

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

The regular meeting of the Board of Port Commissioners of the San Diego Unified Port District was called to order by Chairman Cushman at 1:02 p.m., Tuesday, October 6, 2009, in the Board Room at 3165 Pacific Highway, San Diego, California.

PLEDGE OF ALLEGIANCE

Agenda Item 1. Commissioner Burdick led the Pledge of Allegiance.

ROLL CALL

Agenda Item 2.

Present: COMMISSIONERS Bixler, Burdick, Cushman, Padilla, Peters, Spane, and Valderrama.

OFFICERS Bennett, Liner, Kirkpatrick, McEntee, and Wurster.

Absent: No Commissioners absent.

Excused: None.

SWEARING-IN

Agenda Item 2.1. Chairman Cushman welcomed Commissioner Stephen Padilla as the newest member of the Board of Port Commissioners. The Chairman stated that Commissioner Padilla was previously sworn in, and that the Board was pleased to have his father, Don Wroe ceremonially swear in Commissioner Padilla. Following the swearing-in ceremony, the Chairman invited the members of the public present to participate in a reception to honor the new Commissioner. Mr. Wroe swore in Commissioner Padilla. Chairman Cushman announced a 10-minute recess at 1:05 p.m. The board meeting resumed at 1:14 p.m.

PUBLIC COMMUNICATIONS

Agenda Item 4. Kristin Peterson, San Diego Port Tenants Association, addressed the Board with a report regarding the successful efforts of the volunteers during Operation Clean Sweep. Ms. Peterson reported that on August 29, 2009 the annual event attracted 800 volunteers who cleaned various tideland sites, and the scuba volunteers focused on removing debris from the A-8 anchorage.

Sue Schaffner, Hostelling International USA San Diego Council, thanked the Board for the District's support of Midnight Madness, their 36th annual cycling event that was held on August 15th, 2009. Ms. Schaffner presented a personalized commemorative 75th anniversary poster and event t-shirts.

Jason Everitt, San Diego Coast Keeper, addressed the Board regarding the Marine Life Protection Act (MLPA) and urged the District to review the three proposals. Mr. Everitt recommended support of proposal three.

Bruce Reznik, San Diego Coast Keeper, addressed the Board regarding the Marine Life Protection Act (MLPA). Mr. Reznik explained the matter was raised during the Environmental Committee meeting.

Chairman Cushman stated that while the Board could not take action or make a recommendation on a non-agenda public comment, he requested that the matter be addressed by the Chair of the Environmental Committee, Commissioner Peters.

Commissioner Peters reported that Mr. Reznik's characterizations were accurate, that the Environmental Committee's sentiment was supportive of the MLPA public process and that recommendations be made based on sound science; however, the Committee did not specifically endorse any one version of the proposals. Commissioner Peters further stated that in the event that the Chairman saw it within his power to take up the matter, the Environmental Committee would then confer that matter to him for consideration and/or any additional appropriate correspondence.

Prior to Katheryn Rhodes comments, Chairman Cushman clarified that the Navy Broadway Complex is not a District project. Ms. Rhodes addressed the Board and suggested that the Naval Mine and Anti-Submarine Warfare Command (NMAWC) Base could serve as a secure alternative location for the Navy Broadway Complex. She further suggested that consideration be given to building a parking structure at the site, near the former Naval Training Center, that had been considered for the Nickelodeon Hotel. Ms. Rhodes concluded her comments stating that some of the tideland property

may be required to relocate the Navy Broadway Complex off, what she characterized as, an active earthquake fault.

CONSENT AGENDA

Chairman Cushman announced that the following Consent Agenda Items would be continued to a future meeting:

Agenda Item 5. **Resolution Establishing Rent for California Yacht Marina - Chula Vista, LLC for the period July 1, 2009 to June 30, 2014.**

Agenda Item 10. **Ordinance granting a twenty year lease with Fisherman's Landing Corporation located in America's Cup Harbor at 2838 Garrison Street.**

Agenda Item 11. **Ordinance granting a twenty year lease with United Sportfishers of San Diego, Inc., located in America's Cup Harbor at 2803 Emerson Street.**

Agenda Item 12. **Ordinance granting a twenty year lease with Point Loma Sportfishing Association, Inc., located in America's Cup Harbor at 1403 Scott Street.**

Agenda Item 18. **Resolution Establishing Rent for Seaport Village Operating Company, LLC dba Seaport Village for the period October 1, 2009 to September 30, 2018.**

Agenda Item 19. **Ordinance Granting an Option Agreement with Sunroad Marina Partners, LP for a new 55-Year Lease.**

Agenda Item 20. **Resolution Consenting to Assignment of certain ownership interests within Point Loma Marina, LLC.**

Agenda Item 21. **Resolution Selecting and Authorizing a two-year Agreement with PCI for Pavement, Marking and Striping at various tidelands locations in an amount not to exceed \$180,000.**

Chairman Cushman announced that Presentation/Action Agenda Item 27 would be continued to a future meeting.

Agenda Item 27. Presentation Regarding Proposed Hotel and Phase III Convention Center Expansion Project.

Chairman Cushman announced that Action Agenda Items 30 and 31 would be continued.

Agenda Item 30A. Resolution Granting Approval to Point Loma Marina, LLC for Proposed Restaurant Tenant Improvement Project.

Agenda Item 30B. Resolution Consenting to Sublease from Point Loma Marina, LLC to JFAT, LLC dba Jimmy's Famous American Tavern.

Agenda Item 31. Resolution Electing Chair, Vice-Chair and Secretary of the Board of Port Commissioners to Serve for Calendar Year 2010.

APPROVAL OF MINUTES

Agenda Item 3. On motion of Commissioner Valderrama, seconded by Commissioner Peters, the Board approved in a single vote, the minutes submitted for the regular and special meetings of September 1, 2009 by the following vote: Yeas-Bixler, Burdick, Cushman, Padilla, Peters, Spane, Valderrama; Nays-None; Excused-None; Absent-None; Abstained-None.

CONSENT AGENDA CONTINUED

ORDINANCE GRANTING A 15-YEAR EASEMENT TO WESPAC PIPELINES SAN DIEGO, LLC FOR THE PERIOD FROM MAY 1, 2000 TO APRIL 30, 2015 FOR EXISTING JET FUEL PIPELINE FROM TENTH AVENUE MARINE TERMINAL TO SAN DIEGO INTERNATIONAL AIRPORT.

Agenda Item 8. Commissioner discussion ensued. Commissioner Peters requested and received confirmation from Real Estate Assistant Asset Manager Adam Meyer that the item under consideration was a minor matter regarding an easement that required resolution.

On motion of Commissioner Burdick, seconded by Commissioner Peters, the Board, with a single vote, adopted Consent Agenda items 6, 7, 8, 9A, 9B, 13, 14, 15, 16, and 17 (**Ordinance 2579; Resolution 2009-180; Ordinance 2580; Resolution 2009-181; Ordinance 2581; Resolution 2009-182** through and including **Resolution 2009-184; Ordinance 2582; and Resolution 2009-185**) by the following vote: Yeas-Bixler, Burdick, Cushman, Padilla, Peters, Spane, Valderrama; Nays-None; Excused-None; Absent-None; Abstained-None.

Agenda Item 5. **Item Continued.**

Agenda Item 6. **Ordinance 2579**, Granting Amendment No. 4 to Lease with American Mushrooms, Inc. dba American Produce Distributors extending term for the one-year period from February 1, 2010 to January 31, 2011, was adopted as part of the consent agenda.

Agenda Item 7. **Resolution 2009-180**, Establishing Rent for Searles Valley Minerals Operations, Inc. for the period January 1, 2008 through December 31, 2012, was adopted as part of the consent agenda.

Agenda Item 8. **Ordinance 2580**, Granting a 15-Year Easement to WesPac Pipelines San Diego, LLC for the period from May 1, 2000 to April 30, 2015 for existing jet fuel pipeline from Tenth Avenue Marine Terminal to San Diego International Airport, was adopted as part of the consent agenda.

Agenda Item 9A. **Resolution 2009-181**, Consenting to Assignment of Lease from Cemex Pacific Coast Cement Corporation to CEMEX Construction Materials Pacific, LLC, was adopted as part of the consent agenda.

Agenda Item 9B. **Ordinance 2581**, Granting Amendment No. 1 to Lease with CEMEX Construction Materials Pacific, LLC to modify assignment/sublease language and to add Cemex, Inc. as co-guarantor, was adopted as part of the consent agenda.

Agenda Item 10. **Item Continued.**

Agenda Item 11. **Item Continued.**

Agenda Item 12. **Item Continued.**

Agenda Item 13. **Resolution 2009-182**, Adopting Plans and Specifications and Awarding Contract No. 2008-37 to So Pac Rail, Inc. for TAMT Railways Trolley/Rail Switch Replacement, San Diego California in the amount of \$445,420, was adopted as part of the consent agenda.

