

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MARCH 1, 2018
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 9:01 a.m. on Thursday, March 1, 2018, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Ex-Officio Board Member Woodworth led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Binns (Ex Officio), Boling (Chairman), Cox, Desmond, Kersey, Robinson, Schiavoni, Sessom, Woodworth (Ex Officio)

ABSENT: Board Members: Schumacher, West

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

CHAIR'S REPORT: Chairman Boling recognized Jerry Lewis as the 2017 Airport Ambassador Volunteer of the Year.

PRESENTATIONS:

**A. PARAMETERS FOR THE FISCAL YEAR 2019 AND FISCAL YEAR 2020
OPERATING BUDGETS:**

Maya Dayan, Manager, Airport Finance provided a presentation on the Parameters for the FY 2019 and FY 2020 Operating Budgets which included the Strategic Goals, FY 2019 – FY 2020 Challenges, Budget Considerations, Stress Test, Rating Agencies Airports Outlook, Authority Financial Snapshot, Current Debt Profile, Future Anticipated Debt, General Airport Revenue Bond (GARB) and Variable Debt Service, Special Facilities Debt Service for RCC, Enplanements Forecast, Revenue Assumptions, Expense Assumptions, FY2019 – FY 2020 Budget Guidelines, and Budget – Timeline of Key Dates.

Board Member Desmond arrived at the meeting at 9:15 a.m.

B. U.S. CUSTOMS AND BORDER PROTECTION'S (CBP) REIMBURSABLE SERVICES PROGRAM:

Hampton Brown, Senior Director, Air Service Development provided a presentation on U.S. Customs and Border Protection Reimbursable Services Program which included the CBP Challenge, and Reimbursable Services Program.

In response to Board Member Desmond regarding cost, Mr. Brown stated that the agreement would not add additional staff but rather allow for overtime when needed. He stated that it would ideally be used for flights scheduled to arrive near closing.

Kim Becker, President/CEO, stated that the contract is developed and that if the Authority wants to add more international service, this will be needed. She stated that the costs would be rolled into lease and use agreements.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** Board Member Robinson reported that interviews were being held for a replacement Chief Auditor.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None
- **FINANCE COMMITTEE:** Chairman Boling reported that the Seven Months Ended January 31, 2017 Financial Statements and Investment Reports were reviewed at the last meeting and no items were forwarded to the Board.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None
- **ART ADVISORY COMMITTEE:** Diana Lucero, Director, Vision, Voice & Engagement, reported that the Spring 2018 performing arts residency group's, Astraeus Aerial Dance Theatre, first performance will be March 5 in Terminal 2 Baggage Claim. She also reported that the weekly concert series continues with founding guitarist of the Afrojazziacs, Louis Valenzuela, performing on Friday, March 9 as well as a special Irish themed performance featuring Highland Way musicians Brian Caldwell and Michael Prine on March 15 from 11:30 a.m. - 1:30pm. She reported that the installation of San Diego artist Eva Struble's mural is complete and will be on view on Admiral Boland Way through January 2019; and that on February 2, Arts Program staff provided a tour to visiting construction and art program staff from the Abu Dhabi Airports Group. She reported that SAN was among a handful of US sites the Abu Dhabi team sought out in an effort to learn from our successful integration of public art and arts programming into the airport environment.

