

DRAFT ACTION MINUTES **Board Meeting Agenda**

Thursday, December 5, 2024
9:00 AM

San Diego County Regional Airport Authority
Administration Building
First Floor – Board Room
2417 McCain Road
San Diego, California 92101

Live webcasts of Authority Board meetings can be accessed at
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>

CALL TO ORDER: Chair Cabrera called the meeting to order at 9:19 a.m.

PLEDGE OF ALLEGIANCE: Chair Cabrera led the pledge of allegiance.

ROLL CALL: Board Members Benzian, Perez, Perrault (Ex-Officio), Sanchez, Vaus were ABSENT.

Board Member Sly arrived at 9:28 a.m.

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

- **AUDIT COMMITTEE:**
Committee Members: Huerta, Newsom (Chair), Montgomery Steppe, Perez, Sanchez, Vaus, Wong Nickerson
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Benzian, Martinez, Perez, Sanchez, von Wilpert (Chair)
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Cabrera (Chair), Martinez, Sly
- **FINANCE COMMITTEE:**
Committee Members: Martinez, Sly (Chair), von Wilpert

Board Members

Gil Cabrera (Chair)
James Sly (Vice-Chair)
Whitney Benzian
Lidia S. Martinez
Monica Montgomery Steppe
Rafael Perez
Esther C. Sanchez
Steve Vaus
Marni von Wilpert

Ex-Officio Board Members

Ann Fox
Col. R. Erik Herrmann
Michele Perrault

President/CEO

Kimberly J. Becker

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ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Benzian, Martinez (Primary)
- **ARTS ADVISORY COMMITTEE:**
Liaison: Martinez

LIAISONS

- **CALTRANS:**
Liaison: Fox
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cabrera
- **MILITARY AFFAIRS:**
Liaison: Herrmann
- **PORT:**
Liaisons: Cabrera (Primary), von Wilpert
- **WORLD TRADE CENTER:**
Representative: Sly

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:**
Representatives: Cabrera (Primary), Sly
- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Sanchez (Primary), Perez

CHAIR REPORT:

PRESIDENT/CEO REPORT:

NON-AGENDA PUBLIC COMMENT:

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CONSENT AGENDA (ITEMS 1- 18):

[ACTION: 5-0 to approve the Consent Agenda, noting Benzian, Perez, Sanchez, and Vaus as ABSENT.]

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the November 7, 2024, 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.

(Office of the Authority Clerk: Annette Fagan Ortiz, Authority Clerk)

3. AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM OCTOBER 7, 2024, THROUGH NOVEMBER 7, 2024, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 7, 2024, THROUGH NOVEMBER 7, 2024:

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

4. DECEMBER 2024 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0097, approving the December 2024 Legislative Report.

(Government Relations: Matt Harris, Director)

5. BIENNIAL REVIEW AND AMENDMENT OF AUTHORITY CODE SECTION 2.30 – CONFLICT OF INTEREST CODE:

RECOMMENDATION: Adopt Resolution No. 2024-0098, amending Authority Code Section 2.30 – Conflict of Interest Code.

(Office of the Authority Clerk: Annette Fagan Ortiz, Authority Clerk)

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6. APPROVE AND AUTHORIZE A REVISED AIR SERVICE INCENTIVE PROGRAM (ASIP25) AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0099, approving and authorizing a revised Air Service Incentive Program (ASIP25) at San Diego International Airport to promote new air service and replace the existing air service incentive program authorized by resolution 2022-0098.

(Marketing, Arts & Air Service Development: Jon Graves, Director)

CLAIMS:

7. REJECT THE CLAIM OF VASILE RADULESCU:

RECOMMENDATION: Adopt Resolution No. 2024-0100, rejecting the claim of Vasile Radulesch.

(General Counsel: Amy Gonzalez)

8. REJECT THE CLAIM OF IBOLYA RADULESCU:

RECOMMENDATION: Adopt Resolution No. 2024-0101, rejecting the claim of Ibolya Radulesch.

(General Counsel: Amy Gonzalez)

9. REJECT THE CLAIM OF MICHELE AVERY:

RECOMMENDATION: Adopt Resolution No. 2024-0102, rejecting the claim of Michele Avery.

(General Counsel: Amy Gonzalez)

10. REJECT THE CLAIM OF JODY MYERS:

RECOMMENDATION: Adopt Resolution No. 2024-0103, rejecting the claim of Jody Myers.

(General Counsel: Amy Gonzalez)

COMMITTEE RECOMMENDATIONS:

11. EXTERNAL AUDITOR'S REPORTS FOR FISCAL YEAR ENDED JUNE 30, 2024: A) AUDITED FINANCIAL STATEMENTS, B) SINGLE AUDIT REPORTS, C) PASSENGER FACILITY CHARGES COMPLIANCE REPORT, D) CUSTOMER FACILITY CHARGE COMPLIANCE REPORT, AND E) LETTER TO THE BOARD:

RECOMMENDATION: The Audit Committee recommends that the Board accept the reports.

(Finance: Scott Brickner, Vice President and Chief Financial Officer)

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12. REVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE YEAR ENDED JUNE 30, 2024:

The Board is requested to accept the report.

RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

(Finance: Scott Brickner, Vice President and Chief Financial Officer)

13. FISCAL YEAR 2025 FIRST QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:

RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

(Audit: Lee Parravano, Chief Auditor)

14. REVISION TO THE FISCAL YEAR 2025 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2024-0104, approving the revision to the Fiscal Year 2025 Audit Plan of the Office of the Chief Auditor.

(Audit: Lee Parravano, Chief Auditor)

15. DISPOSITION OF SURPLUS PROPERTY:

RECOMMENDATION: Adopt Resolution No. 2024-0105 authorizing the disposition of surplus property (materials and/or equipment) by: (1) sale to highest bidder; (2) donation; and (3) recycling and disposing of unwanted items as scrap in accordance with Policy 8.21.

(Procurement: Jana Vargas, Director)

CONTRACTS AND AGREEMENTS:

16. GRANT PUBLIC ROADWAY EASEMENTS TO THE CITY OF SAN DIEGO:

RECOMMENDATION: Adopt Resolution No. 2024-0106, authorizing the President/CEO to negotiate and grant public roadway easements to the City of San Diego in support of the NewT1 Project.

(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)

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

- 17. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 13, GROUP 10, PROJECT NO. 381310 TWENTY-TWO (22) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON SIXTEEN (16) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2024-0107, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,078,200 for Phase 13, Group 10, Project No. 381310, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

(Planning, Noise, and Environment: Sjohnna Knack, Director)

- 18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRE ALARM AND RELATED SYSTEMS MAINTENANCE SERVICE AGREEMENT WITH SYGNAL SYSTEMS:**

RECOMMENDATION: Adopt Resolution No. 2024-0108, approving and authorizing the President/CEO to execute a Fire Alarm and Related Systems Maintenance Service Agreement with Sygnal Systems, for a term of three years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed compensation amount of \$2,100,000, to provide fire alarm and related systems maintenance services, at San Diego International Airport ("SDIA").

(Facilities Management: Stephen Mosca, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

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NEW BUSINESS:

- 19. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE WITH CAVU EXPERIENCES (AMER), LLC TO DESIGN, BUILD, FINANCE, OPERATE, AND MAINTAIN A COMMON-USE AIRPORT LOUNGE WITHIN THE NEW TERMINAL 1**

RECOMMENDATION: Adopt Resolution No. 2024-0109, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease with CAVU EXPERIENCES (AMER), LLC to design, build, finance, operate, and maintain a common-use airport lounge within the New Terminal 1 at San Diego International Airport for a term not to exceed a fifteen-year operating term and additional term for the design and construction period and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)

[ACTION: 5-0 to approve the Consent Agenda, noting Benzian, Perez, Sanchez, and Vaus as ABSENT.]

The Board recessed at 9:52 a.m. and reconvened at 9:53 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 9:54 a.m. to hear items 20, 21, 22, 23.

- 20. 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. AQ US SW Holding Co., et al., San Diego Superior Court Case No. 37-2023-00032124-CU-BC- CTL

- 21. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

Number of potential Cases: 2

- 22. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**

Significant exposure of litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9

Number of potential Cases: 1

- 23. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION**

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

Name of Case: *In re Advantage Holdco, Inc., et al.*, United States Bankruptcy Court for the District of Delaware Case No, 20-11259

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REPORT ON CLOSED SESSION: The Board reconvened out of Closed Session at 11:10 a.m. Lee Kamenetz reported that the Board gave direction on item 22 on the delay damage claim asserted by AD Partnership.

BOARD COMMENT:

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

DRAFT