

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MAY 2, 2013
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Gleason called the meeting of the San Diego County Regional Airport Authority Board to order at 9:03 a.m. on Thursday, May 2, 2013, in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

ROLL CALL:

PRESENT: Board Members: Alvarez, Boland, Cox, Desmond, Farnam (Ex-Officio), Gleason, Hubbs, Robinson, Sessom, Smisek

ABSENT: Board Members: Berman (Ex-Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Services/Authority Clerk; Lorraine Bennett, Assistant Authority Clerk II

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

Authority Clerk Tony R. Russell administered the Oath of Office to Ex-Officio Board Member Col. John Farnam..

PRESENTATIONS:

A. PRESENTATION OF LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED) GOLD PLAQUE FROM U.S. GREEN BUILD COUNCIL FOR SDIA RECEIVING AND DISTRIBUTION CENTER:

Kelsey Mullen, Assoc. AIA, LEED AP BD&C, representing U.S. Green Building Council, presented the Leadership In Energy And Environmental Design (LEED) Gold Plaque to Chair Gleason and President/CEO, Thella Bowens, for the SDIA Receiving and Distribution Center.

B. FINANCIAL UPDATE FOR NINE MONTHS ENDED MARCH 31, 2013:

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Financial Update for the Nine Months Ended March 31, 2013, which included, Operating Revenue, Operating Expenses, Nonoperating Revenue & Expenses, Financial Summary, and Balance Sheet (Unaudited) as of March 31, 2013.

Board Member Robinson arrived at the meeting at 9:14 a.m.

The Board recessed at 9:14 a.m. and reconvened at 9:15 a.m.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Board Member Boland reported that all parking in Terminal 2 is now open. He also reported that the Green Build project is close to completion.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None.
- **FINANCE COMMITTEE:** None.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported on the recent "Smart About Public Art" Meeting conducted at the Authority. He also reported that various new public art projects are on display with the opening of the new terminal space.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Board Member Robinson reported that ALUC staff provided a briefing to Todd Gloria's office regarding the SDIA Land Use Plan. He also reported that the Land Use Environmental Impact Report (EIR) Scoping meeting was held on March 27th.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:**
Board Member Cox reported that on April 17th, Authority staff met in Sacramento with the following state legislators to discuss AB 1058: Assembly members Katcho, Achadjian, Rocky Chavez, Brian Maienschein, and Senator Marty Block. He reported that Staff also met with staff from the following offices: Assemblymember Richard Gordon, Assemblymember Marc Levine, Assemblymember Marie Waldron, and Assemblymember Shirley Weber. He reported that Authority staff, along with Board member Alvarez, participated in the San Diego Regional

Chamber of Commerce's Mission to Mexico from April 16-19th. He also reported that Authority staff briefed Council President Gloria's staff on the Airport Development Plan. He reported that on April 29th, the President nominated Charlotte, N.C. Mayor Anthony Foxx as Secretary of Transportation.

- **MILITARY AFFAIRS:** None.
- **PORT:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Smisek reported that at its last two meetings, discussions included the regional planning process, and the Downtown Bus Rapid Transit Station Mitigated Negative Declaration.
- **WORLD TRADE CENTER:**
Chair Gleason informed the Board of two new hires at the World Trade Centers' International Relations Office and the Asia Desk. He stated that a report would be forthcoming to the Board with regard to future opportunities in terms of the World Trade Center's relationship with the Authority.

CHAIR'S REPORT:

Chair Gleason reported that he will be providing the Board with a report regarding his attendance at the ACI Commissioner's Conference.

PRESIDENT/CEO'S REPORT:

Thella Bowens, President/CEO, reported that the planned closure of a number of air traffic control towers by the Federal Aviation Administration would be delayed until after the end of the fiscal year. She reported that Japan Airlines will resume service at San Diego International Airport with the 787 airliner on a seven day a week schedule commencing after June 1st. She reported that SeaPort Airlines has commenced service between San Diego and Imperial County. She reported on the success of the recent media event with regards to the Green Build opening of six new gates. She announced that the Authority was recently recognized as the City of San Diego Recycler of the Year, and received an award from the USO recognizing the Authority for its contributions to the USO. She announced that the grand opening celebration of the USO is scheduled for June 26, 2013.

