DEBORAH ALE FLINT
Acting Executive Director

DANNY WAN
Port Attorney

ARNEL ATIENZA
Port Auditor

JOHN T. BETTERTON
Secretary of the Board

PORT OF OAKLAND

BOARD OF PORT COMMISSIONERS

530 Water Street • Oakland, California 94607
(510) 627-1696(w) • (510) 839-5104(f) • TDD/TTY 711

E-Mail: ***board@portoakland.com***
Website: ***www.portofoakland.com***

GILDA GONZALES
President

JAMES W. HEAD
First Vice-President

ALAN S. YEE
Second Vice-President

CESTRA BUTNER
Commissioner

EARL HAMLIN
Commissioner

BRYAN R. PARKER
Commissioner

VICTOR UNO
Commissioner

MINUTES

Regular Meeting of the Board of Port Commissioners
Thursday March 14, 2013 – 1:00 p.m.
Board Room – 2nd Floor

ROLL CALL

*President **Gonzales** called to order the Regular Meeting of the Board for March 14, 2013 at 1:03 p.m. and the following Commissioners where in attendance:*

*2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, Commissioner **Uno** and President **Gonzales***

*1st Vice President **Head** and Commissioner **Hamlin** were excused.*

1. CLOSED SESSION

*President **Gonzales** convened the Board in Closed Session at 1:03 p.m. to hear the following:*

1.1 CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION. Pursuant to Subdivision (a) of California Government Code Section 54956.9.

SSA Terminals, LLC and SSA Terminals (Oakland), LLC v. the City of Oakland, Acting by and Through its Board of Port Commissioners Docket No. 09-08

1.2 CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION. Significant Exposure to Litigation Pursuant to Subdivision (b) of California Government Code Section 54956.9: 2 matter

1.3 PUBLIC EMPLOYEE APPOINTMENT

Title: Executive Director

1.4 PULLED ~~PUBLIC EMPLOYEE PERFORMANCE EVALUATION~~

Titles: Acting Executive Director, Port Auditor, Board Secretary

1.5 CONFERENCE WITH REAL PROPERTY NEGOTIATOR - As provided under California Government Code Section 54956.8:

Property:	Former Oakland Army Base – Buildings 803-808 and Adjacent Yards
Negotiating Parties:	Port of Oakland, and Industrial Railways Company ("I.R.C."), Impact Transportation, Pacific Coast Container and Port Transfer, Inc. ("P.T.I.")
Agency Negotiator:	Acting Director of Maritime, Deputy Executive Director, Jean Banker
Under Negotiation:	Price and Terms of Tenancy

The Board concluded the Closed Session at 3:00.

*President **Gonzales**, acting in her capacity as Co-Chair of the Citizens Oversight and Reporting Committee convened the Committee Meeting at 3:01 pm and the following members were in attendance:*

*Port of Oakland: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, Commissioner **Uno** and President **Gonzales***

Citizens: Red Wetherill Co-Chair, Barbara Tuleja Alameda Citizen member and Jim Nelson of Keep Jet's Over the Bay.

MEETING WITH CITIZENS OVERSIGHT AND REPORTING COMMITTEE "CORC"

A. Introduction of Members: Red Wetherill, Chairman, CORC, Barbara Tuleja, Alameda Citizen Member of C*ORC and Jim Nelson of Keep Jet's Over the Bay.*

*Co-Chair **Gonzales** welcomed the members.*

B. Executive Director's Welcome

Co-Chair **Whetherill**, reported on the work of the Committee.

C. CORC Committee Chair's Comments

D. Port Board Chair's Comments

E. Committee Discussion/Questions

There were no public comments for the Committee.

F. CORC Open Forum

ROLL CALL/OPEN SESSION

*President **Gonzales** reconvened the Open Session of the Regular Meeting of the Board at 4:27 p.m., and the following Commissioners were in attendance:*

*2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, Commissioner **Uno** and President **Gonzales***

*1st Vice President **Head** and Commissioner **Hamlin** were excused.*

CLOSED SESSION REPORT

The Port Attorney reported that the Board had unanimously approved (5 Ayes, Head & Hamlin Excused) in Closed Session a Resolution approving a Settlement Agreement with St. Francis Electric.

2. MAJOR PROJECTS

Commercial Real Estate Director, Pamela Kershaw, introduced speakers from the Association Of Bay Area Governments who made a presentation on Item **2.1**

Lee Huo and Bill Threllfall of the Association Of Bay Area Governments made a presentation on Item **2.1.**

2.1 Presentation on the Bay Trail by ABAG Staff **(CRE)**

The Director of Engineering, Chris Chan, presented Items **2.2** and **2.3**.

*A Motion to approve Item **2.2** was made by Commissioner **Uno** and seconded by Vice-President **Yee**.*

David De Silva and Art Shanks addressed the Board on Item **2.2**.

2.2 Award Contract to Design and Build the Outer Harbor Intermodal Terminal Railyard, Phase 1, at the Former Oakland Army Base **(Engineering)**

*The Motion to approve Item **2.2** passed by the following votes: (5) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, Commissioner **Uno**, and President **Gonzales**; (2) Excused: 1st Vice President **Head** and Commissioner **Hamlin***

*A Motion to approve Item **2.3** was made by Commissioner **Uno** and seconded by Commissioner **Parker**.*

2.3 Authorization to Execute Reimbursement Agreement with Union Pacific Railroad (UPRR) for Railroad Design Services within UPRR Right of Way, Outer Harbor Intermodal Terminal (OHIT) Railyard Phase 1 **(Engineering)**

*The Motion to approve Item **2.3** passed by the following votes: (5) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, Commissioner **Uno**, and President **Gonzales**; (2) Excused: 1st Vice President **Head** and Commissioner **Hamlin**.*

3. BUDGET & FINANCE

The Chief Executive Officer, Sara Lee, presented Item **3.1**.

3.1 FY 2014 Operating and Capital Budgets Update

4. STRATEGY & POLICY

The Director of Administration, Denyce Holsey, presented Item **4.1**.

4.1 Human Resources Study Informational Update **(Administration)**

President **Gonzales** requested that Items **6.1** and **6.4** be taken out of order.

Labor Advisor, Marsha Peterson, presented Item **6.1**.

*A Motion to approve Item **6.1** was made by Commissioner **Uno** and seconded by Commissioner **Butner**.*

Al Fortier, Representative of IBEW Local 1245, addressed the Board in support of Item **6.1**.

6.1 Approve the Salary and Benefit Enhancements reached in Settlement of the Interpretation of the "Me Too" Clause in the Memorandum of Understanding with the International Brotherhood of Electrical Workers, Local 1245 and the Enactment of the Ordinances and Adoption of the Resolutions Necessary to Set the Salaries and Certain Benefits for Members Represented by International Brotherhood of Electrical Workers, Local 124 **(Labor Advisor)**

*The Motion to approve Items **6.1** passed by the following votes: (4) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker** and Commissioner **Uno**; (1) No: President **Gonzales**; (2) Excused: 1st Vice President Head and Commissioner **Hamlin**.*

*On a Motion by Vice-President **Yee,** seconded by Commissioner **Parker** and approved unanimously (5 Ayes, 2 Excused); the Board found that:*

Item **6.4** was**"**urgent", as a substantial adverse impact to Port operations might occur if action on the item was deferred to the next scheduled Board of Port Commissioners meeting. The complex construction phasing and milestone dates required in the Plans and Project Manual were developed through extensive coordination with FAA staff and representatives from the airlines. The work requires taking the navigational aids for the runway temporarily out of service. The navigational aids have been scheduled to be taken out of service based on historic weather patterns favorable towards flight operations not requiring their use. Changes to the planned schedule could result in having the navigational aids out of service during weather conditions requiring their use which would severely restrict commercial flight operations. Therefore, it is critical that the requested actions are taken as soon as possible so that the schedule can be maintained.

*A Motion to approve Item **6.4** was made by Vice-President **Yee** and seconded by Commissioner **Parker**.*

John Thomassen addressed the Board on Item **6.4**.

6.4 Rejection of bids and authorization to negotiate and execute a contract based on informal proposals and other related authorizations for the Construction of Runway Safety Area Improvements (RSA) South Field, Oakland International Airport (Aviation/Engineering)

*The Motion to approve Item **6.4** passed by the following votes: (5) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, Commissioner **Uno**, and President **Gonzales**; (2) Excused: 1st Vice President **Head** and Commissioner **Hamlin**.*

Commissioner **Uno** left the meeting at 4:35 pm.

Acting Maritime Director, Jean Banker, presented Item **4.2**.

*A Motion to approve Item **4.2** was made by Vice-President **Yee** and seconded by Commissioner **Butner**.*

Dexter Vizinau, Hugo Avalos, Rosa De Anda, Alex Ayerstaran, Jeff Hayes and Libby Stahl addressed the Board on Item **4.2**.

4.2 Authorize the Executive Director to negotiate and enter into Space Assignment agreements with four tenants in the 800 Series Buildings on the Former Oakland Army Base for a minimum term of 30 months, approve a budget for modifications needed to preserve certain buildings on Port property, and dispense with standard bid procedures to construct such building modifications. **(Maritime)**

*The Motion to approve Item **4.2** passed by the following votes: (4) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, and President **Gonzales**; (3) Excused: 1st Vice President Head**,** Commissioner **Hamlin** and Commissioner **Uno**.*

5. CONSENT ITEMS

*A Motion to approve the Consent Items was made by Commissioner **Butner** and seconded by Commissioner **Parker**.*

5.1 Approval of the Minutes of the Special Meeting of February 11, 2013 and the Regular Meetings of February 14, 2013 and February 28, 2013. **(Board Secretary)**

5.2 Approval and Ratification of a *Space/Use Permit* with Standard Aero Business Aviation Services, LLC **(Aviation)**

5.3 Ratification Of A *Space/Use Permit* With Civil Air Patrol, A Federally-Chartered Corporation **(Aviation)**

5.4 Building Permit Application: DHL – Remodel of existing warehouse/sort building, previously occupied by USPS **(Engineering)**

5.5 **Ordinance No. 4219,** 2nd Reading of Ordinance Approving A Second Amendment To Amended And Restated Lease, Approving A Construction Reimbursement Agreement And An Exclusive Area Agreement Each With Federal Express Corporation.

5.6 **Ordinance No. 4220,** 2nd Reading of Ordinance Approving The Terms And Conditions Of A 5 Year Lease With I Scream Scoop, Inc. DBA Ben & Jerry's For The Premises Located At 505 Embarcadero West, Oakland, California.

5.7 Authorization for the Director of Aviation to Enter into a Memorandum of Understanding (MOU) with San Francisco International Airport to Conduct a Regional Air Passenger Ground Access Survey. **(Aviation)**

*The Motion to approve the Consent Items passed by the following votes: (4) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, and President **Gonzales**; (3) Excused: 1st Vice President Head**,** Commissioner **Hamlin** and Commissioner **Uno**.*

6. REMAINING ACTION ITEMS

6.1 This Item was heard out of order (*see* above)

The Director of Administration, Denyce Holsey, introduced Items **6.2** and **6.3**

*A Motion to approve Item **6.2** was made by Vice-President **Yee** and seconded by Commissioner **Butner**.*

6.2 Appointment of Chief Technology Officer **(Administration)**

*The Motion to approve Item **6.2** passed by the following votes: (4) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, and President **Gonzales**; (3) Excused: 1st Vice President Head**,** Commissioner **Hamlin** and Commissioner **Uno**.*

President **Gonzales**, on behalf of the Board, congratulated Ron Puccinelli on his appointment to the position of Chief Technology Officer o. Director Puccineli thanked the Board for their decision.

*A Motion to approve Item **6.3** was made by Vice-President **Yee** and seconded by Commissioner **Butner**.*

6.3 Appointment of Social Responsibility Division Director **(Administration)**

*The Motion to approve Item **6.3** passed by the following votes: (4) Ayes: 2nd Vice-President **Yee**, Commissioner **Butner**, Commissioner **Parker**, and President **Gonzales**; (3) Excused: 1st Vice President Head**,** Commissioner **Hamlin** and Commissioner **Uno**.*

President **Gonzales**, on behalf of the Board, congratulated Amy Tharpe-Peterson on her appointment to the position of Director of Social Responsibility. Director Tharpe-Peterson thanked the Board for their decision.

6.4 This Item was heard out of order (*see* above)

7. UPDATES/ANNOUNCEMENTS

Acting Executive Director, Deborah Ale-Flint reported on her participation, along with President **Gonzales** and other Maritime staff, at the Trans Pacific Maritime ("TPM") Conference in Long Beach.

President **Gonzales** reported that she had dinner at the TPM Conference with her counterparts on the Boards of the Ports of L.A. (President Cindy Miscikowski) and Long Beach (President, Susan E. Anderson Wise).

President **Gonzales** announced the appointment of the Ad Hoc Audit Committee to make recommendations to the full Board on:

- Selection Of An External Auditor
- Identification of Audit Expectations and Possible Areas of Concern For Examination By The External Auditor
- Resolve Any Material Concerns Regarding The Outside Audit

The Committee was directed to complete work before the end of Fiscal Year 2013.

8. SCHEDULING

There were no Scheduling Items.

OPEN FORUM

There were no speakers in Open Forum.

ADJOURNMENT

There being no additional business the Board adjourned at 5:16 p.m.

_____ _____

John Betterton, Secretary
Board of Port Commissioners

Date