

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD  
MINUTES  
THURSDAY, JULY 21, 2016  
SAN DIEGO INTERNATIONAL AIRPORT  
BOARD ROOM**

**CALL TO ORDER:** Vice Chair Robinson called the regular meeting of the San Diego County Regional Airport Authority to order at 9:03 a.m. on Thursday, July 21, 2016, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Board Member Hubbs led the Pledge of Allegiance.

**ROLL CALL:**

PRESENT: Board Members: Lt Col Adamiec (on behalf of Col. Woodworth), Berman (Ex Officio), Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson

ABSENT: Board Members: Boling, Sessom, Ortega (Ex Officio)

ALSO PRESENT: Angela Shafer-Payne, Vice President of Operations; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Vanessa Scarbrough, Assistant Authority Clerk II

*Board Member Desmond arrived during the course of the meeting.*

**PRESENTATIONS:** None

**NON-AGENDA PUBLIC COMMENT:**

KAMRAN HAMIDI, SAN DIEGO, expressed concern regarding the legality of the airport taxi trip fee.

MICHAEL WINN, SAN DIEGO, stated that the surrounding community is impacted by the airport's location to public centers.

DR. LILA SCHMIDT, SAN DIEGO, expressed concern about airport noise and pollution in her community. She also stated that the flight path over her neighborhood has changed.

*Board Member Desmond arrived at 9:13 a.m.*

**CONSENT AGENDA (Items 1-10):**

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

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the April 21, 2016, April 28, 2016, and June 13, 2016 special meetings; and June 23, 2016 regular meeting.

**2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

**3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM MAY 27, 2016 THROUGH JUNE 26, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MAY 27, 2016 THROUGH JUNE 26, 2016:**

RECOMMENDATION: Receive the report.

**4. JULY 2016 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2016-0060, approving the July 2016 Legislative Report.

***CLAIMS***

**5. REJECT THE CLAIM OF JANNA HEAD:**

RECOMMENDATION: Adopt Resolution No. 2016-0062, rejecting the claim of Janna Head.

***COMMITTEE RECOMMENDATIONS***

**6. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH REIGELMAN, LLC TO DESIGN, PRODUCE AND INSTALL INTEGRATED PUBLIC ARTWORK FOR THE PARKING PLAZA LOBBY STAIR:**

RECOMMENDATION: Adopt Resolution No. 2016-0063, awarding and authorizing the President/CEO to execute a contract with Mark Reigelman, LLC to design, produce and install integrated public artwork for the Parking Plaza Lobby Stair in an amount not-to-exceed \$550,000.

**CONTRACTS AND AGREEMENTS**

**7. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH KUTAK ROCK LLP FOR BOND COUNSEL LEGAL SERVICES:**

RECOMMENDATION: Adopt Resolution No. 2016-0064, authorizing the President/CEO to negotiate and execute an agreement with Kutak Rock LLP for bond disclosure legal services for a term of three (3) years with two additional one-year options to renew, for a maximum amount not-to-exceed \$400,000.

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

**8. AWARD OF CONTRACT TO JXR CONTRACTORS, INC. FOR T2W FIRST FLOOR RESTROOM REMODEL AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2016-0065, awarding a contract to JXR Constructors, Inc. in the amount of \$1,295,916.20 for Project No. 104208, T2W First Floor Restroom Remodel at San Diego International Airport

**9. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL AIRSIDE/LANDSIDE ENGINEERING CONSULTANT SERVICES AGREEMENT:**

RECOMMENDATION: Adopt Resolution No. 2016-0066, approving and authorizing the President/CEO to execute an On-Call Airside/Landside Engineering Consultant Services Agreement with C&S Engineers, Inc., for a term of three years, with the option for two one-year extensions, in an amount not-to-exceed \$5,000,000, in support of the Capital Improvement Program at San Diego International Airport.

**10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE FIRE ALARM AND RELATED SYSTEMS MAINTENANCE SERVICE AGREEMENT WITH SIEMENS INDUSTRY, INC.:**

RECOMMENDATION: Adopt Resolution No. 2016-0067, approving and authorizing the President/CEO to execute fire alarm and related systems maintenance service agreement with Siemens Industry, Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed compensation amount of \$1,725,000, for 5 years, to provide fire alarm and related systems maintenance services, at San Diego International Airport ("SDIA").

**PUBLIC HEARINGS:** None.

**OLD BUSINESS:** None.

**NEW BUSINESS:**

**11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH NETWORK SECURITY ELECTRONICS, INC. (NSEI), FOR AIRPORT SECURITY SYSTEM MAINTENANCE AND REPAIR SERVICES:**

Clint Welch, Manager, Aviation Security & Law Enforcement, provided a presentation on Airport Security System Maintenance and Repair Services which included Scope of Work, System Components, and RFP Timeline.

In response to Board Member Gleason, Mr. Welch confirmed that the increase in cost is due to a determination by the Department of Industrial Relations that requires the Authority to pay prevailing wages for these services.

In response to Board Member Janney's concern regarding the privacy and access of security videos, Mr. Welch stated there are only three individuals that are authorized to access the data and that the data cannot be disclosed without a written request.

RECOMMENDATION: Adopt Resolution No. 2016-0068, approving and authorizing the President/CEO to execute an agreement with Network Security Electronics, Inc. (NSEI) for airport security system maintenance and repair services for five (5) years, which includes two (2) one-year options exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$10,000,000.

**ACTION: Moved by Board Member Desmond and seconded by Board Member Kersey to approve staff's recommendation. Motion carried by the following vote: YES - Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson; NO – None; ABSENT – Boling, Sessom. (Weighted Vote Points: YES – 79; NO – 0; ABSENT – 21)**

**12. DISCUSSION AND ACTION TO PRIORITIZE POTENTIAL RESTORATION OF SCOPE THAT WAS REMOVED FROM THE TERMINAL 2 PARKING PLAZA:**

Bob Bolton, Director, Airport Design and Construction, provided a presentation on the Potential Restoration of Scope that was removed from the Terminal 2 Parking Plaza which included Prioritized Scope Restoration and Recommendation for Board Approval.

Board Member Janney stated that he would rather put any savings back in the bank to be used for future airport projects.

RECOMMENDATION: Adopt Resolution No. 2016-0069, approving the restoration of the deleted scope items set forth in Exhibit A to this Resolution based on priorities identified and dependent upon funding availability, to the Terminal 2 Parking Plaza Agreement with Swinerton Builders Inc. and authorizing the President/CEO to restore deleted scope items, consistent with the priorities identified, into the Terminal 2 Parking Plaza Agreement dependent upon funding availability using uncommitted funds within the Terminal 2 Parking Plaza Validated Program Budget.

**ACTION:** Moved by Board Member Desmond and Seconded by Board Member Kersey to approve staff's recommendation. Motion carried by the following vote: YES – Cox, Desmond, Gleason, Hubbs, Kersey, Robinson; NO – Janney; ABSENT: Boling, Sessom. (Weighted Vote Points: Yes – 67; NO – 12; ABSENT – 21)

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

***STANDING BOARD COMMITTEES***

- **AUDIT COMMITTEE:**  
None
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**  
None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Board Member Desmond reported that the committee met on May 9, 2016 to conduct the performance evaluation for the President/CEO, General Counsel, and Chief Auditor.
- **FINANCE COMMITTEE:**  
None

***ADVISORY COMMITTEES***

- **AUTHORITY ADVISORY COMMITTEE:**  
Matt Harris, Senior Director, Assets and Alliances, reported that the committee met on June 29, 2016 and received an update on the Energy Master Plan, Airport Development Plan and Parking Plaza.
- **ART ADVISORY COMMITTEE:**  
Board Member Gleason reported that 42 proposals were received for the temporary exhibition, Intergalactic Dreaming. He reported that the committee has chosen Guest Curator Ginger Porcella, Executive Director of San Diego Art Institute, for the temporary exhibition, and that she has selected a group of thirteen artists and organizations with installations beginning in November. He also reported that the Performing Arts Residency Program, Fern Street Circus, is performing July 21<sup>st</sup> from 11:00 a.m. to 2:00 p.m. in the baggage claim area of Terminal 2. He reported that Lauren Smith Productions was selected as the production sponsor for the Performing Arts Program and the committee has reviewed the proposal and approved the artist who was selected for the Parking Plaza art opportunity.

## **LIAISONS**

- **AIRPORT LAND USE COMPATIBILITY PLAN:**  
None
  
- **CALTRANS:**  
Board Member Berman reported that the state's road charge pilot program has begun and by the end of 2016 will charge by vehicle miles traveled rather than the current gas tax of twenty nine cents a gallon. She added that Caltrans and SANDAG applied for a Fast Lane Grant from the federal government for construction of State Route 11 Phase 2 and were successful in receiving \$50,000,000 in grant funds.
  
- **INTER-GOVERNMENTAL AFFAIRS:**  
Board member Cox reported that on July 15, 2016 President Obama signed into law the FAA Extension Safety and Security Act of 2016; and that the legislation extends authorization for federal aviation programs and related taxes and fees through September 30, 2017. He added that it also provides the local Transportation Security Administration (TSA) more staffing flexibility which will make it easier for passengers to enroll in TSA's pre-check program. He reported that on July 15, 2016, the Airport Authority staff provided a briefing and Airfield Tour for Congresswoman Susan Davis and that congress is currently in recess and expected to reconvene on September 6, 2016.
  
- **MILITARY AFFAIRS:**  
None
  
- **PORT:**  
None
  
- **WORLD TRADE CENTER:**  
Chair Gleason reported the committee is meeting quarterly and that the committee consists of himself representing the Airport Authority as Chair, Marshal Merrifield representing the Port of San Diego and serving as the Treasurer, and David Graham representing the City of San Diego and serving as the Secretary. He reported that an update was received on the work plan that the San Diego Regional Economic Development Corporation as our contractor is providing this year based on comments the committee made at the first meeting earlier this year. He requested for staff to send out the updated work plan and the current World Trade Center San Diego Report.

## **BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG TRANSPORTATION COMMITTEE:**  
Board Member Janney reported that SANDAG has started work on the Palm Street area.

**PRESIDENT/CEO'S REPORT:**

Angela Shafer-Payne, Vice President of Operations, reported that staff is busy preparing for the August 6, 2016 Terminal 2 parking lot closure and that roadway signage is up notifying the public of the pending closure and radio ads, billboards, and flyers to encourage travelers to use valet parking and alternative airport parking lots. She reported that a media briefing will be held next week on July 27, 2016 regarding the Parking Plaza. She also reported that during the Major League All Star Game, over 175 general aviation aircrafts used San Diego International Airport with zero curfew violations, and that Southwest Airlines nationwide outage impacted SAN with 44 delays, 36 cancellations, and that approximately 70 passengers who were unable to find hotels spent the night at the airport.

**CHAIR'S REPORT:**

Vice Chair Robinson requested a financial report on the impacts of the most recent events (comic con, etc.) on airport revenues.

**CLOSED SESSION:** The Board recessed into Closed Session at 9:46 a.m. to hear items 13, 19, 20, and 21.

**13. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**

(Cal. Gov. Code § 54956.9(a) and (d)(1).)

Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,  
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL

**14. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**

(Cal. Gov. Code § 54956.9(a) and (d)(1).)

Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EINC

**15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

(Cal. Gov. Code § 54956.9(a)):

Maria Paula Bermudez v. San Diego County Regional Airport Authority,  
American Airlines, Inc., et al.  
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL

**16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

(Cal. Gov. Code §54956.9(a) and (d)(1))

Stanley Moore v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL

**17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

Cal. Gov. Code § 54956.9(a) and (d).

In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]

- 18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)  
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.  
Number of potential cases: 1
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)  
Number of cases: 2
- 20. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**  
Cal. Gov. Code §54957  
Title: General Counsel
- 21. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**  
Cal. Gov. Code §54957  
Title: Chief Auditor

**REPORT ON CLOSED SESSION:** The Board reconvened into open session at 11:05 a.m. Amy Gonzalez, General Counsel, reported that the Board authorized settlement of the case identified in Item 13 and the Authority, as the prevailing party at the court trial, was awarded costs and fees in the amount of \$89,569.74 and that Diego Concessions Group (DCG) filed a notice of appeal. She also reported that DCG made an offer to settle the case and not pursue its appeal in exchange for the Authority's waiver of awarded costs and fees and that the Board authorized settlement of the case for waiver of fees in exchange for DCG's dismissal of the case and a mutual release of claims. She reported that the Board authorized settlement of the case by the following vote taken on June 23, 2016: YES - Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom; NO – None; ABSENT – None.

**NON-AGENDA PUBLIC COMMENT:** None.

**GENERAL COUNSEL REPORT:** None.

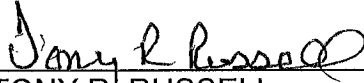
**BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:**

**BOARD COMMENT:** None.

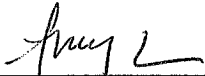


**ADJOURNMENT:** The meeting was adjourned at 11:06 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY BOARD THIS 15<sup>TH</sup> DAY OF SEPTEMBER, 2016.

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

APPROVED AS TO FORM:

  
\_\_\_\_\_  
AMY GONZALEZ  
GENERAL COUNSEL