



MINUTES

Thursday, September 27, 2018

Board Room – 2nd Floor

ROLL CALL

President Butner called the Regular Meeting of September 27, 2018 to order at the hour of 1:01 p.m. and the following Commissioners were in attendance:

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

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 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: Premises on the North Field of Oakland International Airport used for aircraft apron, hangar, office, shop, storage, and vehicle parking, serving as a Fixed Base Operator ("FBO") and commonly referred to as Hangar 3 West and Hangar 4

Negotiating Parties: Port of Oakland, KaiserAir and Howard Fields

Agency Negotiator: Bryant L. Francis, Director of Aviation and Brandon J. Mark, Aviation Properties Manager

Under Negotiation: Terms and Conditions of Lease

File ID: [300-18]

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

File ID: [301-18]

- 1.3 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION** - (Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of California Government Code Section 54956.9): **Number of Matter** 1

File ID: [302-18]

- 1.4 CONFERENCE WITH LABOR NEGOTIATORS** - (Pursuant to California Government Code Section 54957.6):

Unrepresented Employees: Unit H

File ID: [303-18]

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

- Chief Audit Officer
- Assistant Secretary of the Board

File ID: [304-18]

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

- Executive Director
- Port Attorney
- Secretary of the Board

File ID: [305-18]

OPEN SESSION/ROLL CALL

President Butner called the Regular Meeting of September 27, 2018 to order in Open Session at the hour of 4:07 p.m.

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

CLOSED SESSION REPORT

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

A motion made by Second Vice-President Colbruno, seconded by Commissioner Martinez, to approve Resolution 18-103. The motion carried by the following vote:

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

Resolution 18-103, Resolution Approving and Authorizing Execution of a Settlement Agreement and Partial Release with Respect to the Former McGuire Terminal Site On A Portion Of Berths 25/26 With Zurich American Insurance Company In The Amount OF \$67,000 Covering Certain Environmental Costs Incurred From July 1, 2016, Through June 30, 2017.

A motion made by Second Vice-President Colbruno, seconded by Commissioner Yee, to approve Resolution 18-104. The motion carried by the following vote:

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

Resolution 18-104, Resolution Approving and Authorizing The Initiation of Legal Proceedings against Embarcadero Cove Enterprises, LLC and Related Entities and Individuals Arising Out Of Its Ground Lease With The Port Of Oakland For Property located in the Embarcadero Cove Area in Oakland.

2. CONSENT ITEMS

Board Secretary, Daria Edgerly, introduced the Consent Items.

Second Vice-President Colbruno recused himself from Item 2.3 due to a potential financial conflict.

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

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

- 2.1 Ordinance 4493:** Approval of First Amendment to Extend the Term of a Rent Free Temporary Rental Agreement with the City of Oakland through July 31, 2019 for Police Officer Staff Training at the Berth 33 Backlands. **(Maritime)**

File ID: [\[287-18\]](#)

This Ordinance was introduced on first reading.

- 2.2 Ordinance 4489,** 2nd Reading Of An Ordinance Approving Space/Use Permit With Quickflight Inc. Operating As An Airline Services Provider At Oakland International Airport For A Concession Fee Of 10% Of Gross Revenue, With A Minimum Monthly Concession Fee Of \$250 (\$16,800 Anticipated Annual Revenue), For A Term Commencing On April 1, 2018 And Terminating On June 30, 2023.

File ID: [\[296-18\]](#)

This Ordinance was approved.

- 2.3 Ordinance 4490,** 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 Cannroy Delaware, Inc., And To Amend Said License And Concession Agreement To Increase The Performance Deposit, For Premises Located At 424 Pendleton Way, Oakland.

File ID: [\[297-18\]](#)

This Ordinance was approved; Second Vice-President Colbruno was recused.

- 2.4 Ordinance 4491,** 2nd Reading Of An Ordinance Approving Airline Operating Agreement And Its Annex "A" Space/Use Permit With Corporate Flight Management Doing Business As Contour Airlines Operating At Oakland International Airport For A Term Expiring On September 30, 2021, With Annual Revenue Estimated At \$268,000.

File ID: [\[298-18\]](#)

This Ordinance was approved.

- 2.5 Ordinance 4492**, 2nd Reading Of An Ordinance Amending Port Of Oakland ("Port") Ordinance No. 867 Ratifying And Setting The Compensation For Certain Employees Of The Port Department Represented By The International Federation Of Professional And Technical Engineers, Local 21, And For Certain Non-Represented Employees Of The Port Department Belonging To Port Employee Representation Unit M; And, Amending Port Ordinance No. 867 Providing Professional Development Benefits For Certain Employees And Providing A One Time Only, Non-Base Building Payment Of \$1,500 And Seven Days Of Leave In Exchange For Deletion Of The Port Performance Premium And Withdrawal With Prejudice Of All Port Performance Grievances.

File ID: [\[299-18\]](#)

This Ordinance was approved.

3. MAJOR PROJECTS

There were no "Major Projects" on the Agenda.

4. BUDGET & FINANCE

- 4.1 Resolution 18-105:** Authorization of Certain Actions Pursuant to the Tax Equity & Fiscal Responsibility Act of 1982, in Connection with the Financing and Refinancing of Various Port Capital Improvements. **(Finance & Admin)**

File ID: [\[243-18\]](#)

Chief Financial Officer, Sara Lee, introduced Item 4.1.

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

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

5. STRATEGY & POLICY

There were no Strategy & Policy Items to approve.

6. REMAINING ACTION ITEMS

- 6.1 **PULLED:** ~~Resolution: Approval of the Proposed Business Terms and Conditions to be Incorporated into a Second Supplemental Agreement with KaiserAir, Inc. for the Premises and Facilities, including Hangar 3 West, Hangar 4, and Related Airfield Aircraft Apron and Motor Vehicle Parking Spaces, for an additional Term of Four Years and Eleven Months through December 31, 2023 and Rental of \$107,546 per Month, at the North Field, Oakland International Airport and Making Findings and Determining to Terminate Negotiations and Proceedings for the Redevelopment of Hangars 2, 230C & 230D, and the Adjacent Aircraft Apron and Vehicle Parking Lot. (Aviation)~~

File ID: [\[292-18\]](#)

This matter was pulled.

- 6.2 **Resolution 18-106:** Authorize a Construction Budget of \$1,881,000, Authorize the Director of Engineering to Approve Plans and Project Manual, and Award the Construction Contract to McGuire and Hester for the amount of \$1,295,465 for Construction of Southfield Pavement Improvements, Oakland International Airport. **(Engineering/Aviation)**

File ID: [\[229-18\]](#)

Engineering Director, Chris Chan, introduced Item 6.2.

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

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

7. UPDATES/ANNOUNCEMENTS

Communications Director, Mike Zampa, announced that Jack London Square has been getting a lot of positive press in local news.

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 4:17 p.m.

Approved: October 25, 2018

Daria Edgerly
Secretary of the Board