Agenda Item 14. **Resolution 2009-183**, Authorizing First Amendment to Three-Party Agreement between Sunroad Asset Management, Inc., Jones and Stokes Associates, Inc., and the Port District for environmental review consulting services for the completion of the Sunroad Harbor Island Hotel Project Environmental Impact Report for an additional \$5,500 and to extend term six (6) months, was adopted as part of the consent agenda.

Agenda Item 15. **Resolution 2009-184**, Authorizing Memorandum of Understanding between the San Diego Unified Port District and the San Diego Harbor Police Officers Association, was adopted as part of the consent agenda.

Agenda Item 16. **Ordinance 2582**, Amending Salary Ordinance 2577 Establishing a Schedule of Compensation for all Officers and Employees of the San Diego Unified Port District, was adopted as part of the consent agenda.

Agenda Item 17. **Resolution 2009-185**, Approving Internal Audit Plan for Fiscal Year 2010, was adopted as part of the consent agenda.

Agenda Item 18. **Item Continued.**

Agenda Item 19. **Item Continued.**

Agenda Item 20. **Item Continued.**

Agenda Item 21. **Item Continued.**

PRESENTATION /ACTION AGENDA

PRESENTATION BY THE SAN DIEGO PORT TENANTS ASSOCIATION ON THE ORACLE YACHT PROGRAM.

Agenda Item 22. Sharon Cloward, San Diego Port Tenants Association, addressed the Board with a presentation regarding the regional economic impact of serving as a host city to the BMW Oracle Yacht program and the countdown to the 2010 America's Cup match race and regatta. (A copy of the presentation is on file in the Office of the District Clerk.)

Ms. Cloward stated that the Port Tenants Association was considering organizing an award and thank you recognition event in October, and she requested Chairman Cushman's consideration to serve as Master of Ceremonies for the event.

PRESENTATION UPDATING STATUS OF 2009 TENANT RENT DEFERRAL PROGRAM.

Agenda Item 23. Randa Coniglio, Assistant Vice President Operations - Real Estate, addressed the Board and provided an update regarding the 2009 Tenant Rent Deferral Program that the Board authorized in April 2009. (A copy of the staff report and presentation are on file in the Office of the District Clerk.)

Commissioner discussion ensued. Commissioner Burdick noted that two of the tenants that requested and received assistance via the rent deferral program were also shown as tenants beneficially impacted by the home porting of the BMW Oracle vessel. She further acknowledged the benefits of the BMW Oracle Yacht program to the region.

Commissioner Valderrama acknowledged the benefit of the program that was implemented to assist the tenants during a difficult economic climate.

PRESENTATION AND RESULTS OF THE MARKETING AND PUBLIC RELATIONS INVESTMENT OF \$250,000 TO DRIVE BUSINESS TO PORT TOURISM AND VISITOR SERVING BUSINESSES AS DIRECTED BY THE BOARD OF PORT COMMISSIONERS IN JUNE 2009.

Agenda Item 24. Marketing Manager Jackie Williams addressed the Board and provided an update regarding the results of the "This is a Good Day" marketing campaign, as well as the marketing and public relations investment of \$250,000 designed to drive business to District tourism and visitor serving businesses as directed by the Board of Port Commissioners in June 2009. (A copy of the staff report and

presentation are on file in the Office of the District Clerk.) Ms. Williams introduced Communication Director, Ron Powell who addressed the Board with results from the public relations tools utilized to support the campaign. Those tools included: television, newspaper articles, District tours, and on-line social networking sites including Twitter and YouTube. Sharon Cloward, Port Tenants Association, addressed the Board with results from the program and the direct impact to hotel and restaurant tenant revenues. Richard Bartell, Bartell Hotels, stated that the campaign had a significant benefit to all of the tideland businesses in the hospitality sector, and expressed his appreciation to the Board, the District staff, and the District's marketing firm, MJE Marketing Services, for their assistance during a difficult economic time. He further outlined the specific tools utilized to track the specific business driven by the various marketing efforts.

Commissioner discussion ensued. Commissioner Peters stated that he appreciated the response to the program and acknowledged that the results shown were due to a strong partnership with District and the tenants.

PRESENTATION AND DIRECTION TO STAFF REGARDING OPPORTUNITIES TO PARTNER WITH SDG&E AND NISSAN ON THE ACQUISITION OF ELECTRIC VEHICLES FOR THE PORT FLEET.

Agenda Item 25. Senior Environmental Specialist Michelle White addressed the Board and presented the staff report regarding opportunities to partner with San Diego Gas and Electric (SDG&E) and Nissan for the acquisition of electric vehicles for the District fleet. Ms. White requested Board direction regarding participation in the pilot program and the conditional consideration of the purchase or lease of five electric vehicles in the future. (A copy of the staff report and presentation are on file in the Office of the District Clerk.)

Commissioner discussion ensued. Commissioner Peters stated that he was in support of moving forward with the next step in the process and directing staff to notify SDG&E and Nissan of the District's interest in participating in the test.

Commissioner Burdick requested information regarding the cost of the vehicles. Ms. White stated that Nissan had not yet clarified the model differences for the Nissan Leaf, and she noted that the price range stated in the staff report was an estimate and the price would be finalized prior to procurement of the vehicles. Commissioner Burdick stated that she was in support of the program and participation was consistent with the Board's duty as environmental stewards.

Commissioner Peters left the dais at 2:16 p.m. and returned at 2:18 p.m.

Commissioner Spane requested that staff contact representatives at the City of Coronado and consider a partnership; based on the average 100 miles per battery charge, the program may be especially attractive to the residents of the island.

Commissioner Bixler requested further information regarding the service life of the new vehicle. Ms. White explained that while she had limited information regarding the electric vehicle service life, the reports indicated that they had lower maintenance costs than conventional vehicles. She stated that the battery technology was constantly evolving and more specific details would be presented regarding the lease or purchase of the vehicles and their batteries. Based on the 100 mile radius per charge, Commissioner Bixler requested that, when the item returns to the Board for final consideration, staff provide further information approximating the type of users with work duties that may require an electric vehicle, along with a matrix of the charging station locations.

Commissioner Padilla stated that he was in support of the electric vehicle test program and the Green Port Program initiatives impacting the District's overall carbon footprint.

On motion of Commissioner Peters, seconded by Commissioner Padilla, the Board directed staff to move forward with a soft commitment to SDG&E and Nissan for participation in the electric vehicle program, by the following vote: Yeas-Bixler, Burdick, Cushman, Padilla, Peters, Spane, Valderrama; Nays-None; Excused-None; Absent-None; Abstained-None.

Commissioner Burdick left the dais at 2:24 p.m. and returned at 2:27 p.m.

UPDATE ON THE PORT'S OPERATING RESERVES.

Agenda Item 26. Jeff McEntee, CFO/Treasurer, addressed the Board with an update regarding the District's Operating Reserves, BPC Policy No. 117, cash flow forecasts, and plan for replenishment of the operating reserves. (A copy of the staff report and presentation are on file in the Office of the District Clerk.)

Commissioner discussion ensued. Commissioner Bixler requested and received confirmation from Mr. McEntee that there will be ongoing discussions regarding proposed projects that would directly impact the future reserve levels and any necessary considerations regarding scheduling those expenditures.

Commissioner Valderrama requested and received confirmation that staff would be recommending for Board consideration a planned set aside of one percent of operating revenues to the Capital Development Program (CDP) reserves for new capital projects. Commissioner Valderrama expressed concern regarding the assumptions made by staff when analyzing the differences between projected major maintenance expenditures and the engineer's estimated project costs.

Stephen Kirkpatrick, Chief Engineer, addressed the Board regarding the B Street Pier infrastructure improvements and reconsideration of incremental maintenance to the pier in lieu of funding a new deck structure.

PRESENTATION REGARDING PROPOSED HOTEL AND PHASE III CONVENTION CENTER EXPANSION.

Agenda Item 27. Item continued.

ACTION AGENDA

NORTH EMBARCADERO PORT MASTER PLAN AMENDMENT

Agenda Item 28. Katheryn Rhodes addressed the Board and presented several slides depicting a graphic representation regarding what she characterized as potential earthquake fault zones in the area around the North Embarcadero. She urged the Board to secure scientific information regarding the actual location of any seismic activity or earthquake fault lines in the area under consideration for development. (A copy of the presentation is on file in the Office of the District Clerk.)

On motion of Commissioner Valderrama, seconded by Commissioner Peters, the Board, adopted **Resolution 2009-186**, Authorizing Commencement of Environmental Review for a Port Master Plan Amendment process to modify boundary, land uses and precise plan text of Planning District 3, Centre City Embarcadero, by the following vote: Yeas-Bixler, Burdick, Cushman, Padilla, Peters, Spane, Valderrama; Nays-None; Excused-None; Absent-None; Abstained-None.

REVIEW AND CONSIDERATION OF PROPOSED BOARD AGENDA FOR MEETING OF NOVEMBER 3, 2009.

Agenda Item 29. Commissioner Spane requested that a staff presentation and update regarding the status of the court settlement with the homeowners of 501 and 505 First Street, Coronado be added to the November 3, 2009 Board meeting agenda. On motion of Commissioner Spane, seconded by Commissioner Peters, the Board approved the proposed Board Agenda for the Meeting of November 3, 2009 with the addition of the aforementioned staff presentation, by the following vote: Yeas-Bixler, Burdick, Cushman, Padilla, Peters, Spane, Valderrama; Nays-None; Excused-None; Absent-None; Abstained-None.

POINT LOMA MARINA

Agenda Item 30AB. Item Continued.

RESOLUTION ELECTING CHAIR, VICE-CHAIR AND SECRETARY OF THE BOARD OF PORT COMMISSIONERS TO SERVE FOR CALENDAR YEAR 2010.

Agenda Item 31. Item continued.

OFFICER'S REPORT

Agenda Item 32. In accordance with BPC Policy 110, the following change orders, executed by the Executive Director, were reported:

- A) Change Order No. 6 for <\$124.34> and 0 Calendar Days to Contract No. 2007-26 with Randall Construction, Inc. for Tideland Comfort Station Refurbishment Various Locations; Chula Vista, Coronado, Imperial Beach, National City and San Diego, California.
- B) Change Order No. 2 for \$8,637.00 and 4 Calendar Days & Change Order No. 3 for \$6,104.00 and 2 Calendar Days to Contract No. 2008-03 with Davis & Adams Construction, Inc. for Administration Building Annex Restrooms Improvements, San Diego, California.
- C) Change Order No. 3 for \$0.00 and 14 Calendar Days to Contract No. 2008-12 with Sullivan Solar Power for Administration Building Annex Photovoltaic System, San Diego, California.
- D) Change Order No. 8 for \$21,288.00 and 0 Calendar Days to Contract No. 2008-17R with Gordon-Prill San Diego, Inc. for Harbor Police Administration Facility Improvements, San Diego, California.

- E) Change Order No. 6 for \$4,000.00 and 0 Calendar Days to Contract No. 2008-22 with Sim J. Harris, Inc. for Kellogg Beach Sand Replacement, San Diego, California.
- F) Change Order No. 2 for \$7,858.00 and 3 Calendar Days to Contract No. 2008-23 with Davis & Adams Construction, Inc. for TAMT Transit Shed 1 and 2 Restroom Upgrade Project 10th Avenue Marine Terminal, San Diego, California.
- G) Change Order No. 2 for \$7,695.00 and 0 Calendar Days & Change Order No. 3 for \$15,000.00 and 0 Calendar Days to Contract No. 2008-27 with Jaynes Corporation of California for Broadway Pier Cruise Ship Terminal, San Diego, California.
- H) Change Order No. 4 for \$1,478.55 and 0 Calendar Days to Contract No. 2008-30 with George A. Dominguez for B Street Pier CST Modular Restroom Installation, San Diego, California.
- I) Change Order No. 1 for \$4,895.00 and 0 Calendar Days to Contract No. 2009-11 with Salzano Engineering, Inc. for TAMT Post Indicating Fire Valve (PIV) Replacement Project Tenth Avenue Marine Terminal, San Diego, California.
- J) Change Order No. 1 for \$0.00 and 19 Calendar Days to Contract No. 2009-12 with Gordon-Prill San Diego, Inc. for Harbor Police Administration Building Carport Installation, San Diego, California.

PRESIDENT'S REPORT

Agenda Item 33. None.

BOARD COMMITTEE REPORTS

Agenda Item 34. None.

COMMISSIONER COMMENTS

Agenda Item 35. None.

CLOSED SESSION

Duane Bennett, Port Attorney, announced the closed session agenda as follows:

Agenda Item 3.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Government Code Section 54956.8

Property:

District Property:

Approximately 35 acres of property located within the Harbor District of the Chula Vista Bayfront; located West of I-5, South of H Street, and North of J Street in Chula Vista, California.

Pacifica Companies Property:

Approximately 97 acres located within the Sweetwater District of the Chula Vista Bayfront; located West of I-5, South of E Street, and North of F Street in Chula Vista, California.

Negotiating Parties:

Ashok Israni, President, Pacifica Companies;
Ellen Corey Born, Dirk Mathiasen, Paul Fanfera,
Chris Hargett, SDUPD; Charles E. Black, CB Urban
Development

Under Negotiation:

Price and Terms

Agenda Item 4.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Subdivision (a) of Government Code Section 54956.9:

Alan Hirschfield and Nicole Hirschfield, et al. vs. SDUPD, Clyde Williams, et al.
United States District Court, Southern District of California,
Case No. 08 CV 2103 BTM (NLS)

Agenda Item 5.

CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Significant exposure to litigation pursuant to Subdivision (b)(1) of Government Code Section 54956.9:

One Case

Agenda Item 6.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Pursuant to Subdivision (a) of Government Code Section 54956.9:

SDUPD v. Argonaut Insurance Company, et al.

San Diego Superior Court No. GIC 874394

Agenda Item 7.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR

Government Code Section 54956.8

Property: Approximately 5,659 square feet of land and 170,270 square feet of water located in America's Cup Harbor at 2838 Garrison Street, San Diego

Negotiating Parties: Frank LoPreste, William Poole, Paul Morris, Principal Owners, Fisherman's Landing Corporation
Ellen Corey Born, Randa Coniglio, Dirk Mathiasen, Annette Dahl - SDUPD

Property: Approximately 140,363 square feet of water located in America's Cup Harbor at 2803 Emerson Street, San Diego

Negotiating Parties: Phil Lobred, Secretary and Vice President, United Sportfishers of San Diego, Inc.
Ellen Corey Born, Randa Coniglio, Dirk Mathiasen, Annette Dahl, SDUPD

Property: Approximately 133,867 square feet of water located in America's Cup Harbor at 1403 Scott Street, San Diego

Negotiating Parties: Frank LoPreste, William Poole, Principal Owners,
Point Loma Sportfishing Association, Inc.
Ellen Corey Born, Randa Coniglio, Karen Weymann,
Dirk Mathiasen, Annette Dahl, SDUPD

Under Negotiation: Price and Terms

Agenda Item 8.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Government Code Section 54956.8

Property: Approximately 53,144 square feet of land located at
4975 North Harbor Drive, San Diego
(former Westys Lumberyard site)

Negotiating Parties: John Grimstad, Tom Driscoll, Point Loma Marina, LLC
Ellen Corey Born, Randa Coniglio, Dirk Mathiasen,
Annette Dahl, SDUPD

Under Negotiation: Price and Terms

Agenda Item 9.

CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Government Code Section 54956.8

Property: Approximately 11,882 square feet of land located in
America's Cup Harbor at 2805 Emerson Street,
San Diego

Negotiating Parties: Jack and John Christianson – Principal Owners,
Mrs. Kelly's, Inc., dba Point Loma Seafoods,
Ellen Corey Born, Randa Coniglio, Dirk Mathiasen,
Annette Dahl, SDUPD

Under Negotiation: Price and Terms

Agenda Item 10.

PUBLIC EMPLOYEE APPOINTMENT, PERSONNEL EVALUATION OR DISCIPLINE:
EXECUTIVE DIRECTOR AND PORT ATTORNEY

Government Code Section 54957.6

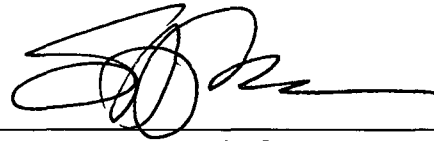
Commissioner Burdick disclosed what she characterized as a potential conflict between her employer and Pacifica Companies and stated that she would recuse herself from the discussion regarding item 3.

Chairman Cushman requested and received confirmation from Port Attorney Bennett that it was good practice to have Commissioner Burdick's statement read into the record and/or that there could also be a standing reference to the Commissioner's potential conflict of interest declaration for the minutes.

There was no formal or reportable action, pursuant to Government Code Section 54950 et seq to report from the closed session; whereupon, Chairman Cushman adjourned the meeting.

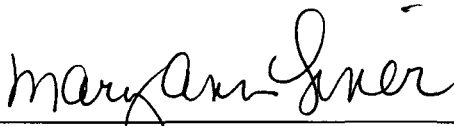
October 6, 2009

page 256



Secretary, Board of Port Commissioners
San Diego Unified Port District

ATTEST:



Clerk of the San Diego Unified Port District