

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Robert H. Gleason
Lloyd B. Hubbs
Jim Janney
Mark Kersey
Paul Robinson
Mary Sessom

BOARD AGENDA

Thursday, October 20, 2016
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

Laurie Berman
Eraina Ortega
Col. Jason Woodworth

President / CEO

Thella F. Bowens

***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 the Corporate & Information Governance/Authority Clerk Department 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. 2010-2015 EXPERIENCE STUDY SDCRAA CONSIDERATIONS:**
Presented by: Mark Hovey, SDCERS CEO; and Marcelle Rossman, SDCERS
Chief Benefits Officer

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Gleason, Hollingworth, Hubbs, Robinson (Chair), Sessom,
Tartre, Van Sambeek
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Gleason, Hubbs (Chair), Janney, Robinson
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boling, Cox, Desmond (Chair), Hubbs, Sessom
- **FINANCE COMMITTEE:**
Committee Members: Boling (Chair), Cox, Janney, Sessom

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Robinson (Primary), Boling
- **ART ADVISORY COMMITTEE:**
Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
Liaison: Janney
- **CALTRANS:**
Liaison: Berman

- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox
- **MILITARY AFFAIRS:**
Liaison: Woodworth
- **PORT:**
Liaisons: Boling, Cox, Gleason (Primary), Robinson
- **WORLD TRADE CENTER:**
Representatives: Gleason (Primary)

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Boling (Alternate), Janney (Primary)

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

CLOSED SESSION:

1. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EINC
2. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to cal. Gov. Code §54956.9(e)(3))
The Receipt of a Government Claim from VIP Taxi Inc.

NON-AGENDA PUBLIC COMMENT:

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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 3-14):

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.

3. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior Board meetings.

RECOMMENDATION: Approve the minutes of the September 6, 2016 special meeting and September 15, 2016 regular meeting.

4. 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 Russell, Director/Authority Clerk)

5. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM AUGUST 21, 2016 THROUGH SEPTEMBER 25, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM AUGUST 21, 2016 THROUGH SEPTEMBER 25, 2016:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

6. OCTOBER 2016 LEGISLATIVE REPORT:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2016-0084, approving the October 2016 Legislative Report.

(Inter-Governmental Relations: Michael Kulis, Director)

7. AMEND POLICY 9.20 – SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE:

The Board is requested to amend the policy.

RECOMMENDATION: Adopt Resolution No. 2016-0094, amending Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee.

(Legal: Amy Gonzalez, General Counsel)

CLAIMS

8. CLAIM OF V.I.P. TAXI CO.:

The Board is requested to address the claim.

RECOMMENDATION: Adopt Resolution No. 2016-0085, regarding the claim of V.I.P. Taxi Co.

(Legal: Amy Gonzalez, General Counsel)

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

9. APPROVE AND AUTHORIZE A CONSENT TO ASSIGNMENT WITH BBA US HOLDINGS, INC.:

the Board is requested to approve the consent to assignment.

RECOMMENDATION: Adopt Resolution No. 2016 - 0086, rescinding Resolution No. 2016-0015, and approving and authorizing the President/CEO to negotiate and execute a Consent to Assignment with BBA US Holdings, Inc.

(Business and Financial Management: Eric Podnieks, Program Manager)

10. TERMINATE RENTAL CAR CENTER LEASE AND CONCESSION AGREEMENT WITH SIMPLY WHEELZ, LLC AND AMEND ADVANTAGE OPCO, LLC RENTAL CAR CENTER LEASE AND CONCESSION AGREEMENT TO ALLOW THE OPERATION OF ADVANTAGE RENT A CAR BRAND:

The Board is requested to approve the agreements.

RECOMMENDATION: Adopt Resolution No. 2016-0087, terminating the Non-Exclusive On-Airport Rental Car Concession Agreement and Rental Car Center Lease Agreement with Simply Wheelz, LLC and authorizing the addition of the Advantage Rent A Car brand to the Advantage Opco, LLC Lease and Concession Agreements.

(Business and Financial Management: Eric Podnieks, Program Manager)

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

- 11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE ON-CALL GENERAL CONSTRUCTION SERVICE AGREEMENTS WITH DYNAMIC CONTRACTING SERVICES, INC.; EVERGREEN CONSTRUCTION AND CONSULTING, INC.; GRAHOVAC CONSTRUCTION CO. INC.; AND, M W VASQUEZ CONSTRUCTION CO., INC.:**

The Board is requested to approve the agreements.

RECOMMENDATION: Adopt Resolution No. 2016-0088, approving and authorizing the President/CEO to execute on-call general construction service agreements with Dynamic Contracting Services, Inc., Evergreen Construction and Consulting, Inc., Grahovac Construction Co., Inc., and M W Vasquez Construction Co., Inc., – each agreement, for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO for an aggregate total not-to-exceed amount of \$5,000,000 to provide on-call general construction services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program

(Facilities Management: David LaGuardia, Director)

- 12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE ON-CALL PAINTING SERVICE AGREEMENTS WITH ABHE & SVOBODA, INC.; MODERN PAINTING; AND, M W VASQUEZ CONSTRUCTION CO., INC.:**

The Board is requested to approve the agreements.

RECOMMENDATION: Adopt Resolution No. 2016-0089, approving and authorizing the President/CEO to execute on-call painting service agreements with Abhe & Svoboda, Inc., Modern Painting, and M W Vasquez Construction Co., Inc., – each agreement for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 to provide on-call painting services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program.

(Facilities Management: David LaGuardia, Director)

- 13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE ON-CALL FLOORING SERVICE AGREEMENTS WITH DFS FLOORING LP; HASENIN ENTERPRISES LLC, DBA STAR CARPET & FLOORING; AND, WIRTZ QUALITY INSTALLATIONS, INC.:**

The Board is requested to approve the agreements.

RECOMMENDATION: Adopt Resolution No. 2016-0090, approving and authorizing the President/CEO to execute on-call flooring service agreements with DFS Flooring LP, Hasenin Enterprises LLC, dba Star Carpet & Flooring, and Wirtz Quality Installations, Inc., – each agreement for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 to provide on-call flooring services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program.

(Facilities Management: David LaGuardia, Director)

14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL AGREEMENT FOR ARCHITECTURAL / ENGINEERING CONSULTANT SERVICES FOR THE QUIETER HOME PROGRAM:

The Board is requested to approve the agreement.

RECOMMENDATION: Adopt Resolution No. 2016-0091, approving and authorizing the President/CEO to execute an on-call architectural and engineering consultant services agreement with the Jones Payne Group, Inc., for an amount not-to-exceed \$25,000,000 for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO, in support of the Quieter Home Program.

(Airport Planning & Noise Mitigation: Keith Wilschetz, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

15. UPDATE ON GROUND TRANSPORTATION - TAXICAB AND VEHICLE FOR HIRE (VFH) OPERATIONS AND AMEND AUTHORITY CODES 9.12, 9.21 AND 9.33:

The Board is requested to receive the update and amend the codes.

RECOMMENDATION: Adopt Resolution No. 2016-0095, amending Authority Code 9.12 to allow the President/CEO to set the maximum number of taxicabs available each day and to establish the operating authority of each vehicle; and

Adopt Resolution No. 2016-0092, amending Authority Code 9.21(h) concerning fares and receipts allowing drivers of commercial ground transportation vehicles to charge a fare lower than the approved or allowed rate.; and

Adopt Resolution No. 2016-0093, amending Authority Code 9.33 to allow the President/CEO to authorize representatives of other regulatory agencies to enforce their own regulations on Airport property.

(Ground Transportation: David Boenitz, Director)

CLOSED SESSION CONTINUED:

16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code § 54956.9(a)):

Maria Paula Bermudez v. San Diego County Regional Airport Authority, American Airlines, Inc., et al.

San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL

17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code §54956.9(a) and (d)(1))

Stanley Moore v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL

- 18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
Cal. Gov. Code § 54956.9(a) and (d).
In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]
- 19. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a))
GGTW LLC v San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
- 20. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a))
San Diego County Regional Airport Authority v. American Car Rental, Inc.
San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2
- 23. CONFERENCE WITH REAL PROPERTY NEGOTIATORS AND WITH LEGAL COUNSEL –ANTICIPATED LITIGATION**
(Gov. Code §§54956.9(d)(e)(1) and 54954.5(b))
Property: Concession leases (food & beverage) with Host, High Flying Foods and SSP
Agency Negotiator: Scott Brickner, Kathy Kiefer and Eric Podnieks
Negotiating Parties: Host, High Flying Foods San Diego Partnership, SSP America, Inc. and Stellar Partners, Inc.
Under negotiation: rent (price and terms of payment), closure/conversion of locations, new concession buildout, ACDBE participation, lease compliance issues, claim by Host and close outs/permits

24. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:

Cal. Gov. Code §54957

Title: President/Chief Executive Officer

REPORT ON CLOSED SESSION:

NON-AGENDA PUBLIC COMMENT:

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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>
November 17 th	Thursday	9:00 a.m.	Regular	Board Room

San Diego City Employees' Retirement System



Item A

2010-2015 Experience Study

San Diego County Regional Airport Authority Considerations

October 20, 2016

Mark Hovey, SDCERS CEO

Marcelle Rossman, SDCERS Chief Benefits Officer



- September 9 SDCERS Board Meeting
 - Economic Assumption Review
 - Demographic Assumption Review
- Cost Implications
- Discussion

Economic Assumption Summary



- Discount Rate
 - In September 2015, the SDCERS Board adopted a decrease in the discount rate from 7.25% to 7.125% for 2015, and to 7.0% for 2016
- Inflation*
 - Currently 3.175% per year (will decline to 3.05% for 2016 valuation)
- Cost-of-Living Increases
 - Linked to price inflation, but capped at 2%
 - 2% per year assumed (same as cap)
 - Actual experience for the past several years has been less than 2%, producing liability gains
 - Recommend dropping COLA assumption to 1.9%

* Current assumption is that wage assumption = price inflation

Demographic Assumption Summary

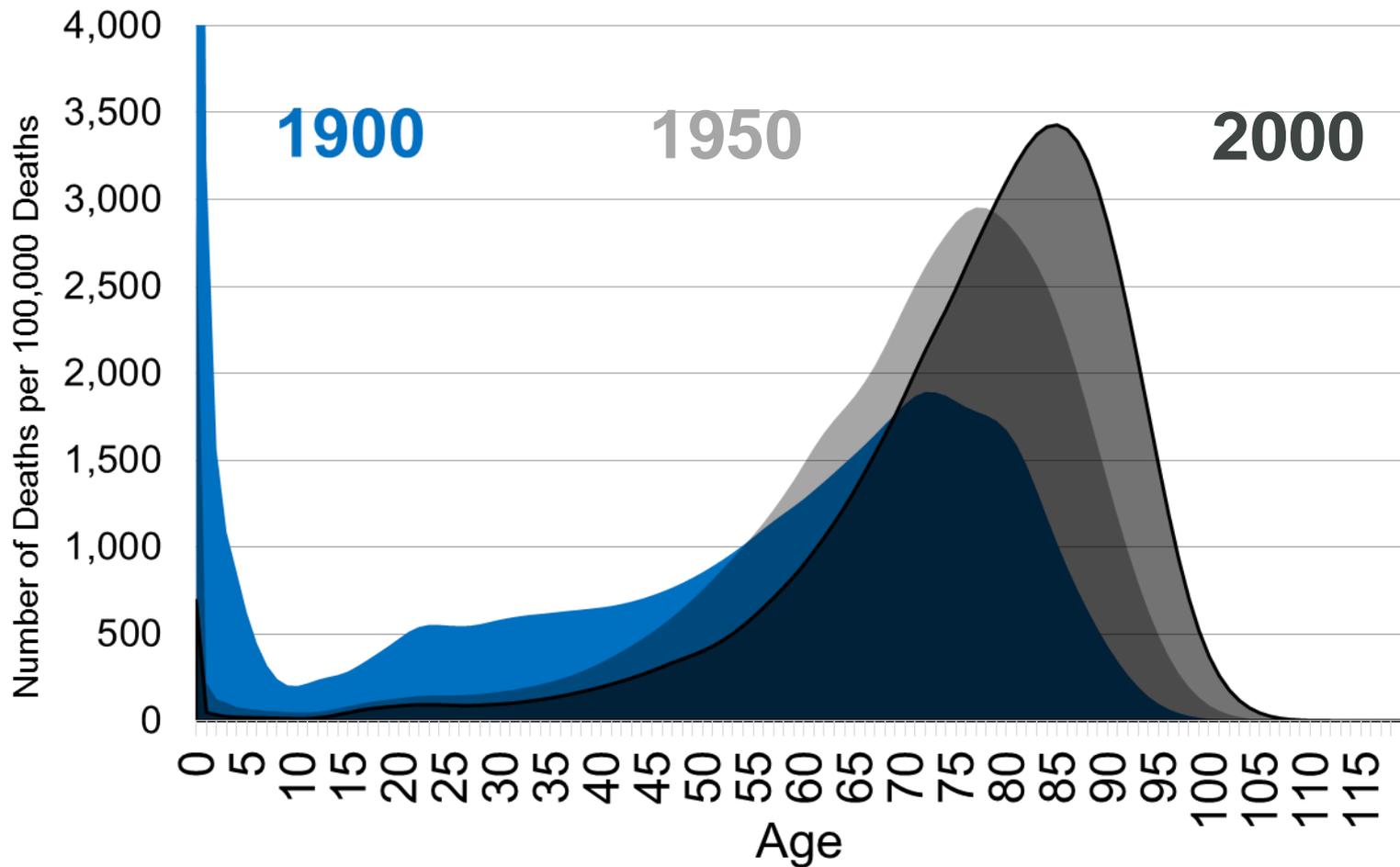


- Merit Salary Increases: No Change
- Retirement Rates
 - Fewer retirements than expected prior to age 62; more than expected at age 62+
 - Recommend refinements to move towards actual experience
- Termination Rates (other than mortality, retirement, disability)
 - Experience very close to expected
 - Recommend no change
- Disability Rates
 - Fewer disablements than expected
 - Recommend lowering disability rates
- Miscellaneous Assumptions: recommended minor refinements

Mortality Improvement 1900 - 2000



Society of Actuaries (SOA)
2014 Mortality Study





- Actives – significantly fewer deaths than expected
- Healthy retirees – significantly fewer deaths than expected for males, somewhat fewer than expected for females
- Disabled retirees – fewer deaths than expected



- CalPERS mortality tables projected 20 years from 2009 base year
 - 10% increase to healthy retired female rates
 - For disabled members, CalPERS Work Related Disability mortality table
- Assume mortality improvement by using variation of scale MP-2015

Cost Implications



Cost Impact

- | | |
|--|---|
| 1) Decrease retirement rates prior to age 62; increase retirement rates after age 62 | Decrease (lower ret rates)
Increase (higher ret rates) |
| 2) No change to termination rates | None |
| 3) Decrease disability rates | Decrease |
| 4) Increase the proportion of industrial disability rates to non-industrial disability rates | Increase |
| 5) Decrease mortality rates and use variation of MP-2015 projection scale | Increase |
| 6) No change to merit salary scales | None |
| 7) Lower the 2.0% COLA assumption to 1.9% | Decrease |
| 8) Adjust the administrative expense assumption to reflect recent experience | Increase |
| 9) Increase the COL Annuity Normal Cost load | Increase |

Estimated Cost Impact



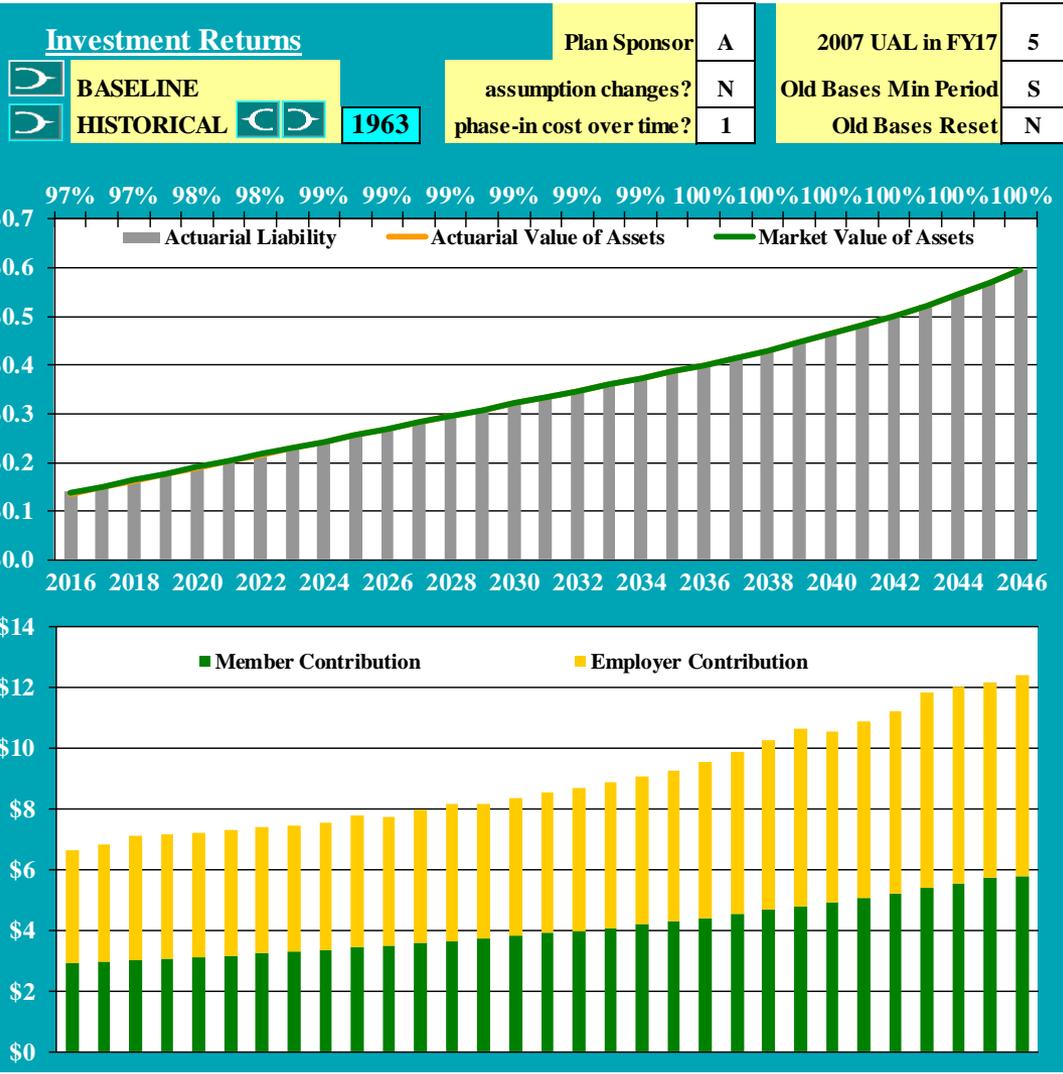
- Actual impact will not be known until June 30, 2016 valuation is completed
- Liability/cost impact on 2015 valuation assuming full recognition of new demographic assumptions:
 - Estimated Liability Impact \$7,748,000
 - Increase as % of Liability 4.4%
 - Estimated Cost Impact (ADC) \$971,000
- Vast majority of cost impact due to mortality
- Member contributions:
 - Non-PEPRA: no change
 - PEPRA: adjust rates to ensure 50/50 split (if 1% threshold exceeded)

Analysis of Changes – Baseline



CHEIRON		(mil)	(mil)
FYE	ADC	ADC	UAL
2016	7.125%	\$ 3.7	\$ 5.26
2017	7.000%	\$ 3.8	\$ 3.90
2018	7.000%	\$ 4.1	\$ 5.40
2019	7.000%	\$ 4.1	\$ 5.03
2020	7.000%	\$ 4.1	\$ 4.53
2021	7.000%	\$ 4.1	\$ 4.11
2022	7.000%	\$ 4.1	\$ 3.77
2023	7.000%	\$ 4.2	\$ 3.50
2024	7.000%	\$ 4.2	\$ 3.27
2025	7.000%	\$ 4.4	\$ 3.08
2026	7.000%	\$ 4.3	\$ 2.95
2027	7.000%	\$ 4.4	\$ 2.70
2028	7.000%	\$ 4.5	\$ 2.62
2029	7.000%	\$ 4.4	\$ 2.46
2030	7.000%	\$ 4.5	\$ 2.28
2031	7.000%	\$ 4.7	\$ 2.24
2032	7.000%	\$ 4.7	\$ 2.20
2033	7.000%	\$ 4.8	\$ 2.12
2034	7.000%	\$ 4.9	\$ 2.06
2035	7.000%	\$ 5.0	\$ 2.04
2036	7.000%	\$ 5.1	\$ 2.02
2037	7.000%	\$ 5.4	\$ 2.01
2038	7.000%	\$ 5.6	\$ 1.96
2039	7.000%	\$ 5.8	\$ 1.80
2040	7.000%	\$ 5.6	\$ 1.53
2041	7.000%	\$ 5.8	\$ 1.13
2042	7.000%	\$ 6.0	\$ 1.11
2043	7.000%	\$ 6.4	\$ 1.05
2044	7.000%	\$ 6.5	\$ 0.97
2045	7.000%	\$ 6.5	\$ 0.57

N 7.004% = average return

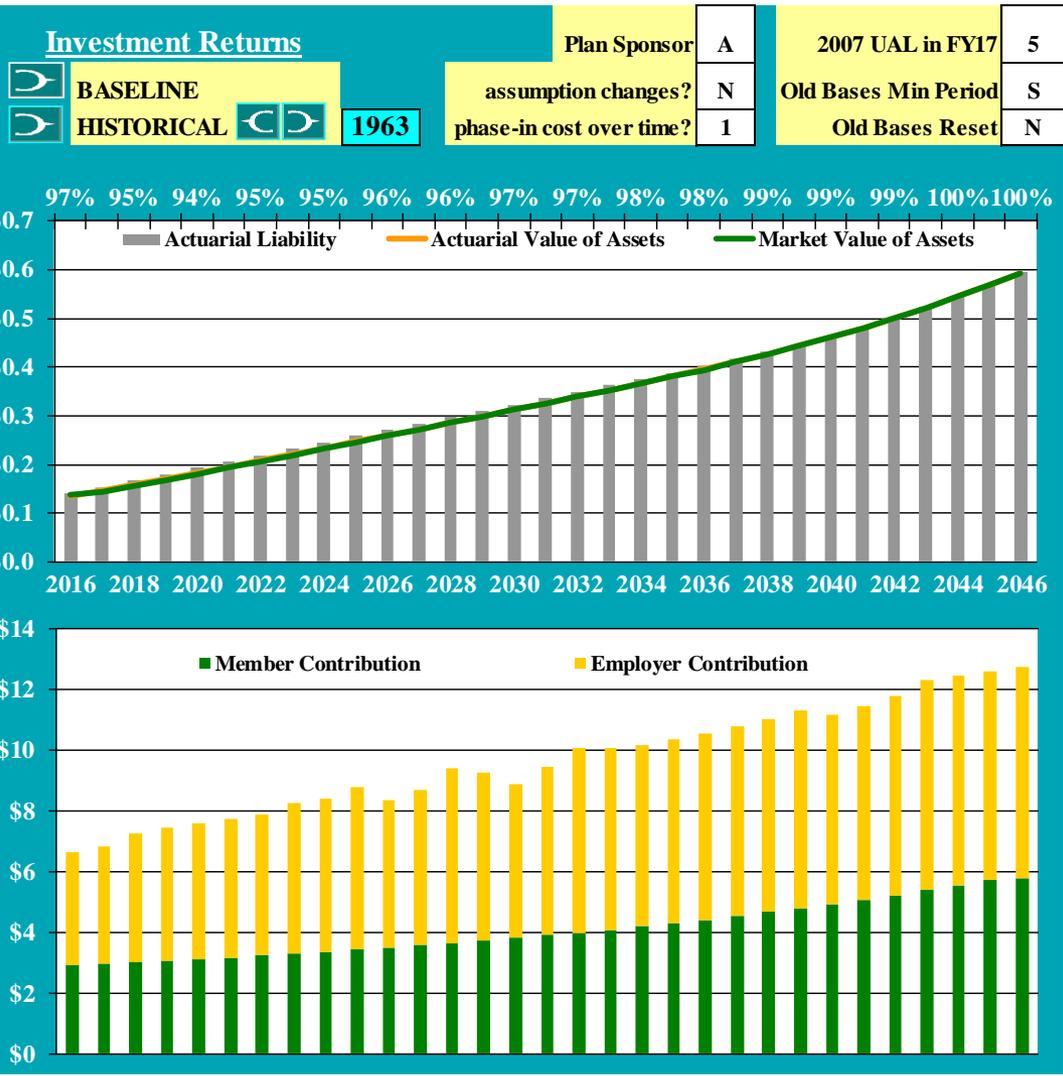


Analysis of Changes – 1.1% FYE 16 return



FYE	CHEIRON	(mil) ADC	(mil) UAL
2016	1.100%	\$ 3.7	\$ 5.26
2017	7.000%	\$ 3.8	\$ 3.90
2018	7.000%	\$ 4.2	\$ 7.50
2019	7.000%	\$ 4.4	\$ 8.97
2020	7.000%	\$ 4.5	\$ 9.94
2021	7.000%	\$ 4.5	\$ 10.71
2022	7.000%	\$ 4.6	\$ 11.33
2023	7.000%	\$ 5.0	\$ 11.82
2024	7.000%	\$ 5.1	\$ 12.22
2025	7.000%	\$ 5.4	\$ 12.27
2026	7.000%	\$ 4.8	\$ 12.21
2027	7.000%	\$ 5.1	\$ 11.82
2028	7.000%	\$ 5.8	\$ 11.99
2029	7.000%	\$ 5.5	\$ 11.94
2030	7.000%	\$ 5.1	\$ 11.23
2031	7.000%	\$ 5.6	\$ 10.79
2032	7.000%	\$ 6.1	\$ 10.87
2033	7.000%	\$ 6.0	\$ 10.50
2034	7.000%	\$ 6.0	\$ 9.63
2035	7.000%	\$ 6.0	\$ 8.90
2036	7.000%	\$ 6.1	\$ 8.21
2037	7.000%	\$ 6.2	\$ 7.52
2038	7.000%	\$ 6.4	\$ 6.81
2039	7.000%	\$ 6.5	\$ 6.06
2040	7.000%	\$ 6.2	\$ 5.26
2041	7.000%	\$ 6.4	\$ 4.39
2042	7.000%	\$ 6.6	\$ 3.91
2043	7.000%	\$ 6.9	\$ 3.41
2044	7.000%	\$ 6.9	\$ 2.88
2045	7.000%	\$ 6.9	\$ 2.09

N 6.803% = average return

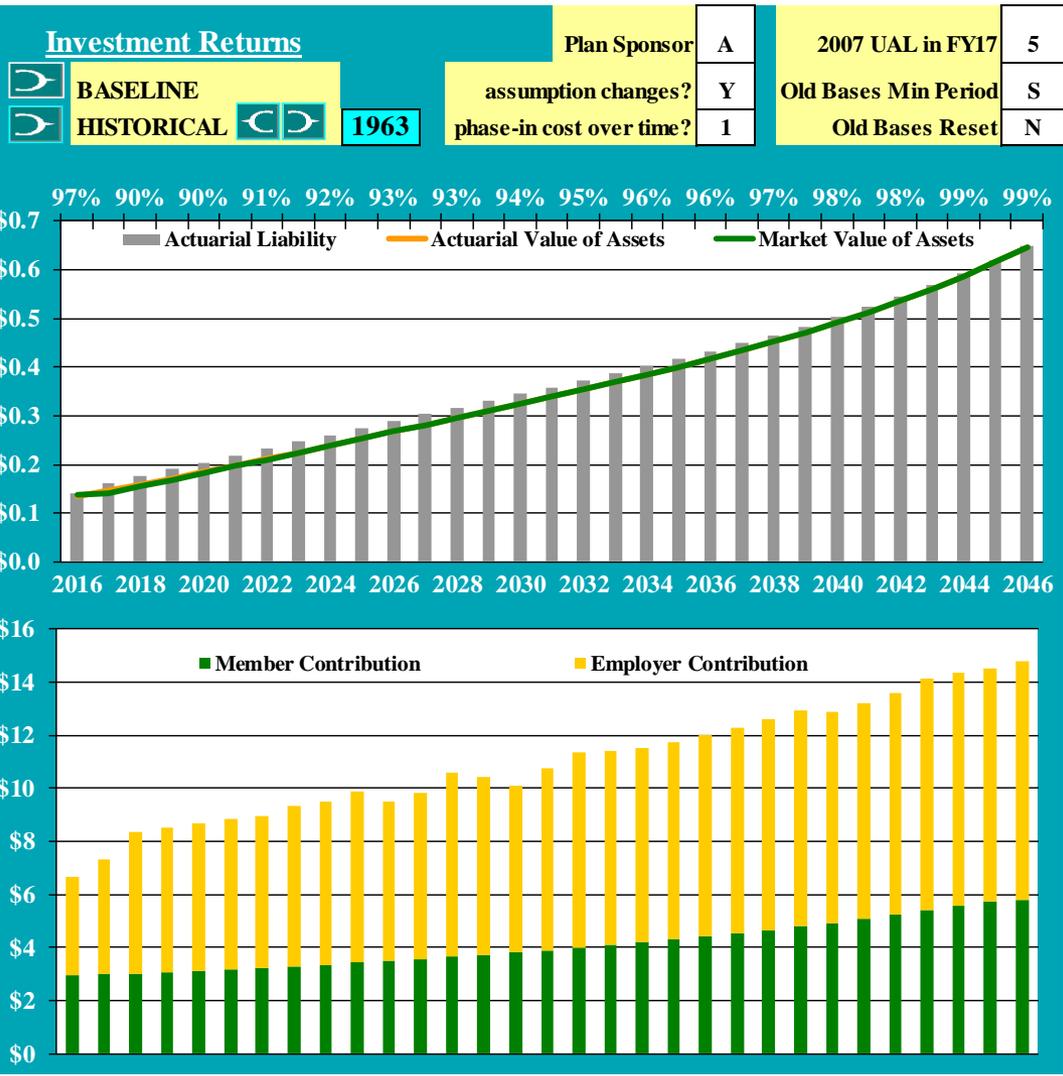


Analysis of Changes – 1.1% return, new assumptions



FYE	HEIRON	(mil) ADC	(mil) UAL
2016	1.100%	\$ 3.7	\$ 5.26
2017	7.000%	\$ 3.8	\$ 3.90
2018	7.000%	\$ 5.3	\$ 16.17
2019	7.000%	\$ 5.4	\$ 18.26
2020	7.000%	\$ 5.5	\$ 19.23
2021	7.000%	\$ 5.6	\$ 20.00
2022	7.000%	\$ 5.7	\$ 20.61
2023	7.000%	\$ 6.0	\$ 21.10
2024	7.000%	\$ 6.1	\$ 21.49
2025	7.000%	\$ 6.5	\$ 21.59
2026	7.000%	\$ 6.0	\$ 21.58
2027	7.000%	\$ 6.2	\$ 21.22
2028	7.000%	\$ 6.9	\$ 21.40
2029	7.000%	\$ 6.7	\$ 21.34
2030	7.000%	\$ 6.3	\$ 20.61
2031	7.000%	\$ 6.8	\$ 20.12
2032	7.000%	\$ 7.4	\$ 20.14
2033	7.000%	\$ 7.3	\$ 19.68
2034	7.000%	\$ 7.3	\$ 18.68
2035	7.000%	\$ 7.5	\$ 17.79
2036	7.000%	\$ 7.6	\$ 16.91
2037	7.000%	\$ 7.8	\$ 15.99
2038	7.000%	\$ 7.9	\$ 14.98
2039	7.000%	\$ 8.2	\$ 13.87
2040	7.000%	\$ 7.9	\$ 12.65
2041	7.000%	\$ 8.1	\$ 11.28
2042	7.000%	\$ 8.3	\$ 10.24
2043	7.000%	\$ 8.8	\$ 9.11
2044	7.000%	\$ 8.8	\$ 7.87
2045	7.000%	\$ 8.8	\$ 6.28

N 6.803% = average return





Board Discussion



Required Disclosures



The purpose of this presentation is to review the economic and demographic assumptions used in actuarial valuations for the San Diego City Employees' Retirement System (SDCERS). This presentation is for the use of the SDCERS Retirement Board in accordance with applicable law.

In preparing our presentation, we relied on information, some oral and some written, supplied by SDCERS. This information includes, but is not limited to, the plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

We hereby certify that, to the best of our knowledge, this presentation and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices that are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this presentation. This presentation does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

This presentation was prepared exclusively for the SDCERS Retirement Board for the purpose described herein. Other users of this presentation are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

The assumptions reflect our understanding of the likely future experience of the Plan, and the assumptions as a whole represent our best estimate for the future experience of the Plan. The results of this presentation are dependent upon future experience conforming to these assumptions. To the extent that future experience deviates from the actuarial assumptions, the true cost of the plan could vary from our results.

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND
EXECUTIVE AND FINANCE COMMITTEE MEETING MINUTES
TUESDAY, SEPTEMBER 6, 2016
BOARD ROOM

CALL TO ORDER: Chairman Boling called the Special Board and Executive and Finance Committee Meeting to order at 9:00 a.m., on Tuesday, September 6, 2016, in the Board Room of the San Diego International Airport, Administration Building, 3225 N. Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Gleason led the pledge of allegiance.

ROLL CALL:

Board

Present: Board Members: Boling (Chairman), Cox, Gleason,
Hubbs, Janney, Kersey, Robinson, Sessom

Absent Board Members: Berman (Ex-Officio), Desmond, Ortega
(Ex-Officio), Woodworth (Ex-Officio)

Executive Committee

Present: Committee Members: Boling (Chairman), Janney, Robinson

Absent: Committee Members: None.

Finance Committee

Present: Committee Members: Boling (Chairman), Cox, Janney, Sessom

Absent: Committee Members: None.

Board Member Cox and Board Member Sessom arrived during the course of the meeting.

NON-AGENDA PUBLIC COMMENT:

KAMRAN HAMIDI, SAN DIEGO, provided a handout and expressed concern regarding the increase in the taxicab trip fee over the past 8 years.

EXECUTIVE/FINANCE BUSINESS

NEW BUSINESS:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the July 11, 2016 regular meeting.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve staff's recommendation. Motion carried unanimously.

Board Member Sessom arrived at 9:10 a.m.

FINANCE COMMITTEE

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016:

Kathy Kiefer, Senior Director, Financial & Asset Management, provided a presentation on the Review of the Unaudited Financial Statements for the Year Ended June 30, 2016, which included Gross Landing Weight Units, Enplanements, Car Rental License Fees, Food and Beverage Concessions Revenue, Retail Concessions Revenue, Total Terminal Concessions, Parking Revenue, Monthly Operating Revenue, Operating Revenues for the Year Ended June 30, 2016, Monthly Operating Expenses, Operating Expenses for the Year Ended June 30, 2016, Financial Summary for the Year Ended June 30, 2016, Non-operating Revenues and Expenses for the Year Ended June 30, 2016, and Statements of Net Position as of June 30, 2016 and 2015.

RECOMMENDATION: Forward to the Board for acceptance.

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF JULY 31, 2016:

Geoff Bryant, Manager, Airport Finance, provided a presentation on the Review of the Authority's Investment Report as of July 31, 2016, which included Total Portfolio Summary, Portfolio Composition by Security Type, Portfolio Composition by Credit Rating, Portfolio Composition by Maturity, Benchmark Comparison, Detail of Security Holdings, Portfolio Investment Transactions, Bond Proceeds Summary, and Bond Proceeds Investment Transactions.

RECOMMENDATION: Accept the report.

ACTION: Moved by Board Member Sessom and seconded by Board Member Janney to approve staff's recommendation on Item 2 and 3. Motion carried unanimously, noting Board Member Cox as ABSENT.

EXECUTIVE COMMITTEE

4. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

RECOMMENDATION: Pre-approve travel requests and approve business and travel expense reimbursement requests.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve staff's recommendation. Motion carried unanimously.

REVIEW OF FUTURE AGENDAS

5. REVIEW OF THE DRAFT AGENDA FOR THE SEPTEMBER 15, 2016 BOARD MEETING:

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the September 15, 2016 Board Meeting.

In response to Board Member Gleason's request for an update on the Leigh Fisher agreement, Ms. Bowens stated that staff would provide the Board with an update prior to the September Board Meeting.

6. REVIEW OF THE DRAFT AGENDA FOR THE SEPTEMBER 15, 2016 AIRPORT LAND USE COMMISSION MEETING:

Thella F. Bowens, President/CEO, provided an overview of the draft agenda for the September 15, 2016 ALUC Meeting.

Board Member Sessom expressed concern regarding changing meeting dates and the scheduling of Board Workshops. She requested that the Board and Authority Staff consider scheduling evening meetings in the future so that the public can attend.

Chairman Boling requested that staff try to accommodate all Board member schedules if possible, when scheduling future workshops.

Board Member Cox arrived at 9:31 a.m.

BOARD WORKSHOP

7. DISCUSSION OF PUBLIC PRIVATE PARTNERSHIP DELIVERY MODEL:

Clay Paslay, Paslay Management Group; Larry Belinsky and Ken Cushine, Frasca & Associates, provided a presentation on Public-Private Partnership Delivery Model, which included Presentation Overview, Conventional Project

Delivery, When to Look for Alternatives, How the P3 Differs, Types of P3s, Delivery Method Selection Process/Value for Money Analysis, Overview of Interactive P3 Procurement Process, Breakdown of Resource Requirements, and Summary of SDCRAA Considerations.

In response to the Board's concern regarding the possibility of a developer going into bankruptcy, Mr. Belinsky stated that if the developer filed for bankruptcy during the construction period, the Authority would have the option to replace the developer based on established criteria, and if the developer filed bankruptcy during the operation period the Authority could replace the developer or choose to operate the facility itself.

Mr. Cushine stated that he could provide the Board with more information on successful P3 projects and unsuccessful projects that ended up in bankruptcy.

Board Member Gleason expressed concern with developing contract requirements and stated that it's hard to know what to put in the contract because things change over time.

In response to Board Member Sessom regarding if it is possible for someone to purchase the asset in bankruptcy, Mr. Cushine stated that it is possible; however, any operator would have to follow the terms of the agreement established by the Authority.

Board Member Sessom suggested that the "Other Considerations" section of the Summary of SDCRAA Considerations slide include "staff augmentation costs."

Thella F. Bowens, President/CEO stated this is just the beginning of the Boards education on P3's and that there will be more opportunities to learn more about P3's.

RECOMMENDATION: Receive the presentation.

The meeting recessed at 11:00 a.m. and reconvened at 11:10 a.m.

Board Members Cox and Sessom left the meeting.

8. REVIEW OF FEDERAL INSPECTION SERVICES (FIS) AT SAN; OVERVIEW AND FUTURE OPTIONS:

Hampton Brown, Director, Air Service Development; and Keith Wilschetz, Director, Airport Planning & Noise Mitigation provided a presentation on Federal Inspection Services (FIS) at SAN, which included an Overview of International Air Service/Need for Capacity, Current Facility & Limitations, Overview of Planned Options and Next Steps.

Board Member Gleason expressed concern with Customs and Border Patrol staffing for future growth and whether they are truly our partners.

Thella F. Bowens, President/CEO proposed that this presentation be provided at the September Board Meeting.

Chairman Boling suggested that the presentation be modified to include where the additional need for the FIS is coming from, the expected increase in revenue for the Airport, and whether the project is appropriate for a P3.

Board Member Kersey suggested that the presentation include whether the anticipated increase in revenue would cover the cost of construction.

Board Member Hubbs questioned if there would be any savings in the Airport Development Plan if the proposed FIS was built now.

Board Member Janney suggested that the presentation include whether the project can be phased to add additional wide body gates.

Board Members Gleason and Robinson left the meeting at 11:32 a.m.

RECOMMENDATION: Receive the presentation.

NON-AGENDA PUBLIC COMMENT: None.

COMMITTEE MEMBER COMMENTS: None.

ADJOURNMENT: The meeting was adjourned at 12:02 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 20TH DAY OF OCTOBER, 2016.

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
THURSDAY, SEPTEMBER 15, 2016
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:04 a.m. on Thursday, September 15, 2016, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Col. Woodworth led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Berman (Ex Officio), Boling, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Col. Woodworth (Ex Officio)

ABSENT: Board Members: Cox, Ortega (Ex Officio), Sessom

ALSO PRESENT: Thella F. Bowens, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Dawn D'Acquisto, Assistant Authority Clerk I

PRESENTATIONS:

A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016:

Kathy Kiefer, Senior Director, Finance and Asset Management, provided a presentation on the Unaudited Financial Statements for the Year Ended June 30, 2016, which included Key Performance Indicators, Operating Revenues, Operating Expenses, Non-Operating Revenue and Expenses, Financial Summary, Statement of Net Positions, Authority Assets, Authority Liability, and Change in Authority Net Position.

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:** None.
- **FINANCE COMMITTEE:** None.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.
- **ART ADVISORY COMMITTEE:** Board Member Gleason reported that the installation of the 2017 exhibitions will begin in mid-November. He reported that the Performing Art Residency Program, Fern Street Circus, is performing September 15th from 4:00 p.m. to 6:00 p.m. in Terminal 2. He also reported that a call for 2017 Performing Art Residency Program applicants will be posted on September 26th and finalist interviews will be held on November 9th. He reported that the Palm Street Park artist is at 90% completion of design, with construction documents scheduled to be completed by late September.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:** None.
- **CALTRANS:** Board Member Berman reported that the ground breaking for the I-15 North costal project will take place in October.
- **INTER-GOVERNMENTAL AFFAIRS:** Mike Kulis, Director, Inter-Governmental Relations, reported that on August 15th, Airport Authority staff provided airport updates to staff from Congressman Scott Peters' Office and Senator Barbara Boxer's Office. He reported that the State Legislature completed its 2015-2016 regular legislative session on August 31st and that the Governor has until September 30th to finish signing or vetoing bills passed this year by the Legislature. He also reported that, although Congress is expected to recess again in late September or early October, they will first need to approve legislation to continue funding the federal government into the 2017 Fiscal Year that begins on October 1st.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:** None.

CHAIR'S REPORT: Chairman Boling reported that staff met with MTS regarding the Middle Town trolley stop renaming, and that MTS has offered to update Google by providing information regarding the airport at that trolley stop. She reported that the groundbreaking of the Terminal 2 Parking Plaza went well with over 70 people in attendance. She also reported that there is a website that visitors can go to called upgradeyourparking.com to reserve a parking place and get updates on the new parking plaza. She reported that the FAA released the Metroplex Plan on September 2nd, and based on initial review the FAA has addressed the concerns regarding the environmental assessment which included a proposal regarding the Loma Way Point. She reported that a soft opening was held for the Global Entry Office and encouraged travelers to register. She also reported that Thella F. Bowens, President/CEO will be presented the Person of the Year award for 2016 by the Construction Management Association of America.

PRESIDENT/CEO'S REPORT: Thella F. Bowens, President/CEO reported that the 13th Annual Employee Appreciation BBQ was on held September 9, 2016 and acknowledged the employees awarded the Employee of the Year, Team of the Year, Innovator of the Year, and the Sustainability Champion of the Year. She reported that the mobile application Away-you-go beta version was released to the public in mid-August, which includes flight tracking information, indoor mapping, travel time to the airport, luggage wait times, taxi wait times, and also syncs with the Go Tag which tell passengers when their checked baggage is available at baggage claim. She stated the official release is expected to take place in November.

NON-AGENDA PUBLIC COMMENT:

KAMRAN HAMIDI, SAN DIEGO, expressed concerns with ground transportation trip fees and provided the Authority Clerk with a Claim against the Authority and a letter to the Board.

MICHAEL WINN, SAN DIEGO, stated that the airport provides a social service and spoke regarding the transportation needs of the community.

DR. LILA SCHMIDT, SAN DIEGO, expressed concern about airport noise in her Point Loma neighborhood.

CONSENT AGENDA (Items 1-16):

Board Member Desmond requested an update on Item 4 on FAA House Resolution 3965 - FAA Community Accountability Act.

Mike Kullis, Director, Inter-Governmental Relations stated that no action has been taken and that it will probably be addressed next year.

ACTION: Moved by Board Member Janney and seconded by Board Member Kersey to approve the Consent Agenda. Motion carried by the following vote: YES – Boling, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson; NO – None; ABSENT – Cox, Sessom. (Weighted Vote Points: Yes – 84; NO – 0; ABSENT – 16)

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the July 11, 2016 Special meeting and July 21, 2016 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:**
RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.
3. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JUNE 27, 2016 THROUGH AUGUST 21, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JUNE 27, 2016 THROUGH AUGUST 21, 2016:**
RECOMMENDATION: Receive the report.
4. **SEPTEMBER 2016 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2016-0070, approving the September 2016 Legislative Report.
5. **APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:**
RECOMMENDATION: Adopt Resolution No. 2016-0071, approving appointments to the Authority Advisory Committee.
6. **BIENNIAL REVIEW AND AMENDMENT OF AUTHORITY CODE SECTION 2.30 – CONFLICT OF INTEREST CODE:**
RECOMMENDATION: Adopt Resolution No. 2016-0072, amending Authority Code Section 2.30 – Conflict of Interest Code.
7. **REVIEW AND AMENDMENT OF THE AIRPORT AUTHORITY’S RECORDS AND INFORMATION MANAGEMENT PROGRAM AND RECORDS RETENTION SCHEDULES:**
RECOMMENDATION: Adopt Resolution No. 2016-0061, approving amendments to the Authority’s Records and Information Management Program and Records Retention Schedules.

CLAIMS

COMMITTEE RECOMMENDATIONS

8. **FISCAL YEAR 2016 ANNUAL REPORT FROM THE AUDIT COMMITTEE:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.

9. **FISCAL YEAR 2016 ANNUAL AUDIT ACTIVITIES REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
10. **REVISION TO THE FISCAL YEAR 2017 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: Adopt Resolution No. 2016-0073, approving the revision to the Fiscal Year 2017 Audit Plan.

CONTRACTS AND AGREEMENTS

11. **AWARD OF CONTRACT TO MARCON ENGINEERING, INC. FOR DEMOLITION OF WORLD TRADE CENTER AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2016-0074, (1) relieving the apparent low bidder, Whillock Contracting, Inc., of its bid; and (2) awarding a contract to MarCon Engineering, Inc., in the amount of \$684,320 for Project No.104215, Demolition of World Trade Center at San Diego International Airport.
12. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A THIRD AMENDMENT TO THE AGREEMENT WITH GATZKE DILLON & BALANCE:**
RECOMMENDATION: Adopt Resolution No. 2016-0075, approving and authorizing the President/CEO to execute a Third Amendment to the Agreement with Gatzke Dillon & Balance LLP for Professional Legal Services extending the term for one year.

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

13. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THREE ON-CALL MATERIALS TESTING, SPECIAL INSPECTION, AND GEOTECHNICAL CONSULTANT SERVICES AGREEMENTS:**
RECOMMENDATION: Adopt Resolution No. 2016-0076, approving and authorizing the President/CEO to execute an On-Call Materials Testing, Special Inspection, and Geotechnical Consultant Services Agreement with AMEC Foster-Wheeler Environment & Infrastructure, Inc., for a term of three years, with the option for two one-year extensions, in an amount not-to-exceed \$3,500,000, in support of the Capital Improvement Program at San Diego International Airport.

Adopt Resolution No. 2016-0077, approving and authorizing the President/CEO to execute an On-Call Materials Testing, Special Inspection, and Geotechnical Consultant Services Agreement with Group Delta Consultants, Inc., for a term of three years, with the option for two one-year extensions, in an amount not-to-exceed \$3,500,000, in support of the Capital Improvement Program at San Diego International Airport.

Adopt Resolution No. 2016-0078, approving and authorizing the President/CEO to execute an On-Call Materials Testing, Special Inspection, and Geotechnical Consultant Services Agreement with Kleinfelder, Inc., for a term of three years, with the option for two one-year extensions, in an amount not-to-exceed \$3,500,000, in support of the Capital Improvement Program at San Diego International Airport.

14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE ON-CALL AIRPORT SIGNAGE FABRICATION AND REPAIR SERVICE AGREEMENTS WITH SIGN AGE IDENTITY SYSTEMS, INC.; FLUORESCO SERVICES LLC; AND RISNER NAUKAM DESIGN GROUP, INC. DBA THE BUBBLE:

RECOMMENDATION: Adopt Resolution No. 2016-0079, approving and authorizing the President/CEO to execute on-call airport signage fabrication and repair service agreements with Sign Age Identity Systems, Inc.; Fluoresco Services LLC; and Risner Naukam Design Group, Inc. dba The Bubble - each agreement, for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 for all three firms, to provide on-call airport signage fabrication and repair services, at San Diego International Airport ("SDIA").

15. APPROVE AND AUTHORIZE THE SIXTH AMENDMENT TO THE AGREEMENT WITH LEIGH FISHER TO SUPPORT ADDITIONAL GRANT-FUNDED SUSTAINABILITY MANAGEMENT PLANNING:

RECOMMENDATION: Adopt Resolution No. 2016-0080, approving and authorizing the Sixth Amendment to the agreement with Leigh Fisher increasing the amount by \$675,730 for a new total not-to-exceed amount of \$9,367,875 for the Airport Development Plan (ADP) to support additional grant-funded sustainability management planning.

16. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH SITA INFORMATION NETWORKING COMPUTING, INC. FOR TECHNICAL SUPPORT SERVICES:

RECOMMENDATION: Adopt Resolution No. 2016-0081, approving and authorizing the President/CEO to execute an Agreement with SITA Information Networking Computing, Inc., for a term of three years, with the option for two one-year extensions to be exercised at the discretion of the President/CEO, in an amount not-to-exceed \$5,000,000 to provide Technical Support Services at the Airport.

PUBLIC HEARINGS:

Board Member Berman (Ex Officio) left the dais at 11:18 a.m.

NEW BUSINESS:

18. PRESENTATION AND POSSIBLE DIRECTION TO COMMENCE A PROCUREMENT PROCESS TO ADDRESS FEDERAL INSPECTION SERVICES (FIS) CAPACITY NEEDS:

Hampton Brown, Director, Air Service Development, Keith Wilschetz, Director, Planning & Noise Mitigation, and Scott Brickner, Vice President, Finance and Asset Management/Treasurer, provided a presentation on Federal Inspection Services at SAN, which included Overviews of International Air Service/Need for Capacity, Current Facility & Limitations, Overview of Planned Options, Financial Analysis, and Next Steps.

JOE TERZI, POWAY, spoke in support of staff recommendations and stated that it is important to maintain sufficient capacity for international arrivals.

SEAN BARR, SAN DIEGO, spoke in support of staff's recommendations.

Thella F. Bowens, President/CEO, read a letter from the SAN Airport Airline Affairs Committee into the record regarding the proposed FIS project.

In response to Chairman Boling, Ms. Bowens stated that this information was shared with the airlines and that staff will meet with the airlines on a regular basis starting next month, continuing to work with them on a mutual financial plan and operations of the facility.

Board Member Kersey requested information on an updated projection if the parking structure was to be debt financed.

In response to Board Member Kersey regarding a timeframe for the project to start, Ms. Bowens stated that staff needs to move immediately to start the solicitation process in order to open the facility by 2018.

Board Member Gleason expressed support of staff's recommendation and stated that Option 3 is the lifecycle answer which we know will be there permanently.

Board Member Hubbs expressed support of the long term direction for Option 3, and supports looking into financing the parking structure.

In response to Board Member Desmond regarding the effect on the Airport Development Plan (ADP), Mr. Brickner stated that the project is in the later phase of the ADP, and accelerating the project would possibly save the Authority money.

Board Member Desmond expressed concerns with increasing passenger fees.

Ms. Bowens stated staff feels comfortable with the potential fees and that it is comparable to similar airports.

Board Member Robinson expressed support for Option 3.

Board Member Janney expressed concerns regarding affecting existing international providers and acknowledged that the existing facility needs to be improved. He stated that he supports staff's recommendations and agreed that more details should be brought back to the Board.

In regards to the Board's question regarding when they will see the proposals, Ms. Bowens stated that staff will come back to the Board in January 2017 to present a more definitive project definition, project costs and contractor proposals.

In response to Board Member Gleason regarding the procurement method to be used, Jana Vargas, Director, Procurement, provided an overview of the RFQ procurement process.

Chairman Boling requested that the Board see what the options are before a recommendation is made by staff, and stated that she is in support of moving forward with Option 3 with more information to be presented to the Board in January 2017.

In regards to Board Member Hubbs' concerns regarding providing up front funding for design costs, Ms. Bowens explained that usually in the solicitation process there is some upfront costs and stated that the Board will be provided information on upfront costs during the procurement process.

RECOMMENDATION: Receive the presentation and provide direction to staff to continue the preparation of project definition documents and commence a procurement process.

ACTION: Move by Board Member Gleason and seconded by Board Member Robinson to approve staff's recommendations and directed staff to update the Board on the project in January 2017. Motion carried by the following vote: YES – Boling, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson; NO – None; ABSENT – Cox, Sessom. (Weighted Vote Points: Yes – 84; NO – 0; ABSENT – 16)

The Board recessed at 11:27 a.m. and reconvened at 11:40 a.m.

OLD BUSINESS:

17. AUTOMATED LICENSE PLATE READER (ALPR) – PRIVACY AND PERSONAL INFORMATION SECURITY PROCEDURES AND PRACTICES AND AMENDMENT TO AUTHORITY POLICY 8.63 (CONTINUED FROM THE JULY 11, 2016 SPECIAL BOARD MEETING):

Marc Nichols, Manager, Ground Transportation, provided a presentation on Automated License Plate Reader – Privacy and Personal Information Security Procedures and Practices and Amendment to Authority Policy 8.63, which included Recommendations and ALPR Civil Codes.

Board Member Gleason expressed concerns regarding the background checks for ACE employees that would have access to the ALPR information.

Mike de Graffenreid, General Manager, ACE Parking Management, stated that all ACE employees that work at the airport receive training on privacy and that they also go through the same background checks as airport employees and are required to sign a privacy statement which goes in their personnel file. He also stated that they have the ability to run reports on the information each employee has accessed.

RECOMMENDATION: Adopt Resolution No. 2016-0059, authorizing the use of an Automated License Plate Recognition (ALPR) System in compliance with California Civil Codes §1798.25 – 1798.29 and §1798.90.5 – 1798.90.55 at San Diego International Airport.

Adopt Resolution No. 2016-0083, amending Authority Policy 8.63 to reference the Authority's compliance with the California Civil Code relating to the use of its ALPR System.

ACTION: Move by Board Member Hubbs and seconded by Board Member Janney to approve staff's recommendation. Motion carried by the following vote: YES – Boling, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson; NO – None; ABSENT – Cox, Sessom. (Weighted Vote Points: Yes – 84; NO – 0; ABSENT – 16)

The Board recessed at 11:47 a.m. and reconvened at 11:49 a.m.

Board Member Boling left the dais at 11:50 a.m.

19. RENEWAL OF THE EMPLOYEE HEALTH AND WELFARE BENEFITS PROGRAM FOR 2017:

Kurt Gering, Director, Talent, Culture & Capability, and Jesus Mendoza, Vice President, Willis Towers Watson, provided a presentation on Renewal of the Employee Health and Welfare Benefits Program for 2017, which included an Executive Summary, Marketing Results, Plan Renewal Rates, Benchmarking, and Renewal Summary.

DAN FRAZEE, CARLSBAD, spoke in support of staff's recommendation.

RECOMMENDATION: Adopt Resolution 2016-0082, approving the renewal of the Employee Health and Welfare Benefits Program for 2017.

ACTION: Move by Board Member Hubbs and seconded by Board Member Gleason to approve staff's recommendation. Motion carried by the following vote: YES – Desmond, Gleason, Hubbs, Janney, Kersey, Robinson; NO – None; ABSENT – Boling, Cox, Sessom. (Weighted Vote Points: Yes – 71; NO – 0; ABSENT – 29)

CLOSED SESSION: The Board recessed into Closed Session at 12:25 p.m. to discuss items 25 and 26.

20. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

(Cal. Gov. Code § 54956.9(a) and (d)(1).)

Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL

21. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

(Cal. Gov. Code § 54956.9(a) and (d)(1).)

Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EINC

22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code § 54956.9(a)):

Maria Paula Bermudez v. San Diego County Regional Airport Authority,
American Airlines, Inc., et al.
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL

23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code §54956.9(a) and (d)(1))

Stanley Moore v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL

24. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

Cal. Gov. Code § 54956.9(a) and (d).

In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]

25. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)

Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1

26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:

(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)

Number of cases: 2

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 1:08 p.m. There was no reportable action.

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 was adjourned at 1:09 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 20TH DAY OF OCTOBER, 2016.

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 20, 2016**

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 briefings by representatives of a local police department or a state or federal governmental agency regarding safety, security, immigration or customs affecting San Diego International Airport.

Fiscal Impact:

Board and Committee Member Compensation is included in the FY 2017 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

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

Period Covered: Sept. 2016

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:
C. APRIL BOLING		10/03/16
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: 9/6/16 Time: 8:30 Location: Airport	Airport Executive/Finance Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: 9/07/16 Time: 9:30 Location: MTS Offices	Metropolitan Transit System (MTS) Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/12/16 Time: 10:00 Location: Airport	Airport Executive/Personnel Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: 9/14/16 Time: 10:00 Location: Airport	Airport Parking Plaza Ground Breaking Ceremony
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/15/16 Time: 9:00 Location: Airport	Airport ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/19/16 Time: 9:00 Location: Port	Port Leadership Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/25/16 – 9/27/16 (3 DAYS) Time: Location: Washington D.C.	Mission to Washington D.C.
<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: 

LLOYD HUBBS

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Member Event/Meeting/Training Report Summary

Period Covered: September

Corporate & Information Governance
0107610100
V. J. J. J.

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:
LLOYD HUBBS		10-9-16
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: 9-6-16 Time: 7:30 - 1:00 Location: AUTH. Bd. Rm	Audit Comm Exec - Finance
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-12-16 Time: 10:00 - 12:00 Location: BOARD Rm	Exec. Personnel
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-15-16 Time: 9:00 AM Location: Bd Rm	Board Mtg.
<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: Lloyd Hubbs

GREG COX

SDCRAA

SEP 30 2016

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

Corporate & Information Governance

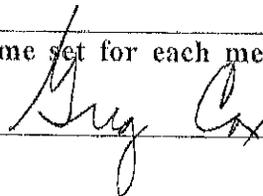
Period Covered: SEPT 1-30, 2016

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		SEPTEMBER 29, 2016
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: SEPT 6, 2016 Time: 9:00 am Location: SDIA	SPECIAL BOARD MEETING EXECUTIVE / FINANCE COMMITTEE
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: SEPT. 12, 2016 Time: 10:00 am Location: SDIA	EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE SPECIAL MEETING BOARD MEETING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: SEPT 19, 2016 Time: 9:00 am Location: SDVPD OFFICES	PORT/AIRPORT LEADERSHIP MEETING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: SEPT 25, 2016 Time: 7:30 am Location: WASHINGTON, D.C.	SAN DIEGO REGIONAL CHAMBER OF COMMERCE MISSION TO WASHINGTON, D.C.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: SEPT 26, 2016 Time: 8:00 am Location: WASHINGTON, D.C.	SAN DIEGO REGIONAL CHAMBER OF COMMERCE MISSION TO WASHINGTON, D.C.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: SEPT 27, 2016 Time: 8:00 am Location: WASHINGTON, D.C.	SAN DIEGO REGIONAL CHAMBER OF COMMERCE MISSION TO WASHINGTON, D.C.
<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: _____



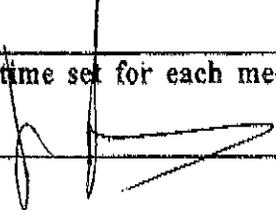
JIM JANNEY

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary
 Period Covered: Sept 2016

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
Jim Janney		
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
Brown Act Pre-approved Res. 2009-0149R	Date: 9-6-2016 Time: 0900 Location: SDCRAA	Exec. Committee
Brown Act Pre-approved Res. 2009-0149R	Date: 9-15-2016 Time: 0400 Location: SDCRAA	Board mtg
Brown Act Pre-approved Res. 2009-0149R	Date: 9-2-2016 Time: 0900 Location: San Diego	San Diego Transportation
Brown Act Pre-approved Res. 2009-0149R	Date: 9-21-2016 Time: 3pm Location: Granada	AHUC working group
Brown Act Pre-approved 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

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

Period Covered: ~~8/15/16~~
9/30/16

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		9-29-16
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: 9/6/16 Time: 8:30 - 11:30 a.m. Location: SDCRAA Bd Rm	Audit Comm Mtg Exec Finance Mtg Special Board Mtg
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/15/16 Time: 9:00 am - 2:00 pm Location: SDCRAA Bd Rm	SDCRAA Bd/ALUC Mtgs
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/19/16 Time: 9:00 - 10:30 am Location: SD Port	Mtg w/ Port Commissioners
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/25/16 Time: 7:00 pm - 11:00 pm Location: W. Hotel Washington DC	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/26/16 Time: All Day Location: Washington DC	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/27/16 Time: All Day Location: Washington D.C.	Chamber Trip
<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

STAFF REPORT

Meeting Date: **OCTOBER 20, 2016**

Subject:

Awarded Contracts, Approved Change Orders from August 21, 2016 through September 25, 2016 and Real Property Agreements Granted and Accepted from August 21, 2016 through September 25, 2016

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 - August 21, 2016- September 25, 2016

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
8/24/2016	N/A	Pasley Management Group	The Contractor will provide services to assist in the development of a strategy to establish alternative project delivery methods for major infrastructure projects at San Diego International Airport.	Informal RFP	Airport Design and Construction	\$50,000.00	7/31/17
8/29/2016	N/A	InterVISTAS Consulting, Inc.	The Contractor will provide services needed to validate internal forecasts of international traffic expected use within the 2018-2030 timeframe at San Diego International Airport.	Informal RFP	Air Service Development	\$20,000.00	2/21/2017
8/29/2016	N/A	Loren Smith Productions	The Contractor will provide performing arts production and programming specialist services at San Diego International Airport.	RFP	Vision, Voice & Engagement	\$195,000.00	8/14/2017
8/30/2016	N/A	Root Inc.	The Contractor will provide services to assist in the development and preparation of a five (5) year (2017-2021) strategic plan for the San Diego County Regional Airport Authority.	RFP	Talent, Culture & Capability	\$96,000.00	8/23/2017
9/9/2016	N/A	Siemens Postal, Parcel & Airport Logistics LLC	The Contractor will provide labor to refurbish and restore the outbound bag makeup unit MU-1 in Terminal 2 East at San Diego International Airport. Siemens Postal, Parcel & Airport Logistics LLC is familiar with the scope of work and uniquely qualified to respond to the immediate needs to prevent the risk of a major disruption to the operations at San Diego International Airport.	Single Source	Terminals and Tenants	\$80,000.00	12/31/2016
9/15/2016	N/A	VelocityEHS, Inc.	The Contractor will provide services needed for an on-line Ergonomics Training and Assessment Program at San Diego Country Regional Airport.	Informal RFP	Assets and Alliances	\$35,000.00	8/31/2019

New Contracts Approved by the Board

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
8/29/2016	N/A	Kutak Rock LLP	The Contract was approved by the Board at the July 21, 2016 Board Meeting. The Contractor will provide Bond Counsel Legal services for San Diego County Regional Airport Authority.	RFP	General Counsel	\$400,000.00	7/31/2019
9/6/2016	104208	JXR Constructions, Inc.	The Contract was approved by the Board at the July 21, 2016 Board Meeting. The Contractor will complete CIP project # 104208 for the Terminal 2 West First Floor Restroom Remodel at San Diego International Airport.	RFB	Facilities Development	\$1,295,917.00	5/19/2017
9/9/2016	N/A	Siemens Industry, Inc.	The Contract was approved by the Board at the July 21, 2016 Board Meeting. The Contractor will provide fire alarm and related system maintenance at San Diego International Airport.	RFP	Facilities Management	\$1,725,000.00	7/21/2019

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN August 21, 2016- September 25, 2016

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
8/18/2016	N/A	Devaney Pate Morris & Cameron LLP	The Consent to Assignment Agreement assigns the agreement from Stutz Artiano Shinoff & Holtz APC to Devaney Pate Morris & Cameron LLP for General Legal Services. There is no increase in compensation.	General Counsel	\$300,000.00	\$0.00	0%	\$300,000.00	4/30/2017
8/24/2016	N/A	Kutak Rock LLP	The Second Amendment extends the term of the contract by ninety days for Bond Counsel Legal Services at the San Diego County Regional Airport Authority. There is no increase in compensation.	General Counsel	\$400,000.00	\$0.00	0%	\$400,000.00	7/31/2016
8/25/2016	N/A	Marsh USA, Inc.	The First Amendment revises the indemnification language for Insurance Broker Services for the Owner Controlled Insurance Program (OCIP) at San Diego International Airport. There is no increase in compensation.	Risk Management	\$400,500.00	\$0.00	0%	\$400,500.00	8/31/2018
9/20/2016	N/A	Ninyo & Moore	The Second Amendment extends the term of the contract by 90 days for on-call materials testing, special inspection, and Geotechnical services for San Diego International Airport. There is no increase in compensation.	Facilities Development	\$3,500,000.00	\$0.00	0%	\$3,500,000.00	1/13/2017
<u>Amendments and Change Orders-Approved by the Board</u>									
8/26/2016	N/A	Sign Age Identity Systems, Inc.	The Third Amendment was approved by the Board at the September 15, 2016 Board Meeting. The Third Amendment extends the term of the contract by 60 days for on-call fabrication, installation, removal and repair services for Airport's signs for the San Diego International Airport. There is no increase in compensation.	Facilities Management	\$1,300,000.00	\$0.00	0%	\$1,300,000.00	10/11/2016

Attachment "B"

REAL PROPERTY AGREEMENTS EXECUTED FROM AUGUST 21, 2016 TO SEPTEMBER 25, 2016



Real Property Agreements

Attachment "B"	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
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No Agreements to Report



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
8.23.16	LE-0656	InMotion Entertainment Group, LLC	Second Amendment News & Gift Concession Package 8	Terminals 1 and 2	Retail Concession	N/A	The greater of the Minimum Annual Guarantee or 14% of Gross Receipts	Amendment to reflect close-out and as-built conditions of the Concession Premises as described in "Exhibit A", clarify definitions of "Unamortized Investment" and "Capital Investment" and reflect the end date of Lease.

STAFF REPORT

Meeting Date: **OCTOBER 20, 2016**

Subject:

October 2016 Legislative Report

Recommendation:

Adopt Resolution No. 2016-0084, approving the October 2016 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 October 2016 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A).

State Legislative Action:

The Authority's legislative team does not recommend that the Board adopt any new positions on state legislation. The State Legislature is scheduled to convene the 2017-18 legislative session on December 5th.

September 30th was the last day for Governor Brown to sign or veto bills passed by the State Legislature this year. The final status of bills tracked by the Authority's legislative team is listed in Attachment A. Of particular note, however, is the Governor's veto of AB 650 (Low) – taxicab transportation services. The primary purpose of this bill was to transfer taxicab regulation from the various local entities to one state agency. The Authority's legislative team was concerned that this bill could have been interpreted to limit the Authority's ability to collect taxicab related fees and the Authority's oversight of taxicab operations at the airport. The Authority's legislative team received Board approval to take an "Oppose" position on this "gut and amend" bill August 31st and actively opposed this legislation.

Federal Legislative Action:

The Authority's legislative team does not recommend that the Board adopt any new positions on federal legislation.

On September 29th, President Obama signed into law a 10-week continuing resolution spending bill that will fund the federal government at Fiscal Year 2016 levels through December 9th. Congress has adjourned for the election season and is expected to reconvene in November for a lame-duck session.

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. 2016-0084

A RESOLUTION OF THE BOARD OF THE SAN
DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
APPROVING THE OCTOBER 2016 LEGISLATIVE
REPORT

WHEREAS, the San Diego County Regional Airport Authority (“Authority”) operates San Diego International Airport as well as 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 October 2016 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”) (Cal. Pub. Res. Code § 21065); and 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 20th day of October, 2016, 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

October 2016 Legislative Report

Local Legislation

Legislation/Topic

City of San Diego Drone Ordinance

Background/Summary

The purpose of this proposed ordinance is to address the potential hazard of drones to other aircraft in flight, persons on the ground, and critical infrastructure. Specifically, this proposed ordinance would codify on a local level regulations similar to those of the Federal Aviation Administration prohibiting the operation of a model aircraft (operated for hobby or recreational purposes) within five miles of an airport without authorization of air traffic control tower staff. The ordinance would also prohibit the operation of model aircraft in a manner that interferes with manned aircraft or operation of model aircraft beyond the visual line of sight by the operator. The operation of model aircraft would also be limited to a height of 400 feet and would only be allowed during daylight hours. In addition, the proposed ordinance would prohibit the operation of both model aircraft and civil unmanned aircraft systems (drones operated for any purpose other than for hobby or recreation) in a manner prohibited by any federal statute or regulation, in violation of any temporary flight restriction or notice to airmen, or in a careless or reckless manner. It would not apply to drones operated by a public agency for government related purposes.

Anticipated Impact/Discussion

This bill could benefit San Diego International Airport (SDIA) by creating regulations that foster a safer operating environment for unmanned aircraft operated in the City of San Diego.

Status: 4/20/16 – Consideration by the San Diego City Council Public Safety Committee postponed

Position: Support (4/21/16)

**Shaded text represents new or updated legislative information*

State Legislation

New Assembly Bills

There are no new Assembly bills to report at this time.

New Senate Bills

There are no new Senate bills to report at this time.

Assembly Bills from Previous Report

Legislation/Topic

AB 626 (Chiu and Low) – Public contracts: claim resolution

Background/Summary

This bill establishes a new claim process for contractors to submit claims for public works projects. Beginning January 1, 2017, public entities will be required to review and respond in writing to contractor claims within 45 days. The bill requires payments due on undisputed portions of a claim be processed within 60 days. Any unpaid claim amounts will accrue interest at a rate of 7% annually. AB 626 also authorizes a procedure for subcontractors to submit claims through a contractor.

Anticipated Impact/Discussion

The enactment of AB 626 is expected to impact the Authority's contracting process and create additional opportunities for delay, conflict, and additional costs for airport projects. Both the Airport Authority and the California Airports Council opposed similar legislation in 2015, which was vetoed by the Governor.

Status: 9/29/16 – Signed into law by the Governor and chaptered

Position: Oppose (6/23/16)

Legislation/Topic

AB 650 (Low) – Taxicab Transportation Services

Background/Summary

As amended on August 31, 2016, this bill would have transferred taxicab regulation from the multitude of various local government agencies to one state agency. Under this bill, the duties and responsibilities for the regulation of taxicabs would have been carried out within the agency that handles all other modes of for-hire-transportation. AB 650 also aimed to limit the ability of local governments to levy charges, fees, or assessments on taxicab companies and limit fees for taxi driver permits to \$75 annually. The charges, fees and assessments levied on taxicab companies could not exceed those in effect on July 1, 2016, and no new charges could have been created. Cities or counties would not have been allowed to limit prearranged trips by licensed taxicabs or regulate the type of device used by taxicabs to calculate fares. Cities or counties would

**Shaded text represents new or updated legislative information*

also have been allowed to limit the number of taxicab companies that use taxi stands, pick up passengers at airports, or pick up street hails.

Anticipated Impact/Discussion

Although the author of AB 650 submitted a letter to the Assembly Journal clarifying that AB 650 was not intended to prevent the governing body of an airport from adopting and enforcing local rules, regulations, and ordinances applicable to taxicabs operating on airport property, it was unclear if it pertained only to city and county governments. Authority staff worked closely with the California Airports Council to express our mutual concerns with this bill and successfully opposed this legislation.

Status: 9/28/16 – Vetoed by the Governor

Position: Oppose (8/31/16)

Legislation/Topic

AB 1289 (Cooper) – Transportation Network Companies: Driver Penalties

Background/Summary

This bill requires Transportation Network Companies (TNCs) to conduct, or have a third party conduct, comprehensive criminal background checks for each participating driver that include local, state, and federal law enforcement and national sex offender records. AB 1289 would prohibit TNCs from contracting with, employing, or continuing to retain a driver if he or she is required to register as a sex offender or has been convicted of a violent felony, acts of terror and other specified crimes or has been convicted of any of the following offenses within the previous seven years: misdemeanor assault or battery, domestic violence, driving under the influence offense or other specified felonies.

Anticipated Impact/Discussion

The enactment of AB 1289 could reduce the risk of passengers using TNCs to travel to and from SDIA.

Status: 9/28/16 – Signed into law by the Governor and chaptered

Position: Support (4/21/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

AB 1661 (McCarty) – Local Government: sexual harassment training and education

Background/Summary

This bill requires local agency officials (defined as any member of a local agency governing body and any elected local agency official) to receive a minimum of two hours sexual harassment training and education if the local agency provides any type of compensation, salary, or stipend to those officials, and permits a local agency to require its employees to receive sexual harassment training. The local agency officials training will be required within the first six months of taking office or commencing employment and would be required every two years.

Anticipated Impact/Discussion

Pursuant to existing law, the Authority currently provides sexual harassment training on a bi-annual basis to supervisory employees. This training could be provided to board members as well. Following an amendment of AB 1661, local officials are only required to satisfy this requirement once, regardless of the number of local agencies on which they serve.

Status: 9/29/16 – Signed into law by the Governor and chaptered

Position: Watch (2/18/16)

Legislation/Topic

AB 1662 (Chau) – Unmanned Aircraft Systems: accident reporting

Background/Summary

This bill would have required the operator of any unmanned aircraft system involved in an accident resulting in injury to an individual or damage to property to immediately land the unmanned aircraft at the nearest safe location. The operator would also have been required to provide certain information to the injured party or the owner or person in charge of the damaged property, or place that information in a conspicuous place on the damaged property. A person who violated this requirement would have been guilty of an infraction or misdemeanor.

Anticipated Impact/Discussion

Although this bill would not have directly impacted SDIA operations, it could have resulted in safer operations of unmanned aircraft and increased accountability for the operators of such aircraft near San Diego International Airport (SDIA).

Status: 9/9/16 – Vetoed by the Governor

Position: Support (2/18/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic
AB 1841 (Irwin) – Cyber Security

Background/Summary

As amended, this bill requires that by July 1, 2018, the Office of Emergency Services (OES), in conjunction with the Department of Technology develop comprehensive cybersecurity strategy setting standards for state agencies to prepare for cybersecurity interference with or the compromise or incapacitation of critical infrastructure. The state agencies required to coordinate with OES will include every state office, officer, department, division, bureau, board, and commission. OES will also be required to transmit to the State Legislature by July 1, 2017, a cybersecurity incident response plan, known as the Cyber Security Annex to the State Emergency Plan.

Anticipated Impact/Discussion

As introduced, this bill would have required OES to post cybersecurity strategy information on the internet. As amended, AB 1841 no longer requires this action, reducing access to potentially sensitive information.

Status: 9/26/16 – Signed into law by the Governor and chaptered

Position: Watch (5/19/16)

Legislation/Topic
AB 2257 (Maienschein) – Local agency meetings: agenda online posting

Background/Summary

This bill requires an online posting of a meeting agenda by a local agency to have a prominent direct link to the current agenda itself. It also requires the link to be on the local agency's primary Internet website homepage, and the link cannot be in a contextual menu. The bill makes these provisions applicable for meetings beginning January 1, 2019.

Anticipated Impact/Discussion

The enactment of this bill requires the Airport Authority to post meeting agendas in the manner specified by AB 2257.

Status: 9/9/16 – Signed into law by the Governor and chaptered

Position: Watch (3/17/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

AB 2320 (Calderon & Low) – Unmanned Aircraft Systems: regulation

Background/Summary

This bill would have prohibited a person who is prohibited from coming within a specified distance of another person, from operating an unmanned aircraft in a way that causes it to fly within the prohibited distance of the other person, or from capturing images of the other person by using an unmanned aircraft. This bill would also have prohibited a person required to register as a sex offender for offenses committed after January 1, 2017, from operating an unmanned aircraft. In addition, AB 2320 would have prohibited drone use from interfering with emergency responses, following and harassing individuals or bringing prohibited items into a correctional facility.

Anticipated Impact/Discussion

Although this bill was not expected to directly impact any operations at San Diego International Airport, its enactment could have prevented drone interference during an emergency situation.

Status: 9/29/16 – Vetoed by the Governor

Position: Watch (3/17/16)

Legislation/Topic

AB 2687 (Achadjian) – Vehicles: Passenger for Hire: Driving Under the Influence

Background/Summary

This legislation will make it unlawful for a person who has 0.04 percent, by weight, or more of alcohol in his or her blood to drive a motor vehicle when a passenger for hire is in the vehicle.

Anticipated Impact/Discussion

Although AB 2687 would not have any direct impact to San Diego International Airport, its enactment could enhance safety for passengers utilizing vehicles for hire to travel to and from SDIA.

Status: 9/28/16 – Signed into law by the Governor and chaptered

Position: Watch (4/21/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic
AB 2724 (Gatto) – Unmanned Aircraft

Background/Summary

As amended, this bill would have required manufacturers of unmanned aircraft (drones) sold in California to include with the aircraft a link to the Federal Aviation Administration (FAA) website containing applicable safety regulations and best practices. If the unmanned aircraft was required to be registered with the FAA, a notification of that requirement and a link to the FAA website was to be included as well. AB 2724 would also have required that unmanned aircraft equipped with global positioning satellite (GPS) mapping capabilities be equipped with geo-fencing technologies that prohibit the unmanned aircraft from flying within any area prohibited by local, state, or federal law. This bill would also have required the owner of an unmanned aircraft to procure adequate protection against liability for the payment of damages for bodily injury, death and property damage resulting from the operation of the unmanned aircraft. Lastly, this bill would have exempted an unmanned aircraft operated pursuant to a current exemption from these requirements.

Anticipated Impact/Discussion

This bill could have benefitted San Diego International Airport (SDIA) by creating regulations that foster a safer operating environment for unmanned aircraft. Its provisions to require geo-fencing capabilities for all GPS enabled unmanned aircraft could have reduced or eliminated the operation of unmanned aircraft within a five mile radius of SDIA.

Status: 9/29/16 – Vetoed by the Governor

Position: Support (4/21/16)

**Shaded text represents new or updated legislative information*

Federal Legislation

New House Bills

There are no new House bills to report at this time.

House Bills from Previous Report

Legislation/Topic

H.R. 1835 (Mica) – The Air Traffic Controller Reform and Employee Stock Ownership Act of 2015

Background/Summary

This bill would privatize some facets of the nation's air traffic control system and create a new private corporation that would oversee functions currently handled by the Federal Aviation Administration (FAA). The Secretary of Transportation would be required to submit a transfer plan to Congress within 60 days of enactment of H.R. 1835.

Anticipated Impact/Discussion

This bill is being monitored by the Authority's legislative team for any potential impact to San Diego International Airport. Legislation similar to H.R. 1835, which would create a federally-chartered, fully independent, not-for-profit corporation to administer Air Traffic Control (ATC), was included in H.R. 4441, the Aviation Innovation, Reform and Reauthorization Act of 2016.

Status: 4/16/15 – Introduced and Referred to the House Committee on Transportation and Infrastructure and the House Committee on Oversight and Government Reform

Position: Watch (5/21/15)

Legislation/Topic

H.R. 2127 (Thompson) – The Securing Expedited Screening Act

Background/Summary

This bill would require the Transportation Security Administration (TSA) to limit expedited security screening at airports to passengers enrolled in a Department of Homeland Security trusted traveler program, members of the armed forces, and other low-risk travelers.

Anticipated Impact/Discussion

This legislation is not expected to result in any significant impact to San Diego International Airport operations.

**Shaded text represents new or updated legislative information*

Status: 7/27/15 – Approved by the House on a voice vote and Referred to the Senate Committee on Commerce, Science and Transportation

Position: Watch (7/23/15)

Legislation/Topic

H.R. 2530 (Duckworth) – The Friendly Airports for Mothers Act of 2015

Background/Summary

This bill would require large and medium hub airports to install and maintain post-security lactation areas at each airport terminal building. These areas must have a locking door, sitting area, flat surface, electrical outlet, and accessibility compliant with the Americans with Disabilities Act (ADA), and must not be located in a restroom.

Anticipated Impact/Discussion

The legislation is not expected to require any changes to SDIA airport facilities as post-security lactation areas in the terminals already exist. H.R. 4441, The Aviation Innovation, Reform and Reauthorization Act of 2016 has included language that would require similar accommodations for nursing mothers.

Status: 5/21/15 – Introduced and Referred to the House Committee on Transportation and Infrastructure

Position: Watch (7/23/15)

Legislation/Topic

H.R. 2750 (Katko) – The Improved Security Vetting for Aviation Workers Act of 2015

Background/Summary

This bill would codify recommendations issued by the Department of Homeland Security Inspector General related to the vetting and badging of airport employees. This bill would require the establishment of new guidance procedures for the annual review of badging offices by the end of 2015. Inspections will include a review of applicants' Criminal History Records Check (CHRC) and work authorization documentation. The legislation would also require airport badging offices to indicate, on an employee's credentials, the date their authorization to work in the United States ends. Further, the bill would require the Transportation Security Administration (TSA) to review cases involving credentials denied due to issues determining the legal status of an employee. The findings of this review will be used to identify and correct weaknesses of airports.

Anticipated Impact/Discussion

If enacted, Authority staff will coordinate with TSA staff on any actions necessary to implement these new requirements.

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Status: 7/27/15 – Approved by the House on a voice vote and Referred to the Senate Committee on Commerce, Science and Transportation

Position: Watch (7/23/15)

Legislation/Topic

H.R. 2770 (Rice) – The Keeping Our Travelers Safe and Secure Act

Background/Summary

This bill would require the Transportation Security Administration (TSA) Administrator to develop and implement a preventative maintenance validation process for security-related screening technology at airports.

Anticipated Impact/Discussion

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

Status: 7/27/15 – Approved by the House on a vote of 380-0 and Referred to the Senate Committee on Commerce, Science and Transportation

Position: Watch (7/23/15)

Legislation/Topic

H.R. 2776 (Cohen) – The Carry-On Freedom Act of 2015

Background/Summary

This bill would direct the Secretary of Transportation to issue regulations that prevent airlines that charge a fee for checked baggage from reducing the size of carry-on luggage from the size standards utilized by airlines on June 8, 2015.

Anticipated Impact/Discussion

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

Status: 6/15/15 – Introduced and Referred to the House Committee on Transportation and Infrastructure

Position: Watch (7/23/15)

**Shaded text represents new or updated legislative information*

Legislation/Topic

H.R. 2843 (Katko) – The TSA PreCheck Expansion Act

Background/Summary

This bill would require the Transportation Security Administration (TSA) Administrator to coordinate with private sector partners to increase public enrollment in the PreCheck Program and to maximize the availability of PreCheck screening, particularly during peak and other high volume travel times.

Anticipated Impact/Discussion

Authority staff will coordinate with TSA staff as needed to assist in implementing the actions in H.R. 2843 if this legislation is enacted.

Status: 7/27/15 – Approved by the House on a voice vote
12/9/15 – Amended and approved by the Senate Committee on Commerce, Science and Transportation

Position: Watch (7/23/15)

Legislation/Topic

H.R. 3102 (Katko) – Airport Access Control Security Improvement Act of 2015

Background/Summary

This bill would direct the Administrator of the TSA to establish a risk-based, intelligence-driven model for screening airport employees based on level of employment related access to secure areas. The Administrator would also be required to determine the types of federal disqualifying criminal offenses to be used in denying employee credentials necessary to access Secure Identification Display Areas (SIDAs) of airports and establish a national database.

Anticipated Impact/Discussion

If enacted, this legislation could alter the current screening process for employees at SDIA and may affect the current process used by Airport Authority staff in determining the eligibility of airport employees obtaining SIDA credentials.

Status: 10/6/15 – Approved by the House by voice vote and Referred to the Senate Committee on Commerce, Science and Transportation

Position: Watch (1/21/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

H.R. 3384 (Meng) – Quiet Communities Act of 2015

Background/Summary

This bill would require the Environmental Protection Agency (EPA) to reestablish the Office of Noise Abatement and Control - established in 1972 and defunded since 1982 - and require the Administrator to conduct an airport noise study, and submit the results to Congress.

Anticipated Impact/Discussion

This bill will be monitored by the Authority's legislative staff for any potential impact to San Diego International Airport.

Status: 7/29/15 – Introduced and Referred to the House Committee on Transportation and Infrastructure and the House Committee on Energy and Commerce

Position: Watch (12/17/15)

Legislation/Topic

H.R. 3584 (Katko) – Transportation Security Administration Reform and Improvement Act of 2015

Background/Summary

H.R. 3584 is a compilation of several other legislative bills and would:

- Authorize a pilot project to establish a secure, automated biometric-based system at airports to verify the identity of PreCheck passengers
- Expand enrollment in PreCheck by adding private sector application capabilities
- Ensure that TSA PreCheck screening lanes are open and available during peak and high-volume travel times at airports
- By December 31, 2017, establish a secure, automated system at all large hub airports for verifying travel and identity documents of passengers who are not members of the TSA PreCheck program
- Develop a process for regularly evaluating the root causes of screening errors at airport checkpoints so corrective measures can be identified
- Require the completion of a comprehensive, agency-wide efficiency review

Anticipated Impact/Discussion

This bill could benefit operations at SDIA by potentially streamlining TSA operations at checkpoints through biometric-based screening and increased use of the PreCheck program, thereby reducing passenger screening wait times.

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Status: 2/23/16 – Approved by the House on a voice vote and Referred to Senate Committee on Commerce, Science and Transportation

Position: Support (3/17/16)

Legislation/Topic

H.R. 3965 (Gallego) – FAA Community Accountability Act of 2015

Background/Summary

This bill would require the FAA Administrator to undertake actions to limit negative impacts of the implementation of the Next Generation Air Transportation System (NextGen) on individuals living in the vicinity of affected airports and allow the Administrator to give preference to overlays of existing flight paths and procedures to ensure land use compatibility. The following are specific provisions included in the bill:

- The Administrator would be required to appoint an FAA Community Ombudsman for each region of the FAA to serve as a liaison between affected communities and the Administrator.
- Ombudsmen would also monitor the impact of NextGen implementation on communities near affected airports and make recommendations to the Administrator to address community concerns and consider community input.
- FAA could not implement revisions of flight paths or procedures via a categorical exemption (under NEPA) if an ombudsman or airport operator notifies the FAA that proposed changes will have a significant adverse impact on individuals in the vicinity of such airport or if extraordinary circumstances exist.
- FAA would be required to provide a 30-day public comment period before deeming new or revised flight paths covered under a categorical exemption.
- The Administrator would be required to reconsider a flight path or procedure established or revised under NextGen if an FAA Community Ombudsman or affected airport operator notifies the Administrator that the changes would result in significant adverse impact on the human environment in the vicinity of the airport.

Anticipated Impact/Discussion

This legislation would enhance the role of the Authority and residents living in close proximity to the airport during the consideration and implementation of the NextGen Air Transportation System.

Status: 11/5/15 – Introduced and referred to the House Committee on Transportation and Infrastructure

Position: Support (12/17/15)

**Shaded text represents new or updated legislative information*

Legislation/Topic

H.R. 4441 (Shuster) – The Aviation Innovation, Reform and Reauthorization Act of 2016

Background/Summary

This bill would authorize funding for the Federal Aviation Administration and related federal aviation programs for the next six years. A major provision in this legislation would create a new Air Traffic Control Corporation governed by an eleven member board of directors, four of whom would represent airlines. The bill does not include any airport representatives on the governing board. Although H.R. 4441 would increase Airport Improvement Program (AIP) authorizations each fiscal year – reaching a level of approximately \$4 billion in FY 2022 – this bill would not increase the \$4.50 Passenger Facility Charge (PFC) limit. In addition, H.R. 4441 does not include any provision to alter the “perimeter rule” that restricts nonstop flights from Ronald Reagan Washington National Airport (DCA) to a distance of 1,250 miles.

Anticipated Impact/Discussion

Although the increase in AIP funding authorizations proposed in H.R. 4441 would provide some additional funds for SDIA projects, the benefit to SDIA would not be significant. Because there is no increase in the PFC limit, as supported by the airport industry, and because this bill would not provide any assistance in reestablishing a nonstop flight to DCA – both of which are legislative priorities for the Airport Authority – the enactment of H.R. 4441 would result in a “status quo” situation for SDIA. As this bill is a six-year measure, the Airport Authority would have little, if any, chance of increasing the PFC limit or achieving changes to the perimeter rule to assist in reestablishing nonstop service to DCA until 2023 under this legislation. The Authority’s legislative team will work with airport industry advocates and our Congressional delegation members to amend H.R. 4441 as the legislation moves forward.

Status: 2/11/16 – Approved by House Transportation and Infrastructure Committee on a vote of 34-25

Position: Oppose Unless Amended (2/18/16)

Legislation/Topic

H.R. 4698 (Katko) – The Securing Aviation from Foreign Entry Points and Guarding Airports Through Enhanced Security Act of 2016

Background/Summary

H.R. 4698, the SAFE Points and GATES Act, was introduced to address security at international last point of departure airports to the U.S. Specific provisions in the bill include:

- Requires the Transportation Security Administration (TSA) Administrator to produce a security risk assessment of all last point of departure airports with nonstop flights into the United States. The report shall include the passenger

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security screening practices, capabilities, and capacity and security vetting undergone by aviation workers at each last point of departure airport.

- Requires the TSA Administrator to submit to Congress and the Government Accountability Office (GAO) a plan to enhance and bolster security collaboration, coordination, and information sharing among Customs and Border Protection (CBP), other U.S. and foreign government agencies, and cargo and passenger airlines related to flights bound for the United States in order to enhance security capabilities at foreign airports
- Requires the GAO to review the efforts, capabilities, and effectiveness of the TSA to enhance security capabilities at foreign airports and determine if the implementation of such efforts and capabilities effectively secures international-inbound aviation
- Requires the TSA Administrator to submit to Congress a comprehensive workforce assessment of all personnel in the TSA's Office of Global Strategies who are working on transportation security issues
- Allows the TSA Administrator to donate screening equipment to last point of departure airports if such equipment can be reasonably expected to mitigate a specific vulnerability to the security of the United States or United States citizens
- Permits the TSA Administrator to evaluate foreign air cargo security programs to determine whether such programs provide a level of security commensurate with the level of security required by United States air cargo security programs

Anticipated Impact/Discussion

If enacted, this bill would direct the Administrator of the TSA to perform a number of assessments and actions to enhance the security, coordination and information sharing amongst U.S. and foreign airports, U.S. and foreign government agencies as well as cargo and passenger airlines.

Status: 4/26/16 – Approved by House on a voice vote and Referred to Senate Committee on Science, Commerce and Transportation

Position: Watch (5/19/16)

Legislation/Topic

H.R. 5056 (Keating) – The Airport Perimeter Control and Access Control Security Act of 2016

Background/Summary

H.R. 5056 was introduced to improve airport security by mandating updated risk assessments and the development of strategic security plans, including for employee access control points and airport perimeters. Specific provisions include:

- Requires the Transportation Security Administration (TSA) Administrator to update the Transportation Sector Security Risk Assessment (TSSRA) for the aviation sector

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- Requires the TSA Administrator to update the Comprehensive Risk Assessment of Perimeter and Access Control Security and determine a timeframe for additional updates.
- Requires the TSA Administrator to conduct a system wide assessment of airport access control points and airport perimeter security
- Requires the TSA Administrator to provide reports on the security risk assessments to the House Homeland Security Committee and the Senate Commerce Committee
- Requires the TSA Administrator to update the 2012 National Strategy for Airport Perimeter and Access Control Safety

Anticipated Impact/Discussion

If enacted, H.R. 5056 would direct the Administrator of the TSA to perform a number of assessments and actions to enhance the security and understanding of threats and risks to airport perimeters and access control points. These actions could result in changes to SDIA security procedures.

Status: 7/11/16 – Approved by House on a voice vote and Referred to Senate Committee on Commerce, Science and Transportation

Position: Watch (5/19/16)

Legislation/Topic

H.R. 5338 (Katko) – Checkpoint Optimization and Efficiency Act of 2016

Background/Summary

This bill would implement several changes to Transportation Security Administration (TSA) staffing and operations to improve passenger screening wait times. Specific provisions in H.R. 5338 include:

- Redeployment of behavior detection officers to allow travel document checkers to perform passenger screening functions
- Provide federal security directors (FSD) the ability to make local staffing decisions without first consulting TSA headquarters
- Disseminate to airports, airlines and FSDs the best practices developed during optimization team visits
- Expand the PreCheck program through approved private sector solutions
- Assess the staffing allocation model to determine the necessary staffing positions at all U.S. airports

Anticipated Impact/Discussion

Although San Diego International Airport (SDIA) has not experienced the problems with lengthy checkpoint wait times as has recently occurred at other U.S. airports, the actions that would be implemented under H.R. 5338 would benefit the national air transportation network and could prevent long wait times at SDIA during peak periods.

**Shaded text represents new or updated legislative information*

Status: 6/7/16 – Approved by the House on a voice vote and Referred to Senate Committee on Commerce, Science, and Transportation

Position: Support (6/23/16)

Legislation/Topic

H.R. 5563 (Jolly) – Restoring Local Control of Airports Act of 2016

Background/Summary

This bill would eliminate the current \$4.50 Passenger Facility Charge limit established by Congress in 2000. Under H.R. 5563, large-hub airports choosing to increase their PFC above \$4.50 would no longer be eligible for Airport Improvement Program (AIP) entitlement funding. This bill would also reduce the federal tax on airline tickets from the current level of 7.5% to a new level of 7%.

Anticipated Impact/Discussion

If enacted into law, this legislation would allow the Airport Authority to increase the Passenger Facility Charge at San Diego International Airport to provide adequate funding for airport programs and projects such as those that will be included in the Airport Development Plan.

Status: 6/22/16 – Introduced and Referred to House Committee on Transportation and Infrastructure and House Committee on Ways and Means

Position: Support (7/21/16)

New Senate Bills

There are no new Senate bills to report at this time.

Senate Bills from Previous Report

Legislation/Topic

S. 2844 (Collins) – Fiscal Year 2017 Transportation Appropriations Act

Background/Summary

S. 2844 would provide annual funding for the Federal Aviation Administration (FAA) and aviation programs. This bill would fund the Airport Improvement Program (AIP) at a level of \$3.35 billion, and would prohibit the FAA from requiring airports to provide space free of charge in airport owned buildings. The Committee report accompanying this bill states that funding to transfer the ATC functions from the FAA will be prohibited.

**Shaded text represents new or updated legislative information*

Anticipated Impact/Discussion

If enacted, this bill would provide continued funding in FY 2017 for the FAA and aviation programs that benefit SDIA, such as AIP and other airport priorities.

Status: 4/21/16 – Approved by Senate Appropriations Committee

Position: Support (5/19/16)

Legislation/Topic

S.1608 (Feinstein) – Consumer Safety Drone Act

Background/Summary

This bill would require the Administrator of the Federal Aviation Administration to issue a regulation governing the operation of consumer drones. Specifically, the regulation would include: limits on altitude for consumer drones; a means of preventing unauthorized operation within protected airspace; a system that enables the avoidance of collisions; a technological means to maintain safety in the event of compromised communications between drone and operator; and a means to prevent tampering with safety mechanisms and educational materials for consumers.

Anticipated Impact/Discussion

This legislation would assist Authority staff in maintaining public safety and could help prevent drone incursions on airport property and in the flight path of aircraft operating at SDIA.

Status: 6/18/15 – Introduced and Referred to the Senate Committee on Commerce, Science and Transportation

Position: Support (9/17/15)

Legislation/Topic

S. 2361 (Thune) – Airport Security Enhancement and Oversight Act

Background/Summary

This bill would require the Administrator of the TSA to determine the level of risk posed to the domestic air transportation system by individuals with unescorted access to secure areas. It would also require additional oversight of the credentialing and vetting process for unescorted personnel. Specifically, the bill includes the following provisions:

- Requires the TSA Administrator to issue guidance to airport operators regarding placement of an expiration date on each airport credential issued to non-U.S. citizens for the time they are authorized to work in the U.S.
- Requires the TSA Administrator to enhance the eligibility requirements and disqualifying criminal offenses for individuals seeking or having unescorted access to an airport SIDA

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- Ensures that the TSA Administrator is authorized to receive additional access to Terrorist Identities Datamart Environment data
- Requires the TSA Administrator to develop and implement performance metrics to measure the effectiveness of security for airport SIDAs
- Requires the TSA Administrator to increase covert testing of airport access controls to airport SIDAs
- Requires the TSA Administrator to submit reports to Congress on TSA's actions to improve aviation security under this bill

Anticipated Impact/Discussion

If enacted, this legislation may affect the current process used by Airport Authority staff in determining the eligibility of airport employees to obtain SIDA credentials.

Status: 12/9/15 – Approved by Senate Committee on Commerce, Science and Transportation

Position: Watch (1/21/16)

Legislation/Topic

S. 3001 (Hoeven) – Fiscal Year 2017 Department of Homeland Security Appropriations

Background/Summary

This bill would provide annual funding for Department of Homeland Security (DHS) operations and programs for fiscal year 2017. Included in S. 3001 is a \$228 million increase in TSA funding to a level of \$7.7 billion, allowing for the addition of 1344 transportation security officers and 50 new canine teams. Annual funding for Customs and Border Protection (CBP) would be increased by \$125 million over the current level to a total of \$11.2 billion. This level would allow CBP to fund 21,370 border patrol agents and 23,775 CBP officers.

Anticipated Impact/Discussion

Passage of this bill would benefit San Diego International Airport by ensuring that TSA and CBP have a stable and adequate funding source for the next fiscal year. If enacted into law, Authority staff will continue discussions with CBP staff regarding the distribution of DHS staff necessary to process current and future passenger levels at SDIA.

Status: 5/26/16 – Approved by the Senate Appropriations Committee

Position: Support (6/23/16)

**Shaded text represents new or updated legislative information*

STAFF REPORT

Meeting Date: **OCTOBER 20, 2016**

Subject:

Amend Policy 9.20 – San Diego International Airport Noise Advisory Committee

Recommendation:

Adopt Resolution No. 2016-0094, amending Authority Policy 9.20 - San Diego International Airport Noise Advisory Committee.

Background/Justification:

On June 23, 2016, the Board authorized amendments to Policy 9.20 to restructure the Airport Noise Advisory Committee and facilitate a more open community dialogue on noise issues. The policy was drafted in a manner to allow a subcommittee to meet without the formality and notice requirements of the Brown Act. The draft policy presented to the Board therefore stated: “A subcommittee *may* be created to provide the Committee members, community residents surrounding the Airport, and industry stakeholders an opportunity to have an open dialogue on noise concerns.” [Emphasis added]. During the Board meeting, the word “may” was changed to “shall.” Changing the term “may” to “shall” results in the establishment, by Board resolution, of a subcommittee. The formal action of creating the subcommittee likely results in meetings of the subcommittee being subject to the Brown Act.

If the Board by Policy establishes or creates the subcommittee, even with appointment power for members vested in the President/CEO, the Brown Act would apply. Put in another way, the establishment of the subcommittee by Board resolution creates a “legislative body” subject to the Brown Act. [Gov. Code 54952(b)]. In order to allow the subcommittee to meet without first having to comply with the Brown Act, the Board cannot take any formal action to establish or direct the establishment of the subcommittee. Therefore the use of the word “may” allows discretion in establishing the subcommittee and does not establish or create a subcommittee.

Staff recommends that the Policy reflect that the establishment of the subcommittee is discretionary and not directed by the Board. Staff believes allowing the subcommittee to meet without the formal notice and other requirements of the Brown Act will result in a more nimble and responsive subcommittee thereby allowing greater dialogue between the community and industry stakeholders.

Fiscal Impact:

No fiscal impact.

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. 2016-0094

A RESOLUTION OF THE BOARD OF THE SAN
DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
AMENDING POLICY 9.20 - SAN DIEGO
INTERNATIONAL AIRPORT NOISE ADVISORY
COMMITTEE

WHEREAS, the Airport Authority established an Airport Noise Advisory Committee (Committee) for community input and involvement relating to aircraft noise issues from aircraft operations; and

WHEREAS, on June 23, 2016, the Board adopted modifications to Authority Policy 9.20 restructuring the Committee to facilitate a more open dialogue on noise issues; and

WHEREAS, to provide an opportunity for the community to have more of a dialogue on specific noise concerns, a subcommittee may be created; and

WHEREAS, in order to allow the discretionary formation of a subcommittee, the Policy must be corrected as reflected in Exhibit A to this Resolution.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves the amendments to Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee as reflected in Exhibit A; 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 regular meeting this 20th day of October, 2016 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

POLICIES

ARTICLE 9 - SAN DIEGO INTERNATIONAL AIRPORT
PART 9.2 - NOISE REGULATION
SECTION 9.20 - SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE

PURPOSE: To establish a community noise advisory committee for the San Diego County Regional Airport Authority ("**Authority**") for resident and community input and involvement relating to aircraft noise issues at San Diego International Airport ("**Airport**").

POLICY STATEMENT:

The Authority's Board of Directors ("**Board**") recognizes that neighborhoods surrounding the Airport are affected by noise from aircraft operations. An Airport Noise Advisory Committee ("**Committee**"), consisting of individuals from various entities, organizations, residential areas, and professional associations, shall be formed in accordance with this policy.

COMMITTEE COMPOSITION:

(1) The intent in forming the Committee is to provide communities surrounding the San Diego International Airport, the opportunity to provide input to the Board regarding various aircraft noise-related projects.

(a) The Authority President/CEO (or designated representative) shall appoint no more than 13 voting members to the Committee. Voting members may include representatives of the following entities, agencies, industries or interested groups:

1. City of San Diego (Staff Member)
2. County of San Diego (Staff Member)
3. Downtown Community Planning Council
4. Greater Golden Hill Planning Committee
5. Midway/Pacific Highway Community Planning Group
6. Mission Beach Precise Planning Board
7. Ocean Beach Planning Board
8. Peninsula Community Planning Board
9. Uptown Planners
10. The United States Military
11. Airline Pilot (retired)
12. General community member from within the current 65 decibel Community Noise Equivalent Contours

13. General community member from a legitimate community group, this group must have a formal structure including by-laws, membership and regular meetings and will be approved, by vote, by the voting Committee members

(b) The President/CEO may also appoint ex-officio (non-voting) members representing:

1. The United States Congress, (or designees)
2. The State of California legislature, (or designee)
3. The County of San Diego Board of Supervisors (or designee)
4. The San Diego City Council (or designees)
5. The FAA, Lindbergh Air Traffic Control Tower
6. The FAA, SoCal TRACON
7. An active airline industry representative
8. An acoustician

(c) Committee members shall serve three (3) year terms. Committee members shall serve a maximum of two (2) consecutive terms. Committee members shall represent only the defined agencies identified in this policy. Members may only serve on the Committee while an approved or elected member or representative of the entity, agency or organization they represent. The President/CEO may set staggered terms for committee members, including setting shorter initial terms for selected appointees. Committee members may be re-appointed at the discretion of the President/CEO.

SUBCOMMITTEE:

(1) A subcommittee ~~may~~shall be created to provide the Committee members, community residents surrounding the Airport, and industry stakeholders an opportunity to have an open dialogue on noise concerns. Subcommittee membership and meetings will be based on the following:

(a) The voting members of the Committee will nominate and elect a Chair of the Subcommittee.

(b) In addition to members of the Committee, subcommittee membership can include industry stakeholders, technical experts and members of the community. Interested members of the community may submit an application to the President/CEO. The term of the membership shall be one year. Membership of the subcommittee is limited to 15 members.

(c) The subcommittee can meet as frequently as monthly. The subcommittee must take any recommendations to the Committee for recommendation to the Board.

MEETING PROCEDURES:

(1) A meeting facilitator, hired by the Authority, shall facilitate the meetings of the Committee.

(2) The Committee shall meet at least quarterly. At the first meeting each calendar year, the Committee shall establish the dates for Committee meetings for that calendar year. Agendas for each Committee meeting shall be distributed by the Authority's Clerk ("**Clerk**"). Meetings shall be noticed and open to the public. Meetings shall be conducted in accordance with the Ralph M. Brown Act and applicable policies, procedures and codes adopted by the Board.

(3) The Committee is advisory in nature. The Committee and its members shall have no authority to negotiate for, represent, or commit the Authority in any respect.

(4) The Committee will consider and make recommendations on aircraft noise-related projects such as:

- Residential Sound Attenuation ("Quieter Home") Program;
- Airport Noise & Land Use Compatibility Plan (14 CFR Part 150);
- Airport noise monitoring and mitigation efforts;
- Community Outreach Programs; and
- Other aircraft noise issues.

(5) Presentations to the Board by the Committee may be scheduled upon request of the Committee, President/CEO, or the Chair of the Board.

(6) The Airport Planning and Noise Mitigation Department ("Department") shall maintain a roster and record of the appointment of Committee members and shall provide staff support to the Committee.

(7) Minutes of each meeting shall be maintained by the Authority Clerk and shall be submitted to the Committee for approval.

[Amended by Resolution No. 2016-0045R dated June 23, 2016]
[Amended by Resolution No. 2015-0025 dated April 23, 2015]
[Amended by Resolution No. 2013-0079 dated September 12, 2013]
[Amended by Resolution No. 2011-0119 dated October 6, 2011]
[Amended by Resolution No. 2008-0110 dated September 4, 2008]
[Adopted by Resolution No. 2002-02 dated September 20, 2002.]

ITEM 8

CLAIM OF V.I.P. TAXI CO.:

**There are no back up
materials for this item
at this time.**

STAFF REPORT

Meeting Date: **OCTOBER 20, 2016**

Subject:

Approve and Authorize a Consent to Assignment with BBA US Holdings, Inc.

Recommendation:

Adopt Resolution No. 2016-0086, rescinding Resolution No. 2016-0015, and approving and authorizing the President/CEO to negotiate and execute a Consent to Assignment with BBA US Holdings, Inc.

Background/Justification:

On February 19, 2012, the Board of the San Diego County Regional Airport Authority (“Authority”) adopted Resolution 2012-0019 granting a 37-year lease (“Master Lease”) to Landmark Aviation GSO-SAN, LLC (“Landmark GSO-SAN”) to develop a full-service, corporate and general aviation Fixed Base Operator (“FBO”) facility that was opened August 1, 2014. As part of the Master Lease, the Authority required a Guaranty. The Guarantor of the Master Lease is Landmark Aviation FBO Holdings, LLC (“Landmark Holdings”).

In October of 2015, BBA Aviation PLC (“BBA PLC”), a British multinational aviation service company headquartered in London, announced the acquisition of Landmark Aviation and its subsidiaries and on February 5, 2016, BBA PLC completed its \$2.1 billion acquisition of Landmark Aviation. BBA PLC portfolio includes Signature Flight Support, a leading FBO in the United States and in June 2016, the FBO was renamed Signature Flight Support.

On February 18, 2016, the Board adopted Resolution No. 2016-0015, authorizing the President/CEO to negotiate and execute a Consent of Assignment with BBA PLC. During the review process of the Consent to Assignment, it was concluded that the appropriate entity to execute the Consent to Assignment is BBA US Holdings, Inc. (“BBA US”), not BBA PLC as stated in Resolution 2016-0015. BBA US is located in Florida and is a subsidiary of BBA PLC and is the ultimate entity registered in the United States owning all of the interests in and to Signature Flight Support Acquisition, Co., LLC; Signature Flight Support Corporation; Landmark Aviation FBO Holdings, LLC and Landmark Aviation GSO-SAN, LLC.

Landmark GSO-SAN will remain the operating legal entity and will continue to be the Lessee under the Master Lease with the Authority. However, the Master Lease will have a new guarantor, BBA US who has enough assets to protect the Authority if Landmark GSO-SAN becomes insolvent.

In accordance with Authority Leasing Policy, Section 6.01, the Authority’s President/CEO shall bring all proposed assignments of leasehold interests with a remaining term exceeding five years in duration to the Board for its prior consent.

Fiscal Impact:

The Consent to Assignment does not provide for monetary consideration to be paid to or by the Authority. Therefore, there is no direct fiscal impact.

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.

The Authority has an Airport Concession Disadvantaged Business Enterprise ("ACDBE") Plan as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 23. The ACDBE Plan calls for the Authority to submit a triennial overall goal for ACDBE participation on all concession projects.

Per 49 CFR Subpart 23.3, "The conduct of an aeronautical activity is not considered a concession for purposes of this subpart. Aeronautical activities include scheduled and non-scheduled air carriers, air taxis, air charters, and air couriers, in their normal passenger or freight carrying capacities; fixed base operators; flight schools; recreational service providers (e.g., sky-diving, parachute-jumping, flying guides); and air tour services." Since this agreement is for a fixed base operator, it does not apply toward the Authority's overall ACDBE goal.

Prepared by:

SUSAN C. DIEKMAN
REAL ESTATE MANAGER

RESOLUTION NO. 2016-0086

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RESCINDING RESOLUTION NO. 2016-0015, AND APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A CONSENT TO ASSIGNMENT WITH BBA US HOLDINGS, INC.

WHEREAS, the Board granted a 37-year lease ("Master Lease") to Landmark Aviation GSO-SAN, LLC ("Landmark GSO-SAN") to develop a full-service corporate and general aviation Fixed Base Operator ("FBO") facility on the north side of the San Diego International Airport; and

WHEREAS, Landmark GSO-SAN opened its new FBO facility on August 1, 2014; and

WHEREAS, BBA Aviation PLC ("BBA PLC"), a British multinational aviation service company headquartered in London, acquired Landmark Aviation and its subsidiaries on February 5, 2016; and

WHEREAS, BBA PLS portfolio includes Signature Flight Services, a leading FBO in the United States ("US") and the FBO was renamed Signature Flight Support; and

WHEREAS, on February 18, 2016 the Board adopted Resolution No. 2016-0015, authorizing the President/CEO to negotiate and execute a Consent of Assignment with BBA PLC; and

WHEREAS, during the review process, it was concluded that the appropriate entity to execute the Consent to Assignment is BBA US Holdings, Inc. ("BBA US"), a subsidiary of BBA PLC and is the ultimate entity registered in the US owning all of the interest in and to Signature Flight Support Corporation; Signature Flight Support Acquisition Co., LLC which indirectly owns 100% of Landmark Aviation FBO Holdings, LLC and ultimately Landmark Aviation GSO-SAN, LLC (current lessee).

WHEREAS, BBA US will become the new guarantor for Landmark GSO-SAN under the Master Lease; and

WHEREAS, in accordance with Leasing Policy, Section 6.01, the President/CEO shall bring all proposed assignments of leasehold interests with a remaining term exceeding five (5) years in duration to the Board for its prior consent.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Board hereby approves and authorizes the President/CEO to negotiate and execute a Consent to Assignment with BBA US Holdings, Inc.; and

BE IT FURTHER RESOLVED that Board hereby approves BBA US Holdings, Inc. to guarantee the performance of Landmark GSO-SAN under the Master Lease; and

BE IT FURTHER RESOLVED that Resolution No. 2016-0015 is hereby rescinded; and

BE IT FURTHER RESOLVED the Board finds this Board 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 20th day of October, 2016, 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: **OCTOBER 20, 2016**

Subject:

Terminate Rental Car Center Lease and Concession Agreement with Simply Wheelz, LLC and amend Advantage Opco, LLC Rental Car Center Lease and Concession Agreement to allow the Operation of Advantage Rent A Car brand

Recommendation:

Adopt Resolution No. 2016-0087, terminating the Non-Exclusive On-Airport Rental Car Concession Agreement and Rental Car Center Lease Agreement with Simply Wheelz, LLC and authorizing the addition of the Advantage Rent A Car brand to the Advantage Opco, LLC Lease and Concession Agreements.

Background/Justification:

In order to operate at the Rental Car Center (RCC), a company must execute a Rental Car Center Lease (Lease) and a Non-Exclusive On-Airport Rental Car Concession Agreement (Concession Agreement) (collectively “the RCC Agreements”). The Airport Authority currently has two separate RCC agreements with the same entity, Advantage Opco, LLC, which operates two different brands within the small market operator area at the RCC: Advantage Rent a Car and EZ Rent a Car, one brand under each agreement set.

Originally, when the RCC Agreements were executed, the Advantage Rent a Car brand was authorized under the agreements with Simply Wheelz, LLC (Simply Wheelz). Simply Wheelz filed for bankruptcy in November 2013 and emerged as a new legal entity named Advantage Opco, LLC in April 2014. The Authority did not issue a formal consent for this entity change at the time.

EZ Rent a Car, Inc. originally executed the RCC Agreements to operate the EZ Rent a Car brand. In February 2015, Advantage Opco, LLC acquired E-Z Rent A Car, Inc. and a consent to assignment with Advantage Opco, LLC was executed in May 2015 to reflect the change of ownership. The intention of the RCC agreements is to allow an entity (in this case Advantage Opco, LLC) to operate multiple brands under one set of RCC Agreements from within its assigned space. For example: the agreement with The Hertz Corporation allows for the brands Hertz, Dollar and Thrifty to be operated under one agreement set. The issue of ensuring that one entity can only hold one set of RCC Agreements is important to ensure proper allocation of space within the Rental Car Center.

The below table provides a timeline of events and facts explaining how Advantage Opco, LLC now holds two RCC Agreements within the Rental Car Center.

	Agreement #1	Agreement #2
Original Entity	Simply Wheelz, LLC dba Advantage Rent a Car	E-Z Rent A Car, Inc.
Rental Car Center Lease Agreement	Dated November 20, 2013 (LE-0755)	Dated November 20, 2013 (LE-0763)
Non-Exclusive on-airport rental car concession Agreement	Dated November 20, 2013 (LE-0754)	Dated November 20, 2013 (LE-0762)
Assignment of Agreements	Through a bankruptcy process, Simply Wheelz, LLC emerged in April 2014 as a new entity entitled Advantage Opco, LLC	May 21, 2015 Board adopted resolution No. 2015-0047 authorizing the consent to assignment of E-Z Rent A Car, Inc. agreements to Advantage Opco, LLC
Current entity holding agreements	Advantage Opco, LLC (via bankruptcy process – official consent not executed)	Advantage Opco, LLC
Authorized Brand(s)	Advantage Rent A Car	E-Z Rent-A-Car

If approved, Staff will terminate the existing above referenced Agreement #1 and amend Agreement #2 authorizing the Advantage Rent-A-Car brand to operate in conjunction with E-Z Rent-a-Ca.

This action reflects the addition of the “Advantage Rent a Car” brand to the existing Advantage Opco, LLC RCC Agreements. It does not operationally affect the Advantage brand currently located within the small market operator area at the Rental Car Center.

Fiscal Impact:

The proposed action does not provide for monetary consideration to be paid to or by the Authority. The Rental Car Center operations will continue and this item consolidates the EZ and Advatage brands under one agreement. Each brand will continue to pay the same Customer Facility Charge and Concession Fees. There is no projected direct fiscal impact of this 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:

Not Applicable

Prepared by:

ERIC PODNIEKS
PROGRAM MANAGER, REAL ESTATE AND CONCESSIONS

RESOLUTION NO. 2016-0087

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY TERMINATING THE NON-EXCLUSIVE ON-AIRPORT RENTAL CAR CONCESSION AGREEMENT AND RENTAL CAR CENTER LEASE AGREEMENT WITH SIMPLY WHEELZ, LLC AND AUTHORIZING THE ADDITION OF THE ADVANTAGE RENT A CAR BRAND TO THE ADVANTAGE OPCO, LLC LEASE AND CONCESSION AGREEMENTS.

WHEREAS, the San Diego County Regional Airport Authority (“Authority”) has two sets of Rental Car Center Agreements (“RCC Agreements”) with the same entity, Advantage Opco, LLC operating two different brands under each agreement set: Advantage Rent a Car and EZ Rent a Car; and

WHEREAS, the Advantage Rent a Car brand was originally authorized under the executed agreements with Simply Wheelz, LLC (Simply Wheelz); and

WHEREAS, Simply Wheelz filed for bankruptcy in November 2013 and emerged as a new legal entity named Advantage Opco, LLC in April 2014, and the Authority did not issue a formal consent for this entity change at the time; and

WHEREAS, EZ Rent a Car, Inc. originally executed the RCC Agreements to operate the EZ Rent a Car brand; and

WHEREAS, Advantage Opco, LLC acquired E-Z Rent A Car, Inc. in February 2015 and a consent to assignment with Advantage Opco, LLC was executed in May 2015 to reflect the change of ownership; and

WHEREAS, the RCC Agreements allow an entity to operate multiple brands under one set of agreements from within its assigned space; and

WHEREAS, ensuring that one entity holds only one set of RCC Agreements is important to ensure proper allocation of space within the Rental Car Center; and

WHEREAS, terminating the RCC Agreements with Simply Wheelz and amending the RCC Agreements with Advantage Opco, LLC authorizing the addition of the Advantage Rent a Car brand do not affect the current operations in the small market operator area of the Rental Car Center.

NOW, THEREFORE, BE IT RESOLVED that the Board, authorizes the termination of the Non-Exclusive On-Airport Rental Car Concession Agreement and Rental Car Center Lease Agreement with Simply Wheelz, LLC and authorizes the President/CEO or his/her designee to take all actions necessary to negotiate and execute all necessary documents to authorize the addition of the Advantage Rent A Car brand to the Advantage Opco, LLC Lease and Concession Agreements; and

BE IT FURTHER RESOLVED by the Board that it finds that this Board 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 20th day of October, 2016, 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: **OCTOBER 20, 2016**

Subject:

Approve and Authorize the President/CEO to Execute On-Call General Construction Service Agreements with Dynamic Contracting Services, Inc.; Evergreen Construction and Consulting, Inc.; Grahovac Construction Co., Inc.; and, M W Vasquez Construction Co., Inc.

Recommendation:

Adopt Resolution No. 2016-0088, approving and authorizing the President/CEO to execute on-call general construction service agreements with Dynamic Contracting Services, Inc., Evergreen Construction and Consulting, Inc., Grahovac Construction Co., Inc., and M W Vasquez Construction Co., Inc., – each agreement, for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO for an aggregate total not-to-exceed amount of \$5,000,000 to provide on-call general construction services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program.

Background/Justification:

On June 28, 2016, the San Diego County Regional Airport Authority ("Authority") issued a Request for Qualifications ("RFQ") to obtain Statements of Qualifications ("SOQs") from firms or individuals, for provision of on-call general construction services at SDIA. The RFQ included the selection of up to five firms to perform Services which include, but are not limited to: framing and rough carpentry; cabinet millwork and finish carpentry; insulation and acoustical installation; drywall and metal stud installation; masonry installation; lathing and plastering work.

On July 28, 2016, the Authority received SOQs from the following eight entities: AJC Construction Services, Inc.; Dynamic Contracting Services, Inc.; Evergreen Construction and Consulting, Inc.; Grahovac Construction Co., Inc.; Jomayra Landscape and Construction, Inc.; M W Vasquez Construction Co., Inc.; RBDC Contracting; and San Diego General Contracting, Inc. Four submissions from AJC Construction Services, Inc.; Jomayra Landscape and Construction, Inc.; RBDC Contracting; and San Diego General Contracting, Inc. were deemed non-responsive due to failure to provide a required copy of their Type-B General Building Contractor California Contractor's License.

On August 24, 2016, the Authority's Evaluation Panel ("Panel"), which was comprised of four representatives from Facilities Management, interviewed the four responsive respondents. The evaluation criteria used to evaluate the firms was a weighted criteria of five factors: prior company experience; prior experience of the company's primary staff; work plan/equipment; sustainability; and small business preference under Authority Policy 5.12.

The final ranking matrix is as follows:

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Final Rank
Dynamic Contracting	4	1	1	4	10	3
Evergreen Construction	1	1	1	1	4	1
Grahovac Construction	2	4	4	3	13	4
M W Vasquez	3	3	1	1	8	2

The final combined scoring matrix is as follows:

Firms	Company Experience	Prior Experience of Primary Staff	Work Plan/ Equipment	Sustainability	Small Business	Total
Dynamic Contracting	840	465	3380	1575	200	6460
Evergreen Construction	1080	570	3755	1575	200	7180
Grahovac Construction	990	480	3500	1530	200	6700
M W Vasquez	1020	435	3530	1575	200	6760

A brief background of the four ranked firms is provided:

Dynamic Contracting Services, Inc.

- Dynamic Contracting is a certified small business, San Diego based firm founded over 15 years ago
- Provides general contracting services from planning to occupancy for commercial projects
- Has been one of SDIA's on-call general construction contractor since September 2010

Evergreen Construction and Consulting, Inc.

- Evergreen Construction is a certified small business, San Diego based firm founded in 2009
- Has a LEED Certified Project Manager on staff and specializes in Green Building
- Currently performs on-call construction services for the VA San Diego Healthcare, San Diego Job Corps, and the City of Solana Beach

Grahovac Construction Company, Inc.

- Grahovac Construction is a certified small business, La Mesa based firm founded in 1985
- Worked on three separate bid packages during the Terminal 2 West expansion
- Clients include Wells Fargo Bank, Solar Turbines, US Bank

M W Vasquez Construction Co., Inc.

- Vasquez is a certified small business, San Diego based firm founded in 1989
- Provides general contracting services from planning to occupancy for commercial projects
- Has been one of SDIA's on-call general construction contractor since September 2010

Staff recommends the award of on-call general construction services agreements to the four ranked firms: Dynamic Contracting, Inc.; Evergreen Construction and Consulting, Inc.; Grahovac Construction Co., Inc.; and M W Vasquez Construction Co., Inc., each agreement for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$5,000,000 for all four firms.

Fiscal Impact:

Total expenditures under the four on-call service agreements may not exceed an aggregate limit of \$5,000,000 over the three year term with the option for two one-year extensions. Funding is available within the Facilities Management FY2017 adopted & FY2018 conceptually approved Operating Budgets for Major Maintenance and the Authority's FY2017 – FY2021 Capital Improvement Budget for capitalized maintenance projects. The expense for this contract that will impact budget years not yet adopted or approved by the Board 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") review: 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, all four recommended firms received the 5% small business preference.

Prepared by:

DAVID LAGUARDIA
DIRECTOR, FACILITIES MANAGEMENT

RESOLUTION NO. 2016-0088

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE ON-CALL GENERAL CONSTRUCTION SERVICE AGREEMENTS WITH DYNAMIC CONTRACTING SERVICES, INC., EVERGREEN CONSTRUCTION AND CONSULTING, INC., GRAHOVAC CONSTRUCTION CO., INC., AND M W VASQUEZ CONSTRUCTION CO., INC., – EACH AGREEMENT, FOR A TERM OF THREE YEARS WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS EXERCISABLE AT THE DISCRETION OF THE PRESIDENT/CEO, FOR AN AGGREGATE TOTAL NOT-TO-EXCEED AMOUNT OF \$5,000,000 TO PROVIDE ON-CALL GENERAL CONSTRUCTION SERVICES FOR SAN DIEGO INTERNATIONAL AIRPORT'S ("SDIA'S") CAPITAL MAJOR MAINTENANCE PROGRAM

WHEREAS, on June 28, 2016, the San Diego County Regional Airport Authority ("Authority") issued a Request for Qualifications ("RFQ") for provision of on-call general construction services; and

WHEREAS, the RFQ included the selection of up to five firms to perform Services; and

WHEREAS, on July 28, 2016, the Authority received eight responses to the RFQ from: AJC Construction Services, Inc. ("AJC"); Dynamic Contracting Services, Inc. ("Dynamic"); Evergreen Construction and Consulting, Inc. ("Evergreen"); Grahovac Construction Co., Inc. ("Grahovac"); Jomayra Landscape and Construction, Inc. ("Jomayra"); M W Vasquez Construction Co., Inc. ("Vasquez"); RBDC Contracting ("RBDC"); and San Diego General Contracting, Inc., ("SDGC"); and

WHEREAS, the submissions from AJC, Jomayra, RBDC, and SDGC were deemed non-responsive due to failure to provide a required copy of the Type-B General Building Contractor California Contractor's License; and

WHEREAS, on August 24, 2016, the Authority's Evaluation Panel ("Panel"), which was comprised of four representatives from Facilities Management interviewed and ranked the four responsive respondents; and

WHEREAS, the evaluation criteria used to evaluate the firms was a weighted criteria of five factors: the prior company experience; prior experience of the company's primary staff; work plan/equipment; sustainability; and small business preference under Authority Policy 5.12; and

WHEREAS, upon conclusion of the evaluation process, the Panel ranked Evergreen first; Vasquez second; Dynamic third; and Grahovac fourth.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute on-call general construction service agreements with: Dynamic Contracting Services, Inc., Evergreen Construction and Consulting, Inc., Grahovac Construction Co., Inc., and M W Vasquez Construction Co., Inc., – each agreement for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO for an aggregate total not-to-exceed amount of \$5,000,000 to provide on-call general construction services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program; 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 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 20th day of October, 2016, 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: **OCTOBER 20, 2016**

Subject:

Approve and Authorize the President/CEO to Execute On-Call Painting Service Agreements with Abhe & Svoboda, Inc.; Modern Painting; and, M W Vasquez Construction Co., Inc.

Recommendation:

Adopt Resolution No. 2016-0089, approving and authorizing the President/CEO to execute on-call painting service agreements with Abhe & Svoboda, Inc., Modern Painting, and M W Vasquez Construction Co., Inc., – each agreement for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 to provide on-call painting services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program.

Background/Justification:

On July 1, 2016, the San Diego County Regional Airport Authority ("Authority") issued a Request for Qualifications ("RFQ") to obtain Statements of Qualifications ("SOQs") from firms or individuals, for provision of on-call painting services. The RFQ included the selection of up to three firms to perform Services which include, but are not limited to: application of paints and coatings on various surfaces to include concrete and unit masonry, gypsum board, metal, interior and exterior wood, and wall paper application work.

On August 1, 2016, the Authority received SOQs from the following ten entities: Abhe & Svoboda, Inc.; Anemos Enterprises, Inc.; A-T.E.A.M. Contractors, Inc.; HC Garcia Paint Co.; HiTech Painting; MC Painting; McKinney Painting, Inc.; Modern Painting; M W Vasquez Construction Co., Inc. and, Pacific Coast Property. Two submissions from HiTech Painting and Pacific Coast Property were deemed non-responsive due to incomplete documents.

On August 9, 2016, the Authority's Evaluation Panel ("Panel") comprised of four representatives from Facilities Management conducted a thorough review of the SOQs and determined that five firms were uniquely qualified to perform the requested on-call Services. The evaluation criteria used to short-list qualified firms was a weighted criteria of four factors: the contractor's submission form; prior company experience; prior experience of the company's primary staff; and small business preference under Authority Policy 5.12.

Page 2 of 4

On August 26, 2016, the Panel interviewed and ranked the five short-listed firms as follows:

1. Modern Painting
2. M W Vasquez Construction Co., Inc.
3. Abhe & Svoboda, Inc.
4. MC Painting
5. McKinney Painting, Inc.

The evaluation criteria used by the Panel to rank the above firms matched the evaluation criteria used during the short-listing process.

The final ranking matrix is as follows:

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Final Rank
Abhe & Svoboda	1	3	4	4	12	3
MC Painting	4	4	3	3	14	4
McKinney Painting, Inc.	5	5	5	5	20	5
Modern Painting	2	1	2	1	6	1
M W Vasquez	3	1	1	2	7	2

The final combined scoring matrix is as follows:

Firms	Company Submission	Company Experience	Prior Experience of Primary Staff	Small Business	Total
Abhe & Svoboda	360	1925	1295	0	3580
Mc Painting	330	1870	1295	0	3495
McKinney Painting, Inc.	250	990	595	200	2035
Modern Painting	360	2035	1225	200	3820
M W Vasquez	350	1925	1260	200	3735

A brief background of the top three ranked firms is provided:

Abhe & Svoboda, Inc.

- Abhe is a Minnesota based firm founded in 1969 with a San Diego area office
- Holds certifications from The Society of Protective Coatings for “Field Application of Coatings Complex Structures”, “Industrial Hazardous Paint Removal” and “Advanced Quality Management System”
- HAZMAT licensed with the California State License Board

Modern Painting

- Modern Painting is a woman-owned certified small business, San Diego based firm founded in 2013
- Clients include UC San Diego and on-call painting services for the MAAC Project, a federally-funded Head Start Program
- Has been one of SDIA’s on-call painting contractors since February 2014

M W Vasquez Construction Co., Inc.

- Vasquez is a certified small business, San Diego based firm founded in 1989
- Clients include Scripps/XiMED Medical Center and Swinerton Builders
- Has been one of SDIA's on-call painting contractors since February 2011

Staff recommends the award of on-call painting services agreements to the top three ranked firms: Abhe & Svoboda, Inc.; Modern Painting; and M W Vasquez Construction Co., Inc., each agreement for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 for all three firms.

Fiscal Impact:

Total expenditures under the three on-call service agreements may not exceed an aggregate limit of \$2,000,000 over the three year term with the option for two one-year extensions. Funding is available within the Facilities Management FY2017 adopted & FY2018 conceptually approved Operating Budgets for Major Maintenance and the Authority's FY2017 – FY2021 Capital Improvement Budget for capitalized maintenance projects.

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") review: 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, recommended firms, Modern Painting and M W Vasquez Construction Co., Inc. received the 5% small business preference and recommended firm, Abhe & Svoboda, Inc. did not receive the 5% small business preference.

Prepared by:

DAVID LAGUARDIA
DIRECTOR, FACILITIES MANAGEMENT

RESOLUTION NO. 2016-0089

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE ON-CALL PAINTING SERVICE AGREEMENTS WITH ABHE & SVOBODA, INC., MODERN PAINTING, AND M W VASQUEZ CONSTRUCTION CO., INC., – EACH AGREEMENT FOR A TERM OF THREE YEARS WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS EXERCISABLE AT THE DISCRETION OF THE PRESIDENT/CEO, FOR AN AGGREGATE TOTAL NOT-TO-EXCEED AMOUNT OF \$2,000,000 TO PROVIDE ON-CALL PAINTING SERVICES FOR SAN DIEGO INTERNATIONAL AIRPORT'S ("SDIA'S") CAPITAL MAJOR MAINTENANCE PROGRAM

WHEREAS, on July 1, 2016, the San Diego County Regional Airport Authority ("Authority") issued a Request for Qualifications ("RFQ") for provision of on-call painting services; and

WHEREAS, the RFQ included the selection of up to three contractors to perform Services; and

WHEREAS, on August 1, 2016, the Authority received ten responses to the RFQ from: Abhe & Svoboda, Inc. ("Abhe"); Anemos Enterprises, Inc. ("Anemos"); A-T.E.A.M. Contractors, Inc. ("A-T.E.A.M."); HC Garcia Paint Co. ("HC Garcia"); HiTech Painting ("HiTech"); MC Painting ("MC"); McKinney Painting, Inc. ("McKinney"); Modern Painting ("Modern"); M W Vasquez Construction Co., Inc. ("Vasquez"); and Pacific Coast Property ("Pacific Coast"); and

WHEREAS, two submissions from HiTech and Pacific Coast were deemed non-responsive due to incomplete documents; and

WHEREAS, on August 9, 2016, the Authority's Evaluation Panel ("Panel"), which was comprised of four representatives from Facilities Management short-listed the responsive respondents; and

WHEREAS, on August 26, 2016, the Panel interviewed and ranked the five short-listed firms; and

WHEREAS, the evaluation criteria used to evaluate the firms was a weighted criteria of four factors: the contractor's submission form; the prior company experience; prior experience of the company's primary staff; and small business preference under Authority Policy 5.12; and

WHEREAS, upon conclusion of the evaluation process, the Panel ranked Modern first; Vasquez second; and Abhe third.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute on-call painting service agreements with Abhe & Svoboda, Inc., Modern Painting, and M W Vasquez Construction Co., Inc., – each agreement for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 to provide on-call painting services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program; 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 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 20th day of October, 2016, 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: **OCTOBER 20, 2016**

Subject:

Approve and Authorize the President/CEO to Execute On-Call Flooring Service Agreements with DFS Flooring LP; Hasenin Enterprises LLC, dba Star Carpet & Flooring; and, Wirtz Quality Installations, Inc.

Recommendation:

Adopt Resolution No. 2016-0090, approving and authorizing the President/CEO to execute on-call flooring service agreements with DFS Flooring LP, Hasenin Enterprises LLC, dba Star Carpet & Flooring, and Wirtz Quality Installations, Inc., – each agreement for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 to provide on-call flooring services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program.

Background/Justification:

On July 15, 2016, the San Diego County Regional Airport Authority ("Authority") issued a Request for Qualifications ("RFQ") to obtain Statements of Qualifications ("SOQs") from firms or individuals, for provision of on-call flooring services at SDIA. The RFQ included the selection of up to three firms to perform Services which include, but are not limited to: installation of carpet, cove base, tile, vinyl floor tile, ceramic and mosaic floor tiles, wall tile and trim, and terrazzo flooring work.

On August 16, 2016, the Authority received SOQs from the following four entities: DFS Flooring LP; South Coast Flooring & Installations; Hasenin Enterprises LLC, dba Star Carpet & Flooring; and, Wirtz Quality Installations, Inc.

On August 29, 2016, the Authority's Evaluation Panel ("Panel"), which was comprised of three representatives from Facilities Management, interviewed the four respondents. The evaluation criteria used to evaluate the firms was a weighted criteria of six factors: the contractor's submission form; prior company experience; prior experience of the company's primary staff; work plan/equipment; sustainability; and small business preference under Authority Policy 5.12. The firms were ranked as follows:

1. Hasenin Enterprises LLC, dba Star Carpet & Flooring
2. DFS Flooring LP
3. Wirtz Quality Installations
4. South Coast Flooring

The final ranking matrix is as follows:

Firms	Panelist 1	Panelist 2	Panelist 3	Total	Final Rank
DFS Flooring	3	2	1	6	2
South Coast	4	4	4	12	4
Star Carpet	1	1	2	4	1
Wirtz Quality	2	3	3	8	3

The final combined scoring matrix is as follows:

Firms	Company Submission	Company Experience	Prior Experience of Primary Staff	Work Plan/ Equipment	Sustainability	Small Business	Total
DFS Flooring	150	945	875	375	230	0	2575
South Coast	150	595	490	195	150	150	1730
Star Carpet	150	945	945	405	270	150	2865
Wirtz Quality	150	875	945	315	170	0	2455

A brief background of the three ranked firms is provided:

DFS Flooring LP

- DFS was founded in 1959 and is locally managed
- Clients include San Diego Unified Port District, San Diego Courthouse
- Has been one of SDIA's on-call flooring contractors since February 2008

Hasenin Enterprises LLC, dba Star Carpet & Flooring

- Star Carpet is a certified small business, San Diego based firm founded in 1979
- Clients include San Diego Housing Commission and Emmerson Construction
- Has been one of SDIA's on-call flooring contractors since January 2014

Wirtz Quality Installations, Inc.

- Wirtz is a San Diego based firm founded in 1975
- Clients include Viejas Casino Hotel, and Hotel Del Coronado
- Has been one of SDIA's on-call flooring contractors since March 2011

Staff recommends the award of on-call flooring services agreements to the top three ranked firms: DFS Flooring LP; Hasenin Enterprises LLC, dba Star Carpet & Flooring; and Wirtz Quality Installations, Inc., each agreement for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 for all three firms.

Fiscal Impact:

Total expenditures under the three on-call service agreements may not exceed an aggregate limit of \$2,000,000 over the three year term with the option for two one-year extensions. Funding is available within the Facilities Management FY2017 adopted & FY2018 conceptually approved Operating Budgets for Major Maintenance and the Authority's FY2017 – FY2021 Capital Improvement Budget for capitalized maintenance projects. The expense for this contract that will impact budget years not yet adopted or approved by the Board 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") review: 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, recommended firm, Hasenin Enterprises LLC, dba Star Carpet & Flooring received the 5% small business preference and recommended firms, DFS Flooring LP and Wirtz Quality Installations, Inc. did not receive the 5% small business preference.

Prepared by:

DAVID LAGUARDIA
DIRECTOR, FACILITIES MANAGEMENT

RESOLUTION NO. 2016-0090

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE ON-CALL FLOORING SERVICE AGREEMENTS WITH DFS FLOORING LP, HASENIN ENTERPRISES LLC, DBA STAR CARPET & FLOORING, AND WIRTZ QUALITY INSTALLATIONS, INC., – EACH AGREEMENT FOR A TERM OF THREE YEARS WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS EXERCISABLE AT THE DISCRETION OF THE PRESIDENT/CEO, FOR AN AGGREGATE TOTAL NOT-TO-EXCEED AMOUNT OF \$2,000,000 TO PROVIDE ON-CALL FLOORING SERVICES FOR SAN DIEGO INTERNATIONAL AIRPORT'S ("SDIA'S") CAPITAL MAJOR MAINTENANCE PROGRAM

WHEREAS, on July 15, 2016, the San Diego County Regional Airport Authority ("Authority") issued a Request for Qualifications ("RFQ") for provision of on-call flooring services; and

WHEREAS, the RFQ included the selection of up to three contractors to perform Services; and

WHEREAS, on August 16, 2016, the Authority received four responses to the RFQ from: DFS Flooring LP ("DFS"); South Coast Flooring ("South Coast"); Hasenin Enterprises LLC, dba Star Carpet & Flooring ("Star Carpet"); and, Wirtz Quality Installations, Inc. ("Wirtz"), in response to the RFQ; and

WHEREAS, on August 29, 2016, the Authority's Evaluation Panel ("Panel"), which was comprised of three representatives from Facilities Management interviewed and ranked the four respondents; and

WHEREAS, the evaluation criteria used to evaluate the firms was a weighted criteria of six factors: the contractor's submission form; prior company experience; prior experience of the company's primary staff; work plan/equipment; sustainability; and small business preference under Authority Policy 5.12; and

WHEREAS, upon conclusion of the evaluation process, the Panel ranked Star Carpet first; DFS second; and Wirtz third.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute on-call flooring service agreements with DFS Flooring LP, Hasenin Enterprises LLC, dba Star Carpet & Flooring, and Wirtz Quality Installations, Inc., - each agreement for a term of three years with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$2,000,000 to provide on-call flooring services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program; 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 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 20th day of October, 2016, 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: **OCTOBER 20, 2016**

Subject:

Approve and Authorize the President/CEO to Execute an On-Call Agreement For Architectural / Engineering Consultant Services for the Quieter Home Program.

Recommendation:

Adopt Resolution No. 2016-0091, approving and authorizing the President/CEO to execute an on-call architectural and engineering consultant services agreement with the Jones Payne Group, Inc., for an amount not-to-exceed \$25,000,000 for a term of three years with the option for two one-year extensions, exercisable at the discretion of the President/CEO in support of the Quieter Home Program.

Background/Justification:

The Quieter Home Program (“QHP”) is the Airport Authority’s (“Authority”) program to provide sound attenuation treatments to residences within the highest noise-impacted neighborhoods surrounding San Diego International Airport. Authority staff manages the Program with the Architectural and Engineering design work provided by on-call consultants.

On July 13, 2016, a Request for Qualifications (“RFQ”) was issued to obtain Statements of Qualifications (“SOQ”) from qualified firms to provide Architectural and Engineering design work to the Authority and 1,845 vendors were notified via the Authority’s vendor database.

On August 17, 2016, the Authority received one (1) SOQ from the Jones Payne Group, Inc. Procurement contacted other firms who viewed the opportunity to better understand why they did not submit an SOQ. Reasons included, the work was beyond the firm’s scope, insufficient staffing and/or resources in the right specialties and areas of expertise, and reluctance to expend staff time and money to compete. It should be noted that there are very few airport residential sound insulation programs around the nation. Many of these types of programs started in the 1970s and 1980s and have been completed. QHP started in the late 1990s and still has over 6,000 potentially eligible homes to sound insulate. Architectural and Engineering firms that historically competed for this kind of opportunity are no longer focused on residential sound insulation. Those few firms remaining in the industry were not interested in expending the time and money to compete against the Jones Payne Group, considering that firm’s success with QHP for the past five years.

With recent, stricter enforcement of the FAA Airport Improvement Program (AIP) guidance, it is critical that a firm has experience with airport residential sound insulation programs funded by FAA AIP grants.

A Selection Panel (“Panel”) was comprised of key representatives from the Authority’s Planning and Noise Mitigation Department and Airport Design and Construction Department, along with the Development Division’s Vice President. The Panel interviewed the Jones Payne Group on September 16, 2016.

The evaluation criteria used to rate the firm was based on the firm’s project manager, project team and experience specific to residential sound insulation, organizational structure, proposed work plan and approach/methodology, and inclusionary approach and outreach. The Panel recommends unanimously to award an agreement to the Jones Payne Group, Inc. for an amount not-to-exceed Twenty-Five Million Dollars (\$25,000,000) for a three-year term with an option for two one-year extensions, exercisable at the discretion of the President/CEO. A brief background of the firm is provided:

The Jones Payne Group, Inc.

The Jones Payne Group, inc. (“JPG”) has been an existing architectural and engineering consultant for QHP since 2007 and has designed sound attenuation treatments for more than 2,000 homes. JPG is headquartered in Boston, MA and has over 30 years of experience in sound insulation programs in over 35 communities nationwide. JPG has been involved with programs that have insulated over 32,000 private residences and other noise sensitive facilities. JPG has teamed with Heritage Architecture & Planning, a San Diego-based firm specializing in historical preservation. They have also included PBS Engineers, Inc., a certified disadvantaged business enterprise, to provided mechanical and electrical design services; BridgeNet International, a certified small business and a leading acoustician in the sound insulation industry; A.B. Court and Associates, a certified small business and local enterprise, to provide structural design services; Fuller Electric Corp., a certified small, local and disadvantaged business enterprise, to provide field electrician services; and Harris Miller Miller & Hanson Inc., a certified disadvantaged business enterprise, providing expertise in noise mapping and GIS applications.

Considering only one firm submitted an SOQ, and it was found responsible and responsive, billing rates were negotiated with JPG in advance of the Board Award to ensure their competitiveness. JPG has agreed to maintain the same rates from the previous 5-year agreement.

Fiscal Impact:

Adequate funds for the agreement with the Jones Payne Group, Inc. are included in the adopted FY 2017 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 agreement utilizes federal funds; therefore, it will be applied toward the Authority's overall DBE goal. The Jones Payne Group, Inc. proposed an Inclusionary Approach and Outreach Plan which delineates their commitment to help the Airport meet the Federal Fiscal Year 2017-2019 DBE goal of 8.4% and to maximize participation by small, local, historically underrepresented businesses. Historically, the Jones Payne Group, Inc. DBE participation rate exceeded 17%. With this proposal, the Jones Payne Group, Inc. added new partners that will further maximize small, local and historically underrepresented business participation.

Prepared by:

KEITH WILSCHETZ
DIRECTOR, PLANNING & NOISE MITIGATION

RESOLUTION NO. 2016-0091

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN ON-CALL ARCHITECTURAL AND ENGINEERING CONSULTANT SERVICES AGREEMENT WITH THE JONES PAYNE GROUP, INC., FOR AN AMOUNT NOT-TO-EXCEED \$25,000,000 FOR A TERM OF THREE YEARS WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS, EXERCISABLE AT THE DISCRETION OF THE PRESIDENT/CEO IN SUPPORT OF THE 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, on July 13, 2016, a Request for Qualifications ("RFQ") was issued to obtain Statements of Qualifications ("SOQ") from qualified firms to provide Architectural and Engineering design work for the Program; and

WHEREAS, on August 17, 2016, the Authority received one (1) SOQ from the Jones Payne Group, Inc. A Selection Panel comprised of key representatives within the Planning and Noise Mitigation and Airport Design and Construction Departments, along with the Development Division Vice President, completed a thorough review of the SOQ and conducted an interview on September 16, 2016; and

WHEREAS, the evaluation criteria used to rate the firm was based on the firm's project manager, project team and experience specific to residential sound insulation, organizational structure, proposed work plan and approach/methodology, and inclusionary approach and outreach; and

WHEREAS, the Selection Panel recommends unanimously to award an agreement to the Jones Payne Group, Inc. for an amount not-to-exceed Twenty-Five Million Dollars (\$25,000,000) for a three-year term with an option for two one-year extensions; and

WHEREAS, considering only one firm submitted an SOQ, and it was found responsible and responsive, billing rates were negotiated with JPG in advance of the Board Award to ensure their competitiveness. JPG has agreed to maintain the same rates from the previous 5-year agreement.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute an on-call architectural and engineering consultant services agreement with the Jones Payne Group, Inc., for an amount not-to-exceed \$25,000,000 for a term of three years with the option for two one-year extensions, exercisable at the discretion of the President/CEO in support of the Quieter Home Program; and

BE IT FURTHER RESOLVED that the Board 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 20TH day of October, 2016, 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: **OCTOBER 20, 2016**

Subject:

Update on Ground Transportation- Taxicab and Vehicle for Hire (VFH) Operations and Amend Authority Codes 9.12, 9.21 and 9.33

Recommendation:

Adopt Resolution No. 2016-0095, amending Authority Code 9.12 to expressly authorize the President/CEO to set the maximum number of taxicabs available each day and to establish the operating authority of each vehicle;

Adopt Resolution No. 2016-0092, amending Authority Code 9.21(h) concerning fares and receipts allowing drivers of commercial ground transportation vehicles to charge a fare lower than the approved or allowed rate.; and

Adopt Resolution No. 2016-0093, amending Authority Code 9.33 to allow the President/CEO to authorize representatives of other regulatory agencies to enforce their own regulations on Airport property.

Background/Justification:

The Airport's Ground Transportation System over the past year has experienced very significant changes and challenges to accommodate the evolving world of commercial transportation. Examples of these changes include:

1. The startup of Transportation Network Companies (TNCs) and their efforts to be a new and alternative transportation provider. TNCs have changed the way people arrive at and depart from the Airport. This new transportation mode has further impacted the Airport's procedures to manage commercial vehicle operations and enforce regulations. The TNC Pilot Program permit, implemented in July 2015, is set to expire December 31, 2016. TNC dispatches continue to increase- almost 82,000 in August 2016 compared to a little more than 35,000 trips in August 2015;
2. New technologies and infrastructure have been put in place to provide taxicabs and Vehicles for Hire ("VFH") a more streamlined process to track and bill Airport trips. In addition, a larger hold lot to accommodate the taxi and VFH fleets has been put into operation; and
3. The Taxicab and VFH Memorandums of Agreement ("MOA") have constructively contributed to the Airport's commercial vehicle operation. Taxicab availability, customer wait times and vehicle conversions have improved. Taxicab dispatches, however have decreased 13% (55,000 in August 2016, 62,000 trips in August 2015).

This Staff Report summarizes several key operational items concerning the Airport's Taxicab and VFH operations and suggests some options for future operational changes.

Staff recommends amending Airport Codes thus approving changes to:

1. Authority Code 9.12(a) (1) Vehicle Restrictions, expressly authorizing the President/CEO discretion to set the maximum number of taxicabs available each day and to establish the operating authority of each vehicle. This change would be consistent with the Board's direction to provide greater taxicab customer service flexibility and responsiveness resulting in maximum vehicle availability and minimum customer wait times.
2. Authority Code 9.21(h) Fares and Receipts, providing taxicab drivers the ability to charge the passenger less than the current taximeter, posted fare. The code change allows taxicabs the opportunity to better compete with TNC fares, which are generally lower. The change does not allow the taxicab operators to charge more than the taximeter posted fare.
3. Authority Code 9.33(b) Authorization, allowing the President/CEO to authorize representatives of other regulatory agencies to enforce their own regulations on Airport property. This authorization strengthens the Authority's ability to enforce municipal, county and state regulatory requirements.

Staff requests Board guidance and direction for:

1. Potential taxicab and VFH strategies to implement upon MOA termination (December 31, 2017).

Staff recommends amending the Taxicab and VFH MOA to:

1. Re-categorize vehicle inspection criteria and requirements.
2. Remove the driver attire criteria and requirement.

Taxicabs and Transportation Network Companies Regulation and Enforcement

Assembly Bill 650 Taxicab transportation services.

Governor Brown vetoed AB 650 that would have removed significant regulation of taxicabs by cities and counties and transferred regulation to the state. Governor Brown stated, "this bill fundamentally alters the long-standing regulation of taxicabs by cities and counties and makes the determination that this responsibility should be shifted to the state. [He] did not believe that such a massive change is justified."

Assembly Bill 1289 Transportation network companies: participating drivers: penalties

The CPUC regulations require TNCs to run criminal background checks on all hired drivers, but it does not specify how TNCs are to go about doing those checks. There are a number of different forms of background checks ranging from simple name and fingerprint screenings run through the FBI's database or through a local or state law

enforcement database. As such, TNCs generally contract with third party firms that they argue provide a very comprehensive review to ensure passenger safety. However, news reports continue to identify situations where TNC drivers have been accused of criminal conduct such as assault, rape, and kidnapping among others.

The AB 1289 Legislation would

- Require TNCs to conduct or have a third party conduct, a local and national criminal background check for each participating driver that includes a multi-state and multi-jurisdictional criminal records locator or other similar commercial nationwide database & a search of the US Department of Justice National Sex Offender Registry.
- Prohibit a TNC from contracting with, employing, or retaining a driver if he/she is currently registered on the US Department of Justice National Sex Offender Registry, has been convicted of "specified felonies" like murder, voluntary manslaughter, mayhem, rape, carjacking etc. See the link below to Section 667.5 of the Penal Code for the complete list.
(http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PEN§ionNum=667.5)
- Prohibit TNCs from contracting with, employing, or retaining a driver if he/she has a conviction of any of the terrorism related offenses outlined in Sections 11413, 11418, 11418.5, 11419 of the Penal Code. See the links below for the complete list (<http://codes.findlaw.com/ca/penal-code/pen-sect-11413.html> and <http://www.leginfo.ca.gov/cgi-bin/displaycode?section=pen&group=11001-12000&file=11415-11419>)
- Not allow TNCs to contract with, employ, or retain a driver who has been convicted of misdemeanor assault or battery, domestic violence or driving under the influence of alcohol/drugs within the past seven years.
- Subject a TNC that violates or fails to comply with the specified requirements to a penalty of not less than \$1000 or more than \$5000 for each offense.

Taxicab Operations

Memorandum of Agreement (MOA) (Attachment A)

The Airport's MOA is the agreement between the Authority and the Consortium to establish an operational relationship that (1) enhances transportation services provided by the local taxicab industry ("Industry") at SDIA, and (2) increases the involvement of airport service providers with developing ground transportation policy and procedures. Improved travel conditions at SDIA and traveler satisfaction with taxicab services promotes a positive public perception of the Authority and Industry in San Diego and strengthens community support for ground transportation improvement programs.

In fulfilling its responsibilities to the community, travelling public and key stakeholders, the Authority desires to enhance ground transportation services by working with the Industry to implement performance improvements in areas such as:

- SDIA roadway and traffic safety improvements;
- Efficient commercial taxicab circulation and passenger access procedures;
- Taxicab and driver/occupant mishap risk reduction programs;
- SDIA ground transportation facility and support system upgrades;
- Upgrades to taxicab tracking, customer reservation capabilities and credit card transaction equipment;
- Taxicab availability, particularly during peak hours and late at night;
- Customer service programs designed to enhance the traveler experience through the landside environs;
- Improved Americans with Disability Act (“ADA”) service, more convenient accommodations and increased traveling options for the disabled;
- Improved taxicab appearance and driver professionalism;
- Uniform compliance with SDIA Rules and Regulations governing commercial ground transportation operations; and
- Environmental leadership program implementation, particularly in air quality improvements and greenhouse gas emission (GHG) reductions.

MOA requirements, responsibilities and consequences were delineated in the January 2015 agreement. These MOA items enable the Authority and the Consortiums to meet the challenge of improving commercial ground transportation services at SDIA and implementing the taxicab performance improvements areas.

The following table outlines the current Taxicab MOA requirements and status.

GREEN Meeting MOA Requirements; **YELLOW** Some MOA requirements not met;
RED No MOA Requirements being met

Taxicab MOA Requirement	Status
Vehicle Safety, Condition and Appearance <ul style="list-style-type: none"> • Minor violations include vehicle quick fix and repair • Major violations examples include inadequate tire tread, lights, wipers (required safety repairs) • Customer violations include complaints about vehicle cleanliness 	YELLOW 2015 vs. 2016 trending down Average violations- Jan. 2016- Aug. 2016 (362 vehicles inspected twice per year) Minor: 8 per month Major: 2 per month Customer complaints: <1 per month MOA Consortium has requested re-categorization of the violations

Driver Training, Customer Service, and Professionalism	YELLOW
<ul style="list-style-type: none"> • Minor violations examples include improper attire, poor customer service • Major violations examples include fare refusals, solicitations, missing licenses • Customer complaint violations examples include long hauling, not taking credit cards 	<p>2015 vs. 2016 trending down Average violations- Jan. 2016- Aug. 2016 Approximately 550 drivers Minor: 9 per month Major: 6 per month Customer complaints: 2 per month</p>
Vehicle Availability	GREEN
	<p>Since the TNC permit began (July 2015), the installation of the BLIP tracking system, a larger hold lot and closer attention to event schedules, taxicab availability throughout the day has met the MOA requirements.</p>
Passenger Wait Times	GREEN
	<p>Since the TNC permit began (July 2015) and with the installation of the BLIP tracking system, a larger hold lot and closer attention to event schedules, customer wait times of less than 10 minutes have met the MOA requirements.</p>
Modernization- Systems, Equipment and Operations	GREEN
	<ul style="list-style-type: none"> • “Back of seat” credit card equipment • Global positioning system (GPS) • Evaluate the feasibility of equipping cabs with the necessary hardware and software to provide an “on demand” passenger pickup service
Modernization- Conversion	GREEN
	<p>Taxicab conversion rate is approximately 98% with the remainder being mini-vans (that do not have comparable LEV for replacement)</p>
Dispatch Operations and Customer Service Representative (“CSR”) Personnel	GREEN
	<ul style="list-style-type: none"> • CSR training and staffing plans • Curbside operating plans • ATO staffing plans

Americans with Disability Act (“ADA”) Services	<p style="text-align: center;">GREEN</p> <ul style="list-style-type: none"> • Provision of equivalent service
Industry Communication and Collaboration	<p style="text-align: center;">GREEN</p> <p>All Taxicab MOA consortiums accept their MOA responsibilities in good faith and collaborate in the best interests of the Authority, Consortiums and Travelling public.</p>

Taxicab MOA Consortium Requests

The current Taxicab MOA became effective January 1, 2015 and will terminate December 31, 2017. Three taxicab MOA consortiums – San Diego Transportation Association (SDTA), San Diego Taxi Association (SDTXA) and Independent Cab Owners Association (ICOA) currently serve the Airport. All airport permitted taxicabs must be a consortium member.

The consortiums have requested the MOA be amended to re-categorize and modify the taxicab inspection criteria, infractions and penalties (Section 1. Taxicab Safety, Condition and Appearance). The re-categorization would change

1. The term “Minor” violation to “Non-Safety” violation
2. The term “Major” violation to “Safety” violation

The proposed change would alter the current inspection sheets used by the Airport Traffic Officer (“ATO”) when conducting the inspections and modify the monthly reports reflecting the changed categories, and revamp the associated infractions and penalties.

Airport’s Taxicab Strategy

Staff is considering several options to ensure the Airport’s taxicab operations and services continue to meet the public’s expectations and satisfaction at the lowest cost in light of the current MOA’s expiration on December 31, 2017.

The Airport currently has 450 permits issued to 361 taxicabs. The sticker allocation (by group All, A, B) is as follows:

Stickers	Total Permits
A1	34
A2	33
A3	33
A4	33
ADA	2*
ALL	91 (182)
B1	33
B2	33
B3	32
B4	33
SPARE	4**
Grand Total	361 (450)

* ADA vehicles not counted in the Grand Total

** SPARE vehicles operate only when a permitted vehicle is out of service

Currently, Airport Authority Code 9.12(a) Vehicle Restrictions (**Attachment B**) states:

1. Beginning July 1, 2012, the total number of authorized vehicle decals for Taxicab permits shall not exceed 450 for the Airport. A reserve list shall be retained and may be used by the President/CEO for possible replacements. The operating authority of vehicle decals for Taxicabs shall be restricted to two days every five days, not to exceed 180 authorized decals each day through the establishment of a numbered system."

In January 2011 and again in June 2011, increasing customer complaints about taxi availability and excessive wait times precipitated the need to increase the number of available cabs. Pursuant to Board Resolution No. 2011-0012R and 2011-0065R and the establishment of the first Taxicab Consortium MOA (2012-2014), the Authority allowed additional taxicabs (greater than 180 authorized decals per day) to serve the Airport to: 1) address a serious shortfall in taxicab availability, especially during late night hours, special events and large conventions; 2) ensure cabs were available throughout the day to replace those going out of service for lengthy trips, lunches, breaks, religious holidays, etc. and 3) ensure customer wait times did not exceed 10 minutes. Staff continued to operate under these Resolutions.

The three taxicab MOA consortiums are accountable for taxi availability and customer wait times. The most recent MOA (2015- 2017) established very specific and quantitative criteria to address previous shortfalls. This requirement defined the standard for customer wait time and to employ a sufficient number taxis for a desired service level (based on the normal 16-hour operating schedule):

MOA Year No.	Service Level	Taxicab customer wait time shall be less than 10 minutes for
Year 1 (2015)	90%	14.4 hours per day
Year 2 (2016)	95%	15.2 hours per day
Year 3 (2017)	99%	15.8 hours per day

The MOA representatives voiced no complaints or opposition to allow additional taxicabs and were supportive of achieving the MOA requirement. Throughout 2014 and the first half of 2015, the taxicabs made steady improvements and were on the verge of meeting the requirement on a daily basis. With the introduction of the TNCs (July 2015), taxicab availability and customer wait time now exceeds the 2017 99% service-level requirement.

Staff recommends Authority Code 9.12 be amended to expressly allow the President/CEO to set the maximum number of taxicabs available each day and to establish the operating authority of each vehicle in order to satisfy the day-to-day airport customer service commitments and support the taxicab consortium’s MOA requirements for vehicle availability and customer wait times. .

The Taxicab MOA expires as of December 31, 2017. With the agreement’s expiration, Staff is evaluating various taxicab models and strategies. Each model has advantages and disadvantages which need to be considered and addressed.

The Airport uses a semi-closed system allowing only taxicabs licensed by the Metropolitan Transit System and permitted by the Airport to pick up passengers. Any taxicab can drop off passengers. The following taxicab options are under study:

Option 1: Maintain existing taxicab rules, regulations, structure and operations. This option would renew the existing MOA and maintain the current 450 Airport permits. The semi-closed system (limited through Airport restrictions) would continue.

Option 2: Modify the existing taxicab structure and operation to increase the number of Airport permits, thus increasing the available number of taxicabs. New permits would be issued to city taxicabs meeting the Airport’s permitting requirements. An open system would be instituted to a specified number of licensed MTS taxicabs.

Option 3: Allow interested taxicab operators/consortiums/companies to bid on an Airport contract with specific provisions for vehicle availability, hold lot and staging area management and dispatch operations, explicit customer wait times and customer service levels, ongoing compliance with Airport’s AG MOU requirements for low emission vehicle (LEV), zero emission vehicle (ZEV), alternative fuel vehicle (AFV) or clean air vehicle (CAV) operations, enhanced driver education, training and professionalism, vehicle and operational technology upgrades and vehicle age limits.

Each option has advantages and disadvantages.

	ADVANTAGES	DISADVANTAGES
Option 1	Status Quo	Ground Transportation industry is changing rapidly; system lacks flexibility to change number of taxicabs as industry changes
Option 2	Would open it up to a larger number of taxicabs	No ability to require taxicabs to stay extended hours to cover late flight or to respond to request for special needs/handicap pick-ups
Option 3	1-3 points of contact for issues	Limiting a smaller taxicab company/owner's ability to work at the airport

Taxicab Operations at Other Airports¹

According to Airport Ground Transportation Association (AGTA), 54% of the U.S. Airports (40 airports) surveyed have an open taxicab entry system. Forty six percent (46%) of respondents (34 airports) have a closed taxicab entry system. Example airports and their taxicab system include:

Airport	Taxicab System
SFO (San Francisco)	Closed- Permitted City/Local Cabs
LAX (Los Angeles)	Closed- Permitted City/Local Cabs
SNA (Orange County/John Wayne)	Closed- Concession
SJC (San Jose)	Closed- Permitted City/Local Cabs
SAC (Sacramento)	Closed- Concession
PHX (Phoenix)	Closed- Permitted City/Local Cabs
SEA (Seattle/Tacoma)	Closed- Concession
OAK (Oakland)	Open
PDX (Portland)	Open
FLL (Fort Lauderdale)	Open
BNA (Nashville)	Open
AUS (Austin)	Open

¹ Source: Airport Ground Transportation Association (AGTA); Fees and Fares Summary 2014-2016

Vehicle for Hire (VFH)Regulation and Enforcement

Staff has not been made aware or advised of any substantive VFH regulatory changes at the state level. The California Public Utilities Commission licenses and regulates VFH while the California Highway Patrol is responsible for vehicle inspections and safety.

Memorandum of Agreement (MOA) (Attachment C)

The current VFH MOA became effective January 1, 2015 and will expire December 31, 2017. Two VFH MOA consortiums – SuperShuttle, and the San Diego County Airport Shuttle Association (“SDCASA”) currently serve the Airport. SDCASA is comprised of Coronado Livery, Advanced Shuttle, Sea Breeze Shuttle and EZ Ride Shuttle. PrimeTime Shuttle (aka Opoli) ceased VFH operations at SDIA effective August 1, 2016. All airport permitted VFH companies are consortium members.

The following table outlines the current Taxicab MOA requirements and status.

GREEN Meeting MOA Requirements;
RED No MOA Requirements being met

YELLOW Some MOA requirements not met;

VFH MOA Requirement	Status
Vehicle Safety, Condition and Appearance <ul style="list-style-type: none"> • Minor violations include vehicle quick fix and repair • Major violations include inadequate tire tread, lights, wipers (required safety repairs) • Customer complaint violations include malfunctioning equipment 	YELLOW 2015 vs. 2016 trending down Average violations- Jan. 2016- Aug. 2016 (91 vehicles inspected twice a year) Minor: 4 violations per month Major: 4 violations per month Customer complaints: 0 violations per month MOA Consortium has requested re-categorization of the violations
Driver Training, Customer Service, and Professionalism <ul style="list-style-type: none"> • Minor violations include poor driver professionalism • Major violations include unsafe driving • Customer complaint violations include missed pickup times 	YELLOW 2015 vs. 2016 trending down Average violations- Jan. 2016- Aug. 2016 Approximately 270 drivers Minor: 1 violation per month Major: 2 violations per month Customer complaints: 0 violations MOA Consortium has requested the driver attire criteria and requirement be removed.
Vehicle Availability	GREEN VFH availability has been consistently within the MOA requirement
Passenger Wait Times	GREEN VFH passenger wait times have consistently within the MOA requirement

Modernization- Systems, Equipment and Operations	<p>YELLOW to GREEN</p> <ul style="list-style-type: none"> • Authority to seek qualified software and hardware vendor(s), at its own expense, to provide a cost effective Van Information Display system (“VIDS”). (Requirement removed due to cost and interest) • “Back of seat” credit card equipment • Automated web-enabled computerized reservation system • Global positioning system (“GPS”)
Modernization- Conversion	<p>YELLOW</p> <p>SuperShuttle: 63% converted (39 of 62 vehicles) SDCASA: 67% converted (22 of 29 vehicles)</p>
Dispatch Operations and Customer Service Representative (“CSR”) Personnel	<p>GREEN</p> <p>All dispatch operations and CSR responsibilities have been assumed by the individual MOA consortium</p>
Americans with Disability Act (“ADA”) Services	<p>GREEN</p> <p>Both MOA consortiums have remained compliant with the ADA requirements.</p>
Industry Communication and Collaboration	<p>GREEN</p> <p>All Taxicab MOA consortiums accept their MOA responsibilities in good faith and collaborate in the best interests of the Authority, Consortiums and Travelling public.</p>

VFH MOA Consortium Requests

The Consortiums have requested the following to amend the MOA:

- a. Re-categorize and modify the VFH inspection criteria, infractions and penalties (Section 1. Taxicab Safety, Condition and Appearance).
 - i. From “Minor” violation to “Non-Safety” violation
 - ii. From “Major” violation to “Safety” violation
- b. Remove the driver attire criteria and requirement (Section 2. Driver Training, Customer Service, and Professionalism)

The VFH Consortiums have requested MOA pages 30-32 affecting driver attire and suitable dress be eliminated. This change would allow each company to set their own standards and requirements for driver attire and suitable dress.

Airport’s VFH Strategy

Staff is considering two options to ensure the Airport’s VFH operations and services continue to meet the public’s expectations and satisfaction at the lowest cost in light of the current MOA’s expiration December 31, 2017. The following VFH options are under study:

Option 1: Maintain existing VFH rules, regulations, structure and operations. This option would renew the existing MOA and maintain the current number of VFH companies.

Option 2: Allow interested VFH operators/consortiums/companies to bid on an airport contract with specific provisions for vehicle availability, hold lot and staging area management and dispatch operations, explicit customer wait times and customer service levels, ongoing compliance with Airport’s AG MOU requirements for low emission vehicle (LEV), zero emission vehicle (ZEV), alternative fuel vehicle (AFV) or clean air vehicle (CAV) operations, enhanced driver education, training and professionalism, vehicle and operational technology upgrades and vehicle age limits.

Each option has advantages and disadvantages.

	ADVANTAGES	DISADVANTAGES
Option 1	Status Quo	Ground Transportation industry is changing rapidly; system lacks flexibility to change number of VHF’s as industry changes
Option 2	1-3 points of contact for issues	Limiting a smaller VHF company/ owner’s ability to work at the airport

VFH operations at other airports¹

Airport	VFH Operators
SFO (San Francisco)	Multiple operators
LAX (Los Angeles)	Multiple operators
SNA (Orange County/John Wayne)	Multiple operators
SJC (San Jose)	Multiple operators
SAC (Sacramento)	Multiple operators
PHX (Phoenix)	Single operator
SEA (Seattle/Tacoma)	Multiple operators
OAK (Oakland)	Multiple operators
PDX (Portland)	Multiple operators
FLL (Fort Lauderdale)	Single operator
BNA (Nashville)	Single operator
AUS (Austin)	Multiple operators

¹ Source: Airport Ground Transportation Association (AGTA); Fees and Fares Summary 2014-2016

Ground Transportation Permitting

Staff plans to change the annual permit cycle to a multi-year (two (2) year cycle). Adopting a multi-year permitting cycle streamlines the permitting process, reduces administrative procedures, lessens paperwork and minimizes taxicab and VFH operator's time completing applications and processing approvals.

Ground Transportation Enforcement

SECTION 9.33 Authorization. Airport Traffic Officers ("ATOs"), other personnel designated by the President/CEO that are assigned to the enforcement of the Authority's codes, applicable section of the California Vehicle Code, and other applicable laws relating to illegal parking and related violations within the jurisdiction of the Authority are authorized to issue written notices of violation thereof stating the vehicle license number, make of vehicle, the time and date of illegal parking, street location and reference to the appropriate section violated together with fixing a time and place for appearance by the registered owner to answer said notice (Attachment D)

Staff recommends amending the Code so as to allow the President/CEO to authorize enforcement and regulatory personnel from state and local regulatory agencies to investigate and issue violations of their regulations on Airport property.

Other Regulatory Requests (Previously Submitted by the Transportation Alliance Group (TAG), April 2, 2015)

The Airport has taken several actions to reduce the regulatory burdens voiced by the taxicab and VFH operators in an effort to “level the playing field” with the Transportation Network Companies (TNCs). Previously submitted requests include:

TAG Request	TNC Requirement	Recommendation or Action Taken
Discontinue Airport Authority vehicle condition and inspections	3.2.11 The Authority reserves the right to perform periodic inspections of Permitted TNC Vehicles to determine if they are in compliance with standards set forth in this Ground Transportation Permit, Airport Rules and Regulations, the California Vehicle Code and the California Public Utilities Code, including any decisions by the CPUC.	Staff recommends the Airport Authority continue to maintain the right to randomly inspect and place non-conforming vehicles out of service but discontinue the “ad hoc” ATO bi-annual inspections.

TAG Request	TNC Requirement	Recommendation or Action Taken
<p>Discontinue Airport Driver Permitting and Background Checks-</p>	<p>3.2.19 As required by the CPUC, Permittee or its agents shall perform criminal background checks and California Department of Motor Vehicle Driver Record Checks. Additionally, Permittee or its agents shall perform background checks of their Permitted TNC Drivers using available "Known Terrorist" background check databases. Permittee shall make known to the Authority which of these databases will be used.</p> <p>AB 1289 will require TNCs to conduct, or have a 3rd party conduct, a local and national criminal background check for each participating driver, as specified. The bill will prohibit a TNC from contracting with, employing, or retaining a driver if he or she, among other things, is currently registered on the United States Department of Justice National Sex Offender Public Website, has been convicted of any of certain terrorism-related felonies or a violent felony, as defined, or, within the previous 7 years, has been convicted of any misdemeanor assault or battery, any domestic violence offense, driving under the influence of alcohol or drugs, or any of a specified list of felonies.</p>	<p>Taxicab: maintain the current practice to accept SDC Sheriff's Dept. background checks and licensing for taxicab driver permits;</p> <p>VFH: companies continue to conduct their own background checks.</p>

TAG Request	TNC Requirement	Recommendation or Action Taken
	<p>The bill would additionally provide that a transportation network company that violates, or fails to comply with, its provisions is subject to a penalty of not less than \$1,000 nor more than \$5,000 for each offense.</p>	
<p>Discontinue the Taxi uniform rate of fare-</p>	<p>3.1.7 This Permit allows for prearranged pickups only through the App.</p>	<p>Accomplished by amending Authority CODE SECTION 9.21. No driver shall collect, demand, receive or arrange for any compensation in an amount greater than that approved or allowed by the appropriate fare setting governmental agency or commission for the ground transportation service (Attachment E)</p>
<p>Allow Taxi permit transferability within a structured process-</p>	<p>3.1.11 Permits are not transferable and must be surrendered to the Authority's Ground Transportation Department when the Permittee ceases operations at the Airport.</p>	<p>No changes to Airport Code recommended</p>
<p>Allow Taxi sticker splitting and combining with a structured process.</p>	<p>Not applicable</p>	<p>Splitting stickers or taking an "ALL" sticker (single vehicle) where the taxicab operates on any day and re-issuing an A and B sticker (a sticker for two separate vehicles, A stickers operate on A days, B stickers operate on B days) is allowed.</p> <p>Combining stickers is currently not allowed under the existing permit.</p>

TAG Request	TNC Requirement	Recommendation or Action Taken
<p>Reduce the Taxi insurance requirement to \$350,000</p>	<p>15.6.2 Commercial Automobile and/or Excess Liability, Uninsured and Underinsured Motorist insurance coverage in the following amounts while a TNC vehicle is on Airport premises:</p> <p>Period 1: Commercial Automobile and/or Excess Liability of not less than One Million Dollars (\$1,000,000) per occurrence to cover any liability arising from a participating driver using a vehicle in connection with a TNC's App.</p> <p>Period 2: Commercial Automobile and/or Excess Liability insurance not less than One Million Dollars (\$1,000,000) per occurrence to cover any liability arising from a participating driver using a vehicle in connection with a TNC's App.</p> <p>Period 3: Commercial Automobile and/or Excess Liability, Uninsured and Underinsured Motorist insurance not less than One Million Dollars (\$1,000,000) per occurrence to cover any liability arising from a participating driver using a vehicle in connection with a TNC's App.</p>	<p>Staff recommends the current insurance rates remain at \$1 million CSL (as the TNCs are required).</p>

TAG Request	TNC Requirement	Recommendation or Action Taken
Accept internal driver training programs for Taxicabs and Shuttles	3.2.21 Prior to Providing TNC Services under this Permit, Permittee shall provide each Permitted TNC Driver written instructions about the Airport's Rules and Regulations and this Permit. Permittee shall make its Permitted TNC Driver education program available to the Authority prior to commencement of this Permit and subsequently upon request. Permittee agrees to modify or supplement its Permitted TNC Driver education program as necessary to ensure compliance with the Rules and Regulations and this Permit.	The Airport has accepted this request but reserves the right to request proof of attendance
Establish separate, equal and dedicated charter and TNC parking spaces in the parking lots	Complete	Limousine parking spaces are now dedicated to commercial livery vehicles only. TNC pickups are now performed within the T1 parking lot and on the T2 elevated departure roadway (EDR).
Establish a TNC hold lot to relieve the cell phone lot and ease enforcement	Complete	A TNC staging area has been established on Airport premises, across from the airport's cell phone lot on Harbor Drive.

Fiscal Impact:

No fiscal impact.

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:

DAVID BOENITZ
DIRECTOR, GROUND TRANSPORTATION

MEMORANDUM OF AGREEMENT ("MOA")
WITH THE
SAN DIEGO TRANSPORTATION ASSOCIATION (SDTA)

I. THE PARTY

The Party to this Memorandum of Agreement ("MOA") is the San Diego County Regional Airport Authority ("Authority") and the San Diego Transportation Association (SDTA) ("Consortium").

II. AUTHORITY

A. The Authority is authorized to enter this MOA pursuant to the San Diego County Regional Airport Authority Act, as amended, codified in California Public Utilities Code §§ 170000-170084 ("Act"). The Act establishes the Authority as a local entity of regional government with jurisdiction throughout the County of San Diego. The Act provides that:

(1) The Authority shall be responsible for developing all aspects of airport facilities that it operates, including, but not limited to, the location of terminals, hangars, aids to navigation, parking lots and structures, and all facilities and services necessary to serve passengers and other customers of San Diego International Airport ("SDIA").

(2) It is essential to the public health, safety and welfare that public officials and the private sector plan, develop and operate the airports in the San Diego County region so that those airports promote economic development, protect environmental quality and enhance social equity.

(3) The Authority may contract with any agency or person upon those terms and conditions that the Authority finds are in its best interests.

B. The Consortium is duly registered with the Office of the California Secretary of State, formed for the purpose of (1) enhancing the ability of its members to effectively and profitably serve the transportation needs of the public; (2) providing timely information and educational opportunities to its members; (3) representing and advocating its members' common business interests before legislative and regulatory bodies; (4) assisting its members in dealing with special issues related to the public transportation industry; and (5) improving the business conditions and promoting the common business interests of its members.

III. PURPOSE

A. This MOA sets forth the terms of agreement between the Authority and the Consortium to establish an operational relationship that (1) enhances transportation services provided by the local Taxicab industry ("Industry") at SDIA, and (2) increases airport service provider involvement with developing ground transportation policy and procedures. Improved travel conditions at SDIA and traveler satisfaction with taxicab services promotes a positive public perception of the Authority and industry in San Diego and strengthens community support for ground transportation improvement programs at SDIA.

B. This MOA will serve as the master agreement concerning the Party interrelated responsibilities; however, the Party expects that their relationship and responsibilities will evolve over time. Furthermore, it is not possible for the Party to specify all of the processes, events and changing conditions associated with the complex operation of an international airport or with economic conditions in the San Diego region and, therefore, expect this MOA to be supplemented from time to time with addenda or amendments.

C. The Party fully expects to execute their respective and joint responsibilities assigned under the MOA. With the successful fulfillment of provisions that address operating conditions at SDIA, both organizations can contribute to improving service to the travelling public in the spirit of partnership and mutual cooperation. Notwithstanding the agreed-upon operational arrangements and shared responsibilities contained herein, nothing in this MOA invalidates, supersedes or amends the following:

1. The Authority's Code;
2. The Authority's Policies;
3. The SDIA Rules and Regulations;
4. The Authority's Taxicab Licensing Agreements; and
5. Individual's Transportation Service Permits issued by the Authority.

The terms and conditions of the Authority's taxicab licensing agreements and transportation service permits shall be the governing documents affecting the requirements and conditions under which a service permit is maintained in good standing by individual permit holders. This MOA shall in no way restrict the Authority from modifying, terminating, suspending, or amending any governing document, SDIA Rule or Regulation, airport license or permit affecting the operation or permitting of Taxicabs, Taxicab companies or Taxicab drivers at SDIA in any manner or at any time.

IV. BACKGROUND

A. As provided for by state law, the Authority is the proprietor of and operates SDIA with a mission to provide safe, convenient and cost effective air travel services to the region. In fulfilling its responsibilities, the Authority desires to enhance ground transportation services by working with the Industry to implement performance improvements in areas such as:

- SDIA roadway and traffic safety improvements;
- Efficient commercial taxicab circulation and passenger access procedures;
- Taxicab and driver/occupant mishap risk reduction programs;
- SDIA ground transportation facility and support system upgrades;
- Upgrades to taxicab tracking, customer reservation capabilities and credit card transaction equipment;
- Taxicab availability, particularly during peak hours and late at night;
- Customer service programs designed to enhance the traveler experience through the landside environs;
- Improved Americans with Disability Act (“ADA”) service, more convenient accommodations and increased traveling options for the disabled;
- Improved taxicab appearance and driver professionalism;
- Uniform compliance with SDIA Rules and Regulations governing commercial ground transportation operations; and
- Environmental leadership program implementation, particularly in air quality improvements and greenhouse gas emission reductions.

B. Specific areas of service improvement to be addressed through an effective operational relationship between Consortium and the Authority are indicated in Section V, RESPONSIBILITIES, REQUIREMENTS AND CONSEQUENCES. It is understood and appreciated that service levels can vary considerably based on individual Taxicab operator performance, however, the standards addressed herein are meant to be applied uniformly and serve as benchmarks for delivering the highest levels of customer service to our passengers.

Specific areas that would benefit from increased attention center on: (1) taxicab condition, including safety systems, physical appearance, cleanliness and system functionality; (2) taxicab modernization, including electronic/communication upgrades, such as next generation GPS and other aids and amenities; (3) driver professionalism, particularly in customer interactions with passengers; (4) driver training, specifically focused on safe driving and customer service programs; (5) ADA training in the latest service requirements, the proper handling of specialized ADA equipment and effective interactions with passengers with disabilities; (6)

environmental and regulatory compliance (i.e., fleet conversion to alternative fuels, clean air and recycling awareness and pollution abatement programs).

C. There is a need for improved communications between the Authority management and taxicab permit holders and drivers. Specifically, at the transportation plazas and the hold lot there is a need for greater Authority supervision and coordination to deal with the multitude of day-to-day challenges. The Authority recognizes it has the primary responsibility for improving areas such as: timely communication, regulatory clarity, advanced coordination of new programs and emerging requirements and notification to operators on changes to conditions and major construction interference.

D. The operational deficiencies cited above are not all inclusive but are meant to suggest areas that both Parties can agree could benefit from increased management attention. The provisions outlined in Section V, RESPONSIBILITIES, REQUIREMENTS AND CONSEQUENCES, address the specific responsibilities and established timelines of the Party. However, for several MOA responsibilities, there is a need to further define and/or refine the methodology, with metrics, for evaluating progress within each specified area. The methodologies will be developed between the Party prior to the MOA target dates to allow for consultation, agreement and any needed modifications to the SDIA Rules and Regulations.

E. A successful operational relationship between the Authority and the Industry can result in long-term and sustainable performance improvements. These improvements will increase traffic safety, alleviate congestion, reduce passenger delays and greatly enhance the customers' travel experience at SDIA. The Consortium's objective to move passengers quickly, safely and economically, with a genuine focus on superior customer service, is only achieved when the Authority and Consortium work together to produce effective and efficient ground transportation operations for the benefit of the air travelling public.

F. On October 2, 2014, the Authority Board ("Board") received a summary of the new Taxicab MOA requirements, responsibilities and consequences as the first step to further improve the SDIA's ground transportation services. The Board directed staff to work closely with the MOA Consortiums to finalize an agreement and to move forward to a January 1, 2015 implementation date.

G. The taxicab permit holders and drivers perform a valuable and necessary service in transporting passengers to and from SDIA. Their professional services ensure customer confidence, safety and well-being and generally promote an overall positive impression by the

travelling public. The taxicab operators and drivers that service SDIA provide a vital travel link for SDIA passengers that generate measurable economic benefits. Taxicab services also enable other critical ancillary services which depend on its vitality, reliability and professionalism. The MOA offers the Industry an opportunity to come together and discuss important issues and provide timely input towards decisions affecting SDIA and taxicab operations. The Consortiums' continuing willingness to work with the Authority to improve taxicab services will ultimately ensure future operational, facility and technology upgrades work synergistically benefiting SDIA, the industry and the travelling public.

V. REQUIREMENTS, RESPONSIBILITIES, AND CONSEQUENCES

The following requirements, responsibilities and consequences (collectively referred to as the "MOA items") are identified and detailed in this Section V. These MOA items will enable SDIA and the Consortiums to meet the challenge of improving commercial ground transportation services at SDIA and implementing the taxicab performance improvements areas listed above:

1. Taxicab Safety, Condition and Appearance
2. Driver Training, Customer Service, and Professionalism
3. Taxicab Availability
4. Passenger Wait Times
- 5.1 Taxicab Modernization- Systems, Equipment and Operations
- 5.2 Taxicab Modernization- Conversion
6. Dispatch Operations and Customer Service Representative ("CSR") Personnel
7. Americans with Disability Act ("ADA") Services
8. Industry Communication and Collaboration

All taxicab permit holders and drivers shall be a Consortium member and personally confirm their Consortium Representatives. Permit holders shall declare their Consortium affiliation as part of the vehicle permit application or when completing the annual permit application renewal process. Drivers shall declare their Consortium affiliation as part of the driver permit application or when completing the annual driver permit renewal process. Any and all driver inquiries or concerns about any of these MOA items shall be directed to the Consortium Representative for discussion and response.

The Ground Transportation Department will provide a condensed version of this MOA to taxicab permit holders and drivers as part of the permit.

1. Taxicab Safety, Condition and Appearance. Taxicab safety equipment, exterior and interior condition and overall appearance shall conform to the designated local and state vehicle codes and SDIA Rules and Regulations.

Taxicab drivers shall complete and maintain a Ground Transportation Vehicle and Driver Inspection Form (“Inspection Form”) (Attachment A) demonstrating the taxicab was inspected that day and that any non-conforming or unsafe conditions were identified and corrected. Non-conforming taxicab conditions shall be corrected prior to SDIA operation.

Each Consortium as part of the scheduled Customer Service/Defensive Driver training, shall train their respective drivers as to how to inspect their taxicabs and their person as well as to how to complete and comply with the Vehicle and Driver Inspection Form as part of the training curriculum. An Airport Traffic Officer (“ATO”) will attend each training session to explain the inspection procedures and address any driver questions.

Authority Code Compliance and Enforcement Officials (“Authority Officials”) shall administer, oversee and adjudicate (per the Violation-Penalty tables) all taxicab penalties and permit holder’s corrective actions (per the MOA Review Board process).

SDIA ATOs or Authority Officials shall conduct random, unannounced and formal taxicab inspections using the Inspection Form. The permit holder will be issued a Notice of Violation (“NOV”) for the identified and documented non-conformances. Taxicabs will be subject to no more than one random inspection per six (6) month period. ATOs are authorized to issue NOVs and place any taxicab Out of Service (“OOS”) should said taxicab show major safety deficiencies between inspections.

The following penalties are established for:

- a. Taxicab safety, condition and appearance (non-safety or minor) violation (Attachment B). A taxicab “non-safety” violation is any minor vehicular, mechanical or electrical failure, interior or exterior damage, operating impairment or defective component not affecting the taxicab or the driver’s ability to transport passengers safely and expeditiously. An OOS order will be issued by an ATO or Authority Official for the violation (as per the SDIA Rules and Regulations or the Inspection Form) and the penalty imposed according to the Taxicab Non-Safety Violation- Penalty Table (below).

Taxicab Safety, Condition and Appearance (non-safety or minor) Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st and 2nd	NOV, Taxicab placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off.
3rd	NOV Taxicab OOS – 1 day
4th	NOV, Taxicab OOS - 5 days
More than four (4) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Taxicab permit revocation based on MOA Review Board recommendation ¹

- b. Taxicab safety, condition and appearance (safety or major) violation (Attachment B). A taxicab “safety” violation is any major vehicular, mechanical or electrical malfunction, significant interior or exterior damaged condition, operating impairment or defective component affecting the taxicab or the driver’s ability to transport passengers safely and expeditiously. An OOS order will be issued by an ATO or Authority Official for the violation (as per the SDIA Rules and Regulations or the Inspection Form) and the penalty imposed according to the Taxicab Safety Violation- Penalty Table (below).

Taxicab Safety, Condition and Appearance (safety or major) Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	NOV, Taxicab placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off.
2nd	NOV, Taxicab OOS - 3 days
3rd	NOV, Taxicab OOS - 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Taxicab permit revocation based on MOA Review Board recommendation ¹

- c. Taxicab safety, condition and appearance customer complaint violation². Complaints concerning the taxicab’s safety equipment from SDIA customers (passengers), Authority Officials, Metropolitan Transit System (MTS) or other credible sources will be compiled, investigated and adjudicated. For valid customer complaints, an OOS order will be issued by an ATO or Authority Official for the violation (as per the SDIA Rules and Regulations or the Inspection Form) and the penalty imposed according to the Taxicab Customer Complaint Violation-Penalty Table (below).

Taxicab Safety, Condition and Appearance customer complaint Violation-Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	NOV, Taxicab OOS – 1 day
2nd	NOV, Taxicab OOS - 3 days
3rd	NOV, Taxicab OOS - 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Taxicab permit revocation based on MOA Review Board recommendation ¹

¹ MOA Review Board will be comprised of three (3) members- Ground Transportation Director, Consortium Representative and 3rd party arbitrator. The 3rd party arbitrator will be selected from the National Conflict Resolution Center and chosen based on the Ground Transportation Director's and Consortium Representative's recommendation. The Review Board's decision will be based on a majority vote. Dismissed or overturned violations will be expunged from permit holder's record within ten (10) business days.

² The investigation of the customer complaint consists of: (1) customer completing the Ground Transportation Customer Complaint Form; (2) a follow-up call to the customer made by the Ground Transportation management representative; (3) a request for a formal written statement from the driver; and (4) a meeting between the driver, permit holder and the Ground Transportation management representative. The Ground Transportation management representative will issue a decision and determine the consequences. The decision can be appealed to the Ground Transportation Director as per the SDIA Rules and Regulations.

The Ground Transportation Department, in conjunction with the Consortium, will collect, tabulate and report monthly taxicab NOV data to permit holders and to the Consortium members with semi-annual written updates to the Board. Violations will be tracked and penalties imposed over the calendar year. Past violations beyond the previous calendar year will be expunged from the record.

Additional taxicab non-safety and safety data will be gathered, aggregated and summarized from: (1) periodic Metropolitan Transit System (MTS), San Diego County Sheriff's office and the San Diego County Department of Agriculture, Weights and Measures regulatory inspections done in conjunction with the Ground Transportation Department; (2) the Authority's secret shopper (3rd Party) program reports; and (3) other observations, surveys, inspections or official reviews conducted by the Authority. This supplemental data will be reported to the Consortiums but not included as a violation (described in Section V (1) (a-c)).

Taxicab warnings will be given January 1, 2015 through March 31, 2015 with full enforcement of taxicab vehicular violations starting April 1, 2015.

2. Driver Conduct, Customer Service, and Professionalism. All taxicab drivers shall conform to the designated local and state regulations and the SDIA Rules and Regulations. Non-conforming driver items shall be corrected prior to operating at SDIA.

Taxicab drivers shall attend and provide proof of attendance to the Authority's approved Customer Service and Defensive Driving Training class every two (2) years.

Drivers shall complete and maintain the daily Inspection Form demonstrating they have fully reviewed the inspection criteria and any non-conforming driver items were identified and corrected. Non-conforming driver items shall be corrected prior to resuming operation.

Each Consortium shall train their respective drivers as to how to inspect their taxicabs and their person as well as to how to complete and comply with the Inspection Form requirements.

Authority Officials shall administer, oversee and adjudicate (as per the Violation- Penalty tables) all driver penalties and permit holder's corrective actions (per the MOA Review Board process).

ATOs or Authority Officials shall conduct random, unannounced and formal driver inspections using the Inspection Form. The driver will be issued a NOV for the identified and documented driver non-conformances and subject to the described penalties and consequences. ATOs are authorized to issue NOVs and place any driver OOS should said driver show visible, intentional or deliberate disregard for the SDIA Rules and Regulations.

The following penalties are established for:

- a. Driver Conduct, Customer Service, and Professionalism (minor) violation. A minor driver conduct, customer service, and professionalism violation is the driver's failure to adhere to, or be in non-compliance with, the SDIA Rules and Regulations. An OOS order will be issued by an ATO or Authority Official for the driver violation (as per the SDIA Rules and Regulations or the Inspection Form) and penalized according to the Driver Conduct, Customer Service, and Professionalism Violation- Penalty Table (below).

Driver Conduct, Customer Service and Professionalism Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st and 2nd	NOV, Driver placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off.
3rd	NOV, Driver OOS – 1 days
4th	NOV, Driver OOS - 5 days
More than four (4) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Driver permit revocation based on MOA Review Board recommendation ¹

- b. Driver Conduct, Customer Service, and Professionalism (major) violations. A major driver conduct, customer service, and professionalism violation is the driver's deliberate action, behavior or defiance of the California Vehicle Code, local regulations or the SDIA Rules and Regulations or the driver's actions are likely to cause passenger harm or hazard, accident or taxicab breakdown or any unsafe condition that might endanger the SDIA facilities or the health or welfare of passengers, employees or the general public. A driver OOS order will be issued by an ATO or Authority Official for the driver violation (as per the SDIA Rules and Regulations or the Inspection Form) and penalized according to the Driver Safety Violation- Penalty Table (below).

Driver Conduct, Customer Service and Professionalism Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	NOV, Driver placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off.
2nd	NOV, Driver OOS - 3 days
3rd	NOV, Driver OOS - 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Driver permit revocation based on MOA Review Board recommendation ¹

Note: The consequences/penalties for egregious driver behavior (e.g., fighting, deliberately impeding shuttle or taxicab dispatch, direct confrontation of or hostile challenge to an ATO, CSR, or Authority Official, either as an individual or as a group) shall start with the 3rd violation (OOS- 5 days) ¹.

An accident (driver fault) occurring on SDIA premises, reported to the San Diego Harbor Police Department (“HPD”) with injury/fatality or combined property damage exceeding ten thousand dollars (\$10,000) is a major violation and subject to possible driver permit revocation.

- c. Driver Conduct, Customer Service, and Professionalism Customer Complaint violations²: Customer complaints regarding the taxicab’s operation or safety from SDIA passengers, Authority Officials representatives, the Metropolitan Transit System (MTS) or other credible sources will be compiled, investigated and adjudicated. For valid customer complaints, a driver OOS order will be issued by an ATO or Authority Official for the violation (as per the SDIA Rules and Regulations or the Inspection Form) and subject to the Driver conduct, customer service, and professionalism customer complaint Violation-Penalty Table (below).

Driver Conduct, Customer Service and Professionalism Customer Complaint Violation-Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	Driver OOS – 1 day
2nd	Driver OOS - 3 days
3rd	Driver OOS - 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Driver permit revocation based on MOA Review Board recommendation ¹

¹ MOA Review Board will be comprised of three (3) members- Ground Transportation Director, Consortium Representative and 3rd party arbitrator. The 3rd party arbitrator will be selected from the National Conflict Resolution Center and chosen based on the Ground Transportation Director’s and Consortium Representative’s recommendation. The Review Board’s decision will be based on a majority vote. Dismissed or overturned violations will be expunged from permit holder’s record within ten (10) business days.

² The investigation of the customer complaint consists of: (1) customer completing the Ground Transportation Customer Complaint Form; (2) a follow-up call to the customer made by the Ground Transportation management representative; (3) a request for a formal written statement from the driver; and (4) a meeting between the driver, permit holder and the Ground Transportation management representative. The Ground Transportation management representative will issue a decision and determine the consequences. The decision can be appealed to the Ground Transportation Director as per the SDIA Rules and Regulations.

For Driver Conduct, Customer Service, and Professionalism (minor) violation, the driver shall attend the Authority approved training after the second (2nd) violation and submit proof of attendance to Authority Official before resuming service. For Driver Conduct, Customer Service, and Professionalism (major) violation and Driver Customer Complaint violations, the driver shall attend the Authority approved training program after the first (1st) violation and submit proof of attendance to Authority Officials before resuming service.

The Authority Ground Transportation Department, in conjunction with the Consortium, will collect, tabulate and report monthly taxicab driver NOV data to permit holders and the Consortium members with semi-annual written updates to the Board. Violations will be tracked and penalties imposed over the calendar year. Violations beyond the past calendar year will be expunged from the record.

Additional driver conduct, customer service and professionalism data will be gathered, aggregated and summarized from (1) periodic Metropolitan Transit System (MTS), San Diego County Sheriff's office and the San Diego County Department of Agriculture, Weights and Measures regulatory inspections done in conjunction with the Ground Transportation Department; (2) the Authority's secret shopper (3rd Party) program reports; and (3) other observations, surveys, inspections or official reviews conducted by the Authority. This supplemental data will be reported to the MOA consortiums but not included as a violation (described in Section V (2) (a-c).

Driver warnings will be given from January 1, 2015 through March 31, 2015 with full enforcement of taxicab driver violations starting April 1, 2015.

3. Taxicab Availability. All taxicab Consortiums, permit holders and their drivers are required to meet customer demand during normal operating hours (from 8:00 a.m. to 12:00 a.m. daily, sixteen (16) operational hours) with sufficient taxicab availability to ensure that no greater than a ten (10) minute wait time is experienced. Taxicab passenger wait times greater than the ten (10) minute standard will be flagged and the available taxicabs for that time period tracked and recorded.

Taxicab availability data will be obtained from the Authority's Daily Taxicab Schedule ("Schedule"), the Automated Vehicle Identification ("AVI") and the Automated Vehicle Dispatch ("AVD") systems. Customer wait time data will be obtained daily from the passenger Queue Time Management ("QTM") system. Each day, all Consortiums (combined total time) will be allotted a defined "grace period" to address unusual or extraordinary circumstances (e.g.

taxicab breakdown, traffic conditions, etc.) The “grace period” is further defined below. When the cumulative daily customer wait times is greater than the grace period, taxicabs not present in the hold lot or on the Terminal transportation island (“Transportation Island”) (as reported by the AVI/AVD system) up to sixty (60) minutes prior to the passenger wait time being exceeded will be regarded as unavailable. Taxicabs found to be unavailable will be reviewed with the respective Consortium to determine if there is a valid reason for the taxicab to be unavailable. Those taxicabs found to be legitimately unavailable will be subject to the Taxicab Availability Violation- Penalty Table (see below).

Consortiums shall ensure a sufficient supply of taxicabs to meet customer demand:

- From January 1st through December 31st, 2015, all Consortiums will fulfill the availability requirement by ensuring taxicabs are in sufficient supply and responsive to passenger demand within the 10 minute wait time standard for 14.4 or more operational hours per day (“90% taxicab availability”) (i.e. sufficient taxicabs are available to meet customer demand within the 10 minute standard for 14.4 hours or more during the operational time). The actual taxicab customer wait time will be recorded and compiled using the QTM system. When customer wait times exceed 10 minutes, available and unavailable taxicabs from each Consortium will be identified using the SDIA AVI and AVD”) systems. The Consortiums (combined) are allowed to accumulate no greater than 1.6 hours or 96 minutes per day (“grace period”) of combined time when taxicabs can be considered unavailable. For intervals when customer wait times are (cumulatively) in excess of the 96 minute grace period, unavailable taxicabs will be documented and subject to the Taxicab Availability Violation- Penalty Table (below).
- From January 1st through December 31st, 2016, all Consortiums will fulfill the availability requirement by ensuring taxicabs are in sufficient supply and responsive to passenger demand within the 10 minute wait time standard for 15.2 or more operational hours per day (“95% taxicab availability”) (i.e. sufficient taxicabs are available to pick up customers within the 10 minute standard for 15.2 or more hours during the operational time). The actual taxicab customer wait time will be recorded and compiled using the QTM system. When customer wait times exceed 10 minutes, available and unavailable taxicabs from each Consortium will be identified using the SDIA AVI and AVD system. The Consortiums (combined) are allowed to accumulate no greater than 0.8 hours or 48 minutes per day (“grace period”) of time when taxicabs can be considered unavailable. For intervals when customer wait times are (cumulatively) in excess of the 48 minute grace period, unavailable taxicabs will be documented and the Consortium subject to the Taxicab Availability Violation- Penalty Table (below).

- From January 1st through December 31st, 2017, all Consortiums will fulfill the availability requirement by ensuring taxicabs are in sufficient supply and responsive to passenger demand within the 10 minute wait time standard for 15.8 or more operational hours per day (“99% taxicab availability”) (i.e. sufficient taxicabs available to pick up customers within the 10 minute standard for 15.8 or more hours during the operational time). The actual taxicab customer wait time will be recorded and compiled using the QTM system. When customer wait times exceed 10 minutes, available and unavailable taxicabs from each Consortium will be identified using the SDIA AVI and AVD system. The Consortiums are allowed to accumulate no greater than 0.2 hours or 12 minutes per day (“grace period”) (combined) of time when taxicabs are unavailable. For intervals when customer wait times are (cumulatively) in excess of the 12 minute grace period, unavailable taxicabs will be documented and the Consortium subject to the Taxicab Availability Violation- Penalty Table (below).

For large local conventions or unforeseen or extraordinary circumstances that significantly increase customer demand such as large passenger groups or negatively impact taxicab availability such as late, delayed or cancelled flights, the Ground Transportation Director and the Consortium Representatives affected will conduct a special review and make a determination to establish why customer response times or taxicab availability were impacted. The results of this determination will be shared and the appropriate penalties imposed as warranted per the Taxicab Availability Violation- Penalty Table.

Taxicab Passenger Wait Time Violation- Penalty Table

Violation No. (per month)	Penalty/Consequence
1st to the 5th occurrence of passenger wait times exceeding the “grace period”.	Verbal notification of permit holders of unavailable taxicabs when passenger wait times exceed the standard.
6th to the 10th occurrence of passenger wait times exceeding the “grace period”.	Written notification of permit holders of unavailable taxicabs when passenger wait times exceed the standard.
10 or more occurrences of passenger wait times exceeding the “grace period”.	Permit holders to submit written corrective action for unavailable taxicabs when wait times exceed the standard.

The SDIA terminal roadway AVI system is scheduled to be installed, evaluated and test ready by March 31, 2015³. Between April 1 and July 31, 2015 the roadway AVI system will be tested and

qualified with the needed operating procedures and data reporting documented and communicated. The Taxicab and Vehicle for Hire Hold Lot AVI/AVD system is scheduled to be installed, evaluated and test ready by October 1, 2015³. Between October 1, 2015 and March 31, 2016 the hold lot AVI/AVD system will be tested and qualified and the needed operating procedures and data reporting documented and communicated. This MOA requirement will be enforced and penalties tracked/issued starting August 1, 2015.

³ The project schedule is subject to change should unforeseen circumstances arise. Consortiums will be notified within 30 days or any expected schedule changes.

The Ground Transportation Department and each Consortium will collect, tabulate and report monthly passenger wait time data at the monthly meetings with semi-annual written updates to the Board. Violations will be tracked and penalties issued starting August 1, 2015, and be maintained over the calendar year. Violations beyond the past calendar year will be expunged from the record.

4. Passenger wait times. All Consortiums, and their permit holders and drivers are required to meet customer demand during normal operating hours (from 8:00 a.m. to 12:00 a.m. daily, sixteen (16) operational hours) with sufficient taxicab availability to ensure that no greater than a ten (10) minute wait time is experienced. Taxicab passenger wait times greater than the ten (10) minute standard will be flagged and the available taxicab for that time period tracked and recorded.

Customer wait time data will be obtained daily from the SDIA Queue Time Management (“QTM”) system. Each day, all Consortiums (combined total time) will be allotted a defined “grace period” to address unusual or extraordinary circumstances (e.g. taxicab breakdown, traffic conditions, etc.). The “grace period” is further defined below. When the cumulative daily customer wait times is greater than the grace period, the time interval will be recorded to determine the total wait time during that interval. Wait times exceeding the grace period will be subject to the Taxicab Passenger Wait Time Violation- Penalty Table (see below).

Consortiums shall ensure customer wait times do not exceed the ten (10) minute standard:

- From January 1st through December 31st, 2015, all Consortiums will fulfill the passenger wait time requirement by ensuring taxicabs are in sufficient supply and responsive to passenger demand within the ten (10) minute wait time standard to not exceed 1.6 operational hours or 96 minutes per day (“10% passenger wait time”) (i.e. customers will wait no more than 10 minutes for no more than 1.6 hours during the operational

time period). The customer wait time will be recorded and compiled using the QTM system. All Consortiums (combined) will be allowed to accumulate no more than 1.6 hours (or 96 minutes) per day (“grace period”) when passenger wait times can exceed 10 minutes. For intervals when customer wait times are (cumulatively) in excess of the 96 minute grace period, the events will be documented and the Consortium subject to the Taxicab Passenger Wait Time Violation- Penalty Table (below).

- From January 1st through December 31st, 2016, all Consortiums will fulfill the passenger wait time requirement by ensuring taxicabs are in sufficient supply and responsive to passenger demand within the ten (10) minute wait time standard to not exceed 0.8 operational hours or 48 minutes per day (“5% passenger wait time”) (i.e. customers will wait no more than 10 minutes for 0.8 hours during the operational time period). The customer wait time will be recorded and compiled using the QTM system. All Consortiums (combined) will be allowed to accumulate no more than 0.8 hours (or 48 minutes) per day (“grace period”) when passenger wait times can exceed 10 minutes. For intervals when customer wait times are (cumulatively) in excess of the 48 minute grace period, the events will be documented and the Consortium subject to the Taxicab Passenger Wait Time Violation- Penalty Table (below).
- From January 1st through December 31st, 2017, all Consortiums will fulfill the passenger wait time requirement by ensuring taxicabs are in sufficient supply and responsive to passenger demand within the 10 minute wait time standard to not exceed 0.2 hours or 12 minutes per day (“1% passenger wait time”) (i.e. customers will wait no more than 10 minutes for 0.2 hours during the operational time period). The customer wait time will be recorded and compiled using the QTM system. All Consortiums (combined) will be allowed to accumulate no greater than 0.2 hours (or 12 minutes) per day (“grace period”) of time when the passenger wait times can exceed 10 minutes. For intervals when customer wait times are (cumulatively) in excess of the 12 minute grace period, the events will be documented and the Consortium subject to the Taxicab Passenger Wait Time Violation- Penalty Table (below).

For large local conventions or unforeseen or extraordinary circumstances that significantly increase customer demand such as large passenger groups or negatively impact taxicab availability (e.g. late, delayed or cancelled flights), the Ground Transportation Director and the Consortium Representatives affected will conduct a special review and make a determination to establish why customer response times or taxicab availability were impacted. Taxicabs found to be unavailable will be reviewed with the respective Consortium to determine if there is a valid reason for the taxicab to be unavailable. The results of this determination will be

shared and the appropriate penalties imposed if warranted per the Taxicab Passenger Wait Time Violation- Penalty Table.

Taxicab Passenger Wait Time Violation- Penalty Table

Violation No. (per month)	Penalty/Consequence
1st to the 5th occurrence of the passenger wait time exceeding the “grace period”.	Verbal notification to permit holders that passenger wait time exceeded the 10 minute standard with specific time periods and a list of unavailable but scheduled taxicabs.
6th to the 10th occurrence of the passenger wait time exceeding the “grace period.”	Written notification to permit holders that passenger wait time exceeded the 10 minute standard with specific time periods and a list of unavailable but scheduled taxicabs.
10 or more occurrences of the passenger wait time exceeding the “grace period”.	Written notification to Permit holders requesting a written corrective action plan to mitigate/eliminate passenger wait times exceeding the 10 minute standard and ensuring scheduled taxicabs are available as per the schedule.

The SDIA terminal roadway AVI system is scheduled to be installed, evaluated and test ready by March 31, 2015³. Between April 1 and July 31, 2015, this AVI system will be tested and qualified and the needed operating procedures and data reporting documented and communicated. The modernized Taxicab and Vehicle for Hire Hold Lot AVI/AVD system is scheduled to be installed, evaluated and test ready by October 1, 2015³. Between October 1, 2015 and March 31, 2016 the hold lot AVI/AVD system will be tested and qualified and the needed operating procedures and data reporting documented and communicated. This MOA requirement will be enforced and penalties tracked/issued starting August 1, 2015.

³ The project schedule is subject to change. Should unforeseen circumstances arise, Consortiums will be notified within 30 days or any expected schedule changes.

The Ground Transportation Department in coordination with the each Consortium, will collect, tabulate and report monthly passenger wait times at the monthly Consortium meetings with semi-annual written updates to the Board. Violations and penalties will start starting August 1, 2015 and be maintained for the calendar year. Violations beyond the past calendar year will be expunged from the record.

5.1. Taxicab Modernization - Systems, Equipment and Operations. All Consortium taxicab, dispatch and operations' procedures, business processes and customer service standards shall reflect and apply the best available technologies and business practices. The Authority strongly encourages ongoing and continuous improvement of taxicab customer service and satisfaction, reduced curbside wait/idle time and congestion, decreased greenhouse gas emissions, better taxicab utilization and greater information technology application. Taxicab modernization plans, timelines and targets will be reviewed quarterly by the Authority and the Consortium. No penalties/consequences will be assessed at this time for the customer service improvement or GHG emissions reduction. (Section 5.1 (1) and (2) below).

The Authority and Consortiums will track and present the following data and trends for customer service and GHG reductions.

1. Customer service improvements and satisfaction surveys. Improving customer service and evaluating customer satisfaction is dependent on reliable, accurate and consistent customer feedback. Consortiums should establish a means to obtain customer feedback, conduct objective customer surveys, evaluate satisfaction, identify legitimate service improvements, and communicate the results to the Authority. No penalties/consequences will be assessed for the customer service improvement targets (listed below). Suggested Consortium customer satisfaction targets are as follows:
 - a. 2015: a baseline customer satisfaction score established;
 - b. 2016: a customer satisfaction score 10% better than 2015 baseline; and
 - c. 2017: a customer satisfaction 20% better than the 2015 baseline.
2. Greenhouse Gas ("GHG") emissions reductions. Consortiums are asked to compile and compare GHG emissions data from previous years. GHG baselines and proposed annual reductions will use data presented at the February 2014 Board meeting. GHG emissions reduction data will be presented to the Board annually as part of the Ground Transportation update. Suggested Consortium GHG reduction targets are as follows:
 - a. 2015: 10 % reduction from 2014 results;
 - b. 2016: 10 % reduction from the 2015 results; and
 - c. 2017: 10 % reduction from 2016.
3. Technology Enhancements. Consortiums shall complete the following tasks and actions by the designated dates to upgrade the taxicab systems, equipment and operations' technologies, enable better customer service and improve the Transportation Island

curbside operational procedures. This timetable will be effective and enforced on the following dates:

- a. *By April 1, 2015* all Consortium taxicabs will have operational “back of seat” credit card equipment installed allowing customers to personally transact the payment (without relinquishing their credit card, email address or other personal information without their consent), obtain a printed receipt and if requested by the customer, an email copy of the receipt without driver intercession or preference. (Noncompliance with this requirement is also subject to the penalties for Taxicab Non-Safety (minor) violations, Section V (1)(a) and Driver conduct, customer service, and professionalism, Section V (2)(b). Taxicab permit holders and drivers shall ensure the taxicab’s credit card equipment is properly maintained and operational at all times and that credit card transaction processing is conducted in accordance with the following requirements:
 1. Ensure all customer receipts have the following (complete and accurate) information: 1) company name; 2) radio service with phone number; 3) medallion or vehicle number; 5) fare amount; and 5) date.
 2. Support chip and pin smart card technology to be used starting October 2015.
 3. The “back of seat” equipment shall be connected to the taximeter.
 4. Ensure the taxicab driver provides every passenger with a receipt upon payment of the fare. Email receipts (with the information specified in item #1 above) are allowed at the customer’s request.
 5. Ensure all credit card equipment, software and transaction processing is compliant with Payment Card Industry (PCI) Data Security Standard (DSS).
 6. Ensure the customer maintains full control of his/her credit card at all times.
 7. The Authority expects every driver to provide exceptional customer service with a safe and clean taxicab. Infringing on the passenger’s right for privacy or their personal payment preferences (such as cash or credit) and/or failure to provide a valid receipt upon fare payment will be considered a violation of the SDIA Rules and Regulations and therefore subject to the defined enforcement penalties.
- b. *By July 1, 2015*, permitted taxicabs will have a tested, installed and operational global positioning system (“GPS”) device in the taxicabs to allow real-time tracking of taxicab location, current availability and return time.
- c. *By September 30, 2015*, all Consortiums will submit a plan to evaluate the feasibility of equipping cabs with the necessary hardware and software to provide an “on demand” passenger pickup service and to enable a taxicab “virtual” hold lot capability to reduce the need for a taxicab staging facility and improve the overall taxicab service experience.

Taxicab Modernization- Systems, Equipment and Operations, Section 5.1(3) (a-c)
Violation- Penalty Table

Violation No.	Penalty/Consequence
1 (1-60 days after schedule date above)	Written notice to perform issued to permit holders
2 (Greater than 60 days after schedule date above)	Written notice of non-performance issued by Authority to permit holders with taxicab permit suspension until remedied.

5.2. **Taxicab Modernization- Conversion.** Consortiums acknowledge that taxicab conversions to hybrids, alternative fuel vehicles (“AFV”) and/or clean air vehicles (“CAV”) is an essential commitment to the Authority’s Air Quality Management Plan (“AQMP”) and an extremely important step towards reducing GHGs and minimizing southern California’s regional carbon footprint. All Consortium taxicabs will be converted to an Authority-approved hybrid, AFV or CAV by July 1, 2017. The list of approved hybrid, AFV or CAV is available from the Authority’s Ground Transportation Department.

Penalties/consequences will not be assessed for specific GHG emission reduction targets, but the following trip fee premiums will be applied for taxicabs not converted to Authority-approved AFVs or CAVs as specified in the Taxicab Modernization- Conversion Violation-Penalty Table (below).

Taxicab Modernization- Conversion Violation- Penalty Table

Year	Penalty/Consequence
2015	25% Permit and Trip fee premium
2016	50% Trip fee premium
2017	75% Trip fee premium
2018-2021	100% Trip fee premium

6. **Dispatch Operations and Customer Service Representative (“CSR”) Personnel.** Taxicab CSR staff shall provide the highest level of customer service, professional conduct, and the necessary skills and proficiencies to dispatch taxicabs effectively, efficiently and professionally. Curbside and Hold Lot CSRs shall monitor and manage taxicab dispatch, passenger queuing and

wait times and alert supervision to excessive passenger wait times or any extraordinary or unusual activity.

ACE Parking will continue to provide all taxicab CSR staffing responsibility including customer service and dispatch functions with well trained and motivated personnel to manage daily operations. CSRs will conduct the designated responsibilities and report any operational, driver or taxicab issues to the ATOs and/or ACE Management personnel. To upgrade the taxicab CSR's job function:

1. *By July 1, 2015*, the Authority and ACE Parking, will redefine the CSR position requirement, background, experience and qualifications, mandatory and developmental training requirements, expected commercial vehicle transportation island ("Transportation Island") staffing levels, CSR performance standards and evaluation methods and taxicab dispatch procedures.
2. *By July 1, 2015*, ACE Parking will provide a specific curbside operating plan to coordinate and formalize taxicab procedures and practices for dispatch and customer service.
3. *By March 1, 2015* the Authority will provide the Consortiums with an ATO staffing plan to ensure sufficient coverage to improve operational readiness, perform more frequent inspections to enforce taxicab and driver non-compliances, assist with passenger management, and ensure ongoing collaborative working relationships.

7. Americans with Disability Act ("ADA") Taxicab Services. All Consortiums and taxicab permit holders shall ensure all permitted taxicabs operate in accordance with the applicable laws, statutes and SDIA Rules and Regulations, including the ADA. The Authority is committed to improving ADA service, assuring more convenient accommodations and increasing the traveling options for the disabled.

The current Taxicab permit requires that the "Permittee shall ensure that all Permitted Vehicles are operated in accordance with all applicable laws, statutes, and Rules and Regulations, including the Americans with Disability Act, while operating a Permitted Vehicle pursuant to this Permit (p. 12, section 3.3.4)." Within the current taxicab permit, Permit Holders are required to describe how they comply with applicable ADA requirements.

The Authority, in conjunction with the Consortiums, will update the current ADA taxicab program guidelines by July 1, 2015 to provide equivalent customer service, accommodations, and traveling options for disabled persons, including full compliance with the provisions of the ADA that are applicable to taxicabs.

Americans with Disability Act (“ADA”) Taxicab Service Violations- Penalties:

Violation No.	Penalty/Consequence
1 (ADA Plan not complete by July 1, 2015)	1 st written notice to perform issued to permit holders and Taxicab Association
2 (ADA Plan not complete prior to August 1, 2015)	2 nd written notice to perform issued to permit holders and Taxicab Association
3 (ADA Plan not complete after August 1, 2015)	The Authority President/CEO or her designee decides as to whether to suspend, revoke or deny the Ground Transportation Service Permit or driver permit, as applicable, for failure to comply with the ADA Plan schedule

8. Industry Communication and Collaboration. The Authority and the Consortiums agree to keep each other informed about the progress of this MOA’s relevant improvement plans, operational programs and requested results. Any unusual developments, significantly changed conditions or problem areas affecting SDIA taxicab operations will be addressed within the time period agree to by the Authority and the Consortium Representative. Both Party will periodically assess this MOA’s viability, clarity and outcomes to ensure it advances the overall MOA objectives.

All Consortiums shall be maintained as a business entity in accordance with California law and organized in a manner suited to its members.

All Party will carry out their responsibilities as set forth in this MOA in good faith and will collaborate with each other on their interrelated responsibilities and interests whenever it is in the best interest of the Authority, the Consortium or the travelling public. All Party will attend all scheduled meetings, and work constructively and collaboratively to meet the MOA objectives outlined in this document.

In addition to the performance measures outlined in this document, the Authority staff and Consortiums will collect and report data for:

- Specific taxicab and driver data to include ATO issued NOVs, regulatory inspections (as scheduled), Secret Shopper reports, CSR reports and customer complaints.
- Customer satisfaction results (available data from independent, Authority and Consortium sources).
- Key performance measure for taxicab availability and passenger queue wait times
- Daily dispatch volumes

- Other operational improvements as deemed necessary by the Authority;
- Other performance measures as deemed necessary by the Consortium

Industry communication and collaboration Violations- Penalties Table

Violation No.	Penalty/Consequence
1	Written notice to the Consortium representatives of specific non-collaborative behavior such as excessive absences, argumentative, disruptive or hostile actions or counterproductive decision intended to diminish the MOA requirements and objectives.
2	Written Board memo from Authority staff outlining situation and requesting corrective action by the Consortium.

VI. DISPUTE RESOLUTION

Any disagreement between the Parties that may arise in connection with this MOA shall be resolved by informal mediation between the Parties. Should any serious disagreement arise as to the interpretation or implementation of this MOA, and such agreement cannot be resolved by subordinate officials, the dispute shall be reduced to writing by each Party and presented to senior officials within each party's organizational structure. If the disagreement is not settled at that level, the dispute shall be taken to the Authority's Board, who shall make the final determination resolving the dispute. The Party agrees that there shall be no appeal from the final determination of the Authority's Board.

VII. INDEMNIFICATION

The Consortium shall indemnify, hold harmless and defend the Authority, its Board, officers, directors, employees, agents and volunteers from and against all claims, damages, losses and expenses, including reasonable attorneys' fees and court costs, arising out of the performance of the activities described herein, caused by any act or omission of Consortium and/or any of its members, representatives, subcontractors, employees, agents, officers and directors, except where caused by the sole negligence or willful misconduct of the Authority.

VIII. THIRD PARTY RIGHTS AND BENEFITS

Nothing in this MOA expands, diminishes, or otherwise affects the rights of the Authority or Consortium to carry out their functions, nor does it create any right or benefit, substantive or procedural, enforceable at law. The Party agrees that the provisions of this MOA do not create any third party beneficiary rights.

IX. SEVERABILITY

Nothing in the MOA is intended to conflict with the current laws, rules, regulations, or directives of the Authority. Any portion of this MOA that is inconsistent with such authority shall be invalid. However, if any portion is found to be invalid, the remaining terms and conditions of the understanding will remain in full force and effect.

X. MODIFICATION

This understanding may be modified upon the mutual consent of the Party. Any substantial modification will be documented in writing and signed by the same (or equivalent) Party representatives that signed this MOA.

XI. EFFECTIVE DATE

The terms of this MOA become effective upon the date and signature of both Party' representatives, as indicated at the end of this document.

XII. TERM

The term of this MOA is for a period of three (3) years commencing January 1, 2015, subject to earlier termination as provided herein.

XIII. TERMINATION

The Party may mutually agree to terminate the MOA at any time. Either Party may terminate this MOA by providing sixty (60) days written notice of intent to terminate.

XIV. RELEASE OF INFORMATION

Release to the public or any party of documents, reports, information, or other materials related to activities under this MOA shall be coordinated through discussion and mutual consent prior to its release, subject to the provisions of the California Public Records Act (hereinafter "CPRA"). The Party agrees to share all relevant documents, reports, information and other materials with each other that are not subject to a CPRA exemption or privilege.

XV. NOTICE AND POINTS OF CONTACT

Any notice required or permitted by this MOA shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a) by personal delivery when delivered personally, (b) by overnight courier upon written verification of receipt, or (c) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth below, or such other address as either party may specify in writing:

For Consortium: SAN DIEGO TRANSPORTATION ASSOCIATION

NAME: Jose A. Hueso, Houshang Nahauandia, Mosses Woldemariam, Cyrous Naharand, and Alex Tegegne

CONSORTIUM: SAN DIEGO TRANSPORTATION ASSOCIATION

ADDRESS: SDTA

C/O Bartell & Associates, 5333 Mission Center Rd., STE. 115, San Diego, CA 92108

For Authority:

Thella F. Bowens

President/CEO

San Diego County Regional Airport Authority

PO Box 82776

San Diego, CA 92138-2776

The successors of these individuals shall be treated as assuming all responsibilities associated with this MOA, without the need for any additional modification of or correction to this MOA. The undersigned have read this MOA, fully understand its contents, and by the signatures below agree to its terms on behalf of their respective entities.

<p>SAN DIEGO COUNT REGIONAL AIRPORT AUTHORITY</p> <p>By: _____ THELLA F. BOWENS President/CEO</p> <p>DATE: _____</p>	<p>SAN DIEGO TRANSPORTATION ASSOCIATION</p> <p>By: _____ JOSE A. HUESO</p> <p>PRINT NAME: _____</p> <p>DATE: _____</p> <p>By: _____ HOUSHANG NAHAUANDIA</p> <p>PRINT NAME: _____</p> <p>DATE: _____</p>
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	<p>By: _____ MOSSES WOLDMARIAM</p> <p>PRINT NAME: _____</p> <p>DATE: _____</p> <p>By: _____ CYROSU NAHARAND</p> <p>PRINT NAME: _____</p> <p>DATE: _____</p> <p>By: _____ ALEX TELEGNE</p> <p>PRINT NAME: _____</p> <p>DATE: _____</p>
	<p>APPROVED AS TO FORM:</p> <p>By: _____ General Counsel</p> <p>DATE: _____</p>

ATTACHMENT A (pg. 1)

San Diego County Regional Airport Authority

Ground Transportation Vehicle and Driver Inspection Form

Driver/Company Information		Vehicle Equipment/ Condition	
Name			Yes No
		Hub Caps	
		Spare tire	
Company		Heater/ Defrost.	
		No Smoking decal	
Company Body # Medallion/TCP #		Rates of Fare	
		L & F decal (Taxi)	
		Credit card decals	
License Plate		Meter Seals (taxi)	
		Pass. Rights decal	
		Surcharge (taxi)	
California Drivers Lic. Airport Auth. ID#		Thomas Guide	
		Interior	
		Body Number	
Last 4 numbers of Vehicle Identification number		Company Name	
		Radio Service (Taxi)	
		Credit Card machine	
Ground Transportation Service Permit / Exp. /		Paint	
		Bumpers	
		Air conditioning	
Vehicle Make & Model		Cleanliness	
		Seats	
		Carpets	
Vehicle Year		Offending odors	
		Doors/ Windows	
			Yes No
Transponder # (last 4 numbers) (ATO to complete)		Vehicle Safety	
		Signal Lights	
Vehicle Registration Expiration / /		For Hire Lights (Taxi)	
		Hazard (Flashers)	
Vehicle Insurance Expiration / /		Fuel Cap (As applic)	
		Tires(2/32 or Above)	
Sheriff License / Exp. / /		Driver Side	Passenger Side
		L/F /32	R/F /32
		L/R /32	R/R /32
ATO Inspector/ Taxi/VITaxi or VFH Driver/ Date		Missing lug nuts	
Name Date		Reverse Lts.	
		Parking Brake	

Excel form revision # 2 11/2014

ATTACHMENT A (pg. 2)

Vehicle Safety		Yes / No		Driver		
	Windshield Glass			Driver (Major)		
	Windshield Wipers			Daily Inspection sheet	Yes	No
	Trunk Safety Pull			Driver AA ID		
	Headlights			Driver Placard		
	Tail Lights			Conduct Attitude		
	Horn			Driver (Minor)		
	Brake Lights			Closed Toe Shoes	Yes	No
	Marker/ Corner lights			Socks		
	Seat Belts			Collared Shirt		
	Check Engine/ Dash			Offensive odor		
	Seat Backs			Wrinkle Free		
	Mirrors (all 3)			Shorts/ Pants		
	Loose items on console					
Body Damage						
	Minor	Yes/No	Major	Yes/No		
	Sedan		MiniVan/Prius			
						
						
ATO use only/ NOVs issued						
	NOV Number	Code	Penalty	Deficiency		
ATO / Taxi/ VFH Driver Notes:						

ATTACHMENT B

Taxi and VFH NOV Infraction breakdown

Vehicle Safety Items

Tires
 Missing Lug nuts
 Headlights
 Taillights
 Signal lights
 Hazard Flashers
 For Hire lights (Taxi only)
 Marker/Corner lights
 Reverse Lights
 Brake lights
 Parking Brake
 Windshield Wipers

Check engine/ Dash lights
 Loose objects at front console area
 Trunk Safety pull
 Engine leaks
 Hood Latch
 Horn
 Seat Belts
 Mirrors (all)
 Fuel Cap(If applicable)
 Windshield Cracks
 Doors/ Windows inoperable
 Major /Minor Body Damage

Vehicle Equip/ Condition/ Interior items

Spare Tire
 Hub Caps
 Air Conditioning
 Heater Defroster
 Offending odors
 Carpets
 Seats
 Credit card equipment
 GPS operations
 Interior lights
 Paint/ Bumpers
 Company Radio
 Current map book

Stickers:

No Smoking
 Passenger Rights
 Surcharge (Taxi Only)
 Credit Card
 Lost and Found
 Affixed Medallion (Taxi Only)
 Rates of fare

Customer complaint vehicle issues:

Vehicle not equipped with approved credit card equipment
 Passenger does not feel safe in the vehicle
 Vehicle interior

Driver Training, Personal Appearance, Courtesy, Professionalism, Safety and Compliance

Driver (Minor Issues)

Attire (not in compliance with driver dress regulations)
 Passenger customer service
 Conduct/ Attitude

Customer Complaint issues against driver

Driver does not follow credit card procedures
 Long Hauling
 Not taking credit cards
 Driver's misbehavior/ discourteous
 Driver not compliant with customer's request

Driver (Major Issues)

Failure to have daily vehicle inspection sheets completed
 Non Compliance with ATO or CSR directives
 Unsafe speed/driving
 Mandatory inspection findings (MTS/CHP)
 Driver Solicitation
 Smoking on Island or in vehicle
 Drivers AA ID card/ Sheriff Placard (taxi)
 Drivers AA ID card/ SDCRAA Placard (VFH)
 Fare refusal
 Insurance/ Registration

Notice of Violation (NOV) infraction/timeframe for fix/ repair guide

OUT OF SERVICE

AC/Heat: inoperable
 Brake or Back-up Lights/BOTH inoperable
 Defroster: inoperable
 Dents: sharp or jagged edges/effects vehicle's normal operation
 Doors: inoperable from either/interior or exterior (includes windows)
 Fuel cap: missing (As applicable)
 Fuel Line: any fuel or fluid leaks
 Headlights: BOTH inoperable
 Hood Latch: does not latch securely
 Horn: inoperable
 Meter/Meter Seals (Taxi): meter inoperable
 Meter/Meter Seals (Taxi): seal broken
 Mirrors: either side or rearview/missing or defective
 Parking Brake: inoperable
 Seats: not securely fastened
 Seat Belts: any belt missing or inoperable
 Tires: bald (take photo)
 Tires: nail in tire
 Tires: cord showing
 Tires: cuts in sidewall
 Tires: worn below 2/32
 Tires: any missing lug nuts
 Truck Latch: inoperable
 Windshield: crack extends full length of window
 Windshield: crack interferes w/drivers view
 Windshield Wipers: missing or inoperable
 Check engine light on
 Trunk safety pull not operational
 No electronic credit card capability
 No Thomas guide
 Loose items on driver console area
 No tariff sheet posted
Driver:
 Not having the vehicle inspection sheet completed upon request of ATO
 Suitable Dress
 Duty to transport passenger
 Smoking in vehicle
 Driver conduct

24 HOURS

Brake Lights/Parking Lights: one inoperable
 License Plate Light: inoperable
 Reverse Lights: one Inoperable
 Signal Lights: one inoperable
 Tires: worn to 2/32, or worn in certain areas (specify where worn; measure with tire gauge)

72 HOURS

Body/TCP# missing
 Carpets: soiled or stained
 Hub Caps: any missing hub cap
 Seats: soiled or stained
 Windshield cracks: does not interfere with drivers view
 Decals missing or damaged

10 DAYS

Armrests: missing or torn/NO DUCT TAPE
 Dent/Scrape: two or more areas > 3x3
 Seats: burned/ripped/torn
 Windshield: chips not interfering w/drivers view
 Windshield: crack on passenger side not to extend full length of window
 Paint fading/ chips

MEMORANDUM OF AGREEMENT ("MOA")
WITH
CLOUD 9 SHUTTLE INC. DBA SUPERSHUTTLE SAN DIEGO (CLOUD 9/SUPERSHUTTLE)

I. THE PARTY

The Party to this Memorandum of Agreement ("MOA") is the San Diego County Regional Airport Authority ("Authority") and Cloud 9 Shuttle Inc. DBA SuperShuttle San Diego (Cloud 9/SuperShuttle) ("Consortium").

II. AUTHORITY

A. The Authority is authorized to enter this MOA pursuant to the San Diego County Regional Airport Authority Act, as amended, codified in California Public Utilities Code §§ 170000-170084 ("Act"). The Act establishes the Authority as a local entity of regional government with jurisdiction throughout the County of San Diego. The Act provides that:

(1) The Authority shall be responsible for developing all aspects of airport facilities that it operates, including, but not limited to, the location of terminals, hangars, aids to navigation, parking lots and structures, and all facilities and services necessary to serve passengers and other customers of San Diego International Airport ("SDIA").

(2) It is essential to the public health, safety and welfare that public officials and the private sector plan, develop and operate the airports in the San Diego County region so that those airports promote economic development, protect environmental quality and enhance social equity.

(3) The Authority may contract with any agency or person upon those terms and conditions that the Authority finds are in its best interests.

B. The Consortium is duly registered with the Office of the California Secretary of State, formed for the purpose of (1) enhancing the ability of its members to effectively and profitably serve the transportation needs of the public; (2) providing timely information and educational opportunities to its members; (3) representing and advocating its members' common business interests before legislative and regulatory bodies; (4) assisting its members in dealing with special issues related to the public transportation industry; and (5) improving the business conditions and promoting the common business interests of its members.

III. PURPOSE.

A. This MOA sets forth the terms of agreement between the Authority and the Consortium to establish an operational relationship that (1) enhances transportation services provided by the local Vehicle for Hire (“VFH”) industry (“Industry”) at SDIA, and (2) increases airport service provider involvement with developing ground transportation policy and procedures. Improved travel conditions at SDIA and traveler satisfaction with VFH services promotes a positive public perception of the Authority and Industry in San Diego and strengthens community support for ground transportation improvement programs at SDIA.

B. This MOA will serve as the master agreement concerning the Party interrelated responsibilities; however, the Party expects that their relationship and responsibilities will evolve over time. Furthermore, it is not possible for the Party to specify all of the processes, events and changing conditions associated with the complex operation of an international airport or with economic conditions in the San Diego region and, therefore, expect this MOA to be supplemented from time to time with addenda or amendments.

C. The Party fully expect to execute their respective and joint responsibilities assigned under the MOA. With the successful fulfillment of provisions that address operating conditions at SDIA, both organizations can contribute to improving service to the travelling public in the spirit of partnership and mutual cooperation. Notwithstanding the agreed-upon operational arrangements and shared responsibilities contained herein, nothing in this MOA invalidates, supersedes or amends the following:

1. The Authority's Code;
2. The Authority's Policies;
3. The SDIA Rules and Regulations;
4. The Authority's Vehicle Licensing Agreements; and
5. Individual's Transportation Service Permits issued by the Authority.

The terms and conditions of the Authority's shuttle licensing agreements and transportation service permits shall be the governing documents affecting the requirements and conditions under which a service permit is maintained in good standing by individual permit holders. This MOA shall in no way restrict the Authority from modifying, terminating, suspending, or amending any governing document, SDIA Rule or Regulation, SDIA license or permit affecting the operation or permitting of shuttles, shuttle companies or shuttle drivers at SDIA in any manner or at any time.

IV. BACKGROUND

A. As provided for by state law, the Authority is the proprietor of and operates SDIA with a mission to provide safe, convenient and cost effective air travel services to the region. In fulfilling its responsibilities, the Authority desires to enhance ground transportation services by working with the Industry to implement performance improvements in areas such as:

- SDIA roadway and traffic safety improvements;
- Efficient commercial shuttle circulation and passenger access procedures;
- Shuttle and driver/occupant mishap risk reduction programs;
- SDIA ground transportation facility and support system upgrades;
- Upgrades to shuttle tracking, customer reservation capabilities and credit card transaction equipment;
- Shuttle availability, particularly during peak hours and late at night;
- Customer service programs designed to enhance the traveler experience through the landside environs;
- Improved ADA service, more convenient accommodations and increased traveling options for the disabled;
- Improved shuttle appearance and driver professionalism;
- Uniform compliance with SDIA Rules and Regulations governing commercial ground transportation operations; and
- Environmental leadership program implementation, particularly in air quality improvements and greenhouse gas emission reductions.

B. Specific areas of service improvement to be addressed through an effective operational relationship between Consortium and the Authority are indicated in Section V, RESPONSIBILITIES, REQUIREMENTS AND CONSEQUENCES. It is understood and appreciated that service levels can vary considerably based on individual shuttle operator performance, however, the standards addressed herein are meant to be applied uniformly and serve as benchmarks for delivering the highest levels of customer service to our passengers.

Specific areas that would benefit from increased attention center on: (1) shuttle condition, including safety systems, physical appearance, cleanliness and system functionality; (2) shuttle modernization, including electronic/communication upgrades, such as next generation GPS and other aids and amenities; (3) driver professionalism, particularly in customer interactions with passengers; (4) driver training, specifically focused on safe driving and customer service programs; (5) ADA training in the latest service requirements, the proper handling of specialized ADA equipment and effective interactions with passengers with disabilities; (6)

environmental and regulatory compliance (i.e., fleet conversion to alternative fuels, clean air and recycling awareness and pollution abatement programs).

C. There is a need for improved communications between Authority management and permit holders and drivers. Specifically, at the transportation plazas and the hold lot there is a need for greater Authority supervision and coordination to deal with the multitude of day-to-day challenges. The Authority recognizes it has the primary responsibility for improving areas such as: timely communication, regulatory clarity, advanced coordination of new programs and emerging requirements and notification to operators on changes to conditions and major construction interference.

D. The operational deficiencies cited above are not all inclusive but are meant to suggest areas that both Parties can agree could benefit from increased management attention. The provisions outlined in Section V, RESPONSIBILITIES, REQUIREMENTS AND CONSEQUENCES, address the specific responsibilities and established timelines of the Party. However, for several MOA responsibilities, there is a need to further define and/or refine the methodology, with metrics, for evaluating progress within each specified area. The methodologies will be developed between the Party prior to the MOA target dates to allow for consultation, agreement and any needed modifications to the SDIA Rules and Regulations.

E. A successful operational relationship between the Authority and the Industry can result in long-term and sustainable performance improvements. These improvements will increase traffic safety, alleviate congestion, reduce passenger delays and greatly enhance the customers' travel experience at SDIA. The Consortium's objective to move passengers quickly, safely and economically, with a genuine focus on superior customer service, is only achieved when the Authority and Consortium work together to produce effective and efficient ground transportation operations for the benefit of the air travelling public.

F. On October 2, 2014, the Authority Board ("Board") received a summary of the new Shuttle Consortium MOA requirements, responsibilities and consequences as the first step to further improve the SDIA's ground transportation services. The Board directed staff to work closely with the Consortiums to finalize an agreement and to move forward with a January 1, 2015 implementation date.

G. The shuttle permit holders and drivers perform a valuable and necessary service in transporting passengers to and from SDIA. Their professional services ensure customer confidence, safety and well-being and generally promote an overall positive impression by the

travelling public. The shuttle operators servicing SDIA provide a vital travel link for passengers that generate measurable economic benefits. Shuttle services also enable other critical ancillary services which depend on its vitality, reliability and professionalism. The MOA offers the Industry an opportunity to come together and discuss important issues and provide timely input towards decisions affecting SDIA and shuttle operations. The Consortiums' continuing willingness to work with the Authority to improve shuttle services will ultimately ensure that future operational, facility and technology upgrades work synergistically benefiting SDIA, the industry and the travelling public.

V. RESPONSIBILITIES, REQUIREMENTS AND CONSEQUENCES

The following requirements, responsibilities and consequences (collectively referred to as the "MOA items") are identified and detailed in this Section V. These MOA items will enable SDIA and the Consortiums to meet the challenge of improving commercial ground transportation services at SDIA and implementing the shuttle performance improvements areas listed above:

1. Shuttle Safety, Condition and Appearance
2. Driver Training, Customer Service, and Professionalism
3. Shuttle Availability
4. Passenger Wait Times
- 5.1 Shuttle Modernization- Systems, Equipment and Operations
- 5.2 Shuttle Modernization- Conversion
6. Dispatch Operations and Customer Service Representative ("CSR") Personnel
7. Americans with Disability Act ("ADA") Services
8. Industry Communication and Collaboration

All shuttle permit holders and drivers shall be a Consortium member and personally confirm their Consortium Representatives. Permit holders shall declare their Consortium affiliation as part of the vehicle permit application or when completing the annual permit application renewal process. Drivers shall declare their Consortium affiliation as part of the driver permit application or when completing the annual driver permit renewal process. Any and all driver inquiries or concerns about any of these MOA items shall be directed to the Consortium Representative for discussion and response.

The Ground Transportation Department will provide a condensed version of this MOA to shuttle permit holders and drivers as part of the permit.

1. **Shuttle Safety, Condition, and Appearance.** Safety equipment, exterior and interior condition and overall appearance shall conform to the designated local and state vehicle codes and SDIA Rules and Regulations.

Shuttle drivers shall complete and maintain a Ground Transportation Vehicle and Driver Inspection Form (“Inspection Form”) (Attachment A) demonstrating the shuttle was inspected that day and that any non-conforming or unsafe conditions were identified and corrected. Non-conforming shuttle conditions shall be corrected prior to SDIA operation.

Each Consortium shall train their respective drivers as to how to inspect their shuttles and their person as well as to how to complete and comply with the Vehicle and Driver Inspection Form requirements.

Authority Code Compliance and Enforcement Officials (“Authority Officials”) shall administer, oversee and adjudicate (as per the Violation-Penalty tables) all shuttle penalties and permit holder’s corrective actions (per the MOA Review Board process).

SDIA Airport Traffic Officers (“ATOs”) or Authority Officials shall conduct random, unannounced and formal shuttle inspections using the Inspection Form. The permit holder will be issued a Notice of Violation (“NOV”) for the identified and documented non-conformances. Shuttles will be subject to no more than one random inspection per six (6) month period. ATOs are authorized to issue NOV’s and place any shuttle Out of Service (“OOS”), however, should said shuttle show major safety deficiencies between inspections.

The following penalties are established for:

- a. Shuttle Safety, Condition and Appearance (non-safety or minor) violation (Attachment B): A shuttle “non-safety” violation is any minor vehicular, mechanical or electrical failure, interior or exterior condition, operating impairment or defective component not affecting the shuttle or the driver’s ability to transport passengers safely and expeditiously. An OOS order will be issued by an ATO or Authority Official for the violation (as per the SDIA Rules and Regulations or the Inspection Form) and the penalty imposed according to the Shuttle Non-Safety Violation- Penalty Table (below).

Shuttle Safety, Condition and Appearance (non- safety or minor) Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st and 2nd	NOV, Shuttle placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off
3rd	NOV, Shuttle OOS -1 day
4th	NOV, Shuttle OOS - 5 days
More than four (4) violations	Permit holder to provides corrective action plan to Ground Transportation Director; Shuttle permit revocation based on MOA Review Board recommendation ¹

- b. Shuttle Safety, Condition and Appearance (safety or major) violation (Attachment B): A shuttle “safety” violation is any major vehicular, mechanical or electrical malfunction, significant interior or major exterior damage, operating impairment or defective component affecting the shuttle or the driver’s ability to transport passengers safely and expeditiously. An OOS order will be issued by an ATO or Authority Official for the violation (as per the SDIA’s Rules and Regulations or the Inspection Form) and the penalty imposed according to the Shuttle Safety Violation- Penalty Table (below).

Shuttle Safety, Condition and Appearance (safety or major) Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	NOV, Shuttle placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off
2nd	NOV, Shuttle OOS - 3 days
3rd	NOV, Shuttle OOS - 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Shuttle permit revocation based on MOA Review Board recommendation ¹

- c. Shuttle Safety, Condition and Appearance customer complaint violation²: Complaints concerning the shuttle’s safety, electrical or mechanical equipment from SDIA customers (passengers), SDIA Authority Officials or other credible source will be compiled, investigated and adjudicated. For valid customer complaints, an OOS order will be issued by an ATO or Authority Officials for the violation (as per the SDIA Rules and Regulations or the Inspection Form) and the penalty imposed according to the Shuttle Customer Complaint Violation-Penalty Table (below).

Shuttle Customer Complaint Violation-Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	NOV, Shuttle OOS – 1 day
2nd	NOV, Shuttle OOS - 3 days
3rd	NOV, Shuttle OOS - 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Shuttle permit revocation based on MOA Review Board recommendation ¹

¹ MOA Review Board will be comprised of three (3) members - Ground Transportation Director, Consortium Representative and 3rd party arbitrator. The 3rd party arbitrator will be selected from the National Conflict Resolution Center and chosen based on the GT Director’s and the Consortium Representative’s recommendation. The Review Board’s decision will be based on a majority vote. Dismissed or overturned violations will be expunged from permit holder’s record within ten (10) business days.

² The investigation of the customer complaint consists of (1) customer completing the GT Customer Complaint Form, (2) a follow-up call to the customer made by the GT management Consortium representative, (3) a request for a formal written statement from the permit holder, and (4) a meeting between the , permit holder and the GT management representative. The GT management representative will issue a decision and determine the consequences. The decision can be appealed to the GT Director as per the SDIA Rules and Regulations.

The Ground Transportation Department, in conjunction with the Consortium, will collect, tabulate and report monthly shuttle NOV data to permit holders and the Consortiums with semi-annual written updates to the Board. Violations will be tracked and penalties imposed over a twelve (12) month calendar period. Past violations beyond the past calendar year will be expunged from the record.

Additional shuttle non-safety and safety data will be gathered, aggregated and summarized from (1) periodic California Highway Patrol (“CHP”) and the California Public Utilities Commission (“PUC”) regulatory inspections done in conjunction with the Authority’s Ground Transportation Department; (2) SDIA secret shopper (3rd Party) program reports; and (3) other observations, surveys, inspections or official reviews conducted by the Authority. This supplemental data will not be included as a violation described in Section V (1) (a-c).

Shuttle warnings will begin January 1, 2015 through March 31, 2015 with full enforcement of violations starting April 1, 2015.

2. Driver Conduct, Customer Service, and Professionalism. All shuttle drivers shall conform to the designated local and state regulations and the SDIA Rules and Regulations. Non-conforming driver items shall be corrected prior to operating at SDIA.

Shuttle drivers shall attend and provide proof of attendance to the Authority's approved Customer Service and Defensive Driving Training class every two (2) years.

Drivers shall complete and maintain the daily Inspection Form demonstrating they have fully reviewed the inspection criteria and any non-conforming driver items were identified and corrected. Non-conforming driver items shall be corrected prior to SDIA operation.

Each Consortium shall train their respective drivers as to how to inspect their shuttles and their person as well as to how to complete and comply with the Inspection Form requirements.

Authority Officials shall administer, oversee and adjudicate (as per the Violation-Penalty tables) all driver penalties and permit holder's corrective actions (per the MOA Review Board process).

ATOs or Authority Officials shall conduct random, unannounced and formal driver inspections using the Inspection Form. The driver will be issued a NOV for the identified and documented non-conformances and subject to the described penalties and consequences. ATOs are authorized to issue NOVs and place any driver OOS should said driver show visible, intentional or deliberate disregard for the SDIA Rules and Regulations.

The following penalties are established for:

- a. Driver Conduct, Customer Service, and Professionalism (minor) violation. A minor driver conduct, customer service, and professionalism violation is the driver's failure to adhere to or be in non-compliance with the SDIA Rules and Regulations. An OOS order will be issued by an ATO or Authority Official for the driver violation (as per the SDIA Rules and Regulations or the Inspection Form) and penalized according to the Driver Conduct, Customer Service, and Professionalism Violation- Penalty Table (below).

Driver Conduct, Customer Service and Professionalism Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st and 2nd	NOV, Driver placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off
3rd	NOV, Driver OOS- 1 days
4th	NOV, Driver OOS- 5 days
More than four (4) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Driver permit revocation based on MOA Review Board recommendation ¹

- b. Driver Conduct, Customer Service, and Professionalism (major) violations. A major driver conduct, customer service, and professionalism violation is the driver’s deliberate action, behavior or defiance of the California Vehicle Code, local regulations or the SDIA Rules and Regulations likely to cause passenger harm or hazard, accident or shuttle breakdown or any unsafe condition that might endanger the SDIA facilities, passengers, employees or the general public. A driver OOS will be issued by an ATO or Authority Official for the driver violation (as per the SDIA Rules and Regulations or the Inspection Form) and penalized according to the Driver Conduct, Customer Service, and Professionalism Violation- Penalty Table (below).

Driver Conduct, Customer Service and Professionalism Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	NOV, Shuttle placed OOS as per Notice of Violation (NOV) infraction/timeframe for fix/ repair (Attachment C) and ATO sign off.
2nd	NOV, Driver OOS- 3 days
3rd	NOV, Driver OOS- 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Driver permit revocation based on MOA Review Board recommendation ¹

Note: The consequences/penalties for egregious driver behavior (e.g., fighting, deliberately impeding shuttle or taxicab dispatch, direct confrontation of or challenge to an ATO, CSR, or Authority Official, either as an individual or as a group) shall start with the 3rd violation (OOS- 5 days)¹.

An accident (driver fault) occurring on SDIA premises, reported to the San Diego Harbor Police Department (“HPD”) with injury/fatality or combined property damage exceeding ten thousand dollars (\$10,000) is a major violation and subject to possible driver permit revocation.

- c. Driver Conduct, Customer Service, and Professionalism Customer Complaint violations²: Customer complaints regarding the shuttle’s operation or safety from SDIA passengers, Authority Officials, or other credible sources will be compiled, investigated and adjudicated. For valid customer complaints, an OOS order will be issued by an ATO or Authority Officials for the violation (as per the SDIA Rules and Regulations or the Inspection Form) and subject to the Driver Conduct, Customer Service, and Professionalism Customer Complaint Violation- Penalty Table (below).

Driver Conduct, Customer Service, and Professionalism Customer Complaint Violation- Penalty Table

Violation No.	Penalty/Consequence (per occurrence)
1st	Driver OOS – 1 day
2nd	Driver OOS- 3 days
3rd	Driver OOS- 5 days
More than three (3) violations	Permit holder to provide corrective action plan to Ground Transportation Director; Driver permit revocation based on MOA Review Board recommendation ¹

¹ MOA Review Board will be comprised of three (3) members - Ground Transportation Director, Consortium Representative and 3rd party arbitrator. The 3rd party arbitrator will be selected from the National Conflict Resolution Center and chosen based on the GT Director’s and the Consortium Representative’s recommendation. The Review Board’s decision will be based on a majority vote. Dismissed or overturned violations will be expunged from permit holder’s record within ten (10) business days.

² The investigation of the customer complaint consists of (1) customer completing the GT Customer Complaint Form, (2) a follow-up call to the customer made by the GT management representative, (3) a request for a formal written statement from the driver, and (4) a meeting between the driver, permit holder and the GT management representative. The GT management representative will issue a decision and determine the consequences. The decision can be appealed to the GT Director as per the SDIA’s Rules and Regulations.

For a Driver Conduct, Customer Service, and Professionalism (minor) violation, the driver shall attend the Authority approved training after the second (2nd) violation and submit proof of attendance to Authority Official before resuming service. For a Driver Conduct, Customer

Service, and Professionalism (major) violations and Driver Customer Complaint violations, the driver shall attend the Authority approved training program after the first (1st) violation and submit proof of attendance to Authority Officials before resuming service.

The Ground Transportation Department, in conjunction with the Consortium, will collect, tabulate and report monthly shuttle driver NOV data to permit holders and the Consortium members with semi-annual written updates to the Board. Violations will be tracked and penalties imposed over a calendar year period. Past violations beyond the past calendar year will be expunged from the record.

Additional driver conduct, customer service and professionalism data will be gathered, compiled, summarized and reported from (1) periodic regulatory inspections conducted by the CHP and the PUC inspectors done in conjunction with the Ground Transportation Department; (2) the SDIA secret shopper (3rd party) program reports; and (3) other observations, surveys, inspections or official reviews conducted by the Authority. This supplemental data will be reported to the Consortiums but not included as a violation as described in Section V (2) (a-c).

Driver warnings will begin January 1, 2015 through March 31, 2015 with full enforcement of shuttle driver violations starting April 1, 2015.

3. Shuttle Availability. All Consortiums, permit holders and their drivers are required to make available the requisite number of shuttles and available seat capacity to meet reserved and non-reserved (walk up) customer demand during normal operating hours (from 8:00 a.m. to 12:00 a.m. daily, sixteen (16) operational hours) with sufficient shuttle availability to respond to the “first passenger” request and pick up within twenty (20) minutes. Shuttles with response times greater than the twenty (20) minute standard will be flagged and the response time noted on the shuttle’s arrival and dispatch log by the Consortium’s Customer Service Representative (“CSR”) or Guest Service Representative (“GSR”). Each day, the Consortium will be allotted a “grace period” to address any unusual or extraordinary circumstances (e.g. shuttle breakdown, traffic conditions, etc.). The “grace period” is further defined below.

Shuttle response times exceeding the standard will be reviewed and evaluated using the SDIA Automated Vehicle Identification (“AVI”) and Automated Vehicle Dispatch (“AVD”) data and the Consortium’s CSR/GSR dispatch logs. Consortium shuttles not present in the hold lot or on the Terminal Transportation Island (as reported by the AVI/AVD system) sixty (60) minutes prior to the passenger wait time being exceeded will be regarded as in violation of the 20 minute

response time standard for shuttle availability. Shuttles found unavailable will be subject to the shuttle Availability Violation- Penalty Table (see below).

The shuttle response time shall start when the request is made by the customer to the CSR until that customer is boarded on the shuttle. Shuttles will be allowed to dwell or wait on the SDIA Transportation Island curbside for no more than thirty (30) minutes (total) to allow boarding of additional passengers. Shuttles shall not exceed the thirty (30) minute maximum dwell time. Shuttles dwelling past the 30 minute limit will be flagged and the total wait time noted on the Consortium's arrival and dispatch log. Shuttles dwelling past the 30 minute dwell time limit will be issued an NOV and subject to penalty (described in Section V. (2) (a). The shuttle's entry into the hold lot, dispatch to the transportation island, dwell time and departure time will be tracked and recorded using the Consortium's data and the Authority's AVI and AVD systems.

Consortiums shall for both reservation and non-reservation passengers:

- From January 1st through December 31st, 2015, fulfill this requirement by ensuring their shuttles are available and responsive to the first requesting customer within twenty (20) minutes for 14.4 operational hours per day ("90% shuttle availability") (i.e., shuttles will pick up the passenger within twenty (20) minutes of the passenger's request of the CSR/GSR for 14.4 hours during the operational time). The first requesting customer pickup time and their departure time will be recorded and compiled by the Consortium's CSR and AVD/AVI system. Unavailable shuttles from each Consortium will be allowed to accumulate no more than 1.6 hours or ninety-six (96) minutes per day ("grace period"). When the grace period is exceeded, unavailable shuttles will be identified and noted as "not available". Violations are subject to the Shuttle Availability Violation- Penalty Table (below);
- From January 1st through December 31st, 2016, fulfill this requirement by ensuring their shuttles are available and responsive to the first requesting customer within twenty (20) minutes for 15.2 operational hours per day ("95% shuttle availability") (i.e., shuttles will pick up the passenger within twenty minutes of the passenger's request of the CSR/GSR for 15.2 hours during the operational time. The first requesting customer pickup time and their departure time will be recorded and compiled by the Consortium's CSR and AVD/AVI system. Unavailable shuttles from each Consortium will be allowed to accumulate no more than 0.8 hours or forty-eight (48) minutes per day as their grace period. When the grace period is exceeded, unavailable shuttles will be identified and noted as "not available". Violations are subject to the Shuttle Availability Violation- Penalty Table (below); and

- From January 1st through December 31st, 2017, fulfill this requirement by ensuring their shuttle are available and responsive to the first requesting customer within twenty (20) minutes for 15.8 operational hours per day (“99% shuttle availability”) (i.e., shuttles will pick up the passenger within twenty (20) minutes of the passenger’s request of the CSR/GSR for 15.8 hours during the operational time). The first requesting customer pickup time and their departure time will be recorded and compiled by the Consortium’s CSR and AVD/AVI system. Unavailable shuttles from each Consortium will be allowed to accumulate no greater than .2 hours or twelve (12) minutes per day as their grace period. When the grace period is exceeded, unavailable shuttles will be identified and noted as “not available”. Violations will be subject to the Shuttle Availability Violation- Penalty Table (below).

For large local conventions or unforeseen or extraordinary circumstances that significantly increase customer demand such as large passenger groups without reservations or negatively impact shuttle availability such as late, delayed or cancelled flights, the Ground Transportation Director and the Consortium Representatives affected will conduct a special review and make a determination to establish why customer response times or shuttle availability were impacted. The results of this determination will be shared and the appropriate penalties imposed as warranted per the Shuttle Availability Violation- Penalty Table.

Shuttle Availability Violation- Penalty Table

Violation No. (per month)	Penalty/Consequence
1st to the 5th occurrence of Permit Holders shuttle(s) exceeding the “grace period”.	Verbal notification to Consortium of unavailable shuttles or shuttle response times exceeding the standard.
6th to the 10th occurrence of Permit Holders shuttle(s) exceeding the “grace period”.	Written notification to Consortiums of unavailable shuttles or shuttle response times exceeding the standard.
10 or greater occurrence of Permit Holders shuttle(s) exceeding the “grace period”.	Consortium to submit corrective action plan to Authority’s Ground Transportation Director within 10 business days of 10 th occurrence.

The Authority’s updated roadway AVI system is scheduled to be installed, evaluated and test ready by March 31, 2015³. Between April 1 and July 31, 2015 the roadway AVI system will be tested and qualified with the needed operating procedures and data reporting documented and communicated. The Taxicab and Vehicle For Hire Hold Lot AVI/AVD system is scheduled to be installed, evaluated and test ready by October 1, 2015³. Between October 1, 2015 and

March 31, 2016 the hold lot AVI/AVD system will be tested and qualified and the needed operating procedures and data reporting documented and communicated. This MOA requirement will be enforced and penalties tracked/issued starting August 1, 2015.

³ The project schedule is subject to change should unforeseen circumstances arise. Consortiums will be notified within 30 days or any expected schedule changes.

The Ground Transportation Department, in coordination with the each Consortium, will collect, tabulate and report monthly shuttle availability data at the monthly meetings with semi-annual written updates to the Board. Violations will be tracked and penalties starting August 1, 2015 and be maintained over the calendar year. Violations beyond the past calendar year will be expunged from the record.

4. Passenger Wait Times. All Consortiums, their permit holders and their drivers are required to meet reserved and non-reserved (walk up) customer wait times during normal operating hours (from 8:00 a.m. to 12:00 a.m. daily, for sixteen (16) operational hours) with sufficient shuttle and seat capacity to ensure passenger wait times (e.g., the time between the first customer boarding the shuttle and the shuttle's actual departure time from SDIA) do not exceed thirty (30) minutes. Shuttles dwelling past the 30 minute limit will be flagged and the total wait time noted on the Consortium's arrival and dispatch log. Shuttle drivers will be issued an NOV and subject to penalty (described in Section V. (2) (a). Each day, the Consortium will be allowed a "grace period" to compensate for unusual or extraordinary circumstances (e.g., shuttle breakdown, traffic conditions, etc.)

Customer wait times exceeding the standard will be reviewed and evaluated using the Authority's AVI and AVD data and the Consortiums CSR/GSR dispatch logs.

Consortiums shall for both reservation and non-reservation passengers:

- From January 1st through December 31st, 2015, fulfill this requirement by ensuring the maximum customer wait time (starting with the "first boarded passenger") does not exceed ten (10) minutes per terminal island for no more than 1.6 operational hours ("10% customer wait time") or ninety-six (96) minutes per day (e.g., the wait time for the "first boarded passenger" shall not exceed ten (10) minutes on any transportation island and be no more than a twenty (20) minutes before departing SDIA. The pickup time for the first requesting customer and the shuttle's departure time shall be recorded and compiled by the Consortium's CSR/GSR and verified by the Authority's AVI and AVD systems. Total time for each shuttle's "first boarded passenger" wait time will accumulate throughout the day. Daily wait times shall not exceed 1.6 hours (96

minutes) “grace period” per day. Any passenger wait time exceeding the daily grace period limit will be noted and reported to the Consortiums. Violations will be subject to the Shuttle Passenger Wait Times Violation- Penalty Table (below).

- From January 1st through December 31st, 2016, fulfill this requirement by ensuring the maximum customer wait time (starting with the “first boarded passenger”) does not exceed ten (10) minutes per terminal island for no more than 0.8 operational hours (“5% customer wait time”) or forty-eight (48) minutes per day (i.e. the wait time for the “first boarded passenger” shall not exceed 10 minutes on any transportation island and be no more than twenty (20) minutes before departing SDIA). The pickup time for the first requesting customer and the shuttle’s departure time shall be recorded and compiled by the Consortium’s CSR/GSR and verified by the Authority’s AVI and AVD systems. Total time for each shuttle’s “first boarded passenger” wait time will accumulate throughout the day. Daily wait times shall not exceed 0.8 hours (48 minutes) “grace period” per day. Any passenger wait time exceeding the daily grace period limit will be noted and reported to the Consortiums. Violations will be subject to the Shuttle Passenger Wait Times Violation- Penalty Table (below).
- From January 1st through December 31st, 2017, fulfill this requirement by ensuring the maximum customer wait time (starting with the “first boarded passenger”) does not exceed ten (10) minutes per terminal island for no more than 0.2 operational hours (“1% customer wait time”) or twelve (12) minutes per day (i.e. the wait time for the “first boarded passenger” shall not exceed 10 minutes on any transportation island and be no more than a 20 minutes before departing SDIA). The pickup time for the first requesting customer and the shuttle’s departure time shall be recorded and compiled by the Consortium’s CSR/GSR and verified by the Authority’s AVI and AVD System. Total time for each shuttle’s “first boarded passenger” wait time will accumulate throughout the day. Daily wait times shall not exceed 0.2 hours (12 minutes) “grace period” per day. Any passenger wait time exceeding the daily grace period limit will be noted and reported to the Consortiums. Violations will be subject to the Shuttle Passenger Wait Times Violation- Penalty Table (below).

For large local conventions or unforeseen or extraordinary circumstances that significantly increase customer demand such as large passenger groups or negatively impact shuttle availability such as late, delayed or cancelled flights, the Ground Transportation Director and the Consortium Representatives affected will conduct a special review and make a determination to establish why customer response times or shuttle availability were impacted. The results of this determination will be shared and the appropriate penalties imposed if warranted per the Shuttle Passenger Wait Time Violation- Penalty Table.

Shuttle Passenger Wait Times Violation- Penalty Table

Violation No. (per month)	Penalty/Consequence
1st to the 5th occurrence of passenger wait times exceeding the “grace period.”	Verbal notification of Permit Holder of unavailable shuttles, dates and times
6th to the 10th occurrence of passenger wait times exceeding the “grace period.”	Written notification to Permit Holder of unavailable shuttles, dates and times
10 or greater occurrences of passenger wait times exceeding the “grace period.”	Permit Holder to submit corrective action plan to Ground Transportation Director within 10 business days of 10 th occurrence.

The Authority’s updated roadway AVI system is scheduled to be installed, evaluated and test ready by March 31, 2015³. Between April 1 and July 31, 2015 the roadway AVI system will be tested and qualified and the needed operating procedures and data reporting documented and communicated. The modernized Taxicab and Shuttle Hold Lot AVI/AVD system is scheduled to be installed, evaluated and test ready by October 1, 2015³. Between October 1, 2015 and March 31, 2016 the hold lot AVI/AVD system will be tested and qualified and the needed operating procedures and data reporting documented and communicated. This MOA requirement will be enforced and penalties tracked/issued starting August 1, 2015.

* The project schedule is subject to change. Should unforeseen circumstances arise, Consortiums will be notified within thirty (30) days or any expected schedule changes.

The Ground Transportation Department, in coordination with each Consortium, will collect, tabulate and report monthly passenger wait time data at the monthly Consortium meetings with semi-annual written updates to the Board. Violations will be tracked and penalties starting August 1,, 2015 and be maintained for the calendar year. Violations beyond the past calendar year will be expunged from the record.

5.1. Shuttle Modernization - Systems, Equipment and Operations. All Consortium shuttle dispatch and operations’ procedures, business processes and customer service standards shall reflect and apply the best available technologies and business practices. The Authority strongly encourages ongoing and continuous improvement of shuttle customer service and satisfaction, reduced curbside wait/idle time and congestion, decreased greenhouse gas emissions, better shuttle utilization and greater application of information technology. Shuttle modernization plans, timelines and targets will be reviewed quarterly by the Authority and the Consortium.

No penalties/consequences will be assessed for the customer service improvements or GHG emissions reductions. (#1 and #2 below).

The Authority and Consortiums will track and present the following data and trends for customer service improvements and GHG reductions.

1. Customer service improvements and satisfaction surveys. Improving customer service and evaluating customer satisfaction is dependent on a reliable, accurate and consistent customer feedback. Consortiums should establish a means to obtain customer feedback, conduct objective customer surveys, evaluate satisfaction, identify legitimate service improvements and communicate the results to the Authority. No penalties/consequences will be assessed for the customer service improvement targets (listed below). Suggested Consortium customer satisfaction target:
 - a. 2015: a baseline customer satisfaction score established;
 - b. 2016: a customer satisfaction score 10% better than 2015 baseline; and
 - c. 2017: a customer satisfaction 20% better than the 2015 baseline

2. Greenhouse Gas (GHG) emissions reductions. Consortiums are asked to compile and compare GHG emissions data from previous years. GHG baselines and proposed annual reductions will use data presented at the February 2014 Board Meeting. No penalties/consequences will be assessed for GHG emissions targets. GHG emissions reduction data will be presented to the Board annually (April) as part of the Ground Transportation update. Suggested Consortium GHG reduction targets:
 - a. 2015: 10 % reduction from 2014 results;
 - b. 2016: 10 % reduction from the 2015 results ; and
 - c. 2017: 10 % reduction from 2016.

3. Technology enhancements. Consortiums shall complete the following tasks and actions by the designated dates to upgrade the shuttle systems, equipment and operations' technologies, enable better customer service and improve the Transportation Island and curbside operational procedures. This timetable will be enforced:
 - a. By February 1, 2015 the Authority will seek qualified software and hardware vendor(s), at its own expense, to provide a cost effective Van Information Display system ("VIDS"), comprised of a equipment and software applications able to retrieve, consolidate, tabulate and display via kiosk, smart-phone app and/or tablet, Consortium shuttle fares and transit information for customer purposes. From *February 1, 2015 to June 30, 2015*, each Consortium shall work with the Authority

and the qualified vendor to specify pertinent technical plans and application programming to delineate how each Consortium intends to generate the needed VIDS data, transmit the data to the kiosk software and display the data for customer use. From *July 1, 2015 - December 31, 2015*, each Consortium will provide the necessary technical resources to test and evaluate with the Authority, the software application, its integration with the Consortium's database and the Authority's VIDS operation. All VIDS development expense, infrastructure costs, and the purchase of equipment, hardware and software shall be at the Authority expense.

- b. *By April 1, 2015* all Consortium shuttles will have an operational "back of seat" credit card equipment allowing customers to personally transact the payment (without relinquishing control of their credit card, email address or other personal information) and to obtain a printed receipt or email receipt or both if requested by the customer without driver intercession or preference. Permitted shuttle drivers shall use this system for all credit card processing and receipt printing. Shuttle permit holders and drivers shall ensure the shuttle's credit card equipment is operational at all times and that credit card transaction processing is conducted in accordance with the following requirements: (Noncompliance is subject to Section V (1) (a) Shuttle Non-Safety violations and Section V (2) (b) Driver conduct, customer service, and professionalism (major))
1. Ensure the customer receipt shows the following information (completely and accurately): 1) Company name, 2) Company Phone number, 3) Shuttle number, 4) Fare amount, and 5) Date.
 2. Supports chip and pin smart card technology to be used in 2015.
 3. Ensure the passenger confirms the total fare before the transaction is processed.
 4. Ensure the shuttle driver allows every passenger the option to select a printed receipt, an email receipt or both upon payment of the fare. The credit card transaction equipment must be able to display all three options.
 5. Ensure all credit card equipment, software and transaction processing is compliant with Payment Card Industry (PCI) Data Security Standard (DSS).
 6. Ensure the customer maintains full control of his/her credit card at all times.
 7. The Authority expects every shuttle driver to provide exceptional customer service with a safe and clean shuttle. Infringing on the passenger's right for privacy or personal preferences for payment (such as cash or credit) and/or failure to provide a valid receipt upon fare payment will be considered a violation of the SDIA Rules and Regulations and therefore subject to defined enforcement penalties.

- c. *By June 30, 2015* each Consortium will demonstrate an automated web-enabled computerized reservation system, able to exchange data and interface with SDIA supported VIDS hardware and software to display the passenger fare and transit information.
- d. *By July 1, 2015*, all Consortium shuttles will have a tested, installed and operational global positioning system (“GPS”) device in the shuttles to allow real-time tracking of shuttle location, current availability and estimated return time to SDIA.

Shuttle Modernization- Systems, Equipment and Operations (3a-3d) Violation- Penalty Table

Violation No.	Penalty/Consequence
1 (1-60 days after schedule date above)	Written notice to perform issued to Consortiums
2 (Greater than 60 days after schedule date above)	Written notice of non-performance issued by Authority to Consortiums with shuttle permits suspended until remedied.

5.2. **Shuttle Modernization- Conversion.** Consortiums acknowledge that shuttle conversions to alternative fuel vehicles (“AFV”) and/or clean air vehicles (“CAV”) is an essential commitment to the SDIA’s Air Quality Management Plan (“AQMP”) and an extremely important step towards reducing greenhouse gases and minimizing southern California’s regional carbon footprint. All Consortium shuttles will be converted to an approved AFV or CAV by July 1, 2017. The list of approved AFV/CAV shuttles is available from the Ground Transportation Department.

Shuttle Conversion Violation- Penalty Table

Violation No.	Penalty/Consequence
Not Applicable	25% Permit and Trip fee premium for FY2015
Not Applicable	50% Trip fee premium for FY2016
Not Applicable	75% Trip fee premium for FY2017
Not Applicable	100% Trip fee premium for FY2018-2021

6. **Dispatch Operations and Customer Service Representative (“CSRs”) Personnel.** Each Consortium’s CSR staff and shuttle drivers shall deliver the highest level of customer service and

professional conduct. The Authority expects all Consortiums to provide effective and efficient dispatch functions with fully trained, competent and motivated personnel. The CSR staff shall consistently demonstrate the curbside skills and dispatch proficiencies needed to quickly summon and organize shuttles, manage passenger demand and address customer information requests for fares, travel times and shuttle options.

Consortium GSRs/CSRs shall monitor and manage shuttle reservations, dispatch shuttles, monitor passenger queuing and wait times and notify shuttle management and supervision of unacceptable passenger wait times (wait times exceeding the standard) or when curbside operations disrupt or impede the flow of shuttles to their destinations.

The following actions, tasks and timelines will be completed by San Diego County Airport Shuttle Association (SDCASA) and First Class Transportation, LLC DBA Prime Time Shuttle (FCT/PTS), as per the Authority Board Resolution, to transition and assume responsibility for all CSR duties and functions including recruitment and staffing by the July 1, 2015 deadline:

1. By February 1, 2015, SDCASA and FCT/PTS will submit their CSR job descriptions and recruitment notices for Authority review and approval. These submissions, at a minimum, will outline the specific CSR duties, responsibilities and expected qualifications. These job descriptions will outline the CSR background requirements, minimum and preferred experience, mandatory and developmental certifications, planned recruitment dates, expected personnel headcounts and CSR performance standards/requirements, evaluation criteria and review methods.
2. By April 1, 2015, SDCASA and FCT/PTS will submit their CSR recruitment, hiring, and staffing schedules. It is expected there may be times during the daily operational period (8am- 12am) when more than one person may be needed to effectively perform all assigned CSR duties and responsibilities. All Consortiums shall provide written notice of their staffing plans to the Authority and the other Consortiums when more than one (1) Consortium CSR is on duty for that day.
3. By May 1, 2015, SDCASA and FCT/PTS will submit the respective Consortium- approved CSR service contract or agreement or the specific names of hired employee to the Authority. The service contract or agreement with the selected contractor for the CSR staffing and services will outline the contractual terms, conditions and requirements (as described in 1 and 2 above). The Authority will provide written comments or requests for clarification within 15 days.
4. By June 1, 2015, SDCASA and FCT/PTS will provide the Authority with the final staffing plan with the names and work hours for selected CSRs and allow the newly recruited CSRs the opportunity to work and train alongside the current ACE Parking CSR staff.

5. By July 1, 2015, SDCASA and FCT/PTS CSR staff will be fully trained and qualified to assume all assigned shuttle dispatch, customer service and curbside management duties. Fulfillment of this task also includes the creation of any needed signage and/or customer communication tools needed to summarize the customer’s options, how the shared-ride services operate and how customer issues/complaints are communicated and resolved. In the event any Consortium is unable to provide the desired level of customer service (as described in 1-4 above), the Authority will issue a written notice of non-performance and the consortium’ permits will be suspended until remedied.
6. By July 1, 2015, all Consortiums will provide a detailed curbside operating plan to the Authority to coordinate and formalize procedures and practices including written Customer Service/ Guest Service and Transportation Island dispatch procedures e.g. handling customer inquiries and complaints, shuttle assignments and dispatch, and processing non-reservation passenger assignments.
7. By March 1, 2015 the Authority will provide the Consortiums with an ATO staffing plan to ensure sufficient coverage to improve operational readiness, perform more frequent inspections to enforce taxicab and driver non-compliances, assist with passenger management and ensure ongoing collaborative working relationships.

Dispatch Operations and CSR Personnel (1-6 above) Violation- Penalty Table

Violation No.	Penalty/Consequence
1 (By May 5, 2015- #3 CSR Service agreement not provided)	Written notice to perform issued to Permit Holder
2 (June 15, 2015- Any of Milestones 1-4 incomplete)	Written notice to perform issued to Permit Holder with notice that failure to comply is subject to permit suspension; Written memo to Board summarizing Consortium’s non-performance
3 (July 1, 2015) Milestone 5 or 6 incomplete	Permit Holder’s permits suspended until remedied.

7. Americans with Disability Act (“ADA”) Shuttle Services. Consortiums shall ensure all shuttles are operated in accordance with the applicable laws, statutes and SDIA Rules and Regulations. Shuttles designated as compliant with the Americans with Disability Act (“ADA”) and assigned to service SDIA shall operate in accordance with federal regulations. As such, designated shuttles “must be readily accessible to and usable by individuals with disabilities, including wheelchair accessibility OR system must meet the Equivalent Service Standard.” The

Authority's shuttle permit requires that the "Permittee shall ensure that all Permitted Vehicles are operated in accordance with all applicable laws, statutes, and Rules and Regulations, including the ADA, while operating a Permitted Vehicle pursuant to this Permit (p. 12, section 3.3.4)."

Every Consortium and its permit holders shall provide in its SDIA service fleet, at a minimum, at least one wheelchair lift-equipped shuttle. Each operator shall provide wheelchair lift-equipped shuttles according to the following schedule when adding to or replacing shuttles in its fleet:

- (1) 1 to 50 authorized shuttles requires one wheelchair-lift equipped shuttle;
- (2) 51 to 100 authorized shuttles requires two wheelchair-lift equipped shuttle;
- (3) 101 to 150 authorized shuttles requires three wheelchair-lift equipped shuttle.

The Authority, in its sole discretion, may allow operators to subcontract to provide wheelchair-lift equipped shuttles. These operators must guarantee "equivalent service" and provide to the Authority upon written request, relevant and actual records of SDIA ADA pickups. Consortiums shall obtain prior written approval from the Authority for any agreements between the Consortium and subcontractors providing wheelchair-lift equipped shuttles.

Consortiums are required to define (with Authority approval) and provide ADA passengers with "equivalent service". For this MOA, Consortiums and their shuttle system, when viewed in its entirety, shall be deemed to provide equivalent service if the service available to individuals with disabilities, including individuals who use wheelchairs, is provided in the most integrated setting appropriate to the needs of the individual and is equivalent to the service provided other individuals with respect to the following service characteristics:

- (a) Response time (must be "equivalent service");
- (b) Fares (must be consistent with non- ADA fares);
- (c) Geographic area of service;
- (d) Hours and days of service;
- (e) Availability of information;
- (f) Reservations capability (if the system is demand responsive);
- (g) Any constraints on capacity or service availability; and
- (h) Restrictions priorities based on trip purpose (if the system is demand responsive).

Each Consortium shall update their ADA service program guidelines with a written plan by July 1, 2015 for achieving equivalent service, accommodations and traveling options for disabled persons, including full compliance with the provisions of the ADA applicable to shuttles

requiring conformance-equivalent service for disabled passengers. Monthly updates will be provided to the Authority for the provision of ADA services using the above service characteristics.

Consortiums shall provide verifiable ADA customer data on services provided during the month. This data shall reflect all ADA pickups.

Additional ADA data will be gathered, compiled, summarized and reported from (1) the SDIA secret shopper (3rd party) program reports; and (2) other observations, surveys, inspections or official reviews conducted by the Authority. This supplemental data will be reported to the Consortiums but not included as a violation as described in Section V (2) (a-c).

Americans with Disability Act (“ADA”) Shuttle Services Violations- Penalties:

Violation No.	Penalty/Consequence
1 (ADA Equivalent Service not provided to passenger)	Permit holder is notified of the incident in writing by Authority; permit holder responds with corrective action plan within five (5) business days
2 (ADA Equivalent Service not provided to passenger)	Permit holder is notified of the incident in writing by Authority; Board memo issued regarding failure to perform.
3 (ADA Equivalent Service not provided to passenger)	Permit holder is notified of the incident in writing by Authority; the Executive Director or his or her designee decides as to whether to suspend, revoke or deny the permit holder’s Ground Transportation Service Permit or driver permit, as applicable.,

8. Industry Communication and Collaboration. The Authority and Shuttle Consortiums agree to keep each other informed about the progress of this MOA agreement and the relevant improvement plans, operational programs and requested results. Any unusual developments, significantly changed conditions or problem areas affecting SDIA shuttle operations will be addressed within the time period agreed to by the Authority and the Consortium Representative. Both parties will periodically assess this MOA’s viability, clarity and outcomes to ensure it advances the overall MOA objectives.

All Consortiums shall be maintained as a business entity in accordance with California law and organize in a manner suited to its members.

All Parties will carry out their responsibilities as set forth in this MOA in good faith and will collaborate with each other on their interrelated responsibilities and interests whenever it is in the best interest of the Authority, the Consortium or the travelling public. All Parties will attend all scheduled meetings, and work constructively and collaboratively to meet the MOA objectives outlined in this document. In addition to the data and performance measures mentioned in this document, the Authority Staff and Consortium member may collect and report data for:

- Specific shuttle and driver data to include ATO issued NOVs, regulatory inspections (as scheduled), Secret Shopper reports, CSR reports and customer complaints;
- Customer satisfaction results (available from independent, Authority and Consortium sources);
- Key performance measure for shuttle availability and passenger wait times;
- Daily dispatch volumes, Van Density, Shuttle trips and GHG data.
- Other operational measures as deemed necessary by the Authority;
- Other operational measures as deemed necessary by the Consortium

Industry communication and collaboration Violations- Penalties Table:

Violation No.	Penalty/Consequence
1	Written notice to the Consortium representatives of specific non-collaborative behavior such as excessive absences, argumentative, disruptive or hostile actions or counterproductive decision intended to diminish the MOA purpose, requirements and/or objectives.
2	Written Board memo by Authority staff outlining the problem or situation and requesting corrective action by the Consortium.

VI. DISPUTE RESOLUTION

Any disagreement between the Parties that may arise in connection with this MOA shall be resolved by informal mediation between the Parties. Should any serious disagreement arise as to the interpretation or implementation of this MOA, and such agreement cannot be resolved by subordinate officials, the dispute shall be reduced to writing by each Party and presented to senior officials within each party's organizational structure. If the disagreement is not settled at that level, the dispute shall be taken to the Authority's Board, who shall make the final

determination resolving the dispute. The Party agrees that there shall be no appeal from the final determination of the Authority's Board.

VII. INDEMNIFICATION

The Consortium shall indemnify, hold harmless and defend the Authority, its Board, officers, directors, employees, agents and volunteers from and against all claims, damages, losses and expenses, including reasonable attorneys' fees and court costs, arising out of the performance of the activities described herein, caused by any act or omission of Consortium and/or any of its members, representatives, subcontractors, employees, agents, officers and directors, except where caused by the sole negligence or willful misconduct of the Authority.

VIII. THIRD PARTY RIGHTS AND BENEFITS.

Nothing in this MOA expands, diminishes, or otherwise affects the authority of the Authority or Consortium to carry out their functions, nor does it create any right or benefit, substantive or procedural, enforceable at law. The Party agrees that the provisions of this MOA do not create any third party beneficiary rights.

IX. SEVERABILITY.

Nothing in the MOA is intended to conflict with the current laws, rules, regulations, or directives of the Authority. Any portion of this MOA that is inconsistent with such authority shall be invalid. However, if any portion is found to be invalid, the remaining terms and conditions of the understanding will remain in full force and effect.

X.. MODIFICATION.

This understanding may be modified upon the mutual consent of the Party. Any substantial modification will be documented in writing and signed by the same (or equivalent) party representatives that signed this MOA.

XI. EFFECTIVE DATE.

The terms of this MOA become effective upon the date and signature of both Parties' representatives, as indicated at the end of this document.

XII. TERM.

The term of this MOA is for a period of three (3) years commencing January 1, 2015, subject to earlier termination as provided herein.

XIII. TERMINATION.

The Party may mutually agree to terminate the MOA at any time. Either Party may terminate this MOA by providing sixty (60) days written notice of intent to terminate.

XIV. RELEASE OF INFORMATION.

Release to the public or any party of documents, reports, information, or other materials related to activities under this MOA shall be coordinated through discussion and mutual consent prior to its release, subject to the provisions of the California Public Records Act ("CPRA"). The Party agrees to share all relevant documents, reports, information and other materials with each other that are not subject to a CPRA exemption or privilege.

XV. NOTICE AND POINTS OF CONTACT.

Any notice required or permitted by this MOA shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a) by personal delivery when delivered personally, (b) by overnight courier upon written verification of receipt, or (c) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the addresses set forth below, or such other address as either party may specify in writing:

For Consortium: CLOUD 9 SHUTTLE INC. DBA SUPERSHUTTLE SAN DIEGO

NAME: Mike Forbush

TITLE: General Manager

Consortium: Cloud 9 Shuttle Inc. DBA SuperShuttle San Diego

ADDRESS: 123 Camino De La Reina, Ste. 200 East, San Diego, CA 92108

For Authority:

Thella F. Bowens

President/CEO
 San Diego County Regional Airport Authority
 PO Box 82776
 San Diego, CA 92138-2776

The successors of these individuals shall be treated as assuming all responsibilities associated with this MOA, without the need for any additional modification of or correction to this MOA.

The undersigned have read this MOA, fully understand its contents, and by the signatures below agree to its terms on behalf of their respective entities.

<p>SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY</p> <p>By: _____ THELLA F. BOWENS President/CEO</p>	<p>CLOUD 9 SHUTTLE INC. DBA SUPERSHUTTLE SAN DIEGO</p> <p>By: _____ MIKE FORBUSH</p> <p>PRINT NAME: _____</p> <p>DATE: _____</p>
	<p>APPAROVED AS TO FORM:</p> <p>By: _____ General Counsel</p> <p>DATE: _____</p>

San Diego County Regional Airport Authority

Ground Transportation Vehicle and Driver Inspection Form

Driver/Company Information		Vehicle Equipment/ Condition	
Name		Yes	No
		Hub Caps	
		Spare tire	
Company		Heater/ Defrost.	
		No Smoking decal	
Company Body # Medallion/TCP #		Rates of Fare	
		L & F decal (Taxi)	
		Credit card decals	
License Plate		Meter Seals (taxi)	
		Pass. Rights decal	
		Surcharge (taxi)	
California Drivers Lic. Airport Auth. ID#		Thomas Guide	
		Interior	
		Body Number	
		Company Name	
Last 4 numbers of Vehicle Identification number		Radio Service (Taxi)	
		Credit Card machine	
		Paint	
Ground Transportation Service Permit / Exp. /		Bumpers	
		Air conditioning	
		Cleanliness	
Vehicle Make & Model		Seats	
		Carpets	
Vehicle Year		Offending odors	
		Doors/ Windows	
		Yes	No
Transponder # (last 4 numbers) (ATO to complete)		Vehicle Safety	
		Signal Lights	
Vehicle Registration Expiration / /		For Hire Lights (Taxi)	
		Hazard (Flashers)	
Vehicle Insurance Expiration / /		Fuel Cap (As applic)	
		Tires(2/32 or Above)	
Sheriff License / Exp. / /		Driver Side	Passenger Side
		L/F /32	R/F /32
		L/R /32	R/R /32
ATO Inspector/ Taxi/VITaxi or VFH Driver/ Date		Missing lug nuts	
Name	Date	Reverse Lts.	
		Parking Brake	

Excel form revision # 2 11/2014

ATTACHMENT A (pg. 2)

Vehicle Safety		Yes / No		Driver	
	Windshield Glass			Driver (Major)	Yes / No
	Windshield Wipers			Daily Inspection sheet	
	Trunk Safety Pull			Driver AA ID	
	Headlights			Driver Placard	
	Tail Lights			Conduct Attitude	
	Horn			Driver (Minor)	Yes /No
	Brake Lights			Closed Toe Shoes	
	Marker/ Corner lights			Socks	
	Seat Belts			Collared Shirt	
	Check Engine/ Dash			Offensive odor	
	Seat Backs			Wrinkle Free	
	Mirrors (all 3)			Shorts/ Pants	
	Loose items on console				
Body Damage					
	Minor	Yes/No	Major	Yes/No	
	Sedan		MiniVan/Prius		
					
					
ATO use only/ NOVs issued					
	NOV Number	Code	Penalty	Deficiency	
ATO / Taxi/ VFH Driver Notes:					

ATTACHMENT B

Taxi and VFH NOV Infraction breakdown

Vehicle Safety Items

Tires
 Missing Lug nuts
 Headlights
 Taillights
 Signal lights
 Hazard Flashers
 For Hire lights (Taxi only)
 Marker/Corner lights
 Reverse Lights
 Brake lights
 Parking Brake
 Windshield Wipers

Check engine/ Dash lights
 Loose objects at front console area
 Trunk Safety pull
 Engine leaks
 Hood Latch
 Horn
 Seat Belts
 Mirrors (all)
 Fuel Cap(If applicable)
 Windshield Cracks
 Doors/ Windows inoperable
 Major /Minor Body Damage

Vehicle Equip/ Condition/ Interior items

Spare Tire
 Hub Caps
 Air Conditioning
 Heater Defroster
 Offending odors
 Carpets
 Seats
 Credit card equipment
 GPS operations
 Interior lights
 Paint/ Bumpers
 Company Radio
 Current map book

Stickers:

No Smoking
 Passenger Rights
 Surcharge (Taxi Only)
 Credit Card
 Lost and Found
 Affixed Medallion (Taxi Only)
 Rates of fare

Customer complaint vehicle issues:

Vehicle not equipped with approved credit card equipment
 Passenger does not feel safe in the vehicle
 Vehicle interior

Driver Training, Personal Appearance, Courtesy, Professionalism, Safety and Compliance

Driver (Minor Issues)

Attire (not in compliance with driver dress regulations)
 Passenger customer service
 Conduct/ Attitude

Driver (Major Issues)

Failure to have daily vehicle inspection sheets completed
 Non Compliance with ATO or CSR directives
 Unsafe speed/driving
 Mandatory inspection findings (MTS/CHP)
 Driver Solicitation
 Smoking on Island or in vehicle
 Drivers AA ID card/ Sheriff Placard (taxi)
 Drivers AA ID card/ SDCRAA Placard (VFH)
 Fare refusal
 Insurance/ Registration

Customer Complaint issues against driver

Driver does not follow credit card procedures
 Long Hauling
 Not taking credit cards
 Driver's misbehavior/ discourteous
 Driver not compliant with customer's request

Notice of Violation (NOV) infraction/timeframe for fix/ repair guide

OUT OF SERVICE

AC/Heat: inoperable
 Brake or Back-up Lights/BOTH inoperable
 Defroster: inoperable
 Dents: sharp or jagged edges/effects vehicle's normal operation
 Doors: inoperable from either/interior or exterior (includes windows)
 Fuel cap: missing (As applicable)
 Fuel Line: any fuel or fluid leaks
 Headlights: BOTH inoperable
 Hood Latch: does not latch securely
 Horn: inoperable
 Meter/Meter Seals (Taxi): meter inoperable
 Meter/Meter Seals (Taxi): seal broken
 Mirrors: either side or rearview/missing or defective
 Parking Brake: inoperable
 Seats: not securely fastened
 Seat Belts: any belt missing or inoperable
 Tires: bald (take photo)
 Tires: nail in tire
 Tires: cord showing
 Tires: cuts in sidewall
 Tires: worn below 2/32
 Tires: any missing lug nuts
 Truck Latch: inoperable
 Windshield: crack extends full length of window
 Windshield: crack interferes w/drivers view
 Windshield Wipers: missing or inoperable
 Check engine light on
 Trunk safety pull not operational
 No electronic credit card capability
 No Thomas guide
 Loose items on driver console area
 No tariff sheet posted
Driver:
 Not having the vehicle inspection sheet completed upon request of ATO
 Suitable Dress
 Duty to transport passenger
 Smoking in vehicle
 Driver conduct

24 HOURS

Brake Lights/Parking Lights: one inoperable
 License Plate Light: inoperable
 Reverse Lights: one Inoperable
 Signal Lights: one inoperable
 Tires: worn to 2/32, or worn in certain areas (specify where worn; measure with tire gauge)

72 HOURS

Body/TCP# missing
 Carpets: soiled or stained
 Hub Caps: any missing hub cap
 Seats: soiled or stained
 Windshield cracks: does not interfere with drivers view
 Decals missing or damaged

10 DAYS

Armrests: missing or torn/NO DUCT TAPE
 Dent/Scrape: two or more areas > 3x3
 Seats: burned/ripped/torn
 Windshield: chips not interfering w/drivers view
 Windshield: crack on passenger side not to extend full length of window
 Paint fading/ chips

RESOLUTION NO. 2016-0095

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AMENDING AUTHORITY CODE 9.12 TO EXPRESSLY AUTHORIZE THE PRESIDENT/CEO TO SET THE MAXIMUM NUMBER OF TAXICABS AVAILABLE EACH DAY AND TO ESTABLISH THE OPERATING AUTHORITY OF EACH VEHICLE

WHEREAS, Authority Code Section 9.12 was adopted by Resolution No. 2002-02 dated September 20, 2002 and later amended by Resolution No. 2011-0012 dated January 6, 2011, Resolution No. 2011-0065R dated June 2, 2011, Resolution No. 2012-0083 dated July 12, 2012, Resolution No. 2014-0073R dated July 7, 2014; and Resolution No. 2015-0066 dated July 1, 2015; and

WHEREAS, Code Section 9.12 states that the total number of authorized vehicle decals for Taxicab permits shall not exceed 450 for the Airport; and

WHEREAS, Authority Policy Section 1.40(1)(c) charges the President/CEO with the powers and functions that are necessary for the administration, management and operations of facilities and airports under the jurisdiction of the Authority, including San Diego International Airport; and

WHEREAS, Code Section 9.12 states that the "President/CEO or his or her designee of the Authority may issue permits authorizing ground transportation services for the transportation of persons and baggage from or within the Airport; and

WHEREAS, the Authority's adopted Customer Strategy requires that the Authority "achieve the highest level of internal and external customer satisfaction"; and

WHEREAS, the Board finds that providing excellent customer service to the traveling public by providing timely taxicab service from the Airport and reduced wait times is consistent with the Authority's adopted Customer Strategy and mission; and

WHEREAS, the Board finds that ensuring excellent customer service to the traveling public by providing timely taxicab service from the Airport and reduced wait times has been and continues to be of utmost importance; and

WHEREAS, in order to satisfy and in furtherance of the Authority's Customer Strategy and mission, the Board finds it is in the best interest of the traveling public to expressly allow the President/CEO discretion to determine the number of taxicabs that may serve the Airport on a daily basis; and

WHEREAS, expressly allowing the President/CEO this discretion is consistent with the Authority's long-standing mission to provide excellent customer service to the traveling public; and

WHEREAS, until such time as ground transportation at the Airport can be more fully considered, the Board finds the traveling public is best served by allowing the President/CEO discretion to determine the number of taxicabs that can serve the airport on a daily basis while keeping the total number of taxicab permits limited to 450.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby amends Authority Code 9.12 (Attachment B) to expressly authorize the President/CEO to set the maximum number of taxicabs available each day and to establish the operating authority of each vehicle.

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 20th day of October, 2016, 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

CODES

- ARTICLE 9** - **SAN DIEGO INTERNATIONAL AIRPORT**
PART 9.1 - **GROUND TRANSPORTATION**
SECTION 9.12 - **GROUND TRANSPORTATION PERMITS**
-

The President/CEO or his or her designee of the Authority may issue permits authorizing ground transportation service for the transportation of persons and baggage from or within the Airport. A valid permit is permission for the person to whom it is given, including said person's employee, driver or agent, to transport, by a vehicle to which a decal or trade dress is affixed, passengers and baggage over and upon the non-dedicated private streets within the Airport, in accordance with the rules, regulations, and standing time limits established and designated by the President/CEO from time to time.

(a) Vehicle Restrictions.

(1) Beginning July 1, 2012, the total number of authorized vehicle decals for Taxicab permits shall not exceed 450 for the Airport. A reserve list shall be retained and may be used by the President/CEO for possible replacements. The President/CEO has the discretion to determine the number of Taxicabs that may serve the Airport each day. The operating authority of vehicle decals for Taxicabs shall be restricted to two days every five days, not to exceed 180 authorized decals each day through the establishment of a numbered system.

(2) The total number of authorized Vehicle for Hire operators shall not exceed nine.

(3) The total number of authorized TNC permittees shall not exceed ten.

(4) No Vehicle for Hire operator may transfer a vehicle decal except as provided in Section 9.19 of this Code. Authorized Vehicle for Hire operators may increase the number of vehicle decals for their fleet each calendar year by the higher of two vehicles or 10% of their then existing fleet.

(5) No Taxicab, Charter Vehicle, Vehicle for Hire, Courtesy Vehicle, or TNC vehicle shall be operated at the Airport without the appropriate current Airport-issued vehicle decal or approved vehicle trade dress and having passed inspection as provided by this Code. No Taxicab, Charter Vehicle, Vehicle for Hire, Courtesy Vehicle, or TNC Vehicle more than ten (10) years old shall be allowed to operate at the Airport.

(6) The Board reserves the right to increase or decrease the number of ground transportation service permits or otherwise further limit or restrict the days or times for operation of the Permit Holders as provided herein or as may be provided pursuant to a duly adopted resolution.

(b) Permit Terms and Fees.

A ground transportation service permit may be issued any time during the calendar year and shall not exceed the expiration date. Irrespective of the date of issuance of any permit, every ground transportation service permit shall expire at the end of the permit term period during which it was issued unless any such permit is sooner terminated, suspended, revoked or cancelled. No permit shall be extended nor shall any permit be renewed or transferred except as provided in this Code.

(1) Trip fees or any other fees and charges for a ground transportation service provider shall be set by resolution of the Board.

(c) Vehicle Identification.

All authorized Airport Commercial Ground Transportation Service Provider vehicles shall display an approved vehicle decal or trade dress and have an Authority-approved and operable Automated Vehicle Identification (“AVI”) transponder or Global Positioning System (“GPS”) unit.

(1) No person shall remove, damage or tamper with a vehicle decal or AVI transponder or GPS unit unless given written authorization by the Authority.

(2) No person shall evade or attempt to evade an Airport AVI reader or GPS system.

(3) No TNC shall operate a vehicle at the Airport without the Authority-approved trade dress.

(d) Vehicle Inspections.

Each vehicle for which there is a vehicle decal, permit or trade dress shall pass inspection at an Authority-approved Inspection Station prior to operating at the Airport, and shall be subject to further inspection at other times as required by the President/CEO.

[Amended by Resolution No. 2015-0066 dated July 1, 2015]
[Amended by Resolution No. 2014-0073R dated July 7, 2014]
[Amended by Resolution No. 2012-0083 dated July 12, 2012]
[Amended by Resolution No. 2011-0065R dated June 2, 2011]
[Amended by Resolution No. 2011-0012 dated January 6, 2011]
[Adopted by Resolution No. 2002-02 dated September 20, 2002.]

RESOLUTION NO. 2016-0092

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AMENDING AUTHORITY CODE 9.21(h) CONCERNING FARES AND RECEIPTS ALLOWING DRIVERS OF COMMERCIAL GROUND TRANSPORTATION VEHICLES TO CHARGE A FARE LOWER THAN THE APPROVED OR ALLOWED RATE.

WHEREAS, Authority Code Section 9.21 (Code 9.21) was adopted by Resolution No. 2002-02 dated September 20, 2002 and later amended by Resolution No. 2014-0073R dated July 7, 2014 and Resolution No. 2015-0066 dated July 1, 2015; and

WHEREAS, Code 9.21 currently prohibits drivers of commercial ground transportation vehicles from charging an amount “greater or less than that approved or allowed by the appropriate fare setting governmental agency or commission for the ground transportation service;” and

WHEREAS, the taxicab industry asserts that the inability to charge less than the approved or allowed fare puts them at a competitive disadvantage with other modes of ground transportation; and

WHEREAS, the Authority finds that to encourage competition and foster better customer service, all permitted ground transportation providers should be allowed to charge fares less than the approved or allowed rates; and

WHEREAS, the Airport Authority finds that, in the best interest of Airport passengers, the ability of all permitted ground transportation providers to charge less than the approved or allowed rates will lower passenger fares and help level the playing field amongst commercial ground transportation providers.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the amendment to Authority Code 9.21(h) (Attachment E) concerning fares and receipts allowing drivers of commercial ground transportation vehicles to charge a fare lower than the approved or allowed rate.

BE IT FURTHER RESOLVED by the Board that it finds that this Board 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 20th day of October 2016, 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

CODES

ARTICLE 9 - **SAN DIEGO INTERNATIONAL AIRPORT**
PART 9.2 - **GROUND TRANSPORTATION**
SECTION 9.21 - **VEHICLE CONDITION**

(a) Vehicle Condition.

(1) No person shall operate, drive, or cause to be operated or driven any Taxicab, Vehicle for Hire, Charter Vehicle, TNC Vehicle, scheduled ground transportation service, hotel or other courtesy vehicle or any other commercial ground transportation service over and upon the non-dedicated private streets of the Airport unless it is in safe operating condition and in good repair. Its lighting equipment shall be in good working order. There shall be no cracked or broken windshields, windows or mirrors. The muffler and exhaust system shall be adequate to prevent excessive or unusual noise and shall not emit excessive smoke, flame, gas or oil. Exterior paint and markings shall not be faded or discolored. The vehicle shall have in operational condition, a heater, air conditioner and defroster. The vehicle shall be maintained in a clean condition, both with regard to the interior and exterior. In any vehicles required to have a taximeter, the person driving shall make certain that: the taximeter is in proper recording position at all times; the meter reading is visible to any passenger; and the meter light is burning during hours of darkness. The vehicle shall be further maintained in condition as provided in accordance with rules and regulations established by the President/CEO.

(2) The Authority may inspect any vehicle. If the inspection reveals that such vehicle is not in reasonable good repair or operating condition, from the standpoint of the safety, health and comfort of passengers, then the vehicle shall be ordered out of service by an Airport Traffic Officer or other Airport representative until such time as remedial repairs and corrections have been made. When such repairs and corrections have been made, such vehicle shall be re-inspected by an Airport-approved inspection service with proof of the repair and correction to determine whether or not proper repairs and corrections have been made and in no case shall the vehicle be permitted to resume its operation until such repairs and corrections have been made.

(b) Identification.

(1) Personal/Individual. All persons operating a commercial ground transportation vehicle at the Airport shall have and be in possession of proof of insurance in full force and effect equal to the requirements of the Authority, a valid driver's license of the class required issued by the State of California and, any required identification card. The Driver shall present any of these documents upon the demand of an authorized officer of the Authority or any peace officer.

(2) Vehicle. The vehicle shall be registered in the State of California and properly display, as approved by the President/CEO, the required exterior markings, state license

plates, approved trade dress and licensing decals.

(c) Pickup Areas.

(1) No person shall stop, park or stand any vehicle while awaiting for any passenger or employment at any location on Airport property other than at an authorized stand, designated area, line or zone. Passenger pickups shall take place only at designated stands and zones after following authorized procedures as may be established by the President/CEO and within vehicle standing time limits and parking regulations. The above rules may be waived for disabled passengers.

(2) No person shall solicit any customer's patronage in any manner while on Airport property or in an Airport terminal building.

(3) Taxicab and Vehicle for Hire drivers shall use only the assigned Taxicab or Vehicle for Hire line and stand as respectively designated by the President/CEO. Taxicab or Vehicle for Hire line means an area at the Airport designated by sign or other suitable means which is reserved for Taxicabs or Vehicles for Hire only while waiting to advance in turn to a vacancy at a Taxicab or Vehicle for Hire stand. "Taxicab and Vehicle for Hire stand" means an area on Airport property so designated and reserved for parking only while waiting to pick up passengers for hire.

(4) Before entry onto Airport property without passengers or after discharging passengers on Airport property, every Taxicab or Vehicle for Hire operator shall proceed to the off-Airport hold lot as designated by the President/CEO and wait with the vehicle at the hold lot until an authorized officer or designate issues a time-stamped dispatch ticket and dispatches the vehicle and operator to the Airport. The vehicle operator shall give the valid dispatch ticket to an authorized officer or designate on duty at the Airport before the operator is authorized to pick up or engage any passenger for hire. Picking up any passenger for hire after or while leaving off any other passenger without proceeding through the designated hold lot and being issued a valid dispatch ticket is prohibited. The President/CEO, from time to time, may establish, change or modify the rules, regulations and dispatch procedures for operation of the off-Airport hold lots.

(5) Notwithstanding any other regulation, any prospective passenger may select for hire any Taxicab or Vehicle for Hire, wherever located at the stand.

(6) The driver of each Taxicab or Vehicle for Hire in a Taxicab or Vehicle for Hire line shall at all times, until engaged for hire, remain in the driver's seat at the wheel of the vehicle or outside and within close proximity of the vehicle, except in case of emergency or personal necessity.

(7) The driver of each Taxicab or Vehicle for Hire at the Taxicab or Vehicle for Hire stand shall at all times, until engaged for hire, remain in the driver's seat at the wheel of the vehicle; provided, however, when engaged for hire, the driver may assist a passenger and load baggage into the vehicle. In case of an emergency or personal necessity, the driver may leave a Taxicab which is at the Taxicab stand.

(8) After a Taxicab exits a Taxicab stand, each vehicle at its rear shall at once be moved toward the head of the Taxicab stand and the Taxicab at the head of the Taxicab line shall be moved forward to occupy the vacancy in the Taxicab stand. Likewise, each vehicle to the rear in the Taxicab line shall be moved toward the head of the Taxicab line.

(9) No owner or operator of a Taxicab, Vehicle for Hire or Charter Vehicle, or TNC shall at any time while at the Airport by words, gesture or otherwise, solicit, persuade or urge or attempt to solicit, persuade or urge any person to use or hire any vehicle.

(10) If the driver of a Taxicab occupying the position at the head of the Taxicab stand refuses to accept and transport a passenger for hire or refers the passenger to a different Taxicab, the Taxicab and driver who refused or referred the passenger shall immediately be dispatched to the rear of the Taxicab line and the driver shall immediately remove the Taxicab from the head of the Taxicab stand.

(d) Driver's Examination.

The President/CEO may, but is not required to, issue or reissue a Driver's Permit to a person who has successfully passed an examination as given and required by the Authority, upon payment of the appropriate fee. The President/CEO also shall have the right to reexamine persons holding a Driver's Permit at intervals that the President/CEO deems advisable. Except in the event of reissuance as provided above, each applicant for a permit required by this provision and each driver must:

- (1) Be able to converse in the English language;
- (2) Hold a valid and effective driver's identification card as provided by the County of San Diego Code if operating a Taxicab; and
- (3) Successfully complete an approved Airport Customer Service Course.

(e) Driver Attire and Personal Hygiene.

All drivers of commercial ground transportation vehicles shall comply with the clothing and hygiene requirements as established by the President/CEO.

(f) Duty to Transport Passengers. The person operating a ground transportation service shall not refuse to transport any passenger, including baggage, requiring transportation and shall take all passengers to their requested destination using the most direct available route on all trips unless otherwise specifically requested by the passenger; provided, however, nothing herein shall require any person to provide ground transportation service contrary to any municipal or state permit or certificate regarding ground transportation or its Authority authorized permit. Furthermore, a driver is not required to transport any such passengers when: the driver has already been dispatched on another call; when such passengers appears to be under the influence of intoxicating liquor, or disorderly; or when the passenger may cause the vehicle to become damaged, stained or foul smelling.

(g) Non-Discrimination. In providing ground transportation services on Airport property, no person shall discriminate against any person or class of persons by reason of sex, color, race, creed, religion, physical or mental disability, veteran status, medical condition, marital status, age, sexual orientation, pregnancy or national origin. The accommodations and services shall be made available to the public on fair and reasonable terms.

(h) Fares and Receipts. No driver shall collect, demand, receive or arrange for any compensation in an amount greater ~~or less~~ than that approved or allowed by the appropriate fare setting governmental agency or commission for the ground transportation service. Upon request, the driver shall give a passenger making payment a receipt showing the amount of fare paid, the driver's correct name and correct vehicle license number and Authority permit number. There shall be no fare or charge to the passenger by a Courtesy Vehicle.

(i) Conformance with Laws. Any authorized ground transportation service shall be provided in conformance and obedience of:

- (1) All lawful orders or instruction from authorized officers of the Authority;
- (2) Any and all rules and regulations now in force or which may be changed, added, modified or adopted by the Authority for operation of transportation services at the Airport; and
- (3) Any and all laws, ordinances, statutes, rules, regulations, orders, permits or certificates from the Airport, any governmental authority, municipal, state or federal, lawfully exercising authority over such person holding an Authority permit, including persons, employees, drivers and agents.

[Amended by Resolution No. 2015-0066 dated July 1, 2015]
[Amended by Resolution No. 2014-0073R dated July 7, 2014]
[Adopted by Resolution No. 2002-02 dated September 20, 2002.]

RESOLUTION NO. 2016-0093

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY AMENDING AUTHORITY CODE 9.33
TO ALLOW THE PRESIDENT/CEO TO AUTHORIZE
REPRESENTATIVES OF OTHER REGULATORY
AGENCIES TO ENFORCE THEIR OWN
REGULATIONS ON AIRPORT PROPERTY

WHEREAS, Authority Code Section 9.33 (Code 9.33) was adopted by Resolution No. 2002-02 dated September 20, 2002 and later amended by Resolution No. 2011-0003 dated January 6, 2011 and Resolution No. 2014-0073R dated July 7, 2014; and

WHEREAS, Code Section 9.21(i)(3) states “Any authorized ground transportation service shall be provided in conformance and obedience of... [a]ny and all laws, ordinances, statutes, rules, regulations, orders, permits or certificates from the Airport, any governmental authority, municipal, state or federal, lawfully exercising authority over such person holding an Authority permit, including persons, employees, drivers and agents;” and

WHEREAS pursuant to Code Section 1.12 nothing in the Authority’s Code limits the jurisdiction of the police departments in the cities within the jurisdiction of the Authority; and

WHEREAS, the Board finds the Authority is best served by allowing the President/CEO to authorize representatives of other regulatory agencies to enforce their own regulations on Airport property.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby adopts the amendment to Authority Code 9.33 (Attachment D) to allow the President/CEO to authorize representatives of other regulatory agencies to enforce their own regulations on airport property.

BE IT FURTHER RESOLVED by the Board that it finds that this Board 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 20th day of October 2016, 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

CODES

- ARTICLE 9** - **SAN DIEGO INTERNATIONAL AIRPORT**
- PART 9.3** - **LANDSIDE OPERATIONS**
- SECTION 9.33** - **PARKING AND VEHICLE REGULATIONS – ENFORCEMENT**

(a) Jurisdiction. The Authority is authorized pursuant to §21100 and 22500 *et. seq.* of the California Vehicle Code, §170016 of the California Public Utilities Code, and other applicable laws to enact and appoint personnel to enforce parking regulations at the Airport.

(b) Authorization.

(1) Airport Traffic Officers (“ATOs”) and other Authority personnel designated by the President/CEO that are assigned to the enforcement of the Authority’s codes, applicable section of the California Vehicle Code, and other applicable laws relating to illegal parking and related violations within the jurisdiction of the Authority are authorized to issue written notices of violation thereof stating the vehicle license number, make of vehicle, the time and date of illegal parking, street location and reference to the appropriate section violated together with fixing a time and place for appearance by the registered owner to answer said notice. Such notice shall be attached to said vehicle in a conspicuous place upon the vehicle so as to be easily observed by the person in charge of such vehicle upon his or her return thereto.

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(2) The President/CEO may authorize representatives of regulatory agencies to enforce their own regulations on Airport property.

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(c) Penalty. For the purposes of regulating the use and safety of streets, parking and traffic and as a deterrent to illegal parking, the following penalties are established:

Type Violation	Authority Code Section(s)	Penalty Within		
		30 Days of Issuance	After 30 Days	After 65 Days
Out-of-Stall	9.32(a); 9.34(e)	\$ 35.00	\$ 70.00	\$ 80.00
Unauthorized Airport Parking, Stopping, or Standing	9.30(e); 9.30(f); 9.30(n); 9.34(a); 9.34(c); 9.34(d); 9.34(f); 9.34(k)	\$ 67.00	\$ 134.00	\$144.00
No Valid Employee Lot Permit	9.34(l)	\$35.00	\$ 70.00	\$ 80.00
Unauthorized Commercial Airport Parking, Stopping, or Standing	9.34(m)	\$250.00	\$ 250.00	\$250.00

CODE SECTION NO. 9.33

(d) Payment of Penalties. The owner or operator of a cited vehicle for a parking code violation may elect to mail the applicable penalties within the time established for payment thereof in accordance with the information specified in the notice of violation; provided, however, said owner or operator shall be and remain responsible for the delivery and payment thereof.

(e) Failure to Pay. Failure to pay the appropriate penalty as provided herein or failure to contest the violation in accordance with the information specified in the notice of violation will result in proceeding against the registered owner and or the vehicle operator for violation of the appropriate code section in accordance with the provisions of §40220 of the California Vehicle Code.

(f) State Mandate Surcharges. The President/CEO is authorized to adopt procedures and delegate authority for the collection of additional mandated surcharges or fees imposed pursuant to applicable state or municipal law.

CODE SECTION NO. 9.33

[Amended by Resolution No. 2014-0073R dated July 7, 2014]
[Amended by Resolution No. 2011-0003 dated January 6, 2011.]
[Adopted by Resolution No. 2002-02 dated September 20, 2002.]



Update on Ground Transportation

Taxicab and Vehicle for Hire Operations

David Boenitz
Director, Ground Transportation
October 20, 2016



Agenda and Discussion

- Authority Code changes (§9.12(a)(1), §9.21(h) and §9.33(b))
- Taxicab and VFH strategies
- Taxicab and VFH MOA revisions
- Regulatory Reforms



Airport Ground Transportation- An Evolving World...

- New transportation operators
 - TNCs, Car Share, Chariot on-demand shuttle service
- New Regulations
 - Municipal, State, Federal
 - “Level the playing field”



Airport Ground Transportation- An Evolving World...

- New technologies
 - Autonomous vehicles, Virtual hold lots, Taxi apps, Operational efficiency
- New customer expectations and experiences



Code Changes

- §9.12(a)(1) Vehicle Restrictions. Allows the President/CEO to set the maximum number of taxicabs each day and to establish the operating authority of each vehicle.
- §9.21(h) Fares and Receipts. Allows taxicabs to charge less than the posted taxi fare.



Code Changes

- §9.33(b) Authorization. Provides commercial vehicle regulatory agencies the authority to enforce on Airport property.



Taxicab Alternative Strategies

- Option 1 Maintain existing permit structure, system and schedule
- Option 2 Implement an open system issuing new permits and changing the existing structure, system and schedule
- Option 3 Contractor concession



Advantages and Disadvantages

	ADVANTAGES	DISADVANTAGES
Option 1	Status Quo	Ground Transportation industry is changing rapidly; system lacks flexibility to change number of taxicabs as industry changes
Option 2	Would open it up to a larger number of taxicabs	No ability to require taxicabs to stay extended hours to cover late flight or to respond to request for special needs/handicap pick-ups
Option 3	1-3 points of contact for issues	Limiting a smaller taxicab company/owner's ability to work at the airport



Taxicab Systems at Other Airports

Airport	Taxicab System
SFO (San Francisco)	Closed- Permitted City/Local Cabs
LAX (Los Angeles)	Closed- Permitted City/Local Cabs
SNA (Orange County/John Wayne)	Closed- Concession
SJC (San Jose)	Closed- Permitted City/Local Cabs
SAC (Sacramento)	Closed- Concession
PHX (Phoenix)	Closed- Permitted City/Local Cabs
SEA (Seattle/Tacoma)	Closed- Concession
OAK (Oakland)	Open
PDX (Portland)	Open
FLL (Fort Lauderdale)	Open
BNA (Nashville)	Open
AUS (Austin)	Open

Source: Airport Ground Transportation Association (AGTA); Fees and Fares Summary 2014-2016

VFH Alternative Strategies

- Option 1 Maintain existing permit structure, system and schedule
- Option 2 Contractor concession



Advantages and Disadvantages

	ADVANTAGES	DISADVANTAGES
Option 1	Status Quo	Ground Transportation industry is changing rapidly; system lacks flexibility to change number of VHF's as industry changes
Option 2	1-3 points of contact for issues	Limiting a smaller VHF company/ owner's ability to work at the airport



VFH Systems at Other Airports

Airport	VFH Operators
SFO (San Francisco)	Multiple operators
LAX (Los Angeles)	Multiple operators
SNA (Orange County/John Wayne)	Multiple operators
SJC (San Jose)	Multiple operators
SAC (Sacramento)	Multiple operators
PHX (Phoenix)	Single operator
SEA (Seattle/Tacoma)	Multiple operators
OAK (Oakland)	Multiple operators
PDX (Portland)	Multiple operators
FLL (Fort Lauderdale)	Single operator
BNA (Nashville)	Single operator
AUS (Austin)	Multiple operators

Source: Airport Ground Transportation Association (AGTA); Fees and Fares Summary 2014-2016



Taxicab and VFH MOA revisions

- Re-categorize vehicle inspection criteria and requirements
- Remove the driver attire criteria and requirements



Regulatory Reform

- ✓ Discontinue Airport Authority vehicle conditions and inspections.
- ✓ Discontinue Airport Driver Permitting and Background Checks
- ✓ Discontinue the Taxi uniform Rate of Fare.
- X Allow taxi permit transferability within a structured process
- ✓ Allow taxi sticker splitting and combining within a structured process



Regulatory Reform

- X Reduce the Taxi insurance requirement to \$350,000
- ✓ Accept internal driver training programs for Taxicabs and Shuttles
- ✓ Establish separate, equal and dedicated charter and TNC parking spaces in the parking lots
- ✓ Establish a TNC hold lot to relieve the cell phone lot and ease enforcement.



Summary

- ❑ Effectively plan for the taxicab and VFH long-term operations, maintain airport cost recovery and provide the needed customer services through a coherent and flexible strategy
- ❑ Work to improve the existing MOAs and their operational results
- ❑ Minimize regulatory obstacles and restraints on commercial vehicles and operators



Update on Ground Transportation
Taxicab and Vehicle for Hire
Operations

Questions?

COMMUNICATION FROM THE PUBLIC

FRANK S. CLOWNEY III

ATTORNEY AT LAW

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Our File No.

October 6, 2016

[VIA EMAILdboenitz@san.org](mailto:dboenitz@san.org)
AND U.S. MAIL

David J. Boenitz
San Diego County Regional Airport Authority
P.O. Box 82776
San Diego, CA 92138

Re: Taxi Drivers Representative Council

Dear Mr. Boenitz:

I am the legal advisor for the Tax Drivers Representative Council. My client wants to be included in the distribution of permits/decals for operating taxis at the San Diego Airport. Gulab S. Muhammadi previously contacted you about this issue on behalf of my client. I understand the matter will be considered at the October 20th meeting of the Airport Authority Board and/or the Land Use Commission. My client has asked me to speak on its behalf at the meeting, but I will be out of the country at that time. I am therefore submitting this letter, and request that it be presented to the Board/Commission at the meeting in lieu of my live appearance.

The Taxi Drivers Representative Council is made up of independent taxi operators. Its members were for years barred from obtaining their own permits to operate taxis in San Diego County. The permits were held exclusively by a cartel of taxi companies and other entrenched interests. My client's members were consigned to leasing cabs from the permit holders at onerous rates. Most of my client's members are immigrants from war torn and poverty stricken countries in the Horn of Africa. They worked twelve hour days driving to make a meager living in a leased cab. The governing bodies in San Diego recently freed the drivers to obtain their own permits. These hardworking drivers were finally able to buy their own vehicles and become owner-operators.

The opening up of taxi permits unfortunately came at a time when ride sharing services such as Uber and Lyft came into being. Competition increased tremendously. The difference between the permitted taxi drivers and the ride sharing operators is that the taxi drivers are dedicated fulltime operators whose vehicles are generally hybrids that lessen the impact on the environment. My client's vehicles have

David J. Boenitz
San Diego County Regional Airport Authority
October 6, 2016
Page 2

been fully inspected, and the drivers have obtained all necessary certifications. Ride sharing drivers are generally part time drivers who may not have all undergone the same level of inspection and certification. Certainly neither group should be preferred over the other when it comes to access to the market place.

The last barrier to my client's members' ability to fully compete in the market place has been the San Diego International Airport. The Board has limited the number of taxis that can operate at the airport, although it has recently allowed ride sharing services to gain access to the airport. We understand that the Board must limit permits to operate taxis at the airport because of traffic congestion issues, and we accept the need to limit permits accordingly. It is however critically important to my client that its members have the full and unfettered ability to apply for and obtain those permits.

We support a system for distributing airport operating permits on a daily basis that will include my client's members in the distribution of the permits. Our members want equal access to the permits. It is only fair that this remaining barrier to their full participation in the market be eliminated.

My concern is that the existing airport permit holders who currently have near exclusive access to the airport may present specious arguments to the Board in an attempt to block our members' access to the airport. I am urging the Board to reject any such arguments, and remove all barriers to our members' participation. We are seeking equal access and opportunity, nothing more and nothing less

Mr. Muhammadi and Yonas Mehanighiliu will request to address the Board at the meeting on the 20th. I would appreciate it if the Board was made aware of my comments.

Very truly yours,

/s/

FRANK S. CLOWNEY III

c.c. Gulab Muhammadi

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

STAFF REPORT

Meeting Date: **OCTOBER 20, 2016**

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 2016-2017 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 RUSSELL
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

TRAVEL REQUEST

THELLA F. BOWENS

**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: Thella F. Bowens 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: 9/6/16 PLANNED DATE OF DEPARTURE/RETURN: 11/16/16 / 11/18/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Washington, DC

Purpose: Attend U.S. Travel & Tourism Advisory Board Meeting

Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 740.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 80.00

B. LODGING \$ 500.00

C. MEALS \$ 200.00

D. SEMINAR AND CONFERENCE FEES \$

E. ENTERTAINMENT (If applicable) \$

F. OTHER INCIDENTAL EXPENSES \$ 50.00

TOTAL PROJECTED TRAVEL EXPENSE \$ 1570.00

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: 9/6/16

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.)

**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: Thella F. Bowens 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: 10/3/16 **PLANNED DATE OF DEPARTURE/RETURN:** 12/7/16 / 12/16/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

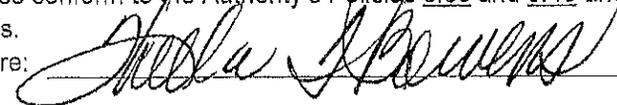
Destination: Israel Purpose: ACI-NA Israel Security Mission
 Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$ 8300.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 100.00
B. LODGING	\$ 1980.00
C. MEALS	\$ 400.00
D. SEMINAR AND CONFERENCE FEES	\$
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
TOTAL PROJECTED TRAVEL EXPENSE	\$ 10830.00

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: 5 Oct 2016

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.)

**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: Thella F. Bowens 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: 9/6/16 PLANNED DATE OF DEPARTURE/RETURN: 1/6/17 / 1/12/17

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Kauai, HI Purpose: Attend AAAE Policy Review Committee and Board Meeting
 Explanation: NOTE: Per AAAE policy, airfare and hotel expenses are reimbursable for one meeting per year.

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:	
• AIRFARE	\$ 600.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 250.00
B. LODGING	\$ 1700.00
C. MEALS	\$ 400.00
D. SEMINAR AND CONFERENCE FEES	\$ 710.00
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
TOTAL PROJECTED TRAVEL EXPENSE	\$ 3710.00

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: 6 Sept 2016

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.)

BUSINESS EXPENSE

APRIL BOLING

THELLA F. BOWENS

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BUSINESS EXPENSE REIMBURSEMENT REPORT**

May-Aug 2016

Period Covered

DATE	G/L Account	Description	AMOUNT
5/5/2016	66290	Parking for Port Tenants Dinner	\$ 15.00
6/23/2016	66290	Parking at Ritz Carlton, Laguna Niguel for ACI Board Dinner	\$ 10.00
7/12/2016	66290	Parking at Sheraton Hotel & Marina for dinner w/consultants	\$ 8.00
8/8/2016	66290	Parking at Seaport Village for dinner w/AECOM	\$ 16.00
TOTAL			\$49.00

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

APPROVED:



NAME Thella Bowens

NAME

DATE 9/6/2016

DATE

9/6/16

RECEIPTS FOR BUSINESS EXPENSE REIMBURSEMENT

May - August, 2016

THELLA F. BOWENS

Post Receipt by dinner
CENTER LOT 1150

Station : Cashier4
Cashier : victor
Trans# : 38035
Ticket : 345081521
Time in : 5/5/2016 5:43:13 PM
Paid to : 5/5/2016 11:59:59 PM
Duration : 06:16:45
Plate :

\$15 Flat : \$ 15.00
Total : \$ 15.00
Credit : \$ 15.00
C/C# : *****
Type : VISA

Purchase 16/05/05 17:44:04
Auth# 044420
Sequence 25

\$10

289071

6/23/16



* 2 8 9 0 7 1 *



CLAIM CHECK

Please present this Claim Check to the Doorman or Valet Parking Attendant for delivery of your automobile. (IMPORTANT - SEE REVERSE SIDE)

THANK YOU
SHERATON SAN DIEGO
MARINA TOWER

07/12/2016 7:27PM 12
000000#3098 CLERK12

#COPY*

#891

PAYMENT DUE

\$8.00

TENS

10

CASH

\$8.00

Seaport Village
SHERATON SAN DIEGO
MARINA TOWER
5E, 9

Exit 3 08/08/16 20:15
Receipt 026541

Short-term Parking Tkt
1 - No. 079361
08/08/16 13:24
08/08/16 20:15
Period 0d1h52'
(Ust.) \$16.00

Sub Total \$16.00
Ust. \$0.00

Total \$16.00

Payment Received \$16.00
AMEX
XXXXXXXXXXXX

Merch: 427175364996
Auth: 520724
Type: Swiped

All Amounts in USD.
Deliv. Date-Receipt Date

Dinner

MARK BURCHYETT

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BUSINESS EXPENSE REIMBURSEMENT REPORT

September 2016

Period Covered

DATE	G/L Account	Description	AMOUNT
9/20/16	66280.110	Yellowbook-CPE course titled "New Uniform Guidance: Cost Principles for Nonprofits and Governments"; includes manual and provides 7 CPE credits.	\$90.00
TOTAL			\$90.00

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 Mark A. Burchyett, Chief Auditor

9/26/16

DATE

APPROVED:

NAME

DATE

===== GENERAL INFORMATION =====

Merchant : Yellowbook-CPE/Leita Hart CPA (245205)
Date/Time : 20-Sep-2016 10:34:05 CDT

===== ORDER INFORMATION =====

Invoice : 5360
Description : Yellowbook-CPE.com - Order #5360
Amount : 90.00 (USD)
Payment Method: Visa xxxxxxxx
Transaction Type: Authorization and Capture

===== Line Items =====

Item: 1817
Description: New Uniform Guidance: Cost Prin
New Uniform Guidance: Cost Principles for Nonprofits and Governments
Quantity: 1
Unit Price: \$90.00 (USD)
Item Total: \$90.00 (USD)

===== RESULTS =====

Response : This transaction has been approved.
Auth Code : 02169C
Transaction ID : 20189004048
Address Verification : Street Address: Match -- First 5 Digits of Zip: Match

===== CUSTOMER BILLING INFORMATION =====

Customer ID : 0
First Name : Mark
Last Name : Burchyett
Company : San Diego County Regional Airport Authority
Address :
City :
State/Province : CA
Zip/Postal Code :
Country : US
Phone : 614002435
Fax :
E-Mail :

===== CUSTOMER SHIPPING INFORMATION =====

First Name :
Last Name :
Company :
Address :
City :
State/Province :
Zip/Postal Code :
Country :

===== ADDITIONAL INFORMATION =====

Olinzock Suzanne

From: Olinzock Suzanne
Sent: Wednesday, September 21, 2016 10:07 AM
To: 'Leita Hart-Fanta'
Cc: Burchyett Mark ([REDACTED])
Subject: RE: Merchant Email Receipt

Hello Leita,

Yes, I believe that it will be sufficient, as the order information confirms Mark's payment.

Thank you for your assistance!
Suzanne

Suzanne R. Olinzock
Executive Assistant | Chief Auditor Department
[REDACTED] F 619.400.2434
[REDACTED]



www.san.org |   

San Diego County Regional Airport Authority, PO BOX 82776, San Diego, CA 92138

From: Leita Hart-Fanta ([REDACTED])
Sent: Wednesday, September 21, 2016 6:09 AM
To: Olinzock Suzanne
Subject: FW: Merchant Email Receipt

Hi! Will this work as documentation of the purchase?

Thanks for your order!
Leita

Leita Hart-Fanta, CPA, CGFM, CGAP

[REDACTED]
[REDACTED]

[REDACTED]

From: Auto-Receipt <noreply@mail.authorize.net>
Reply-To: Auto-Receipt <noreply@mail.authorize.net>
Date: Tuesday, September 20, 2016 at 10:34 AM
To: Leita Hart <[REDACTED]>, Leita Hart <[REDACTED]>, Carol Longman <[REDACTED]>
Subject: Merchant Email Receipt

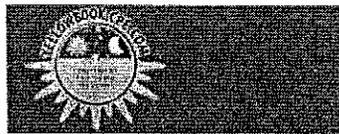
===== SECURITY STATEMENT =====

It is not recommended that you ship product(s) or otherwise grant services relying solely upon this e-mail receipt.

Your Yellowbook-CPE.com order from September 20, 2016 is complete - download your files

Yellowbook-CPE.com Orders

Download your files



Your order is complete

Hi there. Your recent order on Yellowbook-CPE.com has been completed. Your order details are shown below for your reference:

Order: #5360

Product	Quantity	Price
New Uniform Guidance: Cost Principles for Nonprofits and Governments Download: CSTPRSS_n_021716.pdf	1	\$90
Student 1 First Name: Mark,		
Student 1 Last Name: Burchyett,		
Student 1 Email:		
Cart Subtotal:		\$90
Order Total:		\$90

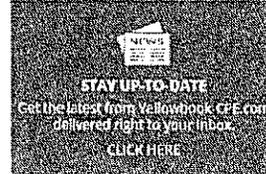
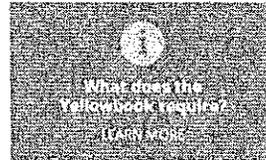
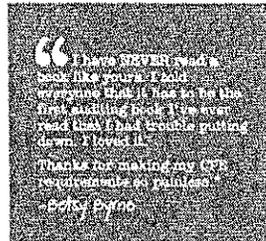
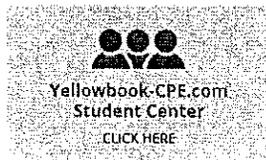
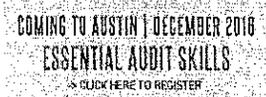
CPE for Government Auditors

MY SHOPPING CART

CONVENIENT • ENJOYABLE • RELEVANT

Fun to complete and with a wide variety of topics.

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PERSONALIZED CURRICULUM, QUALITY CONTROL, AND EDITING SERVICES | ABOUT | NEWS & UPDATES | CALENDAR



New Uniform Guidance: Cost Principles for Nonprofits and Governments

\$90

1

Add to cart

Description

Focused on the Cost Principles contained in the Uniform Guidance

Truth is stranger than fiction when it comes to the creative way that grantees use their grant resources. Let Wilson and Blit, auditors with over 70 combined years of federal, state, and municipal audit experience guide you through the dos and don'ts of spending federal grant dollars.

Auditors of federal programs use the cost principles as a tool to evaluate federal award compliance provisions. The cost principles apply to a most all federal grant programs and contain specific prohibitions against mismanagement and waste of funds. The cost principles also advise grantee on how to document proper expenditure.

Course objectives include:

- Difference between allowable and unallowable costs. Includes: direct costs and indirect costs.
- Federal vs. Department, agency and contractor rules and exceptions.
- Requirements for non-federal organizations.
- Budget of other activities of non-federal organizations.
- Federal award availability for multiple beneficiaries.
- Distinction between what is a cost and a direct cost.
- Allowable professional services costs and allowable indirect costs.
- Distinction between the category and the function, and related allowable cost.
- Identify which cost categories are allowable costs, and which are unallowable, indirect and mandatory costs are allowable costs.
- Distinction between allowable and unallowable overhead costs, fees, and overhead.

Program Level: Basic

177 pages of text

Instructional Methods: Self-study text with online quiz

Field of Study: Auditing - Federal, Internal, State, State Boards, Regulatory, Health, Higher Education, County, City, District, with your state board for more information

Who Should Attend: Counselors and case managers, organizational, federal grant personnel and auditors of federal grant programs

Recommended CPE Credits: 7 hours

This course qualifies for Yellowbook CPE credit.

READ INSIDE THIS BOOK: [View inside this book](#)

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WHAT PEOPLE SAY ABOUT THIS COURSE

"This is a great course for anyone who is new to the field of auditing." - Edna Byrne, 12/15/17

"This is a great course for anyone who is new to the field of auditing." - Edna Byrne, 12/15/17

"As an auditor of government and governmental entities, this course gives me some insight on what questions to ask and what to look for when it comes to budgeting." - 12/28/17

"The examples in the book and the way the instructor explained what you need to know is just what I needed to know." - 12/17/17

LLOYD HUBBS

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

2016

SDCRAA
OCT 09 2016
Corporate & Information Governance

MONTHLY MILEAGE and PARKING FEE REIMBURSEMENT REPORT

EMPLOYEE NAME LLOYD HUBBS			PERIOD COVERED SEPTEMBER	
DEPARTMENT/DIVISION BOARD				
Date	Miles driven	Destination and purpose of trip	Parking fees & other transportation costs paid	\$\$\$
9-6-16	60	AUTH Bd - Audit		
9-12-16	60	Exec. Personnel		
9-15-16	60	BOARD Mtg		
SUBTOTAL				

Computation of Reimbursement

REIMBURSEMENT RATE: (see below) *	Rate as of January 2016	X	180 - 0.540
TOTAL MILEAGE REIMBURSEMENT			-
PARKING FEES/TOLL CHARGES (ATTACH RECEIPTS)			-
TOTAL REIMBURSEMENT REQUESTED			\$ 97.20

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

Lloyd Hubbs

SIGNATURE OF EMPLOYEE

DEPT./DIV. HEAD APPROVAL