



SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY
STAFF REPORT

Item No.
1

Meeting Date: June 27, 2011

Subject:

Discussion and Possible Action Regarding Minimum Ground Transportation Fees

Recommendation:

Provide direction to staff.

Background/Justification:

During consideration of the Fiscal Year 2012 Operating Budget on June 2, 2011, the Board had discussions regarding the minimum permit fee as it relates to the Comprehensive Ground Transportation Management Plan Cost Recovery Fees, which were adopted by the Board at its January 7, 2010, and March 4, 2010, meetings. The Board further directed that an item be placed on a June 27, 2011 Special Board meeting agenda to discuss the structure and minimum rate for the Cost Recovery Fees.

Attached to this Staff Report is Resolution #2010-0027R, adopted by the Board at its March 4, 2010, meeting (Attachment 1), along with the San Diego County Regional Airport Authority Ground Transportation Vehicle Conversion Incentive-Based Program, which was attached and incorporated by reference to Resolution #2010-0027R. This resolution and its attachment detail the Ground Transportation Cost Recovery Fees and the Air Quality Management Program incentives. Specifically, the Fiscal Year 2011 and 2012 fees are described in detail in Exhibit A to the attachment. Also attached is Resolution #2010-0006 (Attachment 2), which authorized and directed implementation of the Cost Recovery Fees.

Based on comments by Board members at the June 2, 2011, Special Board meeting, staff has developed a short presentation that presents two options: A) the current Cost Recovery Fee Structure with no minimum fee for charter vehicles, e.g. (limousines) (status quo); and B) an alteration to the current Implementation Schedule, which instead imposes a \$200 minimum fee for all vehicle modes the Cost Recovery program.

Fiscal Impact:

If the Board decides to adopt Option B, cost recovery revenue from the charter permits will double from \$72,100 to \$144,200. The allocated cost recovery amount for the charter vehicle mode is \$73,651.

Environmental Review:

- A. This Board action, as an administrative 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. Pub. Res. Code §30106.

Equal Opportunity Program:

Not applicable.

Prepared by:

VERNON EVANS
VICE PRESIDENT, FINANCE/TREASURER

RESOLUTION NO. 2010-0027R

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING THE IMPLEMENTATION OF A PUBLIC COMMERCIAL GROUND TRANSPORTATION VEHICLE CONVERSION INCENTIVE-BASED PROGRAM PURSUANT TO THE MEMORANDUM OF UNDERSTANDING WITH THE CALIFORNIA ATTORNEY GENERAL.

WHEREAS, the Board of the San Diego County Regional Airport Authority (Authority) has previously approved an Air Quality Management Plan (AQMP) and has requested staff to prepare a public commercial ground transportation vehicle conversion incentive-based program to be presented for Board approval in order to meet the requirements of the Memorandum of Understanding (MOU) with the California Attorney General regarding Greenhouse Gas Emissions; and

WHEREAS, the MOU contains a mandatory conversion program that requires 100% of all existing shuttle vehicles operating at San Diego International Airport (Airport) to be converted to alternative fuels by January 1, 2015, and does not specify a compliance date for an incentive-based program; and

WHEREAS, based on an extension granted by the California Attorney General, the staff has prepared and submitted to the Board for its consideration a proposed incentive program (Incentive Program) to be approved and adopted no later than March 5, 2010; and

WHEREAS, the Incentive Program requires the conversion of petroleum fueled vehicles to alternative fuel vehicles (AFV) or clean air vehicles (CAV) by 2017, said conversion being applicable to the public commercial ground transportation vehicles serving the Airport, and

WHEREAS, the Incentive Program includes a requirement for the staff to reassess the feasibility of the Incentive Program annually; and

WHEREAS, the Incentive Program includes taxicabs within the definition of public commercial ground transportation vehicles; and

WHEREAS, the Incentive Program sets a standard vehicle age policy of seven (7) years and makes it applicable to all public commercial ground transportation shuttle vehicles, including hotel/motel courtesy and off-airport parking shuttles; and

WHEREAS, as part of the Incentive Program, hotel/motel courtesy and off-airport parking shuttle fleets are encouraged to consolidate into single operations through the offer of reduced user fees for ALVs and CAVs; and

WHEREAS, the Incentive Program provides reduced user fees (i.e., annual flat rates and/or trip fees) for ALVs and CAVs, but increased user fees for non-ALVs and non-CAVs; and

WHEREAS, the Authority conducted numerous public meetings and hearings regarding the AQMP and proposed Incentive Program, inviting the participation and input of all airport public commercial ground transportation providers including, but not limited to the off-airport parking shuttle providers, hotel/motel shuttle providers, door-to-door shuttle operators, limousine operators, taxicab operators, and others; and

WHEREAS, the public meetings and hearings held, including Board and Board committee public meetings, provided an open and continuous dialogue, outreach and coordination effort during the planning and development of the AQMP and the Incentive Program; and

WHEREAS, Authority staff has investigated the state of the industry with regard to the availability of AFVs and CAVs and will continue to provide current manufacturer contacts, information, data and specifications to the public commercial ground transportation providers that request assistance regarding AFVs and CAVs; and

WHEREAS, Authority staff believes the fees, incentives and other provisions of the Incentive Program to achieve a replacement of petroleum fueled vehicles operating at the Airport (a) are reasonable, equitable and non-discriminatory, (b) fairly address the investments made by airport ground transportation providers, (c) balance competition factors among operators, (d) provide sufficient time for the amortization of investments, and (e) attain the objective of reducing air pollution caused by airport public ground transportation vehicles servicing the Airport and airport passengers; and

WHEREAS, Authority staff believes the Incentive Program complies with the requirements set forth in the Attorney General's MOU and by implementation and enforcement of the Incentive Program the Authority will achieve a reduction in greenhouse gas emissions in Southern California; and

WHEREAS, the staff recommends that the Incentive Program be incorporated into the AQMP which was previously approved and adopted by the Board on January 7, 2010; and

WHEREAS, the Board has considered the information provided by staff, including information in the staff report and other relevant materials regarding the project; and

WHEREAS, prior to the approval of the Incentive Program, the Board provided an opportunity for interested members of the public to comment and present further information regarding this matter;

NOW, THEREFORE, BE IT RESOLVED that the Board hereby FINDS, after considering the evidence presented and the reports provided, that the Incentive Program will achieve its intended goal to reduce greenhouse gas emissions in the region, is reasonable in scope and effect, imposes non-discriminatory incentives and disincentives, imposes reasonable fees and incentives, and ensures the public commercial ground transportation industry serving the Airport can continue to economically provide public transportation services; and

BE IT FURTHER RESOLVED that the Board hereby APPROVES and ADOPTS the Public Commercial Ground Transportation Vehicle Conversion Incentive –Based Program (Attachment A) in accordance with the terms and conditions of the MOU with the California Attorney General

BE IT FURTHER RESOLVED that the President/CEO is hereby AUTHORIZED to adopt further rules and regulations as terms and conditions of the Authority's licenses, permits and contracts with the public commercial ground transportation providers serving the Airport and to take such other actions as are necessary to enforce the Incentive Program; and

BE IT FURTHER RESOLVED that this Board action is not a "project" as defined by the California Environmental Quality Act (CEQA). Cal. Pub. Res. Code §21065, and

BE IT FURTHER RESOLVED that this Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

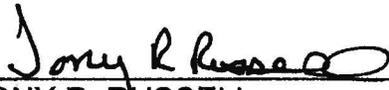
PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of March, 2010, by the following vote:

AYES: Board Members: Boland, Cox, Davies, Desmond,
Finnila

NOES: Board Members: Gleason, Panknin, Smisek

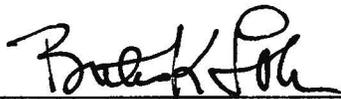
ABSENT: Board Members: Young

ATTEST:



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL



San Diego County Regional Airport Authority
Air Quality Management Plan

San Diego County Regional Airport Authority Ground Transportation Vehicle Conversion Incentive-Based Program

The San Diego County Regional Airport Authority (Authority) has developed this Ground Transportation Vehicle Conversion Incentive-Based Program (Incentive Program) to set incentives for public commercial ground transportation service providers operating at San Diego International Airport (Airport) to convert their current vehicles to alternative fuel vehicles (AFV)s as specified in Governor's Executive Order S-01-07, or to Clean Air Vehicles (CAV)s as specified in the California Vehicle Code §5205.5. The goal of this Incentive Program is to convert 100% of the public commercial ground transportation vehicles operating at the Airport to AFVs or CAVs by 2017.

In order to meet this goal, the Authority will track vehicle conversions and reassess the Incentive Program on an annual basis.

I. Regulatory Background

On May 5, 2008, the Authority entered into a Memorandum of Understanding (MOU) with the Attorney General of the State of California to address the reduction of greenhouse gas (GHG) emissions at the Airport. MOU Specific Measure 2b states:

"The Airport will implement one of the following alternatives at its discretion:

i. By January 1, 2010, before the first elements of the AMP construction will be placed into service, the Airport will implement an incentive-based program to induce every operator of a shuttle service (e.g., hotel, door-to-door, parking) on the Airport to replace its existing shuttle vehicles which such operator at that time owns or operates with electric or alternative fuel shuttle vehicles upon the completion of the useful life of such existing shuttle vehicles.

ii. As an alternative to such an incentive-based program, by January 1, 2010, the Airport shall impose a requirement on every operator of a shuttle service on the Airport to replace its existing shuttle vehicles which such operator then owns or operates with electric or alternative fuel shuttle vehicles in accordance with the following provisions, to the extent permitted by federal law:

- 1. Operators that own and operate from 1 to 3 shuttles shall replace all existing vehicles by January 1, 2015.**



2. Operators that own and operate 4 or more shuttles:
 - a. January 1, 2012: 25% existing vehicles.
 - b. January 1, 2013: 50% of existing vehicles.
 - c. January 1, 2014: 75% of existing vehicles.
 - d. January 1, 2015: 100% of existing vehicles."

Based on feedback from ground transportation providers, the Authority elected to develop an incentive-based vehicle conversion program to meet the requirements of MOU Specific Measure 2b.

An "**alternative fuel vehicle**" is specifically defined in Section 2.a.i of the MOU as "a vehicle that runs on an energy source, fuel or blend of fuels that achieves a reduction of at least 10 percent carbon intensity relative to petroleum fuel, as contained in Governor Schwarzenegger's Executive Order S-01-07."

After consultation with the Attorney General, the Authority also allows a "**Clean Air Vehicle**" to qualify as an "alternative fuel vehicle" (AFV). A Clean Air Vehicle (CAV) would meet the criteria for a low-emission vehicle as defined in the California Vehicle Code §5205.5, Low Emission Vehicle Identification for High-Occupancy Vehicle Lane Use.

II. General Incentive Program Provisions

Applicability

The Incentive Program is applicable to all public commercial ground transportation providers operating at the Airport. These ground service transportation providers include, but are not limited to, the following:

- Taxicabs
- Vehicles for Hire (Door-to-door shuttles)
- Hotel/Motel shuttles
- Off-airport Parking Shuttles
- Charter Vehicles (Limousines)

The specific incentive program provisions, as they relate to the above-mentioned public commercial ground transportation providers, are presented in Exhibit A.

Rental car shuttles holding Airport concession agreements and who are participants in the Consolidated Rental Car Facility (CONRAC) – once constructed – will not be subject to the Incentive Program. This exemption is based on the current plan that the Authority will build and operate a CONRAC as well as provide consolidated shuttle



services using alternative fuel vehicles. Once the CONRAC has been constructed and concessionary agreements established, in the event that there are non-participating rental car shuttle operators, they shall be subject to the Incentive Program.

Vehicle Incentive Program Requirements

The following are the requirements of the Incentive Program:

1. Standardized Age Replacement Policy
2. Hotel/Motel Shuttle Consolidation Incentive Program
3. Conversion Incentives
4. Non-Conversion Fees

Standardized Age Replacement Policy

The Authority is standardizing its age replacement policy as part of the Incentive Program. Taxicabs and door-to-door shuttles are currently required to be replaced if they are over seven (7) years in age [refer to SDCRAA Code Article 9, Part 9.1, Section 9.12 (a) 4]. The revised age replacement policy in this program mandates that all ground transportation vehicles be replaced no later than every seven (7) years, based on vehicle model year.

