



San Diego Unified Port District

3165 Pacific Hwy.
San Diego, CA 92101

Special Meeting Minutes - Draft Board of Port Commissioners

Wednesday, October 21, 2015

10:00 AM

Don L. Nay Port Administration Boardroom

CIP Workshop

A. Roll Call.

Present: 6 - Commissioner Castellanos, Commissioner Malcolm, Commissioner Merrifield, Commissioner Moore, Commissioner Nelson, and Commissioner Valderrama
Excused: 1 - Commissioner Bonelli
Absent: 0

Officers Present: Coniglio, DeAngelis, Deuel, Medina, Monson, Russell

Timothy Deuel, District Clerk, announced that an agenda related memo was received after the publication of the agenda and copies were available at the Clerk's desk

B. Pledge of Allegiance.

Randa Coniglio, Executive Director, led the Pledge of Allegiance.

Chairman Malcolm offered opening remarks regarding the District's Capital Improvement Program and welcomed stakeholders to the workshop. He called for public comments.

C. Public Communications.

The following members of the public addressed the Board with non-agenda public comments: Jacqueline Reynoso, President/CEO, National City Chamber of Commerce; and John Alvarado, Executive Director, Good Neighbor Project San Diego who had additional time ceded by Sherry Hodges, Government Affairs Director, San Diego Association of Realtors.

ACTION AGENDA

1. [2015-1593](#) CAPITAL IMPROVEMENT PROGRAM (CIP):
 - A) RESOLUTION REMOVING B STREET TERMINAL BAGGAGE FACILITY (PRE-DESIGN) PROJECT FROM THE FY 2014-2018 CIP AND TRANSFERRING \$200,000 IN REMAINING FUNDS TO CIP CONTINGENCY
 - B) RESOLUTION APPROVING ALLOCATION OF \$6.2 MILLION OF THE PORT DISTRICT'S UNDESIGNATED CASH AND INVESTMENTS TO THE FY 2014-2018 CIP BUDGET TO FULLY FUND THE PROGRAM
 - C) RESOLUTION APPROVING THE TAMT TRANSIT SHED #1 DEMOLITION, COMPRESSED NATURAL GAS FUELING STATION MARKET ANALYSIS, AND B STREET PASSENGER EFFICIENCY IMPROVEMENTS PROPOSED PROJECTS INTO THE CIP, AND INCREASE THE FY 2014-2018 CIP BUDGET BY \$10.75 MILLION TO FUND THESE PROJECTS
 - D) RESOLUTION APPROVING AMENDMENTS TO BOARD POLICY NO. 120 CAPITAL IMPROVEMENT PROGRAM FOR MODIFICATIONS TO THE AVAILABLE FUNDING DETERMINATION FOR THE SOLICITATION OF PROJECT APPLICATIONS, AND ADOPT GUIDELINES FOR A CIP PROGRAM CONTINGENCY
 - E) RESOLUTION APPROVING AMENDMENT TO BOARD POLICY NO. 90 TRANSFER BETWEEN OR WITHIN APPROPRIATED ITEMS IN BUDGET, FOR MODIFICATIONS REGARDING TRANSFERS BETWEEN FISCAL YEARS WHERE THERE ARE NO CHANGES TO THE TOTAL APPROVED PROJECT BUDGETS

Steve Alexander, The Steve Alexander Group, facilitator for the workshop reviewed the workshop roles, ground rules and objectives. Ernesto Medina, Chief Engineer; Engineering and Construction, Michael Van Antwerp, Capital Improvement Program (CIP) Program Manager, Engineering & Construction, and Bob DeAngelis, CFO/Treasurer, addressed the Board with a presentation regarding Action Agenda Item 1 - File No. 2015-1593. (A copy of the presentation, staff report, and agenda related materials, is on file in the Office of the District Clerk.)

Commissioner Valderrama, Commissioner Nelson, Chairman Malcolm, and Commissioner Merrifield, requested and received further clarification regarding the staff presentation from Mr. Van Antwerp.

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Chairman Malcolm requested and received clarification from Mr. Deuel that no members of the public submitted request to speak forms regarding Action Agenda Item 1A - File No. 2015-1593 and Chairman Malcom recognized the motion from Commissioner Moore, seconded by Commissioner Nelson.

On a motion by Commissioner Moore, seconded by Commissioner Nelson, the Board adopted Part A of File No. 2015-1593 Resolution 2015-138.

On a motion by Commissioner Moore, seconded by Commissioner Nelson, the Board adopted Action Ageinda Item 1A of File No. 2015-1593 Resolution 2015-138. The motion carried by the following vote:

Yeas: 6 - Castellanos, Malcolm, Merrifield, Moore, Nelson, and Valderrama

Nays: 0

Excused: 0

Absent: 1 - Bonelli

Abstain: 0

Recused: 0

Following the vote, Commissioner Nelson offered additional comments regarding CIP Item 16 – Project No. P0454-1: America’s Cup Harbor Improvements – Phase I North Harbor Drive Realignment and Item 36 – Project No. P0350-1: America’s Cup Harbor Improvements - Phase II Parking Facility. Commissioner Moore and Thomas Russell, General Counsel, provided additional comments on Project No. P0350-1. Simon Kann, Deputy Port Attorney, provided further clarification regarding the agreements with sports fishing tenants and the segregation of their on-going payments into the area-wide parking solution fund. Mr. Kann explained that the District is in compliance with the agreements

to date, none of the funds had been applied to any qualifying projects but could be. Chairman Malcolm, Commissioner Moore, and Mr. Russell also addressed the matter and clarified the use of term parking solution.

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Bob DeAngelis, CFO/Treasurer, continued with the staff presentation and offered the financial overview of the CIP Program. Commissioner discussion ensued. Commissioner Merrifield, Chairman Malcolm, Commissioner Valderrama, Commissioner Moore, and Commissioner Nelson remarked on the financial overview and only moving forward with fully-funded CIP projects. Commissioner Nelson offered a motion approving a resolution approving allocation of \$6.2 million of the District's undesignated cash and investments to the FY 2014-2018 CIP budget to fully fund the program. Commissioner Castellanos seconded the motion.

Chairman Malcolm requested and received clarification from Mr. Deuel that no members of the public submitted request to speak forms regarding Action Agenda Item 1B - File No. 2015-1593.

Commissioner Merrifield requested and received clarification from Mr. Medina and Chairman Malcolm regarding the filters for the CIP projects under consideration in the motion. Commissioner Nelson and Commissioner Moore discussed the Board's annual consideration of the list of existing CIP projects and the allocated funding.

On a motion by Commissioner Nelson, seconded by Commissioner Castellanos, the Board adopted Action Agenda Item 1B File No. 2015-1593 Resolution 2015-138. The motion carried by the following vote:

Yeas: 6 - Castellanos, Malcolm, Merrifield, Moore, Nelson, and Valderrama

Nays: 0

Excused: 1 - Bonelli

Absent: 0

Abstain: 0

Recused: 0

Chairman Malcolm announced the Board would take a recess for lunch at 12 p.m.

Chairman Malcolm called the meeting to order at 12:48 p.m.

Mr. Alexander recapped the morning session and discussed the plan for the balance of the workshop. Mr. Medina reviewed the Board's discussion from the morning session.

Commissioner discussion continued. Commissioner Moore, Commissioner Nelson, Commissioner Merrifield, Commissioner Valderrama, discussed items on 2015 proposed project list

Mr. Medina; Tony Gordon, Acting Director, Real Estate; Mr. Van Antwerp, Joel Valenzuela, Director, Maritime Operations, and Mr. DeAngelis provided additional clarification regarding the projects on the staff recommendation as well. Ms. Coniglio acknowledged the Board discussion, offered clarification regarding the planning efforts budgeted for National City, and infrastructure enhancements to better support activation events at District parks in the South Bay and Coronado.

Commissioner Valderrama offered the following motion to move forward with the following projects: CNG Fueling Station Market Analysis (Port) - \$200,000; B Street Passenger Efficiency Improvements and (Port) - \$1,000,000; Lighting for the Cesar Chavez Park (San Diego) - \$180,000. Commissioner Moore seconded the motion and requested the motion be modified. Her modifications included adding the Cesar Chavez Park Pier Activation (San Diego) - \$110,000, and, to allocate funds for an activation and needs assessment study for the Cesar Chavez Park, and a facility infrastructure analysis for parks and open spaces. Commissioner Valderrama accepted the modification to the motion.

Commissioner Nelson requested and received clarification regarding the motion from Commissioner Moore. Commissioner Nelson requested the maker of the motion consider the following modifications to the motion: adding the Photovoltaic Solar Grove for District Parking Area (Port) - \$1,447,600 and the Grand Caribe Shoreline Park Expansion (Coronado) - \$1,087,000.

Commissioner Castellanos offered support for the motion on the table and discussed Commissioner Nelson's suggested modifications.

Chairman Malcolm offered support for the motion on the table; he remarked on stakeholder expectations that occur as a result of District funded study outcomes. He requested and received confirmation that Commissioner Valderrama's intent was to authorize full funding of the projects stated in the motion. Commissioner Moore, as the second, concurred with fully funding the projects stated in the motion. Chairman Malcolm discussed Commissioner Nelson's suggested modifications.

Commissioner Moore responded to Chairman Malcolm's statements regarding studies and stakeholder expectations. Ms. Coniglio also discussed District sponsored studies and assured that Board that staff would look at facility improvements at parks and open spaces that benefit the public and could generate a return on the investment.

Looking back two years, Commissioner Valderrama requested staff provide a report on studies that had been commissioned and any subsequent CIP projects.

Commissioner Nelson requested and received clarification from Mr. Medina and Jason Giffen, Director, Environmental and Land Use Management regarding the Photovoltaic project and the expiration of related tax credits. Commissioner Merrifield also discussed funding CIP projects with a return on investments. Chairman Malcolm remarked on the Photovoltaic project and the California Environmental Quality Act (CEQA) requirements.

Chairman Malcolm called for the vote on the motion.

On a motion by Commissioner Valderrama, seconded by Commissioner Moore, the Board adopted Action Agenda Item 1C File No. 2015-1593 Resolution 2015-138. The motion carried by the following vote:

Yeas: 6 - Castellanos, Malcolm, Merrifield, Moore, Nelson, and Valderrama

Nays: 0

Excused: 0

Absent: 1 - Bonelli

Abstain: 0

Recused: 0

Mr. Medina continued with the presentation and reviewed the staff recommendations regarding modifications to the Board Policy No. 120.

Commissioner Merrifield requested and received clarification regarding a CIP contingency from Mr. Medina. Commissioner Moore discussed the recommendation and modifications to the application process references and received clarification from Mr. Medina and Mr. Van Antwerp.

Commissioner Moore offered a motion to accept the staff recommendations with respect to BPC Policy No. 120 except for the one dealing with paragraph F, and that it remain as shown, however paragraph 2 would be revised to clarify the language regarding the ability of members of the public to propose projects but not necessarily apply for them. Commissioner Valderrama seconded the motion.

Chairman Malcolm requested and received clarification from Mr. Deuel that no members of the public submitted request to speak forms regarding Part D of Agenda Item 1 - File No. 2015-1593.

On a motion by Commissioner Moore, seconded by Commissioner Valderrama, the Board adopted Action Agenda Item 1D File No. 2015-1593 Resolution 2015-138. The motion carried by the following vote:. The motion carried by the following vote:

Yeas: 6 - Castellanos, Malcolm, Merrifield, Moore, Nelson, and Valderrama

- Nays: 0
- Excused: 0
- Absent: 1 - Bonelli
- Abstain: 0
- Recused: 0

Mr. Medina continued with the presentation and reviewed the staff recommendations regarding modifications to the BPC Policy No. 90. Commissioner Merrifield requested and received clarification regarding the staff recommendation from Mr. Medina. Commissioner Valderrama offered a motion to approve the staff recommendation. Commissioner Nelson seconded the motion. No request to speak forms were submitted regarding the matter.

On a motion by Commissioner Valderrama, seconded by Commissioner Malcolm, the Board adopted Action Agenda Item 1E File No. 2015-1593 Resolution 2015-138. The motion carried by the following vote:

- Yeas: 6 - Castellanos, Malcolm, Merrifield, Moore, Nelson, and Valderrama
- Nays: 0
- Excused: 0
- Absent: 1 - Bonelli
- Abstain: 0
- Recused: 0

Chairman Malcolm acknowledged the Board for their work, the staff's efforts on the materials, the project reports, and their preparation for the workshop. Mr. Alexander facilitated a brief "lessons learned" discussion among the Commissioners regarding the workshop. The Commissioners offered their congratulations to staff on their preparation and facilitation of the workshop.

*Secretary, Board of Port Commissioners
San Diego Unified Port District*

ATTEST:

Clerk of the San Diego Unified Port District,