NON-AGENDA PUBLIC COMMENT: None.

Board Member Robinson left the dais.

CONSENT AGENDA (Items 1-10):

Chair Gleason reported that staff requested that Item 4 be pulled from the Consent Agenda to provide legislative updates.

ACTION: Moved by Board Member Smisek, and seconded by Board Member Alvarez to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Alvarez, Boland, Cox, Desmond, Gleason, Hubbs, Sessom, Smisek; NO – None; ABSENT – Robinson (Weighted Vote Points: YES - 92; NO - 0; ABSENT- 8).

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the March 21, 2013 special meeting, and the April 4, 2013 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 MARCH 11, 2013 THROUGH APRIL 7, 2013, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MARCH 11, 2013 THROUGH APRIL 7, 2013:

RECOMMENDATION: Receive the report.

4. MAY 2013 LEGISLATIVE REPORT:

ACTION: This item was pulled from the Consent Agenda for an update from staff.

CLAIMS

5. AUTHORIZE THE REJECTION OF THE CLAIM OF RANDY RICKS AND AUDREY RICKS:

RECOMMENDATION: Adopt Resolution No. 2013-0040, authorizing the rejection of the claim of Randy Ricks and Audrey Ricks.

COMMITTEE RECOMMENDATIONS

6. ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2013:

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

7. **ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF MARCH 31, 2013:**
RECOMMENDATION: The Finance Committee recommends that the Board accept the report.

CONTRACTS AND AGREEMENTS

8. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE ADVERTISING CONCESSION AGREEMENT WITH JCDECAUX AIRPORT, INC. TO ADD ADDITIONAL LOCATIONS IN TERMINAL 2 WEST:**
RECOMMENDATION: Adopt Resolution No. 2013-0041, approving and authorizing the President/CEO to execute a Third Amendment to the Agreement with JCDecaux Airport, Inc. to add additional locations in Terminal 2 West (Green Build).
9. **AWARD A CONTRACT TO S&L SPECIALTY CONTRACTING, INC. FOR QUIETER HOME PROGRAM PHASE 7, GROUP 1 (24 WEST SIDE, NON-HISTORIC CONDOMINIUM UNITS):**
RECOMMENDATION: Adopt Resolution No. 2013-0042, authorizing the President/CEO to award a contract to S&L Specialty Contracting, Inc., in the amount of \$833,550 for Phase 7, Group 1, Project No. 380701 of the San Diego County Regional Airport Authority's Quieter Homer Program.
10. **AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE LEASE WITH SAN DIEGO AIR AND SPACE TECHNOLOGY CENTER, INC., REDUCING THE SIZE OF THE LEASEHOLD PREMISES BY A NET AMOUNT OF 9,666 SQUARE FEET OF LAND AREA:**
RECOMMENDATION: Adopt Resolution No. 2013-0043, authorizing the President/CEO to execute a Third Amendment to the Lease with the San Diego Air and Space Technology Center, Inc., reducing the size of the leasehold premises by a net amount of 9,666 square feet of land area necessary to construct the North Side development projects.

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

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

Board Member Robinson returned to the dais.

ITEMS PULLED FROM THE CONSENT AGENDA:

4. MAY 2013 LEGISLATIVE REPORT:

Michael Kulis, Director, Inter-Governmental and Community Relations, provided an update on the legislative report.

RECOMMENDATION: Adopt Resolution No. 2013-0039, approving the May 2013 Legislative Report.

ACTION: Moved by Board Member Cox, and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Boland, Cox, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO - None; ABSENT - None. (Weighted Vote Points: YES - 100; NO - 0; ABSENT- 0).

