

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Mark Kersey
Robert T. Lloyd
Paul Robinson
Michael Schumacher
Johanna S. Schiavoni
Mark B. West

BOARD **AGENDA**

Thursday, May 3, 2018
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

Ex-Officio Board Members

Tim Gubbins
Jacqueline Wong-Hernandez
Col. Jason Woodworth

President / CEO

Kimberly J. Becker

***Live webcasts of Authority Board meetings can be accessed at
<http://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board>***

This Agenda contains a brief general description of each item to be considered. The indication of a recommended action does not indicate what action (if any) may be taken. ***Please note that agenda items may be taken out of order.*** If comments are made to the Board without prior notice or are not listed on the Agenda, no specific answers or responses should be expected at this meeting pursuant to State law.

Staff Reports and documentation relating to each item of business on the Agenda are on file in Corporate & Information Governance and are available for public inspection.

NOTE: Pursuant to Authority Code Section 2.15, all Lobbyists shall register as an Authority Lobbyist with the Authority Clerk within ten (10) days of qualifying as a lobbyist. A qualifying lobbyist is any individual who receives \$100 or more in any calendar month to lobby any Board Member or employee of the Authority for the purpose of influencing any action of the Authority. To obtain Lobbyist Registration Statement Forms, contact the Corporate & Information Governance/Authority Clerk Department.

PLEASE COMPLETE A "REQUEST TO SPEAK" FORM PRIOR TO THE COMMENCEMENT OF THE MEETING AND SUBMIT IT TO THE AUTHORITY CLERK. ***PLEASE REVIEW THE POLICY FOR PUBLIC PARTICIPATION IN BOARD AND BOARD COMMITTEE MEETINGS (PUBLIC COMMENT) LOCATED AT THE END OF THE AGENDA.***

The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Corporate & Information Governance /Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATIONS:

- A. SMALL BUSINESS DEVELOPMENT UPDATE:**
Presented by Regina Brown, Small Business Development Program Manager, Vera Howell, Turner Construction and Chris Murphy, Swinerton Builders
- B. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2018:**
Presented by Kathy Kiefer, Senior Director, Finance & Asset Management

REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN COMMITTEES AND LIAISONS:

- **AUDIT COMMITTEE:**
Committee Members: Hollingworth, Lloyd, Robinson (Chair), Schiavoni, Tartre, Van Sambeek, West
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Boling, Kersey (Chair), Schumacher, Robinson
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boling, Cox, Desmond (Chair), Kersey
- **FINANCE COMMITTEE:**
Committee Members: Cox (Chair), Lloyd, Schiavoni, West

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Robinson (Primary), Schiavoni
- **ART ADVISORY COMMITTEE:**
Committee Member: Robert H. Gleason

LIAISONS

- **CALTRANS:**
Liaison: Gubbins
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox

- **MILITARY AFFAIRS:**
Liaison: Woodworth
- **PORT:**
Liaisons: Boling, Cox, Robinson
- **WORLD TRADE CENTER:**
Representatives: Robert H. Gleason

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Boling (Primary)

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

Non-Agenda Public Comment is reserved for members of the public wishing to address the Board on matters for which another opportunity to speak **is not provided on the Agenda**, and which is within the jurisdiction of the Board. Please submit a completed speaker slip to the Authority Clerk. ***Each individual speaker is limited to three (3) minutes. Applicants, groups and jurisdictions referring items to the Board for action are limited to five (5) minutes.***

Note: Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board.

CONSENT AGENDA (Items 1-13):

The consent agenda contains items that are routine in nature and non-controversial. Some items may be referred by a standing Board Committee or approved as part of the budget process. The matters listed under 'Consent Agenda' may be approved by one motion. Any Board Member may remove an item for separate consideration. Items so removed will be heard before the scheduled New Business Items, unless otherwise directed by the Chair.

1. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior meetings.

RECOMMENDATION: Approve the minutes of the March 9 and 10, 2018 special meeting, March 20, 2018 special meeting, and April 5, 2018 regular meeting.

2. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:

The Board is requested to accept the reports.

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

(Corporate & Information Governance: Tony R. Russell, Director/Authority Clerk)

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM MARCH 12, 2018 THROUGH APRIL 8, 2018 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MARCH 12, 2018 THROUGH APRIL 8, 2018:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

4. MAY 2018 LEGISLATIVE REPORT:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2018-0038, approving the May 2018 Legislative Report.

(Inter-Governmental Relations: Michael Kulis, Director)

5. AMENDMENT TO AUTHORITY POLICY 1.21 AND APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:

The Board is requested to approve the amendments and appointments.

RECOMMENDATION: Adopt Resolution No. 2018-0039, amending Authority Policy 1.21 and approving appointments to the Authority Advisory Committee.

(Inter-Governmental Relations: Michael Kulis, Director)

CLAIMS

COMMITTEE RECOMMENDATIONS

6. ACCEPTANCE OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2018:

The Board is requested to accept the report.

RECOMMENDATION: The Finance Committee recommends that the Board accept the report.

(Finance and Asset Management: Kathy Kiefer, Senior Director)

7. ACCEPTANCE OF THE AUTHORITY'S INVESTMENT REPORT AS OF MARCH 31, 2018:

The Board is requested to accept the report.

RECOMMENDATION: The Finance Committee recommends that the Board accept the report.

(Airport Finance: Geoff Bryant, Manager)

CONTRACTS AND AGREEMENTS

8. AUTHORIZATION OF AN AMENDMENT TO THE EXISTING RBC \$100,000,000 REVOLVING DRAWDOWN BONDS:

The Board is requested to authorize an amendment.

RECOMMENDATION: Adopt Resolution No. 2018-0040, approving a first amendment to fourth supplemental subordinate trust indenture and certain other documents and matters related to the revolving drawdown bonds.

(Business & Financial Management: John Dillon, Director)

9. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 9, GROUP 5, PROJECT NO. 380905 SIXTEEN (16) HISTORIC MULTI-FAMILY AND SINGLE-FAMILY UNITS ON SEVEN (7) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2018-0041, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$ 925,000 for Phase 9, Group 5, Project No. 380905, of the San Diego County Regional Airport Authority's Quieter Home Program.

(Planning & Environmental Affairs: Brendan Reed, Director)

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH ANDERSON & KREIGER LLP:

The Board is requested to approve an amendment.

RECOMMENDATION: Adopt Resolution No. 2018-0044, approving and authorizing the President/CEO to execute a Second Amendment to the Agreement with Anderson & Kreiger LLP for Professional Legal Services increasing the term by one year and the compensation amount by \$200,000 for a total not-to-exceed amount of \$400,000.

(Legal: Amy Gonzalez, General Counsel)

11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH DEVANEY PATE MORRIS AND CAMERON LLP:

The Board is requested to approve an amendment.

RECOMMENDATION: Adopt Resolution No. 2018-0045, approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Devaney Pate Morris and Cameron LLP for Professional Legal Services extending the term for one year and increasing the not-to-exceed compensation amount by \$200,000 for a total not-to-exceed amount of \$500,000.

(Legal: Amy Gonzalez, General Counsel)

CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION

12. AWARD A CONTRACT TO SOLPAC CONSTRUCTION, INC., DBA SOLTEK PACIFIC CONSTRUCTION COMPANY, FOR AIRLINE RELOCATIONS AT TERMINAL 1 WEST (T1W) AND TERMINAL 2 EAST (T2E), AND T1W COMMON USE PASSENGER PROCESSING SYSTEM (CUPPS) AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2018-0042, awarding a contract to SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, in the amount of \$12,601,000.58 for Project No. 104237, Airline Relocations at Terminal 1 West (T1W) and Terminal 2 East (T2E), and Project No. 104241, T1W Common Use Passenger Processing System (CUPPS) at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A HEATING, VENTILATION, AND AIR CONDITIONING MAINTENANCE AND REPAIR SERVICE AGREEMENT:

The Board is requested to approve an agreement.

RECOMMENDATION: Adopt Resolution No. 2018-0046, approving and authorizing the President/CEO to execute an Agreement for Heating, Ventilation and Air Conditioning (“HVAC”) Maintenance and Repair Service with Pacific Rim Mechanical Contractors Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$11,748,444, to provide HVAC maintenance and repair services at San Diego International Airport (“SDIA”).

(Facilities Management: David LaGuardia, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

- 14. AUTHORIZE THE PRESIDENT / CEO TO EXECUTE A PROGRESSIVE DESIGN-BUILD AGREEMENT WITH SUNDT CONSTRUCTION, INC. FOR DESIGN AND CONSTRUCTION; AND TO NEGOTIATE AND EXECUTE WORK AUTHORIZATIONS FOR VALIDATION PHASE SERVICES, INITIAL DESIGN WORK, PROCUREMENT OF LONG LEAD ITEMS, AND EARLY CONSTRUCTION WORK OF THE AIRPORT SUPPORT FACILITIES:**

The Board is requested to approve an agreement.

RECOMMENDATION: Adopt Resolution No. 2018-0047, authorizing the President/CEO to (1) execute a Progressive Design-Build Agreement with Sundt Construction, Inc.; and (2) negotiate and execute Work Authorizations for validation phase services, initial design work, procurement of long lead items, and early construction work with Sundt Construction, Inc., within an amount not-to-exceed \$9,000,000 for project No. 104245, Airport Support Facilities Design-Build at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

CLOSED SESSION:

- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 16. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al. San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Juanita Robledo v. San Diego International Airport, et al. San Diego Superior Court Case No. 37-2017-00008485-CU-PO-CTL
- 18. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 1

- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Navy Boat Channel Environmental Remediation
Number of potential cases: 1
- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 2
- 23. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
The Receipt of a Government Claim from Robert Bobbett and Request For Defense and Indemnity from the San Diego Unified Port District regarding the claim
- 24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
The Receipt of a Government Claim from Donna Kashani and Request For Defense and Indemnity from the San Diego Unified Port District regarding the claim
- 25. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
Property: Airline Operating and Lease Agreement - San Diego International Airport
Agency Negotiator: Kim Becker, Scott Brickner, Amy Gonzalez
Negotiating Parties: Alaska Airlines, Allegiant Airlines, American Airlines, British Airways, Delta Airlines, FedEx, JetBlue Airlines, Southwest Airlines
Under Negotiation: price and terms of payment

REPORT ON CLOSED SESSION:

GENERAL COUNSEL REPORT:

BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT:

ADJOURNMENT:

Policy for Public Participation in Board, Airport Land Use Commission (ALUC), and Committee Meetings (Public Comment)

- 1) Persons wishing to address the Board, ALUC, and Committees shall complete a “Request to Speak” form prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to complete a form shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is limited to eighteen (18) minutes and is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board. A second Public Comment period is reserved for general public comment later in the meeting for those who could not be heard during the first Public Comment period.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees. Public comment on specific items is limited to twenty (20) minutes – ten (10) minutes for those in favor and ten (10) minutes for those in opposition of an item. Each individual speaker will be allowed three (3) minutes, and applicants and groups will be allowed five (5) minutes.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 6) After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

Additional Meeting Information

NOTE: This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk’s Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the agenda is also available to you on our website at www.san.org.

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Administration Building. Bring your ticket to the third floor receptionist for validation.

You may also reach the Administration Building by using public transit via the San Diego Metropolitan Transit System, Route 992. The MTS bus stop at Terminal 1 is a very short walking distance from the Administration Building. ADA paratransit operations will continue to serve the Administration Building as required by Federal regulation. For MTS route, fare and paratransit information, please call the San Diego MTS at (619) 233-3004 or 511. For other Airport related ground transportation questions, please call (619) 400- 2685.

UPCOMING MEETING SCHEDULE

<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
May 17	Thursday	9:00 A.M.	Workshop	Board Room
June 7	Thursday	9:00 A.M.	Regular	Board Room



Small Business Development

Regina Brown
Manager, Small Business Development
May 3, 2018

Overview

- SBD Mission
- Initiatives and Programs Summary
- Success Highlights
- Inclusionary Approach
- The Green Build
- Rental Car Center
- Parking Plaza
- Federal Inspection System
- Turner School of Construction Management

Mission

- Encourages the use of local, small historically underutilized, disabled veteran, emerging disadvantaged business enterprises and airport concession disadvantaged business enterprises.
- Ensure companies have every opportunity to do business with and at the airport.

“Helping You Build Your Business”



SAN's Small Business Initiatives

- Disadvantaged Business Enterprise (DBE) Program
- Airport Concession Disadvantaged Business Enterprise (ACDBE) Program
- Small Business Preference Program
- Bonding and Contract Financing Program
- Education and Outreach

Disadvantaged Business Enterprise (DBE) Program

- Federal Program
 - Established 1980 – Title VI Civil Rights Act 1964
- It is the policy of the Airport to ensure that DBEs as defined in 49 CFR part 26, have an equal opportunity to receive and participate in DOT-assisted contracts
- Airport has an overall goal of 8.4%

Airport Concessionaire Disadvantaged Business Enterprise Program (ACDBE)

- A concession may be a business located at an airport (or for which the business activity takes place at an airport) engaged in the sale of goods and/or services to the public or a business that provides goods and services to those businesses.
- Recipients (organizations, Airport) must set an overall goal for DBE participation – 21.5% (19.1% Non Car Rental & 2.4% Car Rental)

Policy 5.12

- For non DOT-assisted contracts
- No subcontracting opportunities identified
- Preference for prime only (5%)
- Prime must be a certified small business

Policy 5.14

- For non DOT-assisted contracts
- Subcontracting opportunities identified
- Credit for PRIME + SUBS
- Preference for goal achievement
- Goal established for
 - Small Business
 - Local Business
 - SDVOSB
- Preference: SB = 3%, Local = 2%, SDVOSB = 2%
 - Partial points can be earned

Success Highlights

DBE Program

- Participation of 8.81% on federally funded projects
- Revision of the DBE Program Plan in compliance with the current federal regulations and to further encourage social and economical disadvantaged business participation
- JR Garza and Marlon Blue certified DBEs

ACDBE Program

- Participation of 22.13% on Concessions
- Green Motion San LLC – 1st ACDBE Car Rental Company certified by the Airport Authority
- Stellar Partners, Inc. graduated out of the ACDBE program
- 13 Joint venture concessionaires with remarkable ACDBE commitment

Bonding and Contract Financing

- Program established in 2007 free to all small/local businesses
- Assisted 24 contractors with 66 transactions for a cost savings to the airport of \$862,492 - as a result of lower bids
- The department has underwritten \$58,680,000 in surety bonds for 85 small businesses

Education and Outreach Program

- In 2017, first Lunch and Learn for Joint Ventures and ACDBEs
- Annual Meet the Primes (started in 2015 and in 2017 we reached over 400 attendees)
- In 2017, first Veteran Owned Small Business Luncheon
- 136 Businesses graduated out of OSHA 30

Inclusionary Approach

- The Green Build
- The Rental Car Center
- Terminal 2 Parking Plaza
- Federal Inspection Services



The Green Build

Summary

- Turner/PCL/Flatiron
- Kiewit/Sundt

SBE Goal

20%

Maximize

Local Goal

80%

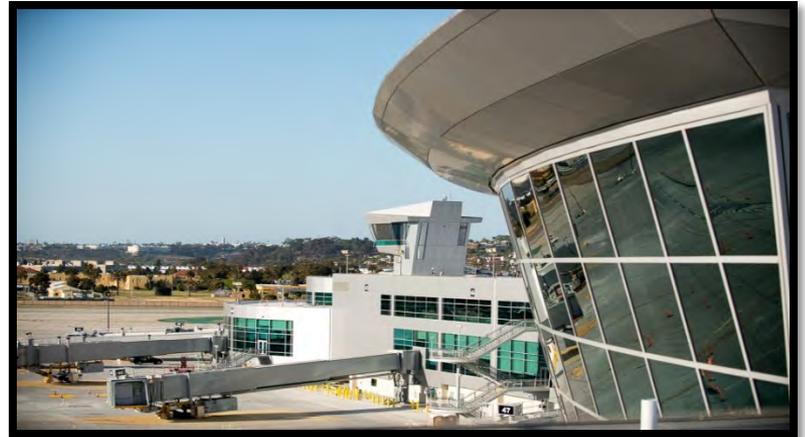
Maximize

Dollars Awarded

- Small Business Enterprise
- Local Business

\$118M

\$415M



Rental Car Center

Summary

- SBE Goal 32.7%
- Local Goal 80.6%

Dollars Awarded

- Small Business Enterprise 34.6% \$76M
- Local Business 85% \$186M



Terminal 2 Parking Plaza

Summary

- SBE/SDVOSB Goal 35%
- Local Goal 80%



Dollars Awarded

- Small Business Enterprise 42% \$32M
- Local Businesses 78% \$59M
- Veteran Businesses 3% \$2M

“ ...one word regarding working for Swinerton is “Welcome” because I felt like part of the family that built T2PP. ”

*Robert Anderson,
Andtrac,
Small Business*

SWINERTON 

Federal Inspection Station

Summary

- SBE/SDVOSB Goal 20%
- Local Goal 80%



Dollars Awarded

- Small Business Enterprise 30% \$31.9M
- Local Businesses 87% \$100M
- Veteran Businesses 8% \$9.1M

One of the reasons this project was so successful in including our local small business community is because our JV's passion and commitment to inclusion, was so well aligned with the Airport Authority's Small Business Department.



Turner School of Construction Management

- Dedicated to small, minority owned, women owned, veteran owned and emerging construction businesses
- Focused on training construction contractors to manage and grow their businesses and their capacity.
- Help them to participate at a higher level of contracts, opening greater opportunities
- 14 nights from 6-9PM and the courses are free
- Trained 800 students with 50 employees from the SDCRAA

Questions

Contact:
rbrown@san.org
619-400-2567



Review of the Unaudited Financial Statements for the Nine Months Ended March 31, 2018

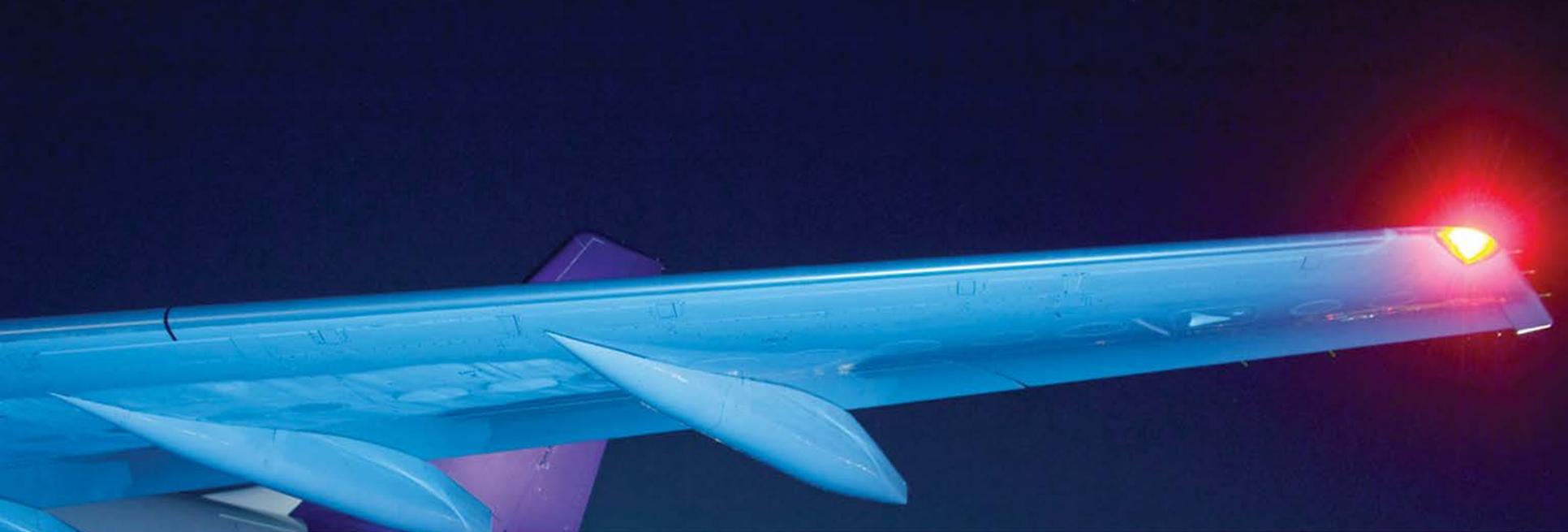


SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Presented by:
Kathy Kiefer
Senior Director, Finance & Asset Management

May 3, 2018

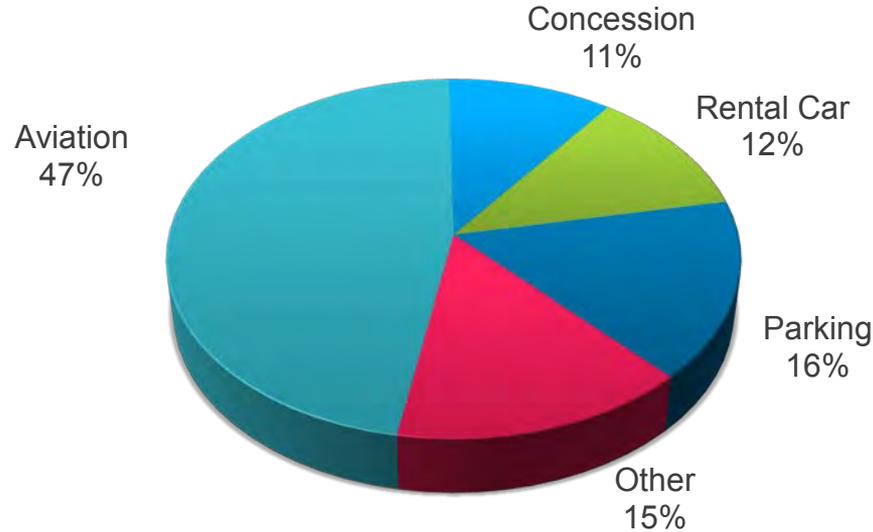


Financial Performance for the Nine Months Ended March 31, 2018 (Unaudited)

Operating Revenues

Nine Months Ended March 31, 2018 (Unaudited)

Actual Operating Revenues by Percentage

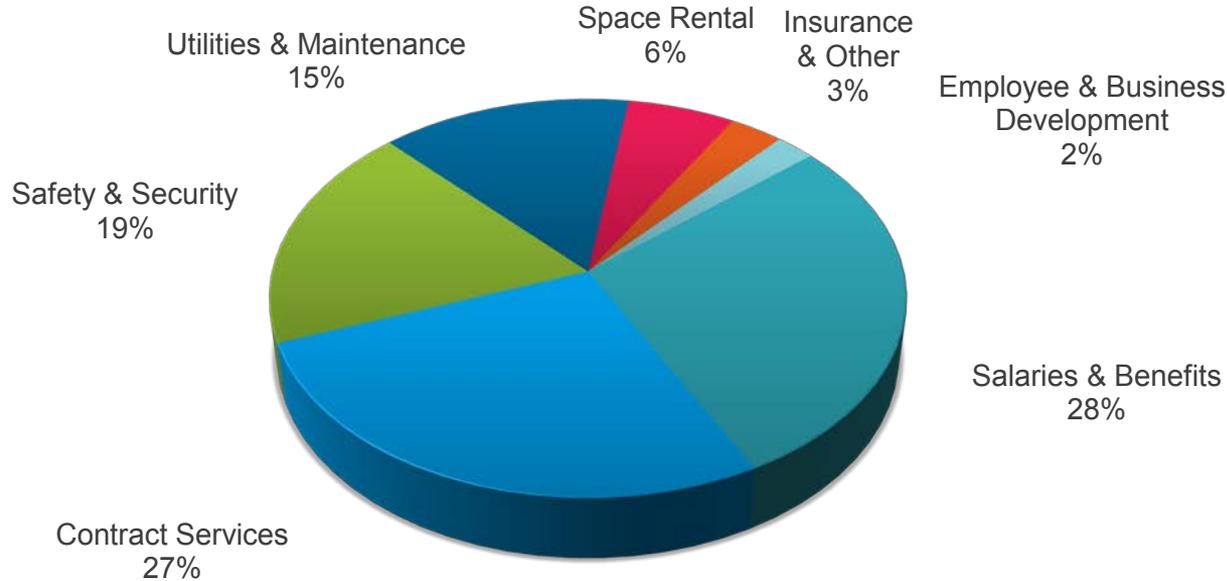


(in \$000s)	<u>Aviation Revenue</u>	<u>Concession Revenue</u>	<u>Rental Car Revenue</u>	<u>Parking Revenue</u>	<u>Other Revenue</u>	<u>Total Operating Revenue</u>
Prior Year	\$ 86,871	\$ 18,904	\$ 23,061	\$ 30,620	\$ 25,768	\$ 185,224
Budget	92,660	18,999	22,685	30,661	25,831	190,836
Actual	92,589	20,786	23,017	31,558	29,330	197,280
Variance	\$ (71)	\$ 1,787	\$ 332	\$ 897	\$ 3,499	\$ 6,444

Operating Expenses

Nine Months Ended March 31, 2018 (Unaudited)

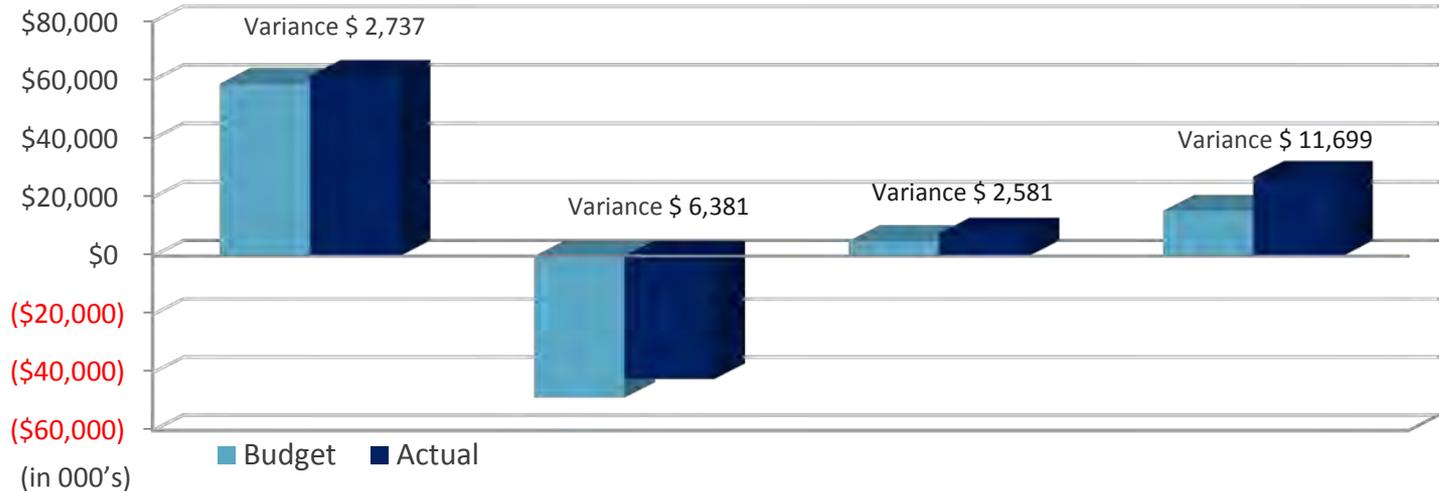
Actual Operating Expenses by percentage



(in \$000s)	Salaries & Benefits	Contract Services	Safety & Security	Utilities & Maintenance	Space Rental	Insurance & Other	Employee & Business Dev.	Total Operating Expenses
Prior Year	\$ 32,812	\$ 32,662	\$ 20,756	\$ 18,561	\$ 7,642	\$ 3,771	\$ 2,625	\$ 118,829
Budget	35,409	34,244	23,170	19,996	7,643	3,995	2,879	127,336
Actual	34,967	33,261	22,843	17,804	7,643	3,800	2,778	123,096
Variance	\$ 442	\$ 983	\$ 327	\$ 2,192	\$ -	\$ 195	\$ 101	\$ 4,240

Non-operating Revenue & Expenses

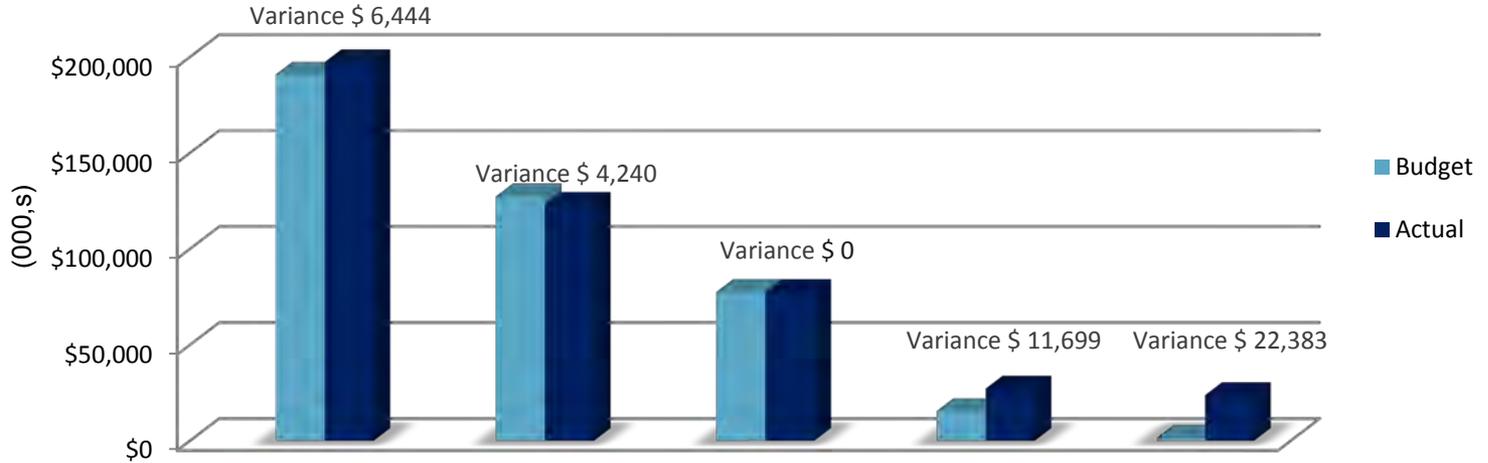
Nine Months Ended March 31, 2018 (Unaudited)



(in \$000s)	Passenger Facility Charge, Customer Facility Charge, & Quieter Home Program	Interest expense, interest income, & other non-operating revenue	Capital grant contributions	Total non-operating revenue, (net)
Prior Year	\$ 56,041	\$ (35,794)	\$ 1,536	\$ 21,783
Budget	58,909	(48,585)	5,143	15,467
Actual	61,646	(42,204)	7,724	27,166
Variance	\$ 2,737	\$ 6,381	\$ 2,581	\$ 11,699

Financial Summary

Nine Months Ended March 31, 2018 (Unaudited)



(\$000s)	Total operating revenues	Total operating expenses	Depreciation	Total non-operating revenues, (net)	Net Position
Prior Year	\$ 185,224	\$ 118,829	\$ 68,783	\$ 21,783	\$ 19,395
Budget	190,836	127,336	77,527	15,467	1,440
Actual	197,280	123,096	77,527	27,166	23,823
Variance	\$ 6,444	\$ 4,240	\$ 0	\$ 11,699	\$ 22,383

Statement of Net Position as of March 31, 2018 (Unaudited)

Assets (000's)

Total: \$2,568,490

Other Assets & Deferred Outflows
(Long-term investments & note receivables)

\$224,304
9%

Current Assets
(Cash, investments & receivables)

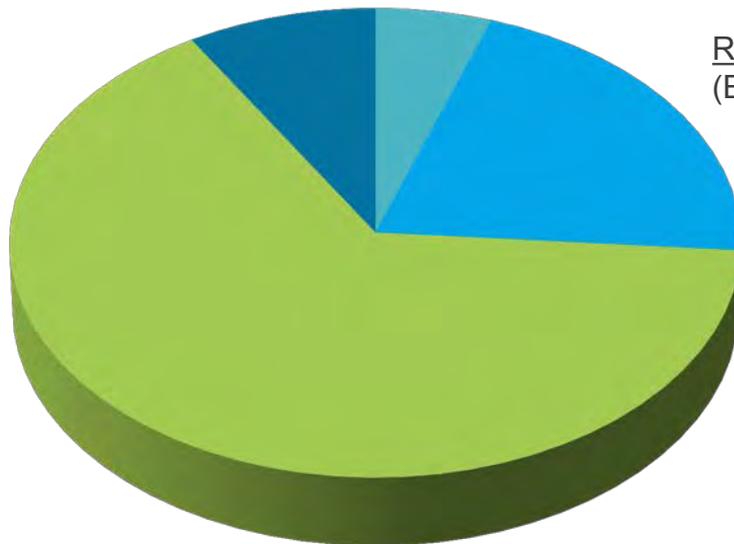
\$137,738
5%

Restricted Assets
(Bond proceeds/reserves, PFC & CFC)

\$535,814
21%

Capital Assets, net
(Land, building, runway,
roadways & equipment)

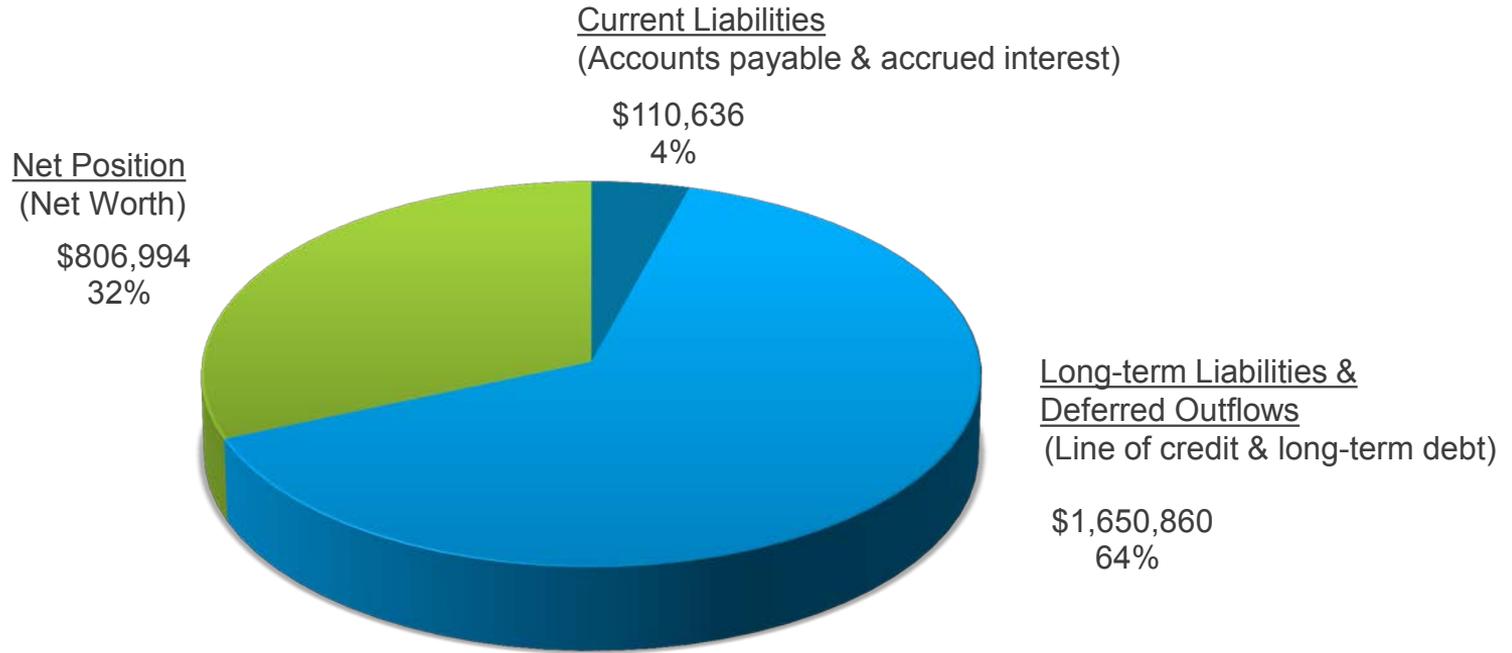
\$1,670,634
65%



Statement of Net Position as of March 31, 2018 (unaudited)

Liabilities & Net Position (000's)

Total: \$2,568,490





Questions?



DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
FRIDAY, MARCH 9, 2018 AND SATURDAY, MARCH 10, 2018
SAN DIEGO INTERNATIONAL AIRPORT
ORVILLE AND WILBUR WRIGHT CONFERENCE ROOM

CALL TO ORDER:

Chairman Boling called the special meeting of the San Diego County Regional Airport Authority Board to order at 12:03 p.m., on Friday, March 9, 2018, in the Orville and Wilbur Wright Conference Room at the San Diego International Airport, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENT: Board Members: Binns (Ex Officio), Boling, Cox, Kersey, Robinson, Schiavoni, Schumacher, Sessom, West

ABSENT: Board Members: Desmond, Woodworth (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate & Information Governance/ Authority Clerk

BOARD WORKSHOP:

Trudy Sopp, Ph.D., Co-Director, the Centre for Organization Effectiveness, provided an overview of the agenda and ground rules for the retreat.

1. INDUSTRY UPDATE AND DISCUSSION:

Stephen D. Van Beek, Ph.D., Director & Head of North American Aviation, Steer Davies Gleave provided a presentation on Understanding the Evolving Aviation Industry and its Implications for San Diego and the ADP which included the State of the Industry 2018, San Diego's Place within the NAS, The West Coast, Capital Development and the ADP, and New Airport Terminals and Landside Connectivity in the Customer Era.

2. DISCUSSION REGARDING THE AIRPORT DEVELOPMENT PLAN:

Kimberly J. Becker, President/CEO; and Dennis Probst, Vice President, Development provided an overview and introduction regarding the discussions on the ADP to be presented as part of Item 3 on the agenda and reviewed key decisions up to the Capital Improvement Program Oversight Committee (CIPOC) – Master Plan, Board Action on Preferred Alternative 5 and the recent update at CIPOC.

Joe Barden, Vice President, Landrum & Brown provided a presentation on Terminal/Facilities Customer Experience which included improving on the Green Build, Defining Terminal Configurations, Terminal 1 Layout, Recent Domestic Terminal Examples, Defining Customer Experience and Journey Through Tomorrow's Trends.

The Board adjourned the meeting at 4:15 p.m. to Saturday, March 10, 2018 at 9:00 a.m.

The Board reconvened at 9:07 a.m. on Saturday, March 10, 2018. Board Members Binns (Ex Officio), Desmond, Sessom, West and Woodworth (Ex Officio) were ABSENT.

3. DISCUSSION REGARDING THE AIRPORT DEVELOPMENT PLAN AND STRATEGIC PLAN:

Dennis Probst, Vice President, Development and Scott Brickner, Vice President, Finance & Asset Management/Treasurer provided a presentation regarding the Airport Development Plan Project Delivery Methodology Evaluation which included an overview of the ADP Project and Preliminary Costs, Delivery Methodologies Considered, Comparison of Project Progression and Duration, Alternatives Further Evaluated, a comparison of project delivery alternatives and financing.

KAMRAN HAMIDI, SAN DIEGO, spoke in support of the ADP.

Kimberly J. Becker, President/CEO provided an update on the Strategic Plan which included areas of key priority and how staff is executing the plan. She also reviewed proposed revisions to the plan based on the dynamic and changing environment.

The Board concurred with the proposed revisions to the Strategic Plan and agreed to review the plan annually during the Board retreat.

CLOSED SESSION: The Board recessed into closed session at 12:10 p.m. to discuss Item 5.

5. PUBLIC EMPLOYEE APPOINTMENT:

Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION: The Board reconvened into open session at 12:35 p.m.

4. APPOINTMENT OF CHIEF AUDITOR:

Chairman Boling reported that the Board wishes to appoint Lee Parravano upon the following terms and conditions and authorize the General Counsel to prepare the employment agreement and approve it as to legal form; 1) Term: A term of one year and three months beginning April 4, 2018, 2) Renewal: Automatic renewal on June 30th at the end of each contract term without any action by either party unless notice is given 30 days prior to the termination date of intent not to renew, 3) Base salary: \$167,000, 4) Consumer Price Index (CPI): Base salary shall be adjusted on July 1st of each year except July 1, 2018 based on the percentage increase in CPI; no single increase shall exceed 5%, 5) Bonus: Board may award discretionary bonus up to 10% of base salary in any 12 month period, 6) Benefits: Executive standard benefits including participation in SDCERS retirement plan, 401(a) deferred compensation Authority contribution of \$5,000 per year, paid time off, health and life insurance, holidays and other fringe benefits, car allowance of \$500 per month, 7) Employment is at-will, 8) Severance: if termination is not "for cause" or the Executive terminates employment for "good reason", Executive will receive upon execution of a mutually agreeable release, a severance equal to the lesser of (a) 1 year of base salary or (b) the number of months of the then-remaining term, and 8) Execution of a standard arbitration and proprietary information agreement. The Board also wishes to authorize, Chairman April Boling to sign the final agreement.

RECOMMENDATION: Adopt Resolution No. 2018-0027, appointing the Chief Auditor and authorizing the General Counsel to negotiate an employment contract.

ACTION: Moved by Chairman Boling and seconded by Board Member Robinson to approve the appointment of Lee Parravano as Chief Auditor of the San Diego County Regional Airport Authority; authorizing the General Counsel to prepare the employment agreement in accordance with the proposed terms above and approve it as to legal form; and authorizing the Chairman of the Board to execute the contract on behalf of the Authority. Motion carried by the following Vote: YES – Boling, Cox, Kersey, Robinson, Schiavoni, Schumacher; NO – None; ABSENT – Desmond, Sessom, West (Weighted Vote Points: YES – 68; NO – 0; ABSENT – 32).

BOARD COMMENT: None.

ADJOURNMENT: The meeting was adjourned at 12:37 p.m.

APPROVED BY A MOTION OF THE BOARD OF THE SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY THIS 3rd DAY OF MAY, 2018.

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
TUESDAY, MARCH 20, 2018
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER: Chairman Boling called the special meeting of the San Diego County Regional Airport Authority to order at 9:00 a.m. on Tuesday, March 20, 2018, in the Tuskegee Conference Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENT: Board Members: Boling (Chairman), Cox, Kersey, Schiavoni, Sessom

ABSENT: Board Members: Binns (Ex Officio), Desmond, Robinson, Schumacher, West, Woodworth (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO (*Conference Call*); Amy Gonzalez, General Counsel; Scott Brickner, Vice President, Finance & Asset Management/Treasurer; Linda Gehlken, Assistant Authority Clerk I; Martha Morales, Assistant Authority Clerk I

CLOSED SESSION: The Board recessed into Closed Session at 9:01 a.m. to discuss Item 1.

1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Property: Airline Operating and Lease Agreement - San Diego International Airport
Agency Negotiator: Kim Becker, Scott Brickner, Amy Gonzalez
Negotiating Parties: Alaska Airlines, Allegiant Airlines, American Airlines, British Airways, Delta Airlines, FedEx, JetBlue Airlines, Southwest Airlines
Under Negotiation: price and terms of payment

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 10:02 a.m. There was no reportable action.

ADJOURNMENT: The meeting adjourned at 10:03 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 3rd DAY OF MAY, 2018.

LINDA GEHLKEN
ASSISTANT AUTHORITY CLERK I

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

DRAFT

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, APRIL 5, 2018
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:06 a.m. on Thursday, April 5, 2018, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Kersey led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Boling, Desmond, Gubbins (Ex Officio),
Kersey, Lloyd, Robinson, Schumacher,
Schiavoni, West, Woodworth (Ex Officio)

ABSENT: Board Members: Cox, Wong-Hernandez (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel;
Tony R. Russell, Director, Corporate and Information
Governance/Authority Clerk; Linda Gehlken, Assistant Authority
Clerk I

PRESENTATION: None

CHAIR'S REPORT:

Chairman Boling welcomed new Board Members Lloyd and Gubbins (Ex Officio), and new Chief Auditor Lee Parravano. She recognized departing Chief Auditor Mark Burchyett by presenting him with a gift on behalf of the Authority, and expressed appreciation for his years of service. She reminded the Board that SAN will host the American Association of Airport Executives' (AAAE) 90th Annual Conference and Exposition next week, and encouraged Board participation in related activities.

PRESIDENT/CEO'S REPORT:

Kim J. Becker, President/CEO, reported that she attended the Small Business conference in Sweden, and stated that SDIA's model is highly regarded around the globe. She announced that there will be a follow up Small Business conference in San Diego in May, 2018. She reported that the Lufthansa inaugural flight was well attended and successful. She provided an overview of the upcoming AAEE 90th Annual Conference and Exposition.

NON-AGENDA PUBLIC COMMENT:

KAMRAN HAMIDI, SAN DIEGO, provided the Board a hand out on airport taxi stickers and spoke in support of issuing stickers directly to owners.

KIDANE WELDEMICHAEL, SAN DIEGO, spoke regarding ground transportation issues.

CLOSED SESSION: The Board recessed into Closed Session at 9:28 a.m. to discuss Items 3 and 10.

1. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: San Diego County Regional Airport Authority v. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL

2. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al. San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL

3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)

Number of cases: 1

4. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.

Number of potential cases: 1

5. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Navy Boat Channel Environmental Remediation

Number of potential cases: 1

6. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

Number of potential cases: 2

7. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)

Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.

San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL

8. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

The Receipt of a Government Claim from Robert Bobbett and Request For Defense and Indemnity from the San Diego Unified Port District regarding the claim

9. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)

The Receipt of a Government Claim from Donna Kashani and Request For Defense and Indemnity from the San Diego Unified Port District regarding the claim

10. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:

Property: Airline Operating and Lease Agreement - San Diego International Airport
Agency Negotiator: Kim Becker, Scott Brickner, Amy Gonzalez
Negotiating Parties: Alaska Airlines, Allegiant Airlines, American Airlines, British Airways, Delta Airlines, FedEx, JetBlue Airlines, Southwest Airlines
Under Negotiation: price and terms of payment

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 10:13 a.m. There was no reportable action.

REPORTS FROM BOARD COMMITTEES, AD HOC COMMITTEES, AND CITIZEN COMMITTEES AND LIAISONS:

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Desmond reported that the next meeting of the Committee is scheduled for May 31st and will include the reviews of the President/CEO and General Counsel. He stated that it will also include an introduction of the process to the new Chief Auditor.

- **FINANCE COMMITTEE:**
Chairman Boling reported that the Committee met on March 26 and was provided detailed presentations on the financial and investments' positions of the Authority.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Board Member Robinson reported that staff provided updates on the Federal Inspection Station (FIS), Terminal 2 Parking Plaza, Runway Construction Project, Airport Development Plan and Noise Program.
- **ART ADVISORY COMMITTEE:**
Chris Chalupsky, Senior Manager, Arts & Community Partnerships, Vision, Voice & Engagement, reported that nine of the fifteen temporary exhibitions have been installed, and that the kickoff of the Performing Arts Residency Program was successful. He reported that Parking Plaza art components would be installed later this month, and that the Federal Inspection Station (FIS) suspended artwork would be installed in May. He stated that the FIS glass partition wall is ninety percent complete, and that the deliverables for Phase II of the Airport Art Master Plan project will be presented to the Art Advisory Committee on April 25th. He also reported that on April 27th staff will be presenting to Airport Development Plan (ADP) stakeholders, an arts update on sites and opportunities.

LIAISONS

- **CALTRANS:**
Board Member Gubbins reported that CALTRANS is ready to embark on its 2019 California Freight Mobility Plan. He stated that this plan is developed in collaboration with different stakeholders, including the public, and that the plan should be finalized by December, 2019. He reported that it is done every five years and covers a twenty year timeframe. He also reported that on April 18th the annual "Litter Day" will take place to highlight CALTRANS' litter pick up statistics.
- **INTER-GOVERNMENTAL AFFAIRS:**
Mike Kulis, Director, Inter-Governmental Relations, reported that Authority staff attended a California Airports Council Board meeting in Sacramento on March 15th, and met with Senate President Pro Tem Tony Atkins, Assemblymember Shirley Weber, Assemblymember Todd Gloria, and Assemblymember Cecilia Aguiar-Curry. He reported that on March 20th, Authority staff met with Congressman Scott Peters and his staff, and with staff from Congressman Darrell Issa's and Juan Vargas' office to provide them an update on recent Authority issues. He reported that Kevin K. McAleenan was confirmed by the Senate as U.S. Customs and Border Protection Commissioner on March 20th. He also reported that President Trump signed into law a \$1.3 trillion spending bill on March 23rd, which funds the federal government through September 30th, the end of the federal fiscal year. He stated

that while this measure does not include an adjustment to the Passenger Facility Charge limit, it does increase funding for the Airport Improvement Program by \$1 billion. He also reported that a local swearing-in ceremony for Senate President Pro Tem Adkins will be held at 2:00 p.m. on Friday, April 13th at the Jacobs Center.

- **MILITARY AFFAIRS:** None
- **PORT:** None
- **WORLD TRADE CENTER:** None

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Chairman Boling reported that the Committee is in the process of determining how to select which projects will be included in the next Transportation Plan.

CONSENT AGENDA (Items 11-17):

Chairman Boling requested that Item 15 be pulled from the Consent Agenda for discussion.

ACTION: Moved by Board Member Kersey and seconded by Board Member Desmond to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Boling, Desmond, Kersey, Lloyd, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Cox (Weighted Vote Points: YES – 92; NO – 0; ABSENT– 8)

11. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the March 1, 2018, regular and the February 15, 2018 special meetings.

12. ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:

RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.

13. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM FEBRUARY 5, 2018 THROUGH MARCH 11, 2018 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 5, 2018 THROUGH MARCH 11, 2018:

RECOMMENDATION: Receive the report.

- 14. APRIL 2018 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2018-0029, approving the April 2018 Legislative Report.

- 15. APPOINTMENTS TO BOARD COMMITTEES, LIAISON POSITIONS, OTHER REPRESENTATIVE AND ALTERNATE POSITIONS:**
This item was pulled from the agenda.

CLAIMS

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

CONTRACTS AND AGREEMENTS AND/OR AMENDMENTS TO CONTRACTS AND AGREEMENTS EXCEEDING \$1 MILLION

- 16. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT TO PURCHASE AN UPGRADED NOISE AND OPERATIONS MONITORING SYSTEM AND HOSTED SUPPORT SERVICES AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2018-0032, approving and authorizing the President/CEO to execute an Agreement with Bruel and Kjaer EMS, Inc., for a term of three years with the option for two one-year extensions, in an amount not-to-exceed \$1,200,000, to provide an upgraded noise and operations monitoring system and hosted support services at San Diego International Airport.
- 17. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A VERTICAL TRANSPORTATION MODERNIZATION SERVICES AGREEMENT:**
RECOMMENDATION: Adopt Resolution No. 2018-0033, approving and authorizing the President/CEO to execute an Agreement for Vertical Transportation Modernization Services with KONE Inc., for a term of three years, for a total not-to-exceed amount of \$4,484,597.

ITEM REMOVED FROM THE CONSENT AGENDA

- 15. APPOINTMENTS TO BOARD COMMITTEES, LIAISON POSITIONS, OTHER REPRESENTATIVE AND ALTERNATE POSITIONS:**
Chairman Boling requested that Resolution No. 2018-0031 be amended to add the creation of an Ad Hoc Legislative Committee, for a duration of no more than six months, and that up to four Board Members be appointed by the Chair on the Committee. She stated that the Ad Hoc Committee would consider legislative items affecting the Airport Authority during the 2018 State legislative session, and that the meetings of the Ad Hoc Committee would be pre-approved for the purpose of Board compensation.

RECOMMENDATION: Adopt Resolution No. 2018-0030, ratifying emergency appointments to Board committees, liaison positions and the SANDAG Transportation Committee.

Adopt Resolution No. 2018-0031, making appointments to Board committees, liaison positions and the SANDAG Transportation Committee and creating an Ad Hoc Legislative Committee.

ACTION: Moved by Chairman Boling and seconded by Board Member Schiavoni to approve staff's recommendation and to amend Resolution No. 2018-0031R to include the creation of an Ad Hoc Legislative Committee, for a duration to be no more than six months; with up to four Board members to be appointed by the Chair; to consider legislative items affecting the Airport Authority during the 2018 State legislative session; and that the meetings of the Ad Hoc Legislative Committee would be pre-approved for the purpose of Board compensation. Motion carried by the following vote: YES – Boling, Desmond, Kersey, Lloyd, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Cox (Weighted Vote Points: YES – 92; NO – 0; ABSENT– 8)

PUBLIC HEARINGS: None

OLD BUSINESS: None

NEW BUSINESS:

18. **AUTHORIZE THE PRESIDENT/CEO TO AWARD A TEN-YEAR CONCESSION LEASE TO IN-TER SPACE SERVICES, INC., DBA CLEAR CHANNEL AIRPORTS FOR AN IN-TERMINAL ADVERTISING PROGRAM AND AUTHORIZE THE PRESIDENT/CEO TO GRANT AN AGREEMENT TO OUTFRONT MEDIA LLC FOR AN OUTDOOR ADVERTISING PROGRAM:**

Eric Podnieks, Program Manager, Business Management, provided a presentation on Advertising Concession Programs which included Program Goals, Evaluation Criteria, Summary of Proposals for In-Terminal Advertising, Summary of Proposals for Outdoor Advertising, and Recommendation.

In response to Board Member Kersey regarding whether staff expects to meet the projected revenue for the outdoor advertising, Scott Brickner, Vice President, Finance & Asset Management/Treasurer, stated that staff is planning additional follow up in this regard to ensure the plan will meet the goals of the Authority.

In response to Board Member Kersey regarding how the City of San Diego's Sign Ordinance will impact the outdoor advertising, Amy Gonzalez, General Counsel, stated that under Sections 170048A and 170052A of the Airport Authority Act, the Authority is exempt from the City's Sign Ordinance, but that the Authority intends to work along with the City and Coastal Commission prior to putting up any signage.

In response to Board Member Desmond's request that a provision encouraging using local labor be included, Ms. Gonzalez stated that there was nothing in the draft agreement that requires the use of local labor, but that it could be suggested in the contract.

SCOTT SMITH, GENERAL MANAGER, OUTFRONT MEDIA, LLC, SAN DIEGO, spoke about the services they can provide, the extensive native San Diego makeup of their work force/staff, and in support of staff's recommendation.

DESMOND WHEATLEY, PRESIDENT/CEO, ENVISION SOLAR, SAN DIEGO, spoke in support of staff's recommendation.

LUCAS YEZIK, CLEAR CHANNEL AIRPORT, ALLENTOWN, PA., complimented the Authority's RFP process.

R. MICHAEL PACK, POINT LOMA, spoke in support of staff's recommendation.

RICHARD LEDFORD, representing Lamar Airport, expressed appreciation to staff for their work on this RFP process.

Board Member Desmond requested that once in place, the Board be provided a report on the local participation for the advertising programs.

RECOMMENDATION: Adopt Resolution No. 2018-0034, authorizing the President/CEO to award a ten-year concession lease to In-Ter-Space Services, dba Clear Channel, or to the next highest proposer should negotiations be unsuccessful, for an In-Terminal Advertising Concession at San Diego International Airport.

RECOMMENDATION: Adopt Resolution No. 2018-0035, authorizing the President/CEO to award an agreement for a term not to exceed ten-years to Outfront Media LLC to develop and implement an outdoor advertising program at San Diego International Airport.

ACTION: Moved by Board Member Desmond and seconded by Board Member West to approve staff's recommendation. Motion carried by the following vote: YES – Boling, Desmond, Kersey, Lloyd, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Cox (Weighted Vote Points: YES – 92; NO – 0; ABSENT– 8)

19. GRANT A 31-YEAR LEASE TO AVIATION FACILITIES COMPANY, INC. TO DESIGN, BUILD, FINANCE, OPERATE, MAINTAIN, AND SUBLEASE AN AIR CARGO FACILITY AND ASSOCIATED INFRASTRUCTURE, LOCATED ON THE NORTH SIDE OF THE AIRPORT:

Eric Podnieks, Program Manager, Business Management, provided a presentation on the Northside Cargo Facility and Associated Infrastructure which included Northside Development Master Plan and EIR, Project Background,

Project Timeline, RFP Evaluation Criteria, Summary of Proposals, Evaluation Panel Recommendations, Northside Cargo Development Areas, Business Terms (Area A - Cargo Building and Area B – Aircraft Ramp), Air Cargo Facility Proposed Design and Staff Recommendation.

CHUCK STIPANCIC, PRESIDENT, AVIATION FACILITIES COMPANY INC, LEESBURG, VA, spoke about the services their company will provide and their commitment to utilizing local small businesses.

RECOMMENDATION: Adopt Resolution No. 2018-0036, awarding a 31 year lease to Aviation Facilities Company, Inc. to design, build, operate, maintain, and sublease an air cargo facility and associated infrastructure at San Diego International Airport and authorize the President/CEO to take all necessary actions to execute the lease.

ACTION: Moved by Board Member Schumacher and seconded by Board Member Kersey to approve staff's recommendation. Motion carried by the following vote: YES – Boling, Desmond, Kersey, Lloyd, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Cox (Weighted Vote Points: YES – 92; NO – 0; ABSENT– 8)

20. GRANT A TEN-YEAR CONCESSION LEASE TO TAV-AMERICA TO DESIGN, BUILD AND OPERATE A COMMON USE LOUNGE WITHIN TERMINAL 2 WEST:

Eric Podnieks, Program Manager, Business Management, provided a presentation on the Common Use Airport Lounge which included Proposal Evaluation, Proposed Lounge Location Overview, Concession Location Existing Conditions, and TAV – Primeclass Proposed Phasing and Design.

In response to concern expressed by Board Members Desmond and West in regard to the minimum annual guarantee amount and the viability of a fitness center, Thibaut Rouzard, Regional Operations Director, Americas, TAV Operation Services, stated that this model has been very successful in other markets and its revenue is not dependent solely on the traveling public. He stated that airport and airline staff provides the bulk of the projected revenue through creative marketing options for use of the area.

RECOMMENDATION: Adopt Resolution No. 2018-0037, awarding a non-exclusive concession lease to TAV-America, to Design, Build and Operate an Airport Lounge concession within Terminal 2 West at San Diego International Airport for a term not to exceed ten years, with a Minimum Annual Guarantee of \$448,000, Percentage Rent of 10% and an ACDBE Participation Level of 20-24%, and authorize the President/CEO to take all necessary actions to execute the concession lease.

ACTION: Moved by Board Member Kersey and seconded by Board Member West to approve staff's recommendation. Motion carried by the following vote: YES – Boling, Desmond, Kersey, Lloyd, Robinson, Schiavoni, Schumacher, West; NO – None; ABSENT – Cox (Weighted Vote Points: YES – 92; NO – 0; ABSENT– 8)

NON-AGENDA PUBLIC COMMENT: None

GENERAL COUNSEL REPORT: None

BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REPORTS FOR BOARD MEMBERS, PRESIDENT/CEO, CHIEF AUDITOR AND GENERAL COUNSEL WHEN ATTENDING CONFERENCES, MEETINGS, AND TRAINING AT THE EXPENSE OF THE AUTHORITY:

BOARD COMMENT: None

ADJOURNMENT: The meeting adjourned at 11:32 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 3rd DAY OF MAY, 2018.

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY

Item No.
2

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Acceptance of Board and Committee Members Written Reports on Their Attendance at Approved Meetings and Pre-Approval of Attendance at Other Meetings Not Covered by the Current Resolution

Recommendation:

Accept the reports and pre-approve Board Member attendance at other meetings, trainings and events not covered by the current resolution.

Background/Justification:

Authority Policy 1.10 defines a “day of service” for Board Member compensation and outlines the requirements for Board Member attendance at meetings.

Pursuant to Authority Policy 1.10, Board Members are required to deliver to the Board a written report regarding their participation in meetings for which they are compensated. Their report is to be delivered at the next Board meeting following the specific meeting and/or training attended. The reports (Attachment A) were reviewed pursuant to Authority Policy 1.10 Section 5 (g), which defines a “day of service”. The reports were also reviewed pursuant to Board Resolution No. 2009-0149R, which granted approval of Board Member representation for attending events and meetings.

The attached reports are being presented to comply with the requirements of Policy 1.10 and the Authority Act.

The Board is also being requested to pre-approve Board Member attendance at meetings of the multi-agency policy group addressing off-airport roadway access; and Board Member and Audit Committee member attendance at meetings of the ad hoc search committee to fill the position of the Chief Auditor.

Fiscal Impact:

Board and Committee Member Compensation is included in the FY 2018 Budget.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. Section 15378. This Board action is not a "project" subject to CEQA. Pub. Res. Code Section 21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act, Pub. Res. Code Section 30106.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

TONY R. RUSSELL
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

APRIL BOLING

SDCRAA
APR 26 2018

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Corporate & Information Governance

Period Covered: April 2018

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
C. APRIL BOLING		4/26/18
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 5, 2018 Time: 9:00 am Location: Airport	ALUC/Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 6, 2018 Time: 9:00 am Location: SANDAG	SANDAG Transportation Committee Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 9, 2018 Time: Location: Sacramento	Trip to Sacramento for Legislative Meetings
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: April 19, 2018 Time: 10:00 am Location: Airport	CIPO Special Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 20, 2018 Time: 9:00 am Location: SANDAG	SANDAG Transportation Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 23, 2018 Time: 9:00 am Location: Airport	Exec./Finance Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: April 27, 2018 Time: 9:00 am Location: Downtown Library	Speaking Engagement for LEAD SD 'INFLUENCE'
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: April 17, 2018 Time: 07:30 Location: Chamber of Commerce Offices	Infrastructure, Housing & Land Use Committee Meeting

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

GREG COX

SDCRAA
 APR 23 2018
 Corporate & Information Governance

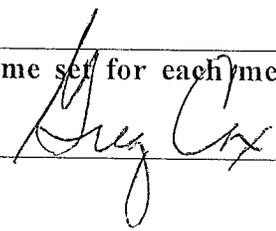
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Period Covered: APRIL 1, - 30, 2018

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
GREG COX		APRIL 24, 2018
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>APRIL 23, 2018</u> Time: <u>9:00 am</u> Location: <u>SDIA</u>	<u>SPECIAL BOARD MEETING</u> <u>EXECUTIVE / FINANCE COMMITTEE</u>
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

MARK KERSEY

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary**

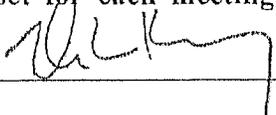
Period Covered: April 2018

SDCRAA APR 23 2018 Corporate & Information Governance

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Mark Kersey		4/23/18
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 5, 2018 Time: 9:00 am Location: 3225 N Harbor Drive	BOD/ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 19, 2018 Time: 10:00 am Location: 3225 N Harbor Drive	CIPOC/Special Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 23, 2018 Time: 9:00 am Location: 3225 N Harbor Drive	Special Board Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

ROBERT LLOYD

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

SDCRAA
 APR 25 2018

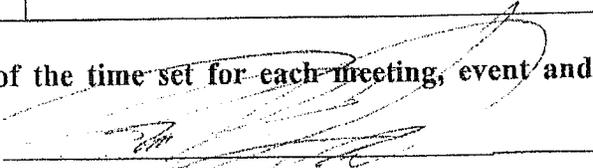
Period Covered: MARCH/APRIL 2018

Corporate & Information Governance

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Bob Lloyd		4/23/18
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: March 27, 2018 Time: 8:00 am Location: San Diego Airport Authority	Badging
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 5, 2018 Time: 9:00 am Location: San Diego Airport Authority	Board of Directors Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 9, 2018 Time: 11:00 am Location: San Diego Airport Authority	Ground Transportation Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 19, 2018 Time: 10:00 am Location: San Diego Airport Authority	Budget Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 23, 2018 Time: 9:00 am Location: San Diego Airport Authority	Finance Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 24, 2018 Time: 7:30 am Location: San Diego Airport Authority	Badging Sterile Module Test
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: 

PAUL ROBINSON

SDCRAA

APR 23 2018

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Corporate & Information Governance

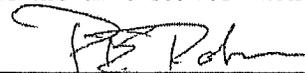
Period Covered: 4/30/18

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Paul Robinson		4/1/18
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 4/5/18 Time: 9:00 a.m. - 11:30 a.m. Location: SDCRAA Bd Rm	SDCRAA Bd / ALUC Mtgs.
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 4/19/18 Time: 10:00 a.m. - 11:30 a.m. Location: SDCRAA Bd Rm	CIPDC Mtg Special Bd Mtg.
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 4/23/18 Time: 9:00 a.m. Location: SDCRAA Bd Rm	Exec / Finance Comm Mtgs
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: _____



J. SCHIAVONI

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Period Covered: 2/1/2018-2/28/2018

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Johanna S. Schiavoni		4/4/18
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: February 5, 2018 Time: 11:00 am Location: SDCRAA	SDCRAA Board Orientation (Authority Academy 101): Operations Division
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: February 14, 2018 Time: 11:00 am Location: SDCRAA	SDCRAA Board Orientation (Authority Academy 101): Finance Division
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: February 27, 2018 Time: 11:00 am Location: SDCRAA	SDCRAA Board Orientation (Authority Academy 101): Development Division, Executive Overview, Legal
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event, and training listed herein.

Signature: _____

Johanna S. Schiavoni

APR 30 2018

Corporate & Information Governance

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary**

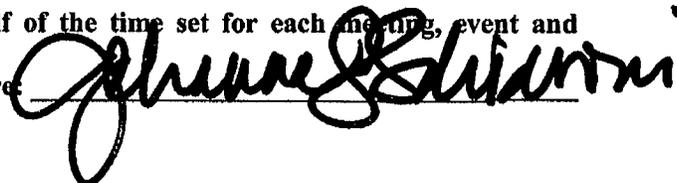
Period Covered: 4/1/2018-4/30/2018

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Johanna S. Schiavoni		4/30/18
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 5, 2018 Time: 9:00 am Location: SDCRAA	SDCRAA Board Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: April 9, 2018 Time: 11:00 am Location: SDCRAA	SDCRAA Board Orientation (Authority Academy 101): Ground Transportation Briefing and Airside Operations Tour
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 19, 2018 Time: 9:00 am Location: SDCRAA	SDCRAA Special Board and Capital Improvement Program Oversight Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 23, 2018 Time: 9:00 am Location: SDCRAA	SDCRAA Special Board Meeting and Finance Committee meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: April 24, 2018 Time: 9:30 am Location: SDCRAA	SDCRAA Board Orientation: Labor 101 Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input checked="" type="checkbox"/> Res.2009-0149R	Date: April 29, 2018 Time: 7:00 pm Location: Online training FPPC website	Mandatory AB 1234 Ethics Training via FPPC website
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: _____



M. SCHUMACHER

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Period Covered: April 1-30, 2018

SDCRAA APR 24 2018 Corporate & Information Governance

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0149R. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME:		DATE:
Michael Schumacher		4/1/18
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 5, 2018 Time: 9:00 am Location: SDCRAA Office	Board Meeting/ALUC
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: April 19, 2018 Time: 10:00 am Location: SDCRAA Office	CIPO meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.

Signature: Michael Schumacher Digitally signed by Michael Schumacher
Date: 2017.03.29 08:32:08 -0700

MARK WEST

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary
 Period Covered: April 2018

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0007. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
Mark B. West		4/28/2018
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/2 Time: 11-1 Location: City Hall National City	Meeting with Mayor Morrison to discuss National City Priorities.
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/5 Time: 9-10:30 Location: SDCRAA	Board/ALUC Meeting
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/9 Time: 11-1 Location: SDCRAA	Ground Transportation New Board Member Orientation.
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/10 Time: 11-1 Location: Port of San Diego	Meeting with Port Commissioner Valderrama to discuss Port Priorities.
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/13 Time: 11-1 Location: Port of San Diego	Meeting with Port Commissioner Bonelli to discuss Port Priorities.
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/17 Time: 4-5:30 Location: City of Coronado Council Chambers	City of Coronado Airport Briefing
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/18 Time: 11-1 Location: City Hall Imperial Beach	Meeting with Assemblymember Gloria to discuss South Bay Priorities.
Brown Act x Pre-approved Res. 2009-0149R	Date: 4/23 Time: 9-10:30 Location: SDCRAA	Executive/Finance Committee Meeting

I certify that I was present for at least half of the time set for each meeting, event and training listed herein.
 Signature: 

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Awarded Contracts, Approved Change Orders from March 12, 2018 through April 8, 2018 and Real Property Agreements Granted and Accepted from March 12, 2018 through April 8, 2018

Recommendation:

Receive the Report.

Background/Justification:

Policy Section Nos. 5.01, Procurement of Services, Consulting, Materials, and Equipment, 5.02, Procurement of Contracts for Public Works, and 6.01, Leasing Policy, require staff to provide a list of contracts, change orders, and real property agreements that were awarded and approved by the President/CEO or her designee. Staff has compiled a list of all contracts, change orders (Attachment A) and real property agreements (Attachment B) that were awarded, granted, accepted, or approved by the President/CEO or her designee since the previous Board meeting.

Fiscal Impact:

The fiscal impact of these contracts and change orders are reflected in the individual program budget for the execution year and on the next fiscal year budget submission. Amount to vary depending upon the following factors:

1. Contracts issued on a multi-year basis; and
2. Contracts issued on a Not-to-Exceed basis.
3. General fiscal impact of lease agreements reflects market conditions.

The fiscal impact of each reported real property agreement is identified for consideration on Attachment B.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

Inclusionary Policy requirements were included during the solicitation process prior to the contract award.

Prepared by:

JANA VARGAS
DIRECTOR, PROCUREMENT

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN March 12, 2018 - April 8, 2018

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
3/19/2018		IMS Electronics Recycling, Inc.	The Contractor will provide services needed to transport, handle, and legally process the electronic waste collected at the Airport's Sustainability Fairs.	Informal RFP	Environmental Affairs	\$0.00	4/26/2018
4/5/2018		Agricultural Pest Control Services, Inc.	The Contractor will provide bird abatement services at San Diego International Airport.	RFP	Environmental Affairs	\$400,000.00	3/18/2021
4/5/2018		Payment Express, Inc.	The Contractor will provide Parking Revenue and Control Systems for Terminal 2 Parking Plaza. Payment Express was selected as a result of a competitive RFP process by Swinerton Builders.	Sole Source	Ground Transportation	\$300,000.00	3/21/2020
4/6/2018		Michelle Montjoy	The Artist will exhibit her art work for the 2018 Temporary Exhibition: Figure of Speech at San Diego International Airport.	RFQ	Marketing & Air Service Development	\$500.00	1/1/2019
4/6/2018		David Fokos	The Artist will exhibit his art work for the 2018 Temporary Exhibition: Figure of Speech at San Diego International Airport.	RFQ	Marketing & Air Service Development	\$500.00	1/1/2019

Attachment "A"**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN March 12, 2018 - April 8, 2018****New Contracts Approved by the Board**

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
3/15/2018	380903	S & L Specialty Construction, Inc.	The contract was approved by the Board on February 1, 2018. The Contractor will install new acoustical windows, doors, and ventilation improvements to reduce aircraft-related noise level and provide sound attenuation to sixty-eight (68) Non-Historical Multi-Family and Single-Family units on twenty-nine (29) residential properties located east and west of the San Diego International Airport.	RFB	Facilities Development	\$1,337,000.00	3/16/2018
4/5/2018		Aztec Landscaping, Inc.	The contract was approved by the Board on January 4, 2018. The Contractor will provide Landscaping Maintenance Services at the San Diego International Airport.	RFP	Facilities Management	\$2,887,789.00	3/19/2021

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN March 12, 2018 - April 8, 2018

Amendments and Change Orders

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value (%) (+ / -)	New Contract Value	New End Date
3/12/2018		MIS Sciences Corporation	The First Amendment revises Exhibit A to reflect additional software licenses; Exhibit B to reflect an increase in the Monthly Hosting Fee as a result of the additional software licenses; and revises Exhibit C to reflect reduced coverage requirements of Professional/Liability/Technology Errors and Omissions insurance. There is no increase in the total compensation amount.	Information Technology Services	\$750,000.00	\$0.00	0%	\$750,000.00	11/30/2020
3/16/2018		The Ken Blanchard Companies	The Fourth Amendment increases the total compensation amount by \$56,000 to purchase participant workbooks for two modules: Situational Leadership II and Self Leadership for Authority Training through the Talent, Culture and Capability Department.	Talent, Culture & Capability	\$53,000.00	\$56,000.00	106%	\$109,000.00	11/30/2018
3/28/2018		Tetra Tech	The First Amendment adds Threshold Enviro as a subcontractor for Tetra Tech to provide services as a Certified Asbestos Site/Surveillance Tech and for Asbestos Consulting for On-Call Industrial Hygiene Services. There is no increase in total compensation.	Environmental Affairs	\$700,000.00	\$0.00	0%	\$700,000.00	1/29/2021
4/4/2018		MIG/Moore Lacobano Goltsman, Inc.	The Consent to Assignment Agreement assigns the agreement from MJE Marketing to MIG/Moore Lacobano Goltsman, Inc. at San Diego International Airport. There is no increase in compensation.	Marketing & Air Service Development	\$1,800,000.00	\$0.00	0%	\$1,800,000.00	6/30/2018
4/6/2018		JRM Consultants & Investigations Co.	The First Amendment increases the total compensation amount by \$90,000 for background investigative services due to the increased workload associated with the hiring of additional construction employees for the Federal Inspection Service (FIS) at San Diego International Airport.	Aviation Security & Public Safety	\$900,000.00	\$90,000.00	10%	\$990,000.00	8/31/2018

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN March 12, 2018 - April 8, 2018

Amendments and Change Orders Approved by the Board

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value (%) (+ / -)	New Contract Value	New End Date
4/6/2018		Willis Insurance Services of California, Inc.	The First Amendment was approved by the Board at the February 1, 2018 Board Meeting, The First Amendment revises Exhibits A&B to reflect the addition of employee engagement consulting and survey services and increases the total compensation amount by \$137,000 for Benefits Brokerage Services at San Diego County Regional Airport Authority.	Talent, Culture & Capability	\$613,000.00	\$137,000.00	22%	\$750,000.00	2/28/2019

Attachment "B"

REAL PROPERTY AGREEMENTS EXECUTED FROM MARCH 12, 2018 through APRIL 8, 2018



Real Property Agreements

Begin/End Dates	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
3.26.18-12.31.20	LE-0949	SilverCar, Inc	Non-Exclusive Off-Airport Rental Car Concession Agreement	N/A	Off-Airport Rental Car Operation	N/A	Greater of \$100/Month per month or %10 of Gross Revenues	New Off-Airport Rental Car Company specializes in Audi Car rentals.
3.26.18 to 12.31.18	LE-0948	AT&T	Right of Entry Permit	SDIA	Access to AT&T manholes on SDIA property	N/A	N/A	N/A



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
4.4.18	LE-0649	High Flying Foods San Diego, LLC	Fourth Amendment to Concession Lease Package 7	Terminals 1 and 2	Operation of a Food and Beverage Concession	N/A	The greater of the Minimum Annual Guarantee or 13.5% Gross Receipts Food and 16% Gross Receipts Alcohol up to \$2,750,000. Then 16% Gross Receipts Food and 19% Gross Receipts Alcohol	Amendment to reflect Street Pricing + 15%
4.4.18	LE-0650	High Flying Foods San Diego, LLC	Fourth Amendment to Concession Lease Package 8	Terminals 1 and 2	Operation of a Food and Beverage Concession	N/A	The greater of the Minimum Annual Guarantee or 13% Gross Receipts Food and 16% Gross Receipts Alcohol up to \$10,000,000. Then 16% Gross Receipts Food and 20% Gross Receipts Alcohol	Amendment to reflect Street Pricing + 15%

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

May 2018 Legislative Report

Recommendation:

Adopt Resolution No. 2018-0038, approving the May 2018 Legislative Report.

Background/Justification:

The Authority's Legislative Advocacy Program Policy requires that staff present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A). The May 2018 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. In directing staff, the Authority Board may take a position on pending or proposed legislation that has been determined to have a potential impact on the Authority's operations and functions.

State Legislative Action

The Authority's legislative team recommends that the Board adopt a Watch position on the following bills: AB 2478 (Voepel), AB 2873 (Low) and AB 3173 (Irwin).

AB 2478 (Voepel) would exclude from the gross income of an employee any amounts that are paid or incurred by an employer for educational assistance to that employee.

AB 2873 (Low) would enact the Personal Vehicle Sharing Act, which would exempt personal vehicle sharing programs and private vehicles used for personal sharing programs from the definition of rental car company used in State law.

AB 3173 (Irwin) would make it an infraction to operate an unregistered unmanned aircraft system (UAS) required to be registered under federal law, and would make it misdemeanor to operate a UAS while under the influence of alcohol or drugs.

Federal Legislative Action

The Authority's legislative team recommends that the Board adopt an Oppose Unless Amended position on H.R. 4, the Federal Aviation Administration (FAA) Reauthorization Act of 2018. This five-year reauthorization bill was introduced on April 13, 2018, as a substitute to H.R. 2997, legislation introduced last year to reauthorize FAA programs and corporatize air traffic control functions. H.R. 4 would not increase Airport Improvement Program funding, maintaining the current \$3.35 billion annual funding level for this program. In addition, this bill would not adjust the current \$4.50 Passenger Facility Charge limit or provide the Airport Authority with any assistance to restore nonstop air service to Ronald Reagan Washington National Airport.

Fiscal Impact:

Not applicable.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.

- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

MICHAEL KULIS
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

RESOLUTION NO. 2018- 0038

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY, APPROVING THE MAY 2018
LEGISLATIVE REPORT

WHEREAS, the San Diego County Regional Airport Authority (“Authority”) operates San Diego International Airport and plans for necessary improvements to the regional air transportation system in San Diego County, including serving as the responsible agency for airport land use planning within the County; and

WHEREAS, the Authority has a responsibility to promote public policies consistent with the Authority’s mandates and objectives; and

WHEREAS, Authority staff works locally and coordinates with legislative advocates in Sacramento and Washington, D.C. to identify and pursue legislative opportunities in defense and support of initiatives and programs of interest to the Authority; and

WHEREAS, under the Authority’s Legislative Advocacy Program Policy, the Authority Board provides direction to Authority staff on pending legislation; and

WHEREAS, the Authority Board, in directing staff, may adopt positions on legislation that has been determined to have a potential impact on the Authority’s operations and functions.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the May 2018 Legislative Report (“Attachment A”); and

BE IT FURTHER RESOLVED that the Board finds that this action is not a “project” as defined by the California Environmental Quality Act (“CEQA”) (California Public Resources Code §21065); and is not a “development” as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of May, 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

May 2018 Legislative Report

State Legislation

New Assembly Bills

Legislation/Topic

AB 2478 (Voepel) – Personal Income Tax: Gross Income: Exclusion: Student Loan Assistance

Background/Summary

The current Personal Income Tax Law excludes up to \$5,250 from the gross income amounts paid or incurred by an employer for educational assistance to the employee during a calendar year. This bill would exclude from the gross income of an employee an aggregate amount of up to \$5,250 per year paid by an employer for the principal or interest on a qualified education loan incurred by the employee.

Anticipated Impact/Discussion

This bill would allow the Airport Authority to consider providing student loan repayment support as a recruiting benefit.

Status: 3/5/18 – Referred to Assembly Committee on Revenue and Taxation

Position: Watch

Legislation/Topic

AB 2873 (Low) – Personal Vehicle Sharing Act

Background/Summary

AB 2873 would provide that the term “rental company” as used in the provisions governing the transactions between a rental car company and its customers does not include a personal vehicle sharing program or a private passenger motor vehicle engaged in personal vehicle sharing, as those terms are defined in state law.

Anticipated Impact/Discussion

The Airport Authority has issued a cease and desist letter to a vehicle sharing company that was operating at San Diego International Airport (SDIA) without permission. The Airport Authority is working with the California Airports Council to clarify the definition of personal vehicle sharing, and to ensure compliance with airport regulations.

*Shaded text represents new or updated legislative information

Status: 3/22/18 – Amended and re-referred to Assembly Committee on Judiciary

Position: Watch

Legislation/Topic

AB 3173 (Irwin) – Unmanned Aerial Vehicles

Background/Summary

Federal laws and regulations regulate the operation of unmanned aircraft systems (UASs), also known as drones or remotely piloted aircraft. Existing federal laws and regulations require the registration of certain UASs, require commercial operators of UASs to be licensed, prohibit the operation of UASs above specified altitudes and within specified distances of an airport, prohibit nighttime operation, and require a UAS to remain within the sight of the pilot. AB 3173 would make it an infraction to operate an unregistered UAS that is required to be registered under federal law and would make it a misdemeanor to operate a UAS while under the influence of alcohol or drugs or a combination of both.

Anticipated Impact/Discussion

The bill could benefit the San Diego International Airport (SDIA) by providing law enforcement officials with additional enforcement tools to deter unsafe UAS operations near SDIA.

Status: 3/22/18 – Amended and re-referred to Assembly Committee on Public Safety

Position: Watch

Assembly Bills from Previous Report

Legislation/Topic

AB 87 (Ting) – Autonomous Vehicles

Background/Summary

To comply with state law enacted in 2012, the Department of Motor Vehicles (DMV) drafted proposed regulations governing the full deployment of autonomous vehicles on California roads. AB 87 would require the DMV to include in its final regulations requirements that autonomous vehicle manufacturers provide local authorities with information including the boundaries in which their vehicles will operate and the number and types of vehicles to be tested. It would also require these manufacturers to provide law enforcement agencies a law enforcement interaction plan, which instructs law enforcement agencies on how to interact with an autonomous vehicle in emergency and traffic enforcement situations, including information on how to communicate with a

*Shaded text represents new or updated legislative information

remote operator, where to obtain owner information, vehicle registration, and proof of insurance, and how to recognize whether the vehicle is operating in autonomous mode.

Anticipated Impact/Discussion

While this legislation is not expected to have any significant immediate impact on the Airport Authority or San Diego International Airport, its enactment would likely impact future ground transportation operations at the airport when autonomous vehicle use moves beyond the testing phase.

Status: 1/29/18 – Passed in Assembly by a vote of 45 to 27 and referred to the Senate Committees on Transportation and Housing, and Public Safety

Position: Watch (3/1/18)

Legislation/Topic

AB 427(Muratsuchi) – California Aerospace and Aviation Commission

Background/Summary

AB 427 would establish a 17 member California Aerospace and Aviation Commission (Commission) within the Governor’s Office of Business and Economic Development (GO-Biz). The purpose of this Commission is to serve as a central point of contact for businesses engaged in the aerospace and aviation industries, and to support the health and competitiveness of these industries in California. AB 427 would require the Commission to make recommendations on legislative and regulatory action that may be necessary or helpful to maintain or improve the state’s aerospace and aviation industries and would require the Commission to report and provide recommendations to the Governor and State Legislature.

Anticipated Impact/Discussion

Although this legislation is not expected to have any significant impact on the Airport Authority or San Diego International Airport (SDIA), the Authority’s legislative team will work with the California Airports Council to identify any potential opportunities to engage with the Commission on actions that could impact California airports.

Status: 1/29/18 – Passed in Assembly by a vote of 75 to 0 and referred to Senate Committees on Business, Professions, and Economic Development, and Judiciary

Position: Watch (3/1/18)

*Shaded text represents new or updated legislative information

Legislation/Topic

AB 2069 (Quirk) – Medicinal Cannabis: Employment Discrimination

Background/Summary

The Compassionate Use Act of 1996 authorizes seriously ill Californians to obtain and use marijuana for medical purposes when recommended by a physician. AB 2069, as amended on April 16th, would prohibit an employer from engaging in employment discrimination against a person based on his or her status as a qualified patient or person with an identification card that allows them to engage in the medical use of cannabis and shall be subject to reasonable accommodations. The bill does not prohibit an employer from refusing to hire a qualified patient or person with an identification card when the medical use of cannabis would cause the employer to lose a monetary or license related benefit under federal law or regulations. Additionally, the bill would not prohibit an employer from terminating the employment of, or taking other corrective action against, an employee who is impaired on the property or premises of the place of employment or during hours of employment because of the use of cannabis.

Anticipated Impact/Discussion

Authority staff will continue to monitor the bill for any impacts it could have on the Authority's need to reevaluate its substance abuse policy.

Status: 4/16/18 – Amended and re-referred to Assembly Committee on Labor and Employment

Position: Watch (4/5/18)

Legislation/Topic

AB 2246 (Friedman) – Rental Passenger Vehicles: Personal Vehicle Sharing Programs

Background/Summary

AB 2246 was introduced to regulate new vehicle rental business models that involve individuals listing their personal vehicle for rent on a website through a personal ride sharing company. Specifically, this bill would add the term "personal ride sharing program" to the definition of "rental company" and "rental car company" in applicable sections of state law.

Anticipated Impact/Discussion

The Airport Authority has issued a cease and desist letter to a vehicle sharing company that was operating at San Diego International Airport (SDIA) without permission. The Authority's legislative team is working with the California Airports Council and other parties to ensure that there is an appropriate and legal method for new vehicle rental models to operate at SDIA.

*Shaded text represents new or updated legislative information

Status: 3/19/18 – Amended and re-referred to Assembly Committee on Judiciary

Position: Watch (3/1/18)

Legislation/Topic

AB 2646 (Gonzalez Fletcher) – The San Diego Unified Port District: Grant: Trust Lands

Background/Summary

AB 2646 would grant and convey in trust to the San Diego Unified Port District all of the right, title, and interest of specified property located in the City of Chula Vista currently owned by the State.

Anticipated Impact/Discussion

Although this legislation is not expected to impact San Diego International Airport (SDIA) or the Airport Authority, the Authority’s legislative team will closely monitor this bill as it proceeds through the Legislature for any potential impact to SDIA or the Airport Authority.

Status: 4/18/18 – Passed by Assembly Committee on Appropriations by a vote of 15 to 0

Position: Watch (4/5/18)

Legislation/Topic

AB 3103 (Gloria) Counties: Airports

Background/Summary

AB 3103 is a placeholder (spot bill) making non-substantive changes to the section of the Government Code related to airport finances and the board of supervisors’ ability to provide and maintain public airports and landing places for aerial traffic for the use of the public, and the board of supervisors’ authorization to levy a voter-approved special tax for these purposes.

Anticipated Impact/Discussion

The Authority’s legislative team will closely monitor the development of this bill language for any potential impact to San Diego International Airport (SDIA) or the Airport Authority.

Status: 2/16/18 – Introduced in Assembly

Position: Watch (4/5/18)

*Shaded text represents new or updated legislative information

Legislation/Topic

AB 3119 (Gonzalez Fletcher) Public Utilities Code

Background/Summary

AB 3119, as amended on March 22nd, would have eliminated the Airport Authority and transferred ownership of San Diego International Airport (SDIA) and the Authority's assets to the San Diego Unified Port District (Port District). The bill was significantly amended on April 18th, deleting the provisions to fold the Airport Authority into the Port District and transfer Authority assets to the Port District. The current version of the bill would establish the SDIA Mobility and Sustainability Committee (Committee) and require that Committee to prepare a plan to address specific issues of mobility and sustainability related to SDIA. The bill would require the Committee to submit this plan to the governing board of the Airport Authority and to the State Legislature by January 1, 2020. The new Committee would consist of representatives of the following agencies:

1. Board of Directors of the San Diego Association of Governments
2. City of San Diego Metropolitan Transit Development Board
3. North San Diego County Transit Development Board
4. Board of Port Commissioners
5. Board of Directors of the San Diego County Regional Airport Authority
6. City of San Diego
7. County of San Diego

Anticipated Impact/Discussion

The newly created Committee would provide an opportunity for various regional transportation and planning agencies to develop collaborative solutions addressing mobility and sustainability issues.

Status: 4/18/18 – Amended and re-referred to Assembly Committee on Local Government

Position: Support (4/23/18)

Legislation/Topic

AB 3246 (Committee on Transportation) – Transportation Omnibus Bill

Background/Summary

Current law authorizes the California Department of Transportation (Caltrans) to allow for the construction of obstructions determined by the FAA to be hazardous. This noncontroversial technical corrections bill would remove this obsolete provision authorizing Caltrans to issue such a permit. If enacted, only the FAA would make the determination whether the construction, alternation, or growth would constitute a hazard to air navigation or create an unsafe condition for air navigation.

*Shaded text represents new or updated legislative information

Anticipated Impact/Discussion

This bill is not expected to directly impact San Diego International Airport.

Status: 4/17/18 – Passed by Assembly Committee on Transportation by a vote of 14 to 0 and re-referred to Assembly Committee on Appropriations

Position: Watch (4/5/18)

New Senate Bills

There are no new Senate Bills to report.

Senate Bills from Previous Report

Legislation/Topic

SB 966 (Weiner) – Onsite Non-Potable Water System Standards

Background/Summary

SB 966 would direct the State Water Resources Control Board to develop regulations creating risk-based water quality standards for the onsite treatment and reuse of non-potable water. The purpose of this action is to assist local governments in developing oversight and management programs for on-site non-potable water systems.

Anticipated Impact/Discussion

The City of San Diego and the County of San Diego neither permit nor prohibit the reuse of captured stormwater or condensate. If enacted, this bill would provide the City and County with the guidance they need to permit the uses the Airport Authority is already contemplating which could help support the Airport Authority's goals and efforts to capture and reuse stormwater and air conditioning condensate.

Status: 4/4/18 – Passed by Senate Committee on Environmental Quality by a vote of 6 to 0 and re-referred to Senate Committee on Appropriations

Position: Support (4/5/18)

Legislation/Topic

SB 1014 (Skinner) – Zero-Emission Vehicles

Background/Summary

SB 1014 would require that the Public Utilities Commission, in consultation with the State Air Resources Board, establish the California Clean Miles Standard and Incentive Program. The goal of the program is to ensure that all transportation network company (TNC) vehicles are zero-emission vehicles by December 31, 2028. The original bill was

*Shaded text represents new or updated legislative information

amended on April 9, 2018, removing the rebate and incentive provisions for vehicle owners who use their vehicle in connection with a TNC to convert to zero-emission vehicles.

Anticipated Impact/Discussion

Transportation network company (TNC) use at San Diego International Airport (SDIA) continues to increase. This bill could benefit SDIA by increasing the use of zero-emission TNC vehicles, which could reduce the amount of greenhouse gas (GHG) emissions from TNCs operating at SDIA.

Status: 4/18/18 – Passed by Senate Committee on Energy, Utilities, and Communications by a vote of 7 to 3 and re-referred to Senate Committee on Environmental Quality

Position: Watch (3/1/18)

Legislation/Topic

SB 1080 (Newman) – Transportation Network Company Driver’s Identification

Background/Summary

SB 1080 would require a transportation network company (TNC) driver to possess either a valid California driver’s license or, if they are a nonresident active duty military member or a dependent of a nonresident active duty military member, a valid driver’s license issued by the other state or territory of the U.S. in which the member or dependent is a resident.

Anticipated Impact/Discussion

Although this bill would not directly impact the San Diego International Airport, Ground Transportation and Airport Traffic Officers would need to be aware of the new requirement if this bill is enacted.

Status: 4/10/18 – Passed by Senate Committee on Transportation and Housing by a vote of 13 to 0 and re-referred to Committee on Energy, Utilities and Communication

Position: Watch (4/5/18)

Legislation/Topic

SB 1376 (Hill) – Transportation Network Company Accessibility Plan

Background/Summary

Existing law requires a transportation network company (TNC) to allow passengers to indicate whether they require a wheelchair-accessible vehicle or vehicles otherwise

*Shaded text represents new or updated legislative information

accessible to individuals with disabilities when requesting a ride. SB 1376 would express that it is the intent of the Legislature that every transportation network company ensure that it provides full and equal access to all persons with disabilities.

Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport, the Authority's legislative team will closely monitor this bill for potential changes that could impact Ground Transportation operations.

Status: 4/18/18 – Passed by Senate Committee on Energy, Utilities and Communication by a vote of 10 to 0 and re-referred to Senate Committee on Transportation and Housing

Position: Watch (4/5/18)

*Shaded text represents new or updated legislative information

Federal Legislation

New House Bills

H.R. 4 (Shuster) – Federal Aviation Administration (FAA) Reauthorization Act of 2018

Background/Summary

This legislation would authorize FAA operations and related programs for the next five years. Specifically, this bill would:

- Maintain current level of funding for the Airport Improvement Program (AIP) at \$3.35 billion annually through Fiscal Year 2023
- Retain the current \$4.50 Passenger Facility Charge (PFC) cap
- Eliminate the PFC significant contribution test for large and medium hub airports
- Streamline the PFC application and approval process for small, medium and large
- Remove the provision from the 2017 FAA Reauthorization bill that would have separated the air traffic control functions from the FAA and created a “federally-charted, fully independent, not-for-profit corporation.”

Anticipated Impact/Discussion

This bill does not include any adjustment to the current \$4.50 PFC limit established by Congress in 2000, and maintains flat funding for the Airport Improvement Program (AIP). As a result, this legislation would essentially maintain the status quo for the financing of airport infrastructure projects instead of providing new funding opportunities for San Diego International Airport (SDIA) improvement projects. In addition, this bill does not include any provision that could position SDIA to compete for nonstop service to Ronald Reagan Washington National Airport.

Status: 4/13/18 – Introduced in the House and referred to the following House Committees: Transportation and Infrastructure; Financial Services; Ways, and Means; Science, Space and Technology; and Natural Resources

Position: Oppose Unless Amended

*Shaded text represents new or updated legislative information

House Bills from Previous Report

Legislation/Topic

H.R. 598 (Lynch) – Airplane Impacts Mitigation Act of 2017

Background/Summary

H.R. 598, the “Airplane Impacts Mitigation Act of 2017”, would require the Federal Aviation Administration (FAA) to enter into an agreement with an eligible institution of higher education to conduct a study of the health impacts of airplane flights on residents exposed to a range of noise and air pollution levels from flights. The study is directed to:

- Focus on residents in Boston, Chicago, New York, the northern California Metroplex, Phoenix, and not more than three additional metropolitan areas each containing an international airport.
- Consider the health impacts on residents living partly or entirely within the land underneath the flight paths most frequently used by aircraft flying below 10,000 feet.
- Consider only the health impacts that manifest during the physical implementation of the NextGen program on flights departing from or arriving to an international airport located in one of the designated metropolitan areas.

Anticipated Impact/Discussion

Although this bill is not expected to directly impact operations at San Diego International Airport (SDIA), the information collected by the study may be useful in helping the Airport Authority accurately describe any environmental and health impacts of the FAA’s recently implemented NextGen program.

Status: 1/20/17 – Introduced in the House and referred to the House Committee on Transportation and Infrastructure

Position: Support (3/2/17)

Legislation/Topic

H.R. 665 (Keating) – Airport Perimeter and Access Control Security Act of 2017

Background/Summary

H.R. 665, the “Airport Perimeter and Access Control Security Act of 2017,” would direct the Transportation Security Administration (TSA) to update:

- The Transportation Sector Security Risk Assessment for the aviation sector
- The Comprehensive Risk Assessment of Perimeter and Access Control Security for airports (as well as conduct a system-wide assessment of airport access control points and airport perimeter security)
- The 2012 National Strategy for Airport Perimeter and Access Control Security

*Shaded text represents new or updated legislative information

Anticipated Impact/Discussion

Although this bill is not expected to impact operations at San Diego International Airport (SDIA), the updating of assessments by the TSA may lead to the future implementation of new security requirements. The Authority's legislative team will identify any unfunded mandates resulting from these proposed actions.

Status: 1/31/17 – Approved by the House on a voice vote and Referred to the Senate Committee on Commerce, Science and Transportation

Position: Watch (3/2/17)

Legislation/Topic

H.R. 678 (McSally) – Department of Homeland Security Support to Fusion Centers Act of 2017

Background/Summary

Fusion centers were created to promote information sharing at the federal level between agencies such as the Central Intelligence Agency, the U.S. Department of Justice, the U.S. military and state and local governments. H.R. 678, the "Department of Homeland Security Support to Fusion Centers Act of 2017" would:

- Direct the Comptroller General to conduct an assessment of Department of Homeland Security (DHS) personnel assigned to fusion centers
- Direct the Under Secretary of Intelligence and Analysis of the Department of Homeland Security to provide eligibility for access to information classified as Top Secret for analysts at fusion centers, and submit a report to the Committee on Homeland Security, Permanent House Select Committee on Intelligence, Committee on Homeland Security and Government Affairs and Senate Select Committee on Intelligence
- Direct the Chief Information officer of the Department of Homeland Security to conduct an assessment of information systems used to share homeland security information between fusion centers and the Department.

Anticipated Impact/Discussion

Although this bill is not expected to impact operations at San Diego International Airport (SDIA), it will be monitored closely for any potential impact to Department of Homeland Security or Customs and Border Protection procedures.

Status: 1/31/17 – Approved by the House on a voice vote and Referred to Senate Committee on Homeland Security and Governmental Affairs

Position: Watch (3/2/17)

*Shaded text represents new or updated legislative information

Legislation/Topic

H.R. 1265 (DeFazio) – Investing in America: Rebuilding America’s Airport Infrastructure Act

Background/Summary

H.R. 1265, the “Investing in America: Rebuilding America’s Airport Infrastructure Act”, would provide airports the Airport Authority to establish a passenger facility charge (PFC) of their choosing by eliminating the current \$4.50 Congressionally-set PFC limit. This bill would also reduce Airport Improvement Program (AIP) funding by \$400 million annually and eliminate large hub airports’ entitlement to AIP grants if those airports collect PFCs greater than \$4.50.

Anticipated Impact/Discussion

H.R. 1265 would provide the Airport Authority with the ability to establish a PFC based on San Diego International Airport funding needs rather than relying on the current PFC limit of \$4.50 per passenger established by Congress in 2000.

Status: 3/2/17 – Referred to House Committee on Transportation and Infrastructure

Position: Support (4/6/17)

Legislation/Topic

H.R. 2514 (DeFazio) – Funding for Aviation Screeners and Threat Elimination Restoration Act

Background/Summary

H.R. 2514 would ensure that revenues collected from passengers as aviation security fees are used to help finance the costs of aviation security screening by repealing a requirement that a portion of these fees be deposited in the federal government’s general fund.

Anticipated Impact/Discussion

Enactment of this legislation would ensure that aviation security fees are used for their stated purpose, and help to ensure that funding is available to provide an adequate level of screening at the nation’s airports.

Status: 5/18/17 – Referred to House Committee on Homeland Security

Position: Support (1/4/18)

*Shaded text represents new or updated legislative information

Legislation/Topic

H.R. 2800 (DeFazio) – Aviation Funding Stability Act

Background/Summary

This legislation would take the Airport and Airway Trust Fund off budget in an effort to protect Trust Fund revenue from sequestration and potential budget cuts. This bill would also require the Federal Aviation Administration (FAA) to develop a streamlined procurement system for the acquisition of NextGen technology and update its personnel management system. In addition, H.R. 2800 would elevate the role of the Management Advisory Council and authorize funds to rebuild and modernize U.S. air traffic control facilities.

Anticipated Impact/Discussion

Enactment of H.R. 2800 might benefit the Airport Authority by insulating the Airport and Airway Trust fund from potential reductions in funding for FAA-related operations. In addition, this legislation could expedite the modernization of the national air traffic control system.

Status: 6/7/17 – Introduced and Referred to the House Committees on Transportation and Infrastructure, Armed Services, the Budget, and Appropriations

Position: Watch (7/6/17)

Legislation/Topic

H.R. 2997 (Shuster) – 21st Century Aviation Innovation, Reform, & Reauthorization Act

Background/Summary

This legislation would authorize FAA operations and related programs for the next six years. Specifically, this bill would:

- Transfer air traffic control functions from the FAA to a new not-for-profit corporation
- Include one airport representative to serve on the 13-member board of directors for the new ATC corporation
- Increase annual Airport Improvement Program (AIP) funding to a level of \$3.8 billion in Fiscal Year 2023
- Retain the current \$4.50 Passenger Facility Charge (PFC) cap
- Streamline and expedite the PFC reporting and review process
- Eliminate the PFC significant contribution test for large and medium hub airports

*Shaded text represents new or updated legislative information

Anticipated Impact/Discussion

Although San Diego International Airport (SDIA) might potentially benefit from the AIP increases included in H.R. 2997, this bill does not include any adjustment to the current \$4.50 PFC limit established by Congress in 2000. As a result, this legislation would essentially maintain the status quo for the financing of airport infrastructure projects instead of providing new funding opportunities for SDIA improvement projects. In addition, this bill does not include any provision that could position SDIA to compete for nonstop service to Ronald Reagan Washington National Airport.

Status: 6/27/17 – Approved by House Transportation and Infrastructure Committee by a vote of 32 to 25

Position: Oppose Unless Amended (7/6/17)

Legislation/Topic

H.R. 4559 (Estes) – Global Aviation System Security Reform Act

Background/Summary

This legislation would require that the Transportation Security Administration undertake several actions, including the following:

- Conduct a coordinated global aviation security review within 180 days to address ways to improve aviation security standards across the globe, including cybersecurity threats
- Establish best practices based on this review and report to Congress on the actions that the TSA Administrator has taken to implement these practices

Anticipated Impact/Discussion

This legislation is not expected to have any significant impact on the Airport Authority or San Diego International Airport if enacted.

Status: 1/9/18 – Approved by the House of Representatives by voice vote and Referred to the Senate Committee on Commerce, Science, and Transportation

Position: Watch (2/1/18)

*Shaded text represents new or updated legislative information

Legislation/Topic

H.R. 4561 (Bilirakis) – Security Assessment Feasibility for Equipment Testing and Evaluation of Capabilities for Our Homeland (SAFE TECH) Act

Background/Summary

This legislation would authorize third-party testing of transportation security screening technology and ensure that third-party entities do not have a financial stake in vendor technology being tested. The bill would also require that any entity providing third-party testing be owned and controlled by U.S. citizens and require TSA to establish a coordinated program for detection testing within a year.

Anticipated Impact/Discussion

This legislation is not expected to have any significant impact on the Airport Authority or San Diego International Airport if enacted.

Status: 1/9/18 – Approved by the House of Representatives by voice vote and Referred to the Senate Committee on Commerce, Science, and Transportation

Position: Watch (2/1/18)

Legislation/Topic

H.R. 4577 (Rogers) – Domestic Explosives Detection Canine Capability Building Act

Background/Summary

H.R. 4577 would establish a working group to determine ways to develop a domestic canine breeding network to procure high-quality explosive detection canines. This bill would also require that TSA consult with other federal relevant agencies, including Customs and Border Protection and the Secret Service, in developing its canine program.

Anticipated Impact/Discussion

This legislation is not expected to have any significant impact on the Airport Authority or San Diego International Airport if enacted.

Status: 1/9/18 – Approved by the House of Representatives by voice vote and Referred to the Senate Committee on Commerce, Science, and Transportation

Position: Watch (2/1/18)

*Shaded text represents new or updated legislative information

Legislation/Topic

H.R. 4581 (Fitzpatrick) – Screening and Vetting Passenger Exchange Act

Background/Summary

This legislation would require the Secretary of the Department of Homeland Security to develop best practices for utilizing advanced passenger information and passenger name record data for counterterrorism screening and vetting operations.

Anticipated Impact/Discussion

This legislation is not expected to have any significant impact on the Airport Authority or San Diego International Airport if enacted.

Status: 1/9/18 – Approved by the House of Representatives by vote of 415 to 1 and Referred to the Senate Committee on Homeland Security and Government Affairs

Position: Watch (2/1/18)

Legislation/Topic

H.R. 4737 (Wasserman-Schultz) – Airport Advanced Logistics, Emergency Response and Training (Airport ALERT) Act

Background/Summary

This legislation would require all Category X airports to establish integrated Airport Operations Centers. It would also require airports to include security and emergency preparedness training requirements in their Airport Security Plan (ASP), including mass evacuation plans, risk communication plans, continuity of operations plans and airport family assistance and customer care plans.

Anticipated Impact/Discussion

As San Diego International Airport (SDIA) is currently classified as a Category 1 airport, the requirement in H.R. 4737 for Category X airports to have an integrated and unified operations center would not currently apply to SDIA. Additionally, although this legislation does not provide adequate details concerning the specific mandates in the bill, H.R. 4737 is expected to require the Airport Authority to undertake several unfunded actions that would be duplicative of security-related activities currently conducted by Authority staff. Authority staff will work with airport advocacy associations who plan to discuss their concerns with this bill with the author in an effort to improve this legislation.

Status: 1/8/18 – Introduced and Referred to the House Committee on Homeland Security

Position: Watch (2/1/18)

*Shaded text represents new or updated legislative information

Legislation/Topic

H.R. 4760 (Goodlatte) – Securing America’s Future Act of 2018

Background/Summary

This comprehensive immigration bill was introduced with the purpose of enhancing enforcement of immigration law, reforming legal immigration programs, securing the international border and resolving issues related to the Deferred Action for Childhood Arrivals program. This bill would also add 5,000 new Customs and Border Protection officers and require full implementation of biometric entry and exit systems at all air, land and sea ports of entry.

Anticipated Impact/Discussion

The addition of new Customs and Protection (CBP) officers could potentially result in additional CBP staffing resources for San Diego International Airport (SDIA). In regard to the requirement for full implementation of biometric entry and exit systems at all ports of entry, such technology is already in the process of being implemented at SDIA.

Status: 1/10/18 – Introduced and Referred to the following House Committees: Judiciary, Education and the Workforce, Homeland Security, Foreign Affairs, Ways and Means, Armed Services, Oversight and Government, Agriculture, Transportation and Infrastructure, and Natural Resources

Position: Watch (2/1/18)

Legislation/Topic

H.R. 5003 (Hultgren) – Amend the Internal Revenue Code of 1986 to Reinstate Advance Refunding Bonds

Background/Summary

The Tax Cuts and Jobs Act (H.R. 1), signed into law in 2017, eliminated advance refunding of bonds. H.R. 5003 would amend the Internal Revenue Code of 1986 to reinstate advance refunding of bonds, restoring the flexibility for the management of municipal debt that may assist state and local governments finance infrastructure projects.

Anticipated Impact/Discussion

Although it is unclear at this time if the Airport Authority will advance refund bonds in the future, this bill might benefit the Airport Authority by providing the flexibility to advance refund bonds if necessary, depending on future financial market conditions.

Status: 2/13/18 – Introduced in the House

Position: Watch (4/5/18)

*Shaded text represents new or updated legislative information

New Senate Bills

There are no new Senate bills to report.

Senate Bills from Previous Report

Legislation/Topic

S. 271 (Fischer) – Build USA Infrastructure Act

Background/Summary

S. 271, the “Build USA Infrastructure Act” would divert \$21.4 billion annually in Customs and Border Protection (CBP) passenger and freight user fees to the Highway Trust Fund. This funding would be diverted for a five-year period, beginning October 1, 2020.

Anticipated Impact/Discussion

Airports Council International – North America (ACI-NA) strongly opposes this bill. User fees should be applied for their intended use, not diverted to subsidize other programs, especially as CBP continues to face significant staffing shortfalls and technological challenges. As San Diego International Airport (SDIA) continues to expand international air service, this bill could have a negative impact on CBP’s ability to effectively process international passengers.

Status: 2/1/17 – Introduced and Referred to Senate Committee on Homeland Security and Governmental Affairs

Position: Oppose (3/2/17)

Legislation/Topic

S. 1405 (Thune) – Federal Aviation Administration Reauthorization Act of 2017

Background/Summary

This legislation would authorize FAA operations and related programs for the next four years. Specifically, this bill would:

- Increase annual Airport Improvement Program (AIP) funding to a level of \$3.75 billion in Fiscal Years 2019-2021
- Retain the current \$4.50 Passenger Facility Charge (PFC) cap
- Streamline and expedite the PFC reporting and review process
- Eliminate the PFC significant contribution test for large and medium hub airports
- Require the Department of Transportation to hire an independent organization to conduct a study on upgrading and restoring the nation’s airport infrastructure

*Shaded text represents new or updated legislative information

Anticipated Impact/Discussion

Although San Diego International Airport (SDIA) might potentially benefit from the AIP increases included in S. 1405, this bill does not include any adjustment to the current \$4.50 PFC limit established by Congress in 2000. As a result, this legislation would essentially maintain the status quo for the financing of airport infrastructure projects instead of providing new funding opportunities for SDIA improvement projects. In addition, this bill does not include any provision that could position SDIA to compete for nonstop service to Ronald Reagan Washington National Airport.

Status: 6/29/17 – Approved by Senate Committee on Commerce, Science and Transportation by voice vote

Position: Oppose Unless Amended (7/6/17)

Legislation/Topic

S. 1655 (Collins) – Fiscal Year 2018 Transportation and Housing and Development Appropriations Act

Background/Summary

This bill would provide annual funding for federal transportation programs including Federal Aviation Administration activities and programs. The bill would increase the Passenger Facility Charge (PFC) limit from the current level of \$4.50 to a new level of \$8.50 for originating passengers. This bill would also increase Airport Improvement Program (AIP) funding by \$250 million to a new level of \$3.6 billion in FY 2018.

Anticipated Impact/Discussion

Passage of an annual spending bill would provide airports certainty concerning the annual funding levels for FAA and its programs. While the proposed increase in the AIP could result in some additional revenue to the Airport Authority, the proposed \$4 increase in the PFC limit could result in a significant increase in revenue for San Diego International Airport improvement projects, including funding for the Airport Development Program.

Status: 7/27/17 – Approved by Senate Committee on Appropriations on a vote of 31 to 0

Position: Support (9/7/17)

*Shaded text represents new or updated legislative information

Legislation/Topic

S. 1733 (Van Hollen) – Customers Not Cargo Act

Background/Summary

This proposed legislation would prohibit airlines from forcibly removing passengers after they have already boarded the plane due to overbooking or airline staff seeking to fly as passengers. It would also require the establishment of standards to resolve oversales once an aircraft has been boarded.

Anticipated Impact/Discussion

This bill is not expected to directly impact operations at San Diego International Airport (SDIA).

Status: 4/12/17 – Introduced and Referred to Senate Committee on Commerce, Science and Transportation

Position: Watch (5/4/17)

Legislation/Topic

S. 1757 (Cornyn) – Building America’s Trust Act

Background/Summary

S. 1757 would authorize approximately \$15 billion over four years for border security and enforcement activities. Specific actions include:

- Requires the deployment of multi-layered tactical infrastructure across the southern U.S. border which, at the Secretary of DHS’s discretion, could include a wall system, fencing, levees, technology, or other physical barriers
- Increases the number of Border Patrol agents, Customs and Border Protection (CBP) Officers at ports, agricultural inspectors, Immigration and Customs Enforcement officers, immigration judges and federal prosecutors
- Streamline the CBP hiring process for military veterans and law enforcement personnel
- Requires CBP to deploy a biometric entry system at fifteen U.S. airports within 18 months and at all U.S. airports within five years

Anticipated Impact/Discussion

While several provisions in S. 1757 could provide additional CBP staffing resources at CBP’s San Diego port, some elements of this bill may be considered by community leaders to be a deterrent to the cross-border trade and tourism that currently benefits the regional economy.

Status: 8/3/17 – Introduced in the Senate

Position: Watch (9/7/17)

*Shaded text represents new or updated legislative information

Legislation/Topic
S. 1872 (Thune) – TSA Modernization Act

Background/Summary

This legislation would reauthorize Transportation Security Administration (TSA) programs for three years. The bill includes several provisions that would benefit airports, including \$55 million in additional funding for the law enforcement officer (LEO) reimbursement program and continued funding that would allow TSA officers to continue to staff airport exit lanes instead of shifting that responsibility to airports as proposed by the Trump administration. The bill would also establish a five-year term for the TSA Administrator, similar to the FAA Administrator's term and requires TSA to significantly expand the PreCheck program.

Anticipated Impact/Discussion

Enactment of this legislation would ensure the availability of federal funding for several programs of importance to SDIA and while enhancing the development and acquisition of new security technologies which could be incorporated into the SDIA security process.

Status: 10/4/17 – Approved by Senate Commerce Committee

Position: Support (11/2/17)

Legislation/Topic
S. 2314 (McCaskill) – The Border and Port Security Act

Background/Summary

This bill would require the Commissioner of Customs and Border Protection (CBP) to hire, train, and assign at least 500 new CBP officers annually until the number of CBP officers equals the number of CBP officers needed under the CBP's Workload Staffing Model.

Anticipated Impact/Discussion

If enacted, this bill could potentially result in additional CBP officers at SDIA depending on the allocation of the additional CBP officers that would be hired pursuant to this bill. California Senator Kamala Harris is a cosponsor of S. 2314.

Status: 1/10/18 – Introduced and Referred to the Senate Committee on Homeland Security and Governmental Affairs

Position: Support (2/1/18)

*Shaded text represents new or updated legislative information

Legislation/Topic

S. 2422 (Warren) – Study on the Health Impacts of Air Traffic Noise and Pollution

Background/Summary

S. 2422 would require the Administrator of the Federal Aviation Administration to enter into an arrangement with the Health and Medicine Division of the National Academies of Sciences, Engineering, and Medicine to convene a committee of experts in health and environmental science to examine the various health impacts of air traffic noise and pollution.

Anticipated Impact/Discussion

Although this bill is not expected to directly impact operations at San Diego International Airport, the information collected by the study may be useful in helping the Airport Authority describe any potential health or impacts of air traffic noise and pollution.

Status: 2/13/18 – Introduced in the Senate

Position: Watch (4/5/18)

*Shaded text represents new or updated legislative information

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Amendment to Authority Policy 1.21 and Appointment of Authority Advisory Committee Members

Recommendation:

Adopt Resolution No. 2018-0039, amending Authority Policy 1.21 and approving appointments to the Authority Advisory Committee.

Background/Justification:

The Authority's Advisory Committee (Committee) was established by Authority Policy 1.21 to facilitate input from community stakeholders and subject-matter experts regarding Authority planning and development activities. Policy 1.21 specifies inclusion of members with knowledge of six areas of expertise (airport management; passenger and freight air transportation operations and economics; general aviation; the natural environment; regional economic development; and business, including the technology sector of the economy) as well as, to the extent feasible, representatives from six other organizations/groups (the Department of Transportation; local public transit authorities; local governments; the campuses of the University of California and the California State Universities in the region; the United States Department of Defense; and other groups and residents of San Diego County).

While the Board is responsible for approving the appointments of all Committee members, nominations are received from various sources. Approval of this item by the Authority Board would add two new members to the Committee. As a result, the Committee would be comprised of not more than twenty (20) members, with (1) one member nominated by the Deputy Trustee of the San Diego and Imperial Counties Labor Council, and (1) one member nominated by the Authority President/CEO from organized labor. If approved by the Board, appointments will be made during a future Board meeting to fill these positions. Approval of this item would also incorporate technical non-substantive corrections to Policy 1.21.

In addition to amending this Policy, there is a need for the Board to approve two nominations to the Committee as a result of recent changes to Committee member responsibilities and employment status.

PROPOSED REVISION TO POLICY 1.21

This section highlights the proposed revisions to Policy 1.21 that would expand Committee membership (Attachment A).

Committee Membership

The revised policy would allow for a maximum of 20 Committee members, with the Board continuing to make all appointments to the Committee. Nominations for each of the seats would come from designated organizations or Authority staff as follows:

(Seats 1 – 7) The President/CEO shall nominate individuals to fill seats representing each of the following categories:

- (1) airport management;
- (2) passenger and freight air transportation operations and economics;
- (3) general aviation;
- (4) the natural environment;
- (5) local government;
- (6) the campuses of the University of California and the California State Universities in the region; and
- (7) organized labor.

(Seats 8 – 15) The Presidents of the organizations listed below may each nominate one individual. As shown below, in some cases, the nominating organization rotates among different organizations at the conclusion of each two year term.

- (8) San Diego Regional Economic Development Corporation
- (9) Rotation among:
 - a. San Diego North Economic Development Council
 - b. East County Economic Development Council
 - c. South County Economic Development Council
- (10) San Diego Regional Chamber of Commerce
- (11) Rotation among:
 - a. CleanTECH San Diego
 - b. BIOCOM
 - c. CONNECT
- (12) Metropolitan Transit System
- (13) North County Transit District
- (14) San Diego County Taxpayers Association
- (15) San Diego Convention and Visitors Bureau

(Seat 16) The Deputy Trustee of the San Diego and Imperial Counties Labor Council or his/her designee may nominate one individual to serve in this seat.

(Seat 17) The District Director of the California Department of Transportation for the San Diego Region or his/her designee serves in this seat.

(Seat 18) The representative of the United States Department of Defense currently serving on the Board or his/her designee serves in this seat.

(Seats 19 – 20) Two seats are reserved for members of the general public. Whenever a vacancy occurs in one of these seats, a notice is issued by the Authority. The Chief Auditor and Vice President of Development jointly review and nominate individuals to serve in these two seats.

NOMINATIONS TO FILL OPEN SEATS

As a result of recent changes to Committee member responsibilities and employment status, there is a need for the Board to approve two nominations to the Committee (Attachment B).

Nominations have been received for each of the two seats that require new Committee appointments. The name and biographical information of each nominee, category represented by the nominee, and the source of the nomination are listed below.

Seat 3: ROGER GRIFFITHS (appointment) – Mr. Griffiths serves as the Director of San Diego County Airports. Prior to becoming Airports Director, Mr. Griffiths managed Gillespie Field in El Cajon from 2004 to 2018. Mr. Griffiths was born and raised in Great Britain, and attended the University Air Squadron. Upon his graduation in 1991, Mr. Griffiths joined the Royal Air Force and was an operations officer for eight years. He left the military in 1999, and settled in San Diego where he began working at McClellan-Palomar Airport as the airport operations coordinator, running the day-to-day operations, and then served as assistant manager until 2004. (Category: General aviation: nominated by Kim Becker President/CEO, San Diego County Regional Airport Authority)

Seat 12: KRISTINA SVENSK (appointment) – Ms. Svensk is the North County Transit District's (NCTD) Principal Project Planner and is a certified planner with the American Institute of Certified Planners (AICP). As Principal Project Planner, Ms. Svensk focuses on long-range and strategic planning efforts throughout the District and coordinates legislative, intergovernmental, and other strategic matters with the Executive Director. She holds a Bachelor's degree from California Polytechnic State University – San Luis Obispo in Environmental Horticultural Science and Landscape Design, as well as a Master's degree from San Jose State University in Urban and Regional Planning. (Category: Local public transit authorities: North County Transit District; Nominated by Matthew Tucker, Executive Director, NCTD)

Staff recommends that the board appoint each of the individuals listed above.

Fiscal Impact:

Not applicable.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

MICHAEL KULIS
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

RESOLUTION NO. 2018-0039

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AMENDING AUTHORITY POLICY 1.21 AND APPROVING APPOINTMENTS TO THE AUTHORITY ADVISORY COMMITTEE

WHEREAS, California Public Utilities Code §170054 requires the establishment of an advisory committee (“Advisory Committee”) to assist the San Diego County Regional Airport Authority (“Authority”) in performing its responsibilities related to the planning and development of all airport facilities for the County of San Diego; and

WHEREAS, the Authority Board desires to have timely and qualitative input from a diverse community in the planning and development of airport facilities; and

WHEREAS, the Authority Board amends Authority Policy 1.21 to increase membership from no more than eighteen (18) members to no more than twenty (20) members; and

WHEREAS, one (1) Advisory Committee member may be nominated by the Deputy Trustee of the San Diego and Imperial Counties Labor Council; and

WHEREAS, one (1) Advisory Committee member may be nominated by the Authority President/CEO to fill a seat reserved for a representative of organized labor; and

WHEREAS, as a result of recent changes to Committee member responsibilities and employment status, there is a need for the Board to approve the nominations for appointments to two vacant seats; and

WHEREAS, the Board desires to appoint to the Advisory Committee individuals whose nominations were received pursuant to Authority Policy 1.21.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the amendments to Authority Policy 1.21 “Attachment A” and the appointment of the individuals listed on “Attachment B” as members of the Advisory Committee for the terms of service stated; and

BE IT FURTHER RESOLVED that the Board finds that this action is not a “project” as defined by the California Environmental Quality Act (“CEQA”) (California Public Resources Code § 21065); and is not a “development” as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of May, 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY RUSSELL
DIRECTOR, CORPORATE
& INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**POLICIES**

ARTICLE	1	-	ADMINISTRATION AND GOVERNANCE
PART	1.2	-	<u>AUTHORITY ADVISORY BOARD COMMITTEES</u>
SECTION	1.21	-	<u>AUTHORITY ADVISORY COMMITTEE</u>

PURPOSE: To establish a policy for the establishment and governance of the Advisory Committee to assist the Authority in performing its responsibilities related to the planning and development of all airport facilities in the County of San Diego.

The Advisory Committee is established to facilitate input from community stakeholders and subject-matter experts regarding planning and development activities of the Authority as assigned and designated by the Board and/or President/CEO.

Cal. Pub. Util. Code §170054 of the San Diego County Regional Airport Authority Act provides:

“(a) The Authority shall form an advisory committee to assist it in performing its responsibilities related to the planning and development of all airport facilities for the County of San Diego, including the airport activities and operations of the United States Department of Defense. In selecting members for the committee, the Authority shall include persons knowledgeable about airport management, passenger and freight air transportation operations and economics, general aviation, the natural environment, regional economic development, business, including the technology sector of the economy.

(b) To the extent feasible, the advisory committee shall include representatives from the Department of Transportation, local public transit authorities, local governments, the campuses of the University of California and the California State University in the region, the United States Department of Defense and other groups and residents of San Diego County.

(c) When forming the advisory committee, the Authority shall make its selections for membership from individuals representing all elements of the County of San Diego.”

DEFINITIONS:

~~Advisory Committee. The "advisory committee" as defined by Cal. Pub. Util. Code §170054.~~

~~Authority. The San Diego County Regional Airport Authority.~~

~~Board. Board of Directors of the Authority.~~

~~President/CEO. The President/CEO of the Authority or his/her designee.~~

~~Members. Persons duly appointed to a seat on the Advisory Committee by the Board.~~

POLICY STATEMENT:

The Advisory Committee shall have Members with an interest in assisting the Authority in the planning and development of airport facilities. The Advisory Committee shall have no more than eighteen-twenty (1820) Members.

(1) Membership.

(A) Seats.

(i) Members shall serve in seats on the Advisory Committee reserved for persons with knowledge and experience in the following areas:

- (a) Airport management (1 Seat);
- (b) Passenger and freight air transportation operations and economics (1 Seat);
- (c) General aviation (1 Seat);
- (d) The natural environment (1 Seat);
- (e) Regional economic development (2 Seats); and
- (f) Business, including the technology sector of the economy (2 Seats); and
- (g) Organized labor (1 Seat).

(ii) To the extent feasible, Members shall serve in seats on the Advisory Committee reserved for persons representing the following:

- (a) The Department of Transportation (1 Seat);
- (b) Local public transit authorities (2 Seats);
- (c) Local governments (1 Seat);
- (d) The campuses of the University of California and the California State Universities in the region (1 Seat);
- (e) The United States Department of Defense (1 Seat); and
- (f) San Diego and Imperial Counties Labor Council (SDICLC) (1 Seat); and
- (fg) Other groups and residents of San Diego County (4 Seats).

(B) Appointments. ~~Proposed and Nominated~~ Members of the Advisory Committee shall all be appointed by the Board in its sole discretion.

(C) Nominations. Proposed Members shall be nominated to seats on the Advisory Committee as follows:

(i) The President/CEO shall nominate ~~sixseven (67)~~ individuals as ~~proposed Members~~ to fill the seats reserved for:

- (a) Airport management;
- (b) General aviation;
- (c) The natural environment;
- (d) Passenger and freight air transportation operations and economics;
- (e) Local governments; and
- (f) Organized labor; and
- ~~(g)~~ The campuses of the University of California and the California State Universities in the region.

(ii) Two (2) individuals may be nominated as ~~proposed Members~~ to fill the seats reserved for "Regional economic development" as follows:

(a) Seat One. The president of the San Diego Regional Economic Development Corporation ("SDREDC") may nominate one (1) individual. This nominee shall be a staff member of the SDREDC.

(b) Seat Two. The president of the first organization listed below may nominate one (1) individual. This nominee shall be a staff member of the nominating organization and shall serve a single two-year term. At the conclusion of that term, the president of the next listed organization may nominate a successor in accordance with the same standards. The nominating organization shall continue to rotate in the order listed below after every two-year term:

1. San Diego North Economic Development Council
2. East County Economic Development Council
3. South County Economic Development Council.

(iii) Two (2) individuals may be nominated as ~~proposed Members~~ to fill the seats reserved for "Business, including the technology sector of the economy" as follows:

(a) Seat One. The president of the San Diego Regional Chamber of Commerce ("SDRCC") may nominate one (1) individual. This nominee shall be a staff member of the SDRCC.

(b) Seat Two. The president of the first organization listed below may nominate one (1) individual. This nominee shall be a staff member of the nominating organization and shall serve a single two-year term. At the conclusion of that term, the president of the next listed organization may nominate a successor in accordance with the same standards. The nominating organization shall continue to rotate in the order listed below after every two-year term:

1. CleanTECH San Diego
2. BIOCOMBiocom
3. CONNECT

(iv) Two (2) individuals may be nominated ~~as proposed Members~~ to fill the seats reserved for "Local public transit authorities" as follows:

(a) Seat One. The president of the Metropolitan Transit System ("MTS") may nominate one (1) individual. This nominee shall be a staff or board member of MTS.

(b) Seat Two. The president of the North County Transit District ("NCTD") may nominate one (1) individual. This nominee shall be a staff or board member of NCTD.

(v) The District Director of the California Department of Transportation for the San Diego Region or his/her designee shall be ~~nominated as a proposed Member~~ to fill the seat reserved for "The Department of Transportation."

(vi) The representative of the United States Department of Defense currently serving on the Board or his/her designee shall be ~~nominated as a proposed Member~~ nominated to fill the seat reserved for "The United States Department of Defense."

(vii) The Deputy Trustee of the San Diego and Imperial Counties Labor Council (SDICLC) or his/her designee shall nominate one (1) individual. This nominee shall be a staff or board member of SDICLC.

~~(viii)~~ Four (4) individuals may be nominated ~~as proposed Members~~ to fill the "Other groups and residents of San Diego County" seats as follows:

(a) Seat One. The president of the San Diego County Taxpayers Association ("SDCTA") may nominate one (1) individual. This nominee shall be a staff member of the SDCTA.

(b) Seat Two. The president of the San Diego ~~Convention and Visitors Bureau~~ Tourism Authority ("SDCVBSDTA") may nominate one (1) individual. This nominee shall be a staff member of SDTASDCVB.

(c) Seats Three and Four. The Auditor and the Vice President responsible for planning may jointly nominate two (2) individuals. The President/CEO shall issue a public notice whenever a vacancy occurs in any of the seats described in this subsection. Any individual residing in San Diego County and meeting the qualifications shall have the opportunity to apply to serve by providing information as to his/her qualifications and background.

(2) Failure to Nominate. In the event a nominating organization/individual fails to nominate an individual for Membership on the Advisory Committee within sixty (60) days of the existence of a vacant seat, ~~of this Policy's adoption and/or the existence of a vacant seat,~~ the President/CEO shall be authorized to nominate a ~~proposed~~ Member for the remaining unexpired term of the vacant seat.

(3) Vacancies. Vacancies of Members on the Advisory Committee shall be filled as they occur in the same manner as initial appointments. Replacement members shall complete the remaining term of the vacating member. Any Member who is eligible for nomination/appointment to a seat on the Advisory Committee based, in whole or in part upon their status as a staff member or board member of an organization, shall forfeit their Membership on the Advisory Committee whenever that status changes such that they no longer would be eligible for nomination/appointment to the seat which they hold; and, said seat shall be considered vacant in accordance with this Policy.

(4) Term of Members. The term of each Member's appointment to the Advisory Committee shall be two (2) years, ~~provided, however, that for those first appointments occurring immediately following the initial adoption of this policy, the Board, in its sole discretion, may appoint up to eight (8) Members for terms of three (3) years to provide for staggered terms.~~

(5) Removal of Members. The Board, in its sole discretion, may act to remove any Member from the Advisory Committee.

(6) Chair. The Members shall elect a Chair from among the Members. The Chair shall serve for the duration of his/her appointed term or until his/her removal or resignation, whichever is earlier. The Chair shall set meeting agendas in consultation with the

President/CEO, conduct meetings, guide discussions and summarize meeting results. In the event that the Chair is not present at a meeting of the Advisory Committee, the President/CEO shall, with the consensus of the Members present, appoint a Member present to serve as Facilitator for that meeting.

(7) Quorum. Six (6) Members must be physically present to constitute a quorum. A quorum shall be required for the conduct of any and all business of the Advisory Committee.

(8) Compensation. The Authority shall not compensate Members for their participation on the Advisory Committee.

(9) Meetings. Advisory Committee meetings shall be scheduled as necessary, but no less than twice annually. Meetings shall be called by the President/CEO. At least one (1) meeting annually shall include a briefing on airport development activities and programs and a tour of San Diego International Airport.

(10) Committee Recommendations. ~~Discussions at meetings of the Advisory Committee will be recorded and a~~ detailed summary of each meeting shall be recorded, including and any recommendations made by Members, will ~~shall~~ be provided to the Board and President/CEO for review and consideration.

(11) Ad Hoc Subcommittees. The President/CEO may create ad hoc subcommittees of Members to consider one or more specific topics.

~~(12) Former Advisory Committee Members and Former Board Members. The President/CEO shall maintain a roster of former Advisory Committee members and former Board members ("Members Emeritus Roster") who may serve as additional resources during Advisory Committee discussions. Unless otherwise appointed as Members, these former Advisory Committee members and former Board members shall not serve as Members but may be called upon by the Authority, as it deems necessary, to participate in certain Advisory Committee discussions and provide additional expertise and input on matters before the Advisory Committee. Any former Advisory Committee member or former Board member may elect to have his/her name removed from the Members Emeritus Roster at any time. All former Advisory Committee members and former Board members on the Members Emeritus Roster shall be invited to attend the Advisory Committee's annual briefing on airport development activities and programs and tour of San Diego International Airport.~~

(12) Ralph M. Brown Act and the California Public Records Act. The Advisory Committee, including each of its Members and all of its meetings, shall be subject to the provisions of the Ralph M. Brown Act ("Public Meeting Law") and the Public Records Act. [Cal. Gov. Code §§ 54950 *et seq.* and Cal. Gov. Code §§ 6254 *et seq.*]

[Amended by Resolution No. 2011-0084R dated August 4, 2011]
[Amended by Resolution No. 2010-0104 R dated October 10, 2010]
[Amended by Resolution No. 2009-0024 R dated March 5, 2009.]
[Amended by Resolution No. 2008-0090 R dated July 10, 2008.]
[Resolution No. 2008-0051 dated May 1, 2008 was rescinded by Resolution No. 2008-0090R.]
[Amended by Resolution No. 2007-0084 R dated July 5, 2007.]
[Adopted by Resolution No. 2005-0016 dated February 7, 2005.]

ATTACHMENT B

San Diego County Regional Airport Authority			Approved Res. No.
ADVISORY COMMITTEE MEMBERS			
Name	Seat	Appointed	Term Ends
AIRPORT MANAGEMENT			
Oris Dunham	1	10/08/16	10/07/18
PASSENGER AND FREIGHT AIR TRANSPORTATION OPERATIONS AND ECONOMICS			
Jim Panknin	2	10/08/17	10/07/19
GENERAL AVIATION			
Roger Griffiths	3	05/03/18	10/07/19
THE NATURAL ENVIRONMENT			
Emily Young	4	10/08/17	10/07/19
LOCAL GOVERNMENT			
Deanna Spehn	5	10/08/17	10/07/19
THE CAMPUSES OF THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITIES			
Gina Jacobs	6	10/08/17	10/07/19
ORGANIZED LABOR			
Vacant	7		
REGIONAL ECONOMIC DEVELOPMENT			
Nikia Clarke	8	02/01/18	10/07/18
Erik Bruvold	9	02/01/18	10/07/19
BUSINESS, INCLUDING THE RECHNOLOGY SECTOR OF THE ECONOMY			
Jerry Sanders	10	10/08/16	10/07/18
Jason Anderson	11	10/08/17	10/07/19
LOCAL PUBLIC TRANSIT AUTHORITIES			
Bill Sandke	12	02/01/18	10/07/18
Kristina Svensk	13	05/03/18	10/07/19
SAN DIEGO AND IMPERIAL COUNTIES LABOR COUNCIL			
Vacant	16		
THE DEPARTMENT OF TRANSPORTATION			
Seth Cutter	17	02/01/18	10/07/18
THE UNITED STATES DEPARTMENT OF DEFENSE			
Col. Carl Huenefeld II (Ret.)	18	10/08/16	10/07/18
OTHER GROUPS AND RESIDENTS OF SAN DIEGO COUNTY			
Haney Hong	14	10/08/16	10/07/18
Joe Terzi	15	10/08/16	10/07/18
Frederick Ladit	19	10/08/17	10/07/19
Robert Orr, M.D.	20	10/08/17	10/07/19

Board Communication

Date: May 5, 2018
To: Board Members
Via: Kimberly J. Becker, President/CEO
From: Scott M. Brickner, Vice President, Finance & Asset Management/Treasurer
Subject: Unaudited Financial Statements for the Nine Months Ended March 31, 2018 and 2017:

Attached is the Authority's Unaudited Financial Statements for the Nine Months Ended March 31, 2018 and 2017 that was presented to the Finance Committee on April 23, 2018.



SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Acceptance of the Unaudited Financial Statements for the Nine Months Ended March 31, 2018 and 2017

Presented by:

Scott Brickner, CPA

Vice President, Finance and Asset Management/Treasurer

Kathy Kiefer

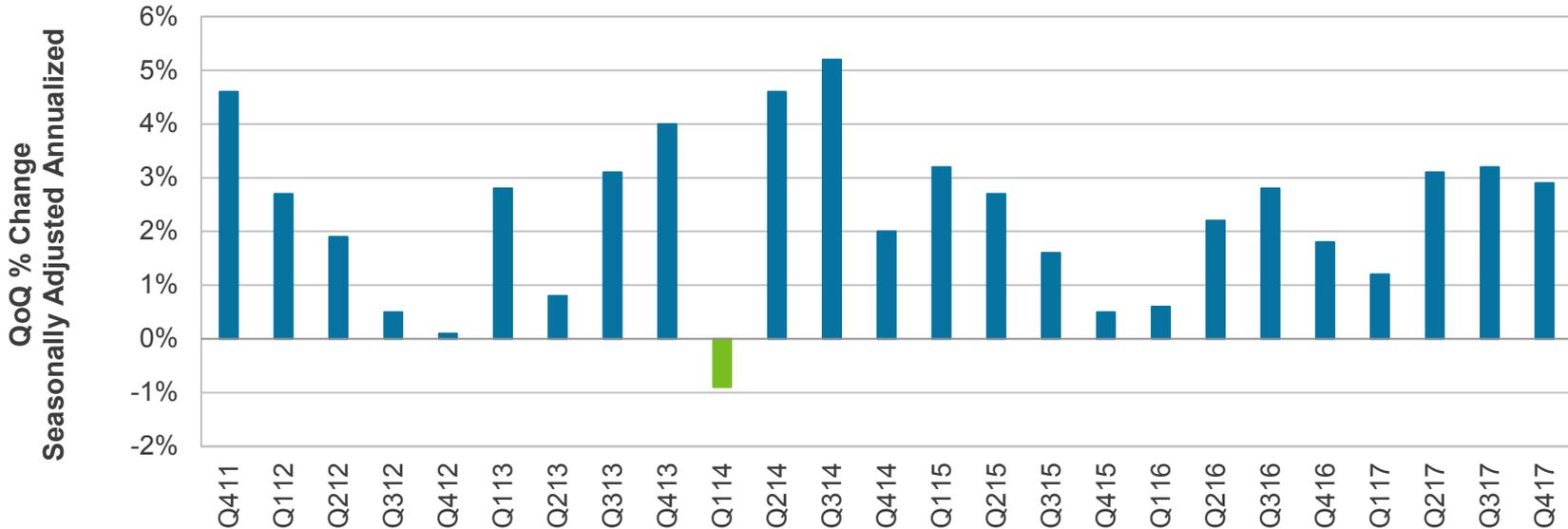
Senior Director, Finance & Asset Management

May 3, 2018

Fourth Quarter GDP

Fourth quarter GDP growth was revised up more than expected to 2.9% from the second estimate of 2.5%, driven largely by an upward revision to consumer spending. Consumer spending was very strong in the fourth quarter but net exports and inventories were both a large drag on growth during the fourth quarter.

U.S. Gross Domestic Product (QoQ)
Fourth Quarter 2011 – Fourth Quarter 2017

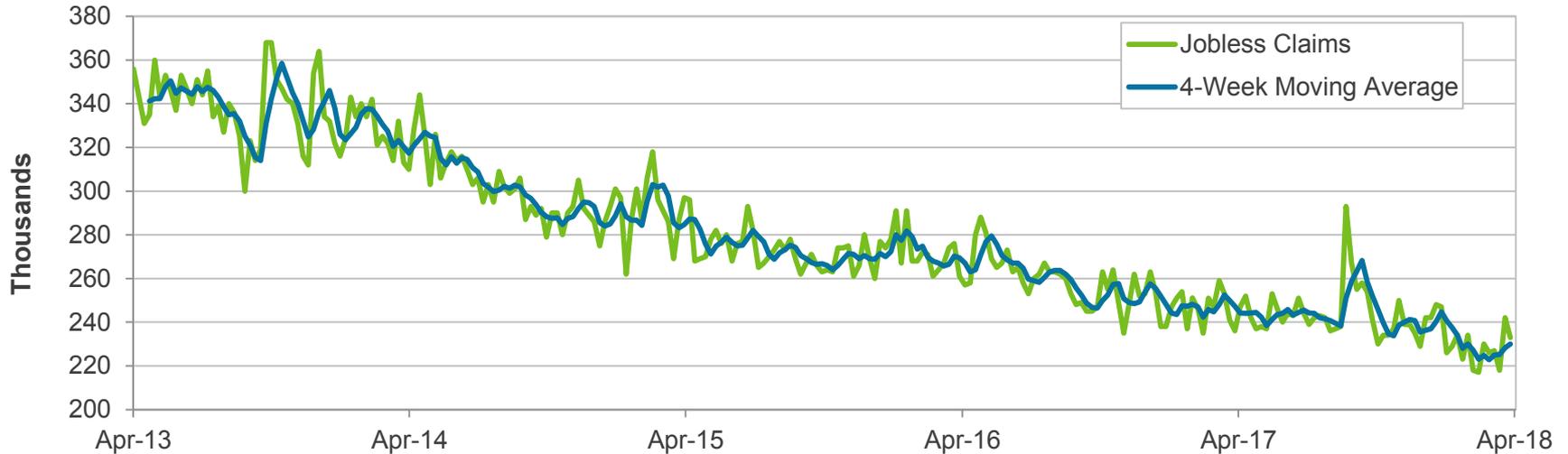


Initial Claims For Unemployment

For the week ending April 14, initial jobless claims decreased by 1,000 to 232,000. The 4-week moving average increased by 1,250 to 231,250. Despite the increase, jobless claims reflect strong demand for labor and are consistent with a healthy labor market.

Initial Jobless Claims and 4-Week Moving Average

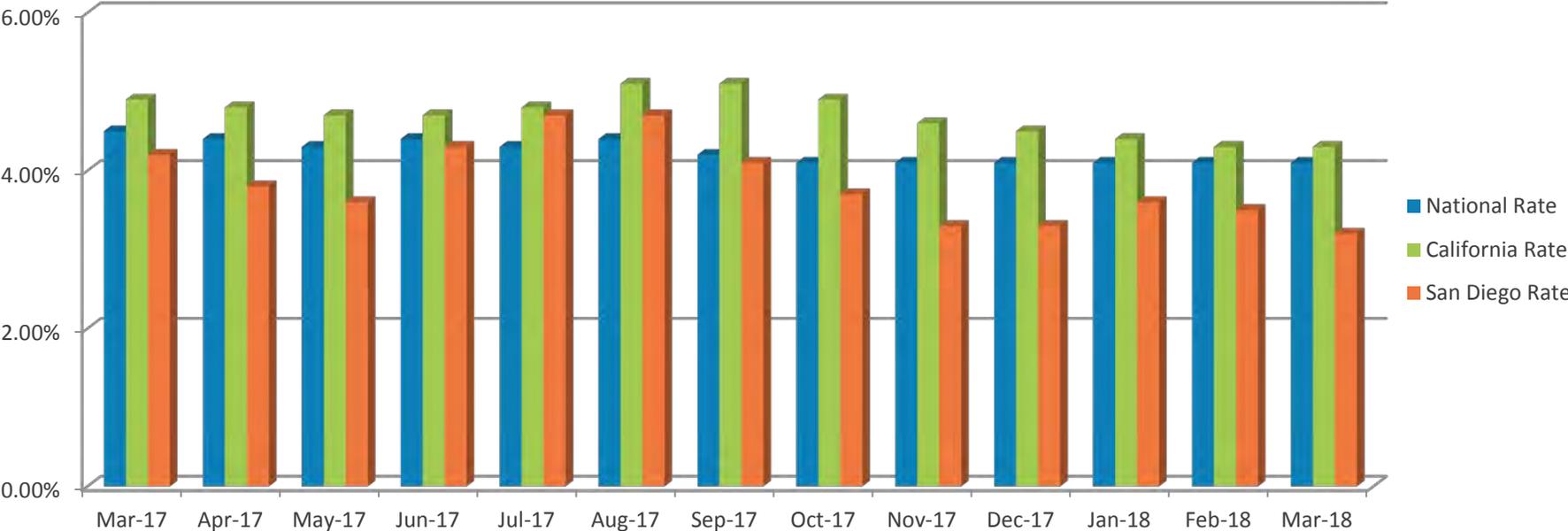
April 12, 2013 – April 13, 2018



Unemployment Rates

The National unemployment rate remained steady at 4.10 percent from February to March. The National U-6 rate also lowered from 8.2 percent in February to 8.0 percent in March. The California rate remained steady at 4.3 percent from February to March. Locally, the San Diego rate lowered from 3.5 percent in February to 3.2 percent in March.

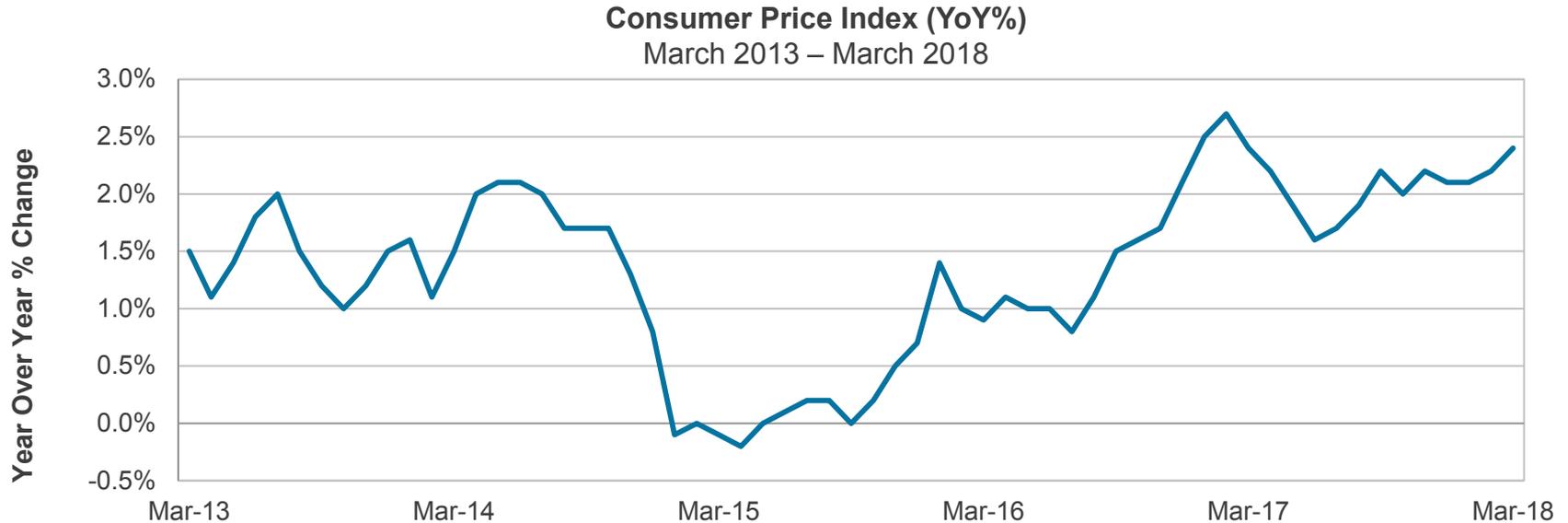
Unemployment Rates



Source: US Dept of Labor, CA EDD

Consumer Price Index

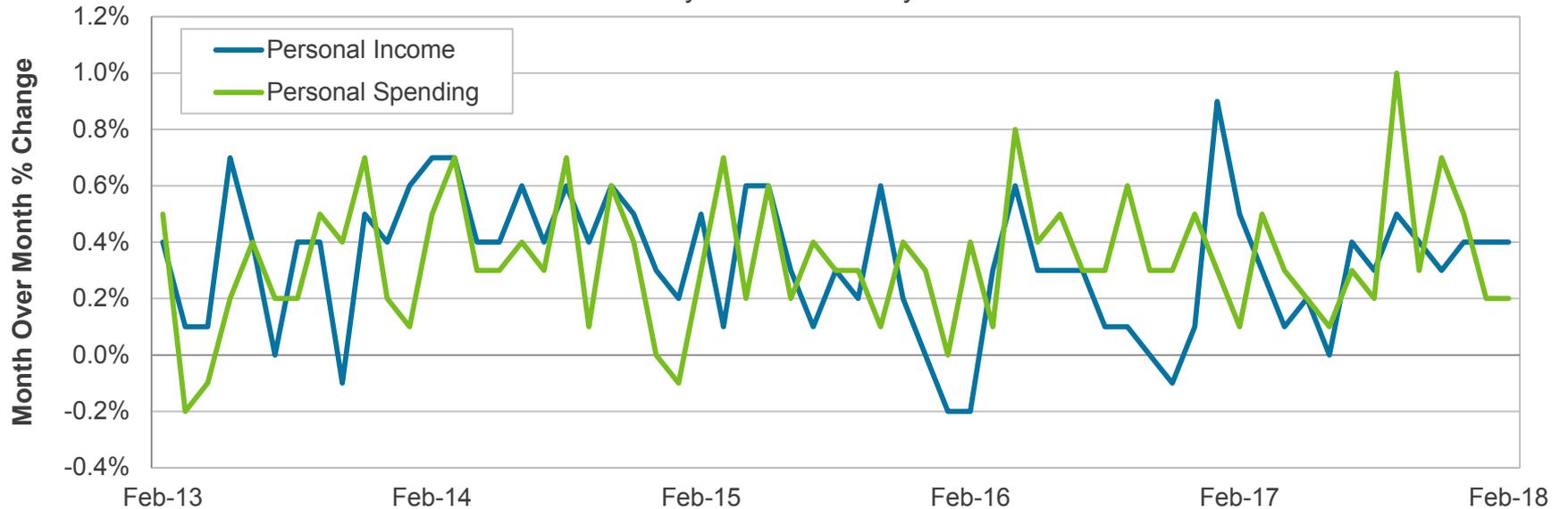
The Consumer Price Index (CPI) was up 2.4% year-over-year in March, up from 2.2% in February. Core CPI (CPI less food and energy) was up 2.1% year-over-year in March, up from 1.8% in February.



Personal Income and Spending

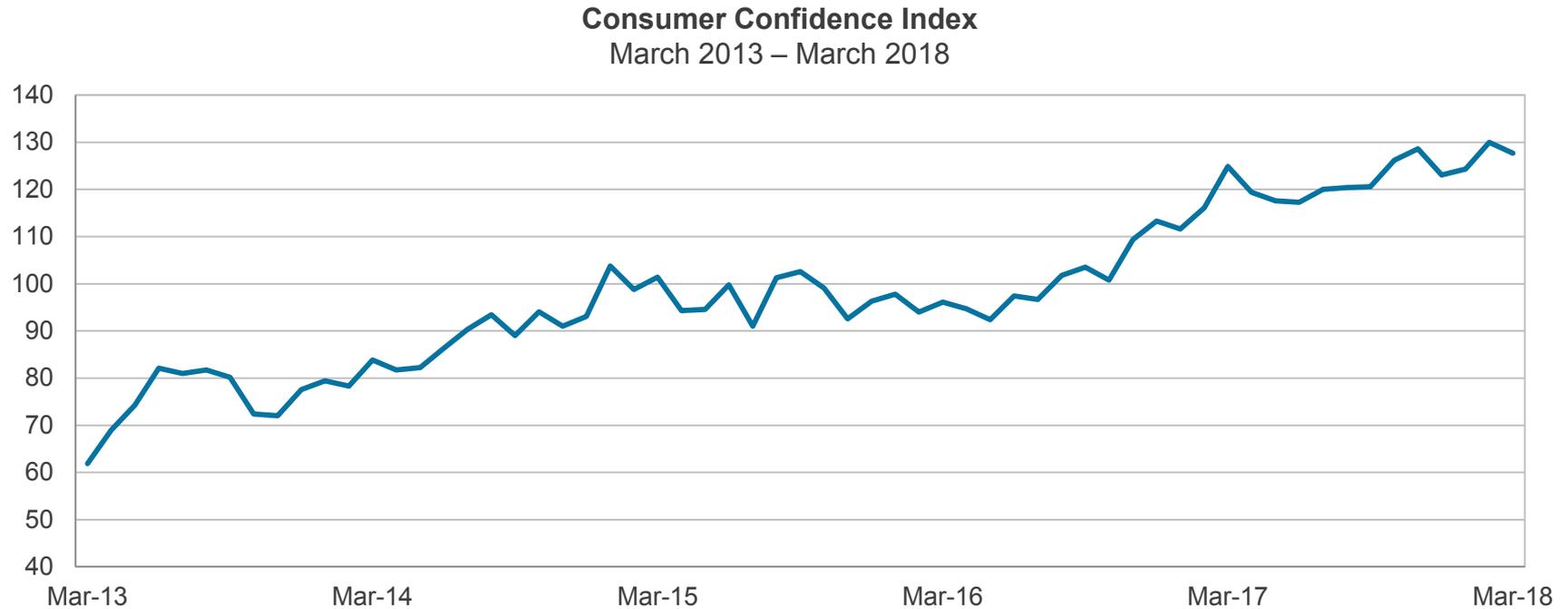
Personal income rose by 0.4% in February, fueled in part by a 0.5% gain in wages & salaries. Consumer spending remained soft and rose by just 0.2% in February.

Personal Income and Spending (MoM%)
February 2013 – February 2018



Consumer Confidence Index

The Consumer Confidence Index remained robust but eased slightly to 127.7 in March from 130.0 in February. Despite ongoing strength in the labor market and a high level of consumer confidence, consumer spending remains modest.



Existing Home Sales

Existing home sales rose 3.0% in February to a seasonally adjusted rate of 5.540 million units, bouncing back from the 3.2% decline in January. Nevertheless, supply constraints and rising mortgage rates present a headwind to the housing market.

U.S. Existing Home Sales (MoM)
February 2008 – February 2018

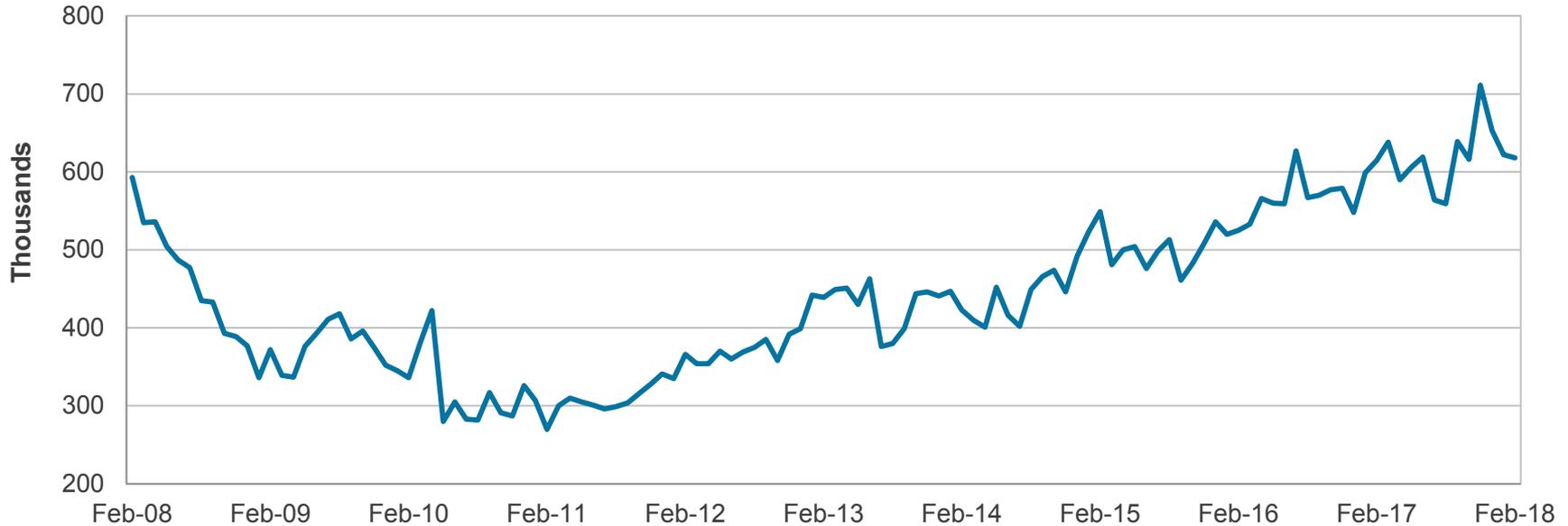


New Home Sales

New home sales fell slightly in February to an annualized rate of 618,000 units from an upwardly-revised annualized rate of 622,000 in January. Prices rose 0.6% in the month and were up 9.7% on a year-over-year basis in February. Supply has recently increased up which is generally favorable for overall sales.

U.S. New Home Sales

February 2008 – February 2018



Crude Oil Prices

U.S. West Texas Intermediate (WTI) crude closed at \$68.47 per barrel on April 18, above its 30-day average of \$65.14 and its 12-month average of \$54.26. The Energy Information Administration is now forecasting an average WTI crude oil spot price of \$59/b in 2018 and 2019 (up from the previous forecast of \$58/b).

West Texas Intermediate Oil Price Per Barrel (WTI Spot)

April 19, 2013 – April 19, 2018



Jet Fuel Prices

Jet fuel (U.S. Gulf Coast Spot) closed at \$2.033 per gallon on April 18, which was above its 30-day average of \$1.971 and its 12-month average of \$1.675.

U.S. Gulf Coast Kerosene-Type Jet Fuel Spot Price FOB

April 19, 2013 – April 19, 2018

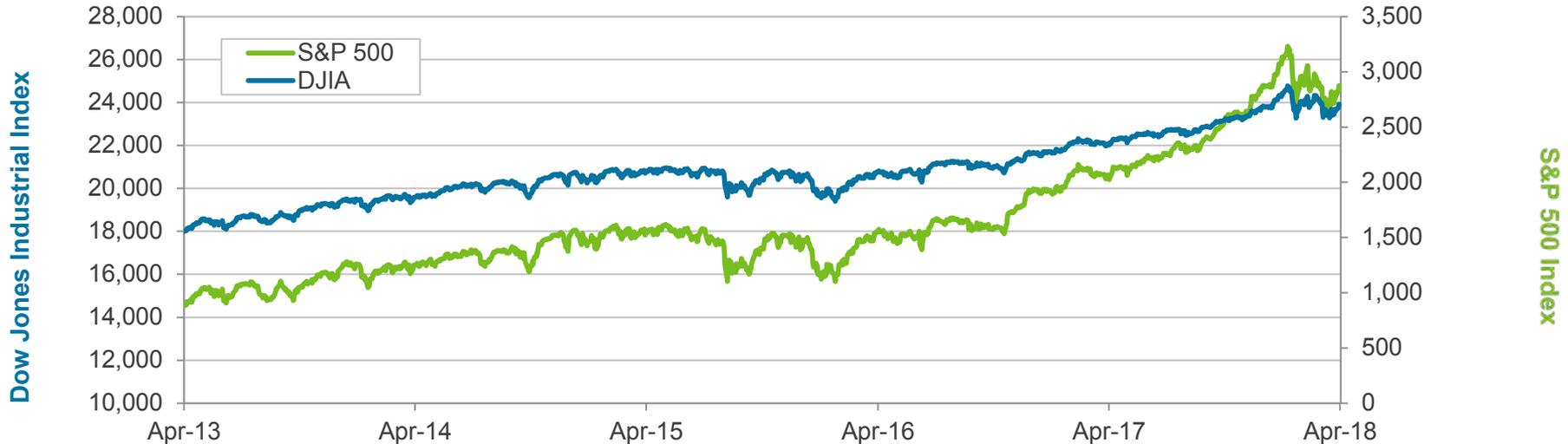


U.S. Equity Markets

U.S. equity markets have been volatile since the end of January, following a long period of low volatility. Year-to-date, the DJIA is roughly flat and the S&P 500 index is up slightly. We believe uncertainty about the pace of monetary policy normalization, inflation, economic growth, and global trade has fueled the volatility and we expect equities markets to remain volatile over the near-term.

Dow Jones Industrial Average (DJIA) and S&P 500 Indices

April 19, 2013 – April 19, 2018

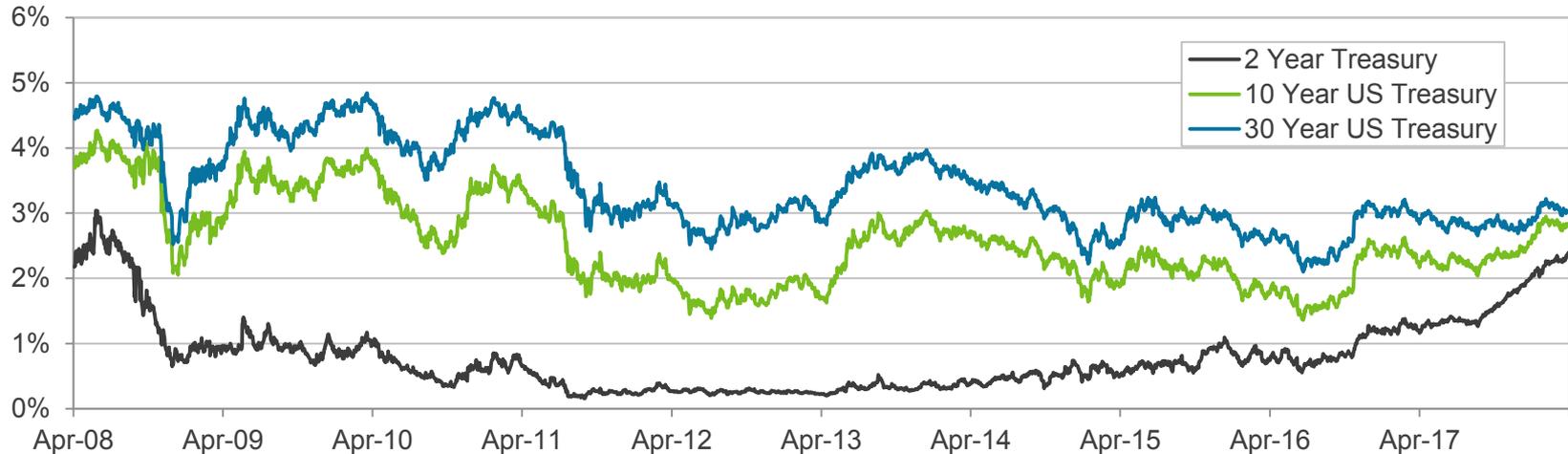


Treasury Yield History

We believe technical factors, along with expectations for further monetary policy normalization by the Fed, are keeping longer-term rates contained. All else being equal, we believe the Fed's efforts to normalize the balance sheet will likely promote a steeper yield curve (and wider 2-year to 10-year spread) later this year. Tax reform may also be stimulative to the economy and drive yields at the long end of the curve higher.

2-, 10- and 30-year U.S. Treasury Yields

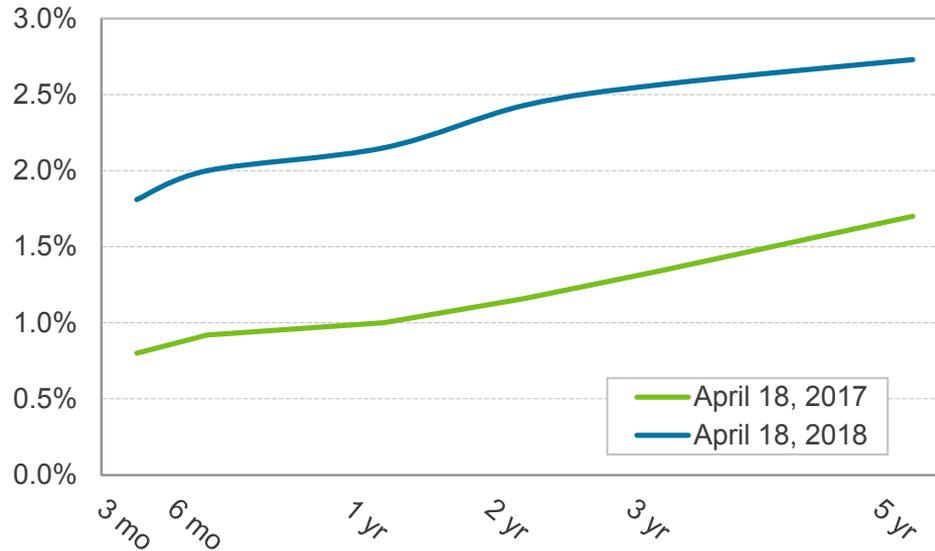
April 19, 2008 – April 20, 2018



U.S. Treasury Yield Curve

Year-over-year, shorter-term Treasury yields have increased more than longer-term Treasury yields, leading to a flatter Treasury yield curve. The spread between 2-year and 10-year Treasuries is currently less than 50 basis points, compared to a spread of over 100 basis points at this time last year. The Fed has raised the fed funds target rate by 100 basis points since March 16, 2017, which has fueled the increase in shorter-term rates.

U.S. Treasury Yield Curve
April 18, 2017 versus April 18, 2018

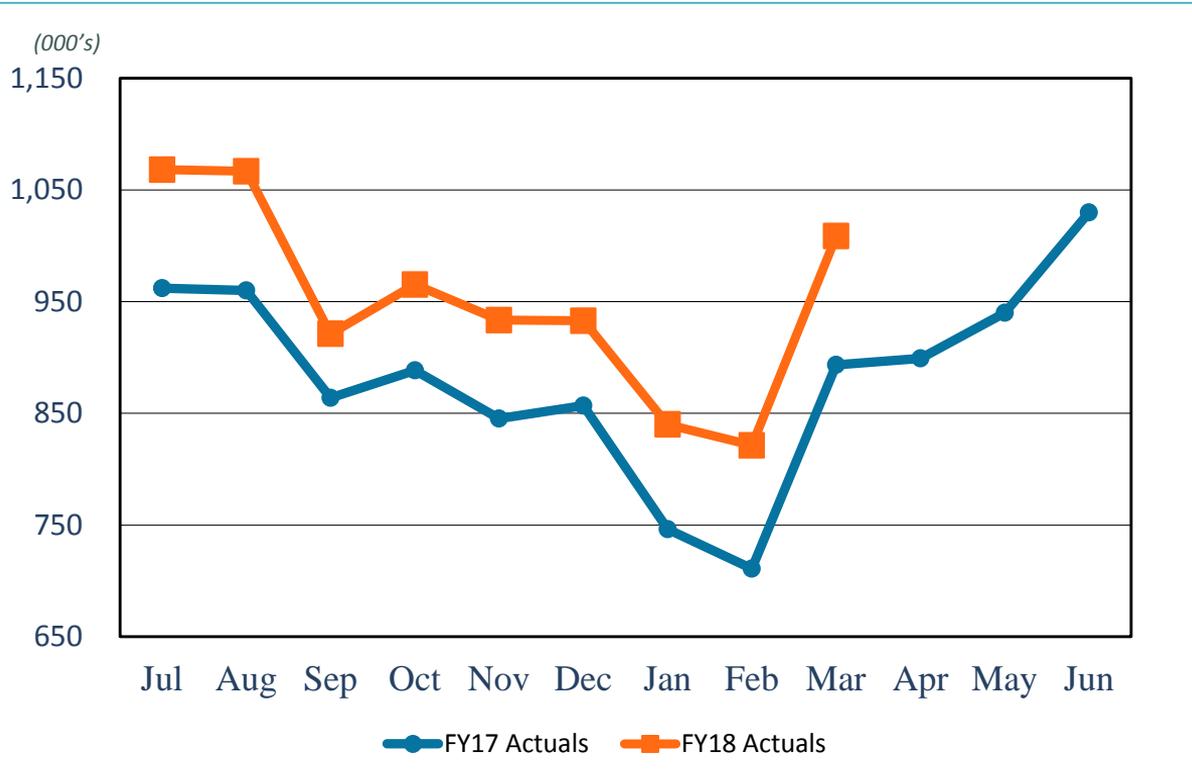


	4/18/17	4/18/18	Change
3-Mo.	0.80%	1.81%	1.01%
6-Mo.	0.92%	2.00%	1.08%
1-Yr.	1.00%	2.15%	1.15%
2-Yr.	1.16%	2.43%	1.27%
3-Yr.	1.35%	2.57%	1.22%
5-Yr.	1.70%	2.73%	1.03%
10-Yr.	2.17%	2.87%	0.71%
30-Yr.	2.84%	3.06%	0.23%



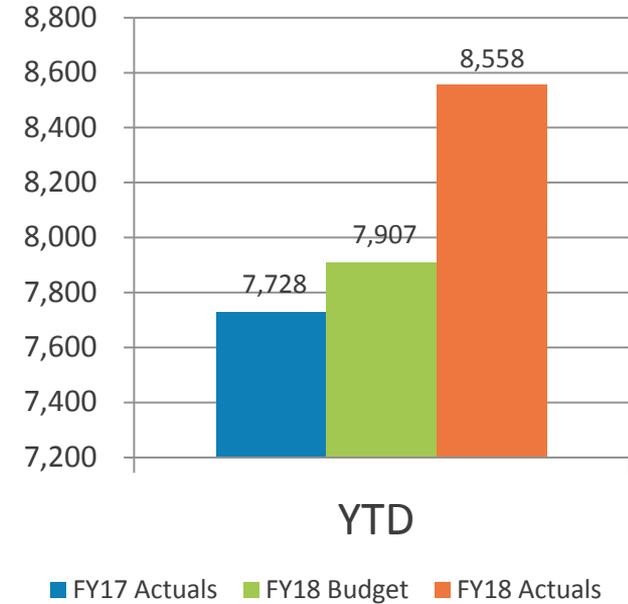
Revenue & Expenses (Unaudited) For the Month Ended March 31, 2018 and 2017

Enplanements

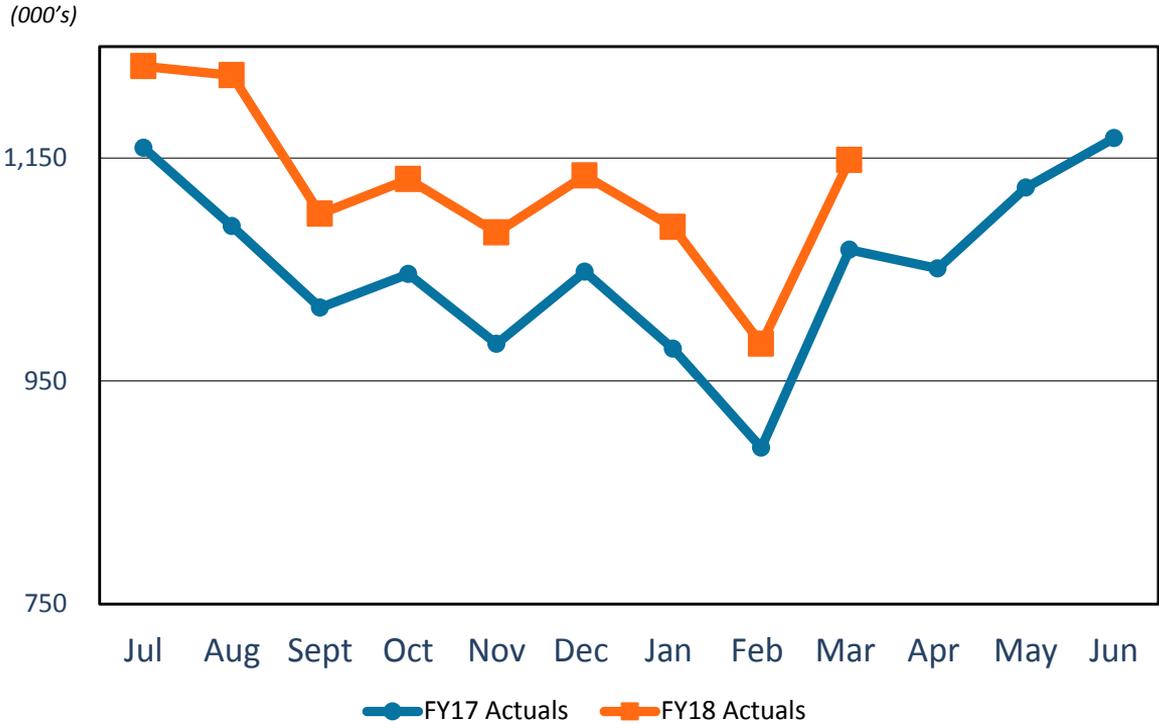


FY18 YTD Act Vs.
FY17 YTD Act
10.8%

FY18 YTD Act Vs.
FY18 YTD Budget
8.2%

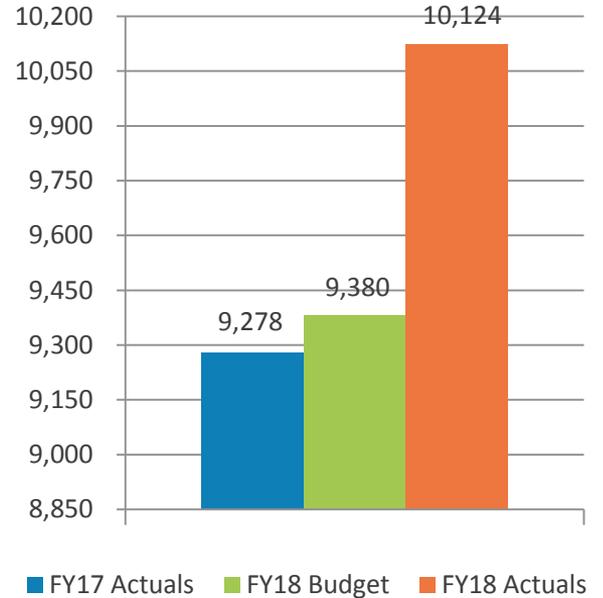


Gross Landing Weight Units (000 lbs)

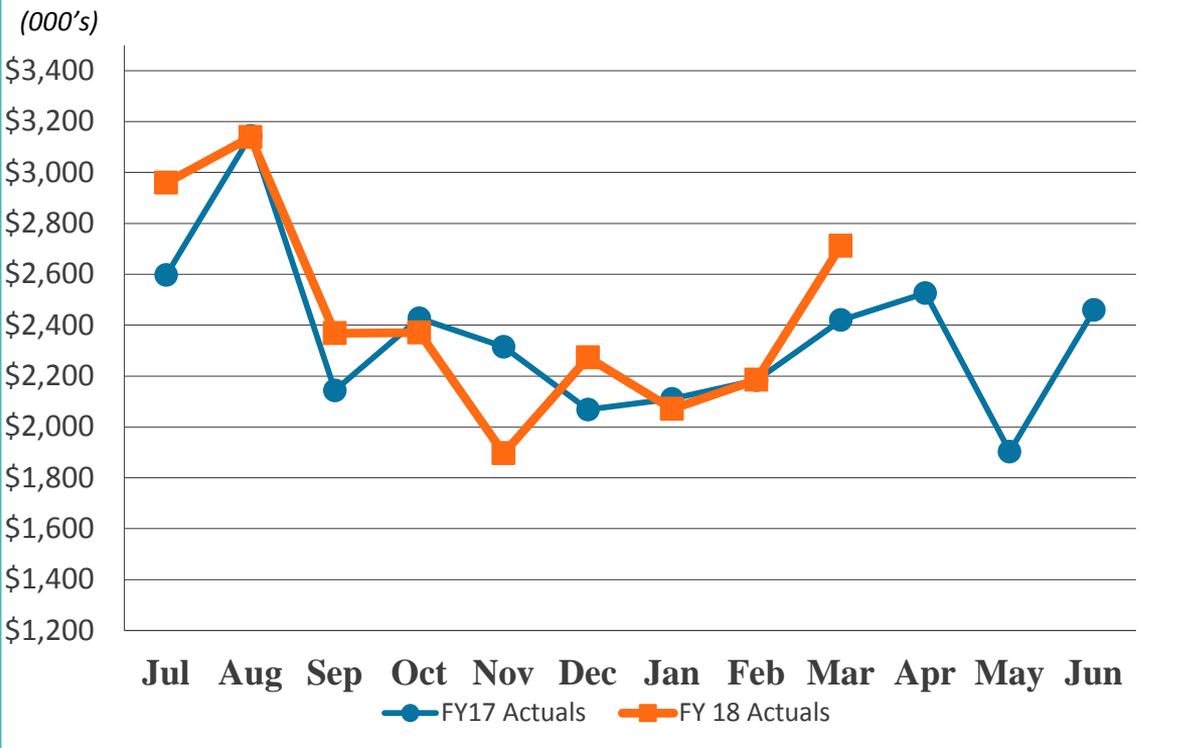


FY18 YTD Act Vs.
FY17 YTD Act
9.1%

FY18 YTD Act Vs.
FY18 YTD Budget
7.9%

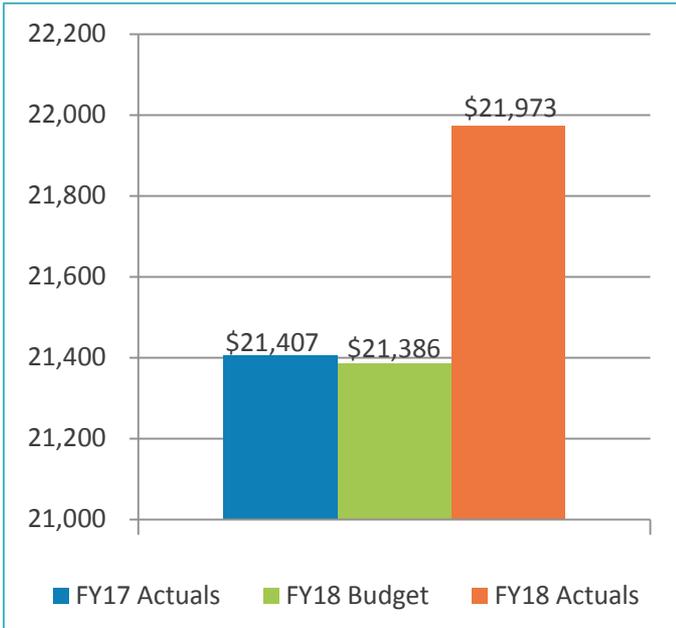


Car Rental License Fees

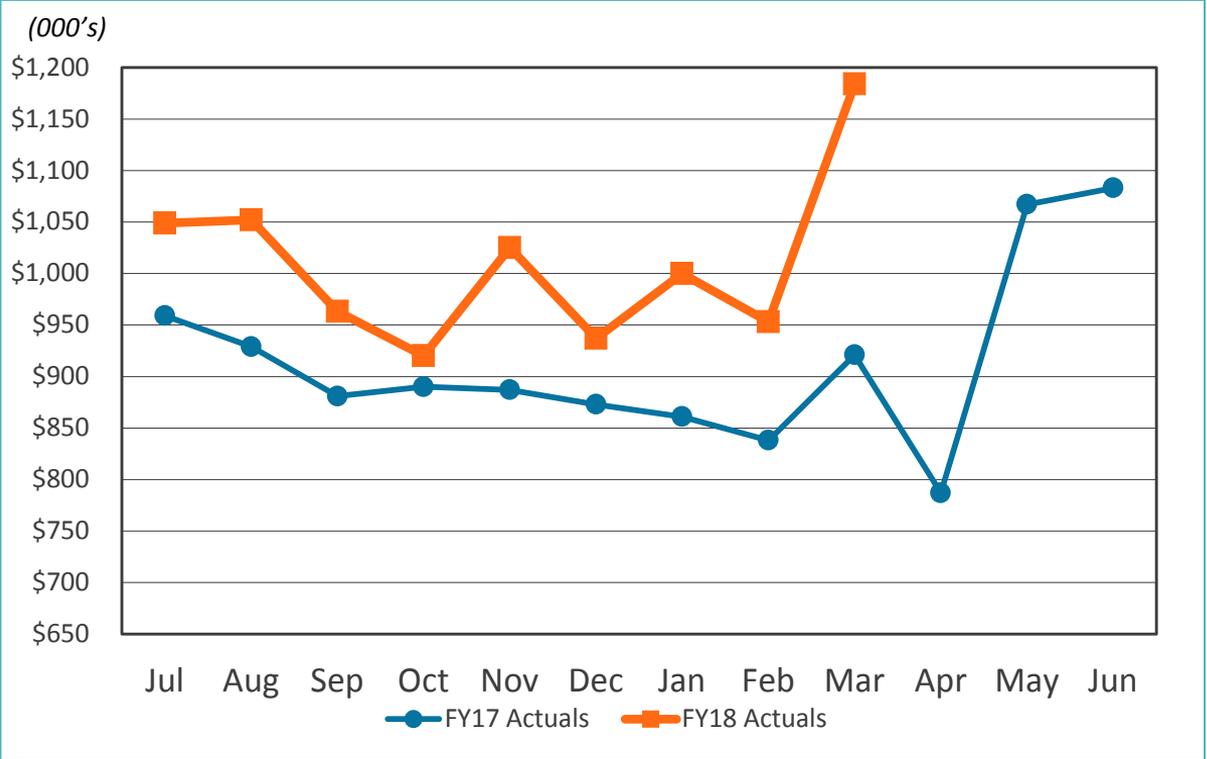


FY18 YTD Act Vs.
FY17 YTD Act
2.6%

FY18 YTD Act Vs.
FY18 YTD Budget
2.7%

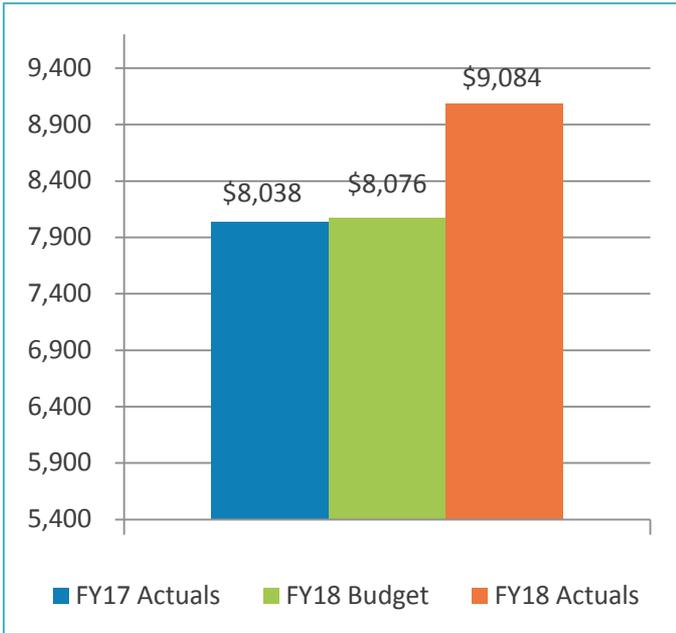


Food and Beverage Concessions Revenue

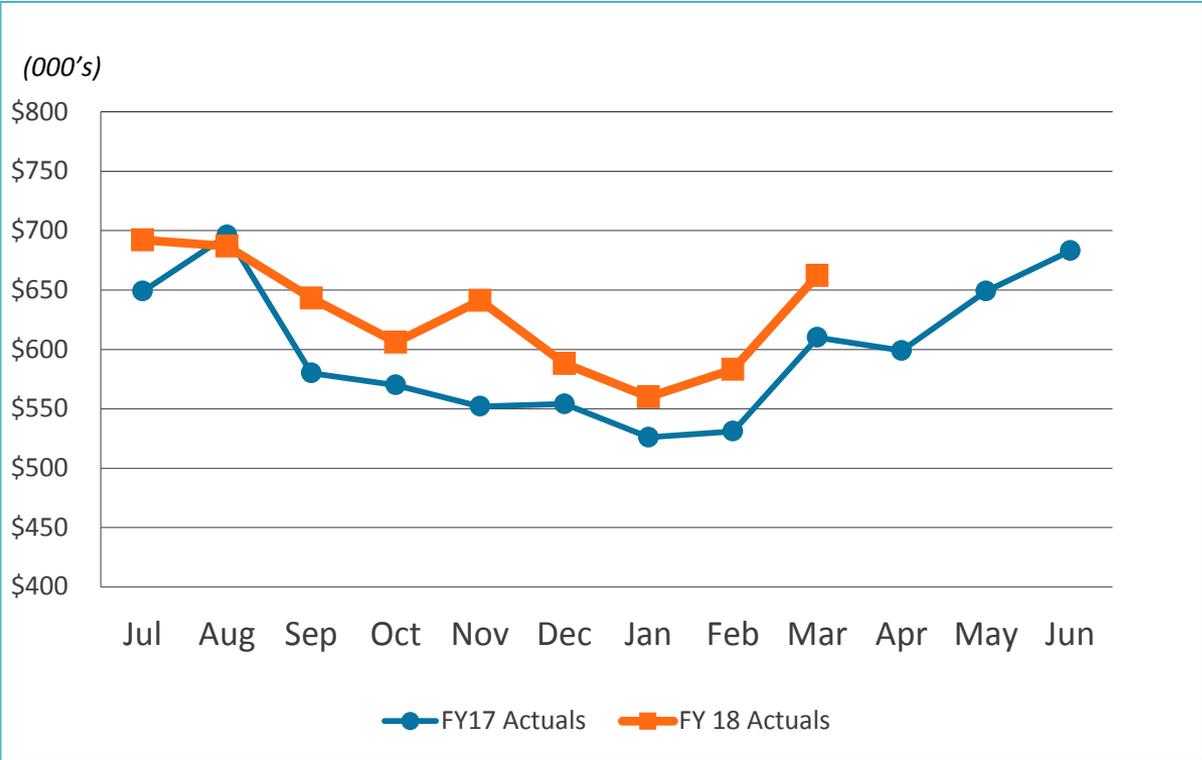


FY18 YTD Act Vs.
FY17 YTD Act
13.0%

FY18 YTD Act Vs.
FY18 YTD Budget
12.4%

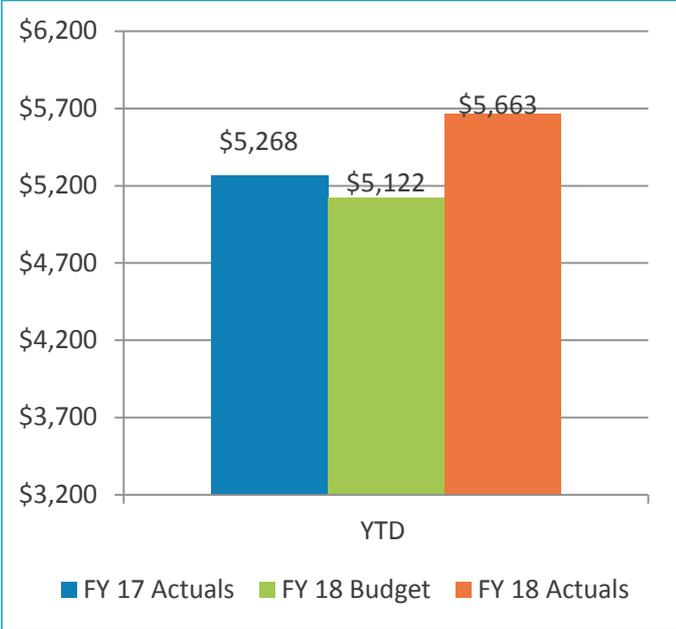


Retail Concessions Revenue

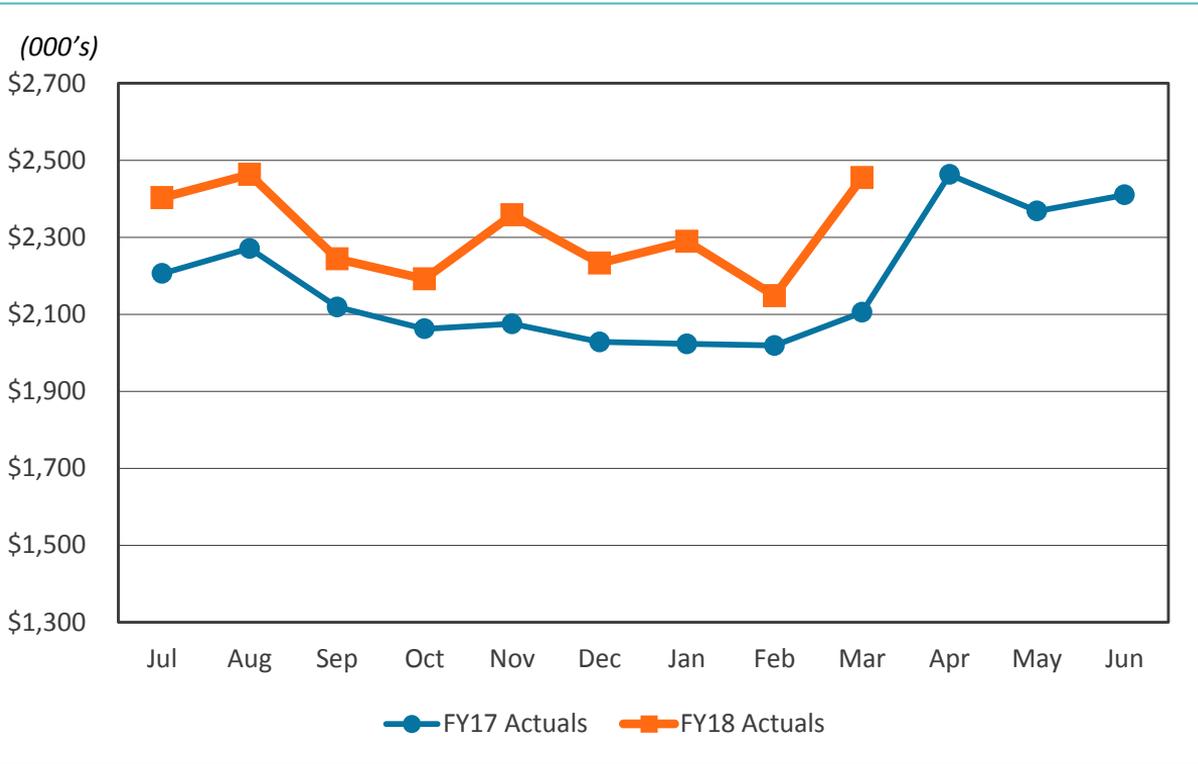


FY18 YTD Act Vs.
FY17 YTD Act
7.5%

FY18 YTD Act Vs.
FY18 YTD Budget
10.5%

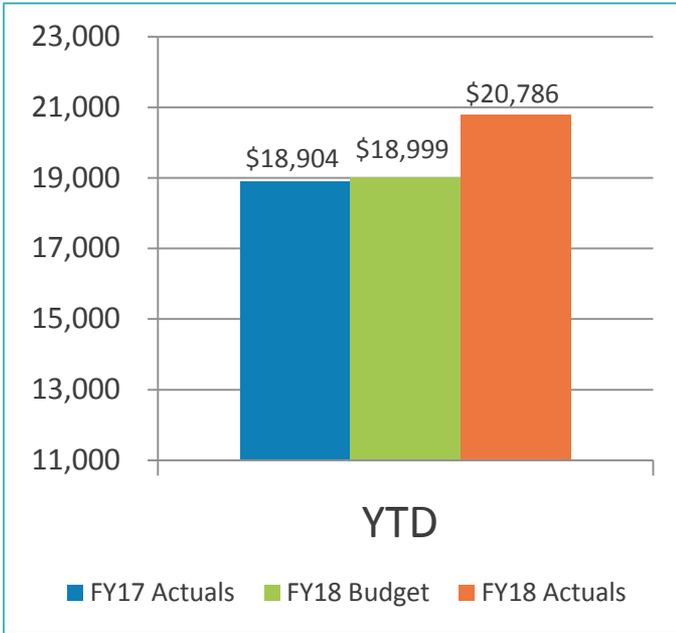


Total Terminal Concessions (Includes Cost Recovery)

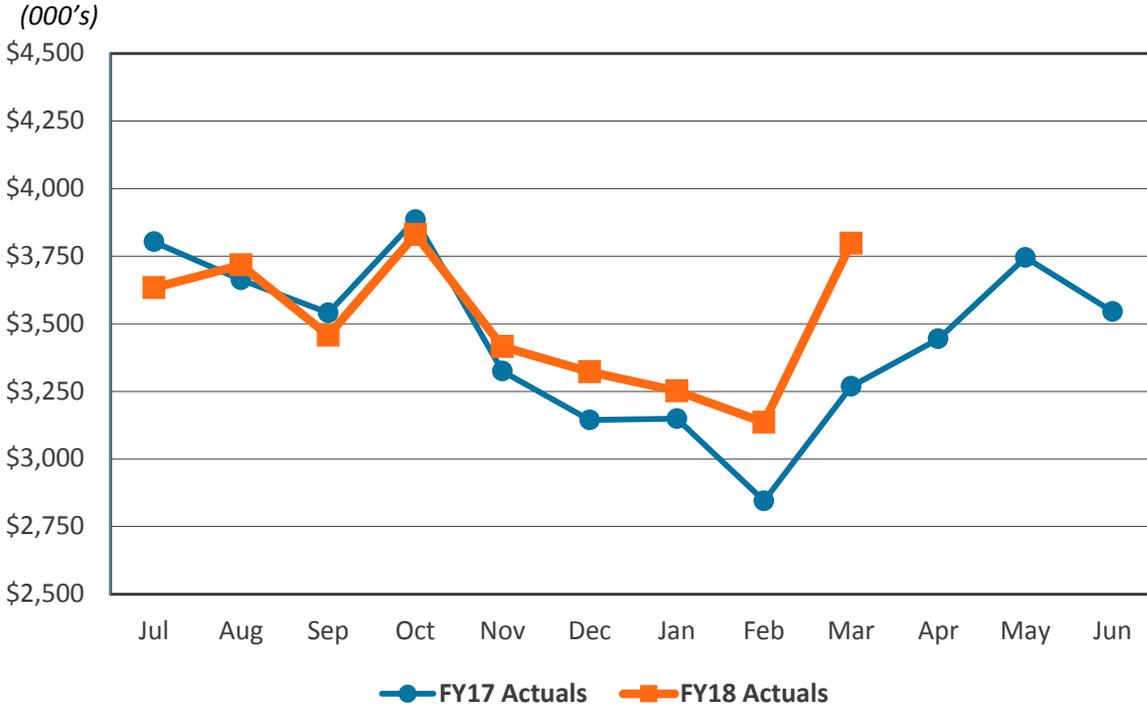


FY18 YTD Act Vs.
FY17 YTD Act
10.0%

FY18 YTD Act Vs.
FY18 YTD Budget
9.4%

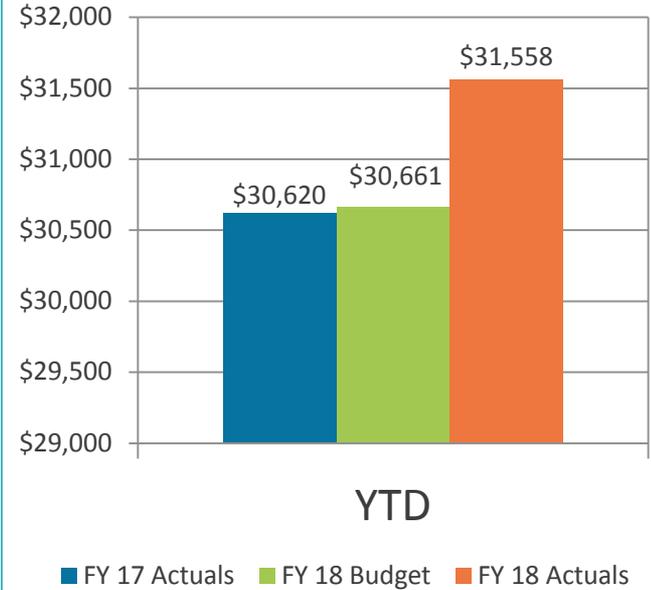


Parking Revenue



FY18 YTD Act Vs.
FY17 YTD Act
3.0%

FY18 YTD Act Vs.
FY18 YTD Budget
3.0%



Operating Revenues

for the Month Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Aviation revenue:					
Landing fees	\$ 2,364	\$ 1,368	\$ (996)	(42)%	\$ 963
Aircraft parking fees	252	267	15	6%	242
Building rentals	4,898	4,956	58	1%	4,604
Security surcharge	2,737	2,749	12	-	2,487
CUPPS Support Charges	117	117	-	-	104
Other aviation revenue	16	15	(1)	(4)%	134
Total aviation revenue	\$ 10,384	\$ 9,472	\$ (912)	(9)%	\$ 8,534

Operating Revenues

for the Month Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 132	\$ 179	\$ 47	36%	\$ 130
Concession revenue:					
Terminal concession revenue:					
Food and beverage	979	1,184	205	21%	921
Retail	622	662	40	6%	610
Space storage	73	74	1	2%	73
Cost recovery	260	251	(9)	(4)%	209
Other (<i>Primarily advertising</i>)	312	284	(28)	(9)%	292
Total terminal concession revenue	2,246	2,455	209	9%	2,105
Car rental and license fee revenue:					
Rental car and license fees	2,655	2,711	56	2%	2,420
Rental car center cost recovery	144	142	(2)	(1)%	188
License fees-other	413	414	1	-	386
Total rental car and license fees	3,212	3,267	55	2%	2,994
Total concession revenue	\$ 5,458	\$ 5,722	\$ 264	5%	\$ 5,099

Operating Revenues

for the Month Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
Short-term parking revenue	\$ 1,809	\$ 2,136	\$ 327	18%	\$ 1,855
Long-term parking revenue	1,455	1,661	206	14%	1,413
Total parking revenue	3,264	3,797	533	16%	3,268
Ground transportation permits and citations	635	785	150	24%	692
Ground rentals	1,623	1,648	25	2%	1,535
Grant reimbursements	-	25	25	-	(47)
Other operating revenue	64	126	62	96%	64
Subtotal	5,586	6,381	795	14%	5,512
Total operating revenues	\$ 21,560	\$ 21,754	\$ 194	1%	\$19,275

Operating Expenses

for the Month Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 5,168	\$ 5,050	\$ 118	2%	\$ 4,846
Contractual services	3,890	3,896	(6)	-	3,870
Safety and security	3,275	3,307	(32)	(1)%	2,941
Space rental	849	849	-	-	849
Utilities	895	1,070	(175)	(20)%	1,037
Maintenance	1,130	1,222	(92)	(8)%	1,010
Equipment and systems	49	62	(13)	(27)%	62
Materials and supplies	41	56	(15)	(36)%	63
Insurance	90	87	3	4%	79
Employee development and support	102	143	(41)	(40)%	177
Business development	250	101	149	60%	275
Equipment rental and repairs	275	321	(46)	(17)%	239
Total operating expenses	\$ 16,014	\$ 16,164	\$ (150)	(1)%	\$15,448

Net Operating Income (Loss) Summary

for the Month Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Total operating revenues	\$ 21,560	\$ 21,754	\$ 194	1%	\$19,275
Total operating expenses	16,014	16,164	(150)	(1)%	15,448
Income from operations	5,546	5,590	44	1%	3,827
Depreciation	11,594	11,594	-	-	7,595
Operating income (loss)	\$ (6,048)	\$ (6,004)	\$ 44	1%	\$ (3,768)

Nonoperating Revenues & Expenses

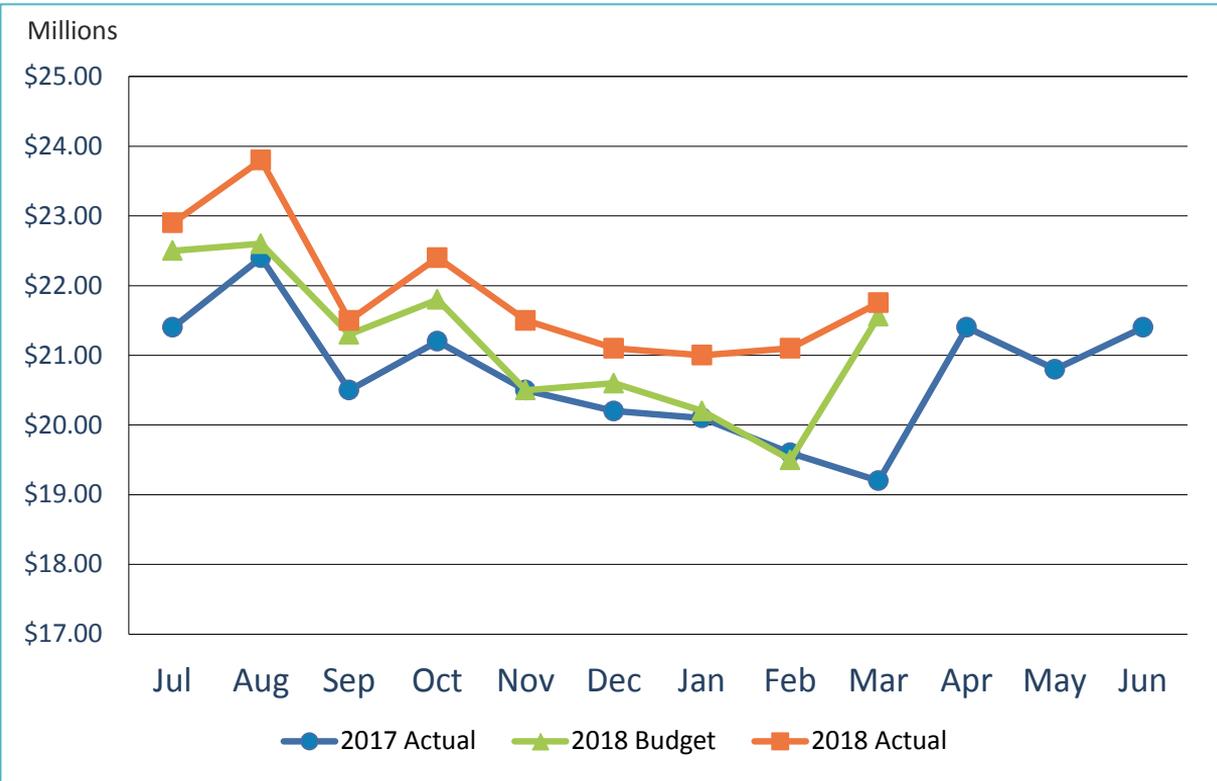
for the Month Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 3,968	\$ 4,635	\$ 667	17%	\$ 3,598
Customer facility charges (Rental Car Center)	3,521	3,623	102	3%	3,334
Quieter Home Program, net	(344)	(537)	(193)	(56)%	(55)
Interest income	712	1,387	675	95%	667
BAB interest rebate	388	389	1	-	386
Interest expense & debt issuance costs	(6,783)	(6,208)	575	8%	(5,135)
Bond amortization	337	487	150	45%	345
Other nonoperating revenue (expenses)	(1)	322	323	-	(148)
Nonoperating revenue, net	1,798	4,098	2,300	128%	2,992
Change in net position before grant contributions	(4,250)	(1,906)	2,344	55%	(776)
Capital grant contributions	821	528	(293)	(36)%	290
Change in net position	\$ (3,429)	\$ (1,378)	\$ 2,051	60%	\$ (486)



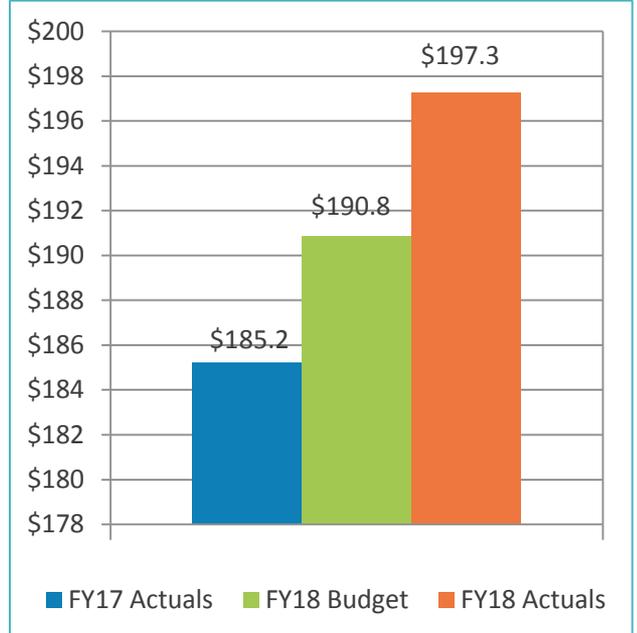
**Revenue & Expense
(Unaudited)
For the Nine Months Ended
March 31, 2018 and 2017**

Operating Revenue (Unaudited)



FY18 YTD Act Vs.
FY17 YTD Act
6.5%

FY18 YTD Act Vs.
FY18 YTD Budget
3.3%



Operating Revenues

for the Nine Months Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 20,385	\$ 19,725	\$ (660)	(3)%	\$ 18,931
Aircraft parking fees	2,265	2,400	135	6%	2,181
Building rentals	44,137	44,585	448	1%	41,246
Security surcharge	24,676	24,689	13	-	22,366
CUPPS Support Charges	1,051	1,052	1	-	932
Other aviation revenue	146	138	(8)	(6)%	1,215
Total aviation revenue	\$ 92,660	\$ 92,589	\$ (71)	-	\$ 86,871

Operating Revenues

for the Nine Months Ended March 31, 2018 (Unaudited)

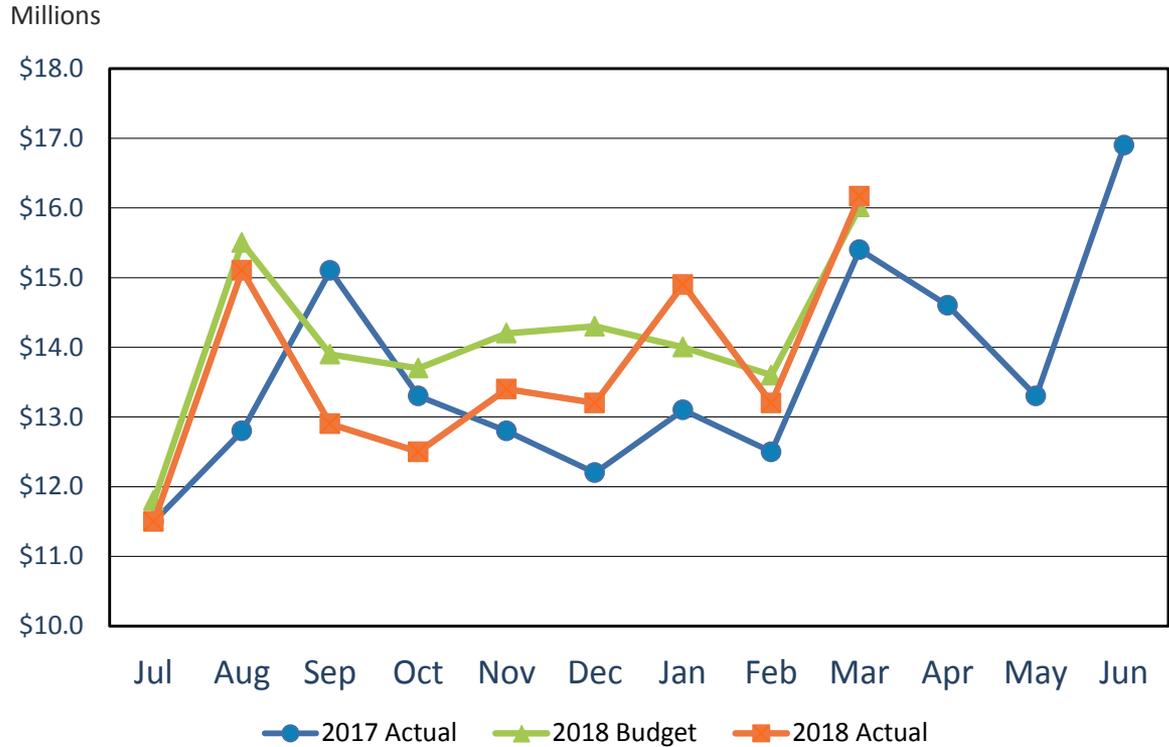
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 1,190	\$ 1,500	\$ 310	26%	\$ 1,155
Concession revenue:					
Terminal concession revenue:					
Food and beverage	8,076	9,084	1,008	12%	8,038
Retail	5,122	5,663	541	11%	5,268
Space storage	654	676	22	3%	653
Cost recovery	2,321	2,292	(29)	(1)%	1,894
Other (Primarily advertising)	2,826	3,071	245	9%	3,051
Total terminal concession revenue	18,999	20,786	1,787	9%	18,904
Car rental and license fee revenue:					
Rental car license fees	21,386	21,973	587	3%	21,407
Rental car center cost recovery	1,299	1,044	(255)	(20)%	1,654
License fees-other	3,624	4,157	533	15%	3,571
Total rental car and license fees	26,309	27,174	865	3%	26,632
Total concession revenue	\$ 45,308	\$ 47,960	\$ 2,652	6%	\$ 45,536

Operating Revenues

for the Nine Months Ended March 31, 2018 (Unaudited)

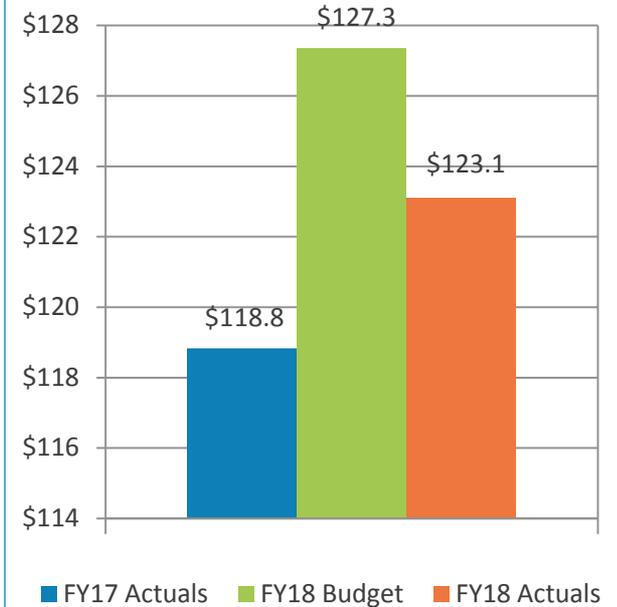
(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Parking revenue:					
Short-term parking revenue	\$ 17,196	\$ 17,567	\$ 371	2%	\$ 17,395
Long-term parking revenue	13,465	13,991	526	4%	13,225
Total parking revenue	30,661	31,558	897	3%	30,620
Ground transportation permits and citations	5,516	7,090	1,574	29%	5,895
Ground rentals	14,921	15,105	184	1%	13,865
Grant reimbursements	-	376	376	-	147
Other operating revenue	580	1,102	522	90%	1,135
Subtotal	51,678	55,231	3,553	7%	51,662
Total operating revenues	\$ 190,836	\$ 197,280	\$ 6,444	3%	\$185,224

Operating Expenses (Unaudited)



FY18 YTD Act Vs.
FY17 YTD Act
-3.6%

FY18 YTD Act Vs.
FY18 YTD Budget
3.3%



Operating Expenses

for the Nine Months Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 35,409	\$ 34,967	\$ 442	1%	\$ 32,812
Contractual services	34,244	33,261	983	3%	32,662
Safety and security	23,170	22,843	327	1%	20,756
Space rental	7,643	7,643	-	-	7,642
Utilities	9,112	9,180	(68)	(1)%	8,226
Maintenance	10,884	8,624	2,260	21%	10,335
Equipment and systems	261	282	(21)	(8)%	307
Materials and supplies	349	432	(83)	(24)%	440
Insurance	855	836	19	2%	720
Employee development and support	950	893	57	6%	980
Business development	1,929	1,885	44	2%	1,645
Equipment rental and repairs	2,530	2,250	280	11%	2,304
Total operating expenses	\$ 127,336	\$ 123,096	\$ 4,240	3%	\$118,829

Net Operating Income (Loss) Summary

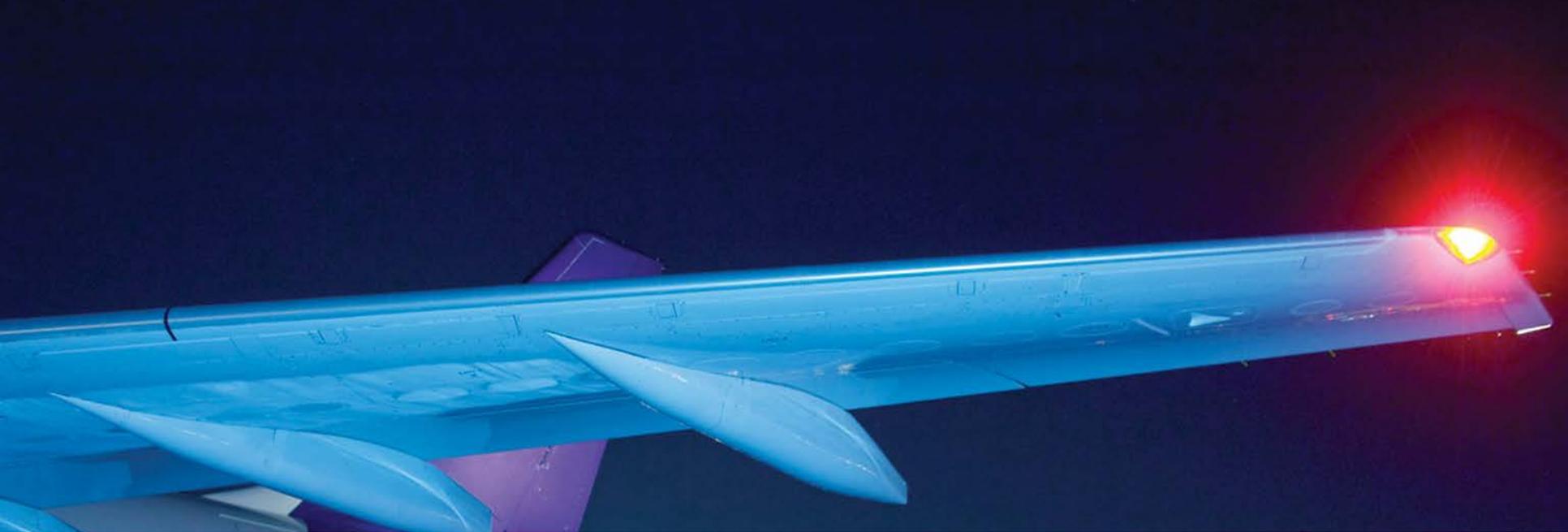
for the Nine Months Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
				Change	
Total operating revenues	\$ 190,836	\$ 197,280	\$ 6,444	3%	\$185,224
Total operating expenses	127,336	123,096	4,240	3%	118,829
Income from operations	63,500	74,184	10,684	17%	66,395
Depreciation	77,527	77,527	-	-	68,783
Operating income (loss)	\$ (14,027)	\$ (3,343)	\$ 10,684	76%	\$ (2,388)

Nonoperating Revenues & Expenses

for the Nine Months Ended March 31, 2018 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 31,409	\$ 33,169	\$ 1,760	6%	\$ 30,599
Customer facility charges (Rental Car Center)	29,794	29,869	75	-	26,048
Quieter Home Program, net	(2,294)	(1,392)	902	39%	(606)
Interest income	6,809	9,623	2,814	41%	5,772
BAB interest rebate	3,492	3,500	8	-	3,483
Interest expense & debt issuance costs	(61,932)	(56,117)	5,815	9%	(46,062)
Bond amortization	3,053	4,246	1,193	39%	3,123
Other nonoperating revenue (expenses)	(7)	(3,456)	(3,449)	-	(2,110)
Nonoperating revenue, net	10,324	19,442	9,118	88%	20,247
Change in net position before grant contributions	(3,703)	16,099	19,802	535%	17,859
Capital grant contributions	5,143	7,724	2,581	50%	1,536
Change in net position	\$ 1,440	\$ 23,823	\$ 22,383	1554%	\$ 19,395



Statements of Net Position (Unaudited) March 31, 2018 and 2017

Statements of Net Position (Unaudited)

As of March 31, 2018 and 2017

(In Thousands)

	<u>2018</u>	<u>2017</u>
Current assets:		
Cash and investments	\$ 85,876	\$ 97,025
Tenant lease receivable, net of allowance of 2017: (\$211,892) and 2016: (\$218,877)	9,415	8,827
Grants receivable	6,274	3,055
Notes receivable-current portion	1,802	1,705
Prepaid expenses and other current assets	9,761	7,300
Total current assets	<u>113,128</u>	<u>117,912</u>
 Cash designated for capital projects and other	 <u>\$ 24,610</u>	 <u>\$ 26,624</u>

Statements of Net Position (Unaudited)

As of March 31, 2018 and 2017

(In Thousands)

	<u>2018</u>	<u>2017</u>
Restricted assets:		
Cash and investments:		
Bonds reserve	\$ 60,780	\$ 57,872
Passenger facility charges and interest unapplied	76,167	66,920
Customer facility charges and interest applied	42,054	33,893
SBD bond guarantee	4,000	4,000
Bond proceeds held by trustee	338,150	142,785
Passenger facility charges receivable	5,468	6,004
Customer facility charges receivable	4,058	3,973
OCIP insurance reserve	5,137	2,698
Total restricted assets	<u>\$ 535,814</u>	<u>\$ 318,145</u>

Statements of Net Position (Unaudited)

As of March 31, 2018 and 2017

(In Thousands)

	<u>2018</u>	<u>2017</u>
Noncurrent assets:		
Capital assets:		
Land and land improvements	\$ 126,035	\$ 110,139
Runways, roads and parking lots	648,682	590,789
Buildings and structures	1,431,854	1,410,692
Machinery and equipment	55,102	48,951
Vehicles	18,757	15,416
Office furniture and equipment	36,410	33,357
Works of art	10,066	9,703
Construction-in-progress	315,465	202,510
	<u>2,642,371</u>	<u>2,421,557</u>
Less: accumulated depreciation	(971,737)	(881,243)
Total capital assets, net	<u>\$ 1,670,634</u>	<u>\$ 1,540,314</u>

Statements of Net Position (Unaudited)

As of March 31, 2018 and 2017

(In Thousands)

	<u>2018</u>	<u>2017</u>
Other assets:		
Notes receivable - long-term portion	\$ 31,902	\$ 33,775
Investments - long-term portion	170,891	174,043
Security deposit	350	350
Total other assets	<u>203,143</u>	<u>208,168</u>
 Deferred outflows of resources:		
Deferred pension contributions	6,113	5,782
Other deferred pension outflows	15,048	288
Total assets and deferred outflows of resources	<u>\$ 2,568,490</u>	<u>\$ 2,217,233</u>

Statements of Net Position (Unaudited)

As of March 31, 2018 and 2017

(In Thousands)

Current liabilities:

Accounts payable and accrued liabilities

Deposits and other current liabilities

Total current liabilities

	2018	2017
\$	61,913	\$ 37,319
	11,803	8,911
	73,716	46,230

Current liabilities payable from restricted assets:

Current portion of long-term debt

Accrued interest on bonds and variable debt

Total liabilities payable from restricted assets

	17,070	11,585
	19,850	16,352
\$	36,920	\$ 27,937

Statements of Net Position (Unaudited)

As of March 31, 2018 and 2017

(In Thousands)

	<u>2018</u>	<u>2017</u>
Long-term liabilities:		
Variable debt	\$ 26,448	\$ 56,831
Other long-term liabilities	7,827	8,632
Long-term debt - bonds net of amortized premium	1,594,335	1,277,047
Net pension liability	18,743	1,681
Total long-term liabilities	<u>1,647,353</u>	<u>1,344,191</u>
Total liabilities	<u>1,757,989</u>	<u>1,418,358</u>
Deferred inflows of resources		
Deferred pension inflows	3,507	1,807
Total liabilities and deferred inflows of resources	<u>\$ 1,761,496</u>	<u>\$ 1,420,165</u>

Statements of Net Position (Unaudited)

As of March 31, 2018 and 2017

(In Thousands)

	<u>2018</u>	<u>2017</u>
Net Position:		
Invested in capital assets, net of related debt	\$ 363,655	\$ 329,978
Other restricted	194,801	175,160
Unrestricted:		
Designated	24,610	26,624
Undesignated	<u>223,928</u>	<u>265,306</u>
Total net position	<u>\$ 806,994</u>	<u>\$ 797,068</u>



Questions?

Board Communication

Date: May 5, 2018
To: Board Members
Via: Kimberly J. Becker, President/CEO
From: Scott M. Brickner, Vice President, Finance & Asset Management/Treasurer
Subject: Authority's Investment Report for the Nine Months Ended March 31, 2018:

Attached is the Authority's Investment Report for the Nine Months Ended March 31, 2018 that was presented to the Finance Committee on April 23, 2018.

Item 7



San Diego County Regional Airport Authority

Investment Report As of March 31, 2018

Presented by: Geoff Bryant
Manager, Airport Finance

This report is prepared for the San Diego County Regional Airport Authority (the "Authority") in accordance with California Government Code Section 53646, which states that "the treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the legislative body of the local agency within 30 days following the end of the quarter covered by the report."

The investment report was compiled in compliance with California Government Code Section 53646 and the Authority's approved Investment Policy. All investment transactions made in the Authority's portfolio during this period were made on behalf of the Authority. Sufficient liquidity and anticipated revenue are available to meet expenditure requirements for the next six months.



Scott Brickner, C.P.A.
V.P. Finance & Asset Management / Treasurer
San Diego County Regional Airport Authority

Total Portfolio Summary

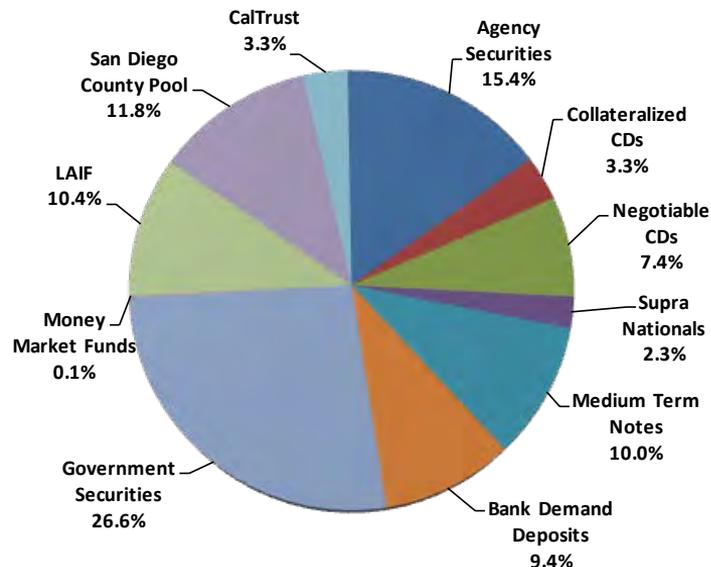
	Current Period	Prior Period	Change From
	March 31, 2018	December 31, 2017	Prior
Book Value	\$471,492,000	\$464,988,000	\$6,504,000
Market Value	\$467,768,000	\$462,792,000	\$4,976,000
Market Value%	99.21%	99.53%	(0.32%)
Unrealized Gain / (Loss)	(\$3,724,000)	(\$2,196,000)	(\$1,528,000)
Weighted Average Maturity (Days)	488 days	502 days	(14)
Weighted Average Yield as of Period End	1.53%	1.41%	0.12%
Cash Interest Received- Current Month	\$430,000	\$340,000	\$90,000
Cash Interest Received- Quarter-to-Date	\$1,687,000	\$1,616,000	\$71,000
Accrued Interest	\$1,290,000	\$988,000	\$302,000

Notes:

(1) Increase in portfolio value is primarily due to operating receipts exceeding operating expenditures.

Portfolio Composition by Security Type

	March 31, 2018		December 31, 2017		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 72,241,000	15.4%	\$ 82,704,000	17.9%	100%
Collateralized CDs	15,582,000	3.3%	15,524,000	3.4%	30%
Negotiable CDs	34,584,000	7.4%	39,685,000	8.6%	30%
Supra Nationals	10,958,000	2.3%	5,949,000	1.3%	30%
Medium Term Notes	46,694,000	10.0%	44,554,000	9.6%	15%
Bank Demand Deposits	43,978,000	9.4%	38,986,000	8.3%	100%
Government Securities	124,398,000	26.6%	115,231,000	24.9%	100%
Money Market Funds	309,000	0.1%	1,516,000	0.3%	20%
LAIF	48,508,000	10.4%	48,363,000	10.5%	\$65 million ⁽¹⁾
San Diego County Pool	55,081,000	11.8%	54,889,000	11.9%	\$65 million ⁽²⁾
CalTrust	15,435,000	3.3%	15,391,000	3.3%	\$65 million ⁽³⁾
Total:	\$ 467,768,000	100.0%	\$ 462,792,000	100.0%	

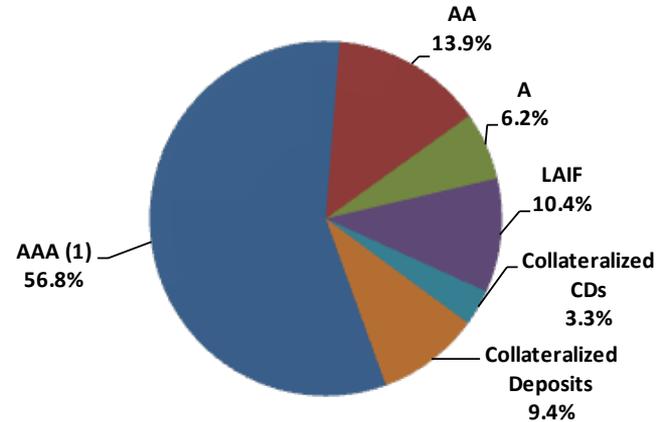


Notes:

- 1.) The \$65 million limit on LAIF is a non-statutory LAIF internal limit. It does not apply to bond proceeds.
- 2.) The San Diego County Investment Pool mirrors the LAIF internal limit and does not apply to bond proceeds.
- 3.) The CalTrust mirrors the LAIF internal limit and does not apply to bond proceeds.

Portfolio Composition by Credit Rating

	March 31, 2018		December 31, 2017	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA ⁽¹⁾	\$ 265,869,000	56.8%	\$ 263,212,000	56.8%
AA	65,015,000	13.9%	70,169,000	15.2%
A	28,817,000	6.2%	26,539,000	5.7%
LAIF	48,508,000	10.4%	48,363,000	10.5%
Collateralized CDs	15,582,000	3.3%	15,524,000	3.4%
Collateralized Deposits	43,977,000	9.4%	38,985,000	8.4%
Total:	\$ 467,768,000	100.0%	\$ 462,792,000	100.0%

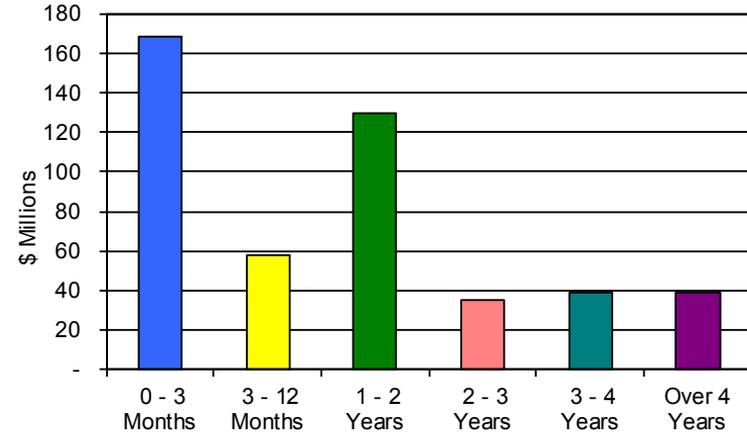


Notes:

1.) Includes investments that have split ratings between S&P (AA+), Moodys (AAA) and Fitch (AAA)

Portfolio Composition by Maturity ⁽¹⁾

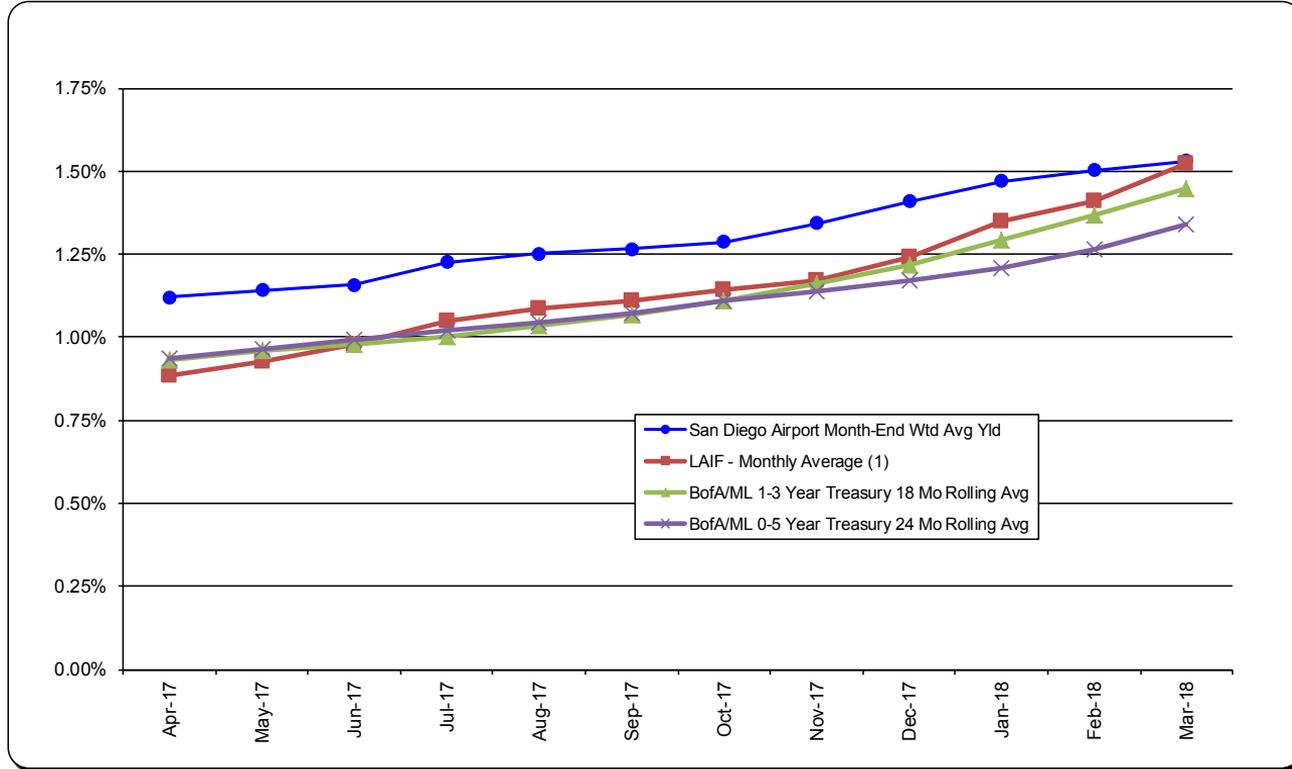
	March 31, 2018		December 31, 2017	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 168,260,000	35.9%	\$ 168,145,000	36.2%
9 - 12 Months	57,343,000	12.3%	45,726,000	9.9%
1 - 2 Years	129,274,000	27.6%	119,838,000	25.9%
2 - 3 Years	35,014,000	7.5%	57,677,000	12.5%
3 - 4 Years	38,728,000	8.3%	40,551,000	8.8%
Over 4 Years	39,149,000	8.4%	30,855,000	6.7%
Total:	\$ 467,768,000	100.0%	\$ 462,792,000	100.0%



Notes:

1.) The 0-3 Quarter category includes investments held in the LAIF, CalTrust, and the San Diego County Investment Pool.

Benchmark Comparison



Notes:

(1) Benchmark data for LAIF is the average monthly effective yield.

Detail of Security Holdings As of March 31, 2018

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
10/16/15	FNMA	1.125	10/19/18	5,000,000	100.550	5,027,500	99.51	4,975,700	202	0.939
08/15/16	FHLB	0.625	08/07/18	4,000,000	99.624	3,985,680	99.53	3,981,360	129	0.808
10/21/16	FHLB	0.875	08/05/19	12,000,000	99.568	11,948,160	98.20	11,784,360	492	1.032
10/07/16	FHLB	1.000	09/26/19	10,000,000	99.727	9,972,700	98.19	9,818,800	544	1.094
05/16/17	FHLB	1.875	03/13/20	3,000,000	100.836	3,025,080	99.05	2,971,380	713	1.571
07/08/16	FHLMC	1.250	08/01/19	5,000,000	101.285	5,064,250	98.71	4,935,450	488	0.824
09/06/16	FNMA	1.000	08/28/19	13,500,000	99.836	13,477,860	98.34	13,276,035	515	1.056
02/28/17	FNMA	1.500	02/28/20	13,035,000	99.936	13,003,050	98.49	12,838,302	699	1.529
08/02/16	FNMA	0.875	08/02/19	7,800,000	99.832	7,786,896	98.20	7,659,756	489	0.932
Agency Total				73,335,000		73,291,176		72,241,143	509	1.112
07/02/16	East West Bk CD	1.550	07/07/19	10,493,552	100.000	10,493,552	100.00	10,493,552	463	1.550
10/24/17	East West Bk CD	1.300	10/24/18	5,087,957	100.000	5,087,957	100.00	5,087,957	207	1.300
Collateralized CDs Total				15,581,509		15,581,509		15,581,509	379	1.468

Detail of Security Holdings As of March 31, 2018

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
03/14/18	US Bank CD	2.050	02/28/19	4,000,000	100.000	4,000,000	100.00	4,000,000	334	2.050
08/04/17	SKANDINAV ENSKD CD	1.840	08/02/19	5,750,000	100.000	5,747,758	99.19	5,703,310	489	1.860
02/09/17	BK OF MONTREAL YC/D	1.880	02/07/19	5,000,000	100.000	5,000,000	99.91	4,995,300	313	1.880
12/05/16	NORDEA BK FINL YC/D	1.760	11/30/18	4,000,000	100.000	4,000,000	99.92	3,996,800	244	1.760
12/05/16	CANADIAN IMP BK YC/D	1.760	11/30/18	5,000,000	99.922	4,996,100	99.72	4,986,050	244	1.800
11/17/17	SWEDBANK NEW YORK YC/D	2.270	11/16/20	4,000,000	100.000	4,000,000	98.38	3,935,320	961	2.270
05/04/17	SUMITOMO MITSUI YC/D	2.050	05/03/19	3,000,000	100.080	3,000,000	99.67	2,990,100	398	2.050
04/06/17	BK NOVA SCOTIA YC/D	1.910	04/05/19	4,000,000	100.000	4,000,000	99.44	3,977,600	370	1.910
Negotiable CDs Total				34,750,000		34,743,858		34,584,480	415	1.934
04/28/17	INTL BK RECON & DEV	1.875	04/21/20	3,000,000	100.685	3,020,550	98.91	2,967,270	752	1.638
03/20/18	INTL BK RECON & DEV	2.000	01/26/22	3,000,000	97.355	2,920,650	97.48	2,924,520	1397	2.728
02/15/18	INTL FIN CORP NT	2.250	01/25/21	2,125,000	99.482	2,113,993	99.18	2,107,660	1031	2.433
04/21/16	INTER-AMER DEV BANK	1.000	05/13/19	3,000,000	99.714	2,991,420	98.63	2,958,810	408	1.095
Supranationals				11,125,000		11,046,613		10,958,260	883	1.931
12/12/16	BK NEW YORK NTS	2.300	09/11/19	2,000,000	101.107	2,022,140	99.23	1,984,580	529	1.884
10/14/16	TOYOTA MOTOR CR CORP	2.125	07/18/19	1,000,000	101.670	1,016,700	99.39	993,860	474	1.505
10/14/16	TOYOTA MTR CR CORP	1.400	05/20/19	1,500,000	99.906	1,498,590	98.68	1,480,200	415	1.437
10/14/16	AMERICAN HONDA BDS	1.200	07/12/19	2,495,000	99.241	2,476,063	98.18	2,449,691	468	1.483
11/14/17	UNITED PARCEL BDS	2.050	04/01/21	2,280,000	99.842	2,276,398	97.80	2,229,908	1097	2.099
07/17/15	GECC MTN	1.625	04/02/18	4,950,000	105.364	4,968,018	100.00	4,950,000	2	1.487
05/15/17	CHEVRON CORP	1.991	03/03/20	3,500,000	100.275	3,509,660	98.87	3,460,450	703	1.889
02/29/16	CISCO SYSTEMS	1.600	02/28/19	3,000,000	100.330	3,009,900	99.28	2,978,280	334	1.487
02/24/16	IBM CORP NOTES	1.800	05/17/19	3,000,000	100.119	3,003,570	99.23	2,976,750	412	1.761
05/15/17	JPM CHASE & CO MTN	2.250	01/23/20	3,500,000	100.267	3,509,345	98.79	3,457,475	663	2.144
07/28/17	EXXON MOBIL CORP	1.912	03/06/20	3,000,000	100.381	3,011,430	98.58	2,957,310	706	1.757
09/15/17	MICROSOFT CORP NT	1.550	08/08/21	3,000,000	98.478	2,954,280	96.02	2,880,720	1226	1.958
03/20/18	DEERE JOHN CAP MTN	2.700	01/06/23	2,500,000	97.813	2,445,325	97.97	2,449,350	1742	3.195
09/15/17	APPLE INC BDS	2.150	02/09/22	4,000,000	100.217	4,008,680	97.31	3,892,560	1411	2.098
06/06/16	WELLS FARGO CO MTN	2.150	01/15/19	4,600,000	101.427	4,665,642	99.56	4,579,760	290	1.589
09/14/15	AMERICAN EXPRESS MTN	1.800	07/31/18	2,980,000	99.759	2,972,818	99.77	2,973,116	122	1.886
Medium Term Notes				47,305,000		47,348,559		46,694,010	639	1.849

Detail of Security Holdings As of March 31, 2018

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
05/11/17	U.S. Treasury	1.500	05/31/20	5,000,000	99.754	4,987,695	98.26	4,912,900	792	1.583
01/19/18	U.S. Treasury	1.750	09/30/22	10,500,000	97.184	10,204,277	96.66	10,149,300	1644	2.387
01/09/17	U.S. Treasury	1.250	01/31/20	7,000,000	99.170	6,940,820	98.16	6,871,480	671	1.530
10/25/17	U.S. Treasury	1.250	03/31/21	3,500,000	98.035	3,431,230	96.69	3,384,080	1096	1.843
10/13/17	U.S. Treasury	2.000	08/31/21	8,500,000	100.715	8,560,762	98.50	8,372,160	1249	1.808
10/13/17	U.S. Treasury	1.125	02/28/21	8,500,000	98.023	8,331,992	96.44	8,197,230	1065	1.729
04/20/16	U.S. Treasury	1.000	09/15/18	4,900,000	100.367	4,917,992	99.61	4,880,694	168	0.845
12/05/16	U.S. Treasury	1.500	11/30/19	13,400,000	100.125	13,416,750	98.77	13,235,180	609	1.457
07/28/17	U.S. Treasury	1.625	07/31/20	5,400,000	100.203	5,410,969	98.40	5,313,330	853	1.556
11/20/17	U.S. Treasury	1.250	10/31/21	7,700,000	97.309	7,492,762	95.84	7,379,680	1310	1.962
11/17/17	U.S. Treasury	1.750	04/30/22	2,750,000	98.938	2,720,781	97.06	2,669,013	1491	2.000
11/20/17	U.S. Treasury	1.750	11/15/20	7,700,000	99.781	7,683,156	98.44	7,579,957	960	1.826
11/20/17	U.S. Treasury	2.250	04/30/21	7,700,000	101.164	7,789,633	99.53	7,663,887	1126	1.899
12/05/17	U.S. Treasury	1.750	06/30/22	8,200,000	98.359	8,063,547	96.92	7,947,276	1552	2.134
12/05/17	U.S. Treasury	1.750	05/15/22	8,200,000	98.547	8,080,844	97.06	7,958,510	1506	2.094
12/05/17	U.S. Treasury	1.875	08/31/22	8,200,000	98.805	8,101,984	97.26	7,975,484	1614	2.142
05/06/16	U.S. Treasury	1.250	10/31/18	9,950,000	101.066	10,034,779	99.57	9,907,613	214	0.816
Government Total				127,100,000		126,169,975		124,397,774	1048	1.742
East West Bank				105,187	100.000	105,187	100.00	105,187	1	1.210
East West Bank				27,317,012	100.000	27,317,012	100.00	27,317,012	1	1.210
US Bank General Acct				16,555,138	100.000	16,555,138	100.00	16,555,138	1	0.000
Bank Demand Deposits				43,977,337		43,977,337		43,977,337	1	0.754
DREYFUS GOVT INVEST				309,447	100.000	309,447	100.00	309,447	1	1.320
Money Market Fund				309,447		309,447		309,447	1	1.320
Local Agency Invstmnt Fd				48,507,963	100.000	48,507,963	100.00	48,507,963	1	1.524
San Diego County Inv Pool				55,081,094	100.000	55,081,094	100.00	55,081,094	1	1.620
CalTrust				15,434,747	100.000	15,434,747	100.00	15,434,747	1	1.590
Grand Total				\$ 472,507,098	99.86	\$ 471,492,277	99.21	\$ 467,767,764	488	1.530

Portfolio Investment Transactions

From January 1st, 2018 - March 31st, 2018

Settle Date	Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
01/19/18	US TREAS NTS	US TREAS NTS	912828L57	1.750	09/30/22	--	97.184	\$ 10,260,311
02/15/18	INTL FIN CORP NT	SUPRANAT	45950KCM0	2.250	01/25/21	--	99.482	2,116,649
03/14/18	US Bank CD	CD-NEG	90333VXB1	2.050	02/28/19	--	100.000	4,000,000
03/20/18	INTL BK RECON & DEV	SUPRANAT	459058FY4	2.000	01/26/22	--	97.355	2,929,650
03/20/18	DEERE JOHN CAP MTN	MTN	24422EUA5	2.700	01/06/23	--	97.813	2,458,825
								\$ 21,765,435
CALLS								
								\$ -
MATURITIES								
03/09/16	US Bank CD	CD-NEG	90333VRP7	1.060	03/09/18	--	100.000	\$ 4,000,000
03/16/16	Toronto Dominion CD	CD-NEG	89113E5E2	1.720	03/14/18	--	100.000	\$ 5,000,000
								\$ 9,000,000
DEPOSITS								
								\$ -
WITHDRAWALS / SALES / TRANSFERS								
01/19/18	FHLB	AGCY	3130A8DB6	1.125	06/21/19	--	98.784	\$ 10,282,636
02/15/18	DREYFUS GOVT INVEST	MMF	26200630S	--	--	--	100.000	2,116,649
								\$ 12,399,285

Bond Proceeds Summary

SUMMARY OF 2010, 2013, 2014 & 2017 BOND PROCEEDS*

As of: March 31, 2018
(in thousands)

	Series 2010	Series 2013	Series 2014	Series 2017	Total	Yield	Rating
<u>Project Fund</u>							
LAIF	\$ -	\$ -	\$ -	\$ 83,625	\$ 83,625	1.52%	N/R
SDCIP	-	2	-	80,540	80,542	1.62% ¹⁾	AAAf
First Amer Govt Oblig Fd MM	-	-	-	4,774	4,774	1.54%	AAAm
	<u>\$ -</u>	<u>\$ 2</u>	<u>\$ -</u>	<u>\$ 168,939</u>	<u>\$ 168,941</u>		
<u>Capitalized Interest</u>							
SDCIP	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>1,290</u>	<u>\$ 1,290</u>	1.62% ¹⁾	AAAm
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,290</u>	<u>\$ 1,290</u>		
<u>Debt Service Reserve & Coverage Funds</u>							
SDCIP	\$ 30,539	\$ 33,487	\$ 29,042	15,131	\$ 108,199	1.62% ¹⁾	AAAf
Torrey Pines DDA	21,229	-	-	-	21,229	2.00%	N/R
	<u>\$ 51,768</u>	<u>\$ 33,487</u>	<u>\$ 29,042</u>	<u>\$ 15,131</u>	<u>\$ 129,428</u>		
	<u>\$ 51,768</u>	<u>\$ 33,489</u>	<u>\$ 29,042</u>	<u>\$ 185,360</u>	<u>\$ 299,659</u>	1.62%	
*Bond proceeds are not included in deposit limits as applied to operating funds							

1) SDCIP Yield as of 02/28/18

Bond Proceeds Investment Transactions

January 1st, 2018 - March 31st, 2018

Settle Date	Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
1/8/2018	Goldman Sachs Fin Sq Treas (2010 Bonds)	MM	--	0.94	--	--	1.000	\$ 21,202,158
1/12/2018	First Amer Govt Oblig Fd MM (2017 Bonds)	MM	--	1.24	--	--	1.000	7,000,000
2/12/2018	First Amer Govt Oblig Fd MM (2017 Bonds)	MM	--	1.29	--	--	1.000	14,000,000
3/6/2018	Torrey Pines (2010 Bonds Reserves)	DDA	--	2.00	--	--	1.000	21,229,398
3/14/2018	First Amer Govt Oblig Fd MM (2017 Bonds)	MM	--	1.54	--	--	1.000	10,000,000
								\$ 73,431,556
CALLS								
								\$ -
MATURITIES								
								\$ -
DEPOSITS								
								\$ -
WITHDRAWALS / SALES								
1/8/2018	First American Govt Oblig Fund (COI 2017 Bonds)	MM	--	1.24	--	--	1.000	\$ 119,953
1/10/2018	East West (2010 Bonds)	DDA	--	1.30	--	--	1.000	21,202,158
1/12/2018	LAIF (2017 Bonds)	LAIF	--	1.24	--	--	1.000	7,000,000
1/17/2018	SDCIP (2013 Bonds)	SDCIP	--	1.53	--	--	1.000	3,658
1/24/2018	First Amer Govt Oblig Fd MM (2017 Bonds)	MM	--	1.24	--	--	1.000	8,645,564
1/24/2018	SDCIP (2017 Bonds)	SDCIP	--	1.53	--	--	1.000	6,505,816
2/5/2018	SDCIP (2017 Bonds)	SDCIP	--	1.59	--	--	1.000	4,275,242
2/12/2018	LAIF (2017 Bonds)	LAIF	--	1.41	--	--	1.000	14,000,000
2/28/2018	First Amer Govt Oblig Fd MM (2017 Bonds)	MM	--	1.29	--	--	1.000	13,959,484
3/5/2018	SDCIP (2017 Bonds)	SDCIP	--	1.62	--	--	1.000	5,348,615
3/6/2018	Goldman Sachs Fin Sq Treas (2010 Bonds)	MM	--	1.08	--	--	1.000	21,229,398
3/14/2018	LAIF (2017 Bonds)	LAIF	--	1.52	--	--	1.000	10,000,000
3/14/2018	First Amer Govt Oblig Fd MM (2017 Bonds)	MM	--	1.54	--	--	1.000	13,975,903
3/29/2018	SDCIP (2013 Bonds)	SDCIP	--	1.62	--	--	1.000	1,624
								\$ 126,267,414

A low-angle photograph of a modern airport terminal building. The building features a complex, multi-tiered structure with large glass windows and concrete panels. The sky is bright and clear. A teal-colored overlay is present in the upper left quadrant, containing the text "Questions?".

Questions?

● Ticketing
U.S. Airways

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Authorization of an Amendment to the Existing RBC \$100,000,000 Revolving Drawdown Bonds

Recommendation:

Adopt Resolution No. 2018-0040, approving a first amendment to fourth supplemental subordinate trust indenture and certain other documents and matters related to the revolving drawdown bonds.

Background/Justification:

On February 15th, the Authority amended the U.S. Bank National Association (“US Bank”) Revolving Line of Credit (“Revolver”). The US Bank Revolver agreement, similar to most recent variable rate direct bank facilities, contained a Margin Rate Factor which provides for an automatic increase in the facility cost if the maximum federal corporate tax rate was reduced below 35%. Banks required this protection since they priced the facilities factoring in the benefits of the tax-exemption of the interest income on municipal facilities such as SAN’s. For example, a bank that earns 1.95% interest on a tax exempt basis viewed this as the equivalent of 3.00% on a taxable basis when the maximum federal tax rate was 35% (and ignoring state and local taxes for this example). With a new maximum corporate federal tax rate of 21%, the 3.00% taxable rate is now equivalent to 2.37% for the tax-exempt facility $((1 - 0.21) \times 3.00)$. The Authority negotiated improved Margin Rate Factor terms which were duly incorporated into the US Bank amendment approved by the Board February 15th.

The RBC Drawdown Bond also includes Margin Rate Factor terms and the Authority wishes to amend the RBC agreement with updated terms.

RBC Capital Markets Drawdown Bond Program

The Authority has an available \$100,000,000 debt as part of its drawdown bond program with RBC. The program currently has no debt outstanding.

Principal Terms:

- Capacity: \$100,000,000
- Non-AMT Pricing: 100% of SIFMA (a 7-day high-grade market index comprised of tax-exempt Variable Rate Demand Obligations) + 57 basis point spread
- AMT Pricing: 100% of SIFMA + 64 basis point spread
- Unutilized Pricing: 22.5 basis points
- Three year term

The maximum federal tax rate was reduced under the recently adopted Tax Cuts and Jobs Act from 35% to 21% effective January 1, 2018. As a result of the tax cut, non-AMT pricing terms adjusted to 121% of SIFMA + 69 basis points and AMT pricing adjusted to 121% of SIFMA + 78 basis points. Staff negotiated better terms with RBC. The updated Non-AMT pricing agreed between RBC and the Authority is: 100% of SIFMA + 69 BPS and the AMT pricing is 100% of SIFMA + 78 BPS.

Currently, the SIFMA rate is at approximately 1.60%, therefore the effective non-AMT tax exempt rate will now be 2.29% (vs. 2.64% before the re-negotiation). For AMT issuances the rate will now be 2.38% (vs 2.72% before the re-negotiation). This rate will fluctuate with changes in the SIFMA rate.

The Bondholders agreement with RBC also includes indicative pricing for a Taxable rate in the circumstance that the tax status of a project changes. This Taxable pricing formula is based on LIBOR and a spread to the Non-AMT rate, so it is necessary that the indicative taxable rate be updated to reflect the Federal tax changes.

The First Amendments to both the Fourth Supplemental Indenture (Attachment A) and the Bondholders Agreement (Attachment B) are attached along with the respective original agreements.

Upon adoption of the attached Resolution No. 2018-0040, the Board will be approving the following:

1. Amendment to the Fourth Supplemental Indenture (Attachment C)
Authorization for the President/CEO to execute an Amendment to the existing Fourth Supplemental Indenture to reflect the agreed terms.
2. Amendment to the RBC Bondholders Agreement (Attachment D)
Changes required for language that related to the underlying Taxable rate in the circumstance that non-taxable projects were subsequently deemed to be taxable. Additionally re-authorization is granted for the President/CEO to negotiate and execute an extension to the Bondholders Agreement for up to three years with the same or advantageous financial terms and provisions.

Fiscal Impact:

Currently there is no fiscal impact as there are no outstanding balances on the drawdown bond. Savings will be realized from the re-negotiation when the Authority chooses to draw down on the Bonds.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts. Only one of the programs/policies named above can be used in any single contracting opportunity.

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$100,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid. In accordance to Policy 5.12, the recommended firms, US Bank and RBC Capital Markets, received 0% small business preference.

Prepared by:

SCOTT BRICKNER
VICE PRESIDENT FINANCE & ASSET MANAGEMENT/TREASURER

\$100,000,000
San Diego County Regional Airport Authority
Subordinate Airport Revenue Drawdown Bonds
Series A (Non-AMT)
Series B (AMT)

RBC Capital Markets, LLC Revolving Flexible Drawdown Bond Program

CERTIFICATE OF THE CLERK OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
REGARDING CERTIFIED COPY OF THE
FOURTH SUPPLEMENTAL SUBORDINATE TRUST INDENTURE

April 19, 2017

I, Tony R. Russell, Director, Corporate & Information Governance/Authority Clerk of the San Diego County Regional Airport Authority (the "Authority"), do hereby certify that attached hereto as Exhibit A is a true, correct and complete copy of the Fourth Supplemental Subordinate Trust Indenture, dated as of April 1, 2017 (the "Fourth Supplemental Subordinate Indenture"), by and between the Authority and U.S. Bank National Association, as trustee. The Fourth Supplemental Subordinate Indenture has been fully executed, has not been amended, supplemented, modified or limited and is in full force and effect on the date hereof.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, I have hereunto executed this Certificate on the date first above written.

SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY

By Tony R. Russell
Tony R. Russell
Director, Corporate & Information
Governance/Authority Clerk

[Signature page to Certificate of the Clerk of the
San Diego County Regional Airport Authority
Regarding Certified Copy of the Fourth Supplemental Subordinate Trust Indenture]

EXHIBIT A

(Fourth Supplemental Subordinate Trust Indenture)

FOURTH SUPPLEMENTAL SUBORDINATE TRUST INDENTURE

by and between

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Relating to

\$100,000,000
San Diego County Regional Airport Authority
Subordinate Airport Revenue Drawdown Bonds
Series A (Non-AMT)
Series B (AMT)

Dated as of April 1, 2017

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FOURTH SUPPLEMENTAL SUBORDINATE TRUST INDENTURE

THIS FOURTH SUPPLEMENTAL SUBORDINATE TRUST INDENTURE (this “*Fourth Supplemental Subordinate Indenture*”), dated as of April 1, 2017, is made by and between the **SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**, a local government entity of regional government created pursuant to laws of the State of California (the “*Authority*”), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association organized and existing under the laws of the United States of America, as trustee (the “*Trustee*”), and supplements the Master Subordinate Trust Indenture, dated as of September 1, 2007 (the “*Master Subordinate Indenture*”), by and between the Authority and the Trustee.

WHEREAS, the Master Subordinate Indenture provides, in Section 2.09 thereof, for the issuance of Subordinate Obligations (as defined in the Master Subordinate Indenture) and, in Section 10.02 thereof, for the execution and delivery of Supplemental Subordinate Indentures (as defined in the Master Subordinate Indenture) setting forth the terms of such Subordinate Obligations; and

WHEREAS, the Authority desires to implement a short-term borrowing program pursuant to the provisions of the Master Subordinate Indenture; and

WHEREAS, the Authority now, for the purpose of providing money to finance and refinance certain capital improvements to the Airport System (as defined in the Master Subordinate Indenture) and for other financing needs of the Authority (including, but not limited to, the refunding and restructuring of existing indebtedness of the Authority), by execution and delivery of this Fourth Supplemental Subordinate Indenture and in compliance with the provisions of the Master Subordinate Indenture, sets forth the terms of its San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Series A (Non-AMT) (the “*Non-AMT Drawdown Bonds*”), and its San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Series B (AMT) (the “*AMT Drawdown Bonds*,” and together with the Non-AMT Drawdown Bonds, the “*Drawdown Bonds*”), provides for the deposit and use of the proceeds of the Drawdown Bonds, and makes other provisions relating to the Drawdown Bonds;

WHEREAS, the Drawdown Bonds shall be issued, from time to time, in two Series (the AMT Drawdown Bonds and the Non-AMT Drawdown Bonds) and one or more Subseries as determined by the Authority, and no more than \$100,000,000 in aggregate principal amount of Drawdown Bonds shall be Outstanding (as hereinafter defined) at any one time; and

WHEREAS, the Drawdown Bonds are being issued as Subordinate Obligations as provided in Section 2.09 of the Master Subordinate Indenture.

GRANTING CLAUSE

In order to secure the payment of the Drawdown Bonds and the Obligations, the Authority hereby pledges, assigns and grants to the holders of the Drawdown Bonds and the payees (or their respective assignees) of the Obligations all of the liens, rights, interests and

privileges set forth in the Granting Clause of, and elsewhere in, the Master Subordinate Indenture.

ARTICLE I

DEFINITIONS; INTERPRETATIONS

Section 1.01. Definitions. The following definitions shall apply to terms used in this Fourth Supplemental Subordinate Indenture unless the context clearly requires otherwise. Capitalized terms not otherwise defined in this Section 1.01 or elsewhere in this Fourth Supplemental Subordinate Indenture shall have the same meanings as set forth in the Master Subordinate Indenture.

“Additional Tax Certificate” means a tax compliance certificate or supplemental tax compliance certificate delivered in connection with one or more Drawings.

“Alternate Index” means, on any date of determination, LIBOR for such date; provided that if LIBOR for such date is less than 1.0% per annum, the Alternate Index shall be 100% of LIBOR as of such date; provided, further, that if LIBOR for such date is equal to or greater than 1.0% per annum, the Alternate Index for such date shall be 72% of LIBOR.

“Amortization End Date” has the meaning set forth in the Bondholder’s Agreement.

“Amortization Payment Date” has the meaning set forth in the Bondholder’s Agreement.

“Amortization Payments” has the meaning set forth in the Bondholder’s Agreement.

“Amortization Period” has the meaning set forth in the Bondholder’s Agreement.

“Amortization Period Interest Rate” has the meaning set forth in the Bondholder’s Agreement.

“AMT Debt Service Fund” means the Debt Service Fund of such designation established pursuant to Section 5.01 hereof and into which money is to be deposited to pay debt service on the AMT Drawdown Bonds.

“AMT Drawdown Bonds” means the San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Series B (AMT), and each Subseries thereof. The initial Subseries of the AMT Drawdown Bonds shall be designated as San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Subseries B-1 (AMT), and any additionally Subseries will be sequentially designated.

“AMT Drawdown Rate” means a fluctuating rate per annum, determined as of each applicable Rate Reset Date, equal to the product of (x) the sum of (a) the AMT Spread plus (b) the SIFMA Index Rate, multiplied by (y) the Margin Rate Factor, as in effect on such Rate Reset Date (rounded to the second decimal place). The AMT Drawdown Rate shall equal the Default Rate in the event the Authority Rating assigned by Moody’s is below “Baa2” and/or the Authority Rating assigned by Fitch or S&P is below “BBB” or upon the occurrence of any other

Bondholder’s Agreement Event of Default. The AMT Drawdown Rate shall be calculated by the Calculation Agent and provided to the Authority, the Purchaser and the Owner Representative.

“*AMT Project Account*” means the Account of such designation established in the Drawdown Bonds Construction Fund pursuant to Section 5.02 hereof and into which money is to be deposited to pay Costs of the AMT Projects.

“*AMT Projects*” means any undertaking, facility or item which is described in a Certificate provided by the Authority at the time of delivery of a Request for Purchase and/or a Request for Drawing and which is acquired, constructed, reconstructed, improved, expanded or otherwise financed with proceeds of AMT Drawdown Bonds and which project satisfies the requirements of Section 142 of the Code and of the Tax Certificate for an AMT Project.

“*AMT Spread*” means, initially 64 basis points (0.64%), which is subject to maintenance of the Authority Rating under Level I set forth in the schedule below. In the event of a change in the Authority Rating, the AMT Spread shall equal the number of basis points set forth in the Level associated with the lowest Authority Rating as set forth in the schedule below:

	Authority Rating			AMT Spread
	Moody’s	S&P	Fitch	basis points (%)
Level I	A2 or above	A or above	A or above	64 bps (0.64%)
Level II	A3	A-	A-	75 bps (0.75%)
Level III	Baa1	BBB+	BBB+	110 bps (1.10%)
Level IV	Baa2	BBB	BBB	120 bps (1.20%)
Level V	Below Baa2	Below BBB	Below BBB	Default Rate

Any change in the AMT Spread resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating by the applicable Rating Agency. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a “global” rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. Upon the occurrence of and during the continuance of a Bondholder’s Agreement Event of Default (including without limitation an Event of Default under Section 7.1(h) thereof), the interest rate on the AMT Drawdown Bonds shall increase to the Default Rate, without notice to the Authority. The Authority acknowledges that as of the Effective Date the AMT Spread is that specified above for Level I.

As provided in Section 8.03 hereof, the Authority shall provide notice to the Trustee, the Owner Representative, the Purchaser and the Underwriter of any change to the Authority Rating.

“*Authority Rating*” has the meaning set forth in the Bondholder’s Agreement.

“*Authorized Denominations*” means \$100,000, and any integral multiples of \$5,000 in excess of \$100,000.

“*Authorizing Resolution*” means Resolution No. 2017-0029 adopted by the Board on April 6, 2017.

“*Available Commitment*” means, on any date, an amount equal to the Commitment Amount and thereafter such amount adjusted from time to time as follows: (a) downward in an amount equal to the principal amount of any Drawing made pursuant to the terms hereof; (b) upward in an amount equal to the principal amount of any Drawdown Bond repaid (but not redeemed) by the Authority pursuant to the terms of Section 4.06 hereof; and (c) downward to zero upon the expiration or termination of the Commitment Amount in accordance with the terms hereof and the terms of the Bond Purchase Agreement and the Bondholder’s Agreement; provided, that, after giving effect to any of the foregoing adjustments, the Available Commitment shall never exceed the Commitment Amount at any one time.

“*Beneficial Owner*” a person in whose name a Drawdown Bond is recorded as beneficial owner of such Drawdown Bond by DTC or a Participant on its records, or such person’s subrogee.

“*Bondholder’s Agreement*” means the Bondholder’s Agreement, dated as of April 1, 2017, by and between the Authority and the Purchaser, as amended, supplemented, modified or restated from time to time.

“*Bondholder’s Agreement Event of Default*” has the meaning set forth in the Bondholder’s Agreement.

“*Bond Purchase Agreement*” means the Bond Purchase Agreement, dated April 19, 2017, by and between the Authority and the Underwriter, as amended, supplemented, modified or restated from time to time.

“*Book-Entry Bonds*” means the Drawdown Bonds held by DTC (or its nominee) as the registered Holder thereof pursuant to the terms and provisions of Section 3.02 hereof.

“*Business Day*” means any day other than (a) a Saturday or Sunday, (b) a day on which banks in the State of California or New York, New York or in the city in which the principal corporate trust office of the Trustee is located are required or authorized by law to be closed, (c) a day on which the Purchaser or the Calculation Agent is required or authorized by law to be closed; (d) a day on which the New York Stock Exchange or the Federal Reserve Bank is closed; or (e) a day on which the office of the Underwriter or the Purchaser at which requests for draws are to be presented is authorized or obligated by law or executive order to be closed and is, in fact, closed.

“*Calculation Agent*” means the Trustee or such other party appointed by the Authority with the consent of the Purchaser.

“*Cede & Co.*” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Drawdown Bonds.

“*Commitment Amount*” has the meaning set forth in the Bondholder’s Agreement.

“*Commitment End Date*” has the meaning set forth in the Bondholder’s Agreement.

“*Credit Protection Provider*” has the meaning set forth in the Bondholder’s Agreement.

“*Default Rate*” has the meaning set forth in the Bondholder’s Agreement.

“*Designated Representative*” means those individuals appointed as Designated Representatives under the Authorizing Resolution and any other resolution of the Board to complete and deliver a Request for Purchase or a Request for Drawing and to perform other duties set forth in this Fourth Supplemental Subordinate Indenture and the other Related Documents.

“*Drawdown Bonds*” means, collectively, the AMT Drawdown Bonds and the Non-AMT Drawdown Bonds.

“*Drawdown Bonds Construction Fund*” means the Construction Fund of such designation established pursuant to Section 5.02 hereof and into which money is to be deposited to pay Costs of the AMT Projects and the Non-AMT Projects.

“*Drawdown Bonds Rebate Fund*” means the Fund of such designation established pursuant to Section 7.01 hereof and the Tax Certificate.

“*Drawdown Rate*” means the AMT Drawdown Rate or the Non-AMT Drawdown Rate, as applicable.

“*Drawing*” means each installment of principal and, if such Drawing (except the initial Drawing) is on a date other than an Interest Payment Date, accrued interest thereon from the most recent Interest Payment Date, advanced by the Underwriter with respect to a Drawdown Bond pursuant to the terms of the Bond Purchase Agreement.

“*DTC*” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“*Effective Date*” has the meaning set forth in the Bondholder’s Agreement.

“*EMMA System*” means the Municipal Securities Rulemaking Board’s Electronic Municipal Market Access system or any successor nationally recognized municipal securities information repositories recognized by the Securities and Exchange Commission.

“*Fourth Supplemental Subordinate Indenture*” means this Fourth Supplemental Subordinate Trust Indenture, dated as of April 1, 2017, by and between the Authority and the Trustee, which, among other things, sets forth the terms of the Drawdown Bonds.

“*Initial Amortization Payment Date*” has the meaning set forth in the Bondholder’s Agreement.

“*Interest Accrual Period*” means, initially, the period commencing on the date the initial Drawing under the applicable Drawdown Bond is advanced to the Authority by the Underwriter pursuant to the terms of the Bond Purchase Agreement and ending on and not including the first Thursday thereafter, and thereafter shall mean the period from (and including) Thursday of each week to (but not including) the Thursday of the following week (or, if sooner, to but not including the Commitment End Date).

“*Interest Payment Date*” means the first Business Day of each month.

“*Law*” has the meaning set forth in the Bondholder’s Agreement.

“*LIBOR*” means, for each day, the rate of interest, quoted by the ICE Benchmark Administration Limited (or any successor as approved by the Purchaser, each an “*Alternate LIBOR Source*”) at approximately 11:00 a.m., London, England time, on such day, relating to quotations for the one month London Interbank Offered Rate on U.S. Dollar deposits as published on Bloomberg LP (or any successor to, or replacement of, Bloomberg LP as approved by the Purchaser, each an “*Approved Bloomberg Successor*”), all as determined by the Purchaser for purposes of this Fourth Supplemental Subordinate Indenture. If LIBOR is no longer published on Bloomberg LP (or any Approved Bloomberg Successor), LIBOR shall be determined in good faith by the Purchaser from such other sources as it shall determine to be comparable to Bloomberg LP (or any Approved Bloomberg Successor). Each determination by the Purchaser of LIBOR shall be binding and conclusive in the absence of manifest error. If such rate is not available at such time for any reason, then the rate for that day will be determined by such alternate method as commercially reasonably selected by the Purchaser. In the event LIBOR is less than zero, LIBOR shall be deemed to be zero for purposes of this Fourth Supplemental Subordinate Indenture.

“*Margin Rate Factor*” means the greater of (a) 1.0 and (b) the product of (i) 1.0 minus the Maximum Federal Corporate Tax Rate multiplied by (ii) 1.53846. The effective date of any change in the Margin Rate Factor shall be the effective date of the decrease or increase (as applicable) in the Maximum Federal Corporate Tax Rate resulting in such change. As of the Effective Date the Margin Rate Factor is 1.0.

“*Master Subordinate Indenture*” means the Master Subordinate Trust Indenture, dated as of September 1, 2007, as amended, modified or restated from time to time, between the Authority and the Trustee under which the Drawdown Bonds are authorized and secured.

“*Maximum Federal Corporate Tax Rate*” means the maximum rate of income taxation imposed on corporations pursuant to Section 11(b) of the Code, as in effect from time to time (or, if as a result of a change in the Code, the rate of income taxation imposed on corporations generally shall not be applicable to Royal Bank of Canada, the maximum statutory rate of federal income taxation which could apply to Royal Bank of Canada). As of the Effective Date, the Maximum Federal Corporate Tax Rate is 35%. As provided in Section 8.03 hereof, the Owner Representative shall provide notice to the Trustee of any change to the Maximum Federal Corporate Tax Rate.

“*Maximum Interest Rate*” has the meaning set forth in the Bondholder’s Agreement.

“*Non-AMT Debt Service Fund*” means the Debt Service Fund of such designation established pursuant to Section 5.01 hereof and into which money is to be deposited to pay debt service on the Non-AMT Drawdown Bonds.

“*Non-AMT Drawdown Bonds*” means the San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Series A (Non-AMT), and each Subseries thereof. The initial Subseries of the Non-AMT Drawdown Bonds shall be designated as San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Subseries A-1 (Non-AMT), and any additionally Subseries will be sequentially designated.

“*Non-AMT Drawdown Rate*” means a fluctuating rate per annum, determined as of each applicable Rate Reset Date, equal to the product of (x) the sum of (a) the Non-AMT Spread plus (b) the SIFMA Index Rate, multiplied by (y) the Margin Rate Factor, as in effect on such Rate Reset Date (rounded to the second decimal place). The Non-AMT Drawdown Rate shall equal the Default Rate in the event the Authority Rating assigned by Moody’s is below “Baa2” and/or the Authority Rating assigned by Fitch or S&P is below “BBB,” or upon the occurrence of any other Bondholder’s Agreement Event of Default. The Non-AMT Drawdown Rate shall be calculated by the Calculation Agent and provided to the Authority, the Purchaser and the Owner Representative.

“*Non-AMT Project Account*” means the Account of such designation established in the Drawdown Bonds Construction Fund pursuant to Section 5.02 hereof and into which money is to be deposited to pay Costs of the Non-AMT Projects.

“*Non-AMT Projects*” means any undertaking, facility or item which is described in a Certificate provided by the Authority at the time of delivery of a Request for Purchase and/or Request for Drawing and which is acquired, constructed, reconstructed, improved, expanded or otherwise financed with proceeds of Non-AMT Drawdown Bonds and/or AMT Drawdown Bonds and which project satisfies the requirements of Section 141 of the Code and of the Tax Certificate for a Non-AMT Project.

“*Non-AMT Spread*” means, initially 57 basis points (0.57%), which is subject to maintenance of the Authority Rating under Level I set forth in the schedule below. In the event of a change in the Authority Rating, the Non-AMT Spread shall equal the number of basis points set forth in the Level associated with the lowest Authority Rating as set forth in the schedule below:

	Authority Rating			Non-AMT Spread
	Moody’s	S&P	Fitch	basis points (%)
Level I	A2 or above	A or above	A or above	57 bps (0.57%)
Level II	A3	A-	A-	65 bps (0.65%)
Level III	Baa1	BBB+	BBB+	90 bps (0.90%)
Level IV	Baa2	BBB	BBB	115 bps (1.15%)
Level V	Below Baa2	Below BBB	Below BBB	Default Rate

Any change in the Non-AMT Spread resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in the Authority Rating by the applicable Rating Agency. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a “global” rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect. Upon the occurrence of and during the continuance of a Bondholder’s Agreement Event of Default (including without limitation an Event of Default under Section 7.1(h) thereof), the interest rate on the Non-AMT Drawdown Bonds shall increase to the Default Rate, without notice to the Authority. The Authority acknowledges that as of the Effective Date the Non-AMT Spread is that specified above for Level 1.

As provided in Section 8.03 hereof, the Authority shall provide notice to the Trustee, the Owner Representative, the Purchaser and the Underwriter of any change to the Authority Rating.

“*Obligations*” has the meaning set forth in the Bondholder’s Agreement.

“*Opinion of Bond Counsel*” means a written opinion of Bond Counsel.

“*Outstanding*,” for purposes of this Fourth Supplemental Subordinate Indenture, means the unpaid principal amount of any Drawings.

“*Owner Representative*” has the meaning set forth in the Bondholder’s Agreement.

“*Participant*” means a participant of DTC which include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations.

“*Paying Agent*,” for purposes of this Fourth Supplemental Subordinate Indenture, means the Trustee, or any other institution appointed by the Authority.

“*PFC Resolution*” means, Resolution No. 2010-0088 adopted by the Board on August 23, 2010, as it may be amended or supplemented from time to time.

“*Purchaser*” means RBC Municipal Products, LLC, as initial Beneficial Owner of the Drawdown Bonds, and its successors, assignees, designees and nominees under the Bondholder’s Agreement and any Trust.

“*Rate Reset Date*” means each Wednesday preceding the first day of an Interest Accrual Period with respect thereto and, if such is not a Business Day, the next succeeding Business Day; provided, however, that the initial Rate Reset Date for a Drawdown Bonds shall be the Wednesday preceding the date the initial Drawing under such Drawdown Bond is advanced to the Authority by the Underwriter pursuant to the terms of the Bond Purchase Agreement.

“*Rating Agency*” has the meaning set forth in the Bondholder’s Agreement.

“*Record Date*” means the Business Day immediately preceding an Interest Payment Date.

“*Redemption Date*” means the date on which the Drawdown Bonds shall be redeemed (whether by optional redemption, mandatory sinking fund redemption, or otherwise) pursuant to this Fourth Supplemental Subordinate Indenture.

“*Redemption Price*” means the principal amount of Drawdown Bonds to be redeemed plus interest accrued at the applicable interest rate, payable upon redemption thereof pursuant to this Fourth Supplemental Subordinate Indenture.

“*Registrar*” for purposes of this Fourth Supplemental Subordinate Indenture, means the Trustee.

“*Related Documents*” has the meaning set forth in the Bondholder’s Agreement.

“*Repayment Date*” means the date on which all or any portion of the principal amount of a Drawing shall be repaid pursuant to Section 4.06 hereof.

“*Repayment Price*” means the principal amount of a Drawing to be repaid pursuant to Section 4.06 hereof, plus accrued and unpaid interest thereon.

“*Representation Letter*” means the Blanket Issuer Letter of Representations dated October 20, 2005 from the Authority to DTC.

“*Request for Drawing*” has the meaning set forth in the Bondholder’s Agreement.

“*Request for Purchase*” has the meaning set forth in the Bondholder’s Agreement.

“*Schedule of Drawings, Repayments and Redemptions*” means the schedule attached to each Drawdown Bond reflecting the date and amount of each Drawing and each repayment and redemption made by the Authority and the principal amount of such Drawdown Bond Outstanding.

“*Securities Depositories*” means The Depository Trust Company, 55 Water Street, New York, New York 10041, Telephone: (212) 855-1000, Facsimile: (212) 855-7232, or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Authority may designate in a certificate of the Authority delivered to the Trustee.

“*SIFMA Index*” means, for each Interest Accrual Period, the SIFMA Municipal Swap Index (a weekly, high-grade market index comprised of seven (7) day tax-exempt, variable rate demand notes produced by Municipal Market Data) in effect on the respective Rate Reset Date. If the SIFMA Index or a successor equivalent index is no longer calculated and published by Municipal Market Data in its current form, then the SIFMA Index shall be replaced by the Alternate Index.

“*SIFMA Index Rate*” means, for each Interest Accrual Period, the interest rate reported on the SIFMA Index on the respective Rate Reset Date. If the interest rate reported on the SIFMA

Index is less than zero, the SIFMA Index Rate shall be deemed to be zero for purposes of this Fourth Supplemental Subordinate Indenture.

“*Subseries*” means each Subseries of the Drawdown Bonds as designated pursuant to the provisions of this Fourth Supplemental Indenture.

“*Taxable Date*” has the meaning set forth in the Bondholder’s Agreement.

“*Taxable Drawdown Rate*” has the meaning set forth in the Bondholder’s Agreement.

“*Tax Certificate*” means the Tax Compliance Certificate with respect to the Drawdown Bonds delivered by the Authority concurrently with this Fourth Supplemental Subordinate Indenture, as originally executed and as it may from time to time be amended or supplemental pursuant to its terms, and includes any Additional Tax Certificate.

“*Trust*” has the meaning set forth in the Bondholder’s Agreement.

“*Underwriter*” means RBC Capital Markets, LLC, as underwriter under the Bond Purchase Agreement.

Section 1.02. Article and Section References. Except as otherwise indicated, references to Articles and Sections are to Articles and Sections of this Fourth Supplemental Subordinate Indenture.

Section 1.03. Content of Certificates and Opinions. Every certificate or opinion provided for in this Fourth Supplemental Subordinate Indenture with respect to compliance with any provision hereof or thereof shall include (a) a statement that the person making or giving such certificate or opinion has read such provision and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the certificate or opinion is based; (c) a statement (i) that, in the opinion of such person, he or she has made or caused to be made such examination or investigation as is necessary to enable him or her to express an informed opinion with respect to the subject matter or (ii) that he or she had made or caused to be made his or her examination or investigation with respect to the subject matter in accordance with specified professional standards; and (d) a statement as to whether, in the opinion of such person, such provision has been complied with.

Any such certificate or opinion made or given by an officer of the Authority may be based, insofar as it relates to legal or accounting matters, upon a certificate or opinion of or representation by counsel, an accountant or an independent consultant, unless such officer or staff member knows, or in the exercise of reasonable care should have known, that the certificate, opinion or representation with respect to the matters upon which such certificate or statement may be based, as aforesaid, is erroneous. Any such certificate or opinion made or given by counsel, an accountant or an independent consultant may be based, insofar as it relates to factual matters (with respect to which information is in the possession of the Authority) upon a certificate or opinion of or representation by an officer of the Authority, unless such counsel, accountant or independent consultant knows, or in the exercise of reasonable care should have known, that the certificate or opinion or representation with respect to the matters upon which such person’s certificate or opinion or representation may be based, as aforesaid, is erroneous.

The same officer of the Authority, or the same counsel or accountant or independent consultant, as the case may be, need not certify to all of the matters required to be certified under any provision of this Fourth Supplemental Subordinate Indenture, but different officers, staff members, counsel, accountants or independent consultants may certify to different matters, respectively.

ARTICLE II

THE DRAWDOWN BONDS AND THE OTHER OBLIGATIONS

Section 2.01. Authorization of Drawdown Bonds. The Authority hereby authorizes the issuance of its Drawdown Bonds, subject to the provisions of the Bondholder's Agreement, the Bond Purchase Agreement and Section 2.02 hereof. The Drawdown Bonds shall be substantially in the form attached hereto as Exhibit A. Drawdown Bonds may be issued as either AMT Drawdown Bonds or Non-AMT Drawdown Bonds. The AMT Drawdown Bonds shall be designated as "San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Series B (AMT)" and shall be issued in one or more Subseries; and the Non-AMT Drawdown Bonds shall be designated as "San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Series A (Non-AMT)" and shall be issued in one or more Subseries. The Drawdown Bonds shall constitute Subordinate Obligations within the meaning of the Master Subordinate Indenture.

Section 2.02. Terms of Drawdown Bonds.

(a) **Issuance.** The AMT Drawdown Bonds shall be issued in one or more Subseries and in Authorized Denominations, and the Non-AMT Drawdown Bonds shall be issued in one or more Subseries and in Authorized Denominations. The initial Subseries of AMT Drawdown Bonds shall be designated as "San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Subseries B-1 (AMT)", and shall be issued in the calendar month of the first Drawing under such Subseries, shall be dated their date of issuance, and shall be issued in a maximum aggregate principal amount not to exceed \$100,000,000. The initial Subseries of Non-AMT Drawdown Bonds shall be designated as "San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Subseries A-1 (Non-AMT)", and shall be issued in the calendar month of the first Drawing under such Subseries, shall be dated their date of issuance, and shall be issued in a maximum aggregate principal amount not to exceed \$100,000,000. Each subsequent Subseries of Drawdown Bonds shall be further designated as may be determined by the Authority in the applicable Request for Purchase. The Authority shall only issue a Subseries of Drawdown Bonds upon satisfaction of the conditions set forth in the Bond Purchase Agreement (unless waived by the Underwriter in its sole discretion pursuant to the terms thereof) and the conditions set forth in Section 2.09 of the Master Subordinate Indenture.

(b) **Drawings.**

(i) Drawings shall be made on a Subseries of an AMT Drawdown Bond and on a Subseries of a Non-AMT Drawdown Bond in the manner and upon

the terms and conditions set forth in the Bond Purchase Agreement. The Authority may make a Drawing on a Subseries of a Drawdown Bond, repay such Drawing pursuant to Section 4.06 hereof and the Bond Purchase Agreement and make a subsequent Drawing on such Subseries under the terms and conditions set forth in this Fourth Supplemental Subordinate Indenture and the Bond Purchase Agreement; provided, however, that if a Subseries of Drawdown Bonds is redeemed pursuant to the provisions of Section 4.01 hereof, such Subseries shall be retired to the extent redeemed and the maximum aggregate principal amount of such Subseries shall be reduced accordingly.

(ii) None of the documents set forth in Section 2.09 of the Master Subordinate Indenture need be provided with respect to any Drawing subsequent to the Effective Date.

(iii) Drawings on AMT Drawdown Bonds may be made only if the Authority shall have obtained an Opinion of Bond Counsel, addressed to the Authority, the Underwriter and the Purchaser, to the effect that the interest on the applicable Drawing is excluded from gross income for federal income tax purposes. Drawings on Non-AMT Drawdown Bonds may be made only if the Authority shall have obtained an Opinion of Bond Counsel, addressed to the Authority, the Underwriter and the Purchaser, to the effect that the interest on the applicable Drawing is excluded from gross income for federal income tax purposes, and that the interest on such Drawing is not included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations. At the Authority's option, after consultation with Bond Counsel, the Authority may obtain and deliver to the Underwriter and the Purchaser an opinion of Bond Counsel that relates to one or more Drawings under the Drawdown Bonds.

(iv) Other than the initial Drawing under a Subseries of Drawdown Bonds, Drawings shall be deemed to occur on the Interest Payment Date immediately preceding the Drawing. Interest with respect to a Drawing shall accrue from the date that the Drawing occurs or is deemed to occur in accordance with the prior sentence. Drawings on an Interest Payment Date will be drawn at the par amount thereof, in Authorized Denominations, and Drawings on a date other than an Interest Payment Date (except the initial Drawing under a Subseries of Drawdown Bonds) will be drawn at the par amount thereof, in Authorized Denominations, plus accrued interest thereon from the most recent Interest Payment Date.

(c) ***Maximum Principal Amount.*** The Drawdown Bonds shall not be issued such that the principal amount of all Outstanding Drawdown Bonds shall exceed the Commitment Amount. The aggregate principal amount of the Drawdown Bonds may be repaid and reborrowed. Interest shall accrue only on the principal amount of any Subseries of Drawdown Bonds that has been actually drawn by the Authority and not yet redeemed or repaid, as reflected on the Schedule of Drawings, Repayments and Redemption maintained by the Trustee.

(d) ***Date and Maturity Date.*** Each Subseries of Drawdown Bonds shall be dated their respective date of issuance, and each Subseries of Drawdown Bonds shall mature on the Amortization End Date, unless redeemed prior to the Amortization End Date.

(e) ***Interest Rate.***

(i) ***Before Commitment End Date.*** Before the Commitment End Date, the AMT Drawdown Bonds shall bear interest during each Interest Accrual Period at an interest rate equal to the AMT Drawdown Rate, and the Non-AMT Drawdown Bonds will bear interest during each Interest Accrual Period at an interest rate equal to the Non-AMT Drawdown Rate. Each Subseries of Drawdown Bonds shall only bear interest based on the principal amount of all Outstanding Drawings under such Subseries.

(ii) ***During the Amortization Period.*** During the Amortization Period, all Drawdown Bonds shall bear interest at the Amortization Period Interest Rate.

(iii) ***Bondholder's Agreement Event of Default or Taxable Date.*** Upon the occurrence of any Bondholder's Agreement Event of Default or a Taxable Date, all Drawdown Bonds shall immediately and automatically bear interest at the Default Rate or the Taxable Drawdown Rate, as applicable.

(iv) ***Interest Accrual on Drawing.*** If, as provided in Section 2.02(b)(iv) hereof, interest on a Drawdown Bond bears interest from the immediately preceding Interest Payment Date, the Authority shall pay interest on the Drawdown Bonds on each Interest Payment Date for the interest accrued during the period commencing on the immediately preceding Interest Payment Date and ending on the day immediately preceding the Interest Payment Date on which such payment is due and payable.

(v) ***Calculations.*** All calculations of interest on the Drawdown Bonds shall be made by the Calculation Agent and shall be calculated on the basis of a 365/366-day year, as applicable, and actual days elapsed. The Calculation Agent shall provide all calculations of interest on the Drawdown Bonds to the Trustee (if the Trustee is not the Calculation Agent), the Authority, the Purchaser and the Owner Representative. The Calculation Agent shall also provide the AMT Drawdown Rate and the Non-AMT Drawdown Rate to floater@bloomberg.net and variable@bloomberg.net.

(vi) ***Maximum Interest Rate.*** Subject to Section 2.02(f) hereof, in no event may any Drawdown Bond bear interest in excess of the Maximum Interest Rate.

(f) ***Excess Interest.***

(i) If the amount of interest payable on any Drawdown Bonds for any period in accordance with the terms hereof exceeds the amount of interest that would be payable on such Drawdown Bond for such period had interest for such period been calculated at the Maximum Interest Rate, then interest for such period shall be payable in an amount calculated at the Maximum Interest Rate.

(ii) Any interest that would have been due and payable on any Drawdown Bond by the Authority for any period but for the operation of the immediately preceding paragraph (A) shall accrue and be payable as provided in this paragraph (ii) and shall, after deducting any interest actually paid to the Owners during such period, constitute the “*Excess Interest Amount.*” If there is any accrued and unpaid Excess Interest Amount as of any date, then the principal amount owing by the Authority to the Owners hereunder with respect to which interest is payable shall bear interest at the Maximum Interest Rate until payment to the Owners of the entire Excess Interest Amount owed to them.

(iii) Notwithstanding the foregoing, on the date on which no Drawdown Bond remains unpaid, to the extent possible without violating applicable Laws, the Authority shall pay to the Owners an amount equal to any accrued and unpaid Excess Interest Amount owed to them.

(g) ***Payment of Drawdown Bonds and the Obligations.*** Principal of and interest on the Drawdown Bonds and the other Obligations will be paid in lawful money of the United States that at the time of payment is legal tender for payment of public and private debts or by checks or wire transfer payable in such money. The Authority covenants that it will duly and punctually pay or cause to be paid when due from Subordinate Net Revenues the principal of and interest on every Drawdown Bond and the other Obligations. Payment of the final principal payment (i.e., the final payment made on a Subseries of Drawdown Bonds on or prior to the Amortization End Date) of each Subseries of the Drawdown Bonds shall be made upon surrender of such Drawdown Bonds to the Trustee or its agent at its corporate trust office; provided that with respect to Drawdown Bonds which are Book-Entry Bonds, the Trustee shall make other arrangements for payment of principal as provided in the Representation Letter. Payment of interest on Drawdown Bonds which are not Book-Entry Bonds shall be paid by check of the Trustee mailed by first-class mail to the person who is the registered Owner thereof on the Record Date, and such payment shall be mailed to such Owner at his address as it appears on the registration books of the Registrar, provided, that Owners of \$1,000,000 or more in aggregate principal amount of Drawdown Bonds may arrange for payment by wire transfer of immediately available funds upon written request given to the Trustee at least one Business Day prior to the applicable Interest Payment Date. The payment of interest on Book-Entry Bonds shall be made as provided in Section 3.02 hereof with respect to all Drawdown Bonds and interest due and payable on any Interest Payment Date shall be paid to the person who is the registered Owner as of the Record Date.

If the principal amount of a Subseries is paid in full prior to the Commitment End Date (i.e., there are no Outstanding Drawings under such Subseries), such Subseries will be deemed to remain outstanding to and including the Amortization End Date; provided that such payment of the Drawdown Bond did not occur in connection with a redemption.

ARTICLE III

EXCHANGE OF DRAWDOWN BONDS; BOOK-ENTRY BONDS

Section 3.01. Exchange of Drawdown Bonds. Drawdown Bonds which are delivered to the Registrar for exchange may be exchanged for an equal total principal amount of the same Subseries of such Drawdown Bonds. The cost of printing Drawdown Bonds and any services rendered or expenses incurred by the Trustee or the Registrar in connection with any transfer or exchange shall be paid by the Authority. The Trustee or the Registrar may require the payment by the Holders requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer.

The Registrar will not, however, be required to transfer or exchange any such Drawdown Bond during the period established by the Registrar for selection of Drawdown Bonds for redemption or any Drawdown Bond which has been selected for redemption.

Section 3.02. Book-Entry Bonds.

(a) Except as provided in subparagraph (c) of this Section, the Holder of all of the Drawdown Bonds shall be DTC and the Drawdown Bonds shall be registered in the name of Cede & Co., as nominee for DTC. Payment of principal and Redemption Price of and interest on any Drawdown Bond registered in the name of Cede & Co. shall be made by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of Cede & Co. at the address indicated on the Record Date or special record date for Cede & Co. in the registration books of the Registrar.

(b) The Drawdown Bonds shall be initially issued in the form of separate single authenticated fully registered bond for each Subseries of the Drawdown Bonds. Upon initial issuance, the ownership of such Drawdown Bonds shall be registered in the registration books of the Registrar in the name of Cede & Co., as nominee of DTC. The Trustee, the Registrar and the Authority may treat DTC (or its nominee) as the sole and exclusive owner of the Drawdown Bonds registered in its name for the purposes of paying the principal and Redemption Price of and interest on the Drawdown Bonds, selecting the Drawdown Bonds or portions thereof to be redeemed, giving any notice permitted or required to be given to Holders under the Master Subordinate Indenture or this Fourth Supplemental Subordinate Indenture, registering the transfer of Drawdown Bonds, obtaining any consent or other action to be taken by Holders and for all other purposes whatsoever, and neither the Trustee, the Registrar nor the Authority shall be affected by any notice to the contrary. Neither the Trustee, the Registrar nor the Authority shall have any responsibility or obligation to any Participant, any person claiming a beneficial ownership interest in the Drawdown Bonds under or through DTC

or any Participant, or any other person which is not shown on the registration books as being a Holder, with respect to the accuracy of any records maintained by DTC or any Participant; the payment by DTC or any Participant of any amount in respect of the principal and Redemption Price of or interest on the Drawdown Bonds; any notice which is permitted or required to be given to Holders under the Master Subordinate Indenture and this Fourth Supplemental Subordinate Indenture; the selection by DTC or any Participant of any person to receive payment in the event of a partial redemption of the Drawdown Bonds; any consent given or other action taken by DTC as Holder; or any other purpose. The Trustee shall pay all principal and Redemption Price of and interest on the Drawdown Bonds only to or “upon the order of” DTC (as that term is used in the Uniform Commercial Code as adopted in the State of California), and all such payments shall be valid and effective to fully satisfy and discharge the Authority’s obligations with respect to the principal and Redemption Price of and interest on the Drawdown Bonds to the extent of the sum or sums so paid. No person other than DTC shall receive an authenticated Drawdown Bond evidencing the obligation of the Authority to make payments of principal, Redemption Price and interest pursuant to the Master Subordinate Indenture and this Fourth Supplemental Subordinate Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the word “Cede & Co.” in this Fourth Supplemental Subordinate Indenture shall refer to such new nominee of DTC.

(c) In the event the Authority determines that it is in the best interest of the beneficial owners that they be able to obtain Drawdown Bond certificates, and notifies DTC, the Trustee and the Registrar of such determination, then DTC will notify the Participants of the availability through DTC of Drawdown Bond certificates. In such event, the Trustee shall authenticate and the Registrar shall transfer and exchange Drawdown Bond certificates as requested by DTC and any other Holders in appropriate amounts. DTC may determine to discontinue providing its services with respect to the Drawdown Bonds at any time by giving notice to the Authority and the Trustee and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor Securities Depository), the Authority and the Trustee shall be obligated to deliver Drawdown Bond certificates as described in this Fourth Supplemental Subordinate Indenture. In the event Drawdown Bond certificates are issued, the provisions of the Master Subordinate Indenture and this Fourth Supplemental Subordinate Indenture shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal and Redemption Price of and interest on such certificates. Whenever DTC requests the Authority and the Trustee to do so, the Trustee and the Authority will cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Drawdown Bonds to any Participant having Drawdown Bonds credited to its DTC account or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Drawdown Bonds.

(d) Notwithstanding any other provision of the Master Subordinate Indenture and this Fourth Supplemental Subordinate Indenture to the contrary, so long as any Drawdown Bond is registered in the name of Cede & Co., as nominee of DTC, all

payments with respect to the principal and Redemption Price of and interest on such Drawdown Bond and all notices with respect to such Drawdown Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) In connection with any notice or other communication to be provided to Holders pursuant to the Master Subordinate Indenture and this Fourth Supplemental Subordinate Indenture by the Authority or the Trustee with respect to any consent or other action to be taken by Holders, the Authority or the Trustee, as the case may be, shall establish a record date for such consent or other action and give DTC notice of such record date not less than fifteen (15) calendar days in advance of such record date to the extent possible. Notice to DTC shall be given only when DTC is the sole Holder.

NEITHER THE AUTHORITY NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO PARTICIPANTS OR BENEFICIAL OWNERS WITH RESPECT TO: THE PAYMENT BY DTC, TO ANY PARTICIPANT OF THE PRINCIPAL AND REDEMPTION PRICE OF OR INTEREST ON THE DRAWDOWN BONDS; THE PROVIDING OF NOTICE TO PARTICIPANTS OR BENEFICIAL OWNERS; THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC, OR ANY PARTICIPANT; OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS HOLDER OF THE DRAWDOWN BONDS.

Section 3.03. Transfers Outside Book-Entry System. In the event (a) the Securities Depository determines not to continue to act as securities depository for the Drawdown Bonds, or (b) the Authority determines that the Securities Depository shall no longer so act, and delivers a written certificate to the Trustee and the Securities Depository to that effect, then the Authority will discontinue the book-entry system with the Securities Depository. If the Authority determines to replace the Securities Depository with another qualified securities depository, the Authority shall prepare or direct the preparation of a new, single, separate, fully registered Drawdown Bond for each Subseries of the Drawdown Bonds registered in the name of such successor or substitute qualified securities depository or its nominee or make such other arrangement acceptable to the Authority and the Securities Depository as are not inconsistent with the terms of the Master Subordinate Indenture or this Fourth Supplemental Subordinate Indenture. If the Authority fails to identify another qualified securities depository to replace the Securities Depository, then the Drawdown Bonds shall no longer be restricted to being registered in the Register in the name of the nominee of the Securities Depository, but shall be registered in such authorized denominations and names as the Securities Depository shall designate in accordance with the provisions of this Article III.

ARTICLE IV

REDEMPTION AND REPAYMENT OF DRAWDOWN BONDS

Section 4.01. Redemption Provisions.

(a) *Optional Redemption of Drawdown Bonds.* Each Subseries of Drawdown Bonds is subject to redemption prior to maturity, at the option of the Authority, from any moneys that may be provided for such purpose, in whole or in part,

on any date at a Redemption Price equal to 100% of the principal amount of the Subseries to be redeemed plus accrued interest to the date fixed for redemption, without premium. The principal amount of any Subseries of Drawdown Bonds that is optionally redeemed may not be reborrowed.

(b) ***Mandatory Sinking Fund Redemption During an Amortization Period.***

During the Amortization Period, the Outstanding Drawdown Bonds shall be subject to mandatory redemption, commencing on the Initial Amortization Payment Date and on each succeeding Amortization Payment Date. Each Amortization Payment due on each Amortization Payment Date shall be in an amount as calculated pursuant to Section 2.1(e) of the Bondholder's Agreement. During the Amortization Period, the Redemption Price of the Drawdown Bonds shall be equal to the principal amount of the Drawdown Bonds to be redeemed on such date plus interest accrued to but excluding the Amortization Payment Date. During the Amortization Period, interest on Outstanding Drawdown Bonds shall accrue at the Amortization Period Interest Rate payable monthly in arrears on each Interest Payment Date. Any AMT Drawdown Bonds and Non-AMT Drawdown Bonds redeemed pursuant to this Section 4.01(b) shall be redeemed on a pro rata basis.

Section 4.02. Notice of Optional Redemption. If the Authority wishes that any Drawdown Bonds be optionally redeemed pursuant to the provision of this Fourth Supplemental Subordinate Indenture, the Authority will notify the Trustee of the Subseries of Drawdown Bonds being redeemed, the Redemption Date, the CUSIP number and the principal amount of the Subseries of Drawdown Bonds to be redeemed and other necessary particulars. The Authority will give notice to the Trustee at least twenty (20) days before the Redemption Date, provided that the Trustee may, at its option, waive such notice or accept notice at a later date. The Trustee shall give notice of redemption, in the name of the Authority, to the Holders affected by such optional redemption and the Owner Representative at least fifteen (15) days but not more than sixty (60) days before each Redemption Date, send such notice of redemption by first class mail (or with respect to Drawdown Bonds held by DTC via electronic means or an express delivery service for delivery on the next following Business Day) to each Holder of a Drawdown Bond to be redeemed. Each such notice shall be sent to the Holder's registered address.

Each notice of redemption shall specify the date of such notice; the Subseries and the CUSIP number(s) of each Drawdown Bond to be redeemed, if less than all Drawdown Bonds of a Subseries are called for redemption the numbers assigned to the Drawdown Bonds to be redeemed; the principal amount to be redeemed; the date of issuance of the Drawdown Bonds to be redeemed; the date fixed for redemption; the Redemption Price; the place or places of payment; the Trustee's name; that payment will be made upon presentation and surrender of the Drawdown Bonds to be redeemed; that interest, if any, accrued to the date fixed for redemption and not paid will be paid as specified in said notice; and that on and after said date interest thereon will cease to accrue.

The Authority may provide that, if at the time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Drawdown Bonds called for redemption, such notice may state that it is conditional, that is, subject to the deposit of the redemption moneys with the Trustee not later than the opening of business one (1) Business Day prior to the scheduled Redemption Date, and such notice shall be

of no effect unless such moneys are so deposited. In the event sufficient moneys are not on deposit on the required date, then the redemption shall be canceled and on such cancellation date notice shall be mailed to the Holders of such Drawdown Bonds to be redeemed in the manner provided in this Section.

Failure to give any required notice of redemption as to any particular Drawdown Bonds will not affect the validity of the call for redemption of any Drawdown Bonds in respect of which no failure occurs. Any notice sent as provided herein will be conclusively presumed to have been given whether or not actually received by the addressee. When notice of redemption is given, Drawdown Bonds called for redemption become due and payable on the date fixed for redemption at the applicable Redemption Price. In the event that funds are deposited with the Trustee sufficient for redemption, interest on the Drawdown Bonds to be redeemed will cease to accrue on and after the date fixed for redemption.

If any Drawdown Bonds, at the time of redemption, are not Book-Entry Bonds, then, at the time of the mailing required by the first paragraph of this Section, such redemption notice shall be (a) provided to the EMMA System, and (b) given by (i) registered or certified mail, postage prepaid; (ii) telephonically confirmed facsimile transmission; or (iii) overnight delivery service, to:

The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099
Attention: Call Notification
Facsimile: (212) 855-7232

Failure to give the notice described in the immediately preceding paragraph or any defect therein shall not in any manner affect the redemption of any Drawdown Bond.

Section 4.03. Drawdown Bonds Redeemed in Part. Upon surrender of a Drawdown Bond to be redeemed, in part only, the Trustee will authenticate for the Holder a new Drawdown Bond of the same Subseries and maturity date equal in principal amount to the unredeemed portion of the Drawdown Bond surrendered.

Section 4.04. Payment of Drawdown Bonds Called for Redemption. Upon surrender to the Trustee or the Trustee's agent, Drawdown Bonds called for redemption shall be paid at the Redemption Price stated in the notice.

Section 4.05. Effect of Redemption Call. On the date so designated for redemption, notice having been given in the manner and under the conditions provided herein and sufficient moneys for payment of the Redemption Price being held in trust to pay the Redemption Price, the Drawdown Bonds so called for redemption shall become and be due and payable on the Redemption Date, interest on such Drawdown Bonds shall cease to accrue from and after such Redemption Date, such Drawdown Bonds shall cease to be entitled to any lien, benefit or security under the Master Trust Indenture and this Fourth Supplemental Subordinate Indenture and the Holders of such Drawdown Bonds shall have no rights in respect thereof except to receive payment of the Redemption Price.

Drawdown Bonds which have been duly called for redemption under the provisions of this Article IV and for the payment of the Redemption Price of which moneys shall be held in trust for the Holders of the Drawdown Bonds to be redeemed, all as provided in this Fourth Supplemental Subordinate Indenture, shall not be deemed to be Outstanding (as defined in the Master Subordinate Indenture) under the provisions of the Master Trust Indenture and this Fourth Supplemental Subordinate Indenture.

Section 4.06. Repayment of Drawdown Bonds.

(a) Upon five (5) Business Days written notice by the Authority to the Trustee, the Owner Representative and the Purchaser, each Subseries of Drawdown Bonds is subject to optional repayment by the Authority from any moneys that may be provided for such purpose, in whole or in part, in Authorized Denominations, on any date at a price equal to 100% of the principal being repaid, plus accrued interest, if any, to such Repayment Date, without premium. Upon the Purchaser's receipt of the Repayment Price, the Available Commitment shall be reinstated by the amount of such repayment; provided, however, that the Trustee shall not cancel or destroy any Subseries of Drawdown Bonds which has been repaid (but not redeemed) so long as any amount remains to be drawn under such Drawdown Bonds and such Subseries shall be deemed to not be retired.

(b) Upon repayment of any Subseries of Drawdown Bonds pursuant to this Section 4.06, the Outstanding amount of such Subseries shall be reduced by the amount of such repayment.

(c) If the principal amount of all Drawings of a Subseries of Drawdown Bonds are paid in full on or before the Commitment End Date (i.e., there are no Outstanding Drawings under such Subseries of Drawdown Bonds) but have not been redeemed, such Subseries of Drawdown Bonds will be deemed to not be retired unless and until, on the Amortization End Date, no Drawings under such Subseries are Outstanding or (ii) such Subseries are redeemed pursuant to this Article IV.

ARTICLE V

ESTABLISHMENT OF FUNDS AND ACCOUNTS AND APPLICATION THEREOF

Section 5.01. Creation of Debt Service Funds. The Authority hereby establishes the "San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds Series B (AMT) Debt Service Fund" (the "*AMT Debt Service Fund*") and therein an Interest Account, a Principal Account and a Redemption Account, to be held by the Trustee. The AMT Debt Service Fund and each of the Accounts held therein shall be maintained by the Trustee in trust for the benefit of the Holders.

The Authority hereby establishes the "San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds Series A (Non-AMT) Debt Service Fund" (the "*Non-AMT Debt Service Fund*") and therein an Interest Account, a Principal Account and a Redemption Account, to be held by the Trustee. The Non-AMT Debt Service Fund and each of

the Accounts held therein shall be maintained by the Trustee in trust for the benefit of the Holders.

Section 5.02. Creation of Drawdown Bonds Construction Fund. The Authority hereby establishes the “San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds Construction Fund” (the “*Drawdown Bonds Construction Fund*”) and therein an AMT Project Account and a Non-AMT Project Account, to be held by the Trustee. The Trustee shall establish within each AMT Project Account and Non-AMT Project Account a separate Subaccount for each Drawing to the extent proceeds of such Drawing are to be deposited in the AMT Project Account or the Non-AMT Project Account.

Section 5.03. Deposit of Proceeds of Drawdown Bonds. Except as otherwise provided in the following sentence, upon receipt from the Purchaser, the Authority shall transfer or cause to be transferred the proceeds from each Drawing to the Trustee immediately upon receipt thereof. The proceeds from each Drawing shall be applied by (a) the Trustee, at the direction of an Authorized Authority Representative, for deposit into the appropriate Account and/or Subaccount of the Drawdown Bonds Construction Fund, and expended therefor in accordance with the provisions of Section 5.04 hereof, and/or (b) the Authority for such other purposes as allowed by the Act and/or the Master Subordinate Indenture.

Section 5.04. Application of Moneys in the Drawdown Bonds Construction Fund.

(a) Except as provided in this Section 5.04, (i) moneys deposited in the AMT Project Account of the Drawdown Bonds Construction Fund shall be withdrawn from time to time as directed in writing by an Authorized Authority Representative solely to pay the Costs of AMT Projects and/or Non-AMT Projects and for such other purposes as allowed by the Act and/or the Master Subordinate Indenture, and (ii) moneys deposited in the Non-AMT Project Account of the Drawdown Bonds Construction Fund shall be withdrawn from time to time as directed in writing by an Authorized Authority Representative solely to pay the Costs of Non-AMT Projects and for such other purposes as allowed by the Act and/or the Master Subordinate Indenture.

(b) The Trustee shall make payments or disbursements from the Accounts and Subaccounts within the Drawdown Bonds Construction Fund upon receipt of a written requisition executed by an Authorized Authority Representative, in substantially the form attached as Exhibit B hereto, which requisition shall state, with respect to each amount requested thereby, (i) the Account and/or Subaccount from which such payment is to be made, (ii) the number of the requisition from such Account and/or Subaccount, (iii) the amount to be paid, the name of the entity to which the payment is to be made and the manner in which the payment is to be made, which may be the Authority in the case of reimbursement for costs theretofore paid by the Authority, (iv) the identity of the Project to which such payment corresponds, and (v) that the amounts requisitioned will be expended only in accordance with and subject to the limitations set forth in the Tax Certificate. Each such requisition shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of the facts stated therein.

(c) Moneys held in the Drawdown Bonds Construction Fund shall be invested and reinvested as directed by the Authority in Permitted Investments. Earnings on the Drawdown Bonds Construction Fund shall be retained in the Drawdown Bonds Construction Fund.

(d) The completion of a Project shall be evidenced by the filing with the Trustee of a certificate of an Authorized Authority Representative stating either (i) the date of completion of the applicable Project and the amount, if any, required in the opinion of such Authorized Authority Representative for the payment of any remaining part of the Costs of such Project or (ii) that all amounts in the applicable Account and/or Subaccount of the Drawdown Bonds Construction Fund have been disbursed or expenses in respect thereof have been incurred. Any amount remaining in the applicable Account and/or Subaccount of the Drawdown Bonds Construction Fund following the delivery of such certificate, or upon the determination of the Authority not to proceed with the applicable Project, may, at the determination of the Authority, be applied upon written requisition of an Authorized Authority Representative to any other lawful purpose designated in such requisition and for which purpose such proceeds may be used under the Act and the Master Subordinate Indenture. As a condition to the disbursement of funds from the AMT Project Account or the Non-AMT Project Account for a purpose other than those described in Section 5.04(a) hereof, there shall be delivered to the Trustee with the requisition an Opinion of Bond Counsel that the purpose for which such funds are to be used is a lawful purpose for which such proceeds may be used under the Act and the Master Subordinate Indenture and that such use shall not result in the inclusion of interest on any Drawdown Bonds in gross income of the recipient thereof for federal income tax purposes (subject to the inclusion of any exception contained in the opinion delivered at the time of the original issuance of such Drawdown Bonds).

Section 5.05. Deposits Into the AMT Debt Service Fund; Use of the AMT Debt Service Fund.

(a) **Interest Account.** The Trustee shall deposit into the Interest Account of the AMT Debt Service Fund (i) amounts received from the Authority, as provided in the Master Subordinate Indenture, and (ii) any other amounts (including, but not limited to, amounts derived from Passenger Facility Charges and any accrued interest received with respect to a Drawing under an AMT Drawdown Bond) deposited with the Trustee for deposit in the Interest Account of the AMT Debt Service Fund or transferred from other funds and accounts for deposit therein, to be used to pay interest on the AMT Drawdown Bonds. All amounts held at any time in the Interest Account of the AMT Debt Service Fund shall be (A) held on a priority basis for the ratable security and payment of interest due on the AMT Drawdown Bonds in accordance with their terms, and (B) used by the Trustee to pay the interest on the AMT Drawdown Bonds on each Interest Payment Date, each Amortization Payment Date and the Amortization End Date.

Earnings on any Passenger Facility Charges deposited in the Interest Account of the AMT Debt Service Fund shall be retained in such Account. Earnings on all other amounts (except earnings on Passenger Facility Charges) in the Interest Account of the AMT Debt Service Fund shall be withdrawn by the Trustee and paid to the Authority on

the Business Day following an Interest Payment Date for deposit into the Revenue Account unless an Event of Default exists under the Master Subordinate Indenture or a Bondholder's Agreement Event of Default exists under the Bondholder's Agreement, in which event the earnings shall be retained in such Account.

(b) ***Principal Account.*** The Trustee shall deposit into the Principal Account of the AMT Debt Service Fund (i) amounts received from the Authority as provided in the Master Subordinate Indenture to be used to pay principal of the AMT Drawdown Bonds at maturity, and (ii) any other amounts (including, but not limited to, amounts derived from Passenger Facility Charges) deposited with the Trustee for deposit into the Principal Account of the AMT Debt Service Fund or transferred from other funds and accounts for deposit therein. All amounts held at any time in the Principal Account of the AMT Debt Service Fund shall be (A) held on a priority basis for the ratable security and payment of principal due on the AMT Drawdown Bonds in accordance with their terms, and (B) used by the Trustee to pay the principal of the AMT Drawdown Bonds (including principal payable in accordance with mandatory sinking fund redemption as described in Section 4.01(b) hereof) at such times and in such amounts as set forth in this Fourth Supplemental Subordinate Indenture and the Bondholder's Agreement.

Earnings on any Passenger Facility Charges deposited in the Principal Account of the AMT Debt Service Fund shall be retained in such Account. Earnings on all other amounts (except earnings on Passenger Facility Charges) in the Principal Account of the AMT Debt Service Fund shall be withdrawn by the Trustee and paid to the Authority on or about July 15 of each Fiscal Year for deposit into the Revenue Account unless an Event of Default exists under the Master Subordinate Indenture or a Bondholder's Agreement Event of Default exists under the Bondholder's Agreement, in which event the earnings shall be retained in such Account.

(c) ***Redemption Account.*** The Trustee shall deposit into the Redemption Account of the AMT Debt Service Fund amounts received from the Authority or from other sources to be used to pay the Redemption Price of the AMT Drawdown Bonds which are to be optionally redeemed in advance of their maturity. All amounts held at any time in the Redemption Account of the AMT Debt Service Fund shall be (i) held on a priority basis for the ratable security and payment of the Redemption Price of the AMT Drawdown Bonds in accordance with their terms, and (ii) used by the Trustee to pay the Redemption Price of the AMT Drawdown Bonds at such times and in such amounts in accordance with Section 4.01(a) hereof.

Earnings on amounts in the Redemption Account of the AMT Debt Service Fund shall be retained in such Account or, provided, no Event of Default exists under the Master Subordinate Indenture or a Bondholder's Agreement Event of Default exists under the Bondholder's Agreement, paid to the Authority for deposit into the Revenue Account in accordance with instructions given to the Trustee by an Authorized Authority Representative at the time of such deposit.

The AMT Debt Service Fund shall be invested and reinvested as directed by an Authorized Authority Representative in Permitted Investments.

Section 5.06. Deposits Into the Non-AMT Debt Service Fund; Use of the Non-AMT Debt Service Fund.

(a) **Interest Account.** The Trustee shall deposit into the Interest Account of the Non-AMT Debt Service Fund (i) amounts received from the Authority, as provided in the Master Subordinate Indenture, and (ii) any other amounts (including, but not limited to, amounts derived from Passenger Facility Charges and any accrued interest received with respect to a Drawing under a Non-AMT Drawdown Bond) deposited with the Trustee for deposit in the Interest Account of the Non-AMT Debt Service Fund or transferred from other funds and accounts for deposit therein, to be used to pay interest on the Non-AMT Drawdown Bonds. All amounts held at any time in the Interest Account of the Non-AMT Debt Service Fund shall be (A) held on a priority basis for the ratable security and payment of interest due on the Non-AMT Drawdown Bonds in accordance with their terms, and (B) used by the Trustee to pay the interest on the Non-AMT Drawdown Bonds on each Interest Payment Date, each Amortization Payment Date and the Amortization End Date.

Earnings on any Passenger Facility Charges deposited in the Interest Account of the Non-AMT Debt Service Fund shall be retained in such Account. Earnings on all other amounts (except earnings on Passenger Facility Charges) in the Interest Account of the Non-AMT Debt Service Fund shall be withdrawn by the Trustee and paid to the Authority on the Business Day following an Interest Payment Date for deposit into the Revenue Account unless an Event of Default exists under the Master Subordinate Indenture or a Bondholder's Agreement Event of Default exists under the Bondholder's Agreement, in which event the earnings shall be retained in such Account.

(b) **Principal Account.** The Trustee shall deposit into the Principal Account of the Non-AMT Debt Service Fund (i) amounts received from the Authority as provided in the Master Subordinate Indenture to be used to pay principal of the Non-AMT Drawdown Bonds at maturity, and (ii) any other amounts (including, but not limited to, amounts derived from Passenger Facility Charges) deposited with the Trustee for deposit into the Principal Account of the Non-AMT Debt Service Fund or transferred from other funds and accounts for deposit therein. All amounts held at any time in the Principal Account of the Non-AMT Debt Service Fund shall be (A) held on a priority basis for the ratable security and payment of principal due on the Non-AMT Drawdown Bonds in accordance with their terms, and (B) used by the Trustee to pay the principal of the Non-AMT Drawdown Bonds (including principal payable in accordance with mandatory sinking fund redemption as described in Section 4.01(b) hereof) at such times and in such amounts as set forth in this Fourth Supplemental Subordinate Indenture and the Bondholder's Agreement.

Earnings on any Passenger Facility Charges deposited in the Principal Account of the Non-AMT Debt Service Fund shall be retained in such Account. Earnings on all other amounts (except earnings on Passenger Facility Charges) in the Principal Account of the Non-AMT Debt Service Fund shall be withdrawn by the Trustee and paid to the Authority on or about July 15 of each Fiscal Year for deposit into the Revenue Account unless an Event of Default exists under the Master Subordinate Indenture or a

Bondholder's Agreement Event of Default exists under the Bondholder's Agreement, in which event the earnings shall be retained in such Account.

(c) **Redemption Account.** The Trustee shall deposit into the Redemption Account of the Non-AMT Debt Service Fund amounts received from the Authority or from other sources to be used to pay the Redemption Price of the Non-AMT Drawdown Bonds which are to be optionally redeemed in advance of their maturity. All amounts held at any time in the Redemption Account of the Non-AMT Debt Service Fund shall be (i) held on a priority basis for the ratable security and payment of the Redemption Price of the Non-AMT Drawdown Bonds in accordance with their terms, and (ii) used by the Trustee to pay the Redemption Price of the Non-AMT Drawdown Bonds at such times and in such amounts in accordance with Section 4.01(a) hereof.

Earnings on amounts in the Redemption Account of the Non-AMT Debt Service Fund shall be retained in such Account or, provided, no Event of Default exists under the Master Subordinate Indenture or a Bondholder's Agreement Event of Default exists under the Bondholder's Agreement, paid to the Authority for deposit into the Revenue Account in accordance with instructions given to the Trustee by an Authorized Authority Representative at the time of such deposit.

The Non-AMT Debt Service Fund shall be invested and reinvested as directed by an Authorized Authority Representative in Permitted Investments.

Section 5.07. Investment of Moneys in Funds, Accounts and Subaccounts. All moneys in any of the Funds, Accounts and Subaccounts held by the Trustee and established pursuant to this Fourth Supplemental Subordinate Indenture shall be invested solely in Permitted Investments maturing or available not later than the date on which it is estimated that such moneys will be required. In addition, an amount of interest received with respect to any Permitted Investment equal to the amount of accrued interest, if any, paid as part of the purchase price of such Permitted Investment shall be credited to the Fund, Account or Subaccount from which such accrued interest was paid.

The Trustee may, subject to the terms of the Tax Certificate, commingle any of the moneys on deposit in any of the Funds, Accounts or Subaccounts established pursuant to this Fourth Supplemental Subordinate Indenture into a separate Fund, Account or Subaccount for investment purposes only, provided that all Funds, Accounts and Subaccounts held by the Trustee hereunder shall be accounted for separately as required by this Fourth Supplemental Subordinate Indenture. The Trustee may sell at the best price obtainable, or present for redemption, any Permitted Investment so purchased whenever it shall be necessary to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the Fund, Account or Subaccount to which such Permitted Investment is credited.

The Trustee shall keep or cause to be kept proper books of record and accounts containing complete and correct entries of all transactions made by each, respectively, relating to the receipt, investment, disbursement, allocation and application of the moneys related to the Drawdown Bonds, including moneys derived from, pledged to, or to be used to make payments on the Drawdown Bonds. Such records shall specify the Fund, Account or Subaccount to which

each investment (or portion thereof) is to be allocated and shall set forth, in the case of each Permitted Investment, (a) its purchase price, (b) identifying information, including par amount, coupon rate and payment dates, (c) the amount received at maturity or its sale price, as the case may be, including accrued interest, (d) the amounts and dates of any payments made with respect thereto, and (e) the dates of acquisition of disposition or maturity.

ARTICLE VI

PLEDGE AND PAYMENT

Section 6.01. Source of Payment for Drawdown Bonds and Obligations. The Drawdown Bonds and the Obligations are Subordinate Obligations and, as such, are special, limited obligations of the Authority secured by a pledge of and shall be a lien upon and shall be payable solely from the funds, assets and security described hereunder and under the Master Subordinate Indenture.

The Authority hereby pledges, places a lien upon and assigns Subordinate Net Revenues to secure the payment of (a) the principal of and interest on the Drawdown Bonds and (b) the payment of any Obligations in accordance with their respective terms. The Subordinate Net Revenues constitute a trust fund for the security and payment of the principal of and interest on the Drawdown Bonds, the Obligations and all other Subordinate Obligations; and the Purchaser as holder of the Drawdown Bonds, and the Owner Representative, the Credit Protection Provider, the Purchaser and any Owner as payees of the Obligations, and the holders from time to time of the other Subordinate Obligations of the Authority and any other future parity Subordinate Obligations shall share *pari passu* without priority or distinction of one over the other in the Subordinate Net Revenues.

To provide additional security for the payment of the Obligations and the principal of and interest on the Drawdown Bonds as the same shall become due and payable, the Authority hereby pledges and grants a lien upon, subject only to the provisions of this Fourth Supplemental Subordinate Indenture and the Tax Certificate permitting the application thereof for purposes and on the terms and conditions set forth herein and therein, (a) amounts held for the payment of such Drawdown Bond by the Trustee in the AMT Debt Service Fund and the Non-AMT Debt Service Fund, (b) amounts held for the payment of such Drawdown Bonds by the Trustee in the Drawdown Bonds Construction Fund, (c) the proceeds of any other evidences of indebtedness of the Authority issued or incurred solely for the payment of the principal of and interest on the Drawdown Bonds and/or the Obligations, and (d) any other moneys of the Authority hereafter pledged by the Authority to the payment of the principal of and interest on the Drawdown Bonds and/or the Obligations.

Section 6.02. Other Sources of Payment of the Drawdown Bonds and the Obligations. The Authority may, but is not obligated to, provide for the payment of the principal of and interest on the Drawdown Bonds and the Obligations from any other source or from any other funds of the Authority, including, but not limited to, amounts derived from Passenger Facility Charges, except as otherwise provided in the PFC Resolution.

Section 6.03. PFC Resolution. The Authority hereby covenants to comply with all of the terms, conditions, obligations and covenants set forth in the PFC Resolution.

ARTICLE VII

TAX COVENANTS

Section 7.01. Drawdown Bonds Rebate Fund. The Authority hereby agrees that it will enter into the Tax Certificate and will thereunder establish the “San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds Rebate Fund” (the “*Drawdown Bonds Rebate Fund*”), which fund will be held by the Trustee and will be funded by the Authority, including amounts directed by an Authorized Authority Representative pursuant to Section 5.07 hereof to be deposited therein, if so required under the Tax Certificate and amounts in such Drawdown Bonds Rebate Fund shall be held and disbursed in accordance with the Tax Certificate.

The Trustee shall establish within the Drawdown Bonds Rebate Fund a separate Account representing each Drawing for AMT Drawdown Bonds and Non-AMT Drawdown Bonds. All money at any time deposited in the Drawdown Bonds Rebate Fund (or any Account therein) in accordance with the provisions of the Tax Certificate shall be held by the Trustee in trust for payment to the federal government of the United States of America, and neither the Authority nor the Owners of the Drawdown Bonds shall have any rights in or claim to such money. All amounts deposited into or on deposit in the Drawdown Bonds Rebate Fund shall be governed by this Fourth Supplemental Subordinate Indenture and by the Tax Certificate. Money shall not be transferred from the Drawdown Bonds Rebate Fund except in accordance with the Tax Certificate and in accordance with written directions from the Authority to the Trustee (which written directions the Trustee may conclusively rely on).

Section 7.02. Preservation of Tax Exemption.

(a) The Authority shall comply with those covenants and agreements set forth in the Tax Certificate.

(b) The Authorized Authority Representatives shall be responsible for the execution and delivery (on or prior to the date of the initial delivery of the Drawdown Bonds and the dates referred to in the third paragraph of this subsection (b)) of a Tax Certificate that, in a manner satisfactory to Bond Counsel, evidences compliance with the relevant requirements of Sections 103 and 141 through 150 of the Code.

The Authority shall set forth in the Tax Certificate its reasonable expectations on the date of delivery of the Tax Certificate as to relevant facts, estimates and circumstances relating to the use of the proceeds of the applicable Drawdown Bonds and any other matters deemed relevant by Bond Counsel. The facts, estimates and circumstances set forth in the Tax Certificate will be in all material respects, to the best of the Authorized Authority Representative’s knowledge, true and correct as of the respective dates thereof. Neither the Authority, any present or future individual members of the Authority nor any official, agent or employee thereof shall have any individual

liability to any holder of a Drawdown Bond for any statement or matter included in or omitted from any Tax Certificate.

(c) The Authority shall not use or permit the use of any proceeds of the Drawdown Bonds or any other funds of the Authority held by the Trustee under this Fourth Supplemental Subordinate Indenture, attributable to the Drawdown Bonds, directly or indirectly, to acquire any securities or obligations, and shall not use or permit the use of any amounts received by the Authority or the Trustee with respect to the Drawdown Bonds in any manner, and shall not take or permit to be taken any other action or actions, which would cause any Drawdown Bond to be “federally guaranteed” within the meaning of Section 149(b) of the Code or an “arbitrage bond” within the meaning of Section 148 of the Code and applicable regulations promulgated from time to time thereunder and under Section 103(c) of the Code. The Authority shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations.

In the event Bond Counsel has informed the Authority that it is necessary to restrict or limit the yield on the investment of money held by the Trustee or to use such money in certain manners, in order to avoid the Drawdown Bonds being considered “arbitrage bonds” within the meaning of Section 148 of the Code and the regulations thereunder as such may be applicable to the Drawdown Bonds at such time, the Authority shall issue to the Trustee a certificate to such effect together with appropriate instructions, in which event the Trustee shall take such action as it is directed to take to use such money in accordance with such certificate and instructions, irrespective of whether the Trustee shares such opinion.

Upon the receipt of written advice of Bond Counsel, the Authority may, and upon receipt of an approving ruling from the Internal Revenue Service or a decision of a court of competent jurisdiction the Authority shall, issue to the Trustee a written certificate to the effect that a restriction or limitation on the yield on the investment of any Drawdown Bond proceeds that was formerly deemed necessary is now removed or modified (along with appropriate written instructions), in which event the Authority and the Trustee will take such action as is necessary to so hold and invest the Drawdown Bond proceeds in accordance with such certificate and instructions. Neither the Authority, the Trustee, nor any present or future board member, official, officer, agent or employee of any of the foregoing shall incur any liability in connection with any certificate or instructions delivered by the Authority to the Trustee as contemplated herein.

(d) The Authority shall at all times do and perform all acts and things permitted by law and this Fourth Supplemental Subordinate Indenture which are necessary or desirable in order to assure that interest paid on the Drawdown Bonds (or any of them) will not be included in gross income for federal income tax purposes (other than interest paid to holders of the AMT Drawdown Bonds that are a “substantial user” of the facilities financed and refinanced with the AMT Drawdown Bonds or a “related person” within the meaning of Section 147(a) of the Code) and, with respect to the Non-AMT Drawdown Bonds, will not be included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations, and the

Authority shall take no action that would result in such interest on any Drawdown Bonds being included in gross income for federal income tax purposes (other than interest paid to holders of the AMT Drawdown Bonds that are a “substantial user” of the facilities financed and refinanced with the AMT Drawdown Bonds or a “related person” within the meaning of Section 147(a) of the Code) or interest on any Non-AMT Drawdown Bonds being included as an item of tax preference in computing the federal alternative minimum tax for individuals and corporations.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Additional Event of Default and Remedy.

(a) As permitted by Sections 8.01(f) and 8.12 of the Master Subordinate Indenture, there is hereby provided an additional Event of Default:

“A Bondholder’s Agreement Event of Default shall be an Event of Default under Section 8.01 of the Master Subordinate Indenture with respect to the Drawdown Bonds.”

(b) As permitted by Sections 8.02(c) and 8.12 of the Master Subordinate Indenture, there is hereby provided an additional remedy:

“The remedies provided for in the Bondholder’s Agreement upon the occurrence and continuation of an Event of Default shall be additional remedies allowed to be undertaken by the Purchaser under Section 8.02 of the Master Subordinate Indenture with respect to the Drawdown Bonds.”

Section 8.02. Modification of the Master Subordinate Indenture and this Fourth Supplemental Subordinate Indenture. The Authority may, from time to time and at any time, execute and deliver Supplemental Subordinate Indentures supplementing and/or amending the Master Subordinate Indenture and this Fourth Supplemental Subordinate Indenture in the manner set forth in Article X of the Master Subordinate Indenture.

Section 8.03. Notice of Change of Authority Rating or Maximum Federal Corporate Tax Rate. The Authority shall give, or cause to be given, notice of any change of the Authority Rating not later than ten (10) Business Days after the occurrence of such change to the Trustee, the Owner Representative, the Purchaser and the Underwriter. The Authority will cause the Owner Representative to provide the Trustee of notice of any change to the Maximum Federal Corporate Tax Rate not later than ten (10) Business Days after the occurrence of such change. The Trustee shall have no responsibility to determine the Authority Rating or the Maximum Federal Corporate Tax Rate and may conclusively rely upon the Authority Rating and the Maximum Federal Corporate Tax Rate set forth herein or provided by the Authority or the Owner Representative, respectively.

Section 8.04. Notices.

(a) Any notice, request, direction, designation, consent, acknowledgment, certification, appointment, waiver or other communication required or permitted by this Fourth Supplemental Subordinate Indenture or the Drawdown Bonds must be in writing, except as expressly provided otherwise, in this Fourth Supplemental Subordinate Indenture or the Drawdown Bonds.

(b) Any notice or other communication, unless otherwise specified, shall be sufficiently given and deemed given when mailed by first-class mail, postage prepaid, addressed to the Authority or the Trustee at the addresses provided in the Master Subordinate Indenture or when delivered by hand and received by the Authority or the Trustee at the addresses provided in the Master Subordinate Indenture. Any notice or other communication to the Purchaser shall be sent to the following address:

Purchaser:

Payment Instructions —

U.S. Bank
ABA# 091000022
Account # 160230097208
Account: RBC Capital Markets Corp., FFC: MPI, LLC
Account #10107441; Ref: FICMTOBE80

Notices —

RBC Municipal Products, LLC
100 Second Avenue South, Suite 800
St. Petersburg, Florida 337701-4337
Attention: Thomas Carlson
Telephone: (727) 895-8899
Facsimile: (727) 895-8895
Email: thomas.carlson@rbccm.com

and

Attention: Joseph Huesman
Facsimile: (212) 642-2490
Email: joseph.huesman@rbccm.com

and

Email: transactionreviewsub@rbccm.com

With a copy to:

Royal Bank of Canada
Corporate Banking
Three World Financial Center, 12th Floor
200 Vesey Street
New York, NY 10281 8098
Attention: Stephanie Gordon
Telephone: (212) 618-7501
Facsimile: (212) 428-6201
Email: stephanie.gordon@rbccm.com

and:

Credit Transaction Management – Compliance
Royal Bank of Canada
200 Bay Street, South Tower, 12th Floor RBPS 12
Toronto, Ontario M5J 2J5, Canada
Attention: Kamal Grover
Facsimile: (416) 842 4020
Email: managercompliance ctm@rbccm.com; and
transactionreviewsub@rbccm.com

Underwriter:

RBC Capital Markets, LLC
200 Vesey Street
New York, New York 10281-8098
Attention: Michael Lexton
Telephone: (212)905-5907
E mail: michael.lexton@rbccm.com

and:

RBC Capital Markets, LLC
777 South Figueroa Street, Suite 850
Los Angeles, California 90017
Attention: Tom Yang
Telephone: (415) 445-8206
Facsimile: (415) 445-8679
E mail: tom.a.yang@rbccm.com

Any addressee may designate additional or different addresses for purposes of this Section.

Section 8.05. Parties Interested Herein. Nothing in this Fourth Supplemental Subordinate Indenture expressed or implied is intended or shall be construed to confer upon, or to give or grant to, any person or entity, other than the Authority, the Trustee and the Purchaser, any right, remedy or claim under or by reason of this Fourth Supplemental Subordinate Indenture or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Fourth Supplemental Subordinate Indenture contained by and on behalf of the Authority shall be for the sole and exclusive benefit of the Authority, the Trustee and the Purchaser.

Section 8.06. Severability. If any provision of this Fourth Supplemental Subordinate Indenture shall be determined to be unenforceable, that shall not affect any other provision of this Fourth Supplemental Subordinate Indenture.

Section 8.07. Payments or Actions Occurring on Non-Business Days. If a payment date is not a Business Day at the place of payment or if any action required hereunder is required on a date that is not a Business Day, then payment may be made at that place on the next Business Day or such action may be taken on the next Business Day with the same effect as if payment were made on the action taken on the stated date, and no interest shall accrue for the intervening period.

Section 8.08. Governing Law. This Fourth Supplemental Subordinate Indenture shall be governed by and construed in accordance with the laws of the State.

Section 8.09. Captions. The captions in this Fourth Supplemental Subordinate Indenture are for convenience only and do not define or limit the scope or intent of any provisions or Sections of this Fourth Supplemental Subordinate Indenture.

Section 8.10. Counterparts. This Fourth Supplemental Subordinate Indenture may be signed in several counterparts. Each will be an original, but all of them together constitute the same instrument.

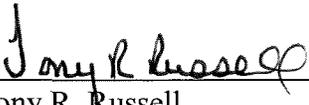
[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Subordinate Trust Indenture to be duly executed, all as of the date first above written.

SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY

By 
Scott M. Brickner, Vice President, Finance
& Asset Management/Treasurer

Attest:

By 
Tony R. Russell,
Director, Corporate Services/
Authority Clerk

Approved as to form:

By 
Amy Gonzalez
General Counsel

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By _____
Authorized Representative

[Signature page to Fourth Supplemental
Subordinate Trust Indenture]

IN WITNESS WHEREOF, the parties hereto have caused this Fourth Supplemental Subordinate Trust Indenture to be duly executed, all as of the date first above written.

SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY

By _____
Scott M. Brickner, Vice President, Finance
& Asset Management/Treasurer

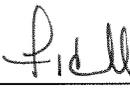
Attest:

By _____
Tony R. Russell,
Director, Corporate Services/
Authority Clerk

Approved as to form:

By _____
Amy Gonzalez
General Counsel

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By  _____
Authorized Representative

[Signature page to Fourth Supplemental
Subordinate Trust Indenture]

EXHIBIT A

FORM OF DRAWDOWN BOND

San Diego County Regional Airport Authority
Subordinate Airport Revenue Drawdown Bonds
Series [A/B] [(Non-AMT)][(AMT)]
Subseries [A/B]-[] [(Non-AMT)][(AMT)]

No. R-[]

Maximum Principal Amount: Not to Exceed \$100,000,000

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AS DEFINED IN THE HEREINAFTER DEFINED FOURTH SUPPLEMENTAL SUBORDINATE INDENTURE) TO THE TRUSTEE (AS HEREINAFTER DEFINED) FOR REGISTRATION OF, TRANSFER, EXCHANGE, OR PAYMENT, AND ANY SUBSERIES [A/B-] BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

Interest Rate	Maturity Date	Original Dated Date	CUSIP
Variable (as described herein)	[]	[], 2017	

THIS BOND IS A SPECIAL OBLIGATION OF THE AUTHORITY, PAYABLE SOLELY FROM AND SECURED BY A PLEDGE OF SUBORDINATE NET REVENUES (AS HEREINAFTER DEFINED) DERIVED BY THE AUTHORITY FROM THE OPERATIONS OF THE AIRPORT SYSTEM (AS HEREINAFTER DEFINED) AND CERTAIN FUNDS AND ACCOUNTS. NONE OF THE PROPERTIES OF THE AIRPORT SYSTEM ARE SUBJECT TO ANY MORTGAGE OR OTHER LIEN FOR THE BENEFIT OF THE OWNERS OF THIS BOND, AND NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWER, IF ANY, OF THE AUTHORITY, THE CITY OF SAN DIEGO, THE COUNTY OF SAN DIEGO, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION OR AGENCY OF THE STATE IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THIS BOND.

THIS BOND AND THE INTEREST THEREON IS JUNIOR AND SUBORDINATE IN ALL RESPECTS TO THE SENIOR LIEN REVENUE BONDS AS TO LIEN ON AND SOURCE AND SECURITY FOR PAYMENT FROM THE NET REVENUES.

The San Diego County Regional Airport Authority (the "Authority"), acting pursuant to Section 170000 *et seq.* of the California Public Utilities Code (the "Act") and with exclusive

management and control of the Airport System, promises to pay, from the Subordinate Net Revenues, as hereinafter defined in this Bond, to Cede & Co., or registered assigns, the principal amount Outstanding on this Bond (up to the Maximum Principal Amount set forth above) on the Maturity Date set forth above and to pay interest as provided in this Bond.

Additional provisions of this Bond are set forth on the following pages of this Bond.

All acts, conditions and other matters required to exist, to happen and to be performed, precedent to and in the issuance of this Bond, do exist, have happened and have been performed in due time, form and manner as required by law and the Act.

Date of Authentication: _____

U.S. BANK NATIONAL ASSOCIATION, SAN DIEGO COUNTY REGIONAL AIRPORT
as Trustee certifies that this is one of the AUTHORITY
Subordinate Obligations referred to in the
Master Subordinate Indenture and Fourth
Supplemental Subordinate Indenture

By _____
Authorized Signatory

By _____
President and CEO

Attest:

By: _____
Director, Corporate Services/
Authority Clerk

1. Master Subordinate Indenture; Fourth Supplemental Subordinate Indenture. The Authority has entered into a Master Subordinate Trust Indenture, dated as of September 1, 2007 (the “Master Subordinate Indenture”), with U.S. Bank National Association, as successor trustee (the “Trustee”). Such Master Subordinate Indenture provides that the Authority may issue bonds and incur other indebtedness under the terms and conditions set forth in the Master Subordinate Indenture and Supplemental Subordinate Indentures. All bonds and other indebtedness issued thereunder and secured thereby are collectively referred to herein as “Subordinate Obligations.” All capitalized terms not defined herein shall have the meanings set forth in the Master Subordinate Indenture and the hereinafter defined Fourth Supplemental Subordinate Indenture.

This Bond is part of a series of Subordinate Obligations of the Authority issued under the Master Subordinate Indenture and the Fourth Supplemental Subordinate Trust Indenture, dated as of April 1, 2017 (the “Fourth Supplemental Subordinate Indenture”), by and between the Authority and the Trustee and authorized by Resolution No. 2017-0029 adopted by the board of

directors of the Authority on April 6, 2017. The series of Subordinate Obligations of which this Bond is a part is being issued in the maximum principal amount up to \$100,000,000 and designated as San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds, Series [A/B] [(Non-AMT/MAT)] (the “[Non-AMT][AMT] Drawdown Bonds”).

The [Non-AMT][AMT] Drawdown Bonds are being issued with a pledge of and lien on Subordinate Net Revenues on a parity with the other Subordinate Obligations issued on a parity with the [Non-AMT][AMT] Drawdown Bonds under the terms and provisions of the Master Subordinate Indenture.

The terms of the [Non-AMT][AMT] Drawdown Bonds include the terms set forth in the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture. Holders are referred to the Master Subordinate Indenture, as amended and supplemented from time to time, and the Fourth Supplemental Subordinate Indenture, as amended and supplemented from time to time, for a statement of those terms and for the meanings of any defined terms not defined herein.

2. **Source of Payments.** The [Non-AMT][AMT] Drawdown Bonds are, as provided in the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture, together with all other Subordinate Obligations, secured by and payable from, the Subordinate Net Revenues, as described below and as defined in the Master Subordinate Indenture. The Master Subordinate Indenture pledges the Subordinate Net Revenues to secure payment of all Subordinate Obligations issued under the Master Subordinate Indenture.

All defined terms used in such description shall have the meaning assigned to them in the Master Subordinate Indenture. The Authority is not required to provide for the payment of the Subordinate Obligations from any other source other than from certain funds and accounts under the Master Subordinate Indenture and the Supplemental Subordinate Indentures in accordance with their terms.

3. **Interest Rate and Interest Payment Dates.** This Bond shall bear interest at the rates and the Authority shall pay interest on this Bond on the dates and at the places provided for the in the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture. Interest on this Bond shall be calculated on the basis of a 365/366-day year, as applicable, and actual days elapsed.

If this Bond is not a Book-Entry Bond, as defined in the Fourth Supplemental Subordinate Indenture, interest hereon will be paid by check mailed to the Holder’s registered address, and, if this Bond is a Book-Entry Bond, as defined in the Fourth Supplemental Subordinate Indenture, interest will be paid as provided in the Fourth Supplemental Subordinate Indenture. Interest will be paid in lawful money of the United States that at the time of payment is legal tender for payment of public and private debts or by checks or wire transfer payable in such money. If any payment of interest on this Bond is due on a non-Business Day, it will be made on the next Business Day, and no interest will accrue as a result.

5. **Payment of Principal.** Payment of principal of this Bond will be paid at maturity upon surrender of this Bond to the Trustee or its agent except that if this Bond is a Book-Entry Bond, the Trustee may make other arrangements for payment of principal. Principal will be paid in lawful money of the United States that at the time of payment is legal tender for payment of public and private debts or by checks or wire transfer payable in such money. If any payment of principal of this Bond is due on a non-Business Day, it will be made on the next Business Day, and no interest will accrue as a result.

6. **Redemption and Repayment.** This Bond is subject to optional and mandatory sinking fund redemption and repayment as provided in the Fourth Supplemental Subordinate Indenture.

7. **Denominations; Transfer; Exchange.** The [Non-AMT][AMT] Drawdown Bonds are available in denominations of \$100,000 and integral multiples of \$5,000 in excess of \$100,000. A Holder may transfer or exchange Series 2010B Bonds in accordance with the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture.

