHORITY POLICY 2.02 REGARDING THE DISTRIBUTION OF TICKETS AND PASSES:**

Breton Lobner, General Counsel, provided an overview of Policy 2.02. He stated that when an official or employee receives a ticket to an event for entertainment, amusement or recreation from the agency, it must be reported. He stated that the purpose of the policy is to set the guidelines for the distribution of tickets and passes.

Board Member Finnila expressed concern regarding the types of passes and tickets being distributed or received.

Thella F. Bowens, President/CEO, clarified that the tickets are mainly for the Miramar Air Show and Holiday Bowl, and the tickets are distributed to business partners and elected officials.

Board Member Finnila stated that the policy needs to be more specific about what tickets are being distributed.

**RECOMMENDATION:** Adopt Resolution No. 2010-0037, approving the adoption of Authority Policy 2.02 – Distribution of Tickets and Passes by the Authority.

**ACTION:** Moved by Board Member Smisek and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES – Boland, Cox, Desmond, Finnila, Gleason, Panknin, Smisek, Young; NO – None; ABSENT – None. (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 0)

**9. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM FEBRUARY 8, 2010 THROUGH MARCH 7, 2010 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 8, 2010 THROUGH MARCH 7, 2010:**

Chairperson Gleason noted that because he sits on the Advisory Board for US Bank, he would recuse himself from this item.

*Chairperson Gleason left the dais.*

RECOMMENDATION: Receive the report.

**ACTION: Moved by Board Member Young and seconded by Board Member Boland to approve staff's recommendation. Motion carried by the following vote: YES – Boland, Cox, Desmond, Finnila, Panknin, Smisek, Young; NO – None; ABSENT – Gleason. (Weighted Vote Points: YES – 78; NO – 0; ABSENT – 14)**

*Chairperson Gleason returned to the dais.*

**NEW BUSINESS:**

**12. BOARD POLICY DISCUSSION REGARDING POLICIES RELATING TO CONTRACTOR WORKER RETENTION AND WAGES/BENEFITS:**

Jeffrey Woodson, Vice President, Administration, and Jana Vargas, Director, Procurement, provided a presentation on Contracting Policies: Worker Retention & Wages/Benefits, which included Upcoming Opportunities, Social Responsibility, Survey, Worker Retention Examples, Living Wage Examples, Services Most Often Covered by Living Wage Ordinances (LWO's), Health Benefits, Legal Implications, and Additional Considerations.

Board Member Boland stated that changing from a master concession agreement to individual concession agreements needs to be discussed in more detail. He stated that it is important to be fair to the employees. He also spoke in opposition to Worker Retention Ordinances (WRO's).

Board Member Finnila stated that the Authority should not pursue a LWO.

Board Member Young stated that he would like to have a discussion regarding whether or not the Authority is meeting its obligation regarding salaries. He suggested that a workshop be held on this issue to include the Board's position regarding the level of benefits.

Chairperson Gleason stated that this is a business continuity issue, and suggested that points be awarded for continuity of benefits, and different benefit levels.



Chairperson Gleason stated that staff needs to review the immediate issues, and present options to the Board within the next couple of months.

Thella. F. Bowens, President/CEO, stated that this item can be heard at the May Board Meeting because the RFP for parking services is being delayed.

Board Member Panknin stated that the options presented shouldn't make it hard for local small businesses to compete.

RECOMMENDATION: To seek direction from the Board on policies relating to contractor worker retention and wages/benefits.

- 13. DISCUSSION REGARDING 2011 CAPITAL AND OPERATING BUDGETS:**  
Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on FY2011 Operating Budget, which included Organizational Goals, Guiding Principles, FY2011 Revenue Impacts Approved Ground Transportation Fees, FY2011 Revenue Impacts Approved Parking Fees, FY2011 Major Cost Increases, Major Potential FY 2011 Budget Reductions, and Status and Timeline.

Board Member Panknin stated that he cannot support the budget with the approved off-airport parking fees.

Chairperson Gleason requested that an analysis be provided combining the shuttle operations. He requested Board Members to come prepared at the next budget meeting with items of concern regarding the budget.

*Board Member Young left the dais at 12:10 p.m.*

Iraj Ghaemi, Director, Facilities Development, provided a presentation on Fiscal Year 2011-2015 Proposed Capital Improvement Projects, which included SDCRAA Current CIP Projects, Capital Improvement Program Budget, FY 2010 CIP Program Recap, Small Business Summary for 2009, Summary of Funding Sources, and Proposed New Projects FY2011-2015 CIP Program.

In response to Board Member Desmond regarding proposed utilities on the north side and their use, Thella F. Bowens, President/CEO, stated that the utilities being proposed are for use by the airport, and will support opening day of the Destination Lindbergh plan, which includes the Consolidated Rental Car Facility. She also stated that there is coordination with the Inter-Modal Transit Center.

Board Member Finnila stated that projects should be prioritized with justification.

KAMRAN HAMIDI, SAN DIEGO, urged the Board to not support taxicab trip fees.

RECOMMENDATION: Provide direction to staff.

**CLOSED SESSION:** The Board recessed into closed session at 12:36 P.M.

- 14. 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).
- 15. 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 13<sup>th</sup> Street in Imperial Beach  
Agency Negotiators: Vernon D. Evans, Vice President, Finance/Treasurer under Negotiation: Sale – Terms of Payment and Conditions
- 16. 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
- 17. 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
- 18. 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
- 19. 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 at 1:20 p.m. Breton Lobner, General Counsel, stated that there was no reportable action.

**NON-AGENDA PUBLIC COMMENT:** None

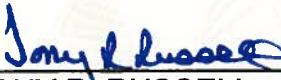
**GENERAL COUNSEL REPORT:**

**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:** The meeting was adjourned at 1:21 P.M.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 6<sup>th</sup> DAY OF MAY, 2010.

  
\_\_\_\_\_  
TONY R. RUSSELL  
DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK

APPROVED AS TO FORM:

  
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BRETON K. LOBNER  
GENERAL COUNSEL