NEW BUSINESS:

11. UPDATE ON THE AIRPORT DEVELOPMENT PLAN FACILITY REQUIREMENTS:

Holland Young, Director, LeighFisher Management Consultants, and Gavin Duncan, Associate Director, LeighFisher Management Consultants, provided a presentation on the Airport Development Plan Facility Requirements, which included, Where Customers are Currently Parking, who the Authority Customers are, why Customers are important, the Authority's Parking needs, and the consequences of not providing sufficient parking.

Board Member Hubbs left the meeting at 9:51 a.m.

Board Member Desmond suggested that the message to the community for the rationale for additional parking revenue is needed to enhance Terminal 1.

Board Member Cox suggested that the Authority take a critical look at ways to channel traffic on Harbor Drive, to control traffic congestion.

Board Member Alvarez requested a summary of the customer satisfaction parking survey data.

Chair Gleason stated that it would be helpful if Board Members have all of the survey data gathered regarding this issue.

Board Member Sessom stated that there are also other ways to address congestion such as improvements to the roadways before getting to the airport, which is the responsibility of other jurisdictions.

Board Member Boland spoke in support of a parking structure, and he urged to point out to the community, that the benefits of a parking structure would decrease traffic on Harbor Drive, and improve pickup/drop-off activity at the airport.

Chair Gleason spoke regarding addressing customer complaints about parking availability. He stated that customer satisfaction is a priority, and the need to discuss providing a mechanism to meet customer parking demand.

In response to Chair Gleason's inquiry about the next steps moving forward, including costs, revenue, phasing, environmental review, and permitting, Thella Bowens, President/CEO stated that a proposal of the next steps can presented to the Capital Improvement Program Oversight Committee at its next meeting.

RECOMMENDATION: Receive the report and provide possible direction.

ACTION: No action taken.

12. APPROVAL OF A MEMORANDUM OF UNDERSTANDING BETWEEN THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AND THE SAN DIEGO UNIFIED PORT DISTRICT REGARDING POLICE SERVICES COSTS:

RECOMMENDATION: Adopt Resolution No. 2013-0031, approving the Memorandum of Understanding between the San Diego County Regional Airport Authority and the San Diego Unified Port District regarding police services costs.

ACTION: This item was not heard.

CLOSED SESSION: The Board recessed into Closed Session at 10:17 a.m. to discuss Items 17 and 18.

13. CONFERENCE WITH LABOR NEGOTIATOR:

Labor negotiations pursuant to Cal. Gov. Code §54957.6:
Authority Designated Negotiators: Thella F. Bowens, President/CEO; and Jeffrey Woodson, Vice President, Administration
Employee Organization: Teamsters 911

- 14. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Real property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §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
- 15. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Legal Authority: Real property negotiations pursuant to Cal. Gov. Code §54954.5(b) and §54956.8.
Property: 3312 Goldsmith Street, San Diego, CA 92106 (Assessor's parcel #450-142-13-00)
Agency Negotiators: Vernon Evans, Vice President, Finance/Treasurer and Troy Ann Leech, Director, Real Estate
Under Negotiation: Sale of property – terms and conditions
- 16. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal.Gov.Code §54956.9(a))
Ann Marie Tejcek v. San Diego County Regional Airport Authority, et al.
LASC No. 37-2011-00102856-CU-PO-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code Section 54956.9(A))
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority S.D.S.C Case No. 37-2012-00088083-CU-BT-CTL
- 18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of §54956.9: (2 cases)
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b):
Kelly Lancaster, David Boenitz, Mary Erickson and Richard Gilb, et al v. SDCERS, San Diego Sup. Court Case No. 37-2011-G0096238-CU-PO-CT
Number of cases: 1
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation (Cal. Gov. Code §§ 54956.9 (b) and 54954.5)
Number of potential cases: 1
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego

REPORT ON CLOSED SESSION: The Board reconvened at 11:02 a.m. Chair Gleason reported that there was no reportable action.

NON-AGENDA PUBLIC COMMENT:

MARGO TANGUAY, SAN DIEGO, complimented the Authority on its good work with the Terminal 2 improvement project.


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 was adjourned at 11:05 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 6TH DAY OF JUNE, 2013.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL