

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, OCTOBER 5, 2017
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:06 a.m. on Thursday, October 5, 2017, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Boling (Chairman), Cox, Desmond, Janney, Kersey, Robinson, Schumacher, Sessom, Woodworth (Ex-Officio)

ABSENT: Board Members: Berman (Ex-Officio), Gleason, Ortega (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Stephanie Heying, Assistant Authority Clerk II

CLOSED SESSION: The Board recessed into Closed Session at 9:07 a.m. to discuss Items 3, 4, 7, 11, and 12.

1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
2. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
3. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
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
4. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL

5. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
6. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Navy Boat Channel Environmental Remediation
Number of potential cases: 1
7. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 2
8. **CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
In re Seaport Airlines, Inc., U.S. Bankruptcy Court Case No. 16-30406-rld7
Number of potential cases: 1
9. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 1
10. **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
The Receipt of a Government Claim from David Freund and Request for Defense and Indemnity from the San Diego Unified Port District regarding the Claim
11. **CONFERENCE WITH LABOR NEGOTIATOR:**
Labor negotiations pursuant to Cal. Gov. Code §54957.6
Authority Designated Negotiators: Kimberly Becker, President & CEO and Kurt Gering, Director Talent, Culture & Capability
Employee Organization: Teamsters 911
12. **PUBLIC EMPLOYEE APPOINTMENT:**
Cal. Gov. Code §54957

Title: Chief Auditor

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 10:32 a.m. Chairman Boling reported that the Board unanimously agreed to ratify three tentative agreements reached between the Authority's negotiators and the Teamster's Local 911, noting Board Member Gleason as ABSENT. She reported that the terms and conditions contained in the tentative agreements are within the authority granted to the labor negotiators by the Board; that the tentative agreements are fair and reasonable; that the term of each new labor agreement is three years, and will begin on October 1, 2017. She reported that the Board authorizes the President/CEO to execute agreements with Local 911 consistent with the aforementioned terms.

NON-AGENDA PUBLIC COMMENT:

ALYSSA THROWSKI, SAN DIEGO, GENERAL MANAGER WESTIN HOTEL SAN DIEGO, spoke regarding incidents between some of their customers and taxicab drivers.

KAMRAN HAMIDI, SAN DIEGO, provided a hand-out to the Board and a presentation on the Authorized Airport Taxi Stickers and spoke regarding taxi fees.

NAZAR MARAHI, EL CAJON, spoke regarding allowing all taxicabs to access the airport.

CONSENT AGENDA (Items 13 – 27):

Chairman Boling reported that Item 25 has been pulled from the Agenda.

ADRIAN KWIATKOWSKI, SAN DIEGO spoke in support of staff's recommendation for Item 18.

KAMRAN HAMIDI, SAN DIEGO, spoke regarding the taxicab trip fee and the rejection of the claim for Items 18 and 19.

ACTION: Moved by Board Member Desmond and seconded by Board Member Janney to approve the Consent Agenda, as amended. Motion carried by the following votes: YES – Boling, Cox, Desmond, Janney, Kersey, Robinson, Schumacher, Sessom; NO – None; ABSENT – Gleason; (Weighted Vote Points: YES – 87; NO – 0; ABSENT – 13).

13. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the September 7, 2017, regular meeting.

14. 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.

15. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM AUGUST 14, 2017, THROUGH SEPTEMBER 10, 2017, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM AUGUST 14, 2017, THROUGH SEPTEMBER 10, 2017:**
RECOMMENDATION: Receive the report.
16. **OCTOBER 2017 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2017-0085, approving the October 2017 Legislative Report.
17. **AUTHORIZE THE PRESIDENT/CEO (OR DESIGNEE) TO SIGN THE AIRPORTS SUSTAINABILITY DECLARATION AT THE 2017 AIRPORTS GOING GREEN CONFERENCE:**
RECOMMENDATION: Adopt Resolution No. 2017-0086 authorizing the President/CEO (or Designee) to sign the Airports Sustainability Declaration at the 2017 Airports Going Green Conference.
18. **RATIFY TAXICAB TRIP FEE FOR FY 2018**
RECOMMENDATION: Adopt Resolution No. 2017-0096 ratifying the taxicab trip fee for FY 2018 at \$2.90 for alternative fuel taxicabs.

CLAIMS

19. **REJECT CLAIM OF K.S.A.N. L.L.C.:**
RECOMMENDATION: Adopt resolution No. 2017-0095 rejecting the claim of K.S.A.N. L.L.C.

COMMITTEE RECOMMENDATIONS

20. **FISCAL YEAR 2017 ANNUAL REPORT FROM THE AUDIT COMMITTEE:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
21. **FISCAL YEAR 2017 ANNUAL AUDIT ACTIVITIES REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

CONTRACTS AND AGREEMENTS

22. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LETTER OF AGREEMENT WITH GOOGLE, INC.:

RECOMMENDATION: Adopt Resolution No. 2017-0087, approving and authorizing the President/CEO to execute a Letter of Agreement with Google, Inc., permitting use of the Airport's public map information.

23. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC. FOR QUIETER HOME PROGRAM PHASE 9, GROUP 1, PROJECT NO. 380901 (THIRTY FIVE (35) HISTORIC MULTI-FAMILY UNITS ON SEVEN (7) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT):

RECOMMENDATION: Adopt Resolution No. 2017-0088, awarding a contract to G&G Specialty Contractors, Inc., in the amount of \$852,318, for Phase 9, Group 1, Project No. 380901, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.

24. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH BARICH, INC:

RECOMMENDATION: Adopt Resolution No. 2017-0089, approving and authorizing the President/CEO to execute a first amendment to the agreement with Barich, Inc., increasing the compensation amount by \$118,000 for a total not-to-exceed amount of \$368,000.

25. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH WILLIS INSURANCE SERVICES OF CALIFORNIA, INC:

This item was pulled from the agenda.

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

26. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL STORM WATER PROGRAM MANAGEMENT SERVICE AGREEMENT WITH AMEC FOSTER WHEELER ENVIRONMENT & INFRASTRUTURE, INCORPORATED:

RECOMMENDATION: Adopt Resolution No. 2017-0091, approving and authorizing the President/CEO to execute an On-Call Storm Water Program Management Service Agreement with Amec Foster Wheeler Environment & Infrastructure, Incorporated, for a term of three years, with the option for two one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$8,500,000.

27. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AGREEMENTS FOR TEMPORARY STAFFING SERVICES:

RECOMMENDATION: Adopt Resolution No. 2017-0092, approving and authorizing the President/CEO to negotiate and execute an Agreement with CPM LTD dba Manpower Temporary Services for temporary staffing services for a term of three years with two one-year options to renew for a maximum amount payable of \$3,000,000; and

Adopt Resolution No. 2017-0093, approving and authorizing the President/CEO to negotiate and execute an Agreement with ACT 1 Government Solutions, Inc. for temporary staffing services for a term of three years with two one-year options to renew for a maximum amount payable of \$3,000,000.

The Board recessed at 10:34 a.m. and reconvened at 11:24 a.m.

PRESENTATIONS:

A. OVERVIEW OF SAN SUSTAINABILITY MANAGEMENT PROGRAM

Brendan Reed, Director of Planning & Environmental Affairs, and Chad Reese, Senior Environmental Specialist, Environmental Affairs, provided a presentation on the Sustainability Management Program, which included Sustainability Alignment with Mission and Strategies; the Sustainability Journey; SAN's Definition of Sustainability; Sustainability Commitments; Recent Accomplishments; and Looking into the Future.

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

STANDING BOARD COMMITTEES

- **INTER-GOVERNMENTAL AFFAIRS:** Board Member Cox reported that several Airport Authority representatives, including himself, Board Members Robinson and Kersey, and Kim Becker, President/CEO, participated in the San Diego Regional Chamber of Commerce annual Mission to Washington, D.C. He reported that they met with representative of the Administration and Congress, including the Acting Commissioner of Customs and Boarder Protections, Kevin McAleenan and his staff, Elliott Black, Director of FAA Office of Airport Planning and Programming, U.S. Senator Kamala Harris, Congressman Duncan Hunter, and representatives from other Congressional offices and key Committee staff. He reported that they provided updates on airport projects, advocated for an increase in Passenger Facility Charge limit, and asked for help to restore non-stop service to Reagan National Airport. He reported that on September 29, the President signed into law a bill to extend current authorizations for FAA programs, and related taxes and fees, for a 6-month period. He reported that Assemblyman Randy Voepel will be provided an airport update and tour.

