

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY



BOARD MEMBERS

LAURIE BERMAN*

BRUCE R. BOLAND

GREG COX

JIM DESMOND

ROBERT H. GLEASON

LLOYD B. HUBBS

JIM PANKNIN

PEDRO REYES*

COL. FRANK A. RICHE*

PAUL ROBINSON

TOM SMISEK

ANTHONY K. YOUNG

* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO

THELLA F. BOWENS

BOARD

AGENDA

Thursday, September 1, 2011
9:00 A.M.

San Diego International Airport
Commuter Terminal – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

***Live webcasts of Authority Board meetings can be accessed at
http://www.san.org/airport_authority/boardmeetings.asp.***

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate Services and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate Services/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate Services/Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATIONS:

- A. FACILITY MANAGEMENT LIFE CYCLE PROGRAM UPDATE:**
Presented by Wayne Harvey, Director, Facilities Management
- B. FINANCIAL UPDATE FOR THE YEAR ENDED JUNE 30, 2011:**
Presented by Vernon Evans, Vice President, Finance/Treasurer

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Gleason, Smisek (Chair), Young, Tartre, Van Sambeek
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boland, Cox, Desmond (Chair), Smisek
- **FINANCE COMMITTEE:**
Committee Members: Cox (Chair), Desmond, Panknin, Robinson, Young
- **TERMINAL DEVELOPMENT PROGRAM COMMITTEE:**
Committee Members: Boland (Chair), Gleason, Hubbs, Panknin, Robinson

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Panknin
- **PUBLIC ART ADVISORY COMMITTEE:**
Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**
Liaison: Robinson
- **CALTRANS:**
Liaison: Berman
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox
- **MILITARY AFFAIRS:**
Liaisons: Boland (Primary), Panknin
- **PORT:**
Liaisons: Boland, Gleason (Primary), Smisek

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Panknin, Smisek (Primary)
- **WORLD TRADE CENTER:**
Representatives: Panknin (Primary), Young

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

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Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

CONSENT AGENDA (Items 1-8):

The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior Board meetings.

RECOMMENDATION: Approve the minutes of the August 4, 2011 regular meeting and August 4, 2011 special 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:

The Board is requested to accept the reports.

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

(Corporate Services: Tony Russell, Director/Authority Clerk)

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JULY 11, 2011 THROUGH AUGUST 7, 2011 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JULY 11, 2011 THROUGH AUGUST 7, 2011:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

CLAIMS

COMMITTEE RECOMMENDATIONS

4. APPOINTMENTS TO THE AUDIT COMMITTEE:

The Board is requested to make appointments.

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2011-0105, appointing Andrew Hollingworth, as a public member to the Audit Committee; and it is also recommended that Board Member Hubbs be appointed to the Audit Committee.

(Corporate Services: Tony Russell, Director/Authority Clerk)

5. RECEIVE THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2011:

The Board is requested to receive the report.

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

(Finance: Vernon Evans, Vice President/Treasurer)

6. RECEIVE THE AUTHORITY'S INVESTMENT REPORT AS OF JUNE 30, 2011:

The Board is requested to receive the report.

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

(Finance: Vernon Evans, Vice President/Treasurer)

CONTRACTS AND AGREEMENTS

7. AWARD A CONTRACT TO SIERRA PACIFIC WEST, INC., TO RELOCATE A PORTION OF THE VEHICLE SERVICE ROAD LOCATED NORTHWEST OF RUNWAY 9-27, AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2011-0107, awarding a contract to Sierra Pacific West, Inc., in the amount of \$886,777, for Project No. 104111, Relocate Vehicle Service Road, at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

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

8. AWARD A CONTRACT TO HAZARD CONSTRUCTION COMPANY TO CONSTRUCT SOUTH SIDE INTERIM PARKING, LOCATED ON A PORTION OF THE TELEDYNE RYAN SITE, AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2011-0106, awarding a contract to Hazard Construction Company, in the amount of \$2,214,438.00, for Project No. 104125, South Side Interim Parking at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

PUBLIC HEARINGS:

9. CERTIFY FINAL SUPPLEMENTAL ENVIRONMENTAL IMPACT REPORT AND ADOPT FINDINGS OF FACT FOR THE SAN DIEGO INTERNATIONAL AIRPORT MASTER PLAN NORTHSIDE IMPROVEMENTS:

The Board is requested to certify the final Supplemental Environmental Impact Report.

