

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

Robert H. Gleason
Board Chair

C. April Boling
Greg Cox
Jim Desmond
Lloyd B. Hubbs
Jim Janney
Mark Kersey
Paul Robinson
Mary Sessom

BOARD **AGENDA**

Thursday, June 23, 2016
9:00 A.M.

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

Ex-Officio Board Members

Laurie Berman
Eraina Ortega
Col. Jason Woodworth

President / CEO

Thella F. Bowens

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

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

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

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

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

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

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATIONS:

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

STANDING BOARD COMMITTEES

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

ADVISORY COMMITTEES

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

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
Liaison: Janney
- **CALTRANS:**
Liaison: Berman
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cox

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

BOARD REPRESENTATIVES (EXTERNAL)

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

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

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 1-11):

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

1. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior Board meetings.
RECOMMENDATION: Approve the minutes of the April 21, 2016 regular meeting and May 19, 2016 regular meeting.

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

The Board is requested to accept the reports.

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

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

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM APRIL 25, 2016 THROUGH MAY 26, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM APRIL 25, 2016 THROUGH MAY 26, 2016:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

4. JUNE 2016 LEGISLATIVE REPORT:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2016-0045, approving the June 2016 Legislative Report.

(Inter-Governmental Relations: Michael Kulis, Director)

5. APPOINTMENT OF PUBLIC MEMBER TO THE AUDIT COMMITTEE:

The Board is requested to approve the re-appointment.

RECOMMENDATION: Adopt Resolution No. 2016-0046, appointing Andrew Hollingworth to a new term as a Public Member to the Audit Committee.

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

6. APPOINTMENT OF MEMBER TO THE ART ADVISORY COMMITTEE:

The Board is requested to approve the appointment.

RECOMMENDATION: Adopt Resolution No. 2016-0047, approving the appointment of Indra Gardiner and Michael Soriano to a new term on the Art Advisory Committee.

(Vision, Voice & Engagement: Diana Lucero, Director)

CLAIMS

COMMITTEE RECOMMENDATIONS

7. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2016:

The Board is requested to accept the report.

RECOMMENDATION: Accept the report.

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

8. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF MARCH 31, 2016:

The Board is requested to accept the report.

RECOMMENDATION: Accept the report.

(Business and Financial Management: Geoff Bryant, Manager)

CONTRACTS AND AGREEMENTS

9. AWARD A CONTRACT TO UNIVERSAL COATINGS, INC. FOR AIR FREIGHT BUILDING ROOF REPLACEMENT AT SAN DIEGO INTERNATIONAL AIRPORT:

The Board is requested to approve a contract.

RECOMMENDATION: Adopt Resolution No. 2016-0048, awarding a contract to Universal Coatings, Inc., in the amount of \$312,700 for Project No. 104191, Air Freight Building Roof Replacement at San Diego International Airport.

(Facilities Development: Iraj Ghaemi, Director)

10. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A MEMORANDUM OF UNDERSTANDING FOR THE COLLECTION OF RETIREE HEALTH BENEFITS PREMIUMS WITH THE SAN DIEGO CITY EMPLOYEE RETIREMENT SYSTEM (SDCERS):

The Board is requested to authorize a Memorandum of Understanding.

RECOMMENDATION: Adopt Resolution 2016-0049, Authorizing the President/CEO to execute the Memorandum of Understanding and perform any and all other actions necessary to establish the collection of retiree health benefits premiums with SDCERS.

(Talent, Culture & Capability: Kurt Gering, Director)

11. APPROVE A TASK AUTHORIZATION TO DENOVO VENTURES, LLC, UTILIZING ON-CALL PROFESSIONAL AND TECHNICAL E1 SUPPORT SERVICES AGREEMENT:

The Board is requested to approve an agreement.

RECOMMENDATION: Adopt Resolution No. 2016-0050, approving a Task Authorization to Denovo Ventures, LLC utilizing On-Call Professional & Technical E1 Support Services Agreement for an Amount not-to-exceed \$450,000 for Implementation and Configuration of the JD Edwards EnterpriseOne (E1) Capital Asset Management Services.

(Information & Technology Services: Rick Belliotti, Director)

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

PUBLIC HEARINGS:

NEW BUSINESS:

12. DISCUSSION AND POSSIBLE ACTION REGARDING THE AIRPORT PARKING MANAGEMENT AND PARKING SHUTTLE AGREEMENTS TO INCLUDE ISSUANCE OF A REQUEST FOR PROPOSAL OR AMENDMENTS TO EXISTING AGREEMENTS:

The Board is requested to authorize issuance of requests for proposals or amendments to existing agreements.

RECOMMENDATION: Adopt Resolution No. 2016-0055, authorizing the President/CEO to proceed with issuance of Requests for Proposals ("RFP") for provision of Airport Parking Management and Airport Parking Shuttle Services. Selection and implementation of the Airport Parking Management and Airport Parking Shuttle agreements shall coincide with the termination of the existing agreements.

(Ground Transportation: David Boenitz, Director)

13. TRANSPORTATION NETWORK COMPANY (TNC) PILOT PROGRAM UPDATE:

The Board is requested to approve the program.

RECOMMENDATION: Adopt Resolution No. 2016-0054, to approve a permanent Transportation Network Company (TNC) Program at San Diego International Airport.

(Ground Transportation: David Boenitz, Director)

14. UPDATE ON THE SAN DIEGO INTERNATIONAL AIRPORT TRANSIT PLAN:

The Board is requested to accept the update.

RECOMMENDATION: Accept the update.

(Development: Jeffrey Woodson, Vice President)

15. APPROVAL AND ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2017, THE CAPITAL PROGRAM FOR FISCAL YEARS 2017-2021, AND CONCEPTUAL APPROVAL OF THE OPERATING BUDGET FOR FISCAL YEAR 2018:

The Board is requested to approve the operating budget and capital program.
RECOMMENDATION: Adopt Resolution No. 2016-0052, approving and adopting the Authority's Annual Operating Budget for Fiscal Year 2017, the Capital Program for Fiscal Years 2017-2021, and conceptually approving the Operating Budget for Fiscal Year 2018.

(Finance & Asset Management: Scott Brickner, Vice President/ Treasurer)

16. GRANT A 5-YEAR CONCESSION LEASE TO SFS BEAUTY CA, LLC TO DESIGN, BUILD AND OPERATE A TOP RANKED PRESTIGE COSMETICS RETAIL MODULAR UNIT WITHIN TERMINAL 2 WEST:

The Board is requested to approve the lease.

RECOMMENDATION: Adopt Resolution No. 2016-0053, awarding a five-year concession lease to SFS Beauty CA, LLC to Design, Build and Operate a Top Ranked Prestige Cosmetics Retail Modular Unit within Terminal 2 West at San Diego International Airport and authorizing the President/CEO to take all necessary actions to execute the concession lease.

(Real Property and Concessions: Eric Podnieks, Program Manager)

OLD BUSINESS:

17. UPDATE ON NOISE ISSUES AND AMENDMENT OF AUTHORITY POLICY 9.20 – SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE:

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

RECOMMENDATION: Adopt Resolution No. 2016-0051, accepting the update on noise issues and the amendment of Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee.

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

CLOSED SESSION:

18. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

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

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

19. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:

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

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

- 20. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a)):
Maria Paula Bermudez v. San Diego County Regional Airport Authority, American Airlines, Inc., et al.
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL
- 21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1))
Stanley Moore v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL
- 22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
Cal. Gov. Code § 54956.9(a) and (d).
In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]
- 23. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2

REPORT ON CLOSED SESSION:

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.

GENERAL COUNSEL REPORT:

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

BOARD COMMENT:

ADJOURNMENT:

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

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

Additional Meeting Information

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

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

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

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

UPCOMING MEETING SCHEDULE

<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
July 21	Thursday	9:00 AM	Regular	Board Room

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, APRIL 21, 2016
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER: Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority Board to order at 9:03 a.m. on Thursday, April 21, 2016, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Alvarez, Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom

ABSENT: Board Members: Berman (Ex Officio), Ortega (Ex Officio), Woodworth (Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Linda Gehlken, Assistant Authority Clerk I

Board Members Alvarez and Sessom arrived during the course of the meeting.

PRESENTATIONS: None

Chair Gleason announced that the Consent Agenda would be heard first, followed by Item 12.

CONSENT AGENDA (Items 1-10):

Chair Gleason requested that Item 4 be pulled from the Consent Agenda for discussion.

ACTION: Moved by Board Member Desmond and seconded by Board Member Janney to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Boling, Cox, Desmond, Gleason, Hubbs, Janney, Robinson; NO – None; ABSENT – Alvarez, Sessom. (Weighted Vote Points: YES – 79; NO – 0; ABSENT – 21)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the March 7, 2016 special meeting and the March 17, 2016 regular meeting.

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

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

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM FEBRUARY 22, 2016 THROUGH MARCH 20, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM FEBRUARY 22, 2016 THROUGH MARCH 20, 2016:

RECOMMENDATION: Receive the report.

4. APRIL 2016 LEGISLATIVE REPORT:

ACTION: This item was removed from the Consent Agenda for discussion.

5. AMEND AUTHORITY POLICIES 1.20 - FORMATION OF BOARD COMMITTEES AND 1.30 – MEETINGS OF THE BOARD OF DIRECTORS AND BOARD COMMITTEES:

RECOMMENDATION: Adopt Resolution No. 2016-0027, amending Authority Policy 1.20 – Formation of Committees and Policy 1.30 – Meetings, Agendas and Voting of the Board of Directors, to set the date, time and place of Board and Committee meetings.

CLAIMS

6. REJECT THE CLAIM OF ANTHONY NACIN:

RECOMMENDATION: Adopt Resolution No. 2016-0028, rejecting the claim of Anthony Nacin.

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

7. APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY FOR NORTH SIDE UTILITY (NSU) STORM DRAIN TRUNK PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2016-0029, approving and authorizing an increase in the President/CEO's change order authority from \$415,867.20 to an amount not to exceed \$439,895.88, for Project No. 104118E, NSU Storm Drain Trunk at San Diego International Airport.

- 8. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE VEBA TRUST AGREEMENT WITH MATRIX TRUST COMPANY AS SUCCESSOR TRUSTEE TO US BANK:**
RECOMMENDATION: Adopt Resolution 2016-0030, authorizing the President/CEO to execute the Matrix Trust Company VEBA Trust Agreement and perform any and all other actions necessary to assign Matrix Trust Company as the successor trustee.
- 9. APPROVE THE ASSIGNMENT OF AUTHORITY AGREEMENT 209173OS WITH STUTZ ARTIANO SHINOFF & HOLTZ APC FOR GENERAL LEGAL SERVICES TO DEVANEY PATE MORRIS & CAMERON LLP:**
RECOMMENDATION: Adopt Resolution No. 2016-0031, approving the assignment of Authority Agreement No. 209173OS with Stutz Artiano Shinoff & Holtz APC for General Legal Services to Devaney Pate Morris & Cameron LLP.
- 10. GRANT A RENTAL CAR CENTER LEASE AND CONCESSION AGREEMENT TO GREEN MOTION SAN, LLC:**
RECOMMENDATION: Adopt Resolution No. 2016-0032, authorizing the President/CEO to negotiate and execute a Non-Exclusive On-Airport Rental Car Concession Agreement and a Rental Car Center Lease Agreement with Green Motion SAN, LLC.

Board Member Alvarez arrived at 9:08 a.m.

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

- 12. STATUS UPDATE AND POSSIBLE ACTION ON COMMUNITY NOISE ISSUES:**
Sjohnna Knack, Program Manager, and Breton K. Lobner, General Counsel, provided a presentation which included the Legal Aspects of Noise, Timeline – Aircraft Noise Concerns, Aircraft Noise and Operations Monitoring System (ANOMS), Airport Noise Advisory Committee (ANAC), Noise Dot Clarification, Common Noise Sources, Shrinking Contours, Total Operations 2005 through 2015, Point Loma Peninsula Analysis, Five Noise Studies, Ground Noise Modeling Summary, Pt. Loma Peninsula Monitoring, Definitions: Early Turns and Missed Approach, Annual Noise Statistics, Additional Efforts, and Board Recommendations.

Board Member Sessom arrived at 9:28 a.m.

Board Member Cox recommended that two voting representatives be added to the composition of the ANAC, and they be a member who resides in the 60-65 dB CNEL area, and the other member represent an organized community group focused on noise issues.

Board Member Boling stated that the ex officio member should be a voting member and that the subcommittee should feed information up to the ANAC. She also stated that the additional voting member should be a member of the subcommittee.

Chair Gleason recommended that staff improve the environment of the ANAC meetings and consider changing facilitators.

In response to Board Member Alvarez regarding observations and notifications of deviations from the Red Dot Agreement, Barry Davis, Federal Aviation Administration (FAA) Terminal Radar Approach Control (TRACON), stated that they try to comply with the Red Dot Agreement at all times; but deviations may occur from the departure procedures or the agreement sometimes due to weather conditions or to maintain the safety and/or efficiency of flight. He further stated that there is no official notification, but that a review is done to establish the cause of the deviation.

Board Member Hubbs requested that the noise dot flight tracker and complaints be provided.

In response to Board Member Cox regarding efforts being made by the Authority to diminish "early turn" activity, Ms. Knack stated that there are ongoing meetings with the airlines and chief pilot groups for air carriers to identify ways to bring more attention to "early turns" and to ensure they understand the definition.

Thella F. Bowens, President/CEO, stated that annual meetings have been held with air carriers and the chief pilot groups over the years to discuss how flights occur over the area of San Diego International Airport. She stated that in response to the latest community concerns, the frequency of these meetings was increased, and include all carriers servicing the airport.

In regards to the "Fly Quiet Program," Ms. Bowens stated that staff would update the Board on how quickly it can be implemented.

SANDY VALONE, SAN DIEGO, stated that there has been an increase in noise that has impacted their quality of life. She urged the Board to investigate the issue and to provide possible noise abatement assistance for impacted residents in the area.

CASEY SCHNOOR, SAN DIEGO, expressed concern regarding an increase in noise in the Point Loma area and encouraged the Board to create a subcommittee of the ANAC.

JULIE GILDRED CONNOLLY, SAN DIEGO, urged the Board to address the noise in her community.

BRUCE BAILEY, SAN DIEGO, expressed appreciation to the Board for their time and energy in addressing the concerns of the community, but also expressed frustration with the ANAC meeting process.

ALAN HARRIS, SAN DIEGO, representing residents of Pacific Beach, asked that an opportunity be provided to allow residents of his community to voice their concerns regarding the noise issues.

Board Member Cox recommended restructuring the ANAC, and stated that he concurred with the proposal to increase the frequency of meetings. He recommended that a sub-committee be added to the ANAC, and that the membership of the ANAC be expanded by two voting members to include one member who resides in the 60-65 dB CNEL area and the other member who represents an organized community group focused on noise issues. He also requested that staff come back with suggestions on how to memorialize the Red Dot Agreement. He recommended the frequency of the ANAC meetings for the immediate future be bi-monthly.

Board Member Sessom expressed concern that the Authority may be taking on an issue which it does not have control, due to the regulations of the FAA and TRACON. She stated that the Authority's role is to facilitate the process, not solve the problems and raise expectations.

Board Member Janney stated that it seems like the issues are more focused on the South and not the North. He also stated that he is not sure that the "Fly Quiet Program" have been discussed enough.

Board Member Hubbs expressed concern that the Authority is embarking on an impossible task and that we need to keep the lines of communication open. He stated that he doesn't think there will be any perfect solutions.

Board Member Boling stated that the Authority has a responsibility to provide information to the community and to do everything we can to help solve the issues. She stated that the subcommittee should be a "Standing Committee."

Chair Gleason expressed concern that the Board doesn't understand what's involved in formalizing the Noise Dot Agreement.

Ms. Bowens recommended that, with today's direction from the Board, the Authority work with the air carriers to try and address the issues before entering into a process to formalize the Red Dot Agreement.

Chair Gleason clarified that the Board's direction still includes moving forward with looking at increasing the frequency of downloading flight track data, identifying the reasons for the early turns, that early turns will no longer include an altitude ceiling and that ANAC notices be included in the Board Information Packet.

Board Member Alvarez questioned if the motion included leaving all other dots in their current locations.

RECOMMENDATION: Adopt Resolution No. 2016-0034, approving the April 21, 2016 Update – Noise Issues.

ACTION: Moved by Board Member Cox and seconded by Board Member Robinson to approve Resolution No. 2016-0034R as amended to request that Noise Dots 1,2,4 and 5 remain in place and that the Board direct staff to: 1) conduct bi-monthly meetings of the Airport Noise Advisory Committee (ANAC); 2) expand the membership of the ANAC to include representation of two additional voting members, one member who resides in the 60-65 dB CNEL area and the other member who represents an organized community group focused on noise issues; 3) request a noise audit by the State through Assembly Woman Atkins' Office; 4) create an Ad Hoc subcommittee of the ANAC to address noise issues, and report back to the Board at the May meeting with the requested direction for Board approval; and 5) at a later date, report back to the Board with a report outlining the pros and cons associated with memorializing the Noise Dot Agreement so that there is consistent application. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Robinson; NO – Hubbs, Janney, Sessom; ABSENT – None. (Weighted Vote Points: YES – 68; NO –32; ABSENT – 0)

NEW BUSINESS:

11. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FOURTH AMENDMENT TO THE CONTRACT WITH ACE PARKING MANAGEMENT, INC.:

Angela Shafer-Payne, Vice President, Operations, provided a presentation on the ACE Airport Shuttle Services Amendment which included Background and Contract Summary.

KEITH JONES, SAN DIEGO, representing ACE Parking Management, spoke in support of the contract amendment.

TONY YOUNG, SAN DIEGO, spoke in support of the contract amendment and ACE Parking Management.

Board Member Robinson reported ex parte communication with Keith Jones.

Board Member Hubbs reported ex parte communication with Keith Jones.

RECOMMENDATION: Adopt Resolution No. 2016-0033, approving and authorizing the President/CEO to execute a Fourth Amendment to the contract with ACE Parking Management, Inc. for Airport Shuttle Services to increase the compensation by \$2,530,682 resulting in a not-to-exceed compensation amount of \$31,330,682.

ACTION: Moved by Board Member Desmond and seconded by Board Member Cox to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom; NO – None; ABSENT- None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

Board Member Janney left the dais at 12:03 p.m.

13. AUTHORIZE AND ADOPT THE CREATION OF A SEASONAL INTERNATIONAL AIR SERVICE INCENTIVE PROGRAM (SIASIP):

RECOMMENDATION: Adopt Resolution No. 2016-0026, authorizing the creation of a Seasonal International Air Service Incentive Program (SIASIP).

ACTION: Moved by Board Member Alvarez and seconded by Board Member Sessom to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Hubbs, Robinson, Sessom; NO – None; ABSENT- Janney. (Weighted Vote Points: YES – 88; NO – 0; ABSENT – 12)

Board Member Janney returned to the dais at 12:07 p.m.

The Board recessed at 12:08 p.m. and reconvened at 12:13 p.m.

Chair Gleason stated that Consent Item 4 would be heard at this time.

ITEMS REMOVED FROM THE CONSENT AGENDA FOR DISCUSSION

4. APRIL 2016 LEGISLATIVE REPORT:

Michael Kulis, Director, Inter-Governmental Relations, stated that due to the change in the language of AB2611, staff is recommending that the Board change its position from "Support" to "Watch." He also reported that the Federal Aviation Administration Reauthorization Bill was approved by the U.S. Senate and assigned the new number, H.R. 636.

RECOMMENDATION: Adopt Resolution No. 2016-0025, approving the April 2016 Legislative Report.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve the April 2016 Legislative Report as amended. Motion carried by the following vote: YES – Alvarez, Boling Cox, Desmond, Gleason, Hubbs, Janney, Robinson, Sessom; NO – None; ABSENT- None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

PUBLIC HEARINGS: None

OLD BUSINESS: None

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
None
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
None
- **FINANCE COMMITTEE:**
Board Member Boling reported that the Committee met on April 4th and reviewed and accepted the financial reports of the Authority.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
None
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported that the Request for Proposal (RFP) for the 2017 temporary exhibitions will be released next month, and that the Performing Residency Program with Fern Street Circus will begin performances in May. He also reported that there will be a public art dedication on April 28 for the Rental Car Center and encouraged Board Members to attend.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
None
- **CALTRANS:**
None
- **INTER-GOVERNMENTAL AFFAIRS:**
Board Member Cox reported that on April 19 the U.S. Senate approved an 18-month FAA Re-Authorization Bill, and stated that the current bill does not include any change to the Passenger Facility Charge limit and does not provide assistance in re-establishing non-stop service between San Diego and Ronald Reagan Washington National Airport. He reported that Congress has until July 15, 2016 to either pass this bill or to approve another extension. He reported that the Senate Appropriation Committee is expected to begin consideration of the Fiscal Year 2017 Transportation Appropriations Bill. He also reported that on April 5th Authority

staff provided a briefing and tour to California Air Resources Board staff, and on April 7, Authority staff participated in the California Airport Council Board meeting held in Sacramento. He reported that Authority staff is scheduled to provide an Airport Land Use Compatibility Plan briefing to Coronado Mayor Casey Tanaka.

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

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Janney reported that during their recent meeting, the Committee had a presentation regarding Transportation Investment Generating Economic Recovery (TIGER) Grants; he suggested that the Authority explore engaging in this competitive process as it appears to be a good opportunity for funds.

Scott Brickner, Vice President, Finance and Asset Management, stated that although not successful in past attempts, staff has been pursuing this opportunity and will continue to apply.

CHAIR'S REPORT:

Chair Gleason reported that Board Member Alvarez represented the Authority on the Chamber of Commerce's delegation to the California Mexico Trade Initiative Conference in Mexico City.

Board Member Alvarez reported that during the trip to Mexico City, tourism focused issues were discussed, mainly sports and fishing and ways to attract more tourism. He stated that the delegation met with the Secretary of Tourism. He also stated that a written report will be provided to the Board.

Chair Gleason reported that he attended the opening dinner of the Cross Border Terminal. He also reminded the Board that as the current Fiscal Year closes and a new one begins, budget discussions will be at the center of upcoming meetings.

PRESIDENT/CEO'S REPORT:

Thella F. Bowens, President/CEO, reported that Small Business Development is partnering with Vision, Voice and Engagement staff to create a social media outreach group to increase participation in the Small Business programs. She reported that the Authority has once again been recognized as a Recycler of the Year by the City of San Diego. She also provided an overview of the ACI World Governing Board Meeting she attended recently.

NON-AGENDA PUBLIC COMMENT: None

CLOSED SESSION: The Board did not recess into Closed Session.

- 14. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Donna Wilson; John Wilson v. San Diego County Regional Airport Authority;
Turner-PCL-Flatiron, a joint venture.
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL (Meyer)
- 17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a)):
Maria Paula Bermudez v. San Diego County Regional Airport Authority,
American Airlines, Inc., et al.
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL
- 18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1))
Stanley Moore v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL
- 19. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
Cal. Gov. Code § 54956.9(a) and (d).
In the matter of the Petition of San Diego County Regional Airport Authority for
Review of Action by the California Regional Water Quality Control Board in
Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001
and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and
13321(a)]
- 20. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)
Jay A. Bass, et al v. San Diego City Employees’ Retirement System, et al.,
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL

- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2

REPORT ON CLOSED SESSION: None

NON-AGENDA PUBLIC COMMENT: None

GENERAL COUNSEL REPORT: None

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

BOARD COMMENT: None

ADJOURNMENT: The meeting was adjourned at 12:27 p.m.

APPROVED BY A MOTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 19th DAY OF MAY, 2016.

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

APPROVED AS TO FORM:

BRETON K. LOBNER
GENERAL COUNSEL

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MAY 19, 2016
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER: Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority to order at 9:37 a.m. on Thursday, May 19, 2016, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Council Member David Alvarez led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Gleason, Janney, Kersey, Robinson,
Sessom, Woodworth (Ex Officio)

ABSENT: Board Members Berman (Ex Officio), Boling, Cox,
Desmond, Hubbs, Ortega (Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Breton K. Lobner, General
Counsel; Tony R. Russell, Director, Corporate and Information
Governance/Authority Clerk; Ariel Levy-Mayer, Assistant Authority
Clerk I

Chair Gleason announced that the Consent Agenda would be heard first, followed by Item 17; and Items 18, 19, and 20 would be scheduled for discussion at the June Executive/Finance Committee Meeting or June Board Meeting.

The Board recognized and thanked Council Member David Alvarez, for his service on the Board.

Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk, administered the Oath of Office to Board Member Mark Kersey.

CONSENT AGENDA (Items 1-16):

Board Member Sessom requested that Item 1 be pulled from the Consent Agenda for discussion.

Chair Gleason announced that Item 8 would be pulled from the Consent Agenda for discussion during Closed Session.

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve the Consent Agenda as amended. Motion carried by the following vote: YES - Gleason, Janney, Kersey, Robinson, Sessom; NO – None; ABSENT – Boling, Cox, Desmond, Hubbs. (Weighted Vote Points: YES – 55; No – 0; ABSENT - 45)

1. **APPROVAL OF MINUTES:**
ACTION: This item was forwarded to the June 23, 2016 Board Meeting for approval.
2. **ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**
RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.
3. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM MARCH 21, 2016 THROUGH APRIL 24, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM MARCH 21, 2016 THROUGH APRIL 24, 2016:**
RECOMMENDATION: Receive the report.
4. **MAY 2016 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2016-0035, approving the May 2016 Legislative Report.

CLAIMS

5. **REJECT THE CLAIM OF KELLY MARKES:**
RECOMMENDATION: Adopt Resolution No. 2016-0036, rejecting the claim of Kelly Markes.
6. **REJECT THE CLAIM OF MAHNAZ KASRAIE:**
RECOMMENDATION: Adopt Resolution No. 2016-0037, rejecting the claim of Mahnaz Kasraie.

7. **REJECT THE CLAIM OF SARAH MOWRY:**
RECOMMENDATION: Adopt Resolution No. 2016-0038, rejecting the claim of Sarah Mowry.
8. **REJECT THE CLAIM OF GGTW, LLC:**
ACTION: This item was pulled from the consent agenda for discussion during Closed Session.

COMMITTEE RECOMMENDATIONS

9. **ANNUAL REVIEW AND APPROVAL OF AMENDMENTS TO AUTHORITY POLICY 4.20 – POLICY GUIDELINES FOR PRUDENT INVESTMENTS, DELEGATION OF AUTHORITY TO INVEST AND MANAGE AUTHORITY FUNDS TO THE VICE PRESIDENT, FINANCE AND ASSET MANAGEMENT/TREASURER:**
RECOMMENDATION: Adopt Resolution No. 2016-0040, approving amendments to Authority Policy 4.20 – Policy Guidelines for Prudent Investments, and delegating authority to invest and manage Authority funds to the Vice President, Finance and Asset Management/Treasurer.
10. **ANNUAL REVIEW OF AUTHORITY POLICY 4.40 – DEBT ISSUANCE AND MANAGEMENT:**
RECOMMENDATION: Accept the annual review of Authority Policy 4.40 – Debt Issuance and Management.
11. **REQUIRED COMMUNICATION TO THE AUDIT COMMITTEE ON THE FINANCIAL AND COMPLIANCE AUDIT FOR THE FISCAL YEAR ENDED JUNE 30, 2016:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the information.
12. **FISCAL YEAR 2016 THIRD QUARTER ACTIVITIES REPORT AND AUDIT RECOMMENDATIONS ISSUED BY THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the information.
13. **FISCAL YEAR 2017 PROPOSED AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: Adopt Resolution No. 2016-0041, approving the proposed Fiscal Year 2017 Audit Plan.
14. **REVISION TO THE FISCAL YEAR 2016 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: Adopt Resolution No. 2016-0042, approving the revision to the Fiscal Year 2016 Audit Plan of the Office of the Chief Auditor.

CONTRACTS AND AGREEMENTS

- 15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE PUBLIC ART AGREEMENT WITH BALL-NOGUES DESIGN STUDIO, LLC FOR THE PARKING PLAZA PUBLIC ART PROJECT:**

RECOMMENDATION: Adopt Resolution No. 2016-0043, approving and authorizing the President/CEO to execute a Second Amendment to the Public Art Agreement with Ball-Nogues Design Studio, LLC to extend the term for an additional 7 months resulting in a termination date of August 1, 2018.

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

- 16. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL MECHANICAL AND ELECTRICAL CONSULTING SERVICES AGREEMENT:**

RECOMMENDATION: Adopt Resolution No. 2016-0044, approving and authorizing the President/CEO to execute an On-Call Mechanical and Electrical Consulting Services Agreement with MA Engineers, Inc., for a term of three years, with the option for two one-year extensions, in an amount not-to-exceed \$3,000,000, in support of the Capital Improvement Program at San Diego International Airport.

PUBLIC HEARINGS: None.

OLD BUSINESS: None.

NEW BUSINESS:

- 17. UPDATE ON NOISE ISSUES AND AMENDMENT OF AUTHORITY POLICY 9.20 – SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE:**

Sjohnna Knack, Program Manager, provided a presentation on Noise Issues and Amendment of Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee (ANAC), which included Proposed Changes to ANAC, Changes Not Requiring Policy Change, Membership Changes, and Additional Efforts.

VICTOR AVINA, SAN DIEGO, on behalf of Board Member Cox, stated that Board Member Cox is supportive of the changes to the Airport Noise Advisory Committee (ANAC) and thought it was a positive step forward in increasing substantive community dialogue regarding noise at the airport. He also stated that Board Member Cox is looking forward to receiving staff's evaluation on formalizing the Noise Dot Agreement at the June Board Meeting.

CASEY SCHNOOR, SAN DIEGO, spoke in support of staff's recommendation, but stated that they did not go far enough. He expressed concern that the ANAC changes did not address the requests of the community or Board Members. In regards to the proposed subcommittee, he asked that the specific purpose, format, scope of discussion, implementation, members, and dates of the meeting be identified.

BRUCE BAILEY, SAN DIEGO, stated that over \$1M has been pledged to file a lawsuit regarding flights and noise over their community. He stated that he looks forward to continuing communication.

Board Member Sessom requested a legal opinion regarding the Authority's legal obligation to address the noise issues; and asked that if there is no legal obligation to address the noise issues, and by attempting to address them, is the Authority opening itself up to litigation.

Breton Lobner, General Counsel, stated that airports, under Federal and State law, are liable for the noise created by their operations; by virtue of location, airports affect the property owners adjacent to that property. He stated that California airports are protected from liability if there is a statute of limitations that applies, if five years has gone by and the noise has not increased during that period of time; or, if airplanes fly over a particular property for five years or longer, the airport can obtain a prescriptive aviation easement; or, as part of the quid pro quo for the expenditure of federal and airport funds for airports with sound proofing programs, an aviation easement is secured from the property owner. He advised that San Diego International Airport is probably not liable because there has not been an increase in the noise. He also stated that early aircraft have been phased out by federal law, and reviewing variance and quarterly reports shows that noise has gone down and noise contours have lessened. He stated that only those located within the 65 decibel (dB) Community Noise Equivalent Level (CNEL) or greater, that can prove an exacerbation of noise level, have the ability to file a lawsuit. He clarified that because of liability and a required variance, the Authority should take steps to try and mitigate noise as best as possible.

Board Member Sessom requested that this issue be discussed in Closed Session so that any steps taken do not increase the Authority's exposure to litigation.

Mr. Lobner stated that he would prepare a complete analysis of liability regarding this issue. He also stated that the Federal Government, through Federal Aviation Administration regulations, preempted the control of aircraft in flight. He advised that the community should discuss alternatives with their lawyers, to work with the Airport, President/CEO, and the Board, to come up with solutions to noise issues.

Board Member Robinson requested to receive a report on the Noise Dot Agreement at the June Board Meeting.

Chair Gleason stated that he is supportive of the changes to the ANAC, and suggested that the policy be revised to state that the meetings will be held on a bi-monthly basis, and that a subcommittee shall be formed. He also stated that direction would be given to staff to commence as soon as possible, as a result of this motion.

Board Member Sessom clarified that she was supportive of only the changes presented by staff and not for providing additional direction to staff until this issue has been discussed in Closed Session.

Board Member Robinson stated that the policy addresses the Board's and community's concerns.

RECOMMENDATION: Adopt Resolution No. 2016-0045, accepting the update on noise issues and the amendment of Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee.

ACTION: Moved by Board Member Robinson and seconded by Board Member Kersey to approve staff's recommendation. Motion failed by the following vote: YES - Gleason, Kersey, Robinson, Sessom; NO – None; ABSTENTION – Janney; ABSENT – Boling, Cox, Desmond, Hubbs. (Weighted Vote Points: YES – 43; No – 0; ABSTENTION – 12; ABSENT - 45)

18. **APPROVE AND ADOPT A MID-YEAR ADJUSTMENT OF THE CAPITAL PROGRAM BUDGET FOR FISCAL YEARS 2016-2020 TO FUND AN INCREASE IN THE TERMINAL 2 PARKING PLAZA PROGRAM BUDGET; AND APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A FIRST AMENDMENT TO THE SWINERTON BUILDERS, INC., AGREEMENT TO ESTABLISH A MAXIMUM CONTRACT VALUE AND TO NEGOTIATE AND EXECUTE FUTURE WORK AUTHORIZATIONS AND A FUTURE GUARANTEED MAXIMUM PRICE AMENDMENT:**

RECOMMENDATION: Adopt Resolution No. 2016-0046, approving and adopting a mid-year adjustment to the Fiscal Year 2016-2020 Capital Program Budget to fund an increase in the Terminal 2 Parking Plaza budget of \$45,720,000 for a Validated Program budget of \$127,800,000.

Adopt Resolution No. 2016-0047, approving and authorizing the President/CEO to negotiate and execute: 1) a First Amendment (the "Validation Amendment") to the Agreement with Swinerton Builders, Inc., establishing a Maximum Project Budget of \$99,800,000 and a Master Project Schedule for the design and construction of the Terminal 2 Parking Plaza; 2) Work Authorizations and a Second Amendment ("Guaranteed Maximum Price Amendment") within the Maximum Project Budget after the issuance of the Validation Amendment in

order to allow completion of 100% design and construction; and 3) future change orders using uncommitted funds within the Validated Program Budget of \$127,800,000.

ACTION: This item was not discussed.

19. AIRPORT PARKING MANAGEMENT AND PARKING SHUTTLE AGREEMENTS:

RECOMMENDATION: Adopt Resolution No. 2016-0048, authorizing the President/CEO to proceed with issuance of Requests for Proposals (“RFP”) for provision of Airport Parking Management and Airport Parking Shuttle Services. Selection and implementation of the Airport Parking Management and Airport Parking Shuttle agreements shall coincide with the termination of the existing agreements.

ACTION: This item was not discussed.

BUDGET WORKSHOP:

20. DISCUSSION REGARDING THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY FISCAL YEAR 2017 PROPOSED BUDGET AND FISCAL YEAR 2018 PROPOSED CONCEPTUAL BUDGET:

RECOMMENDATION: Discuss the Fiscal Year 2017 Proposed Budget and Fiscal Year 2018 Proposed Conceptual Budget.

