

**SAN BERNARDINO INTERNATIONAL
AIRPORT AUTHORITY
ACTION MEETING MINUTES
June 10, 2009**

A Regular Meeting of the San Bernardino International Airport Authority was called to order by President Patrick J. Morris at approximately 3:10 p.m. on Wednesday, June 10, 2009, at Loma Linda City Hall, Council Chambers, 25541 Barton Road, Loma Linda, California.

COMMISSION MEMBERS PRESENT:

City of Colton	Mayor Kelly J. Chastain
City of Loma Linda	Secretary/Councilmember Robert Ziprick Councilmember Floyd Petersen (alt.) (present during voting on Consent Items when meeting reconvened)
County of San Bernardino	Supervisor Neil Derry (alt.)
City of Highland	Vice President/Mayor Pro Tem Ross Jones
City of San Bernardino	President/Mayor Patrick J. Morris Councilmember Esther Estrada

OTHERS PRESENT:

Donald L. Rogers, Interim Executive Director
Michael Burrows, Assistant Director
Bill Ingraham, Aviation Director
Timothy J. Sabo, Lewis Brisbois Bisgaard & Smith, LLP
Alex Estrada, Director of Redevelopment and Transportation
Martin Romeo, Chief Financial Officer
Kelly Berry, Assistant Secretary of the Commission

A. CALL TO ORDER

B. ROLL CALL

Roll call was noted by the Assistant Secretary of the Commission.

C. ITEMS TO BE ADDED OR DELETED

There were no items to be added or deleted.

D. CONFLICT OF INTEREST DISCLOSURE/INFORMATIONAL ITEMS

Item #1 - Conflict of Interest Disclosure Items

President Patrick J. Morris stated Commission members should note the item(s) listed which might require member abstentions. Supervisor Neil Derry declared a conflict on Agenda Item No. 7.

Item #2 - Informational Items

There were no informational items.

Reference Section H below for a brief update on current Airport projects.

E. COMMISSION CONSENT ITEMS

Item #3 – Receive Register of Demands

Item #4 – Approve Meeting Minutes: May 13, 2009

Item #5 – Receive and File Treasurer’s Report for April 30, 2009, for the San Bernardino International Airport Authority (SBIAA)

Item #6 – Approve 2008-2009 Annual Audit Engagement Letter with Rogers, Anderson, Malody & Scott, LLP

Item #7 – Authorize a Grant of Easement for Natural Gas to Southern California Gas Company to provide Natural Gas Service to Building No. 747 for Stater Bros. Markets

Item #8 – Authorize Staff to Advertise for Bids for the Construction of the Airfield Access Road Project; and Authorize Acceptance of a Grant Offer for the Project from the U.S. Department of Transportation Federal Aviation Administration (FAA)

The Consent Items were briefly considered by the Commission members at this time. Please reference Section J below for the Commission's approval of the Consent Calendar.

F. COMMISSION DISCUSSION ITEMS

Item #9 - Approve a Non-Federal Reimbursable Agreement with the U.S. Department of Transportation, Federal Aviation Administration (FAA), for the Construction of Certain Telecommunication Infrastructure and Services for Use by Air Traffic Control Personnel in the Amount of \$28,479

Mr. Bill Ingraham, Aviation Director gave a brief background to the Commission members, stating the airport is currently paying \$1,600.00 per month to Verizon. This agreement would negate the need for those services. The fees established by this agreement are for the first five years at which time they will be renegotiated.

ACTION: Approve a Non-Federal Reimbursable Agreement with the U.S. Department of Transportation, Federal Aviation Administration (FAA), for the construction of certain telecommunication infrastructure and services for use by air traffic control personnel in the amount of \$28,479; approve a \$10,000 contingency for unforeseen expenses; and Authorize the Interim Executive Director or his designee to execute the Agreement and all related documents.

Motion	Second	Aye	Aye	Aye	Aye
Chastain	Estrada	Derry	Jones	Morris	Ziprick

Motion carried unanimously.

G. ADDED AND DEFERRED ITEMS

There were no added or deferred items.

H. PUBLIC COMMENT

There were no public comments.

A brief update was given to Commission members regarding current airport projects and status.

Mr. Donald L. Rogers, Interim Executive Director, stated he recently met with Richard Valdez, CPA, Chief Accounting Officer and Terry Cross, Vice President of Million Air out of Houston, Texas. They were reviewing their project at the airport and I am proud to say that it is on

schedule, on cost budget as well as on time schedule. They are very pleased with the progress of the project.

Mr. Scot Spencer, Manager, Norton Development Company LLC gave a brief update on the Million Air project, stating that it should be completed within two weeks. The project is currently a little bit over two weeks ahead of schedule and right on budget.

Mr. Bill Ingraham, Aviation Director, gave a brief update on the Terminal and Tarmac areas. Mr. Ingraham reiterated the last update the Commission received was that we had a preliminary evaluation that portions of the tarmac, pavement areas, the pavement and the taxiways were in a deteriorating condition. Since then there has been additional surveying, geotechnical work and borings done and we now have a more definitive idea of the nature of the work that is required. We are continuing with our original plan which was to develop the access taxi lanes and ramp areas necessary to serve the Terminal building specifically in the first phase. Mr. Ingraham reminded Commission members a portion of that work is being done immediately around, in the vicinity of the Terminal through the development contract for the Terminal project and a portion of that work is being done through a reallocation of grants in the neighborhood of \$5,000,000. As of today, the estimate has grown a little because the conditions have worsened, what was originally around \$12,000,000 is now closer to \$13,000,000 for the additional first two phases of construction. We are prepared to go forth, we've met with the U.S. Department of Commerce Economic Development Administration (EDA), we are making some modifications to the application based upon the engineering work and the EDA project will be ready to bid in the very near future. Specifications will be complete by the first part of next week, the plan sheets are complete, and the application modifications have been made. We are prepared initially to commence with demolition within a couple weeks and construction will probably take fourteen (14) weeks.

In response to President Patrick J. Morris's request for an update on the rental car facility, Mr. Ingraham explained the rental car area that the Commission approved in one of the recent IVDA project funding requests and the final design of that is complete or nearly complete. It is expected to be under construction shortly.

Mr. Scot Spencer, Manager, Norton Development Company LLC was called upon to give an update on the Terminal building itself. Mr. Spencer advised the terminal is approximately ninety-five (95%) complete. With respect to the interior of the Terminal punch list items such as the feature walls and elevator and escalator systems are being completed, as well as the installation of pre conditioned air units that will provide air conditioning to airliners when they are parked at the gates. Mr. Spencer advised he anticipates the demolition of the parking lot just north of the Terminal building will begin next week for the rental car area. This will continue with repaving of the lot, installation of canopies, and a small office. The parking lot should be completed next month.

At the request of President Morris, Mr. Spencer gave a brief update on installation of the monuments as well as an update on the food preparation area. The monument signage is currently under construction, with several nearing completion. The overhead signage and most of the directional signage are complete. The preliminary design of the food preparation facility, the belly cargo facility, and the ground service equipment facility, which are all contained in one area just north of the rental car lot, are complete. Construction drawings are being completed and construction of those facilities, and as well as modification to Building No. 675, is expected to begin in approximately three (3) weeks.

President Morris requested an update on The Hudson Group bookstore, café and coffee facility. Mr. Spencer stated during a conference call with The Hudson Group on this date, he was advised they have received the preliminary comments back from the City for the plans that were submitted for all of their facilities. They are in the process now of responding to those comments. As soon as they receive a plan check approval, they are ready to begin construction of those facilities. Mr. Spencer stated that construction is expected to be six (6) weeks from the time they actually receive approval from the City.

Councilmember Esther Estrada requested a timeframe between Terminal completion and actual use of the Terminal facility, and if an estimated date when flights would begin could be given. Mr. Spencer replied that the factor that will affect the actual use of the Terminal at this point will be the work on the Tarmac that Mr. Ingraham briefly referenced earlier. The current estimate on that work after completion of all of the geotechnical studies, soil studies, and lab work that was done on samples of the concrete is fourteen (14) weeks. It will be determined once construction begins, which is expected to occur in the next two weeks. Given that, we are about sixteen (16) weeks away from Terminal completion and ready for airline flights.

Mr. Donald L. Rogers, Interim Executive Director interjected that we can now predict when the Terminal will be completed and available for flights, given the information Mr. Spencer has shared, some of which was learned only this past week. However, at this time we cannot say with certainty an exact date flights will begin, other than to say negotiations are continuing in concert with these airport improvement projects.

Councilmember Esther Estrada inquired about how much delay has been caused over the course of the original anticipated date of completion of the terminal. How much time have we actually lost?

In response to the question how much of a delay has there been over the course of construction from the original anticipated date of completion of the Terminal, Mr. Spencer stated the original anticipated date for construction completion was Summer 2009. The original goal was to have the Terminal available in the April-to-June 2009 timeframe. The replacement of the ceiling tiles caused a six to eight week delay. This moves our anticipated completion date to June 10, 2009, including the delays. If we did not have the Tarmac work to be completed, the Terminal could be ready by August 2009, if not sooner.

I. CLOSED SESSION

There was no closed session.

J. ADJOURN MEETING

There being no further business before the Commission at this session, President Patrick J. Morris declared the meeting adjourned at 3:36 p.m.

MEETING RECONVENED

Upon brief deliberation, it was brought to the attention of President Morris that a complete vote on the Commission Consent Items was not taken during the meeting. Accordingly, the Regular Meeting of the San Bernardino International Airport Authority was again called to order by President Patrick J. Morris at approximately 3:55 p.m. on Wednesday, June 10, 2009, in order to consider the Commission Consent Items.

COMMISSION MEMBERS PRESENT:

Mayor Kelly J. Chastain
Councilmember Floyd Petersen (alt)
Supervisor Neil Derry (alt)
President/Mayor Patrick J. Morris
Councilmember Esther Estrada

COMMISSION CONSENT ITEMS:

The record will reflect Supervisor Neil Derry declared a conflict on Agenda Item No. 7.

Item #3 – Receive Register of Demands

Item #4 – Approve Meeting Minutes: May 13, 2009

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ACTION: Approve Item Nos. 3 through 6 and Agenda Item No. 8 of the Consent Calendar.

Motion	Second	Aye	Aye	Aye
Estrada	Derry	Chastain	Petersen	Morris

Motion carried unanimously.

Supervisor Neil Derry left the meeting and was absent during the discussion and voting of Agenda Item No. 7.

ACTION: Approve Item No. 7 of the Consent Calendar.

Motion	Second	Aye	Aye	Absent
Estrada	Chastain	Morris	Petersen	Derry

Motion carried.

There being no further business before the Commission at this session, President Patrick J. Morris declared the meeting adjourned at 3:57 p.m.

Minutes approved at a Regular Meeting on July 22, 2009.

/s/

Kelly Berry
Assistant Secretary of the Commission