Hotel/Motel Consolidation Incentive Program

A program to encourage and reward the consolidation of shuttle vehicles servicing hotels and motels is included as part of the Incentive Program. This program further reduces the percentage of annual fees or future trip charge fees if a hotel/motel elects to consolidate its shuttle services with at least one additional hotel or motel. The discounted rate only applies to the dedicated hotel/motel shuttle vehicle providing the service, not to the entire fleet of vehicles owned and operated by the provider. The discounted rate structure is as follows:

2-3 Operators	50% rate decrease
4-5 Operators	75% rate decrease
6+ Operators	100% rate decrease

Furthermore, this consolidation incentive with its discounted rate structure only applies to AFVs or CAVs. Hotel/motel shuttles continuing to operate on non-alternative fuels remain subject to Airport environmental annual fees and trip charges, subject to increased ground transportation permit/trip fees.



Conversion Incentives

The Incentive Program includes incentives to ground transportation providers that use AFVs or CAVs. The incentives consist of a reduction in fees per year based on a percentage of the Ground Transportation Schedule of Annual Permit/Trip Fees, set by the Authority. The reduction in annual user fee and trip charges decreases over time as the availability of alternative fuel vehicles become more prevalent. The following illustrates the percent reduction in fees and charges for the following fiscal years:

Fiscal Year 2011	100% reduction in ground transportation permit/trip fees
Fiscal Year 2012	100% reduction in ground transportation permit/trip fees
Fiscal Year 2013	75% reduction in ground transportation permit/trip fees
Fiscal Year 2014	50% reduction in ground transportation permit/trip fees
Fiscal Year 2015	25% reduction in ground transportation permit/trip fees
Fiscal Year 2016	10% reduction in ground transportation permit/trip fees
Fiscal Year 2017	0% reduction in ground transportation permit/trip fees
Fiscal Year 2018	0% reduction in ground transportation permit/trip fees

Non-Conversion Penalties

In addition to the incentives offered, the Incentive Program includes fee increases for non-AFVs or non-CAVs operating at the Airport. As detailed below, penalties increase in the future as AFVs, CAVs and infrastructure become more available. By charging monetary penalties rather than mandating conversion, shuttle operators may still opt to use petroleum based vehicles, but at higher fees.

Fiscal Year 2011	0% increase in ground transportation permit/trip fees
Fiscal Year 2012	0% increase in ground transportation permit/trip fees
Fiscal Year 2013	25% increase in ground transportation permit/trip fees
Fiscal Year 2014	50% increase in ground transportation permit/trip fees
Fiscal Year 2015	75% increase in ground transportation permit/trip fees
Fiscal Year 2016	100% increase in ground transportation permit/trip fees
Fiscal Year 2017	150% increase in ground transportation permit/trip fees
Fiscal Year 2018	200% increase in ground transportation permit/trip fees

III. Annual Vehicle Incentive Program Review

The Incentive Program shall be reviewed annually to determine if the program requirements are effective in helping the Authority achieve its goal of 100% conversion of ground transportation vehicles to AFVs by 2017. Each requirement shall be reviewed



San Diego County Regional Airport Authority
Air Quality Management Plan

to determine if adjustments are necessary. This may include increasing or decreasing rates, adjusting age requirements, or offering additional incentives to stakeholders.

In addition, economic and infrastructure developments associated with AFV conversions, including the availability of publicly accessible alternative fuel stations, shall be assessed annually and the Incentive Program adjusted accordingly to address financial and technological feasibility factors.

DRAFT



EXHIBIT A

Specific Incentive Program Provisions

The following describes the effect of the Ground Transportation Vehicle Conversion Incentive-Based Program (Incentive Program) and the Ground Transportation Schedule of Annual Permit Fees (Permit Fees) on the various commercial public ground transportation vehicles operating at San Diego International Airport:

Taxicabs

Permit Fees: Each taxicab operating at the Airport must pay an annual fee of \$500 and a \$1.00 trip fee in fiscal year 2011. For fiscal year 2012, the annual fee will increase to a \$1,000 and the trip fee will be \$2.00.

Incentive Program: Each taxicab operating a qualified AFV or CAV pays no annual fees or trip fee charges in fiscal years 2011 and 2012. Starting in fiscal year 2013, the incentive for operating an AFV or CAV is a percentage decrease in both the annual fee and trip fee, as specified in the Incentive Program. Taxicabs that are not AFVs or CAVs are required to pay a non-conversion penalty.

Vehicles for Hire (Door-to-Door Shuttles)

Permit Fees: Each vehicle for hire (door-to-door shuttle) operating at the Airport must pay an annual fee of \$700 in fiscal year 2011 and \$1,400 in fiscal year 2012.

Incentive Program: A vehicle for hire operating a qualified AFV or CAV pays no annual fees in fiscal years 2011 and 2012. Starting in fiscal year 2013, the incentive for operating an AFV or CAV is a percentage decrease in the annual fee, as described in the Incentive Program. Vehicles for hire that are not AFVs or CAVs are required to pay a non-conversion penalty.

Off-Airport Parking Vehicles

Permit Fees: Each off-airport parking shuttle operating at the Airport pays an annual fee of \$2,450 in Fiscal Year 2011 and \$4,900 in fiscal year 2012.

Incentive Program: An off-airport parking vehicle that meets the definition of an AFV or CAV pays no annual fee in fiscal years 2011 and 2012. Starting in fiscal year 2013, the incentive for operating an AFV or CAV is a percentage decrease of the annual fee, as described in the vehicle conversion policy. An off-airport parking vehicle not meeting



the definition of an AFV or CAV is required to pay a non-conversion penalty. Off-airport parking vehicles are covered under the age replacement policy, requiring vehicle replacement not later than every seven (7) years, based on the model year.

Hotel Motel Shuttle Vehicles

Permit Fees: Each hotel/motel shuttle vehicle operating at the Airport pays an annual fee of \$600 in fiscal year 2011 and \$1,200 in fiscal year 2012.

Incentive Program: A hotel/motel shuttle vehicle meeting the definition of an AFV or CAV pays no annual fee in fiscal years 2011 and 2012. Starting in fiscal year 2013, the incentive for operating an AFV or CAV is a percentage decrease of the annual fee, as described in the vehicle conversion policy. A hotel/motel shuttle vehicle not meeting the definition of an AFV or CAV is required to pay a non-conversion penalty.

In an effort to reduce traffic through consolidation, any AFV or CAV hotel/motel dedicated shuttle vehicle that services more than two hotels receives a rate decrease as specified in the policy. Hotel/motel shuttle vehicle are covered under the age replacement policy, requiring vehicle replacement not later than every seven (7) years, based on the model year.

Charter Vehicles (Limousines)

Permit Fees: Each charter vehicle operating at the Airport pays an annual fee of \$50 in fiscal year 2011 and \$100 in fiscal year 2012.

Incentive Program: A charter vehicle operating a qualified AFV or CAV pays no annual fee in fiscal years 2011 and 2012. Starting in fiscal year 2013, the incentive for operating an AFV or CAV is a percentage decrease of the annual fee, as described in the Incentive Program. A charter vehicle not qualifying as an AFV or CAV is required to pay a non-conversion penalty as specified in the policy.

A charter vehicle is covered under the age replacement policy, requiring vehicle replacement not later than every seven (7) years, based on the model year.

Rental Car Shuttles

Rental car shuttles are not subject to the Incentive Program provided the rental car company operating the shuttle enters a CONRAC concession agreement with the Authority. This exemption is based on a plan that the Authority will construct a CONRAC and operate a single consolidated shuttle service to and from the CONRAC.

RESOLUTION NO. 2010-0006

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING THE IMPLEMENTATION OF THE COMPREHENSIVE GROUND TRANSPORTATION MANAGEMENT PLAN

WHEREAS, San Diego International Airport (SDIA) is the primary commercial airport serving the air transportation needs of the people and businesses in the San Diego region; and

WHEREAS, the services provided at SDIA facilitate the movement of people and products, and help to ensure that the region remains competitive in the global marketplace; and

WHEREAS, the San Diego County Regional Airport Authority (Authority) is responsible for providing and maintaining safe and efficient roadway access for public, commercial and maintenance vehicle use to ensure that aviation needs of the region are met; and

WHEREAS, the Authority has the obligation under state and federal law to regulate vehicle traffic in and around the airport and be as financially self-sufficient as possible; and

WHEREAS, the Authority's incurred costs in fiscal year 2009 of \$9,182,000 for planning, capital improvement, management, maintenance and traffic enforcement of the airport roadway system; and

WHEREAS, the Authority has developed a Comprehensive Ground Transportation Management Plan (CGTMP), which intends to guide operational and management decisions for ground transportation components at the airport over the next five years; and

WHEREAS the overall approach for constructing the CGTMP included reviewing Airport documents related to ground transportation, interviewing key stakeholders, reviewing operational and financial conditions, analyzing recent historical operations, determining and analyzing operational and financial requirements of ground transportation components; and

WHEREAS, development of the CGTMP incorporates the Board's goals of:

- Movement of people efficiently, safely and in a cost effective manner with an emphasis on customer service
- Traffic mitigation to improve efficiency of travel into and around SDIA
- Optimize revenue from airport ground transportation facilities
- Reduce environmental/greenhouse emissions
- Ensure synergies with Destination Lindbergh and that plans can be easily changed to adapt to any future development on the north-side of the airfield.

WHEREAS, the Authority has prepared an Air Quality Management Plan (AQMP) and signed a Memorandum of Understanding (MOU) with the Attorney General of the State of California to address the reduction of greenhouse gas emissions for SDIA; and

WHEREAS, the CGTMP attempts to implement certain provisions of the AQMP and the MOU with the Attorney General; and

WHEREAS, the CGTMP recommends the Authority recover the costs associated with providing the airport roadway system and the other related improvements, benefits and services connected with the operation of commercial ground transportation vehicles at SDIA; and

WHEREAS, it is the intention of the Authority that commercial airport ground transportation users and vehicles pay their fair share of the costs associated with utilizing the airport roadway system and related benefits; and

WHEREAS, the Authority is attempting to recover a portion of the roadway costs via a fee from the operators of taxicab, vehicle for hire, charter and courtesy vehicles providing commercial services at the airport; and

WHEREAS, the proposed privilege fees and charges have been specifically designed to treat each ground transportation industry group fairly and equitably based on their individual use of and operations at SDIA; and

WHEREAS, the Authority staff and its consultants conducted a comprehensive study of the ground transportation fees and charges currently imposed at other major airports in California and out of state and drafted the proposed CGTMP fees to be similar in kind and amount to those at other airports after first assessing that the amounts appeared reasonable, non-discriminatory and not unduly burdensome on intrastate and interstate commerce; and

WHEREAS, the Authority is a public entity vested under state and federal law with the responsibility to operate SDIA as the airport proprietor; and

WHEREAS, the Authority, acting by and through the Board, is not legally authorized to impose taxes, but has the legal right and power to impose privilege fees and cost recovery fees as the proprietor of SDIA on the commercial entities that elect to conduct business on airport property; and

WHEREAS, representatives of the Authority have met on numerous occasions with representatives of the various ground transportation industry groups to obtain their input and advice on the proposed CGTMP; and

WHEREAS, implementation of the cost recovery fees shall commence on July 1, 2010; and

NOW, THEREFORE, BE IT RESOLVED that after due consideration of the staff's reports and studies, the consultant's advice, the input of the representatives of the various ground transportation industry groups, the comments of the public, and the information received during the prior meetings of the Board and its committees, the Board hereby adopts the above findings; and

BE IT FURTHER RESOLVED that the Board approves implementation of the Comprehensive Ground Transportation Management Plan (CGTMP) which addresses options by topical area for improving Airport ground transportation from the present day through calendar year 2014 and for recovering costs; and

BE IT FURTHER RESOLVED, that the Board directs staff to develop plans with regard to taxis, shuttles, and potential concession programs that would protect the interest of existing operators and that would take into account the environment and return to the Board for further direction;

BE IT FURTHER RESOLVED that the Authority and its officers, employees and agents hereby are authorized, empowered and directed 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 Board action is not a "project" as defined by the California Environmental Quality Act (CEQA) Pub. Res. Code §21065; 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 7th day of January, 2010, by the following vote:

AYES: Board Members: Boland, Desmond, Finnila, Watkins, Young

NOES: Board Members: Gleason, Panknin, Smisek

ABSENT: Board Members: Davies

ATTEST:



TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:



BRETON K. LOBNER
GENERAL COUNSEL

SAN ORG



San Diego International Airport

Item 1



Ground Transportation Cost Recovery Program – Minimum Permit Fees

Vernon D. Evans, CPA

Vice President Finance/Treasurer and CFO

June 27, 2011

Cost Recovery Calculation

O & M Expenses (in Millions)	2009	2010
Airport Traffic Officers	\$3.4	\$3.6
Customer Service Representatives	0.80	0.70
Ground Transportation Department	0.50	0.50
Roadway maintenance, development & landscaping	0.70	1.10
Subtotal	\$5.4	\$5.9
General & Administrative expenses	1.30	1.50
Depreciation of capital assets	2.50	2.50
Total	\$9.2	\$9.9

Cost Recovery Fee Calculation FY 2009 & FY 2010

Vehicle Mode Cost Allocation							
Mode	FY 2009 trips	FY 2010 trips	% change	Share of total trips	Allocated costs	No. of permits	Calculated permit fee
Private Vehicles	3,980,000	3,666,300	-7.9%	59.5%	\$5,433,003	N/A	N/A
Taxicabs	678,900	670,000	-1.3%	10.9%	\$1,525,354	302	\$307 + 1.00 trip fee
Vehicles for hire	93,700	105,400	12.5%	1.7%	\$486,909	166	\$1,467*
Limousines	53,400	50,400	-5.6%	0.8%	\$73,651	721	\$100
Charter buses	5,300	5,000	-5.7%	0.1%	\$7,307	N/A	N/A
Hotel / motel shuttles	133,400	113,000	-15.3%	1.8%	\$165,129	124	\$666
Rental car shuttles	607,300	517,500	-14.8%	8.4%	\$756,234	90	\$200
Off-airport parking	220,800	189,500	-14.2%	3.1%	\$276,920	63	\$2,198
Public Transit, Authority and Airport Vehicles	896,200	846,600	-5.5%	13.4%	\$1,237,155	N/A	N/A
TOTAL	6,669,000	6,163,700	100.0%	100.0%	\$9,961,661	N/A	N/A

* Average fee for VFH industry

Cost Recovery Details

FY 2012 Ground Transportation Permit Fees

<i>Type of Vehicle</i>	<i>Fee</i>
CHARTER (limousine)	\$100 per vehicle
COURTESY (hotel/motel)	\$675 per vehicle
COURTESY (off-airport parking)	\$2,200 per vehicle
COURTESY (rent-a-car)	\$200 per vehicle
VEHICLE-FOR-HIRE (VFH) – All Other Shuttles	\$2,375 per vehicle
VEHICLE-FOR-HIRE (VFH) – SuperShuttle	\$525 per vehicle
TAXICAB “A-B” PERMIT	\$210 per vehicle + \$1.00 trip fee
TAXICAB “All” PERMIT	\$420 per vehicle+ \$1.00 trip fee

Cost Recovery Details

Option A:

Charter Cost Recovery (Status Quo)

Industry is responsible for \$73,651 / 721 permits = \$102.15/permit

$$721 \times \$100 = \$72,100$$

Option B:

A \$200 minimum cost recovery fee would recover:

$$721 \text{ permits} \times \$200 = \$144,200$$

This is \$70,549 GREATER than the Charter industry's calculated use.

Questions ?



San Diego International Airport