LIAISONS

- **CALTRANS:** Board Member Binns reported that Cal-Trans local Director, Laurie Berman, was appointed to be the statewide Director and will be sworn in on Saturday; he also acknowledged receipt of a grant application from the Authority under the Sustainable Communities Program for Transit Study; and reported that a portion of Morena Boulevard near the Interstate 8 and 5 interchange will be closed on March 11 with minimal impact expected for the Airport.
- **INTER-GOVERNMENTAL AFFAIRS:** Board Member Cox reported that on February 8, the President signed into law another temporary measure to continue funding for federal programs through March 23, the new deadline for Congress to complete an Omnibus Appropriations bill. He also reported that on February 12, the Trump Administration unveiled its \$1.5 trillion infrastructure plan, which calls for \$200 billion in federal funds to stimulate private and local investment in the nation's infrastructure. He reported that the proposed plan would eliminate the Alternative Minimum Tax preference on Private Activity Bonds but would not alter the Passenger Facility Charge cap; and that on February 21, Governor Brown appointed Brian Annis as Secretary of the California State Transportation Agency. He also reported that Authority staff provided San Diego Councilmember Georgette Gómez and Coronado Councilman Bill Sandke an update on San Diego International Airport issues; and that Authority staff is scheduled to meet with State Senate President Pro Tem, Toni Atkins, in Sacramento on March 14 to provide the Senator an update on airport issues.
- **MILITARY AFFAIRS:** None
- **PORT:** None
- **WORLD TRADE CENTER:** None

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:** Chairman Boling reported that the Committee was re-evaluating how proposed projects will be evaluated and vetted.

CHAIR'S REPORT (continued): Chairman Boling recognized Board Member Sessom for her years of service on the Authority Board and presented her with a gift on behalf of the Authority. She also welcomed Board Member Schiavoni; and reminded Board Members of the Form 700 filing deadline.

PRESIDENT/CEO'S REPORT: Kimberly Becker, President/CEO, reported that this month she attended ACI-NA's 2018 CEO Forum and Winter Board of Directors meeting which focused on the global state of the industry; and that on February 12, the American Association of Airport Executives hosted a meeting between airport executives and Customs and Border Protection in Washington, DC on biometrics and staffing issues. She also provided an update on the Runway Rehabilitation project, acknowledging the efficient work by the contractor and Authority staff.

NON-AGENDA PUBLIC COMMENT:

SANDY VALONE, SAN DIEGO, spoke in regard to the Noise Exposure Maps that shows flights over the Jetty Way Point

Board Member Desmond recommended that Authority Staff contact TRACON to request their participation at ANAC meetings, to explain why early turns happen.

CONSENT AGENDA (Items 1-14):

ACTION: Moved by Board Member Robinson and seconded by Board Member Desmond to approve the Consent Agenda. Motion carried by the following votes: YES – Boling, Cox, Desmond, Kersey, Robinson, Schiavoni, Sessom; NO – None; ABSENT – Schumacher, West; (Weighted Vote Points: YES – 76; NO – 0; ABSENT – 24).

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the February 1, 2018, 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 JANUARY 8, 2018 THROUGH FEBRUARY 4, 2018 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 8, 2018 THROUGH FEBRUARY 4, 2018:**
RECOMMENDATION: Receive the report.
4. **MARCH 2018 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2018-0016, approving the March 2018 Legislative Report.

CLAIMS

5. **REJECT THE CLAIM OF SENAIT DESTA:**
RECOMMENDATION: Adopt Resolution No. 2018-0017, rejecting the claim of Senait Desta.

6. **REJECT THE CLAIM OF ROBERT BOBBETT:**
RECOMMENDATION: Adopt Resolution No. 2018-0018, rejecting the claim of Robert Bobbett.
7. **REJECT THE CLAIM OF DONNA KASHANI:**
RECOMMENDATION: Adopt Resolution No. 2018-0019, rejecting the claim of Donna Kashani.

COMMITTEE RECOMMENDATIONS

8. **FISCAL YEAR 2018 SECOND QUARTER ACTIVITIES REPORT AND AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

CONTRACTS AND AGREEMENTS

9. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH MEYERS NAVE RIBACK SILVER & WILSON:**
RECOMMENDATION: Adopt Resolution No. 2018-0020, approving and authorizing the President/CEO to execute a Second Amendment to the Agreement with Meyers Nave Riback Silver & Wilson for Professional Legal Services extending the term for one year.

