

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
MONDAY, JULY 7, 2014
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chair Gleason called the special meeting of the San Diego County Regional Airport Authority Board to order at 9:05 a.m. on Monday, July 7, 2014, in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Farnam (Ex Officio) led the Pledge of Allegiance.

ROLL CALL:

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

ABSENT: Board Members: Berman (Ex Officio), Boland, Ortega
(Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Amy Gonzalez, Senior
Director, General Counsel; Tony R. Russell, Director,
Corporate and Information Governance/Authority Clerk;
Lorraine Bennett, Assistant Authority Clerk II

Board Member Sessom arrived during the course of the meeting.

PRESENTATION:

**A. PRESENTATION OF AWARD TO THE SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY FROM THE AMERICAN PUBLIC
WORKS ASSOCIATION:**

Roya Golchoobian, representing the American Public Works Association, presented the "2014 Public Works Project of the Year" award for the Green Build expansion project, to Chair Gleason and Bob Bolton, Director, Airport Design and Construction.

The Board recessed at 9:09 a.m. and reconvened at 9:11 a.m.

Chair Gleason announced that Non-Agenda Public Comment would be heard at this time.

NON-AGENDA PUBLIC COMMENT:

DANNY RAMOS, SAN DIEGO, spoke about issues related to the high cost of health care for employees at SSP America.

MARISOL ESCAMILLA, SAN DIEGO, spoke regarding the need for her employer to provide its employees with better wages, and respect.

LISA MALDONADO, SAN DIEGO, representing the Interfaith Center for Worker Justice, San Diego County, requested assistance from the Board, regarding contract negotiations between SSP America and High Flying Foods and their employees.

BRIGETTE BROWNING, SAN DIEGO, informed the Board of the issues associated with the cost of health care for employees at SSP America and High Flying Foods.

Chair Gleason referred this issue to staff.

Chair Gleason announced that the Consent Agenda would be heard at this time.

CONSENT AGENDA (Items 1-14):

ACTION: Moved by Board Member Smisek, and seconded by Board Member Robinson to approve the Consent Agenda. Motion carried by the following vote: YES – Alvarez, Cox, Desmond, Gleason, Hubbs, Robinson, Smisek; NO - None; ABSENT – Boland, Sessom. (Weighted Vote Points: YES - 79; NO - 0; ABSENT- 21).

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the May 22, 2014, special meeting, and the June 5, 2014, 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 MAY 12, 2014, THROUGH JUNE 8, 2014, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MAY 12, 2014, THROUGH JUNE 8, 2014:**
RECOMMENDATION: Receive the report.

4. **JULY 2014 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2014-0061, approving the July 2014 Legislative Report.
5. **APPROVE APPOINTMENTS TO THE ART ADVISORY COMMITTEE:**
RECOMMENDATION: Adopt Resolution No. 2014-0062, approving the appointment of Ben Fyffe and Deborah L. Van Huis to the Art Advisory Committee.

CLAIMS

6. **REJECT THE CLAIM OF LLOYD LEE CHAPMAN:**
RECOMMENDATION: Adopt Resolution No. 2014-0063, rejecting the claim of Lloyd Lee Chapman.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

7. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE SECOND AMENDMENTS TO THE ON-CALL HEATING, VENTILATION, AND AIR CONDITIONING SERVICES AGREEMENTS WITH (1) HELIX MECHANICAL, INC.; (2) ENDLESS SUMMER HEATING & AIR CONDITIONING, INC.; AND (3) DUWRIGHT CONSTRUCTION, INC.:**
RECOMMENDATION: Adopt Resolution No. 2014-0064, approving and authorizing the President/CEO to execute Second Amendments to the agreements with (1) Helix Mechanical, Inc.; (2) Endless Summer Heating & Air Conditioning, Inc.; and (3) DuWright Construction, Inc., increasing the total amount payable by \$900,000 for an aggregate total not-to-exceed compensation amount of \$1,890,000 for all three firms.
8. **AUTHORIZE THE AUTHORITY TO SUBMIT A GRANT PROPOSAL TO THE CALIFORNIA OCEAN PROTECTION COUNCIL TO FUND ADVANCED HYDRODYNAMIC SEA LEVEL RISE MODELING IN COORDINATION WITH SCRIPPS INSTITUTION OF OCEANOGRAPHY AND IN PARTNERSHIP WITH THE SAN DIEGO UNIFIED PORT DISTRICT:**
RECOMMENDATION: Adopt Resolution No. 2014-0065, authorizing the Authority to submit a grant proposal to the California Ocean Protection Council to fund advanced hydrodynamic and sea level rise modeling in coordination with the Scripps Institution of Oceanography and in partnership with the San Diego Unified Port District.

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

- 9. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC., FOR QUIETER HOME PROGRAM PHASE 7, GROUP 11 (32 HISTORIC AND NON-HISTORIC SINGLE AND MULTI-FAMILY UNITS ON 19 RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT):**
RECOMMENDATION: Adopt Resolution No. 2014-0066, awarding a contract to G&G Specialty Contractors, Inc. in the amount of \$1,462,824, for Phase 7, Group 11, Project No. 380711, of the San Diego County Regional Airport Authority's Quieter Home Program.
- 10. AWARD A CONTRACT TO THYSSENKRUPP AIRPORT SYSTEMS, INC., TO REPLACE PASSENGER BOARDING BRIDGES IN TERMINAL 1 AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2014-0068, awarding a contract to Thyssenkrupp Airport Systems, Inc., in the amount of \$1,929,571, for Project No. 104178, Replace Passenger Boarding Bridges in Terminal 1 at San Diego International Airport.
- 11. AWARD A CONTRACT TO HEARNE CORPORATION TO RECONFIGURE SECURITY CHECKPOINT 2/REFURBISH TERMINAL 1 ROTUNDAS & BAGGAGE CLAIM AREA AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2014-0069, awarding a contract to Hearne Corporation in the amount of \$3,829,623, for Project No. 104179, Reconfigure Security Checkpoint 2/Refurbish Terminal 1 Rotundas & Baggage Claim Area at San Diego International Airport.
- 12. AWARD A CONTRACT TO VASQUEZ CONSTRUCTION COMPANY FOR TERMINAL FLIGHT INFORMATION DISPLAY SYSTEM (FIDS) UPGRADE AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2014-0070, awarding a contract to Vasquez Construction Company in the amount of \$246,612, for Project No. 104180, Terminal Flight Information Display Systems (FIDS) Upgrade at San Diego International Airport.
- 13. AWARD OF A CONSTRUCTION CONTRACT TO HAZARD CONSTRUCTION COMPANY FOR TERMINAL LINK ROAD:**
RECOMMENDATION: Adopt Resolution No. 2014-0071, awarding a construction contract to Hazard Construction Company in the amount of \$8,889,727.75, for Project No. 104134, Terminal Link Road at San Diego International Airport.

14. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH SIEMENS INDUSTRY, INC., FOR OPERATION AND MAINTENANCE OF TERMINAL 2 WEST IN-LINE BAGGAGE HANDLING SYSTEM:**
RECOMMENDATION: Adopt Resolution No. 2014-0077, approving and authorizing the President/CEO to execute a Second Amendment to the agreement with Siemens Industry, Inc., for operation and maintenance of Terminal 2 West in-line baggage handling system ("BHS"), increasing compensation by \$643,430.10 for a total not-to-exceed amount of \$2,032,121.10 and extending the term to expire December 31, 2014.

PUBLIC HEARINGS: None

OLD BUSINESS: None

NEW BUSINESS:

Chair Gleason announced that the New Business items would be taken out of order starting with Item 17.

17. **APPROVAL OF AMENDMENTS TO AUTHORITY CODE §9.11 THROUGH CODE §9.15 AND CODE §9.19, CODE §9.21, CODE §9.24, CODE §9.33 AND CODE §9.34 REGARDING TRANSPORTATION NETWORK COMPANIES:**

Chair Gleason disclosed ex-parte communications with Adrian Kwiatkowski, representing Transportation Alliance Group (TAG).

Board Member Robinson disclosed ex-parte communications with Adrian Kwiatkowski, representing Transportation Alliance Group (TAG).

Board Member Sessom arrived at 9:21 a.m.

David Boenitz, Director, Ground Transportation, provided a presentation on the Amendments to the Authority Codes, which included the inclusion of Transportation Network Companies (TNC's) in the Codes, Current Situation, Recommendations, and Next steps.

Board Member Hubbs requested that staff provide information about what the CPUC penalties are for TNC's who are operating illegally.

Tony Russell, Director, Corporate and Information Governance/Authority Clerk, stated for the record that the following members of the public submitted speaker slips in opposition to Staff's recommendation on Item 17, but did not wish to speak:

BERHE TEKLAI, LEMON GROVE
SAEAA SALEH, SAN DIEGO
AKLILU FRAY, SAN DIEGO
MICHAEL GHEBRETINSAE, SAN DIEGO
ASFAHA MEHANZEL, SAN DIEGO
NEGUS GEBREMURLUM, SAN DIEGO
ALEX TELEGNE, SAN DIEGO
BEMNET HAILENEDURAD, SAN DIEGO
SEMERE TEKLE, CHULA VISTA
STAS DAVYDOV, SAN DIEGO
HAILE R. DEBAS, LEMON GROVE
OMAR ALABO, SAN DIEGO
MOSES WOLDEMARIAM, SAN DIEGO
YURIY BADALOU, SAN DIEGO
ABDORRAZZAGH NIAKISHARGT, SAN DIEGO
JOSEPH GOITOM, BONITA, CA
ASTER MUSSIE, SAN DIEGO
NIGUGE BERHANE, SAN DIEGO

ANTHONY PALMERI, EL CAJON, provided handouts regarding newspaper articles relating to issues associated with TNC operators at LAX and Seattle Airports. He requested a continuance of Item 17 for review and feedback by the taxicab and shuttle industries.

MICHAEL ANDERSON, SAN DIEGO, representing San Diego Transportation Association, provided a handout regarding a Union Tribune article, *Ridesharing Services Angle For Lindbergh Field Pickups*, dated June 30, 2014, and asked that Item 17 be delayed for 90-120 days for further discussion by the stakeholders.

ADRIAN KWIATKOWSKI, SAN DIEGO, spoke in opposition to the item, and requested an opportunity for stakeholders to provide input on TNC operations.

CARELYN REYNOLDS, SAN DIEGO, representing San Diego County Airport Shuttle Association, spoke in opposition to policy changes at this time, and suggested exploring opportunities to collaborate with Harbor Police, and mechanisms to discourage operators on an individual level.

TONY HUESO, SAN DIEGO, representing USA Cab, spoke in opposition to the item, and stated the need to take steps to enforce illegal activity by the TNC's.

LISA MCGHEE, encouraged taking a step back and thoroughly reviewing this issue.

CHRIS AGOH, SAN DIEGO, spoke regarding the unfairness associated with the ability of TNC's to operate illegally at the Airport, and he stated that there is no enforcement by the Authority against TNC's.

FILMON SEMERE, SAN DIEGO, spoke in opposition to the staff recommendation.

Board Member Sessom suggested delaying the item for 60-90 days, and to have staff communicate with the Metropolitan Transit System (MTS) on the matter. She expressed concern that Uber and Lyft have not communicated with the Authority. She requested staff to bring back a report on what other airports are doing regarding enforcement of TNC's, particularly in California. She also requested staff to develop a list of what can be done to those ground transportation operators who violate Authority codes, and to enforce maximum penalties.

Angela Shafer-Payne, Vice President, Operations stated that staff has engaged in multiple conversations with Uber and Lyft about rules associated with commercial operators doing business at the Airport. She also stated that the Authority is enforcing fines and working closely with MTS and Harbor Police. She further stated that it is the Authority's responsibility to ensure a level playing field for all commercial operators doing business at the Airport.

Board Member Cox suggested continuing the item for 60-90 days, and to look at ways of establishing a basic set of standards for everyone. He stated that there needs to be a level playing field and that he does not know if he has all of the information regarding this issue.

Board Member Desmond made a motion to approve staff's recommendation. The motion was seconded by Board Member Smisek.

Board Member Robinson spoke in favor of raising the fines as quickly as possible, and he requested that the permitting process for TNC's be brought back to the Board for approval.

Chair Gleason requested that the language in the codes be tightened up to define TNC's and identify that there is no Authority permit for this mode of transportation. He stated that he can support the motion with the clarification that the Authority is not issuing permits to TNC's. He stated that it is the Authority's obligation to provide for the safety of its passengers and, that he would like to see more investigation regarding the safety of our customers using TNC's.

In response to Chair Gleason regarding issuance of a cease and desist order, Amy Gonzalez, Senior Director, General Counsel, stated that a cease and desist order could be issued that cite the appropriate PUC code sections, and that it would be up the Board to file an injunction.

Board Member Cox questioned if it was possible to impose a moratorium on TNC operations at the Airport.

Chair Gleason suggested that the motion be amended to raise the fines to \$250 for the first offense for unauthorized commercial airport parking stopping or standing, direct the General Counsel to send letters to the TNC's to discontinue operating at the airport, that staff come back with a conceptual framework of a permit for TNC's before it is authorized for issuance, and that staff work with all interested parties.

RECOMMENDATION: Adopt Resolution No. 2014-0073, approving amendments to Authority Code §9.11 – Transportation Service Regulations; Code §9.12 – Ground Transportation Service Permits; Code §9.13 – Driver's Permits; Code §9.14 – Insurance; Code §9.15 – Vehicle Registration; Code §9.19 – Insurance and Transfer; Code §9.21 – Vehicle Condition; Code §9.24 – Violations; Code §9.33 – Parking Regulations – Enforcement; and Code §9.34 – Parking Restrictions, regarding permit requirements and regulations applicable to Transportation Network Companies.

ACTION: Moved by Board Member Desmond and seconded by Board Member Smisek, to approve staff recommendation as amended to direct staff to increase the penalty for unauthorized commercial airport parking stopping or standing to \$250 for the first offense; that any conceptual framework for a Transportation Network Company (TNC) permit be presented to the Board before it is issued; direct the General Counsel to send letters to the TNC's to discontinue their operations at the airport; and direct staff to work with all interested parties and report back to the Board at its September meeting. Motion carried by the following vote: YES – Alvarez, Cox, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO - None; ABSENT – Boland. (Weighted Vote Points: YES - 87; NO - 0; ABSENT- 13).

The Board recessed at 10:31 and reconvened at 10:44 a.m.

16. REVIEW AND APPROVAL OF GROUND TRANSPORTATION STANDARDS FOR TAXICAB AND VEHICLE FOR HIRE MEMORANDUMS OF AGREEMENT:

David Boenitz, Director, Ground Transportation, provided a presentation on Ground Transportation Standards For Taxicab and Vehicle For Hire Memorandums Of Agreement (MOA), which included MOA Responsibilities, Vehicle Safety and Appearance, Driver Professionalism and Customer Service, Taxi Cab and Shuttle Availability, Passenger Wait Times, Vehicle Modernization – Conversion, ADA Services and Compliance, Evaluation of MOA Responsibilities and Key Performance Measures, and Next Steps.

ADRIAN KWIATKOWSKI, SAN DIEGO, spoke in support of staff's recommendation.

CARELYN REYNOLDS, SAN DIEGO, spoke in support of staff's recommendation.

TONY HUESO, SAN DIEGO, spoke in support of staff's recommendation. He also pointed out that Americans with Disability Act (ADA) services have not been defined in terms of need.

IAN SERUELO, SAN DIEGO, expressed concern that there is no venue being provided to drivers operating at the Airport, for their input regarding MOU rules associated with driver professionalism and operational standards.

Chair Gleason suggested looking at ways to strengthen the involvement and participation by taxi cab drivers for input regarding driver professionalism. He requested staff to come back in September with more specificity about the rules and standards of the MOA, and a discussion regarding consolidating the two separate Community Service Representatives (CSR's) for shuttles. He also spoke regarding the need for the Authority to adhere to our standards and to ensure that we are in compliance.

Board Member Desmond suggested that any infractions by the Authority on a lease driver at the Airport, be extended to the permit holder **FOR** the lease driver as well.

Board Member Hubbs spoke regarding control and regulation of TNC's, and how the Authority plan to pass that equality on to the TNC's. He stated that while the Authority has a very detailed distribution of the cost of Ground Transportation operations, he questioned how the TNC's fit into the process, and what control mechanisms exist to set the number of TNC's that operate at the Airport. He also questioned how the Authority is going to enforce its standards on TNC's.

RECOMMENDATION: Adopt Resolution No. 2014-0072, approving the revised Taxicab and Vehicle for Hire Responsibilities, Associated Standards and Requirements relating to Memorandums of Agreement with Ground Transportation Consortiums and Providers.

ACTION: Moved by Board Member Desmond, and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Cox, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO - None; ABSENT – Boland. (Weighted Vote Points: YES - 87; NO - 0; ABSENT- 13).

15. CONSTRUCTION OF A TERMINAL 2 PARKING PLAZA:

Keith Wilschetz, Director, Airport Planning, Scott Brickner, Vice President, Finance and Asset Management/Treasurer, and Diana Lucero, Director, Vision, Voice and Engagement, provided a presentation on the Construction of a Terminal 2 Parking Plaza and Approval of the Addendum to the 2008 Final Environmental Impact Report, which included Summary of the May 2, 2013 Board Meeting, Traffic Impacts of a Parking Plaza, Passenger Survey Results Regarding Parking, Addendum to FEIR, Financial Analysis, Ongoing Outreach Efforts, and Next Steps.

KEITH JONES, SAN DIEGO, spoke in support of staff's recommendations.

DANIEL REEVES, SAN DIEGO, spoke in support of staff's recommendations.

MARK CAFFERTY, SAN DIEGO, spoke in support of staff's recommendations.

RICHARD ABDALA, SAN DIEGO, spoke in opposition to staff's recommendations, stating his concern that construction of a Parking Plaza would create additional impacts to the existing traffic congestion on Harbor Drive.

ADRIAN KWIATKOWSKI, SAN DIEGO, representing the Transportation Alliance Group (TAG), stated that TAG was not included in discussions about the proposed parking structure, and he requested that they be included in future discussions on the matter.

LISA MCGHEE, SAN DIEGO, spoke in opposition to staff's recommendation, stating that ground transportation operators were not included in discussions regarding the item.

LAURA SHINGLES, SAN DIEGO, representing the San Diego Chamber of Commerce, spoke in support of staff's recommendations.

CARELYN REYNOLDS, SAN DIEGO, representing TAG, stated that they need to be a part of the conversation regarding this project.

Board Member Sessom requested staff to provide a report on the impacts of greenhouse gas emissions for the Parking Plaza project. She also requested staff to come back with additional information about how much mitigation is dependent upon agencies that are outside of the Authority's control.

Board Member Robinson requested that staff look into what the Port is doing with Ace Parking in regards to cost-sharing opportunities.

Board Member Alvarez requested to see financing alternatives and stated that the most important thing to keep in mind, is that the design of the structure be aesthetically pleasing.

Chair Gleason stated that this is a larger decision regarding accessing the airport. He requested staff to provide additional information about the Palm Street trolley station and fly-away analysis. He also requested that staff provide the various decision points that staff presented to the Board, the project plan, delivery mechanism, contract, and financing options for the Parking Plaza.

RECOMMENDATION: Adopt Resolution No. 2014-0078, providing direction to staff for construction of a Terminal 2 Parking Plaza, and approving the Addendum to the 2008 Final Environmental Impact Report.

ACTION: Moved by Board Member Robinson, and seconded by Board Member Desmond to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Cox, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO - None; ABSENT – Boland. (Weighted Vote Points: YES - 87; NO - 0; ABSENT- 13).

CLOSED SESSION: The Board recessed in to Closed Session at 12:40 p.m. to discuss Items 24, 29, 30, 31 and 32.

21. 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: Scott Brickner, Finance & Asset Management, Vice President/Treasurer.

Negotiating Parties: San Diego Gas & Electric, United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties.

Under Negotiation: Sale – terms and conditions.

22. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL
23. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
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
24. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Cornelius White v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2013-00057745-CU-WT-CTL.
25. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Donna Wilson; John Wilson v. San Diego Port Authority; San Diego International Airport; San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL
(Meyer)
26. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 1
27. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)
Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al.,
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL
28. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(b) and 54954.5.)
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.
Number of potential cases: 1
29. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2

30. **PUBLIC EMPLOYMENT PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: President/Chief Executive Officer
31. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: General Counsel
32. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 1:30 p.m.

In regards to Item 29, Amy Gonzalez, Senior Director, General Counsel, reported that the following action was taken in Closed Session:

ACTION: Moved by Board Member Alvarez and seconded by Board Member Sessom to authorize a settlement for two claims in the amounts of \$10,530.36 and \$45,048.91, respectively. Motion carried by the following vote: YES – Alvarez, Cox, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Boland (Weighted Vote Points: YES – 87; NO – 0; ABSENT – 13).

In regards to Items 30-32, the following action was taken:

Board Member Desmond reported that the Board conducted the performance evaluations for the President/CEO, General Counsel, and the Chief Auditor, and that they met their goals.

ACTION: Moved by Board Member Desmond and seconded by Board Member Smisek to approve a salary increase of 3% for the President/CEO, General Counsel, and Chief Auditor. Motion carried by the following vote: YES –Cox, Desmond, Gleason, Hubbs, Smisek; NO – None; ABSENT – Alvarez, Boland, Robinson, Sessom (Weighted Vote Points: YES – 58; NO – 0; ABSENT – 42).

Chair Gleason announced that the following item would be heard at this time:

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 Hubbs announced that a tour of the Rental Car Center construction is scheduled on July 9, 2014 from 3:00 p.m. to 5:00 p.m.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Desmond reported that the Committee will meet on August 20, 2014.
- **FINANCE COMMITTEE:** None

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None
- **ART ADVISORY COMMITTEE:**
Chair Gleason announced that a public discussion by artist Miki Iwasaki is scheduled on July 24, 2014, from 3:00 p.m. to 5:00 p.m. at the Terminal 1 Food Court. He also announced the recent opening of the Reflection Room in Terminal 1.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:** None
- **CALTRANS:** None
- **INTER-GOVERNMENTAL AFFAIRS:**
Board Member Cox reported that during the past month, Authority staff provided an airfield and Terminal 2 tour for Assembly member Marie Waldron's staff, and an airport briefing and airfield tour for San Diego City Councilmember Ed Harris. He also reported that Chair Gleason provided an airport update to the San Diego City Council Economic Development and Inter-Governmental Relations Committee on July 2, 2014.
- **MILITARY AFFAIRS:** None
- **PORT:**
Chair Gleason reported that at the last bi-monthly meeting with the Port, there was discussion about the Port's planning efforts and other topics of interest.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Smisek reported that the Committee met on June 20, 2014, and approved balanced budgets for NCTD and MTS that were forwarded to the Board. The Committee also discussed the San Ysidro Intermodal Transportation Center study, and the call box program to see whether they are still pertinent.
- **WORLD TRADE CENTER:** None

CHAIR'S REPORT:

Chair Gleason reported that the Green Build expansion project at San Diego International Airport has earned the San Diego County Regional Airport Authority a Golden Watchdog Award from the San Diego County Taxpayers Association for efficient use of tax dollars.

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO reported that the Authority was the recent recipient of the 2014 Environmental Achievement Award for Environmental Management from Airports Council International – North America. She also reported on the recent kick-off of the new marketing program to promote the Airport concessions program. She announced new air Service by Seaport Airlines.

NEW BUSINESS, Continued

19. AUTHORIZATION OF A REVOLVING LINE OF CREDIT FOR AN AMOUNT UP TO \$125,000,000:

Scott Brickner, Vice President, Finance and Asset Management/Treasurer, provided a presentation on the Authorization of a Revolving Line of Credit for an Amount up to \$125,000,000, which included Rationale for a Short-term Variable Rate Debt Program, Comparison of Revolving Line of Credit and Commercial Paper Program, Authority's Existing Commercial Paper Program, Intended Uses, and Principal Documents for Board Approval.

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2014-0076, (1) authorizing the issuance and/or incurrence of San Diego County Regional Airport Authority subordinate airport revenue revolving obligations from time to time in the form of a revolving line of credit in an aggregate principal amount not-to-exceed \$125,000,000; (2) revoking the authorization to issue commercial paper notes; and (3) approving a Third Supplemental Subordinate Trust Indenture, a Revolving Credit Agreement, a Fourth Supplemental Senior Trust Indenture and certain related matters.

ACTION: Moved by Board Member Cox, and seconded by Board Member Smisek to approve staff's recommendation. Motion carried by the following vote: YES – Cox, Desmond, Gleason, Hubbs, Smisek; NO - None; ABSENT – Alvarez, Boland, Robinson, Sessom (Weighted Vote Points: YES - 58; NO - 0; ABSENT- 42).

20. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH PORTER NOVELLI, INC. FOR PUBLIC OUTREACH SERVICES IN SUPPORT OF THE RENTAL CAR CENTER DEVELOPMENT PROJECT, AIRPORT DEVELOPMENT PLAN AND OTHER AUTHORITY PROGRAMS AND INITIATIVES OF SAN DIEGO INTERNATIONAL AIRPORT:

Diana Lucero, Director, Vision, Voice and Engagement, provided an overview of the Request for Proposal process.

Board Member Desmond requested in the future, that staff provide more specificity in staff reports regarding the scope of work for the programs.

RECOMMENDATION: Adopt Resolution No. 2014-0067, authorizing the President/CEO to execute an agreement with Porter Novelli, Inc. for public outreach services for a three-year term with two one-year options exercisable at the sole discretion of the President/CEO for a total not-to-exceed amount of \$3,100,000 should both option years be exercised.

ACTION: Moved by Board Member Hubbs, and seconded by Board Member Smisek to approve staff's recommendations. Motion carried by the following vote: YES – Cox, Desmond, Gleason, Hubbs, Smisek; NO - None; ABSENT – Alvarez, Boland, Robinson, Sessom (Weighted Vote Points: YES - 58; NO - 0; ABSENT- 42).

18. APPROVAL OF A BUSINESS PERFORMANCE INCENTIVE (AN EMPLOYEE PERFORMANCE COMPENSATION PROGRAM):

Kurt Gering, Director, Talent, Culture & Capability, provided a presentation on the Business Performance Incentive, which included an Overview of the Proposed Incentive Approach, Industry Performance Incentive Models, Summary of how the Plan would have performed based on historical financials, and Summary of Key Incentive Attributes.

RECOMMENDATION: The Executive Committee recommends that the Board adopt Resolution No. 2014-0074, approving the Business Performance Incentive (an Employee Performance Compensation Program).

ACTION: Moved by Board Member Desmond, and seconded by Board Member Smisek to approve staff's recommendations. Motion carried by the following vote: YES – Cox, Desmond, Gleason, Hubbs, Smisek; NO - None; ABSENT – Alvarez, Boland, Robinson, Sessom (Weighted Vote Points: YES - 58; NO - 0; ABSENT- 42).

NON-AGENDA PUBLIC COMMENT: None

GENERAL COUNSEL REPORT: None

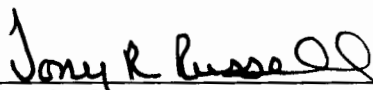
BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT:

Chair Gleason announced that the July 28, 2014 Executive Finance Committee Meeting, and the August 7th Board Meeting, are cancelled.

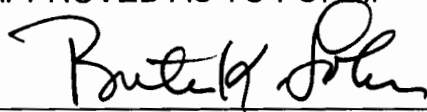
ADJOURNMENT: The meeting was adjourned at 1:54p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 4th DAY OF SEPTEMBER, 2014.



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

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL