

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MAY 1, 2008
BOARD ROOM**

CALL TO ORDER:

Chairperson Bersin called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:00 a.m. Thursday, May 1, 2008, at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Vernon Evans, Vice President, Finance/Treasurer, led the pledge of allegiance.

ROLL CALL:

PRESENT: Board Members: Bersin, Boland, Desmond, Finnila,
Miller, Panknin, Watkins, Young, Zettel

Ex-Officio Members: O'Connor, Orso-Delgado, Sheehan

ABSENT: Board Members: None

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

PUBLIC COMMENT:

JARVIS ROSS, SAN DIEGO, spoke regarding a document that was prepared in 2006 by Strategic Planning regarding Airport Physical Constraints. He stated that two runways are needed to accommodate simultaneous take-offs and landings, and that adequate acreage to address capacity demands, and efficient mass transit system for airport access are also needed.

KEVIN FAULCONER, COUNCILMEMBER, CITY OF SAN DIEGO, urged the Board to remove the parking structure from the Airport Master Plan. He stated that a massive parking structure on North Harbor Drive would generate more traffic congestion and gridlock. He stated that as a result of traffic and the parking structure, streets like Harbor Drive will be downgraded to an "F" rating. He urged the Board to find solutions that will lessen traffic on Harbor, and urged the Board to provide the public with more time to review the EIR.

PUBLIC HEARINGS:

Board Member Panknin reported that he must recuse himself from these items because of a potential conflict of interest.

Chairperson Bersin reported that Items 1 and 2 would be presented and acted on together. He opened the Public Hearing.

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

Angela Shafer-Payne, Vice President, Planning and Operations, presented a summary of the EIR process and Airport Land Use Plan of the Airport Master Plan for SDIA. She provided information regarding the aviation activity forecast for both passenger and operation for SDIA, and community outreach.

Ted Anasis, Manager, Airport Planning, provided an overview of the environmental process, actions taken by the Authority, Certification of the Final Environmental Impact Report with Errata, Comments Received, Comment Topics, EIR Planning Assumptions and Alternatives, Significant Impacts, Traffic/Circulation Impact and Mitigation, Air Quality Impact and Mitigation, Human Health Risk Impact and Mitigation, Historic Resources Impacts and Mitigation, Biotic Communities Impacts and Mitigation, Mitigation Monitoring and Reporting Program, and Statement of Overriding Considerations. He stated that the Authority is the lead agency, and is required to certify the Final EIR with errata, adopt the Statement of Overriding Considerations, and the Mitigation Monitoring and Reporting Program. He stated that the Board is also required to adopt the Master Plan for the San Diego International Airport.

Board Member Boland questioned whether the adoption of the EIR would commit the Board to the construction of any portions of the Master Plan, including the proposed parking structure.

Ms. Shafer-Payne concurred that the adoption of the EIR does not commit the Board to construct any portion of the Airport Master Plan.

In response to Board Member Boland regarding the extension of the public comment period, Ms. Shafer-Payne stated that the public comment period was extended at the request of the San Diego Association of Governments and the Peninsula Planning Group. She stated that this EIR was sent to every member and organization that provided comment.

In response to Board Member Desmond regarding the human health risk associated with Nitrogen Dioxide (NO₂), Kim Hughes, HNTB, described how it affects ambient air quality in California. She stated that the concentration of NO₂ is already excessive without the project.

In response to Board Member Zettel regarding the public review period for the first draft EIR and why there was a five month review, instead of 45 days, Mr. Anasis stated that State Law requires that the draft be circulated for a minimum of 45 days. He stated that because of the nature and size of the analysis, staff felt that it was necessary to allow the public and agencies additional time to review the analysis.

Board Member Zettel inquired if the EIR included plans to build a new rental car facility which may remove many of the buses circulating from the car rental facilities. She also inquired if the air quality impacts considered people circulating the parking lot to find a place to park.

Ms. Shafer-Payne stated that after the circulation of the first EIR, staff was directed by the Board to consider that issue at a programmatic level. She stated that impacts associated with an inter-modal transit center along with the consolidated rental facility were also considered.

Board Member Orso-Delgado questioned what plans were in place to address mitigation issues if a consensus is not reached with the regional agencies.

Thella F. Bowens, President/CEO, stated that because of revenue diversion issues, the Authority would have to caveat any agreement with outside agencies to participate in the funding of the projects. She stated that the Authority has made a commitment to work with the FAA and with other responsible agencies.

Board Member Orso-Delgado suggested developing an implementation plan as outlined in the MOU to include the consequences for failure to comply with the terms of the agreement.