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

10. **APPROVE THE FIRST AMENDMENT TO THE AGREEMENT WITH AECOM TECHNICAL SERVICES, INC., AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE AMENDMENT:**
RECOMMENDATION: Adopt Resolution No. 2018-0021, approving the first amendment to the agreement with AECOM Technical Services, Inc., and authorizing the President/CEO to exercise the first one-year option and increase the compensation amount by \$8,000,000 for a new not-to-exceed amount of \$68,000,000.

11. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 9, GROUP 4, PROJECT NO. 380904 THIRTY-FOUR (34) NON-HISTORIC MULTI-FAMILY AND SINGLE-FAMILY UNITS ON NINETEEN (19) RESIDENTIAL PROPERTIES LOCATED WEST OF THE AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2018-0022, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,023,000 for Phase 9, Group 4, Project No. 380904, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.

12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH SERCO INC. TO PROVIDE RAMP CONTROL FACILITY SERVICES AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2018-0023, approving and authorizing the President/CEO to execute an agreement with Serco, Inc. to provide Ramp Control Facility Services for three (3) years with two (2) one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not to exceed \$3,845,000.

13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE TWO ON-CALL AIRSIDE/LANDSIDE ENGINEERING CONSULTANT SERVICES AGREEMENTS AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2018-0024, approving and authorizing the President/CEO to execute an On-Call Airside/Landside Engineering Consulting Services Agreements, one with Atkins North America, Inc., and one with CH2M Hill, Inc., each for a term of three (3) years, with the option for two (2) one-year extensions, in an amount not-to-exceed \$10,000,000 each, and a maximum total aggregate amount not-to-exceed \$10,000,000 in support of the Capital Improvement and Major Maintenance programs at San Diego International Airport.

14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A 12KV DISTRIBUTION SYSTEM OPERATIONS, MAINTENANCE AND REPAIR SERVICES AGREEMENT:

RECOMMENDATION: Adopt Resolution No. 2018-0025, approving and authorizing the President/CEO to execute an Agreement for 12kV Distribution System Operations, Maintenance, and Repair Services with Chula Vista Electric Company, for a term of three (3) years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$4,060,000.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

15. ADOPTION OF AMENDED AUTHORITY POLICY 9.20 – SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE:

Sjohnna Knack, Program Manager, Airport Noise Mitigation, provided a presentation on the Adoption of Amended Authority Policy 9.20 - Airport Noise Advisory Committee which included Policy 9.20 Membership Amendments, Committee Composition, and ANAC Policy Additional Modifications.

Board Member Sessom requested that staff ensure complaints are actually from the City of La Mesa and not the unincorporated county areas.

RECOMMENDATION: Adopt Resolution No. 2018-0026, approving amendments to Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee.

ACTION: Moved by Board Member Cox and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following votes: YES – Boling, Cox, Desmond, Kersey, Robinson, Schiavoni, Sessom; NO – None; ABSENT – Schumacher, West; (Weighted Vote Points: YES – 76; NO – 0; ABSENT – 24).

The Board recessed at 10:20 a.m. and reconvened at 10:21 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:22 a.m. to discuss Items 16 and 25.

16. 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

17. 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

18. 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

19. 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

- 20. 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
- 21. 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
- 22. 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
- 23. 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
- 24. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL
- 25. PUBLIC EMPLOYEE APPOINTMENT:**
Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 1:12 p.m. Amy Gonzalez, General Counsel reported that in regards to Item 16, the Board authorized General Counsel at the February 1, 2018 Closed Session to enter into a settlement agreement with GGTW, LLC for \$50,000.00 which was approved 6-0-1-1 with Board Members Boling, Cox, Desmond, Kersey, West and Schumacher voting YES, noting Board Member Robinson's ABSTENTION and Board Member Sessom as ABSENT. There was no reportable action on Item 25.

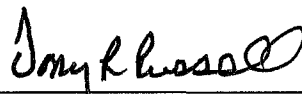
GENERAL COUNSEL REPORT: None

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

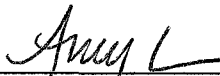
ADJOURNMENT: The meeting adjourned at 1:14 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 5th DAY OF APRIL, 2018.



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

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL