

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD  
MINUTES  
THURSDAY, DECEMBER 5, 2019  
SAN DIEGO INTERNATIONAL AIRPORT  
BOARD ROOM**

**CALL TO ORDER:** Vice Chair Robinson called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:06 a.m. on Thursday, December 5, 2019, 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 Robinson led the Pledge of Allegiance.

**ROLL CALL:**

PRESENT: Board Members: Boling, Dockery (Ex-Officio), Kersey, McNamara, Robinson, Schiavoni, Schumacher, West

ABSENT: Board Members: Cox, Dallarda (Ex-Officio), Lloyd, Miller (Ex-Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Lee Kaminetz, Director, Counsel Services; Tony R. Russell, Director, Board Services/Authority Clerk; Martha Morales, Assistant Authority Clerk I

*Board Member Boling arrived to the meeting at 9:07 a.m.*

**PRESENTATIONS:**

**A. SERIES 2019/2020 BOND SALE BRIEFING:**

Scott Brickner, Vice President/CFO, provided a presentation on Series 2019/2020 Bond Sale Briefing that included Authority Bond Financing Requirements, Favorable Market Conditions, Feasibility Report and Preliminary Official Statements (POS), Rating Agency Presentations & Credit Ratings, Marketing and Investor Outreach, Debt Service Comparison, Authority GARB Deal Summaries and 2019 Bond Financing Team.

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

- **AUDIT COMMITTEE:** Board Member Robinson reported that the Committee met on November 4 where two items related to the Authority's fiscal year 2019 financial report and CAFR were forwarded to the Board in November and five items are on the Board agenda today. He also reported that six applications have been received to fill a Public Member vacancy on the Committee, and that the deadline to submit an application was extended to December 6.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.

- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** Board Member Schiavoni reported that the Committee met on November 25 where the Authority's Unaudited Financial Statements and Investment report ended October 31 were reviewed. She reported that they also received a presentation regarding the Authority's recent bond offering.

### **ADVISORY COMMITTEES**

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Robinson reported that the next scheduled meeting for the Committee is February 19.
- **ART ADVISORY COMMITTEE:** Chris Chalupsky, Senior Manager, Art & Community Partnership, reported that through the month of December the Arts program will have a variety of special Holiday performances throughout both terminals with three holiday themed groups caroling on December 20. He also reported that on December 6 the Airport's Performing Arts Residency artist, Blindspot Collective, will hold their final performance and that the first public Arts Program tour will be held that will be led by Airport Ambassadors.

### **LIAISONS**

- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Matt Harris, Director, Government Affairs, reported that Authority staff continued Airport Development plan outreach by providing updates to Assembly Member Lorena Gonzalez; the Imperial Beach, National City, and Lemon Grove City Councils; Banker's Hill Planning Group; the South County Economic Development Council; the Chula Vista Chamber of Commerce; the North San Diego Business Chamber; the Building Owners and Managers Association; the National Association for Industrial and Office Parks; Leadership Chula Vista; the American Society of Civil Engineers; and the Grande North Home Owners Association. He also reported that Authority staff participated on a panel organized by the California State Assembly Select Committee on Sea Level Rise and the California Economy where they highlighted the need for regional collaboration to protect public safety and prevent against negative economic impacts of sea level rise.
- **MILITARY AFFAIRS:** Board Member Dockery reported that there will be a spike in activity in January as the Miramar base will be hosting an exercise, Winter Fury, as well as officially moving Marine Fighter Attack Squadron 314 from Lemoore to Miramar. He also reported that they are still on track to officially release their Air Installation Compatible Use Zones early 2020.
- **PORT:** Board Member Robinson reported that the Committee's next meeting is December 16.

- **WORLD TRADE CENTER:** Hampton Brown, Director, Marketing & Air Service Development reported that on November 14 the Committee amended their by-laws to clarify where the official records of the organization would be held. He reported that a status update was received on the 2019 work plan and the three work streams (Increase Exports to San Diego County, Increase Foreign Direct Investment to the Region, and Enhance San Diego's Global Identity) as well as a report on the recently concluded Germany Trade Mission. He reported that an update was received on License Holder Deliverables as well as the 2019 Annual Report; and that the 2020 Annual Work Plan was reviewed and adopted.

### ***BOARD REPRESENTATIVES (EXTERNAL)***

- **SANDAG BOARD OF DIRECTORS:** Chairman Boling reported that the Board received an update on the TransNet program. She reported that they adopted the Final Regional Housing Needs Assessment Methodology and Allocation as well as authorized the funding of certain outstanding bonds.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Schiavoni reported that their next meeting is December 6.

**CHAIR'S REPORT:** Chairman Boling encouraged the Board to attend the annual event honoring the volunteer Airport Ambassadors on December 10. She reported that the Marketing Department has been busy coordinating Holiday Customer Appreciation events throughout the terminals; and that "surprise and delight" moments with customers, Ambassadors, Therapy Dogs, and staff in the terminals were captured by our film crew to showcase the heart and personality of SAN.

**PRESIDENT/CEO'S REPORT:** Kimberly Becker, President/CEO, reported that over the Thanksgiving holiday the passenger rate was 73,000 passengers daily which is a 12% increase from last year. She reported that Southwest Airlines will be offering flights to Maui on April 14 and Honolulu on April 20; and that Air Transat, will be starting service to Montreal on June 15. She reported that on November 21 the Authority hosted students currently enrolled in a Transportation Engineering class at SDSU as part of our Take Flight program. She reported that on December 11 the Authority's Innovation Lab will hold a demonstration day to provide the opportunity to see what's happening with the current group of companies. She also reported that on November 21 a workshop was held for the Part 150 Noise Study that allowed the public to learn about the study, provide public comment, meet with members of the study team, learn about the Quieter Home Program, and review projected noise contours. She reported that a Veteran's Appreciation Lunch to recognize Veteran Owned Small Businesses was held November 21.

**NON-AGENDA PUBLIC COMMENT:** None.

**CONSENT AGENDA (Items 1-12):**

Board Member Schiavoni requested that Item 1 be pulled from the Consent Agenda for discussion.

**ACTION: Moved by Board Member Schumacher and seconded by Board Member West to approve the Consent Agenda as amended. Motion carried by the following votes: YES – Boling, Kersey, McNamara, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Cox, Lloyd; (Weighted Vote Points: YES – 84; NO – 0; ABSENT – 16).**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the November 7, 2019 regular meeting.

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

**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 OCTOBER 14, 2019 THROUGH NOVEMBER 7, 2019 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 14, 2019 THROUGH NOVEMBER 7, 2019:**

RECOMMENDATION: Receive the report.

**4. DISPOSITION OF SURPLUS PROPERTY:**

RECOMMENDATION: Adopt Resolution No. 2019-0106, authorizing the disposition of surplus property (materials and/or equipment) by: (1) sale to the highest bidder; and, (2) donation to the County of San Diego.

**5. DECEMBER 2019 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2019-0107, approving the December 2019 Legislative Report.

**CLAIMS**

**6. REJECT THE CLAIM OF MARIA HURTADO:**

RECOMMENDATION: Adopt Resolution No. 2019-0108, rejecting the claim of Maria Hurtado.

### ***COMMITTEE RECOMMENDATIONS***

7. **FISCAL YEAR 2019 ANNUAL REPORT FROM THE AUDIT COMMITTEE:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
8. **FISCAL YEAR 2019 ANNUAL REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
9. **REVISION TO THE FISCAL YEAR 2020 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2019-0109, approving the revision to the Fiscal Year 2020 Audit Plan of the Office of the Chief Auditor.
10. **FISCAL YEAR 2020 FIRST QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
11. **AMEND AUTHORITY POLICY 1.50 – GOVERNANCE AND COMMITTEES:**  
RECOMMENDATION: Adopt Resolution No. 2019-0110, amending Policy 1.50 – Governance and Committees to specify the number of terms that public members may serve on the Audit Committee to two full terms, and that the current Audit Committee Public Members are allowed to serve out their current terms through to completion.

### ***CONTRACTS AND AGREEMENTS***

12. **AMEND THE BUSINESS TERMS OF THE PREVIOUSLY-AWARDED CONCESSION LEASE TO TAV-AMERICA TO DESIGN, BUILD AND OPERATE A COMMON USE LOUNGE WITHIN TERMINAL 2 WEST:**  
RECOMMENDATION: Rescind Resolution No. 2018-0076 and adopt Resolution No. 2019-0111, updating the business terms of the non-exclusive concession lease previously awarded by the Board to TAV-America, to Design, Build and Operate a Common Use Lounge within Terminal 2 West at San Diego International Airport, and authorize the President/CEO to take all necessary actions to execute the concession lease.

**ITEM REMOVED FROM THE CONSENT AGENDA FOR DISCUSSION**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the November 7, 2019 regular meeting.

In regards to the draft November 7, 2019 Board Minutes on page 5 of 11, Board Member Schiavoni clarified that she reported that “the innovation information shared will likely benefit Frankfurt, Munich, and SAN regions.”

**ACTION: Moved by Board Member West and seconded by Board Member Schumacher to approve the minutes as amended, clarifying Board Member Schiavoni’s report on her trip to Germany on page 5 of 11. Motion carried by the following vote: YES – Boling, Kersey, McNamara, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Cox, Lloyd (Weighted Vote Points: YES – 84; NO – 0; ABSENT– 16)**

**PUBLIC HEARINGS:**

**OLD BUSINESS:**

**NEW BUSINESS:**

*The Board recessed at 9:36 a.m. and reconvened at 9:39 a.m.*

**CLOSED SESSION:** The Board recessed into Closed Session at 9:40 a.m. to discuss Item 21.

**13. 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

**14. 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

**15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: Park Assist LLC v. San Diego County Regional Airport Authority, et al.

United States District Court Case No. 18 CV2068 LAB MDD

- 16. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**  
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)  
Name of Case: M.W. Vasquez Construction Co. Inc. v. San Diego County Regional Airport Authority, et al.  
San Diego Superior Court Case No. 37-2019-000215
- 17. 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: 2
- 18. 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
- 19. 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
- 20. 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: 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)  
Order No. WQ 2019-0005-DWQ by the State Water Resources Control Board pertaining to PFAS  
Number of potential cases: 1

**REPORT ON CLOSED SESSION:** The Board adjourned out of Closed Session at 9:55 a.m. There was no reportable action.

**GENERAL COUNSEL REPORT:** None.

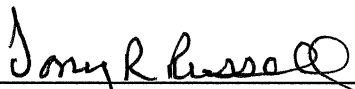
**BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:**

**BOARD COMMENT:** None.

**ADJOURNMENT:** The meeting adjourned at 9:55 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY BOARD THIS 9<sup>TH</sup> DAY OF JANUARY, 2020.

ATTEST:

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

APPROVED AS TO FORM:

  
\_\_\_\_\_  
AMY GONZALEZ  
GENERAL COUNSEL