

**Board Members**

Gil Cabrera (Chair)  
Mary Casillas Salas (Vice Chair)  
Lidia S. Martinez  
Paul McNamara  
Rafael Perez  
Esther C. Sanchez  
James Sly  
Marni von Wilpert

## Special Board Meeting Agenda

**Thursday, July 13, 2023**  
**9:00 A.M.**

San Diego County Regional Airport Authority  
Administration Building  
Third Floor – Board Room  
3225 N. Harbor Drive  
San Diego, California 92101

**Ex-Officio Board Members**

Col. Thomas M. Bedell  
Gustavo Dallarda  
Gayle Miller

**President/CEO**

Kimberly J. Becker

***Live webcasts of Authority Board meetings can be accessed at***  
***<https://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 Board Services 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 Board Services/Authority Clerk Department.

PLEASE COMPLETE A SPEAKER SLIP 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 Board Services /Authority Clerk Department with your request at (619) 400-2400 at least three (3) working days prior to the meeting.*

# Special Board Meeting Agenda

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## CALL TO ORDER:

## PLEDGE OF ALLEGIANCE:

## ROLL CALL:

## PRESENTATIONS:

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

- **AUDIT COMMITTEE:**  
Committee Members: Casillas Salas, Huerta, Martinez, Perez, Sanchez, Newsom (Chair), Wong Nickerson
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**  
Committee Members: Martinez, McNamara, von Wilpert (Chair)
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Committee Members: Cabrera (Chair), Casillas Salas, McNamara, Sly
- **FINANCE COMMITTEE:**  
Committee Members: McNamara (Chair), Sly, von Wilpert

## ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**  
Liaison: Casillas Salas (Primary), Martinez
- **ARTS ADVISORY COMMITTEE:**  
Liaison: Casillas Salas

## LIAISONS

- **CALTRANS:**  
Liaison: Dallarda
- **INTER-GOVERNMENTAL AFFAIRS:**  
Liaison: Cabrera
- **MILITARY AFFAIRS:**  
Liaison: Bedell
- **PORT:**  
Liaisons: Cabrera (Primary), von Wilpert

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- **WORLD TRADE CENTER:**  
Representatives: Robert H. Gleason

## **BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG BOARD OF DIRECTORS:**  
Representative: Cabrera (Primary), Sly
- **SANDAG TRANSPORTATION COMMITTEE:**  
Representatives: Sanchez (Primary), Perez

## **CHAIR REPORT:**

## **PRESIDENT/CEO REPORT:**

## **NON-AGENDA PUBLIC COMMENT:**

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

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

## **CONSENT AGENDA (ITEMS 1-15):**

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

1. **APPROVAL OF MINUTES:**  
RECOMMENDATION: Approve the minutes of the May 18,2023 special Board meeting and the June 1, 2023, regular Board 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.  
**(Board Services: Tony R. Russell, Director/Authority Clerk)**

3. **AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM MAY 8, 2023, THROUGH JUNE 11, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MAY 8, 2023, THROUGH JUNE 11, 2023:**  
RECOMMENDATION: Receive the report.  
**(Procurement: Jana Vargas, Director)**
4. **JULY 2023 LEGISLATIVE REPORT:**  
RECOMMENDATION: Adopt Resolution No. 2023-0034, approving the July 2023 Legislative Report.  
**(Government Relations: Matt Harris, Director)**
5. **APPROVE APPOINTMENTS TO THE ARTS ADVISORY COMMITTEE:**  
RECOMMENDATION: Adopt Resolution No. 2023-0044, approving the appointment of Clare Haggarty, Matt Rich, and Cat Chiu Phillips to the Arts Advisory Committee.  
**(Marketing and Air Service Development: Jon Graves, Director)**
6. **APPROVE AMENDMENTS TO THE AUTHORITY'S RECORDS AND INFORMATION MANAGEMENT PROGRAM AND RECORDS RETENTION SCHEDULE:**  
RECOMMENDATION: Adopt Resolution No. 2023-0048, approving amendments to the Authority's Records and Information Management Program and Records Retention Schedule.  
**(Board Services: Tony R. Russell, Director/Authority Clerk)**

## CLAIMS

7. **REJECT THE CLAIM OF ADRIANA DOBRE:**  
RECOMMENDATION: Adopt Resolution No. 2023-0049, rejecting the claim of Adriana Dobre.  
**(General Counsel: Amy Gonzalez)**

## COMMITTEE RECOMMENDATIONS

### CONTRACTS AND AGREEMENTS

8. **APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY AND AN INCREASE IN THE CONTRACT DURATION FOR THE SASSAFRAS STREET WIDENING PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:**  
RECOMMENDATION: Adopt Resolution No. 2023-0050, waiving Policy 5.02(4)(b)(ii) and approving and authorizing: 1) an increase in the President/CEO's change order authority from \$630,000 to an amount not to exceed \$850,000; and 2) an increase in the contract duration from 595 calendar days to 670 calendar days for Project No. 104205, Sassafras Street Widening at San Diego International Airport.  
**(Airport Design and Construction: Bob Bolton, Director)**

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**9. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION INC. FOR QUIETER HOME PROGRAM PHASE 12, GROUP 4, PROJECT NO. 381204 THREE (3) NON-HISTORIC UNITS ON THREE (3) NON-RESIDENTIAL PROPERTIES LOCATED WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2023-0051, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$449,751 for Phase 12, Group 4, Project No. 381204, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

**(Planning and Environment Affairs: Sjohnna Knack, Director)**

**10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE FIRST AMENDMENT TO THE AGREEMENT WITH STELLAR SERVICES, INC. FOR ENTERPRISE CONTENT MANAGEMENT SYSTEM (ECMS) SUPPORT SERVICES:**

RECOMMENDATION: Adopt Resolution No. 2023-0052, approving and authorizing the President/CEO to execute the First Amendment to the Agreement with Stellar Services, Inc. for Enterprise Content Management System (ECMS) Support Services, increasing the amount payable by \$100,000 for a new total amount not-to-exceed \$400,000, extending the term for one (1) year to expire August 13, 2024, and maintaining a one (1) year option to extend thereafter, exercisable at the sole discretion of the President/CEO.

**(Board Services: Tony R. Russell, Director/Authority Clerk)**

**11. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A 10-YEAR LEASE WITH SAN DIEGO AIR AND SPACE TECHNOLOGY CENTER, INC. FOR LAND LOCATED AT 3050 PACIFIC HIGHWAY:**

RECOMMENDATION: Adopt Resolution No. 2023-0053, approving and authorizing the President/CEO to negotiate and execute a 10-year Lease with San Diego Air and Space Technology Center, Inc. with two (2) five-year lease options, to operate and maintain the Low-Speed Wind Tunnel.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

**12. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AMENDMENTS TO THE CONCESSION LEASE AGREEMENT WITH SFS INVESTORS JV:**

RECOMMENDATION: Adopt Resolution No. 2023-0054 authorizing the President/CEO to negotiate and execute amendments to the concession lease agreement with SFS Investors JV to allow adjustments to the rental structure.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

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**13. APPROVE AN AMENDMENT TO EXHIBIT A TO THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RETIREMENT PLAN AND TRUST OF 2013:**

RECOMMENDATION: Adopt Resolution No. 2023-0055 approving an amendment to Exhibit A to the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013 to reflect current pay codes.

**(Human Resources: Monty Bell, Director)**

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

**14. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 12, GROUP 10, PROJECT NO. 381210 THIRTY-FOUR (34) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON TWENTY-FIVE (25) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2023-0056, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,481,648 for Phase 12, Group 10, Project No. 381210, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

**(Planning and Environment Affairs: Sjohnna Knack, Director)**

**15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A 12KV DISTRIBUTION SYSTEM OPERATIONS, MAINTENANCE AND REPAIR SERVICES AGREEMENT:**

RECOMMENDATION: Adopt Resolution No. 2023-0057, approving and authorizing the President/CEO to execute an Agreement for 12kV Distribution System Operations, Maintenance, and Repair Services with Chula Vista Electric Company, in an amount not-to-exceed \$8,000,000, for a term of three (3) years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, at San Diego International Airport.

**(Facilities Management Department: Stephen Mosca, Director)**

**PUBLIC HEARINGS**

**OLD BUSINESS:**

## NEW BUSINESS:

16. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH CONCESSIONAIRE AREAS SAN JV, LLC FOR THE OPERATION OF FIVE FOOD & BEVERAGE LOCATIONS IN NEW TERMINAL 1:**

RECOMMENDATION: Adopt Resolution No. 2023-0058, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Areas SAN JV, LLC to design, build and operate five (5) food and beverage unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

17. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LEASE AGREEMENT WITH CONCESSIONAIRE HIGH FLYING FOODS FOR THE OPERATION OF SEVEN FOOD & BEVERAGE LOCATIONS IN NEW TERMINAL 1:**

RECOMMENDATION: Adopt Resolution No. 2023-0059, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with High Flying Foods to design, build and operate seven (7) food and beverage unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession lease agreement with the second ranked proposer.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

18. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH CONCESSIONAIRE EMERGING DOMESTIC MARKET VENTURES, LLC FOR THE OPERATION OF ONE FOOD & BEVERAGE LOCATION IN NEW TERMINAL 1:**

RECOMMENDATION: Adopt Resolution No. 2023-0060, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Emerging Domestic Market Ventures, LLC to design, build and operate one (1) food and beverage unit location in new Terminal 1 at San Diego International Airport with an operating term for the unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

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**19. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH CONCESSIONAIRE MCDONALD'S USA, LLC FOR THE OPERATION OF ONE FOOD & BEVERAGE LOCATION IN NEW TERMINAL 1:**

RECOMMENDATION: Adopt Resolution No. 2023-0061, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with McDonald's USA, LLC to design, build and operate one (1) food and beverage unit location in new Terminal 1 at San Diego International Airport with an operating term for the unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

**20. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH CONCESSIONAIRE PARADIES LAGARDÈRE @ SAN, LLC FOR THE OPERATION OF THREE RETAIL LOCATIONS IN NEW TERMINAL 1:**

RECOMMENDATION: Adopt Resolution No. 2023-0062, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Paradies Lagardère @ SAN, LLC to design, build and operate three (3) retail unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed twelve (12) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

**21. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH CONCESSIONAIRE THE MARSHALL RETAIL GROUP, LLC FOR THE OPERATION OF FOUR RETAIL LOCATIONS IN NEW TERMINAL 1:**

RECOMMENDATION: Adopt Resolution No. 2023-0063, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with The Marshall Retail Group, LLC to design, build and operate four (4) retail unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed twelve (12) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

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**22. AUTHORIZE THE PRESIDENT/CEO TO ENTER INTO A LEASE WITH THE SAN DIEGO UNIFIED PORT DISTRICT IN SUPPORT OF THE ON-AIRPORT ROADWAY PROJECT FOR NEW T1:**

RECOMMENDATION: Adopt Resolution No. 2023-0064 authorizing the President/CEO to enter into a Lease for 45 years and 4 months with the San Diego Port District for approximately 28,519 square feet of land located on North Harbor Drive in support of the On-Airport Roadway Project for New T1.

**(Revenue Generation & Partnership Development: Deanna Zachrisson, Director)**

**23. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING COMPENSATION FOR THE PRESIDENT/CEO:**

RECOMMENDATION: The Board will be discussing and possibly taking action regarding the performance of the President/CEO.

**(Human Resources: Monty Bell, Director)**

**24. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING COMPENSATION FOR THE GENERAL COUNSEL:**

RECOMMENDATION: The Board will be discussing and possibly taking action regarding the performance of the General Counsel.

**(Human Resources: Monty Bell, Director)**

**25. PUBLIC EMPLOYEE COMPENSATION: DISCUSSION AND POSSIBLE ACTION CONCERNING COMPENSATION FOR THE CHIEF AUDITOR:**

RECOMMENDATION: The Board will be discussing and possibly taking action regarding the performance of the Chief Auditor.

**(Human Resources: Monty Bell, Director)**

**CLOSED SESSION:**

**26. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**

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

Name of Case: *San Diego County Regional Airport Authority v. Aquatherm L.P., et al.*, San Diego Superior Court Case No. 37-2022-00037121-CU-BC-CTL

**27. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**

Cal. Gov. Code §54957

Title: President/Chief Executive Officer

**28. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**

Cal. Gov. Code §54957

Title: General Counsel

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## **29. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**

Cal. Gov. Code §54957

Title: Chief Auditor

### **REPORT ON CLOSED SESSION:**

### **GENERAL COUNSEL REPORT:**

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

### **BOARD COMMENT:**

### **ADJOURNMENT:**

Thursday, July 13, 2023

## **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 submit a speaker slip to the Clerk 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 submit a speaker slip 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 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.
- 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.
- 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.

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) 400-2550 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](http://www.san.org).

**For those planning to attend the Board meeting, parking is available in the public parking lot located directly to the East of the Administration Building across Winship Lane, entrance is now via Liberator Way.**

You may also reach the SDCRAA Building by using public transit via the San Diego MTS System, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

**DRAFT**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD**  
**MINUTES**  
**THURSDAY, MAY 18, 2023**  
**SAN DIEGO INTERNATIONAL AIRPORT**  
**BOARD ROOM**

**CALL TO ORDER:** Chair Cabrera called the special meeting of the San Diego County Regional Airport Authority Board to order at 9:02 a.m. on Thursday, May 18, 2023, at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Chair Cabrera led the pledge of allegiance.

**ROLL CALL:**

PRESENT: Board Members: Cabrera (Chair), Casillas Salas, Martinez, McNamara, Perez, Sly, Von Wilpert

ABSENT: Board Members: Sanchez, Bedell (Ex-Officio), Dallarda (Ex-Officio), Miller (Ex-Officio)

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Arely Valenzuela, Assistant Authority Clerk I; Patricia Willis, Assistant Authority Clerk I

*Board Member Von Wilpert arrived to the meeting at 9:30 a.m.*

*Board Member Sly arrived to the meeting at 9:45 a.m.*

**BUDGET WORKSHOP:**

**1. DISCUSSION REGARDING THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY FISCAL YEAR 2024 PROPOSED BUDGET AND FISCAL YEAR 2025 PROPOSED CONCEPTUAL BUDGET:**

Scott Brickner, Vice President/CFO; John Dillon, Director, Finance & Risk Management; and Maya Dayan, Director, Capital Financial Planning and Airline Relations provided a presentation on the Fiscal Year 2024 Proposed Budget & Fiscal Year 2025 Proposed Conceptual Budget that included Purpose and Culture; Strategic Plan; Economic, Industry and Credit Overview; Budget Process; Revenue Budget Overview; Expense Budget Overview; Budget Summary; Capital Program Budget for Fiscal Years 2024-2028; and Plan of Finance Fiscal Years 2024-2028.

Chair Cabrera requests more education and context on the Net Debt/CFADS Metrix.

**BOARD COMMENT:**

**ADJOURNMENT:** The meeting adjourned at 10:30 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
BOARD THIS 13<sup>th</sup> DAY OF JULY 2023.

ATTEST:

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ARELY VALENZUELA  
ASSISTANT AUTHORITY CLERK I

APPROVED AS TO FORM:

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AMY GONZALEZ  
GENERAL COUNSEL

**DRAFT**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD**  
**MINUTES**  
**THURSDAY, JUNE 1, 2023**  
**SAN DIEGO INTERNATIONAL AIRPORT**  
**BOARD ROOM**

**CALL TO ORDER:** Chair Cabrera called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:01 a.m. on Thursday, June 1, 2023, at the San Diego County Regional Airport Authority, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

**ROLL CALL:**

PRESENT: Board Members: Cabrera (Chair), Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert

ABSENT: Board Members: Bedell (Ex-Officio), Dallarda (Ex-Officio), Miller (Ex-Officio), Sanchez

ALSO PRESENT: Kimberly Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Board Services/Authority Clerk; Sonja Banks, Assistant Authority Clerk I

*Tony Guinn, Assistant Airfield Operations Officer/Airfield Manager attended on behalf of Board Member Bedell.*

**PRESENTATION:**

**A. NT1 SUSTAINABILITY PRESENTATION:**

Lori Ann Stevens, Stacy Olson, Tannaz Tahmassebi, Michel Pendergrass, Gary Conover and Courtney Easton with Arrive Joint Venture, provided a presentation on the NT1 Sustainability that included Triple Crown: LEED, Parksmart, Envision; LEED Strategy: Current Scorecard; Water Strategy, Operational Energy Saving; Embodied Carbon Savings and Reduction Strategies; Site Strategy; Light Pollution Reduction; Parksmart: Current Scorecard; and Envision: Current Scorecard.

*Chair Cabrera announced that Committee reports would be heard after the Action Items.*

**CONSENT AGENDA (ITEMS 1 - 16):**

**ACTION: Moved by Board Member von Wilpert and seconded by Board Member Martinez to approve the Consent Agenda. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert; NO - None; ABSENT - Sanchez; (Weighted Vote Points: YES - 80; NO - 0; ABSENT - 12)**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the April 20, 2023, Special Board meeting, April 27, 2023, Special Board meeting, and May 4, 2023, regular Board 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 AND APPROVED CHANGE ORDERS FROM APRIL 10, 2023, THROUGH MAY 7, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM APRIL 10, 2023, THROUGH MAY 7, 2023:**

RECOMMENDATION: Receive the report.

**4. JUNE 2023 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2023-0033, approving the June 2023 Legislative Report.

**CLAIMS:**

**5. REJECT THE CLAIM OF CORNELIA WOOD:**

RECOMMENDATION: Adopt Resolution No. 2023-0035, rejecting the claim of Cornelia Wood.

**6. REJECT THE CLAIM OF LOIS O'NEILL:**

RECOMMENDATION: Adopt Resolution No. 2023-0036, rejecting the claim of Lois O'Neill.

**7. REJECT THE CLAIM OF ANDREA DAMSKY:**

RECOMMENDATION: Adopt Resolution No. 2023-0037, rejecting the claim of Andrea Damsky.

**8. DENY THE APPLICATION FOR LEAVE TO PRESENT A LATE CLAIM**

**BY KAREN DUNNE:**

RECOMMENDATION: Adopt Resolution No. 2023-0038, denying the application for leave to present late claim by Karen Dunne.

**COMMITTEE RECOMMENDATIONS:**

**9. REVIEW OF AUTHORITY POLICY 4.40 – DEBT ISSUANCE AND MANAGEMENT POLICY:**

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2023-0039 approving amendments to Authority Policy 4.40 – Debt Issuance and Management Policy.

**10. REVIEW OF AUTHORITY POLICY 4.20 - GUIDELINES FOR PRUDENT INVESTMENTS AND DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS TO THE VICE PRESIDENT/CHIEF FINANCIAL OFFICER/TREASURER:**

RECOMMENDATION: The Finance Committee recommends that the Board adopt Resolution No. 2023-0040, approving amendments to Authority Policy 4.20- Guidelines for Prudent Investments and delegating authority to invest and manage Authority Funds to the Vice President/Chief Financial Officer/Treasurer.

**11. FISCAL YEAR 2023 THIRD QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**

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

**12. APPROVE THE RISK ASSESSMENT AND PROPOSED FISCAL YEAR 2024 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2023-0041, approving the Fiscal Year 2024 Proposed Audit Plan of the office of the Chief Auditor.

**13. REQUIRED COMMUNICATION TO THE AUDIT COMMITTEE ON THE FINANCIAL AND COMPLIANCE AUDITS FOR THE FISCAL YEAR ENDED JUNE 30, 2023:**

RECOMMENDATION: The Audit Committee recommends that the Board accept the information.

**14. APPOINTMENT OF PUBLIC MEMBERS TO THE AUDIT COMMITTEE:**

RECOMMENDATION: Adopt Resolution No. 2023-0042, appointing Claudia Huerta as a public member to the Audit Committee to fill a vacancy with a term ending June 30, 2025, appointing Agnes Wong Nickerson as a public member to the Audit Committee to commence July 1, 2023 for a new three-year term; and appointing Gretchen Newsom as Chair of the Audit Committee.

**CONTRACTS AND AGREEMENTS**

**15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ENCROACHMENT MAINTENANCE AND REMOVAL AGREEMENT WITH THE CITY OF SAN DIEGO RELATED TO THE CONSTRUCTION OF THE NEW ADMINISTRATION BUILDING:**

RECOMMENDATION: Adopt Resolution No. 2023-0043, approving and authorizing the President/CEO to execute an Encroachment Maintenance and Removal Agreement with the City of San Diego ("City") for an encroachment into the City right-of-way for the installation of 17.5 linear feet of rolled curb along McCain Road adjacent to the New Administration Building, in support of Project No. 413002 New T1 Administration Building at San Diego International Airport.

**16. APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY AND INCREASE IN THE CONTRACT DURATION FOR THE RUNWAY ELECTRICAL VAULT UPGRADES PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2023-0045 waiving Policy 5.02(4)(b)(ii) and approving and authorizing 1) an increase in the President/CEO's change order authority from \$83,963.94 to an amount not to exceed \$200,000; and 2) an increase in contract duration from 180 days not to exceed 360 days for Project No. 104264, Runway Electrical Vault Upgrades at San Diego International Airport.

**PUBLIC HEARINGS:** None.

**OLD BUSINESS:** None

**NEW BUSINESS:**

**17. APPROVAL AND ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2024, THE CAPITAL PROGRAM FOR FISCAL YEARS 2024-2028 AND CONCEPTUAL APPROVAL OF THE OPERATING BUDGET FOR FISCAL YEAR 2025:**

Scott Brickner, Vice President/CFO provided a presentation that included: Budget Overview; Revenue and Expenses; Budget Summary; Capital Program Budget; and Plan of Finance FY 2024-2028.

RECOMMENDATION: Adopt Resolution No. 2023-0046 approving and adopting the Authority's Annual Operating Budget for Fiscal Year 2024, the Capital Program for Fiscal Years 2024-2028, and conceptually approving the Operating Budget for Fiscal Year 2025.

**ACTION: Moved by Board Member McNamara and seconded by Board Member Perez to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert; NO - None; ABSENT - Sanchez; (Weighted Vote Points: YES - 80; NO - 0; ABSENT - 12)**

**18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LEASE AGREEMENT WITH CONCESSIONAIRE HIGH FLYING FOODS, FOR THE OPERATION OF FIVE FOOD & BEVERAGE LOCATIONS IN NEW TERMINAL 1:**

Deanna Zachrisson, Director, Revenue Generation and Partnership Development, provided a presentation that included New Terminal 1 Food and Beverage Program; Concession Development; Solicitation Timeline; and Variety and Availability of Packages.

RECOMMENDATION: Adopt Resolution No. 2023-0047, approving a non-exclusive lease agreement with High Flying Foods, to design, build and operate five food and beverage locations in New Terminal 1 at San Diego International Airport for an operating term not to exceed fifteen (15) years and authorizing the President/CEO to take all necessary actions to execute the lease agreement.

**ACTION: Moved by Board Member Martinez and seconded by Board Member Casillas Salas to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, Martinez, McNamara, Perez, Sly, von Wilpert; NO - None; ABSENT - Sanchez; (Weighted Vote Points: YES - 80; NO - 0; ABSENT - 12)**

ALDO MACIEL, SAN DIEGO, Research Analyst of United Local 30, spoke in support of staff's recommendation.

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

- **AUDIT COMMITTEE:** Board Member Martinez reported that at the May meeting the Committee interviewed three applicants to fill a Public Member vacancy. She also reported that the required communication from the Authority's external auditor regarding the Audit of fiscal Year-End June 30, 2023, the Chief Auditor's Fiscal Year 2024 Audit Plan, and the Chief Auditor's Third Quarter Report are on the today's agenda for Board approval.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that the Committee has not met since the last board meeting. She also reported that at the July 20, 2023, meeting, a presentation will be made on the ongoing communication efforts related to New Terminal 1 construction, a Small Business update, and New Terminal 1 construction and logistics.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee did not meet last month, and that the next scheduled meeting is for June 15, 2023.
- **FINANCE COMMITTEE:** Board Member McNamara reported that the Finance Committee last met on May 22, 2023, and at that meeting, the committee reviewed the Unaudited Financial Statements for the Ten Months Ended April 30, 2023, as well as the Authority's Investment Report. He also reported that the Committee considered the annual review of Authority Policy 4.40-Guidelines for Debt Issuance and Management, and Authority Policy 4.20-Guidelines for Prudent Investments, and delegating authority to invest and manage Authority funds to Vice President/ Chief Financial Officer/Treasurer.

**ADVISORY COMMITTEES:**

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Casillas Salas reported that the committee has not met since the last Board meeting and that the next meeting is July 12, 2023.
- **ARTS ADVISORY COMMITTEE:** Board Member Casillas Salas reported that Jennifer Easton and Cris Scorza, will end their three-year term at the June 29<sup>th</sup> meeting. She reported that new Arts Advisory committee members will be recommended to the Board in July. She reported that on May 15, 2023, the Arts Team participated in an outreach tour organized in partnership with future temporary exhibition selection panelist, Ligia Santillan. She also reported that the call for artists for the Airport's new Temporary Exhibition, titled Espacios & Lines, will assemble a portrait of our binational landscape by exhibiting artwork from Tijuana and San Diego artists as a natural connector to the 2024 World Design Capital designation.

## ***LIAISONS***

- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that White House negotiators reached an agreement on a legislative package to raise the federal debt limit until the end of 2024. He reported that Authority Staff continue to monitor the FAA Reauthorization process and expects the House and Senate to begin considering bills in the coming weeks. He also reported that in Sacramento, bills are proceeding through the process and that Authority staff and consultants are monitoring and providing the Authority's position on bills of interest.
- **MILITARY AFFAIRS:** None.
- **PORT:** None.
- **WORLD TRADE CENTER:** Hampton Brown, Vice President/CRO reported that the Board met on May 18, 2023, and at that meeting staff provided an update on the 2023 Work Plan and License holder deliverables. He reported that the key takeaways were that the TNO Dutch Applied Science and Research Institute has hired its first North American employee and that employee will be based here in San Diego. He reported that in the autumn of this year, the WTC will embark upon a trade mission to Korea.

## ***BOARD REPRESENTATIVES (EXTERNAL)***

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors met twice since the last Board meeting. and at the first meeting, staff presented the Final FY 2024 Program Budget. He reported that during the second meeting the Board of Directors participated in Part II of the 2025 Regional Plan Workshop.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Perez reported that the Committee met twice since the last Board meeting and at the first meeting, staff presented an update on the San Diego and Imperial Counties Sustainable Freight Implementation Strategy. He reported that during the second meeting, staff presented an update on the Blue Line Express Study.

**CHAIR'S REPORT:** Chair Cabrera reported that the Airport Authority celebrated National Travel and Tourism Week with a great event at the San Diego Zoo, hosted by the San Diego Tourism Authority on May 10, 2023, and that Kim Becker is ending her term as Chair of the SDTA Board. He reported that he represented the Airport Authority at a news conference observing National Infrastructure Week on May 19, 2023. He reported that the New T1 project would not be possible without the dedication and support of our Congressional delegation in Washington D.C., which has helped us secure more than \$200 million in federal grants.

**PRESIDENT/CEO'S REPORT:** Kim Becker, President/CEO reported that more nighttime work will begin, and to expect detours but no closures. She reported that construction has ceased around the Least Tern nesting area and is expected to resume in September. She reported that Memorial Day marks the beginning of summer travel and that we were up 12% compared to last year. She reported that Air France is offering a one time only non-stop flight from San Diego to Paris, December 8, 2023, and returning on December 12, 2023. She reported that during the month of May, a meeting was held that included representatives of approximately 10 labor unions that have workers at the airport. She reported that the month of May offered opportunities for celebration, the first being Asian American Native Hawaiian and Pacific Islander Heritage Month, followed by thanking volunteers of the Airport Ambassador Program and Ready, Pet Go Dog Therapy Program by hosting an outing at a San Diego Padres game on May 3, 2023. She reported that on May 18, 2023, the Planning and Environmental Affairs team manned a pitstop during the Bike-to-Work Day and assisted 134 cyclists.

**NON-AGENDA PUBLIC COMMENT:**

**CLOSED SESSION:**

**REPORT ON CLOSED SESSION:**

**GENERAL COUNSEL REPORT:**

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

**BOARD COMMENT:**

**ADJOURNMENT:** The meeting was adjourned at 10:28 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 13<sup>th</sup> DAY OF JULY 2023.

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**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. 2019-0074, 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.

**Fiscal Impact:**

Board and Committee Member Compensation is included in the FY 2023 Budget.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

### 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.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### Application of Inclusionary Policies:

Not applicable.

### Prepared by:

Tony R. Russell  
Director, Board Services/Authority Clerk

## BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074. 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 Board Services, Authority Clerk Staff.

<b>Period Covered:</b>	June 1 through June 30, 2023	
<b>Board Member Name:</b>	Gil Cabrera	
<b>Date:</b>	6/27/23	
<b>Type of Meeting</b>	<b>Date/Time/Location of Event/Meeting/Training</b>	<b>Summary and Description of the Event/Meeting/Training</b>
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	June 1, 2023 - 19am-1130am - SDCRAA Board Room	SSDCRAA Board of Directors Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	June 9, 2023 - 9am-12:00pm - SANDAG Board Room	SANDAG Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	June 15, 2023 - 10am-1130am - Tuskegee Conference Room	Executive Personnel and Comp Committee Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	June 16, 2023 12:30pm-1:30pm - Port of San Diego	Meeting with Port Officials re potential transit connection to airport
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	June 23, 2023 - 9am-12pm - SANDAG Board Room	SANDAG Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	June 26, 2023 - 9am-10am - SDCRAA Board Room	Executive Finance Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Gil Cabrera Digitally signed by Gil Cabrera  
Date: 2023.06.27 12:06:16 -07'00'

**BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY**

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074. 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 Board Services, Authority Clerk Staff.

<b>Period Covered:</b>		MAY
<b>Board Member Name:</b>		Mary Casillas Salas
<b>Date:</b>		6/1/2023
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. 2019-0074	SAN boardroom 9am 5/18/23 - Budget workshop	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Mary Salas



# BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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**Period Covered:** June 2023  
**Board Member Name:** Mary Casellas Salas  
**Date:** 7/5/2023

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. 2019-0074	6/26/23 - SAN boardroom	Exec - Fin Comte meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	6/27/23	Hove Harassment training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	6/29/23	Airport Arts Advis. Comm.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Mary Salas

**BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY**

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<b>Period Covered:</b> June 2023		
<b>Board Member Name:</b> Lidia S. Martinez		
<b>Date:</b> 6/30/2023		
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. 2019-0074	6/1/2023/9am/CT The Boardroom	Board /ALUC Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	6/23/2023/2pm Teams Meeting	Concessions Awards Board Briefing with Kim Becker, Hampton Brown, and Angela Shafer-Payne
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Lidia S Martinez

**BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY**

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<b>Period Covered:</b> June 2023		
<b>Board Member Name:</b> Paul McNamara		
<b>Date:</b> 6/27/23		
<b>Type of Meeting</b>	<b>Date/Time/Location of Event/Meeting/Training</b>	<b>Summary and Description of the Event/Meeting/Training</b>
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	6/1/2023/0900/SDCAA	Board/ALCU Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	6/15/2023/SDCAA	EXPersand Compensation Committe Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Paul McNamara Digitally signed by Paul McNamara  
Date: 2023.06.27 11:12:20 -07'00'

## BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074. 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 Board Services, Authority Clerk Staff.

<b>Period Covered:</b> 6/1/23-6/30/23		
<b>Board Member Name:</b> Rafael Perez		
<b>Date:</b> 6/27/23		
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. 2019-0074	06/1/23/9am/ Admin-Board Room/	Board Meeting ALUC
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	6/2/23 9am SANDAG Board Room	Transportation Committee- Sandag
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	6/15/23 10am/ Admin- Tuskegee Conference Rm	EPCC Mtg
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	6/16/23 9am SANDAG Board Room	Transportation Committee- Sandag
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	6/26/23 9am Admin- Boardroom	Exec/Finance Mtg
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Rafael Perez Digitally signed by Rafael Perez  
Date: 2023.06.27 08:46:58 -07'00'

**BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY**

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074 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 Board Services, Authority Clerk Staff.

<b>Period Covered:</b> 6/1/2023 - 6/30/2023		
<b>Board Member Name:</b> Marni von Wilpert		
<b>Date:</b> 6/30/23		
<b>Type of Meeting</b>	<b>Date/Time/Location of Event/Meeting/Training</b>	<b>Summary and Description of the Event/Meeting/Training</b>
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	June 1, 2023 : 9:00 am - 12:00 pm  San Diego County Regional Airport Authority Administrative Offices at 3225 N. Harbor Drive	Board / ALUC Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Marni von Wilpert

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Awarded Contracts and Approved Change Orders from May 8, 2023 through June 11, 2023 and Real Property Agreements Granted and Accepted from May 8, 2023 through June 11, 2023**

**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/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

### 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.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### 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 MAY 8, 2023 THROUGH JUNE 11, 2023**

**New Contracts**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description</b>	<b>Solicitation Method</b>	<b>Owner</b>	<b>Contract Value</b>	<b>End Date</b>
5/15/2023		Big Frog Custom T-Shirts & More	The Contractor will provide t-shirts, lanyards, and buttons to support a summer marketing campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing & Air Service Development	\$18,171.70	5/25/2023
5/15/2023		The Ken Blanchard Co	The Contractor will provide services needed for certification for situational leadership II workshops and materials for the San Diego County Regional Airport Authority.	Informal RFP	Human Resources	\$14,249.14	5/17/2023
5/17/2023		Reachmaster, Inc.	The Contractor will provide the annual calibration, inspection, and training of ruthmann reachmaster aerial lift for the San Diego County Regional Airport Authority.	Informal RFP	Facilities Management	\$5,250.00	6/27/2023
5/25/2023		Raymond Handling Solutions	The Contractor will provide the removal and replacement of the frequency inverter for the Kardex Remstar for the San Diego County Regional Airport Authority.	Informal RFP	Aviation Security & Public Safety	\$8,832.84	5/12/2023
5/25/2023		Artworks San Diego LLC	The Contractor will provide on-call art handling services for the San Diego County Regional Airport Authority.	RFP	Marketing & Air Service Development	\$600,000.00	5/31/2026
5/26/2023		Echelon Front, LLC	The Contractor will provide a leadership webinar for the San Diego County Regional Airport Authority.	Informal RFP	Airport Design & Construction	\$5,000.00	6/7/2023
5/26/2023		Big Frog Custom T-Shirts & More	The Contractor will provide marketing materials for the San Diego County Regional Airport Authority.	Informal RFP	Marketing & Air Service Development	\$9,046.25	6/5/2023
5/30/2023		Cooper Consulting Group	The Contractor will provide leadership consulting services for the San Diego County Regional Airport Authority.	Informal RFP	Human Resources	\$31,000.00	5/31/2024
6/2/2023		Qless, Inc.	The Contractor will provide access control office line management software for the San Diego County Regional Airport Authority.	Informal RFP	Aviation Security & Public Safety	\$11,718.00	4/30/2027
6/7/2023		Big Frog Custom T-Shirts & More	The Contractor will provide marketing materials for the San Diego County Regional Airport Authority.	Informal RFP	Marketing & Air Service Development	\$9,173.75	6/13/2023

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN MAY 8, 2023 THROUGH JUNE 11, 2023**

**New Contracts Approved by the Board**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description</b>	<b>Solicitation Method</b>	<b>Owner</b>	<b>Contract Value</b>	<b>End Date</b>
5/18/2023		Tetra Tech Inc	This Contract was approved by the Board at the January 5, 2023 Board Meeting. The contract value reflects the total not-to-exceed cost for the entire pool of contractors. The Contractor is one of two (2) contractors who will provide on-call industrial hygiene services for the San Diego County Regional Airport Authority.	RFP	Planning & Environmental Affairs	\$1,500,000.00	4/30/2026
5/30/2023		Landrum & Brown, Inc.	This Contract was approved by the Board at the March 2, 2023 Board Meeting. The contract value reflects the total not-to-exceed cost for the entire pool of contractors. The Contractor is one of three (3) contractors who will provide on-call technical airport planning services for the San Diego County Regional Airport Authority.	RFP	Planning & Environmental Affairs	\$7,000,000.00	4/30/2026
5/30/2023		Ricondo & Associates, Inc.	This Contract was approved by the Board at the March 2, 2023 Board Meeting. The contract value reflects the total not-to-exceed cost for the entire pool of contractors. The Contractor is one of three (3) contractors who will provide on-call technical airport planning services for the San Diego County Regional Airport Authority.	RFP	Planning & Environmental Affairs	\$7,000,000.00	4/30/2026
6/2/2023		Serco Inc.	This Contract was approved by the Board at the April 6, 2023 Board Meeting. The Contractor will provide ramp control facility staffing services at the San Diego International Airport.	RFP	Airside & Terminal Operations	\$4,289,904.00	5/29/2026
6/2/2023		Jacobsen Daniels Associates, LLC	This Contract was approved by the Board at the March 2, 2023 Board Meeting. The contract value reflects the total not-to-exceed cost for the entire pool of contractors. The Contractor is one of three (3) contractors who will provide on-call technical airport planning services for the San Diego County Regional Airport Authority.	RFP	Planning & Environmental Affairs	\$7,000,000.00	4/30/2026

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN MAY 8, 2023 THROUGH JUNE 11, 2023

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
5/9/2023		CriticalArc	The Second Amendment adds an intern rate to the Table of Hourly Rates in Exhibit B. All other terms and conditions remain in effect. The Contractor provides on-call commissioning authority consulting services for the San Diego County Regional Airport Authority.	Airport Design & Construction	\$9,000,000.00	\$0.00	0.0%	\$9,000,000.00	10/25/2025

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN MAY 8, 2023 THROUGH JUNE 11, 2023

**Amendments and Change Orders Approved by the Board**

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value ( % ) (+ / -)	New Contract Value	New End Date
			NO AWARDED AMENDMENTS APPROVED BY THE BOARD						



## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**July 2023 Legislative Report**

### **Recommendation:**

Adopt Resolution No. 2023-0034, approving the July 2023 Legislative Report.

### **Background/Justification:**

The Authority's Legislative Advocacy Program Policy requires that staff present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A). The July 2023 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. In directing staff, the Authority Board may take a position on pending or proposed legislation that has been determined to have a potential impact on the Authority's operations and functions.

### **Federal Legislative Action**

In Washington, the House Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science, and Transportation released their versions of the Federal Aviation Administration (FAA) reauthorization legislation, which is due by the end of September 2023. The House Committee on Transportation marked up their bill and is preparing to put the bill on the House floor for a vote. The Senate Committee on Commerce, Science, and Transportation's markup has been delayed due to ongoing negotiations on amendments related to pilot training and additional slots for expanded air service at Washington Reagan National Airport (DCA). Once both bills get a vote on each chamber's floor, a conference committee will convene to resolve the differences between the bills. The Senate draft bill currently authorizes \$105 billion for the FAA over the next five years, including \$20 billion for the Airport Improvement Program, while the House bill authorizes \$103 billion. The Authority's legislative team is reviewing the legislation to determine the impact on the Authority's priorities, communicating those priorities to the San Diego Congressional Delegation as well as Congressional Committee leadership, and continues to monitor for any new funding opportunities available to support the Authority's initiatives and operations.

The House and Senate Committees on Appropriations continue to work on an annual appropriations package. In the House and Senate, Appropriations subcommittees have begun marking up bills, with the final Appropriations package expected to be marked up at Fiscal Year 2022 levels in the House. Airports, through our national trade associations, have agreed on a set of priorities and programmatic recommendations for the Fiscal Year 2024 appropriations cycle.

Department of Transportation Deputy Secretary Polly Trottenberg has been named as Acting FAA Administrator by President Biden after former Acting Administrator Billy Nolen stepped down from the role. President Biden is expected to nominate a new candidate for the permanent FAA Administrator position.

The Authority's legislative team continues to review and analyze bills for potential impacts on the Authority and San Diego International Airport and does not recommend the Board adopt any new positions on federal legislation at this time.

## **State Legislative Action**

In Sacramento, the month of June marked a series of pivotal legislative and budgetary deadlines. June 2 was the legislative House of Origin deadline—meaning that unless legislation introduced this year advanced to the opposite chamber, it is stalled for the remainder of the legislative year and can be taken up in next year's legislative session. On June 12, Legislative leadership announced a bicameral budget agreement which, in part, promises to protect climate investments and transportation funding. The Legislature then passed its Fiscal Year 2024 budget while closing a projected \$31.5 billion deficit. Additionally in June, Governor Newsom unveiled an infrastructure package designed to streamline and accelerate energy, transportation, and infrastructure projects. The Authority's legislative team is reviewing and monitoring budget discussions for any new funding opportunities available to support the Authority's initiatives and operations.

Looking ahead, the Legislature will turn its attention back to policy committee hearings for legislation that made it into the opposite chamber as the July 14 summer recess approaches. This date serves as the crucial deadline for policy committees to meet and submit their reports on bills. Once this deadline passes, policy committees are no longer able to convene or take further action on proposed legislation without a rule waiver.

The Authority's legislative team continues to review and analyze bills for potential impacts on the Authority and San Diego International Airport and does not recommend the Board adopt any new positions on state legislation at this time.

## **Fiscal Impact:**

Not applicable.

## Authority Strategies/Focus Areas:

This item supports one or more of the following:

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

### 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.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### Application of Inclusionary Policies:

Not applicable.

### Prepared by:

Matt Harris  
Director, Government Relations

RESOLUTION NO. 2023-0034

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY,  
APPROVING THE JULY 2023 LEGISLATIVE REPORT.

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

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

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

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

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

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves the July 2023 Legislative Report (“Attachment A”); and

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

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

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

**July 2023 Legislative Report**

**State Legislation**

**New Assembly Bills**

None

\*Shaded text represents new or updated legislative information

## **Assembly Bills from Previous Report**

### **Legislation/Topic**

AB 893 (Papan): Personal vehicle sharing programs

### **Background/Summary**

Current law generally governs the transactions between a rental car company, also referred to as a rental company, and its customers, including, among other provisions, required disclosures by a rental company, mandatory contract provisions for a vehicle rental agreement, restrictions on a rental company's use of electronic surveillance technology, and authorization for a rental company to collect specific types of fees and charges from its customers. Current law defines "rental company," among other terms, for purposes of those provisions. This bill would define the term "personal vehicle sharing program" for purposes of these provisions as a person or entity that, for monetary compensation, facilitates the rental of passenger vehicles to the public, including via a peer-to-peer internet website, application, or other platform, that connects a vehicle owner with a vehicle driver to facilitate sharing or renting a vehicle for consideration.

### **Anticipated Impact/Discussion**

This bill would require personal vehicle sharing programs at the Airport to collect the same facility charges collected by rental companies that are used to pay off the government debt associated with airport infrastructure. The California Airports Council is also supportive of the portion of the bill requiring personal vehicle sharing programs to register before operating at airports but is also working to ensure that this bill does not supersede any existing agreements.

**Status:** 06/12/2023 – Set for hearing on June 27 at Senate Judiciary Committee

**Position:** Support (05/04/2023)

\*Shaded text represents new or updated legislative information

**Legislation/Topic**

AB 929 (McKinnor): Alcoholic Beverage Licenses: off-sale privileges: airports

**Background/Summary**

AB 929 would authorize an airport operator to permit or prohibit the sale of alcoholic beverages for off-sale consumption by the holder of an on-sale license located in an airport terminal. The bill would authorize the on-sale licensee to sell alcoholic beverages for off-sale consumption in the airport terminal subject to specified requirements, including that the license permits on-sale consumption of the type of alcohol being sold for off-sale consumption. Additionally, the measure would require the licensee to notify the Department of Alcoholic Beverage Control (DABC) before selling any alcoholic beverages for off-sale consumption in the airport terminal. This bill would also authorize DABC to impose conditions on a licensee selling alcoholic beverages under these provisions.

**Anticipated Impact/Discussion**

This bill would provide the Airport Authority with flexibility to place health and safety restrictions on the off-sale consumption of alcoholic beverages within the airport terminal, including, but not limited to, defining the areas of the terminal within which off-sale consumption is permitted and requiring alcoholic beverages sold for off-sale consumption to be in closed or open containers. Authority staff have contributed to the development of the bill's text and the Authority's legislative team will work with the California Airports Council (CAC) to closely monitor the development of this bill language as it proceeds through the legislative process.

**Status:** 2/28/2023 – Failed to meet policy committee deadline, two-year bill may be acted upon in January 2024

**Position:** Support (03/02/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

AB 534 (McCarty): Local agencies: airports: customer facility charges

## **Background/Summary**

AB 534 would authorize airports to require rental companies to collect a customer facility charge or an alternative customer facility charge under specified circumstances for purposes that include financing, designing, and constructing or operating airport vehicle rental facilities and common-use transportation systems. Current law, beginning January 1, 2024, provides that the authorization for an airport to impose a customer facility charge becomes inoperative when the bonds used for financing are paid, except as specified. This bill would delete the provision ending the authorization described above.

## **Anticipated Impact/Discussion**

This bill would eliminate the sunset date for airports to commence the process to impose the alternative daily rental car facility Customer Facility Charge (CFC). This sunset date functions as an artificial deadline and does not allow California airports to begin the process to impose the fee at a time that matches the growth and development experience of the airport nor the aging and deterioration of existing facilities that are in need of replacement. The bill would also allow the Airport Authority to continue to collect the CFC after the Rental Car Center bonds are fully paid, which will allow CFCs to continue to fund the operation of the Rental Car Center and passenger conveyance after that point. The Authority's legislative team will work with the California Airports Council (CAC) to closely monitor the development of this bill language for any additional impacts on San Diego International Airport (SDIA) and the Airport Authority.

**Status:** 06/20/2023 – Passed Senate Committee on Judiciary by vote of 11 to 0

**Position:** Support (03/02/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

AB 480 (Ting): Surplus land

## **Background/Summary**

AB 480 would expand the definition of exempt surplus land to include land that is owned by a California public-use airport on which residential use is prohibited. This bill clarifies that exemption pursuant to Federal Aviation Administration Order 5190.6B, Airport Compliance Program, and Chapter 20 of Compatible Land Use and Airspace Protection. Additionally, the bill also makes definitional changes with respect to project criteria, project applicant eligibility along with several other non-substantive changes.

## **Anticipated Impact/Discussion**

This bill includes an exemption of land owned by California public-use airports on which residential use is prohibited pursuant to specified federal law. In consultation with the California Airports Council (CAC) and other stakeholders, Assemblymember Phil Ting has introduced AB 480 to provide clarification to several provisions from his original surplus land bill, AB 1486 Chaptered in 2019, among them is to expand the definition of exempted surplus property to include California public-use airport lands. The Authority's legislative team will work with the California Airports Council (CAC) to identify an industry-wide position, if needed, and closely monitor the development of this bill language for any additional impacts on San Diego International Airport (SDIA) and the Airport Authority.

**Status:** 06/15/2023 – Referred to Senate Governance and Finance Committee

**Position:** Support (03/02/2023)

\*Shaded text represents new or updated legislative information

**New Senate Bills**

None

\*Shaded text represents new or updated legislative information

**Senate Bills from Previous Report**  
**Legislation/Topic**

SB 800 (Caballero): Advanced Air Mobility and Aviation Electrification Committee

**Background/Summary**

SB 800 would require the Department of Transportation, in coordination with the Office of Planning and Research and the State Air Resources Board, to establish an advisory committee, to be known as the Advance Air Mobility and Aviation Electrification Committee, to assess, among other things, pathways for feasible implementation of electrification goals for the aviation industry. The bill would provide for the appointment of the membership of the committee. The bill would require the committee to report, not later than January 1, 2025, to the department and the Legislature on the committee's findings and recommendations.

**Anticipated Impact/Discussion**

This bill aims to establish a committee to develop a statewide strategy to support the advancement of air mobility and aviation electrification in California and could encourage innovation in the aviation industry. This bill enhances aviation electrification and could lead to a reduction in emissions and improve air quality around the Airport.

**Status:** 06/19/2023 – Set for hearing on June 26 at Assembly Transportation Committee

**Position:** Support (05/04/2023)

\*Shaded text represents new or updated legislative information

**Federal Legislation**

**New House Bills**

None

\*Shaded text represents new or updated legislative information

## **House Bills from Previous Report**

### **Legislation/Topic**

H.R. 458 (Cohen): The Transportation Security Administration (TSA) Second Screening Act

### **Background/Summary**

The bill would require the Transportation Security Administration (TSA) to offer passengers a second screening using advanced imaging technology instead of a mandatory physical pat-down. It aims to limit physical interaction between agents and passengers to protect their privacy and screening preferences. It will additionally increase health and safety from diseases like COVID-19.

### **Anticipated Impact/Discussion**

The San Diego International Airport prioritizes safety concerns and the privacy of their passengers. An option for additional screening instead of a pat-down would help passengers feel safer and prevent the spread of communicable diseases. It would also prevent passengers who may feel uncomfortable with being touched from undergoing an unnecessary physical search. However, security wait times could also be affected by the increased screenings.

**Status:** 02/08/2023 – Referred to the Subcommittee on Transportation and Maritime Security

**Position:** Watch (04/06/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

H.R. 346 (Stauber): The NOTAM Improvement Act

## **Background/Summary**

The bill aims to enhance the Notice to Air Missions (NOTAM) system for pilots. It would establish a Federal Aviation Administration (FAA) task force to determine what updates should be made to the NOTAM system and provide greater government oversight. These improvements will focus on stability, resiliency, and cybersecurity protections of the system.

## **Anticipated Impact/Discussion**

San Diego International Airport relies on the NOTAM system to receive updates about situations relating to weather, infrastructure, ground conditions or anything else that may affect the safety of flight. Optimizing NOTAM would ensure safer flight routes and help prevent mass system shutdowns. The Authority's legislative team will closely monitor the development of this bill language for any impact on San Diego International Airport (SDIA) and the Airport Authority.

**Status:** 06/03/2023 – Became Public Law No: 118-4

**Position:** Watch (02/02/2023)

\*Shaded text represents new or updated legislative information

**New Senate Bills**

None

\*Shaded text represents new or updated legislative information

## **Senate Bills from Previous Report**

### **Legislation/Topic**

S.66 (Klobuchar): NOTAM Improvement Act

### **Background/Summary**

The bill would require the Federal Aviation Administration (FAA) to establish a task force to strengthen the resiliency and cybersecurity of the Notice to Air Missions (NOTAM) system. The task force would include representatives from air carriers, airports, airline pilots, aircraft dispatchers, and FAA personnel unions, as well as aviation safety and cybersecurity experts. It is the companion legislation to H.R. 346 which was introduced by Rep. Stauber.

### **Anticipated Impact/Discussion**

San Diego International Airport relies on the NOTAM system to receive updates about situations relating to weather, infrastructure, ground conditions or anything else that may affect the safety of flight. Modernizing NOTAM would ensure safer flight routes and help prevent mass system shutdowns or collisions. The task force would additionally assist with improving government oversight and cybersecurity.

**Status:** 03/22/2023 – Reported favorably out of the Commerce, Science, and Transportation Committee

**Position:** Watch (04/06/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

S.1033 (Schatz): Natural Hazard Resilience for Airports Act

## **Background/Summary**

This bill would ensure that airport projects pertaining to emergency preparedness and natural disasters will be able to receive financing from the Federal Aviation Administration's Airport Improvement Program (AIP). The legislation intends to help airports recover rapidly from storm damage by allowing them to use current Airport Improvement Program funds to prepare for and rebuild after severe weather events.

## **Anticipated Impact/Discussion**

The San Diego International Airport is situated in a region susceptible to severe weather events and would benefit from the expansion of eligible uses of AIP funding. Ensuring that projects related to emergency preparedness and natural disasters would become eligible for AIP funding will benefit the Airport should SAN undertake additional projects to mitigate impacts and harm from severe weather and natural disasters.

**Status:** 03/29/2023 – Read twice and referred to the Commerce, Science, and Transportation Committee

**Position:** Support (05/04/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

S.1055 (Markey) / H.R. 3896 (Cohen): The Airport Infrastructure Resilience Act

## **Background/Summary**

The bill would require the Secretary of Transportation to establish a pilot program to provide airports with funds to increase their climate resilience and ensure airports are prepared to respond to climate change, extreme weather events, and natural disasters.

## **Anticipated Impact/Discussion**

The San Diego International Airport is situated in a location that could be subject to impacts of climate change, severe weather, and natural disasters. This bill would create funds for resilient aviation systems equipped to respond to climate impacts.

**Status:** 03/29/2023 – Read twice and referred to the Commerce, Science, and Transportation Committee

**Position:** Support (05/04/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

S.1058 (Reed): the Protection from Abusive Passengers Act

## **Background/Summary**

This bill would have the TSA create and manage a program to prevent abusive passengers from flying on commercial aircraft. The passengers added to banned fliers list will consist of people who have been convicted of or have received civil penalties for threatening or physical or sexually assaulting aircraft crew members, Federal airport employees and air carrier employees. The bill would provide TSA with flexibility in determining the length of a ban based on the offense and would enable airlines to share data on passengers added to the banned fliers list. The bill is the companion legislation to H.R.2394 sponsored by Rep. Swalwell.

## **Anticipated Impact/Discussion**

The San Diego International Airport would benefit from a nationwide no-fly list to ensure the safety of airport employees and the safety of the airport's environment. If passed, the bill would impact passengers previously convicted or fined for airplane travel incidents and ban them from commercial air travel in the United States.

**Status:** 03/29/2023 – Read twice and referred to the Commerce, Science, and Transportation Committee

**Position:** Support (05/04/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

S.1154 (Peters): Promoting Women in Aviation Act

## **Background/Summary**

This bill would make the Women in Aviation Advisory Board, which was formed in the 2018 FAA Reauthorization bill, a permanent body in the Federal Aviation Administration. In March 2022, the advisory board formed and released a report with recommendations for the FAA, aviation industry, and Congress on how to encourage more women to pursue careers in aviation and remain in the sector but was unable to follow up on the recommendation laid out in the report. Thus, the bill will allow the Board to follow up recommendations.

## **Anticipated Impact/Discussion**

The San Diego International Airport supports the efforts to improve recruitment, retention, and advancement of women across the aviation industry. The work of the Women in Aviation Advisory Board to follow up on its recommendations will support and strengthen the aviation workforce and promote the growth of women in the aviation industry.

**Status:** 03/30/2023 – Read twice and referred to the Commerce, Science, and Transportation Committee

**Position:** Support (05/04/2023)

\*Shaded text represents new or updated legislative information

## **Legislation/Topic**

S.1433 (Lummis): Airports PFAS Liability Protection Act

## **Background/Summary**

This bill would exempt airports from liability under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980 for the release of certain per- and polyfluoroalkyl substances (PFAS) substances. The Environmental Protection Agency (EPA) has designated PFAS as hazardous materials and substances under CERCLA, which would open airports, which were required by federal law to use PFAS-contaminated firefighting foam at airports, to CERCLA liability by the EPA or third parties. Thus, the bill will allow airports to have CERCLA liability protection.

## **Anticipated Impact/Discussion**

The San Diego International Airport supports efforts of the aviation industry to transition away from the use of fluorine firefighting foam containing PFAS, as regulated under federal law. The designation of PFAS as hazardous materials under CERCLA could subject the airport to liability claims. The legislation would protect the airport from CERCLA liability claims and recognize that the use of PFAS at airports was due to the airport's compliance with federal fire suppression regulations.

**Status:** 05/03/2023 – Read twice and referred to the Environment and Public Works Committee

**Position:** Support (06/01/2023)

\*Shaded text represents new or updated legislative information

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve Appointments to the Arts Advisory Committee**

### Recommendation:

Adopt Resolution No. 2023-0044, approving the appointment of Clare Haggarty, Matt Rich, and Cat Chiu Phillips to the Arts Advisory Committee.

### Background/Justification:

Under Authority Policy 8.50, the Arts Advisory Committee (AAC) is comprised of seven voting members and no more than three ex-officio, non-voting members. Appointments to AAC are completed as follows:

- Six voting members who are Arts Professionals or Design Professionals
  - At least two of the six members shall be practicing Artists
  - At least one of the six members shall be actively involved in the performing arts
  - At least one of the six shall be active in building design, architecture or operational engineering
  - At least two of the six members shall reside outside of San Diego County
- One voting member who serves as the Board Representative
- Up to three ex-officio, non-voting Authority staff members whose departments work closely with the Airport Arts Program as determined by the President/CEO

The process to appoint members to the AAC is as follows:

- The President/CEO shall recommend six individuals who are Art and Design Professionals to serve as voting members of the AAC, subject to appointment by the Board
- The President/CEO shall review interested candidates' qualifications and make recommendations to the Board as follows:
  - Solicit and review qualifications submitted by AAC, staff and interested professionals in the field of design, visual art, performing arts, and literary arts annually or as needed
  - Conduct interviews as needed

Terms of membership are defined as follows:

- Voting members of the AAC shall be recommended by the President/CEO for appointment by the Board for a term of three years, and no member may serve more than two consecutive terms. Should a member serve a partial term less than one-and-a-half years to complete the non-expired term of a prior member, such partial term shall not be included for purposes of the maximum service of two consecutive terms. Partial terms equal to or exceeding one-and-a-half years shall count as a full term. Ex-officio members of the AAC shall be appointed by the President/CEO without a term limit.

## APPOINTMENT OF CLARE HAGGARTY, MATT RICH, AND CAT CHIU PHILLIPS

The President/CEO recommends that Clare Haggarty be appointed to the AAC as an Arts and Design Professional who is active in building design, architecture or operational engineering and resides outside San Diego County. The seat was previously held by Carmen Vann, who is unable to complete her term. Appointment would be from July 2023 – June 2026.

The President/CEO recommends that Matt Rich and Cat Chiu Phillips be appointed to the AAC as Arts and Design Professionals that are practicing artists. These seats were previously held by Jennifer Easton and Cristina Scorza, who both completed two consecutive terms and are therefore ineligible for reappointment. Appointment for Matt Rich would be from July 2023 – June 2026. Appointment for Cat Chiu Phillips would be from July 2023 – June 2025.

Clare Haggarty is the Director for Public Arts and Design at the Los Angeles County Metropolitan Transportation Authority (Metro). The Metro Arts and Design group produces innovative, award-winning visual art and integrated design as well as performing arts programming that encourages ridership and connects people, sites and neighborhoods throughout Los Angeles County. Previously she was the Deputy Director of Collections for the Los Angeles County Department of Arts & Culture, Civic Art Division. Haggarty has a History of Art degree from the University of Glasgow in Scotland and a graduate degree in Curatorial Practice from California College of the Arts in San Francisco, CA.

Matt Rich is the Assistant Professor of Visual Arts at the University of San Diego. He received an MFA from the School of the Art Institute of Chicago, a BA from Brown University, and attended the Skowhegan School of Painting and Sculpture. Rich's work has been exhibited at the Museum of Contemporary Art San Diego, Institute of Contemporary Art Boston, BravinLee Programs in New York City, VOLTA NYC and VOLTA Basel, DODGEGallery in New York City, Kemper Museum of Contemporary Art in Kansas City, and Columbus College of Art + Design, among other venues.

Cat Chiu Phillips creates large-scale installation and public art projects in public spaces often using traditional handicraft methods. Phillips has received national and international public art commissions, is in the permanent collection of the City of San Diego and City of Redmond, ICA San Diego and has accolades from California Arts Council's Establish Fellowship, National Endowment for the Arts. Phillips received her MFA in New Genre from San Francisco Art Institute and has been an educator in the public schools for over 20 years as well as an Adjunct Professor.

## Fiscal Impact:

No fiscal impact.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## 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.

C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

Not applicable.

# Staff Report

Meeting Date: July 13, 2023

Page 4 of 4

## Prepared by:

Katie Norman  
Manager, Arts Program

RESOLUTION NO. 2023-0044

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING THE APPOINTMENTS OF CLARE HAGGARTY, MATT RICH, AND CAT CHIU PHILLIPS TO THE ARTS ADVISORY COMMITTEE.

**WHEREAS**, the operations, procedures and activities of the Board's Committees, and the Authority are guided by, among other things, the Authorities Policies and Codes; and

**WHEREAS**, the Board adopted Policy 8.50, entitled Policy for the Airport Authority Arts Program, which governs the appointment of Arts Advisory Committee ("AAC") members; and

**WHEREAS**, Authority Policy 8.50 states that the AAC will be comprised of:

- Six voting members who are Arts Professionals or Design Professionals
  - At least two of the six members shall be practicing Artists
  - At least one of the six members shall be actively involved in the performing arts
  - At least one of the six shall be active in building design, architecture or operational engineering
  - At least two of the six members shall reside outside of San Diego County; and

**WHEREAS**, the AAC is advisory in nature and is comprised of Authority staff and arts and design professionals who reside within San Diego County and outside of San Diego County who provide expert advice regarding opportunities for integrating public artwork into the Airport, identifying eligible and qualified artists for creation of specific artworks, maintaining and conserving displayed public artworks, deaccessioning public artworks and determining eligibility and qualifications for temporary and rotating art exhibits; and

**WHEREAS**, Clare Haggerty qualifies as one of six art arts/design professionals, and who qualifies for a full term; and

WHEREAS, Matt Rich qualifies as one of the six arts/design professionals, and who qualifies for a full term; and

WHEREAS, Cat Chiu Phillips qualifies as one of six arts/design professionals, and who qualifies for a term from July 2023 to June 2025.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves the appointment of Clare Haggarty, Matt Rich, and Cat Chiu Phillips to the Airport Art Advisory Committee for the terms indicated on "Attachment A;" and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Attachment A

### Arts Advisory Committee

Current Committee Members      Total length of Term      Beginning of Term      End of Term

Matt Rich Arts/Design Professional (Practicing Artist)	3 Years (1 <sup>st</sup> Term)	July 1 <sup>st</sup> , 2023	June 30, 2026
Clare Haggarty Arts/Design Professional (Active in Building Design & Architecture or Operational Engineering) (Outside San Diego County Resident)	3 Years (1 <sup>st</sup> Term)	July 1 <sup>st</sup> , 2023	June 30, 2026
Ethan van Thillo Arts/Design Professional (Involved in Performing Arts) (Practicing Artist)	3 years (1 <sup>st</sup> Term)	July 1 <sup>st</sup> , 2021	June 30, 2024
Jerome Fontamillas Arts/Design Professional (Outside San Diego County Resident) (Involved in Performing Arts) (Practicing Artist)	3 years (1 <sup>st</sup> Term)	July 1 <sup>st</sup> , 2021	June 30, 2024
Cat Chiu Phillips Arts/Design Professional (Practicing Artist)	(Partial Term)	July 13 <sup>th</sup> , 2023	June 30 <sup>th</sup> , 2025
Robert H. Gleason, Arts/Design Professional (Chair)	3 years (2 <sup>nd</sup> Term)	July 1 <sup>st</sup> , 2022	June 30 <sup>th</sup> , 2025
Mary Casillas Salas Authority Board Representative	At Board Chair's discretion	n/a	n/a
Bob Bolton – Authority Staff (Ex-Officio Member)	At President/CEO's discretion	n/a	n/a
Jon Graves – Authority Staff (Ex-Officio Member)	At President/CEO's discretion	n/a	n/a

Revised 7-12-2023

Item No. 6

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve Amendments to the Airport Authority's Records and Information Management Program and Records Retention Schedule.**

**Recommendation:**

Adopt Resolution No. 2023-0048, approving amendments to the Authority's Records and Information Management Program and Records Retention Schedule.

**Background/Justification:**

Authority Policy 8.60 – Records and Information Management, establishes the Authority policy for identifying, receiving, retaining, storing, protecting, and disposing of the records of the San Diego County Regional Airport Authority.

Authority Policy 8.60 (1) requires Authority staff to oversee the development of the Authority's records retention policy.

Section 8.60 (1)(a), (b) and (c) requires the Authority to retain records for at least the minimum time required by applicable federal and state laws; that each record is available and easily accessible for legal, historical, fiscal, or administrative purposes; and that records are efficiently managed and discarded according to the adopted retention schedules.

Section 8.60 (3) requires a regular review, no less than biennially, of the Authority Retention Policy. As part of the review, staff researched federal, state, and local codes and guidelines to determine if the approved records retention schedules meet current legal and business use requirements.

The purpose of the Records and Information Management Program is to provide for the proper and efficient management of the records and information of the San Diego County Regional Airport Authority.

Meeting Date: July 13, 2023

The Records and Information Management Program and the Authority's Records Retention Schedule were originally approved by the Board on May 2, 2005. On April 4, 2019, the Board adopted amendments to the Authority's Records and Information Management Program and Records Retention Schedule.

Due to changing business processes and to comply with the current policy, the Records and Information Management Program and Records Retention Schedule were reviewed and updated to comply with and address legal, fiscal, and administrative needs.

Staff consulted with each department's director, manager, and records coordinator to determine if the current retention schedule reflects the current fiscal, administrative, and historical requirements. Changes to the retention schedule are recommended based on current needs and requirements. Examples of proposed changes include the addition of new record series due to the establishment of new programs, processes, or re-classifications of existing record series; deletion of outdated series that are not being used or no longer in existence; revised retention periods due to changes in operations or regulatory requirements; and revised record series descriptions to reflect the record type more accurately.

The draft revised retention schedule was reviewed and approved by department directors and the General Counsel.

### Fiscal Impact:

Not applicable.

### Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

#### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

#### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## 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.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

Not applicable.

## Prepared by:

Tony R. Russell, Director  
Board Services/Authority Clerk

RESOLUTION NO. 2023-0048

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY,  
APPROVING AMENDMENTS TO THE AUTHORITY'S  
RECORDS AND INFORMATION MANAGEMENT  
PROGRAM AND RECORDS RETENTION SCHEDULE

**WHEREAS**, Authority Policy 8.60 - Records and Information Management establishes the Authority policy for identifying, receiving, retaining, storing, protecting and disposing of records of the San Diego County Regional Airport Authority; and

**WHEREAS**, Authority Policy 8.60 (1) requires Authority staff to oversee the development of a records retention policy that shall apply to the Authority and all of its departments; and

**WHEREAS**, the Board originally adopted the Authority's Records and Information Management Program and Records Retention Schedule on May 5, 2005, which was last amended on April 4, 2019; and

**WHEREAS**, staff has researched and reviewed local, state, and federal codes, guidelines and best practices in preparing the proposed retention schedule; and

**WHEREAS**, staff recommends that the Board amend the Records and Information Management Program and Records Retention Schedule to reflect the Authority's current operations.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves the amendments to the Authority's Records and Information Management Program (Attachment A) and Records Retention Schedule (Attachment B); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and

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

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## RECORDS AND INFORMATION MANAGEMENT PROGRAM

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### SECTION 1. Purpose.

The Records and Information Management Program ("The Program") ~~is~~ ~~to~~ provid~~s~~ for the proper and efficient management of the records and information of the San Diego County Regional Airport Authority.

### SECTION 2. Definitions.

a. "Assistant Authority Clerk II/Records Manager" means the designated individual responsible for implementing and managing the Program.

a.b. "Authority" means the San Diego County Regional Airport Authority.

b.c. "Active Record" means a record that continues to be used with sufficient frequency to justify keeping the record in the office of creation.

c.d. "Board" means the Board of the San Diego County Regional Airport Authority, consisting of nine members selected by diverse appointing authorities in the San Diego region, ~~and that is~~ responsible for setting policies related to airport operations and the future air transportation planning needs of the region.

d.e. "Director/Clerk" means the Director, Board Services/Authority Clerk, ~~head of an Authority department that oversees the Records and Information Management Program and/or staff of that functional area.~~

~~e. "Records Manager" means the designated individual responsible for implementing the Program.~~

f. "Disposition" means allocating public records to a particular location according to their categorization or for destruction.

## ATTACHMENT A

- g. “Functional Filing System” is a logical and systematic structure, into which records are arranged and stored to facilitate efficient retrieval and disposal of records.
- h. “Inactive Records” means a record that is no longer used in the day-to-day course of business but must be preserved until the end of its retention period. Inactive records are often stored at an offsite records center or on near line or offline media. They may either be destroyed according to established procedures, or they may be transferred to an archival repository for permanent retention.
- i. “Public Record” includes any writing containing information relating to the conduct of the public’s business prepared, owned, used, or retained by the Authority, regardless of physical form or characteristic. It does not include the records exempt from disclosure by express provisions of the law.
- j. “Public Records Request” means a formal request under the California Public Records Act for records held by a public entity. A request may be made in writing or orally. The request may be mailed, emailed, faxed, or personally delivered.
- k. “Records Center” means a contracted or Authority operated central repository for housing inactive records until they have met their specific retention requirement.
- ~~k.l.~~ l. A “Record” shall mean any recorded information, regardless of medium or characteristics, that has been created or received by the Authority and that has been or is used in the accomplishment of work, as evidence of its activities or because of the information contained therein.
- ~~l.m.~~ m. “Records and Information Management” means the systematic control of the creation, acquisition, processing, use, protection, storage and final disposition of all records and information, including the establishment and maintenance of a system of filing, indexing, storing, preserving, and disposing.

## ATTACHMENT A

m:n. "Retention Schedule" means that portion of the Records and Information Management Program approved by the Authority by resolution, describing records and information maintained by the Authority departments and specifying, in accordance with statutory requirements or evaluation, the period of time which must elapse before disposition may be made of the body records.

### SECTION 3. Ownership of Records and Information

All records and information shall be the property of the Authority and shall not be stored in any unauthorized locations. Outgoing officers, employees, and consultants shall deliver all Authority-owned records and information to their successors.