ACTION: This item was not discussed.

The Board recessed at 10:22 a.m. and reconvened at 10:25 a.m.

PRESENTATIONS:

A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2016:

Kathy Kiefer, Senior Director, Finance and Asset Management provided a presentation on the Review of the Unaudited Financial Statements for The Nine Months Ended March 31, 2016, which included, Operating Revenues, Operating Expenses, Non-operating Revenue & Expenses, Financial Summary, and Statement of Net Position as of March 31, 2016.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
None
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Chair Gleason reported that the Committee met on May 9th and reviewed the Employee Performance Evaluation for the President/CEO and discussed goals for the upcoming fiscal year with Ms. Bowens and Ms. Gonzalez, Senior Director, Counsel Services. He reported that Ms. Bowens and Ms. Gonzalez would meet with the Board in July, along with Mr. Burchyett, Chief Auditor, to discuss performance and goals.
- **FINANCE COMMITTEE:**
None

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
None
- **ART ADVISORY COMMITTEE:**
Chair Gleason reported that the call for proposals for the 2017 Temporary Exhibitions was issued May 18th. He also reported that the Artist Residency Program, Fern Street Circus, received global media coverage. He reported that on May 19th, Terminal 2 Baggage Claim will hold a quartet performance. He also reported that the RFQ was issued May 18th for the Production Specialist for the Performing Arts Program. He reported that the Terminal 2 East Ceiling Public Art Project is complete, and that the RFQ for the Parking Plaza additional art opportunity was released April 28th.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
None
- **CALTRANS:**
None
- **INTER-GOVERNMENTAL AFFAIRS:**
Mr. Kulis reported that Congress is continuing its consideration of Fiscal Year (FY) 2017 Transportation Appropriations bills. He reported that the Senate Transportation Appropriations bill is on the Senate floor, and it would

provide \$3.35 billion for the Airport Improvement Program, the same level as in FY 2016. He also reported that the Committee report accompanying the Senate bill states the Committee's strong opposition to the proposal to privatize the Federal Aviation Administration (FAA) Air Traffic Organization functions, as was in the House version of the FAA Reauthorization Bill. He stated that the House Transportation Appropriations Subcommittee approved its version of the FY 2017 Transportation Appropriations Bill on April 27th, which would also fund the Airport Improvement Program at \$3.35 billion and continue funding for the Transportation Investment Generating Economic Recovery (TIGER) Grant program at a level of \$450 million.

- **MILITARY AFFAIRS:**

Board Member Woodworth reported a minor increase in noise complaints around all military facilities with no changes in flight operations or routes.

- **PORT:**

Chair Gleason reported that the Committee met with Chairman Merrifield, Board of Port Commissioners, to discuss bringing together the Authority, Port of San Diego and City of San Diego to discuss traffic circulation and transitions on Pacific Highway, Harbor Drive and Laurel Street.

- **WORLD TRADE CENTER:**

Chair Gleason reported that the Economic Development Corporation is continuing their work and that another World Trade Center Committee meeting is planned soon.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**

None

CHAIR'S REPORT:

Chair Gleason reported that the June Board Meeting will be his last meeting as Chair and that Board Member Boling will assume responsibility as Chair in July 2016.

PRESIDENT/CEO'S REPORT:

Ms. Bowens reported that the airport recently experienced longer wait times for screening and that staff is working with the local Transportation Security Administration (TSA) representatives and the Federal Security Director to identify ways to alleviate wait times during the Summer season. She reported that the Authority is also looking into resources outside of TSA, such as the High School Intern Program implemented last year, and other unique alternatives. She also reported that there was a soft launch of the Parking Reservation System for Valet and Economy lots and that we have received 102 reservations within the past two weeks without any advertisement. She stated that a public launch is to follow. She reported that the Rental Car Center has received refurbished buses that were purchased from a rental car agency, and that the Authority

will come to the Board later this Summer or Fall with a request to purchase permanent buses once the needs have been identified. She reported that the Airport Authority and Public Relations Consultant, Porter Novelli, received a Gold SABRE Award in the Government Agencies category for "Planning the Future of Terminal 1 at SAN", and the Airport Planning and Noise Mitigation department was awarded the Planning Agency Award from the American Planning Association, California Chapter. She also acknowledged and thanked Jeffrey Lindeman, Senior Director, Organizational Performance Development, Talent Engagement, for his 10 years of service with the Authority.

NON-AGENDA PUBLIC COMMENT: None.

Chair Gleason announced the retirement of Breton Lobner, General Counsel and the Board recognized and thanked him for his service to the Authority.

CLOSED SESSION: The Board recessed into Closed Session at 10:51 a.m. to hear items 21 and 30.

Breton Lobner, General Counsel, reported that the Donna Wilson; John Wilson v. San Diego County Regional Airport Authority case was settled by U.S. Air for \$40,000. He reported that John Wilson's claim was settled earlier for \$5,000, and the Authority was completely dismissed from the case and has the right to file a claim against US Air for failing to indemnify and defend the Authority from the outset of the case. He also reported that the court of appeals upheld that the actions the San Diego City Employees' Retirement System took in selling purchase of service credit below fair market value was unlawful regarding the Kelly Lancaster, et al v. SDCERS, and Jay A. Bass, et al v. SDCERS, et al cases. He reported that the plaintiffs have no right to prosecute the City of San Diego or SDCERS; and the Plaintiffs have filed an appeal before Supreme Court.

- 21. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL

- 22. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC

- 23. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a) and (d)(1).)
Donna Wilson; John Wilson v. San Diego County Regional Airport Authority;
Turner-PCL-Flatiron, a joint venture.
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL (Meyer)

- 24. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code § 54956.9(a)):
Maria Paula Bermudez v. San Diego County Regional Airport Authority, American Airlines, Inc., et al.
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL
- 25. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Cal. Gov. Code §54956.9(a) and (d)(1))
Stanley Moore v. San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL
- 26. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
Cal. Gov. Code § 54956.9(a) and (d).
In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]
- 27. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)
Jay A. Bass, et al v. San Diego City Employees’ Retirement System, et al.,
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL
- 28. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
- 29. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)
Number of cases: 2
- 30. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to cal. Gov. Code §54956.9(e)(3))
The Receipt of a Government Claim from GGTW LLC

REPORT ON CLOSED SESSION: The Board reconvened into open session at 11:06 a.m. There was no reportable action.

ITEM(S) REMOVED FROM THE CONSENT AGENDA FOR DISCUSSION

8. REJECT THE CLAIM OF GGTW, LLC:

RECOMMENDATION: Adopt Resolution No. 2016-0039, rejecting the claim of GGTW, LLC.

ACTION: Moved by Board Member Sessom and seconded by Board Member Robinson to approve staff’s recommendation. Motion carried by the following vote: YES - Gleason, Janney, Kersey, Robinson, Sessom; NO – None; ABSENT – Boling, Cox, Desmond, Hubbs. (Weighted Vote Points: YES – 55; No – 0; ABSENT - 45)

NON-AGENDA PUBLIC COMMENT: None.

GENERAL COUNSEL REPORT: None.

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

BOARD COMMENT: None.

ADJOURNMENT: The meeting was adjourned at 11:08 a.m.

APPROVED BY A MOTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY THIS 23RD DAY OF JUNE, 2016.

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

APPROVED AS TO FORM:

BRETON LOBNER
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

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

Recommendation:

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

Background/Justification:

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

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

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

The Board is also being requested to pre-approve Board Member attendance at briefings by representatives of a local police department or a state or federal governmental agency regarding safety, security, immigration or customs affecting San Diego International Airport.

Fiscal Impact:

Board and Committee Member Compensation is included in the FY 2016 Budget.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

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

JIM DESMOND

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary
 Period Covered: _____ March – May 2016 _____



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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
Jim Desmond		5/29/16
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 3/17/16 Time: 9am Location: SDIA	Board Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 4/19/16 Time: 9am Location: SDIA	Board Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 5/9/16 Time: 9am Location: SDIA	Exec Committee Meeting EPCC meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: Jim Desmond

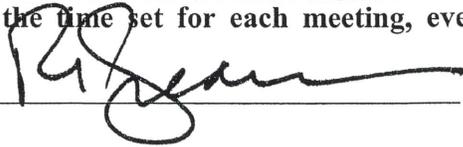
ROBERT H. GLEASON

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

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
ROBERT H. GLEASON		June 2, 2016
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: May 2, 2016 Time: 10:00 am Location: SDCRAA offices	Audit Committee meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: May 3, 2016 Time: 3:30 pm Location: SDCRAA offices	Art Advisory Committee meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: May 9, 2016 Time: 9:00 am & 10:00 am Location: SDCRAA offices	Executive / Finance Committee meeting Executive Personnel and Compensation Committee meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: May 11, 2016 Time: 11:15 am Location: SDIA; Terminal 2	Fern Street Circus Kickoff Celebration; spoke on behalf of the Airport Authority
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: May 12, 2016 Time: 9:00 am Location: Port Offices	Port-Airport Leaders meeting with Chairman of the Port Commission
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: May 19, 2016 Time: 9:00 am Location: SDCRAA offices	ALUC / Board meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

JIM JANNEY

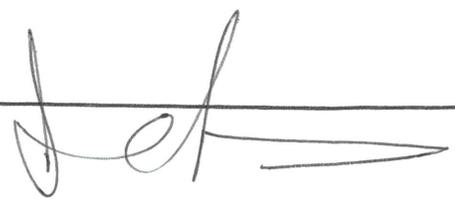
SDCRAA
 JUN 13 2016
 Corporate & Information Governance

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

Period Covered: May 2016

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
JIM JANNEY		MAY 2016
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
Brown Act Pre-approved Res. 2009-0149R	Date: May 2 Time: 0900 Location: SDCRAA	Audit Committee
Brown Act Pre-approved Res. 2009-0149R	Date: May 16 Time: 0900 Location: SDCRAA	Exec Comm.
Brown Act Pre-approved Res. 2009-0149R	Date: May 23 Time: 0900 Location: SDCRAA	Board mtg
Brown Act Pre-approved Res. 2009-0149R	Date: May 20 th Time: 0900 Location: San Diego	San Diego Transportation
Brown Act Pre-approved Res. 2009-0149R	Date: May 16 th Time: 0900 1500 Location: Coronado	AHUC - Coronado working group
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	



PAUL ROBINSON

SDCRAA
 MAY 26 2016
 Corporate & Information Governance

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary
 Period Covered: 5/31/16

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
Paul E. Robinson		5-26-16
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 5/2/16 Time: 10:00 a.m. - 11:30 a.m. Location: SDCRAA Bd Rm	Audit Comm Mtg.
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 5/9/16 Time: 9:00 - 11:30 a.m. Location: SDCRAA Bd Rm	SDCRAA Exec Finance Comm. Mtgs. Exec. Personnel & Comp. Comm. Mtg.
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 5/12/16 Time: 9:00 - 10:30 a.m. Location: Port of SD	Mtg w/ Port Chair
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 5/24/16 Time: All Day Location: Sacramento	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 5/25/16 Time: All Day Location: Sacramento	Chamber Trip
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 5/19/16 Time: 8:00 a.m. - 1:00 p.m. Location: SDCRAA Bd Rm	SDCRAA Board / ALK Mtgs.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Awarded Contracts, Approved Change Orders from April 25, 2016 through May 26, 2016 and Real Property Agreements Granted and Accepted from April 25, 2016 through May 26, 2016

Recommendation:

Receive the report.

Background/Justification:

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

Fiscal Impact:

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

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

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

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

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

Application of Inclusionary Policies:

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

Prepared by:

JANA VARGAS
DIRECTOR, PROCUREMENT

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN - April 25, 2016- May 26, 2016

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
4/26/2016	N/A	Blip Systems A/S	Blip Systems A/S will provide data collection and reporting services related to taxicab passenger queue times and passenger volumes using modular Bluetooth and Wi-Fi signals. Utilizing Blip Systems A/S will facilitate a fluid integration with the existing framework and the processes of the Ground Transportation department.	Single Source	Ground Transportation	\$60,000.00	2/28/2017
4/28/2016	N/A	Scantech Graphics, Inc.	The Contractor will provide on-call reprographic printing services for San Diego County Regional Airport Authority.	RFP	Procurement	\$100,000.00	4/14/2017
4/28/2016	N/A	Scantech Graphics, Inc.	The Contractor is one of two providers for on-call large format printing services for San Diego County Regional Airport Authority. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFP	Procurement	\$100,000.00	4/14/2017
4/29/2016	N/A	Able Heating and Air	The Contractor is one of three pre-qualified and approved to bid on on-call HVAC services at San Diego International Airport. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFQ	Facilities Management	\$900,000.00	4/14/2019
4/29/2016	N/A	Unified Mechanical Corp.	The Contractor is one of three pre-qualified and approved to bid on on-call HVAC services at San Diego International Airport. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFQ	Facilities Management	\$900,000.00	4/14/2019
4/29/2016	N/A	Culbertson, Adams and Associates	The Contractor will provide coastal biological resources and regulatory agency coordination services for San Diego County Regional Airport Authority.	Informal RFP	Airport Planning	\$49,000.00	4/24/2017
5/2/2016	N/A	Interfaced, Inc.	The Contractor will provide Apple environment support services for San Diego County Regional Airport Authority.	Informal RFP	Information Technology Services	\$48,000.00	4/10/2017
5/2/2016	N/A	Emagine Digital, Inc.	The Contractor is one of two providers for on-call large format printing services for San Diego County Regional Airport Authority. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFP	Procurement	\$100,000.00	4/14/2017
5/3/2016	N/A	DuWright Construction, Inc.	The Contractor is one of three pre-qualified and approved to bid on on-call HVAC services at San Diego International Airport. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFQ	Facilities Management	\$900,000.00	4/14/2019
5/3/2016	N/A	Thompson Financial Search, Inc.	The Contractor will provide executive search services for San Diego County Regional Airport Authority.	Informal RFP	Talent, Culture & Capability	\$40,000.00	4/30/2018
5/3/2016	N/A	Tecture, Inc.	Tecture Inc. will provide design consultation and oversight for the Authority's exhibit at the San Diego Air & Space Museum. Tecture, Inc. is uniquely qualified as they have provided the Authority with the original design of the museum exhibit.	Single Source	Vision, Voice & Engagement	\$15,000.00	5/31/2017
5/10/2016	N/A	Leading Edge Strategies, LLC	The Contractor will provide emergency management training Services for San Diego County Regional Airport Authority.	Informal RFP	Airport Operations	\$15,000.00	6/30/2016
5/12/2016	N/A	Culbertson, Adams and Associates	The Contractor will provide on-call consulting services related to the California Coastal Act and the California Coastal Commission for San Diego County Regional Airport Authority.	RFP	Airport Planning	\$90,000.00	4/30/2017
5/17/2016	N/A	Golden State Graphics	The Contractor will provide on-call high-end printing services for San Diego County Regional Airport Authority.	RFP	Procurement	\$100,000.00	4/14/2017
5/18/2016	N/A	Aaron Bruce Consulting	The Contractor will provide diversity and inclusion strategic planning services for San Diego County Regional Airport Authority.	Informal RFP	Talent, Culture & Capability	\$32,500.00	5/14/2017
5/18/2016	N/A	Fence Corp.	The Contractor is one of three pre-qualified and approved to bid on on-call fencing services at San Diego International Airport. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFQ	Facilities Management	\$900,000.00	5/1/2019
5/18/2016	N/A	SDSTATURE	The Contractor is one of three pre-qualified and approved to bid on on-call fencing services at San Diego International Airport. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFQ	Facilities Management	\$900,000.00	5/1/2019
5/18/2016	N/A	San Diego Economic Development Corporation	The San Diego Economic Development Corporation "Global Competitiveness Council" membership includes corporate level San Diego regional business executives and industry stakeholders. This committee will convene at meetings arranged by the EDC-SD to share information and review potential air service proposals.	Single Source	Route Service Development	\$225,000.00	3/31/2017
5/20/2016	N/A	Info Tech, Inc.	The Contractor will facilitate a Human Resource Information Systems (HRIS) workshop to identify talent management software and integration requirements for San Diego County Regional Airport Authority.	Informal RFP	Talent, Culture & Capability	\$25,000.00	5/19/2017

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN - April 25, 2016- May 26, 2016

New Contracts Approved by the Board

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
			None				

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN April 25, 2016- May 26, 2016

Amendments and Change Orders

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value (%) (+ / -)	New Contract Value	New End Date
4/28/2016	N/A	Fierce Inc.	The First Amendment extends the term of the agreement by two years, adds additional services, and increases the maximum amount payable by \$50,000.00 for onsite leadership development training for San Diego County Regional Airport Authority personnel.	Talent, Culture & Capability	\$50,000.00	\$50,000.00	100%	\$100,000.00	5/31/2018
5/2/2016	N/A	AECOM Technical Services, Inc.	The First Amendment revises the insurance requirements for on-call program management, staffing support and consulting services for San Diego County Regional Airport Authority personnel. There is no increase in compensation.	Facilities Development	\$60,000,000.00	\$0.00	0%	\$60,000,000.00	4/22/2018
5/12/2016	N/A	Notevault, Inc.	The First Amendment exercises the first one-year extension and reduces the pricing for services listed in Exhibit B, "Compensation and Payment Schedule". There is no increase in compensation.	Airport Planning & Noise Mitigation	\$10,500.00	\$0.00	0%	\$10,500.00	7/26/2017
5/13/2016	N/A	Leighfisher, Inc.	The Fifth Amendment revises the Exhibit B-3, "Payment Schedule" to include subcontractors and hourly rates for the Airport Development Plan (ADP) Environmental Analyses for San Diego International Airport. There is no increase in compensation.	Airport Planning & Noise Mitigation	\$8,692,145.00	\$0.00	0%	\$8,692,145.00	2/21/2020
5/24/2016	N/A	Sign Age Identity Systems, Inc.	The Second Amendment extends the term of the contract by ninety (90) days for signage services throughout San Diego International Airport. There is no increase in compensation.	Facilities Management	\$1,300,000.00	\$0.00	0%	\$1,300,000.00	8/12/2016
<u>Amendments and Change Orders-Approved by the Board</u>									
5/10/2016	N/A	ACE Parking Management, Inc.	The Fourth Amendment was approved by the Board at the April 21, 2016 Board Meeting. The Fourth Amendment increases the maximum amount payable by \$2,530,682.00 for shuttle services at San Diego International Airport.	Ground Transportation	\$28,800,000.00	\$2,530,682.00	9%	\$31,330,682.00	12/31/2016

Attachment "B"

REAL PROPERTY AGREEMENTS EXECUTED FROM APRIL 25, 2016 TO MAY 26, 2016



Real Property Agreements

Begin/End Dates	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
4.20.16 -12.31.16	LE-0898	Baggage Airline Guest Services	Non-Exclusive License Agreement to Conduct Commercial & General Aviation Ground Handling and Airline Support Services	SDIA	Passenger Services: Remote Check-in, Baggage Delivery Services	T2W	The Greater of MAG (\$250) or 8% of Monthly Gross Income	N/A
5.1.16 - 12.31.17	LE-0894	Airport Van Rental	Use & Occupancy Permit	North Side by RCC bounded by Admiral Bolan d Way	overflow parking	6480	\$1944.00/ month with CPI adjustments every July 1 starting 2016	N/A
5.1.16 - 12.31.17	LE-0895	Pnuema Enterprises, Inc.	Use & Occupancy Permit	North Side by RCC bounded by Admiral Bolan d Way	overflow parking	2000	\$600.00/ month with CPI adjustments every July 1 starting 2016	N/A
5.1.16 - 12.31.17	LE-0897	Nevada Lease Rentals	Use & Occupancy Permit	North Side by RCC bounded by Admiral Bolan d Way	overflow parking	4500	\$1354.00/month with CPI adjustments every July 1 starting 2016	N/A



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
3.1.16 - 2.28.18	LE-0844	Ready Credit Corporation	First Amendment to Rental Agreement	Terminals 1 and 2	Cash to prepaid card kisok	Misc areas within Terminals	12% of Gross Receipts	N/A

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

June 2016 Legislative Report

Recommendation:

Adopt Resolution No. 2016-0045, approving the June 2016 Legislative Report.

Background/Justification:

The Authority's Legislative Advocacy Program Policy requires that staff present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The June 2016 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A).

State Legislative Action

The Authority's legislative team recommends that the Board adopt an OPPOSE position on Assembly Bill 626. As amended, this bill would establish a new claim resolution process that would require public entities to review and process contractor claims within a limited amount of time or be subject to additional costs. The Airport Authority and the California Airports Council opposed similar legislation in 2015, which was vetoed by the Governor.

Federal Legislative Action

The Authority's legislative team recommends that the Board adopt a SUPPORT position on H.R. 5338 (Katko) the "Checkpoint Optimization and Efficiency Act of 2016." This bill, supported by the airport industry, would enhance transparency with the Transportation Security Administration (TSA) staffing model, increase airport checkpoint screener staffing, provide federal security directors more authority over local staffing decisions, establish working groups of TSA and aviation stakeholders to address staffing issues, and expand the PreCheck program.

The Authority's legislative team also recommends that the Board adopt a SUPPORT position on S. 3001 (Hoeven), the Senate version of the Fiscal Year 2017 Homeland Security Appropriations bill. This bill, which was unanimously approved by the Senate Appropriations Committee, would provide \$7.7 billion for the Transportation Security Administration and \$11.2 billion in funding for Customs and Border Protection.

Fiscal Impact:

Not applicable.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

MICHAEL KULIS
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

RESOLUTION NO. 2016-0045

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

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the June 2016 Legislative Report (“Attachment A”); and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY RUSSELL
DIRECTOR, CORPORATE &
INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

June 2016 Legislative Report

Local Legislation

Legislation/Topic

City of San Diego Drone Ordinance

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (4/21/16)

**Shaded text represents new or updated legislative information*

State Legislation

New Assembly Bills

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

Status: 6/8/16 – Amended and Referred to Senate Committee on Education

Position: Oppose

New Senate Bills

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

Assembly Bills from Previous Report

Legislation/Topic

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

Background/Summary

This bill would require Transportation Network Companies (TNCs) to conduct comprehensive criminal background checks for each participating driver that include local, state, and federal law enforcement records. AB 1289 would prohibit TNCs from contracting with, employing, or continuing to retain a driver if he or she is required to register as a sex offender or has been convicted of any violent felony, sexual offense, driving under the influence offense, non-felony violent crime, act of fraud, act of terror, or crime involving damage or theft.

Anticipated Impact/Discussion

If enacted, this legislation could reduce the risk of passengers using TNCs to travel to and from SDIA.

**Shaded text represents new or updated legislative information*

Status: 1/28/16 – Referred to Senate Committee on Energy, Utilities and Communications and Senate Committee on Public Safety

Position: Support (4/21/16)

Legislation/Topic

AB 1455 (Rodriguez) – Ontario International Airport

Background/Summary

AB 1455 would authorize the City of Ontario to issue revenue bonds for the purpose of financing the acquisition of Ontario International Airport from the City of Los Angeles. The bonds would be secured solely by the revenues and charges at the Ontario International Airport.

Anticipated Impact/Discussion

Passage of this bill would not impact San Diego International Airport or the Airport Authority.

Status: 6/30/15 – Amended and re-referred to the Senate Committee on Governance and Finance

Position: Watch (4/21/16)

Legislation/Topic

AB 1595 (Campos) – Employment: human trafficking training: mass transportation employers

Background/Summary

This bill would require a private or public employer that provides mass transportation services (specifically excluding taxi services or travel by air), to train its employees who are likely to interact or come into contact with victims of human trafficking, in recognizing the signs of human trafficking and how to report those signs to the appropriate law enforcement agency. The bill would require that by January 1, 2018, the training be incorporated into the initial training process for all new employees and that all existing employees receive the training by that date.

Anticipated Impact/Discussion

This bill is not expected to directly impact Airport Authority operations or training requirements, due to the exemption for providers of travel by air.

Status: 4/21/16 – Died in Assembly Committee on Appropriations

Position: Watch (3/17/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

AB 1657 (O'Donnell) – Air Pollution: public ports and intermodal terminals

Background/Summary

This bill would have established the Zero- and Near-Zero-Emission Intermodal Terminals Program. This program would have been administered by the state Air Resources Board and would have funded equipment upgrades and investments at intermodal terminals to help transition the state's freight system to zero-emission and near-zero-emission operations. Funding to implement the program would have been appropriated from the Greenhouse Gas Reduction Fund. This bill would also have established the Port Building and Lighting Efficiency Greenhouse Gas Reduction Fund Program. Also funded via the Greenhouse Gas Reduction Fund, this program would have funded energy efficient upgrades and investments at public ports to help reduce electrical load and increase on-site renewable energy generation.

Anticipated Impact/Discussion

This bill could have potentially benefited San Diego International Airport (SDIA) by allowing local entities and partners, like SANDAG and MTS, to identify needed funding for projects that benefit the airport, such as SANDAG's proposed Intermodal Transit Center. Furthermore, the bill could have directly benefited SDIA if amended to identify airports as eligible recipients of funds from these programs.

Status: 4/19/16 – Died in Assembly Committee on Appropriations

Position: Watch (2/18/16)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

Pursuant to existing law, the Authority currently provides sexual harassment training on a bi-annual basis to supervisory employees. This training could be provided to board members as well. Following the amendment of AB 1661, local officials would only be

**Shaded text represents new or updated legislative information*

required to satisfy this requirement once, regardless of the number of local agencies on which they serve.

Status: 6/1/16 – Approved by Assembly on a vote of 78-0 and Referred to Senate Committee on Rules

Position: Watch (2/18/16)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

Status: 5/19/16 – Approved by Assembly on a vote of 67-2 and Referred to Senate Committee on Public Safety

Position: Support (2/18/16)

Legislation/Topic

AB 1707 (Linder) – Public Records: response to request

Background/Summary

This bill would have required that responses to public record requests demonstrating that a record is exempt from disclosure identify the type(s) of records withheld and the specific exemption that justifies withholding the record.

Anticipated Impact/Discussion

This bill would have placed unnecessary requirements on Authority record keeping and make the release of records to the public increasingly complicated by requiring lists of exemptions. Additionally, it could have also had a negative impact by increasing opportunities for the public to dispute identified exemptions to the release of records.

**Shaded text represents new or updated legislative information*

Status: 4/12/16 – Died in Assembly Committee on Local Government

Position: Oppose (4/21/16)

Legislation/Topic
AB 1820 (Quirk) – Unmanned Aerial Systems

Background/Summary

This bill would provide conditions on how law enforcement agencies operate and obtain drones as well as how the data and information they gather is used and stored. Specifically, this bill would:

- Prohibit a law enforcement agency from using a drone, obtaining a drone from another public agency by contract, loan or other arrangement or using information obtained from a drone used by another public agency except as provided by this bill's provisions
- Apply to all law enforcement agencies and private entities when contracting with or acting as the agent of a law enforcement agency when using a drone
- Require law enforcement agencies to create a policy on their use of drones and make it publicly available
- Prohibit a law enforcement agency from using a drone for surveillance of private property without obtaining a search warrant from the appropriate jurisdiction
- Require images, footage and data obtained through the use of drones to be destroyed within one year except as specified
- Prohibit a law enforcement agency from equipping or arming drones with weapons or other devices that can be carried by, directed by, or launched from that drone
- Provide that specified surveillance restrictions on electronic devices apply to the use or operation of drones by a law enforcement agency

Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport (SDIA) operations, it could result in changes to Harbor Police operations and protocol, resulting in adjustments to our engagement with law enforcement.

Status: 5/23/16 – Approved by Assembly on a vote of 43-25 and Referred to Senate Committee on Public Safety and Senate Committee on Judiciary

Position: Watch (3/17/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

AB 1841 (Irwin) – Cyber Security

Background/Summary

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

Anticipated Impact/Discussion

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

Status: 5/31/16 – Approved by Assembly on a vote of 78-0 and Referred to Senate Committee on Rules

Position: Watch (5/19/16)

Legislation/Topic

AB 2161 (Quirk) – Parking lots: design insurance discount

Background/Summary

This bill would require the California Building Standards Commission with the State Architect and the State Fire Marshal, to consider standards for the installation of vehicle barriers to protect pedestrians and property from vehicle collisions. The bill would also authorize insurers to offer discounts on a property owner's insurance covering damage or loss or liability based on any reduced risk resulting from the installation of vehicle barriers.

Anticipated Impact/Discussion

The passage of this this bill could benefit the Authority via discounted insurance premiums for SDIA parking facilities.

Status: 5/12/16 – Approved by Assembly on a vote of 78-0 and Referred to Senate Committee on Insurance

Position: Support (3/17/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

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

Background/Summary

This bill would require an online posting of a meeting agenda by a local agency to have a prominent direct link to the current agenda itself. It would also require the link to be on the local agency's Internet website homepage, not in a contextual menu on the homepage. The bill would make these provisions applicable on and after January 1, 2019.

Anticipated Impact/Discussion

The passage of this this bill would require the Airport Authority to post meeting agendas in the manner specified by AB 2257.

Status: 5/23/16 – Approved by Assembly on a vote of 77-0 and Referred to Senate Committee on Rules

Position: Watch (3/17/16)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

Status: 5/19/16 – Approved by Assembly on a vote of 76-0 and Referred to Senate Committee on Public Safety

Position: Watch (3/17/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

AB 2611 (Low) – The California Public Records Act: exemptions

Background/Summary

This bill would expand a number of exemptions related to the disclosure of public records to include:

- Disclosures of personal information that would endanger the privacy of those involved in complaints or investigations related to incidents, victims or any person who suffers injury or property damage/loss
- Any audio or video recording depicting the death or serious injury of a peace officer

Anticipated Impact/Discussion

AB 2611 was amended and no longer will provide exemptions for any investigatory or security audio or video recording.

Status: 5/23/16 – Approved by Assembly on a vote of 76-0 and Referred to Senate Committee on Judiciary and Senate Committee on Public Safety

Position: Watch (4/21/16)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

Status: 6/1/16 – Approved by Assembly on a vote of 79-0 and Referred to Senate Committee on Rules

Position: Watch (4/21/16)

Legislation/Topic

AB 2724 (Gatto) – Unmanned Aircraft

Background/Summary

This bill would require manufacturers of unmanned aircraft (drones) sold in California to include with the aircraft a copy of applicable Federal Aviation Administration (FAA)

**Shaded text represents new or updated legislative information*

safety regulations. If the unmanned aircraft is required to be registered with the FAA, a notification of that requirement is to be included as well. AB 2724 would also require that unmanned aircraft equipped with global positioning satellite (GPS) mapping capabilities be equipped with geo-fencing technologies that prohibit the unmanned aircraft from flying within five miles of an airport. This bill would also require the owner of an unmanned aircraft to procure adequate protection against liability for the payment of damages for bodily injury, death and property damage resulting from the operation of the unmanned aircraft. Lastly, this bill would exempt an unmanned aircraft operated pursuant to a current commercial operator exemption from these requirements.

Anticipated Impact/Discussion

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

Status: 6/2/16 – Approved by Assembly on a vote of 54-17

Position: Support (4/21/16)

Senate Bills from Previous Report

Legislation/Topic

SCR 114 (Fuller) – Aviation Awareness Month

Background/Summary

SCR 114 is a Senate Concurrent Resolution that would designate the month of April 2016 as Aviation Awareness Month.

Anticipated Impact/Discussion

This resolution would benefit the Authority by creating additional opportunities for outreach and visibility regarding our legislative priorities and other activities.

Status: 5/5/16 – Adopted by Senate on a vote of 39-0 and Adopted by Assembly on a vote of 79-0

Position: Support (3/17/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

SB 868 (Jackson) – State Remote Piloted Aircraft Act

Background/Summary

As amended, this bill would enact the State Remote Piloted Aircraft Act, establishing conditions for operating remote piloted aircraft and a requirement for the procurement of liability insurance or proof of financial responsibility. It would also authorize the Department of Transportation and Office of Emergency Services to adopt rules and regulations governing the conditions under which remote piloted aircraft may be operated. Unless the consent of the owner/operator, a waiver exemption or other authorization has been obtained, operation of remote piloted aircraft would be prohibited in any of the following circumstances:

- Within 500 feet of “critical infrastructure”
- Within 1,000 feet of a heliport
- Within five miles of an airport
- Within immediate reaches of the “enveloping atmosphere” of private property
- Within airspace of state parks
- Within airspace overlaying lands or waters managed by the Department of Fish and Wildlife
- Within 500 feet of the State Capitol or other buildings housing state legislative offices and chambers
- Within any other area deemed to present an imminent danger to public health and safety

Anticipated Impact/Discussion

This bill would benefit San Diego International Airport (SDIA) by identifying and prohibiting allowable areas for remote piloted aircraft. Additionally, it provides SDIA with a consistent point of contact and identifies authority within the State government (the Department of Transportation) to oversee drone related issues and concerns.

Status: 6/1/16 – Approved by Senate on a vote of 25-12

Position: Support (2/18/16)

Legislation/Topic

SB 949 (Jackson) – Emergency services: critical infrastructure information

Background/Summary

This bill would have authorized the Governor to require owners and operators of critical infrastructure to submit information regarding their operations to the Office of Emergency Services or any other designee, for the purposes of gathering, analyzing, communicating or disclosing critical infrastructure information. This bill would also have provided that critical infrastructure information obtained pursuant to this bill would be confidential and not subject to disclosure under the California Public Records Act, subpoena, discovery or admissible as evidence in any private action.

**Shaded text represents new or updated legislative information*

Anticipated Impact/Discussion

This bill would have required Airport Authority staff to provide critical infrastructure information to the Office of Emergency Services when requested by the Governor.

Status: 4/12/16 – Died in Senate Committee on Governmental Organization

Position: Watch (3/17/16)

Legislation/Topic

SB 1035 (Hueso) – Transportation Network Companies

Background/Summary

This bill would have authorized the Public Utilities Commission (PUC) to implement the following authorizations related to the operation of transportation network companies (TNCs):

- Fix rates and establish rules for TNCs, prohibit discrimination, and award reparation for the exaction of unreasonable, excessive, or discriminatory charges by a TNC
- Require the PUC, in consultation with the Department of California Highway Patrol, the United States Department of Justice, and local law enforcement, if they choose, to study specific background check measures and adopt those measures if it is determined they would enhance public safety
- Require that the study contain additional information regarding TNC insurance and accessibility issues for disabled populations
- Authorize the PUC to collect data from TNCs and commence a proceeding to determine how that data can best be shared with local government and planning agencies for transportation and environmental purposes
- Authorize peace officers to enforce and assist with violations of the Passenger Charter-party Carriers Act with respect to TNCs
- Authorize peace officers to impound any vehicle of a charter-party carrier for 30 days if the carrier does not have a valid permit or certificate, or the driver does not have the proper license, endorsement or required certificate.

Anticipated Impact/Discussion

Although this bill could have resulted in enhanced background checks for TNC drivers, SB 1035 would have initiated several other TNC actions such as the setting of rates.

Status: 4/20/16 – Died in Senate Committee on Transportation and Housing

Position: Watch (4/21/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

SB 1215 (Allen) – California Aerospace Commission

Background/Summary

This bill would have established the California Aerospace Commission to foster the development of activities in the state related to aerospace, including, but not limited to: aviation, commercial and governmental space travel, unmanned aerial vehicles, aerospace education and job training, infrastructure and research launches, manufacturing, academic and applied research, economic diversification, business development, tourism, and education.

Anticipated Impact/Discussion

The passage of this bill could have benefited the Authority by creating additional interest and resources in aviation and its related fields.

Status: 5/27/16 – Died in Senate Appropriations Committee

Position: Watch (3/17/16)

Legislation/Topic

SB 1231 (Hueso) – Charter-party carriers of passengers: consumer protection

Background/Summary

SB 1231 was a placeholder “spot bill” and would have declared the intent of the State Legislature to enact legislation to address consumer protection with respect to charter-party carriers of passengers.

Anticipated Impact/Discussion

No detailed bill language was developed by the author.

Status: 3/3/16 – Died in Senate Committee on Rules

Position: Watch (3/17/16)

**Shaded text represents new or updated legislative information*

Federal Legislation

New House Bills

Legislation/Topic

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

Background/Summary

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

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

Anticipated Impact/Discussion

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

Status: 6/7/16 – Approved by the House on a voice vote

Position: Support

Legislation/Topic

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

Background/Summary

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

**Shaded text represents new or updated legislative information*

Anticipated Impact/Discussion

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

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

Position: Support

House Bills from Previous Report

Legislation/Topic

H.R. 636 (Tiberi) – Federal Aviation Administration Reauthorization Bill

Background/Summary

H.R. 636 was significantly amended in the Senate to serve as the Senate version of the Federal Aviation Administration (FAA) Reauthorization bill. This bill would reauthorize FAA programs for 18 months and authorize \$3.75 billion for the Airport Improvement Program in Fiscal Year 2017. In addition, H.R. 636 would require the FAA to create an Airspace Management Advisory Committee to review FAA practices related to airspace that affects operations, airport capacity, the environment, or communities within the vicinity of airports. The bill also includes the text of two security bills, S. 2361 and H.R. 2843 that would increase the vetting of aviation employees with access to secure areas, increase random screening of airport workers accessing secure areas, increase oversight of airport management of Secure Identification Display Areas (SIDA) credentials and improve the marketing efforts to increase enrollment in Transportation Security Administration (TSA) PreCheck program.

Anticipated Impact/Discussion

Although this bill would increase the AIP program by \$400 million, it does not include an increase to the current \$4.50 Passenger Facility Charge (PFC) limit and does not include language that would assist in reestablishing nonstop air service between San Diego and Ronald Reagan Washington National Airport.

Status: 4/19/16 – Passed the Senate on a vote of 95-3

Position: Oppose Unless Amended (3/17/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (5/21/15)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (7/23/15)

**Shaded text represents new or updated legislative information*

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (7/23/15)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (7/23/15)

**Shaded text represents new or updated legislative information*

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (7/23/15)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (7/23/15)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

**Shaded text represents new or updated legislative information*

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

Position: Watch (7/23/15)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (5/19/16)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

**Shaded text represents new or updated legislative information*

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

Position: Watch (1/21/16)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (12/17/15)

Legislation/Topic

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

Background/Summary

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

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

**Shaded text represents new or updated legislative information*

Anticipated Impact/Discussion

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

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

Position: Support (3/17/16)

Legislation/Topic

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

Background/Summary

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

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

Anticipated Impact/Discussion

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

**Shaded text represents new or updated legislative information*

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

Position: Support (12/17/15)

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

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

**Shaded text represents new or updated legislative information*

Legislation/Topic

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

Background/Summary

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

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

Anticipated Impact/Discussion

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

Status: 4/27/16 – Approved by House on a voice vote and referred to Senate Committee on Science, Commerce and Transportation

Position: Watch (5/19/16)

**Shaded text represents new or updated legislative information*

Legislation/Topic

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

Background/Summary

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

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

Anticipated Impact/Discussion

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

Status: 4/28/16 – Approved by House Committee on Homeland Security

Position: Watch (5/19/16)

Senate Bills from Previous Report

Legislation/Topic

S.1608 (Feinstein) – Consumer Safety Drone Act

Background/Summary

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

**Shaded text represents new or updated legislative information*

Anticipated Impact/Discussion

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

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

Position: Support (9/17/15)

Legislation/Topic

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

Background/Summary

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

- Requires the TSA Administrator to issue guidance to airport operators regarding placement of an expiration date on each airport credential issued to non-U.S. citizens for the time they are authorized to work in the U.S.
- Requires the TSA Administrator to enhance the eligibility requirements and disqualifying criminal offenses for individuals seeking or having unescorted access to an airport SIDA
- Ensures that the TSA Administrator is authorized to receive additional access to Terrorist Identities Datamart Environment data
- Requires the TSA Administrator to develop and implement performance metrics to measure the effectiveness of security for airport SIDAs
- Requires the TSA Administrator to increase covert testing of airport access controls to airport SIDAs
- Requires the TSA Administrator to submit reports to Congress on TSA's actions to improve aviation security under this bill

Anticipated Impact/Discussion

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

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

Position: Watch (1/21/16)

**Shaded text represents new or updated legislative information*

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Appointment of Public Member to the Audit Committee

Recommendation:

Adopt Resolution No. 2016-0046, appointing Andrew Hollingworth to a new term as a public member to the Audit Committee.

Background/Justification:

Section 170018 of the Public Utilities Code requires that the Authority's Audit Committee include three members of the public who shall be voting members. This section and Authority Policy 1.50 – Governance and Committees, outline the requirements for the appointment of public members to the Audit Committee. The Board initially appointed Andrew Hollingworth as a public member to the Audit Committee on September 1, 2011 to serve the remainder of Kenneth Buck's term expiring June 2013, due to his resignation on April 1, 2011. On June 6, 2013, Mr. Hollingworth was appointed to a three (3) year term. After consultation with the Board Chair, the Chair of the Audit Committee recommends that the Board appoint Mr. Hollingworth to a new three (3) year term commencing July 2016 through June 2019. His areas of expertise are **Category IV – A person with experience in managing construction of large-scale public works projects; and Category VI – A person who resides within the airport influence area of the San Diego International Airport (Lindbergh Field).**

Fiscal Impact:

State law limits compensation for Board and Committee Members to \$200 per day of service, with a maximum of eight (8) days per month. Adequate funding is included in the Fiscal Years 2016 and conceptually approved 2017 Budgets, within the Other Services line item.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not Applicable.

Prepared by:

TONY RUSSELL
DIRECTOR, CORPORATE AND INFORMATION GOVERNANCE/AUTHORITY CLERK

RESOLUTION NO. 2016-0046

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY, APPOINTING ANDREW
HOLLINGWORTH TO A NEW TERM AS A PUBLIC
MEMBER TO THE AUDIT COMMITTEE

WHEREAS, section 170018 of the Public Utilities Code and Authority Policy 1.50 (5)(c)(ii) outline the requirements for the appointment of public members to the Audit Committee; and

WHEREAS, on September 1, 2011, the Board initially appointed Mr. Hollingworth as a public member to serve the remainder of Kenneth Buck's term commencing June, 2013; and

WHEREAS, on June 6, 2013, the Board appointed Mr. Hollingworth to serve a three (3) year term; and

WHEREAS, Mr. Hollingworth's background and experience is consistent with Category 4 and 6 requirements outlined under Section 170018 of the Public Utilities Code; and

WHEREAS, the Board wishes to appoint Mr. Hollingworth as a public member to the Audit Committee for a new three (3) year term, commencing in July 2016.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby appoints Andrew Hollingworth as a public member to the Audit Committee to serve a new three (3) year term, commencing in July 2016 (Attachment A); and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Effective 6/23/16

San Diego County Regional Airport Authority Board Committee, Liaison and Representative Appointments

STANDING COMMITTEES

Executive Committee		
<i>Hold Monthly Meetings</i>		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Robert H. Gleason (Chair)	February 2012	June 2016
Paul Robinson (Vice Chair)	February 2016	February 2017
Jim Janney	February 2016	February 2017
Finance Committee		
April Boling (Chair)	February 2016	February 2017
Greg Cox (Vice-Chair)	February 2016	February 2017
Paul Robinson		
Mary Sessom	February 2016	February 2017
Audit Committee		
<i>Hold Quarterly Meetings</i>		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Paul Robinson (Chair)	February 2016	February 2017
Lloyd Hubbs (Vice Chair)	February 2016	February 2017
Robert H. Gleason	February 2016	February 2017
Mary Sessom	February 2016	February 2017
Andrew Hollingworth*	July 2013	June 2019
Jack Van Sambeek*	July 2015	June 2018
Don Tartre*	July 2014	June 2017
<small>*Public Members Added Pursuant to SB 10</small>		
Executive Personnel and Compensation Committee		
<i>Hold Quarterly Meetings</i>		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Jim Desmond (Chair)	February 2016	February 2017
Mary Sessom (Vice Chair)	February 2016	February 2017
April Boling	February 2016	February 2017
Greg Cox	February 2016	February 2017
Lloyd Hubbs	February 2016	February 2017
Capital Improvement Program Oversight Committee		
<i>Hold Quarterly Meetings</i>		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Lloyd Hubbs (Chair)	February 2016	February 2017
Robert H. Gleason	February 2016	February 2017
Jim Janney	February 2016	February 2017
Paul Robinson	February 2016	February 2017

REPRESENTATIVES (EXTERNAL)

SANDAG Transportation Committee		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Jim Janney (Primary)	February 2016	February 2017
April Boling (Alternate)	February 2016	February 2017
World Trade Center		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Robert H. Gleason	February 2016	February 2017

REPRESENTATIVES (INTERNAL)

Authority Advisory Committee		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Paul Robinson (Primary)	February 2016	February 2017
April Boling (Alternate)	February 2016	February 2017

Art Advisory Committee		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Robert H. Gleason	February 2016	February 2017

LIAISONS

Military Affairs		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Col. Woodworth	February 2016	February 2017

Port		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
April Boling	February 2016	February 2017
Greg Cox	February 2016	February 2017
Paul Robinson	February 2016	February 2017

Caltrans		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Laurie Berman	February 2016	February 2017

Inter-Governmental Affairs		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Greg Cox	February 2016	February 2017

Airport Land Use Compatibility Plan for San Diego International Airport		
<u>Name</u>	<u>Appointed</u>	<u>Term Expiration</u>
Jim Janney	February 2016	February 2017

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Approve Appointments to the Art Advisory Committee

Recommendation:

Adopt Resolution No. 2016-0047, approving the appointment of Indra Gardiner and Michael Soriano to a new term on the Art Advisory Committee.

Background/Justification:

Under Authority Policy 8.50, the Art 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 Art 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 two of the six members shall reside outside of San Diego County
- One voting member who serves on the Airport Authority Board
- Up to three ex-officio, non-voting Authority staff members whose departments work closely with the Airport Art Program as determined by the President/CEO

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

- The Chair of the Board shall appoint one member of the Board to serve as a voting member of the AAC
- 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:

- Except for a replacement term as described below, voting members of the AAC shall be appointed by the President/CEO for a term of three years, and no member may serve more than two consecutive terms. Should a member serve a partial term 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. Ex-officio members of the AAC shall be appointed by the President/CEO without a term limit.

REAPPOINTMENT OF INDRA GARDINER AND MICHAEL SORIANO

Indra Gardiner was appointed in February 2012 to complete the non-expired term of Seema Sueko. She completed her first full term between September 2013 and June 2016. Per Authority Policy 8.50, "should a member serve a partial term to complete a non-expired term of a prior member, such partial term shall not be included for purposes of the maximum service of two consecutive terms." Michael Soriano completed his first term between September 2013 and June 2016. The President/CEO recommends that Ms. Gardiner and Mr. Soriano be reappointed to an AAC Art Professional seat that is currently held by each individual. Reappointment to the Committee would be from June 2016 – June 2019.

Ms. Gardiner is the Founder/Chief Influence Officer of i.d.e.a., a full-service creative group dedicated to producing powerful and culturally relevant work for national and regional brands. After a career in the hospitality industry that included roles from restaurant operations to sales, Ms. Gardiner moved into public relations, managing some of the biggest launches and celebrations in San Diego including the 75th Anniversary of the San Diego Zoo, regional introduction of Sprint PCS and the opening of the W San Diego. For her work on the Zoo's 75th Anniversary, her team received the Public Relations Society of America's highest award, a Silver Anvil. She has represented hotels and destinations for nearly 30 years, including brands such as Kimpton, Hilton, Sheraton and Marriott.

For more than 20 years, Ms. Gardiner has led a variety of consumer-focused clients with creative and pragmatic thinking in the fields of public relations, social media and event marketing.

Mr. Soriano is an Architect and Artist who attended college in San Diego. He previously lived in Hollywood where he worked for a production company to build and dress commercial sets. Eventually, he moved back to San Diego to work in landscape and interior design. Twenty years of designing furniture, art installations and commercial environments have taught Mr. Soriano to understand how things are made, not just how they should look.

With extensive hands-on construction and manufacturing experience, Mr. Soriano's talent in art means that he thinks more like an Artist, and less like an Architect. He deftly contrasts metals, stone, woodwork or fabrics with a hand that's natural, not forced.

Some of Mr. Soriano's projects in the San Diego County region include the Vin de Syrah wine bar, the Pearl Hotel, and Uptown restaurant bar, among many others.

Fiscal Impact:

No fiscal impact.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not Applicable.

Prepared by:

DIANA LUCERO
DIRECTOR, VISION, VOICE & ENGAGEMENT

RESOLUTION NO. 2016-0047

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY APPROVING THE APPOINTMENT OF
INDRA GARDINER AND MICHAEL SORIANO TO A
NEW TERM ON THE ART ADVISORY COMMITTEE

WHEREAS, the operations, procedures and activities of the San Diego County Regional Airport Authority (“Authority”) and its Board’s committees are guided by, among other things, the Authority’s Policies and Codes; and

WHEREAS, the Board adopted Policy 8.50, entitled Policy for the Airport Authority Art Program, which governs the appointment of Art Committee (“AAC”) members; and

WHEREAS, the AAC is advisory in nature to provide expert advice regarding opportunities for integrating public artwork into the Airport, to identify eligible and qualified artists for creation of specific artworks, to maintain and conserve displayed public artworks, to deaccession public artworks, and determine eligibility and qualifications for temporary and rotating art exhibits.

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

- a) Six voting members who are Arts Professionals or Design Professionals
- b) One voting member who serves on the Board
- c) Up to three *ex-officio* non-voting Authority staff members whose departments work closely with the Airport Art Program, as determined by the President/CEO; and

WHEREAS, of the six voting members who are art or design professionals, two shall reside outside of San Diego County, and one shall be actively involved in the performing arts, as recommended by the President/CEO, subject to appointment by the Board; and

WHEREAS, the President/CEO shall review interested candidate’s qualifications and make recommendations to the Board for approval and appointment; and

WHEREAS, the President/CEO recommends Indra Gardiner and Michael Soriano for reappointment on the AAC as two of the six art/design professionals.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the appointment of Indra Gardiner and Michael Soriano to a new term on the Art Advisory Committee for the terms indicated on “Attachment A”; and

BE IT FURTHER RESOLVED that the Board finds this action is not a “project” that would have a significant effect on the environment as defined by the California Environmental Quality Act (“CEQA”), as amended, 14 Cal. Code Regs. §15378; is not a “project” subject to CEQA Cal. Pub. Res. Code (California Public Resources Code §21065); and is not a “development” as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Attachment A

Art Advisory Committee

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

Deborah L. Van Huis Design Professional (Committee Chair)	3 Years	June 2014	June 2017
Ben Fyffe Art Professional (Outside San Diego County Resident)	3 Years	June 2014	June 2017
Andy Horwitz Gail Roberts Art Professional	3 years	July 2015	July 2018
Chike C. Nwoffiah Art Professional (Outside San Diego County Resident/ Involved in Performing Arts)	3 years	July 2015	July 2018
Michael Soriano Art Professional	3 years	June 2016	June 2019
Indra Gardiner Art Professional (Committee Vice Chair)	3 years	June 2016	June 2019
Robert H. Gleason – Authority Board Member	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
Diana Lucero – Authority Staff (Ex-Officio Member)	At President/CEO’s discretion	n/a	n/a

Board Communication

Date: June 23, 2016
To: Board Members
Via: Thella F. Bowens, President/CEO
From: Scott M. Brickner, Vice President, Finance & Asset
Management/Treasurer
Subject: Accept the Unaudited Financial Statements for the Nine
Months Ended March 31, 2016:

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



SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Review of the Unaudited Financial Statements for the Nine Months Ended March 31, 2016 and 2015

Presented by:

Scott Brickner, CPA

Vice President, Finance and Asset Management/Treasurer

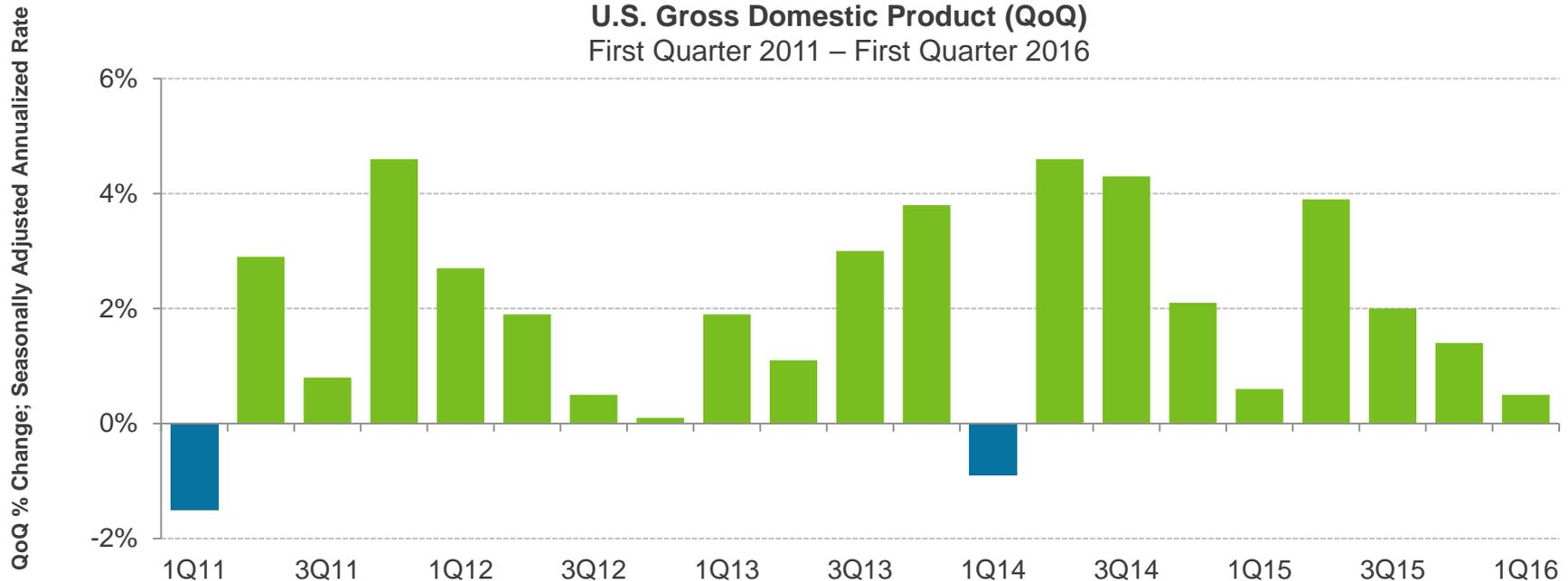
Kathy Kiefer

Senior Director, Finance & Asset Management

June 23, 2016

First Quarter GDP

U.S. GDP grew at 0.5% in the first quarter (advance estimate) compared to 1.4% in the fourth quarter. The primary drivers of growth in the first quarter were consumer and residential spending. Similar to the prior two years, growth in the first quarter weakened sharply. Growth is expected to rebound somewhat in the second quarter,



Initial Claims For Unemployment

For the week ending April 23, initial claims for unemployment (seasonally adjusted) rose by 9,000 to 257,000. Although up from the prior week, initial claims for unemployment remain very low by historical standards (the prior week's report at 248,000 was the report's lowest level since 1973). The 4-week moving average, which helps smooth out some of the weekly volatility, fell by 4,750 to 256,000. Despite weakness in other areas of the economy, the job market remains strong.

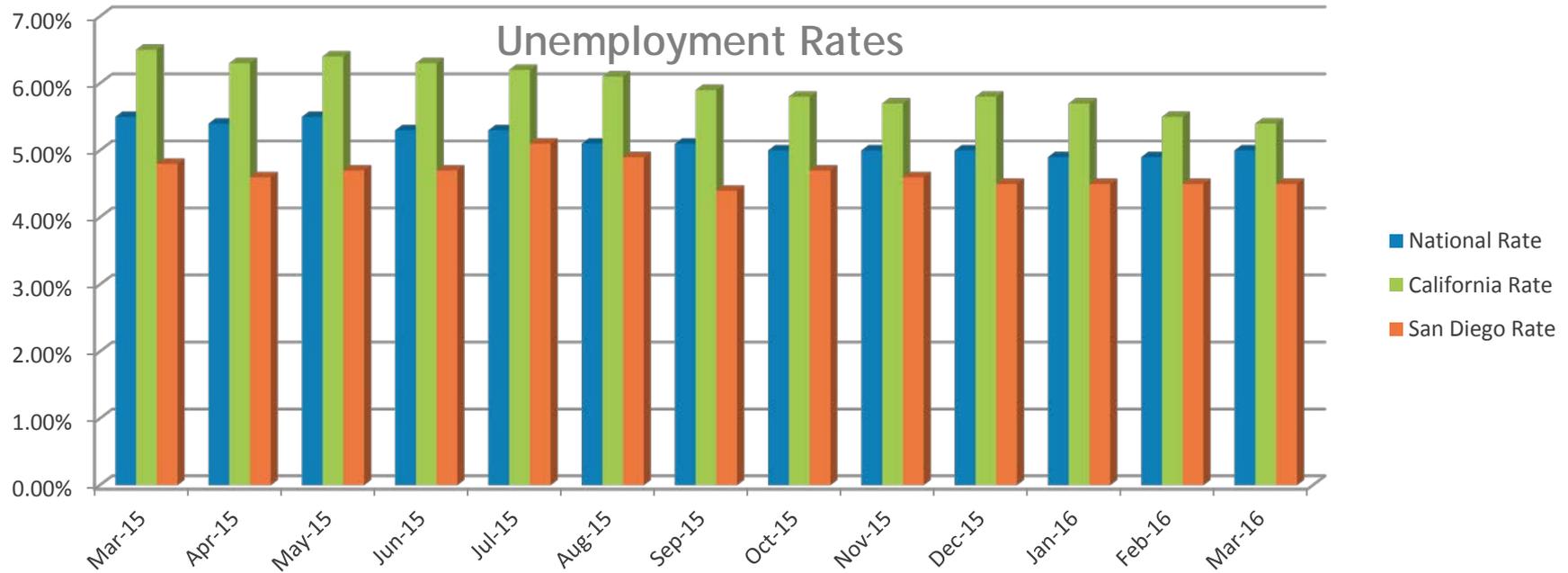
Initial Jobless Claims and 4-Week Moving Average

April 2011 – April 2016



March Unemployment Rates

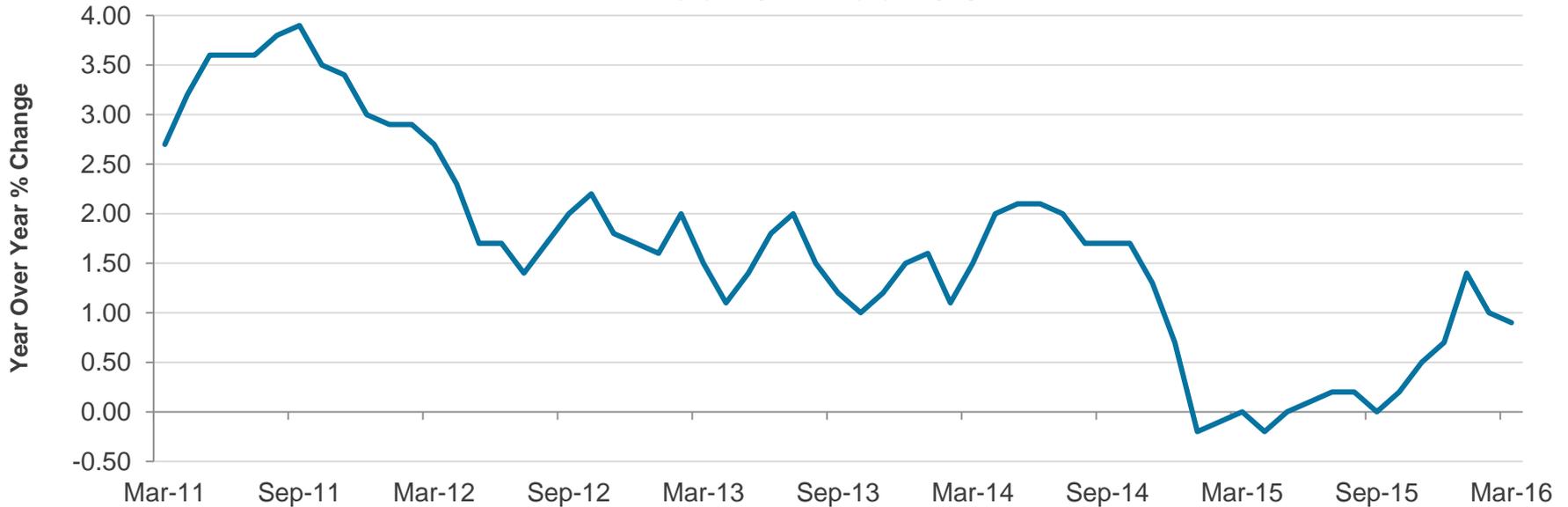
The National unemployment rate rose slightly to 5.0 percent, a 0.1 percent increase from February. The National U-6 rate also rose 0.1 percentage points to 9.8 percent. In California the unemployment rate dropped 0.1 percentage points from the February rate of 5.5 percent to 5.4 percent for March, and down 1.1 percentage points from one year ago. Locally, San Diego's unemployment rate has remained unchanged, staying at 4.5 percent since December.



Consumer Price Index

The Consumer Price Index (CPI) for the twelve months ending March was up 0.90% down from a 1.00% increase in February. Core CPI, excluding food and energy, was up 2.20% for the twelve months ending March, which was down from the 2.30% increase in February. Even discounting the impact of low energy prices, overall inflation remains low.

Consumer Price Index (YoY%)
March 2011 – March 2016

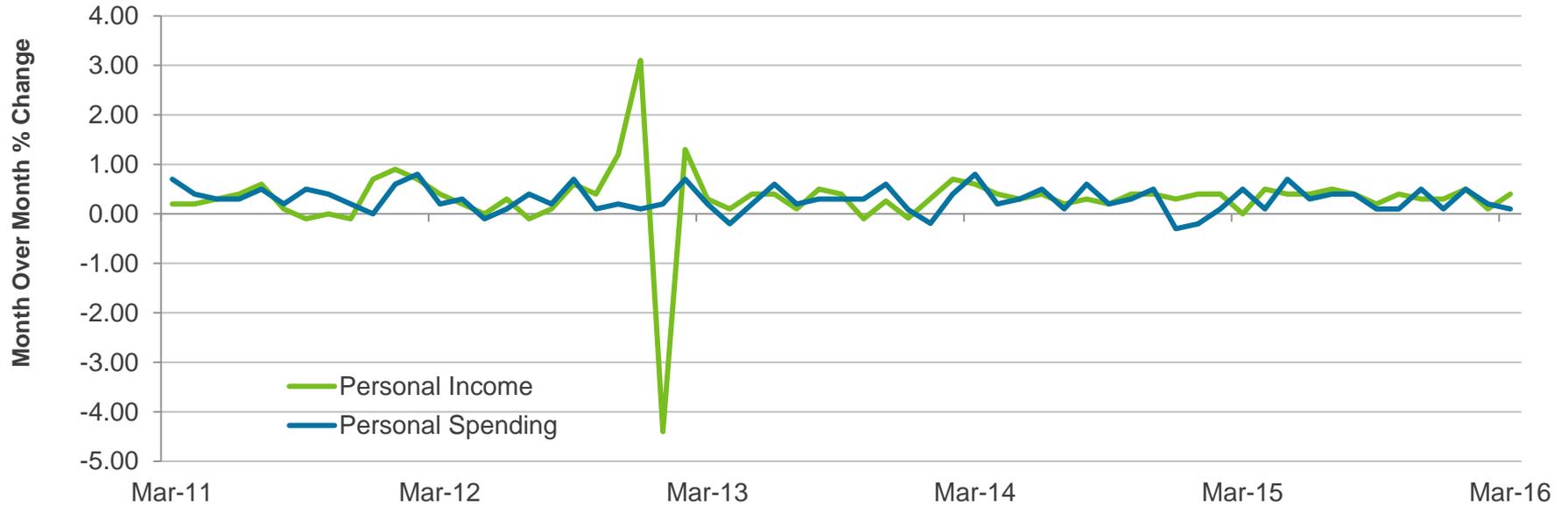




Personal Income and Spending

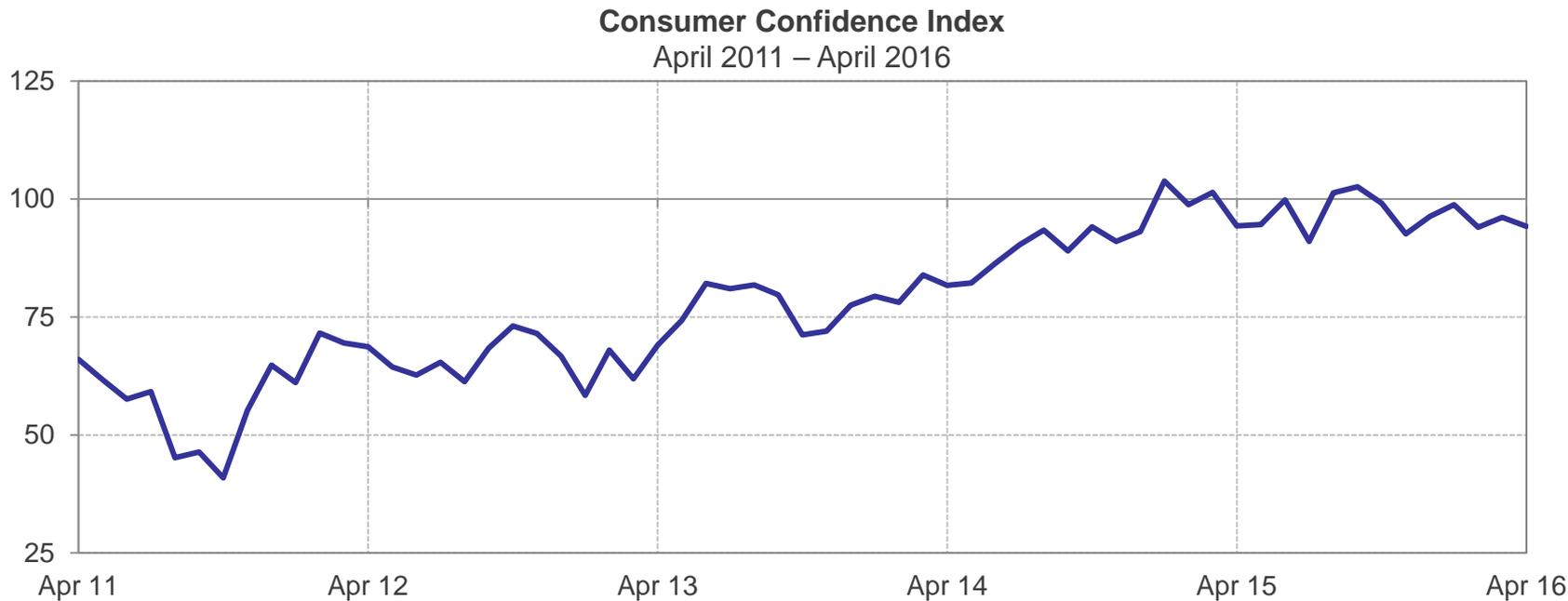
Personal income rose strongly in March increasing by 0.40% compared to 0.10% in February. However, spending was disappointing increasing by only 0.10% in March down from a 0.20% increase in February. A decrease in consumer spending contributed to the weak first quarter.

Personal Income and Spending (MoM%)
March 2011 – March 2016



Consumer Confidence Index

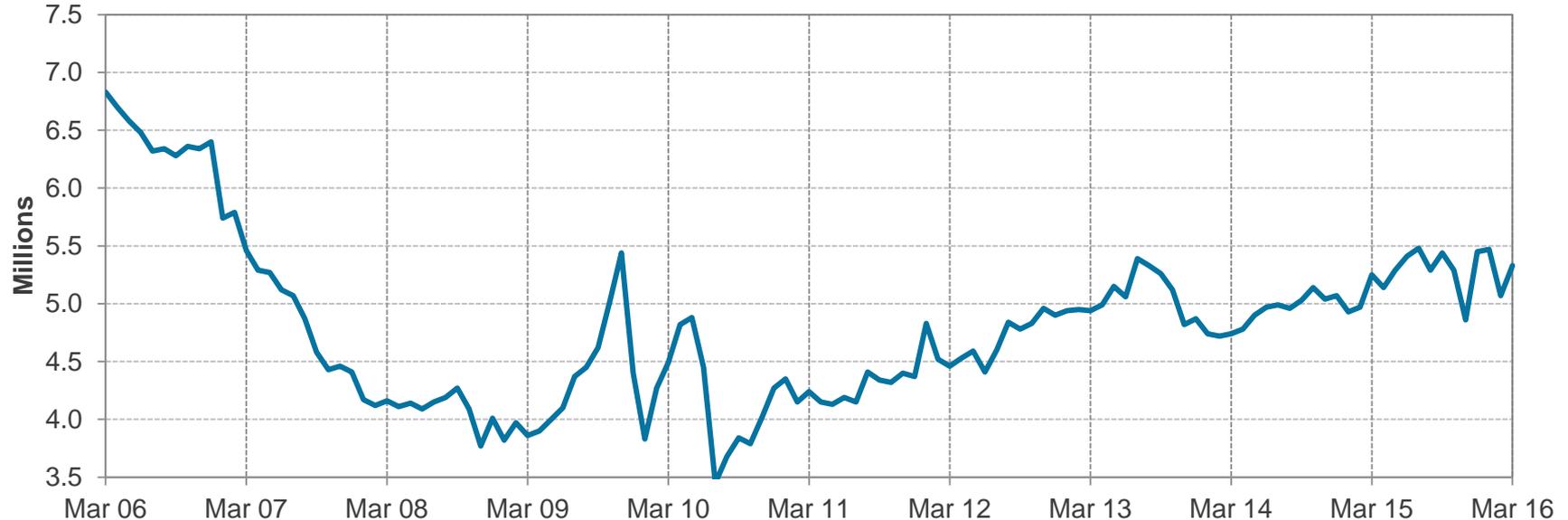
Reversing its gain in March, the Consumer Confidence Index fell by 1.9 points to 94.2 in April. Although consumers were modestly more optimistic about current conditions, the Index fell on decreased confidence in future conditions.