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** Chairman Boling reported that the Committee received detail reports on the Authority's finances at its meeting on September 25, 2017.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Robinson reported that the Committee received updates and provided input on the Federal Inspection Station (FIS), the Terminal 2 Parking Plaza, the Airport Development Plan, the Harbor Drive Mobility Committee, the Cargo Facility, and the status of the La Jolla Noise Monitoring Study at its meeting on September 28, 2017.
- **ART ADVISORY COMMITTEE:** Diana Lucero, Director, Vision, Voice and Engagement, reported that the call for submissions of the 2018 Performing Arts Residency program opened on September 4, 2017, and two five-month long residences are available to performing artists of all disciplines, including music, theater, and dance. She reported that approximately fifteen interested artists and artist organizations attended an information session on September 28. She reported that the dedication event for *DAZZLE* was held on September 13 at the Rental Car Center and was attended by more than 50 guests. She reported that the Art Program staff recently launched the DesignAHEAD program where high school and college students are encouraged to design projects, and that since September 28 nearly 75 students in the three participating classes have visited the airport for a public art tour and participated in a design charrette related to their specific project. She reported that the projects of the students will be displayed in Terminal 1 and Terminal 2 East beginning in December 2017. She reported that the projects created by the High Tech High Chula Vista design students will be installed in Terminal 2 in spring 2018.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:** None.
- **CALTRANS:** None.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:** None.

CHAIR'S REPORT: Chairman Boling reported that Honor Flight San Diego departed on September 29 to Washington, D.C. and returned October 1. She reported that 80 veterans participated in the three-day "Tour of Honor," which included visits to the National WWII, Korean, and Vietnam War memorials, the Marine Corp (Iwo Jima) and U.S Air Force memorials, and the U.S. Navy Yard museum. She reported that more than 400 people attended the 'homecoming' in Terminal 2 baggage area. She reported that the last concrete deck pour for the Parking Plaza was completed on September 29, and the steel on the Federal Inspection Station (FIS) went up early and both projects are on track.

PRESIDENT/CEO'S REPORT: Kimberly Becker, President/CEO, reported that traffic activity continues to grow; August year-to-date total passengers increased by 6 percent compared to 2016 and that domestic load factors are running at about 86 percent year ending June 2017. She reported that on October 6 Frontier Airlines will begin services to San Antonio, Texas; Alaska Airlines will begin service to Albuquerque, New Mexico on October 18; Edelweiss will resume San Diego to Zurich flights on March 30, 2018, operating on Mondays and Fridays through the fall of 2018; and Japan Airlines plans to reconfigure its 787 aircraft next spring, increasing seat volume from 186 to 206 by reducing business class seats. She also reported that the runway project begins on October 31, 2017, and will last about 338 days, and that there will be hard closures every night at midnight, which has been coordinated with the airlines.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

28. **AWARD AN AGREEMENT TO BRADFORD AIRPORT LOGISTICS (BAL), LTD. TO PROVIDE CENTRALIZED RECEIVING AND DISTRIBUTION CENTER (CRDC) OPERATIONAL SERVICES AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE AGREEMENT:**

Jim Decock, Manager, Terminal Concession, Terminals & Tenants provided an overview of the staff report and recommendation.

RECOMMENDATION: Adopt Resolution No. 2017-0094, authorizing the President/CEO to execute an agreement with Bradford Airport Logistics, Ltd for Central Receiving and Distribution Center operational services in an amount not to exceed \$12,900,000 over a five (5) year term with an option for 2 one-year extensions.

ACTION: Moved by Board Member Desmond and seconded by Board Member Cox to approve Staff's recommendation. Motion carried by the following votes: YES – Boling, Cox, Desmond, Janney, Kersey, Robinson, Schumacher, Sessom; NO – None; ABSENT – Gleason; (Weighted Vote Points: YES – 87; NO – 0; ABSENT – 13).


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:

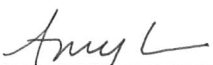
ADJOURNMENT: The meeting was adjourned at 11:57 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 2nd DAY OF NOVEMBER, 2017.



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

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL