

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, APRIL 3, 2008
WRIGHT CONFERENCE ROOM**

CALL TO ORDER:

Chairperson Bersin called the regular meeting of the San Diego County Regional Airport Authority Board to order at 11:00 a.m. Thursday, April 3, 2008, at the San Diego International Airport, Board Room, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Col. Christopher O'Connor led the pledge of allegiance.

ROLL CALL:

PRESENT: Board Members: Bersin, Boland, Desmond, Finnila, Miller, O'Connor (Ex-Officio), Orso-Delgado (Ex-Officio), Panknin, Watkins, Young, Zettel

ABSENT: Board Members: Sheehan (Ex-Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate Service/Authority Clerk; Maritza C. Steele, Assistant Authority Clerk II.

Board Member Orso-Delgado arrived during the course of the meeting.

PUBLIC COMMENT:

STEVE HOLT, CHAIR, AIRLINES AIRPORT AFFAIRS COMMITTEE, spoke regarding the airlines' concerns with the proposed Memorandum of Understanding (MOU) with the California Attorney General. He submitted a letter to the Board regarding the airlines' concerns and urged the Board to defer action on the MOU until input is solicited from the Federal Aviation Administration (FAA) and the airlines.

ROBERT GOLDSTEIN, SAN DIEGO, expressed support for an offshore airfield for the San Diego region. He introduced Mr. Adam Englund and his proposal for a FloatPort in San Diego.

ADAM ENGLUND, SAN DIEGO, presented his proposal for a permanently moored, ocean based international airport facility. He urged the Board to create

an ad hoc committee to review this option, and to direct staff to work with Ocean Works to develop a plan of action.

Chairperson Bersin directed staff to schedule Mr. Englund's proposal for discussion on the May agenda.

Board Member Boland requested that Mr. Englund submit his expectations from the Board in writing.

TIMOTHY McCUE, CORONADO, expressed support for Mr. Englund's proposal.

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

- **AUDIT COMMITTEE:**
Board Member Finnila stated that there was no report from the Audit Committee.

- **FINANCE COMMITTEE:**
Chairperson Bersin reported that the Finance Committee is scheduled to meet on May 15, 2008, to discuss the Budget. He reported that a second meeting will be scheduled to address parking rate fees. He requested that members of the Parking Committee be in attendance at the meeting.

- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Watkins reported that the Executive Personnel and Compensation Committee met on March 20, 2008, to establish a performance management system for the three executives that currently report to the Board. He reported that the Committee would like to align executive performance with the corporate goals of the organization, address appropriate timing for performance appraisals from the executives' anniversary date to the fiscal year, establish a framework for public management for performance that could be used by this Board and future Boards. He stated that the Committee also met in Closed Session to discuss some of the executives' goals and objectives, and recommended to the Board that the Authority: 1) engage the Center for Organization Effectiveness for assistance in establishing some of the performance goals; and 2) create clear and measurable goals in line with the organizational objectives.

- **MILITARY AFFAIRS LIAISONS:**

Board Member Boland reported that a request was received from officials at MCRD for a copy of the MOA that was approved by SANDAG and the Authority.

Chairperson Bersin requested that Board Member O'Connor be added as a Military Affairs Liaison.

- **RASP LIAISONS:**

Board Member Miller reported that the draft MOA with SANDAG has been circulated for comments and must be signed by June 30, 2008. He reported that the MOA defines agency responsibility for the RASP/AMAP, sets forth limits for the Authority's obligation to pay for airport service accessibility planning, and identifies joint strategies for submitting funding requests to federal, state and local sources. He reported that a funding request to the Federal Aviation Administration for \$2.8 million has been finalized and discussions with their regional office are underway.

- **EXECUTIVE STEERING LIAISONS FOR MOA - CITY OF SAN DIEGO:**

Chairperson Bersin stated that information regarding this item will be reported under Item 14.

- **EXECUTIVE STEERING LIAISONS FOR MOA - SANDAG:**

Chairperson Bersin reported that a policy committee was created to review work with staff when the reports are completed on the MOA. He reported that the Mayor's office will be preparing the notice for these meetings and requested that Authority staff prepare the minutes. He also requested that the President/CEO send a summary of the April 2, 2008 meeting with SANDAG to all Board Members.

Thella F. Bowens, President/CEO, reported that as a part of the meeting, she would like to create a public outreach team that would include representatives from all of the key agencies. She reported that the meetings will also be web cast.

- **TERMINAL DEVELOPMENT PROGRAM PARKING AD HOC COMMITTEE:**

Board Member Miller stated that there was no report from the Terminal Development Program Parking Ad Hoc Committee.

- **SANDAG TRANSPORTATION COMMITTEE REPRESENTATIVE:**

Board Member Zettel stated that there was no report from the SANDAG Transportation Committee. She stated that the meeting scheduled for April 4, 2008, was canceled.

- **SOUTHERN CALIFORNIA REGIONAL AIRPORT AUTHORITY (SCRAA) REPRESENTATIVE:**

Chairperson Bersin reported that SCRAA is no longer in existence, and monthly reports from this group should be removed from the agenda.

Board Member Finnila reported that Board Members should have received the results of the survey.

- **SCAG AVIATION TASK FORCE:**

Chairperson Bersin reported that monthly reports from SCAG should continue not only because of their existence, but because of the work Board Member Zettel is doing with the committee in Sacramento on Phase III.

- **CALTRANS:**

Board Member Pedro Orso-Delgado reported on Caltrans' proposal for San Diego's rail and border improvements. He stated that Caltrans will be meeting with the California Transportation Commission to ratify a proposal for San Diego to receive Proposition 1B bond money for port, rail, and border improvements.

Board Member Zettel reported that she will be meeting with representatives of the Governor's staff regarding the future landscape of air and travel in Southern California. She reported that representatives will also discuss the failure of efforts to have regional discussions regarding solutions to diminishing capacity.

Chairperson Bersin stated that he would like to formalize the liaisons on the Terminal Development Program Parking Ad Hoc Committee with Board Members: Boland, Miller, and Panknin (Chair). He stated that he would also like Colonel O'Connor to be a part of the Military Liaison group.

Breton Lobner, General Counsel, clarified the difference between a standing committee and an ad hoc committee. He stated that a standing committee is permanent and remains for a long period of time, while an ad hoc committee is one that is established by the Board to do a specific task for a certain amount of time.

Chairperson Bersin stated that he will review and clarify the matter at the next meeting.

CONSENT AGENDA:

Board Member Boland requested that the fourth paragraph on page 12 of the March 6, 2008 minutes be clarified in regards to comments made by Mr. Wilschetz regarding expanding to another site and the need for a second runway. He also suggested that the minutes be clarified to reflect that the Authority entered into a Memorandum of Agreement with SANDAG and not a Memorandum of Understanding.

Keith Wilschetz, Director, Airport Systems Planning, clarified that the study will consider the need for another runway at SDIA and look at expanding SDIA at the current site, not at another location.

Tony R. Russell, Director, Corporate Services/Authority Clerk, stated that the minutes would be amended clarifying comments by Mr. Wilschetz.

Board Member Zettel requested that Item 11 be removed from the consent agenda for discussion.

Board Member Desmond requested that Item 6 be removed from the consent agenda for discussion.

Chairperson Bersin requested that Item 7 be removed from the consent agenda for discussion.

ACTION: Moved by Board Member Watkins and seconded by Board Member Finnila to approve the Consent Agenda as amended. Motion carried unanimously by the following vote: YES – Bersin, Boland, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Young. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the March 6, 2008 regular meeting and the February 25, 2008 special meeting.
2. **APRIL 2008 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2008-0032, approving the April 2008 Legislative Report.

3. **APPOINTMENTS TO THE AIRPORT ADVISORY COMMITTEE:**
RECOMMENDATION: Adopt Resolution No. 2008-0033, approving the reappointment of Oris Dunham, Alan Murphy, Trey Hettinger, Daniel Burkhart, Diane Combs, Richard Miller, Gary Knight, Gary Gallegos, Lucy Killea, Raymond Peet, Curtis Holmes, John Chalker, Gail Naughton and Julianne Nygaard as members of the Airport Advisory Committee and appointment of Ramona Salisbury Kiltz, Joseph Seibel, Clara Carter, Laurie Berman and Phil Stone to the Airport Advisory Committee.
4. **APPOINTMENT OF BOARD MEMBER LIAISON:**
RECOMMENDATION: Adopt Resolution No. 2008-0041, appointing Board Member Pedro Orso-Delgado as liaison to Airport Multi-Modal Accessibility Plan (AMAP).

CLAIMS

5. **RESOLUTION AUTHORIZING THE REJECTION OF THE CLAIM OF LINDA ZELLNER:**
RECOMMENDATION: Adopt Resolution No. 2008-0034, authorizing the rejection of the claim of Linda Zellner.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

6. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JANUARY 28, 2008 THROUGH FEBRUARY 24, 2008, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 28, 2008 THROUGH FEBRUARY 24, 2008:**
ACTION: This item was pulled from the Consent Agenda for discussion.
7. **WAIVER OF THE REQUIREMENTS SET FORTH IN AUTHORITY POLICY SECTION 5.02 (4)(b)(ii) APPROVING AN INCREASE TO THE PRESIDENT/CEO'S CONTRACT AUTHORIZATION LIMIT FOR CHANGE ORDERS FOR THE NAVAL TRAINING CENTER LANDFILL REMEDIATION, PHASE I, INSTALLATION OF 12KV ELECTRICAL CONDUIT AND REMEDIATION OF UTILITY EASEMENT CONTRACT:**
ACTION: This item was pulled from the Consent Agenda for discussion.

8. **SECOND AMENDMENT TO THE AGREEMENT BETWEEN THE AUTHORITY AND PAUL PLEVIN SULLIVAN & CONNAUGHTON LLP:**
RECOMMENDATION: Adopt Resolution No. 2008-0036, approving the second amendment to the agreement between the Authority and Paul Plevin Sullivan & Connaughton LLP, to provide professional legal services in connection with the Authority's labor and employment issues, increasing the amount of the contract by \$250,000 for a total contract amount not to exceed \$600,000.
9. **SECOND AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT WITH AXIS CONSULTING, INC., FOR CONSULTING SERVICES:**
RECOMMENDATION: Adopt Resolution No. 2008-0037, approving the Second Amendment to Agreement No. 201584OS, between the Authority and Axis Consulting, Inc., for consulting services, extending the term of the contract from March 31, 2008 to June 30, 2008.

AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION

10. **FIFTH AMENDMENT TO THE AGREEMENT BETWEEN THE AUTHORITY AND GATZKE DILLON & BALLANCE, LLP:**
RECOMMENDATION: Adopt Resolution No. 2008-0038, approving the fifth amendment to the agreement between the Authority and Gatzke Dillon & Ballance, LLP, to increase the amount of the contract by \$300,000 for a total not to exceed \$1,500,000 and to extend the term of the contract by one year to expire no later than August 31, 2009.
11. **BOARD AUTHORIZATION TO NEGOTIATE WITH AND AWARD A CONTRACT TO _____ FOR THE PUBLIC OUTREACH SERVICES FOR THE AUTHORITY:**
ACTION: This item was pulled from the Consent agenda for discussion.

ITEMS PULLED FROM THE CONSENT AGENDA FOR DISCUSSION

6. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JANUARY 28, 2008 THROUGH FEBRUARY 24, 2008, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 28, 2008 THROUGH FEBRUARY 24, 2008:**
Board Member Desmond requested more detail regarding the avigation easement on Attachment B.

Troy Leech, Director, Real Estate Management, stated that the avigation easement in question is for a house that is either being renovated, expanded, or under new construction.

Board Member Watkins suggested that easements be reported in a quarterly discussion to the Board rather than individually as presented today.

Thella F. Bowens, President/CEO, stated that this avigation easement is part of the policy items and agreements that she reports to the Board on a monthly basis.

RECOMMENDATION: Receive the report.

ACTION: Moved by Board Member Desmond and seconded by Board Member Finnila to approve staff's recommendation. Motion carried unanimously by the following vote: YES – Bersin, Boland, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Young. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

7. **WAIVER OF THE REQUIREMENTS SET FORTH IN AUTHORITY POLICY SECTION 5.02 (4)(b)(ii) APPROVING AN INCREASE TO THE PRESIDENT/CEO'S CONTRACT AUTHORIZATION LIMIT FOR CHANGE ORDERS FOR THE NAVAL TRAINING CENTER LANDFILL REMEDIATION, PHASE I, INSTALLATION OF 12KV ELECTRICAL CONDUIT AND REMEDIATION OF UTILITY EASEMENT CONTRACT:** Iraj Ghaemi, Director, Facilities Development, stated that Authority policy requires Board approval on change orders for construction projects that are over six percent of the total contract amount. He stated that staff is requesting authorization to increase the change order authorization for the President/CEO from 6 percent to 15 percent to remove material from the landfill that is unsuitable for future development.

In response to Board Member Zettel regarding the monthly change order reports to the Board, Thella F. Bowens, President/CEO, stated that all change orders are reported to the Board on a monthly basis.

RECOMMENDATION: Adopt Resolution No. 2008-0035, authorizing a waiver of Authority Policy Section 5.02 (4)(b)(ii) resulting in an increase to the President/CEO's current change order authorization limit from (6%) \$163,844, to an amount not to exceed (15%) \$409,610 for Contract No. 204993OG, Project No. 103044 Naval Training Center ("NTC") Landfill Remediation Phase 1 Installation of 12KV Electrical Conduit and Remediation of Utility Easement, at San Diego International Airport.

ACTION: Moved by Board Member Finnila and seconded by Board Member Miller to approve staff's recommendation. Motion carried unanimously by the following vote: YES – Bersin, Boland, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – YOUNG. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

11. BOARD AUTHORIZATION TO NEGOTIATE WITH AND AWARD A CONTRACT TO _____ FOR THE PUBLIC OUTREACH SERVICES FOR THE AUTHORITY:

Diana Lucero, Director, Public, Community and Customer Relations, provided a presentation on the process used to select Porter Novelli. She stated that Porter Novelli will provide public outreach services to support the 1) Terminal Development Program; 2) Lindbergh Multimodal Transportation Plan; 3) Regional Aviation Strategic Plan; and 4) Other Airport Authority initiatives. She stated that the contract will be for three years with a not to exceed amount of \$4.5 million.

Board Member Finnila suggested that staff provide a break down of the costs for each of the services being provided.

Board Member Miller expressed concern that only two consultants responded to the contract, and with the amount of the contract.

Brent Buma, Vice President, Marketing and Communications, stated that the contract costs include the Terminal Development Program, RASP, and the Multimodal Transportation Plan. He stated that staff is preparing a timeline for each component.

Thella F. Bowens, President/CEO, stated that outreach for each of the components will require educating not only the public adjacent to the airport, but those throughout the region.

Board Member Orso-Delgado provided information on a system used by Caltrans and SANDAG to negotiate contracts with a ceiling and not issue the full amount of the contract. He stated that the system includes establishing different task orders to control the project.

Chairperson Bersin stated that he would like the contract broken down into three parts to provide Board oversight of the process. He recommended that the contract be structured in a way to allow \$1.5 million to be spent each year, that any deviation from this amount be brought back to the Board, and that the Board review the contract annually.

Ms. Bowens stated that staff's contractual relationship is closely monitored by the Audit Department. She stated that staff would need the flexibility to respond to needs that arise during the process.

Chairperson Bersin stated that he does not expect the Board to participate in the development of the scope of work, but would recommend that the expenditures not exceed \$1.5 million per year, and that the Board review the contract annually.

In response to Board Member Watkins regarding the need for accountability, Mr. Buma stated that staff will fine tune the process going forward by looking at sending more direct mail and more ways to engage the process.

In response to Board Member Miller regarding whether the contract deliverables are identified, Mr. Buma stated that staff is in the process of preparing a report to the Board on qualitative results and interest from the public.

Board Member Desmond expressed concern that moving forward with the process while the Authority is still in the planning stages with the City of San Diego and SANDAG on the Terminal Development Plan, and Lindbergh Multimodal Transportation Plan could send a mixed message.

RECOMMENDATION: Adopt Resolution No. 2008-0039,

ACTION: Moved by Chairperson Bersin and seconded by Board Member Finnilla to approve staff's recommendation authorizing the President/CEO to negotiate with and award a contract to Porter Novelli for public outreach services for three years in an amount not to exceed \$4,500,000 in support of the Terminal Development Program, Lindbergh Multimodal Transportation Plan, Regional Aviation Strategic Plan and other Airport Authority initiatives; and to construct the contract in a way that authorizes a not to exceed expenditure of \$1,500,000 per year and requires that it be brought back to the Board for review on an annual basis and to be renewed for each additional year; and that any amount of expenditure above the \$1,500,000 per year, be brought back to the Board for approval. Motion carried unanimously by the following vote: YES – Bersin, Boland, Desmond, Finnilla, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT - Young. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

Board Member Panknin announced that he was recusing himself from Item 20 because of a potential conflict of interest.

CLOSED SESSION: The Board recessed into closed session at 12:55 P.M. to hear Items 16, 20 and 21.

16. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(b)(d)):**
Number of potential cases: 2 (regarding environmental matter)
17. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(a)):**
Britt v. San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2007-00072794-CU-MC-CTL
18. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(a)):**
Regarding the Application of San Diego County Regional Airport Authority, San Diego International Airport (SDIA), Before the Office of Administrative Hearings, State of California, OAH Case No. 2004120097
19. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(a)):**
Hernandez v. San Diego County Regional Airport Authority, San Diego Superior Court Case No. GIC 871979
20. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(a)):**
Jimsair Aviation Services, Inc. v. San Diego County Regional Airport Authority, San Diego Superior Court Case No. GIC 865099
21. **CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Property: 2722-2724 Truxtun Road APN 450-841-05-00
Agency Negotiator: Vernon D. Evans, Vice President, Finance/Treasurer and Eric Podnieks, Real Estate Manager
Negotiating Parties: Truxtun LLC and/or First National Bank
Under Negotiation: Perfecting a purchase agreement and terms of agreement and terms of payment

REPORT ON CLOSED SESSION: The Board reconvened into open session at 2:00 P.M. Breton Lobner, General Counsel, reported that no action was taken.

PRESIDENT/CEO REPORT:

- About the Airport
- Lindbergh Multi-Modal Transportation Plan
- Terminal Development Program
- Regional Aviation Strategic Plan
- Public Outreach and Communication
- International Air Service
- City/SANDAG/Port Collaboration with the Authority

Thella F. Bowens, President/CEO, reported on the Aloha Airlines bankruptcy.

Ms. Bowens reported that this week was the official launching of SDIA's valet parking which was well received by the public.

Ms. Bowens reported that staff is moving ahead with the implementation of the Terminal Development Program in the spring of 2009. She reported that certification of the Environmental Impact Report for the program is scheduled to be presented to the Board at the May meeting.

Ms. Bowens reported that, in regards to public outreach and communication, the Authority is in constant communication with interested parties. She stated that all advertising is designed to help educate the public on the value of the airport.

Ms. Bowens reported that Zoom Airlines will begin service in June and that the Marketing and Communications Department is working with the Port District and the Convention and Visitors Bureau regarding marketing relationships.

Ms. Bowens reported that the Authority will be hosting a joint meeting with the Port District on April 4, 2008.

PRESENTATION (S):

A. 2007 PASSENGER SATISFACTION SURVEY RESULTS:

Scott Ludwigsen, Executive Vice President, Travel Research Group, Phoenix Marketing International, provided a presentation regarding the 2007 Passenger Satisfaction Survey Results. He provided information regarding the methodology used, independent and dependent variables for overall satisfaction for wait time, restrooms, food and beverage, service at the ticket counters, security checkpoints, terminal facilities, and the gate area. He also provided information on the baggage service at SDIA.

In response to Board Member Finnilla regarding ways to measure the success of the Wi-Fi program, Mr. Ludwigsen stated that a question was built into the current survey and results will be available on a quarterly basis.

Board Member Watkins expressed concern regarding the quality of food and service at SDIA, and questioned what could be done to improve the service.

Thella F. Bowens, President/CEO, stated that staff is working with Host International to get some interim improvements. She stated that the Host International contract expires in 2012. She stated that the whole concept will change and it will offer more versatility.

B. AVIATION EDUCATION OUTREACH-JUNIOR ACHIEVEMENT AIRPORT MODULE FOR BIZTOWN:

Judy McSweeney, Senior Marketing Specialist, provided a presentation on the Authority's new initiative, Biztown. She stated that the program will reach over 12,000 students annually (about 30 percent of all 5th graders), and is already supported by major community players like Cox Cable, SDG&E, Sea World, Jack in the Box, Scripps Institute, Kaiser, Washington Mutual, Best Buy, the Daily Transcript and more. She stated that SDIA will be the first airport to join Biztown. She stated that Biztown is a place where kids try on and practice their future to become ethically and financially responsible citizens.

Board Member Zettel questioned the impact of the program on students that are disengaged in the classroom, and whether there are long term studies to follow the effect the program has on at-risk students.

Chairperson Bersin requested information on the impact Biztown is having on at-risk students.

Board Member Young left the dais at 12:15 p.m.

PUBLIC HEARINGS: None

OLD BUSINESS: None

NEW BUSINESS:

12. AUTHORIZE THE PRESIDENT/CEO TO AWARD A CONSTRUCTION CONTRACT TO WEST-TECH CONTRACTING, INC., FOR NAVAL TRAINING CENTER LANDFILL REMEDIATION PHASE 2:

Iraj Ghaemi, Director, Facilities Development, provided an overview of the staff report. He stated that the contract will not be awarded until the California Coastal Commission acts favorably on the wetlands issue. He explained the bidding process and stated that a protest was received from Woods Brothers, Inc. regarding the award of contract to West-Tech Contracting, Inc.

Amy Gonzalez, Director, Counsel Services, addressed the legal issues regarding the Woods Brothers, Inc. appeal. She stated that the bid was analyzed using federal standards and even with those standards, it was found not to be unresponsive because the bid was not mathematically and materially unbalanced. She stated that federal standards do not apply because this is not a federally funded project.

MARY SIMPSON, SAN DIEGO, spoke in support of staff's recommendation.

RECOMMENDATION: Adopt Resolution No. 2008-0040, authorizing the President/CEO to award a construction contract to West-Tech Contracting, Inc., in the amount of \$18,834,843.78, for Project No. 103044, Naval Training Center (NTC) Landfill Remediation Phase 2, at San Diego International Airport (SDIA); the contract will not be awarded until or unless the California Coastal Commission acts favorably on the wetlands issue.

ACTION: Moved by Board Member Finnila and seconded by Board Member Desmond to approve staff's recommendation. Motion carried unanimously by the following vote: YES – Bersin, Boland, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Young. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

- 13. DISCUSSION OF A MEMORANDUM OF UNDERSTANDING WITH THE CALIFORNIA ATTORNEY GENERAL REGARDING THE AIRPORT MASTER PLAN AND ENVIRONMENTAL AIRPORT REPORT:**
RECOMMENDATION: Provide direction to staff.

ACTION: This item was continued to the May Board meeting.

- 14. DISCUSSION OF A MEMORANDUM OF AGREEMENT WITH THE CITY OF SAN DIEGO AND SANDAG REGARDING THE AIRPORT MASTER PLAN AND ENVIRONMENTAL IMPACT REPORT:**
In response to Board Member Desmond regarding whether Taxiway C is a feasible option, Board Member Boland stated Taxiway C will be addressed during policy discussions with the military.

RECOMMENDATION: Provide direction to staff.

ACTION: No action was taken.

- 15. EXECUTIVE LEVEL PERFORMANCE APPRAISALS:**
RECOMMENDATION: The Executive Personnel and Compensation Committee recommends that the Board provide direction to staff.

ACTION: Moved by Board Member Boland and seconded by Board Member Watkins to adopt Resolution No. 2008-0042, authorizing the Authority to engage the Centre for Organization Effectiveness to assist in establishing clear and measurable performance goals for the President/CEO, Chief Auditor and General Counsel; to ensure alignment of the goals with the organization's eight strategic goals and cascading down through to departmental and individual goals; to begin with developing the goals for the Chief Auditor and General Counsel, followed by the President/CEO; and to align the sequence and timing of performance appraisals with organizational outcomes (e.g. fiscal year end). Motion carried unanimously by the following vote: YES – Bersin, Boland, Desmond, Finnilla, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Young. (WEIGHTED VOTE POINTS: YES=87, NO=0, ABSENT=13)

WORKSHOP:

22. REVIEW OF THE CAPITAL IMPROVEMENT PROGRAM BUDGET:

Bryan Enarson, Vice President, Development, provided a presentation on the current Capital Improvement Program Budget. He stated that development of the program focuses on prioritizing efforts, safety and security, maintaining infrastructure, and customer service. He stated that there are a total of 99 projects within the program and some of the projects include: replacement of the Electronic Visual Information Display System (EVIDS), enhancements to Terminal 2 East with new paint and carpet, installation of two new ADA compliant elevators in Terminal 1 East, expansion of the security checkpoint at Terminal 1 West, Terminal 1 East Restroom Expansion, additional hold room and passenger boarding bridge gate at Terminal 1, repavement of the existing cell phone lot, new security gates and fencing, new procurement warehouse, new maintenance facility, resurfacing of Parking Lot 8, expansion of the Board Room, and relocating gas and electrical lines at NTC landfill for the Terminal Development Program. He stated that the Capital Improvement Program forecast from July 1, 2007 through June 30, 2008, is \$54.3 million. He also stated that the proposed 2009 budget for new Capital Improvements Program projects is \$15.4 million.

Rick Trummer, Program Manager, provided an overview of the proposed projects for 2009. He stated that the projects include: Upgrade to the signage on Harbor Drive; bag belt start/FIDS interlock; ARFF Vehicle; Relocation of Runway 9 Displaced Threshold; Implementation of IT power; SAN Park-Pacific Highway/Pacific Highway Pavement; Update of the Airport Property Map; and Infrastructure for the Exterior Campus Communications.

In response to Board Member Panknin regarding the return on investment for the SAN Park Pacific Highway parking project, Vernon Evans, Vice President, Finance/Treasurer, stated that he would provide that information to Mr. Panknin after the meeting.

Board Member Finnilla suggested that future red buses include ground floor access.

Mr. Evans provided a presentation regarding the financing of the Capital Improvement Program. He stated that the sources of funding for the program include revenue bonds and passenger facilities charges.

Thella F. Bowens, President/CEO, stated that the preliminary operating budget will be presented to the Finance Committee in May and the final operating budget will be presented to the Board in June.

RECOMMENDATION: Provide direction to staff.

ACTION: No action was taken.

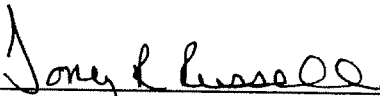
GENERAL COUNSEL REPORT:

BOARD COMMENT:

ADJOURNMENT:

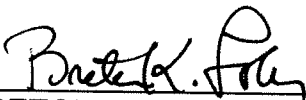
The meeting was adjourned at 3:47 p.m. The next regular meeting will be held on May 1, 2008, at 9:00 a.m., in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 1st DAY OF MAY, 2008.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL