

**MINUTES
BOARD OF PORT COMMISSIONERS
SAN DIEGO UNIFIED PORT DISTRICT**

As previously posted, a special meeting of the Board of Port Commissioners of the San Diego Unified Port District was called to order by Chairman Bixler at 8:30 a.m., Monday, January 5, 2009, at the San Diego Marriott Hotel & Marina, Point Loma Room, 333 West Harbor Drive, San Diego, California.

ROLL CALL

Present: COMMISSIONERS Bixler, Black, Cushman, Najera, Spane, and Valderrama; and Incoming Commissioner Scott Peters (who will be sworn in momentarily).

OFFICERS Hollingsworth, Bennett, Kirkpatrick, Liner and McEntee.

Absent: No Commissioners absent.

Excused: No Commissioners excused.

PUBLIC COMMUNICATIONS

Agenda Item 2. None.

SWEARING-IN OF NEW COMMISSIONER

Agenda Item 3. Mary Ann Liner, District Clerk, administered the Oath of Office to newly appointed San Diego Commissioner Scott Peters.

APPOINTMENT OF EXECUTIVE DIRECTOR

Agenda Item 4. Bruce Hollingsworth, Executive Director, reported that on December 18th and 19th the Board met in a publicly noticed closed session to discuss the appointment of the Executive Director pursuant to Government Code section 54957.

Mr. Hollingsworth, in consultation with the Port Attorney, reported that by a 7-0 vote, the Board approved the appointment of Charles D. Wurster to serve as Executive Director of the San Diego Unified Port District effective January 5, 2009. Mr. Hollingsworth clarified for the record that the appointment of Charles D. Wurster is

effective January 6, 2009, not January 5, 2009 as previously stated. Mr. Hollingsworth further reported that the report was being provided on January 5, 2009, in light of concluded employment negotiations and acceptance of an employment agreement by the Appointee.

RETREAT

Agenda Item 5abcd. Chairman Bixler introduced Linda Shoob, Organization Effectiveness Consultants, as facilitator of the retreat.

Commissioner Cushman indicated he would like to develop a shared vision for the Board at the Retreat. Ms. Shoob introduced Dirk Mathiasen, Vice President Operations, who provided an overview regarding the District's Vision, Mission, Core Values, and COMPASS Strategic Plan, including outlining the District's strategic goals. (A copy of the staff presentation is on file in the Office of the District Clerk.)

Jeff McEntee, CFO/Treasurer, addressed the Board and provided a financial snapshot of the District. Mr. McEntee discussed the Port Reserves, sources of funds, cash flow forecast, and financial sustainability.

Commissioner discussion ensued. Commissioner Bixler discussed the City of San Diego \$5.5 million credit available for draw-down. Additionally, he asked that staff request the City of San Diego review and update the value of properties used as collateral for the \$5.5 million dollar credit. Commissioner Bixler also requested that staff explore renegotiation of interest rates for the San Diego County Regional Airport Authority (SDCRAA) Promissory and Pond 20 notes. Commissioner Cushman asked that staff determine whether "Big Bay" advertising dollars are effective.

Chris Anderson, Vice President, addressed the Board and discussed emergent opportunities and how they might arise. Ms. Anderson talked about the options to fund emergent opportunities in the future.

The Board requested that staff recommend criteria for using reserves for Capital Development Program (CDP) projects and emergent opportunities. Commissioner Bixler asked that staff evaluate and make a recommendation to the Board regarding the Army Corps of Engineers Pay to Process program. Commissioner Bixler also asked that staff explore expanding criteria for CDP prioritization. Commissioner Valderrama asked that staff calculate distribution of CDP funds by City.

Irene McCormack, Assistant Vice President, addressed the Board regarding the District's Grant Program. Ms. McCormack discussed the grants process and the current grants activity, included the Homeland Security Grants.

Commissioner Spane requested a security review by the new President/CEO. Commissioner Spane also requested that staff review the Security Master Plan and provide the cumulative sum for the costs of security grants and projects. Commissioner Black asked that staff explore and expand opportunities to partner on grants with the Port Tenants Association, San Diego Foundation, and other entities that are 501 c(6) and 501 c(3).

Commissioners Cushman and Black discussed the possibility of establishing an Ad Hoc Infrastructure Committee to explore possible projects that might qualify for federal stimulus funds.

Commissioner Black asked that staff provide a list of projects that are ready to go forward, would provide jobs, and might qualify for federal stimulus package funds. Commissioner Black suggested that staff broaden the list beyond goods and people movement to include other infrastructure (e.g., sewers, plazas, parks, etc.).

Duane Bennett, Port Attorney briefed the Board regarding complying with the upcoming Fair Political Practices Commission (FPPC) disclosure requirements related to gifts to the District and disclosure requirements related to tickets and passes distributed by the District. Commissioner Cushman asked that staff recommend a Board Policy based upon the California Fair Political Practices Commission regulation §18944.1. Gifts: Tickets or Passes to Events.

There was no further action taken, whereupon Chairman Bixler adjourned the special meeting at 3:15 p.m.



Secretary, Board of Port Commissioners
San Diego Unified Port District

ATTEST:



Clerk of the San Diego Unified Port District