Existing Home Sales Move UP

After falling in February, existing home sales rose more than expected to a seasonally adjusted annualized rate of 5.33 million units in March, which was a 5.1% increase from the prior month. While up strongly for the month, existing home sales were only 1.5% higher from the prior year, which does not suggest real strength in the housing market.

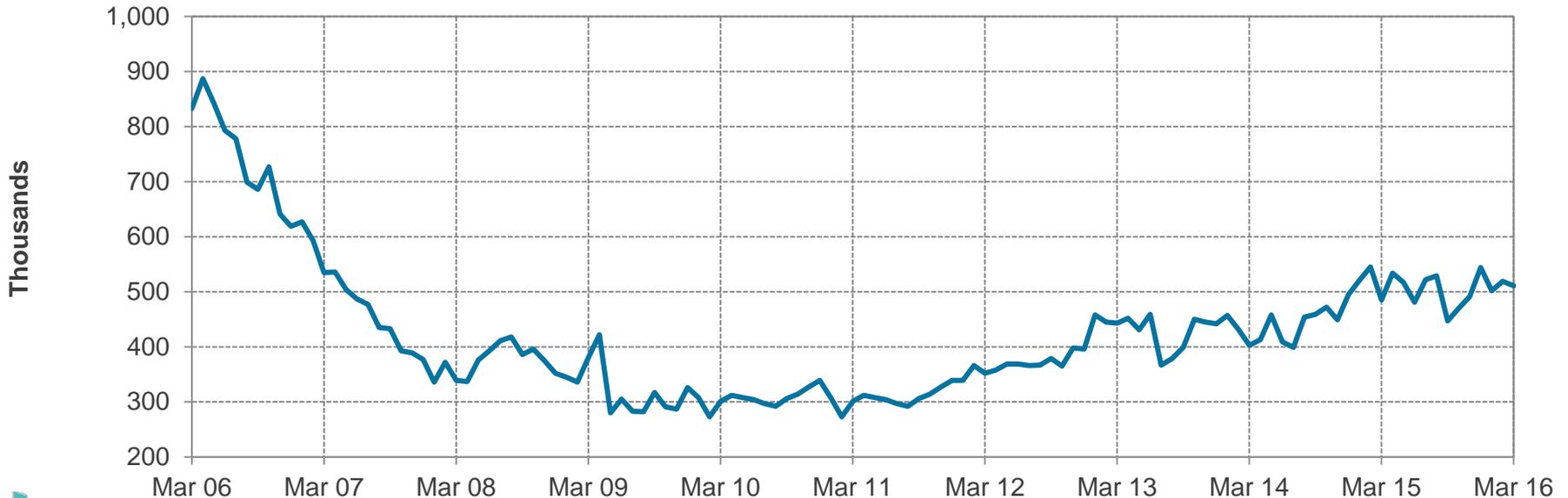
U.S. Existing Home Sales (MoM)
March 2006 – March 2016



New Home Sales Drop Slightly

New homes sales fell by 1.5% in March to a seasonally adjusted annualized rate of 511,000 units. Although down for the month, new home sales were up 5.4% compared to March 2015. New home sales have been volatile on a month-to-month basis, but the general trend has been relatively flat with new home sales averaging 506,000 units per month over the past twelve months.

U.S. New Home Sales
March 2006 – March 2016



Oil Near its Recent Highs

Oil (WTI spot) closed at \$41.67 on April 25, which is down slightly from its high for the year of \$43.18 reached on April 21. Despite the recent price increases, crude oil is down 32.1 % from its 12 month high. The market remains volatile on a daily basis as the market digests news indicating shifts between supply and demand. A drop in the dollar has helped contribute to the recent rise in oil prices.

West Texas Intermediate Oil Price Per Barrel (WTI Spot)
April 1, 2011 – April 25, 2016



B. K. ...
HEDGEYE



HELP!
I'VE
FALLEN
AND I
CAN'T
GET UP

Jet Fuel Near its Recent High

Jet fuel (U.S. Gulf Coast Spot) closed at \$1.175 on April 25, which is down slightly from its high for the year of \$1.217 reached on April 20. Despite its recent increases, Jet fuel is down 38.4% from its 12 month high. The price of jet fuel is up recently on higher crude prices, but the potential for further increases may be limited given continued downward pressures on oil prices.

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

April 1, 2011 – April 25, 2016



U.S. Equity Markets

After falling sharply at the beginning of the year on global economic uncertainty and a general de-risking, the markets rebounded as global economic concerns subsided and the Federal Reserve's dovish tone pushed off expectations of additional interest rate hikes. Although down in recent weeks, the equity markets are still up for the year. Year-to-date, the DJIA is up 1.87% and the S&P 500 is up 0.95%.

Dow Jones Industrial Average and S&P 500 Indices

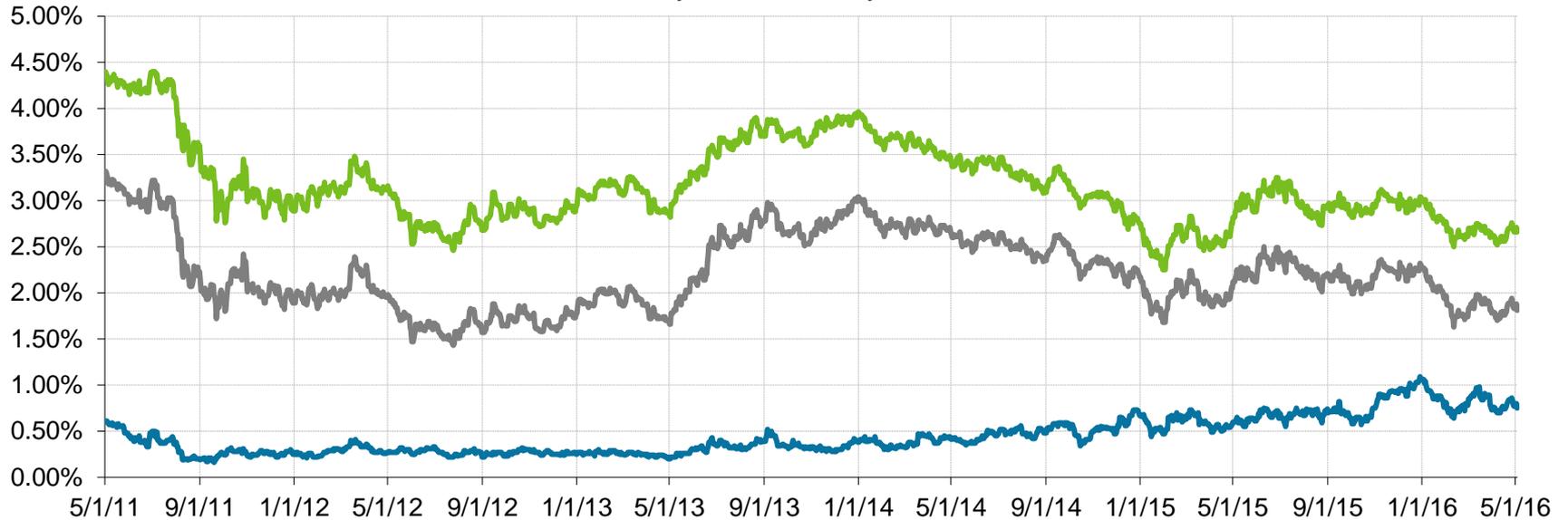
May 1, 2011 – May 3, 2016



Treasury Yields

Over the past five years, longer-term Treasury yields have fallen on global economic weakness and lower inflation expectations while shorter-term rates are up modestly on a higher federal funds rate hike.

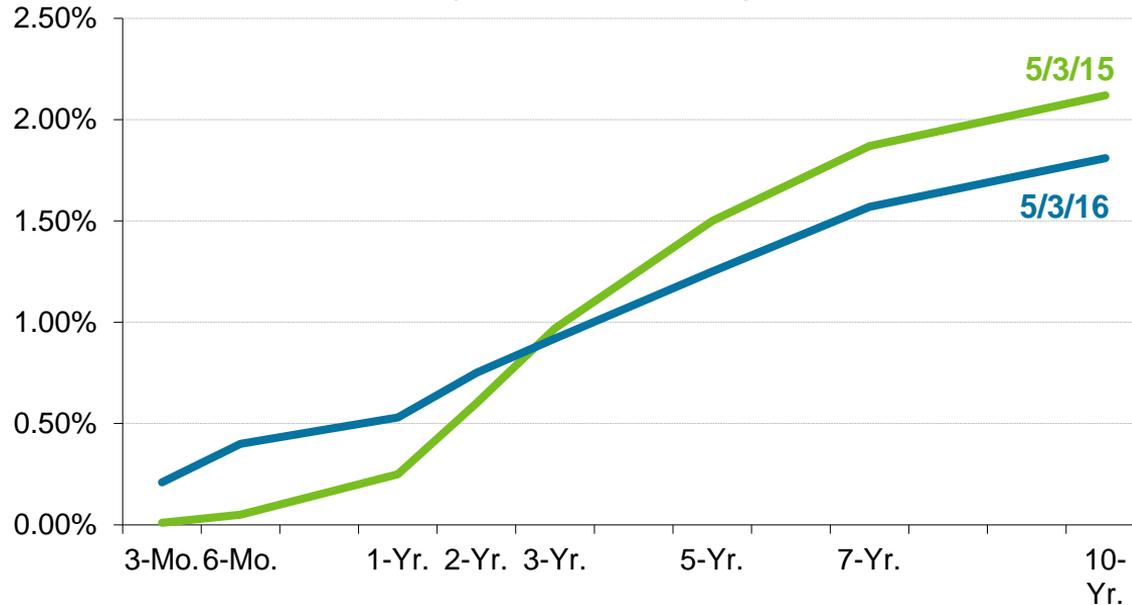
2-, 10- and 30-year U.S. Treasury Yields
May 1, 2011 – May 3, 2016



U.S. Treasury Yield Curve Flattens

While shorter-term Treasury yields are up on the hike in the federal funds target rate, longer-term yields have fallen from prior year levels driven by global economic concerns, lowered inflation expectations, and a flight to quality.

U.S. Treasury Yield Curve
May 3, 2015 versus May 3, 2016



	5/3/15	5/3/16	Change
3-Mo.	0.01%	0.21%	0.20%
6-Mo.	0.05%	0.40%	0.35%
1-Yr.	0.25%	0.53%	0.28%
2-Yr.	0.60%	0.75%	0.15%
3-Yr.	0.97%	0.92%	(0.05%)
5-Yr.	1.50%	1.25%	(0.25%)
10-Yr.	2.12%	1.81%	(0.31%)
20-Yr.	2.57%	2.24%	(0.33%)
30-Yr.	2.82%	2.66%	(0.16%)

Source: U.S. Department of the Treasury



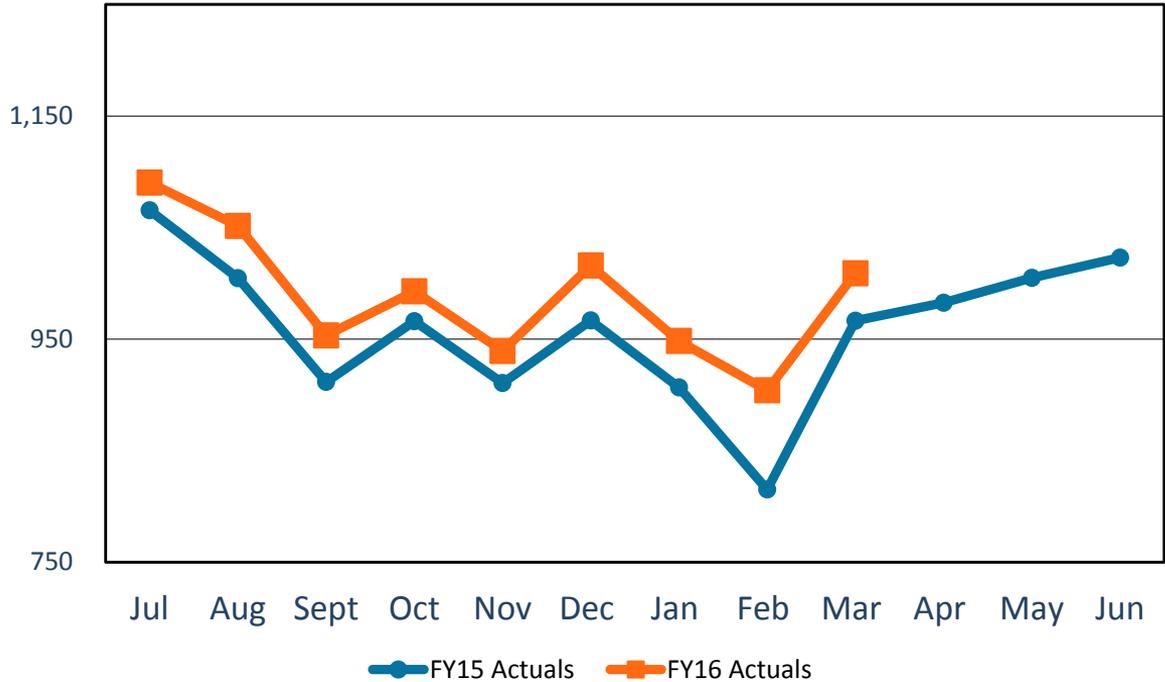
“It was a dark and stormy market, but then the Dow rallied and the blue chips began to rise...”



Revenue & Expenses (Unaudited) For the Month Ended March 2016 and 2015

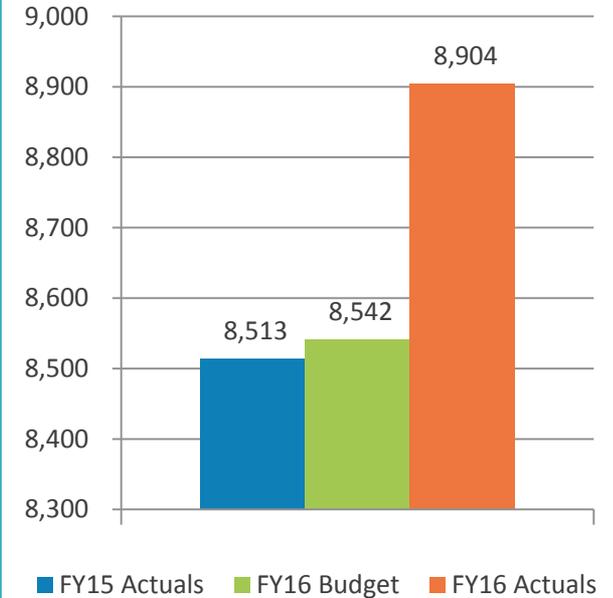
Gross Landing Weight Units (000 lbs)

(000's)



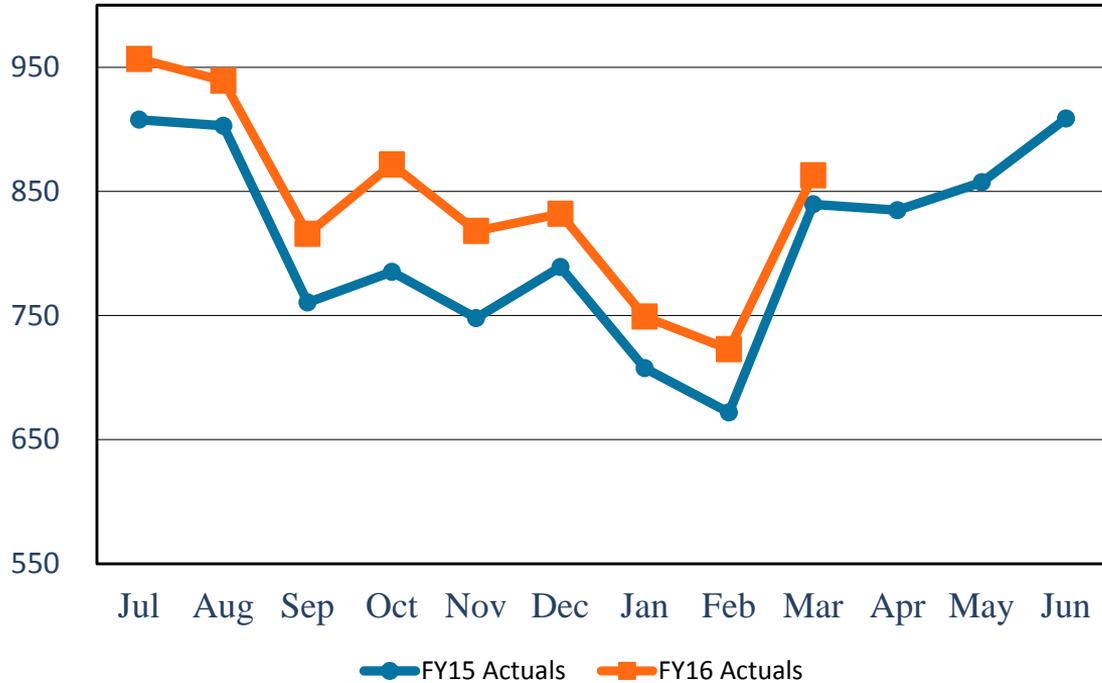
FY16 YTD Act Vs.
FY15 YTD Act
4.6%

FY16 YTD Act Vs.
FY16 YTD Budget
4.2%



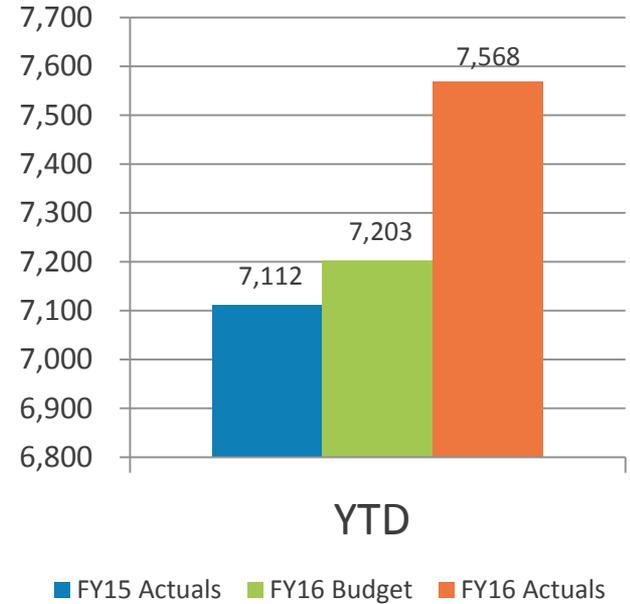
Enplanements

(000's)

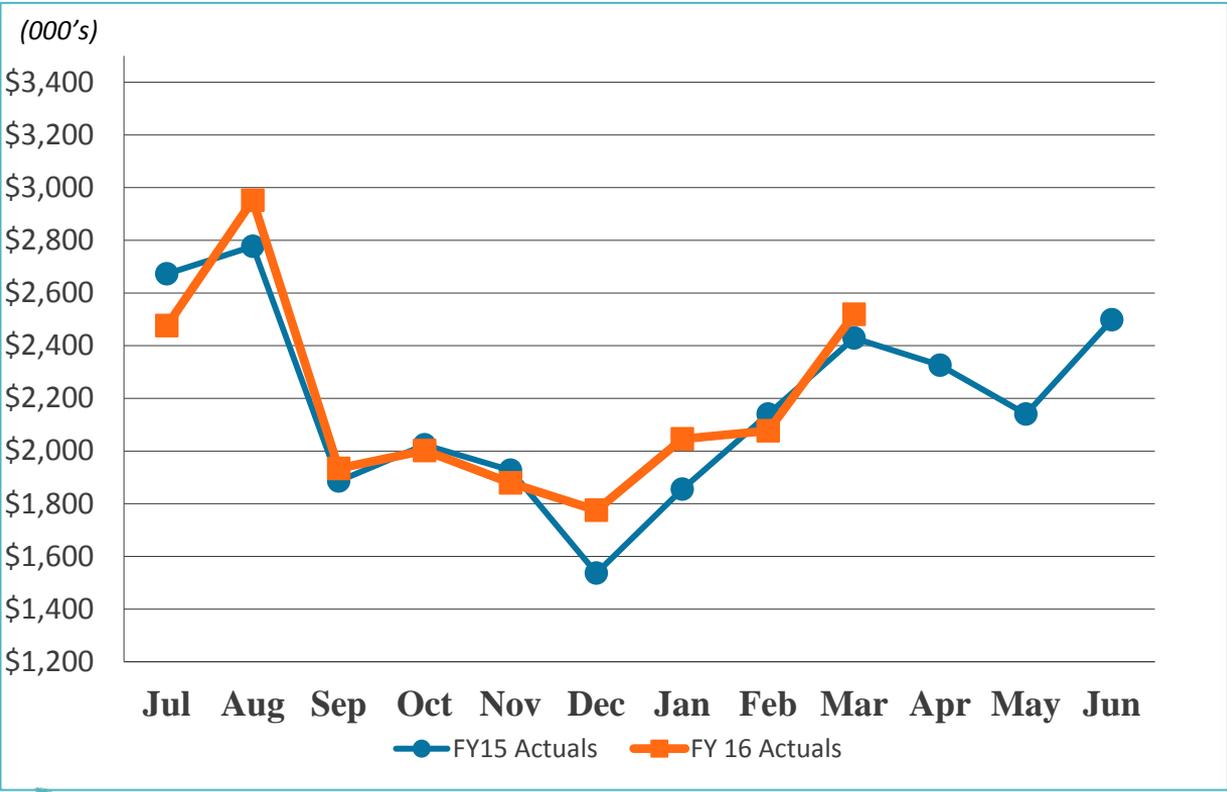


FY16 YTD Act Vs.
FY15 YTD Act
6.4%

FY16 YTD Act Vs.
FY16 YTD Budget
5.1%

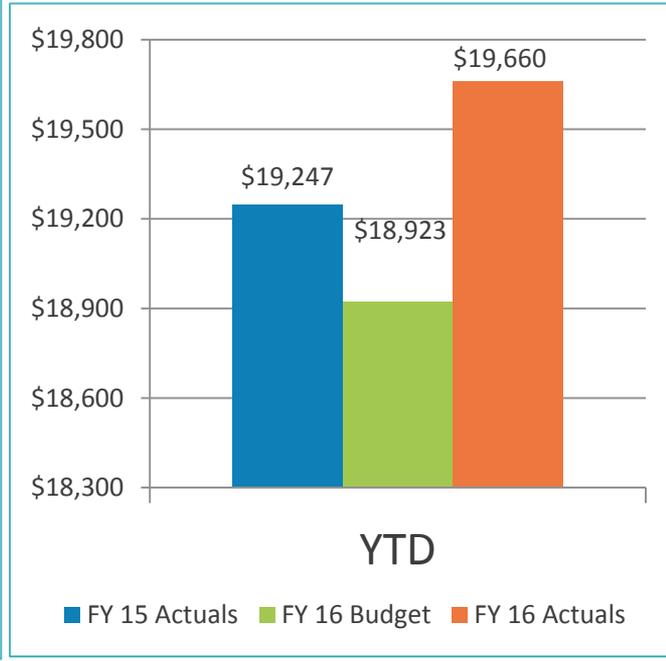


Car Rental License Fees

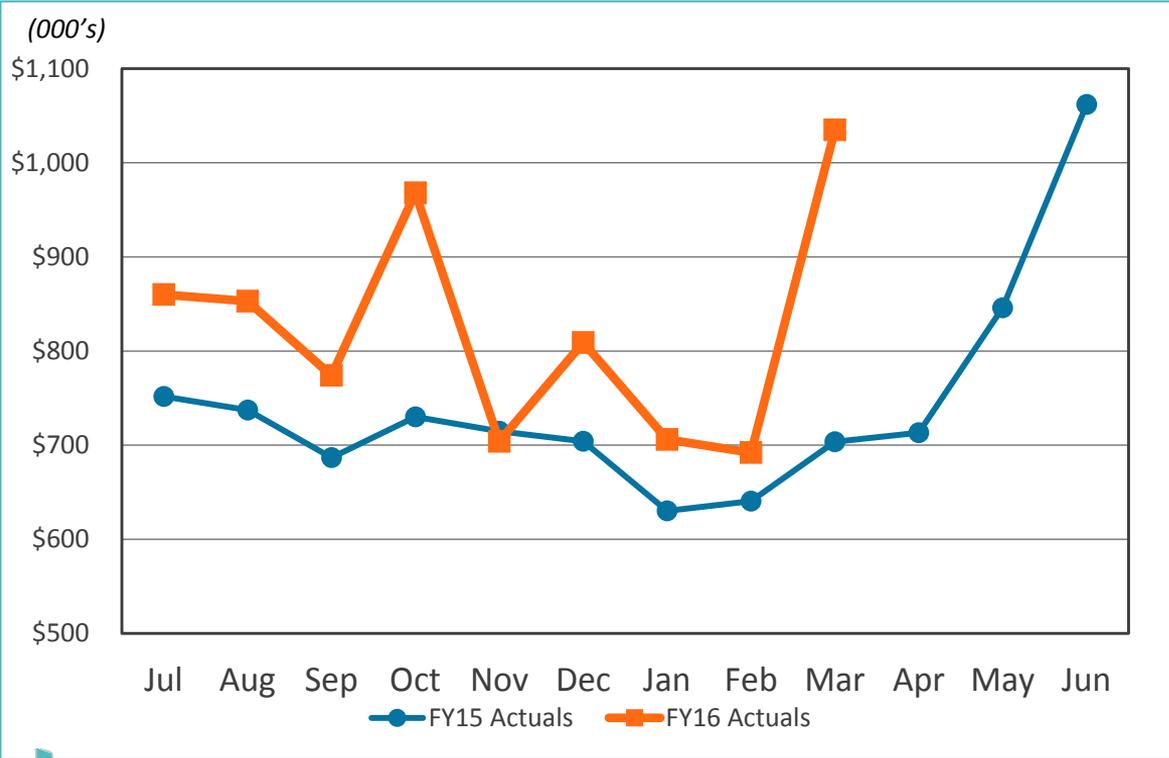


FY16 YTD Act Vs.
FY15 YTD Act
2.1%

FY16 YTD Act Vs.
FY16 YTD Budget
3.9%

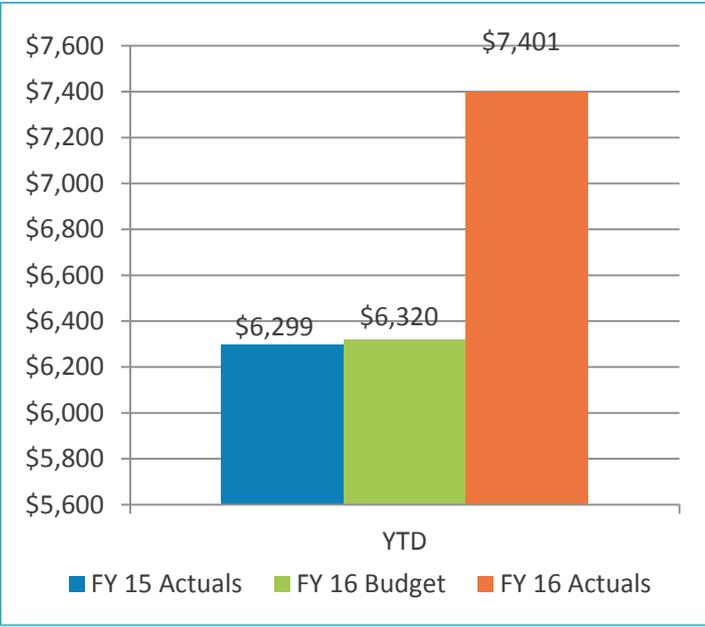


Food and Beverage Concessions Revenue

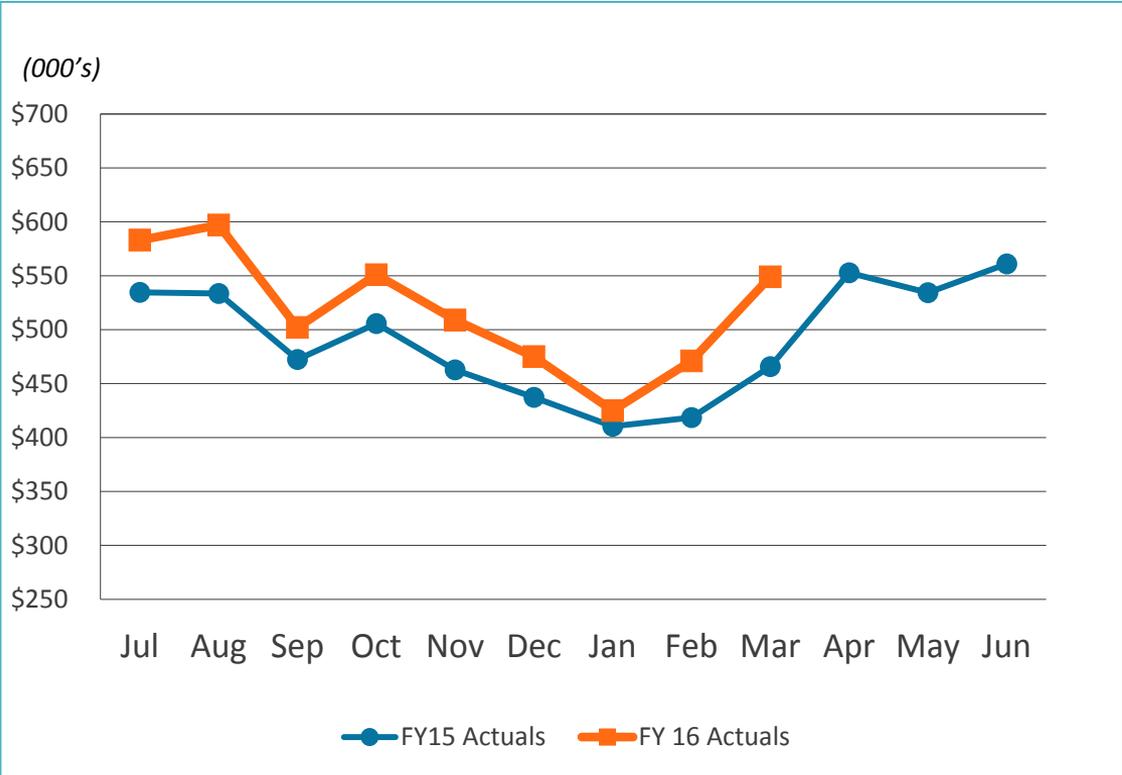


FY16 YTD Act Vs.
FY15 YTD Act
17.5%

FY16 YTD Act Vs.
FY16 YTD Budget
17.1%

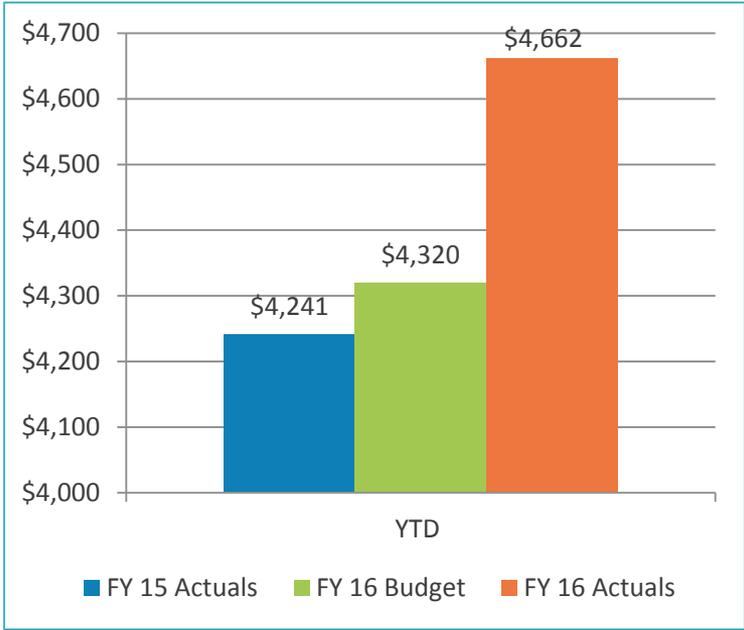


Retail Concessions Revenue

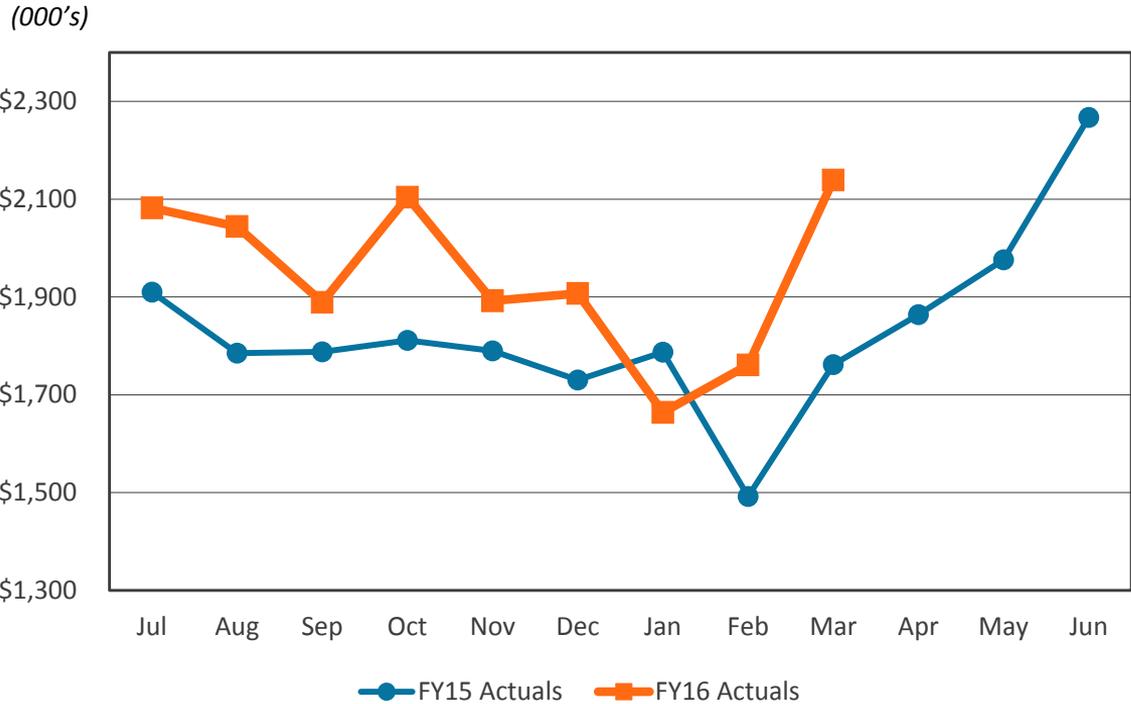


FY16 YTD Act Vs.
FY15 YTD Act
9.9%

FY16 YTD Act Vs.
FY16 YTD Budget
7.9%

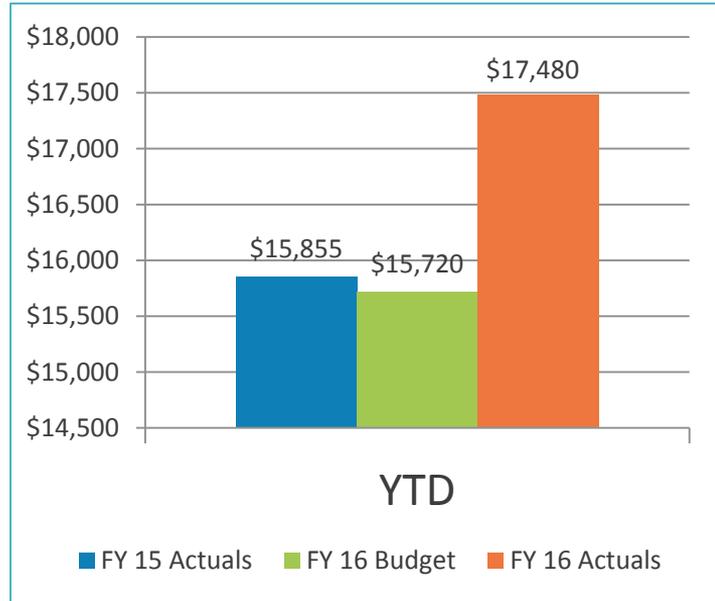


Total Terminal Concessions (Includes Cost Recovery)

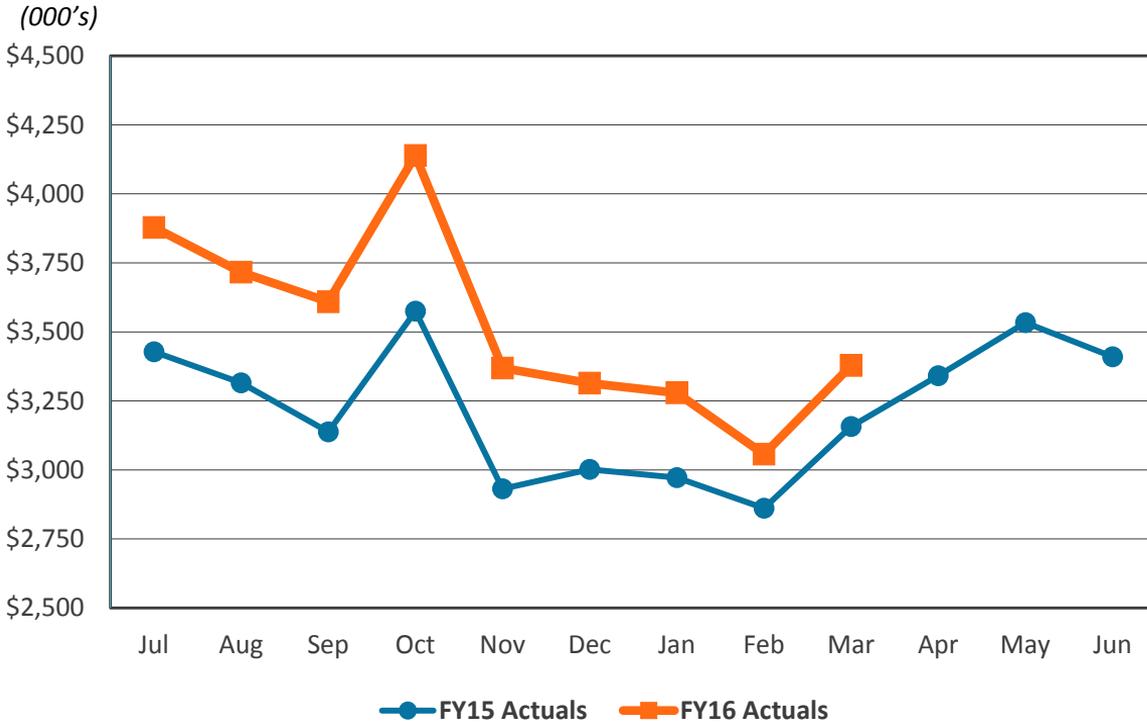


FY16 YTD Act Vs.
FY15 YTD Act
10.2%

FY16 YTD Act Vs.
FY16 YTD Budget
11.2%

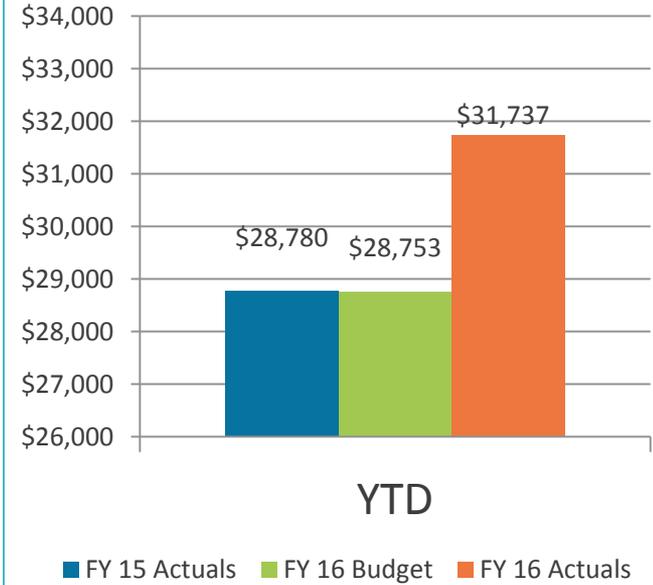


Parking Revenue



FY16 YTD Act Vs.
FY15 YTD Act
10.5%

FY16 YTD Act Vs.
FY16 YTD Budget
10.4%



Operating Revenues for the Month Ended March 31, 2016

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Aviation revenue:					
Landing fees	\$ 2,083	\$ 2,200	\$ 117	6%	\$ 1,948
Aircraft parking fees	240	222	(18)	(8)%	226
Building rentals	4,437	4,474	37	1%	4,542
Security surcharge	2,307	2,305	(2)	-	2,211
CUPPS Support Charges	101	101	-	-	94
Other aviation revenue	133	132	(1)	(1)%	136
Total aviation revenue	\$ 9,301	\$ 9,434	\$ 133	1%	\$ 9,157

Operating Revenues for the Month Ended March 31, 2016

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 119	\$ 113	\$ (6)	(5)%	\$ 103
Concession revenue:					
Terminal concession revenue:					
Food and beverage	759	1,035	276	36%	704
Retail	472	549	77	16%	466
Space storage	78	71	(7)	(8)%	80
Cost recovery	218	203	(15)	(7)%	218
Other (Primarily advertising)	241	281	40	17%	294
Total terminal concession revenue	1,768	2,139	372	21%	1,762
Car rental and license fee revenue:					
Rental car and license fees	2,367	2,519	152	6%	2,429
Rental car center cost recovery	-	148	148	-	-
License fees-other	375	383	8	2%	368
Total rental car and license fees	2,742	3,050	308	11%	2,797
Total concession revenue	\$ 4,510	\$ 5,189	\$ 679	15%	\$ 4,559

Operating Revenues for the Month Ended March 31, 2016

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Parking revenue:					
Short-term parking revenue	\$ 1,906	\$ 2,115	\$ 208	11%	\$ 2,097
Long-term parking revenue	1,194	1,263	69	6%	1,110
Total parking revenue	3,100	3,378	278	9%	3,207
Ground transportation permits and citations	337	397	61	18%	231
Ground rentals	1,471	1,616	145	10%	985
Grant reimbursements	25	25	-	-	25
Other operating revenue	39	55	16	39%	41
Subtotal	4,972	5,471	499	10%	4,489
Total operating revenues	\$ 18,902	\$ 20,205	\$ 1,305	7%	\$ 18,308

Operating Expenses for the Month Ended March 31, 2016

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Operating expenses:					
Salaries and benefits	\$ 4,965	\$ 4,486	\$ 479	10%	\$ 3,127
Contractual services	3,452	3,087	365	11%	2,649
Safety and security	2,708	2,740	(32)	(1)%	1,890
Space rental	869	869	-	-	868
Utilities	1,103	729	374	34%	707
Maintenance	1,182	584	598	51%	1,384
Equipment and systems	29	18	11	38%	7
Materials and supplies	35	36	(1)	(4)%	51
Insurance	110	79	31	29%	86
Employee development and support	143	131	12	8%	134
Business development	228	468	(240)	(105)%	71
Equipment rental and repairs	362	641	(279)	(77)%	754
Total operating expenses	\$ 15,186	\$ 13,868	\$ 1,318	9%	\$ 11,728

Financial Summary

for the Month Ended March 31, 2016

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 18,902	\$ 20,205	\$ 1,305	7%	\$ 18,308
Total operating expenses	15,186	13,868	1,318	9%	11,728
Income from operations	3,716	6,337	2,621	71%	6,580
Depreciation	7,665	7,665	-	-	6,711
Operating income (loss)	\$ (3,949)	\$ (1,328)	\$ 2,621	66%	\$ (131)

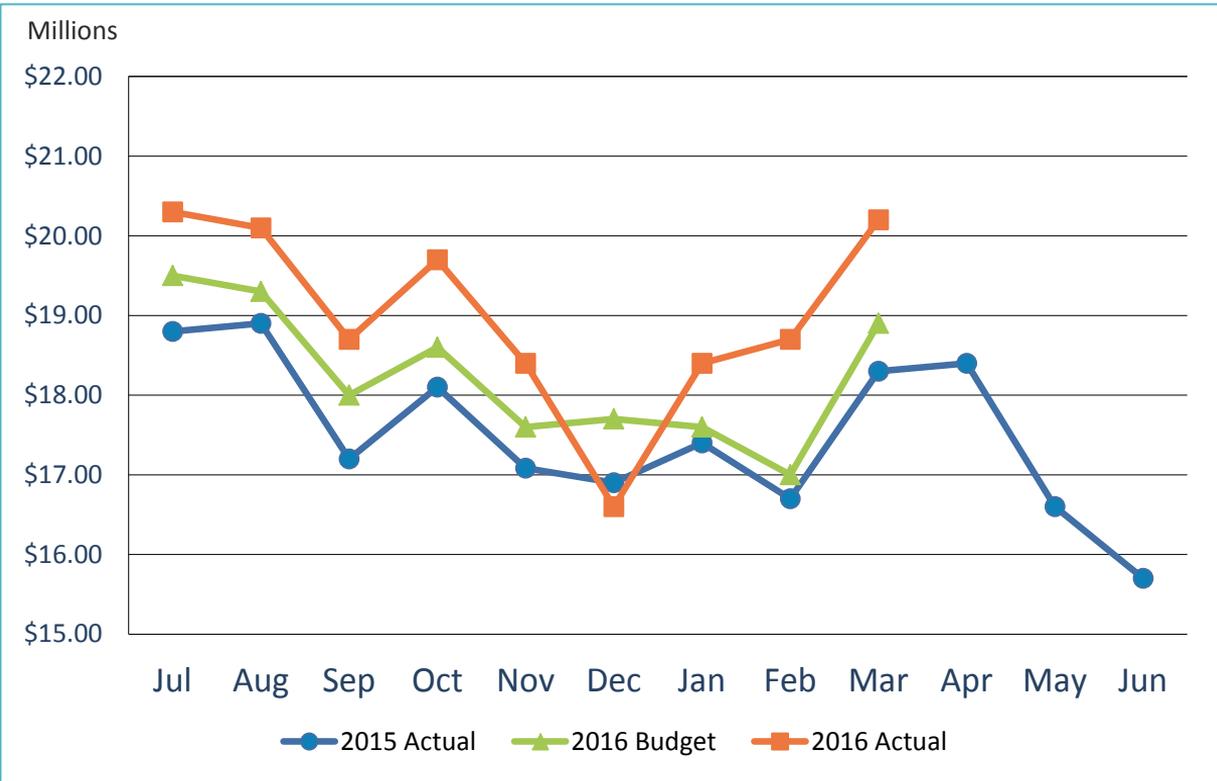
Non-operating Revenues & Expenses for the Month Ended March 31, 2016

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 4,042	\$ 3,839	\$ (203)	(5)%	\$ 3,714
Customer facility charges (Rental Car Center)	3,122	3,046	(76)	(2)%	2,960
Quieter Home Program, net	(351)	(416)	(65)	(18)%	(309)
Interest income	379	223	(156)	(41)%	486
BAB interest rebate	386	386	-	-	386
Interest expense & debt issuance costs	(5,616)	(4,559)	1,057	19%	(4,984)
Bond amortization	352	352	-	-	359
Other nonoperating revenue (expenses)	(1)	437	438	-	(1,061)
Nonoperating revenue, net	2,313	3,308	995	43%	1,551
Change in net position before grant contributions	(1,636)	1,980	3,616		1,420
Capital grant contributions	19	14	(5)	(24)%	90
Change in net position	\$ (1,617)	\$ 1,994	\$ 3,612	223%	\$ 1,510



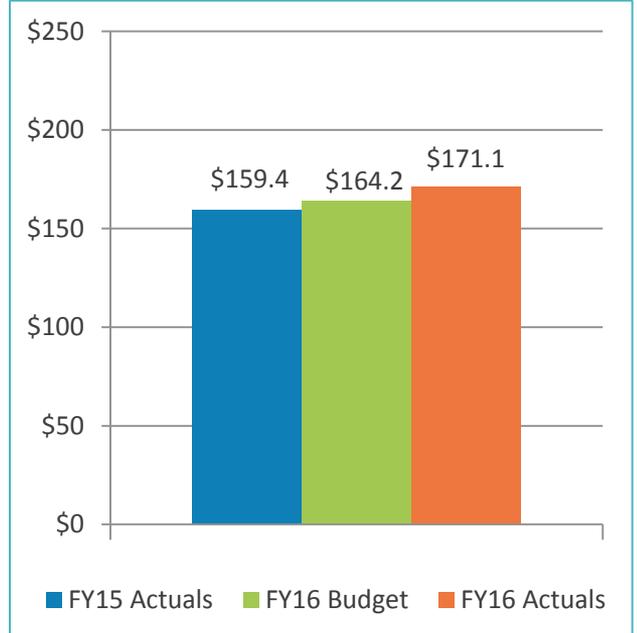
**Revenue & Expense
(Unaudited)
For the Nine Months Ended
March 31, 2016 and 2015**

Monthly Operating Revenue (Unaudited)



FY16 YTD Act Vs.
FY15 YTD Act
7.4%

FY16 YTD Act Vs.
FY16 YTD Budget
4.2%



Operating Revenues

for the Nine Months Ended March 31, 2016 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Aviation revenue:					
Landing fees	\$ 18,207	\$ 18,623	\$ 416	2%	\$ 17,584
Aircraft parking fees	2,156	2,028	(128)	(6)%	2,046
Building rentals	39,909	39,817	(92)	-	38,148
Security surcharge	20,764	19,959	(805)	(4)%	19,897
CUPPS Support Charges	905	905	-	-	846
Other aviation revenue	1,190	1,204	14	1%	1,188
Total aviation revenue	\$ 83,131	\$ 82,536	\$ (595)	(1)%	\$ 79,709

Operating Revenues

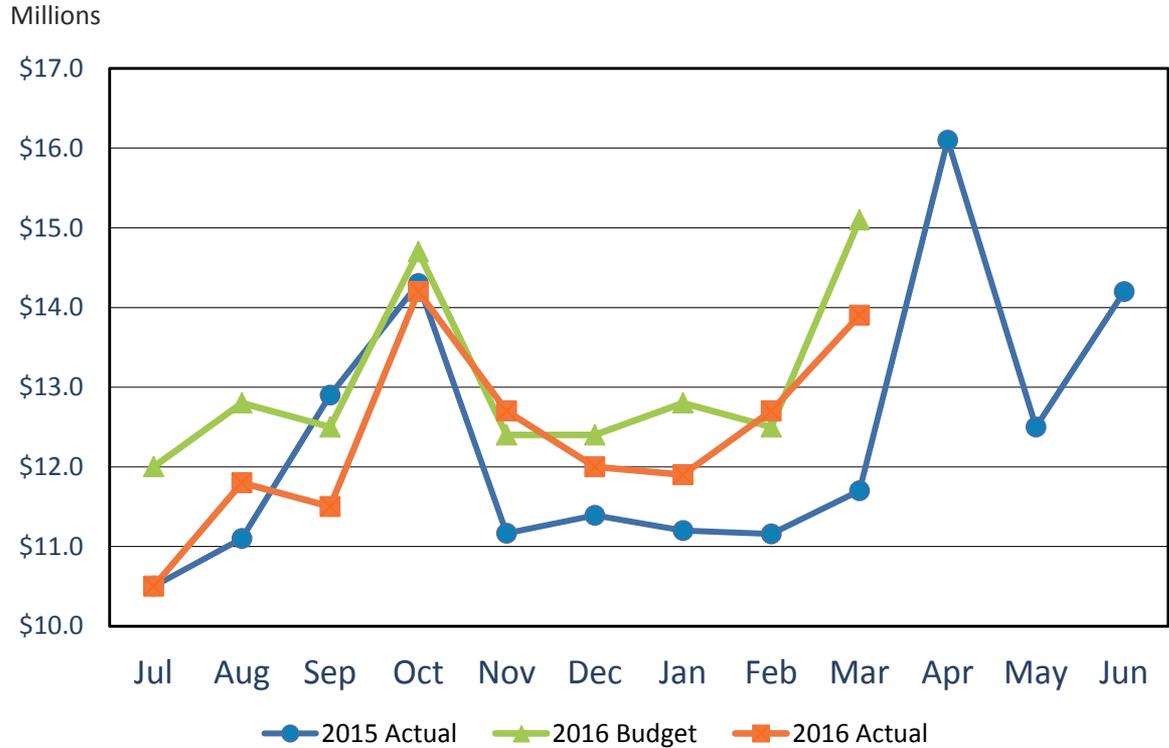
for the Nine Months Ended March 31, 2016 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Terminal rent non-airline	\$ 1,071	\$ 701	\$ (370)	(35)%	\$ 923
Concession revenue:					
Terminal concession revenue:					
Food and beverage	6,320	7,402	1,082	17%	6,299
Retail	4,320	4,662	341	8%	4,241
Space storage	699	641	(58)	(8)%	703
Cost recovery	1,958	1,889	(69)	(4)%	1,840
Other (Primarily advertising)	2,423	2,886	463	19%	2,772
Total terminal concession revenue	15,720	17,480	1,760	11%	15,855
Car rental and license fee revenue:					
Rental car license fees	18,923	19,660	737	4%	19,247
Rental car center cost recovery	-	348	348	-	-
License fees-other	3,427	3,273	(154)	(4)%	3,285
Total rental car and license fees	22,350	23,281	931	4%	22,532
Total concession revenue	\$ 38,070	\$ 40,761	\$ 2,690	7%	\$ 38,387

Operating Revenues for the Nine Months Ended March 31, 2016 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	%	Prior Year
Parking revenue:					
Short-term parking revenue	\$ 18,156	\$ 19,807	\$ 1,651	9%	\$ 18,549
Long-term parking revenue	10,597	11,930	1,333	13%	10,231
Total parking revenue	28,753	31,737	2,984	10%	28,780
Ground transportation permits and citations	3,188	3,938	750	24%	2,352
Ground rentals	9,369	10,572	1,203	13%	8,547
Grant reimbursements	219	220	1	-	219
Other operating revenue	355	616	261	74%	505
Subtotal	41,884	47,083	5,199	12%	40,403
Total operating revenues	\$ 164,156	\$ 171,080	\$ 6,924	4%	\$ 159,422

Monthly Operating Expenses (Unaudited)



FY16 YTD Act Vs.
FY15 YTD Act
5.5%

FY16 YTD Act Vs.
FY16 YTD Budget
5.1%



YTD

■ FY15 Actuals
 ■ FY16 Budget
 ■ FY16 Actuals

Operating Expenses

for the Nine Months Ended March 31, 2016 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Operating expenses:					
Salaries and benefits	\$ 33,889	\$ 32,098	\$ 1,791	5%	\$ 33,763
Contractual services	28,150	27,172	978	3%	22,285
Safety and security	19,374	18,870	504	3%	17,733
Space rental	7,821	7,760	61	1%	7,825
Utilities	9,422	8,641	781	8%	7,870
Maintenance	10,917	10,256	661	6%	10,022
Equipment and systems	383	375	8	2%	145
Materials and supplies	312	360	(48)	(15)%	304
Insurance	992	710	282	28%	794
Employee development and support	1,024	883	141	14%	696
Business development	2,102	1,696	406	19%	1,743
Equipment rental and repairs	2,884	2,466	418	15%	2,271
Total operating expenses	\$ 117,270	\$ 111,287	\$ 5,983	5%	\$ 105,451

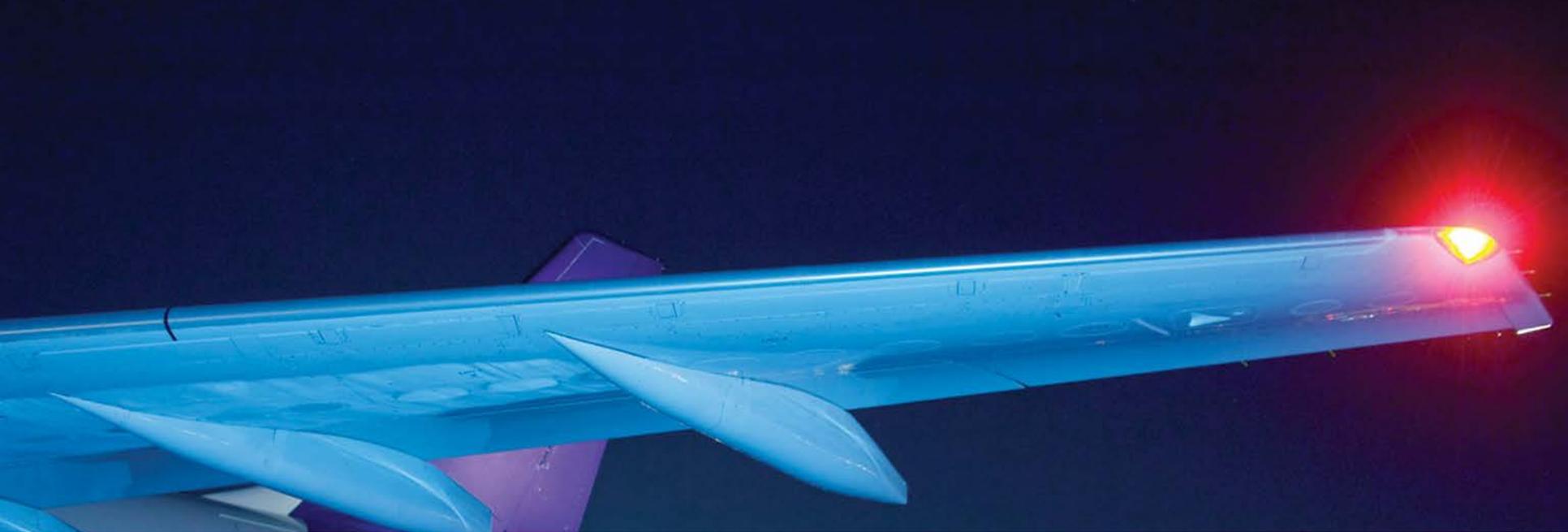
Financial Summary

for the Nine Months Ended March 31, 2016 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Total operating revenues	\$ 164,156	\$ 171,080	\$ 6,924	4%	\$ 159,422
Total operating expenses	117,270	111,287	5,983	5%	105,451
Income from operations	46,886	59,793	12,907	28%	53,971
Depreciation	61,546	61,546	-	-	60,213
Operating income (loss)	\$ (14,660)	\$ (1,753)	\$ 12,907	88%	\$ (6,242)

Nonoperating Revenues & Expenses for the Nine Months Ended March 31, 2016 (Unaudited)

(In thousands)	Budget	Actual	Variance Favorable (Unfavorable)	% Change	Prior Year
Nonoperating revenues (expenses):					
Passenger facility charges	\$ 28,684	\$ 29,918	\$ 1,234	4%	\$ 28,327
Customer facility charges (Rental Car Center)	24,559	24,872	313	1%	23,622
Quieter Home Program, net	(2,468)	(2,800)	(332)	(13)%	(2,127)
Interest income	3,643	4,458	815	22%	4,381
BAB interest rebate	3,473	3,486	13	-	3,473
Interest expense & debt issuance costs	(42,408)	(44,144)	(1,736)	(4)%	(46,627)
Bond amortization	3,191	3,191	-	-	3,255
Other nonoperating revenue (expenses)	(8)	1,346	1,354	-	(1,069)
Nonoperating revenue, net	18,666	20,327	1,661	9%	13,235
Change in Net Position before grant contributions	4,006	18,574	14,568	364%	6,993
Capital grant contributions	11,498	10,298	(1,200)	(10)%	3,053
Change in Net Position	\$ 15,504	\$ 28,872	\$ 13,368	86%	\$ 10,046



Statements of Net Position (Unaudited)
March 31, 2016 and 2015

Statements of Net Position (Unaudited)

As of March 31, 2016 and 2015

(In Thousands)

	<u>2016</u>	<u>2015</u>
Current assets:		
Cash and investments	\$ 67,782	\$ 68,701
Tenant lease receivable, net of allowance of 2016: (\$224,404) and 2015: (\$60,384)	6,561	8,517
Grants receivable	6,813	4,047
Notes receivable-current portion	1,609	1,528
Prepaid expenses and other current assets	7,436	6,507
Total current assets	<u>90,201</u>	<u>89,300</u>
 Cash designated for capital projects and other	 \$ 37,729	 \$ 22,410

Statements of Net Position (Unaudited)

As of March 31, 2016 and 2015

(In Thousands)

Restricted assets:

Cash and investments:

	<u>2016</u>	<u>2015</u>
Bonds reserve	\$ 56,868	\$ 54,943
Passenger facility charges and interest unapplied	70,187	63,021
Customer facility charges and interest applied	36,543	41,777
SBD bond guarantee	4,000	4,000
Bond proceeds held by trustee	181,186	338,368
Passenger facility charges receivable	4,577	5,033
Customer facility charges receivable	4,940	2,974
OCIP insurance reserve	3,773	5,433
Total restricted assets	<u>\$ 362,074</u>	<u>\$ 515,549</u>

Statements of Net Position (Unaudited)

As of March 31, 2016 and 2015

(In Thousands)

Noncurrent assets:

Capital assets:

Land and land improvements
 Runways, roads and parking lots
 Buildings and structures
 Machinery and equipment
 Vehicles
 Office furniture and equipment
 Works of art
 Construction-in-progress

Less: accumulated depreciation

Total capital assets, net

	<u>2016</u>	<u>2015</u>
	\$ 83,598	\$ 71,082
	589,522	575,159
	1,410,938	1,042,821
	42,849	14,293
	14,553	5,520
	32,395	32,520
	8,103	3,424
	155,339	411,341
	<u>2,337,297</u>	<u>2,156,160</u>
	(793,126)	(717,048)
	<u>\$ 1,544,171</u>	<u>\$ 1,439,112</u>

Statements of Net Position (Unaudited)

As of March 31, 2016 and 2015

(In Thousands)

Other assets:

Notes receivable - long-term portion

Investments - long-term portion

Net pension asset

Security deposit

Total other assets

	2016		2015
	\$ 35,554	\$	37,221
	125,828		87,968
	-		6,468
	350		500
	161,732		132,158

Deferred outflows of resources

Deferred pension contributions

Total assets and deferred outflows of resources

	6,019		-
	\$ 2,201,926	\$	2,198,528

Statements of Net Position (Unaudited)

As of March 31, 2016 and 2015

(In Thousands)

	<u>2016</u>	<u>2015</u>
Current liabilities:		
Accounts payable and accrued liabilities	\$ 48,694	\$ 63,369
Deposits and other current liabilities	8,420	4,050
Total current liabilities	<u>57,114</u>	<u>67,419</u>
Current liabilities payable from restricted assets:		
Current portion of long-term debt	11,090	10,695
Accrued interest on bonds and variable debt	16,477	16,575
Total liabilities payable from restricted assets	<u>\$ 27,567</u>	<u>\$ 27,270</u>

Statements of Net Position (Unaudited)

As of March 31, 2016 and 2015

(In Thousands)

	<u>2016</u>	<u>2015</u>
Long-term liabilities:		
Variable debt	\$ 38,705	\$ 44,884
Other long-term liabilities	5,950	13,732
Long-term debt - bonds net of amortized premium	1,292,809	1,308,162
Total long-term liabilities	<u>1,337,464</u>	<u>1,366,778</u>
Total liabilities	<u>1,422,145</u>	<u>1,461,467</u>
 Deferred inflows of resources		
Deferred pension investment gains	8,168	-
Total liabilities and deferred inflows of resources	<u>\$ 1,430,313</u>	<u>\$ 1,461,467</u>

Statements of Net Position (Unaudited)

As of March 31, 2016 and 2015

(In Thousands)

	<u>2016</u>	<u>2015</u>
Net Position:		
Invested in capital assets, net of related debt	\$ 374,920	\$ 405,412
Other restricted	180,466	176,344
Unrestricted:		
Designated	37,729	28,050
Undesignated	178,498	127,255
	<u>771,613</u>	<u>737,061</u>
Total net position	\$ 771,613	\$ 737,061



Questions?



Board Communication

Date: June 23, 2016
To: Board Members
Via: Thella F. Bowens, President/CEO
From: Scott M. Brickner, Vice President, Finance & Asset
Management/Treasurer
Subject: Accept the Authority's Investment Report as of March 31, 2016:

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

ITEM 8

San Diego County Regional Airport Authority

Review of the Authority's Investment Report As of March 31, 2016



Presented by: Geoff Bryant
Manager, Airport Finance

June 23, 2016

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

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



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

Total Portfolio Summary

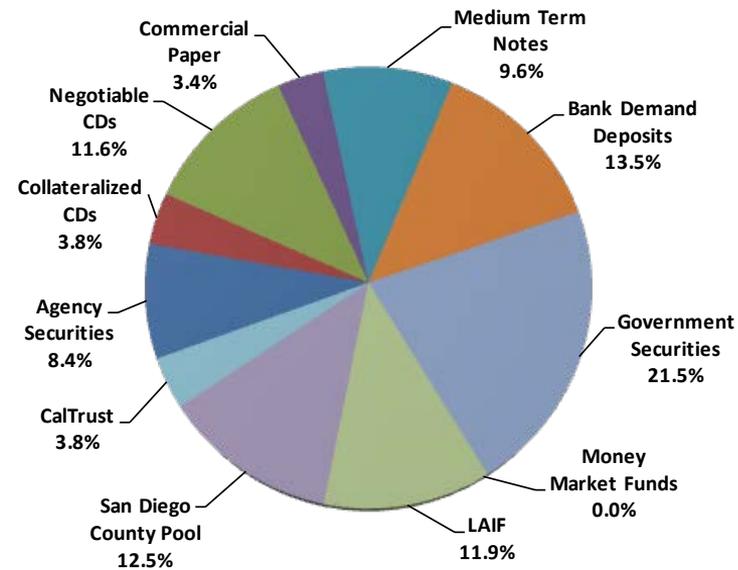
	Current Period	Prior Period	Change From
	March 31, 2016	December 31, 2015	Prior
Book Value (1)	\$399,146,000	\$374,488,000	\$24,658,000
Market Value (1)	\$400,851,000	\$373,773,000	\$27,078,000
Market Value%	100.43%	99.81%	0.62%
Unrealized Gain / (Loss)	\$1,705,000	(\$715,000)	\$2,420,000
Weighted Average Maturity (Days)	370 days	354 days	16
Weighted Average Yield as of Period End	0.84%	0.77%	0.07%
Cash Interest Received- Quarter-to-Date	\$457,000	\$753,000	(\$296,000)
Cash Interest Received- Year-to-Date	\$1,808,000	\$1,351,000	\$457,000
Accrued Interest	\$579,000	\$518,000	\$61,000

Notes:

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

Portfolio Composition by Security Type

	March 31, 2016		December 31, 2015		Permitted by Policy
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio	
Agency Securities	\$ 33,664,000	8.4%	\$ 27,935,000	7.5%	100%
Collateralized CDs	15,289,000	3.8%	15,268,000	4.1%	30%
Negotiable CDs	46,508,000	11.6%	38,486,000	10.3%	30%
Commercial Paper	13,473,000	3.4%	8,477,000	2.3%	25%
Medium Term Notes	38,674,000	9.6%	32,433,000	8.7%	15%
Bank Demand Deposits	53,902,000	13.5%	53,110,000	14.1%	100%
Government Securities	86,383,000	21.5%	86,270,000	23.1%	100%
Money Market Funds	140,000	0.0%	311,000	0.1%	20%
LAIF	47,767,000	11.9%	47,660,000	12.8%	\$50 million ⁽¹⁾
San Diego County Pool	49,916,000	12.5%	48,725,000	13.0%	\$50 million ⁽²⁾
CalTrust	15,135,000	3.8%	15,098,000	4.0%	\$50 million ⁽³⁾
Total:	\$ 400,851,000	100.0%	\$ 373,773,000	100.0%	

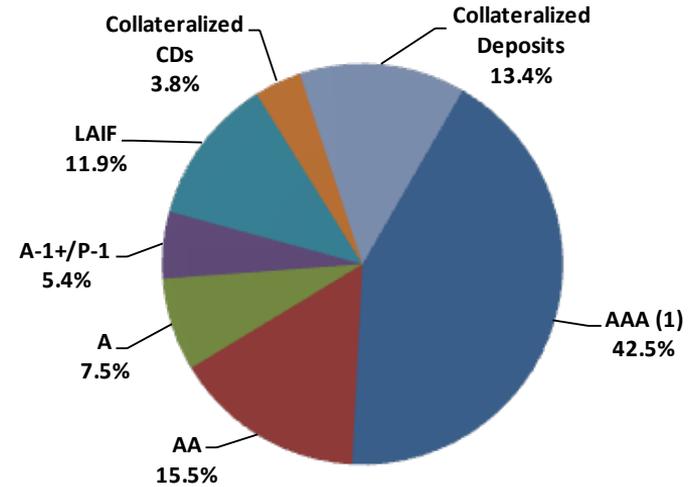


Notes:

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

Portfolio Composition by Credit Rating

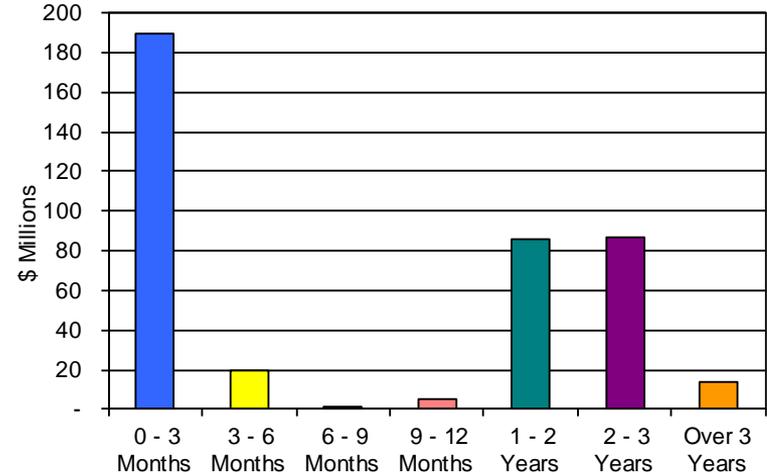
	March 31, 2016		December 31, 2015	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
AAA ⁽¹⁾	\$ 170,102,000	42.5%	\$ 163,240,000	43.6%
AA	62,071,000	15.5%	51,789,000	13.9%
A	30,246,000	7.5%	26,227,000	7.0%
A-1+/P-1	21,474,000	5.4%	16,477,000	4.4%
LAIF	47,767,000	11.9%	47,660,000	12.8%
Collateralized CDs	15,289,000	3.8%	15,268,000	4.1%
Collateralized Deposits	53,902,000	13.4%	53,112,000	14.2%
Total:	\$ 400,851,000	100.0%	\$ 373,773,000	100.0%



Notes:

Portfolio Composition by Maturity ⁽¹⁾

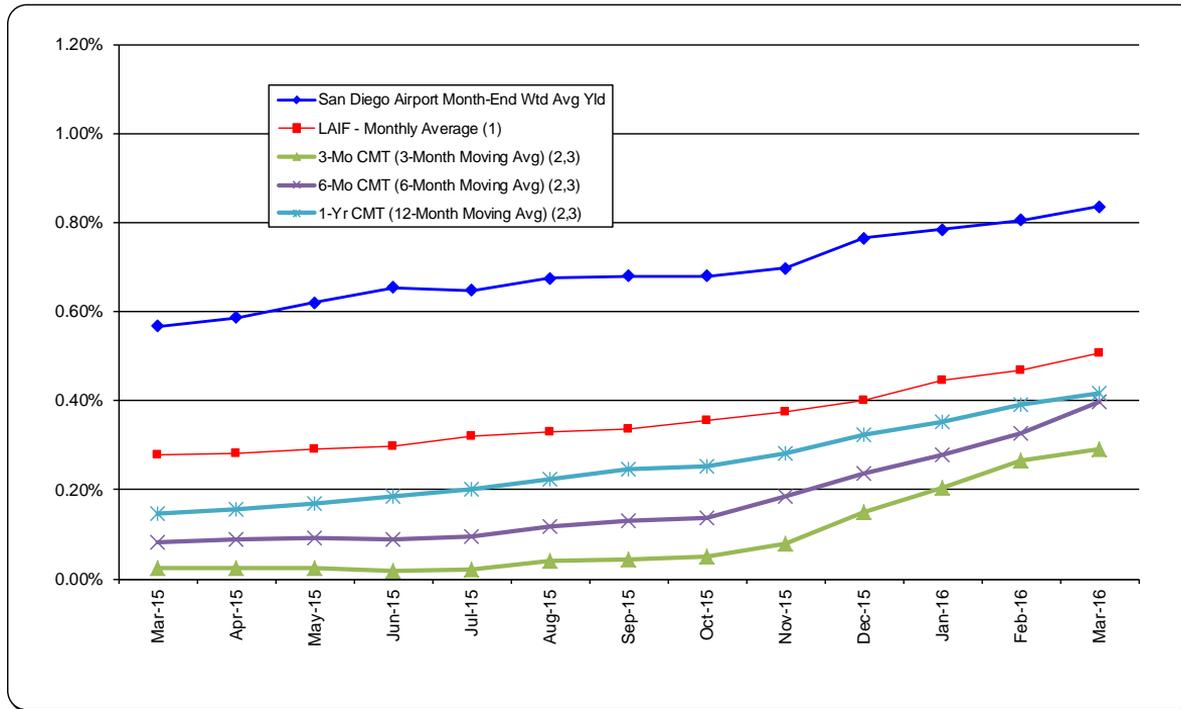
	March 31, 2016		December 31, 2015	
	Market Value	Percent of Portfolio	Market Value	Percent of Portfolio
0 - 3 Months	\$ 189,095,000	47.2%	\$ 164,905,000	44.1%
3 - 6 Months	19,259,000	4.8%	22,240,000	6.0%
6 - 9 Months	798,000	0.2%	14,264,000	3.8%
9 - 12 Months	5,004,000	1.2%	19,795,000	5.3%
1 - 2 Years	85,785,000	21.4%	48,533,000	13.0%
2 - 3 Years	86,876,000	21.7%	88,767,000	23.7%
Over 3 Years	14,034,000	3.5%	15,269,000	4.1%
Total:	\$ 400,851,000	100.0%	\$ 373,773,000	100.0%



Notes:

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

Benchmark Comparison



Notes:

- 1.) Benchmark data for LAIF is the average monthly effective yield.
- 2.) CMT stands for Constant Maturity Treasury. This data is published in Federal Reserve Statistical Release H.15 and represents an average of all actively traded Treasury securities having that time remaining until maturity. This is a standard industry benchmark for Treasury securities.
- 3.) The CMT benchmarks are moving averages. The 3-month CMT is the daily average for the previous 3 months, the 6-month CMT is the daily average for the previous 6 months, and the 1-year CMT is the daily average for the previous 12-months.

Detail of Security Holdings As of March 31, 2016

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
10/16/15	FNMA	1.125	10/19/18	5,000,000	100.550	5,027,500	100.70	5,034,850	932	0.939
01/30/13	FNMA	1.030	01/30/18	3,500,000	99.990	3,499,650	100.01	3,500,280	670	1.032
12/10/13	FHLB	0.625	12/28/16	5,000,000	99.816	4,990,800	100.09	5,004,350	272	0.438
02/03/16	FNMA	1.375	01/28/19	6,000,000	100.842	6,050,520	101.30	6,078,180	1033	1.088
03/30/16	FHLB	1.125	04/15/19	5,000,000	100.217	5,010,850	100.39	5,019,650	1110	1.052
02/25/16	FHLB	0.875	03/19/18	3,500,000	100.021	3,500,735	100.17	3,505,950	718	0.865
09/08/14	FNMA	1.000	09/27/17	5,500,000	99.722	5,484,710	100.38	5,520,735	545	1.093
Agency Total				33,500,000		33,564,765		33,663,995	766	0.935
07/02/15	East West Bk CD	0.600	07/02/16	10,279,784	100.000	10,279,784	100.00	10,279,784	93	0.600
10/21/15	East West Bk CD	0.400	04/25/16	5,009,062	100.000	5,009,062	100.00	5,009,062	25	0.400
Collateralized CDs Total				15,288,846		15,288,846		15,288,846	71	0.534
09/11/14	US Bank CD	1.375	09/11/17	4,000,000	100.000	3,993,560	100.17	4,006,880	529	1.430
11/17/15	SKANDINAV ENSKD CD	1.480	11/16/17	4,500,000	100.000	4,500,000	100.00	4,500,000	595	1.480
11/18/15	HSBC BK C/D	0.954	11/17/17	4,000,000	100.000	4,000,000	100.00	4,000,000	596	0.954
03/09/16	US Bank CD	1.060	03/09/18	4,000,000	100.000	4,000,000	100.00	4,000,000	708	1.060
04/10/15	CANADIAN IMP CD	1.010	04/06/17	5,000,000	100.000	5,000,000	100.00	5,000,000	371	1.010
03/16/16	Toronto Dominion CD	1.720	03/14/18	5,000,000	100.000	5,000,000	100.00	5,000,000	713	1.720
04/27/15	RABOBANK CD	1.070	04/21/17	4,000,000	100.000	4,000,000	100.00	4,000,000	386	1.070
05/29/15	NORDEA BK CD	1.150	05/26/17	4,000,000	100.000	4,000,000	100.00	4,000,000	421	1.150
03/15/16	ROYAL BK CDA Y C/D	1.700	03/09/18	4,000,000	100.000	4,000,000	100.00	4,000,000	708	1.700
08/11/15	CREDIT SUISSE CD	0.670	05/06/16	4,000,000	100.000	4,000,000	100.02	4,000,880	36	0.670
08/19/14	Goldman Sachs CD	0.900	08/12/16	4,000,000	100.000	4,000,000	100.00	4,000,000	134	0.900
Negotiable CDs Total				46,500,000		46,493,560		46,507,760	477	1.205

Detail of Security Holdings As of March 31, 2016

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
07/15/15	BNP PARIBAS FIN DC/P	0.570	04/08/16	4,000,000	99.576	3,983,027	99.99	3,999,680	8	0.572
03/24/16	BANK OF TOKYO MITS DC/P	0.880	09/23/16	5,000,000	99.553	4,977,633	99.59	4,979,600	176	0.884
12/31/15	TOYOTA MTR CRED DC/P	0.800	06/22/16	4,500,000	99.566	4,481,800	99.87	4,493,970	83	0.803
Commercial Paper Total				13,500,000		13,442,460		13,473,250	95	0.765
05/12/15	APPLE INC NOTES	1.000	05/03/18	4,000,000	99.121	3,964,840	100.21	4,008,240	763	1.302
01/15/15	BERKSHIRE HATHAWAY	0.553	01/12/18	5,000,000	100.000	5,000,000	100.00	4,999,750	652	0.554
07/18/14	WELLS FARGO CO Notes	3.678	06/15/16	4,700,000	105.559	4,961,273	100.63	4,729,422	76	0.737
07/17/15	GECC MTN	1.625	04/02/18	4,950,000	105.364	4,968,018	101.23	5,010,885	732	1.487
12/28/15	JPM CHASE & CO NT	1.800	01/25/18	5,000,000	99.888	4,994,400	100.46	5,023,200	665	1.855
11/19/14	CHEVRON CORP	1.345	11/15/17	5,000,000	100.199	5,009,950	100.60	5,030,100	594	1.345
02/29/16	CISCO SYSTEMS	1.600	02/28/19	3,000,000	100.330	3,009,900	101.44	3,043,320	1064	1.487
02/24/16	IBM CORP NOTES	1.800	05/17/19	3,000,000	100.119	3,003,570	101.25	3,037,590	1142	1.761
09/14/15	AMERICAN EXPRESS MTN	1.800	07/31/18	2,980,000	99.759	2,972,818	100.43	2,992,903	852	1.886
11/01/13	COCA COLA CORP NOTE	0.750	11/01/16	800,000	100.080	799,080	99.80	798,384	215	0.789
Medium Term Notes				38,430,000		38,683,849		38,673,794	670	1.318
02/26/15	U.S. Treasury	0.750	02/28/18	6,115,000	99.203	6,063,960	100.02	6,116,406	699	1.015
12/23/15	U.S. Treasury	1.500	12/31/18	15,200,000	100.516	15,295,391	101.80	15,473,752	1005	1.325
04/01/15	U.S. Treasury	0.750	03/31/18	16,050,000	99.477	15,965,988	99.99	16,048,716	730	0.927
11/13/15	U.S. Treasury	1.250	11/30/18	11,000,000	100.234	11,002,578	101.11	11,122,430	974	1.242
02/03/16	U.S. Treasury	1.375	02/28/19	2,950,000	100.988	2,979,154	101.45	2,992,864	1064	1.047
02/25/16	U.S. Treasury	0.750	10/31/17	3,470,000	100.020	3,470,678	100.04	3,471,215	579	0.738
12/30/14	U.S. Treasury	0.750	12/31/17	6,600,000	98.730	6,528,242	100.04	6,602,310	640	1.182
06/10/15	U.S. Treasury	1.000	05/31/18	15,000,000	99.762	14,964,258	100.47	15,070,350	791	1.082
03/04/16	U.S. Treasury	1.625	03/31/19	5,850,000	101.793	5,954,889	102.16	5,976,594	1095	1.031
06/18/14	U.S. Treasury	0.875	06/15/17	3,500,000	99.967	3,488,516	100.25	3,508,610	441	0.987
Government Total				85,735,000		85,713,653		86,383,246	831	1.097

Detail of Security Holdings As of March 31, 2016

Settlement Date	Security Description	Coupon	Maturity Date	Par Value	Purchase Price	Book Value	Market Price	Market Value	Days to Maturity	Yield to Maturity
	East West Bank			103,971	100.000	103,971	100.00	103,971	1	0.350
	East West Bank			27,154,246	100.000	27,154,246	100.00	27,154,246	1	0.350
	Wells Fargo Bank			759	100.000	759	100.00	759	1	0.060
	US Bank General Acct			21,581,139	100.000	21,581,139	100.00	21,581,139	1	0.000
	Torrey Pines Bank			5,061,554	100.000	5,061,554	100.00	5,061,554	1	0.400
	Bank Demand Deposits			53,901,669		53,901,669		53,901,669	1	0.215
	DREYFUS GOVT INVEST			139,639	100.000	139,639	100.00	139,639	1	0.000
	Money Market Fund			139,639		139,639		139,639	1	0.000
	Local Agency Invstmnt Fd			47,753,330	100.000	47,753,330	100.03	47,767,374	1	0.506
	San Diego County Inv Pool			49,029,146	100.000	49,029,146	101.81	49,915,650	1	0.760
	CalTrust			15,135,482	100.000	15,135,482	100.00	15,135,482	1	0.650
	Grand Total			\$ 398,913,112	100.13	\$ 399,146,399	100.43	\$ 400,850,706	370	0.836

Portfolio Investment Transactions

From January 1st, 2016 - March 31st, 2016

Security Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
FNMA	AGCY	3135G0H63	1.375	01/28/19	--	100.842	\$ 6,051,666
US TREAS NTS	US TREAS NTS	912828SH4	1.375	02/28/19	--	100.988	6,043,885
IBM CORP NOTES	MTN	459200JE2	1.800	05/17/19	--	100.119	3,004,320
US TREAS NTS	US TREAS NTS	912828TW0	0.750	10/31/17	--	100.020	3,479,043
FHLB	AGCY	3130A7CX1	0.875	03/19/18	--	100.021	3,501,330
CISCO SYSTEMS	MTN	17275RBB7	1.600	02/28/19	--	100.330	3,009,900
US TREAS NTS	US TREAS NTS	912828C65	1.625	03/31/19	--	101.793	5,995,407
US Bank CD	CD-NEG	90333VRP7	1.060	03/09/18	--	100.000	4,000,000
ROYAL BK CDA Y C/D	CD-NEG	78009NZZ2	0.750	03/09/18	--	100.000	4,000,000
Toronto Dominion CD	CD-NEG	89113E5E2	1.720	03/14/18	--	100.000	5,000,000
BANK OF TOKYO MITS C/P	CP	06538BJP9	0.880	09/23/16	--	99.553	4,977,633
FHLB	AGCY	3137EADZ9	1.125	04/15/19	--	100.217	5,012,256
							\$ 54,075,441
							\$ -
							\$ -
LS / SALES / TRANSFERS							
US TREAS NTS	US TREAS NTS	912828SC5	0.875	01/31/17	--	100.219	\$ 3,076,937
FHLMC	AGCY	3137EADS5	0.875	10/14/16	--	100.170	9,039,144
US TREAS NTS	US TREAS NTS	912828SH4	1.375	02/28/19	--	101.297	3,058,965
US TREAS NTS	US TREAS NTS	912828SM3	1.000	03/31/17	--	100.278	6,042,214
US TREAS NTS	US TREAS NTS	912828UR9	0.750	02/28/18	--	99.617	4,015,805
Toronto Dominion CD	CD-NEG	89112UXV8	0.900	09/29/16	--	100.009	5,021,568
							\$ 30,254,633

Bond Proceeds Summary

SUMMARY OF 2010, 2013 & 2014 BOND PROCEEDS*

As of: March 31, 2016

(in thousands)

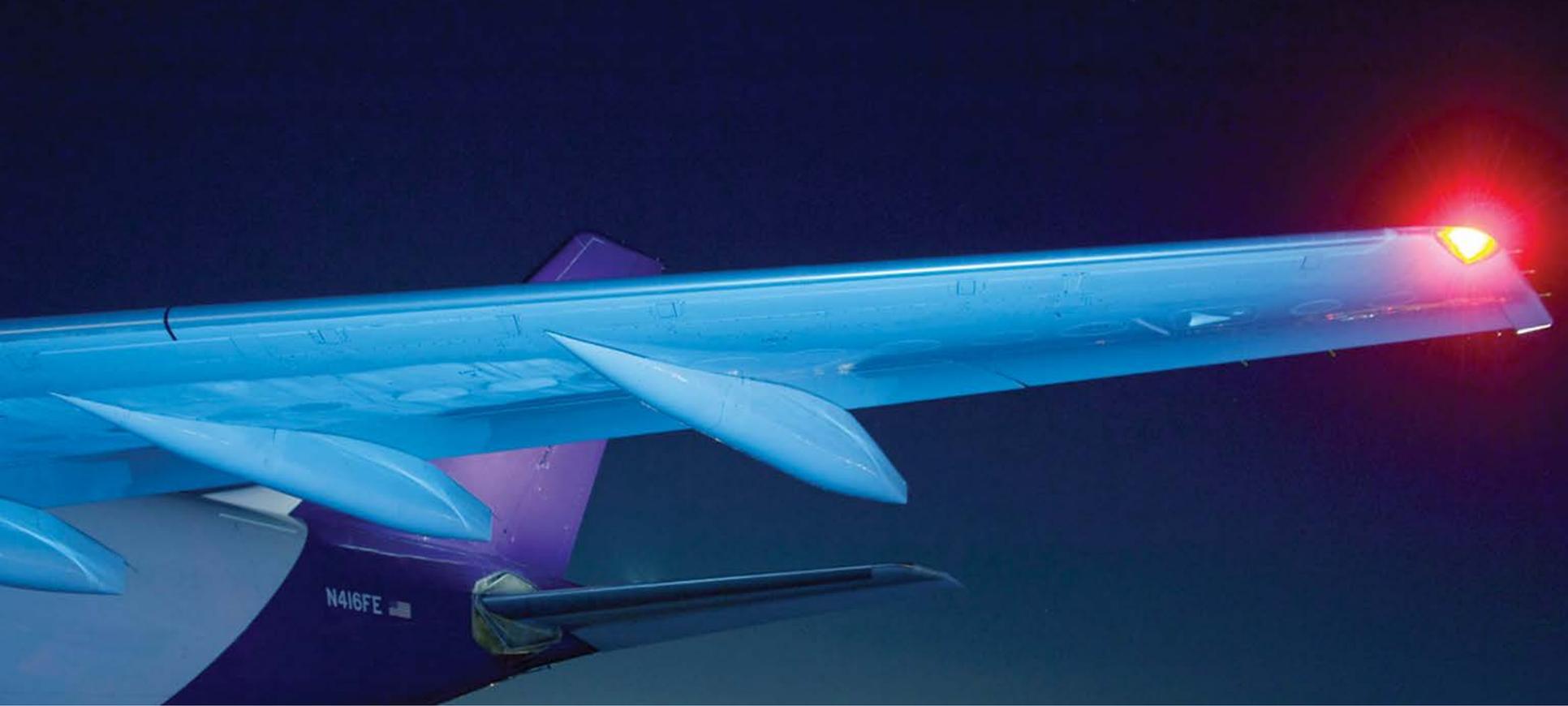
	Series 2010	Series 2013	Series 2014	Total	Yield	Rating
<u>Project Fund</u>						
SDCIP	\$ -	\$ 20,800	\$ 23,364	\$ 44,164	0.76%	AAAf
	\$ -	\$ 20,800	\$ 23,364	\$ 44,164		
<u>Debt Service Reserve & Coverage Funds</u>						
SDCIP	\$ 30,863	\$ 33,973	\$ 29,262	\$ 94,098	0.76%	AAAf
East West Bank CD	20,894	-	-	20,894	0.80%	N/R
	\$ 51,757	\$ 33,973	\$ 29,262	\$ 114,992		
	\$ 51,757	\$ 54,773	\$ 52,626	\$ 159,156	0.77%	

*Bond proceeds are not included in deposit limits as applied to operating funds

Bond Proceeds Investment Transactions

From January 1st, 2016 - March 31st, 2016

Settle Date	Description	Security Type	CUSIP	Coupon	Mature Date	Call Date	Unit Price	Amount
PURCHASES								
							\$	-
CALLS								
							\$	-
MATURITIES								
							\$	-
DEPOSITS								
							\$	-
WITHDRAWALS / SALES								
2/12/2016	SDCIP (2013 Bonds)	SDCIP		0.75	--		1.000	\$ 8,399,668
2/23/2016	SDCIP (2014 Bonds)	SDCIP		0.75	--		1.000	8,067,797
2/23/2016	LAIF (2014 Bonds)	LAIF		0.47	--		1.000	4,258,881
3/24/2016	LAIF (2014 Bonds)	LAIF		0.51	--		1.000	294,901
3/24/2016	SDCIP (2014 Bonds)	SDCIP		0.76	--		1.000	12,545,043
							\$	33,566,290



Questions ?

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Award a Contract to Universal Coatings, Inc., for Air Freight Building Roof Replacement at San Diego International Airport

Recommendation:

Adopt Resolution No. 2016-0048, awarding a contract to Universal Coatings, Inc., in the amount of \$312,700 for Project No. 104191, Air Freight Building Roof Replacement at San Diego International Airport.

Background/Justification:

This project is a San Diego County Regional Airport Authority ("Authority") Board ("Board") approved project in the FY2016 Capital Improvement Program ("CIP").

This project will provide for the removal and replacement of the two Cargo Freight Facility (CFFB) building roofs A and B, with a total of 48,332 sq. ft. and the refurbishment of the Aircraft Services International Group (ASIG) building roof, with a total of 8,216 sq. ft., due to age and deterioration. The new roofs will protect the buildings' infrastructure and interiors from outside element damage and provide safe and secure facilities. (Attachment A)

This project will include installation of primer over the existing elastomeric roofing, positive drainage to the existing roof drains, and fill the depressed areas with polyurethane foam to provide proper drainage for the CFFB building, and installation of an additional layer of asphalt shingles over existing shingles, cleaning and refurbishing of the corroded metal fixtures, for the ASIG building. This project has been closely coordinated with the timeline established for the Airport Development Program ("ADP"). A 10 year roof is proposed under this contract to maintain the integrity of the buildings pending their ultimate removal under the ADP.

The scope of work for this project includes the furnishings for all labor, materials, equipment, and incidental items, meeting the technical requirements, and a 10 year warranty.

Page 2 of 3

This contract was advertised on April 15, 2016, and sealed bids were opened on May 17, 2016. The following bids were received: (Attachment B)

Company	Total Bid
Universal Coatings, Inc.	\$312,700
Brazos Urethane, Inc.	\$462,538
Commercial Water Proofing Systems	\$496,899
Sylvester Roofing Co., Inc.	\$515,084
Cook Coatings, Inc.	\$576,820

The Engineer's estimate is \$480,000

Fiscal Impact:

Adequate funds for Air Freight Building Roof Replacement project are included within the Board approved FY2016-FY2020 Capital Program Budget in Project No. 104191. Source of funding for this project is Airport Cash.

Authority Strategies:

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

Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

- A. This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended, 14 Cal. Code Regs. Section 15378. The proposed Air Freight Building Roof Replacement is a class of project that is a categorical exemption according to Pub. Res. Section 15301 – Existing Facilities and 15301 – Class 1 - Existing Facilities 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 not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.

Application of Inclusionary Policies:

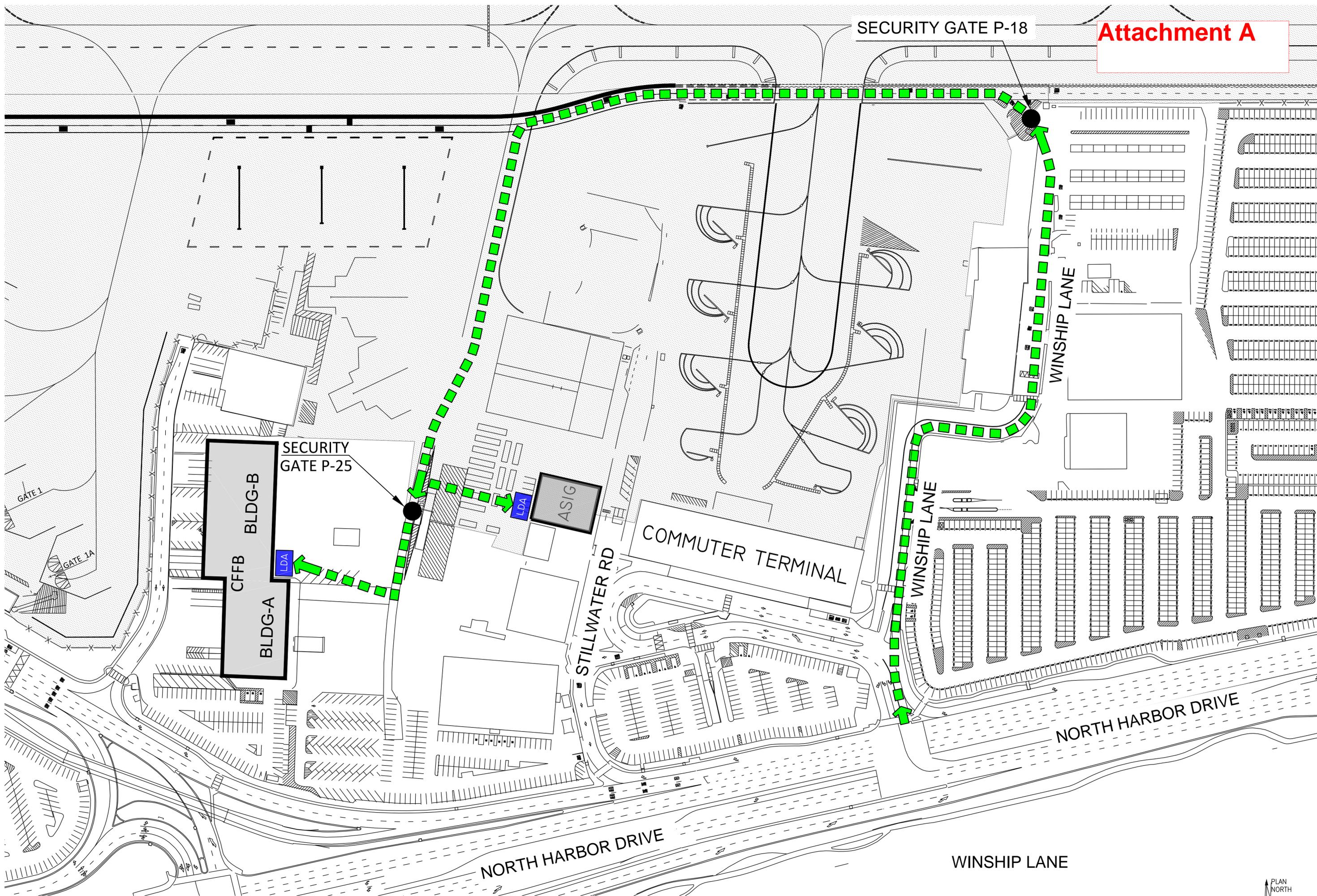
The Authority has the following inclusionary programs/policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and Policy 5.14. These programs/policies are intended to promote the inclusion of small, local, service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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Universal Coatings, Inc. received 5% small business preference.

Prepared by:

IRAJ GHAEMI
DIRECTOR, FACILITIES DEVELOPMENT



BID TABULATION

Project Title: Air Freight Buildings Roof Replacement

CIP Number: 104191

DATE/TIME BIDS OPENED: 05/17/16 @ 2:00 pm

ENGINEER'S ESTIMATE: \$ 480,000.00				ENGINEER'S ESTIMATE		1 Universal Coatings		2 Brazos Urethane Inc.		3 Commercial Waterproofing Systems		4 Silvester Roofing Co.		5 Cook Coatings	
GUARANTEE OF GOOD FAITH:						3373 S Chestnut Avenue Fresno, CA 93725		4331 W. Santa Ana Ave. Fresno, CA 93722		216 Avenida Fabricante Ste. 111 San Clemente, CA 92672		306N West El Norte Parkway, PMB 371 Escondido, CA 92026		33834 Zeiders Road Menifee, CA 92584	
				Surety Co. Name		Surety Co. Name		Surety Co. Name		Surety Co. Name		Surety Co. Name		Surety Co. Name	
BID ITEM NO.	TITLE	QUANTITY	UNIT ITEM	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)
Bid Schedule A - Base Bid															
1	Air Freight Buildings Roof Replacement (Cargo Facility Building A and B, Aircraft Service International Group Building)	LS	LS	\$ -	\$ 365,643.96	\$ -	\$ 267,500.00	\$ -	\$ 316,538.00	\$ -	\$ 458,749.56	\$ -	\$ 495,000.00	\$ -	\$ 506,200.00
2	Section 1D-08, Overhead	84	Calendar Days	\$ 1,116.95	\$ 93,823.80	\$ 300.00	\$ 25,200.00	\$ 1,500.00	\$ 126,000.00	\$ 454.16	\$ 38,149.44	\$ 1.00	\$ 84.00	\$ 602.61	\$ 50,619.24
3	Allowance for Reimbursement to Mitigate Unknown Roof Conditions	\$20,000		\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	\$ -	\$ 20,000.00	\$ 1.00	\$ 20,000.00	\$ -	\$ 20,000.00
4				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
68				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total for Bid Schedule A				\$ 479,467.76		\$ 312,700.00		\$ 462,538.00		\$ 516,899.00		\$ 515,084.00		\$ 576,819.24	

Contractors submitted amount is \$496,899.00

Contractors submitted amount is \$576,820

BID TABULATION

Project Title: Air Freight Buildings Roof Replacement

CIP Number: 104191

DATE/TIME BIDS OPENED: 05/17/16 @ 2:00 pm

ENGINEER'S ESTIMATE: \$ 480,000.00				ENGINEER'S ESTIMATE		1 Universal Coatings 3373 S Chestnut Avenue Fresno, CA 93725		2 Brazos Urethane Inc. 4331 W.Santa Ana Ave. Fresno, CA 93722		3 Commercial Waterproofing Systems 216 Avenida Fabricante Ste. 111 San Clemente, CA 92672		4 Silvester Roofing Co. 306N West El Norte Parkway, PMB 371 Escondido, CA 92026		5 Cook Coatings 33834 Zeiders Road Menifee, CA 92584	
GUARANTEE OF GOOD FAITH:															
BID ITEM NO.	TITLE	QUANTITY	UNIT ITEM	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)	UNIT PRICE (In Figures)	TOTAL (In Figures)
Bid Schedule B - Allowances															
1	Not Applicable	1	Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2		1	Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3		1	Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4		1	Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5		1	Allowance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total for Bid Schedule B				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bid Schedule C - Temporary Erosion/Sediment Control															
1				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
11				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total for Bid Schedule C				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total for (Bid Schedule A+B+C)				\$	479,467.76	\$	312,700.00	\$	462,538.00	\$	516,899.00	\$	515,084.00	\$	576,819.24
ADDENDUM NO. NOTED BY BIDDERS ON THEIR SUBMITTED BID SCHEDULE:															
1						Yes		Yes		Yes		Yes		Yes	
2						Yes		Yes		NO		NO		Yes	
CONTRACTOR's Submitted Bid Schedule Amount				\$	312,700.00	\$	462,538.00	\$	516,899.00	\$	515,084.00	\$	576,819.24		

Policy 5.12 Points and Bid Adjustment Amount Table			5%
Low Bid Amt	\$	312,700.00	
Points	Bid Adjustment Amount Based on Low Bid or Max. \$200,000		
7 or 7%	7%	7	
6 or 6%	6%	6	
5 or 5%	5%	5	
4 or 4%	4%	4	
3 or 3%	3%	3	
2 or 2%	2%	2	
1 or 1%	1%	1	

Policy 5.12 Bid Adjustment Amount	
Points	0
Adjustment Amount	
(Enter Amount from Table Based on Number of	\$ 23,126.90
	\$289,573.10

Policy 5.12 Bid Adjustment Amount	
Points	0
Adjustment Amount	
(Enter Amount from Table Based on Number of	\$23,126.90
	\$462,538.00

Policy 5.12 Bid Adjustment Amount	
Points	0
Adjustment Amount	
(Enter Amount from Table Based on Number of	\$23,126.90
	\$493,772.10

Policy 5.12 Bid Adjustment Amount	
Points	0
Adjustment Amount	
(Enter Amount from Table Based on Number of	\$23,126.90
	\$491,957.10

Policy 5.12 Bid Adjustment Amount	
Points	0
Adjustment Amount	
(Enter Amount from Table Based on Number of	\$23,126.90
	\$553,692.34

- Distribution: Project Bid Review Checklist (Original)
 Staff Report
 FDD Estimator (Excel File)
 Director, Small Business (PDF copy)
 Program Coordinator, Small Business (PDF copy)
 Project Procurement Analyst (PDF copy)

RESOLUTION NO. 2016-0048

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY AWARDING A CONTRACT TO
UNIVERSAL COATINGS, INC., IN THE AMOUNT OF
\$312,700 FOR PROJECT NO. 104191, AIR
FREIGHT BUILDING ROOF REPLACEMENT AT
SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, this project is a San Diego County Regional Airport Authority (“Authority”) Board (“Board”) approved project in the FY2016 Capital Improvement Program (“CIP”); and

WHEREAS, this project will provide for the removal and replacement of the two Cargo Freight Facility (CFFB) buildings roofs A and B, with a total of 48,332 sq. ft. and the refurbishment of the Aircraft Services International Group (ASIG) building roof, with a total of 8,216 sq. ft., due to age and deterioration; and

WHEREAS, the new roofs will protect the buildings’ infrastructure and interiors from outside element damage and provide safe and secure facilities; and

WHEREAS, this project will include installation of primer over the existing elastomeric roofing, positive drainage to the existing roof drains, and fill the depressed areas with polyurethane foam to provide proper drainage for the CFFB building, and installation of an additional layer of asphalt shingles over existing shingles, cleaning and refurbishing of the corroded metal fixtures, for the ASIG building; and

WHEREAS, this project has been closely coordinated with the timeline established for the Airport Development Plan (ADP); and

WHEREAS, a 10 year roof is proposed under this contract to maintain the integrity of the buildings pending their ultimate removal under the ADP; and

WHEREAS, the scope of work for this project includes the furnishings for all labor, materials, equipment, and incidental items, meeting the technical requirements, and a 10 year warranty; and

WHEREAS, the Request for Bids for this project was advertised on April 15, 2016; and

WHEREAS, on May 17, 2016, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

WHEREAS, the low bidder, Universal Coatings, Inc., submitted a bid in the amount of \$312,700; and

WHEREAS, Authority's staff has duly considered Universal Coatings, Inc.'s bid, and has determined Universal Coatings, Inc. is responsible, and that its bid is responsive in all respects; and

WHEREAS, the Board believes that it is in the best interest of the Authority and the public that it serves, for the Board to award Universal Coatings, Inc., the contract for Project No. 104191, Air Freight Building Roof Replacement, 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 Universal Coatings, Inc., in the amount of \$312,700 for Project No. 104191, Air Freight Building Roof Replacement at San Diego International Airport; and

BE IT FURTHER RESOLVED that the Authority's President/CEO or designee hereby is authorized to execute and deliver such contract to Universal Coatings, Inc.; and

BE IT FURTHER RESOLVED that the San Diego County Regional Airport Authority and its officers, employee, and agents are hereby authorized, empowered, and directed to do and perform such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolutions; and

BE IT FURTHER RESOLVED that the Board finds that this Board action is not a "project" that would have a significant effect on the environment as defined by the California Environmental Quality Act (CEQA), as amended, 14 Cal. Code Regs. Section 15378; and is a class of project that is a categorical exemption according to Pub. Res. Section 15301 – Existing Facilities and 15301 – Class 1; and is not a "development" as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Authorize The President/CEO to Execute A Memorandum Of Understanding For The Collection Of Retiree Health Benefits Premiums With The San Diego City Employee Retirement System (SDCERS)

Recommendation:

Adopt Resolution No. 2016-0049, authorizing the President/CEO to execute a Memorandum of Understanding and perform any and all other actions necessary to establish collection of retiree health benefits premiums by SDCERS.

Background/Justification:

The Authority offers medical, dental, vision and life insurance plans to eligible retirees through its 1st Generation Retiree Health Benefits Program. Since January of 2012, Genesis Employee Benefits ("Genesis") has provided administrative collection services for retiree premiums associated with these benefits under a Continuation and Retiree Billing Administration Agreement ("Agreement"). Retiree services provided under this Agreement included printing and mailing payment coupons, collecting monthly premium checks, noticing individuals of delinquent payments, and remitting payments to the Authority. In October of 2015, due to the number and frequency of errors associated with these retiree services, the Authority exercised its right to immediately terminate for cause the retiree billing services defined in the Agreement with Genesis. Since October, the Authority has processed retiree billing in-house while it sought an effective alternative for these collection services. Staff has identified SDCERS as a cost effective alternative and recommends the Authority execute a Memorandum of Understanding, allowing SDCERS to provide these third-party health care premium collection services for eligible 1st Generation Retirees.

Eligible 1st Generation Employees are defined as non-represented employees hired prior to May 1, 2006, or represented employees hired prior October 1, 2008, who retire from service with the Authority at age 55 with 20 or more years of service or age 62 with a minimum of 5 years of service. Eligible retirees enrolled in the insurance plan options pay a portion of the monthly insurance premiums. The Agreement entered into on January 1, 2012 provided for both Consolidated Omnibus Budget Reconciliation Act (COBRA) Services and Retiree Billing Standard Services. The Retiree Services included developing and distributing standard communication materials associated with billing and collecting fees for medical, dental and vision premiums and remitting those premiums to the Authority. Due to the underperformance of Genesis, staff exercised its right to terminate for cause by giving ten (10) days written notice. Genesis agreed to terminate the retiree billing as part of the Agreement. As a result, staff sought an alternative third-party service provider.

SDCERS was identified as a cost effective alternative service provider. SDCERS currently provides similar retiree health care premium collection services for the San Diego Unified Port District. Specified services would include automatically deducting retiree healthcare premium contributions from monthly retiree benefit checks and remitting the payments back to the Authority. By automating this service with SDCERS, retirees experience the added benefit of no longer having to remit monthly payments. The proposed MOU requires the Authority to pay SDCERS for costs and expenses incurred in administering the health plans and to defend and indemnify SDCERS for any claims, losses and liabilities alleged against SDCERS arising out of SDCERS' management of retiree health benefits even if such claims are caused by SDCERS' negligence or otherwise. In addition, the Authority agrees to compensate and reimburse SDCERS for any attorneys' fees incurred as a result of its performance under the MOU. Finally, SDCERS will invoice the Authority annually for the services provided under the MOU.

Genesis, a division of Total Administrative Services Company (TASC), will remain the Authority's third-party administrator for continuation of coverage for active employees as required by the Consolidated Omnibus Budget Reconciliation Act (COBRA).

Fiscal Impact:

Third-party administrative fees for the Authority's Employee Benefits Program are included in the proposed FY2017 operating expense budget and proposed FY2018 conceptual budget within the outside services line item budget. The fiscal impact associated with the change in provider would be de minimis.

Authority Strategies:

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

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

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

KURT GERING
DIRECTOR, TALENT CULTURE & CAPABILITY

RESOLUTION NO. 2016-0049

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A MEMORANDUM OF UNDERSTANDING FOR THE COLLECTION OF RETIREE HEALTH BENEFITS PREMIUMS WITH THE SAN DIEGO CITY EMPLOYEE RETIREMENT SYSTEM ("SDCERS")

WHEREAS, the Authority has established a 1st Generation Retiree Benefits Program for certain eligible retired Authority employees; and

WHEREAS, an eligible retiree is defined as non-represented employees hired prior to May 1, 2006, or represented employees hired prior October 1, 2008, who retires from service with the Authority at age 55 with 20 or more years of service or age 62 with a minimum of 5 years of service; and

WHEREAS, the 1st Generation Retiree Benefits Program provides those eligible retirees with the ability to enroll in medical, dental, vision and life insurance coverage through an Authority sponsored plan; and

WHEREAS, the Authority bills those eligible, enrolled retirees a portion of the insurance premiums on a monthly basis to maintain active coverage; and

WHEREAS, on July 23, 2015, with the renewal of the employee benefits program (Res. No. 2015-0080), the Authority Board authorized the continuation of Genesis Employee Benefits as the third-party administrator of record for benefits related services; and

WHEREAS, Total Administrative Services Corporation (TASC), a provider of tax-advantaged medical and other benefit account management services, acquired Genesis Employee Benefits; and

WHEREAS, effective October 1, 2015 the Authority cancelled its obligations with TASC for retiree billing administrative services due to under performance on service standards; and

WHEREAS, the Authority identified the San Diego City Employee Retirement System as an alternative third party administrator for 1st Generation retiree benefits billing administration; and

WHEREAS, staff has reviewed the Memorandum of Understanding (“MOU”) between the Authority and SDCERS regarding the collection of health premiums for retiree health benefits and determined that is a cost effective and more efficient alternative to other third party vendors; and

WHEREAS, the MOU requires the Authority to defend and indemnify SDCERS for any claims, losses and liabilities alleged against SDCERS arising out of SDCERS’ management of retiree health benefits even if such claims are caused by SDCERS’ negligence or otherwise; and

WHEREAS, the MOU requires the Authority to compensate and reimburse SDCERS for attorneys’ fees incurred as a result of its performance under the MOU.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the MOU for the collection of retiree health benefits premiums with SDCERS; and

BE IT FURTHER RESOLVED that the Board authorizes the President/CEO or her designee to execute the MOU and perform any and all other actions necessary to establish collection of retiree health benefit premiums with a copy of the MOU to be retained in the office of the Authority Clerk; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a special meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Approve a Task Authorization to Denovo Ventures, LLC, Utilizing On-Call Professional & Technical E1 Support Services Agreement

Recommendation:

Adopt Resolution No. 2016-0050, approving a Task Authorization to Denovo Ventures, LLC, utilizing On-Call Professional & Technical E1 Support Services Agreement for an Amount not-to-exceed \$450,000 for Implementation and Configuration of the JD Edwards EnterpriseOne (E1) Capital Asset Management Services.

Background/Justification:

On September 19, 2012 the Authority issued an On Call Professional and Technical E-1 Support Services - RFQ. Notice of the RFQ was advertised in the *San Diego Daily Transcript* and on the *Authority's Website*.

Additional Outreach: Thirteen (13) firms were contacted independently from the Authority's bid management system (PlanetBids) in an effort to increase competition for the solicitation.

Submitted Proposals: The Authority received three (3) submissions on October 23, 2012 from the following firms: Denovo Ventures LLC ("Denovo"), Profit Concepts International and Apex Consulting Group, Inc. These three (3) firms were invited to interview on December 13, 2012. The Respondents were asked to provide responses to a specific list of questions, prepared by the evaluation panel, which targeted the evaluation criteria presented in the RFQ. All three firms were awarded On-Call Professional Services contracts.

The Authority and Denovo are parties to an On-Call Professional Services & Technical E1 Support Services Agreement with a term of three years and two one-year options to renew and a maximum compensation amount of \$900,000 (the "Agreement"). Under the agreement, Denovo provides Oracle/People Soft/JD Edwards EnterpriseOne Version 9.0 ERP Operating Platforms (E-1) which includes but is not limited to Payroll, Human Resources, Financial, Management Suite, Capital Asset Management (EAM), Object Management Workbench, RDA (EnterpriseOne Report Design Application), EnterpriseOne CNC concepts (especially security), package builds and deployments, periodic vertex payroll tax updates installations, Capital Assent Management (CAM), and software upgrades/new releases/customization. The work under the Agreement is executed upon issuance by the Authority of Task Authorizations which define the scope of work to be performed. Authority Policy 5.02(1)(e) requires Board approval for any Task Authorization in excess of \$100,000.

The Facilities Maintenance Department (FMD) has a a need to implement a Capital Asset Management (CAM) module in the Authority’s existing E1 system for the following:

1. Case Management (Work Requests)
2. Processing Work Orders
3. Time and Labor
4. Equipment/Asset Implementation
5. Inventory Management
6. Real Time Reporting
7. E1 Mobile Applications

In support of FMD’s needs, the Information & Technology Services Department issued a Task Order Request for Proposal to, Apex Consulting Group, Inc., Denovo and Profit Concepts International seeking proposals for the work described above. Of the three, only Denovo responded to the Task Order Request for Proposal and proposed pricing to configure the E1 CAM module. Staff reviewed Denovo’s response and determined that their response and pricing were reasonable because Denovo’s hourly rates are within the common rates for IT services, Denovo is aware that there are three potential respondents, and therefore put their bid together on a competitive basis, Denovo performed prior work for the implementation of the Authority’s CAM module, and is familiar with the Authority’s environment. Staff requests Board approval to issue a Task Authorization in the amount of \$450,000.

Fiscal Impact:

Adequate funding for this Task Authorization is included within FY16-FY17 Capital Program budget in the Facilities Maintenance Department’s Project item 601031 – Configure and Implement the Capital Asset Management Module in E1. Source of funding for this project is Airport cash.

Authority Strategies:

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

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

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

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

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Denovo Ventures, LLC did not receive the small business preference.

Prepared by:

RICK BELLIOTTI
DIRECTOR, I&TS DEPARTMENT

RESOLUTION NO. 2016-0050

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING A TASK AUTHORIZATION TO DENOVO VENTURES, LLC, UTILIZING ON-CALL PROFESSIONAL & TECHNICAL E1 SUPPORT SERVICES AGREEMENT FOR AN AMOUNT NO-TO-EXCEED \$450,000 FOR IMPLEMENTATION AND CONFIGURATION OF THE JD EDWARDS ENTERPRISEONE

WHEREAS, the Authority and Devovo Ventures LLC are parties to an on-call professional services agreement to provide technical E1 support services (“Agreement”); and

WHEREAS, the work under the Agreement is executed upon the issuance of Task Authorizations issued by the Authority; and

WHEREAS, the Agreement states that Task Authorizations will be issued for projects with a minimum value of \$1,000 and a maximum value of \$100,000; and

WHEREAS, Authority Policy 5.02(1)(e) requires Board approval for any Task Authorization in excess of \$100,000; and

WHEREAS, Authority staff Issued a Task Order Request for Proposal for Implementation and Configuration of the JD Edwards EnterpriseOne (E1) Capital Asset Management Services to three firms currently under contract for these services; and

WHEREAS, Denovo’s response and pricing are within the common rates for IT services, Denovo put their bid together on a competitive basis, has performed prior work for the implementation the Authority’s CAM module, and is familiar with the Authority’s environment; and

WHEREAS, the Information & Technology Services Department has identified the most efficient, and cost effective way to acquire services is the issuance of a Task Authorization to Denovo under the existing Agreement; and

WHEREAS, Staff recommends that the Board approve a Task Authorization in the amount of \$450,000 for the work.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves a Task Authorization in the amount of \$450,000 to Denovo Ventures, LLC; 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 by the Board that it finds that this Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, CORPORATE SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Discussion and Possible Action Regarding the Airport Parking Management and Parking Shuttle Agreements to Include Issuance of a RFP or Amendments to Existing Agreements

Recommendation:

Adopt Resolution No. 2016-0055, authorizing the President/CEO to proceed with issuance of Requests for Proposals ("RFP") for provision of Airport Parking Management and Airport Parking Shuttle Services. Selection and implementation of the Airport Parking Management and Airport Parking Shuttle agreements shall coincide with the termination of the existing agreements.

Background/Justification:

Introduction

The upcoming expirations of the Parking Management and Parking Shuttle agreements in many ways reflect the same conditions experienced when the RFPs were released and agreements negotiated in 2011. At that time, the Green Build construction was underway, parking lots were closed or relocated and roadways were detoured, passengers were directed into unfamiliar temporary parking lots and there was great concern about maintaining parking revenues. At that time, the parking and shuttle operations were transitioned from Lindbergh Parking to Ace Parking Management with only minor operational disruption, customer inconvenience or revenue impact. Through all the construction disruptions and the contractor's transition, Airport staff professionally and competently managed the parking and shuttle operations.

The Parking Management and Parking Shuttle Service agreements are again set to expire at the same time as a major construction project - the Parking Plaza - is scheduled to begin. Airport Staff is preparing a comprehensive plan to communicate about the impacts and the parking alternatives to ensure the new parking facilities meet the schedule, implement a comprehensive directional signage program, and mitigate the potential revenue impacts. Staff is planning the possible scenarios so that challenges, issues and problems are addressed preemptively or are immediately alleviated and corrected.

In conclusion, Airport Staff will ultimately be able to address and competently manage the Parking Plaza disruptions regardless of whether there is another transition in the Airport's contractor(s) for parking and shuttle services or if the current contractor is successful in again being awarded the agreements.

Board Direction

At the March 17, 2016, meeting, the Board asked staff to return with a definitive recommendation as to the most viable strategy for Parking Management and Parking Shuttles. Staff was requested to evaluate the pros and cons of: 1) continuing the Ace Parking Management and Parking Shuttle Services agreements through the Airport's Terminal 2 Parking Plaza construction and startup (scheduled completion on or about May 2018); or 2) allowing the current agreements to expire and to re-compete both agreements.

Scope of Airport Parking Management Services ("PMS") Agreement

Airport Parking revenues are the second largest source of the Authority's non-airline revenue contributing more than \$38 million in FY15. Through May 2016, parking revenues had reached \$39.2 million with a forecast of \$42 million for the full fiscal year.

Parking Management Services are contracted for: 1) Valet Parking 2) Terminal 1 & 2 Parking Lots; 3) Harbor Drive Long-term Parking Lot; 4) Pacific Coast Highway Economy Parking Lot; 5) Employee Parking Lot; 6) Airport Authority Parking Lots; and 6) Cell Phone Parking Lot. All parking lots except for the Cell Phone and select Airport Authority parking lots have daily and/or hourly parking rates.

The Contractor is required under the existing agreement's terms and conditions to:

- Professionally manage all aspects of the parking facilities, schedule staff, maintain and operate the parking facilities and valet parking in accordance with the agreement's requirements;
- Dispatch taxicab, transportation network company (TNC) and vehicle-for-hire (VFH) (VFH dispatch discontinued June 1, 2015) commercial operators from the transportation islands and parking lots;
- Accurately collect and report all parking revenues and fully maintain the Airport's electronic parking access and revenue control system ("PARCS"), maintain DSX access and exit equipment ("DSX") and support all operational hardware and software systems; and
- Coordinate services for special events parking

As noted above, the Parking Management Services agreement terminates March 15, 2017.

Scope of Parking Shuttle Services ("PSS") Agreement

Parking Shuttle Services provide a convenient customer service for passengers using On-Airport Parking Lots. The Shuttle System operates 24 hours per day, 365 days per year transporting approximately 131,000 employees and airline passengers per month between the parking lots and the terminals.

Parking Shuttle Services are contracted for: 1) Harbor Drive Long-term Parking Lot; 2) Pacific Coast Highway Parking Lot; and 3) Employee Parking Lot.

The Contractor is required under the existing agreement's terms and conditions to:

- Professionally manage all shuttle vehicle acquisition, operation and disposition, schedule staff, maintain the shuttle vehicle hold lot and operate in accordance with the agreement requirements;
- Transport Airport employees safely and securely to and from the parking lots;
- Transport Public and Airport passengers safely and securely to and from the parking lots; and
- Coordinate services for special events transportation.

As noted above, the Parking Shuttle Services agreement terminates December 31, 2016.

Background of Existing Agreements.

Parking Management Services. On April 27, 2011, the Authority issued an RFP for Parking Management Services. The RFP was advertised in the San Diego Daily Transcript and on the Authority's website. The Authority received four (4) proposals on June 10, 2011. The RFP Review Panel found all four proposals responsive and all Respondents were invited to interview July 22, 2011.

The Respondents and final scores:

Respondent	Total Points
Ace Parking	89
LAZ/PPM	74
Parking Concepts	70
Standard Parking	95

On September 1, 2011, the Authority Board directed Staff to request a Best and Final Offer ("BAFO") from the two highest-ranked Respondents, Ace Parking Management, Inc. and Standard Parking Corporation. On September 19, 2011, BAFO letters were sent via email to the two Respondents. The BAFO letters outlined the procedures for the Respondents to follow, the criteria (and assigned maximum possible points) for which the Panel sought clarification and identified a deadline for the BAFO submissions. BAFO responses were received from both parties by the required deadline. The Panel evaluated the BAFOs on September 30, 2011.

The final scoring:

Respondent	Total Points
Ace Parking	154
Standard Parking	166

At the October 6, 2011, Board meeting, the Panel’s BAFO evaluation and the recommendation for Standard Parking to provide the Airport’s parking management services were submitted to the Board for approval. After Board discussion, Resolution 2011-0103R was approved to award an agreement for parking management services to Ace Parking Management, Inc. for a five-year term and an amount not to exceed twenty-nine million, seven hundred thousand dollars (\$29,700,000.00) and authorizing the President/CEO to execute the agreement.

Parking Shuttle Services. On April 27, 2011, the Authority issued an RFP for Airport Shuttle Services. The RFP notice was advertised in the San Diego Daily Transcript and on the Authority’s website. The Authority received proposals from seven (7) Respondents on June 8, 2011.

The Respondents and final scores:

Respondent	Total Points
Ace Parking	93
Coach America	78
First Transit	79
MV Transport.	74
Parking	72
Concepts	
Silverado Stages	73
Standard	80
Parking	

The highest scoring firms were invited to interview on July 19, 2011. The Respondents were asked to answer a specific list of questions, prepared by the Panel, which targeted the RFP evaluation criteria.

The Respondents and the final scores:

<u>Respondent</u>	<u>Total Points</u>
Ace Parking	89
Coach America	74
First Transit	75
Standard	80
Parking	

At its August 4, 2011, meeting, the Board adopted Resolution No. 2011-0104, awarding an agreement to Ace Parking Management, Inc. for airport shuttle services for a five-year term and an amount not to exceed twenty-eight million eight hundred thousand dollars (\$28,800,000.00) and authorizing the President/CEO to execute the agreement.

Agreement Performance**Parking Revenues**

Agreement Year No. ¹	Ace Reported Parking Revenues ²	YoY increase	Airport Reported Parking Revenues	YoY increase	Revenue difference
1	\$32,476,570		\$32,650,119		-\$173,549
2	\$37,593,112	15.8%	\$35,749,891	9.5%	\$1,843,221
3	\$39,501,336	5.1%	\$37,716,715	5.5%	\$1,784,621
4	\$42,506,164	7.6%	\$41,205,537	9.3%	\$1,300,627
5	NA	NA	NA	NA	NA
Revenues to date	\$152,077,182		\$147,322,262		\$4,754,920

1) Contract Years are March-February and do not coincide with Fiscal Years.

2) The Ace Reported Parking Revenues includes taxicab trip fee revenues totaling approximately \$4.75million.

The parking revenue, the upward trend and the differential are explained by:

- Year 2 increase of 9.5%: The Airport experienced enplanement growth of 2.7%. In addition, a parking rate increase took effect in July 2012 (7 months of the first year of the agreement). Year 2 reflects a full year with the higher rate. The Terminal 2 West / Green Build construction was completed and the Terminal 2 parking lot opened in August 2012 (6 months into Year 1).
- Year 3 increase of 5.5%: The Airport experienced enplanement growth of 6% with a parking rate increase in July 2014, which should have resulted in a much higher revenue increase. Staff believes the less-than-expected increase was due to passengers utilizing Transportation Network Companies (TNCs) instead of airport parking.
- Year 4 increase of 9.3%: The Airport experienced enplanement growth of 7.2%; the Harbor Drive Wally Park parking lot closed in July 2015. In addition, new parking customers were obtained through Authority Staff initiatives for coupon programs, marketing campaigns and additional advertising.

Parking Expenses

Parking expenses are trending \$1 million less than forecast in the Best and Final Offer (BAFO) submitted by Ace as part of the agreement negotiation.

Shuttle Expenses

At its April 21, 2016, meeting, the Board approved an amendment to the Ace Shuttle agreement increasing the not-to-exceed amount by \$2,530,682, funding the agreement through its December 31, 2016, termination date. This extension resulted in a not-to-exceed amount of \$31,330,682 over the remaining term of the agreement.

Pros and Cons

Why should the current Parking Management and Parking Shuttle Services agreements be extended?

- Incumbent's management and staff personnel know the Airport's operations and staff, parking locations, shuttle routes and taxi dispatch operations.
- Incumbent has adhered to the agreement's terms, conditions and requirements.
- Incumbent has proposed revenue pledges, cost reductions and capital investments (See Ace Parking Proposal, Pages 9-14).
- Potential for minor disruptions in parking services due to the construction of Parking Plaza.

Why should the current Parking Management and Parking Shuttle Services agreements be allowed to terminate and re-compete?

- The Airport has a practice to re-compete agreements at the end of their term. There are virtually no exceptions whereby the contract term, full scope of work and the total budget are extended.
- Construction impacts can be readily overcome, as they have in the past. The Parking Plaza construction will have marginal impact on the existing parking and shuttle operations. Shuttles do not run inside the terminal parking lots and no additional shuttles will be necessary during construction.
- The current agreements do not contain or specify numerical performance criteria, standards or measures. A revised or new RFP would contain language that is more specific, quantitative performance criteria, with better monitoring and evaluation methods.
- The Walker Parking study performed in 2011 identified many revenue enhancement opportunities (e.g., parking loyalty program, online reservations, and corporate parking packages) that Staff is continuing to evaluate or implement. A competitive bid process would allow more time and options for Staff to request and evaluate the most current industry revenue enhancement ideas and revenue and cost containment incentive structures.
- A competitive bid process potentially translates into less cost for the services provided, lower management fees, better customer services and additional agreement features.
- Instituting new five-year agreements would ensure continuity of operations before, during and after construction and the opening of the Parking Plaza in late May 2018.

Suggested Agreement Amendments or RFP Evaluation Criteria

Revised or new Parking Management and Parking Shuttle Service agreements would include more comprehensive language with more specific terms and conditions, enhanced quantitative performance criteria, better monitoring and evaluation methods and, if negotiated, establish a set of contractor incentives (or penalties) for revenue targets and cost containment thresholds.

Such agreement language (whether in a new or revised agreement) may include:

- *Operational excellence with airports (or very similar operational settings) with surface parking lots and parking structures and passenger transit systems.* We would require that the contractor have the experience, results, quality of people, processes, procedures and performance (parking operations and shuttle service) that is greater than other parking and shuttle competitors.
- *Parking and Shuttle Technology expertise and support services.* We would require that the contractor have the expertise and ability to evaluate new technologies, integrate existing capabilities, and recommend cost-effective parking and shuttle hardware, software and systems solutions. The ability to manage the new Parking Plaza technology and the existing surface parking technology will be a critical capability of the contractor.
- *Parking and Shuttle (data) analytics, forecasting, simulation and service modeling.* We would require that the contractor have the expertise and ability to evaluate data and information to provide more thorough analysis and present results for more effective, efficient, timely and flexible decisions.
- *Innovative and differentiated customer service, cost reduction and revenue enhancement programs.* We would require that the contractor have the expertise and the ability to offer a holistic, consultative approach to customer service, cost reduction and revenue enhancement with the ability to implement, measure and sustain cost reduction, revenue enhancement and customer service program delivery to achieve the desired business results.
- *Operational, Financial, Customer Service Performance criteria, standards and reporting.* We would require that the contractor have the expertise and the ability to provide a distributed, real time data and (digital display) dashboard able to communicate/track performance, identify and pinpoint anomalies/deviations and recommend alternatives and options based on predicted results. The recent Parking Shuttle RFP identified the following key performance measures that the shuttle contractor would be responsible to attain:
 - (a) In-service Miles;
 - (b) Deadhead Miles;
 - (c) Total Miles per Parking Shuttle Vehicle;
 - (d) Maintenance records;
 - (e) Accidents;
 - (f) In-service failures;
 - (g) Mean miles between in-service failures;
 - (h) Minimum miles between in-service failures;
 - (i) Complaints;
 - (j) Parking Shuttle Vehicle Trips and Average Travel Time;
 - (k) On-time performance, schedule/Headway adherence; and

- (l) Stacking at each service stop location
- (m) Vehicle trips provided;
- (n) In-Service, Deadhead and Total Miles;
- (o) Passengers served;
- (p) Average daily passengers per trip; by month, by day of week;
- (q) Maximum passenger load; by trip time, by hour;
- (r) On-time performance, schedule/Headway/Service Gap adherence;
- (s) Missed trips;
- (t) Number of service failures; and
- (u) Number of service failures leading to impact in service.

The Parking Manager RFP would also include very specific performance measures and requirements.

- *Management (point of contact), agreement compliance and contractor responsiveness.* We would require that the contractor have an experienced and competent management team with the ability to produce results under changing conditions and to address special and normal customer needs and circumstances. We would also expect that the contractor suggest cost-effective ways to provide better customer service, reduce operating expenses and improve revenue under the agreement’s terms and conditions in a timely and cost-effective manner.

Agreement Extension and Re-compete Timelines

Extend existing agreements through the approximately 21 months of the Parking Plaza construction:

	Extension Duration	New Agreement RFP Issued	New Agreement Awarded	New Agreement Start Date
Parking Management Services	March 2017-August 2018	March 2018	June 2018	September 2018
Parking Shuttle Services	January 2017-May 2018	January 2018	April 2018	June 2018

Agreements are staggered to allow competitive bids and to separate services.

Re-compete both agreements prior to expiration of existing agreement to ensure service continuation:

	Agreement Termination	New Agreement RFP Issued	New Agreement Awarded	New Agreement Start Date
Parking Management Services	March 15, 2017	July 2016	November 2016	March 16, 2017
Parking Shuttle Services	December 31, 2017	May 2016	September 2016	January 1, 2018

Ace Parking's Proposals for the Parking Management and Shuttle Services Agreements

Per the Board's request, the table is divided into three sections: 1) Agreement with Ace's proposals; 2) Not in Agreement with Ace's Proposals; 3) More information is needed.

Ace Parking Recommendation (May 2, 2016)	Impact	Authority Response
PARKING MANAGEMENT		
Agreement between Ace and Airport Authority		
<i>Increase short-term (hourly rates) at T1 & T2 Parking Lots</i>	Ace did not propose a new rate structure	Last year's FY2017 Conceptual Budget includes hourly and daily rate increases (\$32) for terminal parking lots. The recommendation is included in the FY 2017 Budget being presented for adoption.
<i>Valet area within T1 Parking Lot</i>	Customer service improvements; no estimates of incremental revenue increase	Currently under discussion. Since T2 lot will challenge customer service, need of valet service in T1 may only have marginal return. Further analysis of cost/benefit is required.
<i>Carts within T2 Parking Lot</i>	Customer service	Safety remains a major concern; parking lot will be congested. Safety/operational plan still to be worked out. Shuttles, due to size are not viable.
<i>Advanced Parking Reservation System</i>	Customer Service	Parking Reservation system (on the Authority's website) went live in mid-May.
<i>Communicate alternative parking options; use email data base</i>	Customer service	Vision, Voice and Engagement has developed a comprehensive customer communication plan for alternative parking locations .

<p><i>Reduction of annual base parking management fee: \$50,000 per year (starting March 2017)</i></p>	<p>\$445,000 annual base management fee (March 2017- March 2018)</p>	<p>The Authority welcomes the proposed reduction. The Management Fee was contracted at \$41,250 per month (March 15, 2016- March 1, 2017 for \$495,000 per year)</p>
<p><i>Expand on-line parking reservation options by July 1, 2016.</i></p>	<p>On-line parking reservation system will go live May 6, 2016.</p>	<p>Authority would welcome expanding the parking services provided through the on-line reservation system.</p>
<p><i>Parking Operations Agreement Expense Budget (4/28/16)</i></p>	<p>Expense budget is consistent with previous expense budgets with the exception of the labor cost increase of almost \$300,000 due to minimum wage increases.</p>	<p>The Authority would request more details of expected number of employees affected by the minimum wage increase. In FY 2017 budget, the Authority budgeted for CSRs wage increase only.</p>
<p>Not in Agreement with Ace's Recommendation</p>		
<p><i>Ace pledged at the March 17, 2016 Board Meeting "to keep revenues at current levels during the parking plaza construction." - Option #1 of 2: allow total control over the Airport's Parking operations. This is a non-issue as staff is in general agreement with an incentive program see Option 2.</i></p>	<p>Ace has pledged no loss of Airport parking revenues and they have estimated the value to be \$8.5M.</p>	<p>Parking rate decisions are very visible to and have considerable impact on our community. In addition, no matter who operates the airport parking, it is the Authority who is ultimately accountable. It is, therefore, essential for the Authority to control these decisions. In addition, there are many aspects of airport operations and construction that require seamless coordination. Due to the risk of lack of proper coordination with all stakeholders, relinquishing full control of the parking operations would significantly jeopardize the Authority's ability to plan for and provide air transportation services to the region with safe, effective facilities that exceed customer expectations.</p>
<p><i>Discontinue the 60 minutes stalls and eliminate free parking in lots (currently a 10 minute "grace period" is provided to allow parking patrons the opportunity to find a space.)</i></p>	<p>Better/more enforcement of the 60 minute parking time period would net approximately \$294,000. Expected additional revenue would be minimal.</p>	<p>Eliminating the 10 minute grace period will have a negative customer service result, especially when the parking lots are full and customers are convinced they will find a parking space. Currently TNCs use the parking lots and the 10-minute grace period. In order to increase enforcement additional staff would be required.</p>

Additional Information or Negotiation is Required		
<p><i>Ace pledged at the March 17, 2016 Board Meeting "to keep revenues at current levels during the parking plaza construction." Option #2: Performance-based Incentive Management Fees: \$200,000 if annual parking revenues reach \$42,000,000 (attainment of revenue thresholds; to be determined in the revised agreement)</i></p>	<p>Details of an incentive plan need to be negotiated.</p>	<p>The Authority has estimated \$3M (25%) as a loss of T2 parking revenue and proposed an alternate incentive structure. Following the June 13, 2016 board meeting, staff met with Ace regarding the incentive structure and both parties conceptually agree that in the event of a contract extension, we will endeavor to a negotiate performance-based incentive structure. Terms of the Authority's proposed incentive structure which were not agreed to by Ace include the following:</p> <ul style="list-style-type: none"> • Ace would provide comprehensive analyses and work with Authority Staff on the viability of implementing revenue enhancement proposals. • Any such proposals jointly agreed to be implemented would be funded by Ace. • In the event total parking revenue in FY 2017 exceeds total actual parking revenue for FY 2016, the Authority would reimburse Ace the amount(s) expended by Ace on such projects. • In the event revenue enhancement proposals introduced by Ace are implemented and prove to successfully enhance parking revenue by more than \$1 million in total in FY 2017, Ace would be eligible to receive an incentive payment equal to 10% of the parking revenue which is in excess of the FY 2016 total actual parking revenue. The incentive for FY 2017 would cap at \$250,000. <p>For purposes of determining eligibility for reimbursement of project costs and the incentive payment described in the bullets above: In the event enplanements increase by more than 3% for FY 2017 versus FY 2016, the total actual parking revenue threshold for FY 2016 would be increased by the same percentage above 3%.</p>

<i>T1 & T2 Premium Parking Areas</i>	According to Ace, additional annual revenue is \$393,000 (\$5 rate increase per hour).	Premium parking area concept needs further definition, analysis and customer service impacts. Authority Board would also need to approve higher parking rate.
<i>Target Corporate Parkers</i>	No data or benefit indicated	Authority's Business Development has been working on corporate parking accounts. Additional cost/benefit and customer service analysis necessary.
<i>Pay upfront capital costs to get parking enhancements e.g. new equipment</i>	All costs absorbed by Ace; Airport Authority will have no financial exposure- the Authority will reimburse equipment costs if the plans are successful.	Authority would welcome the contractor to pay the appropriate capital equipment costs. Contractor needs to better understand implications of construction and other work performed at the Airport. Contractor and Authority would also have to agree on what key performance/success measures to be attained to trigger the reimbursements.
<i>Institute variable parking strategy by Sept. 1, 2016</i>	Variable parking rates would allow parking fees to fluctuate upward during periods of high demand and downward during low demand.	Authority would welcome a variable rate parking strategy. Extensive analysis however, is required to identify the key price change points. Any increase in parking rates requires Board approval.
<i>Better utilize mobile technology solutions to build loyalty programs and corporate parking programs</i>	Unknown	Authority would welcome recommendations as to how mobile technology solutions to build loyalty and corporate parking might be developed and deployed. Additional cost/benefit and customer service analysis necessary.
SHUTTLE SERVICE AGREEMENT		
Agreement between Ace and Airport Authority		
<i>Provide reporting data and analytics that follow the most recent Shuttle RFP requirements.</i>	Better data and statistics for decision making	Authority welcomes better data reporting and analytics as part of the shuttle service hour fee.
<i>Relocate valet parking storage lots closer to the terminal to reduce operational costs</i>	Proposed location and financial impact not provided	Operational details (fire/safety) need to be finalized.