RECOMMENDATION: Adopt Resolution No. 2011-0114, certifying the Final Supplemental Environmental Impact Report and adopting Findings of Fact prepared in accordance with the California Environmental Quality Act (CEQA) for the San Diego International Airport Master Plan Northside Improvements.

(Planning & Operations: Angela Shafer-Payne, Vice President)

OLD BUSINESS:

10. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH STANDARD PARKING CORPORATION FOR PARKING MANAGEMENT SERVICES (CONTINUED FROM THE AUGUST 4, 2011 MEETING):

The Board is requested to authorize an agreement.

RECOMMENDATION: Adopt Resolution No. 2011-0103, awarding and authorizing the President/CEO to execute an agreement with Standard Parking Corporation for parking management services, for five (5) years in an amount not to exceed thirty-five million five hundred thousand dollars (\$35,500,000).

(Finance: Vernon D. Evans, Vice President/Treasurer)

11. GRANT A CONCESSION LEASE TO SPA DIDACUS, INC. (A JOINT VENTURE) FOR DEVELOPMENT AND OPERATION OF RETAIL PACKAGE #5 (CONTINUED FROM THE AUGUST 4, 2011 MEETING):

The Board is requested to grant a concession lease.

RECOMMENDATION: Adopt Resolution No. 2011-0095 awarding a concession lease to Spa Didacus, Inc. for development and operation of Retail Package #5 (as included in the CDP RFP) for a maximum term of nine (9) years and four (4) months, which includes a period not to exceed twenty-eight (28) months to allow for Package Completion, with a first year Minimum Annual Guarantee (MAG) of \$119,000; and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Finance: Vernon D. Evans, Vice President/Treasurer)

12. GRANT A CONCESSION LEASE TO MISSION YOGURT, INC. FOR DEVELOPMENT AND OPERATION OF FOOD SERVICE PACKAGE #4 (CONTINUED FROM THE AUGUST 4, 2011 MEETING):

The Board is requested to grant a concession lease.

RECOMMENDATION: Adopt Resolution No. 2011-0100, awarding a concession lease to Mission Yogurt, Inc. for development and operation of Food Service Package #4 (as included in the CDP RFP) for a maximum term of nine (9) years and two (2) months, which includes a period not to exceed twenty-six (26) months to allow for Package Completion, and a first year Minimum Annual Guarantee (MAG) of \$288,200 following Package Completion; and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Finance: Vernon D. Evans, Vice President/Treasurer)

NEW BUSINESS:

13. SEPTEMBER 2011 LEGISLATIVE REPORT AND UPDATE FROM LEGISLATIVE CONSULTANTS:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2011-0109, approving the September 2011 Legislative Report.

(Inter-Governmental Relations: Michael Kulis, Director)

14. GRANT A CONCESSION LEASE TO HOST INTERNATIONAL, INC. FOR DEVELOPMENT AND OPERATION OF FOOD SERVICE PACKAGE #2R:

The Board is requested to grant a concession lease.

RECOMMENDATION: Adopt Resolution No. 2011-0110, awarding a concession lease to Host International, Inc. for development and operation of Food Service Package #2R (as included in the CDP Supplemental RFP as Package #1A) for a maximum term of twelve (12) years and two (2) months which includes a period not to exceed twenty-six (26) months to allow for package construction completion, with a first year Minimum Annual Guarantee (MAG) of \$964,000; and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Finance: Vernon D. Evans, Vice President/Treasurer)

15. GRANT A CONCESSION LEASE TO SSP AMERICA, INC. FOR DEVELOPMENT AND OPERATION OF FOOD SERVICE PACKAGE #3R:

The Board is requested to grant a concession lease.

RECOMMENDATION: Adopt Resolution No. 2011-0111, awarding a concession lease to SSP America, Inc. for development and operation of Food Service Package #3R (as included in the CDP Supplemental RFP as Package #2A) for a maximum term of twelve (12) years and two (2) months which includes a period not to exceed twenty-six (26) months to allow for package construction completion, with a first year Minimum Annual Guarantee (MAG) of \$666,765; and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Finance: Vernon D. Evans, Vice President/Treasurer)

16. GRANT A CONCESSION LEASE TO SSP AMERICA, INC. FOR DEVELOPMENT AND OPERATION OF FOOD SERVICE PACKAGE #5R:

The Board is requested to grant a concession lease.

RECOMMENDATION: Adopt Resolution No. 2011-0112, awarding a concession lease to SSP America, Inc. for development and operation of Food Service Package #5R (as included in the CDP Supplemental RFP as Package #3A) for a maximum term of twelve (12) years and two (2) months which includes a period not to exceed twenty-six (26) months to allow for package construction completion, with a first year Minimum Annual Guarantee (MAG) of \$527,840; and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Finance: Vernon D. Evans, Vice President/Treasurer)

17. GRANT A CONCESSION LEASE TO HIGH FLYING FOODS SAN DIEGO PARTNERSHIP (A JOINT VENTURE) FOR DEVELOPMENT AND OPERATION OF FOOD SERVICE PACKAGE #6R:

The Board is requested to grant a concession lease.

RECOMMENDATION: Adopt Resolution No. 2011-0113, awarding a concession lease to High Flying Foods San Diego Partnership for development and operation of Food Service Package #6R (as included in the CDP Supplemental RFP as Package #4A) for a maximum term of twelve (12) years and two (2) months which includes a period not to exceed twenty-six (26) months to allow for package construction completion, with a first year Minimum Annual Guarantee (MAG) of \$903,192; and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Finance: Vernon D. Evans, Vice President/Treasurer)

18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH LEIGH FISHER & ASSOCIATES FOR PREPARATION OF THE SDIA AIRPORT DEVELOPMENT PLAN (ADP):

The Board is requested to approve and authorize the President/CEO to execute an agreement.

RECOMMENDATION: Adopt Resolution No. 2011-0115, approving and authorizing the President/CEO to execute an agreement with Leigh Fisher & Associates to perform an Airport Development Plan (ADP) study, for a term of four (4) years, in an amount not to exceed six million five hundred thousand dollars (\$6,500,000).

(Airport Planning: Keith Wilschetz, Director)

CLOSED SESSION:

19. 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

20. 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.

21. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Real property negotiations pursuant to Cal. Gov. Code §54956.8:

Property: Consolidated Rental Car Facility located on approximately 17 acres of Authority land south of Pacific Highway and west of the extension of Sassafras Street in San Diego, CA 92103

Agency negotiator: Vernon Evans, Vice President, Finance/Treasurer

Negotiating Parties: DTG Operations, Inc.; Avis Rent A Car System, LLC;

Enterprise Rent-A-Car Company of Los Angeles, LLC; Fox Rent A Car, Inc.; The

Hertz Corporation; Midway Rent A Car, Inc.; Nevada Lease and Rentals, Inc.;

Newport Beach Sales & Leasing, Inc.; Pneuma Enterprises, Inc.; RLZ, Inc; Simply

Wheelz, LLC; South CA A1 Car Rental Inc., and other rental car industry representatives.

Under Negotiation: Business terms and conditions related to lease and operating rights within the Consolidated Rental Car Facility. Instructions to negotiator will concern price and terms of payment.

- 22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Government Code §54956.9 (a)):
San Diego Unified Port District v. TDY Industries, Inc., et al., and related cross-actions. U.S. District Court, Southern District Case No. 03 CV 1146-B (POR).
- 23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a)):
City of San Diego, Historical Resources Board: In re: Western Salt Company Salt Works, Report No. HRB-08-005
- 24. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal.Gov. Code §54956.9(a)):
West Tech, Inc. v. San Diego County Regional Airport Authority, et al.,
L.A.S.C 37-2010-00106565-CU-BC-CTL
- 25. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to subdivision (c) of §54956.9: (1 case)
- 26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to Cal. Gov. Code §54956.9(b) [Number of cases: 1] and §54956.9(b)(3)(C) [Liability claim against Authority by Theresa, Warren & Carl Hopkins]
- 27. 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

REPORT ON CLOSED SESSION:

NON-AGENDA PUBLIC COMMENT:

Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

GENERAL COUNSEL REPORT:

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:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a "Request to Speak" form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

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You may also reach the Commuter Terminal by using public transit via the San Diego MTS system, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

UPCOMING MEETING SCHEDULE				
<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
October 6	Thursday	9:00 a.m.	Regular	Board Room
November 3	Thursday	9:00 a.m.	Regular	Board Room
December 1	Thursday	9:00 a.m.	Regular	Board Room