

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
EXECUTIVE COMMITTEE MINUTES
TUESDAY, MAY 27, 2008
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 9:00 am, Tuesday, May 27, 2008, 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 Panknin led the Pledge of Allegiance.

ROLL CALL

Present: Committee Members: Bersin, Finnila, Watkins
 Board Members: Boland, Desmond, Panknin, Zettel

Absent: Committee Members: None

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

Tony R. Russell, Director, Corporate Services/Authority Clerk, noted that future Executive Committee agendas would include Closed Session items.

NEW BUSINESS

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the April 21, 2008 Executive Committee meeting.

ACTION: Moved by Board Member Finnila and seconded by Board Member Watkins to approve the minutes of the April 21, 2008 Executive Committee Meeting. Motion carried unanimously.

2. UPDATE ON THE CROSS BORDER MARKET DEMAND STUDY:

Keith Wilschetz, Director, Airport Planning, provided a presentation on the Cross Border Market Demand Study, which included the Background; Anticipated Passenger Demand of a Cross Border Terminal; Conclusions; and Next Steps. He concluded that a cross border terminal would facilitate passengers who currently use LAX for travel to Mexico and Latin

America through Tijuana; and the economic impact for the Otay Mesa and Tijuana region could be \$22-67 million per year in 2030.

Board Member Finnila noted that the assumptions should indicate that it is based on two vehicular crossings.

Board Member Panknin stated that if there is a cross border terminal, he does not see the Airport Authority as the agency that builds it. He stated that another agency would have to take the lead to get it built.

Chairperson Bersin stated that it is the responsibility of the Authority to lead the planning. He stated that, as a result of the Regional Aviation Strategic Plan (RASP), the Airport Authority may grow into taking a leadership role to help build the needed capacity.

RECOMMENDATION: Direct staff to forward this item to the Board for information.

ACTION: No action taken.

4. REGIONAL AVIATION STRATEGIC PLAN (RASP) DEVELOPMENT PLAN AND COORDINATION WITH OTHER REGIONAL PLANNING STUDIES:

Ted Sexton, Vice President, Regional Airport Business Relations & Services, provided a presentation on the Regional Aviation Strategic Plan (RASP) Development Plan, which included the Situation Summary; Community Feedback; Definition of RASP/AMAP; Purpose and Need for RASP/AMAP; RASP Scope and Content; RASP Development Timeline; Coordinated Planning Process; Coordinated Multimodal Airport Planning Process; Status Report on Authority/SANDAG MOA; and Next Steps.

In response to Board Member Boland regarding other agencies and their general plans, Mr. Sexton stated that an Executive Study Group has been formed, incorporating airport operators from the County of San Diego, the City of San Diego, SANDAG, and the military. He stated that this group will formally review the different RASP study components, and each member has been asked to bring Master Plan documents for their relevant airports to these meetings.

Board Member Finnila expressed concern with the planning process. She stated that it appeared that some of the municipal airports were being prioritized over the San Diego International Airport (SDIA). She stated that before completing an entire study, the needs of the airports must first be determined. She stated that all airports need to be on the same planning level.

Board Member Watkins stated that the direction should be to build the airport to its capacity.

Board Member Finnila stated that it is important to differentiate between general aviation capacity and commercial capacity. She stated that the critical timelines for the future of other airports need to be provided. She further stated it is very important to make the public aware of aviation needs.

Thella F. Bowens, President/CEO, stated that staff will be meeting with policy makers of airports in the County. She stated that it is very important that the policymakers know what the RASP is, and what the Authority is charged to do.

Chairperson Bersin suggested directing staff to establish a group of regional stakeholders for the RASP and to ask the President/CEO to come up with a process that would parallel Destination Lindbergh. He also requested that the South County EDC understand the Board's direction for the cross border study in regards to the RASP.

In response to Chairperson Bersin regarding her efforts with the governor's office about regional planning, Board Member Zettel stated that she is currently working with a consultant to draft an executive order to establish a policy group regarding aviation planning to replace the Southern California Regional Aviation Authority (SCRAA).

RECOMMENDATION: Receive the information.

ACTION: No action taken.

3. GASB 45 POST RETIREMENT BENEFITS AND VOLUNTARY EMPLOYEE'S BENEFICIARY ASSOCIATION (VEBA):

Vernon Evans, Vice President, Finance/Treasurer, provided an overview of GASB 45 Post Retirement Benefits and the steps that have been completed.

Chairperson Bersin stated that clarity is needed on the issue of post retirement benefits. He stated that this should be discussed in Closed Session at the Board Meeting on June 5.

In response to Chairperson Bersin regarding other agencies utilizing a trust vehicle, Jeffrey Woodson, Vice President, Administration, stated that many studies were performed to review the various vehicles available. He stated that it was determined that VEBA was the best choice in terms of stability and sustainability.

In response to Board Member Watkins regarding if there is a way to buy long term annuities to fund the post retirement benefits liability, Mr. Evans stated that staff will research this option. He stated that staff would bring this item to the Board in July.

RECOMMENDATION: Direct staff to forward this item to the Board for an update.

ACTION: No action taken.

REVIEW OF FUTURE AGENDAS

5. REVIEW OF THE DRAFT AGENDA FOR THE JUNE 5, 2008 AIRPORT LAND USE COMMISSION MEETING:

Thella F. Bowens, President/CEO, presented the draft agenda for the June 5, 2008 Airport Land Use Commission (ALUC) meeting.

In response to Chairperson Bersin regarding what direction staff was seeking from the ALUCP Workshop, Mr. Wilschetz stated that staff would be seeking direction from the Board at its July meeting. He stated that the main focus of the workshop is for the Board to hear the issues and provide feedback to staff.

ACTION: Moved by Board Member Finnila and seconded by Board Member Watkins to accept the draft Airport Land Use Commission meeting agenda as presented. Motion carried unanimously.

6. REVIEW OF THE DRAFT AGENDA FOR THE JUNE 5, 2008 BOARD MEETING:

Thella F. Bowens, President/CEO, presented the draft Board Meeting agenda for June 5, 2008.

Chairperson Bersin requested an item be added to present a retirement plaque to Ted Sexton.

Iraj Ghaemi, Director, Facilities Development, requested an item be added to the agenda regarding the award of an on call agreement for a security technology enhancement program.

Chairperson Bersin requested that future agendas always include the dollar amount for contracts.

Vernon Evans, Vice President, Finance/Treasurer, stated that the original plan was to adopt the new parking rates in October 2008.

Board Member Desmond suggested holding a public hearing at the June 5 Board Meeting regarding the parking rate increase.

ACTION: Moved by Board Member Watkins and seconded by Chairperson Bersin to hold a public hearing at the June 5, 2008 Board Meeting regarding proposed parking rate increases. Motion carried unanimously.

ACTION: Moved by Board Member Finnila and seconded by Board Member Watkins to accept the draft Board Meeting agenda as amended. Motion carried unanimously.

Breton Lobner, General Counsel, stated that on Friday, May 23, 2008, at around 5:00 or 5:30 p.m., he received a call from two attorneys communicating concerns regarding the Airport Master Plan and the Environmental Impact Report, which he considered a threat of imminent litigation. He stated that, pursuant to Government Code 54956.9 (b)(3)(e) and 54954.2, the Board can go into Closed Session regarding this matter with a two-thirds vote of this legislative body, finding that there is a need to take immediate action and that this issue came to the attention of the local government agency subsequent to the posting of the agenda for the Special Board Meeting and Executive Committee Meeting.

In response to Chairperson Bersin regarding if the vote is to be taken by the Executive Committee, Mr. Lobner stated that there is notice of a Special Board Meeting, and he believes the Board has a right to go into Closed Session, not to take action, but to hear a briefing.

ACTION: Moved by Chairperson Bersin and seconded by Board Member Watkins finding that there is a need to recess into Closed Session for a briefing on a threat of litigation regarding the Environmental Impact Report for the Airport Master Plan. Motion carried by the following vote: YES – Bersin, Boland, Desmond, Finnila, Panknin, Watkins, Zettel; NO – None; ABSENT – Miller, Young. (Weighted Vote Points: YES – 79; NO – 0; ABSENT – 21)

CLOSED SESSION: The Executive Committee recessed into Closed Session 11:38 a.m.

7. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION (Government Code Section 54956.9(b)(d)):**
Number of potential cases: 1 (regarding environmental matter)

REPORT ON CLOSED SESSION: The Executive Committee reconvened at 12:04 p.m. Breton Lobner, General Counsel, reported there was no action taken.

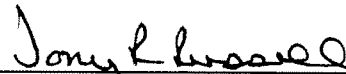
PRESIDENT/CEO REPORT

COMMITTEE MEMBER COMMENTS

ADJOURNMENT

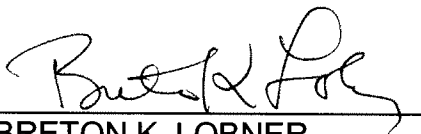
The meeting adjourned at 12:05 p.m. The next regular meeting will be held on June 20, 2008 at 9:00 a.m. in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 N. Harbor Drive, San Diego, CA 92101.

APPROVED BY A MOTION OF THE EXECUTIVE COMMITTEE THIS 20th DAY OF JUNE, 2008.



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL