

ORANGE COUNTY AIRPORT COMMISSION
EDDIE MARTIN BUILDING
Airport Commission Hearing Room
3160 Airway Avenue
Costa Mesa, CA 92626

MINUTES OF REGULAR MEETING

December 15, 2010

COMMISSIONERS PRESENT: Stephen Blythe, Stephen Bristol, Bruce Junor, Chris Welsh

COMMISSIONERS ABSENT: Tony Lam

STAFF PRESENT: Alan Murphy, Airport Director
Loan Leblow, Assistant Airport Director
Steve Miller, Senior Deputy Counsel
Larry Serafini, Deputy Airport Director, Facilities
Roy Freeman, Deputy Airport Director, Business Development
Courtney Wiercioch, Deputy Airport Director, Public Affairs
Jenny Wedge, Administrative Manager, Public Affairs
Eric Freed, Administrative Manager, Public Affairs
Holly Felipe, Administrative Manager, Business Development
David DeLeon, Administrative Manager, Business Development
Barbara Swift, Asset Manager, Business Development
Debbie Temple, Contract Specialist, Business Development
Tammy Adams, Asset Manager, Business Development
Dan Simich, Program Manager, Parsons Transportation Group
Elsa Garcia, Staff Specialist, Finance & Administration

CALL TO ORDER: Chair Blythe called the meeting to order.

PLEDGE OF ALLEGIANCE: Commissioner Welsh led the assembly in the Pledge of Allegiance.

1. **APPROVAL OF MINUTES** Noting no corrections, the December 1, 2010 Regular Meeting Minutes were approved as written.
2. **AWARD OF PRIMARY FOOD AND BEVERAGE LEASE (ASR 10-001284)** Award Primary Food and Beverage Lease to Delaware North Companies Travel Hospitality Services, Inc. for operation of the primary food and beverage concession in Terminals A, B and C. Authorize the Airport Director to terminate the existing Central Food and Beverage Lease with Host International, Inc. on or before November 30, 2011. Director Murphy summarized the criteria and evaluation process.

Anthony Alessi, of Host International addressed the Commission. Mr. Alessi noted that HMS Host proposed the highest rent and delivered Orange County relevant restaurants as requested. Mr. Alessi stated that JWA's midrange ranking of revenue per emplaned passenger was due to limited space at the current terminal, and Host is confident that additional space will create additional revenue. Mr. Alessi stated that Host offered substantially more in capital budget improvement to create visually appealing restaurants. Mr. Alessi introduced business partners: Doug and Ruby Cavanaugh of Ruby's Diner, Jerry O'Connell of Jerry's Wood-Fired Dogs, Mark Christy of Hobie, George Urch of the Anaheim Ducks, and Armen Karamardian of Zov's.

Nick Schaefer of Delaware North addressed the Commission. Mr. Schaefer stated that the bid process was fair and thorough for the five business criteria, and that he believes Delaware North was selected because of focus on culinary experience, brands & designs in the proposal among others. Mr. Schaefer discussed the different food choices in the proposal and noted value and pricing. Mr. Schaefer stated that Delaware North partnered with Gensler, the Airport's architect of

record, to create proposal material. Regarding the financial proposal, Mr. Schaefer stated that they submitted an attainable and sustainable sales forecast, based on sound industry practice & research. Mr. Schaefer introduced business partners: iconic surfer Corky Carroll, Ethan Wayne of John Wayne Enterprises, Wayne Lam of Wahoo's Fish Tacos, and Bob Kaufman of Coffee Bean & Tea Leaf. Responding to Commissioner Bristol, Mr. Schaefer stated that unlike most airports, straight-line growth cannot be used due to the passenger cap and that projections are based on increasing revenue per emplaned passenger.

Responding to Chair Blythe, Director Murphy stated that Host has been a great partner for 20 years including the challenges faced related to September 11, 2001 event. Vice Chair Junor indicated that a \$15,000,000 difference in revenue to the Airport was substantial and that both are good proposers; Chair Blythe, Commissioner Welsh & Commissioner Bristol concurred. Commissioner Bristol stated for the record that he met with representatives from Host.

On Commissioner Bristol motion and Vice Chair Junor's second, the Commission unanimously recommended Host International, Inc.

3. **PAVEMENT MAINTENANCE AND REPAIR – ADVERTISE FOR BIDS (ASR 001683)** Approve plans and specifications for Pavement Maintenance and Repairs project; authorize the Airport Director or his designee to sign the plans and specifications for the County, and advertise and solicit bids for the project.

On Vice Chair Junor's motion and Commissioner Bristol's second, this item unanimously passed.

4. **JWA CAPACITY ALLOCATIONS FOR 2011 PLAN YEAR (ASR 001759)** Approve the allocation of Regulated Class A ADDs, Seat Capacity, RON Capacity and Passenger Capacity to scheduled Commercial Passenger Carriers, Commercial Cargo Carriers and Commuter Carriers under the County's Access Plan.

On Commissioner Bristol's motion and Commissioner Welsh's second, this item unanimously passed.

5. **SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS** – The Fast Food Items were continued to the January 25 Board Meeting, all other items passed as recommended.

6. **ADDITIONAL BUSINESS**

- A. OTHER BUSINESS – Chair Blythe noted that this would be his last meeting on the Airport Commission.
- B. UPDATE ON AIRPORT IMPROVEMENT PROJECT – None
- C. ITEMS OF INTEREST TO THE PUBLIC – None

7. **ADJOURNMENT OF PUBLIC MEETING** The meeting adjourned at 6:21 p.m.

Respectfully submitted,

Elsa Garcia
Staff Specialist