### SECTION 4. Responsibilities; Adoption

- a. Board: The responsibility for approving the policy for the management of the records and information of the Authority rests with the Board ~~of the Authority~~.
- b. Officers, employees, and consultants: It shall be the duty of each officer, employee, and consultant of the Authority to protect, preserve, store, transfer, destroy or otherwise dispose of, use, and manage Authority records and information only in accordance with applicable federal, state, or local law, including this Program and such rules as may be promulgated or approved by the Authority.
- c. Director/Clerk: It shall be the responsibility of the Director/Clerk or their delegate, to ensure the correct and efficient management of the Program for the Authority.
- d. Assistant Authority Clerk II/Records Manager: It shall be the responsibility of the Assistant Authority Clerk II/Records Manager to implement and manage the Program to instruct, enable and ensure all Authority staff are maintaining records in compliance with all legal and government codes.

## ATTACHMENT A

- e. General Counsel: It shall be the responsibility of the General Counsel to review ~~p~~Public ~~r~~Records ~~r~~Requests, the ~~m~~aster ~~r~~Retention ~~s~~Schedule and records destruction requests to ensure that legal requirements are met.
- f. Departments: Each Authority Department shall work with the Assistant Authority Clerk II/Records Manager to establish and maintain an active and efficient records and information management process for managing the departments' records and information. ~~program.~~

### SECTION 5. Records Maintenance/Storage

- a. Paper Records: All records retained in hardcopy, must be stored in a manner where the records are secure and safe from damage. Active records stored onsite should be filed according to the Functional Filing System and easily accessible to general staff. ~~Archived Inactive~~ records stored offsite shall ~~ould~~ be clearly indexed and inventories, stored at ~~the a~~ pre-determined Records Center facility that meets recommended standards and be easily retrieved when needed by staff.
- b. Electronic Records: Electronic versions must meet the imaging standards recommended by the American National Standards Institute or the Association for Information and Image Management for recording of permanent or nonpermanent records (i.e. have image quality as good as or better than hardcopy original, be saved in a non-editable format, OCR'd, follow same retention and destruction ~~process~~ ves as paper versions, and be accessible for public reference). Electronic Records must also be stored in a trusted system as defined in California state regulations. If the required guidelines are met, ~~official r~~Records may be exclusively retained in electronic format. All records stored electronically must not be stored in any unauthorized locations, such as unapproved removal storage devices or third-party cloud-based services.

## ATTACHMENT A

### SECTION 6. Records Destruction

- a. The Board ~~of the Authority~~ hereby grants Division Vice Presidents and Directors, who are custodians of records and information for their division or department, authority to destroy records and information according to established retention periods, when the correct procedure for records destruction is followed.
- b. Requests for the destruction of ~~official~~ records in accordance with established retention schedules shall be forwarded to the Assistant Authority Clerk II/Records Manager, Director, Vice President or Sr. Director and General Counsel for approval. ~~The Board will receive written notification of destructions.~~
- c. At a minimum, destruction of ~~i~~nactive ~~r~~Records shall occur annually in accordance with the Retention Schedule.
- d. Paper to electronic records conversion: Aside from the provisions listed above, under the direction of the Assistant Authority Clerk II/Records Manager, and/or Authority staff, having custody of records and information, regardless of the age of the records and information, may, without approval of the Board ~~of the Authority~~ or the written consent of the General Counsel, destroy any or all of such records and information in paper form if the conditions listed in Section 5, paragraph b are met.

### SECTION 7. Inspection of Public Records

The California Public Records Act, Government Codes Sections ~~6250-6270~~ 7920-7930.215, requires state and local government agencies to disclose non-exempt public records to the public upon request. Therefore, the terms of the California Public Records Act are hereby incorporated by reference and constitute the Public Records Request Policy of the Authority.

**Attachment B**



**RETENTION CODES**

AU = Audit	CY = <del>Current</del> Calendar Year	FY = Fiscal Year
CL = Closed/Completed	PE = Permanent	
EX = Expired	SU = Superseded	
LIFE = Full term of position or life of asset	TE = <del>Terminated</del> /Term End	

Destruction of any official record listed herein must be authorized by the CEO or designee, (Gov. Code 60200-60204); Records maintained by Aviation Security & Public Safety are purged pursuant to TSA directives (14 CFR Part 139, 49 CFR Part 1520 and 49 CFR Part 1542) (hereinafter referred to as "Purged pursuant to FAA and/or TSA directives")

**Record** = ~~Recorded information, regardless of medium or characteristics, made or received by the Authority that is evidence of its operations and has value requiring its~~ Includes any writing containing information relating to the conduct of the public's business prepared, owned, used or retained by any state or local agency regardless of physical form or characteristics, as defined by Government Code Section 7920.530.

**Non-Record** = ~~Material not included within the definition of records, such as unofficial copies of documents kept only for convenience or reference, working papers,~~ Anything that does not meet the definition of a record.

Revised July 7, 2023

CATEGORY CODE	RECORD TYPE DESCRIPTION	OFFICE OF RECORD	RETENTION	MEDIA (PAPER/ELECTRONIC/BOTH)	SENSITIVE	VITAL	CITATION
0105-05	<b>Correspondence</b> - General correspondence, such as departmental memos, letters, and e-mail that do not fall under another records category.	Authority Department	CY + 2	Both			GC 34090 <del>PUC 170046</del> GC 60201
0105-06	<b>President-CEO Correspondence</b> - Correspondence received or sent by the President/CEO.	Executive Office	CY + 5	Electronic	X		GC 34090 GC 60201
0105-25	<b>Reception Log Books</b> - Includes but is not limited to visitors, delivery, incoming FedEx, etc. logs and USPS Firm Mailing Book for Accountable Mail.	<del>Talent, Culture &amp; Capability</del> Human Resources	CY + 2	Paper			GC 34090 GC 60201
0105-40	<b>Professional Associations</b> - Agendas, minutes and general information for various professional organizations.	Authority Department	CY + 2	Both			GC 34090 GC 60201
0105-50	<b>Departmental Policies Processes and Procedures</b> - Specific departmental instructions, <del>policies</del> processes and procedures.	Authority Department	SU +2	Both			GC 34090 GC 60201
0105-60	<b>Project Files</b> - Documents related to departmental projects that do not fall under another record category.	Department	CL + <del>5</del> 2	Both			GC 34090 GC 60201
0105-65	<b>Ad Hoc Work Group and Task Force Records</b> - Records documenting the work of internal work groups, task forces, and committees. Records include but are not limited to: agendas, meeting notes, correspondence, plans, schedules, and reports.	Authority Department	CY + 2	Both			GC 34090 GC 60201
0125-05	<b>Records and Information Management Program Procedures</b> - Standard processes and procedures that Authority departments should follow to comply with the Board approved Records and Information Management Program.	<del>Records &amp; Information Management</del> Board Services	SU +2	Electronic			<del>GC 6253</del> SDCRAA Policy 8.60 GC 34090 GC 60201
0125-15	<b>Records Destruction Authorization Forms</b> - Includes the signed inventory of records and the certificate of destruction.	<del>Records &amp; Information Management</del> Board Services	PE	Electronic			GC 34090 GC 6020 <del>2</del> 1
0125-20	<b>Records Retention Schedule</b> - A list of all records created and maintained by the Authority in the normal course of business.	<del>Records &amp; Information Management</del> Board Services	SU + 2	Electronic			GC 34090 GC 60203
0125-25	<b>Compliance Reviews</b> - <del>Include department final reports.</del> Audit of department's compliance with the Records and Information Management Program.	<del>Records &amp; Information Management</del> Board Services	<del>SU</del> CY + 2	Electronic			GC 34090 GC 60204

0125-30	<b>Public Records Requests</b> - Completed requests for information received from the public pursuant to the California Public Records Act	<del>Records &amp; Information Management Communications</del>	CY + 2	Electronic			GC <del>6253</del> 7920 GC 34090 GC 60201
0125-35	<b>ECMS Permissions Audit</b> - Approved annual audits of ECMS to ensure appropriate groups are attached and level of access is appropriate.	Board Services	CY + 3	Electronic			GC 34090 GC 60201
0135-06	<b>Customer Service Comments and Inquiries</b> - Customer inquiries, comments, and responses (paper comment cards discarded after data input).	Airside & Terminal Operations (Terminals) & Tenants	CY + 2	Electronic			GC 34090 GC 60201
0135-15	<b>Customer Service Project Files</b> - Contains information on special projects coordinated by Customer Service.	Airside & Terminal Operations (Terminals) & Tenants	CL + 2	Electronic			<del>ADA Title II, Section 35.107(b)</del> GC 34090 GC 60201
0135-20	<b>ADA Customer Service Projects, Assessments and Audits</b> - Records documenting compliance with the Americans with Disabilities Act and customer service initiatives and projects conducted to promote airport accessibility services and features in accordance with the Americans with Disabilities Act.	<del>Facilities Development</del> Airport Design & Construction	PE	Electronic			GC 34090 GC 60201 49 CFR 27.11(c)(2)(i)(3)
0135-22	<b>ADA Grievance</b> - Records documenting grievances filed on the Authority. May include but is not limited to: written grievances, appeals, and final responses or resolutions.	Airside & Terminal Operations (Terminals) & Tenants	CL + 3	Electronic			GC 34090 GC 60201 28 CFR 35.107(b)
0140-05	<b>Art Program Records</b> - Information pertaining to the Airport's art program administration, performing arts and cultural exhibits, annual art contests, <del>and Art Committee meetings (Artists' contracts maintained by Corporate Services Board Services)</del>	<del>Vision, Voice &amp; Engagement</del> Marketing, Arts & Air Service Development (Arts)	CY + 3	Both			GC 34090 GC 60201
0140-10	<b>Public Art Files</b> - Information pertaining to the Airport's permanent public art assets, as well as significant art proposals.	<del>Vision, Voice &amp; Engagement</del> Marketing, Arts & Air Service Development (Arts)	PE	Both			GC 34090 GC 60201
0145-10	<b>Part 23 ACDBE Program Records</b> - Includes annual reports, goal methodology, program plan, expenditures/revenue/sales information, site visit observations, written certification, audits, tax returns, capital account activity and balance, statement of gross receipts, statements of profits and losses, joint venture activity reports, financial documentation, promissory notes, loan documents, operating/sub-agreements, <del>concession plan</del> , and records related to prompt payment monitoring related to the ACDBE Program. (Managed in B2GNow and ECMS)	Revenue Generation & Partnership Development (Small Business Development)	CL + 5	Electronic	X		49 CFR Part 26
0145-20	<b>Part 26 DBE Program Records</b> - Includes annual reports, goal methodology, program plan, written certification, Commercial Useful Function reviews, job site visit observations, prime/joint venture/sub-agreements, Inclusionary outreach plans, change orders, termination and substitution documentation, and records related to prompt payment, contract compliance and monitoring of the DBE Program. <del>concession plan, and records related to prompt payment monitoring related to the DBE Program.</del> (Managed in B2GNow and ECMS)	Revenue Generation & Partnership Development (Small Business Development)	CL + 5	Electronic	X		49 CFR Part 23 49 CFR Part 26
0145-25	<b>Contract Tracking</b> - Records documenting the collection and tracking of contract compliance. Includes but is not limited to: prompt payment reporting, contract commitments, achievements, bidder lists, local participation, policy analysis, and correspondence.	Revenue Generation & Partnership Development (Small Business Development)	CL + 5	Electronic			<del>NC-174-227 Item 8</del> GC 34090 GC 60201

0145-30	<b>Education and Outreach Program Files</b> - Includes documents promoting local small business participation. May include but not limited to: costs, events, notifications, and correspondence.	Revenue Generation & Partnership Development (Small Business Development)	CY + 5	Electronic			49 CFR 26.51 10 CCR 2695.3
0145-35	<b>Bonding Program Contractor Files</b> - Documenting preliminary outreach efforts, business profiles and contracts to assist small business in obtaining and increasing bonding capacity. May include but not limited to: business financial documentation, business profiles, contracts, and correspondence.	Revenue Generation & Partnership Development (Small Business Development)	CL + 10 7	Both	X		GC 34090 GC 60201
0145-36	<b>Bonding Program Administrative Files</b> - Records documenting preliminary outreach efforts, tracking contractors enrolled in program who are currently bidding or have been awarded projects. May include but not limited to monthly activity reports, events, workshop flyers, and workshop RSVP lists.	Revenue Generation & Partnership Development (Small Business Development)	CY + 5	Both			49 CFR Part 23 49 CFR Part 26
0145-40	<b>DBE and ACDBE Certification</b> - Records documenting the certification and maintenance of firms. Includes but is not limited to: the initial certification application and supporting documentation, on-site reports, recommendations, any investigative reports pertaining to the original certification, documentation pertaining to business ownership or other business changes, determinations for certification as a disadvantaged business, and updates. (Managed in B2GNow and ECMS)	Revenue Generation & Partnership Development (Small Business Development)	Termination + 5	Both	X		49 CFR Part 23 49 CFR Part 26
0145-45	<b>Local Business Certifications</b> - Records documenting the certification and maintenance of firms. Includes but is not limited to: the certification application and affidavit, supporting documentation, special notes, audits, documentation of business changes, determinations for certification as a local business enterprise, and updates. (Managed in Planetbids and ECMS)	Revenue Generation & Partnership Development (Small Business Development)	CL + 5	Both	X		SDCRAA Policy 5.12 GC 34090 GC 60201
0145-55	<b>Complaints and Investigations</b> - Records documenting complaints, investigations, and audits. May include but not limited to: complaints, supporting documentation, DOT OIG audit visits, audit supportive documentation, and correspondence.	Revenue Generation & Partnership Development (Small Business Development)	CL + 5	Both	X		GC 34090 GC 60201 49 CFR Part 23 49 CFR Part 26
0201-05	<del><b>Air Quality Management Inspection and Incident Records</b> - Air quality management logs documenting the monthly inspection of equipment and associated permits, such as boilers and generators. Also includes records related to industrial hygiene.</del>	<del>Planning &amp; Environmental Affairs (Environmental)</del>	<del>CY + 10</del>	<del>???</del>			<del>17 CCR 95105- 40 CFR 98.3 (g)-(h)</del>
0201-10	<del><b>Air Quality Monitoring Records</b> - Air quality monitoring records including but not limited to: use data, manuals, maintenance and calibration records, procedures and logs.</del>	<del>Airport Planning &amp; Noise Mitigation</del>	<del>CY + 10</del>	Electronic		X	<del>17 CCR 95105 40 CFR 98.3 (g)-(h)</del>
0201-20	<b>Air Quality Management Plans and Reports</b> - Plans and reports documenting the air quality management activities conducted to comply with air quality standards and measures. Also includes reports related to industrial hygiene	Planning & Environmental Affairs (Environmental)	PE	Electronic			17 CCR § 95105 40 CFR § 98.3 (g)-(h)
0201-45	<del><b>Asbestos and Lead-based Paint Database</b> - Sample library to be used for identification and analysis. Includes but is not limited to: sample data and images</del>	<del>Planning &amp; Environmental Affairs (Environmental)</del>	<del>PE</del>	Electronic		X	<del>40 CFR 763.121</del>
0203-20	<b>Energy Management Plans and Reports</b> - Reports documenting the energy management activities conducted in support of its initiatives.	Planning & Environmental Affairs (Environmental)	PE	Electronic			GC 34090 GC 60201

0204-06	<b>Construction Files Inspection Records</b> - Records pertaining to environmental review during construction projects. <del>Includes but is not limited to: dates, findings, correspondence, images and final reports.</del>	Planning & Environmental Affairs (Environmental)	<del>CL</del> +5 CY + 10	Electronic			GC 34090 GC 60201
0204-10	<b>Environmental Hazards and Permits: Hazmat</b> - All environmental permits held by the Authority and all documents and records related to hazardous materials.	Planning & Environmental Affairs (Environmental)	PE	Both			CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973
0204-15	<b>Environmental Hazards and Permits: Industrial Hygiene</b> - Surveys and environmental monitoring results and reports held by the Authority related to Industrial Hygiene.	Planning & Environmental Affairs (Environmental)	PE	Both		X	17 CCR § 95105 40 CFR § 98.3(g)-(h)
0204-20	<b>Environmental Hazards and Permits: Site Assessment</b> - Records pertaining to the assessment of environmental pollutants on Airport property and any applicable clean-up efforts. Includes but is not limited to: investigations, logs, correspondence, sampling, analysis, and reports.	Planning & Environmental Affairs (Environmental)	PE	Both		X	CA Civ Proc 338(k), 338(l), 338.1; 42 USC 9612(d), 9613(g); 42 USC 9658; 33 USC 1251 et seq; 42 USC 6972, 6973
0204-25	<b>Environmental Hazards and Permits: Potable Water Quality Files</b> - All environmental monitoring and reports documenting potable water quality.	Planning & Environmental Affairs (Environmental)	CY + 10	Both		X	GC 34090 GC 60201
0204-26	<b>Environmental Hazards and Permits: Air Quality</b> - All environmental permits held by the Authority and all documents and records related to Air Quality.	Planning & Environmental Affairs (Environmental)	PE	Both		X	17 CCR § 95105 40 CFR § 98.3(g)-(h)
0204-30	<b>Environmental Affairs Project Files</b> - Documents and records related to activities initiated and managed by the Environmental Affairs Department which are unrelated to projects and activities outlined elsewhere.	Planning & Environmental Affairs (Environmental)	<del>CL</del> CY + 10	Electronic			GC 34090 GC 60201
0204-35	<b>Environmental Hazards and Permits: Water</b> - All environmental permits held by the Authority and all documents and records related to water. <del>All environmental permits held by the Authority and related documentation.</del>	Planning & Environmental Affairs (Environmental)	EX + 5 3	Both		X	40 CFR Section 122.41(j)(2) <del>GC 34090</del> <del>GC 60201</del>
0204-40	<b>Education and Outreach Program Files (Environmental)</b> - Environmental education and outreach documents, which includes but not limited to departmental announcements, event, trainings, and correspondence with internal and external stakeholders.	Planning & Environmental Affairs (Environmental)	CY + 5	Electronic			GC 34090 GC 60201
0204-45	<b>Climate Resilience Management Plans &amp; Reports</b> - reports documenting the climate resilience management activities conducted in support of its initiatives.	Planning & Environmental Affairs (Environmental)	PE	Electronic			GC 34090 GC 60201
0204-50	<b>Clean Transportation Management Plans &amp; Reports</b> - reports documenting the clean transportation management activities conducted in support of its initiatives	Planning & Environmental Affairs (Environmental)	PE	Electronic			GC 34090 GC 60201
0204-55	<b>Authority Sustainability Certifications</b> - reports documenting sustainability certifications related to Authority construction projects	Planning & Environmental Affairs (Environmental)	PE	Electronic			GC 34090 GC 60201
0207-05	<del><b>Waste Management Inspection and Incident Records</b> - Records pertaining to regularly-scheduled and incident-specific waste management inspections and audits. May include but is not limited to: samples and analysis, dates, findings, and correspondence.</del>	<del>Planning &amp; Environmental Affairs (Environmental)</del>	<del>CY + 10</del>	<del>Both</del>		<del>X</del>	<del>GC 34090</del> <del>GC 60201</del>
0207-06	<b>Hazardous Materials Inspection and Incident Records</b> - Records pertaining to regularly scheduled and incident-specific hazardous materials inspections and audits. Includes but is not limited to: tenant profile information, dates, findings, correspondence, and images.	Planning & Environmental Affairs (Environmental)	PE	Both			CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973

0207-10	<del>Waste Management Monitoring Records</del> —Waste management monitoring records.—Including but not limited to: disposal data, manuals, procedures, and logs.	Planning & Environmental Affairs (Environmental)	CY+5	Both		X	GC 34090 GC 60201
0207-20	<b>Waste Management Plans and Reports</b> - Plans and reports documenting the overall waste management program to be conducted by the Airport Authority.	Planning & Environmental Affairs (Environmental)	PE	Electronic			GC 34090 GC 60201
0207-30	<del>Site Assessment and Mitigation Case Files</del> —Records pertaining to the assessment of environmental pollutants on Airport property and any applicable clean-up efforts. Includes but is not limited to: investigations, logs, correspondence, sampling, analysis, and reports	Planning & Environmental Affairs (Environmental)	PE	???			<del>CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973</del>
0207-40	<b>Tenants Environmental Compliance</b> - Documents provided by Tenants pertaining to their compliance with environmental laws or regulations set by regulatory agencies or SDCRAA. <del>Tenants Environmental Exposure</del> —Documents provided by Tenants pertaining to their compliance with environmental laws or regulations enforced by external regulatory agencies.	Planning & Environmental Affairs (Environmental)	<del>Expiration</del> EX + 10	Electronic			GC 34090 GC 60201
0207-45	<b>Non Hazardous Waste Manifests</b> - Supporting documentation to the special waste haul contract invoices including shipping records documenting the chain of custody of contaminated (non-hazardous waste) soil and mixed debris generated and removed from airport property.	Planning & Environmental Affairs (Environmental)	CY + 2	Paper			GC 34090 GC 60201
0207-50	<b>Hazardous Waste Manifests</b> - Shipping record documenting the chain of custody of hazardous waste generated and removed from airport property, including e-waste disposal.	Planning & Environmental Affairs (Environmental)	CY + 5	Paper			CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972; 6973 22 CCR Section 66262.40
0208-05	<b>Water Stewardship Management Inspection and Incident Records</b> - Storm water and waste water management records pertaining to regularly scheduled and incident-specific inspections and audits. Includes but is not limited to: tenant profile information, dates, findings, correspondence, and images. Category also includes files documenting construction inspection activities related to storm water management. Beginning in 2012, these records are maintained in the SANTRACK db. <del>Storm water and waste water management records pertaining to regularly scheduled and incident-specific inspections and audits.—Includes but is not limited to: tenant profile information, dates, findings, correspondence, and images.—Beginning in 2012, these records are maintained in the SANTRACK db.</del>	Planning & Environmental Affairs (Environmental)	CY + 10	Electronic			40 CFR 122.21 40 CFR 122.41 40 CFR 122.44 40 CFR 403.12(o)(2) SWMP 7.10.3 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973
0208-10	<del>Water Management Monitoring Records</del> —Storm water and waste water sampling records pertaining to dry and wet weather monitoring and other monitoring requirements as needed.—Includes but is not limited to: samples and analysis	Planning & Environmental Affairs (Environmental)	CY+5	???			<del>40 CFR 122.21 40 CFR 122.41 40 CFR 122.44 40 CFR 403.12(o)(2) SWMP 7.10.3 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973</del>

0208-20	<b>Water Stewardship Management Plans and Reports</b> - Plans and reports documenting water use, storm water and waste water management activities. Annual reports include detailed information about findings, actions, and applicable supporting documentation. Category also includes storm water and waste water sampling records pertaining to dry and wet weather monitoring and other monitoring requirements as needed <del>reports documenting construction inspection activities related to storm water management.</del>	Planning & Environmental Affairs (Environmental)	PE	Electronic			40 CFR 122.21 40 CFR 122.41 40 CFR 122.44 40 CFR 403.12(o)(2) SWMP 7.10.3 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973
0209-05	<b>Pest Inspection Files</b> - Includes inspection and monitoring documentation related to pest management. These documents includes routine and ad-hoc inspections. These records are maintained in cartwrightsda.com. <del><b>Wildlife and Pest Management</b> - includes inspection and monitoring documentation. Includes but is not limited to: findings, correspondence, images, samples and analysis.</del>	Planning & Environmental Affairs (Environmental)	CY + 5	Electronic			GC 34090 GC 60201
0209-20	<b>Biodiversity Management Plans and Reports</b> - Includes plans, reports, and monitoring documentation. Includes but is not limited to: findings, correspondence, images, samples and analysis, and recommendations from wildlife and pest management assessments. <del><b>Wildlife and Pest Management Plans and Reports</b> - Plans and reports documenting findings, analysis and recommendations from wildlife and pest management monitoring activities and incident investigations.</del>	Planning & Environmental Affairs (Environmental)	PE SU	Electronic			GC 34090 GC 60201
0210-05	<b>Airport Security Program (ASP)</b> - Includes Procedures, Measures, Facilities and Equipment used to Comply with 49 CFR Part 1542 - Airport Security; includes Parts 1520 and 1540. Maintained by Aviation Security personnel. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	PE	Both	X	X	49 CFR 1542.103
0210-10	<b>Airport Security Program (ASP) Audit Program</b> - Employment history investigations. Maintained and disposed by Aviation Security personnel. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	180 days after terminate access authority	Electronic	X		49 CFR 1542.209(k)
0210-15	<b>Audits of Identification System</b> - Audits required under the ASP. Maintained and disposed by Aviation Security personnel. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	AU + 2	Both	X		49 CFR 1542.221
0210-20	<b>Airport Access Control Applicant Records</b> - Includes fingerprint application, employment history and finger-print based criminal history records check to comply with 49 CFR Part 1542.209. Maintained and disposed by Aviation Security personnel. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	(TE + 180 Days)	Both	X	X	49 CFR 1542.209(k)
0210-25	<b>Security Incidents</b> - Includes bomb threats, potential hijacking, sabotage, unauthorized access & other security breeches & violations. <del>Note: Series discontinued effective 2013</del>	Airside & Terminal Operations (Airside)	CY + 2	Paper	X		14 CFR 139.325
0210-30	<b>Security Management Files</b> - Records documenting TSA, law enforcement, and intelligence activities. Includes but is not limited to: TSA directives and circulars, law enforcement activity records and SOPs, and intelligence bulletins and assessments. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	SU + 5	Electronic	X		49 CFR 1520 49 CFR 1542 49 CFR 1542.221
0210-35	<b>Security Case Files</b> - Records documenting security violations. Includes but is not limited to: correspondence, reports, and video. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	CY + 30	Electronic	X		49 CFR 1520

0210-40	<b>AVSEC Data</b> - <del>Data transmitted to external stakeholders, such as TSA;</del> Access Control System Technical Documents, policies and procedures. <b>Purged pursuant to FAA and/or TSA directive.</b>	Aviation Security & <del>and</del> Public Safety	SU + 2	Electronic	X		49 CFR 1520
0210-45	<b>Aviation Security Programmatic Records</b> - Records documenting Authority security programmatic activities and technical documentation. Includes but is not limited to: departmental security plans/policies/procedures, Authority Security Incentive Program, RTCA access control design standards, and Safe Skies security program initiatives. <b>Purged pursuant to FAA and/or TSA directive.</b>	Aviation Security & <del>and</del> Public Safety	SU + 5	Electronic	X		49 CFR 1520 49 CFR 1542
0210-50	<b>Video and Audio Monitoring Records</b> - Video and audio monitoring recordings downloaded from the continuous recording systems employed by the Authority or its designee for purposes related to the safety and security of employees, customers and property and to assist with the investigation of unlawful activities, accidents, claims or potential claims ( <b>Series excludes Automated License Plate Reader Data</b> ). Copies may be transferred to other related record categories when applicable. <b>These records are destroyed periodically by department due to SSI and do not need to go through the Authority's official Records Destruction Authorization Process. Purged pursuant to FAA and/or TSA directive.</b>	Aviation Security & Public Safety; Ground Transportation; <del>Facilities Management</del>	CY + 1	Electronic	X		49 CFR 1520 GC 26202.6 GC 34090.6 GC 34090.7 PUC 170016
<del>0215-05</del>	<del><b>Noise Monitoring Data</b> - Airport Noise and Operations Monitoring System (ANOMS) and Geographic Information System (GIS) data.</del>	<del>Noise Mitigation (QHP)</del>	<del>CY + 10</del>				<del>14 CFR 150.1 et seq 21 CCR 5023, 5045</del>
0215-10	<b>Noise Monitoring Reports and Logs</b> - Records documenting complaints, missed approach & early turn data, GIS data, fleet mix forms, etc. based on data from the Airport Noise and Operations Monitoring System (ANOMS).	Planning & Environmental Affairs (Aircraft Noise) <del>Mitigation (QHP)</del>	CY + 5	Electronic			GC 34090 GC 60201
<del>0215-20</del>	<del><b>Noise Matters Newsletter</b> - Community Newsletter required by Title 21.</del>	<del>Noise Mitigation (QHP)</del>	<del>PE</del>				<del>Admin. GC 34090 GC 60201</del>
0215-25	<b>Part 150 Noise Compatibility Program</b> - Includes (1) noise exposure map & supporting documents; (2) description and analysis of the alternative measures; (3) program measures to reduce or eliminate present and future non-compatible land use; federal register approval publication.	Planning & Environmental Affairs (Aircraft Noise) <del>Mitigation (QHP)</del>	PE	Electronic			14 CFR 150.21, 150.23, 150.31, 150.35
<del>0215-30</del>	<del><b>Noise Related Project Files</b> - Documentation relating to future projects.</del>	<del>-Mitigation (QHP)</del>	<del>CL + 5</del>	<del>Electronic</del>			<del>CCP 337.15</del>
0215-35	<b>Title 21 Noise</b> - Includes State Monitoring Plans and approvals, Quarterly reports ( <del>Form DOA 617, CNEL measurements, etc.</del> ), and Noise Variances	Planning & Environmental Affairs (Aircraft Noise) <del>Mitigation (QHP)</del>	PE	Electronic			21 CCR 5023, 5033 21 CCR 5053, 5054, 5057 21 CCR 5025, 5045 CCP 338
0215-45	<b>Remote Monitoring Terminal (RMT) Calibration Reports</b> - Periodic calibration data.	Planning & Environmental Affairs (Aircraft Noise) <del>Mitigation (QHP)</del>	CY + 10	Electronic			21 CCR 5045 <del>PUC</del>
0220-05	<b>Aircraft Accident-Incident Report</b> - Includes description of what happened to aircraft/contents/occupants/facilities.	Airside & Terminal Operations (Airside)	PE	Both	X		14 CFR 139.301 14 CFR 139.325
0220-10	<b>Aircraft Rescue and Firefighting (ARFF)</b> - Includes training, drills, daily report, and fire alarm reports.	Airside & Terminal Operations (Airside)	CY + 3	Both			14 CFR 139.301 14 CFR 139.317, 139.319
0220-20	<b>Ground Vehicles Accident-Incident Reports</b> - Copies of reports issued by HPD.	Airside & Terminal Operations (Airside)	CY + 5	Paper			14 CFR 139.301 14 CFR 139.329
0220-25	<b>Runway Incursions</b> - Occurrence involving an aircraft, vehicle, person or object on the ground that creates a collision hazard or results in a loss of separation between aircraft taking off, intending to take off, landing or intending to land at an airport.	Airside & Terminal Operations (Airside)	CY + 5	Both			14 CFR 139.301 14 CFR 139.329

0225-05	<b>Emergency Management Plans</b> - Records relating to non-standard operational practices. Documents include but are not limited to: business continuity, disaster recovery, and other related plans. (Business Continuity Plan maintained in SANReady.com; SAN Information Security Policy (ISP) & Incident Response Plan (IRP) maintained in OpenText with a backup copy stored in OneDrive) (Plans are reviewed annually.)	<del>Corporate &amp; Information Governance ; Aviation Security &amp; Public Safety; Information &amp; Technology Services</del>	<del>Active; 5-year review for currency required SU</del>	Electronic	X	X	GC 34090 GC 60201
0225-10	<b>SAN-AIREX-139 Tabletop Exercises</b> - Record of the exercises to test the effectiveness of the Airport Emergency Plan (AEP) and to familiarize emergency personnel with their responsibilities in the plan. Note: Summary of actions is provided to Airside Operations to be included with the FAA certification inspection records. Purged pursuant to FAA and/or TSA directive.	Aviation Security & <del>and</del> Public Safety	PE	Electronic	X		14 CFR 139.325
0305-10	<b>Marketing Campaign File</b> - Records related to the development, implementation, and management of marketing initiatives. Documents include but are not limited to: media plans, campaign strategy plans, budgets, design files, copy of the final campaign deliverable, and special event planning files.	<del>Vision, Voice &amp; Engagement Marketing, Arts &amp; Air Service Development (Marketing)</del>	<del>CL + 3</del>	Both			GC 34090 GC 60201
0305-15	<b>Collateral and Publications</b> - Archival copies of Authority produced brochures, posters, flyers, advertisements, announcements, programs, publications, and books.	<del>Vision, Voice &amp; Engagement Marketing, Arts &amp; Air Service Development (Marketing)</del>	PE	Both			GC 34090 GC 60201
0305-30	<b>Photographs-Slides-Video</b> - Includes airlines, personnel, events, press conferences and airport information; and original illustrations.	<del>Vision, Voice &amp; Engagement Marketing, Arts &amp; Air Service Development (Marketing)</del>	PE	Both			GC 34090 GC 60201
0305-35	<b>Logo Files</b> -Authority logos and other graphics relating to SDIA and Authority.	<del>Vision, Voice &amp; Engagement Marketing, Arts &amp; Air Service Development (Marketing)</del>	PE	Electronic			GC 34090 GC 60201
0305-40	<b>Media Release Forms</b> - Records documenting permission to use an individual's image in publications and other marketing collateral in a variety of media, such as print, video, and the internet.	<del>Vision, Voice &amp; Engagement Communications</del>	PE	Electronic			GC 34090 GC 60201
0310-10	<b>Fact Sheets</b> - Statistics, <del>and</del> facts, <del>budgets and contact lists about the</del> related to the Authority, airport programs and initiatives.	<del>Vision, Voice &amp; Engagement Communications</del>	SU + 2	Electronic			GC 34090 GC 60201
<del>0310-15</del>	<del>News Clippings - Includes newspaper and video clips regarding the Authority and the airline industry Site Selection News Clippings (Site Selection News Clippings retained indefinitely; maintained starting 04/2006) electronically.</del>	<del>Vision, Voice &amp; Engagement</del>	<del>PE</del>				<del>GC 34090 GC 60201</del>
0310-30	<b>News Releases</b> - Media advisories of Authority issues.	<del>Vision, Voice &amp; Engagement Communications</del>	CY + 7 PE	Electronic			GC 34090 GC 60201
0310-35	<b>Speaking Engagements</b> - For community groups, stakeholders, and other audiences. Includes but is not limited to: speaking confirmation sheets, presentations, and remarks.	<del>Vision, Voice &amp; Engagement Communications</del>	CY + 5 (PE?)	Electronic			GC 34090 GC 60201

0310-40	<b>Written Speeches</b>	Vision, Voice & Engagement	PE				GC 34090 GC 60201
0310-55	<b>Communications Plan</b> - A plan that contains public relations/marketing work plans for the Authority's strategic activity areas (RASP, RDP, Destination Lindbergh).	Vision, Voice & Engagement Communications	SU + 2	Electronic			GC 34090 GC 60201
0310-60	<del>Media Inquiries and Statements - Documents related to the development of media responses to specific questions; research documents necessary to formulate replies or final correspondence to media inquiries.</del> Documents, formal replies or correspondence related to media inquiries regarding a specific situation, issue, or question; research documents necessary to formulate explanations, replies or final correspondence regarding the Authority's position on a topic, situation, or issue; broader distribution capabilities.	Vision, Voice & Engagement Communications	CY + 5 (PE?)	Electronic			GC 34090 GC 60201
0310-65	<del>Media Statements - Formal replies or correspondence to media inquiries regarding a specific situation or issue; explanation of the Authority's position on a topic, situation or issue; broader distribution capabilities.</del>	Vision, Voice & Engagement	CY + 5	Electronic			GC 34090 GC 60201
0310-70	<del>Public Relations Initiatives - Records related to the management, development and implementation of marketing initiatives. Documents include but are not limited to: media plans, strategy plans, budgets and contact lists.</del>	Vision, Voice & Engagement	CY + 3				GC 34090 GC 60201
0310-75	<del>Aviation Education Research and Development Records - Records pertaining to R&amp;D of aviation education programs. NOTE: Final deliverables are maintained in 0305-15 Collateral and Publications.</del>	Vision, Voice & Engagement	CL + 1				GC 34090 GC 60201
0405-05	<b>Accounts Payable</b> - Includes invoices, check requests, contract payments, travel and expense reports, P.O. payments, PCard payments, <del>payroll obligations</del> , 1099's & 1096 and correspondence, California Use Tax filings and records, Authorized Approver and Signatory forms. ( <del>New category code: 0405-07 and 0405-25</del> )	Accounting	FY + 5 4	Both		X	PUC; CCP 337, 337.15
0405-06	<del>Accounts Payable - Regulatory Compliance - Includes processed invoices and supporting documentation for those payments that must be maintained longer to support regulatory or other long-term retention requirements and are not maintained by the project department, e.g., PM/CM account payable records. (data maintained in E-1 indefinitely)</del>	Accounting or Airport Design & Construction	PE			X	PUC; CCP 337, 337.15 49 CFR 18.36 49 CFR 18.42
0405-07	<del>W-9s **Now included in 0405-25 E1 Data</del>	Accounting	PE (?)				CCP 337, 337.15
0405-10	<b>Accounts Receivable</b> - Includes documents in support of billing records processed through E1, such as: E1 forms, sales/activity reports, edits registers, GL postings, and invoice requests. (Ground Transportation is the department of record for Trip Fee Billing in Gatekeeper/AdComp). <del>Including billing records and master transaction data and supporting documentation. (GT dept of record for Trip Fee Billing)</del>	Accounting	FY + 4	Both		X	PUC 170046 GC 34090 GC 60201
0405-11	<b>Surplus Equipment Sales</b> - Includes Board resolution copy, transfer report, correspondence and check copy.	Procurement	FY + 3	Electronic			49 CFR 23 GC 34090 GC 60201
0405-12	<del>Daily Deposit Receipts - Includes documents in support of daily deposits to the general operating bank account, such as: check logs, check stubs, remittance advices, PFC Reports, Lost and Found documents, Ground Transportation check deposit log, ACO credit card transaction logs, parking revenue reports, and trip fee revenue reports. Includes cash receipt batches, parking revenue reports and other documents in support of daily deposits to the general operating bank accounts.</del>	Accounting	FY + 4	Both			GC 34090 GC 60201 PUC

0405-16	<b>Accounts Receivable Trip Fee Billing</b> - Master transaction data and supporting documentation related to commercial vehicle revenue accounting, additional records include commercial vehicle AVI data, trip dispute forms and collection activity.	Ground Transportation	FY + 4	Electronic		X	PUC GC 3409 GC 60201
0405-25	<del>Accounts Payable Data E1 Data</del> - Includes General Ledger, Accounts Payable, Accounts Receivable, Capital Asset, Payroll and W9 all-accounts-payable data stored in E-1.	Accounting	PE	Electronic	X	X	PUC CCP 337, 337.15 79 FR 75871 subsection 1201.1 2 CFR 200.334 <del>49-CFR-18.36</del> <del>49-CFR-18.42</del>
0405-40	<b>Monthly Accounting</b> - includes but not limited to journal entry form and backup documentation, monthly banking and account reconciliations, unaudited financial statements, and allocations.	Accounting	FY + 4	Both			PUC GC 34090 GC 60201
0405-60	<b>Telecommunications Invoices</b> - Invoice detail for Authority Telecommunication systems.	Information & Technology Services	FY + 2	Electronic			PUC 25772 GC 34090 GC 60201
0405-90	<del>General Ledger Capital Assets</del> - Capital Asset and CIP Permanent files, Annual Asset Depreciation Reports, Capital Asset Impairment Review files, etc. <del>General ledger data, trial balance, fixed assets and other related schedules.</del>	Accounting	PE LIFE	Both		X	GC 34090 GC 60201 PUC
0405-95	<b>Governmental and Other Annual Filing Reports (non-payroll)</b> - Includes FAA 5100 - 126 & 127 Reports, California State Controller Financial Transactions Report, ACI Annual Financial Benchmark Survey, and Annual Actuarial Valuation Reports for SDCERS Pension, Preservation of Benefits and Other Postemployment Benefits Plans.	Accounting	CY + 4	Both			GC 34090 GC 60201
0410-05	<b>Work Papers</b> - (Actuals, Budget, CIP) Back-up information and analysis related to the development of the proposed and adopted capital program and operating budgets; monthly, quarterly, and annual variance between actual outcomes version projected figures; and annual budgets, management and funding reports related to projects. (Actuals and Budget Work Papers maintained in Adaptive; Capital Improvement Project Work Papers maintained on S drive)	Financial & Risk Management (Finance); Capital Financial Planning & Airline Relations (Capital Financial Planning)	FY + 7	Electronic	X		PUC 170000-140084
0410-07	<b>Airlines Rates and Charges Work Papers</b> - Models, presentations, supporting information and analysis in the development of rates, fees and charges to airlines as part of the airline operating agreement; also includes annual settlement of actual revenue collected versus budgeted collections. (Maintained on S drive)	Financial & Risk Management (Finance); Capital Financial Planning & Airline Relations (Airline Relations)	FY + 10	Electronic			PUC GC 60201 GC 34090
0410-30	<b>Financial Analysis</b> - Studies of a variety of potential Authority projects and financing scenarios and options. Includes business case analysis, consultant created studies and in-house analysis. (Maintained on S drive and ECMS)	Financial & Risk Management (Finance)	CL + 5	Electronic			GC 34090 GC 60201
0415-05	<b>Insurance Claim</b> - Includes all incident and accident documents to support claims.	Finance & Risk Management (Risk Management)	CL + 10	Electronic	X		8 CCR 10102 8 CCR 14307 29 CFR 1904 29 CFR 1910.1020
0415-06	<b>Workers Compensation Claims</b> - Case file for injury and illness notifications and claims including but not limited to: forms, reports, correspondence, legal filings, and other supporting documentation. Paper format discontinued in 2016.	<del>Talent, Culture &amp; Capability</del> Human Resources (Safety)	CL + 20	Electronic	X		CA Civ Proc 337, 337.2, 337.15, 338, 340, 352
0415-10	<del>Other Insurance Policies</del> - Insurance policies for Authority vendors etc. <del>Includes policies, certificates, endorsements, and binders.</del> NOTE: Insurance policy data is stored in the Department's RMIS System.	Finance & Risk Management (Risk Management)	PE EX + 7	Electronic			GC 34090 GC 60201

0415-15	<b>Authority Purchased and Additional Insured Insurance Policies</b> - All policies purchased by the Authority and policies where the Authority is additionally insured.	Finance & Risk Management (Risk Management)	PE	Both		X	GC 34090 GC 60201
0415-30	<b>Insurance Programs</b>	<del>Finance &amp; Risk Management (Risk Management)</del>	<del>CL + 5</del>	<del>Electronic</del>			<del>GC 34090 GC 60201</del>
0415-50	<b>DMV Information Security Statements</b>	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	TE + 3	Electronic			GC 34090 GC 60201
0415-55	<b>Fleet Safety Program Authorizations</b> - Includes authorization request forms.	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	TE + 3	Electronic	X	X	29 CFR 1602.12 29 CFR 1602.14 29 CFR 1607.4 29 CFR 1627.3 <del>CA Gov Code 12946- CA Gov Code 12960</del>
0415-60	<b>Fleet Safety Committee Reports - Consultants</b> - Reports documenting investigations and actions against authorized drivers. Note: Reports relating to employees are located in the employee's personnel file.	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	FY + 5	Electronic	X	X	Per DMV Reg. - See statement form
0415-65	<b>Certificates of Insurance</b> - Insurance certificates for automobile liability insurance related to Ground Transportation and Access Control Permit holders. ( <del>Maintained in Exigis</del> )	Finance & Risk Management (Risk Management)	Expiration of Permit Period + 2	Electronic			29 CFR 1904.2, 1904.4, 1904.6, 1904.7
0420-05	<b>Audit Reports</b> - Includes final reports, support documentation, recommendations, and follow up data of internal <del>process and business partner</del> audits completed. (Series maintained in Teammate.)	Chief Auditor	CY + 7	Electronic	X		<del>PUC B&amp;P Code 5097 IIA Standards 1300 - 1322</del>
0420-15	<b>Internal and External Quality Assessment Reviews</b> - Records documenting the review of the Chief Auditor Department's internal quality control system and performance. Includes but is not limited to: <del>Internal and external</del> work papers, certifications, and final assessment reports. (Series maintained in Teammate.)	Chief Auditor	<del>FY CL + 6</del>	Both			<del>GC 34090 GC 60201 IIA Standards 1300 - 1322</del>
0420-16	<b>External Audit and Annual Financial Reports</b> - <del>Comprehensive annual</del> Annual Comprehensive financial reports, back up data, and audited compliance reports. <del>&amp; single audits.</del>	Accounting	PE	Both			GC 34090 GC 60201 <del>PUC</del>
0420-20	<b>Risk Assessments and Audit Plans</b> - <del>Activity Reports</del> - Records documenting the risk assessment process and subsequent audit plan <del>and activity reports</del> . Includes but is not limited to: assessments, plans, and <del>any later revisions to audit plan monthly, quarterly and annual reports</del> . Note: Plans and reports are maintained indefinitely as part of <del>0655-10 Committee Agenda Packets and 0630-10 Board and ALUC Agenda Packets</del> 0620-40 Board and ALUC Resolutions. (Series maintained in Teammate.)	Chief Auditor	<del>FY CL + 6</del>	Electronic			<del>GC 34090 GC 60201 IIA Standards 1300 - 1322</del>
0420-25	<b>Annual Reports</b> - Records documenting the annual OCA activity. Includes but is not limited to annual internal quality assessments.	Chief Auditor	FY + 6	Electronic			IIA Standards 1300 - 1322
0420-30	<b>Quarterly Reports</b> - Records documenting the quarterly OCA activities and status on recommendations.	Chief Auditor	FY + 6	Electronic			IIA Standards 1300 - 1322
0420-35	<b>Charters: Audit Committee and Office of the Chief Auditor</b> - Current Board approved charters for the Audit Committee and Office of the Chief Auditor.	Chief Auditor	SU	Electronic			PUC \$170013, \$170018, \$170026
0425-15	<b>Payroll Process Documents Register</b> - This includes the payroll register which lists of each employee's gross pay w/tax, deduction information per pay period, <del>payroll obligations, payroll payment register</del> and payroll journal entries.	Accounting	<del>PE (correct retention?) CY + 4</del>	Both	X		<del>PUC 170046 GC 34090 GC 37207</del>

0425-30	<b>Payroll and Payroll Tax Reports</b> - Quarterly and annual reports, such as W-2, 940, 941, DE 6, DE 7 and DE 166, <b>California Local Government Compensation Report, Workers Compensation Audit Reports.</b>	Accounting	CY + 4	Both	X	GC 34090 26 CFR 31.6001.1-4 IRS REG 31.6001-1(e)(2) R&T 19530 29 CFR 516.5-516.6
0425-35	<b>Pay Period Adjustment File</b> - Correspondence, calculations, <b>validation reports</b> and supporting documentation regarding requests for payroll adjustment.	Accounting	CY + 2	Both	X	Labor Code 226, 1174 26 CFR 31.6001-1, 31.6001-2, 31.6001-3, 31.6001-4, 31.6001-5
0430-05	<b>Purchase Orders</b> - Orders to purchase good and services.	Procurement	FY + 5	Electronic		GC 34090 GC 60201
0430-10	<b>Solicitation Records (Non-development)</b> - Records documenting the solicitation and procurement of goods, services, and public works projects related to bids, RFQ's, RFQL's, RFP's Includes but is not limited to: solicitation request, correspondence, evaluations, RFP, unsuccessful proposals, and any applicable bid protests. (Notes: The proposal, qualifications, quotation or specification of the successful solicitation summary or sole source memo, bid advertisement, and debarment certification (if applicable) are filed with the approved agreement in <b>Corporate-Services Board Services</b> ) <b>The unsuccessful bids for construction projects are maintained by ADC.</b>	Procurement <b>Business &amp; Financial- Management</b>	<b>CL+2 TE + 1</b>	Electronic	X	29 CFR Parts 1910, 1926 14 CFR 139.321 CCP 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973
0430-11	<b>Proposals - Unsuccessful</b> - Proposals, qualifications, bids, quotations, specifications, and/or other supporting documents submitted by the unsuccessful bidder(s). Note: The proposal, qualifications, quotation or specification submitted by the successful bidder are filed with the approved agreement in Board Services.	Airport Design and Construction; Facilities Management	FY + 2	Both	X	CCP 337 GC 34090 GC 60201
0430-12	<b>P-Card Cardholder Files</b> - May include but is not limited to p-card request/change form, cardholder agreement, and correspondence ( <del>destruction may occur within 1 after deactivation of card provided audit has occurred</del> ).	Procurement	<b>CL+2 CL + 3</b>	Paper		CCP 337 GC 34090 GC 60201
0430-15	<del><b>Luggage Cart Cardholder Files</b> - Records documenting the authorization, acceptance and management of luggage cart credit cards. Records include but are not limited to: annual authorization forms, monthly departmental work papers, and correspondence.</del>	<del>Terminal &amp; Tenants</del>	<del>Termination + 3</del>			<del>CCP 337 Authority Code 8.40</del>
0435-40	<b>Debt</b> - Includes: <del>repurchase agreement sweep account statements</del> , debt statements, variable debt borrowings, and bonds.	Financial & Risk Management (Finance)	EX + 10	Electronic		PUC GC 60201 GC 34090
0440-05	<b>Air Service Development Projects</b> - Records documenting the development of new air service, products, and other services currently being researched for business plan phase and/or execution. Includes but is not limited to: presentations, surveys, data analysis, plans, reports, and correspondence.	Marketing, Arts, & Air Service Development (Air Service Development)	CL + 2	Both		GC 34090 GC 60201
0440-06	<b>Air Service Incentive Program</b> - Records documenting airline applications for incentives for new routes and the campaigns created to support the service launch.	Marketing, Arts, & Air Service Development (Air Service Development)	CL + 2	Both		GC 34090 GC 60201
0440-11	<b>Business Development Proposals and Ideas</b> - Database of ideas, research results, and unsolicited proposals from vendors. Includes but is not limited to: databases, spreadsheets, reports, brochures, presentations, analysis, and correspondence.	<del>Business Development</del> Revenue Generation & Partnership Development	CY + 5	Electronic		GC 34090 GC 60201

0445-05	<b>Grant Records (successful/unsuccessful)</b> - Includes application, award, project expenditures, reimbursement requests (FTA drawdowns), and financial close-out documentation. Related records may be found in other departmental records categories. For grants not involving equipment, close is defined as "the day the grantee submits its final expenditure." For grants involving equipment, close is defined as "the day the equipment is disposed or replaced." Equipment is defined as: machinery, including facility operations (such as air conditioning/heating units, backup generators, jetways, etc.) and heavy equipment machinery; vehicles (with or without an engine, such as trams and carts; pre-fabricated buildings, computer equipment, including scanners, printers, etc.; and office furniture and furnishings. (Original grant agreement on file with <del>Corporate &amp; Information Governance Board Services</del> and maintained indefinitely)	<del>Finance Management Capital Financial Planning &amp; Airline Relations (Capital Financial Planning)</del>	CL + 4, or Granting Agency requirement, whichever is longer	Electronic			<del>PUC-170046 GC 60201 GC 34090 49 CFR 18.36 49 CFR 18.2</del>
0445-10	<b>Passenger Facility Charges (PFC) Records (successful/unsuccessful)</b> - Back up information related to life to date PFC approval, revenue & reimbursement expenses. Includes but is not limited to: applications, audits closeouts, FAA correspondence, record of decision, and airline consultation documents.	<del>Finance Management Capital Financial Planning &amp; Airline Relations (Capital Financial Planning)</del>	CL + 3	Electronic			<del>PUC GC 60201 GC 34090 14 CFR 158.67</del>
0445-20	<b>Banking and Investments</b> - Includes: funding control, investment reports, trade tickets, treasury management and account reports documentation.	<del>Financial &amp; Risk Management (Finance)</del>	FY + 7	Electronic			GC 34090 GC 60201
0450-20	<b>Letters of Credit</b> - Letters from banks guaranteeing that a vendor's payment to the Authority will be received on time and for the correct amount. Note: Letters of Credit (LOCs) guaranteeing Authority variable debt are located in category 0435-05 Variable Debt Borrowings.	<del>Financial &amp; Risk Management (Finance)</del>	EX + 7	Paper			GC 34090 GC 60201
0450-25	<b>Collection Records</b> - Records documenting collection efforts and case files include but are not limited to the weekly accounts receivable (AR) report, tracking and research reports, and correspondence.	<del>Financial &amp; Risk Management (Finance)</del>	CL + 2	Electronic			GC 34090 GC 60201
0505-05	<b>Vehicle Titles</b> - Titles for Authority owned vehicles.	Facilities Management	LIFE	Paper		X	GC 34090 GC 60201
0505-20	<b>Safety Inspection Log</b> - Log book of daily inspections of elevators, escalators and terminals.	Facilities Management	CY + 3	Paper			GC 34090 GC 60201
0505-25	<b>Vehicle Maintenance and Inspection Reports</b> - Relating to Authority owned vehicles.	Facilities Management	LIFE	Paper			GC 34090 GC 60201
0605-10	<b>Legal Advice</b> - Memoranda, advice, and opinions on Authority matters issued by the General Counsel.	<del>General Counsel Department</del>	PE	Both		X	GC 34090 GC 60201
<del>0605-20</del>	<del>Chronological Files - Of outgoing correspondence generated by the General Counsel's Office.</del>	<del>General Counsel</del>	<del>PE</del>	<del>Both</del>			<del>GC 34090 GC 60201</del>
<del>0605-35</del>	<del>Closed Session Notes - Official notes of closed session meetings.</del>	<del>General Counsel</del>	<del>CY+10</del>	<del>Both</del>		X	<del>GC 54957.2</del>
0605-40	<b>Oaths of Office</b> - Oaths administered to public officials/employees as required by the California Constitution.	<del>Authority Clerk Board Services</del>	CY + 4	Electronic			GC 34090 GC 60201
0605-45	<b>Affidavits of Posting and Publication</b> - Board/Committee meeting agendas, public notices, and other miscellaneous postings and publications. <del>Series maintained electronically starting in 2023.</del>	<del>Authority Clerk Board Services</del>	CY + 2	Electronic			<del>GRS 14 Item 15 GRS 4.2, Item 001 GC 34090 GC 60201</del>
<del>0605-50</del>	<del>Driver Permit Appeals - Correspondence regarding the denial of Authority driver permits.</del>	<del>Ground Transportation</del>	<del>CL+2</del>	<del>Paper</del>			<del>GC 3409 GC 60201</del>

0605-60	<b>Ethics Program Records</b> - Documentation supporting the report of alleged ethics violation. May include but not limited to: complaint or report of violation, investigative records, determination, and supporting documentation. (All ethics programs documentation is saved in TeamMate.)	Chief Auditor	CL + 7	Electronic	X		GC 34090 GC 60201
0605-65	<b>Governmental Filings</b> - Records relating to the provision of information to local, state, and federal agencies. Documents include but are not limited to: Statement of Facts, Annual Survey of Public Employment & Payroll, and Waste Diversion and Recycling.	<del>Authority Clerk</del> Board Services	CY + 2	Electronic			GC 34090 GC 60201
0610-00	<b>Airport Innovation Lab License and Revenue Sharing Agreements</b> - Includes License Agreement allowing Licensees the ability to access and enter airport property while participating in the Innovation Lab and Revenue Sharing Agreement establishing grants the Authority a share of the company's gross income.	Board Services	TE + 5	Electronic			CCP 336, 337 et seq.
0610-05	<del>Contracts and Agreements Construction and Maintenance Contracts</del> - Includes the signed contract and approved specifications. <del>all GIP, MOU's, Grants and professional service contracts &amp; agreements for the Authority.</del> Note: The bid advertisement (when applicable), proposal, qualifications, or quotation of the selected vendor and bid evaluation/sole source memo are filed with the approved agreement)	<del>Authority Clerk</del> Board Services	PE	Both	X	X	CCP 336, 337 et seq.
0610-06	<b>Contract Management File</b> - Records related to the management of an agreement or contract, such as service agreements, ready service on-call agreements, public works contracts, etc. Documents include but are not limited to: correspondence, and work plans.	<del>Authority</del> Department	<del>CL</del> TE + 4	Both			GC 34090 GC 60201
0610-10	<b>Leases</b> - Includes <del>Airline Operating Lease Agreements, Fuel Leases,</del> tenant leases, permits, licenses, noise monitoring easements, etc.. Note: When applicable the proposal, qualifications, or quotation of the selected lessee and bid evaluation memo are filed with the approved lease.	<del>Authority Clerk</del> Board Services	PE	Both	X	X	CCP 336, 337 et seq.
0610-15	<b>MOA, MOU, Settlement, Government Agreements</b> - Includes agreements with unions, government agencies and various 3rd parties, grants and settlement agreements.	Board Services	PE	Both		X	CCP 336, 337 et seq.
0610-20	<b>Professional Service and Consulting Agreements</b> - Includes agreements for professional services. Note: Any consulting agreement for design, surveying, geotechnical, environmental, and construction related services fall under 0610-05. Note: When applicable the bid advertisement, proposal, qualifications, or quotation of the selected vendor and bid evaluation/sole source memo are filed with the approved agreement.	Board Services	TE + 4	Both	X	X	CCP 336, 337 et seq.
0620-10	<b>Inter-Governmental Correspondence</b> - Letters to and from elected officials and government agencies regarding legislative issues and Authority updates	<del>Inter-Governmental</del> Relations	CY + 5	Electronic			NC1-237-77-3 Item 83(1b) GC 34090 GC 60201
0620-30	<b>Lobbyist Filings</b> - Records related to the registration and activities of Authority- <del>contracted and external</del> lobbyists pursuant to <del>state and federal law and</del> Authority Code requirements. Documents may include: registration forms, disclosure statements, quarterly filings, and logs.	<del>Inter-Governmental Relations</del> <del>Corporate &amp; Information Governance</del> Board Services	CY + <del>5</del> 2	Electronic			GC 34090 GC 60201
0620-35	<b>Codes and Policies</b> - Codes and policies adopted by the Board governing the conduct of Authority business (approved redline version is attached to the executed resolution and maintained indefinitely. <del>PEly; copies of supplements maintained separately</del> )	<del>Authority Clerk</del> Board Services	<del>SU+10</del> PE	Electronic		X	GC 34090 GC 60201

0620-36	<del>Codes and Policies Supplements</del> – Records documenting Board-approved revisions to existing Authority Codes and Policies; also includes original 2002 version. Previous version of Codes & Policies are filed w/ Board Approved Resolutions.	Authority Clerk	PE	Electronic			GC 34090 GC 60201
0620-40	<b>Board and ALUC Resolutions</b> - Resolutions adopted by the Board/ALUC.	Authority Clerk Board Services	PE	Paper		X	GC 34090 GC 60201
0625-05	<b>Legal Case Files</b> - Supporting documents for <del>claims</del> , litigation, <del>appeals</del> , administrative actions, subpoenas, <del>disputes</del> and civil penalties. Includes but is not limited to: logs, complaints, <del>subpoenas</del> , <del>summons</del> , police reports, <del>court orders</del> , motions, notes, briefs, <del>closing statements</del> , and correspondence.	General Counsel	CL + 5	Both		X	<del>GC 6254</del> GC 34090 GC 60201
0625-10	<b>Claims</b> - Documents related to claims (as defined in Gov. Code §810, et seq.) against the Authority.	General Counsel	CL + 3	Both			GC 34090 GC 60201
0625-15	<b>Litigation Response Files</b> - Court orders, <del>settlement agreements</del> , and <del>register of actions</del> .	General Counsel	PE	Both		X	<del>GC 6254</del> GC 34090 GC 60201
0630-05	<b>Board and ALUC Minutes</b> - Approved minutes of Board/ALUC meetings.	Authority Clerk Board Services	PE	Paper		X	GC 34090 GC 60201
0630-10	<b>Board and ALUC Agenda Packets</b> - Records documenting agenda items presented to the Board. Includes but is not limited to: staff reports, presentations and back-up information. <del>Note: All materials associated with the Interim Board held in 2002; format paper/electronic.</del>	Authority Clerk Board Services	PE	Both			GC 34090 GC 60201
0630-15	<b>Board and ALUC Meeting Recordings</b> - Recordings of meetings used for the preparation of minutes and public access. <del>Audio from webcast vendor is record copy.</del>	Authority Clerk Board Services	PE CY + 5	Electronic			GC 34090.7
0630-20	<del>Affidavit of Publication</del> – Board/committee meetings and public notices. <del>Series discontinued as of January 1, 2015.</del>	Authority Clerk Board Services	<del>CY + 2</del>	Paper			GRS 14 Item 15 <del>GC 34090</del> <del>GC 60201</del>
0630-30	<b>Board Correspondence</b> - Email, letters and memos <del>of sent to</del> Board Members.	Authority Clerk Board Services	CY + 4	Electronic			GC 34090 GC 60201
0630-35	<b>Board Information Packet</b> - Internal communication distributed to Board Members weekly and as needed.	Authority Clerk Board Services	CY + 4	Electronic			GC 34090 GC 60201
0630-55	<b>Board Member Appointments and Resignations</b> - Correspondence confirming appointments and resignations. Note: Rosters of Board Member appointments and terms are maintained indefinitely. PE	Authority Clerk Board Services	CY + 4	Electronic			GC 34090 GC 60201
0635-05	<b>Conflict of Interest Filings</b> - Completed FPPC Form 700 (Statement of Economic Interests) filed by Board Members, public members of the Audit committee, designated employees, and consultants. (Managed in NetFile starting in 2023)	Authority Clerk Board Services	CY + 7	Both			GC 81009(e) & (g)
0640-05	<b>Deeds and Easements</b> - Original Deeds & Easements recorded by the County	Authority Clerk Board Services	PE	Paper			GC 34090 GC 60201
0640-10	<b>Avigation Easements</b> - Easements filed by homeowners acknowledging noise conditions.	Authority Clerk Board Services	PE	Paper			GC 34090
0650-10	<b>Incident Reports</b> - General reports, correspondence and supporting documents regarding <del>general ground transportation</del> incidents.	Ground Transportation	CL + 2	Electronic			GC 3409 GC 60201
0650-15	<b>Parking Citations</b> - Includes appeals and related correspondence.	Ground Transportation	CY + 3	Electronic		X	GC 3409 GC 60201
0650-25	<b>Notices of Violation - Permitted</b> - Includes currently permitted vehicle violations and appeals.	Ground Transportation	CY + 3	Electronic		X	GC 3409 GC 60201

0650-26	<b>Notices of Violation - SAN</b> - Records documenting a violation of Authority Codes and/or Rules and Regulations. Documents include but are not limited to: notice of violations, investigative notes, logs and correspondence. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	Date of Incident + 30	Electronic	X		49 CFR 1542 SDCRAA Rules & Regulations, Section 7
0650-30	<b>Airport Rules, Regulations, and Amendments</b> - Documents governing the general conduct of the public, tenants, employees and commercial users of the San Diego International Airport as their activities relate to the possession, management, supervision, operation and control of the airport by the San Diego County Regional Airport Authority.	Airside & Terminal Operations (Airside)	SU + 3	Electronic		X	GC 34090 GC 60201
0650-35	<b>TSA Punitive Action</b> - Correspondence to and from the TSA regarding punitive action against the Authority. May include but not limited to: Letters of Investigation, Warning, and Civil Penalties. <del>Purged pursuant to FAA and/or TSA directive.</del>	Aviation Security & <del>and</del> Public Safety	PE	Electronic	X		49 CFR 1542
<del>0650-40</del>	<del>Legal Service - Legal filings served on the Authority such as claims, subpoenas, summons, ADA-grievances, and appeals.</del>	<del>Records &amp; Information Management General Counsel</del>	<del>PE</del>	<del>Both</del>			<del>GC 34090</del>
0655-05	<b>Committee Minutes</b> - Approved minutes of Board and citizen committees.	<del>Authority Clerk Board Services</del>	PE	Paper			GC 11125.1 GC 34090 GC 60201
0655-10	<b>Committee Agenda Packets</b> - Includes reports, presentations and back-up information.	<del>Authority Clerk Board Services</del>	<del>PE</del> CY + 5	Both			GC 34090 GC 60201
0655-15	<b>Airport Noise Advisory Committee (ANAC)</b> - Minute copies, agendas, notices and recommendations (Original minutes to <del>Corporate Services</del> Board Services)	Planning & Environmental Affairs (Aircraft Noise) <del>Mitigation (QHP)</del>	CY + 6	Electronic			14 CFR 150.1 et seq 21 CCR 5023, 5045
0655-25	<b>Committee Meeting Recordings</b> - Recordings of meetings used for the preparation of minutes and public access.	<del>Authority Clerk Board Services</del>	<del>PE</del> CY + 5	Electronic			GC 34090 GC 60201
0655-30	<b>Committee Appointments and Resignations</b> - Correspondence confirming appointments and resignations. Note: Rosters of Committee Member appointments and terms are maintained indefinitely.	<del>Authority Clerk Board Services</del>	CY + 4	Electronic			GC 34090 GC 60201
0705-05	<b>Position Recruitment Files</b> - Records relating to the sourcing, screening and selection of talent. Documents include but are not limited to: requisitions, eligibility requirements, advertisements, candidate profiles and applications, diversity disclosures and examination methods and plans. <del>(files maintained in NeoGov since Jul 2008) (Series maintained in Workable)</del>	<del>Talent, Culture &amp; Capability Human Resources</del>	CY + 2	Electronic			8 CFR 274a GC 64090 GC 60201
0705-15	<b>Resident I-9 Forms</b> - Forms used to verify the employment eligibility and identity documents presented by the employee.	<del>Talent, Culture &amp; Capability Human Resources</del>	<del>Later of Year hired + 3 or Term + 1 CY + 3 or TE + 1</del>	Paper	X		<del>GC 34090 GC 60201 8 USC 1324(a)</del>
0705-45	<b>Employee Benefits Program</b> - Records relating to health and welfare benefits. Documents include but are not limited to plan description, annual renewal and enrollment, reporting, evidence of coverage, and communication files. <del>(Final Employee Benefit Agreements are maintained by Board Services in record series 0610-07 Professional Service and Consulting Agreements)</del>	<del>Talent, Culture &amp; Capability Human Resources</del>	Plan Year + <del>6</del> 2	Electronic			29 U.S.C. § 1027 29 U.S.C. § 1024(a) (6) 29 U.S.C § 1059(b) 29 U.S.C. § 1132§ (c) (6) 29 CFR 2575.209b-1
<del>0705-55</del>	<del>Garnishments - Records related to court enforced orders and associated correspondence. See related payroll records maintained by Accounting.</del>	<del>Talent, Culture &amp; Capability</del>	<del>CL + 3</del>	<del>Paper</del>	<del>X</del>		<del>FAA Order 5100.38 29 CFR 1602.12, 14 49 CFR 18.36</del>

0710-05	<b>Investigation and Grievance Files</b> - Investigation and grievance back-up documentation. Investigations maintained in paper up until 2020. Grievances maintained in paper until 2016. (The final action is transferred to personnel file)	<del>Talent, Culture &amp; Capability</del> Human Resources	TE + 5	Both	X		CA Labor Code 1174 CA Civ Proc 338 (a) 29 CFR 1602.12,14 GC 12946 14 CFR 152.214
0710-15	<b>Labor Relations Records</b> - Records related to managing the Authority's Memorandum of Agreement (MOA) with the Union. Includes but is not limited to documents associated with negotiation, meet and confer, and contract management. (Memorandum of Agreements are maintained by Board Services permanently in record series 0610-08 MOA, MOU, Settlement, Government Agreements)	<del>Talent, Culture &amp; Capability</del> Human Resources	CY + 10	Electronic	X		29 CFR 1602.12 29 CFR 1602.14 29 CFR 1607.4 29 CFR 1627.3 29 CFR 516.2, 516.5 29 CFR 2520-104b(1) CA Gov Code 12946
0715-05	<b>Personnel Records</b> - Records related to the employment relationship. Includes but is not limited to documentation on job offers, pre-employment screening, right to work, fitness for duty, benefit elections and administration, performance evaluations for represented employees, personnel actions, recognitions, disciplinary actions and terminations. Inclusive new employee or change notice, work permit, beneficiary designation for Life Insurance, Cobra notification form, choice of personal physician form, confidentiality forms, direct deposit form, drug test results, emergency contact, 401 (A) & 457 plan, employee application, time & attendance reports, benefit plan documents - inclusive of medical, dental, life, AD&D, and disability, benefit files, change notice - status changes, choice of personal physician, choice of personal physician for worker's comp., unemployment benefits, family medical leave act documents, leave of absence claims, insurance endorsements, insurance enrollment forms, letters of resignation, long term disability enrollment forms, mutual agreement to arbitrate, performance evaluations, record of safety training and safety training certifications, jury duty, training records and education, transcripts, tuition reimbursement records, and W-4 form (data in E1 maintained indefinitely).	<del>Talent, Culture &amp; Capability</del> Human Resources	TE + 10	Both	X	X	29 CFR 2520.107-1 CA Gov Code 12946 CA Gov Code 12960
0715-06	<b>Benefit Forms 1st Generation Employees</b> - Records documenting beneficiary and election information related to an employee's SDCERS, Life Insurance, Hartford, Standard, Aetna, 457, medical, dental, and vision enrollments.	<del>Talent, Culture &amp; Capability</del> Human Resources	Death of Retiree + 2	Both	X		29 CFR 1602.12 29 CFR 1602.14 29 CFR 1607.4 29 CFR 1627.3 29 CFR 516.2, 516.5 29 CFR 2520-104b(1) CA Gov Code 12946
0715-10	<b>Employee Benefit Files</b> - Records include Health & Welfare Benefits Administration historical records maintained for regulatory Leave of Absences, employee plan change records (prior to 1/1/2022), annual regulatory compliance records, annual Broker confirmation of plan rates, and other working documents. Employee Benefit folders contain drug tests, physicals, and medical notes.	Human Resources	TE + 10	Both	X	X	GC 34090 GC 60201
0715-15	<b>Performance Evaluations</b> - Includes goal setting, self appraisal, supervisory review, and electronic approval with submission date and time stamp. Up until 2017 maintained with Employee Personnel File. (Maintained in Wingspan beginning 2018)	<del>Talent, Culture &amp; Capability</del> Human Resources	TE + 5	Electronic	X		29 CFR 825.500; 29 CCR 7292 29 USC 2617 (c) (1)
0720-00	<b>Training General Files</b> - Working files related to the activity of training	Department	CL + 3	Both			GC 34090 GC 60201

0720-05	<b>Law Enforcement Training Roster</b> - Record of attendance for most current training provided in conjunction with the Port District Maintained and disposed of by Aviation Security personnel (Port District maintains official training record). <b>Purged pursuant to FAA and/or TSA directive.</b>	Aviation Security & <del>and</del> Public Safety	SU + 3	Electronic	X		49 CFR 1542
0720-10	<b>Personnel Training</b> - Records documenting annual training, including but not limited to: airport familiarization, pedestrian/ground vehicles procedures, communications & ACM duties.	Airside & Terminal Operations ( <b>Airside</b> )	CY + 2	Electronic			14 CFR 139.301 14 CFR 139.303 14 CFR 139.329
0720-15	<b>P-Card Procedures and Regulations</b> - Includes procedural documentation and user guide.	Procurement	SU + 3	Electronic			GC 34090 GC 60201
0720-20	<b>Airport Security Coordinator (ASC) Training Documentation</b> - Outline of training requirements and individual training records. Maintained and disposed by Aviation Security personnel. <b>Purged pursuant to FAA and/or TSA directive.</b>	Aviation Security & <del>and</del> Public Safety	TE + 180 days	Both	X		49 CFR 1542.3
0720-25	<b>Ethics Training (AB1234)</b> - Certificates of Training required by Authority Code 2.05.	<del>Authority Clerk Board Services</del>	CY + 5	Electronic			GC 53535.2
0720-30	<b>Training Records</b> - Records documenting mandatory or routine training of Authority employees. Series includes but is not limited to course materials, registration, agenda and attendance. Series maintained in LMS.	Human Resources	CY + 5	Electronic			GC 34090 GC 60201
0725-20	<b>OSHA Form 300 Log</b> - Log of recordable injuries or illnesses.	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	CY + 5	Electronic	X		29 CFR 1910.1020 8 CCR <del>3204</del> 14300.33
0725-30	<b>Employee Exposure Case File</b> - Records relating to an employee's exposure to toxic substance or harmful physical agents and accompanying workers' compensation claim or leave of absence, if applicable. Includes but is not limited to: background data, material safety data sheets, biological monitoring results, forms, legal filings, correspondence, analysis, reports, and correspondence. Note: A toxic substance or harmful physical agent is defined as any chemical substance, biological agent (bacteria, fungus, virus, etc.) or physical stress (noise, heat, cold, ionizing radiation or non-ionizing radiation, hypo or hyperbaric pressure, which meet certain criteria. Please see citations for additional information.	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	CY + 30	Electronic	X		8 CCR 3200-6184 8 CCR 3203, <del>3204</del> 8 CCR 5110 29 CFR 1910.1020
0725-35	<b>MSDS - Material Safety Data Sheets</b> - Information data for storage and usage of hazardous chemicals. ( <b>Maintained in J. J. Keller Safety Management Suite</b> )	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	CL + 30	Electronic		X	GC 34090 GC 60201
0725-40	<b>Employee Safety Programs Records</b> - <del>Written Safety Program - Records related to the Authority's Employee Safety Program and include but are not limited to: Safety Programs, written safety programs as required by CalOSHA, such as: HIPP, Hazard Communications, Lock Out/Tag-Out, Respiratory Protection, and Confined Spaces; Safety Committee records, including agendas, minutes, and follow-up documentation; Safety Inspections, including checklists and correspondence related to safe ins actions of work areas- hot work and</del>	Talent, Culture & Capability Human Resources (Safety)	SU	Electronic			<del>8 CCR 5097</del> GC 34090 GC 60201
0725-45	<b>Audiogram Records</b> - Annual hearing test results for employees who may be exposed to noise as required by the Hearing Conservation Program. <b>Maintained in paper up until 2020.</b>	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	CY + 10	Electronic	X		GC 34090 GC 60201
0725-50	<b>Employee Safety Records</b> - Records from the Safety Program including copies of inspections, safety committee meeting minutes, training evacuation drills and permits.	<del>Talent, Culture &amp; Capability Human Resources (Safety)</del>	CY + 5	Electronic			GC 34090 GC 60201 8 CCR 3203

0805-10	<b>CEQA Documentation</b> - Includes Categorical Exemptions Negative Declarations and Environmental Impact Reports (EIR) - environmental review documents for Authority projects that are categorically exempt from state law and for which there are no significant environmental impacts after mitigation and, those which have potentially significant environmental impacts.	<del>Airport</del> Planning & Environmental Affairs (Planning)	PE	Both			California Environmental Quality Act (CEQA)
0805-25	<b>NEPA Documentation</b> - Includes: Finding of No Significant Impact (FONSI), Environmental Assessments, Environmental Impact Statements - environmental review documents for Authority projects where no significant impact was determined, for projects that may or may not have significant impacts per Federal law.	<del>Airport</del> Planning & Environmental Affairs (Planning)	PE	Both			National Environmental Policy Act (NEPA)
0805-50	<b>CA Coastal Act Permits (CDP)</b> - Authority projects that require a Coastal Development permit.	<del>Airport</del> Planning & Environmental Affairs (Planning)	PE	Both			CA Coastal Act
0805-55	<b>Local Coastal Program</b> - Documents related to establishing the Authority's own Local Coastal Program.	<del>Airport</del> Planning & Environmental Affairs (Planning)	PE	Both			GC 34090 GC 60201
0810-05	<b>Comprehensive Airport Land Use Compatibility Plans and Updates</b> - Public use and Military Airports land use compatibility plans	<del>Airport</del> Planning & Environmental Affairs (Planning)	<del>PE</del> CL + 20	Both			14 CFR 150.11 PUC 21675
0810-10	<del>FAA Land Use Approvals - FAR Part 77 Airspace Analysis Determinations for Notices to Proposed Construction and Alternations (Airport Projects).</del>	<del>Airport Planning &amp; Environmental Affairs (Planning)</del>	PE				<del>14 CFR 150.1 et seq.</del>
0810-25	<b>ALUC Consistency Determinations Airport Land Use Determination (ALUC) Project Files</b> - Includes notes, reports, resolutions and maps.	<del>Airport</del> Planning & Environmental Affairs (Planning)	PE	Both			CA Civ Proc 337.15 14 CFR Part 107 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 PUC 21675 33 USC 1251 et seq.
0815-00	<b>PMWeb Electronic Signature Data</b> - Workflow data supporting electronic signatures on Official Records maintained by Board Services.	Airport Design & Construction	PE	Electronic			GC 34090 GC 60201 CCP 336, 337 et seq.
0815-10	<b>Lease Plats</b> - Record drawings.	<del>Facilities Development</del> Airport Design & Construction	PE	Electronic		X	21 CCR 3534; GC 34090(a)
0815-15	<b>Development Construction Project Files</b> - (CIP, ADC, and Major Maintenance) May include but is not limited to Project Administration, Planning & Schematic, Design, Bid Phase and Construction/Close Out Phase documents, <del>City/Governmental/Utilities, Purchase Orders, Environmental, FAA/TSA, Cost Trends, CIP Applications, Bid Documents,</del> Time Impact, Permits, California Preliminary Notices, RFI, Photos, and Substantial Completion.	<del>Development (ADC, FDD, QHP) / Facilities Management</del> Airport Design & Construction; Facilities Management; Planning & Environmental Affairs (Aircraft Noise)	CL + 10	Electronic	X		CA Civ Proc 337.15 14 CFR Part 107 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973

0815-16	<b>Critical Construction Project Files</b> - May include but is not limited to <del>Environmental, City/Governmental/Utilities,</del> Reports, FAA/TSA, Calculations, Design Surveys/Studies/Geotechnical Data/Existing Conditions, Conformed Specifications, Bulletins, Change Orders, Commissioning Plans, Contract Close Out Documents, Warranties, Submittals, <del>Purchase orders, Bond</del> Payment Applications, Sponsor Correspondence, Grant Certifications and Buy American Waivers.	<del>Facilities Development</del> Airport Design & Construction; <del>Development- (ADC, FDD, QHP)</del> Facilities Management	PE	Both	X		CA Civ Proc 337.15 14 CFR Part 107 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973
0815-17	<b>Construction Project Record Drawings</b> - Final drawings, structures & systems (maintained by Technical Services). Note: See GIS database (0820-20) for related records.	<del>Facilities Development</del> Airport Design & Construction	PE	Electronic	X	X	CA Civ Proc 337.15 14 CFR Part 107 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6873
0815-18	<del><b>Construction Project Reference Files</b> - Reference files or copies of records related to a construction project file that are maintained by Document Control while the project is active.</del>	<del>Airport Design &amp; Construction; Planning &amp; Environmental Affairs (Environmental)</del>	CL				<del>GC 34090 GC 60201</del>
0815-22	<b>Quieter Home Programmatic Records</b> - Key records documenting the creation and administration of the program including but not limited to: FAA correspondence, statistics, summary reports, plans, public relations materials, and historical program material.	Planning & Environmental Affairs (Aircraft Noise) Mitigation (QHP)	<del>CL + 3</del> PE	Electronic	X		21 CCR 5023 21 CCR 5053, 5054, 5057; GC 34090 GC 60201
0815-25	<b>Labor Compliance Records (Contractor)</b> - Records documenting compliance with all applicable federal and state labor laws. Documents include but are not limited to: checklists, site visit evaluation forms, <del>contractor documents,</del> certified payrolls, <del>court documents, inspection reports,</del> and related correspondence ( <del>Certified payrolls</del> All documents are maintained electronically in LCP/Tracker)	<del>Facilities Development</del> Airport Design & Construction	CL + 5	Electronic	X		Labor Code 0226 Labor Code 1174 Labor Code 1172 Labor Code 1741
0815-30	<b>Homeowner Files</b> - Data and supporting documentation for each participant in the Quieter Home Program. (Maintained in QuietLink)	Planning & Environmental Affairs (Aircraft Noise) Mitigation (QHP)	PE	Electronic	X		21 CCR 5053, 5054, 5057 CCP 337.15 CCP 338
0815-35	<b>Canceled Projects</b> - Projects canceled during the planning and design phase that may be reopened at a later date.	<del>Facilities Development</del> Airport Design & Construction; <del>Airport Planning &amp; Environmental Affairs- (Aircraft Noise) Mitigation- QHP)</del>	TE + 2	Both			CA Civ Proc 337.15 14 CFR Part 107 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973
0815-40	<b>Tenant Improvement Project File</b> - Records related to the construction of tenant improvements to Authority property. Documents include but are not limited to: application, request for review, approval letter, contractor documents, schedules, notice to proceed, notice of completion, photographs, and inspector reports. Related records in categories 0815-10 Lease Plats and 0815-17 Construction Project As-Built Drawings and maintained by FDD ADC. (FDD is the office of original for all projects completed before 2011)	<del>Facilities Development</del> Airport Design & Construction	<del>EX + 5</del> CL + 10	Electronic	X		CA Civ Proc 337.15 14 CFR Part 107 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 1251 et seq 42 USC 6972, 6973

0820-05	<b>Airport Master Plan and Master Plan Amendments</b> - Includes facilities inventory; forecasts of aviation demand; assessment of existing facilities' ability to accommodate forecasted demand; identification of future facility needs based upon forecasted demand; assessment of the environmental impacts of developing airport facilities, with emphasis on such factors as noise, land use, and other quality of life issues; development and assessment of various planning alternatives for operational efficiency, economic feasibility, and environmental impact; the identification of costs and timing of a preferred alternative; and the preparation of plans for proposed development.	Airport Planning & Environmental Affairs (Planning)	PE	Both			GC 34090 GC 60201
0820-10 0810-20	<b>Airport Planning Projects Files</b> - Any Authority projects that involve long-term or airport planning, including reports, documents, presentations, historical material and deliverables, not otherwise included in any other category. <del>Reports, documents, presentations, historical material and deliverables from Phase I and II of the Site Selection Study.</del>	Airport Planning & Environmental Affairs (Planning)	PE CL + 10	Both			CA PUC 21701, et seq.
0820-20	<b>Geographic Information Systems (GIS) Data Layers and Datasets</b> - All engineering, environmental, surveying, aerial photography, leasehold, and internal/external utilities above and below ground. Data covers the utilities and facilities Airport-wide. The GIS database is comprised of two main categories of information: GIS-level data and copies of Project/Drawing documents and information from categories 0815-15, 0815-16, and 0815-17.	<del>Facilities Development</del> Airport Design & Construction	PE	Electronic		X	CA Civ Proc 337.15 14 CFR Part 107 CA Civ Proc 338(k), 338(l), 338.1 42 USC 9612(d), 9613(g) 42 USC 9658 33 USC 12 51 et seq 42 USC 6972, 6873
0905-05	<b>Tenant Property File</b> - Supporting documents regarding <del>the lease and management of premises</del> , sale, purchase, exchange, <del>lease and management</del> or condemnation of property by the Authority. <del>Fuel system and airline operating leases managed by Capital Financial Planning &amp; Airline Relations (Airline Relations)</del> . (Tenant/property data retained indefinitely in E1).	<del>Business Management</del> <del>Terminals &amp; Tenants</del> Revenue Generation & Partnership Development; Capital Financial Planning & Airline Relations (Airline Relations)	EX + 5	Both			GC 34090 <del>GC 6254</del>
0905-10	<b>Appraisals</b> - Of Authority property.	<del>Business Management</del> Revenue Generation & Partnership Development	CL + 4	Electronic			<del>GC 6254(h)</del> GC 34090
0905-20	<b>Damage to Property Reports</b> - Copies of reports regarding damage to Authority property issued by HPD, including corresponding photos taken by Airside Operations staff.	<del>Airside Operations &amp; Terminal Operations (Airside)</del>	CY + 2	Paper			14 CFR 139.329
0905-25	<b>Acquisitions</b> - For property where the Authority is the lessee. <del>(Original lease on file with Corporate Services Board Services; and if applicable, the proposal, qualifications, or quotation of the selected lessee and evaluation memo)</del>	<del>Business Management</del> Revenue Generation & Partnership Development	Life + 3	Both		X	GC 34090 GC 60201
0910-05	<b>Facilities Management Studies and Reports</b> - Studies and reports prepared by consultants as needed. Includes but is not limited to: condition assessments, commissioning reports, and case studies related to facilities, property, utilities, and systems.	Facilities Management	PE SU + 1	Electronic			GC 34090 GC 60201
0910-10	<b>Utility Tracking Files</b> - Records documenting utility use, such as water and electricity. Includes but is not limited to: correspondence, rebates, reports, and meter maps.	Facilities Management	PE CY + 10	Electronic			GC 34090 GC 60201
0910-15	<b>Facilities Maintenance Work Requests</b> - Requests for service and related information. <del>(Maintained in E1)</del>	Facilities Management	PE	Electronic			GC 34090 GC 60201

1005-05	<b>IT Project Files</b> - Records relating to various IT related projects.	Information & Technology Services	CL + 2	Electronic			GC 34090 GC 60201
1005-50	<b>Help Desk Requests</b> - Records relating to requests for technical assistance and responses to those requests. <del>(Maintained in Trackit)</del>	Information & Technology Services	CY + 2	Electronic			<del>GRS 24 Item 8, Item 11</del> <del>GRS 3.1 Item 020</del> <del>GRS 3.1 Item 010</del>
1105-10	<b>Airfield Obstructions (Part 77) - Onsite</b> - Includes all obstructions, airfield lights & construction equipment that are localized within the boundaries and jurisdiction of the airport.	Airside & Terminal Operations (Airside)	CY + 2	Electronic			14 CFR 139.331
1105-15	<b>Part 139 Daily Self-Inspections</b> - Includes pavement areas, safety areas, marking & signs, obstructions, fueling, construction, ARFF, public protection wildlife hazards, ground vehicles & special inspections.	Airside & Terminal Operations (Airside)	CY + 2	Both			14 CFR 139.301 14 CFR 139.327
1105-20	<b>Airport Operations 24-hour Daily Log</b> - Record of all activities conducted by the operations division.	Airside & Terminal Operations (Airside)	CY + 5	Electronic	X		14 CFR 139.327
1105-25	<b>Fuel Facility and Vehicle Inspections</b> - Quarterly inspections and fuel truck driver certification of training.	Airside & Terminal Operations (Airside)	CY + 2	Paper			14 CFR 139.301 14 CFR 139.321 CCP 338
1105-30	<b>Deviation Reports</b> - Report to the FAA Regional Airports Division Manager stating the nature, extent and duration of the deviation due to an emergency.	Airside & Terminal Operations (Airside)	CY + 4	Both			14 CFR 139.113 CCP 338
1105-35	<b>Off Airport Obstructions (FAR Part 77)</b> - Records documenting all obstructions that are outside the boundaries and jurisdiction of the airport. Includes but is not limited to 7460-1, 117-1, and all FAA & email correspondence.	Airside & Terminal Operations (Airside)	PE	Electronic		X	14 CFR 77.19 GC 34090 GC 60201 PUC 170042
1105-36	<b>RON Parking Schedules</b> - Drawings documenting the parking schedule for aircraft remaining overnight (RON).	Airside & Terminal Operations (Airside)	CY + 2	Electronic			GC 34090 GC 60201
1105-45	<b>Notice to Airmen (NOTAM)</b> - Airport condition reports.	Airside & Terminal Operations (Airside)	CY + 3	Both			14 CFR 139.339
1105-50	<b>Air Traffic Reports</b> - Monthly overview of airline operating statistics, includes Air Traffic Summary Report.	Marketing, Arts, & Air Service Development (Air Service Development)	PE	Both			GC 34090 GC 60201
1105-51	<b>Airline Operating Statistics</b> - Data forms submitted by airlines to the Airport Authority for inclusion in the Air Traffic Reports.	Marketing, Arts, & Air Service Development (Air Service Development)	CY + 2	Both			GC 34090 GC 60201
1105-55	<b>Charter Advisories</b> - Correspondence between charter operator, ground handling agent & airside operations, and includes Prior Permission Required events.	Airside & Terminal Operations (Airside)	CY + 2 1	Paper			GC 34090 GC 60201
1105-60	<b>Tenant Advisories and Notices</b> - Operational and non-operational notices to tenants.	Aviation Security & Public Safety	CY + 2	Electronic			<del>GC 34090</del> <del>GC 60201</del>
1105-70	<b>Curfew Violations</b> - Correspondence, documentation, background information and review panel records of decisions	Planning & Environmental Affairs (Aircraft Noise Mitigation (QHP))	CY + 6	Electronic	X		San Diego Airport Use Regulations SDCRAA Code 9.40 <del>GC 34090</del> <del>GC 60201</del>
1105-75	<del><b>Air Ambulance Landings</b> - Emergency landings to transport the injured or human organs.</del>	Planning & Environmental Affairs (Aircraft Noise Mitigation (QHP))	<del>CY + 5</del>				<del>SDCRAA Code 9.40</del>

1105-75	<b>Automatic License Recognition Image Files</b> - Includes images of vehicle license plates that enter or leave the airport. These images are retained in Skidata Parking and Revenue Control System (PARCS)	Ground Transportation	CY+4 6 Months	Electronic	X		GC 34090 GC 60201 CIV 1798.90.55 SDCRAA Resolution 2020-0092 SDCRAA Policy 8.63 PUC
1105-80	<del><b>Parking Card Applications</b></del> -- Applications of parking card holders, log, and security threat assessment when applicable. [Maintained by ACE] Combined with 1105-82	<del>Ground Transportation;</del> Aviation Security & Public Safety	CY+2	Electronic	X		CCP 337
1105-81	<b>Parking Gate Access Control Data</b> - Records relating to the time and day of parking card usage and the rights used for security access to the parking facilities. Data include but are not limited to: name, company, access rights, vehicle information; time, date, and location of proximity card usage. (Stored in SKITDATA and DSX.)	Ground Transportation	CY+4 Term + 2	Electronic			GC 34090 GC 60201
1105-82	<del><b>Parking Card Reports and Audits Agreements</b></del> - Includes applications of parking card holders, log, security threat assessment (when applicable) Mmonthly reports and audits of applicable parking cards. [Maintained by ACE]	Ground Transportation	CY Term +2	Electronic			GC 3409 GC 60201 CCP 337
1105-85	<b>Wildlife Management</b> - Correspondence relating to any wildlife activity on the airport property or aircraft, including but not limited to wildlife or bird strikes, the USDA Japanese Beetle Control Program, and contract wildlife control measures.	Airside & Terminal Operations (Airside)	CY + 5	Both			14 CFR 139.337
1105-86	<b>Exit Passes Log</b> - Log of all passes tickets issued to staff for special events.	Ground Transportation	CY + 2	Electronic			Cal Civ Code 2080 GC 50050-50057
1105-95	<b>Lost and Found Records</b> - Records documenting agency receipt, storage and disposition of lost and found or abandoned property not related to a crime.	Ground Transportation	CY + 4	Electronic			CCP 337
1110-05	<b>Terminal Activities Permits</b> - Completed permits and correspondence related to terminal activities and include but are not limited to expressive activities , meet and greets and film shoots.	<del>Terminal &amp; Tenants</del> Airside & Terminal Operations (Terminals)	CY + 2	Both	X		GC 34090 GC 60201
1110-15	<b>Vehicle Permits</b> - Includes taxi, charter, vehicle for hire, courtesy, off-airport parking, rent-a-car, vendor, notice of insurance cancellations, application, insurance, registrations, TCP/PSC certificates. (Electronic Information maintained in Gatekeeper)	Ground Transportation	TE + 5	Electronic		X	CCP 337 49 CFR 1542.209(k)
1110-30	<del><b>State Operating Permit</b></del> -- Permit issued by the state regarding noise abatement. Series included in 0215-35 - Title 21	<del>Airport Planning &amp; Noise Mitigation</del>	PE				21 CCR 3534
1110-35	<b>Curbside Parking Permits</b> - Copy of placards and signed receipts.	Ground Transportation	CY + 2	Electronic	X		GC 34090 GC 60201 PUC 170046
1110-36	<del>Cal Trans</del> <b>Caltrans Department of Transportation (Aeronautics) - Permits</b> - Includes related documentation, such as annual inspections, etc.	Airside & Terminal Operations (Airside)	PE	Electronic			14 CFR 139.217
1120-05	<b>FAA Airports Division Applications</b> - Application and back-up information to the FAA for the issuance of airport operations certifications, including related certificates.	Airside & Terminal Operations (Airside)	PE	Electronic		X	14 CFR 139.101, 139.103, 139.109, 139.205
1120-10	<b>Airport Certification Manual (ACM)</b> - Policies and procedures governing operations, rescue and firefighting requirements, and includes letters of agreement.	Airside & Terminal Operations (Airside)	SU + 3	Both	X	X	14 CFR 139.101, 139.103, 139.201, 139.203, 139.205, 139.207, 139.305 - 139.343
1120-15	<b>ACM Applications Amendments</b> - Approval and disapprovals involving various FAA activities.	Airside & Terminal Operations (Airside)	PE	Both	X	X	14 CFR 139.205 14 CFR 139.217
1120-20	<b>FAA Annual Certification Inspection</b> - Includes documents & correspondence resulting from the inspections to & from the FAA.	Airside & Terminal Operations (Airside)	PE	Electronic		X	14 CFR 139.217
1120-25	<b>Airport Emergency Plan (AEP)</b> - Emergency policies for the Airport. Purged pursuant to FAA and/or TSA directive.	Aviation Security & and Public Safety	PE	Electronic	X	X	14 CFR 139.325

1120-35	<b>KSAN Approach-Departure Procedures</b> - Notices from FAA regarding required changes to aircraft approach and departure procedures.	Airside & Terminal Operations (Airside)	PE	Electronic	X	X	GC 34090 GC 60201
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## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**Reject the Claim of Adriana Dobre**

### Recommendation:

Adopt Resolution No. 2023-0049 rejecting the claim of Adriana Dobre.

### Background/Justification:

On May 25, 2023, Adriana Dobre filed a claim ("Attachment A") with the San Diego County Regional Airport Authority ("Authority"). Specifically, Dobre alleges that on March 15, 2023, she was injured when she slipped and fell on a wet floor in the Rental Car Center at San Diego International Airport. Dobre claims damages in the amount of \$154,408 to cover past and future medical costs, pain suffering and loss of enjoyment of life.

As described above, Dobre alleges that on March 15, 2023, she arrived at the Rental Car Center with her family on the shuttle bus from San Diego International Airport during rainy weather. She claims she slipped on the wet floor which caused a midfoot injury, a stress fracture and ankle instability. She also claims it impacted her ability to enjoy her vacation.

Dobre's claim should be denied. An investigation into the incident revealed a morning of steady rain. Security video of the incident revealed it was raining at the time and the Rental Car Center had strategically placed bright yellow cones warning pedestrians of the wet conditions and urging caution. The claimant was observed walking off the shuttle bus ahead of her family and walking between two warning cones before abruptly changing direction and walking through the cross-traffic of other pedestrians directly in front of her as she hurried through the Rental Car Center when she fell. Claimant did not seek treatment or report the incident at the time. The Rental Car Center had appropriately warned patrons to be cautious in the presence of wet floors as result of the weather. The General Counsel has reviewed the claim and recommends rejection.

### Fiscal Impact:

Not applicable.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## 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.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

Not applicable.

## Prepared by:

Amy Gonzalez  
General Counsel



**ACCIDENT OR DAMAGE  
CLAIM FORM**

Please complete all sections.  
Incomplete submittals will be  
returned, unprocessed. Use a  
typewriter or print in ink.

FOR AUTHORITY USE ONLY	
Document No.:	_____
Filed:	_____

1) Claimant Name: Adriana Dobre	
2) Address to which correspondence regarding this claim should be sent: 2730 Galleon Crescent Mississauga, ON L5M 5T8 Canada	
Telephone No.: 647-521-3243	Date: May 5th, 2023
3) Date and time of incident: March 15th, 2023. Approximate time: 12:00pm - 12:30pm	
4) Location of incident: In front of the Sixt car rental office.	
5) Description of incident resulting in claim: On March 15th, 2023, I have landed at the San Diego airport (flight AC1093). After I took my luggage, I proceeded to take the shuttle bus to go rent a car from Sixt. It was raining that day. After I got off the shuttle bus, I went towards the Sixt car rental place. The floor was wet and I slipped and fell and broke my left foot. I went to ER that evening because the foot was very swollen and it was very painful. I could not put my foot down. There was a camera right above the place I fell. I am hopeful you can retrieve the footage. There were two witnesses that saw me falling, however i didn't take their names. My husband and kids were behind me, and even though they didn't see the actual fall, they saw me on the floor and rushed to help me get up. Unfortunately at the time i didn't know that i broke my foot so i didn't report the incident. I was wearing jeans, grey running shoes and a hoodie. I don't recall the colour of the hoodie. I received medical attention the same evening at the ER department of UC San Diego Health, and I have copies of the medical records. I also have additional medical records from Canada after my return home, if needed. The accident has had a significant impact on my life, including pain and suffering, and difficulty in completing daily tasks. My family doctor, Dr. Sally Basta, has all the records from the hospital in San Diego and also from the hospital and fracture clinic in Mississauga, Canada. On May 3rd, I had another appointment with a foot specialist. Diagnosis: midfoot injury, stress fracture, ankle instability caused by the fall. The ankle instability is likely permanent. Physiotherapy was recommended to improve the condition, although a full recovery of the ankle is not possible. Future accidents are very likely due to the ankle instability.	
6) Name(s) of the Authority employee(s) causing the injury, damage or loss, if known:	
7) Persons having firsthand knowledge of incident:	
Witness (es) My husband and kids	Physician(s): Dr. Sally Basta (my family doctor)
Name: Daniel Dobre	Name: Dr. Sally Basta
Address: 2730 Galleon Cres, Mississauga, ON, CA, L5M5T8	Address: 104-2315 Bristol Cir Oakville ON L6H 6P8 Canada
Phone: +1 416-459-3993	Phone: +1 905-829-2826



RESOLUTION NO. 2023-0049

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY,  
REJECTING THE CLAIM OF ADRIANA DOBRE.

**WHEREAS**, on May 25, 2023, Adriana Dobre filed a claim with the San Diego County Regional Airport Authority (“Authority”) for losses she claims were the result of falling on a wet surface at the Rental Car Center at San Diego International Airport; and

**WHEREAS**, at its special meeting on July 13, 2023, the Board considered the claim filed by Adriana Dobre and the report submitted to the Board, and found that the claim should be rejected.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby rejects the claim of Adriana Dobre; and

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

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

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13th day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve and Authorize an Increase in the President/CEO's Change Order Authority and an Increase in the Contract Duration for the Sassafras Street Widening Project at San Diego International Airport**

**Recommendation:**

Adopt Resolution No. 2023-0050, waiving Policy 5.02(4)(b)(ii) and approving and authorizing: 1) an increase in the President/CEO's change order authority from \$630,000 to an amount not to exceed \$850,000; and 2) an increase in the contract duration from 595 calendar days to 670 calendar days for Project No. 104205, Sassafras Street Widening at San Diego International Airport.

**Background/Justification:**

On October 7, 2021, the San Diego County Regional Airport Authority ("Authority") Board ("Board") awarded a contract to Hazard Construction Engr LLC ("Hazard") in the amount of \$1,728,000 for Project No. 104205, Sassafras Street Widening (hereinafter the "Project") [Resolution 2021-0114R].

This project was defined as a required mitigation measure to the Rental Car Center's Environmental Impact Report ("EIR") in 2009. The Project scope is to provide two vehicle travel lanes and railroad crossing improvements in both directions on Sassafras Street between Pacific Highway and Kettner Boulevard, including pedestrian improvements at the railroad crossing, railroad pre-signals, railroad crossing improvements associated with California Public Utilities Commission ("CPUC") general order 88-B ("GO 88-B"), traffic signal modifications on Pacific Highway at Sassafras Street and on Kettner Boulevard at Sassafras Street, and signing and pavement marking improvements.

Since beginning construction, Hazard has encountered multiple unforeseen conditions that delayed the project and have required multiple change orders. During the construction phase, there have been four open City permits for work by others within the project area. These overlapping projects have created additional project coordination for work zones, traffic control, scheduling activities and inspections which have contributed to delays in completing the project. The overlapping projects include Upas Street Pipeline Replacement (City ID: S11022), Replace Light Pole with Verizon Conduits (Permit: SC-5G:

CA018\_SD\_Uptown\_084), L&R Group Trenching and Adding Vault (City ID: 2580256; Permit: CC S277390 – L&R Group of Co), and Cox Trench & Bore for Vault, Conduit & Cable (City ID: 2526667; Permit: CA018\_SD\_Missionbay\_UG09).

In addition to continuous coordination with the City of San Diego, this project requires extensive coordination with all agencies with right-of-way interests or access impacts in the Project area including CPUC, North County Transit District (“NCTD”), San Diego Metropolitan Transit System (“MTS”), Caltrans and the Port of San Diego.

Authority Policy (“Policy”) 5.02(4)(b)(ii) requires Board approval for change orders in excess of 6% of the original contract amount on contracts awarded for more than \$1 million but less than or equal to \$5 million, which in this case is \$103,680. The Policy also requires Board approval for time extensions of greater than 90 days.

On January 5, 2023, the Authority Board increased the change order authority to Hazard from \$103,680 to \$630,000 and the Project duration from 413 days to 530 days, establishing a revised Contract completion date of May 14, 2023 [Resolution 2023-0004].

To complete construction of the project additional change orders will need to be issued to Hazard to mitigate the following items:

1. Costs associated with the directional bore work needed for sewer construction due to encountering an undocumented 10-inch pipe conveying drainage within the North County Transit District (“NCTD”) railroad right-of-way. The modified directional bore location will require additional mobilization, traffic control and staging area.
2. Costs associated with the City of San Diego’s (“City”) requirement to replace the existing traffic signal controllers and develop a Local Area Network to support the queue cutter traffic signal integration with the railroad signaling system. The Authority and design team both originally understood this to be the City’s responsibility, however the City’s current stance indicates this element of the Project implementation is the responsibility of the Authority as the holder of the permit.
3. Cost of additional materials and labor needed to configure the railroad signal system for future conditions in the NCTD’s March Absolute Work Window (“AWW”) to prepare for construction completion in August. If this work was not completed during the March AWW, it would have needed to be delayed until the next AWW scheduled in October. AWW’s are regularly scheduled weekend work windows where rail traffic is restricted for a period of up to 48 hours to allow uninterrupted maintenance on the railroad and rail crossings. The NCTD 2023 AWW’s are noted below for reference:

<b>2023 Dates:</b>
January 7 <sup>th</sup> and 8 <sup>th</sup>
January 28 <sup>th</sup> and 29 <sup>th</sup>
March 11 <sup>th</sup> and 12 <sup>th</sup>
March 25 <sup>th</sup> and 26 <sup>th</sup>
October 14 <sup>th</sup> and 15 <sup>th</sup>
October 28 <sup>th</sup> and 29 <sup>th</sup>

The full list of proposed 2022-2024 AWW's are provided in the following link:  
<https://gonctd.com/wp-content/uploads/2022/08/2022-2024-Proposed-NCTD-Corridor-AWW-Calendar-2022-08-01.pdf>

These additional costs are estimated at \$220,000, or 13% of Hazard's total construction contract amount. The original change order authority of \$103,680, or 6% of Hazard's total contract amount, has been used to cover City inspection fees and other unforeseen conditions encountered onsite. Board Resolution 2023-0004 increased the change order authority to \$630,000, however the total costs for unanticipated changes are now estimated to be approximately \$850,000 or 49% of Hazard's total construction contract amount.

The contract's duration also must be extended to complete construction. Resolution 2023-0004 increased the contract duration to 530 days, and change order No. 7 increased the duration by 65 more days to July 18, 2023. However, staff anticipates schedule delays associated with agency reviews and revisions to work plans within railroad right-of-way needed to facilitate the additional work summarized above will require an additional 75 days to complete the Project. This will result in a total contract duration of 670 days and a revised contract completion date of October 1, 2023.

Staff recommends that the Board waive Policy 5.02(4)(b)(ii) and approve and authorize: 1) an increase in the President/CEO's change order authority from \$630,000 to an amount not to exceed \$850,000; and 2) an increase in the contract duration from 595 calendar days to 670 calendar days.

### **Fiscal Impact:**

Adequate funds for Sassafras Street Widening are included within the Board adopted FY2024-FY2028 Capital Program Budget in Project No. 104205. The Source of funding for this project is Airport Bonds.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

### Environmental Review:

- A. CEQA: This Board action is for a project that received certification and approval for the Environmental Impact Report (SCH No. 2005091105 - SDCRAA #EIR-06-01) on May 1, 2008, received certification and approval for the Airport Master Plan Northside Improvements Supplemental Environmental Impact Report (SCH NO. 2005091105 – SDCRAA # EIR-10-01 ) on September 1, 2011, and received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053 – SDCRAA # EIR-18-01) on January 9, 2020.
- B. California Coastal Act Review: A coastal development permit was issued for the Rental Car Center in 2013 (CDP#6-13-011). This Board action is for a project that is a development not within the jurisdiction of the Airport Authority and that the City of San Diego is the permitting entity for Coastal Act review and approval.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required.

## Application of Inclusionary Policies:

The Authority has the following inclusionary programs and policy: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program and Policy 5.12. These programs and policy are intended to promote the inclusion of small, local, service disabled/veteran owned small businesses, historically underrepresented businesses, and other business enterprises, on all contracts. Only one of the programs or policy 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, service disabled/veteran owned small businesses, and local businesses. Policy 5.12 provides a preference of up to seven percent (7%) 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 with Policy 5.12, the recommended firm Hazard Construction Engr LLC did not receive small business, local business, and service disabled/veteran owned small business preference.

## Prepared by:

Bob Bolton  
Director, Airport Design & Construction

RESOLUTION NO. 2023-0050

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, WAIVING POLICY 5.02(4)(b)(ii) AND APPROVING AND AUTHORIZING 1) AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY FROM \$630,000 TO AN AMOUNT NOT TO EXCEED \$850,000 AND 2) AN INCREASE IN THE CONTRACT DURATION FROM 595 CALENDAR DAYS TO 670 CALENDAR DAYS, FOR PROJECT NO. 104205, SASSAFRAS STREET WIDENING AT SAN DIEGO INTERNATIONAL AIRPORT.

**WHEREAS**, on October 7, 2021, the San Diego County Regional Airport Authority ("Authority") Board ("Board") awarded a Contract to Hazard Construction Engr LLC ("Hazard") in the amount of \$1,728,000 for Project No. 104205 Sassafras Street Widening (hereinafter the "Project") [Resolution 2021-0114R]; and

**WHEREAS**, this project was defined as a required mitigation measure to the Rental Car Center's Environmental Impact Report ("EIR") in 2009; and

**WHEREAS**, the Project scope is to provide two vehicle travel lanes and railroad crossing improvements in both directions on Sassafras Street between Pacific Highway and Kettner Boulevard, including pedestrian improvements at the railroad crossing, railroad pre-signals, railroad crossing improvements associated with California Public Utilities Commission ("CPUC") general order 88-B ("GO 88-B"), traffic signal modifications on Pacific Highway at Sassafras Street and on Kettner Boulevard at Sassafras Street, and signing and pavement marking improvements; and

**WHEREAS**, since beginning construction, Hazard has encountered multiple unforeseen conditions that delayed the project and have required multiple change orders; and

**WHEREAS**, during the construction phase, there have been four open City permits for work by others within the project area; and

**WHEREAS**, these overlapping projects have created additional project coordination for work zones, traffic control, scheduling activities and inspections which have contributed to delays in completing the project; and

**WHEREAS**, the overlapping projects include Upas Street Pipeline Replacement (City ID: S11022), Replace Light Pole with Verizon Conduits (Permit: SC-5G: CA018\_SD\_Uptown\_084), L&R Group Trenching and Adding Vault (City ID: 2580256; Permit: CC S277390 – L&R Group of Co), and Cox Trench & Bore for Vault, Conduit & Cable (City ID: 2526667; Permit: CA018\_SD\_Missionbay\_UG09); and

**WHEREAS**, in addition to continuous coordination with the City of San Diego, this project requires extensive coordination with all agencies with right-of-way interests or access impacts in the Project area including CPUC, North County Transit District (“NCTD”), San Diego Metropolitan Transit System (“MTS”), Caltrans and the Port of San Diego; and

**WHEREAS**, Authority Policy (“Policy”) 5.02(4)(b)(ii) requires Board approval for change orders in excess of 6% of the original contract amount on contracts awarded for more than \$1 million but less than or equal to \$5 million, which in this case is \$103,680; and

**WHEREAS**, the Policy also requires Board approval for time extensions of greater than 90 days; and

**WHEREAS**, on January 5, 2023, the Authority Board increased the change order authority to Hazard from \$103,680 to \$630,000 and the Project duration from 413 days to 530 days, establishing a revised Contract completion date of May 14, 2023; and

**WHEREAS**, additional change orders will need to be issued to Hazard to mitigate costs associated with the directional bore work needed for sewer construction due to encountering an undocumented pipe conveying drainage within the NCTD railroad right-of-way, the City's requirement to replace the existing traffic signal controllers and develop a Local Area Network to support the queue cutter traffic signal integration with the railroad signaling system, and additional materials and labor needed to configure the railroad signal system for future conditions in the NCTD's March Absolute Work Window ("AWW") to prepare for construction completion in August; and

**WHEREAS**, these additional costs are estimated at \$220,000 or 13% of Hazard's total construction contract amount; and

**WHEREAS**, the revised \$630,000 or 36% of Hazard's total construction amount has been identified for other conditions reserved per Board Resolution 2023-0004; and

**WHEREAS**, the total costs are estimated to be \$850,000 or 49% of Hazard's total construction contract amount; and

**WHEREAS**, the contract duration also must be extended to complete this project; and

**WHEREAS**, Resolution 2023-0004 increased the contract duration to 530 days, and change order No. 7 increased the duration by 65 more days to July 18, 2023; and

**WHEREAS**, staff anticipates schedule delays associated with agency reviews and revisions to work plans within railroad right-of-way needed to facilitate the additional work will require an additional 75 days to complete the Project; and

**WHEREAS**, this will extend the contract completion date from July 18, 2023 to October 1, 2023; and

**WHEREAS**, staff recommends that the Board waive Policy 5.02(4)(b)(ii) and approve and authorize 1) an increase in the President/CEO change order authority from \$630,000 to an amount not to exceed \$850,000; and 2) increase in the contract duration from 595 calendar days to 670 calendar days.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby waives Policy 5.02(4)(b)(ii); and

**BE IT FURTHER RESOLVED** that the Board approves and authorizes 1) an increase in the President/CEO's change order authority from \$630,000 to an amount not to exceed \$850,000; and 2) an increase in the contract duration from 595 calendar days to 670 calendar days, for Project No. 104205, Sassafras Street Widening at San Diego International Airport; and

**BE IT FURTHER RESOLVED** that the Authority's and its officers, employees, and agents hereby authorized, empowered, and directed to do and perform all such acts as may be necessary or appropriated in order to effectuate fully the foregoing resolutions; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that received certification and approval for the Environmental Impact Report (SCH No. 2005091105 – SDCRAA #EIR-06-01) on May 1, 2008, received certification and approval for the Airport Master Plan Northside Improvements supplemental Environmental Impact Report (SCH No. 2005091105 – SDCRAA # EIR-10-01) on September 1, 2011, and received certification and approval for the Airport Development Plan Environmental Impact Report (SCH No. 2017011053 – SDCRAA # EIR-18-01) on January 9, 2020; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that is a development not in the jurisdiction of the Airport Authority. The City of San Diego would be the permitting entity for Coastal Development Permit approval; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

---

TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Award a Contract to S&L Specialty Construction Inc. for Quieter Home Program Phase 12, Group 4, Project No. 381204 Three (3) Non-Historic Units on three (3) Non-Residential Properties Located West of the San Diego International Airport.**

**Recommendation:**

Adopt Resolution No. 2023-0051, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$449,751 for Phase 12, Group 4, Project No. 381204, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

**Background/Justification:**

The San Diego County Regional Airport Authority's ("Authority") Quieter Home Program ("Program") provides sound attenuation treatments to residences and incompatible non-residential facilities within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("SDIA"). This contract for Phase 12, Group 4, Project No. 381204 includes installation of new acoustical windows and doors to reduce aircraft-related noise levels and provide sound attenuation to a church facility with three (3) non-historic units on three (3) non-residential properties located west of the Airport (refer to Attachment A).

To date, the Program has completed 5,347 residences, of which 1,045 are historic and 4,302 are non-historic. 3,674 residences are located west of SDIA and 1,673 are located east of SDIA. To date, the Program has also completed 3 non-residential, non-historic units west of SDIA.

Project No. 381204 was advertised on May 5, 2023, and bids were opened on June 7, 2023. The following bids were received (refer to Attachment B):

<b>Company</b>	<b>Total Bid</b>
S&L Specialty Construction, Inc.	\$449,751.00
G&G Specialty Contractors, Inc.	\$552,920.00

Engineer's Estimate: \$638,187.00

Meeting Date: July 13, 2023

This property is a church facility and a commercial space. Upon review, the Engineer confirmed their estimate included elevated costs to accommodate commercial contractors with higher overhead costs. When the elevated costs were removed, the bids received were at acceptable amounts.

The low bid of \$449,751.00 is considered responsive and S&L Specialty Construction Inc. is considered responsible. An award to S&L Specialty Construction Inc. is, therefore, recommended in the amount of \$449,751.00.

### Fiscal Impact:

Adequate funds for the contract with S&L Specialty Construction Inc. are included in the adopted FY 2024 and conceptual FY 2025 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/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

#### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

#### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

### 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 Review: This Board action is a “development” as defined by the California Coastal Act, Cal. Pub. Res. Code §30106. This project under the Quieter Home Program will consist of treatments to a structure other than a single-family residence or public works facility. Improvements to structures other than a single-family residence or public works facility 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.”
- C. NEPA: This Board action is a project that involves approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, also requires review under the National Environmental Policy Act (“NEPA”) for its potential environmental impacts. The FAA issued a Categorical Exclusion under NEPA on March 22, 2021, for these Quieter Home Program projects.

## **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, and Policy 5.12. These programs/policy are intended to promote the inclusion of small, local, service disabled/veteran owned small businesses, historically underrepresented businesses, and other business enterprises, on all contracts. Only one of the programs/policy named above can be used in any single contracting opportunity.

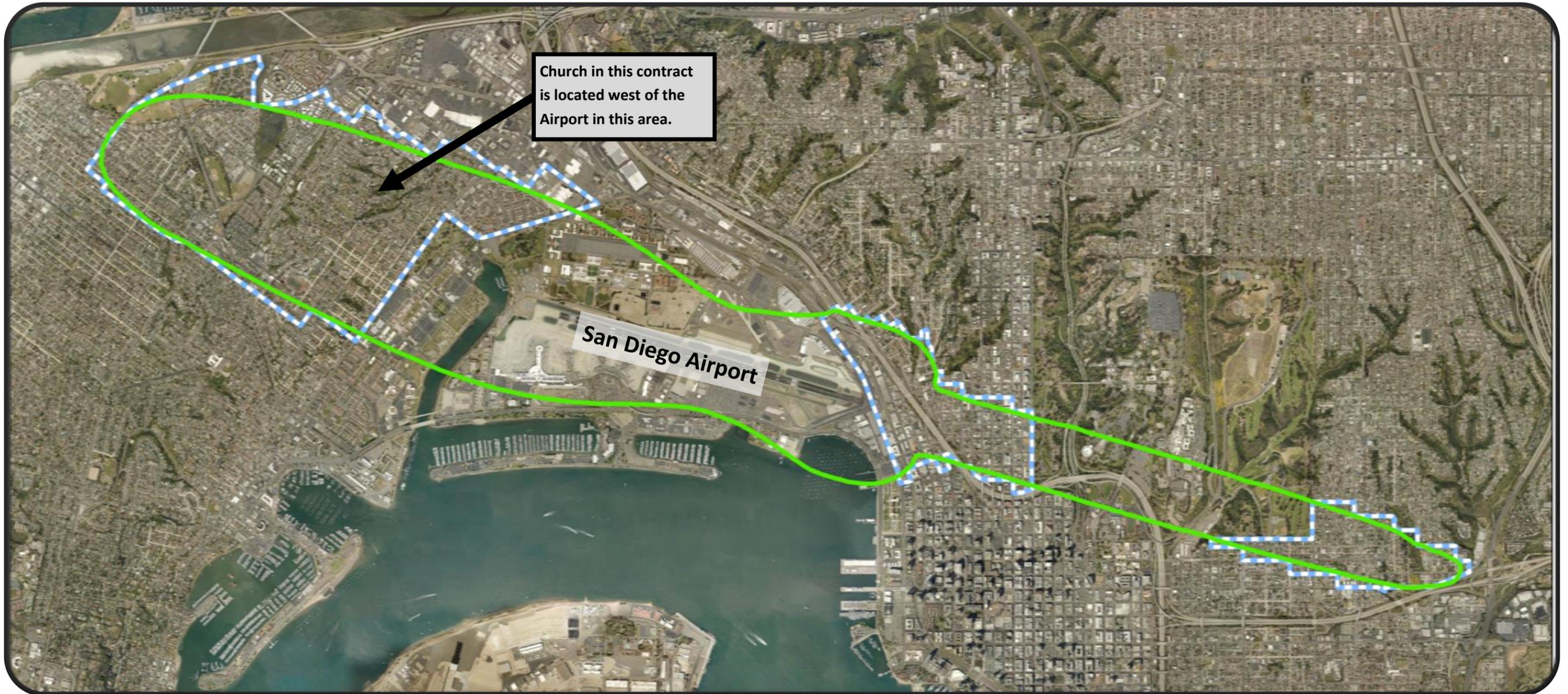
The Authority’s DBE Program, as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 26, calls for the Authority to submit a triennial overall goal for DBE participation on all federally-funded projects. When federal funds are utilized, the Authority is prohibited from using a program that provides a preference such as those used in Policy 5.12. Therefore, the Authority must utilize other means as provided in the DBE Plan to achieve participation.

This project utilizes federal funds; therefore, it will be applied toward the Authority's overall DBE goal. S&L Specialty Construction Inc. proposed 0.17% DBE participation on QHP Phase 12, Group 4.

## **Prepared by:**

Sjohnna Knack  
Director, Airport Planning & Environmental Affairs

# Attachment A



## LEGEND

-  65 dB Boundary
-  65 dB CNEL Contour

San Diego County Regional Airport Authority  
Quieter Home Program  
Project 381204

TABULATION OF BIDS

TITLE: QUIETER HOME PROGRAM PROJECT NO. 381204  
 BIDS OPENED: June 7, 2023 at 2:00 p.m.  
 ENGINEER'S ESTIMATE: \$638,187.00

<b>CONTRACTOR:</b>					<b>Engineer's Estimate</b>				<b>S&amp;L Specialty Construction, Inc.</b>				<b>G&amp;G Specialty Contractors, Inc.</b>			
<b>ADDRESS:</b>									<b>315 S. Franklin Street, Syracuse, NY 13202</b>				<b>1221 N. Mondel Drive, Gilbert, AZ 85233</b>			
<b>GUARANTEE OF GOOD FAITH:</b>									<b>Liberty Mutual Insurance Company</b>				<b>Hartford Casualty Insurance Company</b>			
Res No.	Bid Item Number - Name/Address		Dwellin g Units	Unit of Measure	Construction (In Figures)	Construction (In Figures)	Construction (In Figures)	TOTAL (In Figures)	Construction (In Figures)	Construction (In Figures)	Construction (In Figures)	TOTAL (In Figures)	Construction (In Figures)	Construction (In Figures)	Construction (In Figures)	TOTAL (In Figures)
381104.02	Chapel & Admin Building	2128 Chatsworth Blvd.	1	Lump Sum	\$330,186.00	\$0.00	\$0.00	\$330,186.00	\$221,000.00	\$0.00	\$0.00	\$221,000.00	\$294,793.00	\$0.00	\$0.00	\$294,793.00
381104.02	Family Life Center	2128 Chatsworth Blvd.	1	Lump Sum	\$303,250.00	\$0.00	\$0.00	\$303,250.00	\$224,000.00	\$0.00	\$0.00	\$224,000.00	\$253,376.00	\$0.00	\$0.00	\$253,376.00
							Subtotal	\$633,436.00			Subtotal	\$445,000.00			Subtotal	\$548,169.00
							<b>Probable Cost for Permits:</b>	\$4,751.00			<b>Probable Cost for Permits:</b>	\$4,751.00			<b>Probable Cost for Permits:</b>	\$4,751.00
							<b>TOTAL</b>	<b>\$638,187.00</b>			<b>TOTAL BID</b>	<b>\$449,751.00</b>			<b>TOTAL BID</b>	<b>\$552,920.00</b>

RESOLUTION NO. 2023-0051

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AWARDING A CONTRACT TO S&L SPECIALTY CONSTRUCTION INC., IN THE AMOUNT OF \$449,751 FOR PHASE 12, GROUP 4, PROJECT NO. 381204, OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S QUIETER HOME PROGRAM AND MAKING A FINDING THAT THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

**WHEREAS**, the San Diego County Regional Airport Authority ("Authority") has established a non-residential sound insulation program, known as the Quieter Non-Residential Program ("Program"), to reduce aircraft noise levels in non-residential facilities within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("Airport"); and

**WHEREAS**, Phase 12, Group 4, of the Program will include installation of new acoustical windows and doors improvements to reduce aircraft-related noise levels inside the facility; and

**WHEREAS**, Phase 12, Group 4, of the Program provides sound attenuation to three (3) units for a church located west of the San Diego International Airport; and

**WHEREAS**, the Authority issued a Bid Solicitation Package for Phase 12, Group 4, on May 5, 2023; and

**WHEREAS**, on June 7, 2023, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

**WHEREAS**, the apparent low bidder, S&L Specialty Construction Inc., submitted a bid of \$449,751.00 and the Authority's staff has duly considered the bid and has determined that S&L Specialty Construction Inc. is responsible, and its bid is responsive in all material respects; and

**WHEREAS** the San Diego County Regional Airport Authority Board (“Board”) believes that it is in the best interest of the Authority and the public that it serves to award S&L Specialty Construction, Inc., the lowest bidder, the contract for Phase 12, Group 4, upon the terms and conditions set forth in the Bid Solicitation Package.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby awards a contract to S&L Specialty Construction Inc., in the amount of \$449,751 for Phase 12, Group 4, Project No. 381204, of the San Diego County Regional Airport Authority’s Quieter Home Program; and

**BE IT FURTHER RESOLVED;** that the Authority’s President/CEO or designee is hereby authorized to execute and deliver such contract to S&L Specialty Construction Inc.; and

**BE IT FURTHER RESOLVED** that the Authority and its officers, employees, and agents are hereby authorized, empowered, and directed to do and perform all such acts as may be necessary or appropriate in order to effectuate fully the foregoing; and

**BE IT FURTHER RESOLVED** that the Board of the San Diego County Regional Airport Authority finds that this is a “project” as defined by the California Environmental Quality Act (“CEQA”), Cal. Pub. Res. Code §21065, and that the individual Quieter Home Program projects are categorically exempt from the CEQA under Cal. Code Regs. §15301(f), “Existing Facilities.”

**BE IT FURTHER RESOLVED** that the Board finds that this action is a “development” as defined by the California Coastal Act, Cal. Pub. Res. Code §30106. This project under the Quieter Home Program will consist of treatments to a structure other than a single-family residence or public works facility. Improvements to a structure other than a single-family residence or public works facility 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.”; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, also requires review under the National Environmental Policy Act ("NEPA") for its potential environmental impacts. The FAA issued a Categorical Exclusion under NEPA on March 22, 2021, for these Quieter Home Program projects.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve and Authorize the President/CEO to Execute the First Amendment to the Agreement with Stellar Services, Inc. for Enterprise Content Management System (ECMS) Support Services**

**Recommendation:**

Adopt Resolution No. 2023-0052, approving and authorizing the President/CEO to execute the First Amendment to the Agreement with Stellar Services, Inc. for Enterprise Content Management System (ECMS) Support Services, increasing the amount payable by \$100,000 for a new total amount not-to-exceed \$400,000, extending the term for one (1) year to expire August 13, 2024 and maintaining a one (1) year option to extend thereafter, exercisable at the sole discretion of the President/CEO.

**Background/Justification:**

The Authority and Stellar Services, Inc. ("Contractor") are parties to an Agreement for ECMS support services. The term of the original Agreement was for three years with two one-year options and a total not-to-exceed compensation amount of \$300,000. The Agreement began on August 14, 2019. In August of 2022, the Authority exercised the first one-year option resulting in a termination date of August 13, 2023.

The Authority is currently using version 16.2.8 of the OpenText Content Server software. Version 22.3 is the most current version of the software available. The Authority is experiencing some compatibility and integration issues due to the older version in use. Staff are requesting that the agreement with the Contractor be amended to increase the amount payable by \$100,000 for a new total not-to-exceed amount of \$400,000, to upgrade the current version of the Content Server software to 20.2. This upgrade will provide for better integration with Microsoft Productivity Tools; improved governance and protection functionality related to record lifecycle and retention management; increased administration functionality in Smart View; increased search functionality in Smart View; increased workflow approval functionality; and integration with Codeshare to share documents externally.

## Fiscal Impact:

Adequate Funding for this Agreement extension and increase is included in the board adopted FY 2024 and conceptually approved FY 2025 Operating Expenses Budgets within the contractual services line item.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## 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.

C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

Not Applicable

## Prepared by:

Tony R. Russell  
Director, Board Services/Authority Clerk

RESOLUTION NO. 2023-0052

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE THE FIRST AMENDMENT TO THE AGREEMENT WITH STELLAR SERVICES, INC. FOR ENTERPRISE CONTENT MANAGEMENT SYSTEM (ECMS) SUPPORT SERVICES, INCREASING THE AMOUNT PAYABLE BY \$100,000 FOR A NEW TOTAL AMOUNT NOT-TO-EXCEED \$400,000, EXTENDING THE TERM FOR ONE (1) YEAR TO EXPIRE AUGUST 13, 2024 AND MAINTAINING A ONE (1) YEAR OPTION TO EXTEND THEREAFTER, EXERCISABLE AT THE SOLE DISCRETION OF THE PRESIDENT/CEO.

**WHEREAS**, the Authority and Stellar Services, Inc. are parties to an agreement for ECMS Support Services (“Agreement”) that began on August 14, 2019; and

**WHEREAS**, the term of the Agreement is three years with two one-year options and a not-to-exceed compensation amount of \$300,000; and

**WHEREAS**, in August of 2022, the parties executed the first one-year option for a new term expiration of August 13, 2023; and

**WHEREAS**, staff recommends that the Agreement be amended to increase the total not-to-exceed compensation amount and to extend the term to August 13, 2024 for the purpose shared below, and maintaining the one year option to extend; and

**WHEREAS**, the proposed amendment authorizes the additional cost and time to upgrade the Content Server software from version 16.2.8 to version 22.2; and

**WHEREAS**, this upgrade will provide for better integration with Microsoft Productivity Tools; improved governance and protection functionality related to record lifecycle and retention management; increased administration functionality in Smart View; increased search functionality in Smart View; increased workflow approval functionality; and integration with Codeshare to share documents externally.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to execute the First Amendment to the Agreement with Stellar Services, Inc. for Enterprise Content Management System (ECMS) Support Services, increasing the amount payable by \$100,000 for a new total amount not-to-exceed \$400,000, extending the term for one (1) year to expire August 13, 2024 and maintaining a one (1) year option to extend thereafter, exercisable at the sole discretion of the President/CEO; and

**BE IT FURTHER RESOLVED** that the Authority and its officers, employees, and agents hereby are authorized, empowered, and directed to do and perform all such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolutions; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**Authorize the President/CEO to Negotiate and Execute a 10-Year Lease with San Diego Air and Space Technology Center, Inc. for Land Located at 3050 Pacific Highway.**

**Recommendation:**

Adopt Resolution No. 2023-0053, approving and authorizing the President/CEO to negotiate and execute a 10-year Lease with San Diego Air and Space Technology Center, Inc. with two (2) five-year lease options, to operate and maintain the Low Speed Wind Tunnel.

**Background/Justification:**

The Airport Authority and San Diego Air and Space Technology Center, Inc. ("SDASTC"), a wholly owned subsidiary of the San Diego Air and Space Museum, are parties to a Lease covering 39,790 square feet ("SF") of land and 697 SF of joint access space located at 3050 Pacific Highway ("Premises"). SDASTC owns a building on the Premises that houses a Low-Speed Wind Tunnel ("LSWT") that SDASTC maintains and operates at its expense. SDASTC has operated at the Premises since 1947 and provides critical testing services for the aviation industry, and other commercial industries such as high-performance athletics and architectural, structural and product development.

The current Lease originally commenced on January 1, 1996, and expired December 31, 2005. The term of the Lease was extended with subsequent amendments and expired on March 31, 2021. The Lease is currently on a month-to-month tenancy, terminable by either party on 30-days' written notice. The last amendment reduced the square footage of the Premises by 10,000 SF to allow the construction of Admiral Boland Way which is located behind the Premises and annual rent escalation continued based on a fixed amount through March 31, 2021.

## **Month-to-Month Tenancy**

The Lease expired during the COVID-19 pandemic which directly impacted all aspects of the aviation industry, including the ability of the Authority's tenants to generate revenue. In response to the impact of the COVID-19 pandemic, the Authority implemented a Temporary Rent Forbearance and Abatement Program ("Abatement Program") to provide relief to tenants from rent obligations. In lieu of rent relief through the Abatement Program, the Authority negotiated with SDASTC to continue the Lease in a month-to-month tenancy and maintain the then-current fixed rent amount, without CPI adjustment, for a period of at least two years.

## **Proposed New Lease**

In 2023, the Authority finalized a new lease template with updated terms, and conditions. Execution of a new lease, rather than further amendment of the existing Lease, will allow the Authority to conduct business with the most current and applicable terms and conditions, particularly in such critical areas as insurance, environmental regulations, and options for termination of the lease ahead of expiration. The Authority and SDASTC recognize that further development on the North Side of the Airport may be necessary in the future, therefore, it is essential to have appropriate termination language in the new lease and additional term options, exercisable at the sole discretion of the Authority.

## **Terms & Conditions of the Proposed New Lease**

The current and proposed rent considers that SDASTC provides a unique capability that is critical for the development and testing of aeronautical platforms. The Federal Aviation Administration ("FAA") has a policy permitting airport operators to charge "aeronautical users" rental rates that are less than fair market value. The FAA defines "aeronautical users" as "any activity which involves, makes possible, or is required for the operation of aircraft, or which contributes to or is required for the safety of such operations." SDASTC qualifies because it is one of two low speed wind tunnels in the United States, and provide critical testing services for the aviation industry.

The Authority Staff and SDASTC have agreed, subject to Board approval, to the following major terms:

Term	10-year term beginning July 1, 2023 with two (2) additional terms of five (5) years exercisable at the sole discretion of the Authority.							
Premises	Consists of 39,790 SF of land and 697 SF of joint access space.							
Consideration	<p>SDASTC will compensate the Authority as follows:</p> <table border="1"> <thead> <tr> <th>Date Range</th> <th>Annual Rent</th> <th>Adjustment</th> </tr> </thead> <tbody> <tr> <td>7.1.23 to 6.30.24</td> <td>\$131,024</td> <td>3.8% CPI Increase included</td> </tr> </tbody> </table> <p>Rent shall be adjusted each year on July 1 and shall be adjusted by the increase in the Consumer Price Index for All Urban Consumers published for the Los Angeles/Long Beach/Anaheim area.</p>		Date Range	Annual Rent	Adjustment	7.1.23 to 6.30.24	\$131,024	3.8% CPI Increase included
Date Range	Annual Rent	Adjustment						
7.1.23 to 6.30.24	\$131,024	3.8% CPI Increase included						
Restoration of Premises	SDASTC owns the building and is responsible for demolition of the building and remediation of the Authority site at the conclusion of the lease. The proposed Security Deposit is based on the Rough Order of Magnitude cost for demolition and site remediation.							
Security Deposit	<table border="1"> <thead> <tr> <th>Current Security Deposit</th> <th>Proposed Security Deposit</th> </tr> </thead> <tbody> <tr> <td>\$725,466 Total (combination of LOC, cash &amp; Accrued Interest)</td> <td>\$838,596</td> </tr> </tbody> </table> <p><b>Increase of \$113,130.00 payable at 10% per year over ten-year term (\$11,313/year, \$942.75/month)</b></p>	Current Security Deposit	Proposed Security Deposit	\$725,466 Total (combination of LOC, cash & Accrued Interest)	\$838,596			
Current Security Deposit	Proposed Security Deposit							
\$725,466 Total (combination of LOC, cash & Accrued Interest)	\$838,596							
Maintenance/Repairs / Utilities	SDASTC is responsible for all costs and expenses for this category.							
Taxes	SDASTC is responsible all taxes and other applicable assessments.							
Early Termination	Both parties reserve the right to terminate the Lease agreement upon 180-days' written notice.							

## Fiscal Impact:

The proposed Lease will generate \$131,034 of annual revenue from July 1, 2023 to June 30, 2024 and will increase each July with applicable CPI over the course of the initial 10-year term. In the event of early termination for the purpose of further development of the North Side of the Airport, the proposed security deposit will protect the Authority from the potential demolition costs associated with the building that is owned by SDASTC.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## 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.

C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

Not applicable.

## Prepared by:

Melina K. Fithen, USAP, C.M.  
Asset Manager

RESOLUTION NO. 2023-0053

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A 10-YEAR LEASE WITH SAN DIEGO AIR AND SPACE TECHNOLOGY CENTER, INC. WITH TWO (2) FIVE-YEAR LEASE OPTIONS, TO OPERATE AND MAINTAIN THE LOW SPEED WIND TUNNEL.

**WHEREAS**, the San Diego Air and Space Technology Center, Inc. ("SDASTC") is a wholly owned subsidiary of the San Diego Air and Space Museum; and

**WHEREAS**, SDASTC and the San Diego County Regional Airport Authority ("Authority") are parties to a lease covering 39,790 square feet of land and 697 square feet of joint access space located at 3050 Pacific Highway, San Diego, California ("Premises") to house and operate a Low Speed Wind Tunnel ("LSWT"), hereinafter the "Lease;" and

**WHEREAS**, the LSWT has operated at the Premises since 1947 and provides critical testing services for the aviation industry; and

**WHEREAS**, the Lease is currently on holdover on a month-to-month tenancy; and

**WHEREAS**, the Authority wishes to grant a new lease to SDASTC to allow continued operation of the LSWT because it provides a unique function that is critical for the development and testing of aeronautical platforms; and

**WHEREAS**, the Board finds that operation of a LWST is an aeronautical purpose under federal revenue use policies and guidelines which allows rental rates that are less than fair market value; and

**WHEREAS**, the Board finds that this Board action is consistent with Federal Grant Assurance obligations.

**NOW THEREFORE BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to negotiate and execute a lease that includes the following terms and conditions:

1. Term: 10 years beginning July 1, 2023 with two five-year options to renew, exercisable at the sole discretion of the President/CEO;
2. Premises: 39,790 SF of land and 697 SF of joint access space;
3. Annual Rent: \$131,024 with 3.8% CPI increase for lease year one, CPI each year thereafter;
4. Security Deposit: \$838,596; and

**BE IT FURTHER RESOLVED** that the Board authorizes the President/CEO to negotiate additional terms that are consistent with this Resolution; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**Authorize the President/CEO to Execute Amendments to the Concession Lease Agreement with SFS Investors JV.**

**Recommendation:**

Adopt Resolution No. 2023-0054, authorizing the President/CEO to negotiate and execute amendments to the concession lease agreement with SFS Investors JV to allow adjustments to the rental structure.

**Background/Justification:**

The Airport Authority and SFS Investors JV (SFS) are parties to a concession lease agreement for duty free concession services at San Diego International Airport (SDIA). The lease began July 1, 2018 and expires June 30, 2025. The concession lease requires SFS to pay the Authority the greater of a Minimum Annual Guarantee (MAG) or Percentage Rent.

As a result of the pandemic, from April 2020 until July 2022, the Board authorized rent abatement for all concession leases, including SFS. [Resolution Nos. 2020-0057, 2020-0099, 2021-0002, 2021-0028, 2021-0070, 2021-0103, 2022-0003]. In June, 2022, the Board adopted Resolution No. 2022-0059 which authorized the President/CEO to extend the rent abatement period for concession leases, if necessary, and execute the required amendments for concession leases for food & beverage, retail, passenger service, and in-terminal advertising to allow for an adjustment to the fiscal year (FY) 2023 MAG, and provided that the adjustment to the FY2023 MAG will be based on 80% of the FY19 rent paid to the Authority and that every subsequent year starting FY2024, the MAG will be adjusted annually based on the standard methodology identified in each lease.

This Board action allowed flexibility in setting the rental structure for FY2023 for the SFS lease because of the nature of their business and their dependence on the recovery of international travel. The Board action, however, did not extend this flexibility to FY2024. To date, international enplanements at San Diego International Airport (“SAN”) are on average 11.29% below that of FY19 (refer to Table 1 below for enplanement variance). For this reason, continued flexibility in the rental structure is needed through the end of the lease term. Staff therefore recommends that the Board authorize the President/CEO to execute amendments to the SFS lease adjusting the rental structure which may include adjustments to the MAG or waiver of MAG, if necessary.

**Table 1: Terminal 2 West International Enplanements FY2019 and FY2023**

<b>Month</b>	<b>FY 2019</b>	<b>FY 2023</b>	<b>% difference</b>
<b>July</b>	34,924	29,781	-14.73%
<b>August</b>	36,227	30,100	-16.91%
<b>September</b>	33,023	28,928	-12.40%
<b>October</b>	31,179	28,994	-7.01%
<b>November</b>	27,388	29,534	7.84%
<b>December</b>	29,030	26,036	-10.31%
<b>January</b>	28,507	22,847	-19.85%
<b>February</b>	26,398	22,773	-13.73%
<b>March</b>	33,618	29,829	-11.27%
<b>April</b>	31,841	27,221	-14.51%
<b>May</b>	32,700	Not available	
<b>June</b>	34,933	Not available	
<b>Average Year to Date</b>			-11.29%

**Fiscal Impact:**

The extension of the Minimum Annual Guarantee (MAG) reduction or waiver program for the SFS Investors lease is not anticipated to not negatively impact the Authority's Plan of Finance. Concessions revenue is budgeted using percentage rent, which exceeds the MAG.

## Authority Strategies/Focus Areas:

This item supports one or more of the following:

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## Environmental Review:

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.

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

NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) program for construction contracts, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) program for food & beverage, retail, passenger services, and rental car concessions, and Policy 5.12. These programs/policies are intended to promote the inclusion of small, minority, local, and service-disabled veteran-owned businesses in Authority contracting. Only one program or policy named above can be applied in any single contract opportunity. ACDBE participation from the joint venture shall be applied towards the Authority's overall ACDBE goal.

### Prepared by:

Deanna Zachrisson  
Director, Revenue Generation & Partnership Development

RESOLUTION NO. 2023-0054

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDNET/CEO TO NEGOTIATE AND EXECUTE AMENDMENTS TO THE CONCESSION LEASE AGREEMENT WITH SFS INVESTORS JV TO ALLOW ADJUSTMENTS TO THE RENTAL STRUCTURE

**WHEREAS**, the Airport Authority and SFS Investors JV (SFS) are parties to a concession lease agreement for duty free concession services at San Diego International Airport (SDIA); and

**WHEREAS**, the lease began July 1, 2018 and expires June 30, 2025 and requires SFS to pay the Authority the greater of a Minimum Annual Guarantee (MAG) or Percentage Rent; and

**WHEREAS**, as a result of the pandemic, from April 2020 until July 2022, the Board authorized rent abatement for all concession leases, including SFS. [Resolution Nos. 2020-0057, 2020-0099, 2021-0002, 2021-0028, 2021-0070, 2021-0103, 2022-0003]; and

**WHEREAS**, in June, 2022, the Board adopted Resolution No. 2022-0059 which authorized the President/CEO to extend the rent abatement period for concession leases, if necessary, and execute the required amendments for concession leases for food & beverage, retail, passenger service, and in-terminal advertising to allow for an adjustment to the fiscal year (FY) 2023 MAG, and provided that the adjustment to the FY2023 MAG will be based on 80% of the FY19 rent paid to the Authority and that every subsequent year starting FY2024, the MAG will be adjusted annually based on the standard methodology identified in each lease. This Board action allowed flexibility in setting the rental structure for FY2023 for the SFS lease because of the nature of their business and their dependence on the recovery of international travel. The Board action, however, did not extend this flexibility to FY2024; and

**WHEREAS**, to date, international enplanements at SDIA are on average 11.29% below that of FY2019 and for this reason, continued flexibility in the rental structure is needed through the end of the lease term; and

**WHEREAS**, the Board finds that it is in the best interest of the Authority to allow flexibility in adjusting the rent structure in the SFS lease to address the fluidity of international travel levels while also ensuring that the Authority's rental structure remains self-sustaining.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby authorizes the President/CEO to execute amendments to the SFS lease to adjust the rental structure through the end of the lease term to address the fluidity of international travel while ensuring the Authority's rent structure remains self-sustaining; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13th day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve an Amendment to Exhibit A to the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013.**

**Recommendation:**

Adopt Resolution No. 2023-0055, approving an amendment to Exhibit A to the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013 to reflect current pay codes.

**Background/Justification:**

For the benefit of the employees of the Authority and their beneficiaries, on January 1, 2003, the Board of the San Diego County Regional Airport Authority ("Authority") adopted the San Diego City Employees' Retirement System Retirement Plan ("Plan") for Airport Authority Employees. Since its adoption, the Plan has been restated and amended.

The Plan is a qualified governmental pension plan under § 401(a) and § 414(d) of the Internal Revenue Code of 1986, as amended. The Plan is administered by the San Diego City Employees' Retirement System ("SDCERS") pursuant to the terms of the San Diego City Employees' Retirement System Participation and Administration Agreement ("P & A Agreement") approved by the Board in 2007 [Resolution 2007-0054].

SDCERS administers the Plan under a group trust as set forth in the Declaration of Trust approved by the Board in 2007 [Resolution 2007-0054] pursuant to IRS Code § 401(a)(24) and in accordance with IRS Revenue Ruling 81-100, as revised by Revenue Ruling 2004-67. Pursuant to the P & A Agreement, San Diego Municipal Code §24.1806 and the provisions of the group trust, the Plan is treated as a separate retirement plan with a separate trust, separate from the plans of the City of San Diego and the San Diego Unified Port District. However, the assets of the three plans are commingled for investment purposes only.

Section 0102 of the Plan states that the items included in Base Compensation are listed in Exhibit A and are subject to any amendments the Authority Board may approve by Resolution or ordinance from time to time. Staff recommends amendments to Exhibit A to reflect current pay codes used by the Authority.

## Fiscal Impact:

The Amendment to Exhibit A to the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013 does not impact the Authority's Budget or Plan of Finance.

## Authority Strategies/Focus Areas:

This item supports one or more of the following:

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## 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.

C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

# Staff Report

Meeting Date: July 13, 2023

Page 3 of 3

## Application of Inclusionary Policies:

Not applicable.

## Prepared by:

Monty Bell  
Director, Human Resources

RESOLUTION NO. 2023-0055

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AN AMENDMENT TO EXHIBIT A TO THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RETIREMENT PLAN AND TRUST OF 2013 TO REFLECT CURRENT PAY CODES.

**WHEREAS**, for the benefit of the employees of the Authority and their beneficiaries, on January 1, 2003, the Board of the San Diego County Regional Airport Authority ("Authority") adopted the San Diego City Employees' Retirement System Retirement Plan ("Plan") for Airport Authority Employees. Since its adoption, the Plan has been restated and amended; and

**WHEREAS**, the Plan is a qualified governmental pension plan under §401(a) and § 414(d) of the Internal Revenue Code of 1986, as amended. The Plan is administered by the San Diego City Employees' Retirement System ("SDCERS") pursuant to the terms of the San Diego City Employees' Retirement System Participation and Administration Agreement ("P & A Agreement") approved by the Board in 2007 [Resolution 2007-0054]; and

**WHEREAS**, SDCERS administers the Plan under a group trust as set forth in the Declaration of Trust approved by the Board in 2007 [Resolution 2007-0054] pursuant to IRS Code §401(a)(24) and in accordance with IRS Revenue Ruling 81-100, as revised by Revenue Ruling 2004-67. Pursuant to the P & A Agreement, San Diego Municipal Code §24.1806 and the provisions of the group trust, the Plan is treated as a separate retirement plan with a separate trust, separate from the plans of the City of San Diego and the San Diego Unified Port District. However, the assets of the three plans are commingled for investment purposes only; and

**WHEREAS**, Section 0102 of the Plan states that the items included in Base Compensation are listed in Exhibit A and are subject to any amendments the Authority Board may approve by Resolution or ordinance from time to time; and

**WHEREAS**, the Board finds it is in the best interest of the Authority to update Exhibit A to list current pay codes that are included in Base Compensation and indicate whether they are pensionable.

**NOW THEREFORE BE IT RESOLVED** that the Board approves amendments to Exhibit A as reflected in Attachment 1 to this Resolution; and

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

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

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Exhibit A

## Definition of "Base Compensation"

The term "Base Compensation" means the compensation identified by the pay codes set forth below. All other compensation is specifically excluded from the definition of "Base Compensation", unless the Airport Authority's Board, in its sole discretion, amends such definition to include any additional items, in which case such additional items shall be included in the definition of "Base Compensation" only on a prospective basis. The Airport Authority's Board, in its sole discretion, may delete any items from the definition of "Base Compensation" at any time.

PDBA Code	Description	Pensionable Earnings – Classic	Pensionable Earnings – PEPRA	Description
1	Regular	Yes	Yes	Pay for regular hours worked
2	Regular	Yes	Yes	Pay for regular hours worked
3	Acting Pay	Yes	No	Additional pay for temporary assignment of additional responsibilities.
20	Paid Time Off (PTO)	Yes	Yes	Paid leave for personal reasons
21	Other Leave	Yes	Yes	Paid leave for personal reasons (for unclassified employees)
30	Sick Leave	Yes	Yes	Paid sick leave
32	Administrative Leave	Yes	Yes	Paid leave during an investigation of employee conduct
50	Holiday	Yes	Yes	Paid leave for Authority observed holidays
60	Military Leave	Yes	Yes	Paid leave for military or reserve duties
61	Bereavement	Yes	Yes	Paid for absence due to the death of a family member
62	Catastrophic (PTO)	Yes	Yes	Paid leave from PTO hours gifted by other employees
63	Jury Duty	Yes	Yes	Paid leave for jury duty service
65	Organ Donor/Bone Marrow Transplant	Yes	Yes	Paid leave for employees participating in Organ Donor/Bone Marrow Transplant
93	Injury Leave	Yes	Yes	Paid leave for absence due to a work related injury or illness
100	OT Straight Pay	No	No	Pay for hours in excess of 40 per week for exempt represented employees
105	Holiday Worked	Yes	No	Pay at one and one half times the regular rate for working on a holiday
110	Stand By	Yes	No	Pay for "on-call" duty
115	Call Back (Premium)	No	No	Pay, at "time and a half" for returning to work when on-call
150	Overtime	No	No	Pay for hours in excess of 40 per week for non-exempt employees
300	Family First Coronavirus Response Act - FFCRA- Self	Yes	Yes	Emergency Paid Sick Leave (EPSL) for Self Quarantine reasons / up to 80hrs @ full pay
303	Supplemental Paid Sick Leave (SPSL)	Yes	Yes	Supplemental Paid Sick Leave for Self Quarantine/Care for Family member/Vaccine related: up to 80hrs @ full day (Effective 03/29/2021)
305	FFCRA- Caregiver	Yes	Yes	Emergency Paid Sick Leave (EPSL) for Caregiver Quarantine Reason / up to 80hrs @ 2/3 of full pay
310	FFCRA - Childcare	Yes	Yes	Emergency Paid Sick Leave (EPSL) for Childcare reason / up to 80hrs @ 2/3 of full pay
315	FFCRA - Extended Leave	Yes	Yes	Emergency Family and Medical Leave (EFMLA) for Expanded Family and Medical Leave - additional 10 weeks @ 2/3 of full pay
500	PTO Cashout	No	No	Mandatory cash out of PTO hours
502	PTO Payout	No	No	Voluntary cash out of PTO hours
505	Retro Pay - Shift	Yes	No	Pay adjustment for back payment of night shift differential
510 & 512	Retro Pay	Yes	Yes	Wage increases or pay adjustment that was effective in a period prior to period in which it is being paid.
511	Retro Pay - DROP	No	No	Retro Pay adjustment for employees in the DROP program
521	Year End Other Leave	Yes	Yes	Paid leave for personal reasons (for unclassified employees) when used at the end of the calendar year.
550	Severance	No	No	Payment to employee upon termination of employment
555	PTO Term	No	No	Payout of accumulated PTO hours upon termination of employment
560	Executive Physical	No	No	Grossed up taxable amount of annual physical examination benefit
565	Relocation	No	No	Gross up taxable amount of relocation benefits
570	Sign on Bonus	No	No	Incentive payment to accept employment offer
575	Recognition Award	No	No	Payments in recognition of excellence, e.g., Employee of the Quarter, Employee of the Year or Team of the Year Award, Spirit of SAN and other awards not directly related to the employees job responsibilities.
585, 586 & 587	Bonus/Performance Pay	Yes	No	Additional pay for outstanding performance. Also, lumpsum payment in recognition of performance when employee has reached the top of their pay range.
588	Deferral Pay	No	No	Annual deferral alternative for Director and up
590	Incentive Pay	No	No	Incentive payments, e.g., Business Performance Incentive (Authority gain sharing), Vaccine Incentive, Retention Incentive, other discretionary incentive payments.
1160 - 1170	Car Allowance	Yes	No	Monthly auto allowance for eligible employees.

**Exhibit A**

**Definition of "Base Compensation"**

The term "Base Compensation" means the compensation identified by the pay codes set forth below. All other compensation is specifically excluded from the definition of "Base Compensation", unless the Airport Authority's Board, in its sole discretion, amends such definition to include any additional items, in which case such additional items shall be included in the definition of "Base Compensation" only on a prospective basis. The Airport Authority's Board, in its sole discretion, may delete any items from the definition of "Base Compensation" at any time.

<b>PDBA Code</b>	<b>Description</b>	<b>Pensionable Earnings – Classic</b>	<b>Pensionable Earnings – PEPRA</b>	<b>Description</b>
<b>Differential Pay types:</b>				
	Bilingual (2.5%)	Yes	No	Employee qualified and approved for Bilingual compensation.
	Acting Lead and Bilingual ATO (7.5%)	Yes	No	An individual who is both approved for bilingual compensation and appointed to a lead position (as stated above)
	Acting Lead (5.0%)	Yes	No	Longer term temporary assignment to a class with a higher pay grade. Or the individual who is appointed as the lead on a night shift team of 2 or more persons.
	Night Shift (\$1.50/hr)	Yes	No	Additional hourly rate paid when employee works night hours, as defined in the MOAs
	Out of class assignment (5.0%)	Yes	No	Employee temporarily performing in a class with a higher pay grade.
	Backflow Repair (5.0%)	Yes	No	Employee performing work requiring special certification (only applied when such work is being performed.)
	Locksmith (5.0%)	Yes	No	Employee performing work requiring special certification (only applied when such work is being performed.)
	Fire Extinguisher (5.0%)	Yes	No	Employee performing work requiring special certification (only applied when such work is being performed.)
	Welder (5.0%)	Yes	No	Employee performing work requiring special certification (only applied when such work is being performed.)
	Spec Skill and Out of Class (10.0%)	Yes	No	Employee performing work requiring special certification (only applied when such work is being performed.) and employee is temporarily performing out of class or in a lead role.

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Award a Contract to S&L Specialty Construction, Inc. for Quieter Home Program Phase 12, Group 10, Project No. 381210 Thirty-Four (34) Non-Historic Single-Family and Multi-Family Units on Twenty-Five (25) Residential Properties Located East and West of the San Diego International Airport.**

**Recommendation:**

Adopt Resolution No. 2023-0056, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,481,648 for Phase 12, Group 10, Project No. 381210, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

**Background/Justification:**

The San Diego County Regional Airport Authority's ("Authority") Quieter Home Program ("Program") provides sound attenuation treatments to residences within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("SDIA"). This contract for Phase 12, Group 10, Project No. 381210 includes installation of new acoustical windows, doors, and ventilation improvements to reduce aircraft-related noise levels and provide sound attenuation to thirty-four (34) non-historic single-family and multi-family units on twenty-five (25) residential properties located east and west of the Airport (refer to Attachment A).

To date, the Program has completed 5,347 residences, of which 1,045 are historic and 4,302 are non-historic. 3,674 residences are located west of SDIA and 1,673 are located east of SDIA.

Project No. 381210 was advertised on May 8, 2023, and bids were opened on June 9, 2023. The following bids were received (refer to Attachment B):

<b>Company</b>	<b>Total Bid</b>
S&L Specialty Construction, Inc.	\$1,481,648.00
G&G Specialty Contractors, Inc.	\$1,548,619.00
HHJ Construction, Inc.	\$1,668,000.00

Engineer's Estimate: \$1,532,271,29

The low bid of \$1,481,648 is considered responsive and S&L Specialty Construction, Inc. is considered responsible. Award to S&L Specialty Construction, Inc. is, therefore, recommended in the amount of \$1,481,648.

### Fiscal Impact:

Adequate funds for the contract with S&L Specialty Construction Inc. are included in the adopted FY 2024 and conceptual FY 2025 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/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

#### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

#### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

### 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 Review: This Board action is a “development” as defined by the California Coastal Act, Cal. Pub. Res. Code §30106. This project 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.”
- C. NEPA: This Board action is a project that involves approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, also requires review under the National Environmental Policy Act (“NEPA”) for its potential environmental impacts. The FAA issued a Categorical Exclusion under NEPA on March 22, 2021, for these Quieter Home Program projects.

## 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, and Policy 5.12. These programs/policy are intended to promote the inclusion of small, local, service disabled/veteran owned small businesses, historically underrepresented businesses, and other business enterprises, on all contracts. Only one of the programs/policy named above can be used in any single contracting opportunity.

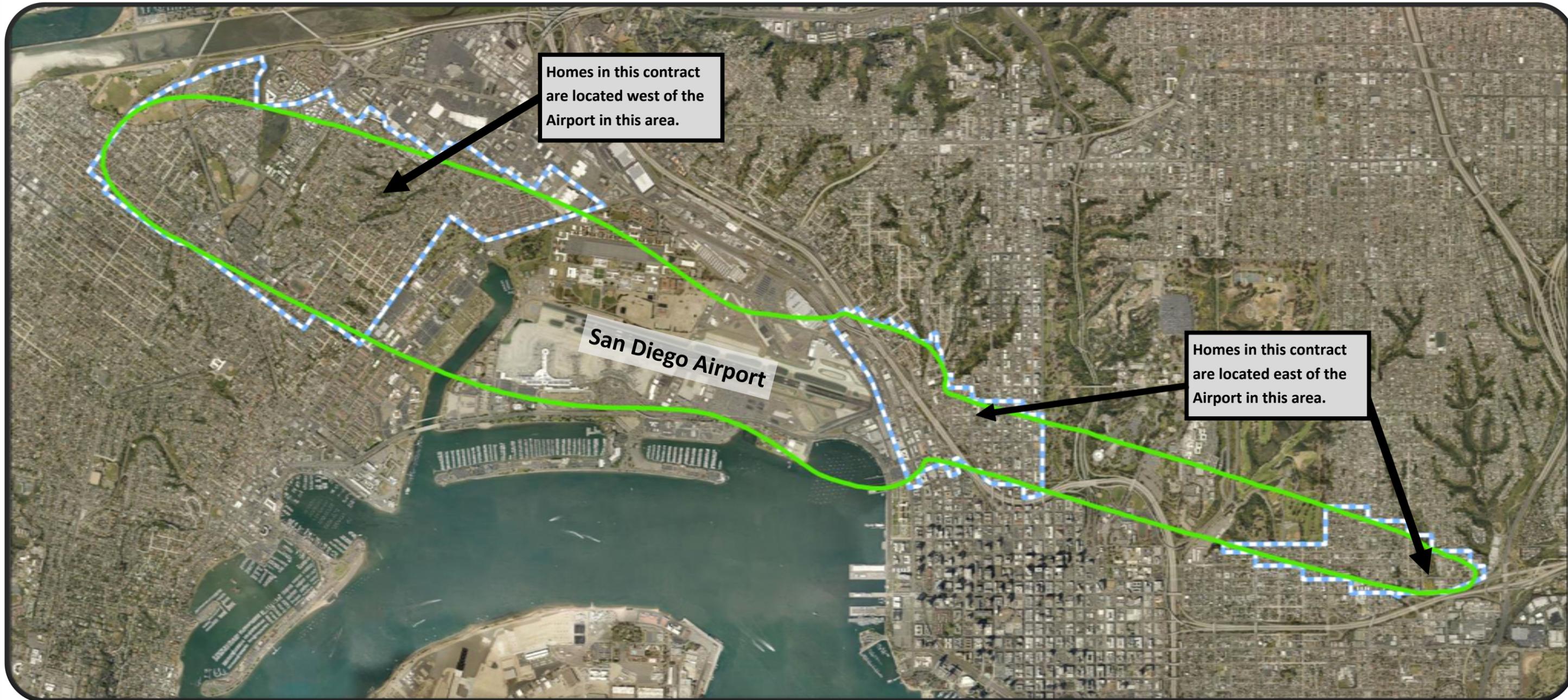
The Authority’s DBE Program, as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 26, calls for the Authority to submit a triennial overall goal for DBE participation on all federally-funded projects. When federal funds are utilized, the Authority is prohibited from using a program that provides a preference such as those used in Policy 5.12. Therefore, the Authority must utilize other means as provided in the DBE Plan to achieve participation.

This project utilizes federal funds; therefore, it will be applied toward the Authority's overall DBE goal. S&L Specialty Construction, Inc. proposed 4.9% DBE participation on QHP Phase 12, Group 10.

## Prepared by:

Sjohnna Knack  
Director, Airport Planning & Environmental Affairs

# Attachment A



## LEGEND

-  65 dB Boundary
-  65 dB CNEL Contour

San Diego County Regional Airport Authority  
Quieter Home Program  
Project 381210

# TABULATION OF BIDS

# ATTACHMENT B

**TITLE: QUIETER HOME PROGRAM PROJECT NO. 381210**  
**BIDS OPENED: June 9, 2023 at 2:00 p.m.**  
**ENGINEER'S ESTIMATE: \$1,532,271.29**

**ALL HIGHLIGHTED YELLOW ITEMS MUST BE UPDATED WITH YOUR CORRECT PROJECT INFO; PLEASE ENSURE TO GET RID OF ALL YELLOW HIGHLIGHTING**

<b>CONTRACTOR:</b>	<b>Engineer's Estimate</b>	<b>S&amp;L Specialty Construction, Inc.</b>	<b>G&amp;G Specialty Contractors, Inc.</b>	<b>HHJ Construction, Inc.</b>
<b>ADDRESS:</b>		<b>315 S. Franklin Street, Syracuse, NY 13202</b>	<b>1221 N. Mondel Drive, Gilbert, AZ 85233</b>	<b>11156 S. Main Street, Los Angeles, CA 90061</b>
<b>GUARANTEE OF GOOD FAITH:</b>		<b>Liberty Mutual Insurance Company</b>	<b>Hartford Casualty Insurance Company</b>	<b>Old Republic Surety Company</b>

Res No.	Bid Item Number - Name/Address	Dwelling Units	Unit of Measure	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)		
381203.31	BRYAN 2676 WORDEN STREET UNIT 66	1	Lump Sum	\$30,076.91	\$12,785.47	\$4,321.24	\$47,183.61	\$43,000.00	\$13,000.00	\$5,000.00	\$61,000.00				\$0.00	\$40,306.93	\$15,835.00	\$2,500.00	\$58,641.93		
381207.15	THEIN 2828 FAMOUSA BOULEVARD UNIT 105	1	Lump Sum	\$18,191.01	\$0.00	\$0.00	\$18,191.01	\$17,000.00	\$0.00	\$0.00	\$17,000.00				\$0.00	\$27,861.58	\$0.00	\$0.00	\$27,861.58		
381208.21	PINEDA / FRANCO 2866 UNION STREET	1	Lump Sum	\$61,980.87	\$18,317.85	\$5,769.84	\$86,068.55	\$78,000.00	\$14,000.00	\$5,000.00	\$97,000.00				\$0.00	\$63,964.56	\$19,050.00	\$2,650.00	\$85,664.56		
381210.01	STEPANOF 4725 MUIR AVENUE	1	Lump Sum	\$20,253.22	\$0.00	\$0.00	\$20,253.22	\$24,000.00	\$0.00	\$0.00	\$24,000.00				\$0.00	\$30,457.27	\$0.00	\$0.00	\$30,457.27		
381210.02	STAVROS 4765 WEST POINT LOMA BOULEVARD	1	Lump Sum	\$53,003.88	\$0.00	\$0.00	\$53,003.88	\$31,000.00	\$0.00	\$0.00	\$31,000.00				\$0.00	\$43,017.17	\$0.00	\$0.00	\$43,017.17		
381210.03	GRACES 4683 BRIGHTON AVENUE	1	Lump Sum	\$24,938.71	\$13,683.81	\$8,316.28	\$46,938.80	\$35,000.00	\$11,000.00	\$4,000.00	\$50,000.00				\$0.00	\$29,226.01	\$16,650.00	\$2,600.00	\$48,476.01		
381210.03	GRACES 4685 BRIGHTON AVENUE	1	Lump Sum	\$24,938.71	\$16,529.73	\$6,769.48	\$48,237.91	\$35,000.00	\$11,000.00	\$4,000.00	\$50,000.00				\$0.00	\$29,104.62	\$17,050.00	\$2,600.00	\$48,754.62		
381210.04	STEPANOF 4680 LONG BRANCH AVENUE	1	Lump Sum	\$35,762.59	\$0.00	\$0.00	\$35,762.59	\$34,000.00	\$0.00	\$0.00	\$34,000.00				\$0.00	\$49,459.38	\$0.00	\$0.00	\$49,459.38		
381210.08	AMBERT 4640 LOTUS STREET	1	Lump Sum	\$21,873.67	\$0.00	\$0.00	\$21,873.67	\$18,000.00	\$0.00	\$0.00	\$18,000.00				\$0.00	\$34,551.28	\$0.00	\$0.00	\$34,551.28		
381210.09	BATISTA 4666 LOTUS STREET	1	Lump Sum	\$24,839.94	\$11,987.86	\$5,764.58	\$42,592.38	\$26,000.00	\$10,000.00	\$4,000.00	\$40,000.00				\$0.00	\$33,968.75	\$2,700.00	\$17,250.00	\$53,918.75		
381210.09	BATISTA 4668 LOTUS STREET	1	Lump Sum	\$31,528.39	\$12,992.13	\$6,643.21	\$51,163.73	\$29,000.00	\$10,000.00	\$4,000.00	\$43,000.00				\$0.00	\$40,592.20	\$17,250.00	\$2,600.00	\$60,442.20		
381210.12	SEYMOUR 4515 LONG BRANCH AVENUE	1	Lump Sum	\$50,000.19	\$0.00	\$0.00	\$50,000.19	\$54,000.00	\$0.00	\$0.00	\$54,000.00				\$0.00	\$41,572.87	\$0.00	\$0.00	\$41,572.87		
381210.14	THOMAS / VALENCIA 2325 ETIWANDA STREET	1	Lump Sum	\$25,172.31	\$0.00	\$0.00	\$25,172.31	\$28,000.00	\$0.00	\$0.00	\$28,000.00				\$0.00	\$37,576.12	\$0.00	\$0.00	\$37,576.12		
381210.16	CONNER 4447 VOLTAIRE STREET	1	Lump Sum	\$90,307.67	\$13,952.91	\$3,542.58	\$107,803.15	\$86,000.00	\$10,000.00	\$3,000.00	\$99,000.00				\$0.00	\$76,930.49	\$17,250.00	\$2,750.00	\$96,930.49		
381210.17	GOFF 4325 LONG BRANCH AVENUE	1	Lump Sum	\$26,109.77	\$0.00	\$0.00	\$26,109.77	\$19,000.00	\$0.00	\$0.00	\$19,000.00				\$0.00	\$34,402.65	\$0.00	\$0.00	\$34,402.65		
381210.18	SETTE 4030 TENNYSON STREET	1	Lump Sum	\$54,382.09	\$16,523.27	\$4,054.67	\$74,960.03	\$55,000.00	\$8,000.00	\$3,000.00	\$66,000.00				\$0.00	\$48,498.71	\$18,250.00	\$1,500.00	\$68,248.71		
381210.19	VEKTERNA 3916 TENNYSON STREET	1	Lump Sum	\$29,506.65	\$15,296.28	\$7,011.49	\$51,814.42	\$38,000.00	\$10,000.00	\$4,000.00	\$52,000.00				\$0.00	\$39,873.98	\$17,350.00	\$2,700.00	\$59,923.98		
381210.21	HAYS 2666 WORDEN STREET UNIT 1	1	Lump Sum	\$34,050.64	\$14,222.35	\$4,703.56	\$52,976.55	\$44,000.00	\$11,000.00	\$5,000.00	\$60,000.00				\$0.00	\$35,845.86	\$17,350.00	\$3,550.00	\$56,745.86		
381210.23	FRANKE 4345 MENTONE STREET UNIT A	1	Lump Sum	\$24,566.93	\$6,665.51	\$1,010.16	\$32,242.61	\$26,000.00	\$4,000.00	\$2,000.00	\$32,000.00				\$0.00	\$28,707.94	\$8,500.00	\$1,100.00	\$38,307.94		
381210.23	FRANKE 4345 MENTONE STREET UNIT B	1	Lump Sum	\$18,853.66	\$5,263.42	\$1,315.31	\$25,432.39	\$24,000.00	\$4,000.00	\$2,000.00	\$30,000.00				\$0.00	\$26,582.21	\$8,500.00	\$1,100.00	\$36,182.21		
381210.23	FRANKE 4345 MENTONE STREET UNIT C	1	Lump Sum	\$16,993.88	\$5,349.22	\$1,711.66	\$24,054.76	\$21,000.00	\$4,000.00	\$1,000.00	\$26,000.00				\$0.00	\$26,658.20	\$8,500.00	\$900.00	\$36,058.20		
381210.23	FRANKE 4345 MENTONE STREET UNIT D	1	Lump Sum	\$23,684.63	\$6,772.21	\$1,711.66	\$32,168.50	\$25,000.00	\$4,000.00	\$1,000.00	\$30,000.00				\$0.00	\$29,640.91	\$8,800.00	\$900.00	\$39,340.91		
381210.23	FRANKE 4345 MENTONE STREET UNIT D	1	Lump Sum	\$18,218.03	\$4,836.14	\$1,010.16	\$24,064.33	\$25,000.00	\$4,000.00	\$1,000.00	\$30,000.00				\$0.00	\$28,986.67	\$8,800.00	\$800.00	\$38,586.67		
381210.23	FRANKE 4345 MENTONE STREET UNIT F	1	Lump Sum	\$18,258.41	\$5,138.49	\$1,711.66	\$25,108.56	\$23,000.00	\$4,000.00	\$1,000.00	\$28,000.00				\$0.00	\$28,505.35	\$8,500.00	\$900.00	\$37,905.35		
381210.24	FRANKE 4353 MENTONE STREET	1	Lump Sum	\$27,256.98	\$14,122.53	\$12,749.76	\$54,129.27	\$38,000.00	\$10,000.00	\$7,000.00	\$55,000.00				\$0.00	\$32,886.81	\$17,250.00	\$8,000.00	\$58,136.81		
381210.24	FRANKE 4355 MENTONE STREET	1	Lump Sum	\$24,488.16	\$13,466.27	\$2,932.27	\$40,886.70	\$34,000.00	\$10,000.00	\$7,000.00	\$51,000.00				\$0.00	\$32,327.38	\$17,250.00	\$4,000.00	\$53,577.38		
381210.27	ZIMMET 3714 KINGSLEY STREET	1	Lump Sum	\$20,944.61	\$13,961.46	\$5,668.12	\$40,574.19	\$24,000.00	\$10,000.00	\$5,000.00	\$39,000.00				\$0.00	\$24,110.35	\$18,050.00	\$3,000.00	\$45,160.35		
381210.28	HOIBERG 3032 VOLTAIRE STREET	1	Lump Sum	\$72,109.72	\$17,800.14	\$4,016.09	\$93,925.95	\$68,000.00	\$11,000.00	\$3,000.00	\$82,000.00				\$0.00	\$70,817.38	\$19,650.00	\$1,800.00	\$92,267.38		
381210.29	EVERLY 3045 N. EVERGREEN STREET	1	Lump Sum	\$36,199.24	\$15,362.71	\$3,237.42	\$54,799.37	\$37,000.00	\$11,000.00	\$3,000.00	\$51,000.00				\$0.00	\$39,510.40	\$19,650.00	\$2,100.00	\$61,260.40		
381210.32	REYNOLDS 3160 MEADOW GROVE DRIVE	1	Lump Sum	\$50,148.63	\$15,307.15	\$3,714.44	\$69,170.22	\$41,000.00	\$0.00	\$0.00	\$41,000.00				\$0.00	\$47,006.31	\$0.00	\$0.00	\$47,006.31		
381210.33	SCAFIDI 609 ARROYO DRIVE	1	Lump Sum	\$36,471.42	\$0.00	\$0.00	\$36,471.42	\$36,000.00	\$0.00	\$0.00	\$36,000.00				\$0.00	\$38,776.80	\$0.00	\$0.00	\$38,776.80		
381210.34	TOBIASON 1028 EDMONT STREET	1	Lump Sum	\$45,426.51	\$0.00	\$0.00	\$45,426.51	\$40,000.00	\$0.00	\$0.00	\$40,000.00				\$0.00	\$34,902.97	\$0.00	\$0.00	\$34,902.97		
381210.34	TOBIASON 1030 EDMONT STREET	1	Lump Sum	\$31,445.68	\$0.00	\$0.00	\$31,445.68	\$28,000.00	\$0.00	\$0.00	\$28,000.00				\$0.00	\$30,324.31	\$0.00	\$0.00	\$30,324.31		
381210.35	BLOEMEN / HUMPHRIES 2828 FAMOSA BOULEVARD UNIT 108	1	Lump Sum	\$22,617.07	\$0.00	\$0.00	\$22,617.07	\$20,000.00	\$0.00	\$0.00	\$20,000.00				\$0.00	\$23,912.58	\$0.00	\$0.00	\$23,912.58		
						Subtotal	\$1,512,623.29				Subtotal	\$1,462,000.00				Subtotal	\$0.00			Subtotal	\$1,648,352.00
						<b>Probable Cost for Permits:</b>	\$19,648.00				<b>Probable Cost for Permits:</b>	\$19,648.00				<b>Probable Cost for Permits:</b>	\$0.00			<b>Probable Cost for Permits:</b>	\$19,648.00
						<b>TOTAL</b>	<b>\$1,532,271.29</b>				<b>TOTAL BID</b>	<b>\$1,481,648.00</b>				<b>TOTAL BID</b>	<b>\$1,548,619.00</b>			<b>TOTAL BID</b>	<b>\$1,668,000.00</b>

\* Contractor submitted above bid amount in Planet Bids but did not upload the correct bid Documents.

RESOLUTION NO. 2023-0056

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AWARDING A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC., IN THE AMOUNT OF \$1,481,648 FOR PHASE 12, GROUP 10, PROJECT NO. 381210, OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S QUIETER HOME PROGRAM AND MAKING A FINDING THAT THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

**WHEREAS**, the San Diego County Regional Airport Authority ("Authority") has established a residential sound insulation program, known as the Quieter Home Program ("Program"), to reduce aircraft noise levels in the homes of residents living within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("Airport"); and

**WHEREAS**, Phase 12, Group 10, of the Program will include installation of new acoustical windows, doors, and ventilation improvements to reduce aircraft-related noise levels inside the homes; and

**WHEREAS**, Phase 12, Group 10, of the Program provides sound attenuation to thirty-four (34) single-family and multi-family units on twenty-five (25) non-historic residential properties located east and west of the San Diego International Airport; and

**WHEREAS**, the Authority issued a Bid Solicitation Package for Phase 12, Group 10, on May 8, 2023; and

**WHEREAS**, on June 9, 2023, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

**WHEREAS**, the apparent low bidder, S&L Specialty Construction, Inc., submitted a bid of \$1,481.648.00 and the Authority's staff has duly considered the bid and has determined that S&L Specialty Construction, Inc. is responsible, and its bid is responsive in all material respects; and

**WHEREAS**, the San Diego County Regional Airport Authority Board (“Board”) believes that it is in the best interest of the Authority and the public that it serves to award S&L Specialty Construction, Inc., the lowest bidder, the contract for Phase 12, Group 10, upon the terms and conditions set forth in the Bid Solicitation Package.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby awards a contract to S&L Specialty Construction, Inc., in the amount of \$1,481,648 for Phase 12, Group 10, Project No. 381210, of the San Diego County Regional Airport Authority’s Quieter Home Program; and

**BE IT FURTHER RESOLVED** that the Authority’s President/CEO or designee is hereby authorized to execute and deliver such contract to S&L Specialty Construction, Inc.; and

**BE IT FURTHER RESOLVED** that the Authority and its officers, employees, and agents are hereby authorized, empowered, and directed to do and perform all such acts as may be necessary or appropriate in order to effectuate fully the foregoing; and

**BE IT FURTHER RESOLVED** that the Board of the San Diego County Regional Airport Authority finds that this is a “project” as defined by the California Environmental Quality Act (“CEQA”), Cal. Pub. Res. Code §21065, and that the individual Quieter Home Program projects are categorically exempt from the CEQA under Cal. Code Regs. §15301(f), “Existing Facilities.”

**BE IT FURTHER RESOLVED** that the Board finds that this action is a “development” as defined by the California Coastal Act, Cal. Pub. Res. Code §30106. This project 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.”; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, also requires review under the National Environmental Policy Act (“NEPA”) for its potential environmental impacts. The FAA issued a Categorical Exclusion under NEPA on March 22, 2021 for these Quieter Home Program projects.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve and Authorize the President/CEO to Execute a 12kV Distribution System Operations, Maintenance, and Repair Services Agreement**

**Recommendation:**

Adopt Resolution No. 2023-0057, approving and authorizing the President/CEO to execute an Agreement for 12kV Distribution System Operations, Maintenance, and Repair Services with Chula Vista Electric Company, in an amount not-to-exceed \$8,000,000, for a term of three (3) years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, at San Diego International Airport ("SDIA")

**Background/Justification:**

On April 19, 2023, the San Diego County Regional Airport Authority ("Authority") issued a Request for Proposal ("RFP") for 12kV electrical distribution system operations, maintenance, and repair services. Services to be performed under the agreement will include but are not limited to scheduled equipment preventive maintenance in accordance with the approved Operations and Maintenance Program; corrective maintenance to ensure the system is operating per design specifications; automation maintenance and engineering support of the Supervisory Control and Data Acquisition ("SCADA") System, and as needed work tasks. The RFP was comprehensible for the degree of complexity that is specific to the required programming and equipment maintenance and the compensation amount is commensurate with the requirements as called out in the RFP. On May 24, 2023, the Authority received one response to the RFP from Chula Vista Electric Company ("CVE"). Numerous firms attended the pre-submittal and job walk, however, did not submit responses because of either their inability to be available because they were located outside of San Diego County, not capable of performing the entire scope of work or did not have enough resources available.

On June 13, 2023, the Authority's Evaluation Panel ("Panel"), which was comprised of three representatives from Facilities Management, and one representative from Airport Design and Construction interviewed the respondent. The Panel evaluated the respondent using weighted criteria of four factors: the firm's experience and qualifications, primary staff, work plan/equipment, and small business preference under Authority Policy 5.12.

The final ranking matrix from the panel is as follows:

<b>Firm</b>	<b>Panelist 1</b>	<b>Panelist 2</b>	<b>Panelist 3</b>	<b>Panelist 4</b>	<b>Total</b>	<b>Final Rank</b>
CVE	1	1	1	1	4	1

The final combined scores matrix from the panel is as follows:

	<b>SB</b>	<b>Local</b>	<b>Vet.</b>	<b>Cost</b>	<b>Co. Exper. &amp; Qual.</b>	<b>Primary Staff</b>	<b>Work Plan/ Equip.</b>	<b>Total</b>
CVE	120	80	0	800	950	1140	925	4015

The Panel unanimously determined CVE as the qualified respondent to provide services based on the evaluation criteria and interview.

A brief background of the firm is provided:

Chula Vista Electric Co.

- Full service electrical and network systems contractor providing 24/7 emergency service and repair,
- Specialists in providing medium and high voltage maintenance and repair,
- Performed 12kV distribution system operations, maintenance, and repair services at SDIA for the past eight (8) years, and
- Comparable services performed for: SDG&E, City of San Diego, UCSD, and Marine Corps Air Station Miramar.

Based on the Panel’s evaluation of the respondent, Chula Vista Electric Company is determined to be qualified and staff recommends that the Board approve and authorize the President/CEO to execute an agreement with Chula Vista Electric Company for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, in the amount not-to-exceed \$8,000,000. for five years.

**Fiscal Impact:**

Adequate funding for the 12kV distribution system operation, maintenance and repair agreement is included in the adopted FY 2024 and conceptually approved FY 2025 Operating Expense Budgets within the Facilities Management Annual Repair and Service Contracts line item. The expense for this contract that will impact budget years not yet adopted or approved by the Board and will be included in future year budget requests.

## Authority Strategies/Focus Areas:

This item supports one or more of the following:

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## 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.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## 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 and Policy 5.12. These programs and policy 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, service disabled/veteran owned small business and local businesses. Policy 5.12 provides a preference of up to seven percent (7%) 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 with Policy 5.12, the recommended firm Chula Vista Electric Company received 3% small business preference, 2% local business preference and 0% veteran owned small business preference. The total amount of preference is 5%.

**Prepared by:**

Stephen Mosca  
Director, Facilities Management

RESOLUTION NO. 2023-0057

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT FOR 12KV DISTRIBUTION SYSTEM OPERATIONS, MAINTENANCE, AND REPAIR SERVICES WITH CHULA VISTA ELECTRIC COMPANY, IN AN AMOUNT NOT-TO-EXCEED \$8,000,000, FOR A TERM OF THREE (3) YEARS, WITH THE OPTION FOR TWO (2) ONE-YEAR EXTENSIONS EXERCISABLE AT THE DISCRETION OF THE PRESIDENT/CEO, AT SAN DIEGO INTERNATIONAL AIRPORT ("SDIA").

**WHEREAS**, the Authority advertised a Request for Proposal ("RFP") on April 19, 2023, to provide 12kV electrical distribution system operations, maintenance, and repair services at San Diego International Airport; and

**WHEREAS**, on May 24, 2023, the Authority received one response to the RFP from Chula Vista Electric Company ("CVE"); and

**WHEREAS**, on June 13, 2023, the Authority's Evaluation Panel ("Panel"), which was comprised of three representatives from Facilities Management and one representative from Airport Design and Construction interviewed and ranked the respondent; and

**WHEREAS**, the evaluation criteria used to evaluate the firms was weighted criteria of four factors: the firms' experience and qualifications, primary staff, work plan/equipment, and small business preference under Authority Policy 5.12; and

**WHEREAS**, upon conclusion of the evaluation process, the Panel determined CVE as qualified to provide services based on the evaluation criteria and interview.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to execute an Agreement for 12kV Distribution System Operations, Maintenance, and Repair Services with Chula Vista Electric Company, in an amount not-to-exceed \$8,000,000, for a term of three (3) years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, at San Diego International Airport ("SDIA"); and

**BE IT FURTHER RESOLVED** that the Authority and its officers, employees, and agents hereby are authorized to do and perform all such facts as may be necessary or appropriate in order to effectuate fully the foregoing resolution; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a "project" 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, Cal. Pub. Res. Code §30106; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve and Authorize the President/CEO to Execute a Non-Exclusive Concession Lease Agreement with Concessionaire Areas SAN JV, LLC for the Operation of Five Food & Beverage Locations in New Terminal 1.**

**Recommendation:**

Adopt Resolution No. 2023-0058, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Areas SAN JV, LLC to design, build and operate five (5) food and beverage unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**Background/Justification:**

In early January, Authority staff issued Requests for Proposals (RFPs) for the future food & beverage offering in the new Terminal 1 facility. In total, the RFPs encompassed seventeen (17) new restaurants in both Phase 1a (opening September 2025) and Phase 1b (opening January 2028). The restaurant locations span the full spectrum of customer needs for full-service casual dining, quick service ("fast food"), gourmet coffee/bakery, and bars with appetizer plates. In addition to requesting different types of service, the Authority sought food offerings tailored to a broad variety of tastes and nutritional needs, served as breakfast, lunch, dinner and snacks.

The overall concessions development plan which was finalized in fall 2022 identified roughly 32,000 square feet of food & beverage space, as well as 14,000 square feet of convenience retail space, to be developed for the new facility. Additional space was planned in reserve to be developed as passenger volumes grow over time. The total concessions development represents more than a 250% increase in space compared to the existing Terminal 1.

Consistent with the Authority's established multiple prime operator model, the Authority issued three RFPs each with five, five and seven unit locations respectively. The package approach allows concessionaires to gain economies of scale in their operations while fostering competition between operators for the passenger's dollar and assuring that adequate service will be available to the traveling public in every part of the facility.

## **Outreach and RFP Development**

Authority staff devoted more than eight months in 2022 to host local in-person and virtual outreach events. The team developed a new concessions-specific website with the ability to register for more information, as well as attended key industry conferences, to reach as many potentially interested concessionaires as possible. Authority staff sought to inform local and disadvantaged small businesses about the various ways to participate in the SAN concessions program.

Authority staff developed a new competitive solicitation document 'from the ground up' to educate likely Proposers more effectively about San Diego International Airport (Airport or SAN) and the specific business opportunity. The RFP process required Proposers to complete a detailed narrative about their proposed restaurant concepts and financial proforma analysis to substantiate their understanding of the business and reasonable assumptions regarding the costs and benefits of operating airport restaurants. Based on the assumptions in their analysis, Proposers made a rent offer as a percentage of gross sales (or concession rent) to the Authority.

## **Authority Expectations for the Solicitation**

More than ten years have passed since the Authority conducted its last large-scale solicitation for restaurant concessions. It has been an eventful decade for both the Airport and the concessionaire industry. As a result, staff developed new expectations for the outcome of this solicitation.

As compared to the Green Build concessions expansion, the Authority understands much better the actual costs imposed upon concessionaires to operate in the facility. Many costs to concessionaires are pass-through charges from the Authority. For example, the actual concessionaire costs for the Centralized Receiving and Distribution Center (CDRC), which was not yet built in 2011, can be factored into the Proposers' financial assumptions, as well as costs for garbage service, grease hood cleaning, common area maintenance, etc., based on historical data. The costs to operate are high due to many of the specific constraints of operating at this Airport. However, SAN's high costs are not dissimilar from other major airports in California.

Concessionaires' most significant cost is staffing. Labor costs are now typically near 30% or more of gross sales and are expected to increase for the foreseeable future. This is consistent with other west coast airports. Shortages in building materials and equipment in the post-pandemic marketplace similarly have driven up the costs and lead times for critical infrastructure for restaurants. In addition, a shortage of workers in the construction trades has dramatically increased the costs to concessionaires to build airport restaurants. A survey completed in 2022 showed that typical costs per square foot to build among comparable West Coast airports exceeded \$2,000 per square foot.

All these conditions led to an expectation that percentage rent offers in this solicitation would be lower than those offered in solicitations as late as 2019. Evidence of this has been seen in recent solicitations at other airports. The current average percentage rent for restaurant operations at SAN, which were solicited in 2010-11 is **15.7%**. This is consistent with industry benchmarking conducted by the Airports Council International – North America (ACI-NA), which showed that the average percentage rent for food & beverage in the large airport category in 2019 was **15.4%**. However, based on more recent industry concessionaire feedback and information from other airports, staff anticipated that the percentage rent offers would be lower – in the range of **10 – 12%** - despite offering a longer fifteen-year operating lease term for each unit location to amortize their investment over time.

## **Solicitation Evaluation Criteria**

The evaluation of proposals was conducted by a voting-member Selection Panel supported by designated Subject Matter Experts (SMEs) for each specific area of evaluation. Proposers were required to provide information in their proposal response to the following evaluation criteria:

- ***Financial (Investment) Capability & Experience***

Proposers' financial statements were evaluated to substantiate the availability of a significant amount of capital needed to design, construct, and operate the unit locations. The Authority estimated that the required investment for each of the three food & beverage packages would be approximately \$15 million. Proposers also provided examples of other comparable operations either in other airports or high traffic environments to substantiate the experience necessary to operate top-notch airport restaurants. A minimum of three years' experience of high-volume restaurant operations was required. All Proposers met the experience requirement and were able to verify financial capability.

- ***Concept Development***

The restaurant concepts proposed for each unit location were evaluated for their likely traveler appeal and overall connection to the desired customer experience at SAN. A concessionaire's ability to meet their sales forecasts hinges on bringing recognizable brand-name restaurants to the traveling public. Proposers were requested to submit menus and other materials to illustrate brand appeal.

The Authority sought local, regional, and national brand-name concepts. If a local concept was proposed, how broadly known is that concept with the traveling public? Travelers must be served more quickly than in a street-side restaurant. Are proposed menus realistic given short windows for service, yet still assuring sufficient variety and food quality? Can the proposed concept accommodate the dietary needs of a variety of diets, e.g., gluten-free, vegan, vegetarian? In full-service casual dining restaurants, are there options with appeal to both adults and kids? The Selection Panel considered alternative concepts when offered. The compatibility of adjacent concepts also was a key consideration to avoid having very similar offerings (such as burger concepts) near each other.

- ***Unit Design, Materials and Capital Investment***

Proposers submitted architectural storefront renderings and floor plans for each unit location, as well as detail about materials and proposed finishes. They were reviewed by an architectural Subject Matter Expert for the Selection Panel. In the financial pro forma, Proposers were required to submit their estimated investment cost per square foot per unit location. Information about likely investment costs was provided as part of the outreach effort and the RFP. Proposers' anticipated investment in each unit location was evaluated for reasonableness based on an understanding of current investments for concessions in other peer West Coast airports.

- ***Management/Staffing, Operations and Customer Service***

Proposers were required to provide specific examples of how their operations would be staffed, including number of employees, roles, length of shifts and hours of operation. Proposers also provided a SAN-specific Operations Plan (including maintenance, food handling and cleaning protocols) and SAN-specific Customer Service Plan. The latter included training, quality assurance procedures, as well as procedures for responding to customer complaints. In addition to close evaluation of these plans, the Selection Panel carefully considered the use of user-friendly technology proposed by each operator to provide alternative ways to order food (such as touch-screen menus and QR codes) as an augmentation to traditional face-to-face customer service.

- ***Financial Forecast & Rent Offer***

In response to the RFP, Proposers provided a full 15-year proforma for each unit location and package of locations for evaluation. Key elements of this financial forecast were airline enplanements, anticipated initial investment, estimated costs of operations as a percentage of gross sales such as inventory, labor and benefits, equipment maintenance and other typical costs. Each proposer was asked to forecast their total gross sales over the each phase operating term of the lease. This forecast could be based on any number of metrics or simply estimations of the strength of their concepts with passengers.

Proposers also were asked to propose rent to the Authority, based on a percentage of gross sales (concession rent). Rent could be proposed as “category rent”, e.g., varied rent percentages for food and non-alcoholic beverages and another slightly higher percentage on high-margin alcoholic beverages. Alternatively, Proposers could offer a “tiered rent”, i.e., a single percentage on all categories that increases as sales increase. For example, one percentage for sales under \$2 million and higher percentages when sales reach \$2 million or higher per unit location.

- ***Environmental Sustainability***

Proposers were asked to describe how they would assist the Authority in the achievement of its long-term sustainability goals by providing a SAN-specific plan to promote environmental sustainability in their day-to-day operations. Concessionaires will play a critical role in achieving the 2035 goal of diverting 90% of solid waste from landfills. Many Proposers committed to limiting single-serve disposable items or opting for compostable options. Others committed to supporting clean commuter alternatives for their employees. Proposers also committed to participation in the SAN Green Concession program which offers concessionaires many ways to actively promote climate-friendly actions.

- ***Small Business Inclusion***

The SAN concessions program is subject to the provisions of the federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) program. The goal of the program is to “level the playing field” for ACDBEs so that they may participate in airport concessions. Typically, such businesses enter into agreements with larger entities to invest and participate in a concessions business. The Authority is not permitted to require any certain level of participation. Nonetheless, the Authority encourages such participation. The RFP indicated that our current participation level is 22% of total program gross sales generated by ACDBE businesses/partners. Proposers were also encouraged to provide opportunities to small businesses as vendors or suppliers of product.

## **SAN Proposal Evaluation Process**

Consistent with Authority procurement practice, the scoring methodology was determined by the Selection Panel prior to receipt of proposals. The Authority's Executive Leadership Team concurred in the Selection Panel's methodology.

Six responsive Proposers submitted responses for Package #2 which closed on March 30, 2023. Three of the Proposers were current operators at SAN. Two others were concessionaires with food & beverage operations at numerous large airports elsewhere in the United States.

The Selection Panel represented the Authority's Planning & Development, Operations, Revenue Generation & Partnership Development and Finance Departments. In addition, an airline representative for each of the anticipated airlines in New Terminal 1 served on the Selection Panel. Thus, the Selection Panel for each package consisted of five panelists - four Authority staff members and one airline representative. Subject Matter Experts included Authority staff from multiple disciplines including executive level staff. The SME team also included a Concessions Director with decades of industry experience from another major West Coast airport.

Upon receipt, the proposals were first evaluated for responsiveness for required submittals. The next step of the evaluation was conducted by the SME team which reviewed specific criteria areas. In the areas of financial capability, financial forecasts/rent offer, environmental sustainability and small business inclusion, SMEs both reviewed and scored the proposals for the Selection Panel. SMEs also reviewed the key areas of concept development, unit location design, materials and capital investment and management/staffing and customer service, providing recommendations to the Selection Panel who was responsible for the ranking and final score. The SME team convened with the Selection Panel to share the results of their examination of the proposals, their recommendations and/or scoring.

## **Short-List, Interview and Selection**

The Selection Panel reviewed and ranked the proposals. Based on this initial evaluation, one Proposer was eliminated from further consideration. The remaining five Proposers were interviewed on May 11-12, 2023. Each Proposer was asked to respond to a specific list of questions prepared by the Selection Panel, focused on the evaluation criteria detailed above. The Selection Panel's final rankings and point scores are detailed below:

**Table 1. Final Rankings**

	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Rank
Areas SAN JV. LCC	2	1	2	2	1	8	1
Host Intl', Inc.	4	4	3	4	3	18	4
Mission Yogurt	5	5	5	5	5	25	5
OTG	1	3	4	1	4	13	3
SSP America	3	2	1	3	2	11	2

**Table 2. Final Scoring**

	Financial Capability / Experience	Concept Development	Unit Design, Materials, Capital Investment	Financial Forecast & Rent Offer	Mgmt, Staffing, Operations & Customer Service	Enviro. Sustainability	Small Business	Total
Areas SAN JV, LCC	1000	940	855	450	810	45	100	4200
Host Intl', Inc.	1000	640	627	630	576	120	100	3693
Mission Yogurt	1000	600	532	360	630	135	100	3357
OTG	1000	660	608	900	504	105	100	3877
SSP America	1000	780	798	540	684	75	100	3977

The selected Proposer for Package #2 is Areas SAN JV, LLC.

## **Package #2 Food & Beverage Selection**

Areas SAN JV, LLC is a proposed joint venture partnership between Areas USA, LLC and local small business restaurateur/hotelier Elvin Lei, President of ECL Group, LLC. Mr. Lei will own 25% of the joint venture. He has deep roots in the San Diego Asian community as operator of Ocean Park Inn in Pacific Beach and a partner in Cork & Craft, a restaurant, winery and brewery concept in Rancho Bernardo. Mr. Lei is certified as an Airport Concessions Disadvantaged Business Enterprise (ACDBE) and he will have specific roles and responsibilities in the management and operation of the joint venture as required by the 49 Code of Federal Regulations Part 23.

The parent company Areas was founded in Spain in 1968 and expanded to the United States in 2005 with a headquarters in Miami, Florida under the name Areas USA, LLC. Since its introduction to the U.S. airport market, the company has operated restaurants in ten U.S. airports. Their west coast U.S. portfolio currently consists of 25 casual dining and quick serve locations at Los Angeles International Airport (LAX). In 2021, Areas opened a popular restaurant concept developed by Ben Ford – son of actor Harrison Ford – called Ford's Filling Station in Delta's Terminal 5.

Areas USA, LLC employs approximately 3,200 people nationwide, nearly all as full-time employees. Areas USA, LLC is a union employer in all of its airport locations and has executed a Labor Peace Agreement with Unite HERE Local 30 in San Diego. In addition, Areas has committed to beyond the minimum requirements of priority hiring of existing SAN concessions employees. To the degree that employees are displaced by the closure of existing Terminal 1, Areas SAN JV, LLC expects to create far more new job opportunities.

## **Package #2 Selected Concepts**

Package #2 includes five (5) unit locations. Three unit locations are located in the Phase 1a area of the terminal, opening in September 2025, and two unit locations are in the Phase 1b area, opening in January 2028. This package includes the largest location available (4,700 sf) for full-service dining.

The following is a description of the concepts proposed in Package #2. For many locations, Areas San JV, LLC ("Areas") provided alternative concepts, in the event that a concept proves to be incompatible with another concept selected as part of other packages. The overarching goal for Areas and the Airport is to provide a compatible slate of menu choices in all parts of the facility.

## **Full Service Dining, Unit #497/508 - NOVECIENTOS GRADOS – A Tony Hawk Public House (Opening 2025)**

This restaurant will be the signature full-service dining destination in the terminal, complete with a portion dedicated to outdoor terrace seating facing San Diego Bay.

San Diego's own skateboarding phenom Tony Hawk is currently a partner in two other successful Southern California restaurant venues. He is not the first athlete to transition to the restaurant business in life's second chapter. However, no other restaurant concept combines the name recognition of Tony Hawk and the culinary prowess of native local chef, Claudette Zepeda. In the restaurant world, Zepeda is "the real deal" – her menus combine creativity, fresh flavors and culinary inspirations from her upbringing as a Tijuana Latina raised in Chula Vista.

The name Novecientos Grados means "900 Degrees" in Spanish, a nod to Tony Hawk who was the first skateboarder to execute a 900° – a ½ revolution aerial spin. The environment will be open, light, San Diego-casual with a bit of whimsy – colorful skateboards accenting the space. The menu is a salute to Cali-Mex cuisine with Claudette Zepeda's the bold twists on traditional dishes.

If Tony is the foodie-at-heart, Claudette is the entrepreneur of the partnership. She was named Eater San Diego and San Diego Union Tribune's Chef of the Year in 2018 and was a James Beard Best Chef West semifinalist in 2019. She currently is the head chef at Vaga restaurant inside the Alila Marea Beach Resort in Encinitas, among a number of other restaurant ventures. Her initial proposed menu will offer small plates inspired by land and sea (Antojitos de la tierra/del mar), soups, salads and entrees (fuerte) featuring fish, pork and beef prepared in an open kitchen. Travelers can expect the menu to evolve based on the season and guest feedback. Meals may be complemented by assortment of beers on tap and a robust wine selection.

## **Bar with Small Plates, Unit #631 - SIP Wine & Beer (Opening 2025)**

This unique bar concept will anchor the open hold-room area at the heart of activity anticipated to serve Southwest Airlines passengers. Escondido's Cassandra Schaege will partner with Areas to replicate her SIP Wine & Beer tasting room at the Airport. Cassandra's passion is to celebrate and promote local, women and minority brewmasters and winemakers. She brings that passion to her own local PBS show, *Fresh Glass*. SIP Wine & Beer is a round, 1,500 square foot space that will offer seating all around the circumference of its towering presence. Its offering includes wine flights, beers from local breweries like Chula Vista Brewing and the perfect "noches" like bruschetta, meat and cheese plates.

## **Quick Service, Unit #504 - Luna Grill Mediterranean Kitchen (Opening 2025)**

Luna Grill is another example of a great local concept with fresh, healthy flavors becoming a smash success. In 2004, Maria Pourteymour, co-founder & Chief Cuisine Officer, created the original Luna Grill restaurant in San Diego with her husband Sean. Today, Luna Grill has 41 locations throughout California, and another eight locations in Texas. The concept was founded upon the love of the healthy Mediterranean diet coupled with the know-how to prepare traditional Greek dishes in a quick service format. Travelers will have a variety of options such as gyros, kebabs in lamb, chicken and beef, falafel, fresh baked pita bread with hummus and tzatziki dips. No Greek meal would be complete without a sweet, honey-drizzled baklava for dessert.

## **Quick Service, Unit #067 - Carnita's Snack Shack (Opening 2028)**

Founded in 2011, Carnitas' Snack Shack is San Diego's original pork house, a favorite among locals and visitors alike. Carnitas' opened on the Embarcadero waterfront in 2016 and has since added a location at Petco Park. Besides fresh, quality ingredients and consistent execution, the strength of Carnita's is the breadth of its menu. Everyone in the family can find exactly what appeals to the palate: from burritos, tacos, and enchiladas to tasty pork sandwiches, "blue collar" hamburgers and their space jam grilled cheese. For the Lil' Piglets under age 12, there's chicken tenders, cheese quesadillas and cheeseburgers.

## **Quick Service, Unit #068 - Mr. Moto's Pizza (Opening 2028)**

Mr. Moto's Pizza puts a San Diego-twist to traditional New York-style pizza. San Diego native Gibran Fernandez founded Mr. Moto Pizza in Pacific Beach in 2015. Gibran started in the pizza business at 23, learning the art of pizza-making in the famed La Jolla's Pizza On Pearl, an establishment owned and operated by his uncle, Aram Baloyan. A Mr. Moto's Pizza has a crust that is thick and crisp "handle" along its edge, yet soft, thin, and pliable enough beneath its toppings to be folded in half to eat. This award-winning pizzeria now has multiple locations across the San Diego region, including in North Park, Point Loma, Ocean Beach, Seaport Village, Little Italy and a more recent location in Mission Valley. Mr. Moto's Pizza proudly boasts having received the "San Diego's Best Gourmet Pizza" award every year since 2016.

**Next Steps Following Board Action**

The RFP included a draft proposed lease agreement for Proposers to review and the Authority requested written comment to the lease provisions. After award, Authority staff will engage with the selected Proposer to negotiate the final terms of the lease agreement. Also, in instances where an alternative concept in a particular unit location may become necessary, staff will negotiate a mutually acceptable alternative. Final agreement is presumed, but not guaranteed.

If the President/CEO is unable to complete negotiations and execute a concession lease agreement with Areas SAN JV, LLC, staff requests authorization for the President/CEO to rescind award and negotiate an agreement with the second-place Proposer to design, build and operate the locations in Package #2 for an operating term for each unit location not to exceed fifteen (15) years and consistent with the general terms offered in the proposal response. The period of time needed for design and construction is not included in the 15-year operational term but will be included in the overall term of the non-exclusive concession lease.

**Fiscal Impact:**

The Food & Beverage Package #2 rent offer is lower than the current percentage rents at SAN but aligns with the current industry norms. The lower percentage of rent is due to higher build-out costs and added requirements to pay for utilities, which were part of the rent in the existing agreements. Another change from the existing concession agreements is the methodology for establishing the Minimum Annual Guarantee (MAG). Previously, MAG payments began at the beginning of the first agreement year, either proposed by the concessionaire or established by the Authority. In a new facility with no established sales history, it is more reasonable to calculate the MAG at the start of the second lease year of the agreement at 80% of the first full lease year’s actual rent paid to the Authority. The Areas SAN JV, LLC total rent offer for Package #2 is in line with the Authority’s plan of finance.

**Authority Strategies/Focus Areas:**

This item supports one or more of the following (*select at least one under each area*):

**Strategies**

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

**Focus Areas**

- Advance the Airport Development Plan
- Transform the Customer Journey
- Optimize Ongoing Business

## Environmental Review:

CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020.

California Coastal Act Review: This Board action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611).

NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") under the National Environmental Policy Act ("NEPA") and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

## Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) program for construction contracts, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) program for food & beverage, retail and rental car concessions, and Policy 5.12. These programs/policies are intended to promote the inclusion of small, minority, local, and service-disabled veteran-owned businesses in Authority contracting. Only one program or policy named above can be applied in any single contract opportunity.

This opportunity qualifies as an airport concession contract; thus, the federal ACDBE program requirements apply. The Authority has an ACDBE Program Plan as required by the U.S. Department of Transportation, 49 CFR Part 23. The plan includes a triennial overall ACDBE participation goal in all concession contracts. The selected Proposer intends to provide ACDBE participation by way of a joint venture agreement with ELC Group, LLC owned by Elvin Lai, a certified ACDBE operator.

Deanna Zachrisson  
Director, Revenue Generation & Partnership Development

RESOLUTION NO. 2023-0058

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH AREAS SAN JV, LLC TO DESIGN, BUILD AND OPERATE FIVE (5) FOOD AND BEVERAGE UNIT LOCATIONS IN NEW TERMINAL 1 AT SAN DIEGO INTERNATIONAL AIRPORT WITH AN OPERATING TERM FOR EACH UNIT LOCATION NOT TO EXCEED FIFTEEN (15) YEARS AND, IN THE EVENT THAT NEGOTIATIONS ARE UNSUCCESSFUL, AUTHORIZING THE PRESIDENT/CEO TO ENTER INTO A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH THE SECOND RANKED PROPOSER.

**WHEREAS**, San Diego County Regional Airport Authority (“Authority”) is constructing a new Terminal 1 at San Diego International Airport (“Airport”), anticipated to begin serving airline passengers in 2025; and

**WHEREAS**, the availability of food and beverage concessions is an important part of passengers’ overall customer experience; and

**WHEREAS**, the Authority conducted significant community outreach regarding opportunities to operate food and beverage concessions in Terminal 1; and

**WHEREAS**, the Authority issued a Request for Proposals (Package #2) for the design, construction and operation of five food and beverage unit locations in early 2023 and received six proposals; and

**WHEREAS**, a Selection Panel consisting of Authority staff and airline representatives evaluated proposals, interviewed the proposers and scored the proposals to select the best choice for the Airport and its passengers; and

**WHEREAS**, Areas SAN JV, LLC was the highest-ranked proposer; and

**WHEREAS**, SSP America, Inc. was the second highest-ranked proposer;  
and

**WHEREAS**, the Board finds that awarding a non-exclusive concession lease to Areas SAN JV, LLC is in the best interest of the Authority; and

**WHEREAS**, the Board finds that, in the event negotiations are unsuccessful with Areas San JV, LLC, authorizing the President/CEO to rescind the award of an agreement to Areas San JV, LLC and award a non-exclusive concession lease agreement to SSP America, Inc. under terms and conditions that are substantially similar is in the best interest of the Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Areas SAN JV, LLC to design, build and operate five (5) food and beverage unit locations in new Terminal 1 at the Airport with an operating term for each unit location not to exceed fifteen (15) years; and

**BE IT FURTHER RESOLVED** that, in the event that negotiations with Areas SAN JV, LLC are unsuccessful, the Board hereby authorizes the President/CEO to rescind the award to Areas SAN JV, LLC and enter into a non-exclusive concession lease agreement with SSP America, Inc. under terms and conditions that are substantially similar; and

**BE IT FURTHER RESOLVED** that the term of the non-exclusive concession lease agreement will include additional time for design and construction of each unit location; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) under the National Environmental Policy Act (“NEPA”) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**Approve and Authorize the President/CEO to Execute a Lease Agreement with Concessionaire High Flying Foods for the Operation of Seven Food & Beverage Locations in New Terminal 1.**

**Recommendation:**

Adopt Resolution No. 2023-0059, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with High Flying Foods to design, build and operate seven (7) food and beverage unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession lease agreement with the second ranked proposer.

**Background/Justification:**

In early January, Authority staff issued Requests for Proposals (RFPs) for the future food & beverage offering in the new Terminal 1 facility. In total, the RFPs encompassed seventeen (17) new restaurants in both Phase 1a (opening September 2025) and Phase 1b (opening January 2028). The restaurant locations span the full spectrum of customer needs for full-service casual dining, quick service ("fast food"), gourmet coffee/bakery, and bars with appetizer plates. In addition to requesting different types of service, the Authority sought food offerings tailored to a broad variety of tastes and nutritional needs, served as breakfast, lunch, dinner and snacks.

The overall concessions development plan which was finalized in fall 2022 identified roughly 32,000 square feet of food & beverage space, as well as 14,000 square feet of convenience retail space, to be developed for the new facility. Additional space was planned in reserve to be developed as passenger volumes grow over time. The total concessions development represents more than a 250% increase in space compared to the existing Terminal 1.

Consistent with the Authority's established multiple prime operator model, the Authority issued three RFPs each with five-, five- and seven-unit locations respectively. The package approach allows concessionaires to gain economies of scale in their operations while fostering competition between operators for the passenger's dollar and assuring that adequate service will be available to the traveling public in every part of the facility.

## **Outreach and RFP Development**

Authority staff devoted more than eight months in 2022 to host local in-person and virtual outreach events. The team developed a new concessions-specific website with the ability to register for more information, as well as attended key industry conferences, to reach as many potentially interested concessionaires as possible. Authority staff sought to inform local and disadvantaged small businesses about the various ways to participate in the SAN concessions program.

Authority staff developed a new competitive solicitation document 'from the ground up' to educate likely Proposers more effectively about San Diego International Airport (Airport or SAN) and the specific business opportunity. The RFP process required Proposers to complete a detailed narrative about their proposed restaurant concepts and financial proforma analysis to substantiate their understanding of the business and reasonable assumptions regarding the costs and benefits of operating airport restaurants. Based on the assumptions in their analysis, Proposers made a rent offer as a percentage of gross sales (or concession rent) to the Authority.

## **Authority Expectations for the Solicitation**

More than ten years have passed since the Authority conducted its last large-scale solicitation for restaurant concessions. It has been an eventful decade for both the Airport and the concessionaire industry. As a result, staff developed new expectations for the outcome of this solicitation.

As compared to the Green Build concessions expansion, the Authority understands much better the actual costs imposed upon concessionaires to operate in the facility. Many costs to concessionaires are pass-through charges from the Authority. For example, the actual concessionaire costs for the Centralized Receiving and Distribution Center (CDRC), which was not yet built in 2011, can be factored into the Proposers' financial assumptions, as well as costs for garbage service, grease hood cleaning, common area maintenance, etc., based on historical data. The costs to operate are high due to many of the specific constraints of operating at this Airport. However, SAN's high costs are not dissimilar from other major airports in California.

Concessionaires' most significant cost is staffing. Labor costs are now typically near 30% or more of gross sales and are expected to increase for the foreseeable future. This is consistent with other west coast airports. Shortages in building materials and equipment in the post-pandemic marketplace similarly have driven up the costs and lead times for critical infrastructure for restaurants. In addition, a shortage of workers in the construction trades has dramatically increased the costs to concessionaires to build airport restaurants. A survey completed in 2022 showed that typical costs per square foot to build among comparable West Coast airports exceeded \$2,000 per square foot.

All these conditions led to an expectation that percentage rent offers in this solicitation would be lower than those offered in solicitations as late as 2019. Evidence of this has been seen in recent solicitations at other airports. The current average percentage rent for restaurant operations at SAN, which were solicited in 2010-11 is **15.6%**. This is consistent with industry benchmarking conducted by the Airports Council International – North America (ACI-NA), which showed that the average percentage rent for food & beverage in the large airport category in 2019 was **15.4%**. However, based on more recent industry concessionaire feedback and information from other airports, staff anticipated that the percentage rent offers would be lower – in the range of **10 – 12%** - despite offering a longer fifteen-year operating lease term for each unit location to amortize their investment over time.

## **Solicitation Evaluation Criteria**

The evaluation of proposals was conducted by a voting-member Selection Panel supported by designated Subject Matter Experts (SMEs) for each specific area of evaluation. Proposers were required to provide information in their proposal response to the following evaluation criteria:

- ***Financial (Investment) Capability & Experience***

Proposers' financial statements were evaluated to substantiate the availability of a significant amount of capital needed to design, construct, and operate the unit locations. The Authority estimated that the required investment for each of the three food & beverage packages would be approximately \$15 million. Proposers also provided examples of other comparable operations either in other airports or high traffic environments to substantiate the experience necessary to operate top-notch airport restaurants. A minimum of three years' experience of high-volume restaurant operations was required. All Proposers met the experience requirement and were able to verify financial capability.

- ***Concept Development***

The restaurant concepts proposed for each unit location were evaluated for their likely traveler appeal and overall connection to the desired customer experience at SAN. A concessionaire's ability to meet their sales forecasts hinges on bringing recognizable brand-name restaurants to the traveling public. Proposers were requested to submit menus and other materials to illustrate brand appeal.

The Authority sought local, regional, and national brand-name concepts. If a local concept was proposed, how broadly known is that concept with the traveling public? Travelers must be served more quickly than in a street-side restaurant. Are proposed menus realistic given short windows for service, yet still assuring sufficient variety and food quality? Can the proposed concept accommodate the dietary needs of a variety of diets, e.g., gluten-free, vegan, vegetarian? In full-service casual dining restaurants, are there options with appeal to both adults and kids? The Selection Panel considered alternative concepts when offered. The compatibility of adjacent concepts also was a key consideration to avoid having very similar offerings (such as burger concepts) near each other.

- ***Unit Design, Materials and Capital Investment***

Proposers submitted architectural storefront renderings and floor plans for each unit location, as well as detail about materials and proposed finishes. They were reviewed by an architectural Subject Matter Expert for the Selection Panel. In the financial pro forma, Proposers were required to submit their estimated investment cost per square foot per unit location. Information about likely investment costs was provided as part of the outreach effort and the RFP. Proposers' anticipated investment in each unit location was evaluated for reasonableness based on an understanding of current investments for concessions in other peer West Coast airports.

- ***Management/Staffing, Operations and Customer Service***

Proposers were required to provide specific examples of how their operations would be staffed, including number of employees, roles, length of shifts and hours of operation. Proposers also provided a SAN-specific Operations Plan (including maintenance, food handling and cleaning protocols) and SAN-specific Customer Service Plan. The latter included training, quality assurance procedures, as well as procedures for responding to customer complaints. In addition to close evaluation of these plans, the Selection Panel carefully considered the use of user-friendly technology proposed by each operator to provide alternative ways to order food (such as touch-screen menus and QR codes) as an augmentation to traditional face-to-face customer service.

- ***Financial Forecast & Rent Offer***

In response to the RFP, Proposers provided a full 15-year proforma for each unit location and package of locations for evaluation. Key elements of this financial forecast were airline enplanements, anticipated initial investment, estimated costs of operations as a percentage of gross sales such as inventory, labor and benefits, equipment maintenance and other typical costs. Each proposer was asked to forecast their total gross sales over each phase operating term of the lease. This forecast could be based on any number of metrics or simply estimations of the strength of their concepts with passengers.

Proposers also were asked to propose rent to the Authority, based on a percentage of gross sales (concession rent). Rent could be proposed as “category rent”, e.g., varied rent percentages for food and non-alcoholic beverages and another slightly higher percentage on high-margin alcoholic beverages. Alternatively, Proposers could offer a “tiered rent”, i.e., a single percentage on all categories that increases as sales increase. For example, one percentage for sales under \$2 million and higher percentages when sales reach \$2 million or higher per unit location.

- ***Environmental Sustainability***

Proposers were asked to describe how they would assist the Authority in the achievement of its long-term sustainability goals by providing a SAN-specific plan to promote environmental sustainability in their day-to-day operations. Concessionaires will play a critical role in achieving the 2035 goal of diverting 90% of solid waste from landfills. Many Proposers committed to limiting single-serve disposable items or opting for compostable options. Others committed to supporting clean commuter alternatives for their employees. Proposers also committed to participation in the SAN Green Concession program which offers concessionaires many ways to actively promote climate-friendly actions.

- ***Small Business Inclusion***

The SAN concessions program is subject to the provisions of the federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) program. The goal of the program is to “level the playing field” for ACDBEs so that they may participate in airport concessions. Typically, such businesses enter into agreements with larger entities to invest and participate in a concessions business. The Authority is not permitted to require any certain level of participation. Nonetheless, the Authority encourages such participation. The RFP indicated that our current participation level is 22% of total program gross sales generated by ACDBE businesses/partners. Proposers were also encouraged to provide opportunities to small businesses as vendors or suppliers of product.

## **SAN Proposal Evaluation Process**

Consistent with Authority procurement practice, the scoring methodology was determined by the Selection Panel prior to receipt of proposals. The Authority's Executive Leadership Team concurred in the Selection Panel's methodology.

Five responsive Proposers submitted responses for Package #3 which closed on March 30, 2023. Two of the Proposers were current operators at SAN. Three others were concessionaires with food & beverage operations at numerous large airports elsewhere in the United States.

The Selection Panel represented the Authority's Planning & Development, Operations, Revenue Generation & Partnership Development and Finance Departments. In addition, an airline representative for each of the anticipated airlines in New Terminal 1 served on the Selection Panel. Thus, the Selection Panel for each package consisted of five panelists - four Authority staff members and one airline representative. Subject Matter Experts included Authority staff from multiple disciplines including executive level staff. The SME team also included a Concessions Director with decades of industry experience from another major West Coast airport.

Upon receipt, the proposals were first evaluated for responsiveness for required submittals. The next step of the evaluation was conducted by the SME team which reviewed specific criteria areas. In the areas of financial capability, financial forecasts/rent offer, environmental sustainability and small business inclusion, SMEs both reviewed and scored the proposals for the Selection Panel. SMEs also reviewed the key areas of concept development, unit location design, materials and capital investment and management/staffing and customer service, providing recommendations to the Selection Panel who was responsible for the ranking and final score. The SME team convened with the Selection Panel to share the results of their examination of the proposals, their recommendations and/or scoring.

## **Short-List, Interview and Selection**

The Selection Panel reviewed and ranked the proposals. Based on this initial evaluation, one Proposer was eliminated from further consideration. The remaining four Proposers were interviewed on May 11-12, 2023. Each Proposer was asked to respond to a specific list of questions prepared by the Selection Panel, focused on the evaluation criteria detailed above. The Selection Panel's final rankings and point scores are detailed below:

**Table 1. Final Rankings**

	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Rank
Areas SAN JV, LLC	3	2	3	3	3	14	3
High Flying Foods	1	1	1	1	1	5	1
OTG	2	4	2	2	2	12	2
SSP America	4	3	4	4	4	19	4

**Table 2. Final Scoring**

	Financial Capability & Experience	Concept Development	Unit Design, Materials, Capital Investment	Financial Forecast & Rent Offer	Mgmt, Staffing, Operations & Customer Service	Enviro. Sustainability	Small Business	Total
Areas SAN JV, LLC	1000	800	760	450	702	45	100	3857
High Flying Foods	1000	980	912	450	900	150	100	4492
OTG	1000	620	627	900	594	105	100	3946
SSP America	1000	640	627	540	612	75	100	3594

The selected Proposer for Package #3 is **High Flying Foods**.

## **“Package #3” Food & Beverage Selection**

High Flying Foods (HFF) is headquartered in Sausalito, California, just outside of San Francisco, and has been in the airport concessions business for more than two decades. The company was founded by brothers Glenn and Garrett Meyers, and it remains a family-owned business with 2<sup>nd</sup> generation sons Colton and Zac now working in leadership roles. High Flying Foods currently operates 23 restaurants in five international airports, including San Francisco International Airport and Denver International Airport. At SAN, High Flying Foods operates eight successful and popular locations including Stone Brewing, Phil’s BBQ, Saffron Thai, and Pannikin Coffee & Tea. In June 2023, High Flying Foods was awarded five unit locations in Package #1, one of which will be independently built and operated by an ACDBE subtenant.

High Flying Foods employs nearly 500 staff in total, and at SAN nearly 150 staff, who are members of Unite Here Local 30. High Flying Foods and Unite Here Local 30 have a more than decade long relationship in San Diego, and the union provided High Flying Foods a strong endorsement of its continued operation at SAN. In addition, High Flying Foods has agreed to abide by the Authority’s Worker Retention Policy by first offering employment to any displaced incumbent workers from the current Terminal 1 facility.

## **Package #3 Selected Concepts**

Package #3 includes seven (7) unit locations. Three locations are in the Phase 1a area of the facility, opening in September 2025, and two others are in the Phase 1b area of the facility opening in January 2028. There are two locations which are placed in the Phase 1a area of the overall terminal construction project. However, they are directly adjacent from Gates 120, 121 and 122, which are not anticipated to open immediately with Phase 1a, rather they are estimated to be brought into service by airlines roughly 6-8 months after the terminal opening. The units were included, therefore, in Phase 1b because they are not likely to have any nearby passenger traffic until sometime in 2026.

The following is a description of the concepts proposed in Package #3. High Flying Foods also provided alternate concepts for each location, if a concept proves to be incompatible with another concept selected as part of other packages. The overarching goal for both High Flying Foods and the Airport is to offer passengers a variety of cuisines in all parts of the terminal.

## **Casual Dining, Unit #559 – Herb & Air (Opening 2025)**

Without sacrificing menu items that appeal to the broadest of tastes, High Flying Foods commitment to SAN passengers is to offer a minimum of one gluten-free, lactose-free, vegetarian, and vegan menu item along with hot breakfast and a kid’s menu selection in every restaurant. Herb & Air is a concept that lives up to every part of that commitment.

Award-winning chef Brian Malarkey, co-owner of San Diego's Puffer and Malarkey Collective, and High Flying Foods have created Herb & Air as a sister-concept to Malarkey's other popular California restaurants Herb & Wood, Herb & Sea, Herb & Eatery and Herb & Ranch. Herb & Air is a modern micro-food hall, offering a range of dining options from seared salmon and panini sandwiches to gourmet salads and poke bowls in a light and breezy contemporary farmhouse design reflecting Southern California. Travelers can get their selections quickly and either take them away or enjoy their food within the space, in keeping with the original food hall format where customers choose from four different menu stations: "Farmhouse" (grill breakfast), "The Press" (sandwiches and wraps), "Greens & Grains" (salads and bowls – proteins with salad, rice or quinoa) and "Mahalo" (Katsu and poke plates and bowls mixed with rice, salad or slaw). Herb & Air promises to offer travelers variety, quality, flavor and yet still feel indulgent. Not so indulgent, however, as to punish the pocketbook.

### **Quick Service, Unit #409 - The Taco Stand (Opening 2025)**

This location is one of five quick service locations in the east dining hall ("food court") area. Inspired by the original taquerias in Tijuana and many adventures along the Baja Peninsula, The Taco Stand, with five San Diego locations, was created by Tijuana natives Julian Hakim and Aram Baloyan for the express purpose of satisfying cravings for authentic Mexican food north of the border. They opened the first The Taco Stand in San Diego in 2013 after they found themselves driving to Tijuana to pick up tacos. The original plan was to bring a late-night restaurant that catered to industry workers just getting off their shifts, but its popularity exceeded expectations. High Flying Foods is excited to partner with the founders to bring this concept to the Airport.

The Taco Stand's authentic experience includes handmade corn tortillas, tacos made quality meats and the freshest ingredients paired with legendary guacamole and salsas are made from scratch daily from original recipes. Besides tacos and burritos, the menu features freshly prepared Rosarito-style churros, a wonderful selection of homemade ice cream popsicles, refreshments, and imported beer. For early morning travelers, The Taco Stand offers a variety of hot breakfast items including burritos filled with eggs and chorizo, ham, bacon, asada, veggies, and more. For San Diego, The Taco Stand airport location presents an opportunity to provide visitors with a real taste of the town.

### **Quick Service, Unit #410 - Ambrosio 15 (Opening 2025)**

Ambrosio 15's claim to fame is its patented dough recipe that starts with organic flour imported from Italy and involves a 48-hour rising process, making it lighter and more easily digestible than other pizza varieties. It's the common love of authentic Italian ingredients to make the best pizza that jumpstarted the partnership between High Flying Foods and Ambrosio 15's owners, Giacomo Pizzigone and Andrea Burrone. San Diegans seem to

agree with that love – the San Diego News-Tribune has voted Ambrosio 15 “Best Pizza in San Diego” for four years running, most recently in April 2023. Ambrosio 15 takes their “Milanese Pizza Experience” brand seriously by also including Italian favorites like crunchy Focaccia bread, Italian meats, and cheeses, as well as select Italian and California wines. Ambrosio 15 is also a growing restaurant concept with five locations, including Little Italy, Pacific Beach and at the Sky Deck in Del Mar Highlands.

## **Quick Service, Unit #184 - El Pez Kitchen & Sushi (Opening 2028)**

No airport food offering is truly complete without Asian cuisine. Yet, El Pez is not just everyday Japanese sushi, poke, gyoza, Udon and ramen noodles and more. It’s Japanese cuisine with a South Bay neighborhood twist. Or, as El Pez describes it: where Japanese flavor meets Hispanic heritage.

After spending time in some of the top sushi kitchens around San Diego, co-owners Alex Aguayo and Armando Mondragón opened El Pez Kitchen & Sushi with the goal of marrying their favorite cuisine -- Japanese -- with their Hispanic heritage. Passengers who enjoy traditional fare can choose between 10 different classic sushi rolls, chicken or salmon teriyaki and yakisoba. But there’s also a chance to find a new favorite in fusion dishes like guajillo miso sea bass, carnitas ramen or sweet marinated chimichurri short-ribs. El Paz’s philosophy in its Imperial Beach location is that you come for the food, but you stay for the beer. While in an airport, El Pez will still offer its unique selection of Japanese and Mexican beers.

## **Quick Service, Unit #187 - Chick-fil-A (Opening 2028)**

Chick-fil-A needs no introduction as a restaurant concept. High Flying Foods’ intention with including Chick-fil-A in its proposal was to match its quality local concepts with the bar-none most popular national quick serve concept in San Diego. San Diego’s obsession with Chick-fil-A is evident with its ten (10) traffic-stopping locations throughout the county. This location would be built and operated by ACDBE subtenant United Concessions Group, which is a trusted franchisee of one other airport Chick-fil-A location in the U.S. Travelers will recognize all their favorite Chick-fil-A menu items including the original Chick-fil-A Chicken Sandwich that’s been served nationwide since 1964.

## **Casual Dining, Unit #032 - NOVO Brazilian Brewery (Opening 2028)**

NOVO Brazilian Brewing Co. may be the most exciting culinary and brewing concept to come out of Chula Vista in years. NOVO has managed to create a following, even outside of San Diego, for its tasty and digestive-friendly kombucha beverages. The NOVO appetizers include Tacos, Carne Asada, Spicy Shrimp, and Chicken Wings as well as Brazilian Empanadas, Mozzarella Sticks, Yucca Fries and Coxinha Chicken Croquette. NOVO’s signature Mac n’ Cheese is a fan favorite, especially when it is paired with its

popular Brazilian sausage. The 2,000 square foot airport location will feature NOVO's recognizable beverage bar with many beers and kombuchas on tap.

## **Bar with Small Plates, Unit #015 - Understory (Opening 2028)**

Understory – one of the anchor concepts at the Sky Deck at Del Mar Highlands – has partnered with High Flying Foods to create one of the most stunning and innovative bar concepts proposed for an airport. Understory would be the focal point of the anticipated Delta Air Lines boarding area. In San Diego Magazine's May 2023 Best Restaurants of San Diego issue, Understory was voted "Reader's Choice" for Best Bar, Best Cocktails and Best Date Spot (only the latter would the Airport have difficulty living up to!).

The name Understory is a term of ecology referring to the vegetative space between a dense tree canopy and the forest floor, although in the shade, is still a place where plant and animal life flourish. Tree branches and nature themes are key to the Del Mar location that will be replicated in New Terminal 1. Just as key is the faithful execution of Understory's adventuresome cocktail, wine, and food menu. The founders of Understory, renowned local restaurateurs Scott Slater and Guillaume Ryon asked 12 San Diego mixologists to curate Understory's 17 craft cocktails. Examples include *Van Dam's Vanga* made from reposado tequila, Cointreau, grapefruit, jalapeño, activated charcoal, fresh lime, serrano bitters with a mildly spicy tajin rim or *The Pompadour Cotinga* made from vodka, Cointreau, fresh lemon, cinnamon, and seasonal berries. The pairings on the food side are just as inspired, including a *Wild Mushroom Pizzette* with roasted cremini and shiitake mushrooms, Taleggio, fontina, topped with arugula and lemon thyme vinaigrette. Understory has the potential to be the talk of the town in airport offerings.

## **Next Steps Following Board Action**

The RFP included a draft proposed lease agreement for Proposers to review and the Authority requested written comment to the lease provisions. After award, Authority staff will engage with the selected Proposer to negotiate the final terms of the lease agreement. Also, in instances where an alternative concept in a particular unit location may become necessary, staff will negotiate a mutually acceptable alternative. Final agreement is presumed, but not guaranteed.

If the President/CEO is unable to complete negotiations and execute a concession lease agreement with High Flying Foods, staff requests authorization for the President/CEO to rescind award and negotiate an agreement with the second-place Proposer to design, build and operate the locations in Package #3 for an operating term for each unit location not to exceed fifteen (15) years and consistent with the general terms offered in the proposal response. The period of time needed for design and construction is not included in the 15-year operational term but will be included in the overall term of the non-exclusive concession lease.

## Fiscal Impact:

The Food & Beverage Package #3 rent offer is lower than the current percentage rents at SAN but aligns with the current industry norms. The lower percentage of rent is due to higher build-out costs and added requirements to pay for utilities, which were part of the rent in the existing agreements. Another change from the existing concession agreements is the methodology for establishing the Minimum Annual Guarantee (MAG). Previously, MAG payments began at the beginning of the first agreement year, either proposed by the concessionaire or established by the Authority. In a new facility with no established sales history, it is more reasonable to calculate the MAG at the start of the second lease year at 80% of the first full lease year's actual rent paid to the Authority. The High-Flying Foods total rent offer for Package #3 is in line with the Authority's plan of finance.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## Environmental Review:

CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020.

California Coastal Act Review: This Board action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611).

NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") under the National Environmental Policy Act ("NEPA") and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

## **Application of Inclusionary Policies:**

The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) program for construction contracts, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) program for food & beverage, retail and rental car concessions, and Policy 5.12. These programs/policies are intended to promote the inclusion of small, minority, local, and service-disabled veteran-owned businesses in Authority contracting. Only one program or policy named above can be applied in any single contract opportunity.

This opportunity qualifies as an airport concession contract; thus, the federal ACDBE program requirements apply. The Authority has an ACDBE Program Plan as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 23. The plan includes a triennial overall ACDBE participation goal in all concession contracts. The selected Proposer intends to provide ACDBE participation by way of a subtenant lease for Unit Location #187 with United Concessions Group to build and operate Chick-fil-A.

## **Prepared by:**

Deanna Zachrisson  
Director, Revenue Generation & Partnership Development

RESOLUTION NO. 2023-0059

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH HIGH FLYING FOODS TO DESIGN, BUILD AND OPERATE SEVEN (7) FOOD AND BEVERAGE UNIT LOCATIONS IN NEW TERMINAL 1 AT SAN DIEGO INTERNATIONAL AIRPORT WITH AN OPERATING TERM FOR EACH UNIT LOCATION NOT TO EXCEED FIFTEEN (15) YEARS AND, IN THE EVENT THAT NEGOTIATIONS ARE UNSUCCESSFUL, AUTHORIZING THE PRESIDENT/CEO TO ENTER INTO A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH THE SECOND RANKED PROPOSER.

**WHEREAS**, San Diego County Regional Airport Authority (“Authority”) is constructing a new Terminal 1 at San Diego International Airport (“Airport”), anticipated to begin serving airline passengers in 2025; and

**WHEREAS**, the availability of food and beverage concessions is an important part of passengers’ overall customer experience; and

**WHEREAS**, the Authority conducted significant community outreach regarding opportunities to operate food and beverage concessions in Terminal 1; and

**WHEREAS**, the Authority issued a Request for Proposals (Package #3) for the design, construction and operation of seven food and beverage unit locations in early 2023 and received five proposals; and

**WHEREAS**, a Selection Panel consisting of Authority staff and airline representatives evaluated proposals, interviewed the proposers and scored the proposals to select the best choice for the Airport and its passengers; and

**WHEREAS**, High Flying Foods was the highest-ranked proposer; and

**WHEREAS**, OTG SAN Venture LLC was the second highest-ranked proposer; and

**WHEREAS**, the Board finds that awarding a non-exclusive concession lease to High Flying Foods is in the best interest of the Authority; and

**WHEREAS**, the Board finds that, in the event negotiations are unsuccessful with High Flying Foods, authorizing the President/CEO to rescind the award of an agreement to High Flying Foods and award a non-exclusive concession lease agreement to OTG SAN Venture LLC under terms and conditions that are substantially similar is in the best interest of the Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to negotiate and execute a non-exclusive concession lease agreement with High Flying Foods to design, build and operate seven (7) food and beverage unit locations in new Terminal 1 at the Airport for an operating term for each unit location not to exceed fifteen (15) years; and

**BE IT FURTHER RESOLVED** that, in the event that negotiations with High Flying Foods are unsuccessful, the Board hereby authorizes the President/CEO to rescind the award to High Flying Foods and enter into a non-exclusive concession lease agreement with OTG SAN Venture LLC under terms and conditions that are substantially similar; and

**BE IT FURTHER RESOLVED** that the term of the non-exclusive concession lease agreement will include additional time for design and construction of each unit location; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) under the National Environmental Policy Act (“NEPA”) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**Approve and Authorize the President/CEO to Execute a Non-Exclusive Concession Lease Agreement with Concessionaire Emerging Domestic Market Ventures, LLC for the Operation of One Food & Beverage Location in New Terminal 1.**

**Recommendation:**

Adopt Resolution No. 2023-0060, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Emerging Domestic Market Ventures, LLC to design, build and operate one (1) food and beverage unit location in new Terminal 1 at San Diego International Airport with an operating term for the unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**Background/Justification:**

In early January, Authority staff issued Requests for Proposals (RFPs) for the future food & beverage offering in the new Terminal 1 facility. In total, the RFPs encompassed seventeen (17) new restaurants in both Phase 1a (opening September 2025) and Phase 1b (opening January 2028). The restaurant locations span the full spectrum of customer needs for full-service casual dining, quick service ("fast food"), gourmet coffee/bakery, and bars with appetizer plates. In addition to requesting different types of service, the Authority sought food offerings tailored to a broad variety of tastes and nutritional needs, served as breakfast, lunch, dinner and snacks.

The overall concessions development plan which was finalized in fall 2022 identified roughly 32,000 square feet of food & beverage space, as well as 14,000 square feet of convenience retail space, to be developed for the new facility. Additional space was planned in reserve to be developed as passenger volumes grow over time. The total concessions development represents more than a 250% increase in space compared to the existing Terminal 1.

In addition to the issuance of three multi-unit RPFs intended for prime concessionaire operators, the Authority issued two single unit packages for food & beverage operations. This package #4 is a single unit in the cluster of quick service restaurants (QSRs) in the east dining hall area, presumably serving the passengers of Southwest Airlines.

The Authority offered the single unit packages to create an opportunity that is feasible for small businesses. A single unit package does not require a large-scale initial investment like the multi-unit packages. Despite the efforts of numerous government and other agencies to promote small business participation in airport concessions, the realities of the airport environment are inherently challenging for small businesses. The fundamental challenge for most small businesses is the high investment costs. Small businesses do not have access to capital that would enable them to propose on packages of multiple units. Most US airports also do not offer many single unit concession packages so this limits the number of opportunities for small businesses to compete for. In addition to the initial investment costs, there are other challenges for small businesses in airports, which include competition for a limited pool of potential employees, finding economies of scale in purchasing and risks associated with a single location when airline traffic fluctuates.

Airports can never fully guarantee the future with regard to concession locations. What may be a high-volume, reliable location in Year 1, could be an underperforming location in Year 7 of a lease. The Authority believes, however, that the locations for both single unit opportunities in Terminal 1 are as likely to be well-trafficked due to their locations in the main dining hub for the east portion of new Terminal 1.

## **Outreach and RFP Development**

Authority staff devoted more than eight months in 2022 to host local in-person and virtual outreach events. The team developed a new concessions-specific website with the ability to register for more information, as well as attended key industry conferences, to reach as many potentially interested concessionaires as possible. Authority staff sought to inform local and disadvantaged small businesses about the various ways to participate in the SAN concessions program.

Authority staff developed a new competitive solicitation document 'from the ground up' to educate likely Proposers more effectively about San Diego International Airport (Airport or SAN) and the specific business opportunity. The RFP process required Proposers to complete a detailed narrative about their proposed restaurant concepts and financial proforma analysis to substantiate their understanding of the business and reasonable assumptions regarding the costs and benefits of operating airport restaurants. Based on the assumptions in their analysis, Proposers made a rent offer as a percentage of gross sales (or concession rent) to the Authority.

## Authority Expectations for the Solicitation

More than ten years have passed since the Authority conducted its last large-scale solicitation for restaurant concessions. It has been an eventful decade for both the Airport and the concessionaire industry. As a result, staff developed new expectations for the outcome of this solicitation.

As compared to the Green Build concessions expansion, the Authority understands much better the actual costs imposed upon concessionaires to operate in the facility. Many costs to concessionaires are pass-through charges from the Authority. For example, the actual concessionaire costs for the Centralized Receiving and Distribution Center (CDRC), which was not yet built in 2011, can be factored into the Proposers' financial assumptions, as well as costs for garbage service, grease hood cleaning, common area maintenance, etc., based on historical data. The costs to operate are high due to many of the specific constraints of operating at this Airport. However, SAN's high costs are not dissimilar from other major airports in California.

Concessionaires' most significant cost is staffing. Labor costs are now typically near 30% or more of gross sales and are expected to increase for the foreseeable future. This is consistent with other west coast airports. Shortages in building materials and equipment in the post-pandemic marketplace similarly have driven up the costs and lead times for critical infrastructure for restaurants. In addition, a shortage of workers in the construction trades has dramatically increased the costs to concessionaires to build airport restaurants. A survey completed in 2022 showed that typical costs per square foot to build among comparable West Coast airports exceeded \$2,000 per square foot.

All these conditions led to an expectation that percentage rent offers in this solicitation would be lower than those offered in solicitations as late as 2019. Evidence of this has been seen in recent solicitations at other airports. The current average percentage rent for restaurant operations at SAN, which were solicited in 2010-11 is **15.6%**. This is consistent with industry benchmarking conducted by the Airports Council International – North America (ACI-NA), which showed that the average percentage rent for food & beverage in the large airport category in 2019 was **15.4%**. However, based on more recent industry concessionaire feedback and information from other airports, staff anticipated that the percentage rent offers would be lower – in the range of **10 – 12%** - despite offering a longer fifteen-year operating lease term for each unit location to amortize their investment over time.

## Solicitation Evaluation Criteria

The evaluation of proposals was conducted by a voting-member Selection Panel supported by designated Subject Matter Experts (SMEs) for each specific area of evaluation. Proposers were required to provide information in their proposal response to the following evaluation criteria:

- ***Financial (Investment) Capability & Experience***

Proposers' financial statements were evaluated to substantiate the availability of a significant amount of capital needed to design, construct, and operate the unit locations. The Authority estimated that the required investment for the single unit locations could be as much as \$1,800 per square foot. Proposers also provided examples of other comparable operations either in other airports or high traffic environments to substantiate the experience necessary to operate top-notch airport restaurants. A minimum of three years' experience of high-volume restaurant operations was required. All responsive Proposers met the experience requirement and were able to verify financial capability.

- ***Concept Development***

The restaurant concepts proposed for each unit location were evaluated for their likely traveler appeal and overall connection to the desired customer experience at SAN. A concessionaire's ability to meet their sales forecasts hinges on bringing recognizable brand-name restaurants to the traveling public. Proposers were requested to submit menus and other materials to illustrate brand appeal.

The Authority sought local, regional, and national brand-name concepts. If a local concept was proposed, how broadly known is that concept with the traveling public? Travelers must be served more quickly than in a street-side restaurant. Are proposed menus realistic given short windows for service, yet still assuring sufficient variety and food quality? Can the proposed concept accommodate the dietary needs of a variety of diets, e.g., gluten-free, vegan, vegetarian? In full-service casual dining restaurants, are there options with appeal to both adults and kids? The Selection Panel considered alternative concepts when offered. The compatibility of adjacent concepts also was a key consideration to avoid having very similar offerings (such as burger concepts) near each other.

- ***Unit Design, Materials and Capital Investment***

Proposers submitted architectural storefront renderings and floor plans for the unit location, as well as detail about materials and proposed finishes. They were reviewed by an architectural Subject Matter Expert for the Selection Panel. In the financial pro forma, Proposers were required to submit their estimated investment cost per square foot per unit location. Information about likely investment costs was provided as part of the outreach effort and the RFP. Proposers' anticipated investment in the unit location was evaluated for reasonableness based on an understanding of current investments for concessions in other peer West Coast airports.

- ***Management/Staffing, Operations and Customer Service***

Proposers were required to provide specific examples of how their operations would be staffed, including number of employees, roles, length of shifts and hours of operation. Proposers also provided a SAN-specific Operations Plan (including maintenance, food handling and cleaning protocols) and SAN-specific Customer Service Plan. The latter included training, quality assurance procedures, as well as procedures for responding to customer complaints. In addition to close evaluation of these plans, the Selection Panel carefully considered the use of user-friendly technology proposed by each operator to provide alternative ways to order food (such as touch-screen menus and QR codes) as an augmentation to traditional face-to-face customer service.

- ***Financial Forecast & Rent Offer***

In response to the RFP, Proposers provided a full 15-year proforma for each unit location for evaluation. Key elements of this financial forecast were airline enplanements, anticipated initial investment, estimated costs of operations as a percentage of gross sales such as inventory, labor and benefits, equipment maintenance and other typical costs. Each proposer was asked to forecast their total gross sales over the operating term of the lease. This forecast could be based on any number of metrics or simply estimations of the strength of their concepts with passengers.

Proposers also were asked to propose rent to the Authority, based on a percentage of gross sales (concession rent). Rent could be proposed as “category rent”, e.g., varied rent percentages for food and non-alcoholic beverages and another slightly higher percentage on high-margin alcoholic beverages. Alternatively, Proposers could offer a “tiered rent”, i.e., a single percentage on all categories that increases as sales increase. For example, one percentage for sales under \$2 million and higher percentages when sales reach \$2 million or higher for the unit location.

- ***Environmental Sustainability***

Proposers were asked to describe how they would assist the Authority in the achievement of its long-term sustainability goals by providing a SAN-specific plan to promote environmental sustainability in their day-to-day operations. Concessionaires will play a critical role in achieving the 2035 goal of diverting 90% of solid waste from landfills. Many Proposers committed to limiting single-serve disposable items or opting for compostable options. Others committed to supporting clean commuter alternatives for their employees. Proposers also committed to participation in the SAN Green Concession program which offers concessionaires many ways to actively promote climate-friendly actions.

- ***Small Business Inclusion***

The SAN concessions program is subject to the provisions of the federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) program. The goal of the program is to “level the playing field” for ACDBEs so that they may participate in airport concessions. Typically, such businesses enter into agreements with larger entities to invest and participate in a concessions business. The Authority is not permitted to require any certain level of participation. Nonetheless, the Authority encourages such participation. The RFP indicated that our current participation level is 22% of total program gross sales generated by ACDBE businesses/partners. Proposers were also encouraged to provide opportunities to small businesses as vendors or suppliers of product.

## **SAN Proposal Evaluation Process**

Consistent with Authority procurement practice, the scoring methodology was determined by the Selection Panel prior to receipt of proposals. The Authority’s Executive Leadership Team concurred in the Selection Panel’s methodology.

Six Proposers submitted responses for Package #4 which closed on May 9, 2023. Two Proposers were eliminated from consideration due to a lack of responsiveness to the requirements of the RFP. Only one of the Proposers was a current operator at SAN. Nonetheless, the other proposers all met the requirements for prior experience of high-volume airport restaurant operations.

The Selection Panel represented the Authority’s Planning & Development, Operations, Revenue Generation & Partnership Development and Finance Departments. In addition, an airline representative for each of the anticipated airlines in New Terminal 1 served on the Selection Panel. Thus, the Selection Panel for each package consisted of five panelists - four Authority staff members and one airline representative. Subject Matter Experts included Authority staff from multiple disciplines including executive level staff. The SME team also included a Concessions Director with decades of industry experience from another major West Coast airport.

Upon receipt, the proposals were first evaluated for responsiveness for required submittals. The next step of the evaluation was conducted by the SME team which reviewed specific criteria areas. In the areas of financial capability, financial forecasts/rent offer, environmental sustainability and small business inclusion, SMEs both reviewed and scored the proposals for the Selection Panel. SMEs also reviewed the key areas of concept development, unit location design, materials, capital investment, management, staffing and customer service, providing recommendations to the Selection Panel who was responsible for the ranking and final score. The SME team convened with the Selection Panel to share the results of their examination of the proposals, their recommendations and/or scoring.

**Short-List, Interview and Selection**

The Selection Panel reviewed and ranked the proposals. Nearly all the proposers submitted concepts for consideration for both Packages #4 and #5. While all the responsive Proposers were interviewed, some were not considered for both packages. With the Selection Panel’s understanding of the concepts already selected for adjacent unit locations in Packages #1, #2 and #3, some concepts, where no alternative concept was offered, were eliminated from consideration if the adjacencies were not viable, e.g., two Mexican concepts in the same food court area.

The Proposers selected for interviews for Package #4 were interviewed on June 22, 2023. Each Proposer was allowed time to present their proposed concept to the Selection Panel. Each Proposer, in turn, was asked to respond to a specific list of questions focused on the evaluation criteria detailed above. The Selection Panel’s final rankings and point scores are detailed below:

**Table 1. Final Rankings**

	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Rank
Cloud 9 Foods LLC	3	3	3	3	3	15	3
EDMV, LLC	1	1	1	1	1	5	1
Mission Yogurt, Inc.	2	2	2	2	2	10	2

**Table 2. Final Scoring**

	Financial Capability & Experience	Concept Development	Unit Design, Materials, Capital Investment	Financial Forecast & Rent Offer	Mgmt, Staffing, Operations & Customer Service	Enviro. Sustainability	Small Business	Total
Cloud 9 Foods LLC	1000	640	646	810	630	60	100	3886
EDMV, LLC	1000	980	893	720	846	90	100	4629
Mission Yogurt, Inc.	1000	760	760	900	736	120	100	4378

The selected Proposer for Package #4 is **Emerging Domestic Market Ventures, LLC (EDMV)**.

## **Package #4 Food & Beverage Selection**

### **Grab & Go Subs featuring Café Moto Coffee**

ACDBE-restauranteur Gonzalo de la Melena, owner of Emerging Domestic Market Ventures, LLC (“EDMV”), has partnered with Grab & Go Subs and Café Moto coffee to bring SAN passengers a well-known and loved local concept. Grab & Go Subs has seven locations in San Diego County with an eighth location in the works on the corner of Washington and Falcon Streets in Mission Hills. Grab & Go Subs was founded in 1973 by Italian immigrant Vincenzo “Mimmo” Gaglio. His son Julio Cesar Pantoja is today the CEO of the company and is responsible for its expansion. The team lead by de la Melena and Pantoja are excited to enter the airport environment.

This new small business partnership has proposed a concept that takes full advantage of its location in new Terminal 1. The desired concept for the space was a specialty beverage and quick service concept that did not require cooking equipment such as grills or fryers. The menu of Grab & Go’s well-known sandwiches, wraps, and salads, complimented with Café Moto coffee will be a concept with broad appeal. One of the unique qualities of Grab & Go Subs will be daily fresh-baked bread delivered to the Airport early every morning.

Grab & Go Subs assures its appeal for breakfast by offering bagels and breakfast sandwiches such as a ‘Breakfast Sammie’ featuring scrambled eggs, a choice of meats and cheese on a Brioche bun. Café Moto’s solar-powered roastery has been serving San Diego coffee shops with its selection of coffee beans for more than 30 years. All of the classic coffee experiences like Proper Drip, Americano and Café Latte, Café Mocha will be available, but even specialties like the Mexican Mocha with the flavors of cinnamon and nuts. Dirty Chai is another option for those who want a little extra kick in their chai latte.

For afternoon and evening passengers, in addition to sandwiches, soups and salads, Grab & Go will offer local beers including Cerveza XTECA and AleSmith Brewery Pale Ale. Chula Vista’s Nova Brewing kombuchas will be available on tap as well.

### **ACDBE Operator**

The owner/operator of the Grab & Go Subs location is an ACDBE-certified concessionaire, so 100% of the unit location’s sales will support the Authority’s ACDBE certification goal. Gonzalo de la Melena’s company, Emerging Domestic Market Ventures, LLC, operates several airport concessions at Phoenix International Airport (Sir Vesas Taco Shop, Shake Shack, Starbucks Coffee and soon a Chick-fil-A franchise) and was recently awarded two locations in Salt Lake City International Airport.

**Next Steps Following Board Action**

The RFP included a draft proposed lease agreement for Proposers to review and the Authority requested written comment to the lease provisions. After award, Authority staff will engage with the selected Proposer to negotiate the final terms of the lease agreement. Final agreement is presumed, but not guaranteed.

If the President/CEO is unable to complete negotiations and execute a concession lease agreement with Emerging Domestic Market Ventures, LLC, staff requests authorization for the President/CEO to rescind award and negotiate an agreement with the second-place Proposer to design, build and operate the location in Package #4 with an operating term not to exceed fifteen (15) years and consistent with the general terms offered in the proposal response. The period of time needed for design and construction is not included in the 15-year operational term but will be included in the overall term of the non-exclusive concession lease.

**Fiscal Impact:**

The Food & Beverage Package #4 rent offer is lower than the current percentage rents at SAN but aligns with the current industry norms. The lower percentage of rent is due to higher build-out costs and added requirements to pay for utilities, which were part of the rent in the existing agreements. Another change from the existing concession agreements is the methodology for establishing the Minimum Annual Guarantee (MAG). Previously, MAG payments began at the beginning of the first agreement year, either proposed by the concessionaire or established by the Authority. In a new facility with no established sales history, it is more reasonable to calculate the MAG at the start of the second lease year of the agreement at 80% of the first full agreement year’s actual rent paid to the Authority. The Emerging Domestic Market Ventures, LLC total rent offer for Package #4 is in line with the Authority’s plan of finance.

**Authority Strategies/Focus Areas:**

This item supports one or more of the following (*select at least one under each area*):

**Strategies**

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

**Focus Areas**

- Advance the Airport Development Plan
- Transform the Customer Journey
- Optimize Ongoing Business

## Environmental Review:

CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020.

California Coastal Act Review: This Board action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611).

NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") under the National Environmental Policy Act ("NEPA") and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

## Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) program for construction contracts, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) program for food & beverage, retail and rental car concessions, and Policy 5.12. These programs/policies are intended to promote the inclusion of small, minority, local, and service-disabled veteran-owned businesses in Authority contracting. Only one program or policy named above can be applied in any single contract opportunity.

This opportunity qualifies as an airport concession contract; thus, the federal ACDBE program requirements apply. The Authority has an ACDBE Program Plan as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 23. The plan includes a triennial overall ACDBE participation goal in all concession contracts. The selected Proposer is itself a certified ACDBE and all sales generated will be counted toward the participation goal.

## Prepared by:

Deanna Zachrisson  
Director, Revenue Generation & Partnership Development

RESOLUTION NO. 2023-0060

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH EMERGING DOMESTIC MARKET VENTURES, LLC TO DESIGN, BUILD AND OPERATE ONE (1) FOOD AND BEVERAGE UNIT LOCATION IN NEW TERMINAL 1 AT SAN DIEGO INTERNATIONAL AIRPORT WITH AN OPERATING TERM FOR THE UNIT LOCATION NOT TO EXCEED FIFTEEN (15) YEARS AND, IN THE EVENT THAT NEGOTIATIONS ARE NOT SUCCESSFUL, AUTHORIZING THE PRESIDENT/CEO TO ENTER INTO A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH THE SECOND RANKED PROPOSER.

**WHEREAS**, San Diego County Regional Airport Authority (“Authority”) is constructing a new Terminal 1 at San Diego International Airport (“Airport”), anticipated to begin serving airline passengers in 2025; and

**WHEREAS**, the availability of food and beverage concessions is an important part of passengers’ overall customer experience; and

**WHEREAS**, the Authority conducted significant community outreach regarding opportunities to operate food and beverage concessions in Terminal 1; and

**WHEREAS**, the Authority issued a Request for Proposals (Food & Beverage Package #4) for the design, construction and operation of one food and beverage location in early 2023 and received seven responsive proposals; and

**WHEREAS**, a Selection Panel consisting of Authority staff and airline representatives evaluated proposals, interviewed the proposers and scored the proposals to select the best choice for the Airport and its passengers; and

**WHEREAS**, Emerging Domestic Market Ventures, LLC was the highest-ranked proposer; and

**WHEREAS**, Mission Yogurt, Inc. was the second highest-ranked proposer; and

**WHEREAS**, the Board finds that awarding a non-exclusive concession lease to Emerging Domestic Market Ventures, LLC is in the best interest of the Authority; and

**WHEREAS**, the Board finds that, in the event negotiations are unsuccessful with Emerging Domestic Market Ventures, LLC, authorizing the President/CEO to rescind the award of an agreement to Emerging Domestic Market Ventures, LLC and award a non-exclusive concession lease agreement to Mission Yogurt, Inc. under terms and conditions that are substantially similar is in the best interest of the Airport Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Emerging Domestic Market Ventures, LLC to design, build and operate one (1) food and beverage unit location in new Terminal 1 at the Airport with an operating term for the unit location not to exceed fifteen (15) years; and

**BE IT FURTHER RESOLVED** that, in the event that negotiations with Emerging Domestic Market Ventures, LLC are unsuccessful, the Board hereby authorizes the President/CEO to rescind the award to Emerging Domestic Market Ventures, LLC and enter into a non-exclusive concession lease agreement with Mission Yogurt, Inc. under terms and conditions that are substantially similar; and

**BE IT FURTHER RESOLVED** that the term of the non-exclusive concession lease agreement will include additional time for design and construction of the unit location; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") under the National Environmental Policy Act ("NEPA") and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES/  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve and Authorize the President/CEO to Execute a Non-Exclusive Concession Lease Agreement with Concessionaire McDonald's USA, LLC for the Operation of One Food & Beverage Location in New Terminal 1.**

**Recommendation:**

Adopt Resolution No. 2023-0061, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with McDonald's USA, LLC to design, build and operate one (1) food and beverage unit location in new Terminal 1 at San Diego International Airport with an operating term for the unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**Background/Justification:**

In early January, Authority staff issued Requests for Proposals (RFPs) for the future food & beverage offering in the new Terminal 1 facility. In total, the RFPs encompassed seventeen (17) new restaurants in both Phase 1a (opening September 2025) and Phase 1b (opening January 2028). The restaurant locations span the full spectrum of customer needs for full-service casual dining, quick service ("fast food"), gourmet coffee/bakery, and bars with appetizer plates. In addition to requesting different types of service, the Authority sought food offerings tailored to a broad variety of tastes and nutritional needs, served as breakfast, lunch, dinner and snacks.

The overall concessions development plan which was finalized in fall 2022 identified roughly 32,000 square feet of food & beverage space, as well as 14,000 square feet of convenience retail space, to be developed for the new facility. Additional space was planned in reserve to be developed as passenger volumes grow over time. The total concessions development represents more than a 250% increase in space compared to the existing Terminal 1.

In addition to the issuance of three multi-unit RFPs intended for prime concessionaire operators, the Authority issued two single unit packages for food & beverage operations. This package #5 is a single unit in the cluster of quick service restaurants (QSRs) in the east dining hall area, presumably serving the passengers of Southwest Airlines.

The Authority offered the single unit packages to create an opportunity that is feasible for small businesses. A single unit package does not require a large-scale initial investment like the multi-unit packages. Despite the efforts of numerous government and other agencies to promote small business participation in airport concessions, the realities of the airport environment are inherently challenging for small businesses. The fundamental challenge for most small businesses is the high investment costs. Small businesses do not have access to capital that would enable them to propose on packages of multiple units. Most US airports also do not offer many single unit concession packages so this limits the number of opportunities for small businesses to compete for. In addition to the initial investment costs, there are other challenges for small businesses in airports, which include competition for a limited pool of potential employees, finding economies of scale in purchasing and risks associated with a single location when airline traffic fluctuates.

Airports can never fully guarantee the future with regard to concession locations. What may be a high-volume, reliable location in Year 1, could be an underperforming location in Year 7 of a lease. The Authority believes, however, that the locations for both of the single unit opportunities in Terminal 1 are as likely to be well-trafficked due to their locations in the main dining hub for the east portion of new Terminal 1.

## **Outreach and RFP Development**

Authority staff devoted more than eight months in 2022 to host local in-person and virtual outreach events. The team developed a new concessions-specific website with the ability to register for more information, as well as attended key industry conferences, to reach as many potentially interested concessionaires as possible. Authority staff sought to inform local and disadvantaged small businesses about the various ways to participate in the SAN concessions program.

Authority staff developed a new competitive solicitation document 'from the ground up' to educate likely Proposers more effectively about San Diego International Airport (Airport or SAN) and the specific business opportunity. The RFP process required Proposers to complete a detailed narrative about their proposed restaurant concepts and financial proforma analysis to substantiate their understanding of the business and reasonable assumptions regarding the costs and benefits of operating airport restaurants. Based on the assumptions in their analysis, Proposers made a rent offer as a percentage of gross sales (or concession rent) to the Authority.

## Authority Expectations for the Solicitation

More than ten years have passed since the Authority conducted its last large-scale solicitation for restaurant concessions. It has been an eventful decade for both the Airport and the concessionaire industry. As a result, staff developed new expectations for the outcome of this solicitation.

As compared to the Green Build concessions expansion, the Authority understands much better the actual costs imposed upon concessionaires to operate in the facility. Many costs to concessionaires are pass-through charges from the Authority. For example, the actual concessionaire costs for the Centralized Receiving and Distribution Center (CDRC), which was not yet built in 2011, can be factored into the Proposers' financial assumptions, as well as costs for garbage service, grease hood cleaning, common area maintenance, etc., based on historical data. The costs to operate are high due to many of the specific constraints of operating at this Airport. However, SAN's high costs are not dissimilar from other major airports in California.

Concessionaires' most significant cost is staffing. Labor costs are now typically near 30% or more of gross sales and are expected to increase for the foreseeable future. This is consistent with other west coast airports. Shortages in building materials and equipment in the post-pandemic marketplace similarly have driven up the costs and lead times for critical infrastructure for restaurants. In addition, a shortage of workers in the construction trades has dramatically increased the costs to concessionaires to build airport restaurants. A survey completed in 2022 showed that typical costs per square foot to build among comparable West Coast airports exceeded \$2,000 per square foot.

All these conditions led to an expectation that percentage rent offers in this solicitation would be lower than those offered in solicitations as late as 2019. Evidence of this has been seen in recent solicitations at other airports. The current average percentage rent for restaurant operations at SAN, which were solicited in 2010-11 is **15.6%**. This is consistent with industry benchmarking conducted by the Airports Council International – North America (ACI-NA), which showed that the average percentage rent for food & beverage in the large airport category in 2019 was **15.4%**. However, based on more recent industry concessionaire feedback and information from other airports, staff anticipated that the percentage rent offers would be lower – in the range of **10 – 12%** - despite offering a longer fifteen-year operating lease term for each unit location to amortize their investment over time.

## Solicitation Evaluation Criteria

The evaluation of proposals was conducted by a voting-member Selection Panel supported by designated Subject Matter Experts (SMEs) for each specific area of evaluation. Proposers were required to provide information in their proposal response to the following evaluation criteria:

- ***Financial (Investment) Capability & Experience***

Proposers' financial statements were evaluated to substantiate the availability of a significant amount of capital needed to design, construct, and operate the unit location. The Authority estimated that the required investment may be as much as \$1,800 per square foot. Proposers also provided examples of other comparable operations either in other airports or high traffic environments to substantiate the experience necessary to operate top-notch airport restaurants. A minimum of three years' experience of high-volume restaurant operations was required. All responsive Proposers met the experience requirement and were able to verify financial capability.

- ***Concept Development***

The restaurant concepts proposed for each unit location were evaluated for their likely traveler appeal and overall connection to the desired customer experience at SAN. A concessionaire's ability to meet their sales forecasts hinges on bringing recognizable brand-name restaurants to the traveling public. Proposers were requested to submit menus and other materials to illustrate brand appeal.

The Authority sought local, regional, and national brand-name concepts. If a local concept was proposed, how broadly known is that concept with the traveling public? Travelers must be served more quickly than in a street-side restaurant. Are proposed menus realistic given short windows for service, yet still assuring sufficient variety and food quality? Can the proposed concept accommodate the dietary needs of a variety of diets, e.g., gluten-free, vegan, vegetarian? In full-service casual dining restaurants, are there options with appeal to both adults and kids? The Selection Panel considered alternative concepts when offered. The compatibility of adjacent concepts also was a key consideration to avoid having very similar offerings (such as burger concepts) near each other.

- ***Unit Design, Materials and Capital Investment***

Proposers submitted architectural storefront renderings and floor plans for each unit location, as well as detail about materials and proposed finishes. They were reviewed by an architectural Subject Matter Expert for the Selection Panel. In the financial pro forma, Proposers were required to submit their estimated investment cost per square foot per unit location. Information about likely investment costs was provided as part of the outreach effort and the RFP. Proposers' anticipated investment in each unit location was evaluated for reasonableness based on an understanding of current investments for concessions in other peer West Coast airports.

- ***Management/Staffing, Operations and Customer Service***

Proposers were required to provide specific examples of how their operations would be staffed, including number of employees, roles, length of shifts and hours of operation. Proposers also provided a SAN-specific Operations Plan (including maintenance, food handling and cleaning protocols) and SAN-specific Customer Service Plan. The latter included training, quality assurance procedures, as well as procedures for responding to customer complaints. In addition to close evaluation of these plans, the Selection Panel carefully considered the use of user-friendly technology proposed by each operator to provide alternative ways to order food (such as touch-screen menus and QR codes) as an augmentation to traditional face-to-face customer service.

- ***Financial Forecast & Rent Offer***

In response to the RFP, Proposers provided a full 15-year proforma for the unit location for evaluation. Key elements of this financial forecast were airline enplanements, anticipated initial investment, estimated costs of operations as a percentage of gross sales such as inventory, labor and benefits, equipment maintenance and other typical costs. Each proposer was asked to forecast their total gross sales over the operating term of the lease. This forecast could be based on any number of metrics or simply estimations of the strength of their concepts with passengers.

Proposers also were asked to propose rent to the Authority, based on a percentage of gross sales (concession rent). Rent could be proposed as “category rent”, e.g., varied rent percentages for food and non-alcoholic beverages and another slightly higher percentage on high-margin alcoholic beverages. Alternatively, Proposers could offer a “tiered rent”, i.e., a single percentage on all categories that increases as sales increase. For example, one percentage for sales under \$2 million and higher percentages when sales reach \$2 million or higher for the unit location.

- ***Environmental Sustainability***

Proposers were asked to describe how they would assist the Authority in the achievement of its long-term sustainability goals by providing a SAN-specific plan to promote environmental sustainability in their day-to-day operations. Concessionaires will play a critical role in achieving the 2035 goal of diverting 90% of solid waste from landfills. Many Proposers committed to limiting single-serve disposable items or opting for compostable options. Others committed to supporting clean commuter alternatives for their employees. Proposers also committed to participation in the SAN Green Concession program which offers concessionaires many ways to actively promote climate-friendly actions.

- ***Small Business Inclusion***

The SAN concessions program is subject to the provisions of the federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) program. The goal of the program is to “level the playing field” for ACDBEs so that they may participate in airport concessions. Typically, such businesses enter into agreements with larger entities to invest and participate in a concessions business. The Authority is not permitted to require any certain level of participation. Nonetheless, the Authority encourages such participation. The RFP indicated that our current participation level is 22% of total program gross sales generated by ACDBE businesses/partners. Proposers were also encouraged to provide opportunities to small businesses as vendors or suppliers of product.

## **SAN Proposal Evaluation Process**

Consistent with Authority procurement practice, the scoring methodology was determined by the Selection Panel prior to receipt of proposals. The Authority’s Executive Leadership Team concurred in the Selection Panel’s methodology.

Ten Proposers submitted responses for Package #5 which closed on May 9, 2023. Three Proposers were eliminated from consideration due to a lack of responsiveness to the requirements of the RFP. Only one of the Proposers was a current operator at SAN. Nonetheless, the other proposers all met the requirements for prior experience of high-volume airport restaurant operations.

The Selection Panel represented the Authority’s Planning & Development, Operations, Revenue Generation & Partnership Development and Finance Departments. In addition, an airline representative for each of the anticipated airlines in New Terminal 1 served on the Selection Panel. Thus, the Selection Panel for each package consisted of five panelists – four Authority staff members and one airline representative. Subject Matter Experts included Authority staff from multiple disciplines including executive level staff. The SME team also included a Concessions Director with decades of industry experience from another major West Coast airport.

Upon receipt, the proposals were first evaluated for responsiveness for required submittals. The next step of the evaluation was conducted by the SME team which reviewed specific criteria areas. In the areas of financial capability, financial forecasts/rent offer, environmental sustainability and small business inclusion, SMEs both reviewed and scored the proposals for the Selection Panel. SMEs also reviewed the key areas of concept development, unit location design, materials, capital investment, management, staffing and customer service, providing recommendations to the Selection Panel who was responsible for the ranking and final score. The SME team convened with the Selection Panel to share the results of their examination of the proposals, their recommendations and/or scoring.

**Short-List, Interview and Selection**

The Selection Panel reviewed and ranked the proposals. Nearly all of the Proposers submitted concepts for consideration for both Packages #4 and #5. While all of the responsive Proposers were interviewed, some were not considered for both packages. With the Selection Panel’s understanding of the concepts already selected for adjacent unit locations in Packages #1, #2 and #3, some concepts, where no alternative concept was offered, were eliminated from consideration if the adjacencies were not viable, e.g. two Mexican concepts in the same food court area.

The responsive Proposers were interviewed on June 22, 2023. Each Proposer was allowed time to present their proposed concept to the Selection Panel. Each Proposer, in turn, was asked to respond to a specific list of questions focused on the evaluation criteria detailed above. The Selection Panel’s final rankings and point scores are detailed below:

**Table 1. Final Rankings**

	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Rank
Bambuza	3	3	3	2	3	14	3
Greater Than DD	4	4	4	4	4	20	4
JDDA	2	2	2	3	2	11	2
McDonald’s	1	1	1	1	1	5	1

**Table 2. Final Scoring**

	Financial Capability & Experience	Concept Development	Unit Design, Materials, Capital Investment	Financial Forecast & Rent Offer	Mgmt, Staffing, Operations & Customer Service	Enviro. Sustain-ability	Small Business	Total
Bambuza	1000	840	760	360	774	75	100	3909
Greater Than DD	1000	520	589	630	522	45	100	3406
JDDA	1000	660	665	900	702	30	100	4057
McDonald’s	1000	980	912	630	846	30	100	4498

The selected Proposer for Package #5 is **McDonald’s USA, LLC.**

## **Package #5 Food & Beverage Selection**

### **McDonald's**

McDonald's as a food concept requires no detailed description. McDonald's is the largest food service business in the world and likely one of the most recognizable brand-names with more than 44,000 restaurants world-wide. There is no other restaurant chain where most Americans not only know the menu by heart, but also have their 'go to' favorite order every time they visit.

The role that McDonald's plays in the nation's airports is unique. There are 37 airport McDonald's locations in the US. For travelers, McDonald's represents a predictable, quality meal at an affordable price. For employees, it is likely the most affordable option for a workday meal. Airport customer service representatives consistently report that McDonald's is the most asked-for restaurant in airports, particularly among traveling families. When everything else about an airport journey feels stressful and unpredictable, the ability to order a familiar Big Mac or Happy Meal can make the journey just a bit more manageable.

The role that McDonald's plays in airports is reflected in the concept's consistently high sales. McDonald's is one of the few airport restaurant concepts that can be placed in a poor location and still achieve high sales, because travelers will seek it out. McDonald's provided sales data for three other West Coast airport locations that ranged between \$10 million and \$3.3 million in annual sales. Concessionaire HMSHost operated three McDonald's locations at SAN for many years until the HMSHost lease ended in 2012. According to McDonald's, in its final year of operation at SAN, the post-security location in Terminal 2 East achieved more than \$3.2 million in gross sales.

### **ACDBE Operator**

The McDonald's model for operating in airports is a unique one, and one that promotes small business participation in an environment that is challenging for those businesses. The investment required to build a new McDonald's is very high, at least in part due to the equipment requirements. These costs are exacerbated in airports. McDonald's addresses this challenge by taking on the initial investment in the unit location as well as the contractual obligation with an airport. Thereafter, McDonald's conducts a competitive internal process to select a local small business franchisee to own and operate the location. The franchisee takes on full responsibility for the unit location including amortizing the investment and hiring of the employees. At the same time, the Authority enjoys the security of holding a lease agreement with a corporation with billions in financial backing. McDonald's has committed as part of its RFP response to identify the ACDBE owner/operator upon Board approval of the lease agreement.

**Next Steps Following Board Action**

The RFP included a draft proposed lease agreement for Proposers to review and the Authority requested written comment on the lease provisions. After award, Authority staff will engage with the selected Proposer to negotiate the final terms of the lease agreement. Final agreement is presumed, but not guaranteed.

If the President/CEO is unable to complete negotiations and execute a concession lease agreement with McDonald’s, USA LLC, staff requests authorization for the President/CEO to rescind award and negotiate an agreement with the second-place Proposer to design, build and operate the location in Package #5 for an operating term not to exceed fifteen (15) years and consistent with the general terms offered in the proposal response. The period of time needed for design and construction is not included in the 15-year operational term but will be included in the overall term of the non-exclusive concession lease.

**Fiscal Impact:**

The Food & Beverage Package #5 rent offer is only slightly lower than the current percentage rents at SAN and exceeded the Authority’s expectations considering current investment costs. The rent aligns with the current industry norms. The percentage rent is reflective of higher build-out costs and added requirements to pay for utilities. McDonald’s USA, LLC forecasted the highest gross sales based on existing sales metrics in airports and offered the highest percentage rent of all the Proposers for this location. The Minimum Annual Guarantee (MAG) will be set at 80% of the prior year’s total rent paid upon completion of the first full lease year. In a new facility with no established sales history, it is more reasonable to calculate the MAG at the start of the second lease year of the agreement. The McDonald’s USA, LLC total rent offer for Package #5 is in line with the Authority’s plan of finance.

**Authority Strategies/Focus Areas:**

This item supports one or more of the following (*select at least one under each area*):

**Strategies**

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

## Focus Areas

- Advance the Airport Development Plan     Transform the Customer Journey     Optimize Ongoing Business

## Environmental Review:

CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020.

California Coastal Act Review: This Board action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611).

NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) under the National Environmental Policy Act (“NEPA”) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

## Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) program for construction contracts, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) program for food & beverage, retail and rental car concessions, and Policy 5.12. These programs/policies are intended to promote the inclusion of small, minority, local, and service-disabled veteran-owned businesses in Authority contracting. Only one program or policy named above can be applied in any single contract opportunity.

This opportunity qualifies as an airport concession contract; thus, the federal ACDBE program requirements apply. The Authority has an ACDBE Program Plan as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 23. The plan includes a triennial overall ACDBE participation goal in all concession contracts. McDonald’s USA LLC has committed to selecting an experienced ACDBE franchisee as owner/operator of the Airport location and all sales will count toward SAN’s ACDBE goal.

## Prepared by:

Deanna Zachrisson  
Director, Revenue Generation & Partnership Development

RESOLUTION NO. 2023-0061

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH MCDONALD'S USA, LLC TO DESIGN, BUILD AND OPERATE ONE (1) FOOD AND BEVERAGE UNIT LOCATION IN NEW TERMINAL 1 AT SAN DIEGO INTERNATIONAL AIRPORT WITH AN OPERATING TERM FOR THE UNIT LOCATION NOT TO EXCEED FIFTEEN (15) YEARS AND, IN THE EVENT THAT NEGOTIATIONS ARE UNSUCCESSFUL, AUTHORIZING THE PRESIDENT/CEO TO ENTER INTO A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH THE SECOND RANKED PROPOSER.

**WHEREAS**, San Diego County Regional Airport Authority ("Authority") is constructing a new Terminal 1 at San Diego International Airport ("Airport"), anticipated to begin serving airline passengers in 2025; and

**WHEREAS**, the availability of food and beverage concessions is an important part of passengers' overall customer experience; and

**WHEREAS**, the Authority conducted significant community outreach regarding opportunities to operate food and beverage concessions in Terminal 1; and

**WHEREAS**, the Authority issued a Request for Proposals (Food & Beverage Package #5) for the design, construction and operation of one food and beverage location in early 2023 and received seven responsive proposals; and

**WHEREAS**, a Selection Panel consisting of Authority staff and airline representatives evaluated proposals, interviewed the proposers and scored the proposals to select the best choice for the Airport and its passengers; and

**WHEREAS**, McDonald's USA, LLC was the highest-ranked proposer;  
and

**WHEREAS**, JDDA Concessions Management, Inc. was the second  
highest-ranked proposer; and

**WHEREAS**, the Board finds that awarding a non-exclusive concession  
lease to McDonald's USA, LLC is in the best interest of the Authority; and

**WHEREAS**, the Board finds that, in the event negotiations are  
unsuccessful with McDonald's USA, LLC, authorizing the President/CEO to  
rescind the award of an agreement to McDonald's USA, LLC and award a  
non-exclusive concession lease agreement to JDDA Concessions  
Management, Inc. under terms and conditions that are substantially similar is  
in the best interest of the Airport Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves  
and authorizes the President/CEO to negotiate and execute a non-exclusive  
concession lease agreement with McDonald's USA, LLC to design, build and  
operate one (1) food and beverage location in new Terminal 1 at the Airport  
with an operating term for the unit location not to exceed fifteen (15) years;  
and

**BE IT FURTHER RESOLVED** that, in the event that negotiations with  
McDonald's USA LLC are unsuccessful, the Board hereby authorizes the  
President/CEO to rescind the award to McDonald's USA, LLC and enter into a  
non-exclusive concession lease agreement with JDDA Concessions  
Management, Inc. under terms and conditions that are substantially similar;  
and

**BE IT FURTHER RESOLVED** that the term of the non-exclusive  
concession lease agreement will include additional time for design and  
construction of the unit location; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a  
project that received certification and approval for the Airport Development  
Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-  
01) on January 9, 2020; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) under the National Environmental Policy Act (“NEPA”) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: July 13, 2023**

**Subject:**

**Approve and Authorize the President/CEO to Execute a Non-Exclusive Concession Lease Agreement with Concessionaire Paradies Lagardère @ SAN, LLC for the Operation of Three Retail Locations in New Terminal 1.**

**Recommendation:**

Adopt Resolution No. 2023-0062, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Paradies Lagardère @ SAN, LLC to design, build and operate three (3) retail unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed twelve (12) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**Background/Justification:**

In late January, Authority staff issued Requests for Proposals (RFPs) for the retail offering in the new Terminal 1 facility. In total, the two RFPs encompassed seven (7) new convenience and specialty retail locations in both Phase 1a (opening September 2025) and Phase 1b (opening January 2028).

As context to explain the character of the new proposed retail offering in Terminal 1, it is helpful to understand that the airport retail business has undergone fundamental change in the last decade. Historically, there had been two types of retail stores in airports: “news/gift” and specialty retail. As the name “news/gift” implies, the primary product for sale were newspapers and magazines, along with souvenir merchandise. News/gift stores sold canned/bottled beverages and snacks, but sales of grab-n-go food such as sandwiches and salads typically were not allowed, due to concerns about cannibalizing sales at restaurant locations. Specialty retail shops were built as single brand locations, for example, a Coach or a Brighton store.

Magazine readership continues to decline, and hundreds of magazine titles have disappeared from the marketplace. Sales of newspapers have plummeted with the rise of digital subscriptions. The airport news/gift business struggled to find new revenue streams. The high airport development costs made investments in single brand retail stores risky since all but the most perennial brand-names can fall out of favor among travelers before the investment is recovered.

These changes, already in play, accelerated as a result of the COVID-19 pandemic. News/gift stores increasingly morphed into “convenience retail” stores where travelers could find books and other reading material, but also personal electronics (earbuds, chargers, etc.), personal care products, as well as grab-n-go sandwiches, salads, yogurt, fresh fruit, etc. During the pandemic, the convenience retail share of the overall sales pie *grew* while food & beverage locations struggled to maintain adequate staffing and hours of operation. Single-brand specialty retail in many cases became unsustainable, and many locations shuttered permanently.

The proposed seven retail locations in new Terminal 1 reflect a new, more sustainable airport retail model where larger stores (between 1,500 and 3,500 square feet) become marketplaces for a variety of products that meet a broader spectrum of traveler needs. In this format, a retailer can quickly pivot to meet traveler needs and wants in a ‘plug and play’ space. The marketplace model also allows retailers to offer specialty retail merchandise with the flexibility to change out retail merchandise when trends change. Stores also can offer merchandise for holiday, regional community and major sporting events.

Convenience retail stores that offer fresh grab-and-go food are now viewed as a *compliment* to other restaurant offerings. Airport retail also has embraced new technology as a means of increasing capacity during peak periods and extending the hours-of-service availability for travelers and employees. Nearly all of the Proposers included areas of their locations featuring “Amazon Just Walk Out” technology. The technology enables the retailer to keep a store open nearly 24/7.

The overall concessions development plan which was finalized in fall 2022 identified roughly 14,000 square feet of convenience/specialty retail space, as well as 32,000 square feet of food & beverage space, to be developed for the new facility. Additional space was planned in reserve to be developed as passenger volumes grow over time. The total concessions development represents more than a 250% increase in space compared to the existing Terminal 1.

Currently, there are four prime retail operators at the Airport. Consistent with the Authority's established multiple prime operator model, the Authority issued two RFPs with three- and four-unit locations respectively. The package approach allows concessionaires to gain economies of scale in their operations while fostering competition. The approach also assures that adequate service will be available to the traveling public in every part of the facility.

## **Outreach and RFP Development**

Authority staff devoted more than eight months in 2022 to host local in-person and virtual outreach events. The team developed a new concessions-specific website with the ability to register for more information, as well as attended key industry conferences, to reach as many potentially interested concessionaires as possible. Authority staff sought to inform local and disadvantaged small businesses about the various ways to participate in the SAN concessions program.

Authority staff developed a new competitive solicitation document 'from the ground up' to educate likely Proposers more effectively about San Diego International Airport (Airport or SAN) and the specific business opportunity. The RFP process required Proposers to complete a detailed narrative about their proposed retail concepts and financial proforma analysis to substantiate their understanding of the business and reasonable assumptions regarding the costs and benefits of operating airport retail shops. Based on the assumptions in their analysis, Proposers made a rent offer as a percentage of gross sales (or concession rent) to the Authority.

## **Authority Expectations for the Solicitation**

More than ten years have passed since the Authority conducted its last large-scale solicitation for retail concessions. As a result of the many changes in the industry, the Authority developed new recommendations for the outcome of this selection.

As compared to the Green Build concessions expansion, the Authority understands much better the actual costs imposed upon concessionaires to operate in the facility. Many costs to concessionaires are pass-through charges from the Authority. For example, the actual concessionaire costs for the Centralized Receiving and Distribution Center (CDRC), which was not yet built in 2011, can be factored into the Proposers' financial assumptions, as well as costs for garbage and recycling etc., based on historical data. The costs to operate are high due to many of the specific constraints of operating at this Airport. However, SAN's high costs are not dissimilar from other major airports in California.

The factors which drive profitability for airport retailers are somewhat different than for food & beverage operations. Staffing is still a very significant cost for concessionaires, however, retail locations have more flexibility regarding staffing. During some parts of the day, a retail location can adequately serve customers with just a few employees per store. Investment costs for airport retailers have grown as for food & beverage, but retailers have not been as vulnerable to supply chain disruptions as with food concessions which require much more equipment to operate (fryers, grills, refrigeration, etc.)

Although recent market conditions for airport retail concessions have been more of a mixed picture, the overall percentage rent trajectory still has been favorable for airports. The current average percentage rent for retail operations at SAN, which were solicited in 2010-11 is roughly **17%**. This is consistent with industry benchmarking conducted by the Airports Council International – North America (ACI-NA), which showed that the average percentage rent for retail in the large airport category in 2019 was **18.6%**.

In this solicitation, the Authority proposed a 12-year lease term. This is two-years longer than the previous generation of retail leases, but still somewhat shorter than a food & beverage lease, due to the difference in the capital investment requirement required. As a result of the strength of evolving airport convenience/specialty retail, and a longer lease term, the Authority anticipated proposed percentage rents somewhat *higher* than in 2011, likely near 20% of gross sales. All of the proposals received were consistent with expectations or slightly better.

## **Solicitation Evaluation Criteria**

The evaluation of proposals was conducted by a voting-member Selection Panel supported by designated Subject Matter Experts (SMEs) for each specific area of evaluation. Proposers were required to provide information in their proposal response to the following evaluation criteria:

- ***Financial (Investment) Capability & Experience***

Proposers' financial statements were evaluated to substantiate the availability of a significant amount of capital needed to design, construct, and operate the unit locations. The Authority estimated that the required investment for each of the two retail packages would be approximately \$6-8 million, depending upon the number of units in the package. Proposers also provided examples of other comparable operations either in other airports or high traffic environments to substantiate the experience necessary to operate top-notch airport retail stores. A minimum of three years' experience in high-volume operations was required. All Proposers met the experience requirement and were able to verify financial capability.

- ***Concept Development***

The retail concepts proposed for each unit location were evaluated for their likely traveler appeal and overall connection to the desired customer experience at SAN. A concessionaire's ability to meet their sales forecasts hinges on an appealing storefront and interior layout, availability of products passengers desire, effective merchandising for visual appeal and finally, the ability to serve both the time-sensitive and time-surplus customers. Proposers were requested to submit merchandise lists, brand-name proposals other materials to illustrate the appeal of both retail and grab-n-go food products.

- ***Unit Design, Materials and Capital Investment***

Proposers submitted architectural storefront renderings and floor plans for each unit location, as well as detail about materials and proposed finishes. They were reviewed by an architectural Subject Matter Expert for the Selection Panel. In the financial pro forma, Proposers were required to submit their estimated investment cost per square foot per unit location. Information about likely investment costs was provided as part of the outreach effort and the RFP. Proposers' anticipated investment in each unit location was evaluated for reasonableness based on an understanding of current investments for concessions in other peer West Coast airports.

- ***Management/Staffing, Operations and Customer Service***

Proposers were required to provide specific examples of how their operations would be staffed, including number of employees, roles, length of shifts and hours of operation. Proposers also provided a SAN-specific Operations Plan (including maintenance, stocking and cleaning protocols) and SAN-specific Customer Service Plan. The latter included training, quality assurance procedures, as well as procedures for responding to customer complaints. In addition to close evaluation of these plans, the Selection Panel carefully considered the user-friendly technology proposed by each operator to provide alternative ways to purchase product (such as touch-screen menus and QR codes) as an augmentation to traditional face-to-face customer service.

- ***Financial Forecast & Rent Offer***

In response to the RFP, Proposers provided a full 12-year proforma for each unit location and package of locations for evaluation. Key elements of this financial forecast were airline enplanements, anticipated initial investment, estimated costs of operations as a percentage of gross sales such as inventory, labor and benefits and other typical costs. Each Proposer was asked to forecast their total gross sales over each phase operating term of the lease. This forecast could be based on any number of metrics or simply estimations of the strength of their concepts with passengers.

Proposers also were asked to propose rent to the Authority, based on a percentage of gross sales (concession rent). Rent could be proposed as a flat rent for all categories, or a flat “category rent”, e.g., varied rent percentages for specialty merchandise, sundries grab-n-go food and beverages and gift/souvenir merchandise. Alternatively, Proposers could offer a “tiered rent”, i.e., a single percentage on all categories that increases as sales increase. For example, one percentage for sales under \$2 million and higher percentages when sales reach \$2 million or higher per unit location.

- ***Environmental Sustainability***

Proposers were asked to describe how they would assist the Authority in the achievement of its long-term sustainability goals by providing a SAN-specific plan to promote environmental sustainability in their day-to-day operations. Concessionaires will play a critical role in achieving the 2035 goal of diverting 90% of solid waste from landfills. Many Proposers committed to the elimination of plastic beverage bottles in their concessions. Others committed to supporting clean commuter alternatives for their employees. Proposers also committed to participation in the SAN Green Concession program which offers concessionaires many ways to actively promote climate-friendly actions.

- ***Small Business Inclusion***

The SAN concessions program is subject to the provisions of the federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) program. The goal of the program is to “level the playing field” for ACDBEs so that they may participate in airport concessions. Typically, such businesses enter into agreements with larger entities to invest and participate in a concessions business. The Authority is not permitted to require a certain level of participation. Nonetheless, the Authority encourages such participation. The RFP indicated that our current participation level is 22% of total program gross sales generated by ACDBE businesses/partners. Proposers were also encouraged to provide opportunities to small businesses as vendors or suppliers of product.

## **SAN Proposal Evaluation Process**

Consistent with Authority procurement practice, the scoring methodology was determined by the Selection Panel prior to receipt of proposals. The Authority’s Executive Leadership Team concurred in the Selection Panel’s methodology.

Four responsive Proposers submitted responses for Package #1 which closed on April 24, 2023. Two current SAN retail concessionaires recently merged into one company and submitted a single proposal. Another existing concessionaire and two aspiring entrants also submitted proposals. All of the proposers are established prime retail concessionaires with hundreds of locations at airports elsewhere in the United States.

The Selection Panel represented the Authority’s Planning & Development, Operations, Revenue Generation & Partnership Development and Finance Departments. In addition, an airline representative for each of the anticipated airlines in New Terminal 1 served on the Selection Panel. Thus, the Selection Panel for each package consisted of five panelists - four Authority staff members and one airline representative. Subject Matter Experts included Authority staff from multiple disciplines including executive level staff. The SME team also included a Concessions Director with decades of industry experience from another major West Coast airport.

Upon receipt, the proposals were first evaluated for responsiveness for required submittals. The next step of the evaluation was conducted by the SME team which reviewed specific criteria areas. In the areas of financial capability, financial forecasts/rent offer, environmental sustainability and small business inclusion, SMEs both reviewed and scored the proposals for the Selection Panel. SMEs also reviewed the key areas of concept development, unit location design, materials and capital investment and management/staffing and customer service, providing recommendations to the Selection Panel who was responsible for the ranking and final score. The SME team convened with the Selection Panel to share the results of their examination of the proposals, their recommendations and/or scoring.

**Short-List, Interview and Selection**

The Selection Panel reviewed and ranked the proposals. All proposals were deemed worthy of further evaluation in an in-person interview on June 6, 2023 . At the interviews, each Proposer was asked to respond to a specific list of questions prepared by the Selection Panel, focused on the evaluation criteria detailed above. The Selection Panel’s final rankings and point scores are detailed below:

**Table 1. Final Rankings**

	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Rank
Hudson	3	2	3	3	4	15	3
OTG	4	4	4	4	3	19	4
Paradies Lagardère	1	1	1	2	1	6	1
Marshall	2	3	2	1	2	10	2

**Table 2. Final Scoring**

	Financial Capability & Experience	Concept Development	Unit Design, Materials, Capital Investment	Financial Forecast & Rent Offer	Mgmt, Staffing, Operations & Customer Service	Enviro. Sustain- ability	Small Business	<b>Total</b>
Hudson	1000	560	551	900	738	90	100	3939
OTG	1000	640	589	720	540	105	100	3694
Paradies Lagardère	1000	840	779	900	756	45	100	4420
Marshall	1000	820	798	810	738	75	100	4341

The selected Proposer for Package #1 is Paradies Lagardère @ SAN, LLC.

**“Package #1” Convenience/Specialty Retail Selection**

In 1960, Paradies Lagardère entered into its first airport contract and has since grown to operate more than 1,000 restaurants and retail stores in more than 100 airports across North America.

Paradies Lagardère has operated retail locations at SAN since 2011. Currently, they operate five locations: three convenience retail and two specialty retail. They employ 31 people, both management and staff. The non-management employees are represented by UFCW Local 135. The Terminal 1 operation will double the number of retail staff positions. Paradies Lagardère and UFCW have a more than decade long relationship in San Diego. In addition, Paradies Lagardère @ SAN, LLC has agreed to abide by the Authority’s Worker Retention Policy by first offering employment to any displaced incumbent workers from the current Terminal 1 facility.

Paradies Lagardère @ SAN, LLC is the ACDBE joint venture formed for the Terminal 1 locations. Paradies Lagardère is the majority 80% owner and CRS Sophisticated Solutions, Inc. (CRS) with a 20% ownership share. In accordance with the requirements of the Authority’s ACDBE program, the ACDBE joint venture partner’s share of the initial capital investment is commensurate with the ownership stake and must be actively involved in running the business. CRS is owned by local ACDBE Steven Menefee, a successful operator of several local franchise businesses, including 7-11 and McDonald’s. Steve Menefee has been an active presence as part of his existing joint venture with Paradies Lagardère at SAN.

## **Package #1 Selected Concepts**

Package #1 includes three (3) unit locations. Two locations are in the Phase 1a area of the facility, opening in September 2025, and one other is in the Phase 1b area of the facility opening in January 2028.

### **Convenience Retail, Unit #214 - SAN Supply Co./Goods Express @ SAN (Opening 2025)**

This 1,745 square foot location is the first airport retail store that passengers will see when proceeding through the security checkpoint. The Airport was looking for a concept reflective of the “urban district” design esthetic in this portion of the terminal. Paradies Lagardère’s design for *SAN Supply Co.* embraces the color palate and material choices of urban San Diego and the Gaslamp District. It also creates an open and inviting space that will capture travelers’ attention with attractive merchandising displays and a store design that drives speed and convenience. *SAN Supply Co.* will feature an alluring array of essentials and desirables including snacks; beverages; grab and go sandwiches, wraps, and salads; reading materials; electronics; apparel; and healthy snack and dining options including organic, gluten-free, vegetarian, and non-GMO options. In addition to the extensive selection of travel conveniences, *SAN Supply Co.* connects travelers to the region with a portfolio of local products crafted by more than 20 artisans, and merchandise featuring the world-famous San Diego Zoo.

A portion of the space will be devoted to a mini travel essentials emporium, *Goods Express @ SAN*, powered by the Amazon Just Walk Out touchless payment system. This shop will provide 24/7 convenient access to essential items, snacks, beverages, and personal care needs for travelers, airport employees and airline staff.

### **Convenience/Specialty Retail, Unit # 532 -Univision Travel Store/ Goods Express @ SAN/No Boundaries (Opening 2025)**

This 3,363 square foot retail location is the largest retail footprint in the entire Airport. The size enables a retailer to use the space for a dynamic marketplace that combines multiple store-within-a-store concepts. The marquee name for this location is *Univision Travel Store*. Spanish-language Univision television has been firmly anchored in the greater San Diego area for more than 25 years, and viewership is one of the strongest in the US. The brand-name will be reflected in a focus on Spanish-language reading materials and food product popular with the Latinx community. The store will satisfy the broad needs and wants of the traveler as well, with snacks, beverages, books, and locally made grab-n-go food choices. Mobile phone and other electronics accessories will be offered under the *IStore Express* store-within-a-store brand name. A portion of the store also will offer automated hot espresso beverages by *Costa Coffee*.

Flanking each side of the main convenience retail store, travelers will find two additional, distinct retail concepts. On one side, Paradies Lagardère will offer its state-of-the-art, 'always on' *Goods Express @ SAN* with Amazon Just Walk Out technology to accommodate travelers, airport employees, and airline staff 24/7. On the opposite side, *No Boundaries* will feature a curated retail clothing collection of brand-names synonymous with an active, SoCal coastal lifestyle. One featured brand will be Carlsbad's nationwide sensation, *PrAna* – a selection of tops, tanks, yoga wear and leggings. The other popular California brands will include QuickSilver, OuterKnown, Toes to the Nose and San Francisco's Marine Layer.

## **Convenience/Specialty Retail, Unit # 157 – Gaslamp Marketplace/Hip & Humble (Opening 2028)**

This 2,243 square foot location is one contiguous space with two distinct branded storefronts. The *Gaslamp Marketplace* is a concept offered by Paradies Lagardère in Terminal 2 West. Similar to the original, the space will take its design cues from the historic Gaslamp Quarter such as authentic lighting, local art pieces, metal trim accents, and imagery combine to animate the spirit of historic San Diego. The Terminal 1 location will take full advantage of the generous available space to be able to merchandise orchard-fresh fruit bowls, mouthwatering sandwiches and wraps, crisp salads, and healthful boxed snacks that include tofu and hummus, sure to please even the most discerning palate. Passengers also can grab anything else they need or want to ease their travels from a variety of books and magazines, essential travel needs, electronics, and a variety of duffels and backpacks to hold everything.

Hip & Humble is an award-winning lifestyle boutique featuring national and California brands such as Irvine-based PJ Salvage and Costa Mesa-based ZSupply. Words often used to describe Hip & Humble are "quirky," "colorful," "irreverent," and yet "cozy." Travelers will love the vivid colorful merchandising and mix of products in fashion, accessories, stationery, bath and body products, jewelry, and home décor wares. Completely unexpected gifts for an airport environment.

Hip & Humble is the creation of ACDBE retailer Sheridan Mordue who opened her first store in Salt Lake International Airport in November 2020. The concept defied the modest expectations for its success during the first year of the COVID-19 pandemic. Hip & Humble is now expanding to other airports in North America.

## Next Steps Following Board Action

The RFP included a draft proposed lease agreement for Proposers to review and the Authority requested written comment to the lease provisions. After award, Authority staff will engage with the selected Proposer to negotiate the final terms of the lease agreement. Also, in instances where an alternative concept in a particular unit location may become necessary, staff will negotiate a mutually acceptable alternative. Final agreement is presumed, but not guaranteed.

If the President/CEO is unable to complete negotiations and execute a concession lease agreement with Paradies Lagardère @ SAN, LLC, staff requests authorization for the President/CEO to rescind award and negotiate a concession lease agreement with the second-place Proposer to design, build and operate the locations in Package #1 with an operating term for each unit location not to exceed twelve (12) years and consistent with the general terms offered in the proposal response. The period of time needed for design and construction is not included in the 15-year operational term but will be included in the overall term of the non-exclusive concession lease.

## Fiscal Impact:

The Retail Package #1 rent offer is higher than the current percentage rents at SAN and aligns with the current industry norms. Higher build-out costs have been offset to some degree by the opportunities to offer a broader product assortment and slightly longer term. As with the new food & beverage agreements, the methodology for establishing the Minimum Annual Guarantee (MAG) will change. Previously, MAG payments began at the beginning of the first agreement year, either proposed by the concessionaire or established by the Authority. In a new facility with no established sales history, it is more reasonable to calculate the MAG at the start of the second lease year at 80% of the first full lease year's actual rent paid to the Authority. Paradies Lagardère @ SAN, LLC's total rent offer for Package #1 is in line with the Authority's plan of finance.

## Authority Strategies/Focus Areas:

This item supports one or more of the following (*select at least one under each area*):

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the Airport Development Plan    Transform the Customer Journey    Optimize Ongoing Business

## Environmental Review:

CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020.

California Coastal Act Review: This Board action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611).

NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") under the National Environmental Policy Act ("NEPA") and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

## Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) program for construction contracts, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) program for food & beverage, retail and rental car concessions, and Policy 5.12. These programs/policies are intended to promote the inclusion of small, minority, local, and service-disabled veteran-owned businesses in Authority contracting. Only one program or policy named above can be applied in any single contract opportunity.

This opportunity qualifies as an airport concession contract; thus, the federal ACDBE program requirements apply. The Authority has an ACDBE Program Plan as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 23. The plan includes a triennial overall ACDBE participation goal in all concession contracts. The selected Proposer intends to achieve 20% ACDBE participation by way of a joint venture with ACDBE CRS Sophisticated Solutions, Inc.

## Prepared by:

Deanna Zachrisson  
Director, Revenue Generation & Partnership Development

RESOLUTION NO. 2023-0062

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH PARADIES LAGARDÈRE @ SAN, LLC TO DESIGN, BUILD AND OPERATE THREE (3) RETAIL UNIT LOCATIONS IN NEW TERMINAL 1 AT SAN DIEGO INTERNATIONAL AIRPORT WITH AN OPERATING TERM FOR EACH UNIT LOCATION NOT TO EXCEED TWELVE (12) YEARS AND, IN THE EVENT THAT NEGOTIATIONS ARE UNSUCCESSFUL, AUTHORIZING THE PRESIDENT/CEO TO ENTER INTO A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH THE SECOND RANKED PROPOSER.

**WHEREAS**, San Diego County Regional Airport Authority (“Authority”) is constructing a new Terminal 1 at San Diego International Airport (“Airport”), anticipated to begin serving airline passengers in 2025; and

**WHEREAS**, the availability of convenience and specialty retail concessions is an important part of passengers’ overall customer experience; and

**WHEREAS**, the Authority conducted significant community outreach regarding opportunities to operate convenience and specialty retail concessions in Terminal 1; and

**WHEREAS**, the Authority issued a Request for Proposals (Retail Package #1) for the design, construction and operation of three (3) retail unit locations in early 2023 and received four proposals; and

**WHEREAS**, a Selection Panel consisting of Authority staff and airline representatives evaluated proposals, interviewed the proposers and scored the proposals to select the best choice for the Airport and its passengers; and

**WHEREAS**, Paradies Lagardère @ SAN, LLC was the highest-ranked proposer; and

**WHEREAS**, The Marshall Retail Group, LLC was the second highest-ranked proposer; and

**WHEREAS**, the Board finds that awarding a non-exclusive concession lease to Paradies Lagardère @ SAN, LLC is in the best interest of the Authority; and

**WHEREAS**, the Board finds that, in the event negotiations are unsuccessful with Paradies Lagardère @ SAN, LLC, authorizing the President/CEO to rescind the award of an agreement to Paradies Lagardère @ SAN, LLC and award a non-exclusive concession lease agreement to The Marshall Retail Group, LLC under terms and conditions that are substantially similar is in the best interest of the Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Paradies Lagardère @ SAN, LLC to design, build and operate three (3) retail unit locations in new Terminal 1 at the Airport with an operating term for each unit location not to exceed twelve (12) years; and

**BE IT FURTHER RESOLVED** that, in the event that negotiations with Paradies Lagardère @ SAN, LLC are unsuccessful, the Board hereby authorizes the President/CEO to rescind the award to Paradies Lagardère @ SAN, LLC and enter into a non-exclusive concession lease agreement with The Marshall Retail Group under terms and conditions that are substantially similar; and

**BE IT FURTHER RESOLVED** that the term of the non-exclusive concession lease agreement will include additional time for design and construction of each unit location; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that received certification and approval for the Airport Development

Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) under the National Environmental Policy Act (“NEPA”) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**Approve and Authorize the President/CEO to Execute a Non-Exclusive Concession Lease Agreement with Concessionaire The Marshall Retail Group, LLC for the Operation of Four Retail Locations in New Terminal 1.**

**Recommendation:**

Adopt Resolution No. 2023-0063, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with The Marshall Retail Group, LLC to design, build and operate four (4) retail unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed twelve (12) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

**Background/Justification:**

In late January, Authority staff issued Requests for Proposals (RFPs) for the retail offering in the new Terminal 1 facility. In total, the two RFPs encompassed seven (7) new convenience and specialty retail locations in both Phase 1a (opening September 2025) and Phase 1b (opening January 2028).

As context to explain the character of the new proposed retail offering in Terminal 1, it is helpful to understand that the airport retail business has undergone fundamental change in the last decade. Historically, there had been two types of retail stores in airports: “news/gift” and specialty retail. As the name “news/gift” implies, the primary product for sale were newspapers and magazines, along with souvenir merchandise. News/gift stores sold canned/bottled beverages and snacks, but sales of grab-n-go food such as sandwiches and salads typically were not allowed, due to concerns about cannibalizing sales at restaurant locations. Specialty retail shops were built as single brand locations, for example, a Coach or a Brighton store.

Magazine readership continues to decline, and hundreds of magazine titles have disappeared from the marketplace. Sales of newspapers have plummeted with the rise of digital subscriptions. The airport news/gift business struggled to find new revenue streams. The high airport development costs made investments in single brand retail stores risky since all but the most perennial brand-names can fall out of favor among travelers before the investment is recovered.

These changes, already in play, accelerated as a result of the COVID-19 pandemic. News/gift stores increasingly morphed into “convenience retail” stores where travelers could find books and other reading material, but also personal electronics (earbuds, chargers, etc.), personal care products, as well as grab-n-go sandwiches, salads, yogurt, fresh fruit, etc. During the pandemic, the convenience retail share of the overall sales pie *grew* while food & beverage locations struggled to maintain adequate staffing and hours of operation. Single-brand specialty retail in many cases became unsustainable, and many locations shuttered permanently.

The proposed seven retail locations in new Terminal 1 reflect a new, more sustainable airport retail model where larger stores (between 1,500 and 3,500 square feet) become marketplaces for a variety of products that meet a broader spectrum of traveler needs. In this format, a retailer can quickly pivot to meet traveler needs and wants in a ‘plug and play’ space. The marketplace model also allows retailers to offer specialty retail merchandise with the flexibility to change out retail merchandise when trends change. Stores also can offer merchandise for holidays and regional community and major sporting events.

Convenience retail stores that offer fresh grab-and-go food are now viewed as a *compliment* to other restaurant offerings. Airport retail also has embraced new technology as a means of increasing capacity during peak periods and extending the hours-of-service availability for travelers and employees. Nearly all of the Proposers included areas of their locations featuring “Amazon Just Walk Out” technology. The technology enables the retailer to keep a store open nearly 24/7.

The overall concessions development plan which was finalized in fall 2022 identified roughly 14,000 square feet of convenience/specialty retail space, as well as 32,000 square feet of food & beverage space, to be developed for the new facility. Additional space was planned in reserve to be developed as passenger volumes grow over time. The total concessions development represents more than a 250% increase in space compared to the existing Terminal 1.

Currently, there are four prime retail operators at the Airport. Consistent with the Authority's established multiple prime operator model, the Authority issued two RFPs with three- and four-unit locations respectively. The package approach allows concessionaires to gain economies of scale in their operations while fostering competition. The approach also assures that adequate service will be available to the traveling public in every part of the facility.

## **Outreach and RFP Development**

Authority staff devoted more than eight months in 2022 to host local in-person and virtual outreach events. The team developed a new concessions-specific website with the ability to register for more information, as well as attended key industry conferences, to reach as many potentially interested concessionaires as possible. Authority staff sought to inform local and disadvantaged small businesses about the various ways to participate in the SAN concessions program.

Authority staff developed a new competitive solicitation document 'from the ground up' to educate likely Proposers more effectively about San Diego International Airport (Airport or SAN) and the specific business opportunity. The RFP process required Proposers to complete a detailed narrative about their proposed retail concepts and financial proforma analysis to substantiate their understanding of the business and reasonable assumptions regarding the costs and benefits of operating airport retail shops. Based on the assumptions in their analysis, Proposers made a rent offer as a percentage of gross sales (or concession rent) to the Authority.

## **Authority Expectations for the Solicitation**

More than ten years have passed since the Authority conducted its last large-scale solicitation for retail concessions. As a result of the many changes in the industry, the Authority developed new recommendations for the outcome of this selection.

As compared to the Green Build concessions expansion, the Authority understands much better the actual costs imposed upon concessionaires to operate in the facility. Many costs to concessionaires are pass-through charges from the Authority. For example, the actual concessionaire costs for the Centralized Receiving and Distribution Center (CDRC), which was not yet built in 2011, can be factored into the Proposers' financial assumptions, as well as costs for garbage and recycle etc., based on historical data. The costs to operate are high due to many of the specific constraints of operating at this Airport. However, SAN's high costs are not dissimilar from other major airports in California.

The factors which drive profitability for airport retailers are somewhat different than for food & beverage operations. Staffing is still a very significant cost for concessionaires, however, retail locations have more flexibility regarding staffing. During some parts of the day, a retail location can adequately serve customers with just a few employees per store. Investment costs for airport retailers have grown as for food & beverage, but retailers have not been as vulnerable to supply chain disruptions as with food concessions which require much more equipment to operate (fryers, grills, refrigeration, etc.).

As recent market conditions for airport retail concessions have been more of a mixed picture, the overall percentage rent trajectory still has been favorable for airports. The current average percentage rent for retail operations at SAN, which were solicited in 2010-11 is roughly **17%**. This is consistent with industry benchmarking conducted by the Airports Council International – North America (ACI-NA), which showed that the average percentage rent for retail in the large airport category in 2019 was **18.6%**.

In this solicitation, the Authority proposed a 12-year lease term. This is two-years longer than the previous generation of retail leases, but still somewhat shorter than a food & beverage lease, due to the difference in capital investment requirement. As a result of the strength of evolving airport convenience/specialty retail, and a longer lease term, the Authority anticipated proposed percentage rents somewhat *higher* than in 2011, likely near 20% of gross sales. All of the proposals received were consistent with expectations or slightly better.

## **Solicitation Evaluation Criteria**

The evaluation of proposals was conducted by a voting-member Selection Panel supported by designated Subject Matter Experts (SMEs) for each specific area of evaluation. Proposers were required to provide information in their proposal response to the following evaluation criteria:

- ***Financial (Investment) Capability & Experience***

Proposers' financial statements were evaluated to substantiate the availability of a significant amount of capital needed to design, construct, and operate the unit locations. The Authority estimated that the required investment for each of the two retail packages would be approximately \$6-8 million, depending upon the number of units in the package. Proposers also provided examples of other comparable operations either in other airports or high traffic environments to substantiate the experience necessary to operate top-notch airport retail stores. A minimum of three years' experience of high-volume operations was required. All Proposers met the experience requirement and were able to verify financial capability.

- ***Concept Development***

The retail concepts proposed for each unit location were evaluated for their likely traveler appeal and overall connection to the desired customer experience at SAN. A concessionaire's ability to meet their sales forecasts hinges on an appealing storefront and interior layout, availability of products passengers desire, effective merchandising for visual appeal and finally, the ability to serve both customers in a hurry and those who have time to linger. Proposers were requested to submit merchandise lists, brand-name proposals other materials to illustrate the appeal of both retail and grab-n-go food products.

- ***Unit Design, Materials and Capital Investment***

Proposers submitted architectural storefront renderings and floor plans for each unit location, as well as detail about materials and proposed finishes. They were reviewed by an architectural Subject Matter Expert for the Selection Panel. In the financial pro forma, Proposers were required to submit their estimated investment cost per square foot per unit location. Information about likely investment costs was provided as part of the outreach effort and the RFP. Proposers' anticipated investment in each unit location was evaluated for reasonableness based on an understanding of current investments for concessions in other peer West Coast airports.

- ***Management/Staffing, Operations and Customer Service***

Proposers were required to provide specific examples of how their operations would be staffed, including number of employees, roles, length of shifts and hours of operation. Proposers also provided a SAN-specific Operations Plan (including maintenance, stocking and cleaning protocols) and SAN-specific Customer Service Plan. The latter included training, quality assurance procedures, as well as procedures for responding to customer complaints. In addition to close evaluation of these plans, the Selection Panel carefully considered the use of user-friendly technology proposed by each operator to provide alternative ways to purchase product (such as touch-screen menus and QR codes) as an augmentation to traditional face-to-face customer service.

- ***Financial Forecast & Rent Offer***

In response to the RFP, Proposers provided a full 12-year proforma for each unit location and package of locations for evaluation. Key elements of this financial forecast were airline enplanements, anticipated initial investment, estimated costs of operations as a percentage of gross sales such as inventory, labor and benefits and other typical costs. Each Proposer was asked to forecast their total gross sales over each phase operating term of the lease. This forecast could be based on any number of metrics or simply estimations of the strength of their concepts with passengers.

Proposers also were asked to propose rent to the Authority, based on a percentage of gross sales (concession rent). Rent could be proposed as a flat rent for all categories, or a flat “category rent”, e.g., varied rent percentages for specialty merchandise, sundries grab-n-go food and beverages and gift/souvenir merchandise. Alternatively, Proposers could offer a “tiered rent”, i.e., a single percentage on all categories that increases as sales increase. For example, one percentage for sales under \$2 million and higher percentages when sales reach \$2 million or higher per unit location.

- ***Environmental Sustainability***

Proposers were asked to describe how they would assist the Authority in the achievement of its long-term sustainability goals by providing a SAN-specific plan to promote environmental sustainability in their day-to-day operations. Concessionaires will play a critical role in achieving the 2035 goal of diverting 90% of solid waste from landfills. Many Proposers committed to the elimination of plastic beverage bottles in their concessions. Others committed to supporting clean commuter alternatives for their employees. Proposers also committed to participation in the SAN Green Concession program which offers concessionaires many ways to actively promote climate-friendly actions.

- ***Small Business Inclusion***

The SAN concessions program is subject to the provisions of the federal Airport Concessions Disadvantaged Business Enterprise (ACDBE) program. The goal of the program is to “level the playing field” for ACDBEs so that they may participate in airport concessions. Typically, such businesses enter into agreements with larger entities to invest and participate in a concessions business. The Authority is not permitted to require any certain level of participation. Nonetheless, the Authority encourages such participation. The RFP indicated that our current participation level is 22% of total program gross sales generated by ACDBE businesses/partners. Proposers were also encouraged to provide opportunities to small businesses as vendors or suppliers of product.

## **SAN Proposal Evaluation Process**

Consistent with Authority procurement practice, the scoring methodology was determined by the Selection Panel prior to receipt of proposals. The Authority’s Executive Leadership Team concurred in the Selection Panel’s methodology.

Three responsive Proposers submitted responses for Package #2 which closed on April 24, 2023. Two current SAN retail concessionaires recently merged into one company and submitted a single proposal. Another existing concessionaire and an aspiring new entrant also submitted proposals. All of the proposers are established prime retail concessionaires with hundreds of locations at airports elsewhere in the United States.

The Selection Panel represented the Authority’s Planning & Development, Operations, Revenue Generation & Partnership Development and Finance Departments. In addition, an airline representative for each of the anticipated airlines in New Terminal 1 served on the Selection Panel. Thus, the Selection Panel for each package consisted of five panelists - four Authority staff members and one airline representative. Subject Matter Experts included Authority staff from multiple disciplines including executive level staff. The SME team also included a Concessions Director with decades of industry experience from another major West Coast airport.

Upon receipt, the proposals were first evaluated for responsiveness for required submittals. The next step of the evaluation was conducted by the SME team which reviewed specific criteria areas. In the areas of financial capability, financial forecasts/rent offer, environmental sustainability and small business inclusion, SMEs both reviewed and scored the proposals for the Selection Panel. SMEs also reviewed the key areas of concept development, unit location design, materials and capital investment and management/staffing and customer service, providing recommendations to the Selection Panel who was responsible for the ranking and final score. The SME team convened with the Selection Panel to share the results of their examination of the proposals, their recommendations and/or scoring.

**Short-List, Interview and Selection**

The Selection Panel reviewed and ranked the proposals. All proposals were deemed worthy of further evaluation in an in-person interview on June 6, 2023. At the interviews, each Proposer was asked to respond to a specific list of questions prepared by the Selection Panel, focused on the evaluation criteria detailed above. The Selection Panel’s final rankings and point scores are detailed below:

**Table 1. Final Rankings**

	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Rank
Hudson	2	2	2	3	1	10	2
Paradies Lagardère	1	3	3	2	3	12	3
Marshall Retail Group	2	1	1	1	2	7	1

**Table 2. Final Scoring**

	Financial Capability & Experience	Concept Development	Unit Design, Materials, Capital Investment	Financial Forecast & Rent Offer	Mgmt, Staffing, Operations & Customer Service	Enviro. Sustain-ability	Small Business	Total
Hudson	1000	660	494	900	738	90	100	3964
Paradies Lagardère	1000	800	741	450	738	45	100	3874
Marshall Retail	1000	840	799	540	756	75	100	4090

The selected Proposer for Package #2 is **The Marshall Retail Group, LLC**.

**“Package #2” Convenience/Specialty Retail Selection**

In 1955, brothers-in-law Art Marshall and Herb Rousso founded Marshall Retail Group (MRG) as a family-owned business with retail shops in Las Vegas, Nevada. The company’s foray into the airport environment came in 1984 with its first location in McCarran (now Harry Reid) International Airport. Today, MRG operates 300+ locations nationwide, spanning 47 North American airports. In 2019, the US operations of WHSmith purchased MRG, however it continued to operate as an independent company. The parent company, London-based WHSmith has been in business since 1792 and operates more than 1,700 airport stores in 35 countries. The company also purchased InMotion Entertainment, the largest chain of airport electronics stores in the U.S.

The Marshall Retail Group, LLC is a proposed ACDBE joint venture for SAN. Three joint venture partners will together own and operate 25% of the business. All of the joint venture partners have a current or past involvement with SAN concessions. The largest joint venture partner, Harold “Gil” Johnson of Procurement Concepts Inc., based in San Diego, has been a joint venture and subtenant ACDBE at SAN for more than 10 years, specializing in retail operations. The second ACDBE joint venture partner is CASA Unlimited Enterprises, Inc. led by Joya Kizer, a second-generation airport retail concessionaire. CASA operated two successful retail concepts at SAN from 2003-2012. APW Brands, Inc. rounds out the joint venture team with the current operation of a SoundBalance retail store in Terminal 2 West. APW Brands has been an innovator in the airport technology retail space with its InMotion and SoundBalance brands. Ilene Mayorca, VP of Development and daughter of founder Iris Goldsmith is a frequently seen face at SAN developing the company’s presence here.

The Marshall Retail Group, LLC will be a new entrant as a major employer to SAN. The company operates under collective bargaining agreements at numerous airports and has committed itself to compliance with the Authority's Labor Peace requirement. In addition, MRG has agreed to abide by the Authority's Worker Retention Policy by first offering employment to any displaced incumbent workers from the current Terminal 1 facility.

## **Package #2 Selected Concepts**

This package includes four (4) unit locations. Two locations are in the Phase 1a area of the facility, opening in September 2025, and two others are in the Phase 1b area of the facility opening in January 2028.

### **Convenience/Specialty Retail Marketplace, Unit #406 – The Arts District Market (Opening 2025)**

This large, 2,714 square foot store is located opposite the cluster of quick service food options in the eastern portion of the terminal. The Arts District Market pays homage to San Diego's vibrant art scene, tells the story of San Diego's unique and captivating arts culture. The space will feature painted murals by local Chicano Park artists including Patricia Cruz.

The Arts District Market will enhance the passenger experience at SAN by providing locals and visitors a distinct environment where they can shop for travel necessities, sundries, tech, books, unique and unusual gifts, and other locally sourced products the San Diego area has to offer. Through its partnership with NTC Foundation, the organization responsible for building ARTS DISTRICT Liberty Station, new artists will be able to connect with MRG to explore opportunities to showcase for sale to the traveling public.

Along with local and national gifts and essentials, the store will feature shop-in-shops from the largest airport-based electronics retailer, InMotion, a publications area featuring local San Diego favorite bookstore, Meet Cute Romance Bookshop, bags and luggage from Herschel, and luxury sunglasses from Solstice Sunglasses.

### **Specialty Retail, Unit #415 – Liberty Station Gifts (Opening 2025)**

This 1,128 square foot store is located just on the perimeter of the east dining hall. MRG partnered with the Liberty Station Community Association to brand this store with the authentic logo of the nearby retail and community center. Brimming with carefully crafted souvenirs and locally made gifts, Liberty Station Gifts will showcase some of the city's finest makers and artisans to create a one-of-a-kind shopping experience made expressly for SAN travelers. Complementing nearby retail offerings at SAN, Liberty Station Gifts delivers a distinctly different adventure that is lovingly inspired by all San Diego has to offer.

**Convenience/Specialty Retail, Unit # 154 – WHSmith San Diego (Opening 2028)**

MRG has chosen to offer not only local but also international flair with this location in the portion of the terminal anticipated for Delta Air Lines passengers. WHSmith is an internationally known brand name for more than 1,700 stores in over 30 countries. As the parent company of The Marshall Retail Group and InMotion, WHSmith is a global retailer rapidly growing its North American presence with newly opened WHSmith stores at both LaGuardia and Newark Airports. This WHSmith outlet - a contemporary take on the classic WHSmith newsstand customized for San Diego - will include a shop-in-shop of The Bookshop by WHSmith, an expanded wellness offering, and a wide array of travel & convenience products ensuring that every traveler can find something that appeals to their individual needs.

**Convenience Retail/Specialty Retail, Unit #034 – The Commissary with USS Midway Museum (Opening 2028)**

The smallest location in the package at 1,008 square feet will serve passengers within a cluster of other food & beverage offerings in the west terminal area. The Commissary is a concept developed for San Diego in partnership with and featuring the USS Midway Museum. With a name and design that is inspired by San Diego's long and rich history as a vital hub for the U.S. Navy, The Commissary will meet the needs of busy travelers with a one-stop-shop experience, providing quick and easy access to a wide selection of often-forgotten products. The Commissary's design and imagery will incorporate the vibrant and bold character of San Diego, providing travelers with an immersive experience that celebrates the city's military history and adventurous spirit.

**Next Steps Following Board Action**

The RFP included a draft proposed lease agreement for Proposers to review and the Authority requested written comment to the lease provisions. After award, Authority staff will engage with the selected Proposer to negotiate the final terms of the lease agreement. Also, in instances where an alternative concept in a particular unit location may become necessary, staff will negotiate a mutually acceptable alternative. Final agreement is presumed, but not guaranteed.

If the President/CEO is unable to complete negotiations and execute a concession lease agreement with The Marshall Retail Group, LLC, staff requests authorization for the President/CEO to rescind award and negotiate a concession lease agreement with the second-place Proposer to design, build and operate the locations in Package #2 with an operating term for each unit location not to exceed twelve (12) years and consistent with the general terms offered in the proposal response. The period of time needed for design and construction is not included in the 12-year operational term but will be included in the overall term of the non-exclusive concession lease.

**Fiscal Impact:**

The Retail Package #2 rent offer is higher than the current percentage rents at SAN and aligns with the current industry norms. Higher build-out costs have been offset to some degree by the opportunities to offer a broader product assortment and slightly longer term. As with the new food & beverage agreements, the methodology for establishing the Minimum Annual Guarantee (MAG) will change. Previously, MAG payments began at the beginning of the first agreement year, either proposed by the concessionaire or established by the Authority. In a new facility with no established sales history, it is more reasonable to calculate the MAG at the start of the second lease year at 80% of the first full lease year’s actual rent paid to the Authority. The Marshall Retail Group, LLC’s total rent offer for Package #2 is in line with the Authority’s plan of finance.

**Authority Strategies/Focus Areas:**

This item supports one or more of the following (*select at least one under each area*):

**Strategies**

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

**Focus Areas**

- Advance the Airport Development Plan
- Transform the Customer Journey
- Optimize Ongoing Business

**Environmental Review:**

CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020.

California Coastal Act Review: This Board action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611).

NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) under the National Environmental Policy Act (“NEPA”) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

## **Application of Inclusionary Policies:**

The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) program for construction contracts, an Airport Concessions Disadvantaged Business Enterprise (ACDBE) program for food & beverage, retail and rental car concessions, and Policy 5.12. These programs/policies are intended to promote the inclusion of small, minority, local, and service-disabled veteran-owned businesses in Authority contracting. Only one program or policy named above can be applied in any single contract opportunity.

This opportunity qualifies as an airport concession contract; thus, the federal ACDBE program requirements apply. The Authority has an ACDBE Program Plan as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 23. The plan includes a triennial overall ACDBE participation goal in all concession contracts. The selected Proposer intends to achieve 25% ACDBE participation by way of a joint venture agreement with three ACDBEs, Procurement Concepts, Inc., CASA Unlimited Enterprises, Inc., and APW Brands, Inc.

## **Prepared by:**

Deanna Zachrisson  
Director, Revenue Generation & Partnership Development

RESOLUTION NO. 2023-0063

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH THE MARSHALL RETAIL GROUP, LLC TO DESIGN, BUILD AND OPERATE FOUR (4) RETAIL UNIT LOCATIONS IN NEW TERMINAL 1 AT SAN DIEGO INTERNATIONAL AIRPORT WITH AN OPERATING TERM FOR EACH UNIT LOCATION NOT TO EXCEED TWELVE (12) YEARS AND, IN THE EVENT THAT NEGOTIATIONS ARE UNSUCCESSFUL, AUTHORIZING THE PRESIDENT/CEO TO ENTER INTO A NON-EXCLUSIVE CONCESSION LEASE AGREEMENT WITH THE SECOND RANKED PROPOSER.

**WHEREAS**, San Diego County Regional Airport Authority (“Authority”) is constructing a new Terminal 1 at San Diego International Airport (“Airport”), anticipated to begin serving airline passengers in 2025; and

**WHEREAS**, the availability of convenience and specialty retail concessions is an important part of passengers’ overall customer experience; and

**WHEREAS**, the Authority conducted significant community outreach regarding opportunities to operate convenience and specialty retail concessions in Terminal 1; and

**WHEREAS**, the Authority issued a Request for Proposals (Retail Package #2) for the design, construction and operation of four (4) retail unit locations in early 2023 and received three proposals; and

**WHEREAS**, a Selection Panel consisting of Authority staff and airline representatives evaluated proposals, interviewed the proposers and scored the proposals to select the best choice for the Airport and its passengers; and

**WHEREAS**, Marshall Retail Group, LLC was the highest-ranked proposer; and

**WHEREAS**, HG SAN Concessionaires JV was the second highest-ranked proposer; and

**WHEREAS**, the Board finds that awarding a non-exclusive concession lease to Marshall Retail Group, LLC is in the best interest of the Authority; and

**WHEREAS**, the Board finds that, in the event negotiations are unsuccessful with Marshall Retail Group, LLC, authorizing the President/CEO to rescind the award of an agreement to Marshall Retail Group, LLC and award a non-exclusive concession lease agreement to HG SAN Concessionaires JV under terms and conditions that are substantially similar is in the best interest of the Authority.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to negotiate and execute a non-exclusive concession lease agreement with The Marshall Retail Group, LLC to design, build and operate four (4) retail unit locations in new Terminal 1 at the Airport with an operating term for each unit location not to exceed twelve (12) years; and

**BE IT FURTHER RESOLVED** that, in the event that negotiations with Marshall Retail Group, LLC are unsuccessful, the Board hereby authorizes the President/CEO to rescind the award to The Marshall Retail Group, LLC and enter into a non-exclusive concession lease agreement with HG Concessionaires JV under terms and conditions that are substantially similar; and

**BE IT FURTHER RESOLVED** that the term of the non-exclusive concession lease agreement will include additional time for design and construction of each unit location; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that received certification and approval for the Airport Development

Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611); and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) under the National Environmental Policy Act (“NEPA”) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July, 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

**Public Comment  
Concessionaire  
Items 16-21**

## Willis Patricia

---

**From:** Russell Tony  
**Sent:** Monday, May 15, 2023 8:50 AM  
**To:** Banks Sonja D; Willis Patricia  
**Cc:** Valenzuela Arely  
**Subject:** FW: Rincon Band of Luiseño Indians - Terminal One Concessions Project: The Rincon Reservation Road (3R) Brewery. (SUPPORT)

---

**From:** Chris Duggan <cduggan@calrest.org>  
**Sent:** Monday, May 15, 2023 8:46 AM  
**To:** Russell Tony <trussell@san.org>  
**Cc:** Gonzalez Amy <agonzale@san.org>; Becker Kim <kbecker@san.org>  
**Subject:** Re: Rincon Band of Luiseño Indians - Terminal One Concessions Project: The Rincon Reservation Road (3R) Brewery. (SUPPORT)

Hello Amy-

Thank you for contacting me regarding my email and letter. Yes, I would like to have my email and letter to be treated as a public comment.

Thank you,  
Chris

Chris Duggan

Director, Local Government Affairs  
San Diego, Imperial, Riverside, and San Bernardino Counties

California Restaurant Association

1650 Hotel Circle North, Suite 222

San Diego, CA 92108

T: (619) 517-6435

E: [cduggan@calrest.org](mailto:cduggan@calrest.org)

Sent from my iPad

On May 15, 2023, at 7:54 AM, Russell Tony <[trussell@san.org](mailto:trussell@san.org)> wrote:

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or clicking links, especially from unknown senders.

Dear Mr. Duggan:

The Airport Authority Clerk received your email and letter expressing support for the Rincon Band of Luiseño Indians. Your correspondence relates to an active solicitation, specifically the Request for Proposals for terminal concessions at San Diego International Airport. The Airport Authority's Ethics Code prohibits this type of communication during the pendency of a solicitation process. Please let me know if you'd like your email and letter to be treated as a public comment and it will be forwarded to the Board at the time that the Board considers, during an open an public meeting, award of concession agreements. Additionally, you are always welcome to attend the Board's public meetings and make your public comment at the meeting.

Please let me know if you'd like to discuss.

Amy

**Amy Gonzalez**

(she, her, hers)

**General Counsel**

**Office** 619.400.2425 | **Mobile** 619.455.6602

[agonzale@san.org](mailto:agonzale@san.org)

[SAN.ORG](http://SAN.ORG)

[<image002.jpg>](#)

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---

**From:** Chris Duggan <[cduggan@calrest.org](mailto:cduggan@calrest.org)>

**Sent:** Thursday, May 11, 2023 11:57 AM

**To:** SDCRAA clerk <[clerk@san.org](mailto:clerk@san.org)>

**Cc:** Becker Kim <[kbecker@san.org](mailto:kbecker@san.org)>

**Subject:** RE: Rincon Band of Luiseño Indians - Terminal One Concessions Project: The Rincon Reservation Road (3R) Brewery. (SUPPORT)

Good afternoon Chairman Cabrera,

I hope this email finds you both well. On behalf the California Restaurant Association, San Diego County Chapter (SDCRA), we would like to express our strong support for the Rincon Band of Luiseño Indians - Terminal One Concessions Proposed Project: The Rincon Reservation Road (3R) Brewery. Attached, please find a copy of SDCRA's letter of support for your consideration.

Sincerely,  
Chris

Chris Duggan  
Director, Local Government Affairs  
San Diego, Imperial, Riverside, and San Bernardino Counties  
California Restaurant Association  
1650 Hotel Circle North, Suite 222  
San Diego, CA 92108  
T: (619) 517-6435  
E: [cduggan@calrest.org](mailto:cduggan@calrest.org)



# New Terminal 1 Restaurant & Retail Program

July 2023

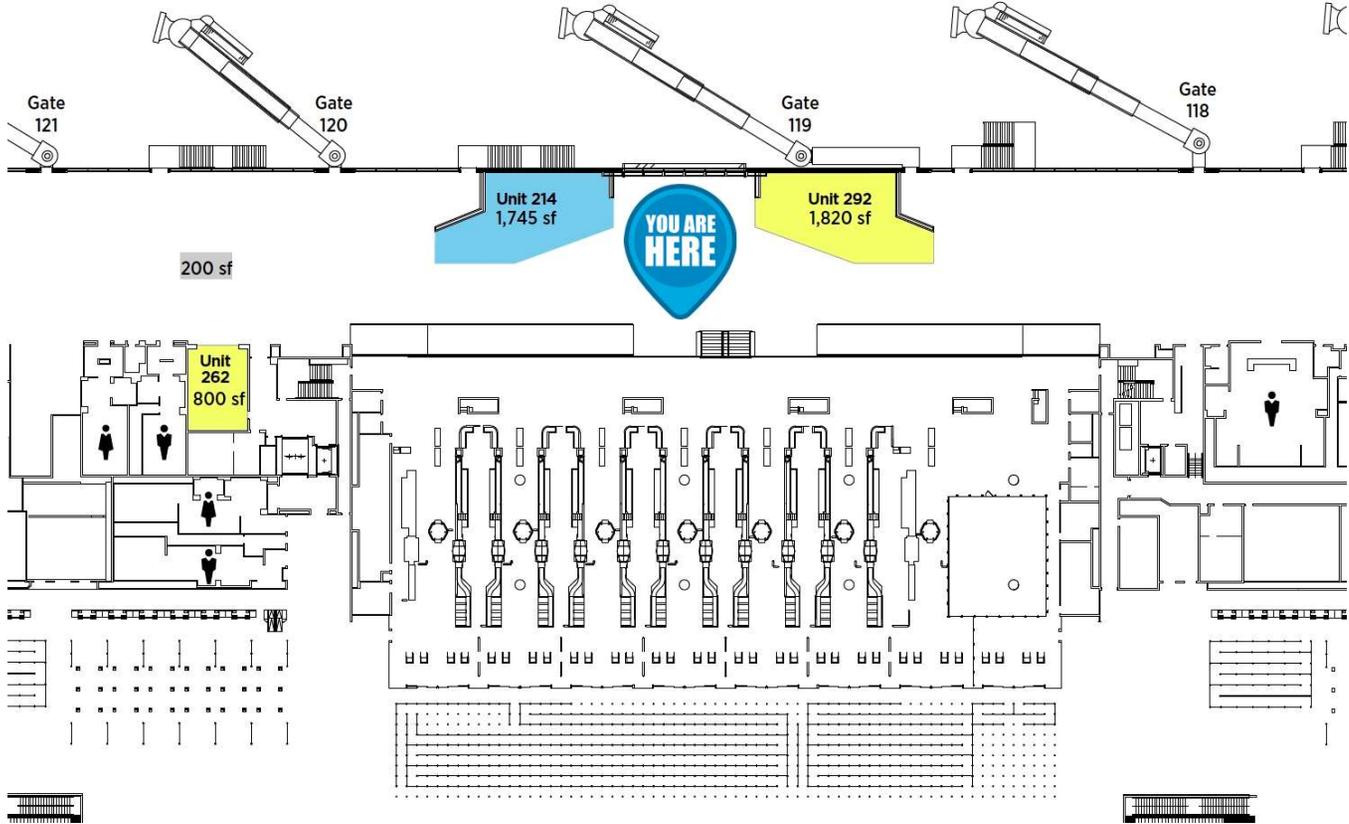
# Package #1 Kick-Off in June

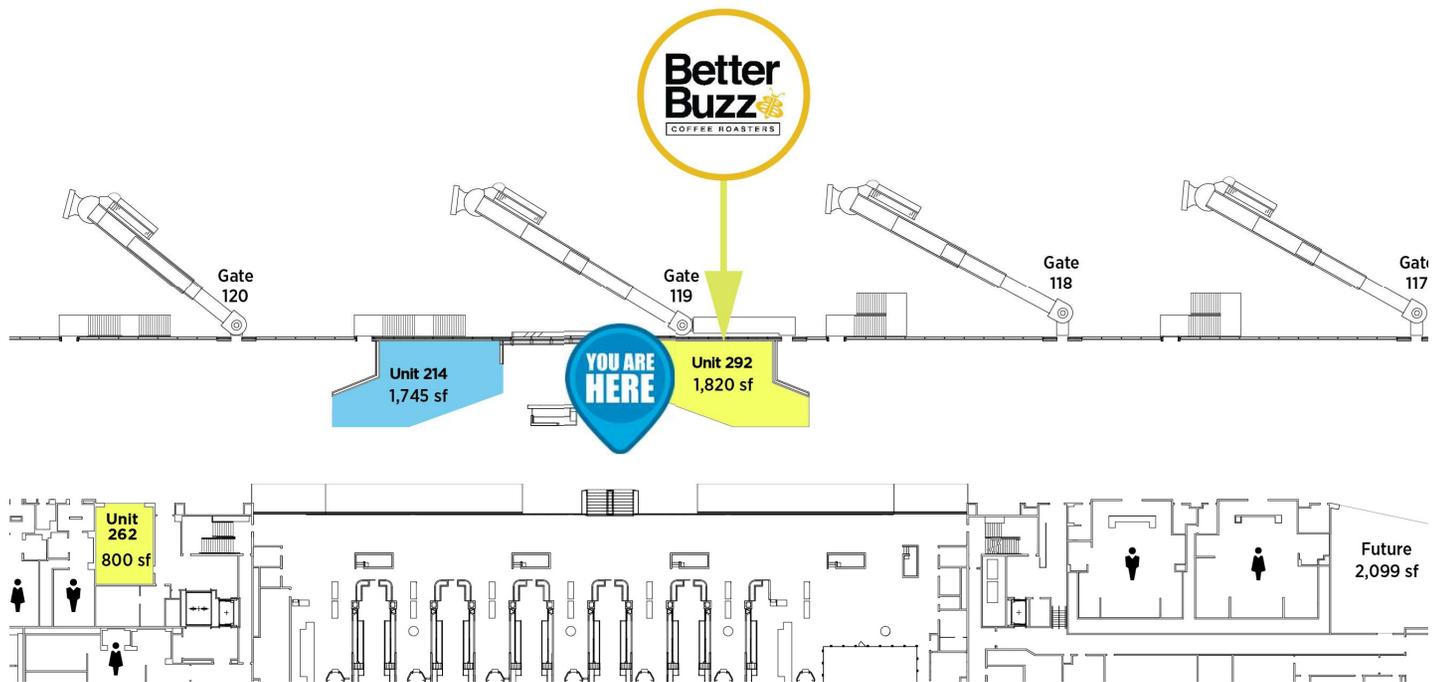
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SAN   NT1 Concession Program Schedule PH1A																											
2023												2024												2025			
JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP
						Concurrent Final Lease Negotiation																					
Food & Beverage PKG 1		ABA	PKO	Design				LE							Permit												
Food & Beverage PKG 2-5			ABA	PKO	Design			LE							Permit												
Retail PKG 1-4			ABA		PKO	Design		LE						Permit													
Club Lounge						ABA	PKO	Design					LE			Permit											
Passenger Services												ABA	PKO	Design			LE			Permit							

- ABA Authority Board Approval
- PKO Project Kick-Off
- LE Lease Execution (6 Months after Authority Board Approval)
- O Concession Open to the Public



# The Journey Begins Here







# Better Buzz

COFFEE ROASTERS

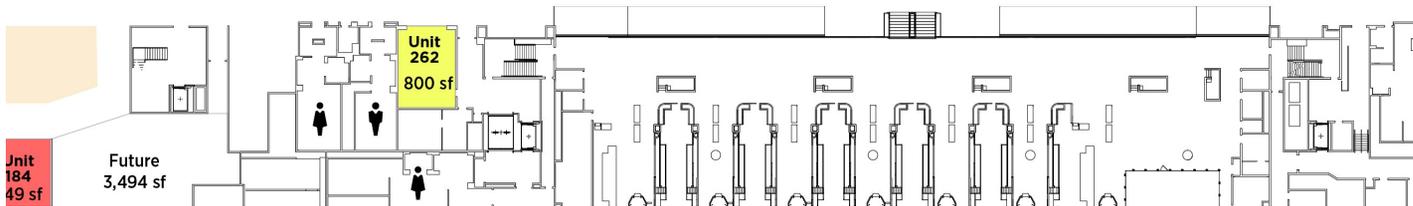
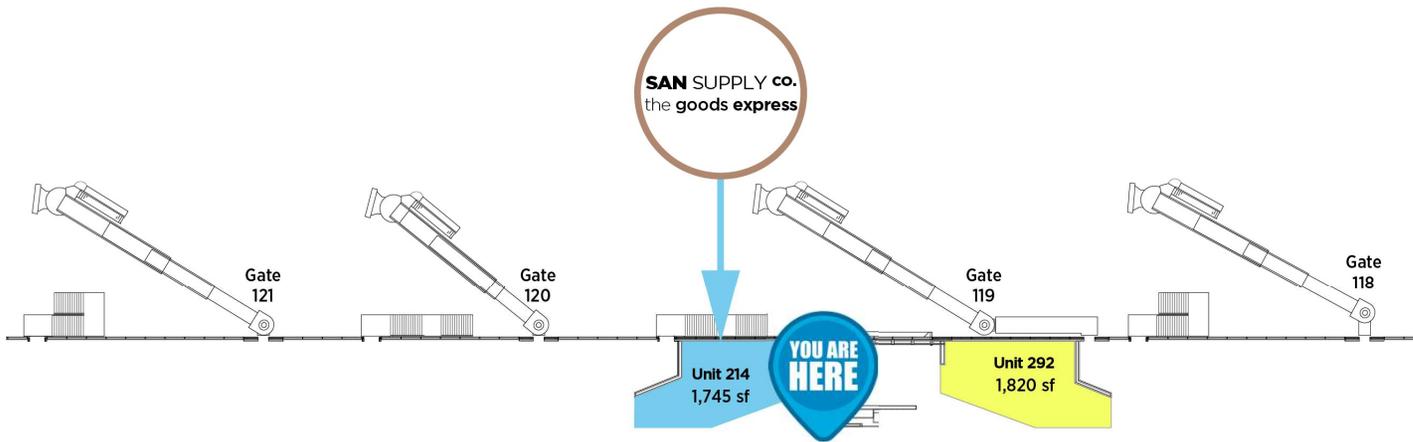
ORDER HERE

BUZZ

LIFE'S  
BETTER  
JZZED

*in San Diego*





# SAN SUPPLY CO.

Hillcrest  
Kensington  
NORTH PARK

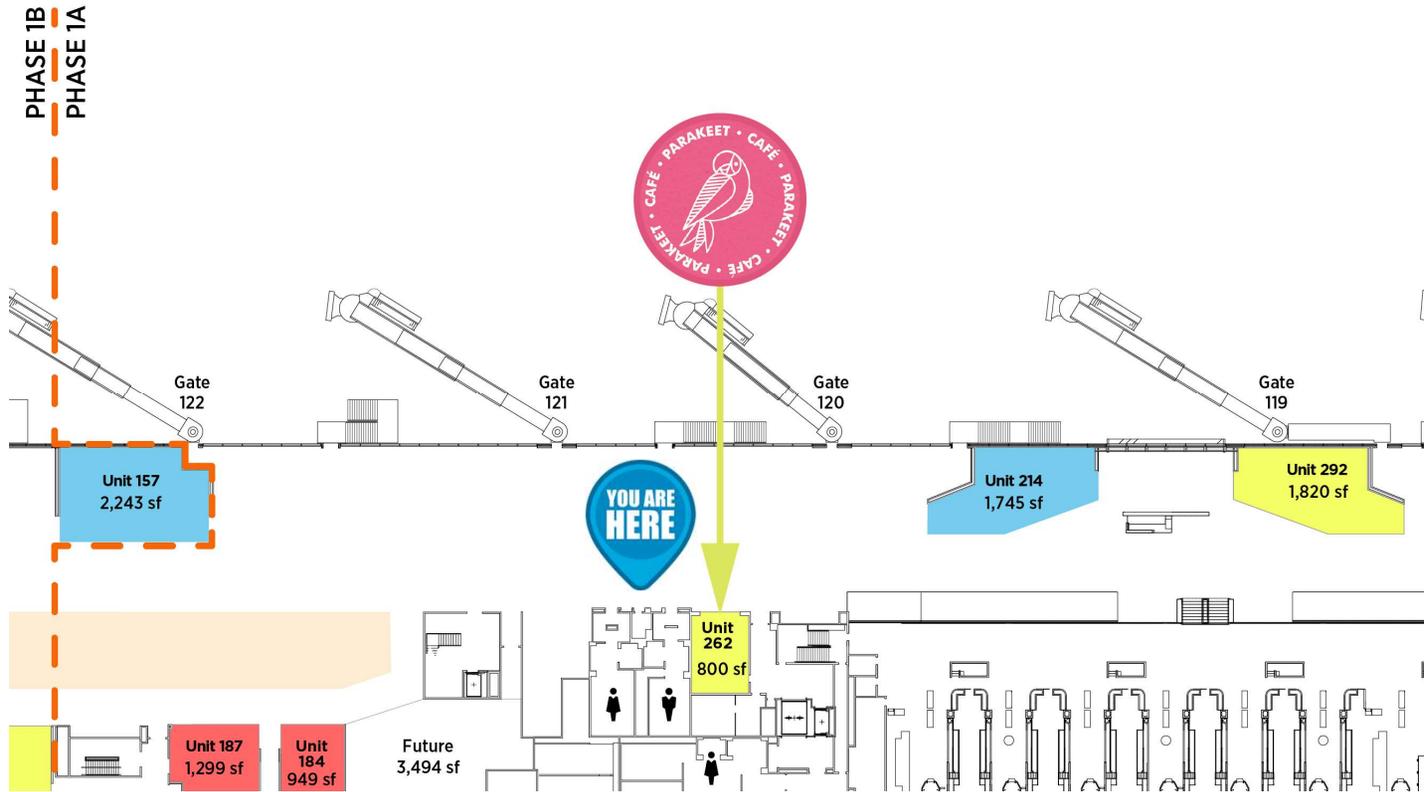
DRINK

Normal Heights  
La Jolla

Normal Heights  
Little Italy  
Gaslamp Quarter

Imperial Beach  
OCEAN BEACH



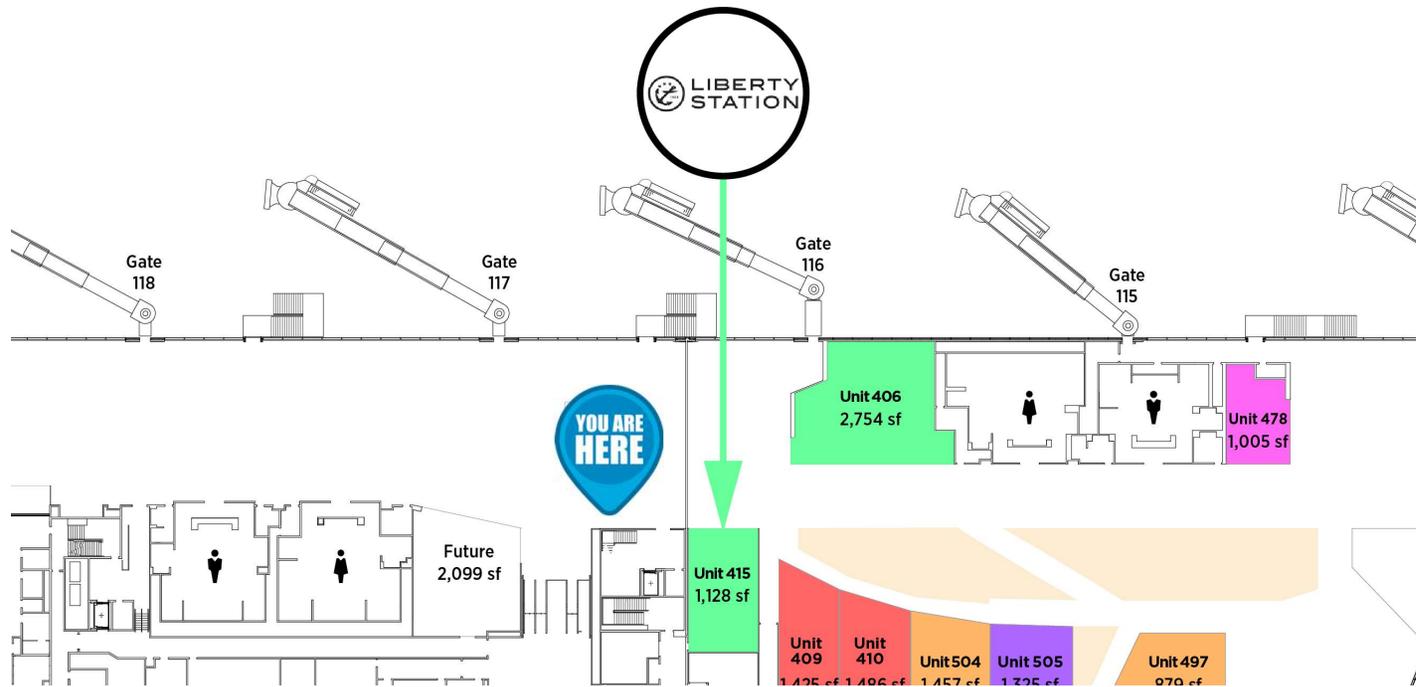




# Parakeet *Café*

Interior view of the Parakeet Café counter area. The counter is light wood with a white top. Behind the counter, there are shelves with coffee beans, a menu board, and a display of pastries. A staff member in a blue plaid shirt is visible behind the counter. A customer in a brown jacket is standing at the counter. To the right, there is a display of brown paper bags. The wall behind the counter features a red patterned wallpaper with the text "of a Feather" in pink script. A yellow "#tweetweet" sign is visible on the left side of the counter.





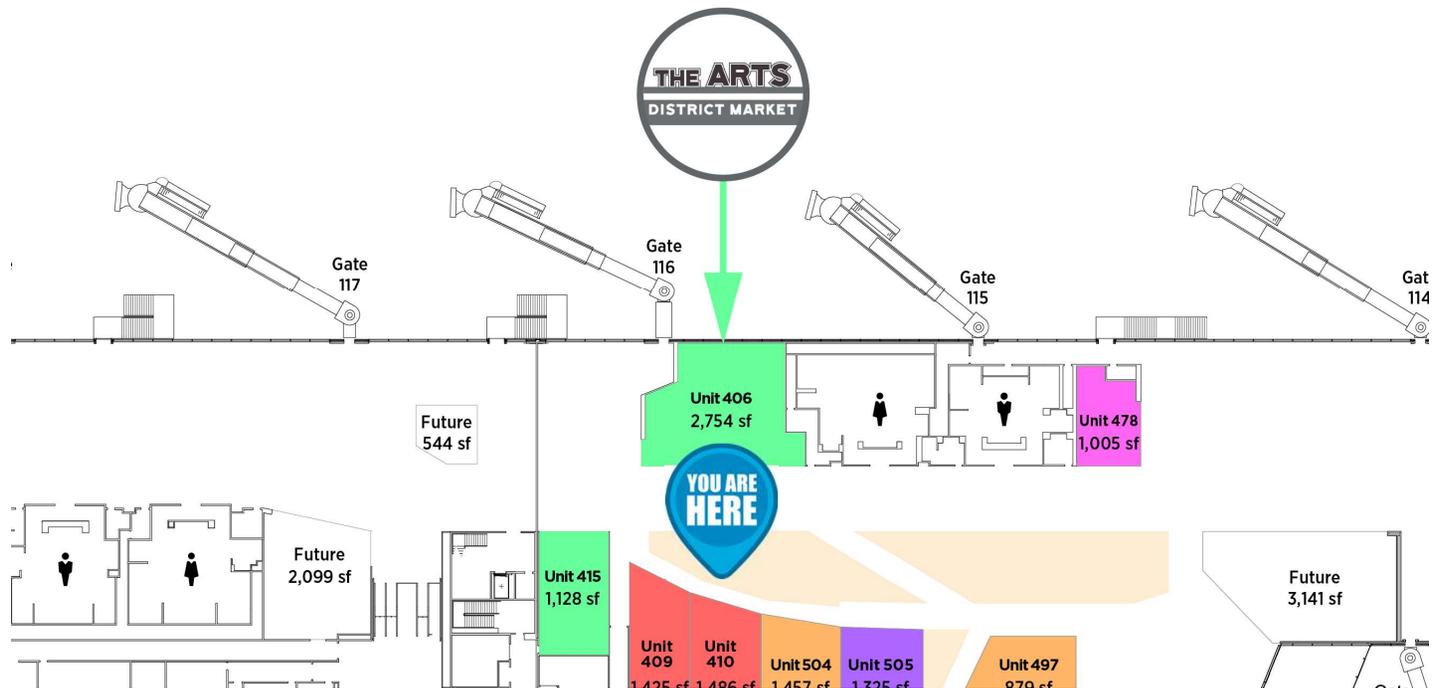
# LIBERTY STATION

## GIFTS



COLLECT MEMORIES - ENJOY COMMUNITY







**THE ARTS DISTRICT MARKET**

THE ARTS DISTRICT MARKET

Apple Authorized Reseller

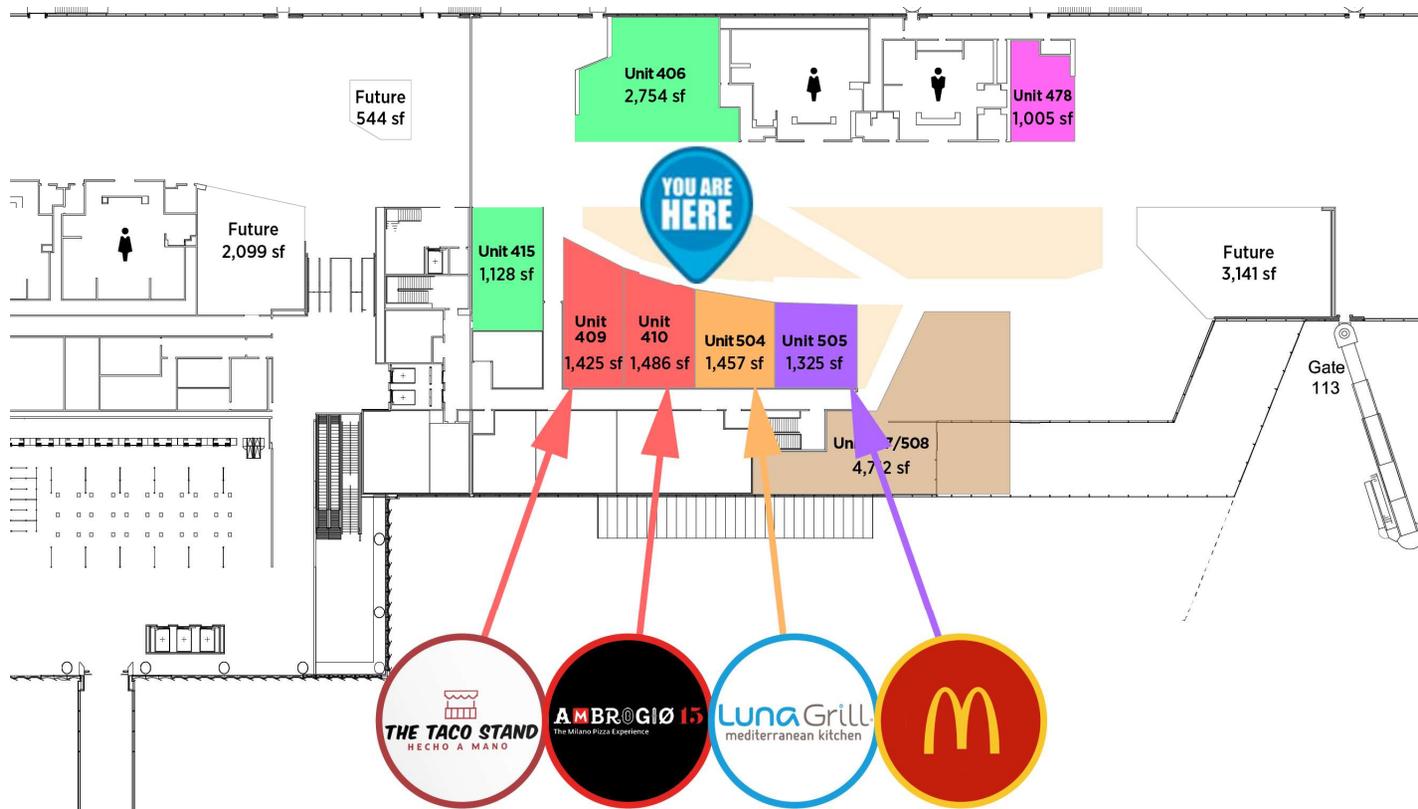
**INMOTION**

Snacks

Snacks

**JUICE BAR**





# THE TACO STAND

TACOS	BURRITOS	EXTRAS	TACOS	BURRITOS	EXTRAS
SOFT SHELL	FLOUR TORTILLA	ONION	SOFT SHELL	FLOUR TORTILLA	ONION
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO
CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO	CHILE QUESO

CHURROS

TACOS Y BURRITOS

MARGARITAS



# AMBROGIO 15

AMBROGIO 15  
AMBROGIO 15  
AMBROGIO 15

The Milano Pizza Experience

AO  
15  
Pizzeria

PIZZA  
PIZZA  
PIZZA

Coca-Cola

Coca-Cola

Coca-Cola

Coca-Cola

Coca-Cola

Coca-Cola

Coca-Cola

Coca-Cola



# Luna Grill

mediterranean kitchen

Pick Up

mediterranean  
kitchen



Order Here

The art of real  
Mediterranean  
cooking

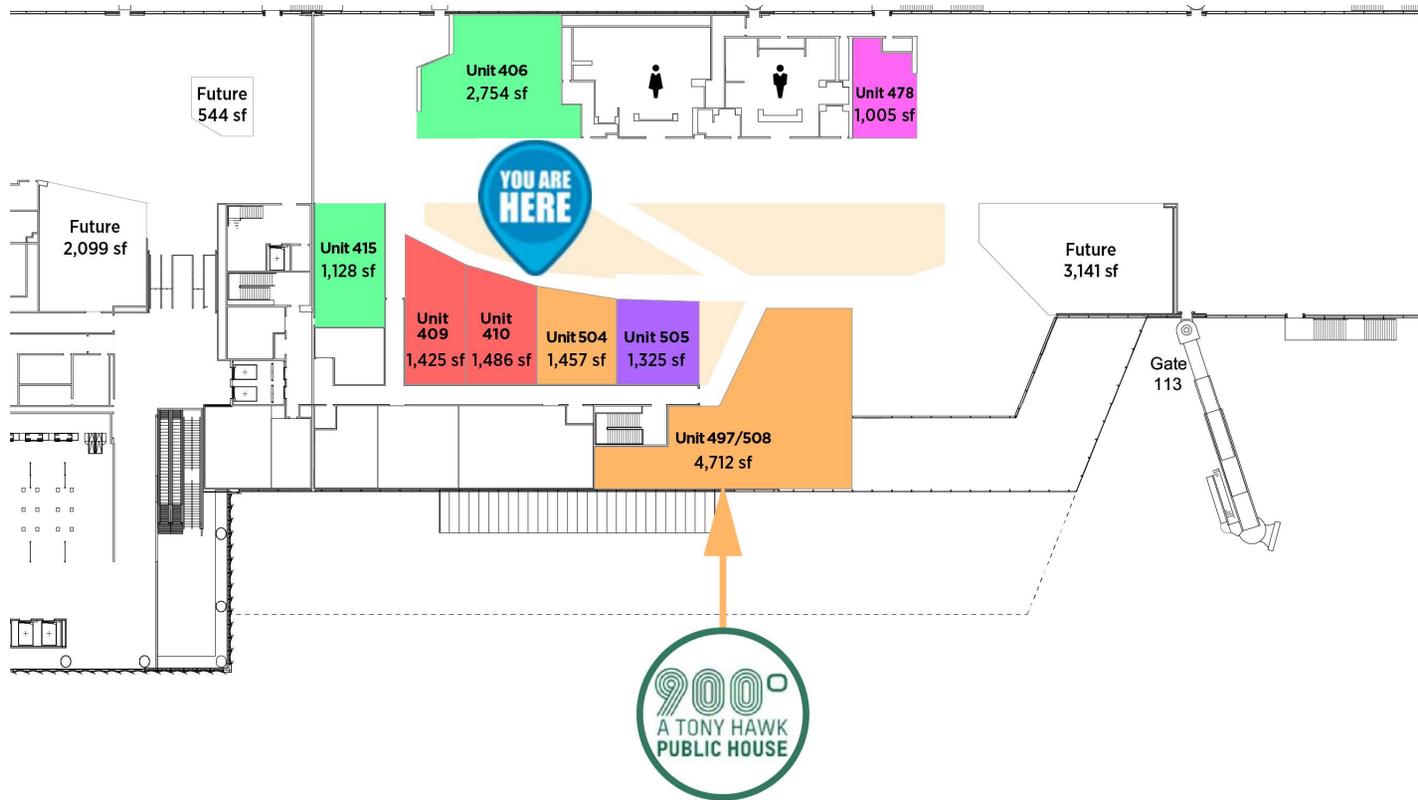


# McDonald's

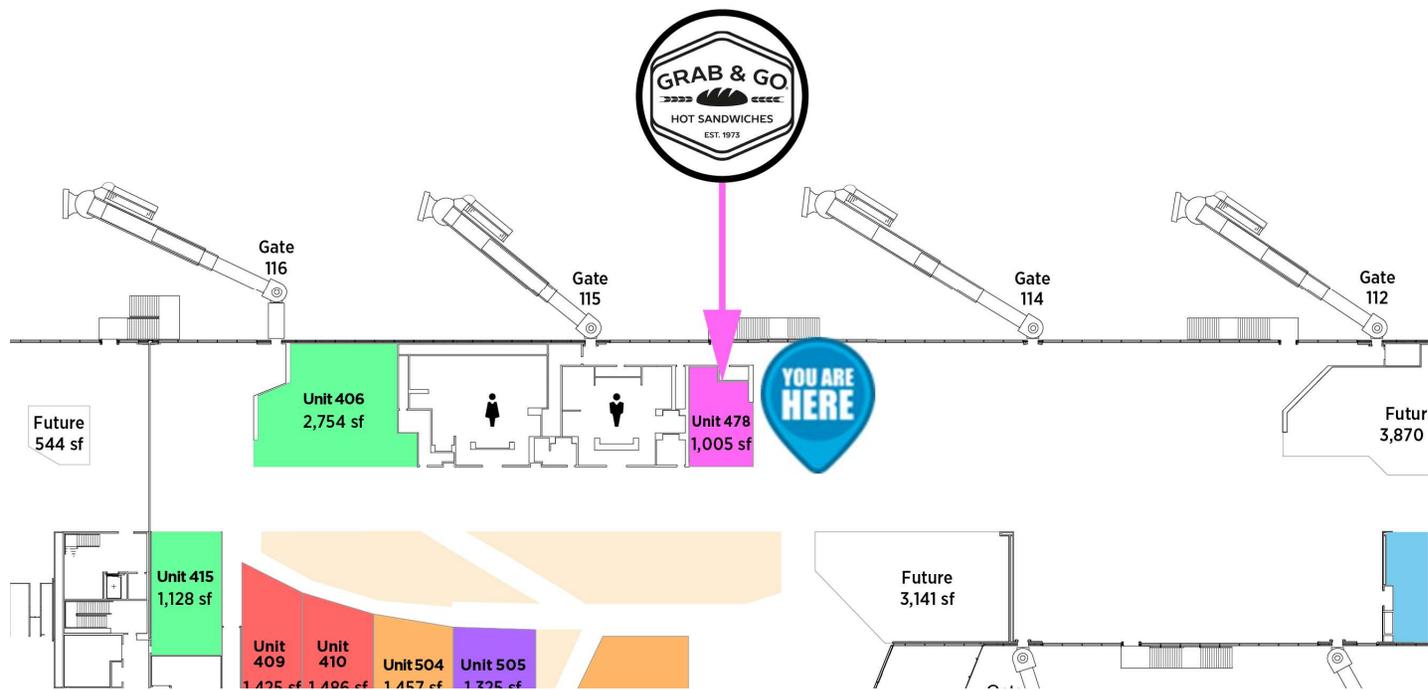
Self-Order  
Kiosks

McDelivery  
Pick Up









COFFEE • SUBS



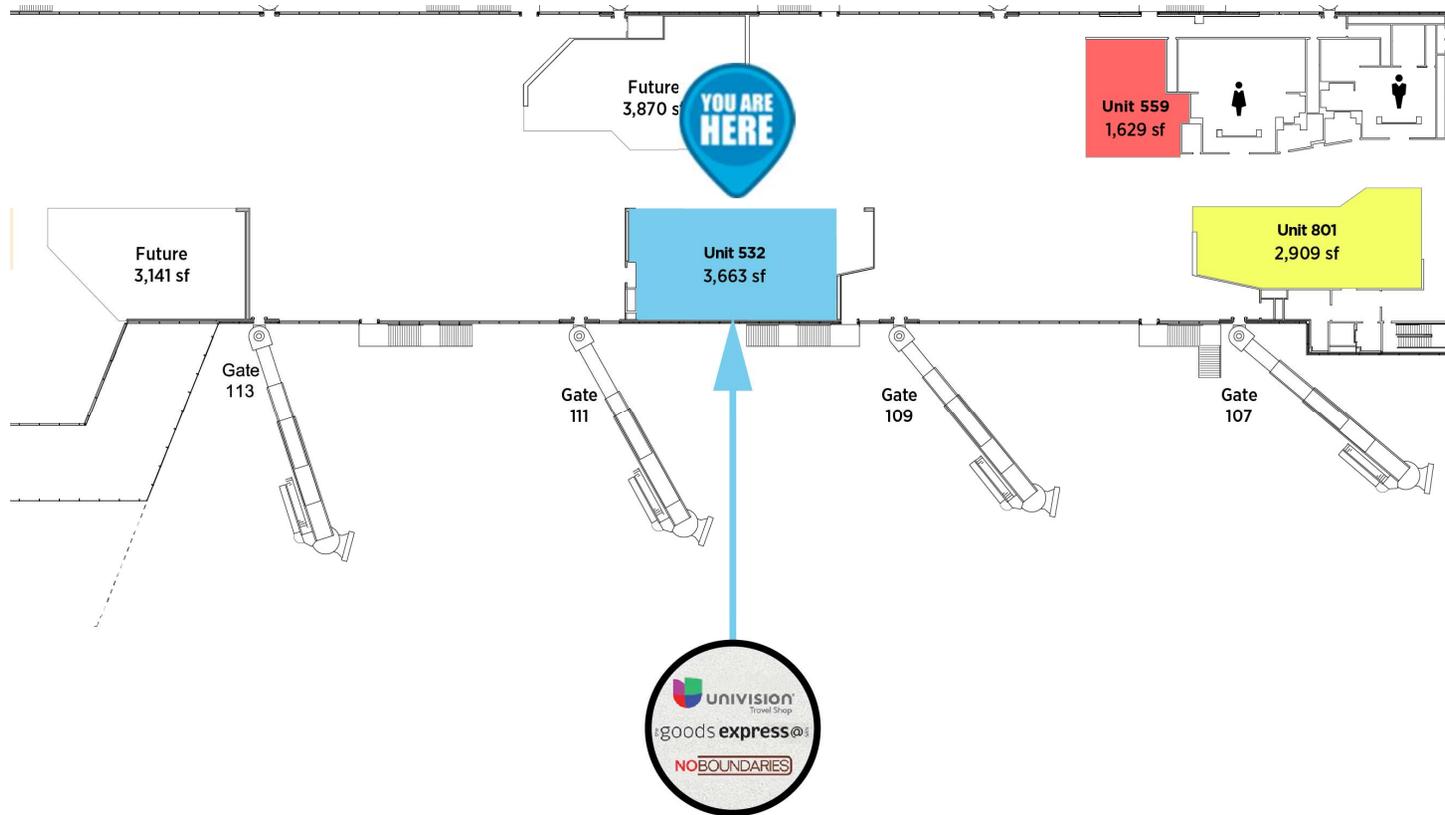
POWERED BY



CAFE MOTO

CRAFT BEER





UNIVISION  
Travel Shop

UNIVISION  
Travel Shop

the goods  
express  
@ SAN

EXIT

pop in!

Just  
Walk  
Out  
technology by  
amazon

SNACKS

SNACKS

the goods  
express @  
SAN

done  
shopping?

the goods  
express  
@ SAN

ENTER





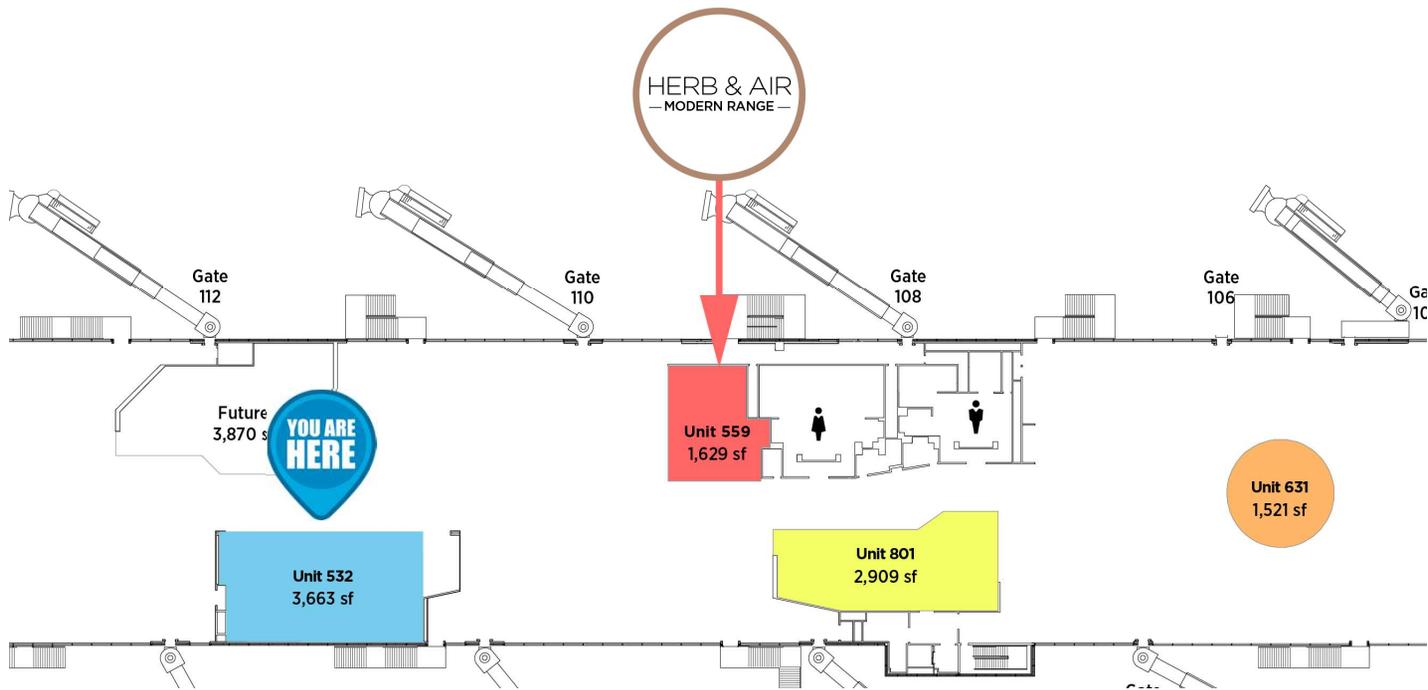
# UNIVISION

Travel Shop



# NO BOUNDARIES





HERB & AIR  
— MODERN RANGE —

HERB & AIR  
— MODERN RANGE —

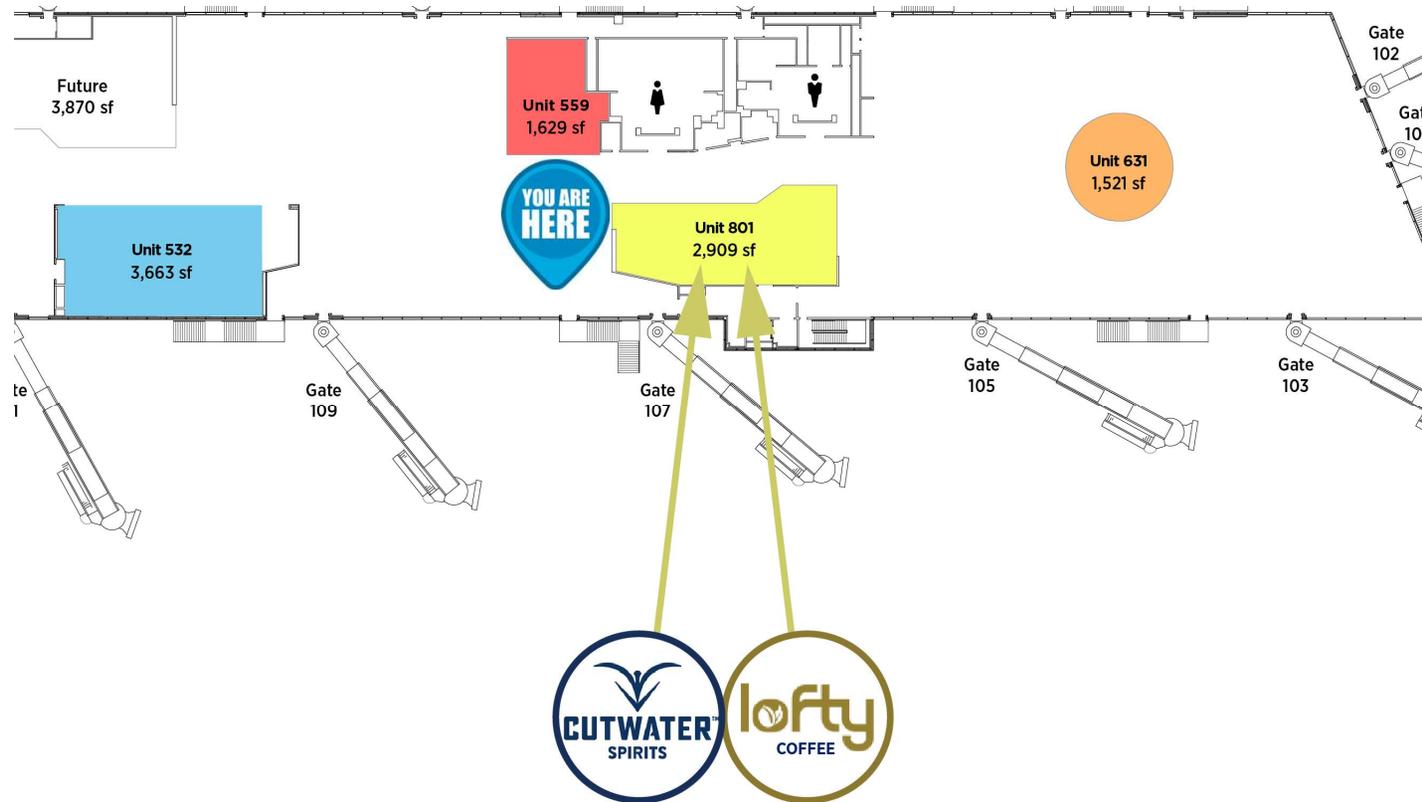
THE PRESS

HERB & AIR  
— MODERN RANGE —

ORDER

THE PRESS  
— MODERN RANGE —





# lofty COFFEE CO.

lofty  
COFFEE CO.

SKIP THE LINE!  
SELF ORDER HERE



lofty  
COFFEE CO.

☕ SELF AND ART ☕    🥪 LUNCH 🥪    ☕ BREAKFAST ☕    🥤 DRINKS 🥤

☕ SELF AND ART ☕    🥪 LUNCH 🥪    ☕ BREAKFAST ☕    🥤 DRINKS 🥤

☕ SELF AND ART ☕    🥪 LUNCH 🥪    ☕ BREAKFAST ☕    🥤 DRINKS 🥤

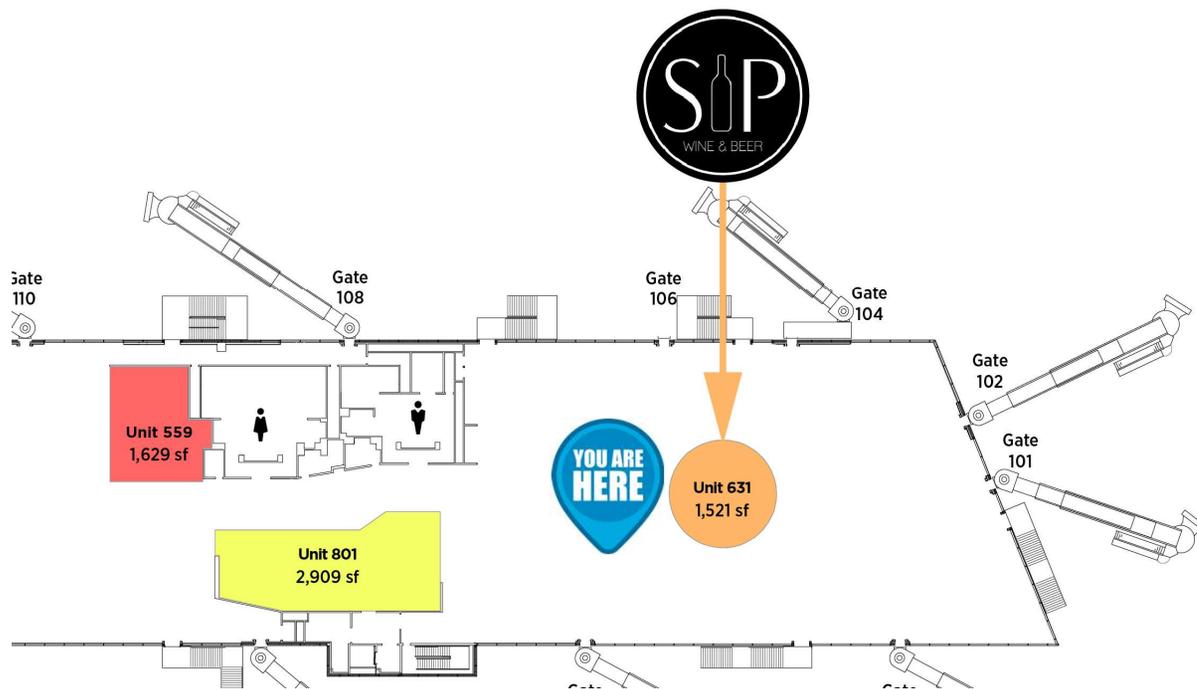


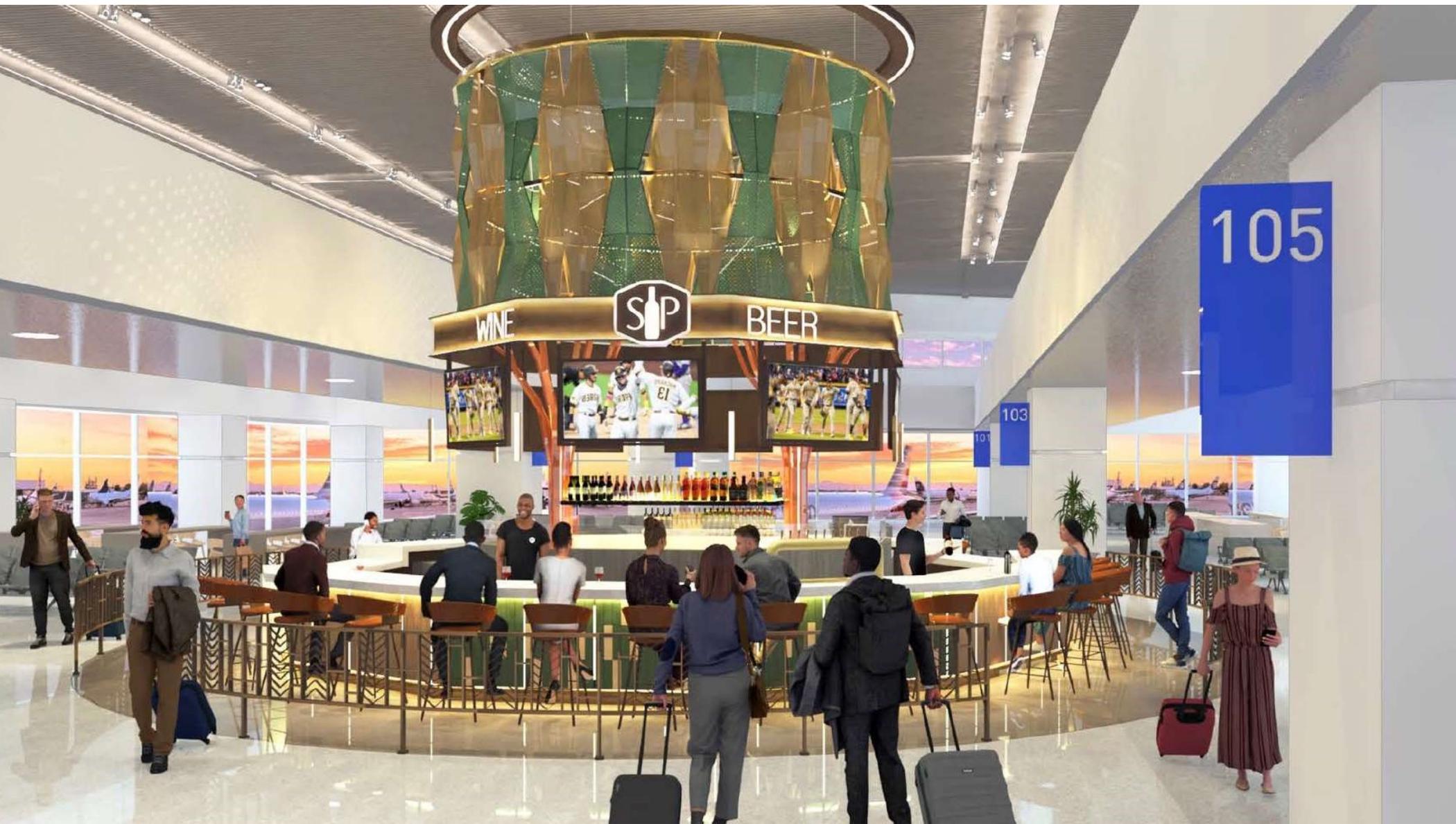
**CUTWATER**  
BAR AND RESTAURANT

# CUTWATER™

BAR AND RESTAURANT





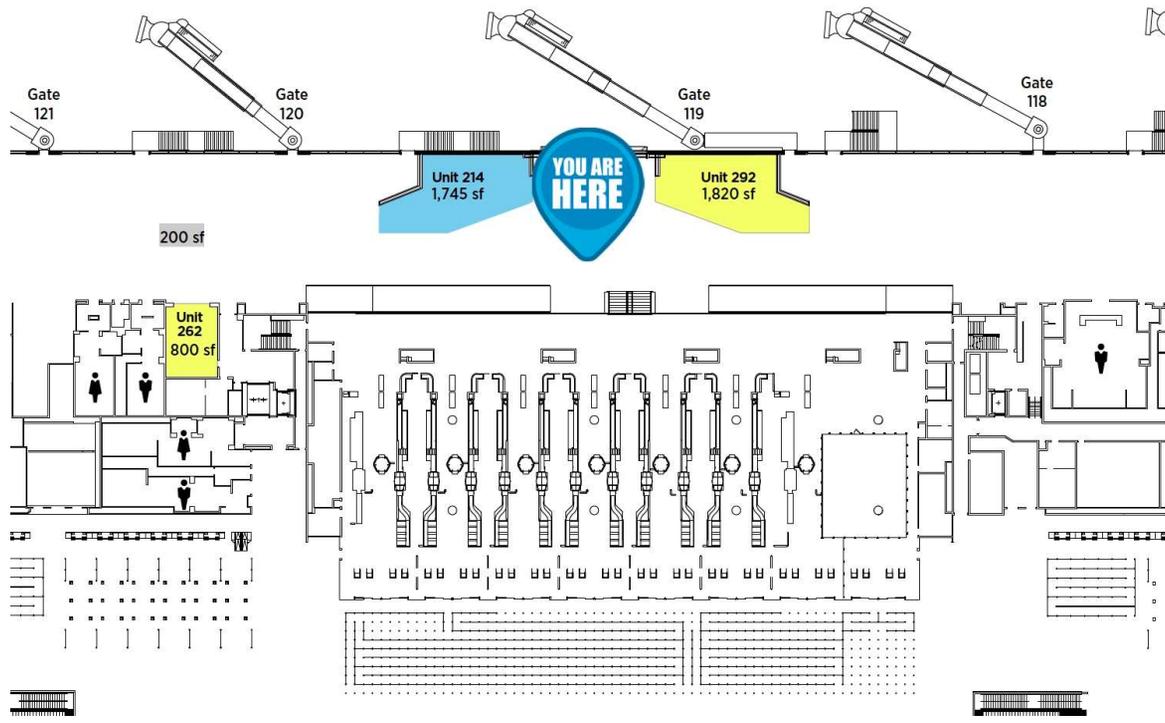


105

103

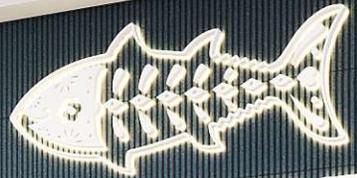
101

# The Journey Beginning in 2028





# EL PEZ



The service counter area features a large, vibrant mural of a red and white fish on the left wall. Above the counter, three menu boards are displayed, labeled "PIZZAS", "BURGERS", and "SUSHI". A glass display case filled with various bottled beverages is situated in the center. To the right, a Coca-Cola vending machine is integrated into the counter. A staff member is visible behind the counter, and a customer is interacting with the service area.

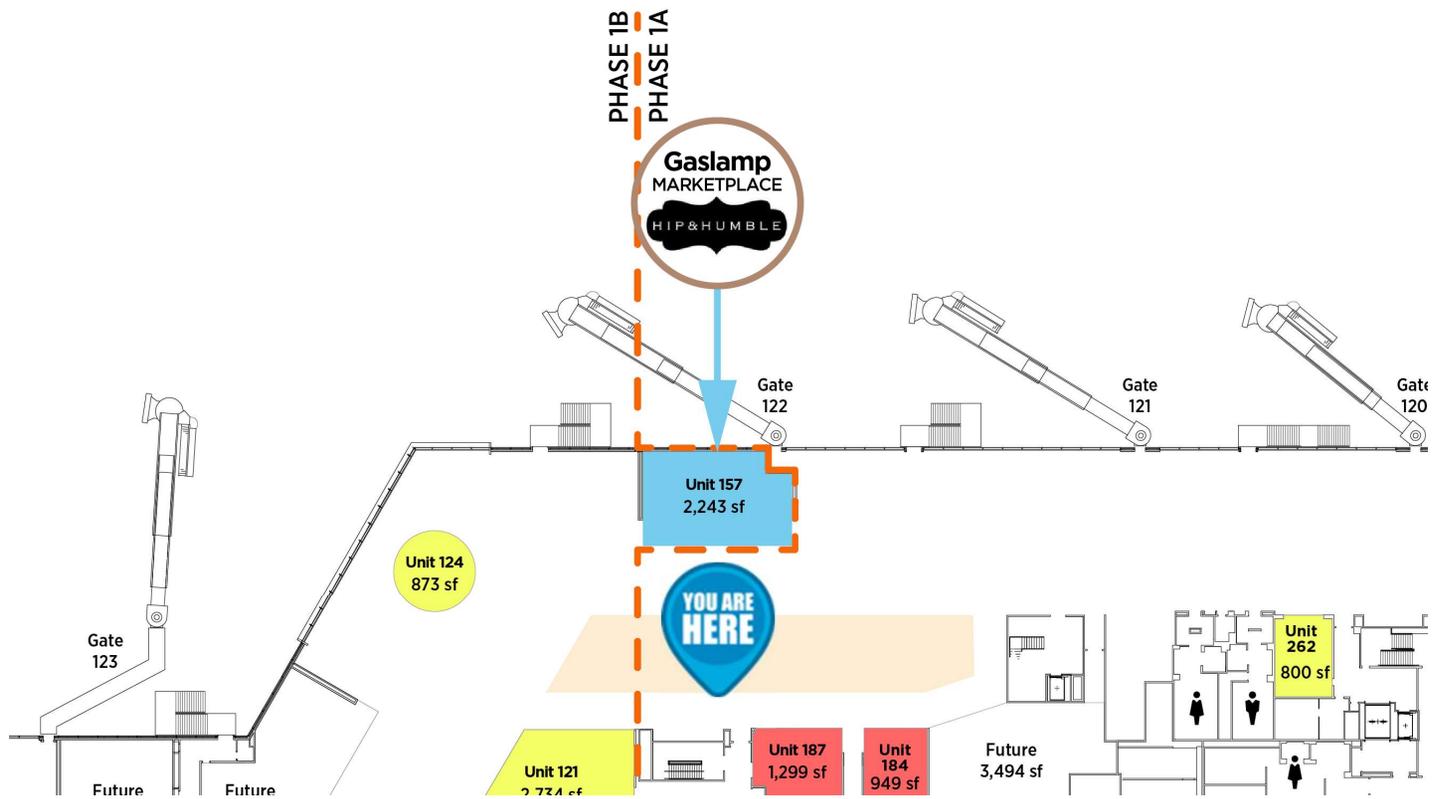






Chick-fil-CO







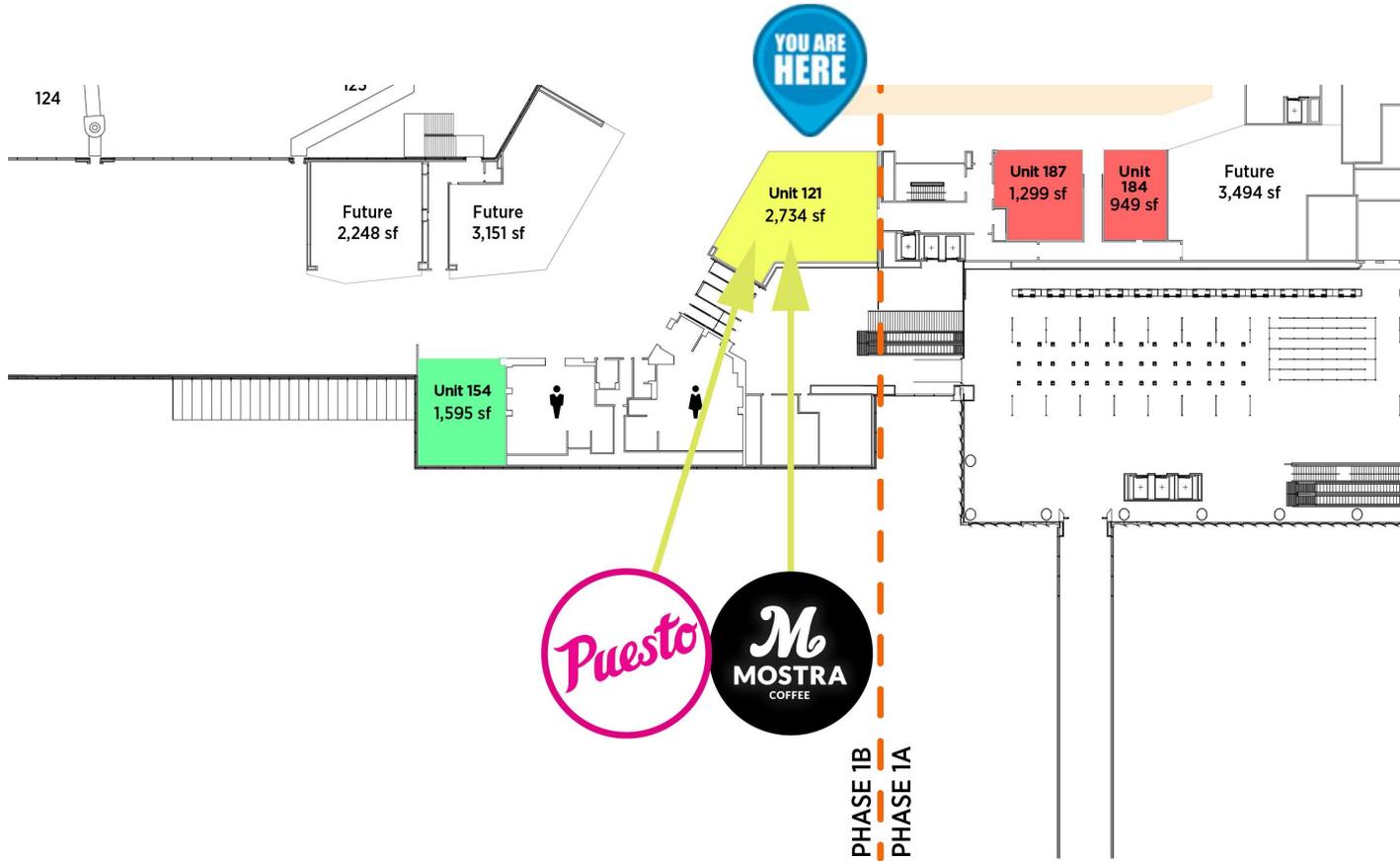
Gaslamp MARKETPLACE

HIP & HUMBLE

EVER DAY LOVE YOU!

# HIP & HUMBLE





# Puesto

Mexican Kitchen and Bar



# Mostra

COFFEE

Mostra  
COFFEE  
ROASTED BY THE WAY SINCE 2020

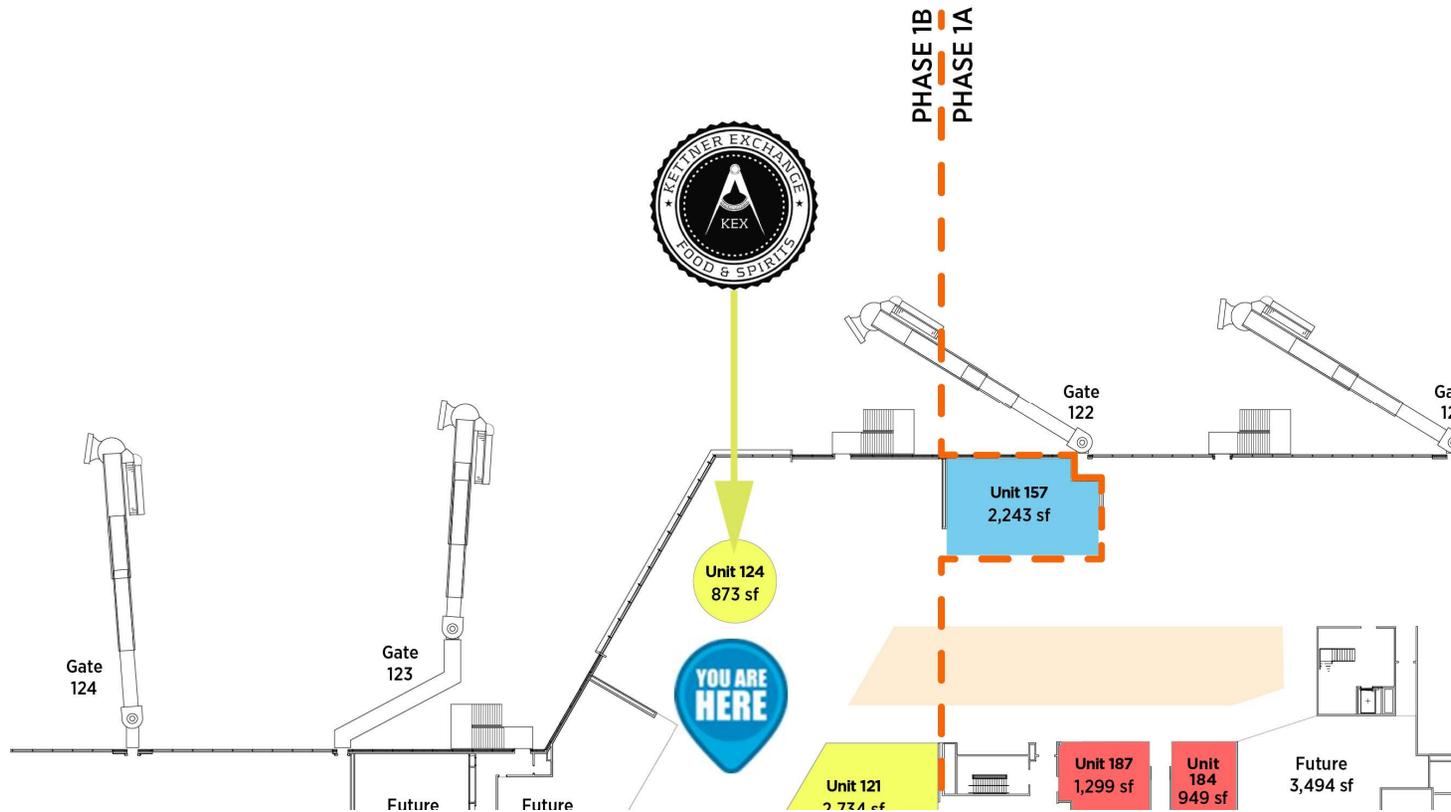
MENU

SUMMERS	WINTER	FRAPPE	TEA DRINKS
...	...	...	...

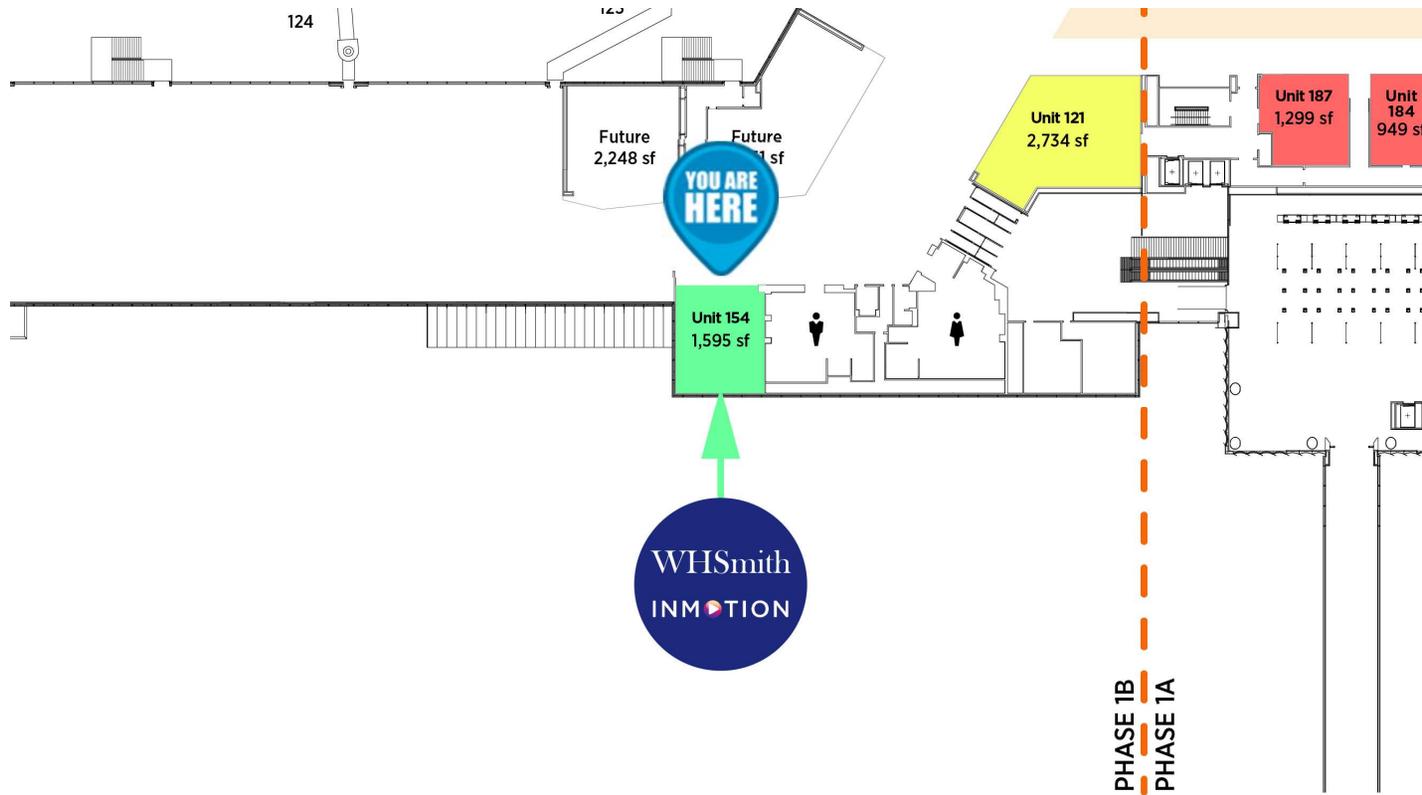
...

Welcome to  
Mostra









# WHSmith

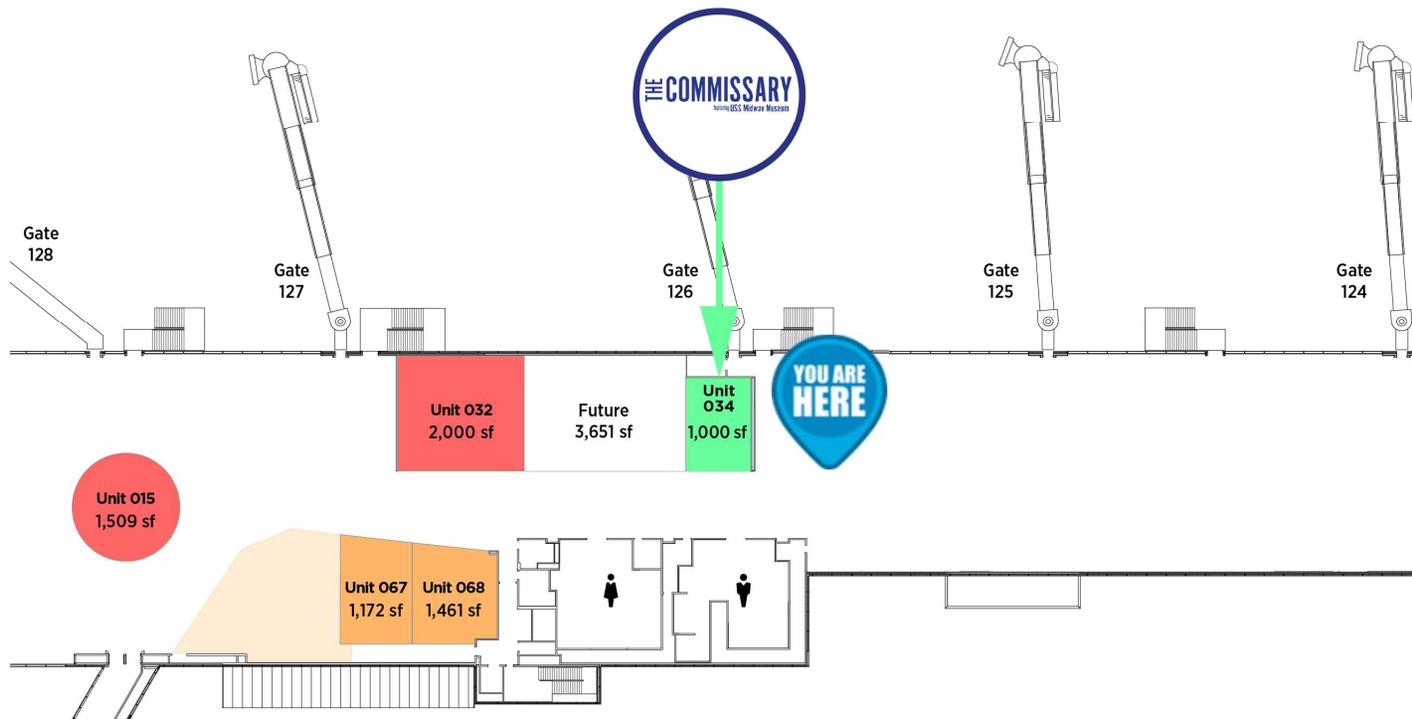
## TheBookshop by WHSmith

### BESTSELLING BOOKS

Snacks

Snacks





THE COMMISSARY  
featuring USS Midway Museum

THE COMMISSARY featuring USS Midway Museum





# NOVO BREWING BRAZILIAN KITCHEN





# Mr. Moto Pizza

SELF ORDER

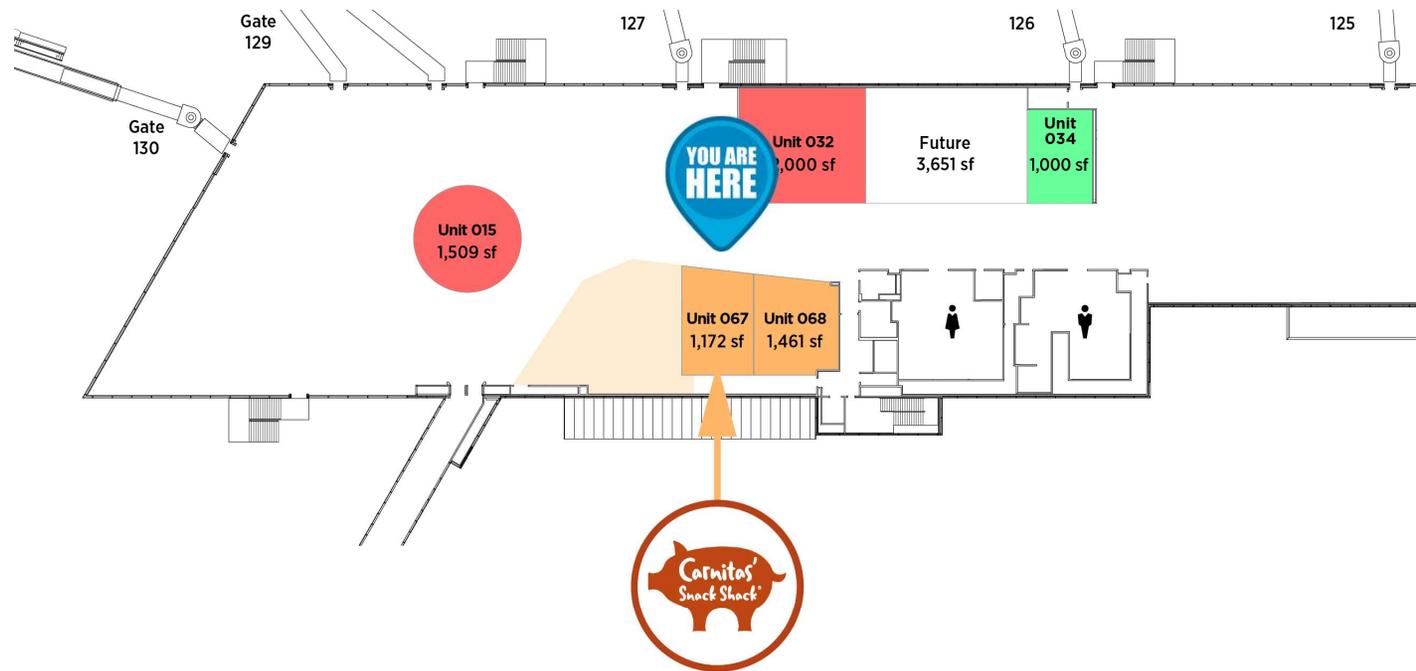
ORDER

<b>Pasta</b> Spaghetti and Meatballs Vodka Sauce Penne Pasta Chicken Penne	<b>Other Favorites</b> Calzone Stromboli Meatball Hero Slice of Meatball Wings Garlic Knots Stuffed Knots	<b>Beverages</b> Fountain Soda Gatorade 2 Liter Soda San Pellegrino Mexican Cola <b>Caesar</b> NY Cheesecake Lemonade Chocolate Cake
---	--	---

<b>Pasta</b> Spaghetti and Meatballs Vodka Sauce Penne Pasta Chicken Penne	<b>Other Favorites</b> Calzone Stromboli Meatball Hero Slice of Meatball Wings Garlic Knots Stuffed Knots	<b>Beverages</b> Fountain Soda Gatorade 2 Liter Soda San Pellegrino Mexican Cola <b>Caesar</b> NY Cheesecake Lemonade Chocolate Cake	<b>Mr. Moto's Specialty Pies</b> Mr. Moto Mama Mia California Lane	<b>PIZZA BY THE SLICE</b> Cheese Chicken
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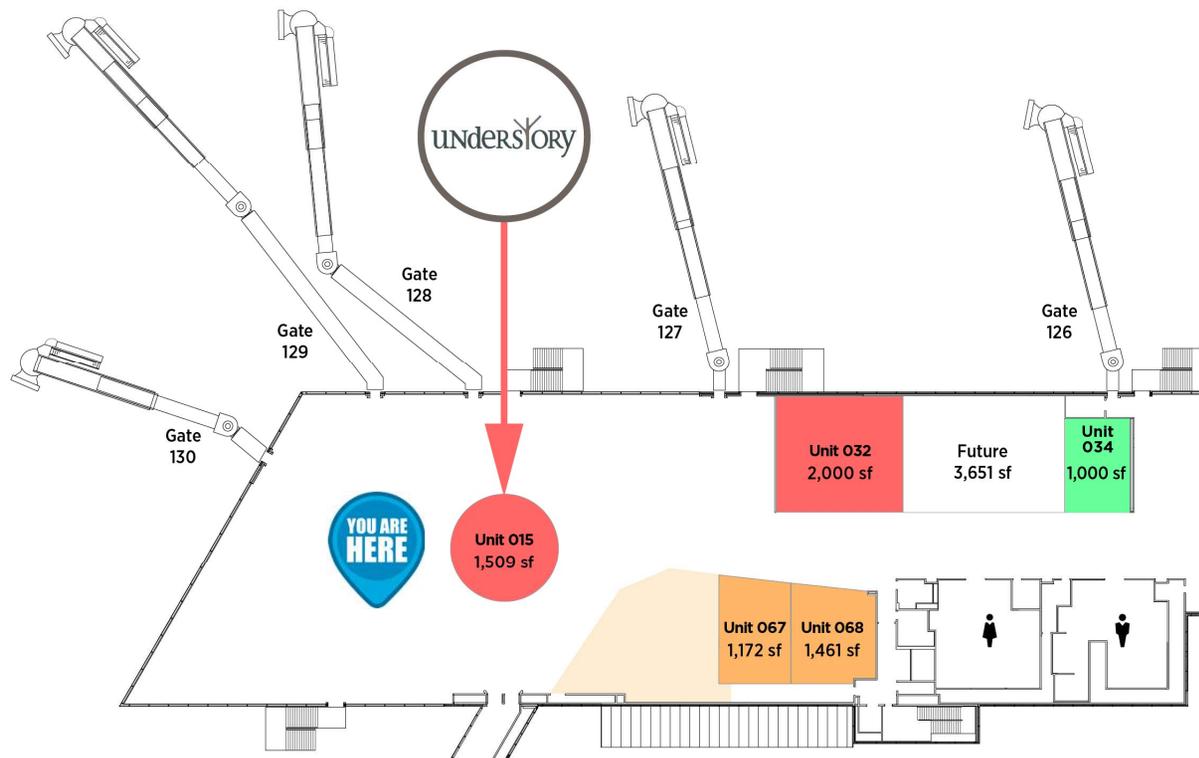
SELF CHECK OUT



# Carnitas' Snack Shack

SELF ORDER







underSTORY

# Overall Balanced Program



NEW  
T1



# F&B Package #1 – High Flying Foods

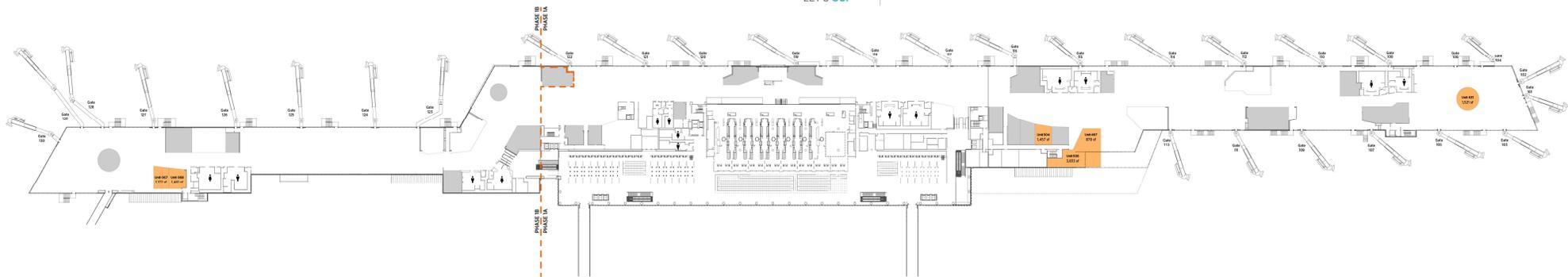


# F&B Package #2 – Areas SAN JV, LLC

F&B 2



NEW  
T1



# F&B Package #2 – Areas SAN JV, LLC

## **RECOMMENDATION:**

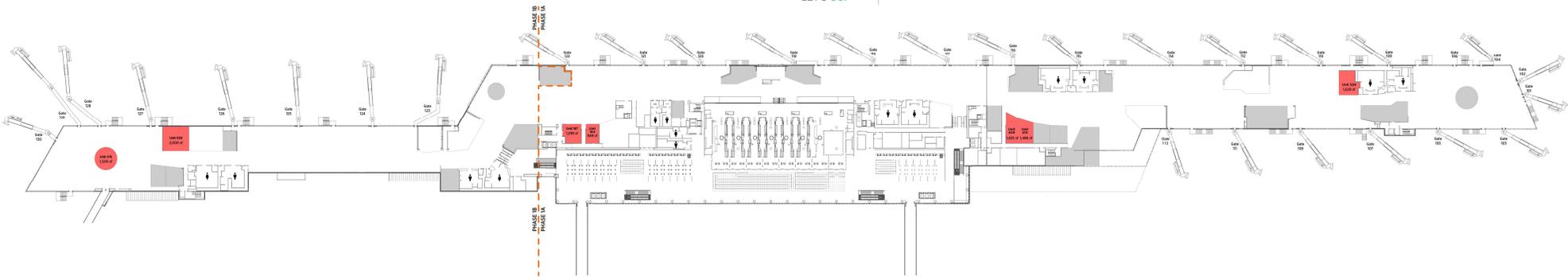
Adopt Resolution No. 2023-0058, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Areas SAN JV, LLC to design, build and operate five (5) food and beverage unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

# F&B Package #3 – High Flying Foods

F&B 3



NEW T1



# F&B Package #3 – High Flying Foods

## **RECOMMENDATION:**

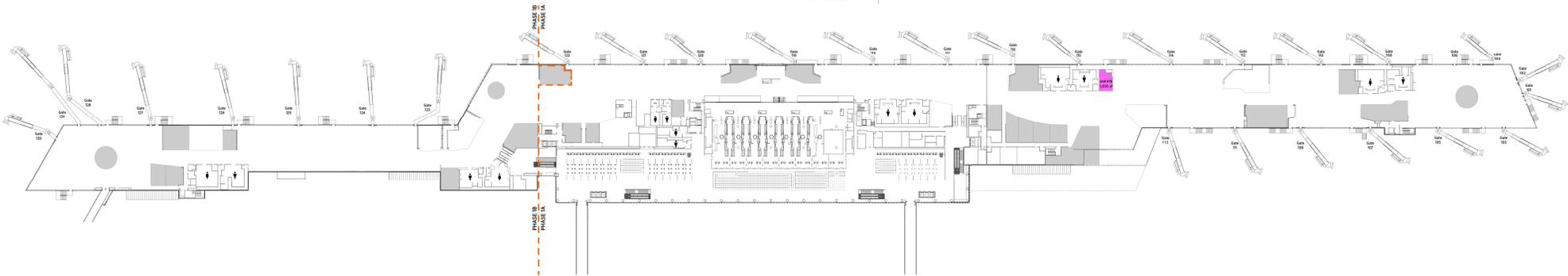
Adopt Resolution No. 2023-0059, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with High Flying Foods to design, build and operate seven (7) food and beverage unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession lease agreement with the second ranked proposer.

# F&B Package #4 – Emerging Domestic Ventures

F&B 4



NEW  
T1



# F&B Package #4 – Emerging Domestic Ventures

## **RECOMMENDATION:**

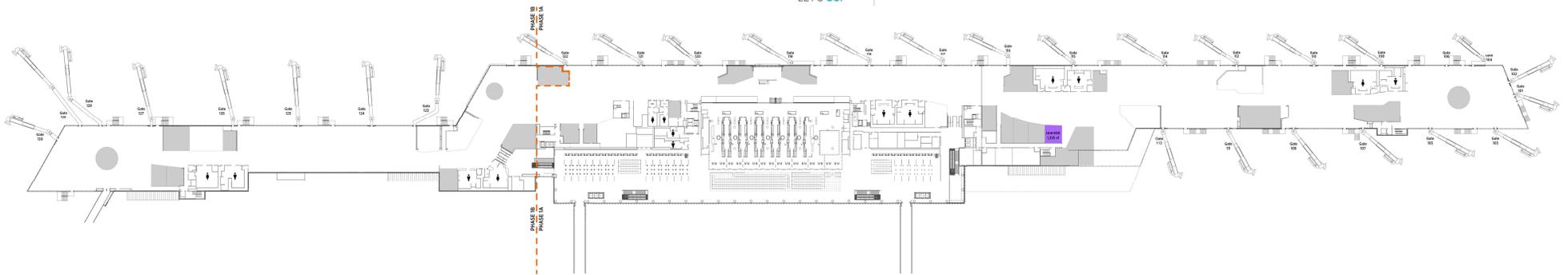
Adopt Resolution No. 2023-0060, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Emerging Domestic Market Ventures, LLC to design, build and operate a single food and beverage unit location in new Terminal 1 at San Diego International Airport with an operating term not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

# F&B Package #5 – McDonald's

F&B 5



NEW  
T1



# F&B Package #5 – McDonald's

## **RECOMMENDATION:**

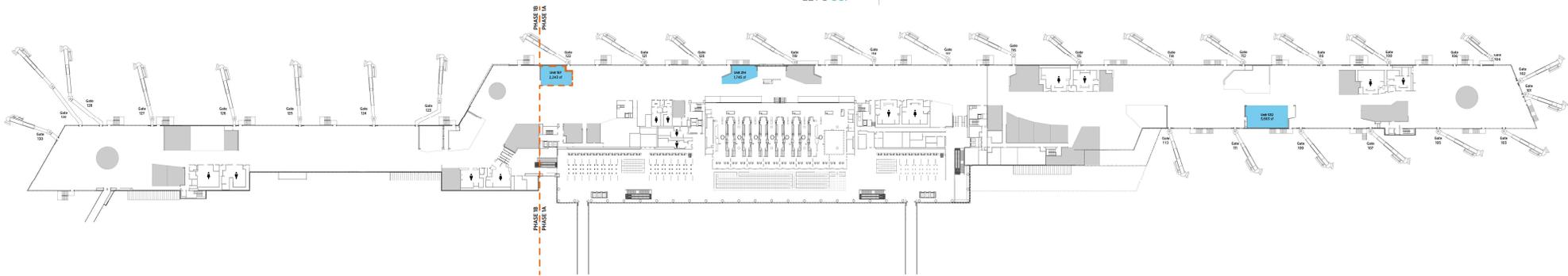
Adopt Resolution No. 2023-0061, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with McDonald's USA, LLC to design, build and operate a single food and beverage unit location in new Terminal 1 at San Diego International Airport with an operating term not to exceed fifteen (15) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

# Retail Package #1 – Paradies Lagardère

Retail 1



NEW T1



# Retail Package #1 – Paradies Lagardère

## **RECOMMENDATION:**

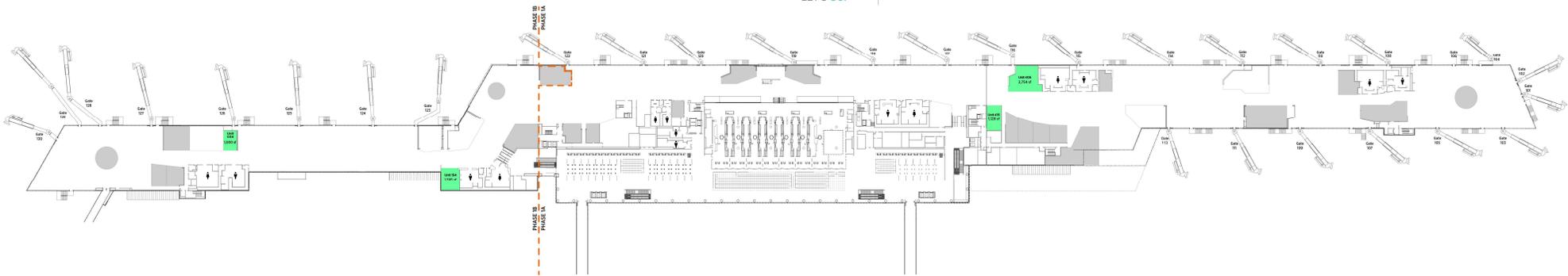
Adopt Resolution No. 2023-0063, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with Paradies Lagardère @ SAN, LLC to design, build and operate three (3) retail unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed twelve (12) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.

# Retail Package #2 – Marshall Retail Group

Retail 2



NEW T1



# Retail Package #2 – Marshall Retail Group

## **RECOMMENDATION:**

Adopt Resolution No. 2023-0062, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease agreement with The Marshall Retail Group, LLC to design, build and operate four (4) retail unit locations in new Terminal 1 at San Diego International Airport with an operating term for each unit location not to exceed twelve (12) years and, in the event that negotiations are unsuccessful, authorizing the President/CEO to enter into a non-exclusive concession agreement with the second-ranked proposer.



Thank You

## Staff Report

**Meeting Date:** July 13, 2023

**Subject:**

**Authorize The President/CEO to Enter Into a Lease with the San Diego Unified Port District in Support of the On-Airport Roadway Project for New T1**

**Recommendation:**

Adopt Resolution No. 2023-0064 authorizing the President/CEO to enter into a Lease for 45-years and 4-months with the San Diego Unified Port District for approximately 28,519 square feet of land located on North Harbor Drive in support of the On-Airport Roadway Project for New T1.

**Background/Justification:**

One of the regional goals identified in the Airport Development Plan (ADP) is to reduce airport-related vehicle traffic on North Harbor Drive. The San Diego Unified Port District (Port), the City of San Diego (City) and the San Diego Association of Governments (SANDAG) similarly have goals to improve regional mobility by improving access in the vicinity of San Diego International Airport (Airport).

In March 2020, the Authority entered into a Memorandum of Understanding with these governmental partners to align the goals of the Airport Development Plan, the Port's Master Plan Update and SANDAG's 2021 Regional Transportation Plan. The partners also agreed to support the Airport Development Plan and the timely completion of the New Terminal 1 project (New T1).

At part of New T1, the Authority is constructing a new three-lane entry roadway (On-Airport Roadway). Entry to the westbound roadway includes a one-lane road from West Laurel Street and two lanes from North Harbor Drive. The section of West Laurel Street that is adjacent to Anchor Island will be realigned with new striping and pavement as well as construction of new curbs and gutters.

In addition, a 14-foot-wide multi-use pathway for pedestrians and bicyclists will be constructed adjacent to the roadway. Access to the path begins at the south end of Anchor Island and allows travel in both directions toward the Airport, Port tidelands and San Diego Bay. A new crossing will be striped and signed with a pedestrian hybrid beacon where the pathway crosses West Laurel Street. Beyond this crossing, the pathway leads westbound to a location where it turns toward North Harbor Drive to merge with the Class II on-street

bike lane to the west of the Airport. Lastly, the Authority will add a number of Airport wayfinding signs on Port property.

While most of the new On-Airport Roadway and pathway are on Airport property, the construction requires approximately 28,519 square feet of real property on Port tidelands, referenced below as the Viewing Lot. The Port has agreed to lease this paved area for 45-years and 4-months and allows the Authority to construct and maintain these improvements. The duration for the proposed lease is coterminous with the term of the Authority's master leases with the Port which all expire on December 31, 2068.

As shown below in Exhibit 1 and Exhibit 2, the Authority proposes to construct the western section of the On-Airport Roadway and the multi-use pathway on Port tidelands property.

Exhibit 1: Premises Area of Viewing Lot

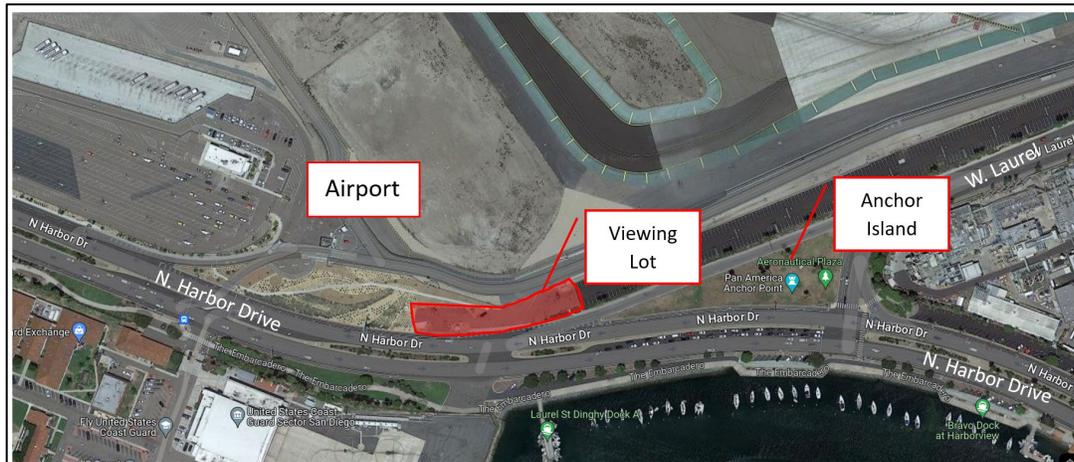
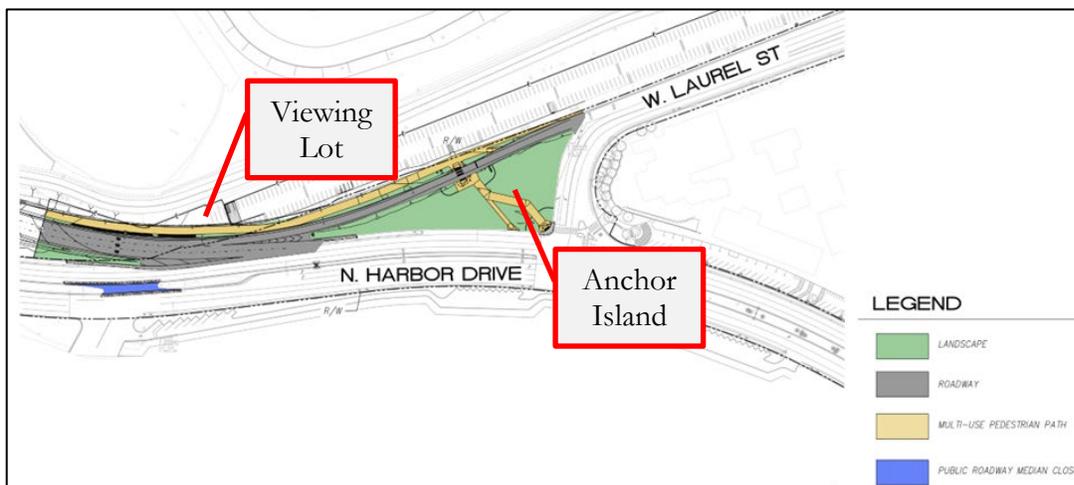


Exhibit 2: Premises and Surrounding Area with Improvements



Cross-Functional Team

A cross-functional team was formed to expedite the progress of securing the required property and to ensure all agencies and partnerships involved in the On-Airport Roadway were considered and heard. The team met weekly for well over a year and was led by Revenue Generation and Partnership Development and consists of staff members and consultants from Airport Design & Construction and Planning & Environmental Affairs.

Partner Agency Actions

The Authority's On-Airport Roadway and Multi-Use Pathway required the Port to amend its lease with Solar Turbines to allow for the reconfiguration of their leasehold. Staff coordinated with the Port and Solar Turbines to realign the company's parking lot with no net loss of parking spaces or square footage.

The Authority is also working with the Port and City to execute the necessary agreements to construct the improvements on Anchor Island, West Laurel Street and small sections of Port property north of West Laurel Street. The Port and City have agreed to enter into Right-Of-Entry License Agreements for a period of two years. Once construction is complete, the Authority anticipates it will enter into an easement agreement with the Port to maintain the Airport's wayfinding signs.

At its Board meeting on July 11, 2023, Port staff will seek approval to enter into this proposed lease agreement with the Authority; consider the final Environmental Impact Report and authorize issuance of a non-appealable Coastal Development Permit for the roadway changes.

More information regarding environmental actions by partner agencies is contained in the environmental review section below.

Key Business Terms of Proposed Lease

Term	9.1.23 to 12.31.68
Premises	28,519 SF
Rent	\$3.35 SF/Y - \$7,961.55 per month
Customer Price Index Adjustment	Five-year CPI increase shall never be more than 3% and not less than 2%. Five-Year CPI increase shall be calculated by summing the CPI annual percentage increase and applying to existing rent.

Total Rent for the Term of the Lease	\$7,504,902 (this assumes an average 2.5% CPI increase)
Maintenance Expenses	Authority is responsible at its sole cost and expense for maintenance and repair of the Premises.
Improvements	The Authority is responsible at its sole cost and expense to construct and maintain all improvements within the Premises.

**Fiscal Impact:**

The annual lease cost to be paid for the viewing lot location is \$95,539 for FY24 and \$95,539 for FY25. This exceeds the amounts included in the rent line item of the FY24 Adopted and FY25 Conceptual Operating Expense Budgets. The variance is \$25,539 for FY24 and \$8,039 for FY25, which will be accommodated with savings in other budgeted line items. Future lease obligations will be included in future budget requests for years not yet adopted.

**Authority Strategies/Focus Areas:**

This item supports one or more of the following:

**Strategies**

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

**Focus Areas**

- Advance the Airport Development Plan
- Transform the Customer Journey
- Optimize Ongoing Business

**Environmental Review:**

CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020. The Port is the lead agency for CEQA for the State tidelands subject to this action and plans to make a determination at its July 2023 Board meeting.

Meeting Date: July 13, 2023

California Coastal Act Review: This Board action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611). The Port plans to issue a coastal development permit for the State tidelands consistent with the California Coastal Act.

NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration (FAA) under the National Environmental Policy Act (NEPA) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

### **Application of Inclusionary Policies:**

Not applicable.

### **Prepared by:**

Jayne Vanderhagen  
Asset Manager

RESOLUTION NO. 2023-0064

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AUTHORIZING THE PRESIDENT/CEO TO ENTER INTO A LEASE FOR 45-YEARS AND 4-MONTHS WITH THE SAN DIEGO UNIFIED PORT DISTRICT FOR APPROXIMATELY 28,519 SQUARE FEET OF LAND LOCATED ON NORTH HARBOR DRIVE IN SUPPORT OF THE ON-AIRPORT ROADWAY PROJECT FOR NEW T1.

**WHEREAS**, a regional goal identified in the Airport Development Plan is to reduce airport-related traffic on North Harbor Drive; and

**WHEREAS**, to fulfil this regional goal, the Authority is constructing a new three-land entry roadway ("On-Airport Roadway") that will primarily be on San Diego International Airport ("Airport") property; and

**WHEREAS**, in order to expand and connect walking and bike paths for Airport users and the public at large, the Authority is constructing a new multi-use pathway that will be adjacent to the On-Airport Roadway that will primarily be on Airport property; and

**WHEREAS**, in order to construct a section of the On-Airport Roadway and multi-use pathway, approximately 28,519 square feet of real property on San Diego Unified Port District ("Port") tidelands, known as the Viewing Lot ("Premises") is required; and

**WHEREAS**, the Port has agreed to lease the Premises for 45-years and 4-months, and allows the Authority to construct and maintain the improvements on the Premises; and

**WHEREAS**, the duration of the lease is coterminous with the term of the Authority's master leases with the Port which expire December 31, 2068.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby authorizes the President/CEO to enter into a Lease for 45-years and 4-months with the San Diego Unified Port District for approximately 28,519 square feet of land located on North Harbor Drive in support of the On-Airport Roadway Project for New T1; and

**BE IT FURTHER RESOLVED** that the Lease shall not commence until the Coastal Development Permit is completed; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053-SDCRAA # EIR-18-01) on January 9, 2020; and the Port is the lead agency for CEQA for the State tidelands and made a determination at its July 11, 2023 Board meeting;

**BE IT FURTHER RESOLVED** that the Board finds that this action is for a project for which the California Coastal Commission issued Coastal Development Permits (CDP 6-20-0154, CDP 6-20-0447, CDP 6-20-0611) and for which the Port plans to issue a coastal development permit for the State tidelands consistent with the California Coastal Act; and

**BE IT FURTHER RESOLVED** that the Board finds that this action is a project that involves additional approvals or actions by the Federal Aviation Administration (FAA) under the National Environmental Policy Act (NEPA) and received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 13<sup>th</sup> day of July 2023, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

ATTEST:

---

TONY R. RUSSELL  
DIRECTOR, BOARD SERVICES /  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

---

AMY GONZALEZ  
GENERAL COUNSEL

# Viewing Lot Lease for On- Airport Roadway Project for New T1

Jayne Vanderhagen, Asset Manager

July 13, 2023





SAN DIEGO  
COUNTY  
REGIONAL  
AIRPORT  
AUTHORITY

# Agenda

- Background
- On-Airport Roadway
- Premise Area
- Key Terms
- Fiscal Impact
- Recommendation

# Viewing Lot Lease-On-Airport Roadway

## Background

- Regional Goal of Airport Development Plan: Reduce airport-related traffic on North Harbor Drive
- Port, City, SANDAG and Authority have similar goals
- March 2020: Authority entered into MOU to align goals
- New T1 includes constructing a new three lane entry roadway that removes traffic from North Harbor Drive

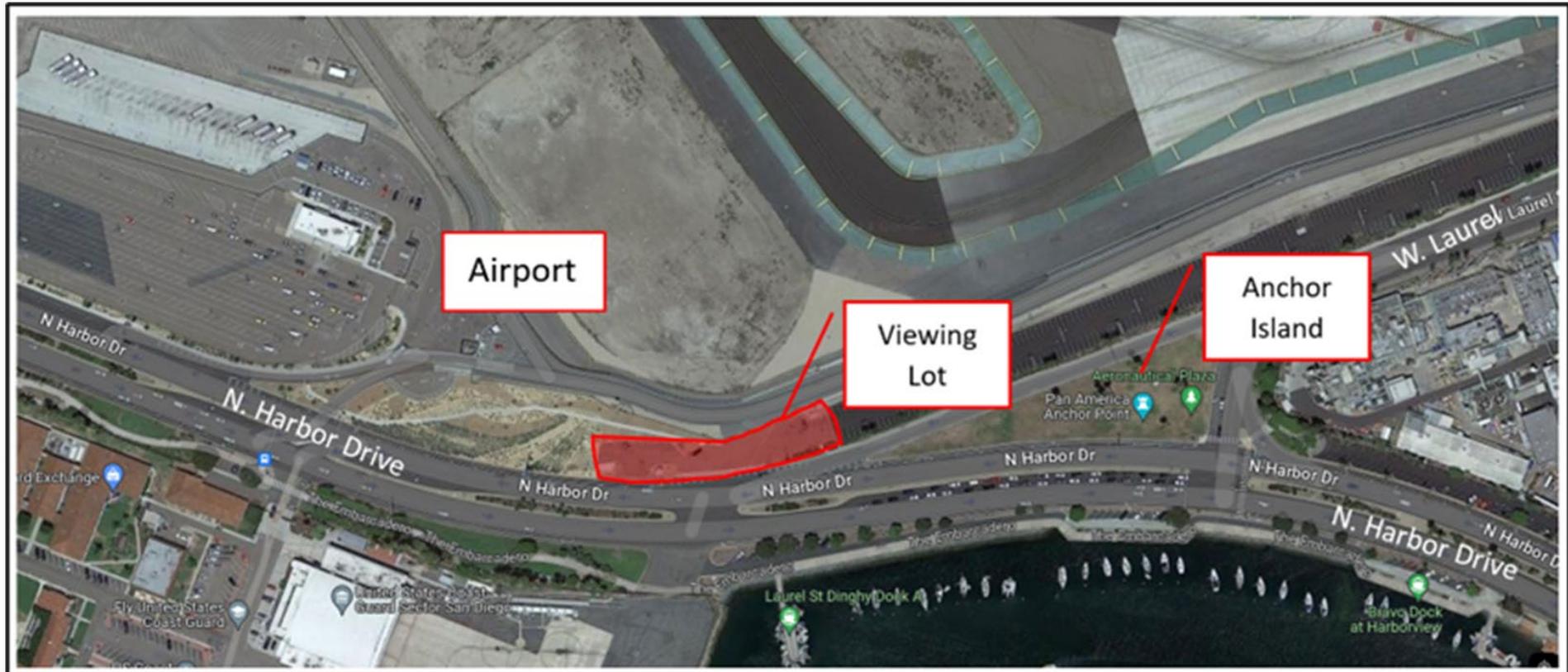
# Viewing Lot Lease-On-Airport Roadway

## The On-Airport Roadway

- Westbound entry includes one-lane road from West Laurel and two lanes from North Harbor Drive
- West Laurel Street that is adjacent to Anchor Island will be realigned with new curbs and gutters
- A 14-foot-wide multi-use path for pedestrians and bicyclists will be constructed adjacent to the new roadway

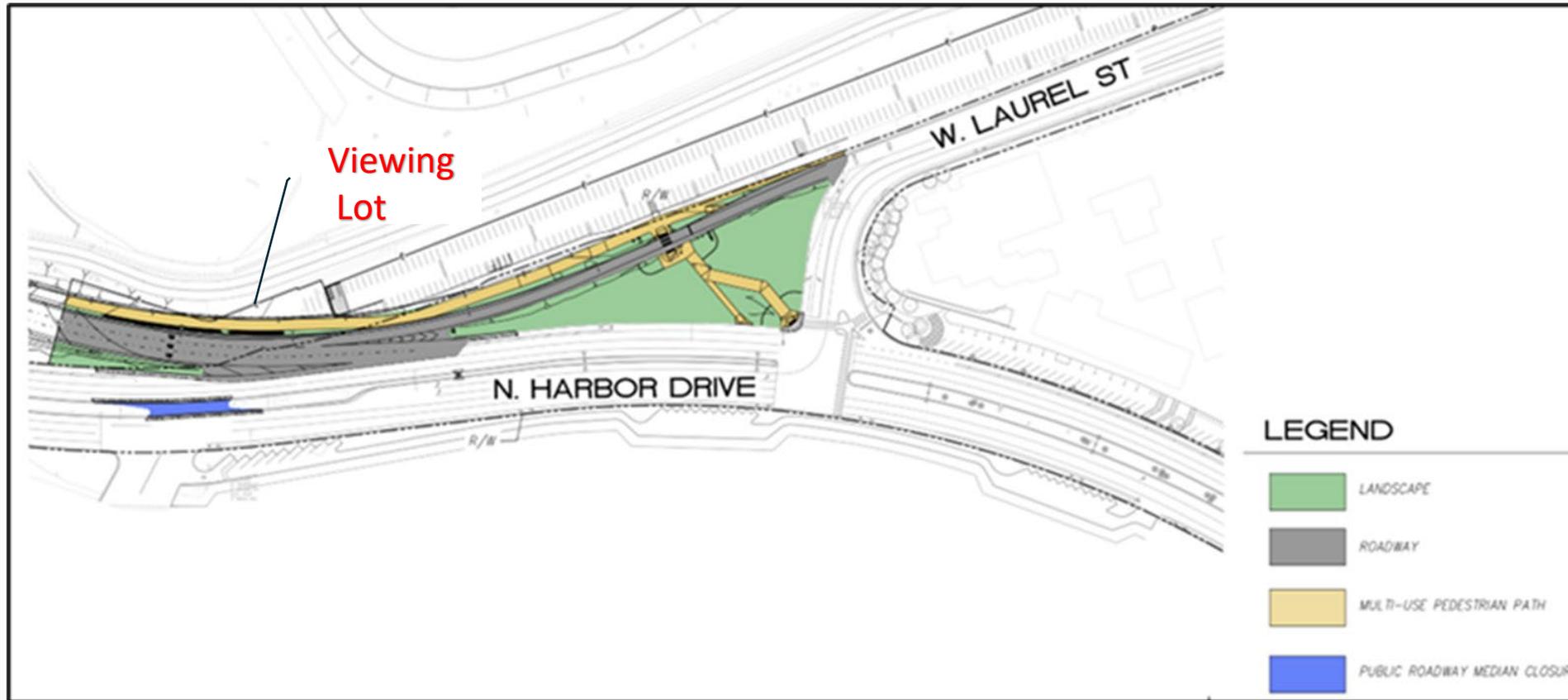
# Viewing Lot Lease-On-Airport Roadway

The Premises - 28,519 square feet



# Viewing Lot Lease-On-Airport Roadway

The On-Airport Roadway Surrounding Area With Improvements



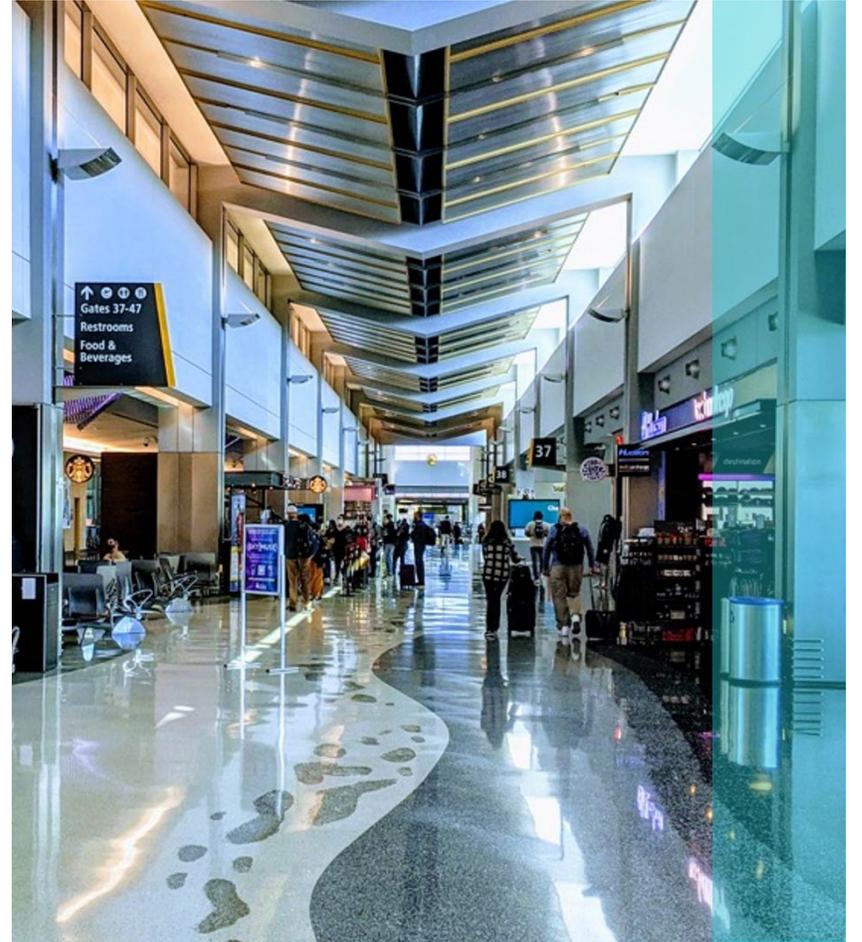
# Key Business Terms

Term	September 1, 2023 to December 31, 2068 (45 years and 4 months)
Premises	28,519 square feet
Rent	\$3.35/sq. ft./year (\$7,129.75/month)
CPI Rent Adjustment	Every 5-years starting September 1, 2028/Assumed average CPI adjustment of 2.5%
Total Rent for Entire Term	\$5,979,284
Maintenance and Repairs Expenses	Net Lease. Authority responsible for sole cost and expense
Construction and Alteration Improvements	Authority responsible for sole cost and expense to construct improvements and maintain the roadway and multi-use path

# Viewing Lot-On-Airport Roadway

## Fiscal Impact

- Rental payments to Port have an annual CPI increase between 2.0% and 3.0% that is aggregated and assessed every 5-years
- Total rent for the entire term of the lease is \$5,979,284 assuming a 2.5% annual increase
- Fiscal year 2024 budget reflects a shortfall of \$1,298 but will be absorbed by other savings.



A photograph of a modern, curved building at night, illuminated by streetlights and building lights. The building has a distinctive curved facade and is surrounded by palm trees. The sky is dark with some clouds. The entire image has a teal color overlay.

Questions?

# Viewing Lot Lease-On-Airport Roadway

## Recommendation

Authorize the President/CEO to enter into a lease for 45-years and 4-months with the San Diego Unified Port District in support of the On-Airport Roadway Project for new T1

# Environmental

- CEQA:** Project has received EIR certification and approval in 2020, but is subject to the Port's CEQA for State Tidelands. This approval is expected in July 2023.
- California Coastal Commission:** Coastal Commission issued Coastal Development Permits but is subject to the Port's coastal development permit for State Tidelands. Approval is expected in July 2023.
- NEPA:** This project received approval and was issued a Finding of No significant Impact (FONSI) and Record of Decision (ROD) Federal Aviation Administration (FAA) under the National Environmental Policy Act (NEPA) in 2021.

# Viewing Lot-On-Airport Roadway

## Cross Functional Team

- Formed to expedite the progress and to ensure all agencies and partnerships were heard
- Met weekly for over a year and consisted of staff members and consultants

## Partner Agency Actions

- Port amended their lease with Solar Turbines to reconfigure leasehold
- Agreement between Port, City and Authority to construct improvements
- Agreement between Port and City for access to construct improvements
- Future easement between Port and Authority for the maintenance of Wayfinding signs

## Board Communication

Date: July 13, 2023  
To: Board Members  
From: Tony R. Russell, Director, Board Services/ Authority Clerk  
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

---

Authority Policy 3.30 (3)(b) and (4) require that travel and business expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved or pre-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 Policy 3.30.

# **TRAVEL EXPENSE REIMBURSEMENT**

**Kimberly Becker**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**TRAVEL EXPENSE REIMBURSEMENT REPORT - Board Members, President/CEO, General Counsel, Chief Auditor**  
 (To be completed within 30 days from travel return date for domestic travel; 45 days for international travel)

Refer to Authority Policy 3.30 - Business and Travel Expense Reimbursement Policy, outlining appropriate reimbursable expenses. Attach all required supporting documentation. All receipts must be detailed (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

Policy 3.30 - Business and Travel Expense Reimbursement

Business and Travel Reimbursement Guidelines

<b>Employee/Trip Information</b>		<b>Date:</b> _____	
<b>Name:</b>	<u>Kimberly J. Becker</u>	<b>Dept:</b>	<u>6 - Executive Division</u>
<b>Departure Date:</b>	<u>6/1/2023</u>	<b>Return Date:</b>	<u>6/3/2023</u>
<b>Destination:</b>	<u>Denver, CO</u>	<b>Report Due:</b>	<u>7/3/23</u>
<b>Business Purpose:</b>	<u>AAAE Annual Conference &amp; Exposition</u>		

Expense items not included in Per Diem	Authority Prepaid Expenses	Employee Paid Expenses							TOTAL
		6/1/23 Thursday	6/2/23 Friday	6/3/23 Saturday	6/4/23 Sunday	6/5/23 Monday	6/6/23 Tuesday	6/7/23 Wednesday	
Air Fare, Railroad, Bus	553.88								-
Conference Fees									-
Rental Car									-
Gas									-
Parking & Tolls									-
Mileage - Attach mileage form									-
Taxi / TNC / Shuttle Fare		35.07	77.32						112.39
Lodging		265.07	265.07						530.14
Telephone, Internet and Fax									-
Laundry									-
Miscellaneous:									-
									-
	<b>\$ 553.88</b>								<b>\$ 642.53</b>

**Expense items included in Per Diem:** Meals will be reimbursed at established Per Diem rates. Receipts shall not be required except for authorized meals above per diem rate (approved by CEO or Vice President below). If a meal is provided by a conference or meeting, do not include the meal for reimbursement below. On first travel day, only include lunch and dinner if flight departs after 9:00 a.m. On last travel day, only include breakfast and lunch if flight returns before 6:00 p.m.

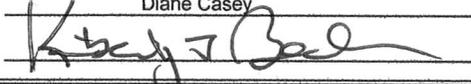
	Enter Daily Per Diem Rate	GSA Per Diem for Domestic							TOTAL
		6/1/23 Thursday	6/2/23 Friday	6/3/23 Saturday	6/4/23 Sunday	6/5/23 Monday	6/6/23 Tuesday	6/7/23 Wednesday	
Breakfast	\$18.00		18.00	18.00					36.00
Lunch	\$20.00	20.00							20.00
Dinner	\$36.00	36.00		36.00					72.00
Incidentals	\$5.00	5.00	5.00	5.00					15.00
<b>Total M&amp;IE</b>	<b>\$79.00</b>								
Approved Meal Exception Above Per Diem Rate <sup>1</sup>									
<b>Total Meal and Incidental Expenses</b>		<b>\$ 61.00</b>	<b>\$ 23.00</b>	<b>\$ 59.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>143.00</b>

<b>Explanation:</b> Substantiation for exception should be attached  	<b>Trip Grand Total</b>	<b>1,339.41</b>
	Less Cash Advance (Attach copy of Authority check)	
	Less Expenses Prepaid by Authority	553.88
	<b>Due Traveler</b> - if positive amount, prepare check request <b>Due Authority</b> - if negative, attach check payable to SDCRAA	<b>\$ 785.53</b>

Note: Send this report to Accounting even if the amount is \$0.

By signing below, TRAVELER: (a) acknowledges understanding and agreeing to be bound by Authority Policy 3.30 - Business and Travel Expense Reimbursement Policy; (b) certifies that this report is true and correct and all claimed expenses were incurred in connection with official Authority business; and (c) understands that any purchases/claims that are not allowed will be traveler's responsibility. By signing below, ADMINISTRATOR certifies, based on reasonable inquiry, that expenses approved in this report were reasonable, necessary, directly related to the Authority's business, and that they are reimbursable under Authority Policy 3.30.

Prepared By: Diane Casey Ext.: 2445

Traveler's Signature:  Date: 6/6/23

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be completed by Clerk)**

I, \_\_\_\_\_ hereby certify that this document was approved by the Executive Committee at it's meeting on \_\_\_\_\_

Clerk Signature: \_\_\_\_\_ Date: \_\_\_\_\_

For a single calendar entry click [here](#)  
Travel Itinerary

## Passenger Names

BECKER/KIMBERLY JANE - 06

Traveltrust Business Hours are Monday-Friday 5am -5pm Pacific

Agency Reference Number: BILBTC

CHECK IN FOR FLIGHT 24 HOURS PRIOR TO DEPARTURE

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt

Travel requirements are being updated constantly, please be sure to check with your airline or CDC.gov for the latest in travel requirements and restrictions.

### United Airlines - Flight Number 1114

Confirmation: OMP1VH

Departure: Thu, 06/1/2023 4:17 PM

Departure City: San Diego, CA ([SAN](#))

Departing Terminal: TERMINAL 2

Status: Confirmed

Arrival: Thu, 06/1/2023 7:40 PM

Arrival City: Denver, CO ([DEN](#))

Arrival Terminal:

Class of Service: V - ECONOMY

Equipment: 7M9

Meal: Food-Bev/Pur

Travel Time: 2 hour(s) 23 minute(s)

[Add flight to Calendar](#)

[Baggage Info](#)

[Weather](#)

**CHECK IN**

Seat Assignments:

SEAT ASSIGNMENT AIRPORT CHECKIN ONLY

FREQUENT FLYER NUMBER [REDACTED]

### Southwest Airlines - Flight Number 1474

Confirmation: 4PL6XF

Departure: Thu, 06/1/2023 6:20 PM

Departure City: San Diego, CA ([SAN](#))

Departing Terminal: TERMINAL 1

Status: Confirmed

Arrival: Thu, 06/1/2023 9:30 PM

Arrival City: Denver, CO ([DEN](#))

Arrival Terminal:

Class of Service: Y - ECONOMY

Equipment: 73H

Travel Time: 2 hour(s) 10 minute(s)

[Add flight to Calendar](#)

[Baggage Info](#)

[Weather](#)

**CHECK IN**

Seat Assignments:

FREQUENT FLYER NUMBER [REDACTED]

### Southwest Airlines - Flight Number 0197

Confirmation: 4PL6XF

Departure: Sat, 06/3/2023 8:05 PM

Departure City: Denver, CO ([DEN](#))

Departing Terminal:

Status: Confirmed

Arrival: Sat, 06/3/2023 9:30 PM

Arrival City: San Diego, CA ([SAN](#))

Arrival Terminal: TERMINAL 1

Class of Service: I - ECONOMY

Equipment: 73W

Travel Time: 2 hour(s) 25 minute(s)

[Add flight to Calendar](#)

[Baggage Info](#)

[Weather](#)

**CHECK IN**

Seat Assignments:

FREQUENT FLYER NUMBER [REDACTED]

Please Note - Kim's original outbound flight was on Southwest. Due to weather in Denver, that flight was cancelled. Travel Trust was able to rebook on United.

**Invoice Detail**

Name: BECKER/KIMBERLY JANE

Southwest

Airlines Ticket: 5267890962096

Invoice Number: 7011044

Service Fee: 8900845839879

Name: BECKER/KIMBERLY JANE

United

Airlines Ticket: 0167973190274

Invoice Number: 7022670

Service Fee: 8900850657297

Issue Date: 02/23/2023

See Exchange Detail

Issue Date: 02/23/2023

Issue Date: 06/1/2023

Issue Date: 06/1/2023

Ancillary Fees 8305437863 1

23FEB23

Ancillary Fees 8305437864 2

23FEB23

Amount: \$173.98

Amount: \$30.00

Amount: \$279.90

Amount: \$30.00

Amount: \$20.00

Amount: \$20.00

Your total has been charged to American Express ending in 1013

Total Fare: USD \$553.88 ✓

**Exchange Detail**

New Ticket Number:

5267890962096

Issue Date: 2/23/2023

Original Ticket Number:

5267872258992

New Airfare: \$388.96

Original Airfare: -\$214.98

Airline Change Fee: \$0.00

Amount Charged: \$173.98

**General Remarks**

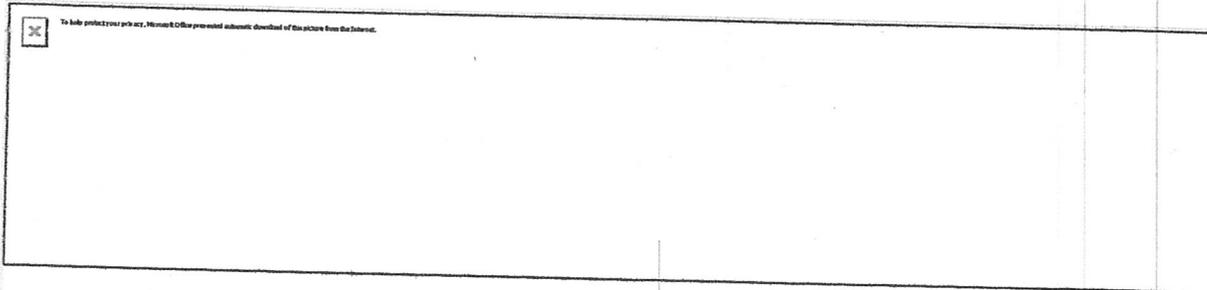
THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED OR CANCELLED. BEFORE THE DEPARTURE OF YOUR FLIGHTS IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE YOUR OUTBOUND FLIGHT TO CHANGE IF NECESSARY. PER MANDATORY IATA RESOLUTION 830D YOUR CONTACT DETAILS HAVE BEEN GIVEN TO THE AIRLINES FOR FLIGHT MODIFICATIONS ONLY

Thank you for choosing Traveltrust! TSA Guidance: a government issued photo id is needed for check-in. Please allow minimum 3-hour check-in for international flights and 2 hours for Domestic. For Additional security information visit [www.tsa.gov](http://www.tsa.gov). For EMERGENCY AFTER-HOURS ASSISTANCE FROM ANYWHERE, PLEASE CALL 1-682-990-7183. VIT Code is HSJE72. Each call is billed at \$35 Domestic + ticketing fees, \$45 International + ticketing and international fees.

## Casey Diane

---

**From:** Southwest Airlines <SouthwestAirlines@aom.southwest.com>  
**Sent:** Thursday, June 1, 2023 2:07 PM  
**To:** Casey Diane  
**Subject:** Flight 321 Status Change from Southwest Airlines



Confirmation#: 4PL6XF

Hello from Southwest Airlines:

This is a flight status change regarding your trip.

Southwest Airlines Flight 321 on June 1 from SAN has been cancelled. To reschedule your flight, please contact Customer Service from your original booking source, or call Southwest Airlines at 1-800-435-9792 and refer to record locator 4PL6XF.

We apologize for all inconveniences.

This is a one-way message only for which you subscribed. Please do not reply to this message.

Southwest Airlines  
2702 Love Field Drive  
Dallas, TX 75235



Traveltrust  
374 North Coast Highway 101  
Encinitas, CA 92024  
760-635-1700

*Flight cancelled  
Weather Issue*

For a single calendar entry click [here](#)  
Travel Itinerary

**Passenger Names**

BECKER/KIMBERLY JANE - 06

Traveltrust Business Hours are Monday-Friday 5am -5pm Pacific

Agency Reference Number: BILBTC

CHECK IN FOR FLIGHT 24 HOURS PRIOR TO DEPARTURE

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt

Travel requirements are being updated constantly, please be sure to check with your airline or CDC.gov for the latest in travel requirements and restrictions.

**Southwest Airlines - Flight Number 0321**

Confirmation: 4PL6XF

Departure: Thu, 06/1/2023 2:10 PM  
Departure City: San Diego, CA (SAN)  
Departing Terminal: TERMINAL 1  
Status: Confirmed

Arrival: Thu, 06/1/2023 5:30 PM  
Arrival City: Denver, CO (DEN)  
Arrival Terminal:  
Class of Service: M - ECONOMY

Equipment: 73W

Travel Time: 2 hour(s) 20 minute(s)

[Add flight to Calendar](#)

[Baggage Info](#)

[Weather](#)

CHECK IN

Seat Assignments:

FREQUENT FLYER NUMBER [REDACTED]

**Southwest Airlines - Flight Number 0197**

Confirmation: 4PL6XF

Departure: Sat, 06/3/2023 8:05 PM  
Departure City: Denver, CO (DEN)  
Departing Terminal:  
Status: Confirmed

Arrival: Sat, 06/3/2023 9:30 PM  
Arrival City: San Diego, CA (SAN)  
Arrival Terminal: TERMINAL 1  
Class of Service: I - ECONOMY

Equipment: 73W

Travel Time: 2 hour(s) 25 minute(s)

[Add flight to Calendar](#)

[Baggage Info](#)

[Weather](#)

CHECK IN

Seat Assignments:

FREQUENT FLYER NUMBER [REDACTED]

**Invoice Detail**

Name: BECKER/KIMBERLY JANE

Southwest

Issue Date: 02/23/2023

[See Exchange Detail](#)

Airlines Ticket: 5267890962096

Invoice Number: 7011044

Amount: \$173.98

Service Fee: 8900845839879

Issue Date: 02/23/2023

Amount: \$30.00

Early Bird Check In 1 8305437863 1 23FEB23

Amount: \$20.00

Early Bird Check In 2 8305437864 2 23FEB23

Amount: \$20.00

Your total has been charged to American Express ending In 1013

Total Fare: USD \$243.98

**Exchange Detail**

New Ticket Number:

5267890962096

Issue Date: 2/23/2023

New Airfare: \$388.96

Original Ticket Number:

5267872258992

Original Airfare: -\$214.98

Airline Change Fee: \$0.00

Amount Charged: \$173.98

**General Remarks**

THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED OR CANCELLED. BEFORE THE DEPARTURE OF YOUR FLIGHTS IT MAY HAVE NO VALUE. CONTACT TRAVEL TRUST BEFORE YOUR OUTBOUND FLIGHT TO CHANGE IF NECESSARY. PER MANDATORY IATA RESOLUTION 830D YOUR CONTACT DETAILS HAVE BEEN GIVEN TO THE AIRLINES FOR FLIGHT MODIFICATIONS ONLY

Thank you for choosing Traveltrust! TSA Guidance: a government issued photo id is needed for check-in. Please allow minimum 3-hour check-in for

Sheraton Denver  
 1550 Court Place  
 Denver, CO 80202-5107  
 United States  
 Tel: 303-893-3333 Fax: 303-626-2543



Kimberly Becker  
 1550 Court Place  
 Denver, CO, 80202  
 United States Of America  
 CW6180 - CW AAAE Annual Conference and

Page Number : 1  
 Guest Number : 2836136  
 Folio ID : A  
 Arrive Date : 01-JUN-23 21:43  
 Depart Date : 03-JUN-23 09:40  
 No. Of Guest : 1  
 Room Number : 3467  
 Marriott Bonvoy Number : 9603

Sheraton Denve DENDS JUN-03-2023 09:50 SNEWM089

Date	Reference	Description	Charges/Credits (USD)
01-JUN-23	RT3467	Room Chrg - Grp - Association <i>Room 06/01</i>	229.00
01-JUN-23	RT3467	State Tax	9.16
01-JUN-23	RT3467	City/Local Tax <i>\$ 265.02</i>	26.91
02-JUN-23	RT3467	Room Chrg - Grp - Association <i>Room 06/02</i>	229.00
02-JUN-23	RT3467	State Tax	9.16
02-JUN-23	RT3467	City/Local Tax <i>\$ 265.02</i>	26.91
03-JUN-23	MC	MasterCard/Euro-0764	-530.14

Approve EMV Receipt for MC - 0764: Signature Captured  
 TC:BCA2F0365259EE2F  
 IAD:0110A04001220000000000000000000000FF TVR:0080008000  
 AID:A0000000041010 Application Label:Mastercard

\*\*\* Balance 0.00

I agreed to pay all room & incidental charges.

*Kimberly Becker*

When you stay with us, we Go Beyond so you can too with thoughtful service, exceptional experiences and everything you seek when traveling. Book your next stay at Sheraton.com

Continued on the next page

Sheraton Denver  
1550 Court Place  
Denver, CO 80202-5107  
United States  
Tel: 303-893-3333 Fax: 303-626-2543



Kimberly Becker  
1550 Court Place  
Denver, CO, 80202  
United States Of America  
CW6180 - CW AAAE Annual Conference and

Page Number : 2  
Guest Number : 2836136  
Folio ID : A  
Arrive Date : 01-JUN-23 21:43  
Depart Date : 03-JUN-23 09:40  
No. Of Guest : 1  
Room Number : 3467  
Marriott Bonvoy Number : 9603

Tell us about your stay. [www.sheraton.com/reviews](http://www.sheraton.com/reviews)

Bring the Sheraton sleep experience home with you. Visit [SheratonStore.com](http://SheratonStore.com).

Casey Diane

---

Subject:

FW: Your ride with Moses on June 1

06/01 - Transportation  
Airport to Hotel



JUNE 1, 2023 AT 8:58 PM

## Thanks for riding with Moses!

100% of tips go to drivers. [Add a tip](#)

Lyft fare (26.21mi, 43m 27s)

\$32.99

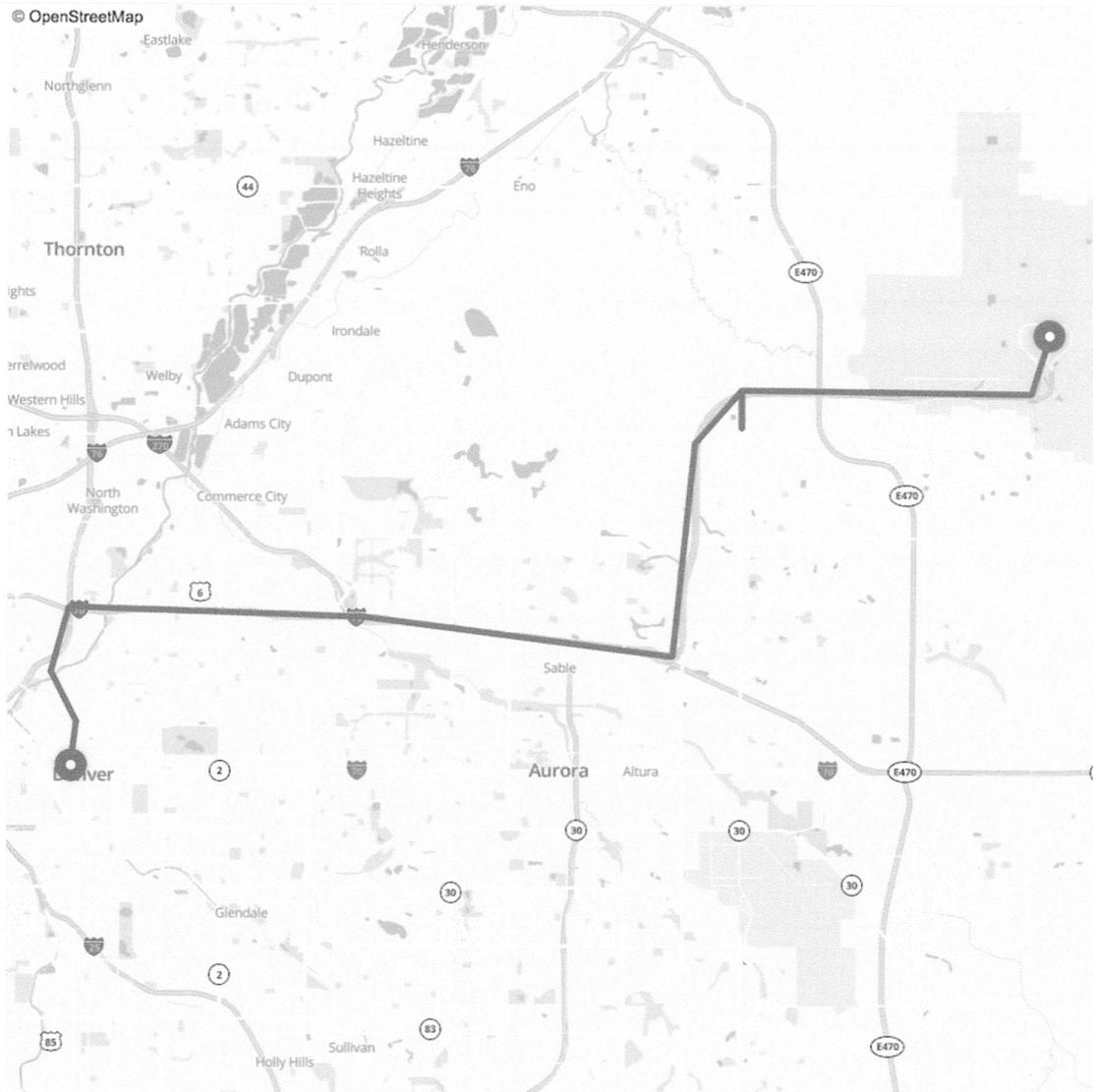
Priority Pickup Upgrade

\$2.08



MasterCard \*0764

**\$35.07**



- **Pickup 8:58 PM**  
8500 Pena Blvd, Denver, CO
- **Drop-off 9:41 PM**  
1550 Court Pl, Denver, CO

## Save on your next ride

Get free upgrades to priority pickup with Lyft Pink membership.  
[Claim 1-month free trial](#)

Casey Diane

Subject:

FW: Your ride with Jehny Celeste on June 3

06/03 - Transportation  
Hotel to Airport



JUNE 3, 2023 AT 4:36 PM

## Thanks for riding with Jehny Celeste!

100% of tips go to drivers. [Add a tip](#)

Lyft fare (24.43mi, 31m 41s)	\$35.99
Priority Pickup Upgrade	\$3.51
Tip	\$7.90

 MasterCard \*0764

**\$47.40**



Casey Diane

Subject:

FW: Your Saturday evening trip with Uber

06/03 - Transportation  
Airport to Home

Subject: Your Saturday evening trip with Uber



Total \$29.92  
June 3, 2023

**Total** **\$29.92**

---

Trip fare \$17.76

---

Subtotal \$17.76

Marketplace Fee  \$2.79

CA Driver Benefits  \$0.54

SAN Airport Pickup Surcharge \$3.75

Access for All Fee  \$0.10

Tips \$4.98

---

## Payments



**Mastercard ●●●●0764**

\$24.94

6/4/23 8:24 AM



**Mastercard ●●●●0764**

\$4.98

6/4/23 9:22 AM

[Switch Payment Method](#)

[Download PDF](#)

## You rode with LUIS

5.00



Rating



Has passed a multi-step safety screen

When you ride with Uber, your trips are insured in case of a covered accident.

[Learn more >](#)

UberX

6.59 miles | 20 min



# FY 2023 Per Diem Rates for Colorado

Meals & Incidentals (M&IE) Breakdown

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel
Boulder / Broomfield	Boulder / Broomfield	\$69	\$16	\$17	\$31	\$5	\$51.75
Denver / Aurora	Denver / Adams / Arapahoe / Jefferson	\$79	\$18	\$20	\$36	\$5	\$59.25

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All out-of-town travel requests must conform to applicable provisions of Policy 3.30.
- B. Once traveler completes form, submit to the traveler's Administrator for approval (for Board Members, President/CEO, General Counsel and Chief Auditor, Administrator is Board Executive Committee).

**TRAVELER INFORMATION:**

Traveler Name: Kimberly J. Becker Department: Executive, BU6  
Position:  Board Member  President/CEO  General Counsel  Chief Auditor  
 All Other Authority Employees

DATE OF REQUEST: 01/27/2023 DATE OF DEPARTURE/RETURN: 06/01/2023 / 06/03/2023

**DESTINATION / BUSINESS PURPOSE:**

Destination: Denver, CO Business Purpose: AAAE Annual Conference & Expo

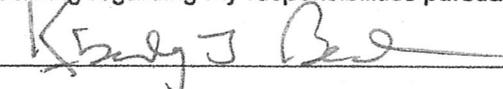
**PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:**

A. Transportation Costs:	
• Airfare <input type="checkbox"/> check box for business class or equivalent (international only)	\$ <u>400.00</u>
• Rental Car	\$ _____
• Other Transportation (Taxi, TNC, Train, Bus)	\$ <u>100.00</u>
• Auto (Gas, Parking/Tolls, Mileage)	\$ _____
B. Lodging	\$ <u>800.00</u>
C. Meals and Incidental Expenses (Per Diem)	\$ <u>240.00</u>
D. Seminar and Conference Fees	\$ <u>785.00</u>
E. Entertainment	\$ _____
TOTAL PROJECTED TRAVEL EXPENSES	\$ <u>\$2,325.00</u>

**CERTIFICATION BY TRAVELER**

By my signature below, I certify the following:

- 1. The above-listed projected out-of-town travel expenses conform to Policy 3.30, are reasonable and directly related to Authority business; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Travelers Signature:  Date: 1/27/23

**CERTIFICATION BY ADMINISTRATOR** (If Administrator is Executive Committee, Clerk certifies below.)

By my signature below, I certify the following:

- 1. I have reviewed this out-of-town travel request and made inquiries to determine that the out-of-town travel and identified expenses are directly related to and necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefits to the Authority; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

I, Arely Valenzuela, Assistant Authority Clerk I, certify that this document was approved  
(Name of Clerk)  
by the Executive Committee at its 02/16/2023 meeting.  
(Meeting Date)

# AGENDA

Preview the agenda for the 95th Annual AAEE Conference & Exposition below. More information is coming soon! Bookmark this page for updates.

Please note, all sessions and the exhibit hall will be hosted at the Colorado Convention Center unless otherwise noted.

Friday, June 2

Saturday, June 3

Sunday, June 4

Monday, June 5

[View or Search the Full Agenda](#)

**SESSION TITLE**

**CONTAINS**

**SPEAKER NAME**

**CONTAINS**

**SESSION DATE/DATES**

**BETWEEN**

6/2/2023



and

6/5/2023



Find

Sessions

8:00 AM - 3:00 PM

F  
06/02

Sessions

**Exhibitor Set-up**

8:00 AM - 5:00 PM

**AAAE Accreditation Final Interviews**

8:00 AM - 5:00 PM

**Delegate and Exhibitor Registration**

12:00 PM - 5:00 PM

**Board of Directors/Policy Review Council** ✓

8:00 AM - 3:00 PM

**Exhibitor Set-up**

8:00 AM - 6:30 PM

**Delegate and Exhibitor Registration**

8:30 AM - 9:45 AM

**AAAE Chapter Meetings**

9:30 AM - 2:00 PM

**Accreditation Final Interviews**

10:15 AM - 12:00 PM

**Executive Business Meeting**

12:00 PM - 1:30 PM

F  
06/02

S  
06/03

Sessions

**Corporate Committee Meeting**

12:30 PM - 4:00 PM

**AAAE Committee Meetings**

12:45 PM - 4:00 PM

**Top 100 Airport CEO Leadership Focus** ✓

2:30 PM - 4:00 PM

**AAAE Committee Meetings**

3:00 PM - 3:30 PM

**Exhibitor Meeting**

5:00 PM - 6:30 PM

**Exhibit Hall Grand Opening and Welcome Reception**

5:15 PM - 5:45 PM

**Networking Reception with Newly Accredited Members**

6:45 PM - 7:45 PM

**Young Professionals Mixer**

8:00 AM - 9:00 AM

**Breakfast with Exhibitors**

8:00 AM - 6:30 PM

Sun  
06/04

**TOP 100 AIRPORT CEO LEADERSHIP FOCUS SESSION  
COLORADO CONVENTION CENTER**

**SATURDAY, JUNE 3**

**12 – 12:45 p.m. LUNCH**

**12:45 – 12:50 p.m. WELCOME & INTRODUCTIONS**  
Todd Hauptli  
President & CEO, AAAE

**12:50 – 2 p.m. TOP THREE IN '23**  
Lightning round where all the leaders in the room will share their top three leadership challenges in '23.

**2 – 3 P.M. LEADERSHIP INSIGHTS WITH LEADERSHIP GURU AMY RILEY**  
A presentation and interactive discussion with best-selling author Amy Riley.



**3 – 3:15 p.m. BREAK**

**3:15 – 4:15 p.m. LEADERSHIP LECTURE SERIES – VOLUME EIGHT**  
Since the inception of the Top 100 CEO Focus Sessions, we have had great conversations with a host of former airport leaders “unshackled” and “unplugged” as they share their observations and hard-earned wisdom. In Denver, we will hear from two longtime aviation leaders in our industry.



**Kelly Johnson, A.A.E.**  
Retired  
Northwest Arkansas Regional Airport



**Mark Duebner**  
Retired  
Dallas Love Field

**4:15 – 5 p.m. TOP 100 AIRPORT CEO NETWORKING RECEPTION**  
*Hosted by SSP America*

**5 – 6:30 p.m. EXHIBIT HALL GRAND OPENING AND WELCOME RECEPTION**

*The Top 100 Airport CEO Leadership Focus Session is Sponsored by:*



AAAE will cover your travel expenses (airfare, hotel room & tax and ground transportation) associated with traveling to Denver, CO. AA AE will reimburse for up to four (4) nights (Friday, June 2 – Tuesday, June 6) of your hotel stay. The travel reimbursement form is attached here for your convenience.

Please complete the travel form via this link - [2023 AA AE Annual Conference Leaders Travel Form](#) by **Friday, April 14**. Once we receive your travel details, including your arrival and departure details, we can arrange your hotel accommodations.

Please contact me at [Erin O'Connor](#) or 703.797.2520 should you have any questions. We look forward to seeing you in Denver!

Erin

Erin O'Connor  
Senior Manager, Leadership and Events  
e. [erin.oconnor@aaae.org](mailto:erin.oconnor@aaae.org)  
p. 703.797.2520 | c. 914.263.6638

[American Association of Airport Executives](#)  
The Barclay Building | 601 Madison Street | Alexandria, VA 22314

# **OUT OF TOWN TRAVEL REQUESTS**

**Kimberly Becker**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All out-of-town travel requests must conform to applicable provisions of [Policy 3.30](#).
- B. Once traveler completes form, submit to the traveler's Administrator for approval (for Board Members, President/CEO, General Counsel and Chief Auditor, Administrator is Board Executive Committee).

**TRAVELER INFORMATION:**

Traveler Name: Kimberly J. Becker Department: Executive, BU6  
 Position:  Board Member  President/CEO  General Counsel  Chief Auditor  
 All Other Authority Employees

DATE OF REQUEST: 06/07/2023 DATE OF DEPARTURE/RETURN: 10/27/2023 / 11/12/2023

**DESTINATION / BUSINESS PURPOSE:**

Destination: Seoul, Korea & Kyoto, Japan

Business Purpose: San Diego EDC World Trade Mission, Kyoto Symposium Awards, & Japan Airlines Air Service Visit

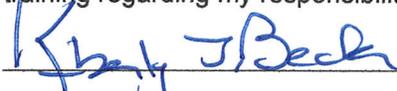
**PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:**

A. Transportation Costs:	
• Airfare <input checked="" type="checkbox"/> <i>check box for business class or equivalent (international only)</i>	\$ <u>6,000.00</u>
• Rental Car	\$
• Other Transportation (Taxi, TNC, Train, Bus)	\$ <u>300.00</u>
• Auto (Gas, Parking/Tolls, Mileage)	\$
B. Lodging (15 Days @ \$375)	\$ <u>5,625.00</u>
C. Meals and Incidental Expenses ( <i>Per Diem</i> ) (15 Days @ \$126)	\$ <u>1,890.00</u>
D. Seminar and Conference Fees	\$ <u>3,600.00</u>
E. Entertainment	\$
<b>TOTAL PROJECTED TRAVEL EXPENSES</b>	<b>\$ <u>17,415.00</u></b>

**CERTIFICATION BY TRAVELER**

By my signature below, I certify the following:

- 1. The above-listed projected out-of-town travel expenses conform to Policy 3.30, are reasonable and directly related to Authority business; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Travelers Signature:  Date: 6/7/23

**CERTIFICATION BY ADMINISTRATOR** (If Administrator is Executive Committee, Clerk certifies below.)

By my signature below, I certify the following:

- 1. I have reviewed this out-of-town travel request and made inquiries to determine that the out-of-town travel and identified expenses are directly related to and necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefits to the Authority; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

EDC -  
World Trade MISSION

**Casey Diane**

---

**From:** Nikia Clarke <nc@sandiegobusiness.org>  
**Sent:** Monday, April 10, 2023 8:34 AM  
**To:** Nikia Clarke  
**Cc:** Lucas Coleman; Caroline Murray  
**Subject:** Save the Date: San Diego to Seoul Trade Mission 10/28-11/3  
**Attachments:** SDinKR.png

Colleagues,

On behalf of San Diego Mayor Todd Gloria, World Trade Center San Diego invites you to save the date for our 2023 San Diego to Seoul Trade Mission. This delegation will build business relationships in a critical international market, open doors of opportunity for small businesses, and explore civic partnerships that confront the challenges of tomorrow.

Korea is a dynamic and innovative country, which promises to be a force in the global economy throughout this century. With complementary competitive advantages to San Diego in the life sciences, semiconductor, and clean energy industries, and given the rapidly evolving global policy environment around strategic sectors, Korea will be an important trade and investment partner in the decade ahead. This trade mission will focus on building institutional relationships and stimulating increased economic activity between the San Diego/Tijuana binational region and Seoul metropolitan area.

This targeted, cross-sectoral delegation will be comprised of approximately 30 of the region's senior officials, executives, and academic leadership.

Please confirm your interest to Caroline Murray at [CM@sandiegobusiness.org](mailto:CM@sandiegobusiness.org) by April 30. Registration information to follow.

We hope you can join us.

Nikia



**Nikia Clarke, PhD**  
Senior Vice President | She/her  
c | 858 935 0657  
Commit to [Inclusive Growth](#).   

# FROM SAN DIEGO TO SEOUL

October 28 - November 3, 2023



WORLD TRADE CENTER®  
SAN DIEGO

AN AFFILIATE OF  
SAN DIEGO REGIONAL

**EDC**

**Casey Diane**

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**From:** Dick Davis <admin@kyotosymposium.org>  
**Sent:** Tuesday, May 23, 2023 3:50 PM  
**To:** Casey Diane  
**Cc:** Marisa Lin  
**Subject:** Re: Kyoto Symposium Awards - Tokyo in November

Hi Diane,  
Hi Diane,

Please block off the evening of Nov. 9 though the night of Nov.11 in Kyoto - departing Kyoto any time on the 12th.

We are back to normal Kyoto Prize schedule for Nov. 10 and 11 - Have not heard yet re Nov. 9 welcome dinner. Travel directly from SAN to NRT/ITM, could likely mean departing SAN on JAL on the 7th. (We will also want to double check JAL flight schedules - hopefully soon back to daily in the months ahead between SAN and NRT.)

Departing Kyoto could be any convenient time on the 12th. So, please block off Nov. 9 evening to Nov.12 (morning) in Kyoto (She might have business in Tokyo the morning of the 9th - or an earlier day. Evening/night of Nov. 8 might be in Tokyo or Kyoto - and, of course, will depend on her other business meetings in Japan/Asia,

All the best

- Dick

-----  
Richard H. Davis  
Executive Director  
Kyoto Symposium Organization  
P.O. Box 3303  
La Jolla, CA 92038-3303  
858-344-6736  
admin@kyotosymposium.org  
[www.kyotoprize-us.org](http://www.kyotoprize-us.org)

On Tuesday, May 23, 2023 at 02:07:08 PM PDT, Casey Diane <dcasey@san.org> wrote:

Hi Marisa an Dick,

I know it's early, but I wanted to see if you know the dates for the Tokyo trip in November? I'm trying to set up Kim's schedule for a conference in Seoul and want to make sure I'm not overlapping with the Kyoto Awards trip.

Thanks and take care, Di

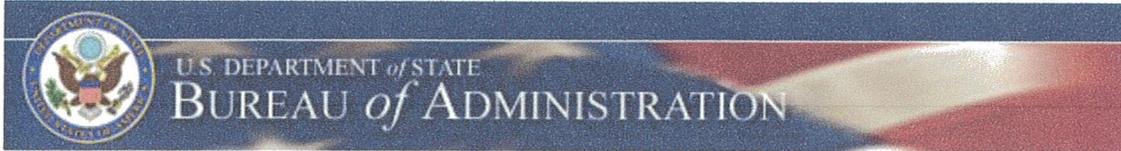


**Foreign Per Diem Rates In U.S. Dollars  
DSSR 925**

**Korea, South: Seoul  
Publication Date: 06/01/2023**

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<b>Country Name</b>	<b>Post Name</b>	<b>Season Begin</b>	<b>Season End</b>	<b>Maximum Lodging Rate</b>	<b>M &amp; IE Rate</b>	<b>Maximum Per Diem Rate</b>	<b>Footnote</b>	<b>Effective Date</b>
Korea, South	Seoul	01/01	12/31	230	125	355	<a href="#">View</a>	05/01/2023



**Foreign Per Diem Rates In U.S. Dollars  
DSSR 925**

**JAPAN: Kyoto  
Publication Date: 06/01/2023**

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<b>Country Name</b>	<b>Post Name</b>	<b>Season Begin</b>	<b>Season End</b>	<b>Maximum Lodging Rate</b>	<b>M &amp; IE Rate</b>	<b>Maximum Per Diem Rate</b>	<b>Footnote</b>	<b>Effective Date</b>
JAPAN	Kyoto	01/01	12/31	272	126	398	N/A	04/01/2023

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All out-of-town travel requests must conform to applicable provisions of Policy 3.30.
- B. Once traveler completes form, submit to the traveler's Administrator for approval (for Board Members, President/CEO, General Counsel and Chief Auditor, Administrator is Board Executive Committee).

**TRAVELER INFORMATION:**

Traveler Name: Kimberly J. Becker Department: Executive, BU6  
 Position:  Board Member  President/CEO  General Counsel  Chief Auditor  
 All Other Authority Employees

DATE OF REQUEST: 06/08/2023 DATE OF DEPARTURE/RETURN: 08/03/2023 / 08/04/2023

**DESTINATION / BUSINESS PURPOSE:**

Destination: Long Beach, CA Business Purpose: CAC Board Meeting

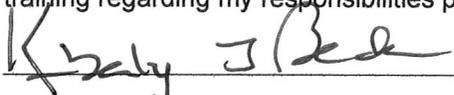
**PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:**

A. Transportation Costs:	
• Airfare <input checked="" type="checkbox"/> <i>check box for business class or equivalent (international only)</i>	\$ _____
• Rental Car	\$ _____
• Other Transportation (Taxi, TNC, Train, Bus)	\$ _____
• Auto (Gas, Parking/Tolls, Mileage)	\$ _____
B. Lodging	\$ <b>280.00</b>
C. Meals and Incidental Expenses ( <i>Per Diem</i> )	\$ <b>74.00</b>
D. Seminar and Conference Fees	\$ _____
E. Entertainment	\$ _____
<b>TOTAL PROJECTED TRAVEL EXPENSES</b>	<b>\$ 354.00</b>

**CERTIFICATION BY TRAVELER**

By my signature below, I certify the following:

- 1. The above-listed projected out-of-town travel expenses conform to Policy 3.30, are reasonable and directly related to Authority business; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Travelers Signature:  Date: 6/8/23

**CERTIFICATION BY ADMINISTRATOR** (If Administrator is Executive Committee, Clerk certifies below.)

By my signature below, I certify the following:

- 1. I have reviewed this out-of-town travel request and made inquiries to determine that the out-of-town travel and identified expenses are directly related to and necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefits to the Authority; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Casey Diane

---

**From:** Lina Bernal <lbernal@calstrat.com>  
**Sent:** Wednesday, June 7, 2023 3:50 PM  
**To:** Atif Elkadi; Charlene Reynolds; Chris Hastert; Cody Roggatz; Courtney Johnson; csimon@portoakland.com; Cynthia Guidry; Eric Ray; Frank Miller; Greg Baer; Harry Barrett; Henry Thompson; Hnuss Nussbaumer; Ivar Satero; Jamie Abbott; Jenell Guerrero; Jim Wadleigh; John Aitken; John Otto; jstout@sonomacountyairport.org; Justin Erbacci; Keith Freitas; Kerry Fenton; Becker Kim; Mark Gibbs; Martin Pehl; Mike Burrows; mike@montereyairport.com; nicholc@saccounty.net; Richard Sokol; Ron Brewster; Ryan Cooley; Tom Bahr  
**Cc:** bdoten@lawa.org; cathy.widener@flysfo.com; dgonzalez@portoakland.com; dhutchings@publicpolicygroup.com; don@egrslobby.com; efreed@ocair.com; gfirestone@lawa.org; gsilva2@lawa.org; jhatanaka@bur.org; Jim Lites; johnstonsc@saccounty.net; kfoy@mjarnold.com; Lauren Wesche; Lauren Wesche; madams2@lawa.org; marnold@mjarnold.com; martha.whetstone@flysfo.com; mdavis@portoakland.com; Harris Matt; mkazmierczak@sjc.org; mrubalcava@nmgovlaw.com; ndinger@ocair.com; phardy@collectivestrategies.us; pmarcello@bur.org; Barnhorst Sophie; stephanie@cruzstrategies.com; steve@cruzstrategies.com; wimsattc@saccounty.gov; Yeghig Keshishian; Amanda Parise; Betty SooHoo (AIR); Castro, Ana; ccalzada@ocair.com; Chris Arrigale (chris.arrigale@flysfo.com); Casey Diane; Emily Madrigal (emily.madrigal@fresno.gov); hlang@portoakland.com; Karen Kirk (KKirk@bur.org); Karen Ng (AIR); Ken Mason (Ken.Mason@longbeach.gov); Kerry Fenton; Lilly Banuelos (Lilly.Banuelos@fresno.gov); Linda Crockett (LCrockett@portoakland.com); Martha Preciado (mpreciado@flyontario.com); Maureen Graham; McCoy, Connie (McCoyC@saccounty.net); Michelle Casey; Miller, Denise; NUNN, BRANDON J.; Pam Pace-Greene (PPace-Greene@lawa.org); Ramirez, Kathleen [JWA]; Hendle Serena; Shezzell Johnson (ShezzellJohnson@lawa.org); Valerie Brown-McCain (vbrown-mccain@lawa.org)  
**Subject:** Aug. 3-4 CAC Meeting

Good afternoon, CAC members:

The next CAC meeting is August 3-4 at the [Renaissance Hotel](#) in Long Beach, CA, with details to follow next week. The schedule is:

**Aug. 3**  
**6 P.M. Dinner – L’Opera**

**Aug. 4**  
**8:30 A.M. – Breakfast**  
**9 A.M. – Meeting**  
**1 P.M. – Adjournment and Lunch**

Please let us know if there are questions or concerns.

Thank you!

Lina

# FY 2023 Per Diem Rates for California

Meals & Incidentals (M&IE) Breakdown

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel
Los Angeles	Los Angeles / Orange / Ventura / Edwards AFB less the city of Santa Monica	\$74	\$17	\$18	\$34	\$5	\$55.50
Standard Rate	Applies for all locations without specified rates	\$59	\$13	\$15	\$26	\$5	\$44.25

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All out-of-town travel requests must conform to applicable provisions of Policy 3.30.
- B. Once traveler completes form, submit to the traveler's Administrator for approval (for Board Members, President/CEO, General Counsel and Chief Auditor, Administrator is Board Executive Committee).

TRAVELER INFORMATION:

Traveler Name: Kimberly J. Becker Department: Executive, BU6  
 Position:  Board Member  President/CEO  General Counsel  Chief Auditor  
 All Other Authority Employees

DATE OF REQUEST: 06/22/2023 DATE OF DEPARTURE/RETURN: 09/18/2023 / 09/19/2023

DESTINATION / BUSINESS PURPOSE:

Destination: Seattle, WA Business Purpose: Alaska Air Headquarters Visit

PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:

A. Transportation Costs:	
• Airfare <input type="checkbox"/> <i>check box for business class or equivalent (international only)</i>	\$ <u>200.00</u>
• Rental Car	\$ _____
• Other Transportation ( <i>Taxi, TNC, Train, Bus</i> )	\$ _____
• Auto ( <i>Gas, Parking/Tolls, Mileage</i> )	\$ _____
B. Lodging	\$ <u>300.00</u>
C. Meals and Incidental Expenses ( <i>Per Diem</i> )	\$ <u>160.00</u>
D. Seminar and Conference Fees	\$ _____
E. Entertainment	\$ _____
<b>TOTAL PROJECTED TRAVEL EXPENSES</b>	<b>\$ <u>660.00</u></b>

**CERTIFICATION BY TRAVELER**

By my signature below, I certify the following:

1. The above-listed projected out-of-town travel expenses conform to Policy 3.30, are reasonable and directly related to Authority business; and
2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Travelers Signature:  Date: Jun 22, 2023

**CERTIFICATION BY ADMINISTRATOR** *(If Administrator is Executive Committee, Clerk certifies below.)*

By my signature below, I certify the following:

1. I have reviewed this out-of-town travel request and made inquiries to determine that the out-of-town travel and identified expenses are directly related to and necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefits to the Authority; and
2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

## Casey Diane

---

**Subject:** Alaska Air - Air Service Team Meeting

**Start:** Mon 9/18/2023 2:00 PM

**End:** Mon 9/18/2023 4:00 PM

**Show Time As:** Out of Office

**Recurrence:** (none)

**Organizer:** Becker Kim

**Categories:** Offsite Business Meeting

Meals & Incidentals (M&IE) Breakdown

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel
Seattle	King	\$79	\$18	\$20	\$36	\$5	\$59.25

**Amy Gonzalez**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All out-of-town travel requests must conform to applicable provisions of Policy 3.30.
- B. Once traveler completes form, submit to the traveler's Administrator for approval (for Board Members, President/CEO, General Counsel and Chief Auditor, Administrator is Board Executive Committee).

**TRAVELER INFORMATION:**

Traveler Name: Amy Gonzalez Department: 15  
 Position:  Board Member  President/CEO  General Counsel  Chief Auditor  
 All Other Authority Employees

DATE OF REQUEST: 6/6/2023 DATE OF DEPARTURE/RETURN: 9/30/2023 / 10/3/2023

**DESTINATION / BUSINESS PURPOSE:**

Destination: Long Beach, CA Business Purpose: ACI-NA 2023 Conference

**PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:**

A. Transportation Costs:		
• Airfare <input type="checkbox"/> <i>check box for business class or equivalent (international only)</i>		\$ _____
• Rental Car		\$ _____
• Other Transportation (Taxi, TNC, Train, Bus)		\$ _____
• Auto (Gas, Parking/Tolls, Mileage)		\$ <u>62.54</u>
B. Lodging		\$ <u>972.55</u>
C. Meals and Incidental Expenses ( <i>Per Diem</i> )		\$ <u>100</u>
D. Seminar and Conference Fees		\$ <u>975</u>
E. Entertainment		\$ _____
<b>TOTAL PROJECTED TRAVEL EXPENSES</b>		<b>\$ <u>2,110.09</u></b>

**CERTIFICATION BY TRAVELER**

By my signature below, I certify the following:

- The above-listed projected out-of-town travel expenses conform to Policy 3.30, are reasonable and directly related to Authority business; and
- I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Travelers Signature:  Date: 6-7-2023

**CERTIFICATION BY ADMINISTRATOR** *(If Administrator is Executive Committee, Clerk certifies below.)*

By my signature below, I certify the following:

- I have reviewed this out-of-town travel request and made inquiries to determine that the out-of-town travel and identified expenses are directly related to and necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefits to the Authority; and
- I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

I, \_\_\_\_\_, certify that this document was approved  
*(Name of Clerk)*  
 by the Executive Committee at its \_\_\_\_\_ meeting.  
*(Meeting Date)*