



PORT OF OAKLAND

*530 Water Street
Oakland, California 94607
510.627.1337*

Minutes

Thursday, June 27, 2019

3:00 PM

Board Room – 2nd Floor

Draft

ROLL CALL

President Butner called the Regular Meeting of June 27, 2019 to order at the hour of 1:01 p.m. and the following Commissioners were in attendance:

Present: 6 - Commissioner Yui Hay Lee, Commissioner Barbara Leslie, Commissioner Arabella Martinez, Commissioner Joan Story, First Vice-President Andreas Cluver and President Ces Butner

Excused: 1 - Second Vice-President Michael Colbruno

1. CLOSED SESSION

President Butner convened the Board in Closed Session at 1:03 p.m. to hear the following Items:

- 1.1 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION** - (Significant Exposure to Litigation Pursuant to Paragraph (2) of Subdivision (d) of California Government Code Section 54956.9): **Number of Matter 1**

West Oakland Environmental Indicators Project Title VI Complaint: DOT#2017-0093, EPA; File Nos. 13R-17-R9 (City of Oakland) and 14R-17-R9 (Board of Port Commissioners and Port of Oakland)

File ID: [173-19]

- 1.2 PUBLIC EMPLOYEE PERFORMANCE EVALUATION** - (Pursuant to California Government Code Section 54957)

Title: Executive Director, Chief Audit Officer, Port Attorney

File ID: [174-19]

OPEN SESSION/ROLL CALL

President Butner called the Regular Meeting of June 27, 2019 to order in Open Session at the hour of 3:15 p.m.

Present: 6 - Commissioner Yui Hay Lee, Commissioner Barbara Leslie, Commissioner Arabella Martinez, Commissioner Joan Story, First Vice-President Andreas Cluver and President Ces Butner

Excused: 1 - Second Vice-President Michael Colbruno

CLOSED SESSION REPORT

Port Attorney, Danny Wan, reported that the Board had taken no final action in Closed Session.

2. CONSENT ITEMS

Secretary of the Board, Daria Edgerly, introduced the Consent Items.

A motion was made by Commissioner Story, seconded by First Vice-President Cluver, to approve the Consent Agenda. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

- 2.1 Resolution 19-49:** Authorization to Establish Fiscal Year 2019-20 Outside Counsel and Consultant Retention Agreements with Selected Law Firms and Consultants and Related Actions. **(Port Attorney)**

File ID: [\[170-19\]](#)

This Resolution was approved.

- 2.2 Resolution 19-50,** Building Permit: for Southwest Airlines to Install Three Foundations for Gate Optimization Project, 1 Airport Drive, Terminal 2, OAK **(Engineering)**

File ID: [\[172-19\]](#)

This Resolution was approved.

- 2.3 Ordinance 4521,** 2nd Reading Of An Ordinance Approving And Authorizing The Executive Director To Execute A Second Amendment To The Temporary Rental Agreement With The City Of Oakland For Police Officer Staff Training Through July 31, 2020 At Berth 33 In The Seaport.

File ID: [\[179-19\]](#)

This Ordinance was approved.

- 2.4 Ordinance 4522,** 2nd Reading Of An Ordinance Approving And Authorizing The Executive Director To Approve An Assignment Of The License And Concession Agreement With Alta Supply, Inc. To Cresco Labs, Inc. For Premises Located At 424 Pendleton Way, Oakland, And To Amend Said License And Concession Agreement To Include A \$2,000 Administrative Fee For Transfer Requests.

File ID: [\[178-19\]](#)

This Ordinance was approved.

- 2.5 Ordinance 4523**, 2nd Reading Of An Ordinance (I) Amending Section 9 Of Port Ordinance No. 4430 Relating To Charges For Use Of Facilities At Oakland International Airport, North Field, And (II) Approving And Authorizing A Four-Year Extension Of 151 Existing Agreements With General Aviation Tenants At Oakland International Airport.

File ID: [\[177-19\]](#)

This Ordinance was approved.

- 2.6 Ordinance 4524**, 2nd Reading Of An Ordinance Approving (I) A First Amendment To A Space/Use Permit With Swissport Fueling, Inc. To Extend The Outside Expiration Date From June 30, 2019 To June 30, 2023, And (II) A Space/Use Permit With Eastern Aviation Fuels, Inc. Dba Titan Aviation Fuels Operating At Oakland International Airport.

File ID: [\[176-19\]](#)

This Ordinance was approved.

- 2.7 Ordinance 4525**, 2nd Reading Of An Ordinance Approving A 4% Increase Each Year For The Next Three Years To The Target Rental Rates For Short Term Rental Agreements And The Holdover Rental Rates For Certain Existing Property Rental Agreements Within The Commercial Real Estate Division Portfolio.

File ID: [\[175-19\]](#)

This Ordinance was approved.

3. MAJOR PROJECTS

There were no "Major Projects" on the Agenda.

4. BUDGET & FINANCE

- 4.1 Report:** Unaudited Financials for 10 months ended April 30, 2019. **(Finance & Admin)**

File ID: [\[132-19\]](#)

Chief Financial Officer, Sara Lee, presented Item 4.1.

This Report was received and filed.

4.2 Resolution 19-51: Approval of the Annual Operating and Capital Budgets for Fiscal Year Ending June 30, 2020. **(Finance & Admin)**

File ID: [\[131-19\]](#)

Chief Financial Officer, Sara Lee, introduced Item 4.2.

A motion was made by Commissioner Martinez, seconded by Commissioner Story, that the Resolution be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

5. STRATEGY & POLICY

There were no Strategy & Policy Items to approve.

6. REMAINING ACTION ITEMS

6.1 Ordinance 4521: Approval of Proposed Fiscal Year 2019-20 Airline Landing Fee Rates, Terminal Space Rental Rates, and Other Fees Generating \$101.9 Million in Revenue, and Amending Port Ordinance No. 4430 to (i) Waive Landing Fees for Student Pilots of Schools Providing Flight Instruction Services, Retroactive to October 1, 2017; (ii) Waive Aircraft Parking Fees for Signatory Airlines; and (iii) Establish New Outside Storage Rates for Intermittent Cargo Operations on the South Field. **(Aviation)**

File ID: [\[146-19\]](#)

Aviation Director, Bryant Francis, introduced Item 6.1.

Brandon Mark, Manager of Airport Properties, presented Item 6.1.

A motion was made by First Vice-President Cluver, seconded by Commissioner Leslie, that the Ordinance be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

- 6.2 Resolution 19-52:** Approve and Authorize the Executive Director to Enter into a Contract with Covenant Aviation Security, LLC, to Provide Airport Security Guard Services for up to Three Years, plus Three Possible One-Year Extensions for an Amount Not to Exceed \$17,000,000 (in Total Over Six Possible Years). **(Aviation)**

File ID: [\[160-19\]](#)

Aviation Director, Bryant Francis, introduced Item 6.2.

Doug Mansel, Aviation Security Manager, addressed the Boards' questions on Item 6.2.

A motion was made by Commissioner Leslie, seconded by Commissioner Story, that the Resolution be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

- 6.3 Ordinance 4522:** Adoption of an Ordinance Approving: (i) a Long-Term Lease with Seastrand Engineering LLC, with Anticipated Annual Revenues of \$94,053, and a Rent Credit Not to Exceed \$200,000 Spread Over Multiple Years; and, (ii) a Fifth Supplement and Amendment to Lease and Option to Lease to a Lease dated September 1, 2011 Originally Between the Port of Oakland and Business Jet Center-Oakland, L.P., now with Piedmont Hawthorne Aviation, LLC doing business as Signature Flight Support, to Amend the Premises and Adjust Annual Rental by a Net \$9,372, Both for Properties Located at Oakland International Airport. **(Aviation)**

File ID: [\[168-19\]](#)

Aviation Director, Bryant Francis, introduced Item 6.3.

Brandon Mark, Aviation Properties Manager, presented Item 6.3.

A motion was made by First Vice-President Cluver, seconded by Commissioner Lee, that the Ordinance be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

6.4 Resolution 19-53: For the Seventh Street Pavement Improvements (Slurry Seal) Project (Re-Bid) - Approve a Project Budget of \$447,000; Authorize the Director of Engineering to Approve the Plans and Project Manual; Authorize the Executive Director to Enter into a Contract with American Asphalt Repair & Resurfacing Co., Inc. for an Amount of \$382,000; and Authorize the Executive Director to Execute Contract Change Orders to the Extent Necessary in an Amount Not-To-Exceed \$40,000. **(Engineering)**

File ID: [\[167-19\]](#)

Thanh Vuong, Port Supervising Engineer, presented Item 6.4.

A motion was made by Commissioner Lee, seconded by Commissioner Story, that the Resolution be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

6.5 Resolution 19-54: For the Installation of Power Factor Correction at Substations SS-C-50 and SS-C-51 Project - Approve a Project Budget of \$7,813,845; Authorize the Director of Engineering to Approve the Plans and Project Manual; Authorize the Executive Director to Enter into a Contract with St. Francis Electric, LLC for an Amount of \$6,438,845; and Authorize the Executive Director to Execute Change Orders to the Extent Necessary in an Amount Not-To-Exceed \$644,000. **(Engineering)**

File ID: [\[158-19\]](#)

Thanh Vuong, Port Supervising Engineer, presented Item 6.4.

A motion was made by Commissioner Martinez, seconded by Commissioner Story, that the Resolution be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

- 6.6 Resolution 19-55:** Approve and Authorize the Executive Director to Execute an Agreement with Admiral Security Services, Inc. for Security Services at Middle Harbor Shoreline Park (MHSP) for a Term of One Year with Two, 1-Year Options in an Amount Not to Exceed \$660,000. **(SRD)**

File ID: [\[182-19\]](#)

Social Responsibility Director, Amy Tharpe, introduced Item 6.6.

Ramona Dixon, Port Assistant Management Analyst, presented Item 6.6.

A motion was made by First Vice-President Cluver, seconded by Commissioner Leslie to approve Option B in the staff report failed by the following vote:

3 Ayes: Commissioner Leslie, Commissioner Martinez and First Vice-President Cluver

3 Noes: Commissioner Lee, Commissioner Story and President Butner

1 Excused: Commissioner Colbruno

A motion was made by Commissioner Story, seconded by Commissioner Lee to approve staff's recommendation failed by the following vote:

3 Ayes: Commissioner Lee, Commissioner Story and President Butner

3 Noes: Commissioner Leslie, Commissioner Martinez and First Vice-President Cluver

1 Excused: Commissioner Colbruno

A motion was made by Commissioner Leslie, seconded by Commissioner Martinez, that the Resolution be approved as amended. The motion carried by the following vote:

Ayes: 6 - Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, First Vice-President Cluver and President Butner

Excused: 1 - Second Vice-President Colbruno

7. UPDATES/ANNOUNCEMENTS

Aviation Director, Bryant Francis, announced that Tatiana Starostina, Assistant Aviation Director, received ACI's Finance Professional of the Year Award.

Port Attorney, Danny Wan, introduced the new Deputy Port Attorney, Catrina Fobian.

Marilyn Sandifur, Media/Public Relations Specialist, presented an employee video featuring Don Ockrassa, Diving Supervisor.

8. SCHEDULING

There were no "Scheduling Items" on the Agenda.

OPEN FORUM

There were no Public Speakers in Open Forum.

ADJOURNMENT

President Butner reconvened the Board in Closed Session at 5:01 p.m. to hear the following Items:

PUBLIC EMPLOYEE PERFORMANCE EVALUATION - (Pursuant to California Government Code Section 54957)

Title: Executive Director, Chief Audit Officer, Port Attorney

There being no additional business, the Meeting was adjourned at the hour of 5:40 p.m.

Approved:

Daria Edgerly
Secretary of the Board