In response to Board Member Watkins regarding what percentage of NO₂ impacts is a result of ground transportation circulation, Ms. Hughes stated that the majority is from aircraft and that the ground circulation impact is less than ten percent.

In response to Chairperson Bersin, Ms. Shafer-Payne explained that Destination Lindbergh provides an opportunity for staff to look collaboratively with the agencies responsible for the property surrounding the airport (San Diego Association of Governments, the City of San Diego,

the Port District, the County of San Diego) to see what opportunities are available. She stated that Destination Lindbergh provides an opportunity to see how staff and these agencies can better connect the airport to the transit that surrounds the airport, how to make those connections, and what is the ultimate build out. She stated that it also takes into consideration the Teledyne Ryan and General Dynamic properties, and how they can support the airport.

RECOMMENDATION: Adopt Resolution No. 2008-0048, to certify the Final Environmental Impact Report (EIR) for the San Diego International Airport Master Plan and adopt California Environmental Quality Act (CEQA) Findings of Fact, a Statement of Overriding Considerations and a Mitigation Monitoring and Reporting Program.

2. **ADOPT THE SAN DIEGO INTERNATIONAL AIRPORT MASTER PLAN:** Ted Anasis provided a presentation on the recommended adoption of the San Diego International Airport Master Plan which included Passenger Growth Forecast, Airport Land Use Plan; Airport Implementation Plan with and without Parking Structure; and Airport Authority Board Actions. He stated that the next steps would be to post the adopted Airport Master Plan on the website, coordinate with the FAA to complete federal environmental review, and submit an application for a Coastal Development Permit. He stated that the Airport Authority Board must approve specific projects to fund, design, and construct.

Chairperson Bersin opened the public comment portion of the hearing.

JESSE KNIGHT, EXECUTIVE VICE PRESIDENT, SEMPRA, spoke in support of the certification of the EIR

JARVIS ROSS, SAN DIEGO, urged the Board to reject adoption of the EIR and Airport Master Plan.

ANDY FICHTHORN, EXECUTIVE VICE PRESIDENT, SEAWORLD, stated that SeaWorld is in support of the certification of the EIR and the MOA with SANDAG and the City of San Diego.

LANCE MURPHY, SAN DIEGO, questioned whether certification of the EIR meets the long-term needs of the community, the need for Destination Lindbergh, and the proposed MOA with the Attorney General.

ANDY BERG, NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION, urged the Board to certify the EIR.

RON BOSHUN, SAN DIEGO, urged the Board to reject the EIR.

GREG BLOCK, BUILDING OWNERS AND MANAGERS ASSOCIATION OF SAN DIEGO, expressed support for the approval of the EIR. He stated that the preferred alternatives will help maximize access, parking, and operational efficiencies at SDIA.

BRUCE COONS, EXECUTIVE DIRECTOR, SAVE OUR HERITAGE ORGANIZATION, requested a continuance on the comment review period for the EIR. He expressed concern regarding the adoption of the Statement of Overriding Considerations, and the impacts to historic resources. He also requested that staff complete a full analysis of the impacts of Destination Lindbergh.

BEN AVEY, BIOCUM, expressed support for the certification of the EIR, and requested that no construction begin until a long range vision plan for the airport has been adopted.

PATRICIA RANK, suggested East Elliot as an alternate location for an international airport.

JOHN CHALKER, ASAP 21, stated that they are in support of the certification of the EIR and are supportive of the MOA with SANDAG and the City of San Diego.

CYNTHIA CONGER, SAN DIEGO, stated that the airport is almost over capacity. She spoke in opposition to staff's recommendation.

STEPHANIE YOUNGERSEN, SAN DIEGO NORTH ECONOMIC DEVELOPMENT COUNCIL, expressed support for the draft EIR, and the MOA with SANDAG and the City of San Diego for regional collaboration on the Long Term Vision Plan for SDIA.

DIANNE REICHARDT, VICE PRESIDENT, PENINSULA CHAMBER OF COMMERCE, expressed concern regarding the proposed five-story parking structure.

HUGH CONSTANT, VICE PRESIDENT, SAN DIEGO WORLD TRADE CENTER, encouraged the Board to certify the EIR.

WILLIAM BRADSHAW, SAN DIEGO, requested that the Board delay approval of the EIR until the public has had more time to review the document.

NAMARA MERCER, EXECUTIVE DIRECTOR, SAN DIEGO COUNTY HOTEL/MOTEL ASSOCIATION, encouraged the Board to certify the EIR.

PAUL HARTLEY, SAN DIEGO, expressed concern regarding the proposed parking structure and its effect on Grape Street and Harbor Drive. He requested more time for public review of the EIR.

STEPHEN HAASE, SAN DIEGO, CHAIR, LEGISLATIVE COMMITTEE, NATIONAL ASSOCIATION OF OFFICE AND INDUSTRIAL PROPERTIES, spoke in support of the certification of the EIR and the Airport Master Plan.

LEONARD BURGESS, SAN DIEGO, spoke regarding the impacts a parking structure would have on traffic on Grape Street, Laurel Street, and Harbor Drive.

SUHAIL KHALIL, PENINSULA COMMUNITY PLANNING BOARD, stated that sufficient time was not given to review the final EIR and traffic circulation impacts. He requested more time to review the document.

ARDETTA STEINER, SAN DIEGO, expressed concern regarding safety, and the health effects on children due to aircraft noise.

SCOTT ALEVY, VICE PRESIDENT, SAN DIEGO REGIONAL CHAMBER OF COMMERCE, urged staff to complete the visioning process within the next nine to twelve months, and to immediately begin plans for Phase 1. He stated that they are in support of the multi-modal transit center, the MOA with the City of San Diego and SANDAG, and certification of the EIR.

ANDREW POET, SAN DIEGO REGIONAL ECONOMIC DEVELOPMENT CORPORATION, expressed support for the certification of the EIR.

STEVE JOHNSON, VICE PRESIDENT, SAN DIEGO CONVENTION CENTER CORPORATION, expressed support for the certification of the EIR.

Board Member Zettel stated that she received letters of support for the certification of the Environmental Impact Report from various associations who ultimately sent representatives to the meeting. She stated that she also received a press release, a resolution, and 200 cards from the general public expressing their support, and requested that the information be included in the record.

The Board recessed at 11:15 a.m. and reconvened at 11:30 a.m.

In response to issues regarding the time to respond to public comments, Bret Lobner, General Counsel, stated that Government Code Section 15088 provides a statutory period of 10 days to respond to comments. He stated that staff is in compliance with the Code.

In response to questions raised regarding overriding considerations if there is no feasible alternative which would justify moving forward with the project, Zane Gresham, Attorney from the firm of Morrison and Foerster, stated that there is no feasible alternative and that the Authority is entitled to proceed.

In regards to issues raised regarding segmentation and cumulative impacts, Mr. Gresham stated that the EIR addresses the overall environmental effects that could occur based on two elements. He stated that the first element is an airport land use plan that describes the allocation of space within the airport boundaries for particular uses. He stated that the EIR has also examined particular projects at a level of specificity that would allow the Board to move forward.

In regards to comments made that the Board based its future planning on passenger forecast data from 2004, Mr. Anasis provided an overview of the development of the 2004 passenger forecast. He stated that the forecast is compared to the FAA's terminal forecast, and SDIA has always been within a ten percent quarter of magnitude.

Board Member Young stated that people are concerned with traffic mitigations. He stated that the presentation did not show the impacts of the project on the streets in regard to traffic. He stated that the Authority will have to address the impacts of the parking garage head on.

Ted Anasis, Manager, Airport Planning, stated that each specific street segment and intersection have a different level of service within the project. He stated that the street segments along North Harbor Drive to Grape Street would have a level of service E without the project. He stated that with the project, including the parking structure, the service level would be F, but with mitigation measures, it would be reduced to a service level of E, which is less than acceptable. He explained that levels of service range from A to F. He stated that a level of service D is acceptable.

Board Member Young suggested a motion to have a full hearing on the parking structure. He expressed concern regarding the number of people that are actually coming to the airport above and beyond the parking capacity on a daily basis.

Ms. Shafer-Payne clarified that there is parking in front of Terminal 1 and Terminal 2, and in front of the Commuter Terminal which provides approximately 4,000 parking spaces. She stated that off-airport parking by private operators provides approximately 6,000 parking spaces, and the Authority operates another 2,000 spaces on Pacific Highway. She stated that there is a deficit of approximately 2,000 parking spaces on a daily basis which is an average over the year.

Chairperson Bersin requested that a full-day workshop be scheduled to discuss the issues related to parking before the end of the fiscal year.

In response to Board Member Young regarding the impact of the smart curb without the parking structure, Ms. Shafer-Payne stated that it would double the circulation capacity and free up the curbside. She stated that a smart curb would take away some existing parking stalls.

Board Member Young expressed support for the MOA with the City of San Diego and SANDAG and the importance of agencies working together to find a solution. He moved to accept staff's recommendation for Items 1 and 2. Board Member Finnila seconded the motion.

Board Member Watkins stated that the Authority needs to reinforce to the public that the Board has been reaching out to the community. He questioned the need and location of the parking structure and expressed concern with health issues.

Board Member Finnila stated that the programmatic document provides staff with the flexibility to look at what can be included regarding specific projects at a later date. She stated that she would like staff to conduct a study of all of the coastal airports in California in regards to their parking. She stated that the Authority did allow sufficient time for review of the EIR and has taken an intense look at traffic. She expressed support for SANDAG's 2030 Regional Transportation Plan.

In response to Board Member Zettel regarding Destination Lindbergh and the possibility of fly away programs, Ms. Shafer-Payne stated that the fly away program is a component of the Transit Plan. She stated that the Board, along with the Board of MTS, directed that staff come back by the end of the fiscal year with steps that are being taken to move forward with specific components in the Transit Plan. She stated that Caltrans has been helpful in providing information on what parking lots may be available today, or may be underutilized.

Board Member Miler stated that with or without the proposed parking structure, the parking and the traffic situation on Harbor Drive would be the same. He stated that the traffic is associated with the airport.

RECOMMENDATION: Adopt Resolution No. 2008-0049, adopting the Airport Land Use Plan element of the San Diego International Airport Master Plan.

Adopt Resolution No. 2008-0062, adopting the Airport Implementation Plan element of the San Diego International Airport Master Plan.

ACTION: Moved by Board Member Young and seconded by Board Member Finnila to approve staff's recommendations for Items 1 and 2. Motion carried by the following vote: YES – Bersin, Boland, Desmond, Finnila, Miller, Watkins, Young, Zettel; NO – None; ABSENT – Panknin. (Weighted Vote Points: YES – 92; NO – 0; ABSENT – 8)

CLOSED SESSION: The Board recessed into closed session at 12:35 to hear Items 23, 24, 25, 28, 29, and 30.

- 23. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to California Government Code Section 54956.9(c):
Number of potential cases: 1 (Nazbest-Pacific)
- 24. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to California Government Code Section 54956.9(c):
Number of potential cases: 1 (Galaxy)
- 25. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(b)(d)):**
Number of potential cases: 2 (regarding environmental matter)
- 26. 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

27. **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
28. **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
29. **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
30. **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 1:45 P.M. Breton Lobner, General Counsel stated that there was no reportable action.

Board Member Young absent at 1:45 p.m.

CONSENT AGENDA:

Chairperson Bersin stated that Item 10 was removed from the agenda.

Board Member Boland requested that Item 8 be removed from the consent agenda for discussion.

ACTION: Moved by Board Member Finnila and seconded by Board Member Watkins to approve the consent agenda as amended. Motion carried 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)

3. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the Special Board Meeting with MTS on March 27, 2008, Board Meeting of April 3, 2008, and Special Board Meeting with the San Diego Unified Port District on April 4, 2008.
4. **MAY 2008 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2008-0050, approving the May 2008 Legislative Report.
5. **PROPOSED POLICY AMENDMENT REGARDING LIMITATION OF MEMBERS WHO CAN SERVE ON THE AIRPORT ADVISORY COMMITTEE:**
RECOMMENDATION: Adopt Resolution No. 2008-0051, approving the amendment of Authority Policy 1.21 - Authority Advisory Committee.
6. **APPOINTMENT OF BOARD MEMBER LIAISONS:**
RECOMMENDATION: Adopt Resolution No. 2008-0052, appointing Board Members Boland, Miller and Panknin (Chair) as liaisons to the Terminal Development Program and Board Member O'Connor as a Military Affairs liaison and directing that any meetings of the groups adhere to the requirements of the Brown Act.
7. **AMEND AUTHORITY POLICY SECTION 5.04 TO ALLOW COOPERATIVE PURCHASING FOR INFORMATION TECHNOLOGY AND SERVICE AGREEMENTS INCLUDING THOSE USED ON PUBLIC PROJECTS:**
RECOMMENDATION: Adopt Resolution 2008-0053, amending Authority Policy 5.04 Cooperative Purchasing, authorizing the Authority to use the competitively awarded purchasing contracts of other public agencies for the acquisition of supplies, materials, equipment, information technology and services including public projects, when it is determined to be in the best interest of the Authority.
8. **ACCEPTANCE OF BOARD MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS:**
ACTION: This item was removed from the consent agenda for discussion.

CLAIMS

9. **RESOLUTION AUTHORIZING THE REJECTION OF THE CLAIM OF KENNETH QUILANTANG:**
RECOMMENDATION: Adopt Resolution No. 2008-0054, authorizing the rejection of the claim of Kenneth Quilantang.

COMMITTEE RECOMMENDATIONS

- 10. ANNUAL REVIEW OF AUTHORITY POLICY 4.20 - GUIDELINES FOR PRUDENT INVESTMENTS – AND DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS TO THE CHIEF FINANCIAL OFFICER:**

ACTION: This item was removed from the agenda.

- 11. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2008:**

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

- 12. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF MARCH 31, 2008:**

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

CONTRACTS AND AGREEMENTS

- 13. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM FEBRUARY 25, 2008 THROUGH MARCH 23, 2008, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 25, 2008 THROUGH MARCH 23, 2008:**

RECOMMENDATION: Receive the report.

- 14. AWARD A TASK ORDER TO ABC CONSTRUCTION COMPANY, INC., FOR PROJECT 103007A, INTERSECTION IMPROVEMENTS, NORTH HARBOR DRIVE AND WINSHIP LANE, AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2008-0057, awarding a Task Order to ABC Construction Company, Inc., in the amount of \$358,423.14, for Project No. 103007A Intersection Improvements, North Harbor Drive and Winship Lane, at San Diego International Airport.

- 15. AWARD A CONSTRUCTION CONTRACT TO THYSSENKRUPP AIRPORT SYSTEMS, INC., FOR GATE 1A RECONFIGURATION – PASSENGER BOARDING BRIDGE INSTALLATION:**

RECOMMENDATION: Adopt Resolution No. 2008-0058, awarding a construction contract to ThyssenKrupp Airport Systems, Inc., in the amount of \$462,599.00, for Project No. 104065, Gate 1A Reconfiguration - Passenger Boarding Bridge, at San Diego International Airport.

16. AWARD A TASK ORDER TO I. E. PACIFIC, INC., FOR PROJECT 104078, AIR CARGO RAMP PARKING, NORTH SIDE, AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2008-0059, awarding a Task Order to I. E. Pacific, Inc., in the amount of \$442,060.00 for Project No. 104078, Air Cargo Ramp Parking, North Side, at San Diego International Airport.

AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION

ITEM REMOVED FROM THE CONSENT AGENDA FOR DISCUSSION

8. ACCEPTANCE OF BOARD MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS:

Board Member Boland reported that he had a meeting with Chairperson Bersin, Thella F. Bowens, President/CEO, and staff to clarify the requirements for compensable meetings. He stated that staff will be bringing forward some clean up language to help clarify the requirements.

Chairperson Bersin stated that as a result of reviewing the reports submitted by Board Members during their meeting, a number of questions have arisen that they would like to bring back to the Board. He stated that some of the questions related to compensation include meetings between a Board Member and the President/CEO or other Authority Management. He recommended that individual meetings between Board Members and staff not be compensable.

Board Member Finnila concurred that individual meetings between Board Members and staff should not be compensable as days of service.

Board Members Desmond stated that Board Members should be compensated for individual meetings with staff.

Board Member Zettel stated that meetings between Board Members and staff should be compensable, especially those with the President/CEO with substantial content, and meetings with Committee Chairs.

Board Member Miller questioned if meetings to review presentations or proposals with staff are compensable if staff requests the meeting.

Bret Lobner, General Counsel, encouraged Board Members to review Section 170017 (a)(g) of Senate Bill 10 that relates to this issue.

Board Member Watkins recommended that Board Members submit their ideas to the Chair and that the Chair develop the recommendations and bring them back to the Board for discussion and approval.

Board Member Orso-Delgado left the meeting.

RECOMMENDATION: Accept the report.

ACTION: Moved by Board Member Boland and seconded by Board Member Watkins to table this item. Motion carried 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)

ACTION: Moved by Board Member Boland and seconded by Board Member Watkins to pay the current stipends associated with the reports submitted and make the necessary adjustments to compensation once the requirements are clarified. Motion carried 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)

OLD BUSINESS:

NEW BUSINESS:

Board Member Boland left the meeting at 2:02 p.m.

17. AUTHORIZATION TO AWARD A SOLE SOURCE CONTRACT TO KONE INC., FOR TERMINAL 1 ESCALATOR REPLACEMENT:

Joe Fejeran, Manager, Maintenance, provided a presentation regarding the contract for Terminal 1 Escalator Replacement. He stated that replacement of the escalators is an approved Capital Improvement Project. He stated that the Kone, Inc., EcoMod is a modernization solution that allows modular replacement of all existing mechanical and electrical components of the escalator.

In response to Board Member Miller regarding the type of warranty for the project, Mr. Fejeran stated that the escalator has a standard warranty of one year. He stated that the Authority also has an ongoing maintenance contract with Kone for the existing elevators.

Board Member Zettel questioned what standards were used to determine the sole source status.

Bret Lobner, General Counsel, stated that all legal requirements have been met for the award of a sole source contract.

Thella F. Bowens, President/CEO stated that Kone, Inc., is able to use the existing infrastructure to replace the escalators. She stated that a contract with Kone is both time saving, a substantial dollar saving, and sustainability in terms of not having to replace the existing infrastructure. She stated that Kone, Inc. is the only company that has the ability to replace the escalators in this fashion.

Mr. Enarson stated that replacing the escalators as proposed will result in a \$1.2 million savings. He stated that replacement of the escalators by another contractor would cost \$3.5 for the construction, and passenger service would be disrupted with both escalators out of service.

RECOMMENDATION: Adopt Resolution No. 2008-0060, authorizing the award of a sole source contract to KONE Inc., in the amount of \$2,265,963.00 for Project No.104054, Replace & Protect Escalators at Terminal 1, at San Diego International Airport.

ACTION: Moved by Board Member Finnila and seconded by Board Member Watkins to approve staff's recommendation. Motion carried by the following vote: YES – Bersin, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Boland, Young. (Weighted Vote Points: YES – 74; NO – 0; ABSENT – 26)

18. **AUTHORIZATION TO AWARD ON-CALL ARCHITECTURAL, ENGINEERING, PLANNING, PROJECT MANAGEMENT AND RELATED SERVICES CONTRACT TO CARTER & BURGESS, INC.:**
Joe Fejeran, Manager, Maintenance, provided a presentation on the award of the contract to Carter & Burgess, Inc. He stated that eleven responses were received on the Request for Qualifications for this project.

Board Member Watkins stated that five years is a long time to have a company on retainer. He stated that a two-year program with renewals on an annual basis would provide more flexibility.

Bryan Enarson, Vice President, Development, stated that staff had considered a three-year contract with two one-year extensions, however, with the Terminal Development Program and some of the consistencies associated with this program, staff felt that a contract for the life of the program would be more appropriate. He stated that this is a not to exceed contract and staff has the ability to use other contractors on an on-call basis. He stated that approval of this contract does not guarantee that the amount of the contract will be spent with Carter and Burgess, Inc.

Thella F. Bowens, President/CEO, stated that all contracts with the Authority have a 30-day out.

RECOMMENDATION: Adopt Resolution No. 2008-0061 authorizing the award of Architectural, Engineering, Planning, Project Management, and Related Consulting Service Contract to Carter & Burgess, Inc., for a five-year term having a not-to-exceed amount of \$2,500,000.00, to provide Architectural and Engineering (“A&E”) support for the San Diego International Airport’s Major Maintenance and Capital Improvement Program.

ACTION: Moved by Board Member Zettel and seconded by Board Member Panknin to approve staff’s recommendation. Motion carried by the following vote: YES – Bersin, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Boland, Young. (Weighted Vote Points: YES – 74; NO – 0; ABSENT – 26)

19. MEMORANDUM OF AGREEMENT (MOA) BETWEEN SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AND SAN DIEGO ASSOCIATION OF GOVERNMENTS ON THE COORDINATION AND DEVELOPMENT OF THE REGIONAL AVIATION STRATEGIC PLAN AND THE AIRPORT MULTIMODAL ACCESSIBILITY PLAN:

Ted Sexton, Vice President, provided a presentation regarding the Memorandum of Agreement. He provided information regarding the Regional Aviation Strategic Plan (RASP) as required by Senate Bill 10, and the plan’s development timeline. He also provided information regarding the Airport Multi-Modal Surface Accessibility Plan (AMAP), and the Regional Transportation Plan (RTP) as required by Senate Bill 10.

Linda Culp, SANDAG, stated that they are the lead agency for the AMAP. She stated that AMAP will use the information from RASP and other regional plans to determine necessary improvements at airports within and outside of San Diego. She stated that the study includes opportunities to partner with other agencies such as the California High Speed Rail Authority. She stated that there are changes proposed for the AMAP schedule in the MOA so that findings can be incorporated into the next Regional Transportation Plan, which is adopted every four years. She provided a presentation on the proposed schedule for the AMAP and the RTP.

JARVIS ROSS, SAN DIEGO, spoke regarding the proposed inter-modal transit center.

RECOMMENDATION: Adopt Resolution No. 2008-0055, providing preliminary approval for a Memorandum of Agreement between San Diego County Regional Airport Authority and San Diego Association of Governments for the coordination and development of the Regional Aviation Strategic Plan and the Airport Multimodal Accessibility Plan.

ACTION: Moved by Board Member Watkins and seconded by Board Member Finnila to approve staff's recommendation. Motion carried by the following vote: YES – Bersin, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Boland, Young. (Weighted Vote Points: YES – 74; NO – 0; ABSENT – 26)

20. DISCUSSION REGARDING A PROPOSAL TO STUDY THE CREATION OF AN OCEAN-BASED AIRPORT CONCEPT:

Angela Shafer-Payne, Vice President, Planning and Operations, provided an overview of the staff report. She stated that the proposal from Mr. Englund proposes an off-shore floating airport as a potential replacement site for San Diego International Airport. She stated that it also proposes that the Airport Authority serve as the lead agency and for OceanWorks or a sister agency to be responsible for the public outreach of the floating airport concept. She stated that staff is recommending that OceanWorks pursue state or federal funding to move this project forward.

Thella F. Bowens, President/CEO, stated that this effort is one that should have much broader oversight than the Authority has resources to provide. She stated that the Authority is currently involved in many planning studies and other activities relative to ongoing operation, development, and maintenance of SDIA.

ADAM ENGLUND, OCEANWORKS DEVELOPMENT, stated that they are proposing to assume the financial responsibility, risk, environmental and technological vetting of this concept, and would like staff to review the environmental issues that need to be addressed. He stated that they would like to pursue the technical issues associated with this concept and assume the responsibility for the economics to minimize costs. He stated that they are hoping to have Board oversight to ensure that this proposal is not dropped.

Board Member Desmond stated that he would not like to see the concept completely dropped, and would not recommend spending any funds on it. He stated that he would be willing to act as a liaison with OceanWorks.

Chairperson Bersin stated that he is concerned with the linkage of the Airport Authority to this project in the context of the specific claim of exclusive right. He suggested that Board Member Desmond wait for General Counsel to address the issue of exclusive right.

Board Member Watkins stated that anything to do with a private enterprise at this point in time would not be in the best interest of the organization in the next few years. He stated that he would like Chairperson Bersin and Board Member Desmond kept informed of the proposal, and would like to receive a presentation from time to time. He stated that he appreciates the idea of pursuing different perspectives on how to solve alternative issues from an air capacity point of view.

Board Member Finnila suggested that Mr. Englund seek primary support from the Federal Government or the State of California. She stated that the Authority cannot support this project because of the long term commitment that will be required.

Chairperson Bersin stated that developing a partnership with OceanWorks would create a problem. He encouraged Mr. Englund to come back to the Board from time to time with an update regarding his proposal.

RECOMMENDATION: Provide direction to staff.

ACTION: No Action Taken.

21. DISCUSSION OF A MEMORANDUM OF UNDERSTANDING WITH THE CALIFORNIA ATTORNEY GENERAL REGARDING THE AIRPORT MASTER PLAN AND ENVIRONMENTAL IMPACT REPORT:

Breton Lobner, General Counsel, provided an overview of the MOU with the California Attorney General. He stated that approval of the MOU would avoid potential litigation with the Attorney General, and set forth a series of specific measures for the Authority. He stated that air carriers have expressed some opposition to Subsection F as it relates to aircraft movements and the goal the Authority would assume to reduce greenhouse gas emissions to 20 percent. He stated that staff has proposed the addition of a section in the MOU to address this issue. He stated that an additional clause will be included in the MOU to show the Authority's willingness to be proactive regarding environmental matters.

Chairperson Bersin stated that an additional clause will also be added to indicate the Authority's intention to work with the airlines through ATA to ensure a common approach to greenhouse gas control.

Board Member Watkins stated that he will not be supporting this issue because he feels that it is not something that government should be doing.

RECOMMENDATION: Provide direction to staff.

ACTION: Moved by Board Member Finnila and seconded by Board Member Zettel to approve the Memorandum of Understanding (MOU) to include the two recitals regarding the Authority's current efforts to reduce greenhouse emissions and authorize the General Counsel to negotiate with the Attorney General and authorize the President/CEO to sign the MOU once finalized. Motion carried by the following vote: YES – Bersin, Desmond, Finnila, Miller, Panknin, Zettel; NO – Watkins; ABSENT – Boland, Young. (Weighted Vote Points: YES – 66; NO – 8; ABSENT – 26)

22. DISCUSSION OF A MEMORANDUM OF AGREEMENT WITH THE CITY OF SAN DIEGO AND SANDAG REGARDING THE AIRPORT MASTER PLAN AND ENVIRONMENTAL IMPACT REPORT:

Breton Lobner, General Counsel, provided an overview of the MOA that was approved by the City Council regarding the Airport Master Plan and the Environmental Impact Report.

JARVIS ROSS, SAN DIEGO, spoke in opposition of the MOA.

RECOMMENDATION: Provide direction to staff.

ACTION: Moved by Board Member Watkins and seconded by Board Member Desmond to approve the Memorandum of Agreement as amended with the City of San Diego and SANDAG. Motion carried by the following vote: YES – Bersin, Desmond, Finnila, Miller, Panknin, Watkins, Zettel; NO – None; ABSENT – Boland, Young. (Weighted Vote Points: YES – 74; NO – 0; ABSENT – 26)

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

CITIZEN COMMITTEES

• **AIRPORT ADVISORY COMMITTEE:**

Dan Frazee, Director, Airport Noise Mitigation, reported the activities of the Committee for the month of April. He stated that the committee met on April 10, 2008, and annual election of officers was held. He stated that Gail Naughton was re-elected as Chair, John Hawkins as First Chair, and Richard Beech as Second Chair. He stated that Kelly Cunningham, Senior Economist for the San Diego Institute for Policy Research provided a presentation regarding the economic outlook for San Diego in 2008 and beyond. He stated that Jorge Gonzales, Vice President, Infrastructure Management, provided an overview regarding the cross-border terminal and market demand study. He stated that a majority of the members present voted to recommend that the Authority Board authorize a more extension study of the cross-border terminal concept.

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
No Report was made.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Watkins stated that the Executive Personnel and Compensation Committee will be meeting on May 2, 2008.
- **FINANCE COMMITTEE:**
No Report was made.

LIAISONS

- **AIRPORT MULTI-MODAL ACCESSIBILITY PLAN:**
No Report was made.
- **EXECUTIVE STEERING LIAISONS FOR MOA- CITY OF SAN DIEGO:**
No Report was made.
- **EXECUTIVE STEERING LIAISONS FOR MOA - SANDAG:**
No Report was made.
- **MILITARY AFFAIRS LIAISONS:**
No Report was made.
- **RASP LIAISONS:**
Board Member Miller reported that information regarding this committee was presented to the Board earlier today.
- **TERMINAL DEVELOPMENT PROGRAM:**
No Report was made.

AD HOC COMMITTEES

BOARD REPRESENTATIVES

- **SANDAG TRANSPORTATION COMMITTEE REPRESENTATIVE:**
No Report was made.
- **SCAG AVIATION TASK FORCE:**
No Report was made.
- **CALTRANS:**
No Report was made.

PRESIDENT/CEO REPORT

- About the airport
- North side development plan
- Terminal development program
- Regional Aviation Strategic Plan
- Public Outreach and Communication
- International Air Service
- San Diego Unified Port District Collaboration

Thella F. Bowens, President/CEO, reported that the Authority was named "Veterans" Employer of the Year" by the California Employer Advisory Council in recognition of service provided to Veterans. She stated that the award will be presented on May 9, 2008, in Redding, California. She stated that an extensive report will be included in the Board Info Packet regarding her participation in the 2008 Aviation Environmental Summit in Geneva, Switzerland.

PRESENTATION (S):

PUBLIC COMMENT:

GENERAL COUNSEL REPORT:

BOARD MEMBER REPORTS ON MEETINGS ATTENDED AT THE EXPENSE OF THE AUTHORITY:

Board Member Zettel reported that she attended a delegation to Mexico City with Board Member Watkins. She reported that they met with the Senate of Mexico, the Secretary of Communications, the Secretary of the Economy, and some of the delegation met with President Calderon. She stated that she also went to Sacramento with Matt Harris and Mike Kulis to brief some of the Governor's staff regarding airport issues, and lack of capacity in Southern California. She reported that they also met with Assemblyman George Plescia and Senator Mark Weiland and his staff.


BOARD COMMENT:

Board Member Desmond requested that the Destination Lindbergh Ad Hoc Regional Airport Committee be added to the Agenda under Reports.

ADJOURNMENT:

The meeting was adjourned at 3:10 p.m. The next regular meeting will be held on June 5, 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 5TH DAY OF JUNE, 2008.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL