

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
EXECUTIVE COMMITTEE MINUTES  
MONDAY, FEBRUARY 23, 2009  
SAN DIEGO INTERNATIONAL AIRPORT  
BOARD ROOM**

**CALL TO ORDER**

Chairperson Bersin called the regular meeting of the Executive Committee and Special Board Meeting to order at 9:04 a.m., Monday, February 23, 2009 in the Board Room of the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE**

Board Member Watkins led the Pledge of Allegiance.

**ROLL CALL**

*Executive Committee*

Present:            Committee Members:    Bersin, Finnila, Watkins  
                         Board Members:            Boland, Smisek

Absent:            Committee Members:    None

*Finance Committee*

Present:            Committee Members:    None

Absent:            Committee Members:    Panknin, Sheehy (Ex-Officio), Young

Also Present:    Thella F. Bowens, President/CEO; Breton Lobner, General Counsel; Tony Russell, Director, Corporate Services/ Authority Clerk; Sara Real, Assistant Authority Clerk I

**PUBLIC COMMENT** – None

**FINANCE COMMITTEE NEW BUSINESS**

1.    **APPROVAL OF MINUTES:**  
      **RECOMMENDATION:** Approve the minutes of the January 27, 2009 Special Finance Committee meeting.

**ACTION:** This item was deferred to the next Finance Committee meeting.

**EXECUTIVE COMMITTEE NEW BUSINESS**

**6. APPROVAL OF MINUTES:**

**RECOMMENDATION:** Approve the minutes of the January 29, 2009 Special Executive Committee meeting.

**ACTION:** Moved by Board Member Finnila and seconded by Board Member Watkins to approve the minutes of the January 29, 2009 Executive Committee Meeting as presented. Motion carried unanimously.

**FINANCE COMMITTEE NEW BUSINESS (Continued)**

**2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR SEVEN MONTHS ENDED JANUARY 2009:**

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Unaudited Financial Statements for the Seven Months Ended January 2009, which included the Balance Sheets, Monthly Operating Revenue, Monthly Operating Expenses, Financial Summary, and Non-Operating Revenues and Expenses.

In response to Board Member Watkins regarding what is causing the decline in parking revenue, Mr. Evans stated that the reduced number of enplanements have had a direct impact and that the parking rate increase may have had a little effect as well.

Thella F. Bowens, President/CEO, stated that the departure of Express Jet has also had an impact on parking revenue.

Board Member Finnila requested a report on the monthly operating revenues and expenses for the period January-March.

Chairperson Bersin requested a full accounting as to how maintenance expenses are budgeted, in terms of how much is capitalized and how much is expensed at next month's meeting.

**ACTION:** No action taken.

**3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF JANUARY 31, 2009:**

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Authority's Investment Report as of January 31, 2009, which included the Portfolio Strategy, Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Maturity Distribution, and Benchmark Comparison.

**ACTION: No action taken.**

**4. REVIEW OF THE SUMMARY OF OUTSTANDING COMMERCIAL PAPER:**

Vernon Evans, Vice President, Finance/Treasurer, provided a presentation on the Summary of Outstanding Commercial Paper.

**ACTION: No action taken.**

**5. AUTHORIZATION FOR INVESTMENT PURSUANT TO AUTHORITY POLICY 4.20(6)(n):**

Matt Harris, Senior Director, Executive Office, provided an overview of the staff report, which included a discussion related to home porting of a Disney cruise ship, and the possibility of the Authority investing in bonded indebtedness or similar investment vehicle to help fund the project.

Board Member Watkins expressed support for the project, stating that it is a proactive approach to economic development.

Board Member Finnilla requested that the 'proposal video' be shown at the next Board Meeting.

Board Member Boland expressed support for the project, stating that the project will benefit both the community and the Authority.

**RECOMMENDATION:** Forward to the Board for approval.

**ACTION: Moved by Chairperson Bersin and seconded by Board Member Watkins to support in concept an investment in bonded indebtedness or similar investment vehicle of 25% of project costs (not to exceed \$5 million) related to construction of cruise ship terminal facilities to attract the home porting of a Disney Cruise Lines ship; provided, that the matter is brought before the Board for consideration and final approval prior to execution of the subject investment. Motion carried unanimously.**

**EXECUTIVE COMMITTEE NEW BUSINESS (Continued)**

**7. COMPREHENSIVE GROUND TRANSPORTATION MANAGEMENT PLAN UPDATE:**

Vernon Evans, Vice President, Finance/Treasurer, stated that there is no report at this time.

In response to Chairperson Bersin, Thella F. Bowens, President/CEO, stated that staff will create a format by which to provide a report each month, which will include timelines and next steps.

RECOMMENDATION: Receive the update.

**ACTION: No action taken.**

**8. DISCUSSION REGARDING THE DEVELOPMENT OF AN AGENDA FOR THE UPCOMING BOARD RETREAT:**

Thella F. Bowens, President/CEO, reported that the concept for the agenda is to provide an overview of where we are and where we are going, as well as a discussion on long-term strategic vision and governance issues.

She provided an overview of the proposed meeting activities, which included presentations from Bill Swellbar and Ken Sura.

RECOMMENDATION: Provide direction to staff.

**ACTION: No action taken.**

**REVIEW OF FUTURE AGENDAS**

**9. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 5, 2009 BOARD MEETING:**

Thella F. Bowens, President/CEO, provided an overview of the agenda for the March 5, 2009 Board Meeting.

Ms. Bowens requested that an item be added under presentations to view the Disney Red Team video.

Chairperson Bersin requested that Board Member Watkins be appointed as a member of the Finance Committee, and to add Board Member Finnilla as an alternate to the Finance Committee.

Chairperson Bersin requested that Ms. Bowens send a letter to the Board regarding the Collection of the Customer Facility Charge to ensure all Board Members understand that this is the first step towards funding the Consolidated Rental Car Facility.

Board Member Watkins stated that one of the concerns of the rental car agencies is that they are under the impression that there is a defined plan for the facility. He stated that it would be helpful if we provided a presentation that addresses this concern, as well as their objections. He also stated that the presentation should explain how the project will be capitalized.

Chairperson Bersin stated that a presentation regarding the Consolidated Rental Car Facility on the next steps would be sufficient at this time. He also suggested that the Authority have a discussion with the Port District regarding this issue.

In response to Board Member Finnila regarding the Update on Destination Lindbergh, Chairperson Bersin stated that a Special Board Meeting will be held March 23, 2009 where the Board will make their decision.

Ms. Bowens reported that a full presentation regarding Destination Lindbergh will be given at the Board Meeting to address concerns prior to March 23.

Board Member Finnila requested that the item be placed under Presentations.

**ACTION: Moved by Board Member Finnila and seconded by Board Member Watkins to approve the draft March 5, 2009 Board meeting agenda as amended. Motion carried unanimously.**

**10. REVIEW OF THE DRAFT AGENDA FOR THE MARCH 5, 2009 AIRPORT LAND USE COMMISSION MEETING:**

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the March 5, 2009 Airport Land Use Commission meeting.

Chairperson Bersin questioned if it might be useful to view project property via Google Earth.

**ACTION: Moved by Board Member Finnila and seconded by Board Member Watkins to approve the draft March 5, 2009 Airport Land Use Commission meeting agenda as presented. Motion carried unanimously.**

**CLOSED SESSION:** The Committee recessed into Closed Session at 10:45 a.m. to discuss Item 16.

- 11. 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.
- 12. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**  
Initiation of litigation pursuant to Cal. Gov. Code §54956.9(c).  
Number of potential cases: 1 (Nazbest-Pacific).
- 13. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**  
Initiation of litigation pursuant to Cal. Gov. Code §54956.9(c).  
Number of potential cases: 1 (Galaxy).
- 14. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**  
Pursuant to Government Code Section 54956.9(b)  
Number of cases: 1  
Facts and circumstances exist causing significant exposure to litigation in accordance with Section 54956.9(b)(3(B)). These facts are known by potential plaintiff Gameday Media Properties, Inc. ("Gameday") and are as follows: a disagreement exists between the Authority and Gameday regarding the close out audit of the concession agreement.
- 15. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**  
Pursuant to Government Code Section 54956.9(a):  
*Kenneth Quilantang v. San Diego County Regional Airport Authority, et al.*,  
San Diego Superior Court Case No. 37-2008-00092986-CU-PO-CTL
- 16. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**  
Significant exposure to litigation pursuant to 54956.9(b)(A),(B) and (E):  
Memorandum of Agreement with SANDAG and the City of San Diego  
Number of potential cases: 1

**REPORT ON CLOSED SESSION:** The Committee reconvened into open session at 11:12 a.m. Breton Lobner, General Counsel, stated that the Committee was briefed but no formal action was taken.

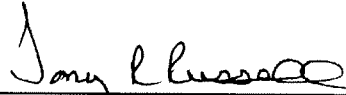
#### **PRESIDENT/CEO REPORT**

#### **COMMITTEE MEMBER COMMENTS**

#### **ADJOURNMENT**

The meeting adjourned at 11:13 a.m. The next meeting will be held on March 23, 2009, at 9:00 a.m. in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

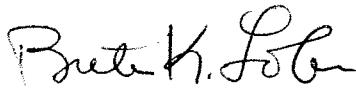
APPROVED BY A MOTION OF THE EXECUTIVE COMMITTEE THIS 23<sup>rd</sup> DAY OF MARCH, 2009.



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TONY R. RUSSELL  
DIRECTOR, CORPORATE SERVICES/  
AUTHORITY CLERK

APPROVED AS TO FORM:



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BRETON K. LOBNER  
GENERAL COUNSEL