



MINUTES

Thursday, June 28, 2018

Board Room – 2nd Floor

ROLL CALL

President Story called the Regular Meeting of June 28, 2018 to order at the hour of 1:00 p.m. and the following Commissioners were in attendance:

Present: 8 - Commissioner Michael Colbruno, Commissioner Earl Hamlin, Commissioner Arabella Martinez, Commissioner Alan Yee, Commissioner Alan Yee, Second Vice-President Andreas Cluver, First Vice-President Ces Butner and President Joan Story

1. CLOSED SESSION

President Story convened the Board in Closed Session at 1:02 p.m. to hear the following Items:

1.1 CONFERENCE WITH REAL PROPERTY NEGOTIATOR - (Pursuant to California Government Code Section 54956.8)

Property: One Market Street, Oakland, CA (Howard Terminal)

Negotiating Parties: Oakland Athletics and Port of Oakland

Agency Negotiator: Pamela Kershaw, Director of Commercial Real Estate

Under Negotiation: Price and Terms of Tenancy

Property: Approximately 2 acres of submerged land adjacent to a pier on real property commonly referred to as 1101 Embarcadero West, located adjacent to the southerly side of Embarcadero West Street and adjacent to the westerly boundary of Howard Terminal

Negotiating Parties: Schnitzer Steel Industries, Inc. and Port of Oakland

Agency Negotiator: John Driscoll, Director of Maritime

Under Negotiation: Price and Terms of Payment

File ID: [223-18]

1.2 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 Matters 2**

File ID: [224-18]

1.3 CONFERENCE WITH LABOR NEGOTIATORS (Pursuant to California Government Code Section 54956.6):

- International Federation of Professional and Technical Engineers, Local 21; Service Employees International Union, Local 1021; Western Council of Engineers; International Brotherhood of Electrical Workers, Local 1245

File ID: [225-18]

1.4 PUBLIC EMPLOYMENT - (Pursuant to California Government Code Section 54957)

- Assistant Secretary of the Board
- Chief Auditor

File ID: [226-18]

Commissioner Hamlin left the meeting at the hour of 4:00 p.m.

OPEN SESSION/ROLL CALL

President Story reconvened the Regular Meeting of June 28, 2018 to order at the hour of 4:03 p.m.

Present: **7** - Commissioner Michael Colbruno, Commissioner Arabella Martinez, Commissioner Alan Yee, Commissioner Alan Yee, Second Vice-President Andreas Cluver, First Vice-President Ces Butner and President Joan Story

Excused: **1** - Commissioner Earl Hamlin

CLOSED SESSION REPORT

Port Attorney, Danny Wan, reported that the Board had taken the following action in Closed Session:

A motion made by First Vice-President Butner, seconded by Commissioner Hamlin, to approve Resolution 18-53. The motion carried by the following vote:

Ayes: **7** - Commissioner Colbruno, Commissioner Hamlin, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Resolution 18-53, Resolution Approving and Authorizing Settlement of the Port of Oakland's Claim Against Aviation Port Services, LLC for Failure to Replenish its \$100,000 Performance Deposit and Approving A Five-Month Payment Plan to Replenish the Performance Deposit.

2. CONSENT ITEMS

Board Secretary, Daria Edgerly, introduced the Consent Items.

A motion was made by Commissioner Colbruno, seconded by Commissioner Yee, to approve the Consent Agenda. The motion carried by the following vote:

Ayes: **6** - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: **1** - Commissioner Hamlin

- 2.1 Resolution 18-54:** Authorizing the Executive Director to Enter Into a Memorandum of Understanding With the East Bay Municipal Utility District For the Provision of Fire Water and Domestic Water Service within the Seaport Area. **(Engineering)**

File ID: [\[212-18\]](#)

This Resolution was approved.

- 2.2 Resolution 18-55,** Building Permit: for Southwest Airlines for Interior Tenant Improvements for Maintenance Support Space Expansion, 1 Airport Drive, Terminal 2 **(Engineering)**

File ID: [\[195-18\]](#)

This Resolution was approved.

- 2.3 Resolution 18-56,** Building Permit: for CenterPoint for Site Clearing and Building Demolition at the vacant site, 1300 Maritime Street **(Engineering)**

File ID: [\[193-18\]](#)

This Resolution was approved

- 2.4 Resolution 18-57,** Building Permit: for SecurityPoint Media for Interior Tenant Improvements at the T2 Security Checkpoint, 1 Airport Drive, Terminal 2 **(Engineering)**

File ID: [\[219-18\]](#)

This Resolution was approved.

- 2.5 Ordinance 4480**, 2nd Reading of An Ordinance Approving Five Years Extensions Of Seventy Multiple Agreement With Airport Tenants And Service Providers Operating At Oakland International Airport.

File ID: [\[220-18\]](#)

This Ordinance was approved.

- 2.6 Ordinance 4481**, 2nd Reading of An Ordinance Approving Lease Amendment No. 10 To The U.S. Government Lease For Real Property With The United States Of America, General Services Administration, On Behalf Of The Transportation Security Administration, Which Increases The Leased Office Space Used By The Transportation Security Administration At Oakland International Airport By 225 Square Feet At A Rental Rate Of \$5,666.17 Per Month Through September 30, 2021.

File ID: [\[221-18\]](#)

This Ordinance was approved.

- 2.7 Ordinance 4482**, 2nd Reading of An Ordinance Approving And Authorizing The Executive Director To Execute A Second Agreement To Extend The Right-Of-Entry And Indemnity Agreement With ExxonMobil Oil Corporation To Undertake Certain Remedial Activities At Berths 23 And 24 Through June 30, 2023.

File ID: [\[222-18\]](#)

This Ordinance was approved.

- 2.8 Minutes:** Approval of the Minutes of the Regular Meeting of May 24, 2018. **(Board)**

File ID: [\[211-18\]](#)

The Minutes were approved.

3. MAJOR PROJECTS

There were no "Major Projects" on the Agenda.

4. BUDGET & FINANCE

- 4.1 Resolution 18-58:** Approval of the Annual Operating and Capital Budgets for Fiscal Year Ending June 30, 2019. **(Finance & Admin)**

File ID: [\[069-18\]](#)

Chief Financial Officer, Sara Lee, presented Item 4.1.

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

Ayes: **6** - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: **1** - Commissioner Hamlin

- 4.2 Resolution 18-59:** Authority to Place a Pollution Legal Liability Insurance Policy with Beazley Insurance for the Port of Oakland's Portion of the Former Oakland Army Base and Select Adjoining Areas, Arranged and Paid Through Alliant Insurance Services, in an Amount Not to Exceed \$250,000 for a 5-Year Term to Replace an Expiring Policy. **(Finance & Admin)**

File ID: [\[064-18\]](#)

Chief Financial Officer, Sara Lee, introduced Item 4.2.

A motion was made by Second Vice-President Cluver, seconded by Commissioner Yee, that the Resolution be approved. The motion carried by the following vote:

Ayes: **6** - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: **1** - Commissioner Hamlin

- 4.3 Report:** Unaudited Financials for 10 months ended April 30, 2018. **(Finance & Admin)**

File ID: [\[072-18\]](#)

Chief Financial Officer, Sara Lee, presented Item 4.3.

This Report was received and filed.

5. STRATEGY & POLICY

There were no Strategy & Policy Items to approve.

6. REMAINING ACTION ITEMS

- 6.1 Ordinance 4483:** Approval of Proposed Fiscal Year 2018-19 Airline Landing Fee Rates, Terminal Space Rental Rates, and Other Fees Generating \$100.0 Million in Revenue, and Amending Port Ordinance No. 4430 to Waive: (i) Landing Fees for Angel Flight Operations and (ii) Aircraft Parking Fees for Signatory Airlines. **(Aviation)**

File ID: [\[207-18\]](#)

Assistant Aviation Director, Kristi McKenney, introduced Item 6.1.

Jeff Ferland addressed the Board on Item 6.1.

A motion was made by Commissioner Colbruno, seconded by First Vice-President Butner, that the Ordinance be introduced on first reading. The motion carried by the following vote:

Ayes: **6** - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: **1** - Commissioner Hamlin

- 6.2 Ordinance 4484:** Authorize the Executive Director to Execute a Lease Amendment with GSC Logistics, Inc. to Extend the Term of the Lease Through June 30, 2023; Increase Rent Effective September 1, 2018; and Modify Various Other Terms, Resulting in Annual Rent Ranging From \$1.45 Million to \$1.68 Million; and Authorize Approximately \$85,000 of Operating Expense for Certain Deferred Maintenance **(Maritime)**

File ID: [\[208-18\]](#)

Delphine Prevost, Maritime Manager, introduced Item 6.2.

Scott Taylor from GSC Logistics addressed the Board on Item 6.2.

A motion was made by Commissioner Colbruno, seconded by First Vice-President Butner, that the Ordinance be introduced on first reading. The motion carried by the following vote:

Ayes: **6** - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: **1** - Commissioner Hamlin

- 6.3 Ordinance 4485:** Authorization to (1) Extend a Space Assignment Agreement with TraPac, LLC for Approximately Twenty-Four Acres, and (2) Extend a Temporary Rental Agreement with O.C. Jones and Sons, Inc., for Approximately Six Acres to support TraPac's Terminal Redevelopment, both Within the Outer Harbor Terminal, for up to an Additional Nine Months Beyond the Current Expiration of June 30, 2018, and Resulting in Minimum Net Revenue of \$788,000. **(Maritime)**

File ID: [\[210-18\]](#)

Delphine Prevost, Maritime Manager, introduced Item 6.3.

A motion was made by First Vice-President Butner, seconded by Commissioner Martinez, that the Ordinance be introduced on first reading. The motion carried by the following vote:

Ayes: 6 - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: 1 - Commissioner Hamlin

- 6.4 Resolution 18-60:** Request Authorization for Executive Director to Execute Supplemental Agreement to Extend Existing Contract with ABC Security Service, Inc. up to One Year, Ending June 30, 2019, with a Not to Exceed Cost of \$220,000 **(SRD)**

File ID: [\[213-18\]](#)

Social Responsibility Director, Amy Tharpe, introduced Item 6.4.

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

Ayes: 6 - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: 1 - Commissioner Hamlin

- 6.5 Resolution 18-61:** Approve and Authorize the Executive Director to Enter into an Agreement with NetXperts Inc. to Provide Cisco Smart Net Maintenance and Support for Five Years in an Amount Not to Exceed \$448,003.25. **(Finance & Admin)**

File ID: [\[161-18\]](#)

Chief Financial Officer, Sara Lee, introduced Item 6.5.

Kyle Mobley, Acting Director of I.T., addressed the Board's questions.

A motion was made by Commissioner Yee, seconded by First Vice-President Butner, that the Resolution be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: 1 - Commissioner Hamlin

6.6 Resolution 18-62: Authorization to Establish Fiscal Year 2018-19 Outside Counsel and Consultant Retention Agreements with Selected Law Firms and Consultants and Related Actions. (Port Attorney)

File ID: [\[216-18\]](#)

Port Attorney, Danny Wan, introduced Item 6.6.

A motion was made by Commissioner Yee, seconded by First Vice-President Butner, that the Resolution be approved. The motion carried by the following vote:

Ayes: 6 - Commissioner Colbruno, Commissioner Martinez, Commissioner Yee, Second Vice-President Cluver, First Vice-President Butner and President Story

Excused: 1 - Commissioner Hamlin

7. UPDATES/ANNOUNCEMENTS

First Vice-President Butner announced the Port won the Deep Roots Award at the Oakland Chamber of Commerce Luncheon.

Social Responsibility Director, Amy Tharpe, presented a video on all of the Community Engagement Events hosted by Social Responsibility in 2017.

Delphine Prevost, Maritime Manager, presented video highlighting the Crane Raising at the Port.

Commissioner Colbruno announced he participated in a World Conference in Quebec about Cities & Ports.

8. SCHEDULING

There were no "Scheduling Items" on the Agenda.

OPEN FORUM

There were no Public Speakers in Open Forum.

ADJOURNMENT

There being no additional business, the Meeting was adjourned at the hour of 5:13 p.m.

Approved: July 26, 2018

Daria Edgerly
Secretary of the Board