



MINUTES

Thursday, January 24, 2019

Board Room – 2nd Floor

ROLL CALL

President Butner called the Regular Meeting of January 24, 2019 to order at the hour of 1:02 p.m. and the following Commissioners were in attendance:

Present: 7 - Commissioner Yui Hay Lee, Commissioner Barbara Leslie, Commissioner Arabella Martinez, Commissioner Joan Story, 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 1:04 p.m. to hear the following Items:

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

Property: Terminal Complex at Oakland International Airport

Negotiating Parties: Clear Channel Outdoor dba Clear Channel Airports and Port of Oakland

Agency Negotiator: Brandon J. Mark, Manager of Aviation Properties

Under Negotiation: Rental Rates and Length of Term of Space Use Permit

Property: Berths 20, 21, and 22 areas located at the Port of Oakland - 1599 Maritime Street, Oakland, CA

Negotiating Parties: Eagle Rock Aggregates, Inc. and Port of Oakland

Agency Negotiator: John Driscoll, Director of Maritime

Under Negotiation: Price and Terms of Tenancy

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

File ID: [002-19]

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 Matter 1_**

File ID: [036-19]

1.3 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION - (Pursuant to Paragraph (1) of Subdivision (d) of California Government Code Section 54956.9):

City of Oakland, a municipal corporation, acting by and through its Board of Port Commissioners vs. Embarcadero Cove Enterprises, LLC, et al.; Alameda County Superior Court Case No.: RG18926153;

Embarcadero Cove Enterprises LLC, United States Bankruptcy Court, Northern District of California Case No.: 18-42821 CN 7

File ID: [037-19]

OPEN SESSION/ROLL CALL

President Butner called the Regular Meeting of January 24, 2019 to order in Open Session at the hour of 4:13 p.m.

Present: 7 - Commissioner Yui Hay Lee, Commissioner Barbara Leslie, Commissioner Arabella Martinez, Commissioner Joan Story, Second Vice-President Michael Colbruno, First Vice-President Andreas Cluver and President Ces Butner

CLOSED SESSION REPORT

Acting Port Attorney, Michele Heffes, reported Commissioner Lee recused himself from Item 1.2 due to a potential financial conflict and was not in the room and took no part in the discussion or deliberation of the item.

Acting Port Attorney, Michele Heffes, reported that the Board had taken the following action in Closed Session at the previous meetings held on November 29, 2018 and December 13, 2018.:

A motion made by Martinez, seconded by Story, to approve Resolution 18-116. The motion carried by the following vote:

6-Ayes: Commissioner Lee, Commissioner Martinez, Commissioner Story, 2nd Vice President Colbruno, 1st Vice President Cluver and President Butner.

Resolution 18-116, Resolution Approving and Authorizing Execution Of A Settlement Agreement And Release Of All Claims with Employee No. 401018 Which Involves Settlement Payments in the Amount of \$350,000 and Other Terms.

A motion made by Martinez, seconded by Lee, to approve Resolution 18-120. The motion carried by the following vote:

7-Ayes: Commissioner Lee, Commissioner Leslie, Commissioner Martinez, Commissioner Story, 2nd Vice President Colbruno, 1st Vice President Cluver and President Butner.

Resolution 18-118, Resolution Approving and Authorizing Settlement in the Workers' Compensation Appeals Board Matters, Case Nos. ADJ7816458 and ADJ7816476, Port Employee No. 315259 v Port of Oakland.

2. CONSENT ITEMS

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

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

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

- 2.1 Resolution 19-01:** Consent to Change in Control of Ownership of DAL Global Services, LLC and Assignment of a *License and Concession Agreement* to Occupy Warehouse Space and to Provide Passenger, Baggage, Ground and Cargo Handling, Aircraft Cabin Cleaning and Ground Service Equipment Maintenance, Repair and Washing Business at Oakland International Airport, from 100% Owner Delta Air Lines, Inc. to AirCo Aviation Services, LLC, jointly owned by Argenbright Holdings IV, LLC (51%) and Delta Air Lines, Inc. (49%). **(Aviation)**

File ID: [\[030-19\]](#)

This Resolution was approved.

- 2.2 Resolution 19-02**, Building Permit: for Cingular Wireless (AT&T Mobility) for Antenna additions and upgrades, 8991 Earhart Road, Hangar 3, North Airport **(Engineering)**

File ID: [\[034-19\]](#)

This Resolution was approved.

- 2.3 Ordinance 4208**, 2nd Reading Of An Ordinance Approving And Authorizing The Executive Director To Execute A Second Amendment To A Temporary Right Of Entry And Construction Access Agreement With The City Of Oakland And ZARSION OHP I LLC For Reconstruction Of Embarcadero Bridge To Extend The Term For An Additional Six Months Through June 30, 2019.

File ID: [\[020-19\]](#)

This Ordinance was approved.

- 2.4 Ordinance 4209**, 2nd Reading Of An Ordinance Consenting To Extend On A Month-To-Month Basis The Existing Lease With KAISERAIR, Inc. For The Premises And Facilities, Including

Hangar 3 West, Hangar 4 And Related Airfield Aircraft Apron And Motor Vehicle Parking Spaces, To Adjust Minimum Rent To Fair Market Rental Value Of \$107,546 Per Month And To Increase The Security Deposit To \$350,000.

File ID: [\[021-19\]](#)

This Ordinance was approved.

- 2.5 Ordinance 4210**, 2nd Reading Of An Ordinance Approving And Authorizing The Executive Director To Amend (1) The Non-Exclusive Preferential Assignment Agreements (“NEPAAS”) With SSA Terminals (Oakland), LLC For Berths 55-56 And Berths 57-59 And (2) The Amended And Fully Restated Agreement Regarding Combined Compensation At Berths 55-56 And Berths 57-59 With SSA Terminals (Oakland), LLC To Modify Reimbursement Terms Associated With Excess Crane Removal Work.

File ID: [\[022-19\]](#)

This Ordinance was approved.

- 2.6 Minutes:** Approval of the Minutes of the Regular Meetings of November 29, 2018 and December 13, 2018. **(Board)**

File ID: [\[001-19\]](#)

The Minutes were approved.

- 2.7 Report:** Report of Appointments, Separations and Leaves of Absence for FY 2018-19, 2nd Quarter (October 1, 2018 - December 31, 2018). **(Finance & Admin)**

File ID: [\[010-19\]](#)

This Report was received and filed.

3. MAJOR PROJECTS

- 3.1 Resolution 19-03:** Authorization for the Executive Director to Execute a Memorandum of Understanding with the Port of Long Beach Regarding Obligations Associated with the California Air Resources Board Zero- and Near-Zero Emissions Freight Facilities Grant, at an Estimated Cost of \$2,000,000 **(Maritime)**

File ID: [\[032-19\]](#)

Maritime Director, John Driscoll, introduced Item 3.1.

Environmental Programs and Planning Director, Richard Sinkoff, and Jason Garben, Senior Project Administrator, presented Item 3.1.

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

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

4. BUDGET & FINANCE

4.1 Report: Unaudited Financials for 5 months ended November 30, 2018. **(Finance & Admin)**

File ID: [\[009-19\]](#)

Chief Financial Officer, Sara Lee, presented Item 4.1.

This Report was received and filed.

5. STRATEGY & POLICY

5.1 Report: Informational Report on the Maritime and Aviation Project Labor Agreement (MAPLA) Annual Progress Report Summary (July 1, 2017 - June 30, 2018) **(SRD)**

File ID: [\[003-19\]](#)

Social Responsibility Director, Amy Tharpe, introduced Item 5.1.

Jake Sloan & Kitty Creech of Davillier-Sloan, Inc. presented the MAPLA Update.

Julina Bonilla, Workforce Development Manager, presented a video highlighting our partnership with Cypress Mandela Training Center and Rising Sun Center for Opportunity.

This Report was received and filed.

6. REMAINING ACTION ITEMS

6.1 Ordinance 4511: Authorize the Executive Director to Approve the 8th Supplement to the Lease with Burlington Northern Santa Fe Railway Company at the Joint Intermodal Terminal, Extending the Term of the Lease through December 31, 2023, Which Would Generate an Average Annual Minimum Revenue of Approximately \$3.4 Million; and Authorize the Executive Director to Approve the First Amendment to the Tail Track Operating Agreement with BNSF to Modify Track Infrastructure; Which Together Will Result in a One-Time Expenditure of \$550,000 of Port Funds **(Maritime)**

File ID: [\[029-19\]](#)

Maritime Director, John Driscoll, introduced Item 6.1.

Delphine Prevost, Admin/Finance Services Manager, presented Item 6.1.

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

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

- 6.2 Resolution 19-04:** Approve and Authorize a Capital Budget of \$321,000 for the Design Phase of the North Driveway for 800 Series Warehouses Project and Authorize the Executive Director to Utilize Mott MacDonald, LLC for the Design Effort. **(Engineering/Maritime)**

File ID: [\[023-19\]](#)

Engineering Director, Chris Chan, introduced Item 6.2.

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

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

- 6.3 Resolution 19-05:** (1) Approve and Authorize a Budget of \$262,000 for the Design Phase of the Outer Harbor Intermodal Terminal ("OHIT") Phase 2 - Interim Use Yard Paving Project and Authorize the Executive Director to Utilize WSP USA, Inc. for the Design Effort; and (2) Authorize the Executive Director to Utilize O.C. Jones & Sons, Inc. in the Not-To-Exceed amount of \$446,700 for the Former Oakland Army Base Trench Spoils Off-Haul Project and Approve and Authorize the Executive Director to Delegate the Authority to the Director of Engineering to Approve the Project Manual, Plans, and Specifications for this Project. **(Engineering/Maritime)**

File ID: [\[028-19\]](#)

Engineering Director, Chris Chan, introduced Item 6.3.

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

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

7. UPDATES/ANNOUNCEMENTS

1st Vice President Cluver left the meeting at the hour of 5:15 p.m.

Communications Director, Mike Zampa, presented the Port's 2018 Progress Report.

Communications Director, Mike Zampa, announced the success of the State of the Port.

President Butner announced that he attended a reception celebrating Matson's new vessel the Daniel K. Inouye.

2nd Vice President Colbruno announced the Oakland A's Fan Fest.

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 5:25 p.m.

Approved: February 14, 2019

Daria Edgerly
Secretary of the Board