8. **Persons Deemed Owners.** The registered owner of this Bond shall be treated as the owner of it for all purposes.

9. **Unclaimed Money.** If money for the payment of principal or interest remains unclaimed for two years, the Trustee will pay the money to or for the account of the Authority. After that, Holders entitled to the money must look only to the Authority and not to the Trustee for payment.

10. **Discharge Before Maturity.** If the Authority at any time deposits with the Trustee money, Government Obligations or obligations described in item (b) of the definition of Permitted Investments as described in the Master Subordinate Indenture sufficient to pay at maturity principal of and interest on the outstanding [Non-AMT][AMT] Drawdown Bonds, and if the Authority also pays all other sums then payable by the Authority under the Master Subordinate Indenture, the Master Subordinate Indenture will be discharged. After discharge, Holders must look only to the deposited money and securities for payment. If the Authority at any time deposits with the Trustee money, Government Obligations or obligations described in item (b) of the definition of Permitted Investments as described in the Master Subordinate Indenture sufficient to pay at maturity, principal of and interest on all or any portion of the outstanding [Non-AMT][AMT] Drawdown Bonds, such [Non-AMT][AMT] Drawdown Bonds, with respect to which the deposit was made, shall no longer be deemed to be outstanding and shall no longer be secured by the Master Subordinate Indenture except to the extent of the funds set aside therefor.

11. **Amendment, Supplement, Waiver.** The Master Subordinate Indenture, the Fourth Supplemental Subordinate Indenture and the [Non-AMT][AMT] Drawdown Bonds may be amended or supplemented, and any past default or compliance with any provision may be waived, as provided in the Master Subordinate Indenture. Any consent given by the owner of this Bond shall bind any subsequent owner of this Bond or any Bond delivered in substitution for this Bond.

12. **Defaults and Remedies.** The Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture provides that the occurrences of certain events constitute Events of Default. If an Event of Default occurs and is continuing, the Trustee may exercise the remedies set forth in the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture. Under no circumstances does an Event of Default grant any right to accelerate payment of this Bond. An Event of Default and its consequences may be waived as provided in the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture. Holders may not enforce the Master Subordinate Indenture, the Fourth Supplemental Subordinate Indenture or this Bond except as provided in the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture. The Trustee may refuse to enforce the Master Subordinate Indenture, the Fourth Supplemental Subordinate Indenture or this Bond unless it receives indemnity satisfactory to it. Subject to certain limitations, Holders of a majority of the principal amount of the [Non-AMT][AMT] Drawdown Bonds (determined in accordance with the terms of the Master Subordinate Indenture and the Fourth Supplemental Subordinate Indenture) may direct the Trustee in its exercise of any trust or power.

13. **No Recourse Against Others.** No member, director, officer or employee of the Authority shall have any personal liability for any obligations of the Authority under this Bond, the Master Subordinate Indenture or the Fourth Supplemental Subordinate Indenture or for any claim based on such obligations or their creation or be subject to any personal liability or accountability by reason of the issuance thereof. Each Holder, by accepting this Bond, waives and releases all such liability. The waiver and release are part of the consideration for the issuance of this Bond.

15. **Authentication.** This Bond shall not be valid until the Trustee or an authenticating agent signs the certificate of authentication on the signature page of this Bond.

16. **Abbreviations.** Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM (= tenants in common), TEN ENT (= tenants by the entirety), JT TEN (= joint tenants with right of survivorship and not as tenants in common), CUST (= Custodian), U/G/M/A (= Uniform Gifts to Minors Act) and U/T/M/A (= Uniform Transfers to Minors Act).

FORM OF ASSIGNMENT

I or we assign and transfer to

Insert social security or other
identifying number of assignee

[]

[]

(Print or type name, address and zip code of assignee) this Bond and irrevocably appoint

_____ agent to transfer this Bond on the books of the Authority. The agent
may substitute another to act for him.

Dated: _____

Signed _____
(Sign exactly as name appears on the face of this Bond)

Signature guaranteed:

(NOTE: Signature(s) guarantee should be made by a
guarantor institution participating in the Securities
Transfer Agents Medallion Program or such other
guarantee program acceptable to the Trustee.)

EXHIBIT B

FORM OF DRAWDOWN BONDS CONSTRUCTION FUND REQUISITION

Requisition No. _____

To: U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, California 90071
Attention: Corporate Trust Services

Re: Requisition of Funds from San Diego County Regional Airport Authority
Subordinate Airport Revenue Drawdown Bonds Series [A/B] [(Non-AMT)/(AMT)] Construction Fund

The amount requisitioned: \$ _____

Payment to be made to: _____

Manner in which payment is to be made: _____

Description of Costs of [Non-AMT][AMT] Project: _____

The undersigned, an Authorized Authority Representative within the meaning of the Master Subordinate Trust Indenture, dated as of September 1, 2007 (the "Master Subordinate Indenture"), by and between the San Diego County Regional Airport Authority (the "Authority") and U.S. Bank National Association, as successor trustee (the "Trustee"), as supplemented by the Fourth Supplemental Subordinate Trust Indenture, dated as of April 1, 2017 (the "Fourth Supplemental Subordinate Indenture"), by and between the Authority and the Trustee, hereby requisitions the amount set forth above and directs that such amount be paid to the party set forth above from funds held in the San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds Series [A/B] [(Non-AMT)/(AMT)] Construction Fund held under the Fourth Supplemental Indenture and directs that payment be made in the manner described above.

The amount to be paid represents Costs of a [Non-AMT][AMT] Project (as defined in the Master Indenture and the Fourth Supplemental Indenture) and does not represent Costs of Issuance associated with the issuance of the [Non-AMT][AMT] Drawdown Bonds (as defined in the Fourth Supplemental Indenture) and the amounts requisitioned hereby will be expended only in accordance with and subject to the limitations set forth in the Tax Compliance Certificate, dated as of its date, and relating to the [Non-AMT][AMT] Drawdown Bonds.

Dated: _____.

By _____
Authorized Authority Representative

BONDHOLDER'S AGREEMENT

dated as of April 1, 2017

by and between

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

and

RBC MUNICIPAL PRODUCTS, LLC

Relating to

\$100,000,000

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SUBORDINATE AIRPORT REVENUE DRAWDOWN BONDS
SERIES A (NON-AMT)
SERIES B (AMT)

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Exhibit A - Form of Notice of Termination or Reduction

BONDHOLDER'S AGREEMENT

This BONDHOLDER'S AGREEMENT, dated as of April 1, 2017 (as the same may be amended, restated, supplemented or otherwise modified from time to time, this "*Agreement*"), is by and between the SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, a local government entity of regional government, created pursuant to and existing under the Act (as defined herein) (together with its successors and permitted assigns, the "*Authority*"), and RBC MUNICIPAL PRODUCTS, LLC, as initial purchaser ("*RBCMPLLC*" and, together with its successors, assignees, designees and nominees hereunder and any Trust (as hereinafter defined), the "*Purchaser*").

RECITALS

WHEREAS, the Authority is issuing one or more Series and one or more associated Subseries of Drawdown Bonds pursuant to the Master Subordinate Trust Indenture, dated as of September 1, 2007 (as heretofore amended or supplemented and as the same may be further amended, supplemented, restated or otherwise modified in accordance with the terms hereof and thereof, the "*Master Subordinate Trust Indenture*"), by and between the Authority and U.S. Bank National Association, as trustee (the "*Trustee*"), and the Fourth Supplemental Subordinate Trust Indenture dated as of April 1, 2017 (as amended, supplemented, restated or otherwise modified in accordance with the terms hereof and thereof, the "*Fourth Supplemental Subordinate Trust Indenture*" and, together with the Master Subordinate Trust Indenture, the "*Subordinate Trust Indenture*"), by and between the Authority and the Trustee; and

WHEREAS, the Drawdown Bonds will bear interest initially at the Drawdown Rates (as defined in the Fourth Supplemental Subordinate Trust Indenture) pursuant to the terms of the Fourth Supplemental Subordinate Trust Indenture;

WHEREAS, pursuant to the Bond Purchase Agreement (as hereinafter defined), the Underwriter (as hereinafter defined) has agreed to purchase one or more Series and one or more of the associated Subseries of the Drawdown Bonds, subject to the terms and conditions set forth therein, and the Purchaser intends to purchase each Series and Subseries of Drawdown Bonds and, as a condition to such Purchases, the Purchaser has required the Authority to enter into this Agreement;

WHEREAS, the principal amount of each Series and Subseries of Drawdown Bonds, the dated date therefor, the maturities, the redemption provisions and the interest rates per annum for each Series and Subseries of Drawdown Bonds are as set forth in the Fourth Supplemental Subordinate Trust Indenture.

NOW, THEREFORE, to induce the Purchaser to purchase each Series and Subseries of Drawdown Bonds, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Authority and the Purchaser hereby agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Certain Defined Terms. In addition to the terms defined in the recitals and elsewhere in this Agreement and the Subordinate Trust Indenture, the following terms shall have the following meanings:

“*Act*” means § 170000 *et seq.* of the California Public Utilities Code, as amended from time to time.

“*Affiliate*” means, as to any Person, a corporation, partnership, association, agency, authority, instrumentality, joint venture, business trust or similar entity organized under the laws of any state that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such Person.

“*Agreement*” means this Bondholder’s Agreement, as the same may be amended from time to time.

“*Airport System*” has the meaning set forth in the Master Subordinate Trust Indenture.

“*Amortization End Date*” means the earliest to occur of (A) the third (3rd) anniversary of the Commitment End Date; (B) the seventh (7th) day immediately succeeding a Bondholder’s Agreement Event of Default specified in Section 7.1(a)(i), 7.1(d)(i), 7.1(d)(ii), 7.1(e)(i), 7.1(e)(ii), 7.1(g) or 7.1(j) hereof; (C) the one hundred eightieth (180th) day immediately succeeding the date on which the Owner Representative has notified the Authority of an acceleration of the Obligations following any Bondholder’s Agreement Event of Default specified in Section 7.1(a)(ii), 7.1(b), 7.1(c), 7.1(d)(iii), 7.1(e)(iii), 7.1(f), 7.1(h), 7.1(i), 7.1(k) and 7.1(l) hereof; and (D) the day any other holder or credit enhancer of Debt secured by a lien or charge on Subordinate Net Revenues or any counterparty under any Swap Contract related thereto causes any such Debt or obligations under such Swap Contract or any other obligations of the Authority to become immediately due and payable.

“*Amortization Payment*” has the meaning set forth in Section 2.1(e) hereof.

“*Amortization Payment Date*” means (a) with respect to the first Amortization Payment, the Initial Amortization Payment Date, (b) with respect to the next nine Amortization Payments, the corresponding date in every third month occurring after the Initial Amortization Payment Date and (c) with respect to the eleventh and final Amortization Payment, the Amortization End Date.

“*Amortization Period*” has the meaning set forth in Section 2.1(e) hereof.

“*Amortization Period Interest Rate*” means a fluctuating interest rate per annum which, for each day, shall equal (i) for the period from and including the Commitment End Date to and including the ninetieth (90th) day immediately succeeding the Commitment End Date, the Base

Rate from time to time in effect, (ii) for the period from and after the ninety-first (91st) day immediately succeeding the Commitment End Date to and including the one hundred eightieth (180th) day immediately succeeding the Commitment End Date, the Base Rate from time to time in effect *plus* 1.50% and (iii) for the period from and after the one hundred eighty-first (181st) day immediately succeeding the Commitment End Date, the Base Rate from time to time in effect *plus* 2.50%; *provided that* if a Bondholder's Agreement Event of Default has occurred and is continuing, the Amortization Period Interest Rate shall equal the Default Rate.

"*AMT Drawdown Bond*" and "*AMT Drawdown Bonds*" has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

"*Anti-Terrorism Laws*" has the meaning set forth in Section 5.25 hereof.

"*Applicable Law*" means (i) all applicable common law and principles of equity and (ii) all applicable provisions of all (A) constitutions, statutes, rules, regulations and orders of all governmental and non-governmental bodies, (B) Governmental Approvals and (C) orders, decisions, judgments and decrees of all courts (whether at law or in equity) and arbitrators.

"*Authority*" means San Diego County Regional Airport Authority, a local government entity of regional government, created pursuant to and existing under the Act.

"*Authority Rating*" means the long-term unenhanced rating (without regard to any bond insurance policy or credit enhancement) assigned by Moody's, Fitch or S&P to the Subordinate Obligations.

"*Authorized Authority Representative*" has the meaning set forth in the Master Subordinate Trust Indenture.

"*Available Commitment*" has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

"*Bank Agreement*" means any credit agreement, bond purchase agreement, liquidity agreement or other agreement or instrument (or any amendment, supplemental or modification thereto) entered into by the Authority with any Person, directly or indirectly, or otherwise consented to by the Authority, under which any Person or Persons undertakes to make loans, extend credit or liquidity to the Authority in connection with, or purchase on a private placement basis, any Debt secured by or payable from Net Revenues or Subordinate Net Revenues.

"*Base Rate*" means the highest of (i) 8.00% per annum, (ii) the applicable Drawdown Rate plus 3.00% per annum, (iii) the Federal Funds Rate plus 3.50% per annum, and (iv) the Prime Rate plus 2.50% per annum. Each change in the Base Rate shall take effect at the time of the related change in the applicable Drawdown Rate, the Federal Funds Rate or the Prime Rate, as the case may be.

"*Board*" has the meaning set forth in the Master Subordinate Trust Indenture.

“*Bond Counsel*” means Kutak Rock LLP or such other counsel of recognized national standing in the field of law relating to municipal bonds and the exemption from federal income taxation of interest thereon, appointed and paid by the Authority.

“*Bondholder*” or “*Holder*” or “*Owner*” means the registered owner of any Subseries of Drawdown Bonds; *provided, however*, that at any time any Subseries of Drawdown Bonds are Book-Entry Bonds, “*Bondholder*” or “*Holder*” or “*Owner*” means any Person that acquires a beneficial ownership interest in a Bond held by DTC. As the Drawdown Bonds are being initially issued as Book-Entry Bonds, the registered owner on the Effective Date is Cede & Co., as nominee of DTC and the initial “*Bondholder*” or “*Holder*” or “*Owner*” is the Purchaser.

“*Bondholder’s Agreement Event of Default*” has the meaning set forth in Section 7.1 hereof.

“*Bond Purchase Agreement*” means the Bond Purchase Agreement dated April 19, 2017, between the Authority and the Underwriter, as amended, supplemented, modified or restated from time to time in accordance with the terms thereof.

“*Book-Entry Bonds*” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“*Business Day*” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture. As of the Effective Date, the corporate trust office of the Trustee and the Calculation Agent is located in Los Angeles, California.

“*Calculation Agent*” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“*CDIAC*” means the California Debt and Investment Advisory Commission.

“*Change in Law*” means the occurrence, after the Effective Date, of any of the following: (a) the adoption or taking effect of any Law, including, without limitation, any Risk-Based Capital Guidelines, (b) any change in any Law or in the administration, interpretation, implementation or application thereof by any Governmental Authority or (c) the making or issuance of any request, rule, ruling, guideline, regulation or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, ruling, guidelines, regulations or directives thereunder or issued in connection therewith and (ii) all requests, rules, rulings, guidelines, regulations or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, shall in each case be deemed to be a “*Change in Law*,” regardless of the date enacted, adopted or issued.

“*Code*” means the Internal Revenue Code of 1986, as amended, and, where appropriate any statutory predecessor or any successor thereto.

“*Commitment*” means the agreement of the Underwriter pursuant to the Bond Purchase Agreement to make Purchases and honor Drawings under the terms of the Bond Purchase Agreement and the Drawdown Bonds for the account of the Authority for the purpose of providing funds to pay Costs of a Project, costs of issuance in connection with this Agreement, the Bond Purchase Agreement and the other Related Documents or for any other purpose permitted under the Act and/or the Subordinate Trust Indenture.

“*Commitment Amount*” means, on the Effective Date, an initial amount equal to \$100,000,000 and thereafter such initial amount adjusted from time to time: (i) downward in an amount equal to any reduction thereof effected pursuant to Section 2.4 or Section 7.2(a)(ii) hereof and (ii) downward to zero upon the expiration or termination of the Commitment in accordance with the terms hereof and the Related Documents.

“*Commitment End Date*” means the earlier to occur of (i) April 17, 2020 (which date may be extended with the written consent of the Authority, the Underwriter and the Purchaser), (ii) the date on which a Bondholder’s Agreement Event of Default occurs hereunder, unless such Bondholder’s Agreement Event of Default is waived by the Owner Representative pursuant to the terms hereof, (iii) such earlier date on which this Agreement or the Bond Purchase Agreement terminates in accordance with its respective terms and (iv) such earlier date on which the Commitment is terminated at the election of the Authority; *provided, however*, that if any such day is not a Business Day then the Commitment End Date means the immediately preceding Business Day.

“*Credit Protection Provider*” means, collectively, (a) any Person, including any Owner and Royal Bank, that provides credit protection or liquidity support in favor of any other Person holding a direct or indirect interest in all or any Subseries of Drawdown Bonds and (b) any Person that participates in any such credit protection or liquidity support.

“*Costs of a Project*” has the meaning set forth in the Master Subordinate Trust Indenture.

“*Debt*” means, with respect to any Person, without duplication: (a) all indebtedness of such Person for borrowed money (including, but not limited to, amounts drawn under a letter of credit, line of credit or other credit or liquidity facilities or amounts loaned pursuant to a Bank Agreement); (b) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable in the ordinary course of business; (c) all obligations of such Person evidenced by notes, certificates, debentures or similar instruments; (d) all Guarantees by such Person of Debt of other Persons (each such Guarantee to constitute Debt in an amount equal to the amount of such other Person’s Debt guaranteed thereby); (e) all obligations of other Persons secured by a lien on, or security interest in, any asset of such Person whether or not such obligation is assumed by such Person; (f) all obligations under leases that constitute capital leases for which such Person is liable; and (g) all obligations of such Person under any Swap Contract, in each case, whether such Person is liable contingently or otherwise, as obligor, guarantor or otherwise, or in respect of which obligations such Person otherwise assures a creditor against loss.

“*Default Rate*” means, for any day, a fluctuating rate per annum equal to the sum of the Base Rate in effect on such day *plus* seven percent (7.00%).

“*Designated Representative*” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“*Determination of Taxability*” means, for and with respect to any Subseries of Drawdown Bonds, and shall be deemed to have occurred on the first to occur of the following:

(i) the date when the Authority files with the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) any statement, supplemental statement or other tax schedule, return or document which admits or discloses that an Event of Taxability shall have in fact occurred with respect to such Subseries of Drawdown Bonds;

(ii) the date when the Owner Representative or any Owner or former Owner has received written notification from the Authority, supported by a written opinion by an attorney or firm of attorneys of recognized standing on the subject of tax-exempt municipal finance, to the effect that an Event of Taxability has occurred with respect to such Subseries of Drawdown Bonds;

(iii) the date when the Authority shall be advised in writing, including, without limitation, a “*Letter 4413, Notice of Proposed Adverse Determination,*” by the Commissioner or any District Director of the Internal Revenue Service (or any other government official or agent exercising the same or a substantially similar function from time to time) that based upon filings of the Authority (or a statutory notice of deficiency, or a document of substantially similar import), or upon any review or audit of the Authority, or upon any other ground whatsoever, an Event of Taxability shall have occurred with respect to such Subseries of Drawdown Bonds; or

(iv) the date when the Authority shall receive notice from the Owner Representative or any Owner or former Owner that the Internal Revenue Service (or any other government official or agency exercising the same or a substantially similar function from time to time) has assessed as includable in the gross income of the Owner Representative or any Owner or such former Owner the interest on such Subseries of Drawdown Bonds due to the occurrence of an Event of Taxability;

provided, however, no Determination of Taxability shall occur under subparagraph (iii) or (iv) above unless the Authority has been afforded the opportunity, at its expense, to contest any such assessment, and, further, no Determination of Taxability shall occur until such contest, if made, has been finally determined after taking into account any permitted appeals; *provided further, however,* that upon demand from the Owner Representative or any Owner or former Owner, the Authority shall promptly reimburse the Owner Representative or such Owner or former Owner for any payments, including any taxes, interest, penalties or other charges, the Owner Representative or such Owner or former Owner shall be obligated to make as a result of the Determination of Taxability.

“Dollar” and “\$” mean lawful money of the United States.

“Drawdown Bonds” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“Drawdown Rate” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“Drawing” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“DTC” means The Depository Trust Company, a limited-purpose trust company organized under the laws of the State of New York, and its successors and assigns.

“Effective Date” means April 19, 2017, subject to the satisfaction, or waiver by the Underwriter of all the conditions precedent to closing set forth in Section 4 of the Bond Purchase Agreement.

“EMMA” means the Electronic Municipal Market Access system and any successor thereto.

“Environmental Law” means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, or rules, and all judgments, orders, decrees, permits, concessions, grants, franchises, licenses, permits, agreements or governmental restrictions relating to air, water or land pollution, wetlands, or the protection of the environment or the release of any materials into the environment, including air, water or land and those related to Hazardous Materials, air emissions and discharges to waste or public systems.

“Environmental Liability” means any liability, contingent or otherwise (including any liability for damages, costs of environmental remediation, fines, penalties or indemnities), of the Authority directly or indirectly resulting from or based upon (a) violation of any Environmental Law, (b) the generation, use, handling, transportation, storage, treatment or disposal of any Hazardous Materials, (c) exposure to any Hazardous Materials, (d) the release or threatened release of any Hazardous Materials into the environment or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time. References to Sections of ERISA shall be construed also to refer to any successor Sections.

“Event of Taxability” means (i) a Change in Law or fact or the interpretation thereof, or the occurrence or existence of any fact, event or circumstance (including, without limitation, the taking of any action by the Authority, or the failure to take any action by the Authority, or the making by the Authority of any misrepresentation herein or in any certificate required to be

given in connection with this Agreement) which has the effect of causing interest paid or payable on any Drawdown Bonds to become includable, in whole or in part, in the gross income of any Owner for federal income tax purposes or (ii) the entry of any decree or judgment by a court of competent jurisdiction, or the taking of any official action by the Internal Revenue Service or the Department of the Treasury, which decree, judgment or action shall be final under applicable procedural law, in either case, which has the effect of causing interest paid or payable on any Drawdown Bonds to become includable, in whole or in part, in the gross income of any Owner for federal income tax purposes, other than for a period during which the Owner is or was a “substantial user” of the projects financed or refinanced from proceeds of an AMT Drawdown Bond or a “related person” for purposes of Section 147(a) of the Code. An Event of Taxability does not include any event, condition or circumstance which results in interest on any AMT Drawdown Bond being an item of tax preference subject to the federal alternative minimum tax, or any other tax consequences which depend upon an Owner’s particular tax status.

“*Excess Interest Amount*” has the meaning set forth in Section 4.5(c) hereof.

“*Excluded Tax*” means, with respect to the Owner Representative or any Owner or any other recipient of any payment to be made by or on account of any obligation of the Authority hereunder, (a) taxes imposed on or measured by its overall net income (however denominated), and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction (or any political subdivision thereof) under the Laws of which the Owner Representative or any Owner or such other recipient is organized or in which its principal office is located, and (b) any branch profits taxes imposed by the United States or any similar tax imposed by any other jurisdiction in which the Owner Representative or any Owner is located.

“*Executive Director*” has the meaning set forth in the Master Subordinate Trust Indenture.

“*Executive Order*” has the meaning set forth in Section 5.25 hereof.

“*Federal Funds Rate*” means, for any day, the rate per annum (rounded upwards, if necessary, to the nearest 1/100th of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers on such day, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (i) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day and (ii) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to Royal Bank on such day on such transactions as determined by Royal Bank.

“*Fiscal Year*” means the period of time beginning on July 1 of each given year and ending on June 30 of the immediately subsequent year, or such other period designated by the Board as the Authority’s fiscal year.

“*Fitch*” means Fitch Ratings, Inc., and any successor rating agency.

“*Fourth Supplemental Subordinate Trust Indenture*” has the meaning set forth in the recitals to this Agreement.

“*FRB*” means the Board of Governors of the Federal Reserve System of the United States, together with any successors thereof.

“*Generally Accepted Accounting Principles*” or “*GAAP*” means generally accepted accounting principles in effect from time to time in the United States and applicable to entities such as the Authority.

“*Governmental Approval*” means an authorization, consent, approval, license, or exemption of, registration or filing with, or report to any Governmental Authority.

“*Governmental Authority*” means the government of the United States or any state or political subdivision thereof or any other nation or political subdivision thereof or any governmental or quasi-governmental entity, including any court, department, commission, board, bureau, agency, administration, central bank, service, district or other instrumentality of any governmental entity or other entity exercising executive, legislative, judicial, taxing, regulatory, fiscal, monetary or administrative powers or functions of or pertaining to government, or any arbitrator, mediator or other Person with authority to bind a party at law.

“*Guarantee*” by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep well, to purchase assets, goods, securities or services, to take or pay, or to maintain financial statement conditions or otherwise) or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part).

“*Hazardous Materials*” means (a) any petroleum or petroleum products, flammable substance, explosives, radioactive materials, hazardous waste or contaminants, toxic wastes, substances or contaminants, or any other wastes, contaminants, or pollutants; (b) asbestos in any form that is or could become friable, urea formaldehyde foam insulation, transformers, or other equipment that contains dielectric fluid containing levels of polychlorinated biphenyls or radon gas; (c) any chemicals, materials or substances defined as or included in the definition of “hazardous substances,” “hazardous materials,” “extremely hazardous wastes,” “restricted hazardous wastes,” “toxic substances,” “toxic pollutants,” “contaminants” or “pollutants,” or words of similar import, under any applicable Environmental Law; (d) any other chemical, material or substance, exposure to which is prohibited, limited, or regulated by any governmental authority; and (e) any other chemical, material or substance which may or could pose a hazard to the environment.

“*Indemnified Taxes*” means Taxes other than Excluded Taxes.

“Indemnitee” has the meaning set forth in Section 4.2 hereof.

“Initial Amortization Payment Date” means the one hundred eightieth (180th) calendar day following the Commitment End Date.

“Interest Payment Date” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“Law” means, collectively, all international, foreign, Federal, state and local statutes, treaties, rules, guidelines, regulations, ordinances, codes and administrative or judicial precedents or authorities, including the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, directed duties, requests, licenses, authorizations and permits of, and agreements with, any Governmental Authority, in each case whether or not having the force of law.

“Liabilities” has the meaning set forth in Section 4.2 hereof.

“LIBOR” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“Lien” means any mortgage, pledge, hypothecation, assignment, deposit arrangement, encumbrance, lien (statutory or other), charge, or preference, priority or other security interest or preferential arrangement in the nature of a security interest of any kind or nature whatsoever (including any conditional sale or other title retention agreement, any easement, right of way or other encumbrance on title to real property, and any financing lease having substantially the same economic effect as any of the foregoing).

“Margin Stock” has the meaning ascribed to such term in Regulation U and/or Regulation X promulgated by the FRB, as now and hereafter from time to time in effect.

“Master Senior Trust Indenture” means that certain Master Trust Indenture dated as of November 1, 2005, by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as trustee, as the same may be amended, supplemented, restated or otherwise modified in accordance with the terms thereof and hereof.

“Master Subordinate Trust Indenture” has the meaning set forth in the recitals to this Agreement.

“Material Adverse Change” means the occurrence of any event or change, including but not limited to a change revealed by a comparison of any financial statements delivered pursuant to Section 6.2 hereof to the financial statements for the most recent prior Fiscal Year, which separately or in the aggregate with the occurrence of other events, results or could reasonably be expected to result in a Material Adverse Effect.

“Material Adverse Effect” means any event or occurrence (including, without limitation, a change in Applicable Law) that causes a material adverse change in or a material adverse effect on (A) the validity or enforceability of this Agreement, the Drawdown Bonds or any of the other Related Documents, (B) the validity, enforceability or perfection of the pledge of and lien on the Subordinate Net Revenues under the Subordinate Trust Indenture or hereunder, (C) the status of the Authority as a public entity created and validly existing under the laws of the State, (D) the exemption of interest on any Drawdown Bond from federal income tax, other than for a period during which an Owner is or was a “substantial user” of the projects financed or refinanced from proceeds of an AMT Drawdown Bond or a “related person” for purposes of Section 147(a) of the Code, or (E) the collection of the Revenues that could reasonably be expected to have a material adverse effect on the ability of the Authority to pay debt service on the Drawdown Bonds, the Senior Lien Revenue Bonds or the other Subordinate Obligations or any other Obligations hereunder or (F) the rights, remedies, security or interests of the Underwriter, the Purchaser, the Owner Representative or any Owner under the Related Documents.

“Maximum Interest Rate” means the lesser of (a) the maximum non-usurious interest rate payable by the Authority under applicable law, and (b) 12% per annum.

“Miscellaneous Taxes” means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Related Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Related Document.

“Moody’s” means Moody’s Investors Service, Inc. and any successor rating agency.

“1933 Act” means the Securities Act of 1933, as amended.

“Net Revenues” has the meaning set forth in the Master Subordinate Trust Indenture.

“Non-AMT Drawdown Bond” and *“Non-AMT Drawdown Bonds”* has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“Notice of Bondholder’s Agreement Event of Default” has the meaning set forth in Section 7.2(a) hereof.

“Obligations” means the obligations of the Authority to pay the principal of and interest on the Drawdown Bonds, all fees, expenses and charges payable or reimbursable hereunder to the Owner Representative, the Credit Protection Provider, the Purchaser or any Owner (including, without limitation, any amounts to reimburse the Owner Representative, the Credit Protection Provider, the Purchaser or any Owner for any advances or expenditures by it under any of such documents) and all other payment obligations of the Authority to the Owner Representative, the Credit Protection Provider, the Purchaser or any Owner arising under or in relation to this Agreement or the other Related Documents, in each, case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired.

“*OFAC*” has the meaning set forth in Section 5.25 hereof.

“*Outstanding*” means, with respect to any Drawdown Bonds, the unpaid principal amount of any Drawings thereunder.

“*Owner Representative*” means, (a) initially, the Purchaser and (b) thereafter, upon the receipt from time to time by the Trustee and the Authority of a notice described in Section 8.7 hereof, such Owner designated in such notice as the Owner Representative, as more fully provided in Section 8.7 hereof.

“*Patriot Act*” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Title III of Pub. L. 107-56 (signed into law October 26, 2001), as amended.

“*Participant*” means any entity to which an Owner has granted a participation in the obligations of such Owner hereunder and of the Authority hereunder and under the Drawdown Bonds and the other Related Documents.

“*Person*” means any individual, corporation, not for profit corporation, partnership, limited liability company, joint venture, association, professional association, joint stock company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other form of entity.

“*Plan*” means an employee benefit plan maintained for employees of the Authority that is covered by ERISA.

“*Potential Bondholder’s Agreement Event of Default*” means any event or circumstance which, with the giving of notice, the lapse of time, or both, would (if not cured or otherwise remedied during such time) constitute a Bondholder’s Agreement Event of Default.

“*Prime Rate*” means, for any day, the rate of interest per annum announced from time to time by Royal Bank as its prime commercial lending rate for U.S. dollar loans or equivalent, as in effect for such day, with any change in the Prime Rate resulting from a change in said prime commercial lending rate to be effective as of the date of such change. The Prime Rate is a variable rate and each change in the Prime Rate is effective from and including the date the change is announced as being effective. The Prime Rate is a reference rate and may not be Royal Bank’s lowest rate. If Royal Bank ceases to establish or publish a prime rate from which the Prime Rate is then determined, the applicable variable rate from which the Prime Rate is determined thereafter shall be instead the prime rate reported in *The Wall Street Journal* (or the average prime rate if a high and a low prime rate are therein reported).

“*Property*” means any interest in any kind of property or asset, whether real, personal or mixed, or tangible or intangible, whether now owned or hereafter acquired.

“*Purchase*” has the meaning set forth in Section 1(a) of the Bond Purchase Agreement.

“*Purchaser*” has the meaning assigned to such term in the introductory paragraph of this Agreement.

“*Rating Agency*” means any of S&P, Moody’s and/or Fitch, as context may require.

“*RBCCM LLC*” means RBC Capital Markets, LLC and its successors, assignees, designees and nominees.

“*RBCMPLLC*” has the meaning set forth in the introductory paragraph of this Agreement.

“*Redemption Price*” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“*Related Documents*” means this Agreement, the Drawdown Bonds, the Tax Certificate, the Master Senior Trust Indenture, the Master Subordinate Trust Indenture, the Fourth Supplemental Subordinate Trust Indenture, the Bond Purchase Agreement, and any documents executed and delivered by the Authority to any Owner, Royal Bank, the Purchaser or the Underwriter in connection therewith, and any and all future renewals and extensions or restatements of, or amendments or supplements to any of the foregoing.

“*Representation Letter*” has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

“*Request for Drawing*” means a Request for Drawing substantially in the form of Exhibit B-1 or B-2 to the Bond Purchase Agreement.

“*Request for Purchase*” means a Request for Purchase substantially in the form of Exhibit A-1 or A-2 to the Bond Purchase Agreement.

“*Revenues*” has the meaning set forth in the Master Subordinate Trust Indenture.

“*Revolving Credit Agreement*” means the Revolving Credit Agreement, dated as of September 1, 2014, by and between the Authority and U.S. Bank National Association, as amended, supplemented, modified or restated from time to time in accordance with the terms thereof.

“*Revolving Obligations*” has the meaning set forth in the Third Supplemental Subordinate Trust Indenture.

“*Risk-Based Capital Guidelines*” means (i) the risk-based capital guidelines in effect in the United States, including transition rules, and (ii) the corresponding capital regulations promulgated by regulatory authorities outside the United States including transition rules, and any amendments to such regulations.

“*Royal Bank*” means Royal Bank of Canada and its successors and assigns.

“S&P” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, and any successor rating agency.

“*Senior Lien Revenue Bonds*” has the meaning set forth in the Master Subordinate Trust Indenture.

“*Senior Lien Trustee*” means The Bank of New York Mellon Trust Company, N.A. as trustee, or its permitted successor as trustee under the Master Senior Trust Indenture from time to time.

“*State*” means the State of California.

“*Subordinate Net Revenues*” has the meaning set forth in the Master Subordinate Trust Indenture.

“*Subordinate Obligations*” has the meaning set forth in the Master Subordinate Trust Indenture.

“*Subordinate Trust Indenture*” has the meaning set forth in the recitals to this Agreement.

“*Swap Contract*” means (a) any and all rate swap transactions, total return swaps, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “*Master Agreement*”), including any such obligations or liabilities under any Master Agreement.

“*Tax Certificate*” means any Tax Compliance Certificate by the Authority, relating to any or all of the Subseries of Drawdown Bonds, as the same may be amended, supplemented, modified or restated from time to time in accordance with the terms hereof and thereof.

“*Taxable Date*” means the date on which interest on any Subseries of Drawdown Bonds is first includable in gross income of any holder thereof (including, without limitation, any Owner) as a result of an Event of Taxability as such a date is established pursuant to a Determination of Taxability.

“*Taxable Drawdown Rate*” means, with respect to a Taxable Period, the sum of the (a) LIBOR and (b) the product of (i) the Non-AMT Spread and (ii) 1.54.

“*Taxable Period*” has the meaning set forth in Section 4.3(e) hereof.

“*Taxes*” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, fines, additions to tax or penalties applicable thereto.

“*Third Supplemental Subordinate Trust Indenture*” means the Third Supplemental Subordinate Trust Indenture dated as of September 1, 2014, by and between the Authority and the Trustee, as amended, supplemented, modified or restated from time to time in accordance with the terms thereof.

“*Transactions*” means the issuance, sale and delivery of any Subseries of Drawdown Bonds, the execution and delivery by the Authority of the Related Documents, the performance by the Authority of the Obligations (including payment obligations) thereunder, and the use of the proceeds of the Drawdown Bonds and the Drawings and the Purchases.

“*Trust*” means either (a) a common law trust established by the Purchaser or an Affiliate of the Purchaser under the laws of the State of New York, (b) a statutory trust established by the Purchaser or an Affiliate of the Purchaser under the Delaware statutory trust statute or (c) any other type of trust, which, in any case, has an interest in any Subseries of Drawdown Bonds.

“*Trustee*” means U.S. Bank National Association as trustee or its permitted successor as trustee under the Subordinate Trust Indenture.

“*Underwriter*” means RBCCM LLC, as underwriter under the Bond Purchase Agreement.

“*United States*” means the United States of America.

“*Unutilized Fee*” has the meaning set forth in Section 2.2 hereof.

“*Vice President, Finance and Asset Management/Treasurer*” means the person at a given time who is the Vice President, Finance and Asset Management/Treasurer of the Authority (including any person serving in an acting or interim capacity) or such other title as the Board may from time to time assign for such position and the officer or officers succeeding to such position as certified by the Board.

Section 1.2. Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder shall be made, and all financial statements required to be delivered hereunder shall be prepared, in accordance with GAAP. If, after the Effective Date, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Section 6.2 hereof

and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement including, without limitation, a recharacterization of operating leases to the effect that certain operating leases are to be treated as capital leases, either the Authority or the Owner Representative may by notice to the other party hereto, require that the Owner Representative and the Authority negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the Authority shall be the same as if such change had not been made. No delay by the Authority or the Owner Representative in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 1.2, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles.

Section 1.3. Interpretation. The following rules shall apply to the construction of this Agreement unless the context requires otherwise: (i) the singular includes the plural, and the plural the singular; (ii) words importing any gender include the other gender; (iii) references to statutes are to be construed as including all statutory provisions consolidating and amending, and all regulations promulgated pursuant to, such statutes; (iv) references to “writing” include printing, photocopy, typing, lithography and other means of reproducing words in a tangible visible font; (v) the words “including,” “includes” and “include” shall be deemed to be followed by the words “without limitation”; (vi) references to the introductory paragraph, recitals, articles, sections (or clauses or subdivisions of sections), exhibits, appendices, annexes or schedules are to those of this Agreement unless otherwise indicated; (vii) references to agreements and other contractual instruments shall be deemed to include all subsequent amendments and other modifications to such instruments, but only to the extent that such amendments and other modifications are permitted or not prohibited by the terms of this Agreement; (viii) section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose; (ix) references to Persons include their respective permitted successors and assigns; and (x) in the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each means “to but excluding.” All references to “funds” herein shall include all accounts and subaccounts therein unless the context clearly requires otherwise.

Section 1.4. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to California time (daylight or standard, as applicable).

Section 1.5. Relation to Other Documents; Acknowledgment of Different Provisions of Related Documents; Incorporation by Reference. (a) Nothing in this Agreement shall be deemed to amend, or relieve the Authority of its obligations under, any Related Document to which it is a party. Conversely, to the extent that the provisions of any Related Document allow the Authority to take certain actions, or not to take certain actions, with regard for example to permitted liens, transfers of assets, maintenance of financial ratios and similar matters, the Authority nevertheless shall be fully bound by the provisions of this Agreement.

(b) Except as provided in subsection (c) of this Section 1.5, all references to other documents shall be deemed to include all amendments, modifications and supplements thereto to

the extent such amendment, modification or supplement is made in accordance with the provisions of such document and this Agreement.

(c) All provisions of this Agreement making reference to specific Sections of any Related Document shall be deemed to incorporate such Sections into this Agreement by reference as though specifically set forth herein (with such changes and modifications as may be herein provided) and shall continue in full force and effect with respect to this Agreement notwithstanding payment of all amounts due under or secured by the Related Documents, the termination or defeasance thereof or any amendment thereto or any waiver given in connection therewith, so long as this Agreement is in effect and until all Obligations are paid in full. No amendment, modification, consent, waiver or termination with respect to any of such Sections shall be effective as to this Agreement until specifically agreed to in writing by the parties hereto with specific reference to this Agreement.

ARTICLE II

THE AUTHORITY'S OBLIGATIONS

Section 2.1. Payment Obligations. (a) The Authority hereby unconditionally, irrevocably and absolutely agrees to make prompt and full payment of all payment obligations owed to the Owner Representative and any Owner under the Related Documents and to pay any other Obligations owing to the Owner Representative or any Owner, whether now existing or hereafter arising, irrespective of their nature, whether direct or indirect, absolute or contingent, with interest thereon at the rate or rates provided in such Related Documents.

(b) The Authority shall pay within thirty (30) days after demand:

(i) if a Bondholder's Agreement Event of Default has occurred, all reasonable costs and expenses of the Owner Representative and any Owner in connection with the enforcement (whether by means of legal proceedings or otherwise) of any of their respective rights under any of the Related Documents and any other documents which may be delivered in connection therewith, plus the fees of any legal counsel retained by the Owner Representative or any Owner in connection therewith;

(ii) a fee for each amendment of any Related Document that requires consent by the Owner Representative or any Owner or any consent or waiver by the Owner Representative or any Owner under any Related Document, in each case in an amount reasonably agreed to between the Owner Representative and the Authority;

(iii) the reasonable fees and out-of-pocket expenses for counsel in connection with responding to requests from the Authority for approvals, consents, amendments and waivers, in each case, in an amount reasonably agreed to between the Owner Representative and the Authority; and

(iv) any amounts advanced by or on behalf of the Owner Representative or any other Owner to the extent required to cure or avoid any Bondholder's Agreement Event

of Default or event of nonperformance under any Related Document, together with interest thereon at the Default Rate.

(c) Neither the Owner Representative nor any Owner shall be under an obligation to pay, and the Authority shall pay, any expenses incident to the performance of the Authority's obligations hereunder and under the other Related Documents, including (i) the cost of preparation and printing of the Related Documents, (ii) the fees and disbursements of Bond Counsel and counsel to the Authority and (iii) the fees and disbursements of any other accountants, attorneys and other experts, consultants or advisers retained by the Authority.

(d) In addition, if at any time any Governmental Authority requires payment of any fees, documentary stamps or tax in connection with the execution or delivery of any of the Related Documents, then, if the Authority lawfully may pay for such fees, stamps, or tax, the Authority shall pay, when due and payable, for all such fees, stamps and taxes, including interest and penalties thereon, and the Authority agrees to save the Owner Representative and any Owner harmless from and against any and all liabilities with respect to or resulting from any delay or omission of the Authority in paying, such fees, stamps and taxes. For the avoidance of doubt, the Authority shall be obligated to reimburse the Underwriter for all fees required by CDIAAC.

(e) In the event the Owners have not received the principal of all Outstanding Drawdown Bonds on the Commitment End Date, the Authority shall cause all Outstanding Subseries of Drawdown Bonds to be redeemed on the Commitment End Date; *provided* that if, on the Commitment End Date, (i) the representations and warranties of the Authority contained in this Agreement and in each other Related Document and in each certificate or other writing delivered to any Owner pursuant hereto in connection with the transactions contemplated by this Agreement shall be, (A) in the case of representations and warranties that are not qualified by "material," "materiality," "Material Adverse Effect" or similar qualifier, true and correct in all material respects on, and deemed made on, the Commitment End Date as though made on and as of the Commitment End Date, except to the extent any such representation or warranty relates specifically to an earlier date in which case such representation and warranty shall be true and correct in all material respects as of such earlier date, or (B) in the case of representations and warranties that are qualified by "material", "materiality", "Material Adverse Effect" or similar qualifier, true and correct in all respects on, and deemed made on, the Commitment End Date as though made on and as of the Commitment End Date, except to the extent any such representation or warranty relates specifically to an earlier date in which case such representation and warranty shall be true and correct in all respects as of such earlier date; (ii) no Potential Bondholder's Agreement Event of Default or Bondholder's Agreement Event of Default shall have occurred and be continuing; and (iii) no event or occurrence shall have occurred (including litigation pending against the Authority), and no circumstance shall exist, that in the opinion of the Owner Representative could reasonably be expected to result in a Material Adverse Effect, then the Authority shall cause the principal amount of the Drawdown Bonds to be redeemed in equal quarterly installments payable on each Amortization Payment Date (each such payment, an "*Amortization Payment*"), with the final Amortization Payment in an amount equal to the entire then-outstanding principal amount of such Drawdown Bonds to be redeemed on the related Amortization End Date (the period commencing on the Commitment End Date and ending on the Amortization End Date is herein referred to as the "*Amortization Period*"). Each Amortization

Payment shall be that amount of principal which will result in equal (as nearly as possible) aggregate Amortization Payments over the Amortization Period. During the Amortization Period, interest on the Drawdown Bonds shall accrue at the Amortization Period Interest Rate, be payable monthly in arrears on the first Business Day of each calendar month and be calculated on the basis of a 365/366-day year and actual days elapsed.

(f) *Maintenance of Accounts.* The Owner Representative shall maintain in accordance with its usual practice an account or accounts evidencing each Subseries of Drawdown Bonds and the other Obligations. In any legal action or proceeding in respect of this Agreement or the other Related Documents, the entries made in such account or accounts shall be presumptive evidence of the existence and amounts of the obligations of the Authority therein recorded. The failure to record any such amount shall not, however, limit or otherwise affect the obligations of the Authority hereunder or under the other Related Documents to repay all amounts owed hereunder and under the other Related Documents, together with all interest accrued thereon as provided herein.

(g) *Survival.* Without prejudice to the survival of any other agreement of the Authority hereunder, the agreements and obligations of the Authority contained in this Section 2.1 shall survive the termination of this Agreement and the payment in full of all Drawdown Bonds and the Obligations of the Authority thereunder and hereunder.

Section 2.2. Unutilized Fee. The Authority shall pay the Purchaser a fee (the “*Unutilized Fee*”) equal to the product of (a) the Available Commitment for each day during the related period and (b) the Unutilized Fee Rate for each day during the related period, determined by reference to the row in the following chart in which the lowest Authority Rating appears. The Unutilized Fee will be payable quarterly in arrears commencing on July 3, 2017 (for the period from and including the Effective Date to and including June 30, 2017) and continuing on the first Business Day of each January, April, July and October thereafter, continuing through and including the Commitment End Date.

AUTHORITY RATING
(LOWEST RATING TO BE USED)

MOODY'S	S&P	FITCH	UNUTILIZED FEE RATE
A2 or higher	A or higher	A or higher	22.5 basis points (0.225%)
A3	A-	A-	32 basis points (0.32%)
Baa1	BBB+	BBB+	45 basis points (0.45%)
Baa2	BBB	BBB	60 basis points (0.60%)
Below Baa2	Below BBB	Below BBB	Default Rate

In the event of a split Authority Rating (*e.g.*, one of S&P, Moody's and Fitch assigns an Authority Rating that is in a different row in the chart above than the Authority Rating assigned by either of the other Rating Agencies), the Unutilized Fee Rate shall be based upon the row in which the lowest Authority Rating appears. The Authority acknowledges that as of the Effective Date the Unutilized Fee Rate equals 22.5 basis points.

In the event any Authority Rating is withdrawn, suspended or reduced below "Baa2" by Moody's or below BBB" by S&P or Fitch, the commitment of the Underwriter to purchase Drawdown Bonds shall terminate and a Bondholder's Agreement Event of Default shall occur under Section 7.1(h) hereof. Upon the occurrence of any such Bondholder's Agreement Event of Default, the Unutilized Fee shall increase by 200 basis points above the Unutilized Fee otherwise in effect.

Any change in the Unutilized Fee Rate resulting from a change in the Authority Rating shall be and become effective as of and on the date of the announcement of the change in such Authority Rating. References to the Authority Rating above are references to rating categories as presently determined by the Rating Agencies and in the event of adoption of any new or changed rating system by any such Rating Agency, including, without limitation, any recalibration of the Authority Rating in connection with the adoption of a "global" rating scale, each Authority Rating from the Rating Agency in question referred to above shall be deemed to refer to the rating category under the new rating system which most closely approximates the applicable rating category as currently in effect.

Section 2.3. Costs, Expenses and Taxes. (a) The Authority will promptly pay on demand (i) the reasonable fees, costs and expenses of the Underwriter, the Purchaser, and the Owner Representative incurred in connection with the preparation, negotiation, execution and delivery of this Agreement, the Drawdown Bonds and the other Related Documents, (ii) the fees and disbursements of Chapman and Cutler LLP, special counsel to the Underwriter and the Purchaser, incurred in connection with the preparation, execution, filing and administration and delivery of this Agreement and the other Related Documents, (iii) the fees and disbursements of

counsel or other reasonably required consultants to the Underwriter, the Purchaser, and/or the Owner Representative with respect to advising the Underwriter, the Purchaser, and/or the Owner Representative, as applicable, as to the rights and responsibilities under this Agreement and the other Related Documents after the occurrence of any Potential Bondholder's Agreement Event of Default or alleged Potential Bondholder's Agreement Event of Default hereunder, or a Bondholder's Agreement Event of Default, (iv) all costs and expenses, if any, in connection with any waiver or amendment of, or the giving of any approval or consent under, or any response thereto or the enforcement of this Agreement, the Related Documents and any other documents which may be delivered in connection herewith or therewith, including in each case the reasonable fees and disbursements of counsel to the Underwriter, the Purchaser, and/or the Owner Representative or other reasonably required consultants and (v) any amounts advanced by or on behalf of the Underwriter, the Purchaser, and/or an Owner to the extent required to cure any Potential Bondholder's Agreement Event of Default, Bondholder's Agreement Event of Default or event of nonperformance hereunder or any Related Document, together with interest at the Default Rate. In addition, the Authority shall pay any and all stamp taxes, transfer taxes, documentary taxes, and other taxes and fees payable or determined to be payable in connection with the execution, delivery, filing, and recording of this Agreement and the security contemplated by the Related Documents (other than taxes based on the net income or share capital of the Underwriter, the Purchaser, and/or an Owner) and agrees to indemnify and hold the Underwriter, the Purchaser, and each Owner harmless from and against any and all liabilities with respect to or resulting from any delay in paying, or omission to pay, such taxes and fees, including interest and penalties thereon; *provided, however*, that the Authority may reasonably contest any such taxes or fees with the prior written consent of the Owner Representative, which consent, if a Bondholder's Agreement Event of Default does not then exist, shall not be unreasonably withheld. In addition, the Authority agrees to pay, after the occurrence of a Potential Bondholder's Agreement Event of Default, alleged Potential Bondholder's Agreement Event of Default or a Bondholder's Agreement Event of Default, all costs and expenses (including attorneys' fees and costs of settlement) incurred by the Underwriter, the Purchaser, and/or the Owner Representative, as applicable, in enforcing any obligations or in collecting any payments due from the Authority hereunder by reason of such Potential Bondholder's Agreement Event of Default, alleged Potential Bondholder's Agreement Event of Default or Event of Default or in connection with any refinancing or restructuring of the credit arrangements provided under this Agreement in the nature of a "workout" or of any collection, insolvency, bankruptcy proceedings or other enforcement proceedings resulting therefrom.

(b) If the Authority shall fail to pay any amount payable under this Section 2.3 as and when due, each such unpaid amount shall bear interest for each day from and including the date it was due until paid in full at the applicable Default Rate. The obligations of the Authority under this Section 2.3 shall survive the termination of this Agreement.

Section 2.4. Reduction and Termination. (a) The Commitment Amount shall be reduced from time to time as requested by the Authority within three (3) days of the Authority's written notice to the Underwriter and the Purchaser requesting such reduction in the form of Exhibit A hereto; *provided*, that each such reduction amount shall be in an amount equal to \$1,000,000 or an integral multiple thereof and shall be in compliance with the Related Documents.

(b) The Authority may at any time and at its sole option terminate the Commitment Amount upon three (3) Business Days' prior written notice to the Underwriter and the Purchaser. As a condition to any such termination, the Authority shall pay or cause to be paid all other Obligations owed.

Section 2.5. Conditions Precedent. This Agreement shall become effective on the date hereof subject to the satisfaction or waiver by the Purchaser and the Underwriter of the conditions precedent set forth in Section 4 of the Bond Purchase Agreement and the issuance of the Drawdown Bonds.

Section 2.6. Payments. All payments to be made by or on behalf of the Authority to the Owner Representative or other Owner hereunder, under the Drawdown Bonds and under the other Related Documents shall be fully earned when due and nonrefundable when paid and shall be made in lawful currency of the United States of America and in immediately available funds. All payments to be made by the Authority shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Authority hereunder shall be made to the Owner Representative at the Owner Representative's Office in Dollars and in immediately available funds not later than 12:00 noon, California time, on the date specified herein. All payments received by the Owner Representative after 12:00 noon, California time, shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Authority shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be. Notwithstanding anything herein to the contrary, where this Agreement provides for payment by the Authority to the Owner Representative for any amount, the Authority may satisfy such obligation by causing the Trustee to pay such amount directly to the Owner Representative from Subordinate Net Revenues under the Subordinate Trust Indenture. All payments hereunder to RBCMPLLC shall be made by wire transfer of funds to the following account: U.S. Bank; ABA #: 091000022; Account #: 160230097208; Account: RBC Capital Markets Corp., FFC: MPI, LLC Account #10107441, Ref: FICMTOBE80 (or to such other account as RBCMPLLC may specify in writing from time to time). Notwithstanding anything in this Section 2.6 to the contrary, so long as any Drawdown Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal and Redemption Price of and interest on such Drawdown Bond and all notices with respect to such Drawdown Bond shall be made and given, respectively, to DTC as provided in the Representation Letter.

ARTICLE III

SECURITY AND PLEDGE

Section 3.1. Security and Pledge. Pursuant to the GRANTING CLAUSE and Section 4.01 of the Master Subordinate Trust Indenture and Section 6.01 of the Fourth Supplemental Subordinate Trust Indenture, the Authority grants to the Purchaser and each Owner a Lien on and pledge of Subordinate Net Revenues to secure the payment of the Drawdown Bonds and the other Obligations. The pledge of the Subordinate Net Revenues for the Drawdown Bonds and the

other Obligations pursuant to the Master Subordinate Trust Indenture and the Fourth Supplemental Subordinate Trust Indenture is a valid and binding obligation of the Authority, on a *pari passu* basis with the holders of all other Subordinate Obligations. No filing, registration, recording or publication of this Agreement, the Master Subordinate Trust Indenture or the Fourth Supplemental Subordinate Trust Indenture or any other instrument nor any prior separation or physical delivery of the Subordinate Net Revenues is required to establish the pledge provided for under the Master Subordinate Trust Indenture or the Fourth Supplemental Subordinate Trust Indenture or to perfect, protect or maintain the Lien created thereby on the Subordinate Net Revenues to secure the payment of principal of and interest on the Drawdown Bonds and the other Obligations.

ARTICLE IV

LIABILITY, INDEMNITY AND PAYMENT

Section 4.1. Liability of the Authority. The Authority and the Purchaser agree that the obligation of the Authority to pay the Obligations are contractual obligations of the Authority payable solely from the Subordinate Net Revenues and shall not be affected by, and none of the Underwriter, the Purchaser, the Credit Protection Provider, the Owner Representative or any other Owner shall be responsible for, among other things, (i) the validity, genuineness or enforceability of this Agreement, the Drawdown Bonds or documents, notices or endorsements relating thereto (even if this Agreement or any documents, notices endorsements relating thereto should in fact prove to be in any and all respects invalid, fraudulent or forged), (ii) the use to which the amounts disbursed by the Underwriter, the Purchaser and/or an Owner may be put, or (iii) any other circumstances or happenings whatsoever, whether or not similar to any of the foregoing.

Section 4.2. Indemnification by the Authority. (a) In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant hereto or under law or equity, the Authority hereby agrees (to the extent permitted by law) to indemnify and hold harmless the Underwriter, the Purchaser, the Credit Protection Provider, the Owner Representative, each Owner and each Participant and their respective officers, directors and agents (each, an "*Indemnitee*") from and against any and all claims, damages, losses, liabilities, reasonable costs or expenses whatsoever (including reasonable attorneys' fees) which may incur or which may be claimed against an Indemnitee by any Person or entity whatsoever (collectively, the "*Liabilities*") by reason of or in connection with (i) the execution and delivery or transfer of, or payment or failure to pay under, any Related Document; (ii) the making of any Purchases or honoring any Drawings; (iii) the use of the proceeds of the Drawdown Bonds, Purchases or Drawings; (iv) any breach by the Authority of any warranty, covenant, term or condition in, or the occurrence of any default under any of the Related Documents, together with all reasonable expenses resulting from the compromise or defense of any claims or liabilities arising as a result of any such breach or default; (v) any action or proceeding relating to a court order, injunction or other process or decree restraining or seeking to restrain the Underwriter, the Purchaser and/or an Owner from paying any amount under this Agreement (other than actions or proceedings instituted by or on behalf of the Underwriter, the Purchaser and/or an Owner); or (vi) any

investigation, litigation or other proceeding (whether or not the Underwriter, the Purchaser and/or the Owner Representative or any Owner or Participant is a party thereto) related to the entering into and/or each performance of any of the Related Document or the use of the proceeds of the Drawdown Bonds, any Purchases or any Drawings; *provided* that the Authority shall not be required to indemnify an Indemnitee for any (x) claims, damages, losses, liabilities, costs or expenses to the extent, but only to the extent, caused by the willful misconduct or gross negligence of such Indemnitee as determined by a court of competent jurisdiction or (y) disputes solely between the Authority and an Indemnitee, which disputes are subject to the terms of Section 4.2(b) and 4.2(c) hereof; *provided* that the Authority shall only be liable to the Indemnitee to the extent, and only to the extent of any direct, as opposed to special, indirect consequential or punitive damages (the right to receive special, indirect, consequential or punitive damages being hereby waived). Nothing under this Section 4.2 is intended to limit the Authority's payment of the Obligations.

(b) Notwithstanding anything to the contrary contained in this Section 4.2, the Authority shall have a claim against the Underwriter, the Purchaser, the Owner Representative, an Owner and a Participant, as applicable, and the Underwriter, the Purchaser, the Owner Representative, such Owner and such Participant, as applicable, shall be liable to the Authority, to the extent of any direct, as opposed to special, indirect, consequential or punitive damages (the right to receive special, indirect, consequential or punitive damages being hereby waived) suffered by the Authority which the Authority proves were caused solely by such Indemnitee's gross negligence or willful misconduct, as determined by a court of competent jurisdiction.

(c) In addition to any and all rights of reimbursement, indemnification, subrogation or any other rights pursuant to this Section 4.2, solely with respect to disputes between the Authority and an Indemnitee, the Authority hereby agrees to pay to each Indemnitee only those Liabilities incurred by reason of or in connection with any such dispute only if the applicable court of competent jurisdiction determines that such Indemnitee did not act with gross negligence or willful misconduct with respect to such dispute.

(d) The obligations of the Authority under this Section 4.2 shall survive the payment of the Drawdown Bonds and all other Obligations and the termination of this Agreement.

Section 4.3. Increased Costs. (a) If any Owner, any Credit Protection Provider or any Participant shall determine that any Change in Law now existing or hereafter adopted shall:

(i) impose, modify or deem applicable any reserve, liquidity ratio, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or advances, loans or other credit extended or participated in by, or other acquisitions of funds by, such Owner, such Credit Protection Provider or such Participant;

(ii) subject such Owner, such Credit Protection Provider or such Participant to any Tax (except for Taxes on the overall net income or share capital of such Owner, such Credit Protection Provider or such Participant) of any kind whatsoever with respect to this Agreement or the Drawdown Bonds, or change the basis of taxation of payments to

such Owner, such Credit Protection Provider or such Participant in respect thereof (except for Indemnified Taxes or Miscellaneous Taxes covered by Section 4.4 hereof and the imposition of, or any change in the rate of any Excluded Tax payable by such Owner, such Credit Protection Provider or such Participant);

(iii) impose upon such Owner, such Credit Protection Provider or such Participant any other condition or expense with respect to this Agreement, the Drawdown Bonds or any other Related Document; and the result of any of the foregoing is to increase the cost to, reduce the income receivable by, or impose any expense (including loss of margin) upon such Owner, such Credit Protection Provider or such Participant with respect to this Agreement, the Drawdown Bonds or the other Related Documents (or in the case of any capital adequacy or similar requirement, to have the effect of reducing the rate of return on such Owner's, such Credit Protection Provider's or such Participant's capital),

then such Owner, such Credit Protection Provider or such Participant shall from time to time notify, or cause to be notified, the Authority of the amount determined in good faith by such Owner, such Credit Protection Provider or such Participant, as applicable (which determination shall be conclusive absent manifest error) to be necessary to compensate such Owner, such Credit Protection Provider or such Participant, as applicable, for such increase, reduction or imposition. All references to an Owner, Credit Protection Provider or Participant, in Sections 4.3(a), (b), (c) and (d) shall also be deemed to refer to the holding company or parent of such Owner, such Credit Protection Provider and such Participant.

(b) *Capital or Liquidity Requirements.* If any Owner, any Credit Protection Provider or any Participant determines that any Change in Law affecting such Owner, such Credit Protection Provider or such Participant, as applicable, or any of their parent or holding companies, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on the capital or liquidity of such Owner, such Credit Protection Provider or such Participant, or any of their parent or holding companies, holding, if any, as a consequence of this Agreement, or making, maintenance or funding of, any Purchase or Drawing under the Bond Purchase Agreement, to a level below that which such Owner, such Credit Protection Provider or such Participant, or their respective parent or holding companies could have achieved but for such Change in Law (taking into consideration such Owner's, such Credit Protection Provider's or such Participant's policies and the policies of their parent or holding companies with respect to capital or liquidity adequacy, as applicable), then from time to time upon written request of such Owner, such Credit Protection Provider or such Participant as set forth in clause (c) of this Section, the Authority shall promptly pay to such Owner, such Credit Protection Provider, such Participant or such Drawdown Bondholder, as the case may be, such additional amount or amounts as will compensate such Owner, such Credit Protection Provider or such Participant, or their parent or holding companies, as applicable, for any such additional capital, liquidity or costs incurred or reduction suffered.

(c) *Certificates for Reimbursement.* A certificate of any Owner, any Credit Protection Provider or any Participant setting forth the amount or amounts necessary to compensate such Owner, such Credit Protection Provider or such Participant, or their parent or holding companies,

as the case may be, as specified in paragraph (a) or (b) of this Section and delivered to the Authority, shall be conclusive absent manifest error. The Authority shall pay such Owner, such Credit Protection Provider or such Participant, as the case may be, the amount shown as due on any such certificate within sixty (60) days after receipt thereof.

(d) *Delay in Requests.* Failure or delay on the part of any Owner, any Credit Protection Provider or any Participant to demand compensation pursuant to this Section shall not constitute a waiver of such Owner's, such Credit Protection Provider's or such Participant's right to demand such compensation.

(e) *Determination of Taxability.* (i) In the event a Taxable Date occurs, the Authority hereby agrees to pay to each Owner and each Participant on demand therefor (1) an amount equal to the difference between (A) the amount of interest that would have been paid to such Owner or such Participant, as applicable, on any Drawdown Bonds during the period for which interest on such Drawdown Bonds is includable in the gross income of such Owner and such Participant, as applicable, if such Drawdown Bonds had borne interest at the Taxable Drawdown Rate, beginning on the Taxable Date (the "*Taxable Period*"), and (B) the amount of interest actually paid to such Owner or such Participant, as applicable, during the Taxable Period, and (2) an amount equal to any interest, penalties or charges owed by any Owner or any Participant, as applicable, as a result of interest on such Drawdown Bonds becoming includable in the gross income of such Owner or such Participant, as applicable, together with any and all reasonable attorneys' fees, court costs, or other out-of-pocket costs incurred by such Owner or such Participant, as applicable, in connection therewith.

(ii) Subject to the provisions of clause (iii) below, the Authority shall have the opportunity, at the Authority's sole cost and expense, to contest (1) the validity of any amendment to the Code which causes the interest on such Drawdown Bonds to be includable in the gross income of any Owner or any Participant or (2) any challenge to the validity of the tax exemption with respect to the interest on the Drawdown Bonds, including the right to direct the necessary litigation contesting such challenge (including administrative audit appeals); *provided* that, in no event shall any Owner or any Participant be required to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Authority or any other Person.

(iii) As a condition precedent to the exercise by the Authority of its right to contest set forth in clause (ii) above, the Authority shall, on demand, immediately reimburse any Owner or any Participant, as applicable, for any and all expenses (including reasonable attorneys' fees for services that may be required or desirable) that may be incurred by such Owner or such Participant, as applicable, in connection with any such contest, and shall, on demand, immediately reimburse such Owner or such Participant, as applicable, for any and all penalties or other charges payable by such Owner or such Participant, as applicable, for failure to include such interest in its gross income.

(f) Without prejudice to the survival of any other agreement of the Authority hereunder, the agreements and obligations of the Authority contained in this Section shall

survive the termination of this Agreement and the payment in full of the Drawdown Bonds and the Obligations of the Authority thereunder and hereunder.

Section 4.4. Taxes.

(a) *Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes.* Any and all payments by or on account of any obligation of the Authority hereunder or under the Drawdown Bonds shall be made free and clear of and without reduction or withholding for any Indemnified Taxes or Miscellaneous Taxes; provided that if the Authority shall be required by Applicable Law to deduct any Indemnified Taxes (including any Miscellaneous Taxes) from such payments, then (i) to the fullest extent permitted by Applicable Law, the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section) each Owner, each Credit Protection Provider and each Participant, as applicable, receives an amount equal to the sum it would have received had no such deductions been made, (ii) the Authority shall make such deductions and (iii) the Authority shall timely pay the full amount deducted to the relevant Governmental Authority in accordance with Applicable Law.

(b) *Payment of Miscellaneous Taxes by the Authority.* Without limiting the provisions of paragraph (a) above, the Authority shall timely pay any Miscellaneous Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) *Indemnification by the Authority.* The Authority, to the fullest extent permitted by law, shall indemnify each Owner, each Credit Protection Provider and each Participant, within sixty (60) days after demand therefor, for the full amount of any Indemnified Taxes or Miscellaneous Taxes (including Indemnified Taxes or Miscellaneous Taxes imposed or asserted on or attributable to amounts payable under this Section) paid by such Owner, such Credit Protection Provider or such Participant and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Miscellaneous Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate stating the amount of such payment or liability delivered to the Authority by such Owner, such Credit Protection Provider or such Participant shall be conclusive absent manifest error. In addition, the Authority shall indemnify such Owner, such Credit Protection Provider and such Participant, within ten (10) days after demand therefor, for any additional amounts that such Owner, such Credit Protection Provider or such Participant is required to pay as a result of any failure of the Authority to pay any Taxes when due to the appropriate Governmental Authority or to deliver to such Owner, such Credit Protection Provider or such Participant, as applicable, pursuant to clause (d), documentation evidencing the payment of Taxes.

Prior to claiming compensation pursuant to this subsection (c), such Owner, such Credit Protection Provider or such Participant, as applicable, will use reasonable efforts to investigate the alternatives (if any) for avoiding the need for, or the reduction of the amount of, such compensation, and such Owner, such Credit Protection Provider or such Participant, as applicable, shall take all reasonable steps to so avoid the need for, or reduce the amount of such compensation, *provided that*, none of such Owner, such Credit Protection Provider or such

Participant shall be obligated to take any steps that are adverse to its business or operations or inconsistent with its policies. Each Owner, each Credit Protection Provider and each Participant, as applicable, agrees to repay the Authority any refund (including that portion of any interest that was included as part of such refund) with respect to Taxes or Other Taxes paid by the Authority pursuant to this subsection (c) received by such Owner, such Credit Protection Provider or such Participant, as applicable, for Taxes or Other Taxes that were paid by the Authority pursuant to this subsection (c).

(d) *Evidence of Payments.* As soon as practicable after any payment of Indemnified Taxes or Miscellaneous Taxes by the Authority to a Governmental Authority, the Authority shall deliver to such Owner, such Credit Protection Provider or such Participant, as applicable, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to such Owner, such Credit Protection Provider or such Participant, as applicable.

(e) *Treatment of Certain Refunds.* If any Owner, any Credit Protection Provider or any Participant determines, in its sole discretion, that it has received a refund of any Taxes or Miscellaneous Taxes as to which it has been indemnified pursuant to this Section (including additional amounts paid by the Authority pursuant to this Section), it shall pay to the Authority an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, under this Section with respect to the Taxes or Miscellaneous Taxes giving rise to such refund), net of all out-of-pocket expenses of such Owner, such Credit Protection Provider or such Participant, as applicable, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that the Authority, upon the request of such Owner, such Credit Protection Provider or such Participant, as applicable, agrees to repay the amount paid over pursuant to this Section (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Owner, such Credit Protection Provider or such Participant, as applicable, in the event such Owner, such Credit Protection Provider or such Participant, as applicable, is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this paragraph (e), in no event will such Owner, such Credit Protection Provider or such Participant, as applicable, be required to pay any amount to the Authority pursuant to this paragraph (e) the payment of which would place such Owner, such Credit Protection Provider or such Participant, as applicable, in a less favorable net after-Tax position than such Owner, such Credit Protection Provider or such Participant, as applicable, would have been in if the indemnification payments or additional amounts giving rise to such refund had never been paid. This paragraph shall not be construed to require such Owner, such Credit Protection Provider or such Participant, as applicable, to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Authority or any other Person.

(f) *Survival.* Without prejudice to the survival of any other agreement of the Authority hereunder, the agreements and obligations of the Authority contained in this Section shall survive the termination of this Agreement and the payment in full of the Drawdown Bonds and the Obligations of the Authority thereunder and hereunder.

(g) *Status of Owners; Tax Documentation.* (i) If any Owner, any Credit Protection Provider or any Participant is entitled to an exemption from or reduction of withholding Taxes with respect to payments made hereunder or under any Related Document, such Owner, such Credit Protection Provider or such Participant, as applicable, shall deliver to the Authority at the time or times reasonably requested by the Authority, such properly completed and executed documentation reasonably requested by the Authority or as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, such Owner, such Credit Protection Provider or such Participant, as applicable, if reasonably requested by the Authority, shall deliver such other documentation prescribed by applicable Law or reasonably requested by the Authority as will enable the Authority to determine whether or not such Owner, such Credit Protection Provider or such Participant is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Section 4.4(g)(ii) below) shall not be required if, in such Owner's, such Credit Protection Provider's or such Participant's reasonable judgment, such completion, execution or submission would subject such Owner, such Credit Protection Provider or such Participant to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Owner, such Credit Protection Provider or such Participant.

(ii) Without limiting the generality of the foregoing, if the Authority is resident for tax purposes in the United States, such Owner, such Credit Protection Provider or such Participant shall deliver to the Authority (and from time to time thereafter upon the reasonable request of the Authority), executed originals of IRS Form W-9 certifying that such Owner, such Credit Protection Provider or such Participant, as applicable, is exempt from U.S. federal backup withholding tax.

Section 4.5. Calculation of Interest and Fees; Maximum Interest Rate; Default Rate.

(a) Interest on Drawdown Bonds shall be calculated on the basis of a year of 365 or 366 days, as applicable, based on the actual number of days elapsed. Interest on fees payable hereunder shall be calculated on the basis of a year of 360 days based on the actual number of days elapsed.

(b) Any and all amounts remaining unpaid when due under this Agreement shall bear interest at the Default Rate until repaid and shall be payable upon demand. Any such amounts which constitute interest remaining unpaid when due shall be added to principal, and such interest shall, in turn, bear interest at the Default Rate until repaid and shall be payable upon demand. Upon the occurrence and during the continuance of a Bondholder's Agreement Event of Default, the Drawdown Bonds and all other Obligations shall bear interest at the Default Rate, which shall be payable by the Authority to the Owners upon demand therefor by the Owner Representative and be calculated on the basis of a 360-day year and actual days elapsed.

(c) In the event that the rate of interest payable hereunder shall exceed the Maximum Interest Rate for any period for which interest is payable, then (i) interest at the Maximum Interest Rate shall be due and payable with respect to such interest period and (ii) interest at the rate equal to the difference between (A) the rate of interest calculated in accordance with the terms hereof and (B) the Maximum Interest Rate (the "*Excess Interest Amount*"), shall be deferred until such date as the rate of interest calculated in accordance with the terms hereof

ceases to exceed the Maximum Interest Rate, at which time the Authority shall pay to the Owners, with respect to amounts then payable to the Owners that are required to accrue interest hereunder, such portion of the deferred Excess Interest Amount as will cause the rate of interest then paid to the Owners, to equal the Maximum Interest Rate, which payments of deferred Excess Interest Amount shall continue to apply to such unpaid amounts hereunder until all deferred Excess Interest Amount is fully paid to the Owners. Notwithstanding the foregoing, on the date on which no principal amount with respect to the Drawdown Bonds remains unpaid, the Authority shall pay to the Owners a fee equal to any accrued and unpaid Excess Interest Amount.

(d) All amounts paid pursuant to this Agreement shall be non-refundable and shall be paid in immediately available funds.

Section 4.6. Liability of the Entities. None of the Underwriter, the Purchaser, the Owner Representative or any other Owner or any of their respective officers, directors, employees, representatives or agents shall be liable or responsible for (i) the use which may be made of any Drawdown Bonds, any Purchases, any Drawings, the Bond Purchase Agreement or this Agreement or for any acts, omissions, errors, interruptions, delays in transmission, dispatch or delivery of any message or advice, however transmitted, of the Underwriter, the Purchaser, the Owner Representative or any other Owner in connection with this Agreement, the Bond Purchase Agreement, the Drawdown Bonds, any Purchases, any Drawings or any other Related Document, (ii) any action, inaction or omission which may be taken by the Underwriter, the Purchaser, the Owner Representative or any other Owner in connection with this Agreement, the Bond Purchase Agreement, the Drawdown Bonds, any Purchases, any Drawings or any Related Document, (iii) the validity, sufficiency or genuineness of documents, or of any endorsements thereon, even if such documents should in fact prove to be in any or all respects invalid, insufficient, fraudulent or forged, (iv) payment by the Underwriter against presentation of documents which do not comply with the terms of the Bond Purchase Agreement, including failure of any documents to bear any reference or adequate reference to the Bond Purchase Agreement or this Agreement, or (v) any other circumstances whatsoever in making or failing to make payment under the Bond Purchase Agreement, except for acts or events described in the immediately preceding clauses (i) through (v), to the extent, but only to the extent, of any direct, as opposed to special, indirect, consequential or punitive, damages (the right to receive special, indirect, consequential or punitive damages being hereby waived) suffered by it which the Authority proves were caused by (y) the Underwriter's willful misconduct or gross negligence in determining whether documents presented under this Agreement comply with the terms of the Bond Purchase Agreement or (z) the Underwriter's failure to pay under the Bond Purchase Agreement after the presentation to it of a Request for Purchase or a Request for Drawing strictly complying with the terms and conditions of the Bond Purchase Agreement. The Authority further agrees that any action taken or omitted by the Underwriter, the Credit Protection Provider, the Purchaser, the Owner Representative or any Owner under or in connection with this Agreement or the Bond Purchase Agreement or the related draft or documents, if done without willful misconduct or gross negligence, shall be effective against the Authority as to the rights, duties and obligations of the Underwriter, the Credit Protection Provider, the Purchaser, the Owner Representative or such Owner and shall not place the Underwriter, the Credit Protection Provider, the Purchaser, the Owner Representative or such Owner under any liability to the Authority. In furtherance and not in limitation of the foregoing, the Underwriter may accept

documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary.

Section 4.7. Obligations Unconditional. The Authority's obligation to repay the Drawdown Bonds and all of its other Obligations under this Agreement and the other Related Documents shall be absolute and unconditional under any and all circumstances, including without limitation: (a) any lack of validity or enforceability of this Agreement, the Drawdown Bonds or any of the other Related Documents; (b) any amendment or waiver of or any consent to departure from all or any of the Related Documents; (c) the existence of any claim, set-off, defense or other right which the Authority may have at any time against the Owner Representative or any other Owner or any other person or entity, whether in connection with this Agreement, the other Related Documents, the transactions contemplated herein or therein or any unrelated transaction; or (e) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing; and irrespective of any setoff, counterclaim or defense to payment which the Authority may have against the Underwriter, the Purchaser, the Owner Representative, any other Owner, any Participant, or any other Person, including, without limitation, any defense based on the failure of any nonapplication or misapplication of the proceeds of Purchases or Drawings under the Bond Purchase Agreement, and irrespective of the legality, validity, regularity or enforceability of this Agreement, the Drawdown Bonds or any or all other Related Documents, and notwithstanding any amendment or waiver of (other than an amendment or waiver signed by the Owner Representative explicitly reciting the release or discharge of any such obligation), or any consent to, or departure from, this Agreement, the Drawdown Bonds or any or all other Related Documents or any exchange, release, or nonperfection of any collateral securing the obligations of the Authority hereunder; *provided, however,* that nothing contained in this Section 4.7 shall abrogate or otherwise affect the rights of the Authority pursuant to Section 4.6 hereof.

ARTICLE V

REPRESENTATIONS AND WARRANTIES

The Authority represents and warrants to the Purchaser and each other Owner as follows:

Section 5.1. Organization; Existence. The Authority is duly organized and validly existing as a local government entity of regional government organized and existing pursuant to the Act.

Section 5.2. Power and Authority. The Authority has (and had at the time of adoption, execution, delivery, issuance, sale or performance) full power, right and authority to (a) execute, deliver and perform its obligations under this Agreement and each of the Related Documents to which it is a party, and any and all instruments and documents required to be executed, adopted or delivered pursuant to or in connection herewith or therewith; (b) borrow amounts under the Subordinate Trust Indenture and the Bond Purchase Agreement and to execute, deliver and perform its obligations under the Drawdown Bonds and to repay the Obligations at the times and in the manner set forth herein and under the Drawdown Bonds and the Subordinate Trust Indenture; (c) possess, manage and operate the Airport System and carry on its business as now

conducted; and (d) perform each and all of the matters and things herein and therein provided for and the Authority has complied in all material respects with the laws of the State in all matters relating to such execution, delivery and performance.

Section 5.3. Due Authorization. This Agreement, the Subordinate Trust Indenture and each of the Related Documents to which the Authority is a party have been duly authorized, executed, issued and delivered. This Agreement, the Subordinate Trust Indenture, the Drawdown Bonds and each of the Related Documents to which the Authority is a party constitute legal, valid and binding obligations of the Authority, enforceable against the Authority in accordance with their respective terms, except as such enforceability may be limited by the valid exercise of judicial discretion and the constitutional powers of the United States of America and to valid bankruptcy, insolvency, reorganization, moratorium, or other similar laws and equitable principles relating to or affecting creditors' rights generally from time to time in effect. The Obligations are payable from and secured by Subordinate Net Revenues as set forth herein and in the Subordinate Trust Indenture. The Drawdown Bonds will be duly issued, executed and delivered in conformity with the Act and the Subordinate Trust Indenture, and constitute legal, valid and binding special obligations of the Authority, enforceable in accordance with their respective terms, except as such enforceability may be limited by applicable reorganization, insolvency, liquidation, readjustment of debt, moratorium or other similar laws affecting the enforcement of the rights of creditors generally and by general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and entitled to the benefit and security of the Subordinate Trust Indenture.

Section 5.4. Necessary Actions Taken. The Authority has taken all actions necessary to be taken by it (a) for the execution and delivery of the Drawdown Bonds as Subordinate Obligations; (b) for the execution, adoption and delivery by the Authority of any and all instruments and the taking of all such other actions on the part of the Authority as may be necessary or appropriate for the effectuation and consummation of the transactions on the part of the Authority contemplated by this Agreement and the Related Documents or in connection herewith or therewith; and (c) to authorize or approve, as appropriate, the execution or adoption, issuance and delivery of, and the performance of its obligations under and the transactions contemplated by this Agreement and each of the Related Documents to which it is a party and the payment of the Obligations and the Drawdown Bonds at the times and in the manner set forth.

Section 5.5. No Contravention. The execution and delivery of this Agreement and each of the Related Documents to which the Authority is a party and compliance with the provisions hereof and thereof, will not conflict with or result in a violation of the Constitution or the laws of the State, including any debt limitations or other restrictions or conditions on the debt issuing power of the Authority, and will not conflict with or result in a violation of, or breach of, or constitute a default under, any law, judgment, order, decree or administrative regulation or any of the terms, conditions or provisions of the Act, the Master Senior Indenture or the Subordinate Trust Indenture or any ordinance, judgment, decree, contract, loan agreement, note, bond, resolution, indenture, mortgage, deed of trust or other agreement or instrument to which the Authority is a party or by which it or any property of the Authority is bound and will not, except as expressly provided herein, result in the imposition or creation of any lien, charge, or

encumbrance upon or invalidate or adversely affect in any way the Subordinate Net Revenues. The Authority has not received any notice, not subsequently withdrawn, given in accordance with the remedy provisions of any bond resolution or ordinance, trust indenture, guarantee or agreement or State law pertaining to bonds or notes secured by the Subordinate Net Revenues, of any default or event of default of the Authority which has not been cured, remedied or waived.

Section 5.6. Compliance. The current collection of Subordinate Net Revenues and the management of the Airport System and the accounting and recordkeeping therefor are in material compliance with all applicable state and federal laws and all applicable resolutions, ordinances and rules of the Authority. The Authority is in compliance with the terms and conditions of the Subordinate Trust Indenture and each of the other Related Documents to which it is a party, and no breach of the terms hereof or thereof has occurred and is continuing, and no Potential Bondholder's Agreement Event of Default or Bondholder's Agreement Event of Default has occurred and is continuing.

Section 5.7. No Default. No default by the Authority has occurred and is continuing in the payment of the principal of or premium, if any, or interest on any bond, note or other evidence of indebtedness issued by the Authority and secured by the Subordinate Net Revenues. No bankruptcy, insolvency or other similar proceedings pertaining to the Authority or any agency or instrumentality of the Authority are pending or presently contemplated.

Section 5.8. No Public Vote, Referendum or Legal Change. (a) To the best knowledge of the Authority, there is no proposed amendment to the Constitution of the State or any proposed public vote, referendum or other ballot initiative, the effect of which could reasonably be expected to have a Material Adverse Effect.

(b) There is no amendment to the Constitution of the State or any published administrative interpretation of the Constitution of the State or any State law, or any public vote or referendum or other ballot initiative or any legislation that has passed either house of the State legislature, or any published judicial decision interpreting any of the foregoing, the effect of which could reasonably be expected to have a Material Adverse Effect.

Section 5.9. No Immunity. Under existing law, the Authority is not entitled to raise the defense of sovereign or governmental immunity in connection with any legal proceedings to enforce or collect upon this Agreement, the Drawdown Bonds, the Related Documents or the transactions contemplated hereby or thereby, including, without limitation, the payment of the Obligations; *provided, however*, that a claimant shall be required to comply with the provisions of the Tort Claims Act set forth in California Government Code Section 810 *et seq.* in tort or contract suits, actions or proceedings brought against the Authority.

Section 5.10. Litigation. There is no action, investigation, suit or proceeding pending in any court, any other governmental authority with jurisdiction over the Authority or the Airport System or any arbitration in which service of process has been completed against the Authority or the Airport System or, to the knowledge of the Authority, any other action, investigation, suit or proceeding pending or threatened in any court, any other governmental authority with jurisdiction over the Authority or the Airport System or any arbitration, in either case against the

Authority or the Airport System or any of their respective properties or revenues, or any of the Related Documents to which it is a party, which if determined adversely to the Authority would adversely affect (A) the legality, validity or enforceability of this Agreement, the Drawdown Bonds or the Related Documents to which it is a party, (B) the validity, enforceability or perfection of the pledge of and lien on the Subordinate Net Revenues or on the amounts held in funds, accounts and subaccounts under the Subordinate Trust Indenture, (C) the status of the Authority as a local government entity of regional government, organized and validly existing under the laws of the State, (D) the exemption of interest on the Drawdown Bonds from the gross income of the recipients thereof for Federal income tax purposes, or (E) the rights and remedies of the Purchaser and/or Owner Representative under any of the Related Documents or which is reasonably likely to have a Material Adverse Effect, except any action, suit or proceeding which has been brought prior to the Effective Date as to which the Owner Representative has received an opinion of counsel satisfactory to the Owner Representative, in form and substance satisfactory to the Owner Representative and its counsel, to the effect that such action, suit or proceeding is without substantial merit.

Section 5.11. Disclosure. All information, reports and other papers and data with respect to the Authority furnished to the Owner Representative, at the time the same were so furnished, were accurate in all material respects. Any financial, budget and other projections furnished to the Purchaser and the Owner Representative were prepared in good faith on the basis of the assumptions stated therein, which assumptions were fair and reasonable in light of conditions existing at the time of delivery of such financial, budget or other projections.

Section 5.12. Financial Information. The Authority has delivered to the Owner Representative a copy of the audited financial statements for the Authority and the Airport System for the fiscal year ended June 30, 2016. These together with related notes, fairly present the financial position and results of operation of the Authority and the Airport System as of the date and for the periods therein set forth. All such financial statements have been prepared in accordance with GAAP. There has been no material adverse change in the financial position, including the Net Revenues and Subordinate Net Revenues, results of operations or projections of revenues of the Airport System since June 30, 2016, except as disclosed in writing to the Owner Representative prior to the Effective Date, which would be reasonably likely to result in a Material Adverse Effect. The Authority has no material contingent liabilities or other material contracts or commitments payable from Subordinate Net Revenues which are not reflected in such financial statements previously delivered to the Owner Representative or in the notes thereto or otherwise as disclosed to the Owner Representative.

Section 5.13. Official Signatures. An Authorized Authority Representative has and had full power and authority to execute, deliver and perform under this Agreement and each of the Related Documents to which the Authority is a party. Any agreement, certificate or request signed by or on behalf of any Authorized Authority Representative or Designated Representative and delivered to the Purchaser shall be deemed a representation and warranty by the Authority to the Purchaser as to the truth, accuracy and completeness of the statements made by the Authority therein.

Section 5.14. Incorporation of Representations and Warranties by Reference. The Authority hereby makes to the Purchaser and each Owner the same representations and warranties made by the Authority in each Related Document to which the Authority is a party, which representations and warranties, as well as the related defined terms contained therein, are hereby incorporated by reference for the benefit of the Purchaser and each Owner with the same effect as if each and every such representation and warranty and defined term were set forth herein in its entirety. Except as permitted by Section 6.15 hereof, no amendment to such representations and warranties or defined terms made pursuant to any Related Document shall be effective to amend such representations and warranties and defined terms as incorporated by reference herein without the prior written consent of the Purchaser.

Section 5.15. Environmental Matters. To the best knowledge of the Authority, the operations of the Airport System (i) have not become subject to any Environmental Liability nor does the Authority know of any basis for any Environmental Liability and (ii) are in material compliance with all of the requirements of applicable federal, state and local environmental, health and safety statutes and regulations (including all Environmental Laws) and are not the subject of any governmental investigation evaluating whether any remedial action is needed to respond to a release of any toxic or hazardous waste or substance into the environment, where a failure to comply with any such requirement or the need for any such remedial action would have a Material Adverse Effect. The Authority has obtained and maintains or complies with any permit, license or other approval required under any Environmental Law.

Section 5.16. Security; Pledge of Subordinate Net Revenues Securing Obligations. The Subordinate Trust Indenture creates, for the benefit of the Purchaser, and the other Owners, with respect to the payment of the principal of and interest on the Drawdown Bonds and the Obligations, the legally valid, binding and irrevocable lien on and pledge of the Subordinate Net Revenues. There is no lien on the Subordinate Net Revenues other than the liens created by the Subordinate Trust Indenture. None of the Master Senior Trust Indenture, the Master Subordinate Trust Indenture or the Fourth Supplemental Subordinate Trust Indenture permit the issuance of any Debt secured by the Subordinate Net Revenues to rank senior to the payment of the principal of and interest on the Subordinate Obligations, the Drawdown Bonds or the Obligations, other than the Senior Lien Revenue Bonds and reserves established with respect to the Senior Lien Revenue Bonds. The payment of the Obligations ranks on a parity with the payment of the principal of and interest on the Subordinate Obligations and is not subordinate to any payment secured by a lien on the Subordinate Net Revenues or any other claim other than payments with respect to the principal of, purchase price, premium, if any, and interest on the Senior Lien Revenue Bonds and the funding of reserves therefor as set forth in the Master Subordinate Trust Indenture and is prior as against all other Persons having claims of any kind in tort, contract or otherwise, whether or not such Persons have notice of such lien. No filing, registration, recording or publication of the Subordinate Trust Indenture or any other instrument is required to establish the pledge provided for thereunder or to perfect, protect or maintain the lien created thereby on the Subordinate Net Revenues to secure the Drawdown Bonds and the Obligations. As of the Effective Date, there is no indebtedness of the Authority payable from or secured by the Subordinate Net Revenues or amounts held in funds, accounts or subaccounts under the Subordinate Trust Indenture or any portion thereof on a basis that is on a parity with the Obligations other than the Subordinate Obligations existing as of the Effective Date. The

Obligations and the Drawdown Bonds constitute “Subordinate Obligations” for purposes of the Subordinate Trust Indenture.

Section 5.17. Tax Exempt Status of Drawdown Bonds. The Authority has not taken any action and knows of no action that any other Person has taken which would cause interest on any Drawdown Bond to be included in the gross income of the recipients thereof for Federal income tax purposes.

Section 5.18. Margin Regulations. The Authority is not engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no part of the proceeds of the Drawdown Bonds, any Purchases, any Drawings or any other amounts received from the Purchaser pursuant to this Agreement or from the Underwriter pursuant to the Bond Purchase Agreement will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

Section 5.19. The Drawdown Bonds. The Drawdown Bonds will be duly issued and the Drawdown Bonds and the Obligations shall constitute Subordinate Obligations under the Subordinate Trust Indenture and will be entitled to the benefits thereof.

Section 5.20. Pari Passu. Under the laws of the State, the obligation of the Authority under this Agreement and the Subordinate Trust Indenture to pay interest at the applicable Drawdown Rate, the Default Rate or the Taxable Drawdown Rate as set forth herein constitutes a charge and lien on the Subordinate Net Revenues equal to and on a parity with the charge and lien upon the Subordinate Net Revenues for the payment of the other Obligations and the principal of and interest on the Drawdown Bonds and all other Subordinate Obligations under the Subordinate Trust Indenture, and, with respect to Net Revenues, subordinate only to the Senior Lien Revenue Bonds and reserves relating thereto.

Section 5.21. Maximum Interest Rate. The terms of the Related Documents (including the Drawdown Bonds) regarding the calculation of interest and fees do not violate any applicable usury laws.

Section 5.22. Valid Lien. The Authority’s irrevocable pledge of the Subordinate Net Revenues and amounts hereunder and under the Subordinate Trust Indenture and in the funds, accounts and subaccounts established and maintained under the Subordinate Trust Indenture to and for the payment of the Obligations of the Authority under this Agreement and the Subordinate Trust Indenture and for the payment of the Obligations and the Drawdown Bonds is valid and binding and no further acts, instruments, approvals or consents are necessary for the creation, validity or perfection thereof. The provisions of the Subordinate Trust Indenture constitute a contract between the Authority and each Owner subject to the provisions of the Subordinate Trust Indenture, and each Owner (or the Owner Representative on behalf of the Owners), may at law or in equity, by suit, action, mandamus or other proceedings, enforce and compel the performance of all duties required to be performed by the Authority as a result of issuing the Drawdown Bonds.

Section 5.23. ERISA; Plans; Employee Benefit Plans. The Authority is not subject to ERISA and maintains no Plans and has no funding obligations under any employee benefit plans which could reasonably be expected to result in a Material Adverse Effect.

Section 5.24. Solvency. After giving effect to the issuance of the Drawdown Bonds and the other obligations contemplated by this Agreement, the Authority is solvent, having assets of a fair value which exceeds the amount required to pay its debts (including contingent, subordinated, unmatured and unliquidated liabilities) as they become absolute and matured, and the Authority is able to and anticipates that it will be able to meet its debts as they mature and has adequate capital to conduct its business in which it is engaged.

Section 5.25. Anti-Terrorism Laws. Neither the Authority nor any of Affiliates thereof is in violation of any Laws relating to terrorism or money laundering ("*Anti-Terrorism Laws*"), including Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 (the "*Executive Order*"), and the Patriot Act;

(i) neither the Authority nor any Affiliate thereof is any of the following:

(A) a Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(B) a Person owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, the Executive Order;

(C) a Person with which the Underwriter, the Purchaser or any Owner is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law;

(D) a Person that commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; or

(E) a Person that is named as a "specially designated national and blocked person" on the most current list published by the Office of Foreign Asset Control ("*OFAC*") or any list of Persons issued by OFAC pursuant to the Executive Order at its official website or any replacement website or other replacement official publication of such list; and

(ii) to the best of the Authority's knowledge neither the Authority nor any Affiliate thereof (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Person described in subsection (i) above, (B) deals in, or otherwise engages in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order or (C) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law.

Section 5.26. Sale of Drawdown Bonds to Underwriter. Neither the Authority nor anyone authorized to act on its behalf, directly or indirectly, has offered the Drawdown Bonds for sale to, or solicited any offer to buy the Drawdown Bonds from, anyone other than the Underwriter.

ARTICLE VI

COVENANTS OF THE AUTHORITY

So long as the Commitment Amount or any Drawdown Bond is outstanding and until all Obligations shall have been paid in full, the Authority hereby covenants and agrees with the Purchaser and each other Owner, unless otherwise consented to in writing by the Owner Representative in its sole discretion, as follows:

Section 6.1. Maintenance of Existence. To the extent permitted by law, the Authority shall maintain its existence, rights and privileges pursuant to the Act and the laws of the State and at all times maintain its ownership of the Airport System.

Section 6.2. Reports, Certificates and Other Information. The Authority shall furnish or cause to be furnished to the Owner Representative copies of:

(a) as soon as available, but in any event within one hundred eighty-one (181) days after the end of each Fiscal Year, the annual audited financial statements for the Authority together with the opinion of the Authority's independent accountants and a certificate from the Executive Director or the Vice President, Finance and Asset Management/Treasurer addressed to the Owner Representative demonstrating compliance with Section 6.7 hereof and stating that neither a Potential Bondholder's Agreement Event of Default nor a Bondholder's Agreement Event of Default has occurred which was continuing at the end of such Fiscal Year or on the date of his certification, or, if such an event has occurred and was continuing at the end of such Fiscal Year or on the date of his certification, indicating the nature of such event and the action which the Authority proposes to take with respect thereto;

(b) (i) as soon as available, but in any event within sixty (60) days after December 31 of each year, a copy of the unaudited financial statements of the Authority for the six months ended December 31, accompanied by a certification from the Executive Director or the Vice President, Finance and Asset Management/Treasurer addressed to the Owner Representative stating that neither a Potential Bondholder's Agreement Event of Default nor a Bondholder's Agreement Event of Default has occurred which was continuing at the end of such six month period or on the date of the certification, or, if such an event has occurred and was continuing at the end of such six month period or on the date of the certification, indicating the nature of such event and the action which the Authority proposes to take with respect thereto; and (ii) as soon as available, but in any event within sixty (60) days after the end of each fiscal quarter of each Fiscal Year, a copy of the unaudited financial statements of the Authority for such fiscal quarter; *provided* that the requirement to furnish such quarterly unaudited financial

statements will be deemed to have been satisfied if the Authority shall have posted such financial statements on its website within such sixty (60) day period; *provided, further*, that (A) if such quarterly unaudited financial statements are not posted on the Authority's website within such sixty (60) day period, the Authority shall furnish or cause to be furnished to the Owner Representative a copy of the quarterly unaudited financial statements of the Authority for such fiscal quarter within ten (10) Business Days of the Owner Representative's request therefor and (B) the failure to post any unaudited financial statements on the Authority's website shall not be a Bondholder's Agreement Event of Default under 7.1(c) hereof;

(c) as soon as available, but in any event within thirty (30) days following the approval thereof, the Authority Budget and annual appropriation resolution for the Authority;

(d) as soon as available, all notices, certificates, instruments, letters and written commitments in connection with the Obligations provided to the Trustee other than those notices, certificates, instruments, letters and written commitments that relate solely to the routine issuance and payment of the Obligations;

(e) within ten (10) days after the issuance by the Authority of any Senior Lien Revenue Bonds secured by Net Revenues or any Subordinate Obligations secured by Subordinate Net Revenues, with respect to which a final official statement or other offering circular has been prepared by the Authority, the Authority will provide to the Owner Representative notice of such issuance and a copy of such official statement or offering circular (or a link to EMMA with respect to such official statement or offering circular);

(f) (i) promptly upon obtaining knowledge of any Potential Bondholder's Agreement Event of Default or Bondholder's Agreement Event of Default, or notice thereof, and within five (5) days thereafter, a certificate signed by a Designated Representative specifying in reasonable detail the nature and period of existence thereof and what action the Authority has taken or proposes to take with respect thereto; and (ii) promptly following a written request of the Owner Representative, a certificate of a Designated Representative as to the existence or absence, as the case may be, of a Potential Bondholder's Agreement Event of Default or a Bondholder's Agreement Event of Default;

(g) promptly, provide the Owner Representative notice of any change in any Authority Rating;

(h) as promptly as practicable, written notice to the Owner Representative of all litigation served against the Authority and all proceedings before any court or governmental authority which could reasonably be expected to have a Material Adverse Effect or of any other event which is likely to have a Material Adverse Effect; and

(i) such other information regarding the affairs and condition of the Authority and the Airport System as the Owner Representative may from time to time reasonably request; *provided* that the Authority shall not be required to furnish such information if doing so violates applicable law as reasonably construed.

Section 6.3. Maintenance of Books and Records. The Authority will keep, and cause to be kept, proper books of record and account in which full, true and correct entries in accordance with the Authority's budget basis accounting principles and reporting practices will be made of all dealings or transactions in relation to its activities.

Section 6.4. Access to Books and Records. To the extent permitted by law, the Authority will permit any Person designated by the Owner Representative (at the expense of the Owner Representative) to visit any of the offices of the Authority to examine the books and financial records (except books and financial records the examination of which by the Owner Representative is prohibited by law or subject to some privilege), including minutes of meetings of any relevant governmental committees or agencies, and make copies thereof or extracts therefrom, and to discuss the affairs, finances and accounts of the Authority with their principal officials, all at such reasonable times and as often as the Owner Representative may reasonably request.

Section 6.5. Compliance with Documents. The Authority agrees that it will perform and comply with each and every covenant and agreement required to be performed or observed by it in each of the Related Documents to which it is a party, which provisions, as well as related defined terms contained therein, are hereby incorporated by reference herein with the same effect as if each and every such provision were set forth herein in its entirety all of which shall be deemed to be made for the benefit of the Owners and shall be enforceable against the Authority. To the extent that any such incorporated provision permits the Authority or any other Person to waive compliance with such provision or requires that a document, opinion or other instrument or any event or condition be acceptable or satisfactory to the Authority or any Person, for purposes of this Agreement, such provision shall be complied with unless it is specifically waived by the Owner Representative in writing and such document, opinion or other instrument and such event or condition shall be acceptable or satisfactory only if it is acceptable or satisfactory to the Owner Representative which shall only be evidenced by the written approval by the Owner Representative of the same. Except as permitted by Section 6.15 hereof, no termination or amendment to such covenants and agreements or defined terms or release of the Authority with respect thereto made pursuant to any of the Related Documents to which the Authority is a party, shall be effective to terminate or amend such covenants and agreements and defined terms or release the Authority with respect thereto in each case as incorporated by reference herein without the prior written consent of the Owner Representative. Notwithstanding any termination or expiration of any such Related Document to which the Authority is a party, the Authority shall, unless such Related Document has terminated in accordance with its terms and has been replaced by a new Related Document, continue to observe the covenants therein contained for the benefit of the Owners until the termination of this Agreement. All such incorporated covenants shall be in addition to the express covenants contained herein and shall not be limited by the express covenants contained herein nor shall such incorporated covenants be a limitation on the express covenants contained herein.

Section 6.6. Compliance with Law. The Authority shall comply with and observe the obligations and requirements set forth in the Constitution of the State of California and in all laws, statutes, rules and regulations binding upon it relating to the Airport System and the Related Documents to which the Authority is a party.

Section 6.7. Rate Covenant. The Authority covenants and agrees that it shall take any and all action necessary such that Revenues and Subordinate Net Revenues in each Fiscal Year shall equal an amount at least sufficient to satisfy the provisions of Section 5.04 of the Master Subordinate Trust Indenture.

Section 6.8. Further Assurances. From time to time hereafter, the Authority will execute and deliver such additional instruments, certificates or documents, and will take all such actions as the Owner Representative may reasonably request for the purposes of implementing or effectuating the provisions of the Related Documents to which the Authority is a party or for the purpose of more fully perfecting or renewing the rights of the Owners with respect to the rights, properties or assets subject to such documents (or with respect to any additions thereto or replacements or proceeds thereof or with respect to any other property or assets hereafter acquired by the Authority which may be deemed to be a part thereof). Upon the exercise by the Owner Representative of any power, right, privilege or remedy pursuant to the Related Documents to which the Authority is a party which requires any consent, approval, registration, qualification or authorization of any governmental authority or instrumentality, the Authority will, to the extent permitted by law, execute and deliver all necessary applications, certifications, instruments and other documents and papers that the Owner Representative may be required to obtain for such governmental consent, approval, registration, qualification or authorization.

Section 6.9. No Impairment. The Authority will neither take any action, nor cause any Person to take any action, under any Related Document which would materially adversely affect the rights, remedies or security of the Owner Representative or any other Owner under this Agreement or any other Related Document or which could result in a Material Adverse Effect.

Section 6.10. Application of Proceeds. The Authority will not take or omit to take any action, which action or omission will in any way result in the proceeds from any Purchase or Drawing being applied in a manner other than as provided in the Subordinate Trust Indenture, the Tax Certificate and this Agreement.

Section 6.11. DTC. The Authority shall at all times cause each Subseries of the Drawdown Bonds to be held with DTC or through the systems of DTC (i.e., the Fast Automated Securities Transfer System) and shall cause each Subseries of the Drawdown Bonds to be assigned a CUSIP number.

Section 6.12. Reserved.

Section 6.13. Limitation on Additional Debt. The Authority will not issue any additional Subordinate Obligations payable from or secured by Subordinate Net Revenues (other than the Revolving Obligations issued in accordance with the provisions of the Master Subordinate Trust Indenture, the Third Supplemental Subordinate Trust Indenture and the Revolving Credit

Agreement, and the Drawdown Bonds issued pursuant to the Subordinate Trust Indenture) unless the Authority complies with the provisions of Section 2.11 of the Master Subordinate Trust Indenture. Within ten (10) days after the issuance by the Authority of any Subordinate Obligations secured by Subordinate Net Revenues, the Authority will provide the Owner Representative copies of the certificates required to be delivered by the Authority pursuant to Section 2.09(d) and (e) of the Master Subordinate Trust Indenture.

Section 6.14. Maintenance of Tax Exempt Status. The Authority will not take any action or omit to take any action that, if taken or omitted, would adversely affect the exclusion of interest on any Drawdown Bond from the gross income of any Owner for Federal income tax purposes; *provided, however*, that the Authority shall not be in violation of the provisions of this Section 6.14 as a result of an Owner being a “substantial user” of the projects financed or refinanced with proceeds of an AMT Drawdown Bond or a “related person” for purposes of Section 147(a) of the Code.

Section 6.15. Amendments to Master Subordinate Trust Indenture, Fourth Supplemental Subordinate Trust Indenture and Other Related Documents. The Authority will not amend or modify, or permit to be amended or modified in any manner whatsoever (i) Sections 2.11, 4.01, 4.02 (excluding clauses (vi) and (vii) of subparagraph (b) thereof), 5.03, 5.04, 5.06, 5.08, 5.09 or 5.12 of the Master Senior Trust Indenture and Sections 2.11, 4.01, 5.04, 5.07 or 5.08 of the Master Subordinate Trust Indenture, in each case without the prior written consent of the Owner Representative nor shall it amend, modify or supplement any other provision of the Master Senior Trust Indenture or the Master Subordinate Trust Indenture (other than those set forth above) in a manner which would have a material adverse effect upon the Authority’s ability to perform its obligations under this Agreement or to repay indebtedness that is secured by the Subordinate Net Revenues or which adversely affects the security for the Drawdown Bonds or the Authority’s ability to repay when due the Obligations or the rights or remedies of the Owner Representative under the Related Documents or hereunder; or (ii) any other Related Document without the prior written consent of the Owner Representative (except the Tax Certificate).

Section 6.16. Maintenance of Insurance. The Authority covenants and agrees that it shall comply with Section 5.10 of the Master Senior Trust Indenture.

Section 6.17. Reserved.

Section 6.18. Taxes and Liabilities. The Authority shall pay all its indebtedness and obligations promptly and in accordance with their terms and pay and discharge or cause to be paid and discharged promptly all taxes, assessments and governmental charges or levies imposed upon it or upon its income and profits, or upon any of its property, real, personal or mixed, or upon any part thereof, before the same shall become in default, which default could have a Material Adverse Effect; *provided* that the Authority shall have the right to defer payment or performance of obligations to Persons other than the Owners and the Trustee with respect to the Drawdown Bonds so long as it is contesting in good faith the validity of such obligations by appropriate legal action and no final order or judgment has been entered with respect to such obligations.

Section 6.19. Trustee. Unless otherwise consented to in writing by the Owner Representative, the Authority shall ensure that any replacement Trustee shall have capital of not less than \$500,000,000, and such Trustee or its respective parent organization shall have an underlying rating from Moody's and S&P of at least "A2" (or its equivalent) and "A" (or its equivalent), respectively.

Section 6.20. Waiver of Sovereign Immunity. The Authority hereby agrees not to assert the defense of any right of sovereign or governmental immunity in any legal proceeding to enforce or collect upon the obligations of the Authority under this Agreement or any other Related Document or the transactions contemplated hereby or thereby.

Section 6.21. Credit Facilities. (i) In the event that the Authority shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement, which such Bank Agreement provides such Person with additional or more restrictive covenants (including without limitation financial covenants) and/or additional or more restrictive events of default (collectively, the "Additional Rights") than are provided to the Owner Representative in this Agreement, then, upon the occurrence of an event of default (without regard to a waiver of such event of default) under such agreement (or amendment thereto) caused by such Additional Rights, such Additional Rights shall automatically be deemed to be incorporated into this Agreement and the Owner Representative shall have the benefits of such Additional Rights; *provided, however*, that such Additional Rights shall automatically be deemed to be incorporated into this Agreement and the Owner Representative shall have the benefits of such Additional Rights only from and after the occurrence of an event of default under the related Bank Agreement caused by the Additional Rights or a failure by the Authority to comply with such Additional Rights. The Authority shall promptly, upon the occurrence of an event of default (without regard to a waiver of such event of default) under the related Bank Agreement caused by such Additional Rights or a failure by the Authority to comply with such Additional Rights, enter into an amendment to this Agreement to include such Additional Rights, *provided* that the Owner Representative shall maintain the benefit of such Additional Rights even if the Authority fails to provide such amendment. If the Authority shall amend the related Bank Agreement such that it no longer provides for such Additional Rights, then, without the consent of the Owner Representative, this Agreement shall automatically no longer contain the related Additional Rights and the Owner Representative shall no longer have the benefits of any of the related Additional Rights.

(ii) In the event that the Authority shall enter into or otherwise consent to any Bank Agreement, which such Bank Agreement provides for any term or provision which permits any outstanding advance, loan or drawing to be amortized over a period shorter than the Amortization Period set forth in Section 2.1(e) hereof (such shorter amortization period, the "*Shorter Amortization Period*"), this Agreement shall automatically be deemed to be amended such that the Amortization Period set forth in Section 2.1(e) hereof shall be such Shorter Amortization Period. Upon the occurrence of the conditions set forth in the immediately preceding sentence, the Authority shall promptly enter into an amendment to this Agreement such that the Amortization Period equals such Shorter Amortization Period, *provided* that the Amortization Period shall equal the Shorter Amortization Period regardless of whether this Agreement is

amended. If the Authority shall amend the Bank Agreement such that it no longer provides for an amortization of the related advance, loan, drawing or other obligation for a period less than the Amortization Period as of the Effective Date, then, the Authority shall promptly enter into an amendment to this Agreement such that the Amortization Period equals the Amortization Period set forth in Section 2.1(e) hereof as of the Effective Date, *provided* that the Amortization Period shall equal the Amortization Period set forth in Section 2.1(e) hereof as of the Effective Date regardless of whether this Agreement is amended.

Section 6.22. Right to Accelerate. In the event the Authority shall, directly or indirectly, enter into or otherwise consent to any Bank Agreement, which Bank Agreement includes the right to accelerate the payment of the principal of or interest on any series of Senior Lien Revenue Bonds or Subordinate Obligations upon the occurrence and continuation of an event of default or event of termination under such Bank Agreement, or such Bank Agreement includes the right to accelerate the payment of the principal of or interest on any series of Senior Lien Revenue Bonds or Subordinate Obligations upon the occurrence and continuation of an event of default or event of termination under such Bank Agreement within a shorter period than is available to the Owner Representative under this Agreement (herein referred to as “*New Acceleration Provisions*”), then such New Acceleration Provisions shall automatically be deemed incorporated herein and the Owner Representative shall automatically have the benefit of such New Acceleration Provisions. The Authority shall promptly, upon the occurrence of the Authority entering into any Bank Agreement (or amendment thereto) which provides for New Acceleration Provisions, enter into an amendment to this Agreement to include such New Acceleration Provisions; *provided* that the Owner Representative shall maintain the benefit of such New Acceleration Provisions even if the Authority fails to provide such amendment. The release, termination or other discharge of such Bank Agreement that provides for such New Acceleration Provisions shall be effective to amend, release, terminate or discharge (as applicable) such provisions as incorporated by reference herein without the consent of the Owner Representative.

Section 6.23. Maintenance of Ratings. The Authority shall at all times maintain long-term unenhanced ratings on the Subordinate Obligations (other than this Agreement, the Drawdown Bonds and the Obligations hereunder, and the Revolving Credit Agreement, the Revolving Obligations and the note issued pursuant to the Third Supplemental Subordinate Indenture and the Revolving Credit Agreement) by any two Nationally Recognized Statistical Rating Organizations (as defined under the Securities Exchange Act of 1934, as amended) approved by the Owner Representative. As of the Effective Date, the Authority maintains long-term unenhanced ratings on the Subordinate Obligations from Fitch, Moody’s and S&P. Such Rating Agencies are approved by the Owner Representative (unless and until the Owner Representative notifies the Authority in writing that it no longer approves of Fitch, Moody’s or S&P).

Section 6.24. Liens, Etc. The Authority shall not create or suffer to exist any Lien upon or with respect to any of the funds or accounts created under the Subordinate Trust Indenture except those Liens specifically permitted under the Subordinate Trust Indenture; *provided, however,* that, unless otherwise consented to in advance in writing by the Owner Representative,

in no event will the Authority permit any Lien upon the Net Revenues or the Subordinate Net Revenues securing any termination payment pursuant to any Swap Contract to be on parity with or senior to the Lien on Subordinate Net Revenues securing the Obligations and the Drawdown Bonds.

Section 6.25. Federal Reserve Board Regulations. The Authority shall not use any portion of the proceeds of any of the Drawdown Bonds or any Purchase or Drawing for the purpose of carrying or purchasing any Margin Stock.

Section 6.26. Use of Information. Except as may be required by law (including, but not limited to, federal and state securities laws), the Authority shall not use the Underwriter's, the Purchaser's, the Owner Representative's or any other Owner's name in any published materials (other than the Authority's staff reports, annual statements, audited financial statements, and rating agency presentations) without the prior written consent of such Person (which consent shall not be unreasonably withheld); *provided* that, without the prior written consent of such applicable Person, the Authority may identify the Purchaser as a party to this Agreement, the Underwriter as a party to the Bond Purchase Agreement, the stated amount of the Commitment, the expiration date of the Commitment, that the interest rate on the Drawdown Bonds is based on a SIFMA plus a spread (such spread shall not be identified) and that the Drawdown Bonds and the Authority's obligations under this Agreement are secured by Subordinate Net Revenues, in offering documents with respect to the Senior Lien Revenue Bonds and the Subordinate Obligations, so long as no other information relating to this Agreement or the Owner Representative is disclosed in such offering documents without the prior written consent of the Owner Representative.

Section 6.27. Consolidation, Merger, Etc. The Authority shall not dissolve or otherwise dispose of all or substantially all of the assets of the Authority or consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into the Authority; *provided, however,* that the Authority may consolidate with or merge into another Person or permit one or more other Persons to consolidate with or merge into the Authority if each of the following conditions shall have been fulfilled:

(i) such merger or consolidation shall be with or into another governmental entity which shall assume in writing, reasonably satisfactory in form and substance to the Owner Representative, or by operation of law the due and punctual performance and observance of all of the covenants, agreements and conditions of this Agreement and the other Related Documents;

(ii) such merger or consolidation shall not adversely affect or impair to any extent or in any manner (1) the Subordinate Net Revenues, (2) the availability of the Subordinate Net Revenues for the payment and security of the Drawdown Bonds and the obligations of the Authority under this Agreement, or (3) the pledge or security afforded by the Master Senior Trust Indenture and the Master Subordinate Trust Indenture to the Senior Lien Revenue Bonds and the Subordinate Obligations, and the Authority shall have furnished to the Owner Representative, for the benefit of the Owners, an opinion of its Bond Counsel,

satisfactory in form and substance to the Owner Representative, to such effect; and

(iii) the Authority shall have given the Owner Representative not less than 60 days' prior written notice of such merger or consolidation and furnished to the Owner Representative all such information concerning such merger or consolidation as shall have been reasonably requested by the Owner Representative.

Section 6.28. Incorporation of Waiver of Jury Trial and Judicial Reference from Bank Agreements. In the event that the Authority has or shall enter into, or otherwise consent to any Bank Agreement which (i) provides that the Authority waives any right to a trial by jury in any action, suit or proceeding arising under or relating to such Bank Agreement, or (ii) provides that the Authority consents to the adjudication of any action, suit or proceeding arising under or relating to such Bank Agreement pursuant to judicial reference as provided in California Code of Civil Procedure Section 638, this Agreement shall be deemed to be amended to include a substantially similar provision for the benefit of the Owner Representative and each other Owner (any such provision described in (i) or (ii) referred to herein as a "*Section 6.28 Bank Agreement Provision*"). The Authority shall promptly notify the Owner Representative of any Bank Agreement which it enters into with any other Person which contains a Section 6.28 Bank Agreement Provision, and the Authority shall promptly, and in any event within thirty (30) Business Days after the effective date of such Bank Agreement provide the Owner Representative with a copy of such Bank Agreement. To evidence the foregoing, upon the reasonable request of the Owner Representative, the Authority shall enter into an amendment to this Agreement within sixty (60) days after a request by the Owner Representative to document any Section 6.28 Bank Agreement Provision deemed to be added to this Agreement pursuant to this Section. Notwithstanding the foregoing, the Owner Representative and each other Owner shall automatically maintain the benefit of any Section 6.28 Bank Agreement Provision, even if the Authority fails to provide the Owner Representative with a copy of such Bank Agreement containing the Section 6.28 Bank Agreement Provision or fails to enter into any such amendment to this Agreement with the Owner Representative.

ARTICLE VII

BONDHOLDER'S AGREEMENT EVENTS OF DEFAULT

Section 7.1. Bondholder's Agreement Events of Default. The occurrence of any of the following events (whatever the reason for such event and whether voluntary, involuntary, or effected by operation of law) shall be a "*Bondholder's Agreement Event of Default*" hereunder, unless waived in writing by the Owner Representative:

(a) the Authority fails to pay, or cause to be paid, when due (i) any principal of or interest on any Drawdown Bond or (ii) any other Obligation;

(b) any representation, warranty or statement made by or on behalf of the Authority herein or in any Related Document to which the Authority is a party or in any

certificate delivered pursuant hereto or thereto shall prove to be untrue in any material respect on the date as of which made or deemed made; or the documents, certificates or statements of the Authority (including unaudited financial reports, budgets, projections and cash flows of the Authority and the Airport System) furnished to the Owner Representative by or on behalf of the Authority in connection with the transactions contemplated hereby, when taken as a whole, are materially inaccurate in light of the circumstances under which they were made and as of the date on which they were made;

(c) (i) the Authority fails to perform or observe any term, covenant or agreement contained in Sections 6.1, 6.9, 6.13, 6.14, 6.15, 6.18, 6.23, 6.24 and 6.25 inclusive; or (ii) the Authority fails to perform or observe any other term, covenant or agreement contained in this Agreement (other than those referred to in Sections 7.1(a), or 7.1(c)(i) hereof or any other Bondholder's Agreement Event of Default hereunder) and any such failure cannot be cured or, if curable, remains uncured for thirty (30) days after written notice thereof to the Authority;

(d) the Authority shall (i) default in the payment of the principal of or interest on the Senior Lien Revenue Bonds or the Subordinate Obligations (other than the Drawdown Bonds), beyond the period of grace, if any, provided in the instrument or agreement under which such Senior Lien Revenue Bonds or Subordinate Obligations was issued or incurred; (ii) default in the observance or performance of any agreement or condition relating to any Senior Lien Revenue Bonds or Subordinate Obligations or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause the holder or holders of such Senior Lien Revenue Bonds or Subordinate Obligations (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Senior Lien Revenue Bonds or Subordinate Obligations to become due prior to its stated maturity; or (iii) default in the observance or performance of any agreement or condition relating to any Senior Lien Revenue Bonds or Subordinate Obligations or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to permit the holder or holders of such Senior Lien Revenue Bonds or Subordinate Obligations (or a trustee or agent on behalf of such holder or holders) to cause (determined without regard to whether any notice is required), any such Senior Lien Revenue Bonds or Subordinate Obligations to become due prior to its stated maturity;

(e) (i) any provision of this Agreement or any Related Document related to (A) payment of principal of or interest on the Drawdown Bonds or any other Subordinate Obligations or (B) the validity or enforceability of the pledge of the Subordinate Net Revenues or any other pledge or security interest created by the Subordinate Trust Indenture shall at any time for any reason cease to be valid and binding on the Authority as a result of any legislative or administrative action by a Governmental Authority with competent jurisdiction, or shall be declared, in a final nonappealable judgment by any court of competent jurisdiction, to be null and void, invalid or unenforceable;

(ii) the validity or enforceability of any material provision of this Agreement or any Related Document related to (A) the payment of the principal of or interest on the Drawdown Bonds or any other Subordinate Obligations, or (B) the validity or enforceability of the pledge of the Subordinate Net Revenues or any other pledge or security interest created by the Subordinate Trust Indenture shall be publicly contested by the Authority; or

(iii) any other material provision of this Agreement or any other Related Document, other than a provision described in clause (i) above, shall at any time for any reason cease to be valid and binding on the Authority, including, without limitation, as a result of any legislative or administrative action by a Governmental Authority with competent jurisdiction or shall be declared in a final non-appealable judgment by any court with competent jurisdiction to be null and void, invalid, or unenforceable, or the validity or enforceability thereof shall be publicly contested by the Authority;

(f) a final judgment or order for the payment of money in excess of \$10,000,000 (in excess of the coverage limits of any applicable insurance therefor) shall have been rendered against the Authority and such judgment or order shall not have been satisfied, stayed, vacated, discharged or bonded pending appeal within a period of sixty (60) days from the date on which it was first so rendered;

(g) (i) a debt moratorium, debt restructuring, debt adjustment or comparable restriction is imposed on the repayment when due and payable of any obligation secured by a lien, charge or encumbrance upon the Net Revenues or Subordinate Net Revenues; (ii) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization or relief of debtors, the Authority seeks to have an order for relief entered with respect to it or seeking to adjudicate it insolvent or bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition or other relief with respect to it or its debts; (iii) the Authority seeks appointment of a receiver, trustee, custodian or other similar official for itself or for any substantial part of the Authority's property or a receiver, trustee, custodian or other similar official shall be appointed for the Authority or for any substantial part of the Authority's property, or the Authority shall make a general assignment for the benefit of its creditors; (iv) there shall be commenced against the Authority any case, proceeding or other action of a nature referred to in clause (ii) above and the same shall remain undismissed; (v) there shall be commenced against the Authority any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, or stayed or bonded pending appeal, within sixty (60) days from the entry thereof; (vi) the Authority takes action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii), (iii), (iv) or (v) above; or (vii) the Authority shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(h) in the event that any Authority Rating is suspended, withdrawn, or otherwise unavailable from any Rating Agency, or if any Authority Rating is reduced below “Baa2” (or its equivalent), “BBB” (or its equivalent) or “BBB” (or its equivalent) by any of Moody’s, S&P or Fitch, respectively (but excluding any suspension or withdrawal of any such Authority Rating if the applicable Rating Agency has stipulated in writing that the rating action is being taken for non-credit related reasons)); or

(i) any event of default under the Master Senior Trust Indenture or the Subordinate Trust Indenture shall occur; or

(j) except as otherwise permitted under Section 6.27 hereof, the dissolution or termination of the existence of the Authority shall occur; or

(k) any Governmental Authority of competent jurisdiction shall declare a financial emergency or similar declaration with respect to the Authority and shall appoint or designate, with respect to the Authority, an entity such as an organization, a board, a commission, an authority, an agency or any other similar body to manage the affairs and operations of the Authority; or

(l) any Lien created by this Agreement or the Subordinate Trust Indenture or any other Related Document in favor of, or for the benefit of, the Owner Representative or any Owner shall at any time or for any reason (except as expressly permitted to be released by the terms of such governing document) not constitute a valid Lien.

Section 7.2. Remedies. (a) Upon the occurrence and continuation of any Bondholder’s Agreement Event of Default the Owner Representative may exercise any one or more of the following rights and remedies in addition to any other remedies herein or by law:

(i) by notice to the Authority, declare all Obligations to be, and such amounts shall thereupon become, immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by the Authority; *provided* that upon the occurrence of a Bondholder’s Agreement Event of Default under Section 7.1(g) hereof such acceleration shall automatically occur (unless such automatic acceleration is waived by the Owner Representative in writing);

(ii) deliver a written notice to the Trustee and the Authority that a Bondholder’s Agreement Event of Default (a “*Notice of Bondholder’s Agreement Event of Default*”) has occurred and is continuing and direct the Trustee and the Authority, as applicable, to cause a mandatory redemption of the Drawdown Bonds or take such other remedial action as is provided for in the Subordinate Trust Indenture. The Notice of Bondholder’s Agreement Event of Default shall state that a Bondholder’s Agreement Event of Default has occurred and may state that the commitment of the Underwriter to purchase Drawdown Bonds and to honor Purchases and Drawings under the Bond Purchase Agreement is terminated (in which case such commitment of the Underwriter under the Bond Purchase Agreement shall immediately terminate as provided in the Bond Purchase Agreement);

(iii) either personally or by attorney or agent without bringing any action or proceeding, or by a receiver to be appointed by a court in any appropriate action or proceeding, take whatever action at law or in equity may appear necessary or desirable to collect the amounts due and payable under the Related Documents or to enforce performance or observance of any obligation, agreement or covenant of the Authority under the Related Documents, whether for specific performance of any agreement or covenant of the Authority or in aid of the execution of any power granted to the Owner Representative in the Related Documents;

(iv) cure any Potential Bondholder's Agreement Event of Default, Bondholder's Agreement Event of Default or event of nonperformance hereunder or under any Related Document; *provided, however*, that the Owner Representative shall have no obligation to effect such a cure; and

(v) exercise, or cause to be exercised, any and all remedies as it may have under the Related Documents and as otherwise available at law and at equity.

(b) Notwithstanding the provisions of Section 7.2(a)(i) or 7.2(a)(ii) hereof, (x) the Owner Representative shall not declare the outstanding amount of the Drawdown Bonds and the Obligations under the Subordinate Trust Indenture and this Agreement to be immediately due and payable or cause a mandatory redemption of the Drawdown Bonds as described in Section 7.2(a)(i) or 7.2(a)(ii) hereof until seven (7) days after the occurrence of a Bondholder's Agreement Event of Default specified in Section 7.1(a)(i), 7.1(d)(i), 7.1(d)(ii), 7.1(e)(i), 7.1(e)(ii), 7.1(g) or 7.1(j) hereof and (y) the Owner Representative shall notify the Authority of mandatory redemption of the Drawdown Bonds at least one hundred eighty (180) days prior thereto in the case of any Bondholder's Agreement Event of Default not specified in the immediately preceding clause (x). Notwithstanding the foregoing sentence of this Section 7.2(b), if any other holder or credit enhancer of Debt secured by a lien or charge on Net Revenues or Subordinate Net Revenues or any counterparty under any Swap Contract related thereto causes any such Debt or other obligations of the Authority to become immediately due and payable, the Owner Representative may immediately, without notice, avail itself of the remedies set forth in Section 7.2(a) hereof and/or declare or cause to be declared the unpaid principal amount of all outstanding Drawdown Bonds, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder to be immediately due and payable.

Upon the occurrence of any Bondholder's Agreement Event of Default, the Drawdown Bonds and all other Obligations shall automatically and immediately bear interest at the Default Rate.

The provisions of this Agreement shall be a contract with each and every Owner and the duties of the Authority shall be enforceable by any Owner by mandamus or other appropriate suit, action, or proceeding in any court of competent jurisdiction.

Section 7.3. Waivers or Omissions. No failure on the part of Owner Representative to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right hereunder preclude any further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive

of any rights, remedies or powers provided by law or otherwise. No delay or omission by the Owner Representative in the exercise of any right, remedy or power or in the pursuit of any remedy shall impair any such right remedy or power or be construed to be a waiver of any default on the part of the Owner Representative or to be acquiescence therein. No express or implied waiver by the Owner Representative of any Bondholder's Agreement Event of Default shall in any way be a waiver of any future or subsequent Bondholder's Agreement Event of Default. The Owner Representative is entitled, but shall have no duty or obligation to the Authority, the Trustee or any other Person (other than the Owners) or otherwise, to exercise or to refrain from exercising any right or remedy reserved to the Owner Representative hereunder or under any of the other Related Documents.

Section 7.4. Discontinuance of Proceedings. In case the Owner Representative proceeds to invoke any right, remedy or recourse permitted hereunder or under the other Related Documents and thereafter elects to discontinue or abandon the same for any reason, the Owner Representative has the unqualified right so to do and, in such event, the Authority, and the Owners will be restored to their former positions with respect to the Obligations, the Related Documents and otherwise, and the rights, remedies, recourse and powers of the Owner Representative and the Owners hereunder will continue as if the same had never been invoked.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Evidence of Debt. The Purchaser shall maintain in accordance with its usual practices an account or accounts evidencing the indebtedness resulting from each Purchase and Drawing made from time to time under the Bond Purchase Agreement and the Drawdown Bonds and the amounts of principal and interest payable and paid from time to time hereunder and under the Subordinate Trust Indenture. In any legal action or proceeding in respect of this Agreement, the entries made in such account or accounts shall be conclusive evidence (absent manifest error) of the existence and amounts of the obligations therein recorded.

Section 8.2. Amendments and Waivers. The Owner Representative and the Authority may from time to time enter into agreements amending, modifying or supplementing the Related Documents or changing the rights of the Owner Representative or the Authority thereunder, and the Owner Representative may from time to time grant waivers or consents to a departure from the due performance of the obligations of the Authority thereunder. No amendment or waiver of any provision of this Agreement nor consent to any departure by the parties hereto shall in any event be effective unless the same shall be in writing and signed by the parties required by the immediately preceding sentence, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. Any such agreement, waiver or consent must be in writing and will be effective only to the extent specifically set forth in such writing. In the case of any such waiver or consent relating to any provision hereof, any Potential Bondholder's Agreement Event of Default or Bondholder's Agreement Event of Default so waived or consented to shall be deemed to be cured and not continuing, but no such waiver or

consent shall extend to any other or subsequent Potential Bondholder's Agreement Event of Default or Bondholder's Agreement Event of Default or impair any right consequent thereon.

Section 8.3. Addresses for Notices. Any notice required or permitted to be given under or in connection with this Agreement shall be in writing and shall be mailed by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid, or sent by telex, telegram, telecopy or other similar form of rapid transmission confirmed by mailing (by first-class mail, registered or certified, return receipt requested, or express mail, postage prepaid) written confirmation at substantially the same time as such rapid transmission, or personally delivered to an officer of the receiving party. All such communications shall be mailed, sent or delivered to the address or numbers set forth below, or as to each party at such other address or numbers as shall be designated by such party in a written notice to the other parties.

The Authority: San Diego County Regional Airport Authority
Commuter Terminal, 3rd Floor
3225 North Harbor Drive
San Diego, California 92101
Attention: Vice President Finance & Asset
Management/Treasurer
Telephone: (619) 400-2802
Facsimile: (619) 400-2801

with a copy to: San Diego County Regional Airport Authority
Commuter Terminal, 3rd Floor
3225 North Harbor Drive
San Diego, California 92101
Attention: General Counsel
Telephone: (619) 400-2802
Facsimile: (619) 400-2801

The Owner Representative: RBC Municipal Products, LLC
100 Second Avenue South, Suite 800
St. Petersburg, Florida 337701-4337
Attention: Thomas Carlson
Telephone: (727) 895-8899
Facsimile: (727) 895-8895
Email: thomas.carlson@rbccm.com

and

Attention: Joseph Huesman
Facsimile: (212) 642-2490
Email: joseph.huesman@rbccm.com

and

Email: transactionreviewsub@rbccm.com

With a copy to:

Royal Bank of Canada
Corporate Banking
Three World Financial Center, 12th Floor
200 Vesey Street
New York, NY 10281 8098
Attention: Stephanie Gordon
Telephone: (212) 618-7501
Facsimile: (212) 428-6201
Email: stephanie.gordon@rbccm.com

And:

Credit Transaction Management – Compliance
Royal Bank of Canada
200 Bay Street, South Tower, 12th Floor RBPS 12
Toronto, Ontario M5J 2J5, Canada
Attention: Kamal Grover
Facsimile: (416) 842 4020
Email: managercompliance ctm@rbccm.com; and
transactionreviewsub@rbccm.com

The Trustee: U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Corporate Trust Services
Telephone: 213.615.6023
Facsimile: 213.615.6197

The Owner Representative may in its sole discretion rely on any notice purportedly made by or on behalf of the Authority, but it has no duty to accept any notice not given as prescribed in this Section 8.3 and has no duty to verify the identity or authority of the Person giving such notice, unless such action or omission would amount to gross negligence or intentional misconduct.

Section 8.4. Survival of This Agreement. All covenants, agreements, representations and warranties made in this Agreement shall survive the extension by the Owner Representative and any other Person of the Commitment and shall continue in full force and effect so long as the Commitment shall be unexpired or any sums drawn or due thereunder or any other obligations shall be outstanding and unpaid, regardless of any investigation made by any Person and so long as any amount payable hereunder remains unpaid. The agreement of the Authority to indemnify the Underwriter, the Purchaser, the Credit Protection Provider, the Owner Representative, each Owner and each Indemnitee under Section 4.2 hereof shall continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. The obligations of the Authority under Sections 4.3 and 2.3 hereof shall also continue in full force and effect notwithstanding a termination of the Commitment or the fulfillment of all Obligations. Whenever in this Agreement the Owner Representative and/or Purchaser is referred to, such reference shall be deemed to include the successors and assigns of the Owner Representative and/or Purchaser and all covenants, promises and agreements by or on behalf of the Authority which are contained in this Agreement shall inure to the benefit of the successors and assigns of the Owner Representative and Purchaser. The rights and duties of the Authority may not be assigned or transferred without the prior written consent of the Owner Representative and the Purchaser, and all obligations of the Authority hereunder shall continue in full force and effect notwithstanding any assignment by the Authority of any of its rights or obligations under any of the Related Documents or any entering into, or consent by the Authority to, any supplement or amendment to, or termination of, any of the Related Documents.

Section 8.5. Severability. Any provision of this Agreement which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction. Upon such determination that any provision is prohibited, unenforceable or not authorized the Authority and the Owner Representative shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Authority and the Purchaser as closely as possible to the fullest extent permitted by applicable law in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the greatest extent possible.

Section 8.6. Governing Law; Jurisdiction and Venue. (a) THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS.

(b) EACH OF PARTIES HERETO HEREBY IRREVOCABLY SUBMIT TO THE NON-EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA AND ANY COURT IN THE STATE OF CALIFORNIA, AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION, SUIT OR PROCEEDING BROUGHT AGAINST OR BY IT IN CONNECTION WITH THIS AGREEMENT OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT RELATED THERETO, AND THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREE THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD OR DETERMINED IN SUCH CALIFORNIA STATE COURT OR, TO THE EXTENT PERMITTED BY LAW, IN SUCH FEDERAL COURT. THE PARTIES AGREE THAT A FINAL NON-APPEALABLE JUDGMENT IN ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY WAIVE AND AGREE NOT TO ASSERT BY WAY OF MOTION, AS A DEFENSE OR OTHERWISE IN ANY SUCH SUIT, ACTION OR PROCEEDING, ANY CLAIM THAT IT IS NOT PERSONALLY SUBJECT TO THE JURISDICTION OF SUCH COURTS, THAT THE SUIT, ACTION OR PROCEEDING IS BROUGHT IN AN INCONVENIENT FORUM, THAT THE VENUE OF THE SUIT, ACTION OR PROCEEDING IS IMPROPER OR THAT THE RELATED DOCUMENTS OR THE SUBJECT MATTER THEREOF MAY NOT BE LITIGATED IN OR BY SUCH COURTS.

Section 8.7. Successors and Assigns.

(a) *Successors and Assigns Generally.* (i) This Agreement is a continuing obligation and shall be binding upon the Authority, its successors, transferees and assigns and shall inure to the benefit of the Owners and their respective permitted successors, transferees and assigns. RBCMPLLC, its successors and assignees, constitutes the Owner Representative hereunder and under the Related Documents unless and until a majority of the Owners give written notice to the Authority and the Trustee identifying any successor or assignee Owner Representative hereunder and under the other Related Documents and, *provided* that any such notice on its face establishes the requisite ownership of a majority of the aggregate principal amount of the Drawdown Bonds then Outstanding by the Owners identified therein, the Person designated in such notice as the Owner Representative will, upon delivery to the Authority and the Trustee of such notice, constitute the Owner Representative and will succeed to and become vested with all of the rights, powers, privileges and responsibilities of the Owner Representative in the Related Documents. Any predecessor Owner Representative hereunder will be discharged from its duties and obligations hereunder and under the other Related Documents, *provided* that the predecessor Owner Representative will continue to be entitled to the benefits of Article II and Sections 4.1, 4.2 and 4.6 and of each other provision of any Related Document granting a right of indemnity or reimbursement in favor of the Owner Representative.

(ii) The Owner Representative may designate any nominee, designee or agent to act for and in the name of the Owner Representative by written notice to the Authority and the Trustee, and any such duly designated nominee, designee or agent will thereupon be empowered to act for

and on behalf of the Owner Representative and exercise the rights, powers, privileges and responsibilities of the Owner Representative in each of the Related Documents.

(b) *Sales and Transfers by an Owner to a Purchaser Transferee.* Without limitation of the foregoing generality, an Owner may at any time sell or otherwise transfer to one or more transferees all or a portion of the Drawdown Bonds to a Person that is (i) an Affiliate of the Owner or the Purchaser or (ii) a trust or other custodial arrangement established by the Owner or the Purchaser or an Affiliate of the Owner or the Purchaser, the owners of any beneficial interest in which are limited to “qualified institutional buyers” as defined in Rule 144A promulgated under the 1933 Act, or “accredited investors” as defined in Rule 501 of Regulation D under the 1933 Act (each, a “*Purchaser Transferee*”). From and after the date of such sale or transfer, RBCMPLLC and its successors shall continue to have all of the rights of the Purchaser hereunder and under the other Related Documents as if no such transfer or sale had occurred; *provided, however*, that (A) no such sale or transfer referred to in clause (b)(i) or (b)(ii) hereof shall in any way affect the obligations of the Purchaser hereunder, (B) the Authority and the Trustee shall be required to deal only with the Purchaser with respect to any matters under this Agreement and (C) in the case of a sale or transfer referred to in clause (b)(i) or (b)(ii) hereof, only the Purchaser shall be entitled to enforce the provisions of this Agreement against the Authority.

Anything herein to the contrary notwithstanding, including without limitation Section 4.3 hereof, if any Purchaser Transferee shall incur increased costs or capital adequacy requirement as contemplated by Section 4.3 hereof, and such increased costs or capital adequacy requirements are greater than those that an original Owner and Credit Protection Provider would have incurred had it not sold or otherwise transferred all or a portion of the Drawdown Bonds to such Purchaser Transferee provided for in this Section 8.7(b), then the Authority shall not be obligated to pay to such Purchaser Transferee any portion of the cost greater than that which the Authority would have paid under the provisions of Section 4.3 hereof had such original Owner and Credit Protection Provider not sold or otherwise transferred all or a portion of the Drawdown Bonds to a Purchaser Transferee.

(c) *Sales and Transfers by Bondholder to a Non-Purchaser Transferee.* Without limitation of the foregoing generality, an Owner may at any time sell or otherwise transfer to one or more transferees which are not Purchaser Transferees but each of which constitutes a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act or an “accredited investor” as defined in Rule 501 of Regulation D under the 1933 Act (each a “*Non-Purchaser Transferee*”) all or a portion of the Drawdown Bonds if written notice of such sale or transfer, including that such sale or transfer is to a Non-Purchaser Transferee, together with addresses and related information with respect to the Non-Purchaser Transferee, shall have been given to the Authority, the Trustee and the Purchaser (if different than the Owner) by such selling Owner and Non-Purchaser Transferee.

From and after the date the Authority, the Trustee and the selling Owner have received written notice, (A) the Non-Purchaser Transferee thereunder shall be a party hereto and shall have the rights and obligations of an Owner hereunder and under the other Related Documents, and this Agreement shall be deemed to be amended to the extent, but only to the extent,

necessary to effect the addition of the Non-Purchaser Transferee, and any reference to the assigning Owner hereunder and under the other Related Documents shall thereafter refer to such transferring Owner and to the Non-Purchaser Transferee to the extent of their respective interests, and (B) if the transferring Owner no longer owns any Drawdown Bonds, then it shall relinquish its rights and be released from its obligations hereunder and under the Related Documents.

Anything herein to the contrary notwithstanding, including without limitation Section 4.3 hereof, if any Non-Purchaser Transferee shall incur increased costs or capital adequacy requirement as contemplated by Section 4.3 hereof, and such increased costs or capital adequacy requirements are greater than those that the selling Owner would have incurred had it not sold or otherwise transferred all or a portion of the Drawdown Bonds to such Non-Purchaser Transferee provided for in this Section 8.7(c), then the Authority shall not be obligated to pay to such Non-Purchaser Transferee any portion of the cost greater than that which the Authority would have paid under the provisions of Section 4.3 hereof had the selling Owner not sold or otherwise transferred all or a portion of the Drawdown Bonds to a Non-Purchaser Transferee.

(d) *Participations.* Each Owner shall have the right to grant participations in all or a portion of such Owner's interest in the Drawdown Bonds, this Agreement and the other Related Documents to one or more other banking institutions; *provided, however,* that (i) no such participation by any such participant shall in any way affect the obligations of such Owner hereunder and (ii) the Authority and the Trustee shall be required to deal only with such Owner, with respect to any matters under this Agreement, the Drawdown Bonds and the other Related Documents and no such participant shall be entitled to enforce any provision hereunder against the Authority.

Anything herein to the contrary notwithstanding, including without limitation Section 4.3 hereof, if any Participant shall incur increased costs or capital adequacy requirements as contemplated by Section 4.3 hereof, and such increased costs or capital adequacy requirements are greater than those that such Owner would have incurred had it not granted a participation interest as provided for in this Section 8.7(d), then the Authority shall not be obligated to pay to such Participant any portion of the cost greater than that which the Authority would have paid under the provisions of Section 4.3 hereof had such Owner not granted such participation interest.

(e) *Certain Pledges.* Each Owner may at any time pledge or grant a security interest in all or any portion of its rights under the Drawdown Bonds, this Agreement and the Related Documents to secure obligations of such Owner, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided* that no such pledge or assignment shall release such Owner from any of its obligations hereunder or substitute any such pledgee or assignee for such Owner as a party hereto.

Section 8.8. No Setoff. Notwithstanding anything to the contrary contained herein, the Purchaser, any Participant and any Owner hereby agrees that it will not assert any of its statutory or common law rights of setoff as the depository bank of the Authority in connection with the collection or repayment of any of the Obligations or any other obligation of the Authority

owning to the Purchaser, any Participant or any Owner under this Agreement or the other Related Documents.

Section 8.9. Headings. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose.

Section 8.10. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, taken together, shall constitute but one and the same Agreement. The parties agree that the electronic signature of a party to this Agreement shall be as valid as an original signature of such party and shall be effective to bind such party to this Agreement. The parties agree that any electronically signed document (including this Agreement) shall be deemed (i) to be “written” or “in writing,” (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Such paper copies or “printouts,” if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule. For purposes hereof, “electronic signature” means a manually-signed original signature that is then transmitted by electronic means; “transmitted by electronic means” means sent in the form of a facsimile or sent via the internet as a “pdf” (portable document format) or other replicating image attached to an e-mail message; and, “electronically signed document” means a document transmitted by electronic means and containing, or to which there is affixed, an electronic signature.

Section 8.11. Government Regulations. The Purchaser hereby notifies the Authority that pursuant to the requirements of the Patriot Act it is required to obtain, verify and record information that identifies the Authority, which information includes the name and address of the Authority and other information that will allow the Owner Representative to identify the Authority in accordance with the Patriot Act. The Authority hereby agrees that it shall promptly provide such information upon request by the Owner Representative.

The Authority hereby represents and warrants and covenants and agrees (a) that it is not and shall not be listed on the Specially Designated Nationals and Blocked Person List or other similar lists maintained by OFAC, the Department of the Treasury or included in any Executive Orders, that prohibits or limits the Purchaser from purchasing the Drawdown Bonds or the Underwriter from making any Purchases or Drawings or the Purchaser from making any advance or extension of credit to the Authority or from otherwise conducting business with the Authority and (b) to ensure that the proceeds of the Drawdown Bonds, Purchases or Drawings shall not be used to violate any of the foreign asset control regulations of OFAC or any enabling statute or Executive Order relating thereto.

Section 8.12. No Fiduciary Relationship. The Authority acknowledges and agrees that its dealing with the Underwriter, the Purchaser, Owner Representative and each Owner are solely in

the nature of a debtor/creditor relationship and that in no event shall any of the Underwriter, the Purchaser, the Owner Representative or any Owner be considered to be a partner or joint venturer of the Authority. Also, the Authority represents and warrants that it has independently evaluated the business transaction and has not relied upon, nor will it rely upon, the expertise, advice or other comments or statements of any of the Underwriter, the Purchaser, the Owner Representative or any Owner (including agents of any of the Underwriter, the Purchaser, the Owner Representative or such Owner), if any, in deciding to pursue such undertaking. As the Authority is experienced in business, in no event shall any of the Underwriter, the Purchaser, the Owner Representative or any Owner owe any fiduciary or similar obligations to it in connection with the subject transaction.

In connection with all aspects of the Transactions (including in connection with any amendment, waiver or other modification hereof or of any other Related Document), the Authority acknowledges and agrees that: (a)(i) the Underwriter, the Purchaser, the Owner Representative or any Owner or any of their respective Affiliates may have an ownership interest in secondary market securities of which the Drawdown Bonds form the underlying asset; (ii) the arranging, structuring and other services regarding this Agreement provided by the Underwriter and the Purchaser are arm's-length commercial transactions between the Authority and its Affiliates, on the one hand, and the Underwriter and the Purchaser and their respective Affiliates, on the other hand; (iii) the Authority has consulted its own legal, financial or other advisors with respect to the Transactions to the extent it has deemed appropriate; and (iv) the Authority is capable of evaluating, and understands and accepts, the terms, risks and conditions of the Transactions; (b)(i) each of the Underwriter and the Purchaser are and have been acting solely as a principal and have not been, are not, and will not be acting as a municipal advisor (as defined in Section 15B(e)(4) of the Securities Exchange Act of 1934, as amended), or agent, advisor or fiduciary for the Authority with respect to the Transactions (whether or not the Underwriter and the Purchaser and their respective Affiliates have advised or is currently advising the Authority on other matters); and (ii) neither the Underwriter, the Purchaser nor any of their respective Affiliates have any obligation to the Authority with respect to the Transactions, except those obligations expressly set forth herein and the other Related Documents; and (c) the Underwriter and the Purchaser and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Authority and neither the Underwriter, the Purchaser nor any of their respective Affiliates has any obligation to disclose any of such interests to the Authority.

Section 8.13. Entire Agreement. The Related Documents constitute the entire understanding and agreement between the Authority and the Purchaser with respect to the Transactions and the Drawdown Bonds and supersede all prior or contemporaneous written or oral understandings, courses of dealing and agreements between the Authority and the Purchaser with respect to the matters addressed in the Related Documents. In particular, and without limitation, the Related Documents supersede any commitment by the Purchaser to extend credit to the Authority or to purchase the Drawdown Bonds, and all such agreements or commitments are merged into the Related Documents. Except as incorporated in writing into the Related Documents, there are no representations, understandings, stipulations, agreements or promises, oral or written, with respect to the matters addressed in the Related Documents.

Section 8.14. Parties in Interest. Nothing in this Agreement, whether express or implied, shall be construed to give to any Person other than the Authority, the Purchaser and the Owner Representative any legal or equitable right, remedy or claim under or in respect of this Agreement, which is intended for the sole and exclusive benefit of the parties hereto. Notwithstanding the foregoing, it is understood and agreed that each Owner is an express and intended third-party beneficiary of this Agreement and each Indemnitee is an intended beneficiary of Section 4.2 hereof, that the benefits of this Agreement or Section 4.2 hereof are conferred upon each Owner and each Indemnitee, respectively, and that the Owner Representative shall exercise and enforce each right, covenant, remedy or other provision hereof on behalf of the Owners or the Indemnitees.

Section 8.15. Reinstatement. To the extent that the Owner Representative or any Owner receives any payment from or on behalf of the Authority which payment or any part thereof is subsequently

- (a) invalidated;
- (b) declared to constitute a fraudulent conveyance or preferential transfer;
- (c) set aside; or
- (d) required to be repaid (including pursuant to any settlement entered into by the Owner Representative or any Owner in its discretion) to a trustee, receiver or any other party under any bankruptcy law, state or federal law, common law or equitable cause;

(collectively, "*Set Aside*"), then, to the extent of any such Set Aside, the obligations or part thereof intended to be satisfied shall be revived and reinstated and shall continue in full force and effect as if such payment had not been received by the Owner Representative or such Owner or such Set Aside had not occurred.

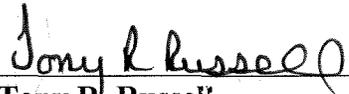
[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

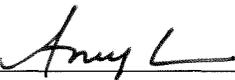
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY

By: 
Scott M. Brickner
Vice President, Finance & Asset
Management/Treasurer

Attest:

By: 
Tony R. Russell
Director, Corporate Services/
Authority Clerk

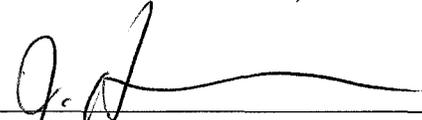
Approved as to form:

By: 
Amy Gonzalez
General Counsel

[SIGNATURES CONTINUED ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the date first written above.

RBC MUNICIPAL PRODUCTS, LLC

By: 
Name: Joseph Huesman
Title: President



Joseph I. Huesman
DIRECTOR

EXHIBIT A

[FORM OF NOTICE OF TERMINATION OR REDUCTION]

NOTICE OF TERMINATION OR REDUCTION

[Date]

RBC Municipal Products, LLC
100 Second Avenue South, Suite 800
St. Petersburg, Florida 33701-4337
Attention: Thomas Carlson
Telephone: (727) 895-8899
Facsimile: (727) 895-8895
Email: thomas.carlson@rbccm.com

Royal Bank of Canada
Corporate Banking
Three World Financial Center, 12th Floor
200 Vesey Street
New York, NY 10281-8098
Attention: Stephanie Gordon
Telephone: (212) 618-7501
Facsimile: (212) 428-6201
Email: stephanie.gordon@rbccm.com

and

attention: Joseph Hussman
Facsimile: (212) 642-2490
Email: joseph.hussman@rbccm.com
and:
Email: transactionreviewsub@rbccm.com

Credit Transaction Management – Compliance
Royal Bank of Canada
200 Bay Street, South Tower, 12th Floor RBPS 12
Toronto, Ontario M5J 2J5, Canada
Attention: Kamal Grover
Facsimile: (416) 842-4020
Email: managercompliance-ctm@rbccm.com
and
transactionreviewsub@rbccm.com

U.S. Bank National Association
633 West Fifth Street, 24th Floor
Los Angeles, CA 90071
Attention: Corporate Trust Services
Telephone: 213.615.6023
Facsimile: 213.615.6197

Ladies and Gentlemen:

Re: San Diego County Regional Airport Authority
Subordinate Airport Revenue Drawdown Bonds

The San Diego County Regional Airport Authority (the “*Authority*”), through its undersigned, an Authorized Representative, hereby notifies RBC Capital Markets, LLC (the “*Underwriter*”) and RBC MUNICIPAL PRODUCTS, LLC, as initial purchaser (“*RBCMPLLC*” and the “*Purchaser*”), with reference to the Bond Purchase Agreement dated April 19, 2017 and the

Bondholder's Agreement dated as of April 1, 2017 (together with any amendments or supplements thereto, the "*Agreement*"), by and between the Authority and the Purchaser (the terms defined therein and not otherwise defined herein being used herein as therein defined):

[(1) The Authority hereby informs you that the Commitment Amount is terminated in accordance with the Agreement, such termination to be effective on _____.]

OR

[(1) The Authority hereby informs you that the Commitment Amount is reduced from [insert amount as of the date of Certificate] to [insert new amount], such reduction to be effective on _____.]

IN WITNESS WHEREOF, the Authority has executed and delivered this Notice this _____
day of _____, _____.

SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY

By: _____
Name: _____
Title: _____

**FIRST AMENDMENT TO
FOURTH SUPPLEMENTAL SUBORDINATE TRUST INDENTURE**

by and between

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

and

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

Dated as of March 1, 2018

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FIRST AMENDMENT TO FOURTH SUPPLEMENTAL SUBORDINATE INDENTURE

THIS FIRST AMENDMENT TO FOURTH SUPPLEMENTAL SUBORDINATE INDENTURE, dated as of March 1, 2018 (this “First Amendment”), by and between the **SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**, a local government entity of regional government created pursuant to the laws of the State of California (the “Authority”), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association duly organized and validly existing under the laws of the United States of America, as trustee (the “Trustee”);

WITNESSETH:

WHEREAS, in accordance with Section 170000 et seq of the California Public Utilities Code, as amended, the Authority authorized the issuance of no more than \$100,000,000 in aggregate principal amount of drawdown bonds captioned the San Diego County Regional Airport Authority Subordinate Airport Revenue Drawdown Bonds (the “Drawdown Bonds”) pursuant to a Master Subordinate Trust Indenture, dated as of September 1, 2007 (the “Master Subordinate Indenture”), by and between the Authority and the Trustee, as supplemented by the Fourth Supplemental Subordinate Trust Indenture, dated as of April 1, 2017 (the “Fourth Supplemental Subordinate Indenture” and, together with the Master Subordinate Indenture, the “Bond Indenture”) by and between the Authority and the Trustee; and

WHEREAS, pursuant to the Bond Purchase Agreement, dated April 19, 2017 (the “Bond Purchase Agreement”) by and between the Authority and RBC Capital Markets, LLC (the “Underwriter”), the Underwriter has agreed to purchase one or more series of Drawdown Bonds, subject to the terms and conditions set forth therein, and RBC Municipal Products, LLC (the “Purchaser”) intends to purchase each series of Drawdown Bonds and as a condition to such purchases required the Authority to enter into a Bondholder’s Agreement, dated as of April 1, 2017, by and between the Purchaser and the Authority; and

WHEREAS, no Drawdown Bonds have been issued and are outstanding under the Fourth Supplemental Subordinate Indenture; and

WHEREAS, Section 8.02 of the Fourth Supplemental Subordinate Indenture and Section 10.02 of the Master Subordinate Indenture, provides that the Bond Indenture can be supplemented and amended to provide for the issuance of the Drawdown Bonds and to set forth the terms of such Drawdown Bonds; and

WHEREAS, in connection with recent changes to the rate of income taxation imposed on corporations pursuant to Section 11(b) of the Internal Revenue Code of 1986, as amended (the “Code”), the Purchaser and the Underwriter has consented to certain amendments and modifications to the Fourth Supplemental Subordinate Indenture; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter contained, the parties hereto hereby formally covenant, agree and bind themselves as follows:

ARTICLE I

AMENDMENTS TO BOND INDENTURE

Section 1.01. Amendment and deletion of Certain Definitions. The following definitions set forth in Section 1.01 of the Bond Indenture, are hereby amended as follows (deletions are shown in ~~strikethrough~~, and additions are shown in **bold double underlined**): as follows:

“*AMT Drawdown Rate*” means a fluctuating rate per annum, determined as of each applicable Rate Reset Date, equal to the sum of (x) the SIFMA Index Rate and (y) the product of (a) ~~the sum of (a) the AMT Spread plus (b) the SIFMA Index Rate~~, multiplied by (b) the Margin Rate Factor, as in effect on such Rate Reset Date (rounded to the second decimal place). The AMT Drawdown Rate shall equal the Default Rate in the event the Authority Rating assigned by Moody’s is below “Baa2” and/or the Authority Rating assigned by Fitch or S&P is below “BBB” or upon the occurrence of any other Bondholder’s Agreement Event of Default. The AMT Drawdown Rate shall be calculated by the Calculation Agent and provided to the Authority, the Purchaser and the Owner Representative.

“*Non-AMT Drawdown Rate*” means a fluctuating rate per annum, determined as of each applicable Rate Reset Date, equal to the sum of (x) the SIFMA Index Rate and (y) the product of (a) ~~the sum of (a) the Non-AMT Spread plus (b) the SIFMA Index Rate~~, multiplied by (b) the Margin Rate Factor, as in effect on such Rate Reset Date (rounded to the second decimal place). The Non-AMT Drawdown Rate shall equal the Default Rate in the event the Authority Rating assigned by Moody’s is below “Baa2” and/or the Authority Rating assigned by Fitch or S&P is below “BBB,” or upon the occurrence of any other Bondholder’s Agreement Event of Default. The Non-AMT Drawdown Rate shall be calculated by the Calculation Agent and provided to the Authority, the Purchaser and the Owner Representative.

ARTICLE II

MISCELLANEOUS

Section 2.01. Governing Law. This First Amendment shall be construed in accordance with and governed by the laws of the State of California.

Section 2.02. Ratification of Bond Indenture. As amended hereby, the Bond Indenture is in all respects ratified and confirmed, all terms, conditions, and provisions of the Bond Indenture, except as amended by this First Amendment, shall remain unmodified and in full force and effect, and the Bond Indenture as so amended hereby shall be read, taken and construed as one and the same instrument. All references in any document or instrument to the Bond Indenture are hereby amended to refer to the Bond Indenture as amended by this First Amendment. The Authority confirms to the Trustee that the obligations of the Authority under the Bond Indenture are and continue to be secured by the security interest granted by the Authority in favor of the Trustee under the Bond Indenture.

Section 2.03. Binding Effect. This First Amendment shall inure to the benefit of and shall be binding upon the Authority and the Trustee and their respective successors and assigns, subject, however, to the limitations contained herein.

Section 2.04. Article and Section Headings and References. The headings or titles of the Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this First Amendment. All references herein to “Articles,” “Sections” and other subsections are to the corresponding Articles, Sections or subsections of this First Amendment; the words “herein,” “hereof,” “hereby,” “hereunder” and other words of similar import refer to this First Amendment as a whole and not to any particular Article, Section or subsection hereof; and words of the masculine gender shall mean and include words of the feminine and neuter genders.

Section 2.05. Execution of Counterparts. This First Amendment may be executed in any number of counterparts, each of which shall for all purposes be deemed to be an original and all of which shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Fourth Supplemental Subordinate Indenture, to be duly executed and delivered by their respective officers thereunto authorized as of the date first above written.

SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY

By _____
Scott M. Brickner, Vice President, Finance
& Asset Management/Treasurer

Attest:

By _____
Tony R. Russell,
Director, Corporate Services/
Authority Clerk

Approved as to form:

By _____
Amy Gonzalez
General Counsel

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By _____
Authorized Representative

[Signature Page to First Amendment to Fourth Supplemental Subordinate Indenture]

FIRST AMENDMENT TO BONDHOLDER'S AGREEMENT

This FIRST AMENDMENT TO BONDHOLDER'S AGREEMENT (this "*Amendment*") dated March __, 2018 (the "*Amendment Date*"), is between the SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, a local government entity of regional government, created pursuant to and existing under the Act (together with its successors and permitted assigns, the "*Authority*") and RBC MUNICIPAL PRODUCTS, LLC, as initial purchaser ("*RBCMPLLC*" and, together with its successors, assignees, designees and nominees hereunder and any Trust, the "*Purchaser*"). All terms used herein and not defined herein shall have the meanings assigned to such terms in the hereinafter defined Agreement.

WITNESSETH

WHEREAS, the Authority and the Purchaser have previously entered into that certain Bondholder's Agreement dated as of April 1, 2017 (as amended, supplemented or otherwise amended to date, the "*Agreement*"), pursuant to which the Purchaser will purchase the Authority's Subordinate Airport Revenue Drawdown Bonds, Series A (Non-AMT) and Series B (AMT) (together, the "*Drawdown Bonds*");

WHEREAS, pursuant to Section 8.2 of the Agreement, the Agreement may be amended by a written amendment thereto, signed by the Authority and the Purchaser; and

WHEREAS, the parties hereto wish to amend the Agreement as set forth herein.

NOW THEREFORE, in consideration of the premises, the parties hereto hereby agree as follows:

1. AMENDMENTS.

Upon satisfaction of the conditions precedent set forth in Section 2 hereof, the Agreement shall be amended as follows:

1.01. Section 1.1 of the Agreement is hereby amended by the addition of the new defined term "*Maximum Federal Corporate Tax Rate*" to be inserted in its appropriate place in the alphabetical sequence and to read as follows:

"*Maximum Federal Corporate Tax Rate*" has the meaning set forth in the Fourth Supplemental Subordinate Trust Indenture.

1.02. The definition of the term "*Taxable Drawdown Rate*" set forth in Section 1.1 of the Agreement is hereby amended in its entirety and as so amended shall be restated to read as follows:

"*Taxable Drawdown Rate*" means, with respect to a Taxable Period, the sum of (a) LIBOR and (b) the product of (i) the

Non-AMT Spread (as defined in the Fourth Supplemental Subordinate Trust Indenture) and (ii) the quotient obtained by dividing one by the difference obtained by subtracting from one the Maximum Federal Corporate Tax Rate (expressed as a decimal).

2. CONDITIONS PRECEDENT.

This Amendment shall be deemed effective on the Amendment Date subject to the satisfaction of or waiver by the Purchaser of all of the following conditions precedent:

2.01. Delivery by the Authority and the Purchaser of an executed counterpart of this Amendment and the First Amendment to Fourth Supplemental Subordinate Trust Indenture dated as of March 1, 2018, by and between the Authority and U.S. Bank National Association, as Trustee (the "*Indenture Amendment*").

2.02. Delivery to the Purchaser of an opinion, dated the Amendment Date and addressed to the Underwriter and the Purchaser, of General Counsel (as defined in the Master Subordinate Trust Indenture) of the Authority, in form and substance reasonably satisfactory to the Purchaser and its counsel.

2.03. Payment to the Purchaser on the Amendment Date of the reasonable legal fees and expenses of counsel to the Purchaser.

2.04. Receipt by the Purchaser of a certified copy of the authorizing resolution of the Authority approving the execution, delivery and performance of its obligations under the Amendment and the Indenture Amendment.

2.05. Receipt by the Purchaser of a customary certificate executed by appropriate officers of the Authority including the incumbency and signature of the officer of the Authority executing this Amendment.

2.06. All other legal matters pertaining to the execution and delivery of this Amendment shall be satisfactory to the Purchaser and its counsel.

3. REPRESENTATIONS AND WARRANTIES OF THE AUTHORITY.

3.01. The Authority hereby represents and warrants that the following statements shall be true and correct as of the date hereof:

(a) the representations and warranties of the Authority contained in Article V of the Agreement and in each of the Related Documents are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date and except that the representations contained in Section 5.12 of the Agreement shall be deemed to refer to the most recent financial

statements of the Authority delivered to the Purchaser pursuant to Section 6.2(a) of the Agreement); and

(b) no Potential Bondholder's Agreement Event of Default or Bondholder's Agreement Event of Default has occurred and is continuing or would result from the execution of this Amendment.

3.02. In addition to the representations given in Article V of the Agreement, the Authority hereby represents and warrants as follows:

(a) The execution, delivery and performance by the Authority of the Indenture Amendment, this Amendment and the Agreement, as amended hereby, are within its powers, have been duly authorized by all necessary action and do not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the Authority.

(b) No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Authority of the Indenture Amendment, this Amendment or the Agreement, as amended hereby.

(c) The Indenture Amendment, this Amendment and the Agreement, as amended hereby, constitute valid and binding obligations of the Authority enforceable against the Authority in accordance with their respective terms, except that (i) the enforcement thereof may be limited by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against the Authority, and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

4. MISCELLANEOUS.

Except as specifically amended herein, the Agreement shall continue in full force and effect in accordance with its terms. Reference to this Amendment need not be made in any note, document, agreement, letter, certificate, the Agreement or any communication issued or made subsequent to or with respect to the Agreement, it being hereby agreed that any reference to the Agreement shall be sufficient to refer to the Agreement, as hereby amended. In case any one or more of the provisions contained herein should be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired hereby. All capitalized terms used herein without definition shall have the same meanings herein as they have in the Agreement. THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF CALIFORNIA WITHOUT GIVING EFFECT TO CONFLICTS OF LAWS PROVISIONS. THIS AMENDMENT IS EXPRESSLY SUBJECT TO THE PROVISIONS OF SECTION 8.6(B) OF THE AGREEMENT, WHICH PROVISIONS ARE INCORPORATED HEREIN AND MADE APPLICABLE HERETO BY THIS REFERENCE.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument. This Amendment may be delivered by the exchange of signed signature pages by facsimile transmission or by e-mail with a pdf copy or other replicating image attached, and any printed or copied version of any signature page so delivered shall have the same force and effect as an originally signed version of such signature page.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their respective officers hereunto duly authorized as of the Amendment Date.

SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY

By: _____
Name: _____
Title: _____

RBC MUNICIPAL PRODUCTS, LLC

By: _____
Name: _____
Title: _____

RESOLUTION NO. 2018-0040

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING A FIRST AMENDMENT TO FOURTH SUPPLEMENTAL SUBORDINATE TRUST INDENTURE AND CERTAIN OTHER DOCUMENTS AND MATTERS RELATED TO THE REVOLVING DRAWDOWN BONDS

WHEREAS, the San Diego County Regional Airport Authority (“Authority”) is a local government entity of regional government, with jurisdiction extending throughout the County of San Diego (“County”), organized and existing pursuant to the provisions of the Constitution of the State of California (“State”) and § 170000 et seq. of the California Public Utilities Code (“Act”); and

WHEREAS, the Act provides that the Authority shall have the power to issue bonds, from time to time, payable from revenue of any facility or enterprise operated, acquired, or constructed by the Authority, for any of the purposes authorized under the Act in accordance with the Revenue Bond Law of 1941 Chapter 6 (commencing with § 54300) of Part 1 of Division 2 of Title 5 of the California Government Code, excluding Article 3 (commencing with § 54380) of Chapter 6 of Part 1 of Division 2 of Title 5 of the California Government Code and the limitations set forth in California Government Code § 54402(b), which shall not apply to the issuance and sale of bonds pursuant to the Act; and

WHEREAS, the Authority, pursuant to (i) Resolution No. 2017-0029 adopted by the Board on April 6, 2017 and (ii) the Fourth Supplemental Subordinate Trust Indenture, dated as of April 1, 2017 (the “Fourth Supplemental Subordinate Indenture”) by and between the Authority and U.S. Bank National Association, as trustee (the “Trustee”) which supplements the Master Subordinate Trust Indenture, dated as of September 1, 2007, by and between the Authority and the Trustee, has previously determined that it is appropriate and beneficial for the purposes of the Authority to issue and/or incur revolving Drawdown Bonds (as defined in the Fourth Supplemental Subordinate Indenture), from time to time, in the form of “San Diego County Regional Airport Authority Subordinate Revenue Drawdown Bonds” (“Subordinate Revolving Drawdown Bonds”) which shall be issued and/or incurred as a means of providing funds to finance and refinance the acquisition, construction, rehabilitation and equipping of certain capital improvements to the San Diego International Airport system, to finance certain costs of issuance and for any other financing needs of the Authority (including, but not limited to, the refunding and restructuring of existing indebtedness of the Authority); and

WHEREAS, pursuant to the terms of the Fourth Supplemental Subordinate Indenture the Subordinate Revolving Drawdown Bonds are issued subject to the provisions of a Bond Purchase Agreement, dated April 19, 2017 (the "Bond Purchase Agreement") by and between RBC Capital Markets, LLC (the "Underwriter") and the Authority and a Bondholder's Agreement, dated as of April 1, 2017 (the "Bondholder's Agreement"), entered into by and between the Authority and RBC Municipal Products, LLC ("RBCMP"), whereby the Underwriter agrees to purchase revolving Drawdown Bonds (as defined in the Bondholder's Agreement), from time to time, in an aggregate principal amount not to exceed \$100,000,000 at any one time outstanding to finance or refinance on either a reimbursement or forward funding basis the acquisition, construction, rehabilitation or equipping of certain capital improvements to the airport system, to finance certain costs of issuance and for any other financing needs of the Authority (including, but not limited to, the refunding and restructuring of existing indebtedness of the Authority); and

WHEREAS, in connection with recent changes to the rate of income taxation imposed on corporations pursuant to Section 11(b) of the Internal Revenue Code of 1986, as amended (the "Code"), RBCMP and the Underwriter has requested and consented to certain amendments and modifications to (i) the Fourth Supplemental Subordinate Indenture by entering into a First Amendment to Fourth Supplemental Subordinate Trust Agreement ("First Amendment to Fourth Supplemental Subordinate Indenture"), by and between the Authority and the Trustee and (ii) the Bondholder's Agreement by entering into a First Amendment to Bondholder's Agreement ("First Amendment to Bondholder's Agreement" and, together with the First Amendment to Fourth Supplemental Subordinate Indenture" the "Amendments"), by and between the Authority and RBCMP; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority to make such amendments and modifications to the Fourth Supplemental Subordinate Indenture by entering into the First Amendment to Fourth Supplemental Subordinate Indenture and Authority staff has negotiated and agreed to such amendments and modifications to the Fourth Supplemental Subordinate Indenture with RBCMP and the Trustee; and

WHEREAS, the Authority has determined that it is in the best interests of the Authority to make such amendments and modifications to the Bondholder's Agreement by entering into the First Amendment to Bondholder's Agreement and Authority staff has negotiated and agreed to such amendments and modifications to the Bondholder's Agreement with RBCMP; and

WHEREAS, there has been presented to the Board a form of a First Amendment to Fourth Supplemental Subordinate Indenture and a First Amendment to Bondholder's Agreement; and

WHEREAS, said documents may be modified and amended to reflect the various details applicable to the changes to be made to the Fourth Supplemental Subordinate Indenture and the Bondholder's Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board of the San Diego County Regional Airport Authority that:

Section 1. Approval of Amendments; Authorization for Execution. The form, terms and provisions of each of the Amendments are in all respects APPROVED and the President/CEO (Executive Director) of the Authority and the Vice President, Finance & Asset Management and Treasurer of the Authority, any one or more thereof (each a "Designated Officer"), are hereby authorized, empowered and directed to execute, acknowledge and deliver each of the Amendments including counterparts thereof, in the name and on behalf of the Authority. Each Amendment, as executed and delivered, shall be in substantially the forms now before this meeting and hereby approved, with such changes therein approved by the Designated Officer executing the same; the execution thereof shall constitute conclusive evidence of the Board's approval of any and all changes or revisions therein from the forms of the document now before this meeting; and from and after the execution and delivery of each of the Amendments, the officers, agents and employees of the Authority are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of each Amendment.

Section 2. Additional Authorization. Each Designated Officer and all officers, agents and employees of the Authority, for and on behalf of the Authority, be and they hereby are authorized and directed to do any and all things necessary to effect the execution and delivery of each of the Amendments and to carry out the terms thereof. Each Designated Officer and all officers, agents and employees of the Authority are further authorized and directed, for and on behalf of the Authority, to execute all papers, documents, certificates and other instruments that may be required in order to carry out the authority conferred by this Resolution and each of the Amendments. The foregoing authorization includes, but is in no way limited to, authorizing Authority staff to pay costs of implementing and obtaining each of the Amendments and any fees and costs of the Trustee, RBCMP and any outside consultant and attorney costs and authorizing the execution by a Designated Officer, or any one of them, of one or more tax compliance certificates for the purpose of complying with the rebate requirements of the Code. [Additionally, (i) on or before the stated expiration date of the Bondholder's Agreement, as amended by the First Amendment to Bondholder's Agreement, the President/CEO (Executive Director) is hereby AUTHORIZED to negotiate and execute an extension to the stated expiration date of the Bondholder's Agreement (provided such extension shall not exceed three (3) years) with RBCMP, if the President/CEO (Executive Director) determines that such extension is pursuant to the same or more

advantageous financial terms as those set forth in the Bondholder's Agreement, as amended by the First Amendment to Bondholder's Agreement, and, provided, further, that the terms and provisions of the Bondholder's Agreement are the same, or more advantageous to the Authority, as the terms and provisions of the Bondholder's Agreement, as amended by the First Amendment to Bondholder's Agreement, such authorization includes, but is not limited to, the authorization to negotiate and execute a consent to a conforming extension of the Commitment End Date (as defined in the Bond Purchase Agreement) under the terms of the related Bond Purchase Agreement]; (ii) the President/CEO (Executive Director) is hereby AUTHORIZED to negotiate and execute any amendment(s) to (a) the Fourth Supplemental Subordinate Indenture, as amended by the First Amendment to Fourth Supplemental Agreement and (b) the Bondholder's Agreement, as amended by the First Amendment to Bondholder's Agreement, in order to update or modify provisions therein in connection with a change in circumstances that arises from a change in legal (including regulatory) requirements or change in law (including rules or regulations) or in interpretations thereof that the President/CEO (Executive Director) deems to be in the best interest of the Authority by providing more advantageous terms and or provisions.

Section 3. Severability. The provisions of this Resolution are hereby declared to be severable and, if any section, phrase or provisions shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions hereof.

Section 4. Governing Law. This resolution shall be construed and governed in accordance with the laws of the State of California.

Section 5. Repeal of Inconsistent Resolutions. All other resolutions of the Board, or parts of resolutions, inconsistent with this Resolution, are hereby repealed to the extent of such inconsistency.

Section 6. Effective Date of Resolution. This Resolution shall take effect from and after its passage and approval.

Section 7. BE IT FURTHER RESOLVED by the Board, that it finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code § 21065); and is not a "development" as defined by the California Coastal Act (California Public Resources Code § 30106).

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of May, 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

San Diego County Regional Airport Authority

Authorization of an Amendment to the Existing RBC \$100,000,000 Revolving Drawdown Bonds



SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Presented by:
John Dillon
Director Financial Management

3 May 2018

Background

- The Board Approved variable debt agreements with RBC Bank and US Bank in March 2017
- A "Margin Rate Factor" (MRF) was included in these agreements that increases the tax exempt pricing in the event of a reduction in federal corporate tax rates
- The maximum federal tax rate was reduced from 35% to 21% effective January 1, 2018 under the Tax Cuts and Jobs Act
- The Board approved a modification to the US Bank Revolver Rates in February to mitigate the impacts of the MRF

RBC Draw Down Bond

- RBC Drawdown Bond's Margin Rate Factor language
 - Non-AMT pricing changed from 100% of SIFMA + 57 BPS to 121% of SIFMA + 69 BPS
 - AMT pricing changed from 100% of SIFMA + 64 BPS to 121% of SIFMA + 78 BPS
- The Authority has negotiated with RBC and agreed to an adjusted non-AMT pricing of 100% of SIFMA + 69 BPS and AMT pricing of 100% of SIFMA + 78 BPS

RBC Bank

- Currently, the SIFMA rate is at 1.60% therefore effective Non-AMT tax exempt rate will now be 2.29% vs. 2.64% before the re-negotiation
- For AMT issuances, the rate will now be 2.38% vs 2.79% before the re-negotiation
- These rates will fluctuate with changes in the SIFMA rate

Fiscal Impact

The Authority has an available \$100 million variable debt rate as part of its drawdown bond program with RBC and currently has no debt outstanding.

When the Authority draws down on the Bonds, the Authority would recognize significant savings with the re-negotiation rates.

Recommendation and Requested Actions

Staff recommends the Board approve the first amendment to the revolving credit agreement to reflect the change in the pricing:

- Adopt Resolution No. 2018-XXXX:

Amendment to the Fourth Supplemental Indenture

Authorization for the President/CEO to execute an Amendment to the existing Fourth Supplemental Indenture to reflect the agreed terms.

Amendment to the RBC Bondholders Agreement

Re-authorization is granted for the President/CEO to negotiate and execute an extension to the Bondholders Agreement for up to three years with the same or advantageous financial terms and provisions.

Questions



STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Award a Contract to S&L Specialty Construction, Inc. for Quieter Home Program Phase 9, Group 5, Project No. 380905 Sixteen (16) Historic Multi-Family and Single-Family Units on Seven (7) Residential Properties Located East and West of the Airport.

Recommendation:

Adopt Resolution No. 2018-0041, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$925,000 for Phase 9, Group 5, Project No. 380905, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.

Background/Justification:

The Authority's Quieter Home Program ("Program") provides sound attenuation treatment to residences within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("SDIA"). This contract for Phase 9, Group 5, Project number 380905 includes installation of new acoustical windows, doors, and ventilation improvements to reduce aircraft-related noise levels and provide sound attenuation to sixteen (16) Historic Multi-Family and Single-Family Units on seven (7) Residential Properties Located East and West of the airport (refer to Attachment A).

To date, the Program has completed 3,537 residences, of which 832 are historic and 2,705 are non-historic. 2,208 residences are located west of SDIA and 1,329 are located east of SDIA.

Project No. 380905 was advertised on March 6, 2018, and bids were opened on April 5, 2018. The following bids were received (refer to Attachment B):

Company	Total Bid
G&G Specialty Contractors, Inc.	\$1,198,610.00
S&L Specialty Construction, Inc.	\$925,000.00

The Engineer's estimate is \$807,788.

Although the low bid amount is more than 10% over the Engineer's estimate, it is considered responsive given the complexity of this particular project. The scope of work includes historic homes that often present unforeseen challenges and intricate installations.

The low bid of \$925,000 is considered responsive and S&L Specialty Construction, Inc. is considered responsible. Award to S&L Specialty Construction, Inc. is, therefore, recommended in the amount of \$925,000.

Fiscal Impact:

Adequate funds for the contract with S&L Specialty Construction, Inc. are included in the adopted FY 2017 and FY 2018 Operating Expense Budgets within the Quieter Home Program budget line item. Sources of funding include federal Airport Improvement Program grants and Passenger Facility Charges.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

- A. CEQA. This Board action is a “project” subject to the California Environmental Quality Act (“CEQA”), Pub. Res. Code §21065. The individual projects under the Quieter Home Program are part of a class of projects that are categorically exempt from CEQA: 14 Cal. Code Regs. §15301 – “Existing Facilities: Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency’s determination.”
- B. California Coastal Act. This Board action is a “development” as defined by the California Coastal Act, Cal. Pub. Res. Code §30106. The individual projects under the Quieter Home Program will consist of treatments to single-family and multi-family dwellings. Improvements to single-family homes are exempt from coastal permit requirements under Cal. Pub. Res. Code §30610(a) and 14 Cal. Code Regs. §13250 – “Improvements to Single-Family Residences.” The proposed improvements to multi-family residences are exempt from coastal permit requirements under Cal. Pub. Res. Code §30610(b) and 14 Cal. Code Regs. §13253 – “Improvements to Structures Other than Single-Family Residences and Public Works Facilities that Require Permits.”

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts. Only one of the programs/policies named above can be used in any single contracting opportunity.

The Authority’s DBE Program, as required by the U.S. Department of Transportation 49 Code of Federal Regulations (CFR) Part 26, calls for the Authority to submit a triennial overall goal for DBE participation on all federally-funded projects. When federal funds are utilized, the Authority is prohibited from using a program that provides a preference such as those used in Policies 5.12 and 5.14. Therefore, the Authority must utilize other means as provided in the DBE Plan to achieve participation.

This project utilizes federal funds; therefore, it will be applied toward the Authority's overall DBE goal. S&L Specialty Construction, Inc. proposed 2.5% DBE participation on QHP Phase 9, Group 5.

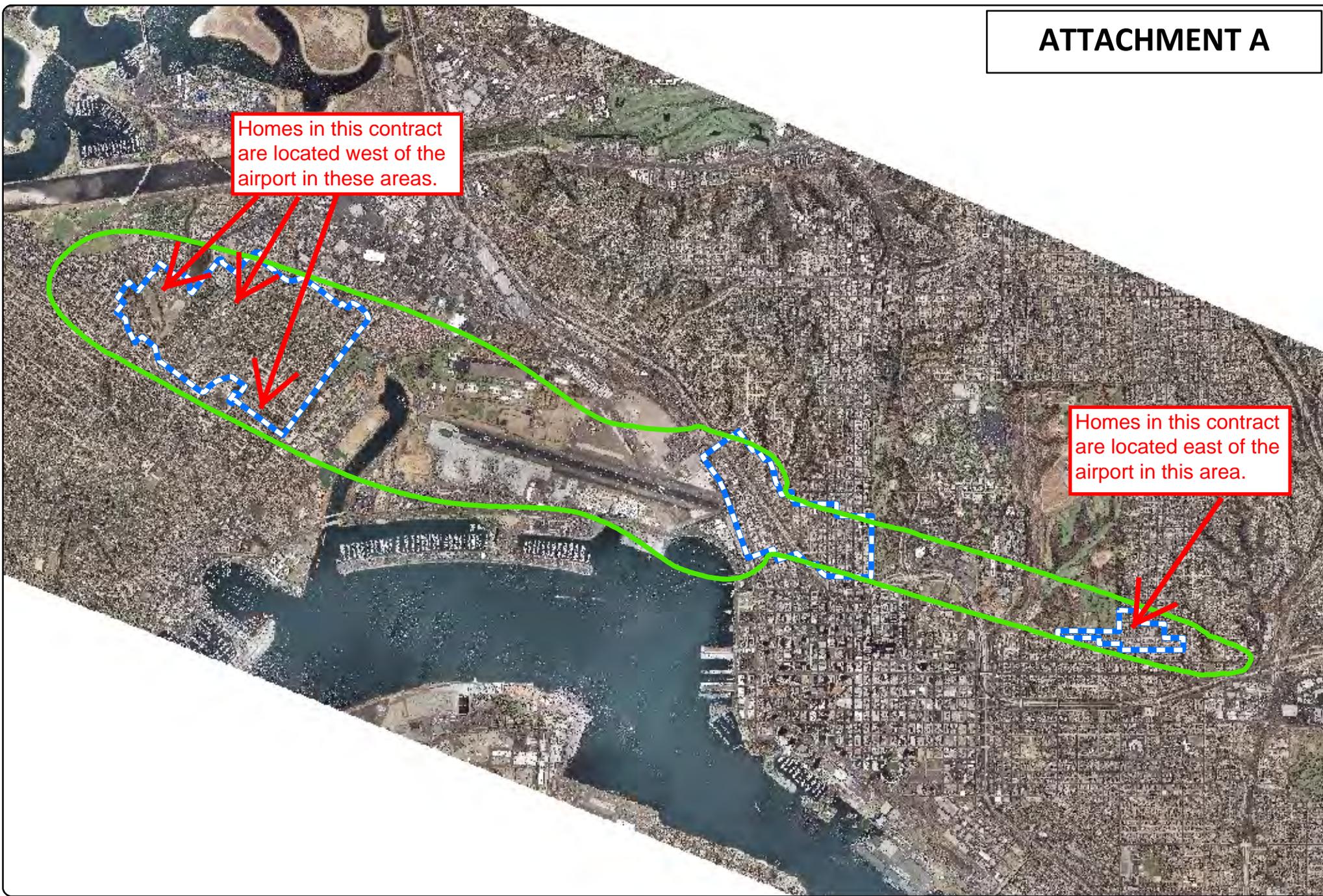
Prepared by:

BRENDAN REED
DIRECTOR, PLANNING & ENVIRONMENTAL AFFAIRS

ATTACHMENT A

Homes in this contract are located west of the airport in these areas.

Homes in this contract are located east of the airport in this area.



Map Notes:
Staff Report Attachment A

1 inch = 3,898 feet

- | | | |
|-------------------------------|----------------|--------------------|
| Land Use - SanGIS 2/07 | QHP Completed | 67 dB Boundary |
| Single-Family Residential | QHP Ineligible | 65 dB CNEL Contour |
| Multi-Family Residential | County Parcel | Address Point |
| Condominiums | | |

San Diego County Regional Airport Authority
Quieter Home Program
Project 380905

TABULATION OF BIDS

ATTACHMENT B

TITLE: QUIETER HOME PROGRAM PROJECT NO. 380905
 BIDS OPENED: April 5, 2018 at 2:00 p.m.
 ENGINEER'S ESTIMATE: \$807,788.00

CONTRACTOR:				S&L Specialty Construction, Inc.				G&G Specialty Contractors, Inc.					
ADDRESS:				315 S. Franklin Street, Syracuse, NY 13202				1221 N. Mondel Drive, Gilbert, AZ 85233					
GUARANTEE OF GOOD FAITH:				Liberty Mutual Insurance Company				Hartford Casualty Insurance Company					
Res No.	Bid Item Number - Name/Address		Dwelling Units	Unit of Measure	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)	
380905.01	BROWN	3657 ALCOTT STREET	1	Lump Sum	62,000.00	8,000.00	2,000.00	72,000.00	74,157.00	8,200.00	1,500.00	83,857.00	
380905.02	DAVIS & FIELDER-DAVIS	3624 AMARYLLIS DRIVE	1	Lump Sum	169,000.00	28,000.00	6,000.00	203,000.00	173,415.00	29,520.00	4,600.00	207,535.00	
380905.03	BROWN	3311 ZOLA STREET	1	Lump Sum	99,000.00	13,000.00	6,000.00	118,000.00	115,640.00	15,300.00	4,600.00	135,540.00	
380905.06	SPERLING	3103 IBSEN STREET	1	Lump Sum	64,000.00	8,000.00	5,000.00	77,000.00	95,564.00	8,400.00	3,000.00	106,964.00	
380905.07	BARRIOS E.	2059 2ND AVENUE	1	Lump Sum	20,000.00	5,000.00	1,000.00	26,000.00	38,563.00	3,800.00	600.00	42,963.00	
380905.07	BARRIOS E.	2061 2ND AVENUE	1	Lump Sum	18,000.00	5,000.00	1,000.00	24,000.00	40,665.00	3,800.00	600.00	45,065.00	
380905.07	BARRIOS E.	2063 2ND AVENUE	1	Lump Sum	18,000.00	5,000.00	1,000.00	24,000.00	42,995.00	3,800.00	600.00	47,395.00	
380905.07	BARRIOS E.	2065 2ND AVENUE	1	Lump Sum	18,000.00	5,000.00	1,000.00	24,000.00	42,995.00	3,800.00	600.00	47,395.00	
380905.08	BILINSKI	2070 3RD AVENUE	1	Lump Sum	37,000.00	5,000.00	1,000.00	43,000.00	52,138.00	3,600.00	600.00	56,338.00	
380905.08	BILINSKI	2072 3RD AVENUE	1	Lump Sum	41,000.00	5,000.00	1,000.00	47,000.00	57,273.00	3,600.00	600.00	61,473.00	
380905.08	BILINSKI	2074 3RD AVENUE	1	Lump Sum	43,000.00	5,000.00	1,000.00	49,000.00	58,797.00	3,600.00	600.00	62,997.00	
380905.08	BILINSKI	2076 3RD AVENUE	1	Lump Sum	38,000.00	5,000.00	1,000.00	44,000.00	54,174.00	3,600.00	600.00	58,374.00	
380905.09	BILINSKI	233 HAWTHORN STREET	1	Lump Sum	35,000.00	5,000.00	1,000.00	41,000.00	51,736.00	4,600.00	600.00	56,936.00	
380905.09	BILINSKI	235 HAWTHORN STREET	1	Lump Sum	39,000.00	5,000.00	1,000.00	45,000.00	56,321.00	4,600.00	600.00	61,521.00	
380905.09	BILINSKI	237 HAWTHORN STREET	1	Lump Sum	39,000.00	5,000.00	1,000.00	45,000.00	56,777.00	4,600.00	600.00	61,977.00	
380905.09	BILINSKI	239 HAWTHORN STREET	1	Lump Sum	37,000.00	5,000.00	1,000.00	43,000.00	57,080.00	4,600.00	600.00	62,280.00	
								Subtotal	\$925,000.00			Subtotal	\$1,198,610.00
								TOTAL BID	\$925,000.00			TOTAL BID	\$1,198,610.00

RESOLUTION NO. 2018-0041

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AWARING A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. IN THE AMOUNT OF \$925,000.00 FOR PHASE 9, GROUP 5, PROJECT NO. 380905, OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S QUIETER HOME PROGRAM

WHEREAS, the San Diego County Regional Airport Authority ("Authority") has established a residential sound insulation program, known as the Quieter Home Program ("Program"), to reduce aircraft noise levels in the homes of residents living within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("Airport"); and

WHEREAS, Phase 9, Group 5, of the Program will include installation of new acoustical windows, doors, and ventilation improvements to reduce aircraft-related noise levels inside the homes; and

WHEREAS, Phase 9, Group 5, of the Program provides sound attenuation to sixteen (16) historic multi-family and single-family units on seven (7) residential properties located east and west of the Airport; and

WHEREAS, the Authority issued a Bid Solicitation Package for Phase 9, Group 5, on March 6, 2018; and

WHEREAS, on April 5, 2018, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

WHEREAS, the apparent low bidder S&L Specialty Construction, Inc. submitted a bid of \$925,000.00 and the Authority's staff has duly considered the bid and has determined S&L Specialty Construction, Inc. is responsible and that its bid is responsive in all material respects; and

WHEREAS, the San Diego County Regional Airport Authority Board ("Board") believes that it is in the best interest of the Authority and the public that it serves to award S&L Specialty Construction, Inc., the lowest bidder, the contract for Phase 9, Group 5, upon the terms and conditions set forth in the Bid Solicitation Package.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby awards a contract to S&L Specialty Construction, Inc. in the amount of \$925,000.00 for Phase 9, Group 5, Project No. 380905, of the San Diego County Regional Airport Authority's Quieter Home Program; and

BE IT FURTHER RESOLVED that the Authority's President/CEO or designee is hereby authorized to execute and deliver such contract to S&L Specialty Construction, Inc.; and

BE IT FURTHER RESOLVED that the Authority and its officers, employees, and agents are hereby authorized, empowered, and directed to do and perform all such acts as may be necessary or appropriate in order to effectuate fully the foregoing; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this is a "project" as defined by the California Environmental Quality Act ("CEQA"), Cal. Pub. Res. Code §21065; and is a "development," as defined by the California Coastal Act, Cal. Pub. Res. Code §30106 and that the individual Quieter Home Program projects are categorically exempt from the CEQA under Cal. Code Regs. §15301(f), "Existing Facilities," and are exempt from coastal permit requirements under Cal. Pub. Res. Code §§30610(a) and 30610(b) and 14 Cal. Code Regs. §§13250 and 13253.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of May, 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Approve and Authorize the President/CEO to Execute a Second Amendment to the Agreement with Anderson & Kreiger LLP

Recommendation:

Adopt Resolution No. 2018-0044, approving and authorizing the President/CEO to execute a Second Amendment to the Agreement with Anderson & Kreiger LLP for Professional Legal Services increasing the term by one year and the compensation amount by \$200,000 for a total not-to-exceed amount of \$400,000.

Background/Justification:

On October 3, 2013, the Board awarded a professional legal services agreement to Anderson & Kreiger (“Law Firm”) for a term of 3 years with 2 one-year options to renew and a not-to-exceed amount of \$100,000. [Resolution No. 2013-0119]. On July 25, 2016, the Authority exercised the first of its one-year options to extend the Agreement term. On July 6, 2017, the Board approved the First Amendment increasing the compensation amount by \$100,000 [Resolution No. 2017-0059]. The Authority will exercise the second one year option to extend the term.

The Law Firm has assisted the General Counsel in federal regulatory matters as well as ongoing issues related to the Authority’s fuel lease with the airline consortium and the airline operating and lease agreement. The negotiations regarding the fuel lease and the airline operating and lease agreement are ongoing. The General Counsel believes it is in the best interest of the Authority to continue to retain Law Firm to represent the Authority in these matters. This Second Amendment would increase the term by one year resulting in a termination date no later than October 2, 2019 and the compensation by \$200,000 for a total not-to-exceed amount of \$400,000.

Fiscal Impact:

Adequate funding for this agreement is included in the adopted FY 2018 and conceptually approved FY 2019 Operating Expense Budgets within the Contractual Services line item.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts. Only one of the programs/policies named above can be used in any single contracting opportunity.

Due to the specialized nature of the above-described legal services, no preference was applied.

Prepared by:

AMY GONZALEZ
GENERAL COUNSEL

RESOLUTION NO. 2018-0044

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE AGREEMENT WITH ANDERSON & KREIGER LLP FOR PROFESSIONAL LEGAL SERVICES INCREASING THE TERM BY ONE YEAR AND THE COMPENSATION BY \$200,000 FOR A NOT-TO-EXCEED COMPENSATION AMOUNT OF \$400,000

WHEREAS, on October 3, 2013, the Board awarded a legal services agreement to Anderson & Kreiger LLP ("Law Firm") for a term of 3 years with 2 one-year options to renew and a not-to-exceed amount of \$100,000. [Resolution No. 2013-0119]; and

WHEREAS, on July 25, 2016, the Authority exercised the first of two one-year options to extend the term of the Agreement to expire no later than October 2, 2017; and

WHEREAS, on July 6, 2017, the Board approved the First Amendment increasing the compensation amount by \$100,000 [Resolution No. 2017-0059]; and

WHEREAS, the Authority will exercise the second one-year option to extend the term to expire no later than October 2, 2018; and

WHEREAS, Law Firm has assisted the General Counsel in federal regulatory matters as well as ongoing issues related to the Authority's fuel lease with the airline consortium and the airline operating and lease agreement; and

WHEREAS, negotiations regarding the fuel lease and airline operating and lease agreement are ongoing; and

WHEREAS, the General Counsel believes it is in the best interest of the Authority to continue to retain Law Firm to represent the Authority in these ongoing matters.

NOW THEREFORE BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute a Second Amendment to the Agreement increasing the compensation by \$200,000 for a not-to-exceed compensation amount of \$400,000 and extending the term by one year resulting in a termination date no later than October 2, 2019; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a “project” as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a “development” as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 3rd day of May 2018 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

TONY R. RUSSELL
DIRECTOR, CORPORATE
SERVICES/ AUTHORITY
CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **MAY 3, 2017**

Subject:

Approve and Authorize the President/CEO to Execute a First Amendment to the Agreement with Devaney Pate Morris & Cameron LLP

Recommendation:

Adopt Resolution No. 2018-0045, approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Devaney Pate Morris & Cameron LLP for Professional Legal Services extending the term for one year and increasing the not-to-exceed compensation amount by \$200,000 for a total not-to-exceed amount of \$500,000.

Background/Justification:

On September 6, 2013, the Authority released a Request for Proposals (“RFP”) to obtain the legal services of one or more qualified firms to assist the General Counsel with general legal issues. Seven law firms submitted timely proposals in response to the RFP. An evaluation panel, comprised of four attorneys from the Office of the General Counsel, reviewed the proposals submitted and selected a short list of six firms for interviews. On February 4 and 5, 2014, the evaluation panel, with a representative from the Procurement Department in attendance to facilitate the interviews, reviewed the written proposals and documents submitted and interviewed representatives from the six firms. The lawyers from the law firm of Stutz Artiano Shinoff & Holtz APC (“Stutz”) that participated in the interview included Leslie Devaney, William Pate, Jeffrey Morris and Christina Cameron. The decision of the evaluation panel to recommend award to the Stutz firm was based upon the resumes and response to interview questions provided by these attorneys. At the conclusion of the interviews, the evaluation panel ranked the firms and concluded that the best and most responsive proposer was the Stutz firm and recommended an award for general legal services to Stutz Artiano Shinoff & Holtz APC.

On April 3, 2014, the Board awarded an Agreement for Legal Services to Stutz Artiano Shinoff & Holtz APC for a term of three years with two one-year options to renew at the discretion of the General Counsel and the President/CEO with a maximum compensation amount of \$300,000.

On May 1, 2014, the Authority entered into a Legal Services Agreement with the Stutz Firm which lists attorneys Devaney, Pate, Morris and Cameron as individuals approved to provide legal services. On April 1, 2016, Devaney, Pate, Morris and Cameron formed a new law firm. On April 21, 2016, the Board authorized the assignment of the Legal Services Agreement to Devaney Pate Morris & Cameron LLP (“Devaney Pate”) [Resolution No. 2016-0031]. Devaney Pate is handling the pending litigation entitled *Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.*

[San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL]. The General Counsel recommends that the legal services contract be amended increase the term by one year and the compensation amount by \$200,000 to allow Devaney Pate to continue representing the Authority in this ongoing litigation.

Fiscal Impact:

Adequate funding for this agreement is included in the adopted FY 2018 and conceptually approved FY 2019 Operating Expense Budgets within the Contractual Services line item.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.

B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts. Only one of the programs/policies named above can be used in any single contracting opportunity.

Due to the specialized nature of the above-described legal services, no preference was applied.

Prepared by:

AMY GONZALEZ
GENERAL COUNSEL

RESOLUTION NO 2018-0045

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH DEVANEY PATE MORRIS & CAMERON LLP FOR PROFESSIONAL LEGAL SERVICES EXTENDING THE TERM FOR ONE YEAR AND INCREASING THE NOT TO EXCEED COMPENSATION AMOUNT BY \$200,000 FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$500,000

WHEREAS, on May 1, 2014, the Authority entered into a Legal Services Agreement with the Stutz Artiano Shinoff & Holtz APC (“Stutz”) for a term of three years with two one-year options to renew and a not-to-exceed compensation amount of \$300,000; and

WHEREAS, the attorneys approved to provide legal services under the Legal Services Agreement with the Stutz firm included Leslie Devaney, William Pate, Jeffrey Morris and Christina Cameron; and

WHEREAS, on April 1, 2016, Devaney, Pate, Morris and Cameron formed a new law firm; and

WHEREAS, on April 21, 2016, the Board authorized the assignment of the Legal Services Agreement to Devaney Pate Morris & Cameron LLP (“Law Firm”) [Resolution No. 2016-0031]; and

WHEREAS, Law Firm is representing the Authority in the litigation entitled *Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.* [San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL]; and

WHEREAS, the General Counsel recommends that the Legal Services Agreement be amended to increase the term by one year and the compensation amount by \$200,000 to allow Law Firm to continue representing the Authority in this ongoing litigation; and

WHEREAS, due to the Law Firm’s knowledge of and involvement in the litigation, the General Counsel believes it is in the best interest of the Authority to continue to retain Law Firm to handle this matter.

NOW, THEREFORE, BE IT RESOLVED that the Board approves and authorizes the President/CEO to execute an amendment to the Legal Services Agreement extending the term by one year and increasing the not-to-exceed compensation amount by \$200,000 resulting in a not-to-exceed amount of \$500,000; and

BE IT FURTHER RESOLVED that this Board finds this action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), nor is it a "project" as defined by the California Coastal Act.

PASSED, ADOPTED, AND APPROVED by the Board at the San Diego County Regional Airport Authority at a closed session meeting this 3rd day of May 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Award a Contract to SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, for Airline Relocations at Terminal 1 West (T1W) and Terminal 2 East (T2E), and T1W Common Use Passenger Processing System (CUPPS) at San Diego International Airport

Recommendation:

Adopt Resolution No. 2018-0042, awarding a contract to SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, in the amount of \$12,601,000.58 for Project No. 104237, Airline Relocations at Terminal 1 West (T1W) and Terminal 2 East (T2E), and Project No. 104241, T1W Common Use Passenger Processing System (CUPPS) at San Diego International Airport.

Background/Justification:

Projects No. 104237, Airline Relocations at Terminal 1 West (T1W) and Terminal 2 East (T2E) and No. 104241, T1W Common Use Passenger Processing System (CUPPS) are San Diego County Regional Airport Authority ("Authority") Board ("Board") approved projects in the FY2018 Capital Improvement Program ("CIP").

The relocation of Federal Inspections Services (FIS) facilities to Terminal 2 West (T2W) will necessitate a rearrangement in the current airlines' gate assignments at T2W, T2E and T1W. This relocation will require new gate assignments for international flights in the vicinity of the new FIS located in T2W. The vacated spaces at T2E will then accommodate the Alaska Airlines (AS) facilities to be relocated from the current location in T1W to T2E. The vacated spaces at T1W will allow for the relocation of JetBlue, Spirit, Sun Country and Allegiant Airlines to T1W. In addition, this project will expand T2E Security Checkpoint No. 5 to meet the new demand of processing increased passenger throughput. (Attachment A)

Project No. 104241, Common Use Passenger Processing System (CUPPS) will provide flexibility of use at T1W ticket counters and gates by converting the current airline proprietary systems to CUPPS. (Attachment A)

This opportunity was advertised on March 9, 2018, and sealed bids were opened on April 12, 2018. The following bids were received: (Attachment B)

Company	Total Bid
SOLPAC Construction, Inc., dba Soltek Pacific Construction Company	\$12,592,000*
PCL Construction Services, Inc.	\$14,915,000

*The corrected amount shall be \$12,601,000.58

The Engineer's estimate is \$17,600,000.

The low bid of \$12,601,000.58, is responsive, and SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, is considered responsible. Staff, therefore, recommends award to SOLPAC Construction Inc. dba Soltek Pacific Construction Company, in the amount of \$12,601,000.58.

Fiscal Impact:

Adequate funds for Airline Relocations at T1W & T2E is included within the Board approved FY2018-FY2022 Capital Program Budget in Project No. 104237. Source of funding for this project is Airport Cash.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.

B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts. Only one of the programs/policies named above can be used in any single contracting opportunity.

This contract does not utilize federal funds and provides opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.14 was applied. Policy 5.14 establishes separate goals for the participation of: (1) small businesses; (2) local businesses; and, (3) service disabled veteran owned small businesses (SDVOSB). The local business participation goal can only be applied when the overall local business participation of all Authority contracts at the time of solicitation is less than 60%. The maximum preference applied under Policy 5.14 is seven percent (7%): three percent (3%) for small business participation; two percent (2%) for local business participation; and, two percent (2%) for SDVOSB participation. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000.

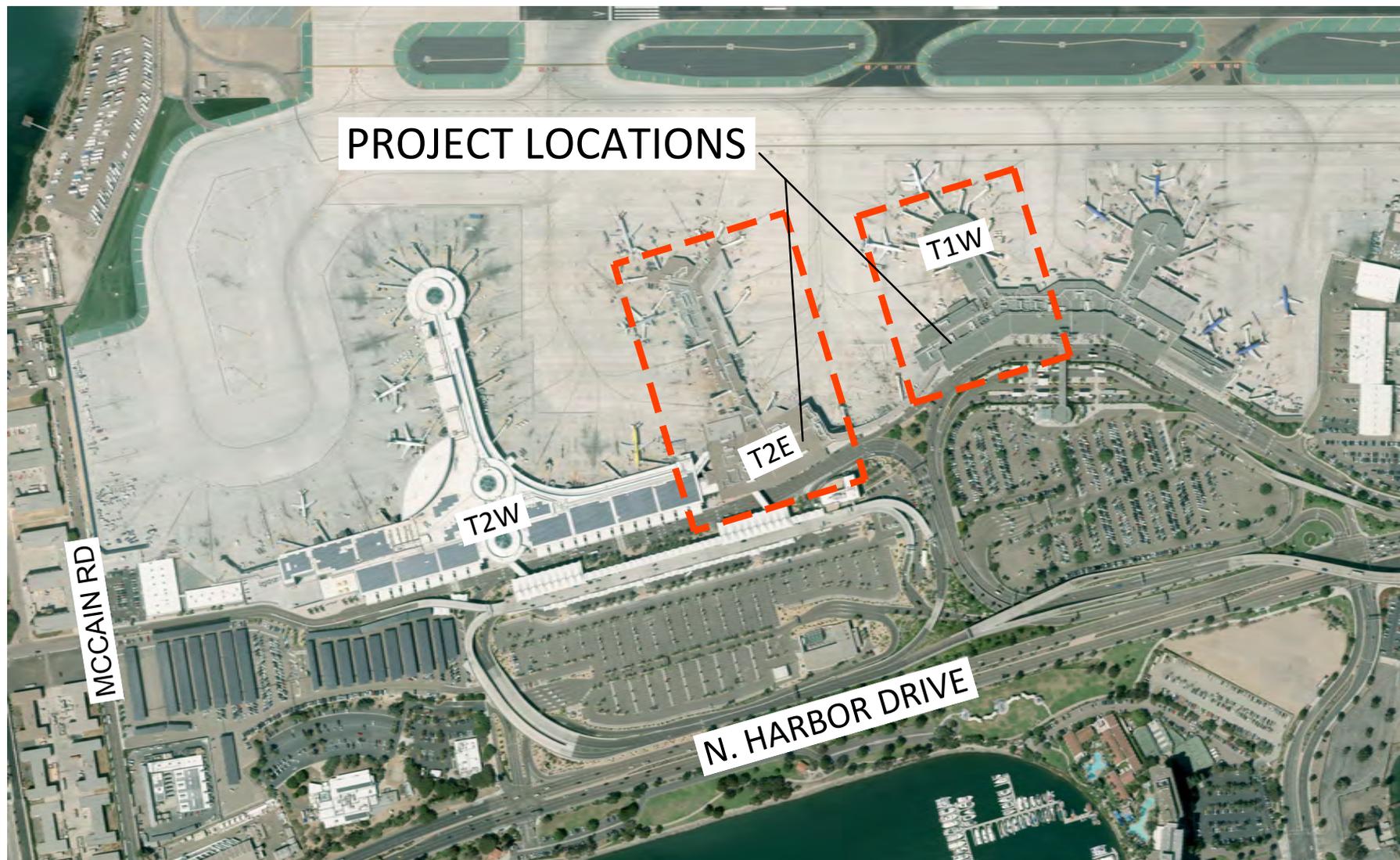
The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid. When bid price is not the primary selection criteria, the preference is only applied to determine which proposers are interviewed for final consideration. Per Policy 5.14, the preference is not applied in the final selection.

In accordance with Policy 5.14, So SOLPAC Construction, Inc., dba Soltek Pacific Construction Company partially met the SBE goal of 39% with 21% small business participation for a 1% small business preference and did not meet the SDVOSB goal of 3% for 0% SDVSOB participation preference. At the time of the solicitation it was determined that the Authority's overall local business participation exceeded 60%, therefore no preference was applied for local business participation.

Prepared by:

IRAJ GHAEMI
DIRECTOR, FACILITIES DEVELOPMENT

ATTACHMENT A



CIP 104237 AIRLINE RELOCATIONS AT T1W AND T2E, AND
CIP 104241 TERMINAL 1 WEST (T1W) CUPPS



Project Title:

Airline Relocations at T1W and T2E, and Terminal 1 West (T1W) CUPPS

104237 &

CIP Number: **104241**

DATE/TIME BIDS OPENED: **April 12, 2018 @ 2:00 PM**

ENGINEER'S ESTIMATE: \$ 17,537,162.00				ENGINEER'S ESTIMATE		1		2	
						SOLPAC Construction Inc		PCL Construction Services, Inc.	
						dba Soltek Pacific Construction Company		4350 Executive Dr. Ste. 270	
						San Diego, CA 92110		San Diego, CA 92121	
GUARANTEE OF GOOD FAITH:						Liberty Mutual Insurance Company		Fidelity and Deposit Company of Maryland	
BID ITEM NO.	TITLE	QUANTITY	UNIT ITEM	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)
Bid Schedule A									
1	Mobilization and Demobilization	1	LS	\$ 50,000.00	\$ 50,000.00	\$ 158,000.00	\$ 158,000.00	\$ 55,000.00	\$ 55,000.00
2	Daily Overhead	294	DAY	\$ 2,000.00	\$ 588,000.00	\$ 5,170.07	\$ 1,520,000.58	\$ 10,000.00	\$ 2,940,000.00
3	Airline Relocations at Terminal 1 West and Terminal 2 East (CIP#104237)	1	LS	\$ 7,653,986.00	\$ 7,653,986.00	\$ 4,929,000.00	\$ 4,929,000.00	\$ 7,811,000.00	\$ 7,811,000.00
4	Main CPM Schedule Development (CIP#104237 & 104241)	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 35,000.00	\$ 35,000.00	\$ 20,000.00	\$ 20,000.00
5	Monthly Schedule Update	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 35,000.00	\$ 35,000.00	\$ 25,000.00	\$ 25,000.00
Total for Bid Schedule A				\$ 8,341,986.00		\$ 6,677,000.58		\$ 10,851,000.00	

Submitted Total \$ 6,668,000.00

Bid Schedule B									
1	Terminal 1 West (T1W) CUPPS under CIP#104241	1	LS	\$ 6,551,176.00	\$ 6,551,176.00	\$ 3,280,000.00	\$ 3,280,000.00	\$ 1,420,000.00	\$ 1,420,000.00
Total for Bid Schedule B				\$ 6,551,176.00		\$ 3,280,000.00		\$ 1,420,000.00	

Bid Schedule C - Allowances									
1	Allowance for Reimbursement of Work Performed on Airport Access Control System (ACS) and CCTV under CIP#104237	1	Allowance	\$110,000.00	\$ 110,000.00	\$110,000.00	\$ 110,000.00	\$110,000.00	\$ 110,000.00
2	Allowance for Reimbursement of Work Performed on Airport Access Control System (ACS) and CCTV under CIP#104241	1	Allowance	\$132,000.00	\$ 132,000.00	\$132,000.00	\$ 132,000.00	\$132,000.00	\$ 132,000.00
3	Allowance for Reimbursement of Work Performed on Fire Alarm System under CIP #104237	1	Allowance	\$326,000.00	\$ 326,000.00	\$326,000.00	\$ 326,000.00	\$326,000.00	\$ 326,000.00
4	Allowance for Reimbursement of Work Performed on HVAC Controls under CIP #104237	1	Allowance	\$94,000.00	\$ 94,000.00	\$94,000.00	\$ 94,000.00	\$94,000.00	\$ 94,000.00
5	Allowance for Reimbursement of Work Performed on Fire Alarm System under CIP #104241	1	Allowance	\$108,000.00	\$ 108,000.00	\$108,000.00	\$ 108,000.00	\$108,000.00	\$ 108,000.00
6	Allowance for Reimbursement of Work Performed on HVAC Controls under CIP #104241	1	Allowance	\$12,000.00	\$ 12,000.00	\$12,000.00	\$ 12,000.00	\$12,000.00	\$ 12,000.00
7	Allowance for Reimbursement of Work Performed on Installation of 40 Touch Screen Monitors and Integration and Programming Performed on Alaska's Curb Side Check-In Counters, Ticket Counters, and Gates Podiums IT Equipment at T2E-under CIP#104237	1	Allowance	\$11,000.00	\$ 11,000.00	\$11,000.00	\$ 11,000.00	\$11,000.00	\$ 11,000.00
8	Allowance for Reimbursement of Procurement of IT Equipment in Addition to Installation, Integration, Programming, Testing and Commissioning and Monthly Software Maintenance for 1 year-under CIP#104241	1	Allowance	\$1,670,000.00	\$ 1,670,000.00	\$1,670,000.00	\$ 1,670,000.00	\$1,670,000.00	\$ 1,670,000.00
9	Allowance for Mitigation of Unforeseen Conditions	1	Allowance	\$100,000.00	\$ 100,000.00	\$100,000.00	\$ 100,000.00	\$100,000.00	\$ 100,000.00
10	Allowance for Reimbursement of Work Performed on Cellular Distributed Antenna System	1	Allowance	\$20,000.00	\$ 20,000.00	\$20,000.00	\$ 20,000.00	\$20,000.00	\$ 20,000.00
11	Allowance for Reimbursement of Work Performed on Public Address System under CIP#104237	1	Allowance	\$11,000.00	\$ 11,000.00	\$11,000.00	\$ 11,000.00	\$11,000.00	\$ 11,000.00
12	Allowance for Mitigation of Unforeseen Conditions	1	Allowance	\$50,000.00	\$ 50,000.00	\$50,000.00	\$ 50,000.00	\$50,000.00	\$ 50,000.00
Total for Bid Schedule C				\$ 2,644,000.00		\$ 2,644,000.00		\$ 2,644,000.00	

Total for (Bid Schedule A+B+C)				\$ 17,537,162.00		\$ 12,601,000.58		\$ 14,915,000.00	
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Submitted Total \$ 12,592,000.00

ADDENDUM NO. NOTED BY BIDDERS ON THEIR SUBMITTED BID SCHEDULE:									
1						Yes		No	
2						Yes		No	
3						Yes		No	

CONTRACTOR'S Submitted Bid Schedule Amount \$ 12,601,000.58 \$ 14,915,000.00

Policy 5.14 Points and Bid Adjustment Amount Table					5%
Low Bid Amt	\$	12,601,000.58			
Points	Bid Adjustment Amount Based on Low Bid or Max. \$200,000				
5 or 5%	\$630,050.03	5%	5		
4 or 4%	\$504,040.02	4%	4		
3 or 3%	\$378,030.02	3%	3		

Policy 5.14 Bid Adjustment Amount		Policy 5.14 Bid Adjustment Amount	
Points	1	Points	2
Adjustment Amount	\$126,010.01	Adjustment Amount	\$200,000.00
(Enter Amount from Table Based on		(Enter Amount from Table Based on	
	\$12,474,990.57		\$14,715,000.00

DATE/TIME BIDS OPENED: **April 12, 2018 @ 2:00 PM**

ENGINEER'S ESTIMATE: \$ 17,537,162.00			
GUARANTEE OF GOOD FAITH:			
BID ITEM NO.	TITLE	QUANTITY	UNIT ITEM
2 or 2%	\$252,020.01	2%	2
1 or 1%	\$126,010.01	1%	1

ENGINEER'S ESTIMATE	
UNIT PRICE (In Figures)	TOTAL (In Figures)

1	
SOLPAC Construction Inc	
dba Soltek Pacific Construction Company	
San Diego, CA 92110	
Liberty Mutual Insurance Company	
UNIT PRICE (In Figures)	TOTAL (In Figures)

2	
PCL Construction Services, Inc.	
4350 Executive Dr. Ste. 270	
San Diego, CA 92121	
Fidelity and Deposit Company of Maryland	
UNIT PRICE (In Figures)	TOTAL (In Figures)

Project Title: **Airline Relocations at T1W and T2E, and Terminal 1 West (T1W) CUPPS**

104237 &
CIP Number: 104241

DATE/TIME BIDS OPENED: **April 12, 2018 @ 2:00 PM**

ENGINEER'S ESTIMATE: \$ 17,537,162.00				ENGINEER'S ESTIMATE		1		2	
						SOLPAC Construction Inc		PCL Construction Services, Inc.	
						dba Soltek Pacific Construction Company San Diego, CA 92110		4350 Executive Dr. Ste. 270 San Diego, CA 92121	
GUARANTEE OF GOOD FAITH:						Liberty Mutual Insurance Company		Fidelity and Deposit Company of Maryland	
BID ITEM NO.	TITLE	QUANTITY	UNIT ITEM	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)
Bid Schedule A									
1	Mobilization and Demobilization	1	LS	\$ 50,000.00	\$ 50,000.00	\$ 158,000.00	\$ 158,000.00	\$ 55,000.00	\$ 55,000.00
2	Daily Overhead	294	DAY	\$ 2,000.00	\$ 588,000.00	\$ 5,170.07	\$ 1,520,000.58	\$ 10,000.00	\$ 2,940,000.00
3	Airline Relocations at Terminal 1 West and Terminal 2 East (CIP#104237)	1	LS	\$ 7,653,986.00	\$ 7,653,986.00	\$ 4,929,000.00	\$ 4,929,000.00	\$ 7,811,000.00	\$ 7,811,000.00
4	Main CPM Schedule Development (CIP#104237 & 104241)	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 35,000.00	\$ 35,000.00	\$ 20,000.00	\$ 20,000.00
5	Monthly Schedule Update	1	LS	\$ 25,000.00	\$ 25,000.00	\$ 35,000.00	\$ 35,000.00	\$ 25,000.00	\$ 25,000.00
Total for Bid Schedule A				\$ 8,341,986.00		\$ 6,677,000.58		\$ 10,851,000.00	
Submitted Total \$ 6,668,000.00									
Bid Schedule B									
1	Terminal 1 West (T1W) CUPPS under CIP#104241	1	LS	\$ 6,551,176.00	\$ 6,551,176.00	\$ 3,280,000.00	\$ 3,280,000.00	\$ 1,420,000.00	\$ 1,420,000.00
Total for Bid Schedule B				\$ 6,551,176.00		\$ 3,280,000.00		\$ 1,420,000.00	
Bid Schedule C - Allowances									
1	Allowance for Reimbursement of Work Performed on Airport Access Control System (ACS) and CCTV under CIP#104237	1	Allowance	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00	\$ 110,000.00
2	Allowance for Reimbursement of Work Performed on Airport Access Control System (ACS) and CCTV under CIP#104241	1	Allowance	\$ 132,000.00	\$ 132,000.00	\$ 132,000.00	\$ 132,000.00	\$ 132,000.00	\$ 132,000.00
3	Allowance for Reimbursement of Work Performed on Fire Alarm System under CIP #104237	1	Allowance	\$ 326,000.00	\$ 326,000.00	\$ 326,000.00	\$ 326,000.00	\$ 326,000.00	\$ 326,000.00
4	Allowance for Reimbursement of Work Performed on HVAC Controls under CIP #104237	1	Allowance	\$ 94,000.00	\$ 94,000.00	\$ 94,000.00	\$ 94,000.00	\$ 94,000.00	\$ 94,000.00
5	Allowance for Reimbursement of Work Performed on Fire Alarm System under CIP #104241	1	Allowance	\$ 108,000.00	\$ 108,000.00	\$ 108,000.00	\$ 108,000.00	\$ 108,000.00	\$ 108,000.00
6	Allowance for Reimbursement of Work Performed on HVAC Controls under CIP #104241	1	Allowance	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00
7	Allowance for Reimbursement of Work Performed on Installation of 40 Touch Screen Monitors and Integration and Programming Performed on Alaska's Curb Side Check-In Counters, Ticket Counters, and Gates Podiums IT Equipment at T2E-under CIP#104237	1	Allowance	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00
8	Allowance for Reimbursement of Procurement of IT Equipment in Addition to Installation, Integration, Programing, Testing and Commissioning and Monthly Software Maintenance for 1 year-under CIP#104241	1	Allowance	\$ 1,670,000.00	\$ 1,670,000.00	\$ 1,670,000.00	\$ 1,670,000.00	\$ 1,670,000.00	\$ 1,670,000.00
9	Allowance for Mitigation of Unforeseen Conditions	1	Allowance	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
10	Allowance for Reimbursement of Work Performed on Cellular Distributed Antenna System	1	Allowance	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
11	Allowance for Reimbursement of Work Performed on Public Address System under CIP#104237	1	Allowance	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00	\$ 11,000.00
12	Allowance for Mitigation of Unforeseen Conditions	1	Allowance	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Total for Bid Schedule C				\$ 2,644,000.00		\$ 2,644,000.00		\$ 2,644,000.00	
Total for (Bid Schedule A+B+C)				\$ 17,537,162.00		\$ 12,601,000.58		\$ 14,915,000.00	
						Submitted Total \$ 12,592,000.00			
ADDENDUM NO. NOTED BY BIDDERS ON THEIR SUBMITTED BID SCHEDULE:									
1						Yes		No	
2						Yes		No	
3						Yes		No	

CONTRACTOR'S Submitted Bid Schedule Amount \$ 12,601,000.58 \$ 14,915,000.00

Policy 5.14 Points and Bid Adjustment Amount Table				5%
Low Bid Amt	\$	12,601,000.58		
Points	Bid Adjustment Amount Based on Low Bid or Max. \$200,000			
5 or 5%	\$630,050.03	5%	5	
4 or 4%	\$504,040.02	4%	4	
3 or 3%	\$378,030.02	3%	3	
2 or 2%	\$252,020.01	2%	2	
1 or 1%	\$126,010.01	1%	1	

Policy 5.14 Bid Adjustment Amount		Policy 5.14 Bid Adjustment Amount	
Points	Adjustment	Points	Adjustment
1		2	
Amount (Enter Amount from Table Based on Number	\$126,010.01	Amount (Enter Amount from Table Based on Number	\$200,000.00
	\$12,474,990.57		\$14,715,000.00

RESOLUTION NO. 2018-0042

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AWARDING A CONTRACT TO SOLPAC CONSTRUCTION, INC., DBA SOLTEK PACIFIC CONSTRUCTION COMPANY, IN THE AMOUNT OF \$12,601,000.58 FOR PROJECT NO. 104237, AIRLINE RELOCATIONS AT TERMINAL 1 WEST (T1W) AND TERMINAL 2 EAST (T2E), AND PROJECT NO. 104241, T1W COMMON USE PASSENGER PROCESSING SYSTEM (CUPPS) AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, Projects No. 104237, Airline Relocations at Terminal 1 West (T1W) and Terminal 2 East (T2E) and No. 104241, T1W Common Use Passenger Processing System (CUPPS) are San Diego County Regional Airport Authority ("Authority") Board ("Board") approved projects in the FY2018 Capital Improvement Program ("CIP"); and

WHEREAS; this relocation will require new gate assignments for international flights in the vicinity of the new FIS located in T2W; and

WHEREAS, the vacated spaces at T2E will then accommodate the Alaska Airlines (AS) facilities to be relocated from the current location in T1W to T2E; and

WHEREAS, the vacated spaces at T1W will allow for the relocation of JetBlue, Spirit, Sun Country and Allegiant Airlines to T1W; and

WHEREAS, this project will expand T2E Security Checkpoint No. 5 to meet the new demand of processing increased passenger throughput; and

WHEREAS, Project No. 104241, Common Use Passenger Processing System (CUPPS) will provide flexibility of use at T1W ticket counters and gates by converting the current airline proprietary systems to CUPPS; and

WHEREAS, the Request for Bids for this project was advertised on March 9, 2018; and

WHEREAS, on April 12, 2018, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

WHEREAS, the low bidder, SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, submitted a bid in the amount of \$12,592,000; and

WHEREAS, the bid amount of \$12,592,000 included a mathematical error that resulted in a true bid of \$12,601,000.58; and

WHEREAS, the Authority's staff has duly considered SOLPAC Construction, Inc., dba Soltek Pacific Construction Company's bid, and has determined SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, is responsible and that its bid is responsive in all respects; and

WHEREAS, the Board believes that it is in the best interest of the Authority and the public that it serves, for the Board to award SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, the contract for Project No. 104237, Airline Relocations at Terminal 1 West (T1W) and Terminal 2 East (T2E) and No. 104241 T1W Common Use Passenger Processing System (CUPPS), upon the terms and conditions set forth in the Bid Solicitation Package.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby awards a contract to SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, Inc., in the amount of \$12,601,000.58 for Project No. 104237, Airline Relocations at Terminal 1 West (T1W) and Terminal 2 East (T2E) and No. 104241, T1W Common Use Passenger Processing System (CUPPS) at San Diego International Airport; and

BE IT FURTHER RESOLVED that the Authority's President/CEO or designee hereby is authorized to execute and deliver such contract to SOLPAC Construction, Inc., dba Soltek Pacific Construction Company, Inc.; and

BE IT FURTHER RESOLVED that the San Diego County Regional Airport Authority and its officers, employee, and agents are hereby authorized, empowered, and directed to do and perform such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolutions; and

BE IT FURTHER RESOLVED that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of May, 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **May 3, 2018**

Subject:

Approve and Authorize the President/CEO to Execute a Heating, Ventilation, and Air Conditioning Maintenance and Repair Service Agreement

Recommendation:

Adopt Resolution No. 2018-0046, approving and authorizing the President/CEO to execute an Agreement for Heating, Ventilation and Air Conditioning (“HVAC”) Maintenance and Repair Service with Pacific Rim Mechanical Contractors Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$11,748,444, to provide HVAC maintenance and repair services at San Diego International Airport (“SDIA”).

Background/Justification:

On February 12, 2018, the San Diego County Regional Airport Authority (“Authority”) published a Request for Proposals (“RFP”) to procure professional HVAC maintenance and repair services.

This proposed service agreement will provide a comprehensive HVAC maintenance and repair program for a wide variety of equipment at SDIA, including future equipment being installed in the Terminal 2 Parking Plaza and Terminal 2 West FIS projects. Services include the provision of a preventive maintenance program including but not limited to the inspection, preventive maintenance, repair, programming and other tasks and services necessary to ensure a safe and well maintained HVAC system providing quality air for employees and the public.

There are over 900 temperature control zones in the terminals and support facilities monitored by a Building Automation System. Associated HVAC equipment includes but is not limited to: air handlers, chilled water pumps, heating hot water pumps, heat exchanges, motors, valves, package units, split systems, computer room air conditioning systems, exhaust fans, water and air filtration systems and other equipment.

Services are provided for the operation and maintenance support of SDIA’s Central Utility Plant (“CUP”), which contains chillers, boilers, cooling towers, pumps and water filtration systems. The CUP provides the necessary chilled and hot water to maintain the conditioned zones throughout the terminals.

On-call as-required services are also included in the proposed agreement. These services include and are not limited to: HVAC duct cleaning, overhaul of chiller units, possible contractor support for the ADP, and other additional services as needed.

On March 21, 2018, the Authority received three responses to the RFP from Countywide Mechanical Systems, Inc., Johnson Controls, Inc., and Pacific Rim Mechanical Contractors Inc. Upon review of proposals received, the Procurement Department determined that two of the three were responsive: Johnson Controls, Inc. and Pacific Rim Mechanical Contractors, Inc. Countywide Mechanical Systems, Inc. was found to be non-responsive due to unfulfilled requirements. Specifically, their proposal did not include: 1) the Payment Schedule for hourly rates for unscheduled and as-needed maintenance and repair; and 2) detailed information addressing the Sustainability evaluation criteria.

Based on the fee schedule for preventive maintenance and repair of existing systems presented in the RFP, the total five-year cost submitted by each respondent was:

Firm	Amount
Johnson Controls, Inc.	\$10,545,181
Pacific Rim Mechanical Contractors, Inc.	\$ 9,522,444

In addition to the fee schedule for preventive maintenance and repair, each respondent was required to provide hourly rates for additional on-call services that may be needed at the Authority's sole discretion. The hourly rates provided by respondents for additional on-call services along with the fee schedule for preventive maintenance were considered in the evaluation of each respondent's cost/fees.

On April 10, 2018, the Authority's Selection Panel ("Panel"), which was comprised of three representatives from the Authority's Facilities Management Department and one from the Facilities Development Department, interviewed the two responsive respondents. During the interviews, each respondent provided a presentation of its qualifications and responded to prepared questions. After the interview, the Panel evaluated respondents using weighted criteria of six factors: the organization's experience and skill; primary staff; proposed preventive maintenance plan; sustainability; proposed fees/cost; and, eligibility for small business participation under Authority Policy 5.12, Preference to Small Business.

The final ranking matrix from the Panel is as follows:

Firm	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Final Rank
Johnson Controls	2	2	2	2	8	2
Pacific Rim	1	1	1	1	4	1

The Panel unanimously ranked Pacific Rim Mechanical Contractors Inc. as the best qualified respondent to provide services based on the evaluation criteria and interview.

A brief background of the top ranked firm is provided:

Pacific Rim Mechanical Contractors Inc.

- Full service mechanical contractor servicing the San Diego business community since May 1987;
- Designs, builds, and maintains mechanical and plumbing systems for all types of facilities;
- Performed full service HVAC maintenance & repair services at SDIA for over 10 years;
- Comparable services performed in San Diego County for: Edgemoor Skilled Nursing Facility, San Diego County Operations Center Campus and Medical Examiner's Office, and Suneva Medical; and
- 2017/2018 worker's compensation safety experience modification rate is 0.53, one of the lowest in the industry of comparable mechanical contractors in San Diego and in Southern California.

Staff recommends that the Board approve and authorize the President/CEO to execute an HVAC maintenance and repair service agreement with the top ranked firm, Pacific Rim Mechanical Contractors, Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$11,748,444 which is comprised of \$9,522,444 for preventive maintenance and repair of existing equipment; \$1,256,000 for future preventive maintenance and repair of equipment being installed in the Terminal 2 Parking Plaza and Terminal 2 West FIS projects; and \$970,000 for on-call additional services.

Fiscal Impact:

Adequate funding for the heating, ventilation and air conditioning maintenance and repair service agreement is included in the FY2019 proposed and FY2020 conceptual Operating Expense Budgets within the Facilities Management Annual Repair and Service Contracts line item. The expense for this agreement that will impact budget years not yet adopted or approved by the Board and will be included in future year budget requests.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

- A. California Environmental Quality Act ("CEQA"): This Board action is not a project that would have a significant effect on the environment as defined by the CEQA, as amended, 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts. Only one of the programs/policies named above can be used in any single contracting opportunity.

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, Pacific Rim Mechanical Contractors Inc. did not receive the 5% small business preference.

Prepared by:

DAVID LAGUARDIA
DIRECTOR, FACILITIES MANAGEMENT

RESOLUTION NO. 2018-0046

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT FOR HEATING, VENTILATION AND AIR CONDITIONING (“HVAC”) MAINTENANCE AND REPAIR SERVICE WITH PACIFIC RIM MECHANICAL CONTRACTORS, INC., FOR A TERM OF THREE YEARS, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS EXERCISABLE AT THE DISCRETION OF THE PRESIDENT/CEO, FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$11,748,444, TO PROVIDE HVAC MAINTENANCE AND REPAIR SERVICES AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, on February 12, 2018, the San Diego County Regional Airport Authority (“Authority”) published a Request for Proposals (“RFP”) to procure professional HVAC maintenance and repair services; and

WHEREAS, the proposed agreement will provide a comprehensive HVAC maintenance and repair program for a wide range of equipment, including future equipment being installed in the Terminal 2 Parking Plaza and Terminal 2 West FIS projects; and

WHEREAS, the proposed agreement includes the provision of a preventive maintenance program including but not limited to the inspection, preventive maintenance, repair, programming and other tasks and services necessary to ensure safe, well maintained heating, ventilation and air conditioning systems providing quality air for employees and the public; and

WHEREAS, HVAC equipment covered under this agreement includes but is not limited to: air handlers, chilled water pumps, heating hot water pumps, heat exchanges, motors, valves, package units, split systems, computer room air conditioning systems, exhaust fans, water and air filtration systems and other equipment; and

WHEREAS, services are provided for the operation and maintenance support of SDIA’s Central Utility Plant, which contains chillers, boilers, cooling towers, pumps and water filtration systems; and

WHEREAS, on-call as-required services are also included in the agreement, including HVAC duct cleaning, overhaul of chiller units, possible contractor support for the ADP, and other additional services; and

WHEREAS, on March 21, 2018, the Authority received three responses to the RFP from Countywide Mechanical Systems, Inc., Johnson Controls, Inc., and Pacific Rim Mechanical Contractors Inc.; and

WHEREAS, based on the Procurement Department's review of proposals received, Johnson Controls, Inc. and Pacific Rim Mechanical Contractors, Inc. were determined to be responsive; and

WHEREAS, Countywide Mechanical Systems, Inc. was found to be non-responsive due to unfulfilled requirements; and

WHEREAS, based on the fee schedule for preventive maintenance and repair of existing systems presented in the RFP, the total cost submitted for five years by Johnson Controls, Inc. was \$10,545,181.00; and, Pacific Rim Mechanical Contractors, Inc. was \$9,522,444.00; and

WHEREAS, in addition to the fee schedule for preventive maintenance and repair, each respondent was required to provide hourly rates for additional on-call services that might be needed at the Authority's sole discretion; and

WHEREAS, the hourly rates provided by respondents for additional on-call services along with the fee schedule for preventive maintenance were considered in the evaluation of each respondent's cost/fees; and

WHEREAS, on April 10, 2018, the Authority's Selection Panel ("Panel") interviewed the two respondents and during the interviews, each respondent provided a presentation of its qualifications and responded to prepared questions; and

WHEREAS, after the interviews, the Panel evaluated the two respondents using weighted criteria of six factors: the organization's experience and skill; primary staff; proposed preventive maintenance plan; sustainability; proposed fees/cost; and, eligibility for small business participation under Authority Policy 5.12, Preference to Small Business; and

WHEREAS, upon conclusion of the evaluation process, the Panel unanimously ranked Pacific Rim Mechanical Contractors Inc. as the best qualified respondent.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute an Agreement for Heating, Ventilation and Air Conditioning (“HVAC”) Maintenance and Repair Service with Pacific Rim Mechanical Contractors Inc. for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$11,748,444, to provide HVAC maintenance and repair services at San Diego International Airport; and

BE IT FURTHER RESOLVED that the Authority and its officers, employees, and agents hereby are authorized to do and perform all such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolution; and

BE IT FURTHER RESOLVED that the Board finds that this action is not a “project” that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended, 14 Cal. Code Regs. §15378); and is not a “development” as defined by the California Coastal Act Pub. Res. Code §30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of May, 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Approve and Authorize the President/CEO to Execute a Progressive Design-Build Agreement with Sundt Construction, Inc., for Design and Construction of Airport Support Facilities and Authorize the President/CEO to Negotiate and Execute Work Authorizations for Validation Phase Services, Initial Design Work, Procurement of Long Lead Items, and Early Construction

Recommendation:

Adopt Resolution No. 2018-0047, approving and authorizing the President/CEO to (1) execute a Progressive Design-Build Agreement with Sundt Construction, Inc.; and (2) negotiate and execute Work Authorizations for validation phase services, initial design work, procurement of long lead items, and early construction work with Sundt Construction, Inc., in an amount not-to-exceed \$9,000,000 for Project No. 104245, Airport Support Facilities at San Diego International Airport.

Background/Justification:

On June 1, 2017, the San Diego County Regional Airport Authority (“Authority”) Board adopted Resolution 2017-0053 approving the Capital Program for Fiscal Years 2018-2022 for the Airport Support Facilities (ASF) projects.

Subsequent to Board direction, Authority staff proceeded with the development of a document to describe the programming requirements and design concepts for various elements comprising the overall ASF program. This Programmatic Design Document (PDD) is used to communicate, in both, narrative and graphic formats, the Authority’s vision, design criteria, and construction standards to the selected design and construction team. Many stakeholder meetings were held with Authority staff, the consultants preparing the PDD, and outside agency staff, to develop concepts for the ASF projects that focus on providing innovative, yet economical building solutions, consistent with the Authority’s environmental vision as outlined in the Sustainability Management Program.

Concurrent with the development of the PDD and stakeholder engagement, staff also solicited input from industry experts in order to discuss potential delivery and procurement options for the various project elements. A peer review conference was conducted on October 19, 2017. Based on the identification of schedule, cost, and risk mitigation as key priorities for successful implementation of the ASF program, the decision was made to proceed with a Progressive Design-Build (P D-B) delivery method using a Best Value contractor selection process rather than utilizing the traditional hard-bid method to procure the following five elements of the project: (1) Facilities Management Department (FMD) campus, (2) Airline support facility, (3) Fueling Operator office and truck storage/maintenance area, (4) AOA Gate P-18 relocation and RCC Bus Parking area modifications, and (5) North side utility infrastructure improvements.

Benefits of the Progressive Design-Build delivery method include:

Schedule: (P D-B) is an integrated procurement approach that can be used to deliver projects more quickly than traditional methods because it allows for the overlap of the design and construction phases of a project.

Cost: (P D-B) provides early price certainty because the contractor validates the budget at the start of the project and remains responsible for making sure that the design progresses to meet that budget.

Risk Mitigation: (P D-B) means less risk for the Authority by allowing for enhanced owner control of scope, quality, price and schedule decisions, which practically eliminates change orders and surprises for the owner.

Brief descriptions of the five elements comprising this Progressive Design-Build package are as follows:

1. Facilities Management Department (FMD) campus - these structures will provide administrative space for the Facilities Maintenance Department and include multiple mechanic and maintenance shops, fleet parking, and storage areas. The campus will also include the warehouse facility for the Authority's Procurement Department. This element also includes a portion of the Airport's overall storm water capture and reuse system, including a substantial underground storage tank.
2. Airline support facility – this combined facility will meet the on-airport needs of the airlines, including belly cargo services, Ground Service Equipment (GSE) maintenance and storage areas for aircraft provisioning items. The facility will include a public interface component for customers to drop off cargo to be shipped in the belly of daily passenger flights.
3. Fueling Operator office and truck storage/maintenance area – this element will provide administrative space for the Airport's fueling operator, as well as apron space for maintenance and storage of the aircraft fueling trucks when not in operation.

4. AOA Gate P-18 relocation and RCC Bus Parking area modifications – due to the location of the new Airline Support Facility, the existing AOA gate P-18 will need to be relocated to the east, adjacent to the existing Rental Car Center (RCC) Bus Parking Facility lot. This lot will also be modified as part of this project in order to accommodate the purchase of additional busses in the future, which will nearly double the designed capacity of the current parking area.
5. North side utility infrastructure improvements – this element will construct new utility mains and access roads needed to facilitate the expanded development needs that will be occurring on the north side of the airfield.

Contractor Selection

On January 23, 2018, the Authority issued a Request for Proposal (“RFP”) to identify Design-Build teams that met the qualification standards presented in the solicitation. 209 firms viewed the opportunity and on March 8, 2018, the Authority received proposals in response to the RFP from the following four firms:

1. Archer Western Construction, LLC (“Archer”)
2. Sundt Construction, Inc. (“Sundt”)
3. Swinerton Builders, Inc. (“Swinerton”)
4. Turner-PCL, Joint Venture (“Turner-PCL”)

An Evaluation Panel comprised of the Authority’s Vice President of Development, Vice President of Operations, Director of Facilities Development, Director of Airport Design & Construction, Director of Finance and a panelist from outside of the Airport, as well as a Technical Advisory Panel comprised of two Program Managers from the Development Division, the Project Manager from Facilities Development and a Manager from the Environmental Affairs Department conducted a thorough review of the proposals.

All four proposals included proposed project teams and organizational structures, responses to the 12 requested evaluation criteria, financial statements and price proposals. The price proposal, which represents 20% of the total score, was comprised of three price components, each of which was expressed as a percentage and will serve as the basis for calculating compensation for costs as defined in the contract. Although the price components had no specific dollar value at the time of the proposals, for the purposes of comparison and scoring of the proposals, they were converted to dollar values as follows:

1. The Fee Percentage was multiplied by a numerical assumption provided by the Authority for the reimbursable costs to yield a fee amount.
2. The Bond Percentage was multiplied by a numerical assumption provided by the Authority for the reimbursable costs to yield a bond amount.
3. The Contractor Personnel Mark-Up (“PMU”) was multiplied by a numerical assumption provided by the Authority for the actual personnel cost to yield a PMU amount.

The three Price Components were then totaled to yield the basis of comparison amount indicated below that was used to rank and score the price proposals.

	Archer	Sundt	Swinerton	Turner-PCL
Total Basis of Comparison	\$7,092,000	\$7,118,000	\$6,426,800	\$9,499,800

The basis of comparison amounts are solely for the purpose of scoring the price proposals and are not contract amounts. The proposed price component percentages, however, will be incorporated into the contract and become binding on the selected respondent.

A shortlist meeting was held on March 14, 2018, at which the Evaluation Panel ranked the respondents as follows:

Shortlist Ranking

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Panelist 6	Total	Rank
Archer	4	4	3	4	3	4	22	4
Sundt	2	2	1	2	2	2	11	2
Swinerton	1	1	2	1	1	1	7	1
Turner-PCL	3	3	4	3	4	3	20	3

Combined scores

Firms	Cost/Fees	Organization Structure & Experience	Team Capabilities & Approach	Sustainability	Inclusionary Approach and Outreach	Financial Statements	Total
Archer	1080	1170	1260	225	460	300	4495
Sundt	1080	1560	1740	285	500	300	5465
Swinerton	1200	1680	1650	200	570	300	5600
Turner-PCL	600	1440	1500	245	510	300	4595

Based on the shortlist scores and rankings above, two firms were invited to participate in an interview process. The interviews for the Swinerton and Sundt teams were held on April 11, 2018, and consisted of a presentation to introduce the qualifications of the project teams and their proposed approach to design and construct the Airport Support Facilities elements, a question and answer session regarding the RFP evaluation criteria, and an interactive problem solving exercise intended to reflect collaboration and interaction between the team members and the members of the Technical Advisory Panel.

The same Evaluation Panel and Technical Advisory Panel that evaluated the Respondent's proposals also conducted the interviews with the two shortlisted firms, and their final scoring and ranking are presented below:

Final Ranking

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Panelist 6	Total	Rank
Sundt	1	1	2	1	1	1	7	1
Swinerton	2	2	1	2	2	2	11	2

Final Combined scores

Firms	Cost/Fees	Organization Structure & Experience	Team Capabilities & Approach	Sustainability	Inclusionary Approach and Outreach	Financial Statements	Total
Sundt	810	1300	2200	280	500	300	5390
Swinerton	900	1275	1960	210	570	300	5215

Based on the final scores and rankings above, the Evaluation Panel determined that Sundt Construction, Inc. is the firm best qualified to design and construct the Airport Support Facilities.

Additionally, the Procurement Department requested a reduction in fees. Sundt agreed to reduce the fees initially submitted in their proposal, and the results are as follows:

- The Fee Percentage was reduced from 3.5% to 2.95%.
- The Contractor Personnel Mark-Up ("PMU") was reduced from 83% to 73%.

The selected design builder, Sundt Construction, Inc., will hold the agreement with the Authority and provide overall Design-Build construction and management of the Airport Support Facilities. Sundt is located in San Diego and has extensive experience with the Design-Build delivery method, as well as the design and construction of similar building types at airports across the country. Their design team consists of the following key team members:

- Hellmuth, Obata + Kassabaum (HOK) - HOK has vast experience planning, designing and managing a diverse array of projects ranging from cargo buildings, baggage claims, hangars, and support facilities to entire terminals. HOK has completed 350 aviation and transportation projects in the last 10 years, with a total value exceeding \$750 million. Their recent experience completing the LaGuardia Airport Redevelopment Master Plan is of significant relevance to this project, due to LaGuardia's similar size constraints to San Diego International Airport (SAN).
- The C&S Companies - A national aviation firm with a San Diego office focused on civil airfield design, airport facility development, and environmental and sustainability services, C&S's local team of engineers and environmental specialists have successfully engaged and collaborated with the Authority team for several years. C&S also brings extensive Federal Aviation Administration (FAA) knowledge to the table, which will be important during the maintenance of existing operations and layout of the apron area for aircraft movement.

- KPFF – is a structural engineering firm that has successfully completed similar projects at SAN and numerous other airports and has long-standing, collaborative relationships with HOK and Sundt. KPFF's strong San Diego presence is complimented by a deep pool of structural engineers and technical knowledge throughout Southern California.
- Randall Lamb - A Registered Small Business Enterprise with 44 years of history providing Mechanical, Electrical, and Plumbing Design services in San Diego. Randall Lamb's experience includes aviation training facilities, aircraft maintenance hangars, and airfield infrastructure for the military. Team participants all have over 20 years of experience on complex Design-Build projects similar to the Airport Support Facility project.

Sundt is committed to meet and exceed the Small Business (SB), Local Business (LB), and Service Disabled Veteran-Owned Small Businesses (SDVOSB) participation for the San Diego County Regional Airport Authority Airport Support Facilities Design-Build project. Sundt will partner with the Authority to leverage joint resources to identify qualified bidders, inform them, assist them through the bidding process, and support them once onboard. Sundt's bidding approach will ensure that large scopes of work are broken down into smaller, manageable packages. Outreach events will not only be informational, but will include workshops on bidding, bonding, and insurance to ensure that these businesses are ready on bid day. Post-bid, these small businesses will be supported by dedicated onsite staff from the day they join the team. Sundt has proposed a robust plan to use SB, LB and SDVOSB suppliers, vendors, and tier subcontracts, and a reporting and tracking process to hold contractors accountable to their commitments.

Fiscal Impact:

Adequate funds for Work Authorization for validation phase services, initial design work, procuring long lead items, and early construction work are included within the Board approved FY2018-FY2023 Capital Program Budget in Project No. 104245 Airport Support Facilities. Sources of funding for this project are Airport Cash and Airport Revenue Bonds.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

- A. CEQA: Based upon an Initial Study prepared in January 2018 evaluating the potential environmental impacts of the proposed project, a Notice of Exemption was prepared that determined the project is a categorical exemption under CEQA Sections 15301 – Existing Facilities – Class 1; 15302 – Replacement or Reconstruction – Class 2 and 15304 Minor Alternations to Land – Class 4. The Notice of Exemption was filed with the County of San Diego Clerk on January 22, 2018.
- B. California Coastal Act Review: The proposed project was included and evaluated as part of the San Diego International Airport Master Plan adopted May 1, 2008 and Coastal Development Permit 6-09-015 by the California Coastal Commission dated September 1, 2009.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts. Only one of the programs/policies named above can be used in any single contracting opportunity.

No preferences were applied to the award of the Contractor Agreement with Sundt Construction, Inc.; however, Sundt Construction, Inc.'s proposal included commitments for Small Businesses (SB), Local Businesses (LB), and Service Disabled Veteran Owned Small Businesses (SDVOSB) participation, and Sundt Construction, Inc. is required by the contract to work with the Authority in accordance with their small business plan and outreach plan to maximize participation of small, local, historically underutilized and service disabled veteran owned small businesses.

Prepared by:

IRAJ GHAEMI
DIRECTOR, FACILITIES DEVELOPMENT

RESOLUTION NO. 2018-0047

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO (1) EXECUTE A PROGRESSIVE DESIGN-BUILD AGREEMENT WITH SUNDT CONSTRUCTION, INC.; AND (2) NEGOTIATE AND EXECUTE WORK AUTHORIZATIONS FOR VALIDATION PHASE SERVICES, INITIAL DESIGN WORK, PROCUREMENT OF LONG LEAD ITEMS, AND EARLY CONSTRUCTION WORK WITH SUNDT CONSTRUCTION, INC., IN AN AMOUNT NOT-TO-EXCEED \$9,000,000 FOR PROJECT NO. 104245, AIRPORT SUPPORT FACILITIES DESIGN-BUILD AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, on June 1, 2017, the San Diego County Regional Airport Authority (“Authority”) Board adopted Resolution 2017-0053 approving the Capital Program for Fiscal Years 2018-2022 for the Airport Support Facilities (ASF) projects; and

WHEREAS, Authority staff proceeded with the development of a document to describe the programming requirements and design concepts for various elements comprising the overall ASF program; and

WHEREAS, this Programmatic Design Document (PDD) is used to communicate, in both, narrative and graphic formats, the Authority’s vision, design criteria, and construction standards to the selected design and construction team; and

WHEREAS, many stakeholder meetings were held with Authority staff, the consultants preparing the PDD, and outside agency staff, to develop concepts for the ASF projects that focus on providing innovative, yet economical building solutions, consistent with the Authority’s environmental vision as outlined in the Sustainability Management Program; and

WHEREAS, concurrent with the development of the PDD and stakeholder engagement, staff also solicited input from industry experts in order to discuss potential delivery and procurement options for the various project elements; and

WHEREAS, a peer review conference was conducted on October 19, 2017; and

WHEREAS, based on the identification of schedule, cost, and risk mitigation as key priorities for successful implementation of the ASF program, the decision was made to proceed with a progressive design build delivery method using a Best Value contractor selection process; and

WHEREAS, on January 23, 2018, the Authority issued a Request for Proposal (“RFP”) to identify Progressive Design Build teams that met the qualification standards as presented in the solicitation; and

WHEREAS, on March 8, 2018, the Authority received proposals in response to the RFP from the following four firms: Archer Western Construction, LLC, (“Archer”); Sundt Construction, Inc., (“Sundt”); Swinerton Builders, Inc., (“Swinerton”); Turner-PCL, Joint Venture (“Turner-PCL”); and

WHEREAS, an Evaluation Panel conducted a thorough review of the proposals; and

WHEREAS, all four proposals included proposed project teams and organizational structures, responses to the 12 requested evaluation criteria, financial statements and price proposals; and

WHEREAS, the price components had no specific dollar value at the time of the proposals, for the purposes of comparison and scoring of the proposals, they were converted to dollar values as follows:

1. The Fee Percentage was multiplied by a numerical assumption provided by the Authority for the reimbursable costs to yield a fee amount.
2. The Bond Percentage was multiplied by a numerical assumption provided by the Authority for the reimbursable costs to yield a bond amount.
3. The Contractor Personnel Mark-Up (“PMU”) was multiplied by a numerical assumption provided by the Authority for the actual personnel cost to yield a PMU amount; and

WHEREAS, the three price components were then totaled to yield the basis of comparison amount that was used to rank and score the price proposals; and

WHEREAS, the Procurement Department requested a reduction in fees; and

WHEREAS, Sundt agreed to reduce the fees initially submitted in their proposal, and the results are as follows:

- The Fee Percentage was reduced from 3.5% to 2.95%.
- The Contractor Personnel Mark-Up ("PMU") was reduced from 83% to 73%; and

WHEREAS, a shortlist meeting was held on March 14, 2018, at which the Evaluation Panel ranked the respondents and the top two ranking firms, Sundt Construction, Inc., ("Sundt"); Swinerton Builders, Inc., ("Swinerton"), were invited to participate in an interview process; and

WHEREAS, interviews were held on April 11, 2018 and consisted of a presentation to introduce the qualifications of the project teams and their proposed approach to design and construct the Airport Support Facilities elements, a question and answer session regarding the RFP evaluation criteria, and an interactive problem solving exercise intended to reflect collaboration and interaction between the team members and the members of the Technical Advisory Panel; and

WHEREAS, the same Evaluation Panel and Technical Advisory Panel that evaluated the Respondent's proposals and conducted the interviews with the two short-listed firms and based on the final scores and rankings, determined that Sundt Construction, Inc. is the firm best qualified to design and construct the Airport Support Facilities; and

NOW, THEREFORE, BE IT RESOLVED that the Board approves and authorizes the President/CEO to (1) execute a Progressive Design-Build Agreement with Sundt Construction, Inc.; and (2) negotiate and execute Work Authorizations for validation phase services, initial design work, procurement of long lead items, and early construction work with Sundt Construction, Inc., in an amount not-to-exceed \$9,000,000 for project No. 104245, Airport Support Facilities Design-Build at San Diego International Airport; and

BE IT FURTHER RESOLVED that the San Diego County Regional Airport Authority and its officers, employee, and agents are hereby authorized, empowered, and directed to do and perform such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolutions; and

BE IT FURTHER RESOLVED that an Initial Study and Notice of Exemption was prepared in January 2018 and the Board hereby finds and determines that the project is a categorical exemption under CEQA Sections 15301 – Existing Facilities – Class 1; 15302 – Replacement or Reconstruction – Class 2 and 15304 Minor Alternations to Land – Class 4; and was evaluated as part of the San Diego International Airport Master Plan adopted May 1, 2008 and CDP 6-09-015 by the California Coastal Commission dated September 1, 2009.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 3rd day of May, 2018, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Item 14

Airport Support Facilities & Progressive Design-Build Contractor Selection



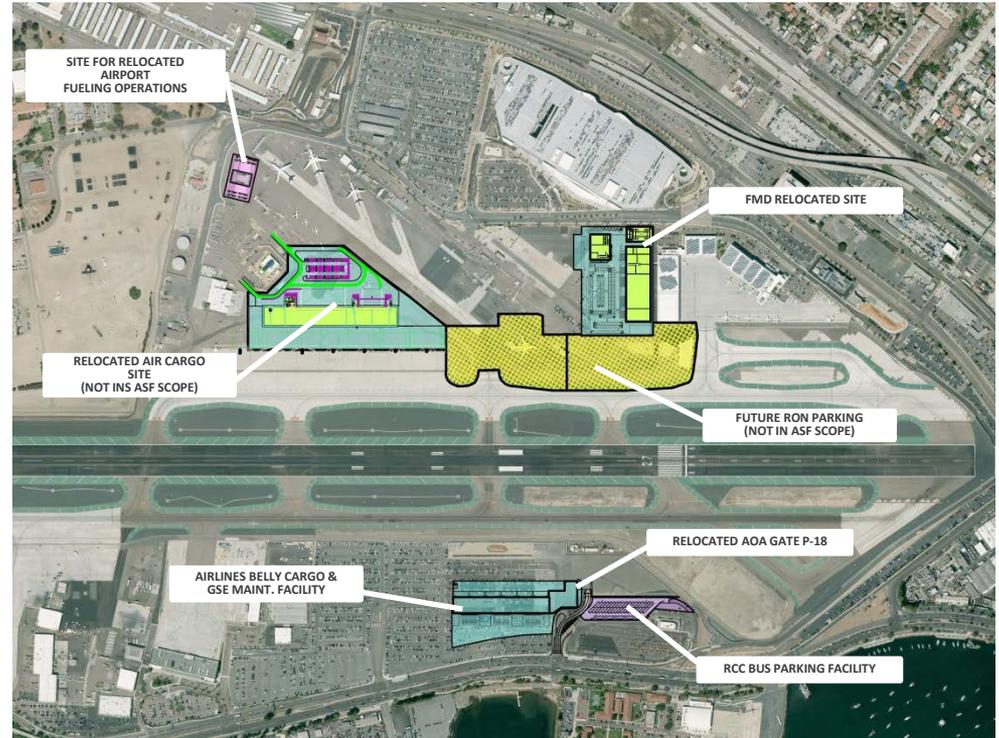
May 3, 2018

Airport Support Facilities

- Board Approved Projects in Fiscal Years 2018-2022
 - Facilities Management Department (FMD) campus
 - Airline Support Facility (Belly Cargo, Provisioning, Ground Service Equipment (GSE) Maintenance)
 - Fueling Operator Offices and Truck Storage/Maintenance Area
 - AOA Gate P-18 Relocation and RCC Bus Parking Area Modifications
 - North Side Utility Infrastructure Improvements
- Package the Projects Subsequent to Board Direction
 - Maximize Project Implementation Efficiency
 - Minimize the Cost
 - Meeting the Aggressive Schedule
 - Development of a Programmatic Design Document (PDD)

Airport Support Facilities

- (1) Facilities Management Department (FMD) Campus
- (2) Airline Support Facility
- (3) Fueling Operator Office and Truck Storage/Maintenance Area
- (4) AOA Gate P-18 Relocation and RCC Bus Parking Area Modifications
- (5) North Side Utility Infrastructure Improvements

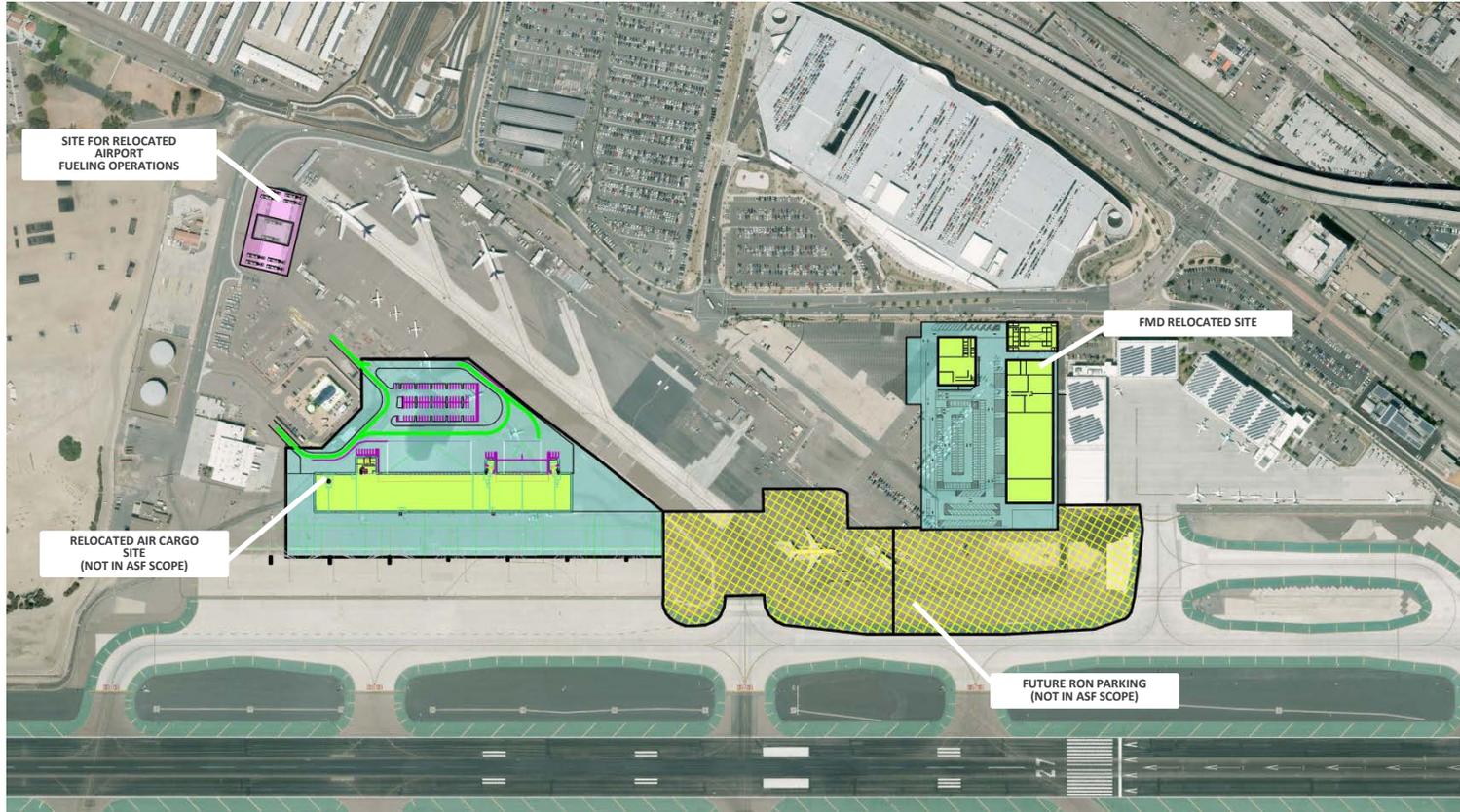


Airport Support Facilities

- Peer Review and Stakeholder Engagement
- Benefits of the Progressive Design-Build (P D-B) delivery Method Include:
 - Cost
 - Early Price Certainty
 - Design to Meet the Budget
 - Schedule
 - Schedule Commitment in an Integrated and Collaborative Project Delivery Environment
 - Risk Mitigation
 - Enhanced Owner Control of the Scope, Budget, Schedule and Quality

Airport Support Facilities

North Side



Airport Support Facilities

Facilities Management Department (FMD) Campus

- 1 Admiral Boland Way
- 2 Administration Building
- 3 Procurement Warehouse
- 4 Maint. Workers / Fleet Mgmt.
- 5 Maint. Mechanics
- 6 Electricians
- 7 Carpenters
- 8 Plumbers
- 9 Painters
- 10 Restrooms / Lockers
- 11 Exercise
- 12 Break Room
- 13 Fleet Parking
- 14 Employee Parking
- 15 Equipment Parking
- 16 AOA Gate
- 17 FBO Gate
- 18 North RON



Airport Support Facilities

Facilities Management Department (FMD) Campus

VIEW TO SOUTH-EAST FROM ADMIRAL BOLAND WAY



Airport Support Facilities

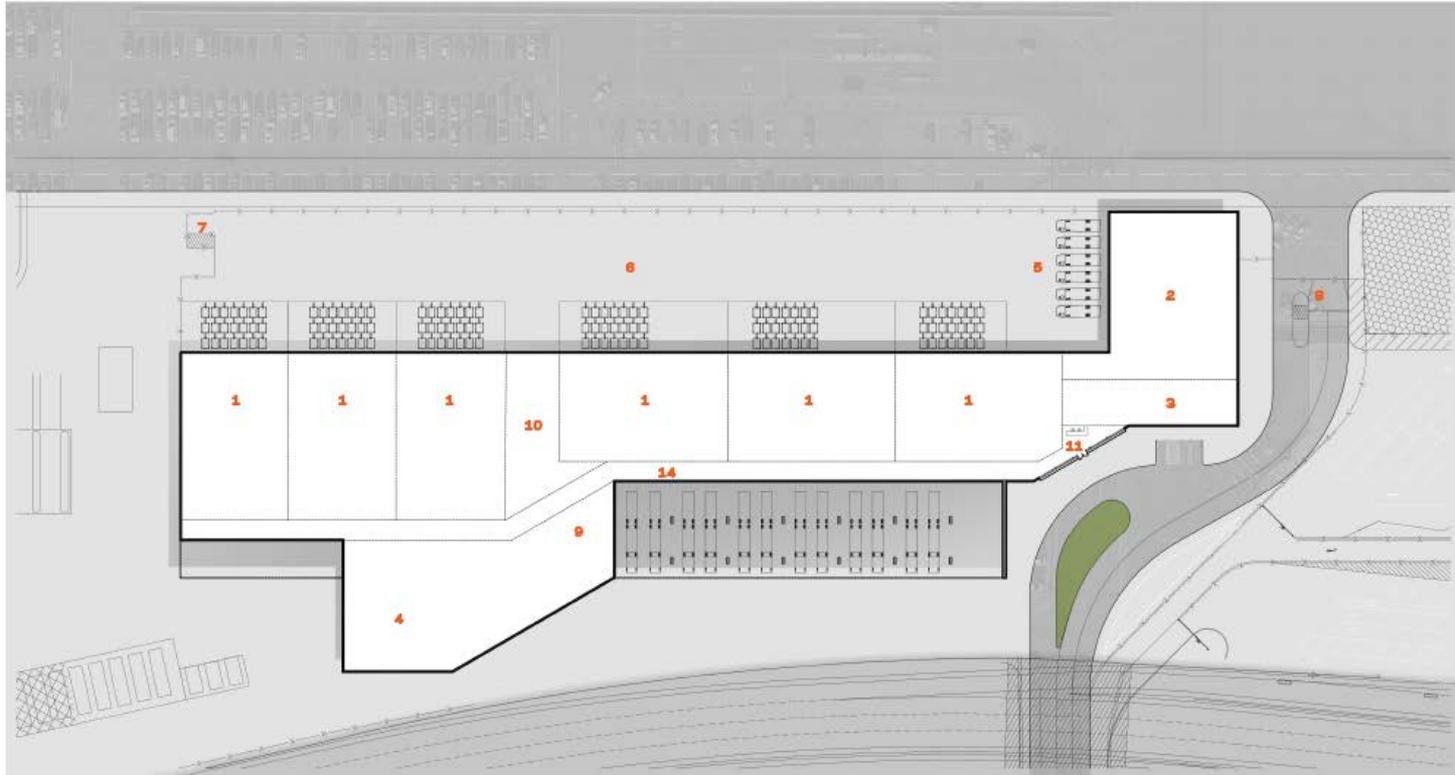
South Side



Airport Support Facilities

Airline Support Facility (Belly Cargo, Provisioning, Ground Service Equipment Maintenance)

- 1 Cargo (10,000 ft²)
- 2 Provisioning (12,000 ft²)
- 3 Stores (4,800 ft²)
- 4 GSE Mix (8,000 ft²)
- 5 Paved Area (6,500 ft²)
- 6 Joint Use Paved Area
- 7 Security Gate
- 8 AOA Gate
- 9 International (5,125 ft²)
- 10 Screening (4,400 ft²)
- 11 Entry / Public Counter
- 12 Mezzanine Level (40,500 ft²)
- 13 Secure Corridor
- 14 Joint Use Corridor



Airport Support Facilities

Airline Support Facility (Belly Cargo, Provisioning, Ground Service Equipment Maintenance)

VIEW TO NORTH-WEST FROM ON AIRPORT ROADWAY



Contractor Selection

- On January 23, 2018, the Authority issued a Request for Proposal (“RFP”)
- On March 8, 2018, the Authority received proposals in response to the RFP from the following four firms:
 1. Archer Western Construction, LLC (“Archer”)
 2. Sundt Construction, Inc. (“Sundt”)
 3. Swinerton Builders, Inc. (“Swinerton”)
 4. Turner-PCL, Joint Venture (“Turner-PCL”)
- A shortlist meeting was held on March 14, 2018, at which an Evaluation Panel ranked the Respondent’s proposals as follows:

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Panelist 6	Total	Rank
Archer	4	4	3	4	3	4	22	4
Sundt	2	2	1	2	2	2	11	2
Swinerton	1	1	2	1	1	1	7	1
Turner-PCL	3	3	4	3	4	3	20	3

Contractor Selection

- Based on the Shortlist Scores and Rankings, the top two firms (Sundt and Swinerton) were invited to participate in an interview on April 11, 2018
- The same Evaluation Panel and Technical Advisory Panel that evaluated the Respondent's Proposals also conducted the interviews, and their final ranking is presented below:

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Panelist 6	Total	Rank
Sundt	1	1	2	1	1	1	7	1
Swinerton	2	2	1	2	2	2	11	2

- Based on the Final Interview and Ranking, Sundt Construction, Inc., was ranked number 1
- Sundt's Commitments:
 - Sustainability LEED Gold Certification
 - 35% Small, DBE Participation
 - 70% Local Participation

Small/Local/Veteran Business Participation



35% Participation



Accountability plan for holding contractors to commitments made on the participation of SB's, LB's and SDVOSB's.



Bid packaging to facilitate SB, LB, and Veteran.



Tracking mechanism in place to monitor and report monthly commitment and actual participation of SB's, LB's and SDVOSB's.

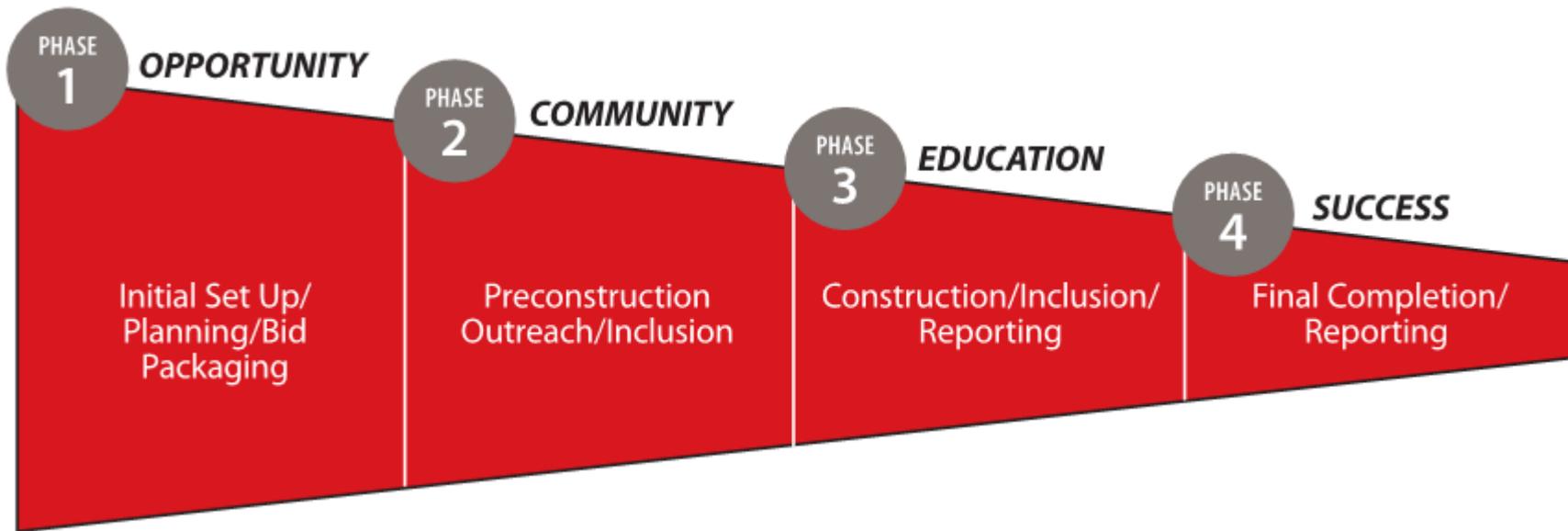


Post award follow-up, coaching and training to make sure SB, LB, and SDVOSB contractors have the tools and support to be successful.



Proposed schedule of activities for implementing the inclusionary approach and outreach plan.

Inclusionary Approach and Outreach Plan Activities



Staff Recommendation to the Board

- Adopt Resolution No. 2018-____, approving and authorizing the President/CEO to (1) execute a Progressive Design-Build Agreement with Sundt Construction, Inc.; and (2) negotiate and execute Work Authorizations for validation phase services, initial design work, procurement of long lead items, and early construction work with Sundt Construction, Inc., in an amount not-to-exceed \$9,000,000 for Project No. 104245, Airport Support Facilities at San Diego International Airport.

QUESTIONS?

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

STAFF REPORT

Meeting Date: **MAY 3, 2018**

Subject:

Business and Travel Expense Reimbursement Reports for Board Members, President/CEO, Chief Auditor and General Counsel When Attending Conferences, Meetings, and Training at the Expense of the Authority

Recommendation:

For information only.

Background/Justification:

Authority Policy 3.30 (2)(b) and (4)(b) require that business expenses reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting. Authority Policy 3.40 (2)(b) and (3)(b) require that travel expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of policies 3.30 and 3.40

Fiscal Impact:

Funds for Business and Travel Expenses are included in the FY 2017-2018 Budget.

Authority Strategies:

This item supports one or more of the Authority Strategies, as follows:

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended. 14 Cal. Code Regs. §15378. This Board action is not a “project” subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

TONY R. RUSSELL
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

TRAVEL REQUEST

KIM BECKER

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6
 Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 3/27/2018 PLANNED DATE OF DEPARTURE/RETURN: 04/3/2018 / 04/3/2018

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):
 Destination: Seattle, WA Purpose: Meeting with Alaska Airlines
 Explanation:

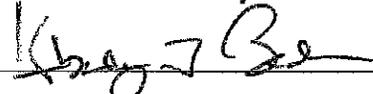
4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$ 500.00
• *RENTAL CAR (Must complete page 2)	\$ _____
• OTHER TRANSPORTATION (Taxi, Train)	\$ _____
B. LODGING	\$ _____
C. MEALS	\$ 50.00
D. SEMINAR AND CONFERENCE FEES	\$ _____
E. ENTERTAINMENT (if applicable)	\$ _____
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
TOTAL PROJECTED TRAVEL EXPENSE	\$ 600.00

*Permitted in limited circumstances; must be pre-approved. Provide a copy of Out-of-Town Travel Request form to Risk Management prior to travel in order to obtain insurance identification card covering rental period.

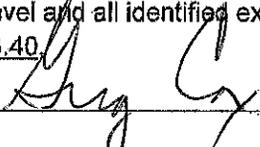
CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 3/27/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature:  Date: 3/07/18

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.

(Leave blank and we will insert the meeting date.)

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel travelling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: BU 6
 Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 4/6/2018 PLANNED DATE OF DEPARTURE/RETURN: 4/9/2018 / 4/10/2018

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Sacramento, CA Purpose: Legislative Meetings
 Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 500.00
- *RENTAL CAR (Must complete page 2) \$ _____
- OTHER TRANSPORTATION (Taxi, Train) \$ 50.00

B. LODGING \$ 250.00

C. MEALS \$ 100.00

D. SEMINAR AND CONFERENCE FEES \$ _____

E. ENTERTAINMENT (If applicable) \$ _____

F. OTHER INCIDENTAL EXPENSES \$ _____

TOTAL PROJECTED TRAVEL EXPENSE \$ 900.00

*Permitted in limited circumstances; must be pre-approved. Provide a copy of Out-of-Town Travel Request form to Risk Management prior to travel in order to obtain insurance identification card covering rental period.

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 4/6/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority,
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: [Signature] Date: 4/6/18

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 by the Executive Committee at its _____ meeting.
 (Leave blank and we will insert the meeting date.)

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: BU 6
 Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 4/9/2018 PLANNED DATE OF DEPARTURE/RETURN: 4/24/2018 / 4/25/2018

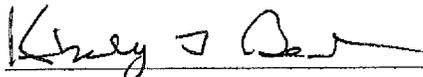
3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):
 Destination: Sacramento, CA Purpose: AB 3119 Hearing
 Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:	
• AIRFARE	\$ <u>500.00</u>
• *RENTAL CAR (Must complete page 2)	\$ _____
• OTHER TRANSPORTATION (Taxi, Train)	\$ <u>100.00</u>
B. LODGING	\$ <u>350.00</u>
C. MEALS	\$ <u>100.00</u>
D. SEMINAR AND CONFERENCE FEES	\$ _____
E. ENTERTAINMENT (If applicable)	\$ _____
F. OTHER INCIDENTAL EXPENSES	\$ _____
TOTAL PROJECTED TRAVEL EXPENSE	\$ <u>1,050.00</u>

*Permitted in limited circumstances; must be pre-approved. Provide a copy of Out-of-Town Travel Request form to Risk Management prior to travel in order to obtain insurance identification card covering rental period.

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 4/6/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

- 1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
- 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
- 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature:  Date: 4/18/18

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.

(Leave blank and we will insert the meeting date.)

APRIL BOLING

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40 use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: C. April Boling Dept: 02-Board

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 4/6/18 PLANNED DATE OF DEPARTURE/RETURN: 4/9/18 / 4/9/18

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip- continue on extra sheets of paper as necessary):

Destination: Sacramento, CA Purpose: Legislative Meeting
Explanation: Meet with legislative officials

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$	500.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	50.00
B. LODGING	\$	
C. MEALS	\$	50.00
D. SEMINAR AND CONFERENCE FEES	\$	
E. ENTERTAINMENT (if applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	
TOTAL PROJECTED TRAVEL EXPENSE	\$	600.00

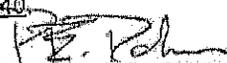
CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business. ↘

Travelers Signature:  Date: 4/13/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

- 1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
- 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
- 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature:  Date: 4/6/18

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting;
(Leave blank and we will insert the meeting date.)

AMY GONZALEZ

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Amy Gonzalez Dept: 15

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 3/26/2018 PLANNED DATE OF DEPARTURE/RETURN: 5/1/2018 / 5/5/2018

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):

Destination: San Francisco Purpose: Legal Steering Group Committee

Explanation: Legal Steering Committee

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 500.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$

B. LODGING \$ 1200.00

C. MEALS \$ 350.00

D. SEMINAR AND CONFERENCE FEES \$ 850.00

E. ENTERTAINMENT (If applicable) \$

F. OTHER INCIDENTAL EXPENSES \$

TOTAL PROJECTED TRAVEL EXPENSE \$

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: *Amy L* Date: 3/27/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.

(Leave blank and we will insert the meeting date.)

LEE PARRAVANO

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Lee Michael Parravano Dept: OCA
 Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 4/18/18 PLANNED DATE OF DEPARTURE/RETURN: 6/10/18 / 6/13/18

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):

Destination: Atlanta, Georgia Purpose: To attend the Association of Airport Internal Auditors (AAIA) Annual conference

Explanation: The Chief Auditor maintains various professional licenses which require professional education (40 credits per year). This conference is eligible for up to 21.5 credits. This conference is specific to airport auditing.

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$ <u>600.00</u>
• *RENTAL CAR (Must complete page 2)	\$ _____
• OTHER TRANSPORTATION (Taxi, Train)	\$ <u>50.00</u>
B. LODGING	\$ <u>715.00</u>
C. MEALS	\$ <u>276.00</u>
D. SEMINAR AND CONFERENCE FEES	\$ <u>800.00</u>
E. ENTERTAINMENT (If applicable)	\$ _____
F. OTHER INCIDENTAL EXPENSES	\$ _____
TOTAL PROJECTED TRAVEL EXPENSE	\$ <u>2,441.00</u>

*Permitted in limited circumstances; must be pre-approved. Provide a copy of Out-of-Town Travel Request form to Risk Management prior to travel in order to obtain insurance identification card covering rental period.

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 4/13/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

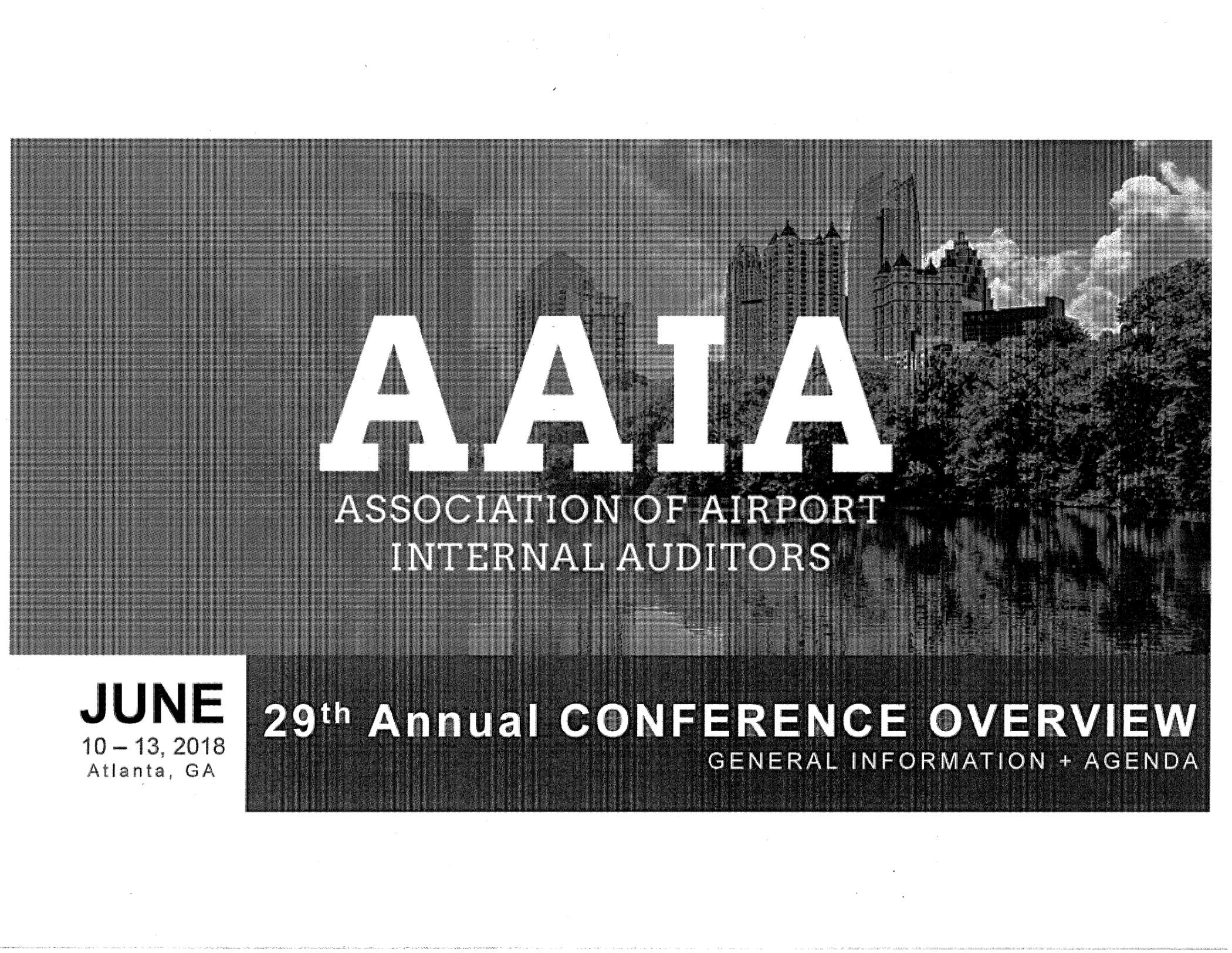
Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.

(Leave blank and we will insert the meeting date.)

An aerial, black and white photograph of Atlanta, Georgia, showing the skyline with several skyscrapers and Central Park with its trees and a body of water in the foreground. The image has a halftone or dithered texture.

AAIA

ASSOCIATION OF AIRPORT
INTERNAL AUDITORS

JUNE

10 – 13, 2018
Atlanta, GA

29th Annual CONFERENCE OVERVIEW

GENERAL INFORMATION + AGENDA

GENERAL INFORMATION

PRE-CONFERENCE BOARD MEETING

Board members, and anyone interested, will meet to conduct the pre-conference board meeting. The session will be held June 10, 2018 at a private conference room in the Westin Hotel.

WHY ATTEND?

LEARN FROM THE EXPERTS

Sessions are led by industry experts and peers with expertise in the presentation subjects – people that you don't just run into every day. Their goal is to share their experiences and focus on the topics that are pertinent to you. Gain insights and inspiration to help you do your job better.

CUSTOMIZED EDUCATION

There are concurrent sessions categorized by track, allowing you to choose the ones that are most important for you.

BRING NEW ENERGY TO YOUR WORK

Gain exposure to new ways of thinking by exchanging ideas and building relationships with people who have faced similar challenges on the job. Find out how issues were resolved and become inspired to try new approaches during our Group Share sessions.

PROFESSIONAL DEVELOPMENT

Accreditation and training is a way to separate you from the crowd. This conference qualifies for up to 18 hours of continuing professional education (CPE), with an optional 3 additional hours available during the extended session. Break times and meals are excellent opportunities to network with your fellow auditors in a casual atmosphere.

HAVE SOME FUN, TOO

This conference is not just for feeding your brain. Special events give you the chance to network, relax, and enjoy your surroundings in a great location.



Explore Atlanta

Atlanta is home of an array of historic and family attractions. Consider bringing your family along to enjoy visits to the Georgia Aquarium, World of Coca Cola, CNN Center, National Center for Civil and Human Rights, Martin Luther King Jr Historic Site, Atlanta Botanical Gardens, College Football Hall of Fame, shopping and golfing.

Visit ATLANTA.NET to learn more on attractions.

REGISTRATION INFO

CPE

The AAIA has put together an educational and stimulating agenda which qualifies for 18 hours of continuing professional education (CPE). An additional 3 hours of CPE are available in the extended session.

REGISTRATION FEES

Registration	Costs
Early Registration AAIA Members	\$700
Early Registration AAIA Non-Members	\$825
Standard Registration AAIA Members	\$800
Standard Registration AAIA Non-Members	\$925
EXTENDED SESSION - Optimizing Your User Access Review & Cybersecurity and Audit Risk	\$100
Conference Guests under 21 / over 21	\$100 / \$150

In order to qualify for the early registration fee, all conference registration forms must be completed by **Tuesday, May 1, 2018**; payment must be received by **May 15, 2018**. Registration forms entered after May 1, 2018, will be processed at the specified regular fee.

Registration fees must accompany all conference registration forms. Please note you are considered fully registered to the conference **only** when payment (check or credit card) has been received **and** you have completed registration forms online.

The AAIA will utilize an online registration service this year, the link is available at www.airport-auditors.com. You will be able to complete your registration on line, and make credit card payment at the same time. If you wish to pay by check, please complete the registration forms online and mail your check to **Laura Tatem**.

Checks should be made payable to the Association of Airport Internal Auditors, in US dollars, and it should be clearly noted whose registration(s) the check is paying for.



Association of Airport Internal Auditors

CONFERENCE PAYMENT

Online:

www.airport-auditors.com

Mail payment to:

Laura Tatem | AAIA Treasurer
6803 Pleasant Oaks Place
Riverview, FL 33578

Email:

treasurer@airport-auditors.com

CONFERENCE HOTEL

THE WESTIN BUCKHEAD HOTEL

The Westin Buckhead Atlanta is a modern, newly refreshed retreat in an upscale community. Guests can indulge in world-class shopping at the adjacent Lenox Mall, the Shops Around Lenox, and Phipps Plaza, or access myriad dining options within minutes.

A block of rooms for single or double occupancy has been reserved at the Westin Buckhead Hotel at the conference rate of \$199 + tax (16.9%) + Georgia State Hotel Fee (\$5.00) per night. **Group is available from June 8 – 15, 2018**

To make your room reservation with a credit card by telephone, call 1.404.365.0065 and ask for the Association of Airport Internal Auditors: Annual Conference rate. You may also book your room online using this link: <https://www.starwoodmeeting.com/events/start.action?id=1706033501&key=D7A81A6>

Deadline: The cutoff date for guaranteed hotel rates is Friday, May 16, 2018. At that time, the remaining rooms in our block will be released and there will be no guarantee of being able to reserve a room at the conference rate. **Check-in time is 3:00 p.m. and check-out time is 12:00 p.m.**

HOTEL PARKING

Our hotel offers on-site Valet Parking and Self-parking for a fee. Parking is not included in the hotel room rate.

HOTEL SHUTTLES

The Westin Buckhead does not have an airport shuttle. Transportation from the airport to the hotel must be arranged independently.

	Average est. room total per night**	
Room rate:	USD	199.00
Room rate excludes the following:		
CITY:	USD	17.71
STATE:	USD	15.92
STATE HOTEL FEE:	USD	5.00
Estimated total*:	USD	237.63



TRANSPORTATION

Arriving from Hartsfield-Jackson

Airport Cab Services located in the Ground Transportation area.

Metropolitan Atlanta Rapid Transit Authority (MARTA) Atlanta's public transportation train, located inside airport, look for signs. www.itsmarta.com

Transportation Network Companies (TNCs)
Uber and Lyft offer pick up and drop off transportation service at Hartsfield-Jackson.

Shared-Ride Shuttles are available in the Ground Transportation area. Visit atl.com to learn more.

Visit Hartsfield-Jackson website atl.com for more transportation details.

NETWORKING

WELCOME RECEPTION

SUNDAY, JUNE 10 | 6:00 p.m. to 9:00 p.m.

DEL FRISCO'S GRILLE
3376 Peachtree Road NE,
Atlanta, GA 30326
<https://delfriscosgrille.com/atlanta/>

The restaurant is located directly across the street from the hotel.

We will host a wine/beer/cocktail reception and elegant hors d'oeuvres.*

NETWORKING DINNER

TUESDAY, JUNE 12 | 6:00 p.m. to 9:00 p.m.

101 STEAK
3621 Vinings Slope SE #4110
Atlanta, GA 30339
<http://www.101steakatl.com/>

We will provide transportation to the restaurant. Meet the busses in the hotel lobby at **5:15 pm**.

This event will feature hosted wine, beer, cocktails, elegant plated dinner, and live music from Gritz and Jelly Butter! *

*Please Note: Vegetarian options are available at both restaurant locations. There is a cost of \$150.00 for guests to participate.



CONFERENCE AGENDA

ASSOCIATION OF AIRPORT INTERNAL AUDITORS

29TH ANNUAL CONFERENCE
ATLANTA, GA – JUNE 10-13, 2018

CONFERENCE AGENDA

Sunday, June 10, 2018	
6:00 pm to 9:00 pm	Welcome Reception – Del Frisco's Grille, across the street from Hotel.
Monday, June 11, 2018	
07:00 am to 08:00 am	Registration and Continental Breakfast – <i>Conference Registrants Only</i>
08:00 am to 08:30 am	<p>Opening Remarks and Attendee Introductions</p> <ul style="list-style-type: none"> Wayne E. Robinson, AAIA President, Internal Auditor, Manchester-Boston Regional Airport Angela Johnson, Interim Aviation Internal Audit Manager, Sr., Hartsfield-Jackson Atlanta International Airport Attendee Introductions Housekeeping Items
08:30 am to 08:45 am	<p>Welcome to Atlanta</p> <p>Michael Smith, Senior Deputy General Manager, Hartsfield-Jackson Atlanta International Airport</p>
08:45 am to 10:00 am	<p>Mach 1 Mission: Never Fly Solo</p> <p>Highly engaging, inspirational and customized program of the Wingman peak performance philosophy of leading with courage, building trusting partnerships, preparing relentlessly and working as a cohesive team to win your organization's mission.</p> <ul style="list-style-type: none"> Lt. Col. Scott "Hurter" Weaver, Wingman Enterprises, Inc.
10:00 am to 10:15 am	Networking Break
10:15 am to 11:30 am	<p>Auditing What Matters</p> <p>Internal auditors believe we do valuable work and we strive to be trusted advisors to the leaders of our organizations.</p> <p>But does the work we do really <i>matter</i> to top management and the board? How often are internal audit results discussed in the executive committee or at full board meetings?</p> <p>Norman Marks will share his thoughts on how internal auditors can and perhaps should adjust their audit plan and the assurance, advice, and insight they provide – becoming not only trusted advisors but highly valued contributors to their organizations' success.</p> <ul style="list-style-type: none"> Norman Marks, CPA, CRMA, Author, Evangelist and Mentor for Better Run Business, OCEG Fellow, Honorary Fellow of the Institute of Risk Management
11:30 am to 01:30 pm	Lunch, Annual Business Meeting, Short Presentation by Patrick North

ASSOCIATION OF AIRPORT INTERNAL AUDITORS

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01:30 pm to 02:45 pm	<p>Consultant and Construction Auditing for your Airport</p> <p>This class discusses the Who, Why, When and How to audit Consultants and Construction Projects at your airport. We will discuss how to develop an indirect cost rate or overhead rate for a consultant. In addition, we will discuss Construction Auditing and the six major areas of cost (audit areas) on a construction contract.</p> <ul style="list-style-type: none"> William Parker, CCA
02:45 pm to 03:00 pm	Networking Break
03:00 pm to 04:15 pm	<p>TNC Audits 2.0 – Lessons Learned from a Year of Auditing Uber and Lyft</p> <p>The advent of Transportation Network Companies (TNC) has created the potential for a unique revenue stream at airports. However, the logistics around TNC operations also present a unique set of challenges that airports must navigate in order to maximize their revenue potential. MSP Airport has permitted TNC operations since April 2016, with the implementation of a TNC ordinance at the beginning of 2017. The presentation will highlight the impact TNC operations have had on the airport from a revenue perspective, the control structure utilized to monitor TNC activity, an overview of the audit activities used to verify both data and revenue integrity, and the challenges inherent in auditing TNC's. To conclude, the presenter will facilitate a discussion related to the experiences of attendees related to TNC audits.</p> <ul style="list-style-type: none"> Michael Gee, Senior Internal Auditor, Metropolitan Airports Commission (Minneapolis-St. Paul)

Tuesday, June 12, 2018

07:00 am to 08:00 am	Continental Breakfast – <i>Conference Registrants Only</i>
08:00 am to 09:15 am	<p>Auditing the Various Types of In-Airport Concessions</p> <p>Today's Internal Auditing of Concessions is taking various processes and methods away from the norm of individual concession audits. Since audit observations appear to be the same across the concessions at an airport, Internal Audit Departments now combine audits of all concessions in one single audit, while large revenue related concessions, such as parking, are done as 'stand-alone' audits.</p> <p>During this session, participants will see samples of these audits, with an emphasis on advertising and across the board of concessions audits, including suggested areas of concentration and some observations.</p> <ul style="list-style-type: none"> Claire Aboko-Venn, Director, Process Optimization and Improvement Detroit International Airport
09:15 am to 09:30 am	Networking Break

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09:30 am to 10:20 am	<p>Data Analytics – “What is Different Today”</p> <p>This presentation will be about the evolution of data analytics, discussion on different maturity levels, what has changed over the year and the new skill sets required for executing today’s data analytics.</p> <ul style="list-style-type: none"> • Troy A Snyder, CICA Partner (Risk Accounting Advisory Services) Plante Moran, PLLC
10:20 am to 10:30 am	Networking Break
10:30 am to 11:45 am	<p>Cyber Security Survival Training</p> <p>This session will be an introduction and racing dive into the complex but fascinating world of cyber security, or “cyber” for short. Topics will include a brief history of cyber, important concepts, and basic vocabulary. From there, we will be discussing some of the recent trends in cyber, including crypto-currencies and blockchain technology, and how you might encounter them in your field. We’ll end with a healthy discussion period.</p> <ul style="list-style-type: none"> • Marty Mueller, Director of Technology and Information Systems, Reno-Tahoe Airport Authority
11:45 am to 12:45 pm	Lunch
12:45 pm to 02:00 pm	<p>CHOOSE FROM THE FOLLOWING TRACKS:</p> <p>TRACK A ~ Auditing Capital Projects: “The Basics of Construction Audits: Why, How & When”</p> <p>Capital program activities have significantly increased in recent years, generating the need to protect limited funding resources, provide transparency, establish objectivity, and reduce risks. Project stakeholders seek successfully executed projects that are on schedule and within budget meeting investment objectives. The Auditing Capital Projects: “The Basics of Construction Audits: Why, How & When” session will focus on developing and incorporating a construction audit strategy within an institution’s internal audit plan. The interactive conversation will cover the basic questions of why a construction audit might be needed, how to perform a construction audit and when they should occur. Specific focus will include areas typically addressed during construction audits including: Change Management, Cost Management, Construction Management & Quality, Claims / Disputes, Project Administration, and Risk Identification. Participants will be introduced to methods of approaching and facilitating the audit with a goal to improving financial controls and mitigating risks on capital projects.</p> <p>Learning Objectives:</p> <ol style="list-style-type: none"> 1. Assessing the impact of internal audit to improving capital programs 2. Reviewing risks associated with capital projects – Red Flags 3. When to conduct an audit with internal or external staff 4. Understanding cost recovery vs. cost prevention 5. Reviewing basic construction audit activities 6. Know key components of a comprehensive construction audit program <ul style="list-style-type: none"> • Robert S. Bright, President and Founder, Talson Solutions, LLC • Kenneth J. Brzozowski, Director, Talson Solutions, LLC

<p>Management Services</p> <p>CPEs = 1.5</p>	<p>TRACK B ~ Strategic Risk Management</p> <p>Have you wondered why you can’t get the attention of senior management and the board? Are you concerned that most of the risks surfaced are those that are hazard, safety, or operational risks? Learn how you can add value to your organization by integrating strategy and risk. In this session you will learn:</p> <ul style="list-style-type: none"> • the basic definition of enterprise risk management • the transformation occurring in ERM • the impact of ignoring strategic risks • how to define strategic risk • explore example strategic risks • how you can take this approach into your airport and add strategic value <ul style="list-style-type: none"> • Vicki Yamasaki, Principal of Yamasaki ERM Solutions, LLC
02:00 pm to 02:15 pm	Networking Break
02:15 pm to 3:30 pm	<p>CHOOSE FROM THE FOLLOWING TRACKS:</p> <p>TRACK A ~ Auditing Capital Projects: “Technical Aspects of the Audit and Case Study Analysis”</p> <p>This session is geared towards those who want to further understand construction audit concepts, participate in interactive discussions and take part in case study analysis. The presentation will dive deeper into cost of work definitions, allowable and unallowable costs, technical aspects of reviewing hourly wage rate components, assessing details of labor burdens, analyzing the composition of change orders, and assessing other critical best practices and industry standards as they relate to capital programs. Attendees will be requested to assist in reviewing and discussing case studies related to aspects of assessing risks that are common to large infrastructure capital projects.</p> <p>Learning Objectives:</p> <ol style="list-style-type: none"> 1. Collaborating with other departments to meet audit objectives 2. Identifying unallowable profit centers for design teams and general contractors 3. Understanding how to create the value proposition for internal audit involvement 4. Leveraging technical resources to aid in performing the audit 5. Introduction of advanced construction audit techniques <ul style="list-style-type: none"> • Robert S. Bright, President and Founder, Talson Solutions, LLC • Kenneth J. Brzozowski, Director, Talson Solutions, LLC <p>TRACK B ~ Scoring Strategic/Top Risks</p> <p>In this session, we will engage the participants in surfacing aviation/airport strategic/top risks. We will together learn how to identify a top ten list of strategic risks and then engage senior leaders in scoring these risks, considering probability, impact, and velocity. How will you learn this? We will do this LIVE in our session together! Come watch it happen before your eyes!!</p> <ul style="list-style-type: none"> • Vicki Yamasaki, Principal of Yamasaki ERM Solutions, LLC
03:30 pm to 03:40 pm	Networking Break
<p>Auditing</p> <p>CPEs = 1.5</p>	<p>Management Services</p> <p>CPEs = 1.5</p>

ASSOCIATION OF AIRPORT INTERNAL AUDITORS

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<p>03:40 pm to 04:30 pm Auditing CPEs = 1</p>	<p>Auditing Air Service Incentive Programs</p> <p>This presentation will provide an overview of what an air service incentive program is, its goals and structure, and how it can benefit the airport.</p> <p>We will discuss the approach to audit and identification of risk. Lastly, we will walk you through the results of our audits from Orlando International Airport and Tampa International Airport, and provide opportunities to improve internal controls over administration of the program.</p> <ul style="list-style-type: none"> • Tianna Dumond, Director, Internal Audit Orlando International Airport • Ma Janette Mendones, Auditor Orlando International Airport • Laura Tatem, Director of Internal Audit Tampa International Airport
<p>5:15 pm to 9:30 pm</p>	<p>Networking Event – Atlanta's 101 Steak, 3621 Vinings Slope SE</p>

Wednesday, June 13, 2018

<p>07:00 am to 08:00 am</p>	<p>Continental Breakfast ~ <i>Conference Registrants Only</i></p>
<p>08:00 am to 09:15 am Specialized Knowledge CPEs = 1.5</p>	<p>Group Sharing</p> <p>Do you have an audit issue about which you would like advice, clarification of how others perform a procedure, confirmation of your audit approach, or an experience that you would like to share with the group? This is your opportunity to ask, share, and learn from each other.</p> <p><i>Facilitated by:</i></p> <ul style="list-style-type: none"> • Laura Tatem, Director of Internal Audit, Tampa International Airport • Debbie Mommaerts, Audit Manager, Columbus Regional Airport Authority • Patrick J. Dalton, Director of Internal Audit & Corporate Compliance, Niagara Frontier Transportation Authority
<p>09:15 am to 09:30 am</p>	<p>Networking Break</p>
<p>09:30 am to 10:45 am Management Services CPEs = 1.5</p>	<p>Third-Party Contract Risks</p> <p>Most organizations rely on third-party service providers. Learn how you and your teams can help minimize your financial and reputational risks by properly managing your third parties.</p> <ul style="list-style-type: none"> • Adam Rouse, CFE, CCA, CCP, BKD CPAs & Advisors
<p>10:45 am to 11:00 am</p>	<p>Networking Break</p>
<p>11:00 am to 12:15 pm Auditing CPEs = 1.5</p>	<p>TNC Audits 2.0 – Q & A – Lessons Learned from a Year of Auditing Uber and Lyft</p> <p>This will be a continuation of the presentation from Monday afternoon and a time for more in-depth questions and discussion on what other airports are doing.</p> <ul style="list-style-type: none"> • Michael Gee, Senior Internal Auditor, Metropolitan Airports Commission (Minneapolis-St. Paul)

REGULAR SESSION ENDS

ASSOCIATION OF AIRPORT INTERNAL AUDITORS

29TH ANNUAL CONFERENCE
ATLANTA, GA ~ JUNE 10-13, 2018

EXTENDED SESSION	
<p>12:15 pm to 01:00 pm</p>	<p>Lunch – <i>For EXTENDED SESSION Participants ONLY</i></p>
<p>01:00 pm to 02:15 pm Information Technology CPEs = 1.5</p>	<p>Optimizing Your User Access Review Process</p> <p>Reviewing user access to systems across the enterprise is frequently manual and disjointed, without any well-established control policies in place or reporting mechanisms. This session will explore what types of access should be periodically reviewed and how to best manage that process from an overall governance and compliance perspective.</p> <p>Learning Objectives:</p> <ul style="list-style-type: none"> ➢ Define purpose & value of establishing Access Review Campaigns within your organization and what types of campaigns should be conducted (& at what frequency) ➢ Describe common challenges and pain points around access review process(es) ➢ Recommend Process-Oriented Changes to Optimize those Process(es) & how to Execute ➢ Recommend Technology-Oriented Changes to Optimize those Process(es) & how to Execute ➢ Tie Access Review process back to overall Governance & Compliance framework and how it contributes to a better Integrated Risk Management posture across an organization <ul style="list-style-type: none"> • Stephanie Hagopian, Focal Point Data Risk, LLC
<p>02:15 pm to 02:30 pm</p>	<p>Break/Networking</p>
<p>02:30 pm to 03:45 pm Information Technology CPEs = 1.5</p>	<p>Cybersecurity and Audit Risk</p> <p>Recent cyber risks and threats have grown in scope and sophistication, prompting individuals charged with governance to be properly educated and equipped to manage existing and emerging threats. This session addresses cybersecurity issues and how they relate to internal auditing, provide insight to leading industry practices and Internal Audit's role in identifying and mitigating key risks associated with cybersecurity.</p> <ul style="list-style-type: none"> • Sabrina Serafin, CISA, Partner and National Practice Leader PRG, Frazier & Deeter, LLC

BUSINESS EXPENSE

KIM BECKER

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BUSINESS EXPENSE REIMBURSEMENT REPORT**

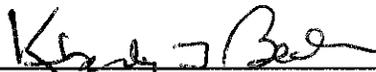
JAN-MAR 2018

Period Covered

DATE	G/L Account	Description	AMOUNT
1/29/2018	66240.100	Dinner with Steve Van Beek (Consultant for Board Retreat)	\$ 61.05
1/29/2018	66290	Parking at Island Prime for dinner on 1/29/18	\$ 12.00
2/6/2018	66290	Parking for Meeting with President of SD Convention Center	\$ 15.00
3/1/2018	66290	Transportation to Downtown San Diego Partnership Dinner	\$ 7.78
TOTAL			\$95.83

I acknowledge that I have read, understand and agree to Authority *Policy 3.30 - Business Expense Reimbursement Policy and that any purchases that are not allowed will be my responsibility. I further certify that this report of business expenses were incurred in connection with official Authority business and is true and correct.

* Policy 3.30


NAME Kimberly Becker

DATE 4/4/2018

APPROVED:

NAME

DATE

**RECEIPTS FOR BUSINESS EXPENSE REIMBURSEMENT
JAN-MAR 2018
KIMBERLY J. BECKER**

Island Prime & C Level
GM: Rich Sabatowski
880 Harbor Island Drive
San Diego, CA 92101
619-298-6802

*DINNER w/ STEVE VAN BEEK
(BOARD RETREAT DISCUSSION)*

Island Prime & C Level
GM: Rich Sabatowski
880 Harbor Island Drive
San Diego, CA 92101
619-298-6802

Server: Nathan 01/29/2018
Table 27/1 6:54 PM
Guests: 4 20022

ORGANIC GREENS 10.00
PLANK SALMON 36.00

Complete Subtotal 46.00

Subtotal 46.00
Tax 3.67

3% Surcharge* 1.38
Total 51.05

Balance Due 51.05

Server: Nathan DOB: 01/29/2018
07:11 PM 01/29/2018
Table 27/1 2/20022

SALE

VISA 2097167
Card #XXXXXXXXXXXX
Magnetic card present: BECKER KIMBERLY JAN
Card Entry Method: S
Approval: 09177D

Amount: \$51.05
+ Tip: 10-
= Total: 61.05

Receipt

880 Harbor Island Drive
San Diego, CA 92101

Sale

Receipt Number: 50241593
Arrived: 29 Jan 2018 05:43 PM
Paid: 29 Jan 2018 07:48 PM
Ticket Number: 222389
Payment Method: Visa 4471
Approval Code: 1827537151
Valet Fee: \$7.00
Tip: \$5.00
Total: \$12.00

I agree to pay the above total amount according to the card issuer agreement.

X 

Customer Copy

We appreciate your business.
Thank you for parking with us.

RECEIPTS FOR BUSINESS EXPENSE REIMBURSEMENT

JAN-MAR 2018

KIMBERLY J. BECKER

Ace Parking
MEETING w/ RIP KIPPETOR
Date: 02/06/2018 Time: 14:45
Employee #: 071626

Convention Center

PUBLIC RATE
\$15.00 (Cash)

NO REFUNDS. NO IN/OUT PRIVILEGES.

THIS CONTRACT LIMITS OUR LIABILITY - READ IT
The management hereby declares itself not responsible for fire, theft, damage or loss of car or any article left in same, all of such risk being assumed by licensee. only a rental spaces license is granted hereby and no bailment is intended or granted.

NO OVERNIGHT PARKING. Permit expires at 2:00am.
Any vehicles left after 2:00am will be subject to tow at owners' expense.



Ayers Kim

From: no-reply@lyftmail.com on behalf of Lyft Ride Receipt <no-reply@lyftmail.com>
Sent: Friday, March 02, 2018 6:25 PM
To: Becker Kimberly
Subject: Your ride with Jake on March 1



RIDE TO DOWNTOWN
SAN DIEGO PARTNERSHIP
INSTALLATION DINNER

Thanks for riding with Jake!

March 1, 2018 at 6:15 PM

Ride Details

Since you updated your stop or destination, your fare reflects actual time and distance
[Learn more](#)

Base fare	\$0.00
9m 31s	\$1.43
3.54 mi	\$4.10
Service fee	\$2.25
PayPal account	\$7.78



- Pickup 6:15 PM
845 Beech St, San Diego, CA
- Dropoff 6:24 PM
835 Gull St, San Diego, CA

APRIL BOLING

MARK KERSEY

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

SDCRAA

APR 19 2018

Corporate & Information Governance

2018

MONTHLY MILEAGE and PARKING FEE REIMBURSEMENT REPORT

EMPLOYEE NAME Mark Kersey			PERIOD COVERED April	
DEPARTMENT/DIVISION Board				
Date	Miles driven	Destination and purpose of trip	Parking fees & other transportation costs paid	\$\$\$
4/16/18	-	AAAE Airport Conference	Ace Parking Garage at Convention Center	15.00
SUBTOTAL				15.00

Computation of Reimbursement

REIMBURSEMENT RATE: (see below) *	Rate as of January 2018	X	0.545
TOTAL MILEAGE REIMBURSEMENT			-
PARKING FEES/TOLL CHARGES (ATTACH RECEIPTS)			15.00
TOTAL REIMBURSEMENT REQUESTED			\$ 15.00

I acknowledge that I have read, understand and agree to *Authority Policy 3.30 - Business Expense Reimbursement Policy and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of business expenses were incurred in connection with official Authority business and is true and correct.
Business Expense Reimbursement Policy 3.30



SIGNATURE OF EMPLOYEE

DEPT./DIV. HEAD APPROVAL

Ace Parking

Date: 04/18/2018
Employee #: 000505

Time: 09:49

Convention Center
Main Entrance
\$15.00 Rate
\$15.00 (Credit)

NO REFUNDS. NO IN/OUT PRIVILEGES.
THIS CONTRACT LIMITS OUR LIABILITY - READ IT
The management hereby declares itself not responsible for fire, theft, damage or loss of car or any article left in same, all of such risk being assumed by licensee, only a rental spaces license is granted hereby and no bailment is intended or granted.

NO OVERNIGHT PARKING. Permit expires at 2:00am.
Any vehicles left after 2:00am will be subject to tow at owners' expense.



003650716

J. SCHIAVONI

TRAVEL EXPENSE

KIM BECKER

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Kimberly J. Becker DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 3/14/2018 RETURN DATE: 3/15/2018 REPORT DUE: 4/14/18
 DESTINATION: Sacramento, CA - CAC Board Meeting

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SATURDAY	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	\$217.96					3/14/18	3/15/18		0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*							10.00		10.00
Hotel*					263.55				263.55
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel srvs.)									0.00
Meals (include tips pd.)									0.00
Breakfast*									0.00
Lunch*									0.00
Dinner*									0.00
Other Meals*									0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ¹ *									0.00
Miscellaneous: Baggage Fee									0.00
									0.00
									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority	217.96	0.00	0.00	0.00	0.00	263.55	10.00	0.00	273.55

Explanation:	Total Expenses Prepaid by Authority	217.96
	Total Expenses Incurred by Employee (including cash advances)	273.55
	Grand Trip Total	491.51
	Less Cash Advance (attach copy of Authority ck)	
	Less Expenses Prepaid by Authority	217.96
	Due Traveler (positive amount)²	
	Due Authority (negative amount)³	273.55
	<i>Note: Send this report to Accounting even if the amount is \$0.</i>	

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.
⁴ Travel and Lodging Expense Reimbursement Policy 3.40 ⁵ Business Expense Reimbursement Policy 3.30

Prepared By: Kim Ayers Ext.: 2445
 Traveler Signature: Date: 3/22/18
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)
 I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)
Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 1/3/2018 PLANNED DATE OF DEPARTURE/RETURN: 3/14/2018 / 3/15/2018

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):

Destination: Sacramento, CA Purpose: Attend California Airports Council Board Meeting

Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 250.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 100.00

B. LODGING \$ 270.00

C. MEALS \$ 150.00

D. SEMINAR AND CONFERENCE FEES \$

E. ENTERTAINMENT (If applicable) \$

F. OTHER INCIDENTAL EXPENSES \$ 50.00

TOTAL PROJECTED TRAVEL EXPENSE \$ 820.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 1/4/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

Tony R. Russell, Authority Clerk, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its 1/22/18 meeting.
(Leave blank and we will insert the meeting date.)



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700



Friday, 26JAN 2018 04:17 PM EST

Passengers: KIMBERLY JANE BECKER (06)

Agency Reference Number: EKIJRQ

Click here to view your current itinerary or ETicket receipt on-line: tripcase.com

Southwest Airlines Confirmation NUTHLB

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN
 ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO
 EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

AIR	Wednesday, 14MAR 2018	
Southwest Airlines	Flight Number: 1593	Class: T-Coach/Economy
From: San Diego CA, USA	Depart: 12:15 PM	
To: Sacramento CA, USA	Arrive: 01:45 PM	
Stops: Nonstop	Duration: 1 hour(s) 30 minute(s)	
	Status: CONFIRMED	Miles: 468 / 749 KM
Equipment: Boeing 737 Jet		
DEPARTS SAN TERMINAL 1 - ARRIVES SMF CENTRAL TERMINAL B		
FREQUENT FLYER NUMBER ██████████		
Southwest Airlines Confirmation number is NUTHLB		

AIR	Thursday, 15MAR 2018	
Southwest Airlines	Flight Number: 1508	Class: S-Coach/Economy
From: Sacramento CA, USA	Depart: 03:40 PM	
To: San Diego CA, USA	Arrive: 05:05 PM	
Stops: Nonstop	Duration: 1 hour(s) 25 minute(s)	
	Status: CONFIRMED	Miles: 468 / 749 KM
Equipment: Boeing 737-700 Jet		
DEPARTS SMF CENTRAL TERMINAL B - ARRIVES SAN TERMINAL 1		
FREQUENT FLYER NUMBER ██████████		
Southwest Airlines Confirmation number is NUTHLB		

A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN
 UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND.
 SOUTHWEST AIRLINES CONFIRMATION NUMBER - NUTHLB
 FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

Ticket for: KIMBERLY JANE BECKER
 Ticket Nbr: WN1407337418 Electronic Tkt: No Amount: 157.96

Base: 120.33 Tax: 37.63

Charged to: AX*****[REDACTED]

Ticket for: KIMBERLY JANE BECKER

Ticket Nbr: WN5573475549 Electronic Tkt: No Amount: 15.00

Base: 15.00 Tax: 0.00

Charged to: AX*****[REDACTED]

Ticket for: KIMBERLY JANE BECKER

Ticket Nbr: WN5573475550 Electronic Tkt: No Amount: 15.00

Base: 15.00 Tax: 0.00

Charged to: AX*****[REDACTED]

Service fee: KIMBERLY JANE BECKER

Date issued: 1/26/2018

Document Nbr: XD0729770321 Amount: 30.00

Charged to: AX*****[REDACTED]

Total Tickets: 187.96

Total Fees: 30.00

Total Amount: 217.96

Click here 24 hours in advance to obtain boarding passes:

[SOUTHWEST](#)

Click here to review Baggage policies and guidelines:

[SOUTHWEST](#)

TSA Guidance- a government issued photo id is needed for checkin.

Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.

For Additional security information visit www.tsa.gov.

Thank you for choosing Traveltrust!

Our Business Hours are Sunday - Friday 10pm - 5:30pm Pacific

Saturday from 9am-1pm Pacific.

For EMERGENCY AFTERHOURS assistance in the US, please call 888-221-6043 and use VIP Code SJE72.

You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.

Each call is billable at a minimum \$25.00 per call/reservation



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HOTELS*

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100 CAPITOL MALL
SACRAMENTO, CA 95814
United States of America
TELEPHONE 916-326-5000 • FAX (916) 326-5001
Reservations
www.embassysuites.com or 1 800 EMBASSY

BECKER, KIMBERLY

[REDACTED]

[REDACTED]

UNITED STATES OF AMERICA

Room No: 327/TDBN
Arrival Date: 3/14/2018 8:42:00 PM
Departure Date: 3/15/2018 8:58:00 AM
Adult/Child: 1/0
Cashier ID: JPEARCE3
Room Rate: 229.00
AL: AA MTJ4330
HH # [REDACTED]
VAT #
Folio No/Che 929164 A

Confirmation Number: 82724348

EMBASSY SUITES SACRAMENTO 3/15/2018 8:57:00 AM

DATE	REF NO	DESCRIPTION	CHARGES
3/14/2018	6033904	GUEST ROOM	\$229.00
3/14/2018	6033904	OCCUPANCY TAX	\$27.48
3/14/2018	6033904	CITY TOURISM ASSESSMENT	\$6.87
3/14/2018	6033904	CA TOURISM ASSESSMENT	\$0.20
3/15/2018	6034330	VS [REDACTED]	(\$263.55)
BALANCE			\$0.00

EXPENSE REPORT SUMMARY

	3/14/2018	STAY TOTAL
ROOM AND TAX	\$263.55	\$263.55
DAILY TOTAL	\$263.55	\$263.55

You have earned approximately 2290 Hilton Honors points for this stay. Hilton Honors(R) stays are posted within 72 hours of checkout. To check your earnings or book your next stay at more than 4,900 h

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**TRAVEL EXPENSE RECEIPTS FOR KIMBERLY J. BECKER
CALIFORNIA AIRPORTS COUNCIL BOARD MEETING
Sacramento, CA
March 14-15, 2018**

**PASSENGER'S RECEIPT, TAXI CAB FARE
S.I.T.O.A. Airport Taxi**

Driver's Phone Number
(916) 417-8325

*Please call driver
for cab service*



24 Hour Dispatch Service
(916) 444-0008

Driver's Name & Co.
IQBAL
FRONTIER CAB # 82

Date : 3 / 15 / 18
Fare : \$8.60 + \$1.40 TIP
Other : _____
Total : 10-

We appreciate your business. If you have any comments or concerns please contact us: **Website: sacairportcab.com. Phone: (916) 284-6878. Email: sitoa1@yahoo.com**

FROM: Hotes TO: Capital



SCHEDULE

California Airports Council – Board of Directors Meeting
March 14-15, 2018
Sacramento, CA

WEDNESDAY, MARCH 14

5:45 P.M. Meet in hotel lobby and walk to dinner.

5:55 P.M. Arrive at Il Fornaio
Loggia Room
400 Capitol Mall
Sacramento, CA
916.446.4100

Parking at Il Fornaio is available inside the Wells Fargo building at the same address. The restaurant offers two-hour validation.

THURSDAY, MARCH 15

Breakfast offered by the hotel (members on their own)

9:00 A.M. CAC Board Meeting – Central Pacific Room
Business Casual Attire

1:00 P.M. Adjournment (tentative) and Lunch

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Kimberly J. Becker DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 3/18/2018 RETURN DATE: 3/22/2018 REPORT DUE: 4/21/18
 DESTINATION: Stockholm, Sweden - 2018 Passenger Terminal Conference

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	
		3/18/18	3/19/18	3/20/18	3/21/18	3/22/18			
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	\$4,368.12								0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*			82.02		83.83				165.85
Hotel*	\$176.64				428.92				428.92
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel srvs.)									0.00
Meals (include tips pd.)	Breakfast*								0.00
	Lunch*				23.97				23.97
	Dinner*		15.10	17.58					32.68
	Other Meals*								0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ¹ *									0.00
Miscellaneous: Baggage Fee									0.00
									0.00
									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority	4,544.76	0.00	97.12	17.58	536.72	0.00	0.00	0.00	651.42

Explanation:	Total Expenses Prepaid by Authority	4,544.76
	Total Expenses Incurred by Employee (including cash advances)	651.42
	Grand Trip Total	5,196.18
	Less Cash Advance (attach copy of Authority ck)	
	Less Expenses Prepaid by Authority	4,544.76
	Due Traveler (positive amount) ²	
	Due Authority (negative amount) ³	651.42
<i>Note: Send this report to Accounting even if the amount is \$0.</i>		

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Kim Ayers Ext.: 2445
 Traveler Signature: Kimberly J. Becker Date: 3/29/18
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)
 I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 11/29/2017 PLANNED DATE OF DEPARTURE/RETURN: 3/18/2018 / 3/22/2018

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: Stockholm, Sweden Purpose: 2018 Passenger Terminal Conference

Explanation: I am speaking on a panel on "Innovation in Small Business Development"

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 4400.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 200.00

B. LODGING \$ 600.00

C. MEALS \$ 300.00

D. SEMINAR AND CONFERENCE FEES \$ COMP

E. ENTERTAINMENT (If applicable) \$

F. OTHER INCIDENTAL EXPENSES \$ 100.00

TOTAL PROJECTED TRAVEL EXPENSE \$ 5600.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 11/30/17

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, Steph... Authority Clerk II, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its 12/21/17 meeting.
(Leave blank and we will insert the meeting date.)

FLIGHTS w/ HOTEL

Ayers Kim

From: Scott Mackerley <scott@traveltrust.com>
Sent: Tuesday, December 12, 2017 11:49 AM
To: Lagos Michelle; Ayers Kim; SMACKERLEY@TRAVELTRUST.COM;
TRIPALERTS@TRAVELTRUST.COM
Subject: Ticketed itinerary for KIMBERLY JANE BECKER - 3/18/18 - Stockholm Sweden (EAHRPQ)
Attachments: ItineraryEAHRPQ_12DEC.pdf; CalendarEAHRPQ_12DEC.ics

Traveltrust Corporation
374 North Coast Hwy 101, Suite F
Encinitas, CA 92024
Phone: (760) 635-1700

SEE PAGES 2 & 3
FOR HOTEL PRE-PAY
INFO

Tuesday, 12DEC 2017 02:48 PM EST

Passengers: KIMBERLY JANE BECKER (06)

Agency Reference Number: EAHRPQ

Click here to view your current itinerary or ETicket receipt on-line: tripcase.com

British Airways Confirmation MYISF4

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
Be sure to visit www.traveltrust.com for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN
ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO
EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

FOR TRAVEL TO SWEDEN A US CITIZEN
MUST HAVE A VALID PASSPORT

YOU CANNOT TRAVEL OUT OF THE UNITED STATES IF YOUR US
PASSPORT EXPIRES WITHIN 6 MONTHS OF YOUR DEPARTURE DATE
YOUR INTERNATIONAL TRAVEL MAY REQUIRE VACCINATIONS
PLEASE CHECK WWW.CDC.GOV FOR LATEST REQUIREMENTS

CERTAIN FARES MAY REQUIRE REISSUANCE AT TIME OF
CANCELLATION. PLEASE CONTACT THE AIRLINE OR TRAVELTRUST

AIR	Sunday, 18MAR 2018		
British Airways	Flight Number: 0272	Class: I-Business	
From: San Diego CA, USA	Depart: 08:30 PM		
To: London/Heathrow, England, UK	Arrive: 02:00 PM 19MAR		
Stops: Nonstop	Duration: 10 hour(s) 30 minute(s)		
Seats: 61B	Status: CONFIRMED	Miles: 5474 / 8758 KM	
Equipment: Boeing 747 Jet	MEAL: MEALS		
DEPARTS SAN TERMINAL 2 - ARRIVES LHR TERMINAL 5			
Frequent Flyer Number: [REDACTED] applied to BA			

UPPERDECK AISLE SEAT CONFIRMED
British Airways Confirmation number is MYISF4

AIR: Monday, 19MAR 2018

British Airways Flight Number: 0782 Class: J-Business
From: London/Heathrow, England, UK Depart: 03:40 PM
To: Stockholm Arlanda, Sweden Arrive: 07:15 PM
Stops: Nonstop Duration: 2 hour(s) 35 minute(s)
Seats: 03C Status: CONFIRMED Miles: 863 / 1381 KM
Equipment: Airbus A320 Jet MEAL: MEALS
DEPARTS LHR TERMINAL 5 - ARRIVES ARN TERMINAL 2
Frequent Flyer Number: [REDACTED]
UPPERDECK AISLE SEAT CONFIRMED
British Airways Confirmation number is MYISF4

HOTEL: Monday, 19MAR 2018

Motel L Alvsjo (INDEPENDENT HOTEL)
209 Gotalandsvagen Alvsjo 12535 Sweden
Number of Rooms: 1 Confirmation Number: 1947925953
Phone: 46812818203~FAX
Rate: SEK 1450.00
Check Out: Wednesday, 21MAR 2018 Reserved For: MOTEL L ALVSJO
Room Type: Deluxe, 1 Twin Bed

PRE-PAID
ON SAN AMEX
DUE TO P-CARD
BEING REJECTED.

CONTACT TRAVELTRUST FOR ANY CHANGES OR CANCELLATION
CXL POLICY-NONREF
Traveler is responsible for hotel charges if not cancelled

AIR: Wednesday, 28MAR 2018

British Airways Flight Number: 0777 Class: S-Coach/Economy
From: Stockholm Arlanda, Sweden Depart: 11:35 AM
To: London/Heathrow, England, UK Arrive: 01:20 PM
Stops: Nonstop Duration: 2 hour(s) 45 minute(s)
Seats: 09D Status: CONFIRMED Miles: 863 / 1381 KM
Equipment: Airbus A320 Jet MEAL: FOOD-BEV/PUR
DEPARTS ARN TERMINAL 2 - ARRIVES LHR TERMINAL 5
Frequent Flyer Number: [REDACTED]
British Airways Confirmation number is MYISF4

AIR: Wednesday, 28MAR 2018

British Airways Flight Number: 0273 Class: O-Coach/Economy
From: London/Heathrow, England, UK Depart: 03:25 PM
To: San Diego CA, USA Arrive: 06:40 PM
Stops: Nonstop Duration: 11 hour(s) 15 minute(s)
Seats: 35J Status: CONFIRMED Miles: 5474 / 8758 KM
Equipment: Boeing 777 Jet MEAL: MEALS
DEPARTS LHR TERMINAL 5 - ARRIVES SAN TERMINAL 2
Frequent Flyer Number: [REDACTED]
British Airways Confirmation number is MYISF4

THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY. BRITISH AIRWAYS CONFIRMATION NUMBER - MYISF4 FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043 FOR EMERGENCY SERVICE FROM THE UK - 00-800-7373-7882 FOR EMERGENCY SERVICE FROM SWEDEN - 00-800-7373-7882

Ticket/Invoice Information

Ticket for: KIMBERLY JANE BECKER
Date issued: 11/30/2017 Invoice Nbr: 5450433
Ticket Nbr: BA7027353679 Electronic Tkt: Yes Amount: 2487.56 USD
Base: 1713.00 US Tax: 36.00 USD XT Tax: 738.56 USD
Charged to: AX*****1013

Service fee: KIMBERLY JANE BECKER
Date issued: 11/30/2017
Document Nbr: XD0727515245 Amount: 40.00
Charged to: AX*****1013

Passenger Name: KIMBERLY JANE BECKER
Final payment: Amount: 171.00
Charged to: AX*****1013

PRE-PAYMENT FOR HOTEL IN SWEDEN
176.64 - FINAL AS OF 12/28/17
+ TAXES

Total Tickets: 2487.56 }
Total Fees: 40.00 } \$ 2527.56 = AIRFARE
Total Other: 171.00 - HOTEL
Total Amount: 2698.56

Click here 24 hours in advance to obtain boarding passes:
[BRITISH AIRWAYS](#)

Click here to review Baggage policies and guidelines:
[BRITISH AIRWAYS](#)

TSA Guidance- a government issued photo id is needed for checkin.
Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.
For Additional security information visit www.tsa.gov.

Thank you for choosing Traveltrust!
Our Business Hours are Sunday - Friday 10pm - 5:30pm Pacific
Saturday from 9am-1pm Pacific.
For EMERGENCY AFTERHOURS assistance in the US, please call 888-221-6043 and use VIP Code SJE72.
You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.
Each call is billable at a minimum \$25.00 per call/reservation



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700



Friday, 5JAN 2018 07:22 PM EST

Passengers: **KIMBERLY JANE BECKER (06)**

Agency Reference Number: DQNIQX

Click here to view your current itinerary or ETicket receipt on-line: tripcase.com

Lufthansa German Confirmation MYDXBW

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN
 ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO
 EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

FOR TRAVEL TO GERMANY A US CITIZEN
 MUST HAVE A VALID PASSPORT
 FOR TRAVEL TO SWEDEN A US CITIZEN
 MUST HAVE A VALID PASSPORT

 YOU CANNOT TRAVEL OUT OF THE UNITED STATES IF YOUR US
 PASSPORT EXPIRES WITHIN 6 MONTHS OF YOUR DEPARTURE DATE
 YOUR INTERNATIONAL TRAVEL MAY REQUIRE VACCINATIONS
 PLEASE CHECK WWW.CDC.GOV FOR LATEST REQUIREMENTS

CERTAIN FARES MAY REQUIRE REISSUANCE AT TIME OF
 CANCELLATION. PLEASE CONTACT THE AIRLINE OR TRAVELTRUST

AIR	Wednesday, 21MAR 2018	
Lufthansa German	Flight Number: 0805	Class: P-Business
From: Stockholm Arlanda, Sweden	Depart: 06:45 PM	
To: Frankfurt, Germany	Arrive: 08:50 PM	
Stops: Nonstop	Duration: 2 hour(s) 5 minute(s)	
Seats: 03C	Status: CONFIRMED	Miles: 732 / 1171 KM
Equipment: Airbus A320 Jet	MEAL: SNACK	
DEPARTS ARN TERMINAL 5 - ARRIVES FRA TERMINAL 1		
Frequent Flyer Number: [REDACTED]		
AISLE SEAT CONFIRMED		
Lufthansa German Confirmation number is MYDXBW		

AIR	Thursday, 22MAR 2018	
Lufthansa German	Flight Number: 0466	Class: P-Business
From: Frankfurt, Germany	Depart: 09:55 AM	
To: San Diego CA, USA	Arrive: 02:20 PM	
Stops: Nonstop	Duration: 12 hour(s) 25 minute(s)	
Seats: 02D	Status: CONFIRMED	Miles: 5819 / 9310 KM
Equipment: Airbus A340 Jet	MEAL: MEALS	

DEPARTS FRA TERMINAL 1

Frequent Flyer Number: [REDACTED]

AISLE SEAT CONFIRMED

Lufthansa German Confirmation number is MYDXBW

AIR Tuesday, 17APR 2018 

Lufthansa German

From: San Diego CA, USA

To: Frankfurt, Germany

Stops: Nonstop

Equipment: Airbus A340 Jet

ARRIVES FRA TERMINAL 1

Frequent Flyer Number: [REDACTED]

Lufthansa German Confirmation number is MYDXBW

Flight Number: 0467

Depart: 03:05 PM

Arrive: 11:20 AM 18APR

Duration: 11 hour(s) 15 minute(s)

Status: CONFIRMED

MEAL: MEALS

Class: K-Coach/Economy

Miles: 5819 / 9310 KM

AIR Wednesday, 18APR 2018 

Lufthansa German

From: Frankfurt, Germany

To: Stockholm Arlanda, Sweden

Stops: Nonstop

Equipment: Airbus A320 Jet

DEPARTS FRA TERMINAL 1 - ARRIVES ARN TERMINAL 5

Frequent Flyer Number: [REDACTED]

Lufthansa German Confirmation number is MYDXBW

Flight Number: 0806

Depart: 01:00 PM

Arrive: 03:00 PM

Duration: 2 hour(s) 0 minute(s)

Status: CONFIRMED

MEAL: SNACK

Class: K-Coach/Economy

Miles: 732 / 1171 KM

A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND. LUFTHANSA GERMAN CONFIRMATION NUMBER - MYDXBW FOR EMERGENCY SERVICE FROM SWEDEN - 00-800-7373-7882 FOR EMERGENCY SERVICE FROM GERMANY - 00-800-7373-7882 FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

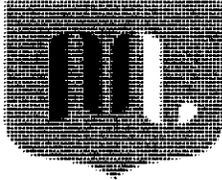
Ticket for: KIMBERLY JANE BECKER
Date issued: 11/30/2017 Invoice Nbr: 5450434
Ticket Nbr: LH7027353680 Electronic Tkt: Yes Amount: 1800.56 USD
Base: 1392.00 US Tax: 36.00 SEK XT Tax: 372.56 USD
Charged to: AX*****1013

Service fee: KIMBERLY JANE BECKER
Date issued: 11/30/2017
Document Nbr: XD0727515246 Amount: 40.00
Charged to: AX*****1013

Total Tickets: 1800.56
Total Fees: 40.00
Total Amount: 1840.56

Click here 24 hours in advance to obtain boarding passes:
[LUFTHANSA](#)

Click here to review Baggage policies and guidelines:
[LUFTHANSA](#)



Motel L

KVITTO

Kimberly Becker

Notanr: 39013701

Datum: 2017-12-13

Tid: 08:35

Bokn. nr: 38009852

Rum: 204

Ankomst: 2018-03-19

Avresa: 2018-03-21

ID: 38LIDA

Sida 1 av 1

Datum	Antal	Text	Pris per styck	Total SEK
2018-03-19	1	Accom. Becker Kimberly	725,00	725,00
2018-03-20	1	Accom. Becker Kimberly	725,00	725,00
Total exkl. moms:		1 294,64	Moms: 155,36	Total inkl. moms: 1 450,00

Betalningar

Total

Amex - SAN ACCOUNT - PRE-PAID 12/28/17 1 450,00

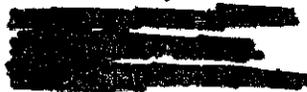
U.S. \$ 176.64

Momsspecifikation

Moms %	Belopp exkl. moms	Moms	Belopp inkl. moms
12 %	1 294,64	155,36	1 450,00
	1 294,64	155,36	1 450,00



Mrs. Kimberly Becker



INVOICE

Folio No. : 1545515

Date : 22.03.18
Room No. : 9010
Arrival : 21.03.18
Departure : 22.03.18
Page : 1 von 1
Cashier No. : 9785
Time : 06:12

Posting Date	Description	Debit EUR	Credit EUR
21.03.18	Accommodation	339.00	
22.03.18	Visa online		339.00

Open Balance	0.00 EUR	Total	339.00	339.00
Total taxable	339.00 EUR			

	Net EUR	VAT EUR	Gross EUR
VAT 7%	316.82	22.18	339.00

U.S. \$428.92

I authorize the mentioned amount.

Credit Card Details

Merchant No. : 101600734	Terminal ID : 29K31183
Credit Card No. : XXXXXXXXXXXX	Receipt No. : 60025
Expiry Date : XX/XX	Transaction Amount EUR : 339.00
Card Entry : ICC	Approval Amount EUR : 339.00
Verification : SIGNATURE REQUIRED	Approval Code : A580100

Signature of Card Holder

DCC Info

Exchange Rate : 1.2653
Amount : USD 428.92

03.00% markup included in the exchange rate. I accept that I have been offered a choice of currencies for payment and that this choice is final. I accept the conversion rate and the final amount in transaction currency. Exchange rate provided by SIX.

This invoice has already been settled and does not need to be paid anymore.

In case you need a correction of the billing address, please send this original invoice along with your request via mail.

For any further questions, please do not hesitate to contact our accounting department at phone number (49)(69) 6977.1011 or by email to accounting.frankfurt@sheraton.com. Warm regards.

KIMBERLY O. BECKER

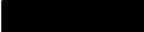
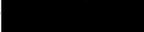
Alaska Airlines Visa Signature 

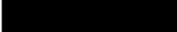
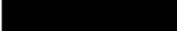
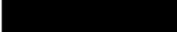
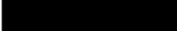
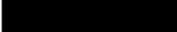
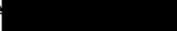
Balance Summary: 03/27/2018

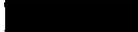
Account Summary

Card Details

Pay This Card

Current balance: 
 Total credit available: 
 Cash credit line available: 

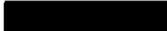
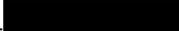
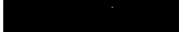
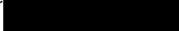
Total credit line: 
 Cash credit line: 
 Amount over total credit line: 
 Next closing date: 
 Last payment date: 
 Last payment: 

Statement balance: 
 Payment due date: **04/13/2018**
 Total minimum payment due: 

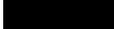
Rewards

* Available Credit includes purchases that have been authorized but have not yet posted to your account.

Go to: 

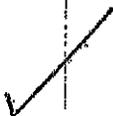
Posting Date	Description	Amount	Balance
			
✓ 03/23/2018	Sheraton Frankfurt Frankfurt am	\$428.92	
✓ 03/22/2018	MOTEL L-ELVSJO GOTEBOG <i>Food only \$17.58</i>	\$28.46	
✓ 03/22/2018	PONTUS IN THE AIR STOCKHOLM	\$23.97	
			

- RATE \$1 = 7.90583 SEK

Beginning balance as of 03/17/2018 

Go to: 

KIMBERLY J. BECKER



03/19/2018

TAXI KURIR / STOCKHOLM

164

\$82.02 -

3/19/18
AIRPORT - HOTEL
STOCKHOLM

03/14/2018

03/19/2018

03/13/2018

03/13/2018

03/06/2018

03/06/2018

02/20/2018

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KIMBERLY J. BECKER



Log out



Barclaycard Arrival Plus
...1610

CURRENT BALANCE



Available credit



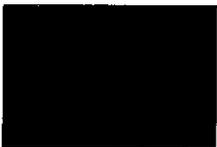
Revolving credit line

[View balance details](#)

PAYMENT STATUS

Your payment is
due on Apr. 8th

Minimum amount due



Statement balance
as of 03/11/2018

[Make a payment](#)

[View Current Statement](#)

CURRENT MILES



**TRAVEL EXPENSE RECEIPTS FOR KIMBERLY J. BECKER
2018 PASSENGER TERMINAL CONFERENCE
Stockholm, Sweden
March 19-22, 2018**

3/19/18

TAXI:
AIRPORT -
HOTEL

* TAXI FÖLJESSEDEL *

TUR : 2893
DATUM : 19-MAR-2018 FASTPRIS
TAXI NR. : 600-2477
REG. NR. : ZDB 255 FÖRAR NR. : 151221
KALIB. : 12-FEB-2018 VDT(TK): 2290
MOMS REG: 556870-5320
NAMN. : TOTTO TAXI AB
ADR. : FRIDEBERGSVÄGEN 22
ADR. : 151 48 SÖDERTÄLJE

**TAXIKURIR I
STOCKHOLM AB
ORG. NR. : 556260-6060
RING 30 00 00**

FRÅN: AIRPORT

TILL: HOTEL

KVITTERAS: -

DATUM : 19-MAR-2018
TAXI NR. : 600-2477 FÖRAR NR. : 151221
START KL. : 20:37 AVSLUT KL. : 21:10

TARIFF NR: 99
FASTPRIS KM. 49,30 KR. 670,00

SUMMA KM. 49,30 KR. 670,00
MOMS 6,00 % INGÅR MED KR. 37,92

KORTBETALNING KR. 670,00
(EUR 74,61)

U.S. \$82.02

KORT: E04XXXXXXXXX GILTIG: XXXX

Taxi Kurir i Stockholm AB
Ellipsvägen 12
141 75 Kungens Kurva
556260-6060
087449400

2018-03-19 21:09

K P GODK-NT

K P SEK 670,00
TOTAL SEK 670,00

MASTERCARD PSM: 01
*****1610
TERM: 16340PP82719860
ME. NO: 6829014
CØ17 000 500 38599

WITHDRAWAL

DATE TIME ATM REF
19/03/18 20:28 136801 3119

EMV AID : A0000000041010
APP. LABEL : Debit MasterCard
Card : *****7826
Reference number : 807820455434

Amount : SEK 1 000,00

Exchange rate : SEK 1:0.1279895 USD
Markup : 4.0%

Transaction amount: USD 127,99

Auth. rate date : 2018-03-19
ECC provider : Monex

I accept that I was given a choice of payment currencies and that I could have paid in SEK or USD. I accept the exchange rate used to perform the currency conversion and that my decision to pay in USD is final.

CURRENCY EXCHANGE
\$1 = 7.81311 SEK

**TRAVEL EXPENSE RECEIPTS FOR KIMBERLY J. BECKER
2018 PASSENGER TERMINAL CONFERENCE**

**Stockholm, Sweden
March 19-22, 2018**

DINNER
3/19/18

DINNER 3/20/18



Motel L

KVITTO

Referensnummer:
Ankomst:
Avresa:
Rum:
Kvittnr.: 39021109
2018-03-19 21:36
38GORA

1 Pepsi/Max 33cl	20,00
1 Lantchips Svenska	40,00
1 Baguette	58,00

Total Inkl. Moms: 118,00

Kontant/Cash 118,00
U.S. \$15.10

Momsspecifikation:

Voms %: Moms Belopp: Totalt ink. Moms:		
12 %	8,36	78,00
25 %	8,00	40,00
	16,36	118,00

CASH RATE
\$1 = 7.81311

Motel L Älvsjö Parcere AB Götalandsvägen 209
SE-125 44 ÄLVSJÖ
TEL 08-12818200 MAIL alvsjo@motel-l.se
WWW.LIGULA.SE
BANKGIRO 777-4318 ORG NR 5568639776
VAT.NO SE556863977601 SÄTE GÖTEBORG
Godkänd för F-Skatt
IBAN SE79 6000 0000 0000 0000 7598
BIC(SWIFT) HAITSE33



Motel L

KVITTO

Referensnummer:
Ankomst:
Avresa:
Rum:
Kvittnr.: 39021204
2018-03-20 19:07:44
38DAKA

1 Pollo Penne	139,00
1 Frysbitar	86,00

Total Inkl. Moms: 225,00

Euro/Visa/Mastercard (Vis 225,00

\$17.58 = 139,00 SEK

Momsspecifikation:

Voms %: Moms Belopp: Totalt ink. Moms:		
12 %	14,89	139,00
25 %	17,20	86,00
	32,09	225,00

CC RATE \$1 = 7.90583 SEK

U.S. \$ 17.58

Motel L Älvsjö Parcere AB Götalandsvägen 209
SE-125 44 ÄLVSJÖ
TEL 08-12818200 MAIL alvsjo@motel-l.se
WWW.LIGULA.SE
BANKGIRO 777-4318 ORG NR 5568639776
VAT.NO SE556863977601 SÄTE GÖTEBORG
Godkänd för F-Skatt
IBAN SE79 6000 0000 0000 0000 7598
BIC(SWIFT) HAITSE33

**TRAVEL EXPENSE RECEIPTS FOR KIMBERLY J. BECKER
2018 PASSENGER TERMINAL CONFERENCE
Stockholm, Sweden
March 19-22, 2018**

CASH

*** TAXIKUITTO ***

TUR : 43281
 DATUM : 21-MAR-2018 FASTPRIS
 TAXI NR.: 600-2811
 REG. NR.: YOB 989 FÖRAR NR.: 360222
 KALIB.: 25-OKT-2017 VOT(TK): 5132
 MOHS REG: 556980 8077
 NAMN: Marcuzson Transport AB
 ADR.: Myrstugevägen 91
 ADR.: 143 32 Värby

**TAXIKURIR I
 STOCKHOLM AB**
 ORG. NR.: 556260-6060
RING 30 00 00

FRÅN: Hotel

TILL: AIRPORT

INNETERRAS: _____

DATUM : 21-MAR-2018
 TAXI NR. : 600-2811 FÖRAR NR.: 360222
 START KL. : 13:23 AVSLUT KL. : 13:58
 TARIFF NR: 99
 FASTPRIS KH. 49,20 KR. 655,00
 SUMMA KH. 49,20 KR. 655,00
 MOHS 6,00 % INGÅR MED KR 37,07

KONTANT KR 655,00
 (EUR 72,93)

Org.Nr 559003-8179
8539

Nota 61502 Kassa1
Kvitto
 Kassa1 - Nota 1 2018-03-21 14:39:52

7Up 37,00
 Bologna 159,00

Totalt: 196,00 SEK
 Varav moms 12% 21,00 SEK
 MC/Visa Kortbetalning: 196,00 SEK

Kontrollenhet: PPLUS00000000500

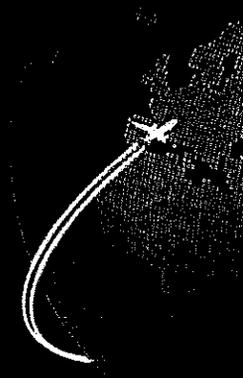
TERMINAL: 15849932-665396
 SP SEK 196,00
 Visa Credit *****
 REF: 23342702393D
 RESP: 00
 AID A0000000031010
 TVR/TSI 8080008000 6800

NI har betjänats av Ancon Admin
 Spara kvittot - Kundens ex.

TAXI 3/21/18
 CASH RATE \$1 = 7.81311
U.S \$83.83

LUNCH 3/21/18
U.S. \$23.97

**Passenger
Terminal
CONFERENCE 2018**
SHARE > INNOVATE > DEVELOP > DEPLOY



20, 21, 22 MARCH 2018
STOCKHOLMSMÄSSAN, STOCKHOLM, SWEDEN

CONFERENCE PROGRAMME

1ST EDITION

BEST EVER!

THE WORLD'S LEADING INTERNATIONAL
AIRPORT CONFERENCE & EXHIBITION

7,000+ TOTAL ATTENDEES

1,650+ CONFERENCE ATTENDEES

375+ EXPERT SPEAKERS, **225+** EXHIBITORS

100+ COUNTRIES, **14** CONFERENCE TRACKS

3 DAYS, **1** EVENT **EVERY REASON TO BE THERE!**

Venue:



Host, Airport Authority:



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WELCOME

Passenger Terminal CONFERENCE is firmly established as the **most highly regarded** annual airport terminal conference in the world. This is **THE CONFERENCE** to examine the future outlook for airport development worldwide. Speakers will address key issues, share views, exchange ideas and compare experiences while discussing theoretical approaches and feasible solutions to today's concerns and those of tomorrow.



08:45: WELCOME AND OPENING ADDRESS

Jonas Abrahamsson,
President & CEO, Swedavia



Swedavia Airports

HOST AIRPORT AUTHORITY

The organisers of Passenger Terminal
CONFERENCE & EXPO are delighted to announce
that **Swedavia** is this year's Host Airport Authority



**COMPLIMENTARY
NETWORKING
BREAKFAST
08:00-08:40
20 MARCH 2018**

Join us on the opening morning for our complimentary networking breakfast. All conference delegates and speakers are welcome and invited to attend.



Dear colleagues,

It is my pleasure to invite you to the Passenger Terminal Expo 2018 in Stockholm. From 20 to 22 March next year, chairmen, CEOs, directors, managers, experts and executives from all over the world will gather in Stockholm in order to exchange and discuss new ideas within the field of aviation and airport operations. Having the best in the field assembled in one place is a great opportunity to benefit from the experiences of others and address the challenges ahead. Together we can evolve and become better as we develop in innovation and collectively run more effective and sustainable airports around the world.

Airports are becoming even more important hubs for public transportation with focus on digitalisation and innovative technology. Airports are also becoming increasingly important meeting points and scenes for trade. However, as we develop and expand to create the necessary capacity, safety and the fact that we grow in a sustainable and lasting fashion is absolutely integral. Working towards a sustainable and climate smart future needs to be in full operation now and as we create new and better means of running our airports, we should continuously encourage and inspire others to do the same.

I look forward to giving the opening address and keynote speech, especially since it is the first time Swedavia and Sweden stand as hosts for this annual event. Upon your arrival in Stockholm you might just be able to witness the important investments we currently are making in order to create Sweden's future airports, whether it is developments within areas such as self-service, a new pier or the emergence of our growing airport cities.

On behalf of Swedavia I want to wish you a warm welcome to the city of Stockholm. I hope you all take this opportunity to experience our capital, famed for its diversity and the warmth of welcome on offer, known as a pioneer in music, technology and the creative industry, as we come together to discuss the future.

I look forward to seeing you all in March at the Passenger Terminal Expo 2018.

Kind regards,

Jonas Abrahamsson
CEO of Swedavia AB

CONFERENCE PROGRAMME

DAY 1 - TUESDAY 20 MARCH

08:45
WELCOME TO PASSENGER TERMINAL
CONFERENCE & EXPO 2018!

08:50 - 09:00
WELCOME TO STOCKHOLM AND OPENING
ADDRESS
Jonas Abrahamsson,
Chief Executive Officer, Swedavia, Sweden



All conference tracks will begin promptly five minutes after the Opening Address ends

09:05 - 17:15

AIRPORT CITIES, TRANSPORT CONNECTIONS & REGIONS

09:05
INTRODUCTION BY CONFERENCE CHAIRS
Léa Bodossian, Secretary General, Airport Regions
Conference, Belgium
Milda Manomaityte, Director, Global AirRail Alliance, UK

09:10
AIRPORT URBANISM: HOW CAN AIRPORTS
AND CITIES GROW TOGETHER?
Prof Max Hirsh, Professor, University of Hong Kong, Hong
Kong

Airport urbanism (AU) is a new people-focused approach to designing airports, and to planning the urban districts that surround major airport hubs. Focusing on eight key drivers of success, AU leverages existing assets in the airport area to increase non-aeronautical revenue, improve the passenger experience and develop local communities. By revealing the desires of the people who use the airport on a regular basis – passengers, residents and employees – airport urbanism empowers us to see more clearly how airports and cities can grow together for mutual economic benefit.

09:40
AVIAPOLIS – THE ECONOMIC ENGINE AT
HELSINKI-VANTAA AIRPORT
Jose Valanta, Director of Business Development, City of
Vantaa, Finland
The Aviapolis area was for a long time an underdeveloped area concentrating on logistics, large-scale warehouses and more or less under-utilised possibilities of housing and trade. But in the mid-1990s a change in mindset occurred. After that, this former noisy backyard – which was more or less kept as a source of growth limitation for the city – turned into a source of new activity, growth and prosperity. Today that mindset is increasingly feeding itself.

10:10
COMBINED RELOCATION OF A CIVILIAN/A
MILITARY AIRPORT IN DAEGU
Daegyeong Park, Director, Daegu Metropolitan City, Korea
Inkyoung Kim, Project Manager, Daegu Metropolitan City,
Korea

Situated in the southeastern part of Korea, Daegu has an international airport and a military airport 5km from the downtown area. Due to its location, people have been suffering from serious noise damage and infringement of property rights for over 60 years. Currently the relocation of both airports is ongoing, and profits gained from the redevelopment of the current airport site will be used to construct a new civilian and military airport. It is our wish that with the new airport as the centre, we will establish an airport city.

10:40 - 11:00
BREAK



11:00
HEATHROW DELIVERING SUSTAINABLE
GROWTH THROUGH SURFACE ACCESS
Christopher Joyce, Head of Surface Access Strategy,
Heathrow Airport, UK
The presentation will offer a summary of Heathrow's surface access strategy for expansion, including how new rail connections will help put Heathrow at the heart of the UK transport network and how an ambitious and innovative transport plan will help deliver expansion in a sustainable way that benefits all users of the transport network.

11:30
ADDRESSING ACCESSIBILITY THROUGH
GREEN TRAVEL PLANNING
Robert Galea, Senior Planning Officer, Airport Regions
Conference, Belgium
Malta experiences significant transportation issues, particular with home-to-work travel. There are social issues associated with car ownership, which is very high considering the island's size. The airport in Malta is a major employer but most employees use their cars to travel to and from work. The aim is to reduce reliance on private cars through alternative, greener measures, especially since many workers do not need their cars for work purposes. Using real-life examples, a Green Travel Plan is being suggested for the airport, particularly in view of the recent masterplan that envisages an increase in commercial floor space.

12:00
URBAN QUALITY – A CHALLENGING FACTOR
OF ATTRACTIVENESS FOR AIRPORT AREAS
Elisabeth Le Masson, Member of the Board, Huhstart Paris
Region Alliance, France
Airport areas often suffer from mono-functional urban planning, second-rate architecture, insufficient transportation and a poor living environment. Why are urbanity and hospitality important? What are the solutions to create an attractive, people-centred and enjoyable airport area? How is it possible to involve the local communities (inhabitants, employees, visitors) in the process? How to use urbanity and hospitality as marketing assets? The presentation will outline the example of Paris-CDG and Le Bourget airport area.

DAY 1 - TUESDAY 20 MARCH

12:30 - 14:00
LUNCH



15:30 - 15:45
BREAK



14:00

CONNECTING A REGION ON THE GROUND AND IN THE AIR: TORONTO'S GROWTH AND VISION

Martin Boyer, Vice President and Chief Information Officer, Greater Toronto Airports Authority, Canada
Around the world, a new tier of international airports known as mega-hubs are emerging, thanks to growing consumer demand for air travel, which is expected to double over the next 30 years. Mega-hubs create prosperity through global connectivity that far outweighs the economic strength of the local airport's home region. The connecting passenger flows make routes viable for air carriers that local markets alone could not support. Such connectivity is a source of competitive advantage to the city-region in which the airport is situated, and it confers economic benefits to the country as a whole through the facilitation of greater trade, tourism and foreign direct investment. Because of Toronto Pearson's tremendous growth in recent years, we now stand on the verge of joining this elite group of airports. If we can make the jump to mega-hub status, Toronto Pearson will become one of the world's most significant gateways for trade and tourism. One of the biggest challenges to this growth is ground congestion. Toronto Pearson has a vision for a regional transit centre that will allow us to connect the region on the ground just as successfully as we've done in the air.

14:30

HOW THE AIRPORTS CONTRIBUTE TO REGIONAL GROWTH

Charlotte Ljunggren, Director, Göteborg Landvetter, Swedavia, Sweden
Susanne Norman, Director, Regional Airports and Director Åre Östersund, Swedavia, Sweden
In this seminar, a description is given of how Swedavia's airports work with Swedish business communities and municipalities as well at the regional and national level for increased access and regional growth. The work to promote and develop the tourism industry is also described in more detail.

15:00

PLANNING FOR THE SUSTAINABLE EVOLUTION OF DUBLIN AIRPORT AND ITS ENVIRONS

Cathaldus Hartin, Senior Executive Planner, Fingal County Council, Ireland
The presentation will examine the approach taken by Fingal County Council in the preparation of its current land use planning framework for Dublin Airport. Given the role that Dublin Airport plays as the principal gateway to Ireland, in its community as well as its surrounding areas and as an important strategic infrastructure and economic entity, the presentation will look at the techniques employed by Fingal County Council to inform planning policy for the future sustainable development of the airport and its environs. Ultimately the plan will act as a framework against which future development proposals will be assessed.

15:45

SUPPORTING THE AIRPORT AREA'S GROWTH AND DEVELOPMENT

Ulla Ruuskanen, Project Manager, City of Vantaa, Finland
Helsinki Airport is a gateway to Finland. The City of Vantaa with Helsinki-Uusimaa regional council are cooperating to get all the stakeholders to work more closely together to strengthen our position in the global competition. This public-private cooperation also involves citizens acting as ambassadors for our city. Aviapolis has excellent connections, including the Ring Rail line that connects many residential areas to the airport and Aviapolis; furthermore, all the main highways are close by. Aviapolis is the first touch for visitors coming to Finland.

16:15

COMMUNITY-CENTRED AIRPORT LINK DEVELOPMENT FOR HEATHROW SOUTHERN RAIL ACCESS

Julianna Moats, Principal Engineer, WSP, UK
A rail link between Heathrow Airport and London Waterloo Station has been on the British Government's radar for half a century. The difference between this proposal and all others that have come before, or have come since, is that this is a regeneration project, not a rail link project. The presentation will focus on the challenges of harmonising the priorities and timelines of numerous local and national stakeholders.

16:45

IMPORTANCE AND CHANCES OF MODERNISATION: METRO STATION RENOVATION IN AMSTERDAM

Maarten van Bremen, Architect, Group A, Netherlands
Today's airports provide passengers with a pleasurable experience during their stay. The interconnection with public transport, the journey to and from the airport, is indispensably linked with passenger expectations and demands. Metros play a leading role in that. While most European metro systems age, the urge for renovation and modernisation is tied in with passenger safety and comfort. Successful city-to-airport development starts with seamless and pleasurable connectivity. In the era of 'time-space compression', spatial comfort needs to be rethought. Our project, the renovation of the Metro Oostlijn stations in Amsterdam, addresses these topics of passenger satisfaction through spatial comfort.

17:15 End

OPENING DAY PARTY
AFTER THE CONFERENCE IN
THE EXHIBITION HALL



CONFERENCE PROGRAMME

DAY 1 - TUESDAY 20 MARCH

09:05 - 17:15

AIRPORT DESIGN, PLANNING & DEVELOPMENT

09:05

INTRODUCTION BY CONFERENCE CHAIR
Prof David Holm, Architect Director, Cox Architecture, Australia

09:10

OPERATING AND DEVELOPING SUSTAINABLE AIRPORTS

Jonas Abrahamsson, Chief Executive Officer, Swedavia, Sweden

Swedavia is a state-owned group that owns, operates and develops a network of 10 airports across Sweden, with safety and satisfied passengers as the foundation of our business. Our role is to contribute to, and create, the accessibility that Sweden needs to facilitate travel, business and meetings – in Sweden, in Europe and around the world. Swedavia is also world leading in developing airports with the least possible environmental impact, both in our own operations and in the aviation industry in general. We believe that biofuels and other sustainable innovations are key aspects. Increasing our capacity and creating the right prerequisites for better connectivity and international accessibility in the coming years are crucial for Sweden and for Swedavia. Through innovative solutions and with sustainable means, we develop the airports of the future.

09:40

MARSEILLE PROVENCE AIRPORT – EXPANDING THE GATEWAY TO PROVENCE

Denis Corsetti, Operations Director Marseille Provence Airport/General Manager AMPI, Marseille Provence Airport, France

Antoinette Erickson, Architect, Foster + Partners, UK
Marseille Provence Airport (AMP), a principal French regional airport, expects strong growth in traffic with 11 million passengers by 2025. To improve its quality of service, AMP is preparing for the future by equipping the Provence region with an outstanding infrastructure. Among many major projects, it will expand its 'heart' (Le Coeur) of the airport to transform passenger experience, through introduction of new, simplified processes and increased amenities. AMP is an environmentally responsible airport, committed to sustainable development. In this presentation Marseille Provence Airport and Foster, the architect, will cover airport design, planning and development.

10:10

HEATHROW 2050: TRANSFORMING AVIATION DESIGN AND OPERATIONS

Barry Weekes, Head of Design, Heathrow Airport, UK
Andrew Thomas, Partner, Grimshaw, UK

By 2035, Heathrow Airport is aiming to increase its capacity to over 130 million passengers per year following the Government's decision to support the delivery of a new runway. Having a long-term, sustainable vision that harnesses this growth is imperative, all while maintaining a high level of service for passengers and visitors. Creating both the design and operating model for this large-scale redevelopment is key

to the Expansion Programme's success. A multi-disciplinary design team is collaborating with Heathrow to deliver an extraordinary masterplan, and it is only by thinking and working differently that the innovation required can surface.

10:40 - 11:00
BREAK



11:00

SCHIPHOL'S CAPITAL PROGRAMME

Bernardo Gogna, Capital Programme Director, Schiphol Group, Netherlands

The presentation will provide an outline of the projects and update on the progress and developments of the capital programme at Schiphol.

11:30

ATLNEXT – A US\$6BN CAPITAL PLAN FOR THE WORLD'S BUSIEST AIRPORT

Gary Summerlin, Design Manager, Hartsfield-Jackson Atlanta International Airport, USA

J Lee Glenn, Director of Aviation Design, HKS Inc, USA
Hartsfield-Jackson Atlanta International embarked on a US\$6bn capital plan. Designed to provide dynamic passenger experience, enhanced airside safety, increased airfield efficiency and improved landside facilities, ATLNNext includes a diverse range of projects. The presentation will review the overall goals of ATLNNext, illustrating the wide range of work including dramatic concourse renovations, concourse expansions, airside fire stations, landside roadway realignments, a K9/EOD facility, maintenance facilities and the reconstruction of landside parking facilities. The challenges of managing multiple design and construction projects will be discussed, along with project management techniques to achieve design consistency, budgetary alignment and schedule compliance.

12:00

PLANNING AND DEVELOPING FOR THE FUTURE AT STOCKHOLM ARLANDA AIRPORT

Thomas Lindfors, Programme Director, Swedavia, Sweden
Hedda Ulfsdotter, Capacity Manager at Arlanda, Swedavia, Sweden

The presentation will provide a scope of the capital investment programme at Arlanda Airport, focusing on key findings and challenges, governance model, development model and expected results.

12:30 - 14:00
LUNCH



14:00

LONDON STANSTED TRANSFORMATION PROGRAMME

Paul Willis, Transformation Director, Manchester Airports Group, UK

Following record growth at London Stansted Airport at a time when other London airports are at full capacity, Stansted is investing half a billion pounds in its infrastructure to deliver additional capacity at the airport and improve the passenger experience. Since 2013, Stansted has grown by over seven million passengers and welcomed new airlines and routes to 190 destinations, including new long-haul services. The

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programme includes a new £130m arrivals building, airfield and taxiway enhancements, a reconfigured check-in facility designed in collaboration with airline partners, a second security area and a suite of car parking developments.

14:30

FUTURE AIRPORT CAPACITY PLANNING: AIRFIELD AND AIRSPACE OPTIMISATION BY 2025 Guilian Preud'homme, Airport Planner/Business Analyst, Brussels Airport Company, Belgium

The presentation will make direct reference to how the Brussels Airport masterplan is being implemented on a tactical level. We shall explore the various planning principles that will reshape future airport design and allow us to successfully implement optimisation measures and expansion options in the next 10 years. In particular we shall recommend how innovative airfield and airspace planning can be achieved through collaborative decision making, extensive stakeholder engagement and fast time simulation.

15:00

GATWICK AIRPORT: INNOVATIVE CAPACITY BUILDING IN A MATURE, CONSTRAINED ASSET Raymond Melee, Construction Director, Gatwick Airport, UK Steve Riano, Global Airport Strategic Planning Director, Bechtel Corporation, USA

Learn from a joint presentation by Gatwick's Construction Director and Gatwick's Development Partner about how the airport is creatively building additional capacity using groundbreaking operational, planning and technology solutions in a very mature and space-constrained environment. With its recent implementation of the world's largest self-service bag-drop facility, its ongoing development of the next generation of passenger security screening systems, and its relentless efforts to maximise capacity and improve resiliency on the world's busiest single runway, Gatwick is at the leading edge of innovative balanced capacity building to address its continuing and aggressive growth strategy.

15:30 - 15:45
BREAK



15:45

AVIATION IN EAST AFRICA - A ZERO-SUM GAME?

Jonny Andersen, Chief Executive Officer, Kenya Airports Authority, Kenya

Despite African countries having agreed to liberalise the skies, not much has happened. African states continues to ring-fence the continent's aviation sector and seem more willing to give flying rights to airlines from outside the continent than to those from within it, causing loss of intra-African connectivity. Poor infrastructure, exorbitant aviation-related taxes and high fuel costs add to a picture of growth opportunities lost. The countries of East Africa are considered to be among the most politically stable, liberal, innovative and supportive economic environments on the continent. Is that also the situation for the East African aviation sector?

16:15

DUBAI AIRPORTS DEVELOPMENT PLANS Peter Moore, Director of Development (Design), Dubai Airports, United Arab Emirates

The continued growth of aviation in the Middle East is driving ever greater demands on the real estate at Dubai International Airport. With limited space to expand, Dubai Airports is planning to optimise all passenger touchpoints to maintain throughput and growth, deliver an enhanced passenger experience and align the demands of our airline community, all while maintaining live operations at the busiest international airport in the world.

16:45

A NEW PASSENGER TERMINAL TO GROW TRAFFIC AT SELETAR AIRPORT

Hock Long, Steven Tan, Manager, Changi Airport Group, Singapore

Seletar Airport was built in the 1920s and served as a military base in Singapore in the early days. Today it serves chartered flights, business aviation, flying schools, aircraft maintenance, repairs and overhaul. Fast forward to the end of 2018, it will be transformed into a commercial airport with the development of a passenger terminal. The new passenger terminal is being built on the opposite side of the runway. The decision to locate the passenger terminal across the runway hinges on five main criteria, namely airport operating efficiency, landside accessibility, potential for future expansion, available land size and congruence with surrounding offerings.

17:15 End



"The conference once again lived up to expectations by providing insight on specific topics plus diversity to allow new learnings in other areas of expertise"

Vince Scanlon, EGM Planning & Infrastructure, Adelaide Airport Limited, AUSTRALIA

"I found it very, very interesting. I have met lots of good contacts here so I have to say I've been very, very impressed by it"

Paul O'Donovan, Head of Terminals, DAA Ireland

CONFERENCE PROGRAMME

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09:05 - 17:15

AVIATION SECURITY, BORDER CONTROL & FACILITATION

09:05

INTRODUCTION BY CONFERENCE CHAIRS
Eric Kaler, Senior Director, Airline Security, Hawaiian Airlines, USA
Neville Hay, Director of Training, Interportpolice, UK

09:10

CRITICAL COMMUNICATION IN AN AIRPORT ENVIRONMENT

Jay Grant, Secretary General, Interportpolice, USA
Change the mindset in the environment and community about current threats. Instil the requirements to mitigate such threat, build trust and confidence between the various parties, ensure evidence-based practices are used as solutions, and actively use and visit operational procedures that are proven to mitigate threats and prepare employees, tenants and the public. Provide effective communication, continuity and collaboration throughout the environment and in the community. Excel in prevention and crisis management. Providing better awareness with real-time information and exchange of intelligence is imperative.

09:40

THE FRANKFURT AIRPORT SECURITY AWARENESS CAMPAIGN

Philipp Kriegbaum, Senior Security Expert, Fraport AG, Germany
The public areas of airports have become the preferred targets of terrorists. Airport employees can do much to keep airports secure by remaining vigilant and sharing their observations with security staff. Additionally, in case of an incident, they should know how to react. The challenge for an awareness campaign is to raise the level of attention of the people addressed without scaring them.

10:10

THE IMPORTANCE OF INFORMATION SHARING TO DEFEAT EVOLVING THREATS

Randy Harrison, Vice President - Corporate Security, Delta Air Lines, USA
Information sharing must adapt to keep up with the increasing threat environment. Terrorist organisations have increased their use of advanced communications platforms to plan attacks, organise, fund raise, radicalise individuals, and disseminate bomb-making expertise, but the aviation industry has not made similar advances. There are various risks and drawbacks to information sharing, and the aviation industry must overcome those challenges and advance its own information sharing, beyond reliance on government classified information, to better mitigate and defend in today's threat environment.

10:40 - 11:00
BREAK



11:00

NEW SECURITY DEVELOPMENTS AT AMSTERDAM AIRPORT SCHIPHOL
Bart Mos, Senior Security Officer, Amsterdam Airport Schiphol, Netherlands

The presentation will cover, among other, the introduction of new CT scanners for cabin baggage and added advantages.

11:30

PANEL DISCUSSION: AIRLINE SECURITY DIRECTORS - STRIKING A BALANCE BETWEEN CUSTOMER SERVICE AND SECURITY

Charles Sitkoff, Manager - Security Risk, Delta Air Lines, USA

Karan Singh, Head of Aviation Security Risk Management, Lufthansa Group, Germany

Patrick Bertsch, Director - International Security and Operations, American Airlines, USA

Kaarlo Karvonen, Head of Security, Finnair, Finland
Eric Kaler, Senior Director, Airline Security, Hawaiian Airlines, USA

This panel consists of tenured airline security leadership from several European and US carriers to provide a global perspective on security in the transportation system, impacts to the customers and what aviation stakeholders need to know. Meet airline security leaders from Lufthansa, Finnair, American, Delta and United who will present a discussion on striking the balance between customer service and security in the current environment. There will be an open question and answer session at the end of the panel discussion.

- How airlines use intelligence to inform security of operations and how this improves customer experience
- Securing the transportation system: what weaknesses are there in checkpoint detection and how does that impact customers?
- The new TSA changes are being implemented globally - are the carrier impacts similar or different?

12:30 - 14:00
LUNCH



14:00

UNDERSTANDING THE THREAT FROM INSIDER ACTIVITY IN THE AVIATION SECTOR

Dr David BaMaung, Honorary Professor, Glasgow Caledonian University, UK

The aviation sector is a prime target for not only terrorist groups but also organised crime groups, low-level criminals and even disgruntled employees. Airports are complex environments that present many opportunities for insider threat activity. The presentation will explain what constitutes the 'insider threat', how this impacts the aviation sector and airports, how an insider threat risk assessment process can be developed, and how this threat can be managed and mitigated through proactive personnel security measures, insider threat exercising and holistic integrated security management.

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14:30

MITIGATING SECURITY RISKS UTILISING A SECURITY MANAGEMENT SYSTEMS (SEMS) PROGRAMME

Jessica Grizzle, Program Officer, National Safe Skies Alliance, USA

Rene Rieder Jr, Associate Principal, Arup, USA

SeMS is a relatively new management approach to aviation security for airports. It takes account of the criticality of an organisational culture to develop a successful implementation. A SeMS programme takes a human-centred design approach that allows for analysis to be based on user requirements and progressively validated. Additionally, and of significant benefit, inclusion will contribute to industry's buy in to SeMS as a value-add management approach to security in airports. SeMS is utilised to establish and maintain a preventive security organisational culture, with supporting mechanisms, within the entire airport community.

15:00

AN INTEGRATED APPROACH TO PROTECTIVE SECURITY AND RESILIENCE IN AVIATION

Paul McDonald, Chief Inspector Border Policing Command - Aviation Protective Security, Police Scotland, UK

An integrated approach to protective security is vital within the aviation sector to identify and counter any threat and risk. Taking a holistic approach to security, the key to success is a strong partnership approach to address areas such as insider threat, personnel security, physical security, hostile reconnaissance, business continuity and consequence management, critical planning, resilience, incident management and training/exercising. Taking this collaborative approach ensures a strong security culture within the airport community.

15:30 - 15:45
BREAK



15:45

IT TAKES A COMMUNITY TO PROTECT AN ENVIRONMENT

Neville Hay, Director of Training, Interportpolice, UK
Project Griffin International is a non-profit police and security initiative designed to assist government, public authorities, transportation security, critical infrastructure, security operations and mass event environments in implementing strategic action in an environment to provide a safer and less vulnerable community. Mitigating risk, enhancing security management systems. The 3Ps of preparing, protecting and preventing. Being ready for terrorist and serious crime activity in today's world means changing the security mind-set. Griffin will put in place tactics to meet today's challenges. An organisation's, safety and image are at stake. There are no second chances.

16:15

SUPPORTING TEAMWORK IN HIGH-RISK AREAS: A PSYCHOLOGICAL PERSPECTIVE

Stephanie Walter, Researcher, Zurich State Police/Airport Police, Switzerland

Security teams such as security checkpoint crews are challenged by a monotonous work routine in normal situations. Nevertheless, they need to adapt very quickly and continuously readjust their procedures according to the

situation, because high-risk situations often emerge very suddenly and without any warnings. Good cooperation and coordination of all team members are necessary for a good team performance. The presentation will give insights into research findings, plus practical hints on how to support effective teamwork at airport security checkpoints.

16:45

MOBILE DEVELOPMENT IN LAW ENFORCEMENT - WHERE NEXT?

Frauk Smith, Chair, ENLETS Mobile - EU working group on law enforcement mobiles, UK

Frank will review the progress made with mobile solutions for borders and policing; consensus and good practice as agreed by the ENLETS Mobile EU working group; what's coming down the track next; and how we should be aiming to manage it for success. We'll look at how mobile technology has advanced over the last 10 and more years; the clues about what will come next; and what we need to do to manage the opportunities for success.

17:15 End



"The programme contained an impressive number of highly interesting presentations that were clearly structured; this allowed participants to follow their streams of interest"

Urs Haldimann, Head of Legal and International Affairs, Federal Office of Civil Aviation, SWITZERLAND

"Very enjoyable. A vast array of expertise across a number of streams from industry and government"

Joe Franzi, First Assistant Secretary Identity & Biometrics Division, Department of Immigration & Border Protection, AUSTRALIA

CONFERENCE PROGRAMME

DAY 1 - TUESDAY 20 MARCH

09:05 - 17:15

COMMERCIAL DEVELOPMENT, RETAIL & CONCESSIONS

09:05

INTRODUCTION BY CONFERENCE CHAIR
Jeremy Corfield, Partner, CPI, Australia

09:10

SWEDAVIA IS BUILDING THE AIRPORTS OF
THE FUTURE

Karl Wistrand, Deputy CEO Swedavia and CEO Swedavia
Real Estate, Swedavia, Sweden

The presentation will discuss real estate development and the commercial business in relation to operating and building Swedavia's airports in Sweden.

09:40

COLLABORATION BETWEEN AIRLINES,
RETAILERS AND AIRPORTS TO GENERATE
MORE INCOME

Kam Jandu, Chief Commercial Officer, Budapest Airport,
Hungary

The presentation will focus on a project being launched in Budapest that includes cross-functional working with Heinemann duty free, the largest incumbent airline at the airport – Wizz Air – and Budapest Airport. The project is believed to be the first of its kind, and the presentation will show how the three main companies came together, found common objectives, agreed risk-sharing concepts and identified KPIs for success. The final concept will include increased purchase in the duty free store, thereby directly increasing revenue for HDF and indirectly for BUD, while also increasing onboard Wizz Cafe transactions.

10:10

BUILDING FOR THE FUTURE –
TRANSFORMING RETAIL AT LONDON
STANSTED

Ben Green, Head of Commercial Planning and Delivery,
London Stansted Airport, UK

With airports increasingly relying on commercial revenue to generate profit, Ben Green, London Stansted's Head of Commercial Planning and Delivery, will discuss why retail is an essential part of any airport, and set out his vision for retail as part of Stansted's latest multi-million-pound transformation. Over the next decade, the airport is investing £600m, which includes a new £130m arrivals building and a major transformation of the existing terminal. This major investment will ensure that Stansted can meet the growing demand in air travel, enhance the experience for passengers and unlock the airport's capacity for more flights and destinations.

10:40 - 11:00
BREAK



11:00

ADP NEW VISION FOR RETAIL

Mathieu Daubert, Retail Director, Groupe ADP, France
The presentation will outline Paris Aéroport's retail development plan: 2018-2020 innovative projects, new retail and F&B vision.

11:30

HOW TO MAXIMISE THE GROWTH IN
'COMMON USE' EXECUTIVE LOUNGES

Elizabeth Brewster, EVP International Business
Development & Lounges, Manchester Airports Group, UK

As an airport, but also an operator of common use lounges, both within its own airports and as a 'tenant' within other airports, Manchester Airport Group will discuss the background and growth in the global common use lounge market, the value such lounges can add to your airports, and how having the experience of operating in its own airports and as a concessionaire within other airports gives Manchester a unique perspective on not only what makes a good 'landlord' but also what makes a good 'concessionaire'.

12:00

PANEL DISCUSSION

Topic and panellists to be announced

12:30 - 14:00
LUNCH



14:00

BIG DATA: ACTIONABLE INSIGHTS FOR
AIRPORTS

John Rankin, COO, Skyfii, Australia

Discussing the application of big data for the airport environment, John will explore the application of varying data sources available to airports, enabling operators to generate insights into passenger behaviour and its commercial benefits.

14:30

DIGITAL FOOD ORDERING AT LARGE
AIRPORTS

Kenneth Buchanan, Executive Vice President Revenue
Management, Dallas Fort Worth International Airport, USA
Michiel Munneke, General Manager, M2Mobi, Netherlands

Whether you are in a hurry for your flight, or just want a relaxed trip, skipping the line at a restaurant is something everyone likes. You will learn how Dallas Fort Worth International is making the facilities it has to offer, such as the many restaurants, more accessible to its travellers. With Mobile Food Ordering, customers can pre-order food directly within the DFW and American Airlines app and even pay in advance to avoid the wait. This session gives insight into how Dallas Fort Worth International Airport is enhancing the passenger journey and creating a more seamless experience.

15:00

AIRPORT COMMERCIAL REVENUES IN TIMES
OF THE DIGITAL SHOPPER

Simon Chatfield, Head of eBusiness & CRM, Heathrow Airport, UK
Kian Gould, CEO | Founder, AOE GmbH, Germany

The latest research in the channel shows that the traditional travel retail model is under threat, with airports' non-aeronautical revenues slipping steadily due to rapidly changing purchasing behaviours, shifting traveller

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demographics and the rise of disruptive technologies. Airports and airport retailers seem to be struggling to address these challenges. Digital solutions to counter e-commerce lack the single-platform integration needed to function effectively. Listen to the company that launched a digital revolution in travel retail with its Omnichannel Airport Revenue Digitisation Platform, on the new digitally transformed vision for non-aeronautical revenues, which proposes proactive solutions to these challenges.

15:30 - 15:45
BREAK



15:45 USING NEW TECHNOLOGIES TO PROMOTE DEVELOPMENT PROJECTS

Mathieu Claise, Director Communications and Public Relations, Aéroport de Québec Inc, Canada

The YQB 2018 project implemented by Québec City Jean Lesage International Airport was one of the biggest construction projects in the region. To mobilise the community and create a buzz around the project, the organisation applied an innovative communications strategy mainly based on the use of new technologies and the power of social media. As the new infrastructures are about to open, there is a feeling of excitement in the community, and it is clear that technological tools are an excellent way of gaining maximum benefit for minimum outlay.

16:15 MONETISING IT SERVICES IN TODAY'S CONVERGED DIGITAL AIRPORT

Abdulwahed Amiri, Head of IT Strategy & Commercial, ADAC, United Arab Emirates

The presentation will be mainly focused on making IT services a main factor in terms of maximising company revenue, plus the main services that can contribute to the same.

16:45 THE POLICIES OF INCREASING RETAIL REVENUE AT TAOYUAN INTERNATIONAL AIRPORT

Chun-Te Lee, General Manager, Taoyuan International Airport, Taiwan

Wan-Jung Chen, Staff, Taoyuan International Airport, Taiwan
TTIA's passenger volume has grown by an average of 9.51% for the past three years. Up until 2016 it fell into the 25-40 million passenger volume category. Under the overload conditions of airside and landside facilities, TTIA has brainstormed with all its stockholders to launch programmes to improve the procedures of airport operations and increase revenue to achieve a win-win situation in the public and private sectors.

17:15 - End

OPENING DAY PARTY
AFTER THE CONFERENCE
IN THE EXHIBITION HALL



"This was by far one of the best conferences I've ever attended"

Carolyn Fennell, Senior Director Public Affairs, Orlando International Airport, USA

"There's been a lot of interesting learning. The commercial stream always brings a lot of lessons, as does the passenger experience stream. This is a great conference, we're having some really productive conversations here"

Janine Gervais, Director, Passenger Services, Greater Toronto Airports Authority, Canada

"This is a great conference, a great opportunity to update my knowledge. I decided to spend three full days here, which is not easy because we have a busy agenda, but it's absolutely worthwhile"

Luigi Battuello, Commercial Director, SEA Aeroporti Milano, Italy

"I found the conference to be very worthwhile and interesting"

Cellana Grouman, Manager of Retail Architecture, Aeropuertos Argentina 2000, ARGENTINA

CONFERENCE PROGRAMME

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09:05 - 17:15

CUSTOMER SERVICE & PASSENGER EXPERIENCE

09:05

INTRODUCTION BY CONFERENCE CHAIRS
Hiosvany Muina, North America Airports Regional Manager, Copa Airlines, USA
Douglas Stolls, Manager of Guest Services - SFO, Alaska Airlines/Virgin America, USA

09:10

MILAN AIRPORTS: FRIENDLY FOR DISABLED PEOPLE THANKS TO ENGAGEMENT WITH STAKEHOLDERS
Annamaria Francinelli, In Charge of Airport Service Quality Benchmarking, SEA Milan Airports, Italy
SEA Milan Airports' commitment and results in engagement with its stakeholders and, particularly, with employees was fundamental to recover from the emergency situation after AZ-de-hubbing in 2008. Cooperation, transparency and respect in these relationships create a team spirit outside and inside the organisation and are the basis of the value chain to inspire a common service understanding and a service culture. The experience offered to persons with disabilities is a highly successful example of services planned and implemented thanks to the continuous communication and collaboration with the stakeholders, employees and associations to anticipate and meet their needs and expectations.

09:40

PANEL DISCUSSION: COGNITIVE DISABILITIES, TRAVELLERS AND AIRPORTS
Roberto Castiglioni, Chair, Heathrow Access Advisory Group, UK
Eibhlín McGrath, Regulation, Compliance and Project Oversight Manager, DAA, Cork Airport, Ireland
Lawrence Rolon, Coordinator for Disability Services, Los Angeles World Airports, USA
Samantha Berry, Head of Innovation & Regulatory Compliance, Omniserv, UK
Dr James Fielding Smith, President, Smith-Woolwine Inc, USA

A panel of practitioners who deal with air travellers with cognitive issues will discuss issues including autism, developmental disabilities, ADHD, dementia and PTSD.

- Importance of cognitive issues in airports
- Customer service value of dealing fairly with cognitive issues
- Commercial advantages of effective cognitive assistance programmes
- Effective current practices

10:40 - 11:00
BREAK



11:00

ESSENTIAL CHARACTERISTICS OF A SUCCESSFUL PASSENGER-CENTRIC CULTURE
Jerry Angrave, Managing Director, Empathyce Customer Experience, UK

Expectations of a hassle-free and enjoyable experience at the airport are increasing all the time. Passengers themselves have a choice and a voice. So airports that don't work with their partners to get the basics right every time and add a magic touch where it's relevant will simply lose out to those who do. Jerry Angrave has studied organisations across different sectors who succeed in driving down costs and increasing revenue through a focus on customer experience. He has identified three ingredients they all have: a genuine customer empathy, passionate employees and the right type of corporate mindset.

11:30

BUILDING AN AIRPORT PROVIDING THE WORLD'S BEST PASSENGER EXPERIENCE
Sayuri Mutsukado, Staff Member, Narita International Airport Corporation, Japan

In today's competitive world of airport industries, quality and customer-oriented service provided by airport staff is starting to play a more important role in ensuring the best passenger experience as well as refurbishing and improving the terminal facilities. To achieve this, it is crucial that we create an environment where employees are able to work with a sense of unity and passion. In this presentation, we will introduce our measures that could help motivate and improve the skills of airport staff to develop the best passenger experience.

12:00

WHAT MAKES A BEST-IN-CLASS AIRPORT?
Chris Czarnecki, Director, PDX Terminal Business and Properties Department, Port of Portland, USA
Cameron Modjeski, Associate Director, Leigh Fisher, USA
Annual 'best airport' rankings (for example, J.D. Power, Conde Nast and Skytrax) feature a diverse range of airports. Furthermore, many airports consistently rank as 'best in class' every year. How can airports that are seemingly so different consistently rank as best in class? We will explore the breadth of characteristics of best-in-class airports, from Singapore Changi Airport to Portland International Airport. The Port of Portland will discuss specific strategies it uses to ensure PDX's programmes and investments preserve and enhance its best-in-class status.

12:30 - 14:00
LUNCH



14:00

'I AM TORONTO PEARSON' - ANATOMY OF AN AIRPORT EMPLOYEE MOVEMENT
Michael Ross, Director, Commercial Development, Greater Toronto Airports Authority, Canada

Airport operators have goals that often require the cooperation and collaboration of several thousand people who work for myriad companies, each with their own objectives. How then might airports influence all airport employees to work towards a common goal? How might they encourage behaviour that puts passengers first, creating a more helpful and friendly experience? All too often the answer is to design and deploy 'customer service training' and mandate participation in the programme. This presentation will

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describe how a team at the Greater Toronto Airports Authority challenged this premise and seeded a movement called 'I am Toronto Pearson'.

14:30

PANEL DISCUSSION: BRAND VERSUS POLICIES

Brian Engle, Director of Customer Experience, Greater Orlando Aviation Authority, USA

Marcia Austin, Manager of Inflight Work Performance, Alaska Airlines, USA

Beverly Lewis, Regional Compliance Manager, Alaska Airlines, USA

The panel will have a rich dialogue with airlines and airports regarding their brands. It will discuss the importance of the brand. The audience will walk away from this discussion with the knowledge of how to be a voice for your brand, how to challenge the status quo to allow your brand to shine through, and immediate things you can start to do to align your brand with existing customer policy.

- What is your company's brand?
- Do your policies support or hinder?
- How to drive change to allow synergy
- How to get your employees thinking along this line

15:30 - 15:45
BREAK



15:45

THE PASSME BREAKTHROUGHS ILLUMINATED - HOW THE INDUSTRY CAN BENEFIT

Sicco Santema, Professor, Project Leader PASSME, Delft University of Technology, Netherlands

André Lopes de Castro, Design Manager, Almadesign Lda, Portugal

The PASSME breakthroughs are: a passenger forecasting system to improve flows, a passenger-independent system for luggage flows, redesigned passenger-centric airport and airline processes, a personalised device (to make 1-3 happen). These breakthroughs result in: up to one hour reduction of O2D travel time within Europe, improvement of passenger experience (70% of the passengers like flying better), improved utilisation of airport capacity. These impacts are the results of PASSME, an EU-funded project that ends in summer 2018. This presentation will offer a preview of the results.

16:15

THE RESULTS OF PASSME: THE FUTURE OF LUGGAGE

Jan van Winsen, Product Strategy Manager, KLM Royal Dutch Airlines, Netherlands

Katinka Bergema, Researcher, Delft University of Technology, Netherlands

Katinka Bergema will present the results of PASSME, related to luggage. PASSME is a European-funded project in which KLM, Amsterdam Airport Schiphol, Hamburg Airport, NLR, DLR, ICCS, Alma Design, Nottingham University, Optimaris, Hamburg University of Technology and Carr Communications aim to reduce door-to-door air travel time in the EU by 60 minutes and make the airport experience less stressful and more enjoyable for passengers and the aviation industry. Katinka will present how they will reduce the travel time by at least 30 minutes by luggage solutions only.

16:45

RESULTS FROM BAGGAGE AS A SERVICE: A VISION FOR 2025

Katinka Bergema, Researcher, Delft University of Technology, Netherlands

Ad Rutten, Director, OMS, Netherlands

In this presentation Ad Rutten and Katinka Bergema will present the joint effort of ACI, Delft University of Technology, PASSME, Vanderlande and Schiphol to develop a future vision for baggage services in 2025. In different workshops with industry leaders, they developed a vision that resulted in a white paper for the industry. In this presentation they'll present the vision and the needed actions for the industry to arrive at this vision and be ready for the expected future of baggage.

17:15 - End

OPENING DAY PARTY
AFTER THE CONFERENCE
THE EXHIBITION HALL



"A great opportunity to meet with like-minded people and share ideas. As an airline representative, I learned a lot about how our partner airlines strive to improve the travel experience"

Bryan Gilbert, Product Manager, Air New Zealand, NEW ZEALAND

"This conference is truly the premier industry event, providing so many vital connections to advance our global reach"

Brian Cobb, VP Customer Experience, Cincinnati/Northern Kentucky International Airport, USA

CONFERENCE PROGRAMME

DAY 1 - TUESDAY 20 MARCH

09:05 - 17:15

ENERGY, ENVIRONMENT & SUSTAINABILITY

09:05

INTRODUCTION BY CONFERENCE CHAIRS

Emanuel Fleuti, Head of Environment, Flughafen Zürich AG, Switzerland

David Tomber, Aviation Principal, Jacobs, USA

09:10

SIMPLE, EFFICIENT, INNOVATIVE, RESILIENT: THE GREEN AIRPORT EVOLUTION

Ken Conway, Head of Aviation Environment & Sustainability, Airbiz Aviation Strategies Ltd, Australia

Airports today are under intense pressure to be safe, operate more efficiently, improve passenger experience and be profitable. Faced with a looming capacity crunch, airports must become smarter in the way they support responsible, sustainable growth while limiting any repercussions on the environment. The front door to sustainability is environmental responsibility. This presentation will offer unique industry perspectives and innovative ideas on how airports can strengthen their environmental currency at the executive level. Taking centre stage will be a holistic portrayal of how airports can better align strategy and performance to deliver tangible benefits to their bottom lines and operations.

09:40

ADD VALUE WITH A GREEN BUILDING LABEL

Emanuel Fleuti, Head of Environment, Flughafen Zürich AG, Switzerland

Airports are developing and renovating their infrastructure, while seizing opportunities to generate additional revenues and reduce costs. A proven approach is certification with a Green Building label. Zurich Airport's 'The Circle' is aiming for a LEED Platinum label. The presentation will show the pathway, chances, opportunities and limits to achieving this label.

10:10

LEED GOLD EXPERIENCE FOR TAIWAN TAOYUAN INTERNATIONAL AIRPORT T3

Yi Hsun Chen, Engineer, Taoyuan International Airport, Taiwan

Pei Han Tseng, Assistant Engineer, Taoyuan International Airport, Taiwan

The Taiwan Taoyuan International Airport Terminal 3 project aims to achieve Leadership in Energy and Environmental Design - New Construction version 2009 (LEED NCv2009) Gold Rating. This presentation summarises the development and compliance on LEED credits during the current stage. Features to be introduced to achieve the project's grand vision in sustainability include: utilising passive and active design measures to reduce carbon footprint; ensuring that efficient energy, water and waste systems are adopted so as to minimise resource waste; harnessing renewable energy sources in providing clean energy.

10:40 - 11:00
BREAK



11:00

DEMONSTRATING ENVIRONMENTAL LEADERSHIP WITH LEED GOLD CERTIFICATION

John Lyons, Associate, Dialog, Canada

The presentation will provide a detailed study of the architecture, engineering and construction decisions that resulted in Calgary International Airport's International Facilities Terminal Project formally achieving LEED Gold certification. Key advancements in carbon reduction, energy efficiency, water efficiency, material use, indoor environment and innovation led to the largest LEED Gold certified airport in North America. Challenges that were overcome and lessons learned in applying such a rigorous certification standard to the airport typology will be shared. An in-depth review of the process will illuminate how owners and facility managers all over the world can engage in being green and find similar success.

11:30

AIRPORT BALANCING ACT: THE NEED TO GROW YET REDUCE ENVIRONMENTAL IMPACTS

Houssam H Sleiman, Director, Capital Programs and Environmental Affairs, Massachusetts Port Authority, USA

As air mobility continues to grow, airports are on a constant path to expand or rebuild their infrastructure, which needs to be operational for up to 30 years or even more. As such, not only investment costs, but also operating costs are a relevant factor, and passenger satisfaction should be further developed while environmental impacts are reduced and mitigated.

12:00

THE SUSTAINABLE AIRPORT ENVIRONMENT - NOISE AND LAND USE COMPATIBILITY

Patrick Magnotta, Assistant Manager, Airport Planning and Environment, US Federal Aviation Administration, USA

Sustainability initiatives often focus on matters within the airport's control and within airport boundaries. This presentation will summarise efforts taken in the USA to integrate noise and land use compatibility into airport sustainability. These are challenging efforts in many countries because airport authorities do not always have control over surrounding land uses. The objective of this presentation is to present one nation's initiatives in a manner that fosters dialogue on what is a significant issue for airports around the world.

12:30 - 14:00
LUNCH



14:00

LOW-CARBON HEATING, VENTILATION AND COOLING SOLUTIONS FOR AIRPORTS

Lena Wennberg, Sustainability and Environmental Manager, Swedavia, Sweden

Andrew Marsh-Patrick, Associate Director, WSP, UK
WSP has worked with several major airports on low-carbon heating and cooling solutions, and Swedavia has recent practical experience in this area. This presentation will cover the carbon, air quality and cost savings from low-carbon heating and cooling solutions for airports, based on recent research and best practice examples. This is an important area for airport operators wishing to achieve carbon neutrality in a cost-effective manner.

DAY 1 - TUESDAY 20 MARCH

14:30

THE AIRPORT'S SURROUNDING MANAGEMENT FOR SUSTAINABLE GROWTH
Michele Medico, Head of Planning and Compliance, Naples International Airport, Italy
Alessandro Fidato, Infrastructure Development & Flight Operations Director & Accountable Manager, GESAC - Naples International Airport, Italy

The aviation industry offers smart solutions to the request for fast, efficient and cost-effective means of transport, as the low-cost era has consolidated a new way of doing business, tourism and culture. City airports play an important role in this scenario, as they connect the cities to the great opportunities for business, culture and leisure that the whole of Europe offers. Nevertheless, their growth may raise some sustainability issues related to environmental concerns and city planning. Naples International Airport has consolidated several best practices to manage noise, obstacle and third-party risk issues, to consolidate its strategy of sustainable growth.

15:00

THE POSITIVE IMPACT OF PERFORMANCE-BASED NAVIGATION ON LOCAL COMMUNITIES
Nick Millar, Head of Airside Operations, London Stansted Airport, UK

The presentation will outline London Stansted Airport's foray into the world of performance-based navigation. This project began a number of years ago after community reaction to an increase in night operations at the airport, which even made the local television news. Nick will talk about how Stansted addressed these community concerns, joining together with its operators, the UK regulator, its ATC unit and its local community, which ultimately led to the introduction of RNP1 (RF) departures on two of the airport's departure routes. Nick will outline the initial results from the trial through to the formal consultation phase, which resulted in widespread community support for airspace change, even from the airport opposition group, environmental campaign groups, local and district government, leading through to the full publication of the procedures and how the numbers of people affected by aircraft noise has reduced substantially. He will also outline the current aircraft performance of the RNP1 (RF) procedures, how much they exceed the design criteria and how Stansted now reports compliance, which will lead to a two-thirds reduction in the airport's noise preferential route.

15:30 - 15:45
BREAK



15:45

OSLO AIRPORT - REACHING NEW HEIGHTS IN SUSTAINABILITY AND PASSENGER EXPERIENCE

Bjørn Olav Susæg, Architect MNAL, Nordic - Office of Architecture, Norway

The Oslo Airport expansion is an example of Scandinavian design at its best. As a fully integrated expansion, the new pier builds on the original design of the airport, using familiar materials in new ways to create a distinct and evolved identity. It is the first airport in the world to achieve a BREEAM Excellent rating and features exciting new design and technology. The shape and spatial arrangement make it extremely efficient, increasing the airport's capacity from 19

to 30 million passengers per year, with additional potential to increase capacity to 36 million passengers.

16:15

DELIVERING PASSENGER DELIGHT AND NET ZERO PERFORMANCE: STRATEGIES FOR SUCCESS

Erin Cooke, Sustainability Director, San Francisco International Airport, USA (Invited)
Kirsten Ritchie, Director of Sustainable Design, Gensler, USA

For airports around the world, there are often perceived and real challenges in achieving passenger delight, airline satisfaction, revenue expectations, construction cost controls and net zero energy, carbon and waste performance goals simultaneously. However, experience shows these multiple goals are achievable. In this presentation, we will explore the progression of SFO's dual commitments to exceptional passenger experience and getting to zero through the real-world lens of key T2, T3E and T1 design team members and SFO's Sustainability and Net Zero leadership.

16:45

INTRODUCING YVR'S LEADING-EDGE CORE TERMINAL INFRASTRUCTURE PROGRAMME

Tobias Finke, Manager, Airport Terminal Projects, Vancouver Airport Authority, Canada
Lesel Radage, Manager, Engineering Projects, Vancouver Airport Authority, Canada

The CORE programme is an assembled suite of five major infrastructure upgrades under design: (1) Sustainable energy systems including geexchange well fields and mechanical infrastructure to support the entire terminal complex; (2) Electrical infrastructure including upgrades to the existing 25kV power network and provision of standby power to the entire terminal complex; (3) Central Utilities Building (CUB) to house new mechanical and electrical infrastructure and replace the existing ageing utilities building; (4) New parkade, ramps and passenger bridges to expand car rental and public parking; (5) Rainwater capture to supply emergency firefighting water and to reduce potable water use.

17:15 - End

OPENING DAY PARTY
AFTER THE CONFERENCE
YVR AIRPORT AUTHORITY



"The environment track was both practical and forward looking, I found it very useful and influential"

Rachel Thompson, Sustainability Manager,
Gatwick Airport Ltd, UK

CONFERENCE PROGRAMME

DAY 1 - TUESDAY 20 MARCH

09:05 - 17:30

FUTURE AIRPORTS

09:05

INTRODUCTION BY CONFERENCE CHAIR
Kiran Merchant, CEO, Merchant Aviation, USA

09:10

HANEDA ROBOTICS LAB

Yusuke Iizuka, Assistant, Japan Airport Terminal Co Ltd, Japan

In the run-up to 2020 Tokyo Olympic and Paralympic Games, Haneda Airport is working across the board to improve the quality of its service and customer satisfaction levels. With the working population in Japan expected to decrease in the years to come, we believe that the effective use of robot technology will be an essential part of solving a wide variety of work challenges. We have steadily worked to encourage the introduction and testing of numerous robot technologies in the airport.

09:40

LABCAMPUS - AN AIRPORT AS AN OPEN INNOVATION PLATFORM

Sarah Wittlieb, Head of Innovation Management, Munich Airport, Germany

Munich Airport is currently working with other companies to co-create an innovation platform that can develop, test and present innovative products and services in cooperation with universities, R&D partners and start-up companies. By realisation of a 50 ha physical and digital location, LabCampus will offer various companies the possibility to innovate across industries. The urban spirit creates the perfect atmosphere to not only work but also live innovation by creating a sense of community.

10:10

'INNOVATION HUB': USING AIRPORTS AS REAL LIVING LABORATORIES

Sébastien Couturier, Head of the Innovation Department, Groupe ADP, France

Groupe ADP has developed the Innovation Hub programme, which uses the company's airports as 'real living laboratories' to meet the challenges of transformation through an open innovation approach. Currently, the Innovation Hub programme is a powerful driver of change working to improve the company's competitiveness. The presentation will be about using the cross-functional approach to innovate. It will focus on three main pillars - open, connect and invest - which will be developed on stage and illustrated through one main experimentation each time, based on smart airport, improved connections and robotics.

10:40 - 11:00
BREAK



11:00

STOCKHOLM ARLANDA AIRPORT - SCANDINAVIA'S LEADING AIRPORT

Kjell-Åke Westin, Director, Stockholm Arlanda, Sweden, Sweden

Sweden's largest airport, Stockholm Arlanda, is the capital airport of Sweden and the future leading airport of Scandinavia. It is an attractive airport, meeting point and work place. With expansive real estate development, the most innovative airport city is currently taking shape.

11:30

PANEL DISCUSSION: CEO AIRPORT INNOVATION

Christina A Cassotis, Chief Executive Officer, Pittsburgh International Airport, USA

Hari Krishnan Marar, Executive Director & President, Bangalore International Airport, India

Huntley A Lawrence, Director, Aviation Department, The Port Authority of New York & New Jersey, USA

Building an innovation culture to meet the demands of the future of air travel.

- Visioning change
- Managing change
- Implementing change

12:30 - 13:45
LUNCH



13:45

SEAMLESS - WHAT NEXT?

Henrik Rothe, Senior Lecturer, Cranfield University, UK

Introducing security walk-throughs will remove the final obstacle for a seamless passenger journey inside the terminal. Airports will become perfect machines. What next? From simple wayfinding to complex interchange strategies, airports need to think about seamless in a wider context, reaching out to the cities they serve. And fundamental changes to surface access - Uber and driverless cars - will challenge the traditional airport business model. In a shared attempt between industry, academia, airports and municipalities, DARTeC - Cranfield's new research platform - investigates the dynamics between airports and cities, with space for the unexpected encounter.

14:15

RESPONSIVE > SMART - CREATING DESTINATIONS FOR THE FUTURE

Maxwell Oglesbee, Head Of Client Strategy, Consulting & Solutions, Intersection, USA

With urban populations rising, new connected tech promises to make cities, airports and other destinations more efficient, sustainable and enjoyable. But adapting to a 21st-century world takes more than IoT, big data or arrays of sensors. This session will explore the vision, platform and people needed to create responsive places with soul. Learn insights from our experience with LinkNYC, the world's largest and fastest free public wi-fi network, building new transit solutions with the MTA, and developing a new neighbourhood from the ground up on the west side of Manhattan.

DAY 1 - TUESDAY 20 MARCH

14:45

DESIGNING AIRPORT FOR MILLENNIALS

Valerie Boissier, Senior Manager Customer Experience Design, Groupe ADP, France

Melanie Carron, Strategic Marketing Director, Groupe ADP, France

Based on several studies and workshops conducted by Aéroports de Paris, the presentation will focus on how to create a unique new passenger experience meeting millennials' expectations and behavioural trends. It will also discuss the key factors of success to answer the rising needs of the new generation.

15:15

CREATING A SMART AIRPORT: LONDON CITY AIRPORT

David Grant, Chief Architect, London City Airport, UK
Fiona Strens, CEO, CrowdVision, UK

The subject of 'smart airports' is hot at the moment. As pressure increases to create a fast, safe and seamless experience for passengers, airports are having to evolve from infrastructure providers to fully fledged, profit-making businesses. This talk will cover real cases where airports have taken advantage of emerging technologies (Internet of Things, big data, machine learning) and made significant changes to the way they operate to be more efficient and markedly more profitable.

15:45 - 16:00
BREAK



16:00

AN OUTSIDER'S VIEW: WHAT I HAVE LEARNED REGARDING AIRPORT INNOVATION AFTER ONE YEAR

Anne Hospers, Coordinator Innovative Partnerships, Rotterdam The Hague Airport, Netherlands

As an organisation, innovating is essential. But where do you start and where do you want to go? As the very first person to work solely on innovation at a regional airport, I will share with you what I learned in the first year, because these insights can be helpful to organisations across the board.

16:30

PART 1: REPORT FROM THE [RE]CODING AVIATION HACKATHON

Mats Berglind, Digital Innovation Manager, Swedavia, Sweden

Mady de Groot, Innovator, Schiphol Group, Netherlands
Hamidul Huq, Innovation Project Manager IT-Airport, Geneva Airport, Switzerland

In June 2017 the [Re]coding Aviation hackathon took place in Berlin. Seven airports participated, 35+ APIs were provided, 154 participants hacked, 37 ideas were presented, 19 nationalities took part in 48 hours of hacking, resulting in one grand winner and two incubations.

17:00

PANEL DISCUSSION: PART 2: ARE HACKATHONS A GOOD METHOD FOR INNOVATION AT AIRPORTS?

Mats Berglind, Digital Innovation Manager, Swedavia, Sweden

Hamidul Huq, Innovation Project Manager IT-Airport, Geneva Airport, Switzerland

Mady de Groot, Innovator, Schiphol Group, Netherlands

In June 2017 the [re]coding aviation hackathon took place. Some figures: 7 airports, 35+ APIs, 154 participants, 37 ideas, 19 nationalities, 48 hours of hacking. One great vibe and on top of it, an incubation. So was it a success? We'll tell you all about it and answer all your questions on using hackathons as a way to innovate.

- The journey in organising a successful event with multiple airports
- How to co-create with brains external to your company
- What everyone gained from the event
- When every airport speaks the same language (ACRIS Seamless Travel API)

17:30 - End

OPENING DAY PARTY
AFTER THE CONFERENCE IN
THE EXHIBITION HALL



"One of the most important conferences on the circuit. Great for networking and widening of one's scope"

Thomas Kallmayer, Senior Innovation Manager, Mnnlch Airport, GERMANY

"I enjoyed every minute of it. It is by far the best conference about airports in the world"

Anna Fantoni, Development Planning Manager, Sydney Airport, AUSTRALIA

CONFERENCE PROGRAMME

DAY 1 - TUESDAY 20 MARCH

09:05 - 17:15

MANAGEMENT & OPERATIONS

09:05

INTRODUCTION BY CONFERENCE CHAIRS

Etienne van Zuijlen, Lead Business Development - Airport Operations, SITA, Netherlands

Alaistair Deacon, Airport Operational Systems Consultant, Toasty Solutions Limited, UK

09:10

INTEGRATION OF PRM AND BAG PROCESSES INTO THE AOP

Francisco Salguero, Head Airport Operations Management Department, Alicante Airport, AENA, Spain

Juan Ramon Mats Sebastia, Operations Planning Manager, AENA, Spain

Synchronism at the right time between the aircraft readiness to depart and the payload onboard (passengers, baggage and cargo) is the aim of all airport stakeholders. Nowadays, although the aircraft process might be more than well monitored by the A-CDM, the bag and PRM processes are not so well monitored to detect potential losses of that synchronism. By integrating this process monitoring into the AOP to alert airport stakeholders early of any disruption detected in those processes that may have an impact on the aircraft departure, new mitigation actions and procedures may be applied to recover the desired synchronism.

09:40

CUSTOMER SERVICE EXCELLENCE @ DXB ENABLED BY TOTAL AIRPORT MANAGEMENT

Romain Hericher, Director of Operational Strategy, Dubai Airports, United Arab Emirates

Ronan O'Shea, Programme Manager, Dubai Airports, United Arab Emirates

Customer service excellence is Dubai Airports' singular focus. As demand grows and airline models develop, opportunities and challenges change. Our airport community needs to jointly develop innovative ways to maximise service delivery, operational performance and resilience. The development of a total airport management (TAM) approach will help us accommodate our forecasted growth. TAM is a concept of operation that has shown promising benefits in theory and in proof of concepts at airports globally. At DXB we are busy laying the foundations for TAM and already reaping the benefits of greater collaboration in our passenger flow management and customer experience.

10:10

IMPROVING OPERATIONS THROUGH SYSTEM-WIDE INFORMATION MANAGEMENT (SWIM)

Joakim Jerbrant, Chief Architect IT, Swedavia, Sweden

Peder Blomqvist, Senior ATM IM Strategist and SWIM Expert, LfV, Sweden

One of the major challenges in airport operations is to ensure an efficient collaboration with air traffic control. Changes in arrival flows may have a significant impact on the turnaround process, including airline ground handling and airport support services. The System Wide Information Management (SWIM) concept developed in ATM during the last 10 years has revolutionised the way ATM stakeholders can interact and

collaborate at a global and European level. By standardising information exchanges and making use of widely adopted internet-based technologies, it decreases costs and enables development and implementation of operational concepts such as airport collaborative decision making.

10:40 - 11:00
BREAK



11:00

OPERATIONAL MODELLING TOOLS FOR MANAGING BAGGAGE SYSTEM PERFORMANCE

Steven Yiu, General Manager, Airfield, Hong Kong

International Airport, Hong Kong

Eric Miller, Project Director, BNP Associates Inc, USA

BNP and AAHK will present a new software tool that allows airports to make operational decisions for their baggage systems based on changing conditions. The Operational Modelling Tool (OMT) has two primary purposes: (1) Assist in daily/near-term planning to manage resource requirements due to last-minute flight schedule changes, load variation, flight delays, etc.; (2) Assist in medium-term planning to identify requirements for changes to upcoming schedules, check-in assignments, makeup configuration and passenger processing. The presentation will focus on the Rapid Analysis Mode (RAM), ideal for quickly analysing impacts to operational capacity and staffing requirements.

11:30

NEW SCHENGEN BORDER REGULATIONS: SCENARIO ANALYSIS AND LEARNINGS

Esben Kolind, Head of Operational & Business Analysis, Copenhagen Airports, Denmark

On 7 October 2017, new Schengen border regulations were introduced at Copenhagen Airport, demanding entry and exit checks of all passports from passengers crossing the Schengen border. Warned by the chaotic situations reported from other European airports adopting the regulations earlier in 2017, CPH made substantial preparations and evaluated multiple scenarios and solutions, both short term and longer term. This presentation will show how sensor data was used to simulate the effects and discuss the lessons learned after several months of operation.

12:00

OPERATION FROM SMALL, OLD TERMINAL BUILDING AND LIMITED BAYS

Rajender Singh Lahauria, Airport Director, Airports

Authority of India, India

Nandita Bhatt, DGM-ARCH, Airports Authority of India, India

In the last decade, passenger traffic has grown way beyond the expectations of airport operators. Operators such as Patna Airport in India are having great difficulty handling the growing traffic with the old infrastructure in parking bays and the terminal building. Considering the land acquisition, environmental clearances and the development of terminal building/parking bays/runway etc. to cater for traffic growth for at least 20 years, construction would take at least five years. Therefore, catering for the existing traffic growth requires the art of management and operation with the present limited infrastructure available until the new development comes up.

DAY 1 - TUESDAY 20 MARCH

12:30 - 14:00
LUNCH



14:00
A-CDM@YYZ

William MacMillan, Director, A-CDM Implementation, Greater Toronto Airports Authority, Canada
The presentation will demonstrate the A-CDM@YYZ model. YYZ has developed an updated concept of operation and has transformed A-CDM into a trajectory-based, process- and service-oriented approach that is a network-based solution, considering both the ATM and the airline network interactions. The trajectories act as the 'glue' that ties all aspects of the operation into the common situational awareness that will allow the focus to be on processes that impact/distort the trajectories. Business services will replace and expand the original A-CDM concept elements, enabling the embedded business rules to drive the overall system behaviours. This approach will enable TAM going forward.

14:30
ACHIEVEMENTS AND EXPERIENCES
OF A-CDM AT TAIWAN TAOYUAN
INTERNATIONAL AIRPORT

Jerry Dann, Senior Vice President, Taoyuan International Airport, Taiwan
All stakeholders understand that accurate, real-time, consistent flight information is the key to maintaining high operational performance in a busy airport. To meet the demand, TIAC successively developed FOS, FRCS and ACDMP from 2009. FOS is the system for flight management, and its information can support many airport systems such as FIDS, BHS, ADVGS, billing, etc. directly. As for the FRCS, it is a subsystem FRCS of FOS, of major importance in recovering the operations in adverse conditions. These systems produced a very helpful effect for TTIA. This presentation will introduce the experiences of the implementation of TIAC.

15:00
IMPLEMENTATION OF A-CDM AS A
TRANSFORMATIVE INITIATIVE

Ioannis Metsovitis, Vice President Operations, Hamad International Airport, Qatar
Since the start of operations only three years ago, HIA, as Hamad International Airport's airport management company, has continuously improved operations and its service offering for passengers and the public alike. Efforts of HIA have resulted in prestigious accolades such as Hamad International Airport being named a 5-star airport with a leading position in the Middle East region. It has recently launched and is very quickly rolling out A-CDM with a great success, measured by the transformation HIA is achieving in its business, its operations across the entire organisation and progressively throughout the airport community.

15:30 - 15:45
BREAK



15:45
LISBON AIRPORT COLLABORATIVE DECISION
MAKING

Carlos Maroco, Project Manager, ANA - Aeroportos de Portugal, Portugal
The A-CDM platform was developed for the purpose of information sharing. A pillar of A-CDM is the Milestones Approach methodology – a combination of events that, added to the MTTT, contribute to the construction of an estimated, more accurate time of turnaround. Associated with variable taxi times (VTT), this enables Air Traffic Control to pre-sequence departures. The platform also enables management of cases of 'adverse conditions' by the association of additional taxi times, when disruptions occur (aerodrome works, strikes, special events, adverse weather conditions, etc.).

16:15
WHAT-IF APOC (ENHANCED DECISION
MAKING FOR AIRPORT PERFORMANCE
MANAGEMENT)

Carlos López Muñia, Head of Operations Planning Department, AENA, Spain
Nuria Moreno Benavides, Operational Development Manager, AENA, Spain
The conclusion of SESAR's exercises carried out in MAD revealed the necessity to improve the way to integrate and show efficiently the results of the what-if tools in APOC to enhance the decision-making process in real time. This presentation will approach the features of the APOC based in what-if tools and the needed process from planning phase to real time for defining the key indicators and predefined scenarios, simplifying the final decision for every stakeholders integrated in the APOC.

16:45
PANEL DISCUSSION: TERMINAL FLOW
MANAGEMENT AND THE CONNECTED
PASSENGER

Velissarios (Velis) Eleftheriou, Managing Director, TOTALCDM, Greece
Alistair Deacon, Airport Operational Systems Consultant, Toasty Solutions Limited, UK

In recent years, airports have invested in numerous different technology solutions to track passengers and measure queue and dwell times throughout the different terminal processes. The audience and panellists will discuss how this data is being transformed into management information, and the techniques applied to improve terminal flow management. We will also discuss how personalised tracking data can be generated and shared with passengers for the next generation of connected passenger interaction.

- Using queue and dwell time for more than KPI reporting
- Methods for proactive passenger flow management
- Can and should we track individual passengers throughout the terminal?
- Can personalised tracking data connect the airport and airline directly to the passenger?
- What are the barriers to passenger personalisation?

17:15 - End

OPENING DAY PARTY
AFTER THE CONFERENCE
THE EXHIBITION HALL



CONFERENCE PROGRAMME

DAY 1 - TUESDAY 20 MARCH

09:05 - 17:15

TECHNOLOGY: PASSENGER JOURNEY

09:05

INTRODUCTION BY CONFERENCE CHAIRS
Maurice Jenkins CM IAP, Director Information Systems & Telecom, Miami Dade Aviation Department, USA
Al Lyons, SVP Firmwide Director of IT & Electronic Systems, HOK, USA

09:10

POST-DESIGN WORK - INTEGRATED PASSENGER SERVICES AT ORLANDO INTERNATIONAL AIRPORT
John Newsome, Director of Information Technology, Greater Orlando Aviation Authority, USA
Francis Barich, Principal Consultant, Barich Inc, USA
As the aviation industry continues to rapidly move towards the E2E passenger journey, using walking-pace and single token as its vision, there is a need to design and deploy functions in an integrated process. This presentation provides a focus for airport operators, airlines and key airport stakeholders in improving the passenger journey through the entire air-travel experience. It specifically presents the requirements for, and benefits of, a well-established integrated passenger E2E programme. Case study discussion is presented from Orlando International Airport on improvements in the existing North Terminal Complex and post-design work for the new South Terminal Complex.

09:40

IMPLEMENTING AUGMENTED REALITY IN THE AIRLINE CUSTOMER JOURNEY

Stijn Bannier, Product Manager Mobile, KLM Royal Dutch Airlines, Netherlands
Both iOS and Android are including AR as one of their top priorities in all mobile innovation. Augmented reality (AR) is a view of a real-world environment where elements are augmented by computer-generated input such as sound, video, graphics or GPS data. How can an airline implement AR in its customer journey? On a mobile device an airline can inspire, entertain and sell via augmented reality. This presentation will show how KLM is doing that.

10:10

INFRASTRUCTURE, TECHNOLOGY AND PROCESS MEETING TO IMPROVE PASSENGER EXPERIENCE

Chris Wright, Director Continuous Improvement, London City Airport, UK
Adrian Leung, Change Consultant, London City Airport, UK
In 2016, London City Airport's departure lounge experienced record passenger figures, leading to suboptimal occupancy levels and impacting passenger experience. Through delivery of a remodelled West Pier and an intelligent automated call to gate system, this presentation reviews how infrastructure, technology and process can meet to resolve serious capacity issues, bringing occupancy levels to IATA level C in 2017 and continuing to deliver traffic growth.

10:40 - 11:00
BREAK



11:00

EXPERIMENTATION IN A ZERO-RISK ENVIRONMENT - FACE RECOGNITION AT HELSINKI AIRPORT

Heikki Koski, Vice President, Finavia Corporation, Finland
Tugberk Duman, Project Manager/Biometrics Expert, Futurice, Finland

Face recognition shows great promise for increased security, more efficient use of resources and better customer experience at airports worldwide. Finavia, together with hub carrier Finnair and digital consultancy Futurice, tested the use of face recognition technology at Helsinki Airport to gain insight into the benefits and risks from passenger, employee and technical viewpoints. Our talk deals with how we're utilising the insights to build future travel experience, and how the test setup was optimised to maximise generated insights in a short timeframe and at a low cost, without disrupting the operations in a zero-risk environment.

11:30

PASSENGER AUTOMATION STRATEGY AT HEATHROW

John Parfit, Senior Project Lead, Heathrow Airport, UK
Don Grose, Integration Architect, Capgemini, UK
Delivering passenger automation at Heathrow requires collaboration between a multitude of Heathrow teams, airlines, third-party suppliers, government and standards bodies. The presentation explores initiatives to date in areas such as self-service bag drop and the FTE award-winning biometric self-boarding and demonstrates how live trials have been used to prove value and capability before service roll-out. The strategy for automation is discussed, where an increased emphasis on data services and IT integration will enable a smart airport capable of delivering a low-friction, seamless passenger journey.

12:00

TERMINAL OPERATOR, CONTRACTOR AND CONSULTANT COLLABORATE TO REJUVENATE LAGUARDIA AIRPORT

Edward D'Augelo, IT Manager, LaGuardia Gateway Partners, USA
Ted Jadermark, Airport System Manager, SkanskaWalsh JV, USA

LaGuardia Gateway Partners (LGP), Skanska Walsh JV (SWJV) and HOK/WSP are collaborating to replace the Central Terminal Building at New York's LaGuardia Airport. LGP was selected to take over operations of the Central Terminal Building for 35 years. The biggest challenge is the fact that the new terminal is being constructed on the same site as the existing one. This presentation will discuss how new technologies are facilitating the construction process while minimising impacts on operations and travellers and providing a robust infrastructure to build on for the next 35 years.

12:30 - 14:00
LUNCH



DAY 1 - TUESDAY 20 MARCH

14:00

UNLOCKING IDENTITY MANAGEMENT AT LONDON HEATHROW AIRPORT

Eugene Kramer, Lead Designer - Passenger Experience, Heathrow Airport, UK
Mark Walker, Consultant, Heathrow Airline Operators Committee (AOC), UK

Heathrow Airport Ltd and the Heathrow Airline Operators Committee (AOC) will provide insight into the problems currently faced in managing passenger identity, their joint vision for the future and the roadmap for identity management and the use of biometrics at London Heathrow Airport. This will include detail on the extensive collaboration between airlines, government authorities and the airport as well as the emerging learning from demonstrators and early deployments in the live passenger environment.

14:30

TRANSFORMING TRANSPORT - UNDERSTANDING AND PREDICTING PASSENGER BEHAVIOURS THROUGH DATA ANALYTICS

Nikolaos Papagiannopoulos, Senior Project Manager, Athens International Airport, Greece
Juan Francisco Garcia Lopez, Project Manager, Indra, Spain

The identification of complex information by applying big data management paradigms will help identify hidden trends regarding different airport processes, which will give the airport market sector a new dimension to grow by identifying passengers' behavioural patterns. This project is focused on understanding passenger flow within the airport, highlighting its impact on other airport processes such as aircraft, security and retail. Passenger descriptive models are defined, analysing historical data. The combination of these models with flight schedules for a specific period will enable airports to predict when each passenger segment (business, economy, groups, domestic, international, etc.) will arrive at the airport and how they will circulate within it.

15:00

TRANSFORMATION OF PASSENGER EXPERIENCE VIA TECHNOVATION AT HKIA

Chi-kee Ng, Executive Director, Airport Operations, Airport Authority Hong Kong, Hong Kong
The presentation features the experience of Hong Kong International Airport in driving technovation to transform the passenger experience. Facing capacity pressure and increasing passenger expectations, HKIA is actively adopting new technologies to enhance operational efficiencies and customer services during the passenger journey. The presentation will highlight the next generation of smart check-in facilities that have been recently introduced at HKIA to transform the passenger check-in experience into a fully automated and self-service process. In addition to technovation, Hong Kong International Aviation Academy was established to nurture air transport management talents. Such knowledge empowerment facilitates the sustainable development of HKIA and the passenger experience.

15:30 - 15:45
BREAK



15:45

THE FAST JOURNEY AT SINGAPORE CHANGI AIRPORT

Ching Hock Chua, Senior Manager, Development Operations (Terminal 4), Airport Operations Management, Changi Airport Group, Singapore

In 2012, CAG embarked on a programme to engage stakeholders, and design and implement FAST initiatives across Terminals 1, 2 and 3, as well as the new Terminal 4, which will have an end-to-end self-service process with biometric facial recognition. T4 successfully opened on 31 October 2017, after extensive FAST and ORAT trials. In T1, the Expansion programme witnessed the completion and operationalising of a new Central FAST zone. In T2 and T3, FAST implementation has also been progressing well. In this presentation, CAG will share its FAST journey and key milestones in the programme.

16:15

RAISING CUSTOMER SERVICE STANDARDS THROUGH SMART AIRPORT STRATEGIES

Hidetaka Abe, Senior Manager, Narita International Airport Corporation, Japan
Ryoichi Ishihara, Senior Manager, Narita International Airport Corporation, Japan

The presentation will cover: overview of Narita Airport, the SMART Airport initiative, the SMART Airport concept, interactive digital signage, precision indoor digital maps and precision position finding, mobile app development, next-generation airport services using cutting-edge robotics.

16:45

PANEL DISCUSSION: DATA EXCHANGE IN THE AVIATION INDUSTRY

Serge Yonke Nguemo, Senior Manager, Facilitation and IT, ACI World, Canada
Al Lyons, SVP Firmwide Director of IT & Electronic Systems, HOK, USA
Christopher Blasie, Manager of Passenger Services, Airlines for America, USA

As many players in the aviation industry are interested in efficient and high-quality services for their customers, including passengers, it make sense to define common standards for information exchange and data models. Data exchange in the aviation industry remains a big challenge and not only to exchange some data, but to ensure that there is a common terminology of data, regardless of which data is exchanged.

- Collaboration
- A 'standard' in the making
- Consistency of data for passengers and operations
- Real-time data flowing throughout the airport

17:15 - End

OPENING DAY PARTY
AFTER THE CONFERENCE
THE CONVENTION HALL



CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:15

AIRPORT CITIES, TRANSPORT CONNECTIONS & REGIONS

09:00

INTRODUCTION BY CONFERENCE CHAIRS

Léa Bodossian, Secretary General, Airport Regions Conference, Belgium

Milda Manomaityte, Director, Global AirRail Alliance, UK

09:05

AIRPORT CITY STOCKHOLM

Fredrik Jaresved, CEO Airport City Stockholm, Swedavia, Sweden

Airport City Stockholm was formed in 2012 and since then has developed a strategy that will strengthen the location as a hub for sustainable innovation and meetings. Airport City Stockholm has recently moved into the next phase of development with rapid growth, and has in three years increased the number of new companies and other organisations by more than 25%. So what are the future plans for this airport city, and what is needed to get there?

09:35

DEN REAL ESTATE: REDEFINING OPPORTUNITY

Darryl Jones, Executive Vice President/Chief Real Estate Officer, Denver International Airport, USA

The presentation will provide a brief history of the two most recent airports in Denver (Stapleton and Denver International Airport) including their economic impact on the region and flight capacity. It will include a discussion on flight connectivity and the geographic advantage of DEN in the USA and internationally. It will also discuss real estate offerings outlined in the land use plan, including development and investment opportunities.

10:05

AIRPORT CITY LESSONS FROM A MID-MARKET CANADIAN AIRPORT

Barry Rempel, President & Chief Executive Officer, Winnipeg Airports Authority, Canada

After 10 years of visionary plans, lessons can be learned from the successes and failures of a mid-market airport when pursuing leadership in innovation. Airport City Winnipeg (ACW) applies those lessons with pragmatic plans with which the Winnipeg Airports Authority will drive the region's economy. Focusing on the realities of what can be done, and providing businesses with the facilities and connectivity to grow their bottom lines, ACW leverages Winnipeg's current transportation assets to make our airport a North American central cargo hub. ACW ensures Canada's transportation network remains cost competitive and efficient, creating more jobs in the region.

10:35 - 10:55
BREAK



10:55

AEROTROPOLIS - ASSEMBLING THE UNIQUE ATTRIBUTES OF YOUR AIRPORT AND REGION

Myron Keehn, VP Air Service & Commercial Development, Edmonton International Airport, Canada

Developing an airport city in a non-hub market presents unique challenges. How to plan, attract and develop your airport as a tourism destination to drive passenger and cargo demand. How innovation plays a key factor in the development of passenger satisfaction and non-aeronautical demand. How development can drive regional economic prosperity and tourism. How important is regional support in the development of an airport city and surrounding aerotropolis.

11:25

SMART AIRPORT MEETS SMART CITY - FUTURE AIRPORT DESIGN

Tom Mockett, Airport Masterplanning Manager, Brussels Airport Company, Belgium

The presentation will reference many smart airport and smart city initiatives and trends to explore how airports will be required to adapt to expected future shifts in passenger, terminal, commercial and intermodality demands. We will explore how these future expectations will markedly shift airport development by making direct reference to our own airport in Brussels. In particular, we shall explore how IATA Fast Travel, smart city design concepts, airport planning and design guidance tools and seamless travel recommendations will operationally, spatially and technologically reshape our airport and the airport city of the future.

11:55

DESIGNING A SUCCESSFUL FUTURE AIRPORT CITY

Tomas Stokke, Director, Haptic Architects, UK

The presentation will consider current trends and opportunities for an aerotropolis or airport city. Drawing on our case study for a new Scandinavian airport city, the presentation will propose ideas for the future airport city on a global, national, local, neighbourhood and human scale. It will outline the diverse design, technical and socio-economic drivers in the design of a successful airport city, including the development of a successful business plan; environmentally sustainable masterplan strategies; integration of smart technologies; efficient links to adjacent airport and surroundings; flexible phasing strategies; and innovative building and transport typologies.

12:25 - 14:00
LUNCH



14:00

AEROTROPOLIS AND AIRPORT CITY DEVELOPMENT STRATEGIES

Pieter van der Horst, Managing Director - Chief Development Officer, AIREA - IKIA, Netherlands

The presentation will compare two completely different airport cities: Amsterdam Airport City and IKIA Airport City. The different strategies will be explained, with emphasis on organisation, urban planning, risk levels, regional economic development, investments and revenue maximisation.

DAY 2 - WEDNESDAY 21 MARCH

14:30

A STRATEGY FOR WESTERN SYDNEY AEROTROPOLIS

René-Alexander Marey, Senior Airport Architect, NACO, Netherlands

As Sydney's new airport, Western Sydney Airport will do more than meet forecast aviation demand: it offers a once-in-a-generation opportunity to unlock Western Sydney's economic potential. This presentation outlines a strategy for the development of an 'aerotropolis' at Western Sydney Airport. Western Sydney Airport should play a primary role in Greater Sydney's airport system. Success will require policies that can catalyse the economic development of Western Sydney with an aerotropolis development centred around the airport. Western Sydney Airport represents the largest single catalyst to attract new industries to Greater Sydney's Western City.

15:00

AIRPORT PLANNING VS. AIRPORT CITY PLANNING

Polana Banguningsih Pramesti, Technical Director, Angkasa Pura Airports, Indonesia
Yudhaprana Sugarda, Airport Planning Group Head, Angkasa Pura Airports, Indonesia

Angkasa Pura, as one of the managing airport companies in Indonesia, is transforming the process of airport planning, where the planning of the airport city begins at the early stage of masterplanning. The study case of New Yogyakarta International Airport as a greenfield project shows that Angkasa Pura is not only developing an airport city plan within the airport boundary but also developing a plan of much greater area outside of the airport boundary, which is being jointly developed with the local government (provincial government and regional government) and supported by the central government. This phenomenon indicates that the Government of the Republic of Indonesia understands that developing an airport involves not only building the airport infrastructure but also, in the case of a greenfield project, developing a new economic growth pole and even a new self-sufficient city.

15:30 - 15:45
BREAK



15:45

MANAGING THE DISRUPTION OF GROUND TRANSPORT SERVICES

Christopher Wortley, Owner, Parkinguru Limited, Netherlands

The changes in the ways that people access airports – Uber, Lyft and other ride share modes – has had an impact on non-aero commercial revenues. How can airports control and limit disruption, particularly when automated vehicles will impact further upon airport commercial revenues, forecourt and parking layout planning?

16:15

AIRPORT EXPRESS: GETTING IT RIGHT

Oren Tatcher, Principal, OTC Planning & Design, Hong Kong

Airport Express rail links to city centres have been installed in airports for decades, and are considered a must-have in most new airport developments. Unfortunately, in many cases airports fail to fully capitalise on that significant investment because of poorly conceived terminals, both on the city side

and at the airport. Several case studies from around the world illustrate how careful passenger-orientated planning and innovative design solutions can make a big difference, improving the airport's competitiveness and greatly benefitting the city served by that airport.

16:45

EXTENDING CAPACITY AND IMPROVING AIR TRAVEL WITH A NEW MODE OF TRANSPORT

YJ Fischer, Senior International Business Development Lead, Hyperloop One, USA

Hyperloop is the first new mode of transportation since the introduction of the aeroplane. It is direct, on-demand, autonomous and connects to all forms of transport. Hyperloop will be able to augment and improve air travel – connecting individuals with airports in a more seamless fashion, helping airports expand capacity by connecting regional airports into one airport hub, and improving the experience of moving through airports. When you can travel 50km in four minutes, you can connect airports virtually, at a fraction of the cost of expanding runways and terminals.

17:15 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

“Another valuable expenditure of time and money! Keep it going; things are changing too fast in this industry not to attend this conference each year!”

Gary Warren, Vice President, Metropolitan Airports Commission, USA

“The conference is well set-out and worth attending”

Edward Mansfield, Head of UK Stations, Eurostar, UK

“Very well organised and implemented. A tremendous opportunity to learn and keep up with the airport industry. All sessions were very informative. Brilliant for networking”

Massimo Corradi, TBN-T Projects Coordinator, SEA Milan Airports, ITALY

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:15

AIRPORT DESIGN, PLANNING & DEVELOPMENT

09:00

INTRODUCTION BY CONFERENCE CHAIR
Prof David Holm, Architect Director, Cox Architecture, Australia

09:05

NEW METHOD FOR MASTERPLANNING AT SWEDAVIA

Anna Norin, Head of Masterplanning, Swedavia, Sweden
Göran Cars, Professor of Urban Planning, KTH, Sweden
To extend the planning horizon at Swedavia, a new department called Masterplanning was established in 2016. One purpose is to coordinate the plans for airport, commercial and real estate interests. A new process for airport planning 50 years in the future is developed. One contribution is the Charrette method: a workshop where different internal and external competences work together from idea to planning proposal using sketching. This presentation will explain the steps in the process in general, and show examples from Stockholm Arlanda Airport and Göteborg Landvetter Airport, which are both at different stages in the planning process.

09:35

WHEN RECORD-SETTING GROWTH ACCELERATES YOUR MASTERPLAN

Robert Ramsey, VP Development and Chief Engineer, Metropolitan Nashville Airport Authority, USA
Michael Ross Payton, Principal, Corgan, USA

What happens when an airport's growth far exceeds its forecast, or an airport that was built as a hub now needs to accommodate an originating and departing market? Nashville International Airport has experienced record-setting growth over the past three years and is one of the most popular destinations in the USA. The airport recognises that current passenger demand is prompting the need to accelerate facility projects in the airport's masterplan, so a plan called the BNA Vision was formed. This is a discussion about how the airport has progressed its vision for accommodating growth and positioning it for the future.

10:05

THE VALUE OF ADAPTABLE TERMINALS – ADELAIDE AIRPORT 2005 VS. 2025

Vince Scanlon, Executive General Manager Planning & Infrastructure, Adelaide Airport Limited, Australia
Adriano Denni, Senior Associate & Aviation Sector Architect, Hassell, Australia

In October 2006 Adelaide Airport, Australia, opened its new state-of-the-art, multi-user terminal building. This introduced progressive design concepts with the delivery of swing-gates and glass-sided air bridges. Most significantly, for the first time at Adelaide, the design allowed all airlines to operate from the one purpose-built terminal facility, acclaimed across the wider industry and travelling public alike. Ten years on, Adelaide Airport's commitment to continual improvement across the entirety of its operation has led to innovative plans for an expansion of the terminal that will ensure the ongoing growth of Adelaide Airport and provide greater efficiencies of airport operations.

10:35 - 10:55
BREAK



10:55

THE FUTURE-READY AIRPORT

Stacey Peel, Strategic Aviation Security Global Lead, Arup, UK

Ashwini Thorat, Head Airport Planning, GVK, India

The future of air travel is both exciting and challenging. One of the greatest challenges is how we get from today's airport to the future airport – do we have a Future-Ready Airport? Together, Arup and GVK explored this under Arup's Future of Air Travel initiative and identified nine implementable pilots as the stepping stones to the Future Airport. Equally, these are game-changers for how airports can work in the next one to five years. Passenger Terminal EXPO will be the first time these innovations have been made public, when GVK and Arup take a deep dive into one of those pilots.

11:25

CREATING 10 WELCOMING MODERN AIRPORTS THROUGH ONE COMMON DESIGN STRATEGY

Jessica Einebrant, Brand & Design Manager, Swedavia, Sweden

The presentation will describe the journey Swedavia is on, working with 10 local airports with different needs and conditions to build one coherent brand atmosphere based on customer needs. The speakers will outline the work behind the architecture and design guidelines and how they are executed in the projects.

11:55

BWI AIRPORT INNOVATIONS – WHAT WORKED AND WHAT AWAITS

Paul Shank, Chief Engineer, MAA/BWI Airport, USA
Chirantan Mukhopadhyay, Aviation Principal, Jacobs, USA

Innovative customer service is at the core of the motto 'Easy Come, Easy Go' for Baltimore/Washington International Thurgood Marshall (BWI) Airport. BWI strives to achieve this through strategic planning, design, construction and daily operation. This paper will highlight specific creative decisions implemented over the years to make an efficient, cost-competitive, customer-friendly airport as well as innovative future improvements on the horizon. It will discuss how a specific problem-solving attitude creates an innovative culture used by BWI employees, consultants, tenants and contractors, resulting in enhancement of customer experience.

12:25 - 14:00
LUNCH



DAY 2 - WEDNESDAY 21 MARCH

14:00

THREE TERMINALS TRANSFORM INTO ONE - BY AIRSIDE CONNECTION

Joachim Mueller-Bloch, Director Extension Planning / Structural Fire Protection, Flughafen Hannover-Langenhagen GmbH, Germany

Christina Dörge, Project Manager, K + P, Germany

Our aim for Hannover Airport was to increase the airport's security check by smart solutions for passengers, operators and employees. It is a great challenge, especially for mid-size airports, to meet high security requirements, quality and comfort given the limitations of the existing building's dimensions. With its 1970s 'triangle' terminal buildings, Hannover Airport has found a genius solution at minimum cost: the 'Airside Connection' for Terminals A, B and C. Thus the passenger entry of each terminal provides access to all three terminals' departure capacities, gaining operational backup, more flexibility and higher efficiency.

14:30

EXPANDING WITHOUT EXPANDING - RE-PURPOSING EXISTING SPACE TO MEET PASSENGER DEMAND

Nancy Stern, In-House Architect, Vancouver Airport Authority, Canada

Since 2014, YVR passenger growth has increased by 1 million passengers per year primarily in the transborder and international sectors. With expansion projects not on line until 2020, YVR needed to innovate to meet demand and retain a high level of passenger experience in these sectors. Four architectural design teams have been selected to deliver cohesive solutions to expand passenger services without expanding the building footprint. This presentation will explain how existing transborder and international departure areas are being re-purposed to add duty free shops, duty free walk-through, F&B, a Skyteam lounge and facilities for three bus operations hold rooms.

15:00

AIRPORT DEVELOPMENT IN LINE WITH CORPORATE STRATEGY

Paolo Bianchi, Head of Asset Development, Bologna Airport, Italy

The presentation will explain how the corporate strategy is driving the infrastructure development at Bologna Airport, pushing radical changes in the masterplan and shaping the terminal expansion with clear objectives. The masterplan has been updated, abandoning the envisaged second terminal in favour of consolidated operations in the existing facility where additional capacity is found with incremental expansions. The terminal development will focus on phase 1 - the most strategic phase - because it includes the new departure lounge, which is the key revenue-generating component and the one with the biggest impact on the customer experience.

15:30 - 15:45
BREAK



15:45

DELIVERING CUSTOMER-CENTRED EXPERIENCES

Soren Luckins, Director, Büro North, Australia

Changes to airline business models require rethinking how we engage customers within airports. Designing processes and physical environments in a new way can enhance customer

satisfaction and improve design outcomes. Using this design process for Melbourne Airport we are improving service to customers (including airlines, tenants and passengers) and improving revenue. We will present a methodology for how to optimise environments using human-centred design principles, with a particular focus on the need to balance operational processes, physical design constraints, and people's wants and desires. We examine how airports can learn from non-transport environments to deliver better passenger experiences.

16:15

REACHING NEW HEIGHTS: A RESEARCH-BASED APPROACH FOR IMPROVING THE AIRPORT WAYFINDING EXPERIENCE

Jim Harding, Director of Environmental Graphic Design, Gresham, Smith and Partners, USA

Wayfinding research has a proven and direct impact on the passenger experience, which in turn correlates to airport business performance. However, research from recent ACRP Reports concerning wayfinding guidelines and best practices have identified the difficulties faced by international travellers, the elderly and disabled persons when navigating airports. These reports document the best wayfinding practices and principles for designing for persons with disabilities. This session will explore how the research-based guidelines centred around principles of universal design not only ease wayfinding for travellers with special needs but will likewise improve the passenger experience for all travellers.

16:45

PANEL DISCUSSION: RETHINKING FOR AN INCLUSIVE APPROACH TO PEOPLE WITH REDUCED MOBILITY

Sophie Christofidou, Terminal Manager Customer Care, Hermes Airports Ltd, Cyprus

David Watts, Managing Director, CCD Design & Ergonomics, UK
Peter Farmer, Director, Chapman Taylor LLP, UK

This paper challenges the assumed definitions and likely impacts of increasing PRM numbers, offering possible strategy and design solutions to address the emerging challenge and attitudes. We are getting slower, needing more time but not necessarily a wheelchair, and we need to accommodate the increasing needs of sensory and mental health issues as well as mobility. Moral and economic demands on airports and designers require us to challenge the attitudes of standard and minimum ratio-driven regulatory provision and the quality of design, and in doing so we will demonstrate the benefits of a more integrated approach.

- The potential benefits of an increased focus on the PRM population for airports and airlines
- How we can help airports to avoid restricting the equality, independence and spontaneity of travel
- How a growing older, slower, sensory or mentally challenged population will be better integrated within the overall design
- An approach to creating better places, more customers, more satisfaction and ultimately better operations
- How designers and airports can benefit from better insight into the more extreme needs of passengers

17:15 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:30

AIRPORT DESIGN, PLANNING & DEVELOPMENT: MIDDLE EAST & ASIA

09:00

INTRODUCTION BY CONFERENCE CHAIR
Satyaki Raghunath, Chief R&D Officer, GMR Airports Ltd, India

09:05

PASSENGER TERMINAL ENHANCEMENT PROJECT TOWARD TOKYO OLYMPICS 2020
Yusaku Oshita, Supervisor, Narita International Airport Corporation, Japan

One of the objectives is to maximise the use of existing facilities while reducing infrastructure expenditure at the Olympic and Paralympic Games Tokyo 2020. We will also enhance the facilities that are expected to lack capacity by effectively utilising existing facilities towards 2020. In addition, we will utilise Universal Design and renovate the existing terminal in order to become a more convenient airport for passengers as a policy of the Olympic Legacy at Narita International Airport.

09:35

BEIJING NEW AIRPORT: MONITORING A MEGA-HUB AIRPORT CONSTRUCTION PROJECT

Cristiano Ceccato, Associate Director, Zaha Hadid Architects, UK

The Beijing New Airport is a new gateway for China, a portal for Beijing to the world, and a necessary catalyst to support the continued growth of the region's economy. Following the start of construction in 2015, the construction of the airport has progressed rapidly, all while the project is still undergoing detailed design. This presentation will illustrate the challenges of building one of the world's largest single-volume, long-span terminal buildings, showcasing the construction operations at the Beijing New Airport site and explaining how an international design process is being translated into built form in China.

10:05

BAHRAIN INTERNATIONAL AIRPORT MODERNISATION PROGRAMME - A CATALYST FOR CHANGE

Mohamed Al Binfalah, Chief Executive Officer, Bahrain Airport Company, Bahrain

The presentation will discuss the Bahrain International Airport Modernisation Programme, and how an airport development programme can be leveraged as a catalyst for change. The speaker will demonstrate how the project has resulted in the definition of a new customer experience, a new commercial model and positioning of the airport within a landscape dominated by mega-hubs. Bahrain International Airport terminal development has evolved over the years, and the project is currently in an advanced stage of construction. We expect to be operational in Q3 2019.

10:35 - 10:55
BREAK



10:55

PANEL DISCUSSION: INCREASING AIRPORT CAPACITY THROUGH INNOVATION - HOW TECHNOLOGY IS HELPING US DISCOVER NEW WAYS OF DELIVERING CAPACITY AT CONSTRAINED AIRPORTS

Peter Moore, Director of Development (Design), Dubai Airports, United Arab Emirates

Satyaki Raghunath, Chief R&D Officer, GMR Airports Ltd, India

Kiran Merchant, CEO, Merchant Aviation, USA

11:25

RETHINK TRAVEL AT CHANGI AIRPORT TERMINAL 4

Li San Poh, Vice President, T4 Programme Management Office, Changi Airport Group, Singapore

The presentation will provide an insight into the strategic considerations for the design philosophy of 'Rethink Travel at Changi Airport Terminal 4'. The speaker will share how a different terminal design strategy is used to overcome site constraints and challenges. She will also discuss how innovative concepts and new technology are implemented in T4, to enhance passenger experience, as well as improve efficiency in operations and manpower productivity.

11:55

THE ART OF PASSENGER EXPERIENCE - DESIGN INNOVATIONS AT LAHORE AIRPORT
Dr Jaime Bartolome, Director, GilBartolome Architects, Spain

Passenger experience is becoming increasingly important and challenging for airports to remain successful and profitable in the near future. Architecture and interior design are key elements to satisfy passengers' escalating expectations at all levels in the aeronautical and non-aeronautical spheres. Reviewing some of the most distinctive aspects of the recently designed passenger terminal building for Lahore Airport, the presentation will discuss how architecture - by means of strategic spatial thinking, geometric design, material selection, ornamentation and innovative building techniques - can effectively improve passenger experience in airports.

12:25

DESIGN THINKING AND INNOVATION FOR THE CUSTOMER-CENTRIC INTELLIGENT AIRPORT

Nandita Bhatt, DGM-ARCH, Airports Authority of India, India

Airports are seeking to make their facilities feel more like destinations, like the hospitality industry, and their design has to ensure it has what the customer desires while travelling, with the underlying objective or purpose stated, unstated or perhaps not even fully recognised by them. The latest goal is transforming preconceived notions about airport experiences to create emotions that ease travel anxiety and lure travellers by providing comfortable, exceptional experiences through the theory and elements of design, keeping in mind ease, comfort and speed - creating airports as destinations.

DAY 2 - WEDNESDAY 21 MARCH

12:55 - 14:15
LUNCH



14:15

AIRPORT DEVELOPMENT AND PPPS IN THE MIDDLE EAST

Kashif Khalid, CM - Gulf Region, International Air Transport Association, United Arab Emirates

The presentation will provide an overview of capex plans and airport projects in the Middle East, the nature of the procurement process, how governments are building those facilities (PPPs vs. government equity) and opportunities that exist.

14:40

COMPLEX PUBLIC-PRIVATE PARTNERSHIP FOR ANSWERING INDONESIAN AIRPORT DEVELOPMENT CHALLENGES

Virda Dimas Ekaputra, CEO, PT Bandarudara International Jawa Barat (BIJB), Indonesia

West Java International Airport (WJIA) is a new international airport developed by a three-year-old company named PT BIJB, a regionally owned enterprise of West Java Province, Indonesia. All airports in Indonesia are developed by a state-owned company, except this WJIA project. During the development period, PT BIJB faced many obstacles, such as land acquisition problems, complicated licensing procedures and big construction expenses. Therefore, PT BIJB tried to build excellent communication and cooperation with many heterogeneous public and private entities, resulting in a complex public-private partnership (PPP) scheme. Many useful lessons have been drawn from PT BIJB's experience.

15:05

CHINA'S BELT AND ROAD INITIATIVE AND WHAT IT MEANS FOR GLOBAL AVIATION

Max Connop, Global Design Principal, Aedas, Hong Kong

China has commenced an unprecedented development initiative encompassing over 60 countries in Asia and Europe. By strengthening existing infrastructure networks in air, road, rail and sea, and establishing new ones that didn't exist before, China has re-established a new 21st century Silk Road through central Asia, western Asia, the Middle East and Europe. Allied with China's 13th five-year plan, which plans on creating super-city clusters throughout China, with significantly expanded international aviation hubs and high-speed rail networks, the influence and opportunities for new global aviation routes, in-country connections and aerotropolis-related developments are immense.

15:30 - 15:45
BREAK



15:45

BAHRAIN INTERNATIONAL AIRPORT: INSIGHT ON THE APPLIED ORAT PROGRAMME

Mohamed Al Binfalah, Chief Executive Officer, Bahrain Airport Company, Bahrain

Alexander Larisch, Director ORAT, Fraport AG, Germany
The presentation will explain the structure of Bahrain International Airport and Fraport's applied ORAT programme. Details of the intense assessment phase and how these findings are being applied at the moment will be described. Furthermore, details on the core ORAT programme will

be shared, along with the daily alignment with the main contractor to ensure operational readiness. This interactive presentation describes a currently ongoing project with an finalisation date in July 2019.

16:10

HUMANISING REAL REALITY

Ashwini Thorat, Head Airport Planning, GVK, India

Airport terminals are mostly designed as architectural marvels that are functional. But the fact is that after commissioning, all terminals remain as functional commodities. The experience we have while travelling through these terminals is the ultimate differentiator. Thus the human side of air travel can no longer be ignored while designing the airports of the future. In the growing world of virtual reality, it's the real reality world that needs to be humanised.

16:40

INNOVATIVE TERMINAL SOLUTION IN A CONFINED LAND AREA

Hung-Hsien Lin, Director, Civil Aeronautics Administration, MOTC, Taiwan

April Yang, AIA, Principal Architect, April Yang Design Studio, USA

In 2004, CAA Taiwan relocated Taichung Airport (RMQ) from Taichung City centre to the current Ching-Chuan-Kang (CCK) Air Force Base, which is the largest one in Taiwan. The cross-strait and international passenger volume has increased dramatically since 2009, and the airport's international terminal is situated in a very tight land pocket in the southwestern corner of the base. It is a great challenge to renovate the existing terminal in a very constrained site in order to accommodate the rapid growth. On top of that, with the economic and political situation factors in mind, it is extremely important to provide a flexible design solution.

17:05

NEW KAIA DEVELOPMENT PROJECT - EPIC TRANSFORMATION JOURNEY WITH LESSONS LEARNED

Masthan Vali Shaik, Technical Services Consultant, ICAD - Innovative Contractors for Advanced Dimensions, Saudi Arabia

Hear how one of the world's largest airport projects forged a strategic partnership with reputed airport/technology/project management consultants by implementing innovative methodologies to overcome the challenges in putting the project back on track in its epic transformation journey. This session will explain how GACA (General Authority of Civil Aviation) and KAIA (King Abdulaziz International Airport) authorities have adopted a holistic approach driven by proficient plans to become world class, plus the challenges faced and how the AOR (airport operational readiness) programme was orchestrated with the involvement of Saudi nationals. This session will teach many lessons for any ongoing/new large-scale airport development projects.

17:30 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:30

AVIATION SECURITY, BORDER CONTROL & FACILITATION

09:00

INTRODUCTION BY CONFERENCE CHAIRS
Neville Hay, Director of Training, Interportpolice, UK
Art Kosatka, CEO, TranSecure, USA

09:05

BRUSSELS AIRPORT ATTACK: MY PERSONAL EXPERIENCE

Jean-Pierre Devos, First Commissioner, Federal Police Belgium, Belgium

22/03/2016 07:30hrs - I was already at our police station finalising the exercise with ELAI that was scheduled for that afternoon. 07:58hrs - two big explosions in the space of one minute. Immediately I knew that this was the moment we were all afraid of: an attack at our national airport. The presentation covers my personal story of how I lived the day of the attack and the days afterwards: what I did and what I forgot, what kinds of tasks I had to deal with, and several take-away points.

09:35

PANEL DISCUSSION: AVIATION SECURITY INNOVATION ACROSS THE GLOBE - THE GOVERNMENT PERSPECTIVE

Jose Bonilla, Director, Innovation Task Force, Transportation Security Administration, USA

This panel will convene leading aviation security regulators from around the world to discuss perspectives, approaches and methods for driving innovation in aviation security. Topics will focus on existing threats, industry engagement and collaboration, emerging solutions, and how global organisations can work together to address an ever-evolving adversary. The panel will also highlight the role that airports, airlines, vendors and other stakeholders must play to advance aviation security.

- The current threat landscape
- The role of government in driving aviation security innovation to mitigate risks
- Innovation priorities of global security organisations
- Differing approaches between countries
- How stakeholders and vendors can co-create with government for new solutions

10:35 - 10:55
BREAK



10:55

NEW AVIATION SECURITY CHALLENGES FOR AIRLINES

Ronald Augustin, Deputy Vice President Security Services, KLM Royal Dutch Airlines, Netherlands

The world is changing rapidly. Typical local conflicts are increasingly affecting international transport and macro economies. Aviation by its nature has to protect itself against threats stemming from these conflicts and has to deal with changing, high-impact regulations at the same time. Personal electronic devices, shoes, liquids, gels, overflight routes, reinforced cockpit doors, CCTV in cabins, are all elements aviation security has to deal with every day and are subject to review and adaptation regularly.

11:25

PANEL DISCUSSION: USA CHANGES SECURITY REQUIREMENTS: REAL-WORLD IMPACT

John Korver, Chief Operating Officer, I-SEC international BV, Netherlands

Ronen Remetz, Executive Vice President, ICTS Europe, France

Charles Sitkoff, Manager - Security Risk, Delta Air Lines, USA

US DHS Secretary Kelly announced that the TSA would be "raising the bar" for aviation security standards on flights to the United States in lieu of the ban on personal electronic devices. This panel is designed to inform the audience about the impacts to airports, airport security, airlines and passengers, with input from the most experienced leaders in this space: the security service providers that have been performing these functions for US airlines for 15+ years and are now expanding to assist with implementation globally.

- Impact for airports
- Challenges to implementation: US carriers vs. everyone else
- The challenge of 10 unique processes at one airport
- What all this means for passengers

12:25 - 14:00
LUNCH



14:00

HOW DOES THE CHANGI PROCESS APPLY TO EU SMART BORDERS?

Christine Riveau, Vice President International Business Development, Idemia, France

Idemia will present the fully automated departure and arrival process of Singapore International Hub, Changi, and how it works. It will look into the governance and biometric performance challenges to design and build a complete end-to-end passenger process. We shall then look into how these applications match the requirements of the future of EU Smart Borders initiative.

DAY 2 - WEDNESDAY 21 MARCH

14:30

RTCA SC-224 DO-230H STANDARDS FOR AIRPORT SECURITY ACCESS CONTROL SYSTEMS

Dr Jonathan Branker, Industry SME, USA, USA

The presentation will provide airport operators, airlines and security personnel with the latest guidelines and standards from the RTCA SC-224 Special Committee. This presentation will focus on emerging guidance for security access control systems, identity management systems, smart card technology and biometrics. The presentation will also focus on the subcommittee's upcoming activities to develop operational guidance for airport operators.

15:00

HIA'S INTEGRATED PASSENGER SCREENING AND LANDSIDE SECURITY PROGRAMMES

Phillip Bamber, Assistant VP Airport Security, Hamad International Airport, Qatar

The HIA security programme includes a commitment to mutually beneficial research and development in coordination with selected suppliers to improve the effectiveness of passenger screening, while optimising efficiency and improving the experience. We will share some of the recent developments across our HIA screening operation and the outcomes of integrated trials conducted with Rohde & Schwarz, CEIA, and Smiths Detection that provide an integrated passenger screening solution combining WTMD, millimetre-wave body scanner and shoe screening equipment. Landside security: proof of concept results from HIA trials of Apste's Human Security Radar product, to enhance security in public spaces.

15:30

THE FRENCH APPROACH TO CENTRALISED IMAGE PROCESSING AT SECURITY CHECKPOINTS

Christophe Lagorce, Head of Human Factors Programme, Service Technique de l'Aviation Civile (STAC), France

Recently, some airports have been deploying a new way of using x-ray equipment: Centralised Image Processing (CIP). This allows the multiplexing of several pieces of x-ray equipment to give a more flexible approach to the operations. The French Civil Aviation Authority (DGAC) has launched a national innovation programme named Vision Sûreté. Three airports (in Lyon, Paris and Toulouse) have run trials of CIP checkpoints since 2015. These trials were aimed at assessing the impact of CIP, from the perspectives of passengers and security officers, and within the scope of regulatory compliance. This session presents the evaluations that were conducted.

16:00 - 16:15
BREAK



16:15

CRISIS MANAGEMENT PLAN IS NOTHING - PLANNING AND EXERCISE ARE EVERYTHING

Anna Svedberg, Head of Security Stockholm Arlanda Airport, Swedavia, Sweden

Jenny Mellberg, Corporate Crisis Manager, Swedavia, Sweden

At Stockholm Arlanda Airport we know that many events around the world may affect us in a number of ways. In the event of a crisis it is our responsibility to act to protect our passengers, customers and staff. From previous experience, we know that everyone in and around the airport must be well prepared, have actionable plans and have a good understanding and capability to perform professionally in a crisis situation. During this presentation we will share an overview of how Swedavia works with crisis management.

16:45

PANEL DISCUSSION: A TALE OF TWO CITIES: AIRPORT RESPONSES TO DANGER

Mats Paulsson, Corporate Security and Safety Director, Swedavia, Sweden

Andrew Velasquez III, Managing Deputy Commissioner for Safety and Security, Chicago Department of Aviation, USA

Donald Zoufal, Lecturer/Consultant, University of Chicago /SDI Presence, USA

Around the globe, airports are confronting challenges ranging from natural disasters to acts of terror. They are responding to acts on their grounds as well as disasters in their communities and regions. Alignment of personnel, processes and technology is essential for effective response. Case studies of Swedavia's preparations to confront serious incidents, and O'Hare International Airport's recent reception centre operations for persons displaced by hurricanes, offer insightful examples of how people, processes and technology can be adapted to address the range of threats that confront airports, offering a glimpse of how emerging domain awareness technology can facilitate future operations.

- The challenges confronting airports responding to threats within their boundaries as well as those affecting their communities and regions
- Approaches of airports in shaping personnel, processes and technology to respond to emergencies
- Differing demands posed by the range of emergency response scenarios airports must confront
- The promise of emerging technology for domain awareness can assist in improving the efficiency of response operations

17:30 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:15

COMMERCIAL DEVELOPMENT, RETAIL & CONCESSIONS

09:00

INTRODUCTION BY CONFERENCE CHAIR
Jeremy Corfield, Partner, CPI, Australia

09:05

F&B TRANSFORMATION AT AENA (BEFORE, AFTER)

José Manuel Fernández Bosh, Managing Director Non-Regulated Business, Aena, Spain

We will show the development of the F&B services provided in Spanish airports, including how they have been positively transformed from a standardised offer to a tailored offer, meeting the needs of different user groups.

09:35

ADAPTING COMMERCIAL STRATEGY TO THE CHALLENGES OF A HUB OPERATION

Arturs Saveljevs, Board Member (CCO), Riga International Airport, Latvia

Becoming a hub airport not only creates operational challenges but also brings the necessity to review the existing commercial strategy of an airport's concession plan, retail, F&B and service offer. These must be adapted to the new realities of the changing passenger flows, passenger profile and expectations while at the same time maintaining a high level of service quality and passenger satisfaction, thus being able to compete with other hub airports in the region.

10:05

MAXIMISING REVENUE BY CREATING A CO-WORKING ENVIRONMENT FOR RETAILERS
Gunnhildur Vilbergsdóttir, Commercial Manager, Isavia, Keflavik Airport, Iceland

How do you maximise your retail revenue from a small and constrained space? How do you provide an offer with a wide range of desirable products from different retailers that together create a complete local touch shopping experience? How do you get many different retailers to work together, ensuring passengers good service and opening hours whether one flight or 30? Keflavik Airport, which has doubled the number of passengers in last three years, presents a case study from a new shopping area where all retailers worked together with the airport to create a win-win result for stakeholders and passengers alike.

10:35

OVERCOMING CHALLENGES THROUGH INNOVATIVE APPROACHES TO SERVICES AND SPACES

Ian Kew, Chief Executive Officer, Northern Territory Airports, Australia

Shane de Wit, Director Commercial, Northern Territory Airports, Australia

Darwin International Airport is the first airport in Australia to establish and operate its own business centre and VIP International Lounge, setting a precedent for airport business diversification, aviation route development and customer

service with the opening of its Wirraway Business Centre and Catalina Lounge. These developments fulfil a highly sought-after airline service and, with contemporary fit-outs, state-of-the-art facilities and seamless use of technology, they provide many benefits for passengers as well as national and local businesses. Improving customer experience was a key deliverable, as was the need to brand the airport with the Top End's unique sense of place.

11:05 - 11:25
BREAK



11:25

AN AIRPORT 'BRAND-VOLUTION' - SECRETS OF THE WORLD'S TOP AIRPORT BRANDS

Tracy Ryks, President & CEO, RYX Engage, USA

Brand is an airport's DNA. It is who you are, what you believe and how you interact with others. Top airport brands foster a conversation, reach out, engage and interact with community. Top brands possess an allure, which can be uncovered and developed at any airport. Rebranding is not about changing who an organisation is; it's a process of identifying, celebrating and reinforcing an airport's identity and then articulating it in a cohesive communication and channel management plan. Join us and discover your airport's allure, learn the elements of brand and examine how social media has created brand disconnect.

11:55

PANEL DISCUSSION: CREATING A LEVEL PLAYING FIELD: INNOVATION IN SMALL BUSINESS DEVELOPMENT

Shannetta Griffin, Chief Development Officer, Columbus Regional Airport Authority, USA

Krystal Brumfield, President & CEO, Airport Minority Advisory Council, USA

Robert Silvas, President, Silvy Group, USA

David Cattle, Construction Executive, Turner Construction, USA

Kim Becker, President/CEO, San Diego County Regional Airport Authority, USA

Small businesses are the backbone of a regional economy. But they are often unable to compete for large airport development projects - not because they lack the skills or expertise, but because they often lack capital, certifications and knowledge of how to navigate complex bureaucracies. Solving this problem has required an innovative approach involving specialised training, education and other assistance to level the playing field. The results have yielded dividends for the local economy, small businesses and airports themselves. Learn from this panel of airport and business leaders how airports and small businesses can work together for mutual benefit.

- Creating bonding and financing programmes that help small businesses stay afloat even when prime contractors are slow to pay
- Getting certified: how to best help small businesses sort through the financial and bureaucratic mazes of certification
- Can partnering with a local construction company help educate a regional workforce and boost competitiveness? One word: Yes
- Veterans are a special group that deserves special considerations. How do we maximise their potential?
- Helping local shops and restaurants compete with experienced master concessionaires so that your airport truly reflects the local flavour

DAY 2 - WEDNESDAY 21 MARCH

12:55 - 14:30
LUNCH



14:30

AIRPORT RETAIL'S FUTURE IS NOT WHAT IT USED TO BE

Melvin Broekaart, Managing Director, Aircommerce, Netherlands

The future of airports is not what it used to be. Customer journeys and customer expectations of commercial environments are changing. Current generations of airport passengers are avid users of digital shopping tools. They are buying, comparing and sharing online. They expect real-life shopping areas to be digitally enhanced, entertaining and full of surprises. Airports need to adjust to these changes, rediscovering their true strengths and commercial advantages in a world where on- and offline retail are rapidly converging.

15:00

PREPARING FOR THE NEXT EVOLUTION IN AIRPORT CUSTOMER EXPERIENCE

Kristian Budolfson, Director, Epinion Aviation, Denmark

What is the next evolution within customer experience? Looking at the next 10-20 years, huge passenger growth is forecast. However, the growth is mostly via growth in the LCC passenger segment. The growing market shares of low-cost carriers change the profile of the typical airport user, providing new challenges and opportunities for airports. Taking a deep dive into new insights on retail and F&B behaviour collected in 15 top European airports shows huge differences between LCC/PC passenger satisfaction, needs, basket and spending. Conclusion: A different offering is needed in the shopping and F&B services in the future.

15:30

CUSTOMER EXPERIENCE EXCELLENCE THROUGH DATA-DRIVEN LOYALTY

Graham Bradley, Loyalty Programme & Propositions Manager, Heathrow Airport, UK
Nikul Amin, Senior Manger, Consumer Engagement, Acxiom, UK

Passenger experience can be won or lost on two fronts: the physical journey through an airport and the digital journey. Heathrow, with its partner Acxiom, will demonstrate how it has transformed the use of data and technology to create a multi-channel communications programme as part of its Heathrow Rewards loyalty programme. By uniting around a single, connected view of the passenger, Heathrow delivers a digital experience aligned with the brand promise of 'making every journey better', resulting in a 13% uplift in incremental retail spend. The approach has been shortlisted by the UK Direct Marketing Association for Best CRM Programme 2017.

16:00 - 16:15
BREAK



16:15

IT IS TIME FOR AIRPORTS TO LEVERAGE THE MOBILE REVOLUTION

Phillip Easter, Director of Emerging Technologies, American Airlines, USA

Mark Bergsrud, CEO, Grab, USA

Mobile commerce has proved to be essential for success in today's F&B and retail landscape. Mobile commerce is preferred by customers and drives increases in revenue and productivity. The airport concession industry has lagged behind the overall marketplace in developing efficient and effective mobile commerce for travellers. The reason for this lag is the nature of the industry, characterised by fragmentation and a peripatetic customer base. The solution is an aggregated platform with global coverage and a B2B distribution strategy leveraging the power of airline customer engagement, airport digital assets and other popular apps and sites.

16:45

PANEL DISCUSSION: BUILDING AN AIRPORT DIGITAL ECOSYSTEM - AIRPORTS, AIRLINES AND SUPPLIERS WORKING TOGETHER TO DRIVE COMMERCIAL PERFORMANCE AND OPTIMISE THE CUSTOMER EXPERIENCE

Kenneth Buchanan, Executive Vice President Revenue Management, Dallas Fort Worth International Airport, USA

Phillip Easter, Director of Emerging Technologies, American Airlines, USA

Michiel Munneke, General Manager, M2Mobi, Netherlands
Mark Bergsrud, CEO, Grab, USA

What is the commercial case for developing digital services in aviation? With airports, airlines, brands, aggregators and others all aiming to communicate directly with travellers, how can different stakeholders work together to create shared value through the use of mobile technology in airports? And what's the payoff? Our panellists will share their own experiences, highlighting how their strategies have impacted the way passengers use an airport, and how commercial revenues have benefitted as a result.

- The link between digital initiatives and commercial revenues
- Case studies of successful mobile innovations
- What hasn't worked
- Different digital behaviours from different customer groups
- Data sharing between airport stakeholders

17:15 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

"I think it's wonderful"

Robert Kasteltz, Senior Vice President of Technologies, Denver International Airport, USA

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:15

CUSTOMER SERVICE & PASSENGER EXPERIENCE

09:00

INTRODUCTION BY CONFERENCE CHAIRS

Sujata Suri, Vice President Strategy & Customer Experience, Hamad International Airport, Qatar
Brian Engle, Director of Customer Experience, Greater Orlando Aviation Authority, USA

09:05

IMPROVING THE CUSTOMER EXPERIENCE BASED ON INSIGHTS AND BEHAVIOURS

Kickie Hiller, Director of Customer Experience & Market Insights, Swedavia, Sweden

Swedavia is constantly working to create a more attractive airport environment for customers. A critical success factor for development is to deeply understand our customers and spread that understanding so that it influences decisions at all levels within the organisation. Swedavia strives to be even better at customer-driven service design and create new business opportunities by focusing on the customer. We are therefore introducing an iterative and cross-functional working methodology to create a holistic approach and common priorities. In that way we believe that we will succeed in improving the customer experience, regardless of who the customer is.

09:35

UNDERSTANDING THE 2020 PASSENGER

Jan Richards, Head of Insights & Planning, Dublin Airport, Ireland

Travel is the most aspirational thing in the world. But change is moving so fast that unless we understand the changing passengers and their needs, we cannot provide the products and services they desire, market to them in the most effective way or provide the service they need. This presentation takes a look at the key trends that are influencing travel today and into the future, and will provoke thinking on what the travel industry needs to take into account over the next few years to best satisfy and target our passengers and customers.

10:05

AIRPORT CONSUMER BEHAVIOUR TRENDS - DEMAND ANALYSIS FOR IMPROVING CUSTOMER EXPERIENCE

Sujata Suri, Vice President Strategy & Customer Experience, Hamad International Airport, Qatar

The presentation will centre around the changing needs of passengers in the last decade and how this has resulted in a different focus to conventional airport business development strategy. Traditionally airports were infrastructure providers who made their money through leasing areas. There is a shift in that mindset and airports are now maximising commercial revenues through improved customer experience, the optimisation of which depends on extensive research into passengers' needs.

10:35 - 10:55
BREAK



10:55

CUSTOMER SERVICE - A COST OR INVESTMENT?

Rekha Nair Vellalil, Head Airport Services & Experience, Mumbai International Airport, India

A customer journey spans a progression of touchpoints and has a clearly defined beginning and end. Identify and understand the customer's journey. Customers accustomed to the personalisation and ease of dealing with digital now expect the same kind of service from every product and service. An airport's focus on the customer journey holistically has a direct correlation with increased revenues to all stakeholders. This can only be achieved by creating a common purpose. Customer service and experience are not a cost but goodwill.

11:25

HOSPITALITY 4.0 - LEVERAGING DIGITISATION FOR IMPROVED HOSPITALITY SERVICES

Dr Bjoern Becker, Senior Director Product Management Ground, Lufthansa Group, Germany

Hospitality, digitisation and automation are not contradictory. With a smart service strategy they will support each other, aiming for improved passenger experience at lower unit cost. The presentation provides service examples to show how the ground strategy of Lufthansa, Swiss and Austrian Airlines leverages the opportunities.

11:55

IT'S ALL ABOUT THE DIGITAL EXPERIENCE - MAKING PASSENGERS HAPPY

Kathleen Boyd, Chief Marketing Officer, Houston Airport System, USA

Houston Airports is blazing a trail using big data and passenger research to understand its passengers' needs and then meet or stay one step ahead of them. Enhancing the digital experience is a primary need and a primary marketing objective: free wi-fi is as essential as water, mobile websites are a must, and browser-based interactive maps are the new basic (a.k.a. wayfinding 2.0). Raising passenger awareness of these offerings requires ingenuity, from in-airport promotion to digital advertising. It all leads to happier passengers (and increased revenues).

12:25 - 14:00
LUNCH



14:00

INSIDE THE MINDS OF OUR PASSENGERS - NEW TECHNOLOGY TELLS ALL

Wayne McCutcheon, Partner, Entro Communications, Canada

To create positive passenger experiences in the airport environment, many research tools are employed. However, as we look towards the future of airports, many questions still arise that cannot be answered by these tools alone: Are minimalist airport environments that are low in visual complexity experienced as calming or relaxing? Do highly decorative and visually complex environments result in

DAY 2 - WEDNESDAY 21 MARCH

excitement and engagement? To what extent do culture or demographics play into our experience as passengers? With such considerations in mind, we are developing an automated tool that will be revealed in an entertaining and interactive session with attendees.

14:30
SHOULD CULTURAL DIFFERENCES INFLUENCE AIRPORTS' CUSTOMER EXPERIENCE MANAGEMENT PROGRAMMES?
Dimitri Coll, Head ASQ, ACI World, Canada

Culture is the collective programming of the mind that distinguishes the members of one group or category of people from another. According to this definition, it is stipulated that culture should play an important role in the way customers expect services to be delivered by airport employees. We will see in this presentation how airports should understand the culture in order to adapt their customer experience management programmes for their varying passengers.

15:00
CROSS-GENERATIONAL CUSTOMER SERVICE
Beau Vanderford, Airport Manager, Copa Airlines, USA
Customer service has reached a generational crossroads. The cultural difference between the generations is vast. Great care must be taken to successfully navigate the challenges and deliver great customer service in today's ever-changing environment. In this presentation we will explore the differences and the opportunities to deliver outstanding customer service, as well as the need to train our staff in how to serve our customers from different generations.

15:30 - 15:45
BREAK



15:45
REDEFINING OUR UNDERSTANDING OF THE TRAVELLER

Matthew Abbott, Aviation Sector Leader, Woods Bagot, Australia

The future of airport travel will see contactless biometric technology replace all forms of travel documentation. The direct result of these advances means no queuing and congestion. Consequently, the focus will be on traveller experience. Understanding what customers really want is crucial – what genuinely defines travel experiences, or measures what customers value most. There are potentially six next-generation traveller segments. These 'tribes' are not based on demographic characteristics or class of travel, but on the values, behaviours and needs of travellers. In the future we will see aviation working alongside the likes of Google and Amazon.

16:15
ABU DHABI INTERNATIONAL AIRPORT: OUTSTANDING EXPERIENCE THROUGH PROCESS OPTIMISATION

Muna AlGhanim, Head Airport Service Quality, Abu Dhabi Airports Company, United Arab Emirates
Arturo Garcia-Alonso, Senior Consultant, Airport Management, Munich Airport International GmbH, Germany

In recent years, Abu Dhabi International Airport (AUH) has experienced considerable traffic growth, especially during

peak hours. To cope with this remarkable traffic increase, a new midfield terminal building is scheduled to open in the coming months, taking passenger experience and service quality standards to the next level. In the meantime, AUH airport management has prioritised the optimisation of process management and service quality in the existing terminals. This presentation focuses on the excellent results of the cooperation between Abu Dhabi Airports Company (ADAC) and Munich Airport in a process optimisation project successfully launched in 2017.

16:45
ROYAL AIR MAROC ELEVATED PASSENGER EXPERIENCE

Mohamed El Mehdi Driouiche, VP Organisation and IT, Royal Air Maroc, Morocco

Jean-Luc Rauline, Vice President Airports and Airlines Activity, IER, France

For Royal Air Maroc, the passenger journey begins at the airport. We have embarked on an ambitious development programme, putting the customer at the heart of our company's strategy and bringing our service to the next level. Royal Air Maroc has delivered a customised check-in CUSS solution to equip our main airports in Morocco and allow us to effectively and smoothly process a maximum number of passengers within a limited footprint. A new bag drop solution will be deployed in early 2018, allowing us to further enhance the overall check-in experience at the airport.

17:15 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

"I've really enjoyed attending the conference. There have been a lot of really interesting speakers"

Louise Brix-Hansen, Head of Airport Optimisation, Copenhagen Airports, Denmark

"I took part in this conference for the first time. This is a very exciting and informative event"

Ryoichi Ishihara, Senior Manager, Narita International Airport Corporation, JAPAN

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 16:45

ENERGY, ENVIRONMENT & SUSTAINABILITY

09:00

INTRODUCTION BY CONFERENCE CHAIRS
Emanuel Fleuti, Head of Environment, Flughafen Zürich AG, Switzerland
David Tomber, Aviation Principal, Jacobs, USA

09:05

AIRPORT SUSTAINABILITY – ENERGY, WATER AND ENVIRONMENT MANAGEMENT
Lakshminarayanan Sankaran, Vice President (Engineering & Maintenance), Bangalore International Airport, India
Although airports contribute to the economic sustainability of the cities/countries in which they operate, it is important that they are seen doing this activity in a responsible manner by contributing to the environment via innovative use of energy and water and resource management. Adapting renewable energy, increasing the rain water harvesting, conservation in energy and water, adapting habitat management and societal awareness regarding noise mitigation are some of the areas in which airports can give back to society.

09:35

RUNNING AND DEVELOPING ENERGY-EFFICIENT AIRPORTS
Anna-Märta Jander, Head of Business Development Swedavia Energy, Swedavia, Sweden

Elisabeth Celsing, Energy Specialist, Swedavia, Sweden
As a result of more than 10 years of dedicated work with energy efficiency at Stockholm Arlanda Airport, there has been a 30% energy reduction and 100% green energy supply based mainly on profitable investments. The presentation will introduce you to the background of the set targets, how they were achieved and some plans for the future for developing energy-efficient airports.

10:05

MOVING TOWARDS CARBON NEUTRALITY WITH GREEN SOLUTIONS AT BUDAPEST AIRPORT
Ferenc Kis, Head of Environmental Protection, Budapest Airport, Hungary

Zsafia Kertesz, Environmental Specialist, Budapest Airport, Hungary
Budapest Airport tries its best to responsibly tackle climate change challenges and develop sustainable and green solutions. Besides its carbon management policy aiming to reach carbon neutrality in the near future in the Airports Carbon Accreditation programme, several sustainable solutions are implemented in the following areas: water and wastewater management, smart new buildings and renovations resulting energy consumption reductions, air pollution monitoring system, modern recycling and waste collection system, e-car fleet, development of 5G and smart road access to get to the airport, and stakeholder engagement due to its partnership programme.

10:35 - 10:55
BREAK



10:55

ULTRA-FINE PARTICLES: THE NEXT CHALLENGE FOR AIR QUALITY AT AIRPORTS
Sergio Alegre Calero, President, Airport Regions Conference, Belgium

All airports are developing programmes and actions to reduce their environmental impact regarding air pollution. Until now, the main efforts have been devoted to CO₂, but a new challenge is on the table: ultra-fine particles. Their reduction implies an 'in place' reduction of combustion of petrol (in all different ways) at the airport platform, which will result in a direct reduction of pollution at the platform and in the region, leading to a reduced health risk for workers and citizens.

11:25

HOW MONTREAL AIRPORTS DOUBLED ITS RECYCLING PERFORMANCE IN TWO YEARS
Yasmine Alloul, Assistant Director Building & Planning, Aéroports de Montréal, Canada

In 2010, Aéroports de Montreal decided to reach an objective of 50% of recycling performance for 2017. During the first five years, the company struggled with an average of 20-25% of recycling performance. It tried different actions to improve that number with no significant results. In 2015 it changed its approach with a new action plan and these new actions brought performance to almost 50% in 2017 (in two years). Aéroports de Montreal is now working on other actions to bring it to 70% in 2022. The objective is to be zero waste in 2025.

11:55

DEVELOPING SUSTAINABLE INFRASTRUCTURES: THE YQB 2018 CASE
Daniel Perreault, Vice President Infrastructure, Aéroport de Québec Inc, Canada

Once work on the YQB 2018 project has been completed, Quebec City Jean Lesage International Airport (YQB) will provide a model of sustainable development for the airport industry. As part of its project, the airport set itself some ambitious energy-saving targets.

12:25 - 14:00
LUNCH



14:00

GATWICK'S ELECTRIC VEHICLES PROGRAMME

Tim Norwood, Corporate Affairs, Planning and Sustainability Director, Gatwick Airport, UK
Gatwick's Electric Vehicles programme encompasses airport operational vehicles and landside transport with the aim of reducing vehicle emissions while improving operational efficiency. Because Gatwick occupies a compact site, power and charging infrastructure for EVs also requires careful planning and innovation. The presentation will cover the main elements of Gatwick's programme and goals.

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14:30

HIGH-PERFORMING AIRPORT OPERATIONS MEETING THE ENVIRONMENTAL CHALLENGE THROUGH CEM

Sharon Mahony, Aviation Environmental Analyst, Eurocontrol, Belgium

The presentation will identify the environmental challenges impacting European ATM efficiency and the actors involved. It will also explain how to address the challenge and how CEM working arrangements can facilitate solutions, plus the operational and community engagement benefits of CEM, and supporting smart tools to optimise the benefits of CEM.

15:00

SYSTEMATIC SUSTAINABILITY IMPLEMENTATION

Dr Charles Marshall, Asset Management Manager, Hartsfield-Jackson Atlanta International Airport, USA

This presentation involves looking at how sustainability initiatives may require many stakeholders to realise the goals and targets of a sustainability plan for an airport. Hartsfield-Jackson Atlanta International has taken the systematic approach to pursuing sustainability goals through systems such as ISO 50001 Energy Management System and EcoDistricts, to name a few. The focus is on internal and external stakeholder engagement.

15:30 - 15:45
BREAK



15:45

PREPARING AIRPORTS FOR THE EFFECTS OF CLIMATE CHANGE

Kris Pauwels, Director Airport Strategy and Studies, NACO, Netherlands

Yong Kiat Yeo, Senior Manager, Airport Development & Planning, Civil Aviation Authority of Singapore, Singapore

Internationally we have focused on aviation's impact on climate change. As climate change and its effects become apparent, it's time to assess its impact on aviation and make plans. The Civil Aviation Authority of Singapore recognises that climate change poses potential challenges for airport assets and requires coordinated action. Together with stakeholders, CAAS and NACO developed an innovative strategy to map and mitigate climate change risks by: exploring international best practices; developing scenarios based on climate projections; identifying critical airport assets; assessing vulnerability; defining a whole-of-government adaptation pathway to enhance Singapore airports' climate change resilience.

16:15

PANEL DISCUSSION: TOPIC AND PANELLISTS TO BE ANNOUNCED

16:45 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

"It was the first time that I had participated in the Passenger Terminal CONFERENCE, and I was very positively impressed by the number of people (you obtained a great involvement!) and by the perfect organisation of the event"

Dr Giovanni Falsina, Environment and Airport Safety Manager, SEA Aeroporto Milano Linate, ITALY

"A well-organised conference with interesting presentations for all kinds of airport professionals. Very interesting content – it was hard to choose which presentations to hear"

Inger Seeberg, Director Environmental Affairs, Copenhagen Airports, DENMARK

"The conference had interesting topics and speakers"

Elisabetta Fossi, Airport Planner, Aeroporti di Roma SpA, ITALY

"I've only visited the sustainability stream – I liked it very much"

Denise Pronk, Programme Manager Corporate Responsibility, Royal Schiphol Group, NETHERLANDS

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:15

MANAGEMENT & OPERATIONS

09:00

INTRODUCTION BY CONFERENCE CHAIRS

Etienne van Zuijlen, Lead Business Development - Airport Operations, SITA, Netherlands
Alaistair Deacon, Airport Operational Systems Consultant, Toasty Solutions Limited, UK

09:05

AIRCRAFT GROUND OPERATIONS AUTOMATION

Diego Alonso Tabares, Airport Operations Senior Engineer, Airbus, France

Aircraft ramp operations are very labour intensive and subject to increasingly high manpower turnover and stringent health and safety regulations. Therefore, they are prone to human errors and ramp damage. Innovation and automation are a big part of the solution to this problem. Practical examples of the research and full-scale demonstrators will be shared with the audience, specifically on the automated docking of ground support equipment to aircraft.

09:35

HOW TO ENSURE OPERATIONAL READINESS FOR 14 AIRPORTS IN PARALLEL

Esther Christine Nitsche, Senior Project Manager, Fraport AG, Germany

On 11 April 2017, Fraport Greece took over airport operations and management at 14 Greek regional airports simultaneously. The presentation deals with the challenges during the transition process to ensure operational readiness on Day 1. It further describes the immediate changes that took place to improve passenger experience and operational processes at the airports prior to airport expansion works.

10:05

GLOBAL HOMOGENISATION OF OPERATIONAL SOLUTIONS ACROSS THE VINCI AIRPORTS NETWORK

Jean Pervenche, IT Manager, Vinci Airports, France
Benoit Duplay, Customer Solutions Director, SITA, Switzerland

The presentation will explain the challenges that Vinci Airports faces in global homogenisation of operational solutions across its network. This will include how the company has managed to achieve its major objectives: streamlining and optimising operations by maximising synergies between the various different platforms. Major topics: why – operational efficiency, economical optimisation, networking and cross synergies; how – two-year collaborative project driven by operation and IT divisions; lessons learned – return of experience from the master project and first operational implementations; way forward – global coverage of the Vinci Airports network + collaboration with SITA on business modules, extension, improvement and development to improve operations.

10:35 - 10:55
BREAK



10:55

LARGE EVENT PLANNING AT A MAJOR AIRPORT

Philip Burke, Director of MSP Operations, Metropolitan Airports Commission, USA

The Minneapolis-St. Paul area welcomed Super Bowl LII to its region on 4 February 2018. Find out what the airport communities did to prepare to welcome over 1,100 private jets, and how MSP handled its busiest passenger day ever on the day after the big game.

11:25

PANEL DISCUSSION: THE SECRETS OF A SUCCESSFUL INTEGRATED OPERATIONS CENTRE

Lorné Cass, Vice President, Integrated Operations Center, American Airlines, USA

Viji Prasad, Director of Airport Operations, Los Angeles World Airports, USA

Michael Youngs, Vice President Information Technology, Dallas Fort Worth International Airport, USA

Jacqueline Yaft, VP of Aviation Market, Ross & Baruzzini, USA

The panel will discuss the steps to build an integrated operations centre from the perspective of DFW's EVP of Operations, American Airlines offering Dallas's perspective of building a new operations centre, and the consultant view of assisting clients through successful gap analysis and business processes mapping.

- Gap analysis and planning ahead to examine business processes
- Airport collaboration efforts to build an operations centre
- Airline collaboration process to build a successful operations centre
- How an integrated operations centre helps manage terminal operations at LAX

12:25 - 14:00
LUNCH



14:00

APPLYING F1 THINKING TO AVIATION – LESSONS LEARNED FROM RACING

Steve McCusker, Head of Airside Operations, Manchester Airports Group, UK

Jim Newton, Director, McLaren, UK

Formula 1 racing is one of the most dynamic and high-performance sports in the world. Historically it relied on the skills of its drivers and the engineering of its cars to bring about success. However, more recently it has embraced IoT and analytics-based insight to deliver competitive advantage. Hear from McLaren and Deloitte on how they are applying sensor technology and predictive analytics to deliver improved race performance, and how these principles are being applied by leading airports to activities such as turnaround optimisation, OTP enhancement and predictable on-the-day operations.

DAY 2 - WEDNESDAY 21 MARCH

14:30

BENEFIT FROM US DEPARTMENT OF TRANSPORTATION AIRPORT COOPERATIVE RESEARCH PROGRAM

Al Lyons, SVP Firmwide Director of IT & Electronic Systems, HOK, USA

The US Department of Transportation Airport Cooperative Research Program invests millions of dollars annually in research to identify ways of improving airports. This presentation will provide an overview of the programme as well as information about how to: propose topics for study, obtain copies of the research findings and participate in the programme.

15:00

GREAT BY DESIGN: GIVING AIRPORTS INTRINSIC QUALITY AND COST ADVANTAGES

Marcelo Mota, Director of Operations & COO, Aeroportos Brasil Viracopos SA, Brazil

Airports are capital-intensive infrastructures. Airports are critical environments that require high availability and a high degree of operational readiness. Airports must deliver service quality and adequate cash inflows with low operating costs. There is more to meeting these requirements than just running the airport as a tight ship; many requisites for efficient operations and response to traffic demand and customer needs only stem from the initial design of infrastructure and operational processes. The presentation will look into examples of how designed-to-purpose facilities and good process re-engineering enable higher levels of effectiveness of the airport's services.

15:30 - 15:45
BREAK



15:45

OPERATIONAL READINESS AND AIRPORT TRANSFER (ORAT) FOR CHANGI AIRPORT T4

Hanjie Tan, Manager, Changi Airport Group, Singapore

Changi Airport's T4 was operationalised in October 2017 to much success. T4 saw the introduction of many new concepts such as the terminal-wide Fast and Seamless Travel (FAST) initiatives, which provide self-service and automated options for check-in and bag drop, facial recognition technology for immigration clearance, centralised security screening, as well as self-boarding gates. In preparing the new terminal for opening, T4 was put through a period of intensive system testing and trials to ensure that the terminal's work flows and processes were thoroughly tested. This presentation will look at key learning points of Changi's ORAT programme for T4.

16:15

SECURITY PLANNING TRANSFORMATION - A CASE STUDY FROM LONDON LUTON AIRPORT

Neil Thompson, Operations Director, London Luton Airport, UK
Kasper Hounsgaard, Managing Partner, Copenhagen Optimization, Denmark

Excel is still the most common operational planning solution in airports today. In this presentation, we present how London Luton Airport (LLA) partnered with Copenhagen Optimization (CopOpt) in early 2017 to implement Better Forecast and Better Security - products of CopOpt's cloud-based operational

planning suite, Better Airport - moving from Excel and pen and paper to the cloud in just four months. LLA presents the main benefits including increased forecast accuracy, fewer surprises and increased staff morale. Also, LLA provides real-life examples of how this impacted the way of operating at the security checkpoint.

16:45

LANDSIDE MONITORING AT MUNICH AIRPORT'S TERMINAL 1

Martina Dauner, Project Manager Capacity Development and Simulation, Munich Airport, Germany

The presentation will discuss how landside monitoring helps to manage passenger flows in a decentralised terminal infrastructure. It will show which technologies are used and were developed for these needs. The two big pillars are a waiting time measurement system to monitor the current situation at all checkpoints, and a forecasting tool to plan for the upcoming peak situations. The presentation will also give an insight into the accuracy and validity of those systems.

17:15 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

"I thought it was a well-run event with excellent topics. The programme was on time and well organised"

Daniel Agostino, Assistant Director of Operations, Miami International Airport, USA

"An excellent conference, with a very good mixture of speakers"

Charles Goedken, Manager Terminal Operations, Port of Seattle, USA

"The conference is well structured, which gives you the opportunity to select the sessions you would like to attend. There was a very good variety of content and subjects"

Juan Ramon Matas Sebastia, Head of Operations Planning Department, AENA - Palma de Mallorca Airport, SPAIN

CONFERENCE PROGRAMME

DAY 2 - WEDNESDAY 21 MARCH

09:00 - 17:30

TECHNOLOGY: DIGITAL TRANSFORMATION

09:00

INTRODUCTION BY CONFERENCE CHAIRS

Maurice Jenkins CM IAP, Director Information Systems & Telecom, Miami Dade Aviation Department, USA
Catherine Mayer, VP, SITA, USA

09:05

#DIGITALTRANSFORMATION, #DX, #COOL, #LATESTBUZZWORD, #WHATISIT?

Sergio Pulla, Associate Director, Business Development and Partnerships, Greater Toronto Airports Authority, Canada
Gelare Danaie, Architect/Associate, Stantec Architecture Ltd, Canada

Digital transformation is the latest buzzword that everyone is using in the airport world, but what does it really mean? Can vendors really sell digital transformation to airports? Can airports buy the latest and greatest technology to improve the passenger experience? This is not the path that Toronto Pearson took in its digital transformation programme. Digital transformation is not the what, it's the how. It is about finding the right partners and building the processes that help in creating, enabling and transforming the airport in a smart, forward-thinking way. We will share our story of how we did it differently.

09:35

AIRPORT DIGITAL TRANSFORMATION: CULTURE CHANGE, INNOVATION/DATA, OR BOTH?

Alexandros Ziomas, Manager IT&T Business Transformation & Support Services, Athens International Airport, Greece

Dr Nektarios Psycharis, Team Leader IT&T Business Analysis & Project Management, Athens International Airport, Greece

The presentation will focus on how the Athens Airport IT&T Unit drives the required transformation journey to the digital world. The realignment of, or new investment in, technology and business models to more effectively engage digital customers at every touch point is the airport's reality. The indicative strategic pillars on which such a transformation will be based are: collaboration and communication (people, tools and structures); data-driven decisions; top emerging technologies to watch (enablers). An analysis, including simple examples, of how these pillars support Athens Airport's digitisation and innovation journey will be presented, along with the interrelationships among them.

10:05

DIGITAL TRANSFORMATION TO A SMARTER AIRPORT

Mohamad Al Agha, Senior Manager IT Business Solutions, Abu Dhabi Airports Company, United Arab Emirates
Every airport is going through some sort of digital transformation journey. Some are ahead and some are just getting started. In this presentation we will discuss what digital transformation for airports means and what are the common enablers, approaches and challenges.

10:35

EMBRACING FAILURE

Stuart Cotterell, Head of IT Service and Applications, Edinburgh Airport, UK

Fear of failure has been long recognised as a potential blocker to innovation – but in our risk-averse industry it can be difficult to move beyond this. However, the Lean Startup movement and Agile Development have readily embraced failure as the quickest way to find success. Edinburgh Airport has recent experience of PR damage caused by failure; but also of introducing some exciting innovation that has supported its emergence as the UK's fastest-growing international airport. This talk explores how failure can be an important part of IT innovation, without introducing serious operational and publicity risks.

11:05 - 11:25
BREAK



11:25

DIGITISATION: FROM BUZZWORD TO VALUE CREATION

Vincent Ong, Senior Manager, Baggage Handling System, Changi Airport Group, Singapore
Per Engelbrechtsen, Business Development Director, Beumer Group AS, Denmark

The airport industry is buzzing with words and phrases relating to digitisation. Although the term is relatively new, Changi Airport has already been looking into its goldmine of data for some time. Its business case is to optimise baggage handling operations by applying analytics and machine learning to create value for passengers. The presentation will outline cases in which Changi and Beumer Group have teamed up to capture data, and use machine learning and analytical capabilities to gain valuable insights for optimising the airport's baggage handling processes. The examples will show how digitisation can add to Changi's famous passenger experience.

11:55

CUSTOMISATION, COLLABORATION AND SHARING ARE KEY IN MODERN PRODUCT DEVELOPMENT

Marie Norman, Head of Products & Concepts, Aviation Business, Swedavia, Sweden

To develop new products and services we must be creative and brave enough to challenge the structure and look for new solutions and opportunities. The digital passenger is already here, and aviation is a digital business hugely reliant on new technology. The new society is an ecosystem where we are only one part in the travel chain. Together with our partners we are able to optimise the product for the final customer, and find new, profitable business models. We need to sort out how,

DAY 2 - WEDNESDAY 21 MARCH

when and if we should launch to keep pace with passengers' digital and instant demands.

12:25

INNOVATION IN AVIATION: HOW TO USE BIG DATA ANALYTICS TO GET INSIGHT INTO OPERATIONS - A USE CASE

Oliver Reindl, Chief Information Officer, Flughafen Köln/Bonn GmbH, Germany

Josef Schmitz, VP Travel Solution Consulting, T-Systems, Germany

During the presentation we will show how to go through the process of big data analytics to get answers to dedicated questions for operational improvements. A use case from Cologne/Bonn Airport will be presented.

12:55 - 14:15
LUNCH



14:15

THE SMART AIRPORT PROGRAMME AT HAMAD INTERNATIONAL AIRPORT

Suhail Kadri, Vice President Information Technology, Hamad International Airport, Qatar

The presentation will discuss Hamad International Airport's (HIA) pioneering Smart Airport Programme, including trials for robotic passenger facilitation; blockchain technology for rapid and secure sharing of data across stakeholders; and the potential use of augmented and virtual reality for operational concepts.

14:45

PANEL DISCUSSION: DIGITAL TRANSFORMATION: ONE YEAR LATER

Ricardo Cerri, Chief Technology Officer, Corporación América Uruguay, Uruguay

Maurice Jenkins CM IAP, Director Information Systems & Telecom, Miami Dade Aviation Department, USA

Michael Zaddach, Senior Vice President Information Systems (CIO), Munich Airport, Germany

Catherine Mayer, VP, SITA, USA

Last year the airports discussed the importance of digital transformation – business transformation in a digital world. This year they will continue sharing their experiences and report on their implementations of new technologies, integrated with existing ones to improve processes and services, and deliver a better experience to passengers, customers and staff. Find out how and where the digitisation is taking place in the airport ecosystem and how it is impacting every aspect of the business from cultural to technical, key performance indicators and customer relationship management.

- Overview of the airport digital transformation trend and a typical airport maturity path
- How to begin the journey and maximise quick wins
- Airport examples, lessons learned and next steps in applying DT to improve their business

15:45 - 16:00
BREAK



16:00

WILBUR, THE AIRPORT CONTROL CO-PILOT

Kim Bosman, Value Stream Owner - Airport Control, Schiphol Group, Netherlands

Schiphol is busy and is facing a huge challenge: how to deal with large volumes of passengers while limited in capacity. We can improve efficiency by improving our terminal operations. And we do this with Wilbur. Wilbur (Wilbur Wright) is a system that combines data from all different sources and shows only that which is relevant for coordinators to take corrective action, up to four hours in advance. We built it from scratch – a cutting-edge system when it comes to proactive steering. Powered by artificial intelligence and smart models, Wilbur helps the coordinators with decision making.

16:30

OPERATIONAL VISION AND DIGITISATION - THE TRANSFORMATION JOURNEY AT SWEDAVIA

Eva Vestin, CIO, Swedavia, Sweden

Lena Rökaas, Head of Operations, Swedavia, Sweden

A transformation journey of how Swedavia combined operation and digitisation.

17:00

REAL-TIME DATA ANALYSIS AND DISSEMINATION FOR A BETTER CUSTOMER EXPERIENCE

Martin Boyer, Vice President and Chief Information Officer, Greater Toronto Airports Authority, Canada

Data analysis has emerged as a tool to enhance efficiency and cultivate a seamless passenger experience. The GTAA is collaborating with business partners on data sharing and ensuring appropriate responses are taken. For example, real-time heat maps will allow the airport to add resources to security lanes, optimise check-in and track passengers/bags. The GTAA is also exploring data provision on travel time to/from the airport, parking, traffic, weather and more. Over and above enhancing efficiency, real-time data gives passengers an overarching view of the constituent steps in their journeys, fostering peace of mind and vastly improving the travel experience.

17:30 End



AFTER THE CONFERENCE IN THE EXHIBITION HALL!

**“Great job with
the conference”**

Mark Croudace, Manager – Passenger & Terminal Operations, Auckland Airport, NEW ZEALAND

CONFERENCE PROGRAMME

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:35

AGEING POPULATION & PRMS

09:00

INTRODUCTION BY CONFERENCE CHAIR
Roberto Castiglioni, Chair, Heathrow Access Advisory Group, UK

09:05

WORKING WITH EQUALITY AND DIVERSITY
Tove Möller, Diversity, Inclusion & Social Sustainability, Swedavia, Sweden
Hugo Ortiz Dubon, Co-Founder & Diversity Strategist, We Link Sweden, Sweden

The presentation will discuss how Swedavia work with equality and diversity, as well as Swedavia's engagement in social sustainability projects and cooperations with, for example, The Red Cross, Medecins Sans Frontiers, LGBT organisations and projects that connect human rights to company business.

09:30

THE GATWICK HIDDEN DISABILITY LANYARD
Sara Marchant, Stakeholder Manager, Gatwick Airport, UK
Last year, Gatwick launched a hidden disability lanyard, a discreet signifier that the person wearing it, or someone in their party has a hidden disability and may need a little more time or help. This presentation will explain the process and benefits of the scheme.

09:55

LEVEL-UP SERVICES FOR PASSENGERS WITH DISABILITIES IN TAIWAN
Chih-Wen Fang, Deputy Director General, Civil Aeronautics Administration, MOTC, Taiwan
Shannon Chen-Yin Hsieh, Technical Specialist, Civil Aeronautics Administration, MOTC, Taiwan
It is very likely that disabled airline passengers will encounter inconvenience during their journeys, such as booking tickets, check-in or boarding. To solve these problems, an integrated committee comprising the airport authority, the Disability Organization and some associated departments has been established to create a universal, amiable and welcoming ambiance. The work involved in making this happen includes disability assistance, braille facilities and wheelchairs with batteries. All in all, the committee is considerably helpful with integrating resources from departments to meet the needs of disabled airline passengers.

10:20

ADVOCACY TO ACTION
Brian Cobb, Vice President, Customer Experience, Cincinnati/Northern Kentucky International Airport, USA
A culture of advocacy provides opportunities for collective community advancement. CVG considers this a cornerstone of customer experience delivery. From accountability to innovation, CVG's critical eye on customer experience continues to demonstrate tangible steps to go beyond the routine for guests with limitations. Examples include clear regulatory standards

establishing common expectations in day-to-day operations, incorporating facility design changes during remodelling phases, and identifying industry-changing innovation to reaffirm our industry's responsibility for seamless travel.

10:45

PRM SERVICE - AIRPORTS OF AENA
Belén Gisbert Sánchez, Head of Service Development and Accessibility Department, AENA, Spain
The presentation will provide an introduction to PRM service in the airports of Aena: data of the service, tender processes, quality requirements, specific equipment and use of technology.

11:10 - 11:30

BREAK



11:30

PROVIDING CUSTOMER SERVICE FOR THE AGEING POPULATION AND PRM
Lawrence Rolon, Coordinator for Disability Services, Los Angeles World Airports, USA
Previously airports have spent billions of dollars on terminals and other infrastructure to create memorable experiences while not always addressing the needs of elderly and disabled travellers. These often overlooked populations need advocates to speak on their behalf and inform airports on how they can best serve those populations. The US Census Bureau reports that one in five people in the USA will be elderly by 2030. Terminal planners should be considering how to include wayfinding and other elements that impact the airport experience with the growing ageing population and PRM in mind. In doing so, everyone benefits.

11:55

AIRPORT PRM SERVICE DELIVERY - FROM OVERWHELMED TO UNDER CONTROL
Kristin Olsen, Project Coordinator, Terminal Operation, Oslo Airport, Norway
William Lee Neece, Director of Airport Solutions, Ozion Airport, France
Oslo Airport experienced the very significant challenges many growing airports are facing with PRM service delivery: not knowing how many PRM passengers are actually served; not being able to generate reliable SLAs; not having a real-time understanding of passenger vs. agent resources, etc. In this session we will describe in detail the current service delivery and how all of these areas have been completely turned around.

12:20

HELPING PEOPLE WITH HIDDEN DISABILITIES ACCESS AIR TRAVEL
James Fremantle, Consumer Enforcement Manager, United Kingdom Civil Aviation Authority, UK
A key focus for the CAA is improving accessibility to air travel for people with hidden disabilities such as dementia, autism and mental health issues. CAA research suggests that a high number of people with such disabilities continue to lack confidence to travel by air. The CAA has called on UK airports and airlines flying from the UK to provide additional assistance services and enhance existing services to support this group of passengers. In the past year, airports and airlines have introduced many successful new services that have already benefited a large number of UK passengers.

DAY 3 - THURSDAY 22 MARCH

12:45

OPERATING PRM VEHICLES – ASPECTS OF GROUND SAFETY AND AIRCRAFT TURNAROUND

Pekka Salo, Manager Safety and Quality, Finavia Corporation, Finland

The presentation describes issues that need to be thought of when acquiring PRM vehicles and when setting up the operation. It can also help those already operating PRM vehicles to rethink some issues.

13:10

21ST CENTURY PRMS

Derek Murphy, Airport Services Manager, OCS One Complete Solution Ltd, Ireland

The presentation will provide an overview of how the PRM customer profile and PRM assistance requirements have changed and developed over the last few years. Key points will include the ageing population and the contributing factors for this; the improvement in training and awareness of hidden disabilities to enhance the customer experience; how low-fare airlines and airline price competitiveness have enabled passengers to make multiple annual journeys; finally, how service providers have adapted their operations and innovations to meet the enhanced needs of customers with disabilities and reduced mobility.

13:35 - 15:00
LUNCH



YOUR CONFERENCE QUESTIONNAIRE WILL BE SENT TO YOU BY EMAIL TODAY. SEE YOU AT PASSENGER TERMINAL CONFERENCE 2019!

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:25

AIRPORT DESIGN, PLANNING & DEVELOPMENT

09:00

INTRODUCTION BY CONFERENCE CHAIR
Prof David Holm, Architect Director, Cox Architecture, Australia

09:05

TAN SON NHAT INTERNATIONAL AIRPORT DEVELOPMENT PLAN

Tung Vu, Director of Project and Business Development, Vietjet Air, Vietnam

Tan Son Nhat International Airport is the busiest airport in Vietnam. In 2017, the passenger movement will be 37 million pax, and the growth rate has been very high throughout the past few years (18-20%). With the limitation of land use for the airport, and the location of the airport very close to the city (7km from downtown), how can Tan Son Nhat International Airport development cope with the growing demand, access road, city integration, environmental impact on the airport vicinity, etc? What is the future for Tan Son Nhat International Airport while the new Long Thanh international airport is still delayed?

09:35

SEATTLE'S DIFFICULT TRANSITION FROM MASTERPLAN VISION TO PROGRAMME IMPLEMENTATION

Jeffrey Brown, Director of Aviation Facilities and Capital Programmes, Port of Seattle, Seattle-Tacoma International Airport, USA

CF Booth, Director, LeighFisher, USA

In this presentation, we will describe difficult planning issues and how they were resolved to permit the Port of Seattle to transition from its vision for airport development to programme implementation.

10:05

CREATING AIRPORTS OF TOMORROW IN A CHANGING AVIATION LANDSCAPE

Rogier Doffegnies, Director, 2ndSense AirportCreators, Netherlands

In today's complex business environment, many projects at airports run off course. The traditional design-driven approach is failing in the increasingly complicated stakeholder field and business environment, and consequently several airport companies are now successfully shifting to a new approach to airport development. Decisive elements of this new approach include focusing on actual needs, preparing for changes, developing airports as holistic systems, creating a 'top-down' strategic fit of projects, engaging stakeholders and aligning expertise. These success factors underpin the principles of a project management approach called Systems Engineering.

10:35

PIT TRANSFORMED: THE RESURGENCE OF OUR TEAM AND FACILITIES

Richard Belotti, Vice President, Planning, Pittsburgh International Airport, USA

Paul Hoback, Senior Vice President, Facilities, Engineering & Maintenance, Pittsburgh International Airport, USA

Air travel has changed dramatically in the past 25 years. No longer a hub for connecting traffic of one dominant airline, Pittsburgh International Airport has the opportunity to propel the region forward through the modernisation of its facilities. Learn how the new terminal's foundation will not be made of just concrete and steel, but is also being built on a high-performance team. Discover the journey PIT made through a masterplan process that sought to meet the challenges of tomorrow, while aligning its resources today to gain approval by the airlines and key stakeholders in order to realise this vision.

11:05 - 11:25
BREAK



11:25

EVOLUTION OF REGULATIONS AND AIRCRAFT TECHNOLOGIES – IMPACT ON AIRPORTS

Sebastien Lavina, Manager Airport Data & Assessment, Airbus, France

This presentation will provide an update on the latest changes or evolutions of ICAO airport infrastructure regulation (Annex 14), highlighting the positive impact these will have on airfield facilities. It will also introduce current or future technologies/equipment and show how beneficial these will be.

CONFERENCE PROGRAMME

11:55

NEW GUIDANCE ON THE AIRPORT TERMINAL PLANNING AND DESIGN PROCESS

Thomas Schnetzer, Vice President, Kimley-Horn, USA

A new document published by the US Federal Aviation Administration provides guidance for airport owners initiating or in the midst of planning and design of airport terminal facilities. The new guidance focuses on the process of airport terminal facility planning and design, and key considerations that should be made during the process. Key among these considerations are situational assessments and strategic planning, establishing your project team, and financial considerations. Owners can use this guide to establish a new horizon for their airports, which will save them time, money and anxiety.

12:25

PANEL DISCUSSION: P3 AVIATION PROJECTS IN THE US - A STATUS UPDATE

Stewart Steeves, Chief Executive Officer, LaGuardia Gateway Partners, LaGuardia Gateway Partners, USA
Lysa Scully, General Manager, LaGuardia Airport, The Port Authority of New York & New Jersey, USA
Julia Prescott, Chief Strategy Officer, Meridiam, USA
Larry Belinsky, Larry Belinsky, Managing Director, Prasca & Associates, Frasca & Associates, USA
Robert Chicas, Senior Vice President / Firmwide Director, Aviation + Transportation, HOK, USA

P3 is a comparatively new, but critically important, delivery structure, and this presentation proposes to offer an overview of P3 projects and pursuits in the USA, and their current status. Among the questions to be addressed are: What is the current state of P3 at US airports (successes/challenges). Why is a P3 delivery structure being used by US airports and/or municipalities (including the LGA story)? An assessment of P3 opportunities vs. risks. Is P3 at US airports a viable and sustainable delivery structure? This panel discussion will offer the perspective of the sponsor/owner, investors, terminal operators, builder and designers.

- The nature of P3 delivery
- Is the P3 delivery structure proving to be effective?
- What are Owners' concerns and/or expectations?
- The P3 Team's perspective on P3
- P3 Risks & Rewards for all parties

13:25 - 15:00
LUNCH



YOUR CONFERENCE QUESTIONNAIRE WILL BE SENT TO YOU BY EMAIL TODAY. SEE YOU AT PASSENGER TERMINAL CONFERENCE 2019!

"The content of the presentations was very broad, interesting and extremely useful. Keep this up!"

Kok Wai Fong, EVP, Changi Airports Group, SINGAPORE

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:25

AVIATION SECURITY, BORDER CONTROL & FACILITATION

09:00

INTRODUCTION BY CONFERENCE CHAIRS

Eric Kaler, Senior Director, Airline Security, Hawaiian Airlines, USA
Dr Jean Salomon, Director of Business Development ISS, SIGPA, Switzerland

09:05

WORKING TOGETHER TO MAKE SMARTER USE OF API AND PNR

Andrew Priestley, Managing Director, Agile Borders, UK
The presentation will explore how greater cooperation between stakeholders, including governments and airlines, can lead to more effective API and PNR projects. Andrew will share his experience of what happens when stakeholders work well together, and what can happen when they don't. Is there scope for this cooperation to include governments of different countries to increase effectiveness and reduce cost to the industry?

09:35

SMARTER USE OF IDENTITY DATA, WORKING TOGETHER WITH THE AIRLINES

Richard Rinkens, Coordinator for Biometrics and Identity Management, European Commission, Belgium
The presentation will discuss the implications and benefits for airlines and airports linked to the implementation of the EES/ETIAS in combination with better interoperability.

10:05

SMARTER BORDERS IN SPAIN

Dr Enrique Belda, Deputy Director General of Communications and Information Systems for Security, Ministry of the Interior, Spain
Last year, Spain received more than 60 million tourists, approximately 30 million of whom arrived from non-Schengen countries. Migration, terrorism, trafficking and smuggling are security issues related to international movements of people. These movements are concentrated on short periods of time. Our challenge was to build the technological infrastructure capable of integrating technology and new operating procedures to find a balance between security and efficiency in migration management, border checks and law enforcement.

10:35

PANEL DISCUSSION: TOPIC AND PANELLISTS TO BE ANNOUNCED

11:05 - 11:25
BREAK



DAY 3 - THURSDAY 22 MARCH

11:25

AVSEC AND WILDLIFE POACHING: EXPLORATION OF ISSUES AND REMEDIES
Kristina Dores, ICAO (OPAS) Chief, Aerodromes & Ground Aids, Namibia Civil Aviation Authority, Namibia
The systematic destruction of African wildlife affects AVSEC via illicit activities impacting aviation facilities, systems and equipment, personnel (aircraft, flight operations, aerodromes, air navigation services, etc.), law enforcement and regulatory oversight, financial institutions, economies, governments and our future. Issues include illegal transport across international borders, money laundering, smuggling, human and natural habitat destruction, corruption and a host of other crimes increasing exponentially. AVSEC practitioners represent a front-line opportunity to deter, detect and prevent these activities.

11:55

OPTIMISING PASSENGER DATA TRANSMISSION TO ENHANCE AVIATION SECURITY
Celine Canu, Head Aviation Facilitation, International Air Transport Association, Canada
Aviation security has long focused on preventing the introduction of prohibited items in the security restricted areas as opposed to trying to identify potential perpetrators, which has long been an impossible exercise. The modernisation of passenger data transmission is a key factor to enhance the early identification of high-risk passengers.

12:25

PANEL DISCUSSION: HOW TO SECURE AND FACILITATE BORDERS - A REGULATOR'S PERSPECTIVE
Craig Clark, Branch Chief, Advance Data Programs and Cargo Initiatives, Office of Cargo and Conveyance Security, U.S. Customs and Border Protection, USA (Invited)
Celine Canu, Head Aviation Facilitation, International Air Transport Association, Canada
Gillian Castle, Customs Directorate, Supply Chain Security Team, HMRC, UK (Invited)
Justin Jedlinski, Chief, Air Cargo Security, Transport Canada, Canada (Invited)
Asha Menon, Senior Technical Officer, World Customs Organization, Belgium
The panel will share the different initiatives and co-operative projects that are being carried out by regulators in cooperation with relevant stakeholders. Customs and aviation together with relevant stakeholders are working to identify and mitigate 'bomb in the box' from being loaded onto aircraft, and at the same time to ensure identification of high-risk passengers to prevent them boarding flights. In addition, regulators are working closely together to avoid duplication and close the gaps, not only to secure the borders but also to provide facilitation.

- What Customs is doing to secure borders
- Cooperation between WCO, ICAO and IATA to overcome aviation threat
- What the authorities are doing with API/PNR
- What authorities are doing with Pre-Loading Advance Cargo Information (PLACI)
- How Customs and aviation are providing joint training for aviation and Customs authorities

13:25 - 15:00
LUNCH



DAY 3 - THURSDAY 22 MARCH

09:00 - 13:30

COMMERCIAL DEVELOPMENT, RETAIL & CONCESSIONS

09:00

INTRODUCTION BY CONFERENCE CHAIR
Jeremy Corfield, Partner, CPI, Australia

09:05

PANEL DISCUSSION: SENSE OF PLACE: VALUE OR VOODOO?

Giovanna Verrilli, Associate Director, Retail and Food Programmes, Greater Toronto Airports Authority, Canada
Michael Thornton, Head of Operations, Marquette, Ireland
Cristina Alcivar, Founder, Vane Airport Magazine, Canada
Lewis Allen, Director of Environments, Portland Design, UK
Alan Gluck, Senior Manager, ICE, USA

This wide-ranging panel discussion will include a variety of viewpoints that will help attendees understand the why and what works when it comes to creating sense of place in concession operations. Participants will include an airport concession manager, a small food service operator, a designer, a retail operator and an airport-focused style and fashion blogger. Does sense of place matter and, if so, how do/should different businesses express it? What do the public see and what do they care about? This panel discussion will answer these questions and more.

- Value of sense of place in concessions
- How successful operators do or don't express it
- What the public really sees/gets from airport concessions' expressions of sense of place

10:05

HOW WELL DO YOU KNOW YOUR PASSENGERS?

Gerard Brown, Airport Director, ForwardKeys, Spain
Airports have little direct interaction with their passengers, yet with increasing pressure to drive non-aeronautical revenues, it has never been more important to truly understand the passengers our airports serve. This session will provide unique insights into several key markets such as China, Japan, Russia, the USA and the Middle East, and we will evaluate what the future traveller trends are for these markets in the context of a variety of geo-political events in early 2018.

10:35

COMMERCIAL TERMINAL FLOW - MAKING ROOM FOR MORE

Johan Berhin, Designer, Green Furniture Concept, Sweden
Passenger numbers are increasing, which offers huge commercial potential in retail and F&B if treated correctly. An answer lies in terminal flow thinking: changing how seating is used, to generate more business and a better passenger experience. Keflavik International Airport and Edinburgh Airport have made changes that accommodate the rise in passengers and keep people with time on their hands in and around the commercial areas - resulting in more satisfied passengers and better business.

CONFERENCE PROGRAMME

11:05 - 11:25
BREAK



11:25
DIGITAL DISRUPTIONS IN THE AIRPORT COMMERCIAL REVENUES

Julien Vialade, Principal, Arthur D. Little, France
The digital revolution has opened new opportunities in airport travel retail but raised questions about potential future business models and resilience of the value that can be captured by the airport. In a context of decreasing non-aero competitiveness, airports are developing digital strategies to protect or accelerate growth, still in the embryonic stage. Various actors are using new (digital) channels to enter the 'airport grounds', thereby challenging the airport's traditional control over commercial activities. This presentation outlines how disruptive business initiatives could generate complementary offerings for airports or compete with traditional airport sales, resulting in a new competition area.

11:55
ARE 30% OF AIRPORT REVENUES AT RISK?

Prof Michael Holzschneider, Business Director Airports, Dornier Consulting International GmbH, Germany
Airports face major changes in the coming years, inspired by innovative new approaches to passenger transportation. New business models focusing on networked transport are being developed by operators of taxi and driver services, car-sharing companies and car rental firms; these, together with the emergence of self-driving vehicles, are causing the boundaries between private and public transport to become increasingly blurred. New transport services are proliferating and will create a widely differentiated range of options for travellers, which in the medium term will make the use of private cars redundant.

12:25
MONETISING DIGITISATION: HOW TO TRANSFORM BIG DATA INTO PARKING REVENUE

Dr Mark Friesen, Managing Partner & Founder, Quinta Consulting, Germany
'Digitisation' is the buzz word of recent years and has affected the whole customer journey at an airport. In particular, the first and last contact point with an airport – parking – can benefit tremendously from the new opportunities digitisation holds. Not only does a seamless booking process enhance the customer experience, but so also does providing the right product for the right customer at the right price. This presentation is directed at airports that want to boost their car park revenue while still meeting customer needs. It will address how big data and customer insights could be turned into profitable decisions.

12:55
PANEL DISCUSSION: TOPIC AND PANELLISTS TO BE ANNOUNCED

13:30 - 15:00
LUNCH



YOUR CONFERENCE QUESTIONNAIRE WILL BE SENT TO YOU BY EMAIL TODAY. SEE YOU AT PASSENGER TERMINAL CONFERENCE 2019!

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:25

CUSTOMER SERVICE & PASSENGER EXPERIENCE

09:00
INTRODUCTION BY CONFERENCE CHAIRS
Brian Engle, Director of Customer Experience, Greater Orlando Aviation Authority, USA
Catherine Mayer, VP, SITA, USA

09:05
SMART PARKING AT ORLANDO INTERNATIONAL AIRPORT
John Newsome, Director of Information Technology, Greater Orlando Aviation Authority, USA
Michiel Munneke, General Manager, M2Mobi, Netherlands
Orlando wants to make it as easy as possible for its passengers to arrive by car. This session gives insight into how Orlando is using digital solutions to make parking as smart and reliable as possible. A number of digital initiatives can help to make parking a more pleasant experience. Things like availability, spot wayfinding, reservations, parking shuttle tracking and automated parking spot locator will help passengers on their way. You will learn how Orlando is enhancing The Orlando Experience through digital solutions, and how the app becomes part of an overall strategy.

09:35
THE AUGMENTED AIRPORT - PRACTICAL APPLICATIONS IN AR
Stephen Glenfield, Head of Digital, Heathrow Airport, UK
Campbell Kennedy, CEO, LocusLabs, USA
With Apple and Google's recent efforts to bring augmented reality capabilities to every mobile device, AR will achieve widescale adoption. Airports present tremendous opportunities to take advantage of this entirely new computing canvas to provide real value to travellers and solve practical problems. This session will explore augmented reality initiatives undertaken by airports in partnership with airlines. We will discuss the key use cases and problems being addressed, as well as what technology and investment is required to deploy at scale. It may be less effort than you think.

10:05
USING GEOLOCATION AND GEOFENCING TO ENHANCE YOUR CUSTOMER SERVICE
Marc-André Bédard, Vice President IT, Aéroport de Québec Inc, Canada
To ensure the best possible passenger experience, Aéroport de Québec Inc has developed a mobile app that accompanies passengers through all the steps of the airport process. Phase 1 of the app is already in operation, and the subsequent phases will, among other things, allow passengers to locate the nearest customer service representative. The app will also make it possible to calculate congestion at concessions and offer discounts for the concessions with the most availability, reducing line-ups.

DAY 3 - THURSDAY 22 MARCH

10:35

ONE TOUCH BLQ - USING BEACONS TO ENHANCE THE PASSENGER EXPERIENCE

Alberto Bini, Project Manager ICT & Innovation Management, Bologna Airport, Italy

Sandrine Murcia, General Manager, Connecthings, France
In recent years, airports have undergone major transformations in their business models and in the services offered to passengers and customers. Bologna Airport, in cooperation with its technological partner Connecthings, provides Bologna Airport with an innovative business model and passengers with an innovative contextualised and personalised information service: One Touch BLQ. Based on new communication technologies such as beacon and TAG QRCode/NFC to enhance the passenger experience, One Touch BLQ is available for the owners of mobile devices. For the beacon interaction, the Bologna Airport mobile app has to be installed. The data collected is used to analyse passenger engagement.

11:05 - 11:25
BREAK



11:25

INNOVATION AND INSIGHT AT HEATHROW AIRPORT

Ben Wagenaar, Innovation Technologist, Heathrow Airport, UK

Simon Randolph, CTO, Capgemini, UK

Heathrow is in the process of designing and planning for an expanded airport that includes a third runway and potential new terminal design. This presents a very real opportunity to drive innovation that enables a smart airport, capable of delivering a consistently high ASQ by consistently exceeding passenger experience expectations. The smart airport, delivering automation and self-service initiatives, underpinned by modernised data connectivity services, moves Heathrow towards the vision of the seamless passenger journey, where passengers are stopped by exception, not routine process.

11:55

THE AIRPORT-PASSENGER DIGITAL CONNECTION: WHAT'S NEXT?

Jerry Zeephat, Senior Product Manager, SITA, USA

Jessica Marin-Urrea, Senior PR & Digital Marketing Specialist, Miami International Airport, USA

There used to be a common truth in the industry that the airlines know their passengers, but airports do not. But today, with the number and types of digital channels exploding, airports increasingly have at their fingertips a direct, one-to-one communication and marketing conduit directly to their consumers. So now what? How should airports build and maximise this relationship in a way that maximises value, without turning off the audience? In this session, we'll explore the current and evolving technology landscape against the backdrop of improving the passenger experience and achieving the airport's (and partners') business goals.

12:25

HOW BLOCKCHAIN IMPROVES PASSENGER EXPERIENCE BY ENABLING MULTIDISCIPLINARY SERVICE DESIGN

Maureen Gribnau, Innovation Manager, Schiphol Group, Netherlands

Marit Gangsaas, Manager Process Development, Amsterdam Airport Schiphol, Netherlands

Blockchain technology has the potential to fuel a revolutionary way of better servicing passengers, without sharing data between service providers. Rather than institutions, travellers themselves can be in control of their own data. This leads to a better experience and more privacy. In this presentation, we will demonstrate a proof of concept created in close cooperation between airport, airline and blockchain developer. Furthermore, we will look ahead and show various future possibilities for the travel industry that can be enabled by blockchain technology.

12:55

BOTS AND ARTIFICIAL INTELLIGENCE FOR AIRPORTS: FEEDBACK AND BEST PRACTICES

Tobias Zogrotzky, Senior Project Manager Digitisation, Fraport AG, Germany

Pierre Cuquemelle, Chief Executive Officer, Airport AI (Airbot Technology Limited), UK

In January 2017, Frankfurt Airport and Airport AI officially launched the first airport customer service solution relying on artificial intelligence, called FRAnky. The purpose of this presentation is to provide attending airports with an overview of this journey, starting from the challenges airports are currently facing and going through the different steps of the implementation of an automated customer service solution. For the first time, the findings from various product iterations and the analysis of thousands of passenger interactions with the service will be shared with other airports.

13:25 - 13:00
LUNCH



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"The most interesting part of the conference is to see how people are pursuing their customer-centric strategies. What I really like is to get inside the heads of all the other people in the industry and see their examples and their approaches, and try to learn from them and take out the best practices and try them myself"

Sander Stomph, Director Operational Excellence,
KLM Royal Dutch Airlines, Netherlands

CONFERENCE PROGRAMME

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:25

FACILITIES MAINTENANCE & MANAGEMENT

09:00
INTRODUCTION BY CONFERENCE CHAIR
David Tomber, Aviation Principal, Jacobs, USA

09:05
DIGITAL TRANSFORMATION THROUGH GROWTH (ASSET MANAGEMENT)
Neil Moran, Head of Terminals - Asset Care, Dublin Airport, Ireland
Morgan Crumlish, Spatial Data Manager, Dublin Airport, Ireland
Historically, asset management activities at DAA evolved traditionally, predominantly on a reactive basis. Planned works were carried out on a frequency basis, with information recorded through paper-based processes. On completion of a new terminal in 2010, DAA refocused its approach by adopting a structured asset management philosophy including asset performance, lifecycle analysis, asset information management, compliance and risk management. This culminated in achieving ISO 55001 certification in April 2015. DAA has a growth rate of 9% annually (averaged over the last five years), and to sustain this growth it has had to adopt and leverage technology to work smarter and more effectively.

09:35
QONTRACT: MEASURING AND CONTROLLING THE QUALITY PERFORMANCE OF SERVICE CONTRACTS
Pakis Papademetriou, Manager, Corporate Quality, Athens International Airport, Greece
One of the key factors of AIA's successful operation is efficient contract management for outsourced services. This expertise led to the development of the Qontract contract performance management system, a business automation tool that is unique in our business. Qontract is applicable to management/service agreements that feature service level provisions. Each application of Qontract is customised to the particularities of the related service, in line with the scope.

10:05
BUSINESS CASE FOR ASSET MANAGEMENT IN AIRPORT TERMINALS
Mike Tasker, Senior Manager Facilities and Infrastructure, Port of Seattle, Seattle-Tacoma International Airport, USA
David Tomber, Aviation Principal, Jacobs, USA
This presentation focuses on the business case benefits of asset management. New terminals get all the attention, but existing assets, often ageing, remain an important part of airport operations. Airports have made substantial investments in terminals and other facilities, as they are typically the most valuable assets in an airport's financial report. Essential to day-to-day operations, terminals also enable airports to generate revenue and maximise financial return. Great customer experience is linked to reliable facilities where ACI ASQ passenger surveys demonstrate that an increase of 1% in passenger satisfaction generates an average 1.5% growth of non-aeronautical revenue.

10:35
PANEL DISCUSSION: TOPIC AND PANELLISTS TO BE ANNOUNCED

11:05 - 11:25
BREAK



11:25
HOW HEATHROW IS RESPONDING TO THE ASBESTOS MANAGEMENT CHALLENGE
Richard Dunn, Senior Asset Engineer - Civils and Structures, Heathrow Airport, UK
Heathrow recently celebrated its 70th birthday. Asbestos was used extensively in buildings up until the 1980s, when the dangers it poses to health were fully understood. Today, ensuring passengers and colleagues are safe from asbestos is a major challenge, particularly in the ever-changing environment of airport terminal buildings. This paper describes how Heathrow is responding to the asbestos management challenge, in particular describing how Heathrow has created a collaborative team of experts and stakeholders. The paper also describes Heathrow's approach to training and communication of asbestos risks, and highlights some of the lessons learned along the way.

11:55
UPGRADING OF THE BAGGAGE HANDLING SYSTEM AT NEWCASTLE INTERNATIONAL AIRPORT
Stephen Mark Barnard, Project Manager, Newcastle International Airport Limited, UK
Colin Harold Smith, Chief Executive Officer, CHS Engineering Services Limited, UK
Following the new regulatory standards set by the CAA relating to HBS screening, Newcastle International Airport and CHS are working together to remodel and reconfigure the existing baggage handling system to incorporate ECAC Standard 3 x-ray machines.

12:25
SINGAPORE CHANGI AIRPORT TERMINAL 4 BAGGAGE HANDLING SYSTEM PROJECT EXECUTION
Ahmad Razali Saini, Assistant Manager, Changi Airport Group, Singapore
Terminal 4 BHS was a fast-track greenfield project where the installation comprised four main phases, depending on building availability. BIM was used extensively during the detailed design phase to identify and resolve clashes between BHS and building, minimising potential installation delays. After installation completion, the BHS was put through rigorous testings before commissioning for the ORAT to prepare for the opening of T4 in October 2017. This presentation will give the audience an insight into the challenges faced during the different phases of the project implementation, from detailed design phase to ORAT, before transitioning into operations and maintenance after T4 opens.

DAY 3 - THURSDAY 22 MARCH

12:55

DIGITAL AIRPORT: GUARANTEE INFRASTRUCTURE AND QUALITY SERVICES USING BIM PROCESSES

Patricia Pereira da Cruz Oliveira, BIM Infrastructure Specialist, Infraero, Brazil

The application of the BIM (Building Information Modelling) methodology has demonstrated significant gains for the engineering industry. Considering the potential fruits of the use of this technology in the airport sector, this work presents the conception of the pilot project of implementation of BIM by Infraero. The Digital Airport project consists of the 3D digital model of the site and buildings, from Governador José Richa Airport in Londrina, accessible by applications within a single integrated information platform. This presentation presents the benefits not only for engineering but also for commercial areas, operations and airport management.

13:25 - 15:00
LUNCH

X

YOUR CONFERENCE QUESTIONNAIRE WILL BE SENT TO YOU BY EMAIL TODAY. SEE YOU AT PASSENGER TERMINAL CONFERENCE 2019!

“An excellent mixture of speakers, with excellent presentation quality”

Francesco Lorenzini, Capacity Planner (Analyst), Manchester Airports Group, UK

“I’ve been impressed by the breadth of topics and the size of the conference”

Gabriel Geza, Chief Engineer, Engineering and Maintenance, Civil Aviation Authority, Botswana

“An excellent and very informative event. The programmes are well organised with topics that cover various subjects related to each other in the associated session. The speakers have explicit knowledge on the topics, and are well organised for each individual presentation”

Egsiam Saotonglang, Engineering Specialist, Airports of Thailand Plc, THAILAND

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:25

INCREASING AIRPORT CAPACITY

09:00

INTRODUCTION BY CONFERENCE CHAIR

Satyaki Raghunath, Chief R&D Officer, GMR Airports Ltd, India

09:05

PANEL DISCUSSION: MEGA-PROJECT, MINI-SITE – THE US\$2.4BN SFO TERMINAL 1

Suzanne Culin, Program Manager, San Francisco International Airport, USA

Kristi Hogan, Programme Manager, AECOM, USA

Kent DeRusha, Project Director, PMP, DBIA, Austin Commercial, USA

Todd Temple, Design-Build Project Director, Hensel Phelps, USA

Nazila Duran, Project Manager, WSP, USA

The challenge: increase gate capacity to allow passenger growth from 53 million to 71 million per year on a site that has no ability to expand runways or build additional passenger processing facilities. The solution: the Terminal 1 redevelopment programme. This multi-year, multi-phased project will deliver a state-of-the-art, 25-gate terminal and boarding area, with a sterile connector to the FIS allowing additional flexibility to process international passengers. The project will include the first US installed Individualised Container System (ICS) baggage handling system and 100% shared-use infrastructure. This US\$2.4bn project is being delivered by two separate design-build teams.

- Future-proofing to maximise a constrained site
- Collaborative project delivery formally ensured by monthly partnering, quarterly stakeholder partnering meetings with accountability and responsibility assignments
- Demolishing 500K SF to construct 1M SF during 365-day secure 24/7 live passenger operations
- Integrated program team – owner, project management, designers, builders and stakeholders all co-located in The Big Room
- Incorporating SFO’s mission REACH: A Guide to Revenue Enhancement & Customer Hospitality into terminal development innovation

10:05

BUILD ONE TERMINAL AROUND ANOTHER –

ELDORADO AIRPORT CAPACITY INCREASE

Daniel Eduardo Beltran Bolivar, Production and Planning Manager, APORT - OPAIN, Colombia

The presentation will show the construction phases of the ElDorado Airport expansion project and how growing demand has made it necessary to expand the terminal even more. As we go through all the phases we will talk about the challenges we faced and how the airport operation continuously grew while construction was under way. We will talk about projects that increased the operational capacity of the existing infrastructure in the old terminal as well as the new one. We will also talk about the OPAIN philosophy focused on passenger experience, and how Skytrax aligned our efforts to make it better every day.

CONFERENCE PROGRAMME

10:35

CHALLENGES IN BUILDING FOR INCREASED AIRPORT CAPACITY IN THE UK

Julian Sheppard, Associate Director, BuroHappold Engineering, UK

The presentation will explore the considerations and challenges associated with planning, designing and constructing modern terminals linked to surface access at existing airports and infrastructure. Client needs and briefs will be discussed along with strategies for how to answer and address these, together with aviation security considerations, constructing around an operational airport, the challenges of existing infrastructure and the needs and techniques adopted for reducing the construction programme. The speaker has delivered the design of major regeneration projects at London Heathrow Terminals 3 and 4, the new passenger interchange project at Terminal 2 and the Manchester Airport Terminal 2 transformation project.

11:05 - 11:25
BREAK



11:25

FULL VISIBILITY: MOVING FROM REFERENCE WEEK TO FULL SEASONAL PLANNING

Florian Raff, Head Planning & Development, Zurich Airport, Switzerland

Andreas Hofmann, Director Business Development, Amorph Systems GmbH, Germany

In the past, technical constraints limited seasonal planning to a single reference week. Selecting the week that constituted the best fit for all processors was a big challenge. Despite substantial analysis there was great uncertainty for each processor about how that reference week stood in relation to the rest of the season. As a result, resource planning for the various processors was very much based on the previous year and the seasonal planning process was of limited value. New-generation planning tools enable a seasonal planning process to reach its full potential and deliver a true value-add to the organisation,

11:55

EXPANDING CONNECTIVITY WHILE SIMPLIFYING THE EXPERIENCE

Mélanie Sarris, Deputy Director of Airport Planning and Architecture, Aéroports de Montréal, Canada

Patrick Gendreau, Director, Customer Experience and Innovation, Aéroports de Montréal, Canada

Over the last 10 years, Aéroports de Montréal has considerably increased its international traffic with dynamic air services development, but also by facilitating connections. Increasing connections is an airline strategy that the airport has continuously embraced. Today, with connections being near 20-25% of its traffic, the airport is putting in place a plan, with the great collaboration of all stakeholders, to significantly increase connection capacity while simplifying the experience for passengers. This expansion is key for the airport to go to the next level, and in this session we will present and share the ingredients of this ambitious plan.

12:25

JIT APPROACH IN BORDER CONTROL

Gudmundur Gautason, Manager - Airport Optimisation, Isavia, Keflavik Airport, Iceland

Gudmundur Dadi Runarsson, Technical and Infrastructure Director, Isavia, Keflavik Airport, Iceland

Keflavik Airport studies the current practices of gate call at. Based on the study of these practices a binary model was developed with the objective of minimizing the queue time at Border control by displaying the gate number at different times for passengers. This model considers the arrival times of current flights as they do have transfer passengers that will affect the model. The real time results will be given.

12:55

OPERATIONAL TERMINAL PREDICTION - OPTIMISING AIRPORT CAPACITY THROUGH FORECASTING DEMAND

Jana Skornicka, Director, Leidos, UK

Airports around the world are being challenged by the growth in air travel, which is outpacing their ability to expand capacity and meet customer demands. Join this session to learn about Operational Terminal Prediction (OTP), which moves beyond data collection to predictive analysis to make more efficient use of existing airport capacity and improve the passenger experience. With OTP, airport operators can make more informed decisions and proactively manage passenger processes and resource allocations in real time, ensuring smoother and more efficient processes.

13:25 - 15:00
LUNCH



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"The place where the industry meets. A great opportunity to learn about the latest trends and developments. A chance to exchange ideas and to network"

Florian Raff, Head Planning & Analytics, Zurich Airport, SWITZERLAND

"It's a great conference, a great critical mass of people and ideas here. I think it's one of the best places to learn about airport planning and to get great ideas"

Michael Jarvis, Executive Planning, Australia Pacific Airports, AUSTRALIA

DAY 3 - THURSDAY 22 MARCH

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:00

MANAGEMENT & OPERATIONS

CRISIS & DISASTER

09:00

INTRODUCTION BY CONFERENCE CHAIRS

Etienne van Zuijlen, Lead Business Development - Airport Operations, SITA, Netherlands
Alastair Deacon, Airport Operational Systems Consultant, Toasty Solutions Limited, UK

09:05

EMERGENCY COMMUNICATION SYSTEMS (ECS) EFFECTIVENESS IN AN AIRPORT ENVIRONMENT

Panos Samaras, Fire Safety Officer, Athens International Airport, Greece
Michael Ferreira, Vice President - New Offer Management, Jensen Hughes, USA

A case study will be presented that will highlight the key factors driving the design and operation of emergency communication systems (ECS) in airports. Research literature developed from practice evacuations indicates that the use of verbal directive messaging may be the most effective way to reduce delay in an evacuation. The presenters will show videos from airport testing documenting and comparing unaware passengers' reactions to evacuation messaging in the form of fire alarm sirens versus verbal instruction provided by the airport emergency communications system.

09:35

ENHANCING SECURITY THROUGH ACHIEVEMENTS IN RESILIENCE

Dr Marwan Ibrahim, Director - Corporate Resilience, Dubai Airports, United Arab Emirates

The presentation will discuss enhancing security in the face of an increasingly complex and changing environment through achievements in resilience.

10:05

AVOIDING DISASTER BY MEETING THE NEEDS OF SENIORS AND PRM

Lawrence Rolon, Coordinator for Disability Services, Los Angeles World Airports, USA

Ageing and disabled passengers face challenges that are rarely considered when preparing emergency plans or live disaster drills. Senior citizens and persons with disabilities must be included in preparing, reviewing and participating in these matters. The presentation looks at the impact major incidents have on senior citizens and PRM. The speaker will discuss events at Los Angeles International Airport (LAX), including an active shooter in November 2013. Technology can play a crucial role in an airport's ability to provide assistance and timely information to these vulnerable populations.

10:35

INTEGRATING DISABILITIES IN AIRPORT EMERGENCY EXERCISES

Todd Haines, Managing Director, Critical Risk Group LLC, USA

Recent incidents such as the active shooter at Fort Lauderdale/

Hollywood International Airport have shown the need for better planning and practice in how to protect persons with disabilities or reduced mobility in airport emergencies. We will present the results of an intensive 2017 study of such practices in US, Canadian, European and Israeli airports.

11:05 - 11:25
BREAK



11:25

SMS PRACTICES AT NARITA INTERNATIONAL AIRPORT

Hiroki Komiyama, Staff, Narita International Airport Corporation, Japan

Narita International Airport Corporation places the pursuit of safety as a core element in its management vision. To achieve this management vision, it operates its own SMS (NAA-SMS). This presentation will provide an overview of NAA-SMS through examples, as well as the IT communication system used to support NAA-SMS.

11:55

BUSINESS CONTINUITY PLANNING - ARE YOU FULLY PREPARED FOR RECOVERY?

Darron Freegard, Acting General Manager Corporate Risk, Perth Airport Pty Ltd, Australia

The growing threat of disruptive incidents to airport operations, coupled with the significant contribution of aviation to the global economy, underscores the importance of increasing the resiliency of airports and their ability to recover quickly after an unplanned event. The presentation will outline Perth Airport's approach to business continuity management and the role new technologies can play in the execution of plans. The value of integrating business continuity planning principles into the very early stages of airport expansion programmes will be examined, with specific reference to the lessons learned from the airport's major expansion project.

12:25

PANEL DISCUSSION: TOPIC AND PANELLISTS TO BE ANNOUNCED

13:00 - 15:00
LUNCH



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"Excellent! Always useful and the topics are on point with most airports and what they are trying to achieve"

Garry Porter, Head of Operations, Darwin International, AUSTRALIA

CONFERENCE PROGRAMME

DAY 3 - THURSDAY 22 MARCH

09:00 - 13:25

TECHNOLOGY:

SYSTEMS & INTEGRATION

09:00

INTRODUCTION BY CONFERENCE CHAIRS
Maurice Jenkins CM IAP, Director Information Systems & Telecom, Miami Dade Aviation Department, USA
Al Lyons, SVP Firmwide Director of IT & Electronic Systems, HOK, USA

09:05

IATA 753 – AN AIRPORT CHALLENGE FOR THE FUTURE

Dr Francisco Rodriguez, CIO, FMO Munster / Osnabrück International Airport, Germany

IATA 753 as an opportunity to improve baggage processing at small and medium-size airports. The presentation will show how an airport can use the requirements to be prepared for the future – IoT and the digital transformation play a big role in the concept.

09:35

IATA 753 AND BAGGAGE TRACKING AS A PASSENGER SERVICE

Tupac Amaru Bastidas Celis, Project Manager, S7 Airlines, Russia

Dr Viktor Kusý, Senior Product Manager Baggage, SITA, Czech Republic

The presentation will discuss S7's experience in implementing IATA's resolution 753 as a passenger information service, intended to improve passengers' travel experience by allowing them to track their checked bags in real time throughout the journey. S7 developed a platform based on BagJourney, a service recently developed by SITA to help airlines cope with IATA resolution 753. In addition, the system supports other data sources such as RFID baggage tracking systems and GPS trackers. All the data is organised and stored in a unique database that can be accessed by passengers via mobile app or web, to find out the location of their bags.

10:05

REMOTE BAGGAGE DROP-OFF

Yorick Buys, Project & Process Manager at Ground Operations, Brussels Airlines, Belgium

Brussels Airlines successfully implemented a remote baggage drop-off venue at Tomorrowland in 2017. At this baggage drop-off, customers could check-in their baggage and travel without the burden until their final destination. This drop-off was made possible by an in-house-developed application that made the full check-in very light and efficient, resulting in 1,500 bags checked in over two Mondays. This presentation will focus on the results and process of this bag-drop and outline the next steps after this successful pilot case.

10:35

IT'S TIME TO CHANGE PERSPECTIVE

Aaldert Hofman, Lead Enterprise Architect, Schiphol Group, Netherlands

Nowadays, most airports use a plethora of IT solutions. Ideally, these solutions work closely together to provide an integrated picture. In practice, we expend a lot of effort trying to fit together a patchwork of solutions. At Amsterdam Airport Schiphol we changed perspective. To create one integral system, design patterns must enforce this, i.e. join IT platforms (selected Best of Breed) together. In this way, we create a digital twin of our physical airport. This view not only includes day-to-day airport operations, but can also be broadened into long-term capacity planning and advanced analytical reports.

11:05 - 11:25

BREAK



11:25

CYBERSECURITY: BUILDING RESILIENCE – LESSONS LEARNED

Roelof-Jan Steenstra, President & CEO, Fort McMurray International Airport, Canada

Cyber threats are a complex and ever-present risk in today's operating environment. No one is completely safe from cyber attacks, including airports. Using the FMAA case as an example, the presentation will explore lessons learned.

11:55

50 SHADES OF PROCESSES

Thomas Framvig, Process Architect, Copenhagen Airports, Denmark

CPH is in the middle of a major ITIL rollout. This session will present the benefit for an airport and how the framework can help with handling new regulations like GDPR and SESAR. Many security issues are handled as well, and all together we will benefit by getting much more consistent IT and supporting safe operations. In short, a way to handle the developing challenges with new regulations and major growth.

12:25

SMART MANAGEMENT OF AIRPORT TROLLEY OPERATIONS, POWERED BY SILICON VALLEY

Domenic Globisch, Project Manager, Stuttgart Airport GmbH, Germany

Most operational segments of airports are highly digitised – but what about niche services such as baggage trolleys in your terminals? Imagine you could monitor the number of trolleys per station, create intelligent routings for your staff to refill these and get real-time reports about utilisation and productivity, while motivating your employees to work even better. Together with the up-and-coming Silicon Valley company Springshot, Stuttgart Airport developed an application to achieve exactly this. Join our talk and let's discuss exciting topics such as simple solutions for niche services, gamification possibilities and transparency.

DAY 3 - THURSDAY 22 MARCH

12.55

INFORMATION AND COMMUNICATIONS TECHNOLOGY STANDARDS - THE '4TH UTILITY' EVOLVES

Vili Antic, Technical Analyst, Vancouver Airport Authority, Canada

Graham Lovely, Associate, MCW Consultants Ltd, Canada
Information and communications technology (ICT) has evolved into one of the most critical aspects of airport infrastructure and requires robust standards and guidelines to complement efficient growth. Airports are continually expanding, and multiple consultants and stakeholders can be involved at different stages of design and construction, often spanning multiple years. ICT systems are rapidly changing and the lines are being progressively blurred between traditional electrical supply and ICT infrastructure. To align with the evolution of ICT as a recognised '4th utility', new approaches are needed by design professionals and airport authorities to stay ahead of the curve.

"It is the best aviation event globally and the only one that covers the complete airport ecosystem, providing a great platform for learning and sharing of knowledge. It has greatly helped in raising the global aviation business standards and performances"

Suresh Khadakbhavi, DGM Innovation Lab, Bangalore International Airport Ltd, INDIA

13.25 - 15.00
LUNCH



YOUR CONFERENCE QUESTIONNAIRE WILL BE SENT TO YOU BY EMAIL TODAY. SEE YOU AT PASSENGER TERMINAL CONFERENCE 2019!

*This programme may be subject to change

"It's been great to see what's happening in the industry and what the future looks like for the big airports"

Normunds Felerbergs, Board Member, Riga International Airport, Latvia

"The strength of the conference was the opportunity to hear from and network with airport executives from all over the globe"

Scott Gibbons, Vice President of Administration, Cincinnati/Northern Kentucky International Airport, USA

"Let me thank you for a great PTE conference in Amsterdam! The outcome was amazing and I am already looking forward to Stockholm!"

Mohamad S Al Agha, Senior Manager IT Business Solutions, Abu Dhabi Airports, UAE

"It was really good to listen to the many speakers from around the world in the same conference event"

Ka Chuen Fung, Senior Manager IT Planning and Strategy, Airport Authority Hong Kong, HONG KONG

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Kimberly J. Becker DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 4/3/2018 RETURN DATE: 4/3/2018 REPORT DUE: 5/3/18
 DESTINATION: Seattle, WA - Meeting with Airline

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SATURDAY	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	\$700.39				4/3/18				0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*									0.00
Hotel*									0.00
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel srvs.)									0.00
Meals (include tips pd.)	Breakfast*								0.00
	Lunch*				23.26				23.26
	Dinner*								0.00
	Other Meals*								0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ^{1*}									0.00
Miscellaneous: Baggage Fee									0.00
									0.00
									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority	700.39	0.00	0.00	0.00	23.26	0.00	0.00	0.00	23.26

Explanation:	Total Expenses Prepaid by Authority	700.39
	Total Expenses Incurred by Employee (including cash advances)	23.26
	Grand Trip Total	723.65
	Less Cash Advance (attach copy of Authority ck)	
	Less Expenses Prepaid by Authority	700.39
	Due Traveler (positive amount)²	
Due Authority (negative amount)³	23.26	
<i>Note: Send this report to Accounting even if the amount is \$0.</i>		

¹ Give names and business affiliations of any persons whose meals were paid by traveler.
² Prepare Check Request
³ Attach personal check payable to SDCRAA

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.
⁴ Travel and Lodging Expense Reimbursement Policy 3.40 ⁵ Business Expense Reimbursement Policy 3.30

Prepared By: Kim Ayers Ext.: 2445
 Traveler Signature: *Kimberly J. Becker* Date: 4/5/18
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 3/27/2018 PLANNED DATE OF DEPARTURE/RETURN: 04/3/2018 / 04/3/2018

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Seattle, WA Purpose: Meeting with Alaska Airlines
Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 500.00
- *RENTAL CAR (Must complete page 2) \$ _____
- OTHER TRANSPORTATION (Taxi, Train) \$ _____

B. LODGING

C. MEALS

D. SEMINAR AND CONFERENCE FEES

E. ENTERTAINMENT (If applicable)

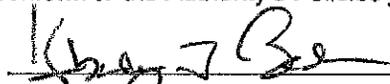
F. OTHER INCIDENTAL EXPENSES

TOTAL PROJECTED TRAVEL EXPENSE

\$ 600.00

*Permitted in limited circumstances; must be pre-approved. Provide a copy of Out-of-Town Travel Request form to Risk Management prior to travel in order to obtain insurance identification card covering rental period.

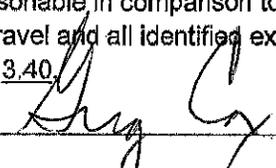
CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 3/27/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature:  Date: 3/07/18

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

_____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.

(Leave blank and we will insert the meeting date.)

Ayers Kim

Subject: Meeting with Alaska Airlines
Location: Seattle HQ
Start: Tue 4/3/2018 1:00 PM
End: Tue 4/3/2018 2:00 PM
Recurrence: (none)
Organizer: Becker Kimberly

Alaska Attendees:

John Kirby
Nicholas Haan
Noah Gronwald
Amy Fuller-Lyman
Shane Jones

TRAVEL EXPENSE RECEIPTS FOR KIMBERLY J. BECKER
AIRLINE MEETING
Seattle, WA
April 3, 2018

BIG FOOT FOOD & SPIRITS
NORTH CONCOURSE
SEATAC AIRPORT
www.bigfootfs.com

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AND SPIRITS
17801 International Blvd
Seatac, WA 98158
206-248-2700

302 HAI L

Tbl 105/2 Chk 4375 Gst 0
Apr03'18 11:10AM

1 SODA 3.41
1 FRENCH DIP 14.55

SUBTOTAL 17.96
TAX 1.80
TOTAL DUE **19.76**

** TRANSACTION RECORD **

Tran. #: 24706
Table #: Tbl 105/2
Check #: 4375
Employee #: 302
Employee Name: HAI L
Workstation #: 0004
Merch. ID: 560000034252
Terminal #: 007
Device ID: 04
Retrieval #: 132500000000

THANK YOU & WE'LL SEE YOU AGAIN!

PRE-AUTH PURCHASE

Questions or Comments? Email Us
info@bigfootfs.com

XXXXXXXXXXXX
MasterCard
Entry Method: Swiped

For your convenience we are
providing the following
gratuity calculations:

15% is \$2.96
18% is \$3.56
20% is \$3.95

Amount \$19.76

Tip: 3.50

TOTAL: 23.26

2018/04/03 11:46:13
00-001 660366
S0001T0004/BIGFTC04

APPROVED 660366

Customer Copy



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700

ADD TO OUTLOOK

Tuesday, 27MAR 2018 02:22 PM EDT

Passengers: KIMBERLY JANE BECKER (06)

Agency Reference Number: IRQEW P

Click here to view your current itinerary or ETicket receipt on-line: tripcase.com

Alaska Airlines Confirmation JKODSQ

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN
 ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO
 EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

AIR	Tuesday, 3APR 2018	
Alaska Airlines	Flight Number: 0471	Class: M-Coach/Economy
From: San Diego CA, USA	Depart: 08:00 AM	
To: Seattle/Tacoma WA, USA	Arrive: 11:00 AM	
Stops: Nonstop	Duration: 3 hour(s) 0 minute(s)	
Seats: 12C	Status: CONFIRMED	Miles: 1038 / 1661 KM
Equipment: Boeing 737 Jet	MEAL: FOOD FOR PURCHASE	
DEPARTS SAN TERMINAL 1		
Frequent Flyer Number: [REDACTED]		
PREMIUM AISLE SEAT CONFIRMED		
Alaska Airlines Confirmation number is JKODSQ		

AIR	Tuesday, 3APR 2018	
Alaska Airlines	Flight Number: 0074	Class: B-Coach/Economy
From: Seattle/Tacoma WA, USA	Depart: 03:50 PM	
To: San Diego CA, USA	Arrive: 06:28 PM	
Stops: Nonstop	Duration: 2 hour(s) 38 minute(s)	
Seats: 12C	Status: CONFIRMED	Miles: 1038 / 1661 KM
Equipment: Boeing 737 Jet	MEAL: FOOD FOR PURCHASE	
ARRIVES SAN TERMINAL 1		
Frequent Flyer Number: [REDACTED]		
PREMIUM AISLE SEAT CONFIRMED		
Alaska Airlines Confirmation number is JKODSQ		

THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR
 THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED
 OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS
 IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE
 YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY.
 ALASKA AIRLINES CONFIRMATION NUMBER - JKODSQ

FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

Ticket for: KIMBERLY JANE BECKER
Date issued: 3/27/2018 Invoice Nbr: 5467036
Ticket Nbr: AS7060601447 Electronic Tkt: Yes Amount: 670.39 USD
Base: 597.20 US Tax: 44.79 USD XT Tax: 28.40 USD
Charged to: AX*****1013

Service fee: KIMBERLY JANE BECKER
Date issued: 3/27/2018
Document Nbr: XD0732768722 Amount: 30.00
Charged to: AX*****1013

Total Tickets: 670.39
Total Fees: 30.00
Total Amount: 700.39

Click here 24 hours in advance to obtain boarding passes:

[ALASKA](#)

Click here to review Baggage policies and guidelines:

[ALASKA](#)

TSA Guidance- a government issued photo id is needed for checkin.
Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.
For Additional security information visit www.tsa.gov.

Thank you for choosing Traveltrust!

Our Business Hours are Sunday - Friday 10pm - 5:30pm Pacific

Saturday from 9am-1pm Pacific.

For EMERGENCY AFTERTHOUS assistance in the US, please call 888-221-6043 and use VIP Code SJE72.

You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.

Each call is billable at a minimum \$25.00 per call/reservation

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Kimberly J. Becker DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 4/9/2018 RETURN DATE: 4/9/2018 REPORT DUE: 5/9/18
 DESTINATION: Sacramento, CA - Legislative Meetings

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SATURDAY	SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	\$519.96			4/9/18					0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*									0.00
Hotel*									0.00
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel srvs.)									0.00
Meals (include tips pd.)	Breakfast*								0.00
	Lunch*			21.13					21.13
	Dinner*			26.03					26.03
	Other Meals*								0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ^{1*}									0.00
Miscellaneous: Baggage Fee									0.00
									0.00
									0.00
*Provide detailed receipts									-0.00
Total Expenses prepaid by Authority	519.96	0.00	0.00	47.16	0.00	0.00	0.00	0.00	47.16

Explanation:	Total Expenses Prepaid by Authority	519.96
	Total Expenses Incurred by Employee (including cash advances)	47.16
	Grand Trip Total	567.12
	Less Cash Advance (attach copy of Authority ck)	
	Less Expenses Prepaid by Authority	519.96
	Due Traveler (positive amount)²	47.16
	Due Authority (negative amount)³	47.16
<i>Note: Send this report to Accounting even if the amount is \$0.</i>		

¹ Give names and business affiliations of any persons whose meals were paid by traveler.
² Prepare Check Request
³ Attach personal check payable to SOCRAA

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Kim Ayers Ext.: 2445
 Traveler Signature: Kimberly J. Becker Date: 4/11/18
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700



Friday, 6APR 2018 07:05 PM EDT

Passengers: KIMBERLY JANE BECKER (06)

Agency Reference Number: OHCLBM

Click here to view your current itinerary or ETicket receipt on-line: tripcase.com

Southwest Airlines Confirmation J88234

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN
 ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO
 EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

AIR	Monday, 9APR 2018	
Southwest Airlines	Flight Number: 1843	Class: K-Business Select
From: San Diego CA, USA	Depart: 07:20 AM	
To: Sacramento CA, USA	Arrive: 08:55 AM	
Stops: Nonstop	Duration: 1 hour(s) 35 minute(s)	
	Status: CONFIRMED	Miles: 468 / 749 KM
Equipment: Boeing 737-700 Jet		
DEPARTS SAN TERMINAL 1 - ARRIVES SMF CENTRAL TERMINAL B		
RAPID REWARDS ██████████		
ECONOMY CLASS-BUSINESS SELECT CONFIRMED		
Southwest Airlines Confirmation number is J88234		

AIR	Monday, 9APR 2018	
Southwest Airlines	Flight Number: 0887	Class: K-Business Select
From: Sacramento CA, USA	Depart: 06:45 PM	
To: San Diego CA, USA	Arrive: 08:10 PM	
Stops: Nonstop	Duration: 1 hour(s) 25 minute(s)	
	Status: CONFIRMED	Miles: 468 / 749 KM
Equipment: Boeing 737-700 Jet		
DEPARTS SMF CENTRAL TERMINAL B - ARRIVES SAN TERMINAL 1		
RAPID REWARDS ██████████		
ECONOMY CLASS-BUSINESS SELECT CONFIRMED		
Southwest Airlines Confirmation number is J88234		

A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN
 UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND.
 SOUTHWEST AIRLINES CONFIRMATION NUMBER - J88234
 FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

Ticket for: KIMBERLY JANE BECKER
Ticket Nbr: WN1432633938 Electronic Tkt: No Amount: 489.96
Base: 429.36 Tax: 60.60
Charged to: AX*****1013

Service fee: KIMBERLY JANE BECKER
Date issued: 4/6/2018
Document Nbr: XD0733336987 Amount: 30.00
Charged to: AX*****1013

Total Tickets: 489.96
Total Fees: 30.00
Total Amount: 519.96

Click here 24 hours in advance to obtain boarding passes:

[SOUTHWEST](#)

Click here to review Baggage policies and guidelines:

[SOUTHWEST](#)

TSA Guidance- a government issued photo id is needed for checkin.
Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.
For Additional security information visit www.tsa.gov.

Thank you for choosing Traveltrust!

Our Business Hours are Sunday - Friday 10pm - 5:30pm Pacific

Saturday from 9am-1pm Pacific.

For EMERGENCY AFTERTHOUS assistance in the US, please call 888-221-6043 and use VIP Code SJE72.

You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.

Each call is billable at a minimum \$25.00 per call/reservation

TRAVEL EXPENSE RECEIPTS FOR KIMBERLY J. BECKER
LEGISLATIVE MEETINGS
Sacramento, CA
April 9, 2018

4/9/18

FRANK FATS
www.frankfats.com
806 L Street
Sacramento, CA 95814
(916) 442-7092

FRANK FATS
www.frankfats.com
806 L Street
Sacramento, CA 95814
(916) 442-7092

Server: Ngoc 04/09/2018
11/2 12:51 PM
Guests: 8

Server: Ngoc DDB: 04/09/2018
12:55 PM 04/09/2018
11/2 3/30009

#30009

SALE

Sang Gai Shee Chow Mein 16.75
Subtotal 16.75
Tax 1.38
Total 18.13

MC 3145736
Card #XXXXXXXXXXXX [REDACTED]
Magnetic card present: BECKER KIMBERLY J
Card Entry Method: S
Approval: 654322

Balance Due 18.13

Amount: \$18.13

THANK YOU! From the Staff
and the Fat Family
Suggested Gratuity
(22%)= 3.69
(20%)= 3.35
(18%)= 3.02

+ Tip: 2
= Total: 21.13

I agree to pay the above
total amount according to the
card issuer agreement.

X Kimberly J. Becker

THANK YOU! From the Staff
and the Fat Family
Suggested Gratuity
(22%)= 3.69
(20%)= 3.35
(18%)= 3.02

LUNCH

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY (SDCRAA)
SACRAMENTO MEETING SCHEDULE**

APRIL 9th and 10th 2018

DATE	TIME	MEETING	LOCATION
Mon. April 9	10:00 AM	Asm. Randy Voepel (R) AD 71	Room 4009
	11:30 AM	Asm. Marie Waldron's (R) Chief of Staff Jayme Chick and Local Govt. Staffer Elizabeth Enea AD 75	Room 4130
	1:15 PM	Asm. Anna Caballero's (D) Staff Enedina Garcia AD 30	Room 5158
	1:45 PM	Asm. Ken Cooley's (D) Staff Brian Repicky AD08	Room 3013
	3:45 PM	Asm. Brian Maienschein (R) AD 77	Room 4139
	4:15 PM	Asm. Tom Lackey (R) AD 36	Room 2174
Tues. April 10			

- o Pending Meetings to Set: Assemblymembers – Cecilia Aguiar-Curry, Richard Bloom.

APRIL BOLING

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT - Board Members
(To be completed within 30 days from travel return date)**

Board member name: C. April Boling Departure Date: 4/9/2018 Return Date: 4/9/2018 Report Due: 5/9/18
 Destination: Sacramento, CA

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

Business Expense Reimbursement Policy 3.30 ⁴ Travel and Lodging Expense Reimbursement Policy 3.40

	Authority Expenses (Prepaid by Authority)	Board Member Expenses							TOTALS
		SUNDAY	MONDAY 4/9/18	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	
Daily Per Diem Limitations:									
GSA Daily Hotel Rate or Conference Hotel Rate									
GSA Daily Meals, Entertainment & Incidentals (M&I)			64.00						
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)			519.96						519.96
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car									0.00
Gas and Oil									0.00
Garage/Parking									0.00
Mileage - attach mileage form									0.00
Taxi/Shuttle Fare (include tips pd.) To/From meetings, airport, etc.									0.00
Hotel - Actual Expense Paid - Excluding Taxes									0.00
Allowable Hotel (Lessor of Actual or GSA Allowance)		0.00	0.00	0.00	0.00				0.00
Hotel Taxes Paid									0.00
Telephone, Internet and Fax									0.00
Laundry									0.00
Meals, Entertainment & Incidentals (M,E&I)									
Meals (include tips pd.)	Breakfast								
	Lunch		20.50						
	Dinner								
	Other Meals								
Entertainment (Hospitality)									
Tips Paid to Maids, Bellhops and other hotel servers									
Taxi/Shuttle Fare (include tips pd.) To/from meal destinations									
Total Meals, Entertainment & Incidentals		0.00	20.50	0.00	0.00	0.00	0.00	0.00	0.00
GSA Allowance for M,E&I (from above)		0.00	64.00	0.00	0.00	0.00	0.00	0.00	0.00
Allowable M,E&I (Lessor of Actual or GSA Allowance)		0.00	20.50	0.00	0.00	0.00	0.00	0.00	20.50
Alcohol is a non-reimbursable expense									0.00
Miscellaneous:									0.00
									0.00
									0.00
Total Expenses	0.00	0.00	540.46	0.00	0.00	0.00	0.00	0.00	540.46

Grand Trip Total	540.46
Less Cash Advance (attach copy of Authority ck)	
Less Expenses Prepaid by Authority	0.00
Due Traveler - if positive amount, prepare check request	
Due Authority - if negative, attach check payable to SDCRAA	540.46

Note: Send this report to Accounting even if the amount is \$0.

Alcohol is a non-reimbursable expense
 Give names and business affiliations of all persons whose meals were paid by traveler.
 Failure to attach required documentation will result in the delay of processing reimbursement. If you have any

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Linda Gehlken Ext.: x2557
 Traveler Signature: [Signature] Date: 4/13/18
 Administrator's signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be completed by Clerk)

I, _____ hereby certify that this document was approved by the Executive Committee at it's meeting on _____
 Clerk Signature: _____ Date: _____

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40 use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: C. April Boling Dept: 02-Board

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 4/6/18 **PLANNED DATE OF DEPARTURE/RETURN:** 4/9/18 / 4/9/18

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: Sacramento, CA Purpose: Legislative Meeting
Explanation: Meet with legislative officials

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$	500.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	50.00
B. LODGING	\$	
C. MEALS	\$	50.00
D. SEMINAR AND CONFERENCE FEES	\$	
E. ENTERTAINMENT (if applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	
TOTAL PROJECTED TRAVEL EXPENSE	\$	600.00

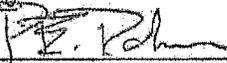
CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business. ↘

Travelers Signature:  Date: 4/13/18

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature:  Date: 4/6/18

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting,
(Leave blank and we will insert the meeting date.)



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700



Friday, 6APR 2018 07:37 PM EDT

Passengers: CATHERINE APRIL BOLING (06)

Agency Reference Number: LSBTIW

Click here to view your current itinerary or ETicket receipt on-line: tripcase.com

Southwest Airlines Confirmation JAE62W

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN
 ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO
 EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

AIR	Monday, 9APR 2018	
Southwest Airlines	Flight Number: 1843	Class: K-Business Select
From: San Diego CA, USA	Depart: 07:20 AM	
To: Sacramento CA, USA	Arrive: 08:55 AM	
Stops: Nonstop	Duration: 1 hour(s) 35 minute(s)	
	Status: CONFIRMED	Miles: 468 / 749 KM
Equipment: Boeing 737-700 Jet		
DEPARTS SAN TERMINAL 1 - ARRIVES SMF CENTRAL TERMINAL B		
RAPID REWARDS ██████████		
ECONOMY CLASS-BUSINESS SELECT CONFIRMED		
Southwest Airlines Confirmation number is JAE62W		

AIR	Monday, 9APR 2018	
Southwest Airlines	Flight Number: 0887	Class: K-Business Select
From: Sacramento CA, USA	Depart: 06:45 PM	
To: San Diego CA, USA	Arrive: 08:10 PM	
Stops: Nonstop	Duration: 1 hour(s) 25 minute(s)	
	Status: CONFIRMED	Miles: 468 / 749 KM
Equipment: Boeing 737-700 Jet		
DEPARTS SMF CENTRAL TERMINAL B - ARRIVES SAN TERMINAL 1		
RAPID REWARDS ██████████		
ECONOMY CLASS-BUSINESS SELECT CONFIRMED		
Southwest Airlines Confirmation number is JAE62W		

A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN
 UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND,
 SOUTHWEST AIRLINES CONFIRMATION NUMBER - JAE62W
 FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

Ticket for: CATHERINE APRIL BOLING
Ticket Nbr: WN1432634122 Electronic Tkt: No Amount: 489.96
Base: 429.36 Tax: 60.60
Charged to: VI*****[REDACTED]

Service fee: CATHERINE APRIL BOLING
Date issued: 4/6/2018
Document Nbr: XD0733336994 Amount: 30.00
Charged to: VI*****[REDACTED]

Total Tickets: 489.96
Total Fees: 30.00
Total Amount: 519.96

Click here 24 hours in advance to obtain boarding passes:
[SOUTHWEST](#)

Click here to review Baggage policies and guidelines:
[SOUTHWEST](#)

TSA Guidance- a government issued photo Id is needed for checkin.
Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.
For Additional security information visit www.tsa.gov.

Thank you for choosing Traveltrust!
Our Business Hours are Sunday - Friday 10pm - 5:30pm Pacific
Saturday from 9am-1pm Pacific.
For EMERGENCY AFTERTHOUS assistance in the US, please call 888-221-6043 and use VIP Code SJE72.
You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.
Each call is billable at a minimum \$25.00 per call/reservation

SOUTHWEST AIRLINES CONFIRMATION NUMBER - JAE62W
FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

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TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

AIR	Monday: 8 APR 2018			

Southwest Airlines

From: San Diego CA, USA

To: Sacramento CA, USA

Stops: Nonstop

Flight Number: 1843

Depart: 07:20 AM

Arrive: 08:55 AM

Duration: 1 hour(s) 35 minute(s)

Status: CONFIRMED

Class: K-Business Select

Miles: 468 / 749 KM

Equipment: Boeing 737-700 Jet

DEPARTS SAN TERMINAL 1 - ARRIVES SMF CENTRAL TERMINAL B

RAPID REWARDS [REDACTED]

ECONOMY CLASS-BUSINESS SELECT CONFIRMED

Southwest Airlines Confirmation number is JAE62W

AIR	Monday: 8 APR 2018			

Southwest Airlines

From: Sacramento CA, USA

To: San Diego CA, USA

Stops: Nonstop

Flight Number: 0887

Depart: 06:45 PM

Arrive: 08:10 PM

Duration: 1 hour(s) 25 minute(s)

Status: CONFIRMED

Class: K-Business Select

Miles: 468 / 749 KM

Equipment: Boeing 737-700 Jet

DEPARTS SMF CENTRAL TERMINAL B - ARRIVES SAN TERMINAL 1

RAPID REWARDS [REDACTED]

ECONOMY CLASS-BUSINESS SELECT CONFIRMED

Southwest Airlines Confirmation number is JAE62W

A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND.

Lunch

FRANK FATS
www.frankfats.com
806 L Street
Sacramento, CA 95814
(916) 442-7092

Server: Ngoc
12:54 PM
11/3

DOB: 04/09/2018
04/09/2018
3/30010

SALE

VISA 3145735
Card #XXXXXXXXXX
Magnetic card present: COLING C
Card Entry Method: S

Approval: 05754G

Amount: \$17.00
+ Tip: 3.50
= Total: 20.50

I agree to pay the above
total amount according to the
card issuer agreement.

X

THANK YOU! From the Staff
and the Fat Family
Suggested Gratuity
(22%)= 3.45
(20%)= 3.14
(18%)= 2.83

>Rest

FRANK FATS
www.frankfats.com
806 L Street
Sacramento, CA 95814
(916) 442-7092

Server: Ngoc 04/09/2018
11/3 12:51 PM
Guests: 8

#30010

Szechuan Eggplant 11.95
Lemonade 3.75

Subtotal 15.70
Tax 1.30

Total 17.00

Balance Due 17.00

THANK YOU! From the Staff
and the Fat Family
Suggested Gratuity
(22%)= 3.45
(20%)= 3.14
(18%)= 2.83

7
3.50



FY 2018 Per Diem Rates for Sacramento, California

(October 2017 - September 2018).

Cities not appearing below may be located within a county for which rates are listed.

To determine what county a city is located in, visit the National Association of Counties (NACO) website (a non-federal website).

October 2017 - September 2018 The following rates apply for **Sacramento, California**. Max lodging by month (excluding taxes.) The last column is the Meals and Incidental Expense (M&IE) rate.

Primary Destination (1, 2)	County (3, 4)	2017			2018									M&IE (5)	
		Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep		
Sacramento	Sacramento	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$128	\$64

Footnotes

1. Traveler reimbursement is based on the location of the work activities and not the accommodations, unless lodging is not available at the work activity, then the agency may authorize the rate where lodging is obtained.
2. Unless otherwise specified, the per diem locality is defined as "all locations within, or entirely surrounded by, the corporate limits of the key city, including independent entities located within those boundaries."
3. Per diem localities with county definitions shall include "all locations within, or entirely surrounded by, the corporate limits of the key city as well as the boundaries of the listed counties, including independent entities located within the boundaries of the key city and the listed counties (unless otherwise listed separately)."
4. When a military installation or Government-related facility (whether or not specifically named) is located partially within more than one city or county boundary, the applicable per diem rate for the entire installation or facility is the higher of the rates which apply to the cities and/or counties, even though part(s) of such activities may be located outside the defined per diem locality.
5. *Meals and Incidental Expenses*, see Breakdown of M&IE Expenses for important information on first and last days of travel.