<i>SDCRAA will have flexibility to reduce baseline-operating hours from 0%-2% with no change in hourly billing rate. SDCRAA has ability to reduce the baseline operating hours by more than 2%, resulting in an upward adjustment in the hourly shuttle-billing rate by \$.40 per hour.</i>		Authority staff supports this change. The current shuttle agreement hours were reduced by 7.5% when Red/Loop Bus service was discontinued. The remaining hours were distributed among the other lots.
<i>Increase Shuttle hourly rate from \$34.98 to \$36.98 (Jan. 1, 2017-May 31, 2018)</i>	5.7% increase	Authority staff welcomes the rate reduction for the specified period.
Not in Agreement with Ace's Recommendation		
<i>There are no areas of disagreement.</i>		
Additional Information or Negotiation is Required		
<i>Point to point Express Shuttle Service (proposal dated 4/28/16)</i>	Provide advance reservations and point-to-point transit (from LTL1) for customers; would provide customer service, convenience and faster access to the terminal. For 2017 and 2018, this would be an estimated \$7.2M.	The concept was originally proposed by the Airport to address parking space shortfalls during construction and customer anxieties about parking in remote lots without quick access to the terminals. The Ace estimate seems extremely high since there are no estimates of utilization or efficiencies through the reduction of other shuttle services.
<i>(Ace to) Purchase and install Automated Passenger Counting System (APC)</i>	\$98,000	Airport Authority acknowledges the value of data, but wants to understand how shuttle passenger data translates into better decision making or why this item should be a priority. Information is needed as to how the data would be used or whether or not it would require reimbursement.
<i>Transportation Island curbside concierge (proposal dated 4/28/16)</i>	Curbside customer service representative providing directions and baggage assistance	Authority welcomes idea but requires more data on cost/benefit and alternatives.

Options and Recommendation

In summary, Airport Staff considered the pros and cons for 1) extending the current Parking Management and Parking Shuttles Service agreements through construction of the Parking Plaza or 2) allowing the current Parking Management and Parking Shuttle agreements to expire as scheduled and re-competing the agreements with more comprehensive and specific terms, conditions and requirements.

Therefore, Staff recommends the Board authorize the President/CEO to proceed with issuance of Requests for Proposals (“RFP”) for provision of Airport Parking Management and Airport Parking Shuttle Services. Selection and implementation of the Airport Parking Management and Airport Parking Shuttle agreements shall coincide with the termination of the existing agreements.

Fiscal Impact:

Adequate funding for Parking and Shuttles operations expense is included in the proposed FY 2017 and conceptually proposed FY 2018 Operating Expense Budgets within the contractual services line item.

Authority Strategies:

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

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

Environmental Review:

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

Application of Inclusionary Policies:

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

This agreement does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority agreements. 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 agreement award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Ace Parking, Inc. did not receive the small business preference.

Prepared by:

DAVID BOENITZ
DIRECTOR, GROUND TRANSPORTATION

RESOLUTION NO. 2016-0055

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT/CEO TO PROCEED WITH ISSUANCE OF REQUESTS FOR PROPOSALS (“RFP”) FOR PROVISION OF AIRPORT PARKING MANAGEMENT AND AIRPORT PARKING SHUTTLE SERVICES. SELECTION AND IMPLEMENTATION OF THE AIRPORT PARKING MANAGEMENT AND AIRPORT PARKING SHUTTLE AGREEMENTS SHALL COINCIDE WITH THE TERMINATION OF THE EXISTING AGREEMENTS

WHEREAS, San Diego International Airport provides parking and shuttle services to airline passengers, general public and airport employees; and

WHEREAS, on August 4, 2011 the Board approved Resolution 2011-0104 authorizing the President/CEO to enter into a five year agreement, expiring December 31, 2016, with Ace Parking, Inc. for Parking Shuttle Services; and

WHEREAS, on October 6, 2011, the Board approved Resolution 2011-0103R authorizing the President/CEO to enter into a five year agreement, expiring March 15, 2017, with Ace Parking, Inc. for Parking Management Services; and

WHEREAS, a comprehensive and objective evaluation has been conducted by staff of the current agreements to assess the incumbent's performance under the existing agreements and evaluation of new proposals submitted by the incumbent.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the President/CEO to proceed with issuance of Request for Proposals (“RFP”) for provision of Airport Parking Management and Airport Parking Shuttle services; and

BE IT FURTHER RESOLVED the Board directs that the selection, implementation and terms of the Airport Parking Management Airport Parking Shuttle agreements shall coincide with the respective expiration of the existing agreements; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

ITEM 12

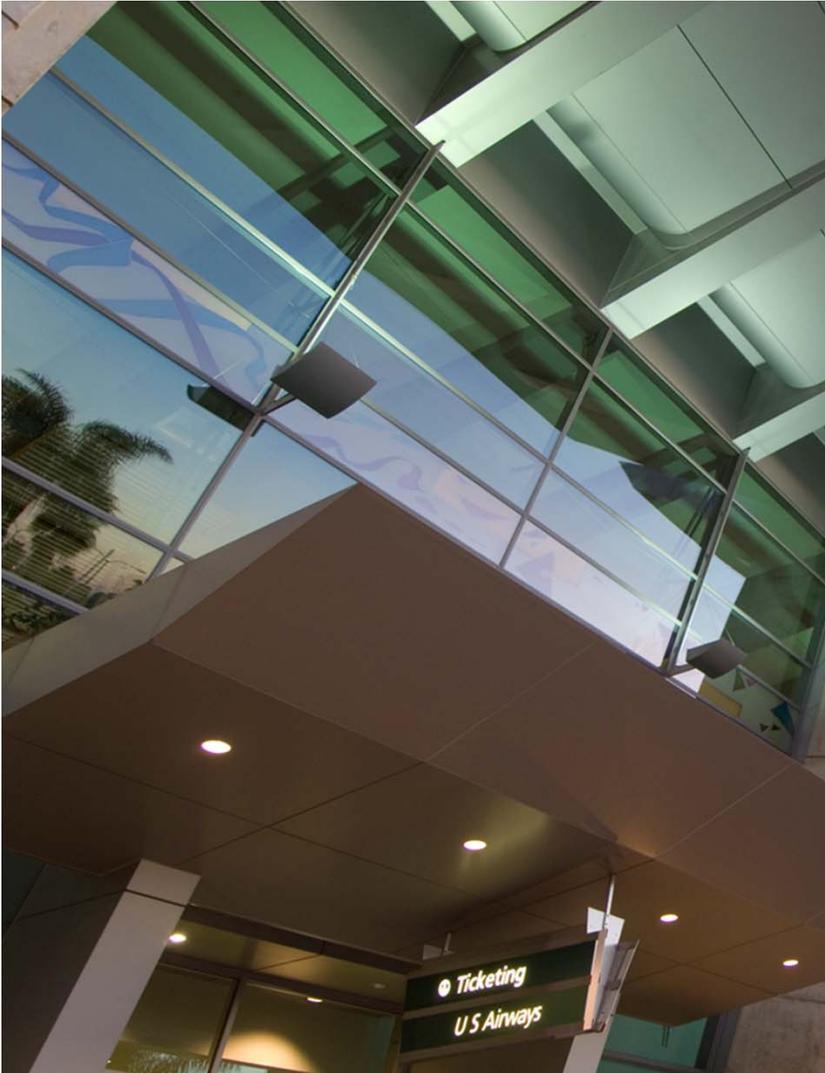


Airport Parking Management and Parking Shuttle Agreements

David Boenitz

Director, Ground Transportation

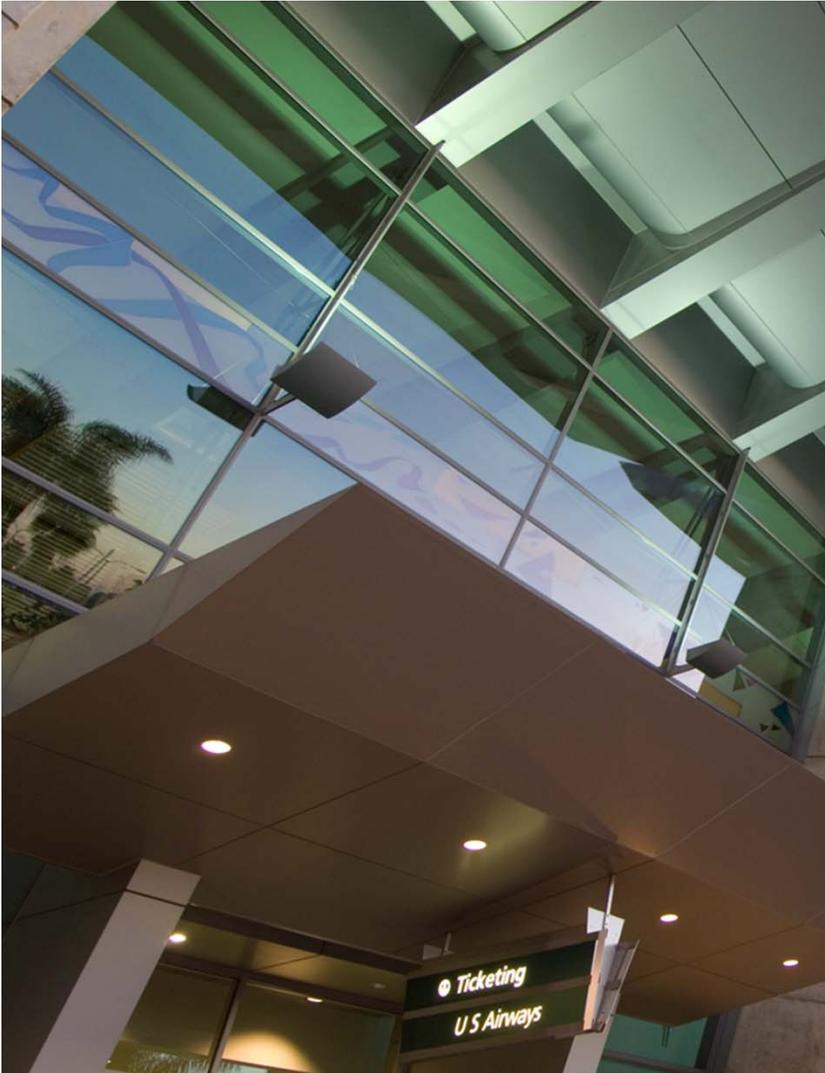
JUNE 23, 2016



BOARD DIRECTION

March 17, 2016 Board Meeting, staff asked to return with a definitive recommendation for the most viable Parking Management and Parking Shuttles strategy with pros and cons of

- 1) continuing the Ace Parking Management and Parking Shuttle Services through the Airport's Terminal 2 Parking Plaza construction and startup (scheduled completion on or about May 2018); or
- 2) allowing the current agreements to expire and to re-bid both.



STAFF RECOMMENDATION

Adopt Resolution No. 2016-_____ authorizing the President/CEO to proceed with issuance of Request for Proposals (“RFP”) for provision of Airport Parking Management and Airport Parking Shuttle services. Selection and implementation of the Airport Parking Management Airport Parking Shuttle agreements shall coincide with the termination of the existing agreements.





AGREEMENT STATUS

Parking Management Services

- ❖ In March 2012, the Authority entered into a five-year agreement with ACE Parking Management, Inc. to provide parking management services for the Airport's terminal and remote parking facilities for Airport passengers, the public and tenant employees.
- ❖ The agreement is set to expire on March 15, 2017 with a not to exceed value of \$29,700,000.



AGREEMENT STATUS

Parking Shuttle Services

- ❖ In February 2012, the Authority entered into a five-year agreement with ACE Parking Management, Inc. to provide courtesy vehicle and shuttle services between the Airport's terminals and remote parking facilities for Airport passengers, the public and tenant employees.
- ❖ The agreement is set to expire December 31, 2015 with a not to exceed value of \$31,330,682.00.



PROS

- ❖ Incumbent's management and staff personnel know the Airport's operations and staff, its parking locations, shuttle routes and taxi dispatch operations
- ❖ Incumbent has adhered to the agreement's terms, conditions and requirements
- ❖ Incumbent has put forth revenue pledges, cost reductions and capital investments



CONS

- ❖ Airport has a practice to re-compete agreements at the end of their term. There are virtually no exceptions whereby the contract term, full scope of work and the total budget are extended.
- ❖ The Parking Plaza construction will have marginal impact on the existing parking and shuttle operations.
- ❖ Current agreements do not contain or specify performance criteria, standards or measures.
- ❖ Additional revenue enhancement opportunities
- ❖ Competitive bid process potentially translates into less cost for the services provided, lower management fees, better customer services and additional agreement features.



TIMELINE

Renew existing agreements through
Parking Plaza construction

	Extension	New Agreement RFP Issued	New Agreement Awarded	New Agreement Start Date
Parking Management Services	March 2017- August 2018	March 2018	June 2018	September 2018
Parking Shuttle Services	January 2017- May 2018	January 2018	April 2018	June 2018



TIMELINE

Re-compete both agreements prior to expiration of existing contract

	Agreement Termination	New Agreement RFP Issued	New Agreement Awarded	New Agreement Start Date
Parking Management Services	March 15, 2017	July 2016	November 2016	April 1, 2017
Parking Shuttle Services	December 31, 2017	May 2016	September 2016	January 1, 2018



Airport Parking Management and Parking Shuttle Agreements

Questions?

ITEM 12

**DISCUSSION AND
POSSIBLE ACTION
REGARDING THE AIRPORT
PARKING MANAGEMENT
AND PARKING SHUTTLE
AGREEMENTS TO INCLUDE
ISSUANCE OF A REQUEST
FOR PROPOSAL OR
AMENDMENTS TO
EXISTING AGREEMENTS:**

**The attached information
was received from the public.**

Subject: RE: Submitting Document for 6/23/16 SDCRAA Board Mtg.
Attachments: Memo to SDCRAA dated 6-22-16.pdf

From: [REDACTED]
Sent: Wednesday, June 22, 2016 2:02 PM
To: [REDACTED]
Subject: Fw: Submitting Document for 6/23/16 SDCRAA Board Mtg.

Resending the below email as I apparently had your email address incorrect in the below email.

Thank you,

Keith

----- Forwarded by Alva Whetton/Ace Parking on 06/22/2016 02:00 PM -----

Keith B. Jones/Ace Parking
Sent by: Alva Whetton/Ace Parking

To lgentlken@san.org,
cc trussell@san.org

06/22/2016 01:44 PM

Subject: Submitting Document for 6/23/16 SDCRAA Board Mtg.

Good Afternoon,

Attached, please find an encouraging memorandum from me, Keith Jones, as already discussed with, and presented to, Airport Authority staff. This memorandum reflects the key points, on which Authority Staff and Ace Parking are in alignment, if the SDCRAA Board chooses to take action to extend the current Ground Transportation Operations agreements. We ask that it be distributed at tomorrow's SDCRAA Board meeting in relation to Item #12 on the agenda.

Graciously,

Keith



EVERY THANK YOU EARNED.

Keith B. Jones
Managing Principal
Partner

ace parking management, Inc.
645 Ash Street
San Diego, CA 92101
tel 619.233.6624 fax 619.233.0741

Please consider the environment before printing this email

Memorandum

To: San Diego County Regional Airport Authority
From: Keith B. Jones, Ace Parking Managing Partner
Date: June 22, 2016
Re: Agenda Item #12 and Ace Parking's Commitment to the San Diego International Airport

Below, please find the key points on which Authority Staff and Ace Parking are in alignment, should the SDCRAA Board choose to take action to extend the current Ground Transportation Operation agreements. Per the SDCRAA Board's May 2016 directive, Ace has met with senior Authority Staff to ensure key matrices and financial incentives have been agreed upon and could be included in a contractual addendum. Each key item agreed upon below will assist the SDCRAA in its effort to minimize customer service challenges and parking revenue erosion due to the planned construction of the new Parking Plaza.

During the upcoming construction of the Terminal 2 Parking Garage, Ace Parking is fully committed to ensure minimal disruptions to the San Diego International Airport's Ground Transportation Operations including Parking and Shuttle service. As such, Ace has offered to help offset Staff's anticipated reductions in revenue to the Authority (Parking & Shuttle Operations), by extending the original contracts two years with addendums to the existing contract terms through the completion of the Parking Plaza, along with the enhancements as listed below. These additional commitments, within the scope of the existing agreements, will keep Ace's operating costs and fees to a minimum, while allowing Ace the opportunity to make a sizable capital investment into the Airport's Transit and Automated Passenger Counting Systems thereby enhancing the Ground Transportation Operations. Additionally, Ace will proactively focus on the key objective of a successful completion of the Terminal 2 Parking Garage with minimal disruptions to airport related services combined with a strong focus on customer satisfaction and airport related clientele retention. Ace has worked with Authority Staff and come to agreement on incorporating the below operational measures that the Authority Staff has requested be included in such an extension.

Ace Parking Has Committed to:

Anticipated Cost Savings – Existing Parking Contract:

- During the two-year extension of the existing contract, Ace can agree to reduce the parking management fee by \$50,000. This reduction represents a 10% savings to the Authority. *This will lower operating costs to a professional minimum while still*

offsetting anticipated reductions in revenue as a result of the construction of the Parking Plaza.

- During the two-year extension, Ace commits to making a \$100,000 capital investment to upgrade the technology suite provided by ETA Transit Systems with an APC (automatic passenger counting) module. *This investment will greatly aid ground transportation operations during the construction of the Parking Plaza by eliminating the need to capture passenger data manually, therefore allowing drivers and shuttle management to focus more on customer experience as opposed to gathering and collecting data.* The data that is gathered automatically will then be utilized by our experienced ground transportation management team to maximize efficiency and increase customer satisfaction, making the San Diego International Airport a leader in efficient, reliable, and comfortable transportation through implementing the latest in transportation analytics.

Anticipated Cost Savings – Existing Shuttle Contract:

- During a two-year extension of the existing contract, Ace can reduce its Parking Shuttle service hourly rate from the proposed \$38.98 to \$36.98 over the 24-month extension period, which will result in approximately \$500,000+ in additional savings to the airport. This reduction to the proposed hourly rate is made in good faith to partner with the airport authority in an effort to further offset anticipated reductions in airport revenues during the construction phase of the Parking Plaza. As such, the rate of \$36.98 should provide just enough to cover the substantial increases in wages, healthcare costs, and operating expenses anticipated over the 24-month period.

Authority Staff Requested Operational Measures:

- Ace will provide comprehensive analysis and work with Authority Staff on the viability of implementing revenue enhancement proposals;
- Goal of 95% customer satisfaction on parking and shuttle surveys based on an Airport defined sampling program;
- Conduct audits of parking lot vehicle identification system to ensure vehicles are parked no longer than 60 days;
- Implement recurrent customer service training;
- Conduct Authority approved customer service training for employees within 60 days of award;
- Goal of 95% pass rate for the secret shopper program;

- Strive to deliver the experience, results, quality personnel, processes, procedures and performance for both parking operations and shuttle services at levels greater than our parking and shuttle competitors through better, more focused employee recruitment, training and supervision.
- Ace will continue to evaluate and make sound recommendations regarding technologies, integrating existing capabilities, and cost effective parking and shuttle hardware, software and systems solutions.
- Ace will produce, analyze, and present thorough data and recommendations to drive effective, efficient, timely and flexible decisions, through enhanced data acquisition, analytics and reporting especially as it relates to parking revenues and occupancy and shuttle passenger loads.
- Ace will provide a comprehensive approach to customer service, cost reduction and revenue enhancement with the ability to implement, measure and sustain cost reductions, revenue enhancements and customer service programs to achieve desired business results, by implementing a more robust, comprehensive strategic plan for parking and shuttles.
- Ace will assist in providing a real-time data and digital display dashboard able to communicate/track performance, identify and pinpoint anomalies/deviations, and recommend alternatives and options based on predicted results, by defining, compiling and communicating in real time the key metrics and results such as customer service shuttle and parking operations.
- Ace will retain its highly experienced and competent team members who have consistently demonstrated the ability to produce impressive results under changing conditions and also to address special and changing customer needs and circumstances.
- Ace and senior Authority Staff have agreed to meet twice a month and work together to thoroughly analyze and offer up supported recommendations to the SDCRAA Board for additional cost-effective measures to enhance customer service, reduce operating expenses and improve revenue under the contracts' terms and conditions in a timely and cost effective manner.

Sincerely,

A handwritten signature in black ink, appearing to read "Keith B. Jones". The signature is fluid and cursive, with a horizontal line extending from the end of the name.

Keith B. Jones
Managing Partner
Ace Parking

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Transportation Network Company (TNC) Pilot Program Update

Recommendation:

Adopt Resolution No. 2016-0054, to approve a permanent Transportation Network Company (TNC) Program at San Diego International Airport.

Background/Justification:

Introduction

A Transportation Network Company ("TNC"), as defined by the California Public Utilities Commission ("PUC") is an organization (whether a corporation, partnership, sole proprietor, or other form) operating in California that provides prearranged transportation services for compensation using an online-enabled application ("app") or platform to connect passengers with drivers using the TNC's personal vehicles. TNCs have gained extensive publicity, widespread popularity and strong customer acceptance while competing against the more established and regulated taxicab, Vehicle for Hire ("VFH") and Limousine/Charter carriers. TNCs at San Diego International Airport ("Airport") are currently working under a "pilot program" permit and to date TNC passenger pickups have not resulted in any substantial operational issues.

Key Dates and Actions

During the past year, the Authority authored, negotiated and ultimately implemented a TNC Pilot Program ("Program") Permit application and the subsequent amendment. The Program's availability and its application were communicated to all interested TNC operators. The more notable milestones are:

- Feb. 19, 2015: TNC permit parameters accepted by the Board
- April 1, 2015: TNC permit application released
- June 1, 2015: Opoli signs permit application and begins operations
- June 25, 2015: President/CEO authorized to determine required form of background checks for all ground transportation service providers and amends corresponding Airport codes
- July 1, 2015: TNC permit amendment released
- July 3, 2015: Lyft and Uber sign permit applications and amendments and begin operations
- Sept. 1, 2015: Wingz signs permit application and amendment and begins operations
- January 21, 2016: Board update (6 month)
- June 23, 2016: Board update
- June 30, 2016: Program scheduled to expire

Outstanding Focus Areas

The Program was conceived to evaluate the TNC's viability and how their business model would be integrated into the Airport's commercial transportation system. Since its inception, the Program and the TNCs have received tremendous support as well as vigorous opposition. TNC proponents favor open competition and customer choice while those opposing have voiced concerns about passenger safety and security as well as the uneven and unfair regulatory requirements.

The Program's most significant focus areas that remain are:

- Locating a convenient, safe and efficient TNC vehicle staging area
- Collecting cost recovery fees
- Working with the TNCs to maintain driver and vehicle safety
- Identifying optimal pickup and drop off areas especially in light of the T2 Terminal Parking lot being closed
- Monitoring GHG emissions and encouraging vehicle conversions
- Monitoring state regulations and legislation

TNC vehicle pickups and cost recovery fees

A virtual boundary (geo-fence) bordering the Airport's entrances and exits was set up to record and report TNC pickups. TNCs drop offs at the terminal curbside are allowed but TNCs are required to pick up passengers in the Airport's parking lots. Trip fees for pickups are charged. Parking Lot attendants record the pickups, monitor passenger activity and ensure appropriate TNC's display of appropriate trade dress.

TNCs make monthly payments based on self-reported trip counts. There have been no issues throughout the Program with either the trip count accuracy or the fee payment. Since the TNCs are unable to differentiate alternative fuel/clean air vehicles (AFV/CAV) from non AFV/CAV, all trip fees include the additional 50% premium to their based fee (\$2.76). An ancillary fee of \$1.00 to cover the Program's expenses prior to February 2016 was also in effect. Trip fees have been established for FY 17 and FY 18 based upon the TNC's share of Ground Transportation expenses and included in the proposed FY 17 and conceptual FY 18 budgets. Trip fee counts and monthly payments to date:

Month		<i>Actuals</i> Jul-15	<i>Actuals</i> Aug-15	<i>Actuals</i> Sep-15	<i>Actuals</i> Oct-15	<i>Actuals</i> Nov-15	<i>Actuals</i> Dec-15
TNC Trips	#	27,447	35,407	40,090	45,928	47,554	46,838
TNC Trip Fees	\$	\$ 103,201	\$ 133,130	\$ 150,738	\$ 172,689	\$ 178,803	\$ 176,111
Month		<i>Actuals</i> Jan-16	<i>Actuals*</i> Feb-16	<i>Actuals</i> Mar-16	<i>Actuals</i> Apr-16	<i>CSR count</i> May-16	<i>YTD as of</i> June 1, 2016
TNC Trips	#	53,013	48,967	58,267	62,731	51,315	517,557
TNC Trip Fees	\$	\$ 199,329	\$ 135,149	\$ 160,187	\$ 173,138	\$ 141,629	\$ 1,724,734

* \$1.00 Ancillary fee discontinued

Background Checks

TNCs are required to perform criminal background checks, California Department of Motor Vehicle (DMV) driver record checks and checks using available "Known Terrorist" background databases.

Required criminal background checks are to identify the following violations for those persons with convictions within the past seven years of

- driving under the influence of drugs or alcohol,
- fraud,
- sexual offenses,
- use of a motor vehicle to commit a felony,
- a crime involving property damage, and/or theft,
- acts of violence, or
- acts of terror

Driving record checks identify the violations for those persons with convictions for

- reckless driving (minimum three (3) years),
- hit and run (minimum five (5) years),
- driving with a suspended or revoked license (minimum three (3) years, or
- no more than 3 points within the preceding 3 years.

The "Known Terrorist" Background Checks is performed by the Authority-approved background check agency to identify potential terrorist threats.

Authority Code Section 9.13 adds additional background check requirements as part of the overall review and decision as to whether the individual is qualified. Section 9.13 requires the driver's disqualification if the application date falls within five (5) years from the later of: 1) the last date of applicant's discharge from a jail or penal institution; 2) the last date of applicant's discharge from parole; or 3) the last date on which applicant was placed on probation, whichever is latest.

An approved third party background check provider performs a random monthly audit based upon the number of Permitted TNC Drivers completing trips at the Airport (per the Table below). The provider must be accredited by the National Association of Professional Background Screeners and jointly approved by the TNC and the Airport Authority. The sampling plan provided the designated number of background checks to be performed each month. Opoli was exempted from the background check requirement as they continue to use the Airport's finger print background check.

Month	TNC Drivers		
	1500 or more	500- 1499	499 or less
July 2015	51	26	13
Aug 2015	41	21	11
Sept. 2015	33	17	9
Oct. 2015	27	14	7
Nov. 2015	22	11	6
Dec. 2015	18	9	5
Jan. 2016	12	6	5
Feb. 2016	12	6	5
Mar. 2016	12	6	5
Apr. 2016	12	6	5
May 2016	12	6	5
TOTAL	252	128	76

Results

The third party background check provider completed the requisite sampling as required and found no disqualifying driver violations.

Future Background Check requirements

The Program requirement and the associated secondary background check have found the TNC's background check process to be sufficient, consistent and capable. Staff recommends eliminating the secondary background check from any future Airport requirements and that the TNCs as per the PUC regulation, continue to perform the required background checks. The five-year requirements in Authority Code section 9.13 would remain in effect.

TNC Citations

The most frequent TNC traffic citations were passenger pickups in an unauthorized area or failure to adhere to the TNC permit's terms and conditions, specifically as it relates to trade dress or driver behavior. Almost 300 citations have been issued since the Program's start in July 2015. The citation charge remains at \$250 plus a \$12.50 processing fee.

	2015					2016						TOT
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	
Uber	35	38	24	23	9	22	12	17	22	18	27	247
Lyft	6	11	6	4	5	1	5	2	2	3	3	48
TOT	41	49	30	27	14	23	17	19	24	21	30	295

TNC Passenger Pickup Areas (Attachment A)

The Board requested at the January meeting for Staff to identify and establish a TNC pick up area for use during the T2 parking lot closure starting in late August 2016. The location would have to provide safe, convenient and manageable access for TNC vehicles making passenger pickups.

Options. Staff evaluated the following options and their considerations:

1. Provide parking spaces within the far west T2W Parking lot
 - a. Lengthy walking distance from terminal
 - b. Parking lot congestion
2. Provide curb space on the Commercial Transportation Island
 - a. Interspersion (nonprofessional) TNC vehicle operations with taxicab and VFH vehicle operations would congest the curbside and slow vehicle dispatches
 - b. Possible conflicts between TNC and Taxicab drivers could arise
3. Provide space on the T2 Elevated Departure Roadway area.
 - a. Interspersion TNC pickups with passenger traffic and drop offs could congest the curbside and slow public and commercial vehicular traffic
 - b. Limited/restricted curbside for TNC operations may restrict TNC pickups
4. Allow TNCs to pick up curbside directly in front of the terminals
 - a. Passenger safety and security concerns
 - b. Traffic congestion and curbside overcrowding and vehicle blocking
 - c. Dwell time enforcement and compliance

Recommended Pickup Area

Staff has reviewed the pros and cons for each option and will move forward with providing space on the T2 Elevated Departure Roadway (Option #3). Airport Traffic Officers currently, and will continue to, staff the curbside to ensure traffic flow, congestion relief and TNC compliance. Parking Lot attendants will also be available to answer passenger questions and monitor passenger loading. There are no additional costs added as a result of changing the pick-up area.

T1 TNC passenger pickups will continue to be made in the assigned area within the T1 Parking lot.

TNC Staging/ Waiting Area (Attachment B)

The Board requested at the January meeting for Staff to lead the effort to identify and establish a TNC staging/waiting area. This staging area would offer a specific location for TNCs to wait prior to picking up their passenger, reducing current practice to make multiple trips through the Airport, travel up and down Harbor Drive or park in the surrounding private and public areas. Uber and Lyft have voiced support for an on-airport staging area to meet the increasing customer demand, maintain their service levels and minimize unauthorized vehicle parking in private, residential and commercial areas.

Options. Staff evaluated the following options with their various prime considerations:

1. Vacated taxi hold lot
 - a. Existing Port District lease is approximately \$300K and set to expire June 30, 2016.
 - b. Contractual obligation to the Port of San Diego
 - c. Increase traffic and congestion at the Harbor Drive/Harbor Island intersection.
2. Establish a 50 space area within the existing Airport Employee parking lot
 - a. Employee Parking Lot is currently 2025 spaces with existing lighting, fencing and striping
 - b. Can flex the lot size since perimeter fencing can be easily adjusted or removed entirely.
 - c. Increased traffic use at the Employee entrance intersection, the access roadway and around the cell phone lot
3. Upgrade an undeveloped/unoccupied area on the Airport's east side
 - a. A substantial capital cost of \$500K would be needed for lighting, fencing, striping and asphalt sealant
 - b. Approximately 6 months to complete upgrade
 - c. Increased traffic use at the Employee entrance intersection and the access roadway; some increased congestion around the cell phone lot.
4. Other evaluated TNC staging/waiting areas
 - a. The cell phone lot has very limited parking spaces
 - b. Terminal parking areas have insufficient spaces
 - c. Pacific Highway Economy Lot is too remote from the terminal pickup locations.

Recommended Staging Area

Staff has reviewed the pros and cons for each option and will move forward with establishing a sectioned-area within the Employee parking lot (Option #2). There are no new costs associated with Option 2, however, the existing ground lease costs of the 50 spaces within the employee lot will need to be included in cost recovery and incorporated into the TNC trip fee. The additional revenue associated with recovery of these costs is estimated to be \$113,000 in FY 17 and \$132,000 in FY 18. These revenue amounts will be incorporated into the final approved budget.

GHG emissions and vehicle conversions

Staff recommends working with the TNCs to implement the appropriate means and methods to identify, track and report vehicular contribution to the Airport's carbon footprint. The Port of Seattle has recently entered into an agreement (Attachment C) requiring TNCs to "achieve environmental standards equivalent to those provided by the outbound, on-demand taxi and for-hire vehicles." The Port of Seattle has established an environmental key performance indicator ("E-KPI") calculated based on the TNC's driver vehicle type and their Airport trip activity.

Staff will continue to monitor the Port of Seattle's efforts to measure GHG emissions and work with the TNCs to implement other short-term plans to minimize the Airport's carbon footprint.

State Regulations and Legislation

AB 1289 (Cooper) - This bill would require a transportation network company to conduct comprehensive criminal background checks for each participating driver that include local, state, and federal law enforcement records. The bill would prohibit a transportation network company from contracting with, employing, or continuing to retain a driver if he or she is required by any law to register as a sex offender or has been convicted of any violent felony, sexual offense, driving under the influence offense, non-felony violent crime, act of fraud, act of terror, or crime involving property damage or theft.

The bill would additionally provide that a transportation network company that violates, or fails to comply with, its provisions is subject to a penalty of not less than \$500 nor more than \$50,000 for each offense. Status – 1/28/16 - Referred to Senate Committee on Energy, Utilities, and Communications and Senate Committee on Public Safety.
Airport Position- Support

AB 2687 (Achadjian) - This bill would make it unlawful, commencing July 1, 2018, for a person who has 0.04 percent or more, by weight, of alcohol in his or her blood to drive a motor vehicle when a passenger for hire, as defined, is a passenger in the vehicle at the time of the offense. The bill would also make it unlawful, commencing July 1, 2018, for a person who has 0.04 percent or more, by weight, of alcohol in his or her blood to drive a motor vehicle, as specified, and concurrently do any act or neglect any duty that proximately causes bodily injury to another person other than the driver. Status – 5/31/16 – Ordered to Third Reading in the Senate; Airport Position- Watch

SB 1035 (Hueso) - This bill would authorize the Public Utilities Commission (PUC) to fix the rates and establish rules for transportation network companies, prohibit discrimination, and award reparation for the exaction of unreasonable, excessive, or discriminatory charges by a transportation network company. This bill would require the PUC, in consultation with the Department of the California Highway Patrol and with the United States Department of Justice and local law enforcement agencies if they choose to participate, to study specified background check measures and to adopt a background check measure as a condition to participate as a driver of a transportation network company if it determines that the measure would enhance public safety. Existing law requires the PUC and the Department of Insurance to collaborate on a study of transportation network company insurance, as specified, and to report the findings of the study to the Legislature no later than December 31, 2017. This bill would require the study to contain additional information regarding transportation network company insurance. The bill would also require the PUC to study accessibility issues for disabled populations with regard to transportation network companies and to report the findings of the study to the Legislature no later than December 31, 2017. Existing law authorizes the PUC to inspect the accounts, books, papers, and documents of a charter-party carrier of passengers. This bill would authorize the PUC to collect any necessary data from a transportation network company. The bill would also require the PUC to commence a proceeding to determine how data collected from a transportation network company can best be shared with local planning agencies and other local governments for purposes of transportation and environmental planning.

SB 1035 would authorize peace officers to enforce and assist in the enforcement of specified criminal violations of the Passenger Charter-party Carriers' Act and rules adopted by the PUC with respect to transportation network companies. This bill would authorize a peace officer to impound any vehicle of a charter-party carrier of passengers for 30 days in those circumstances and would delete the limitation on the impoundment of the above described vehicles. The bill would revise the Vehicle Code provision in the same manner. Status – 4/20/16 – Failed Passage in Committee and no further action is expected on this bill during the current legislative session. Airport Position- Watch

SB 1231 (Hueso) - This is a “spot bill” that would declare the intent of the Legislature to enact legislation that would address consumer protection with respect to charter-party carriers of passengers. Status – 3/3/16 – Referred to Senate Rules Committee; Airport Position- Watch

AB 2777 (Nazarian), as amended on May 31, 2016- This bill would allow TNCs to submit to the Department of Justice fingerprints and related information for individuals intended for employment, employed, retained, contracted, or otherwise compensated to perform or coordinate services in order to obtain information as to the existence and content of a record of state convictions and state arrests. The bill would require the Department of Justice to provide state criminal history information in response the TNC submission. – 6/2/16 – Read Third Time and Refused Passage (The Authority has not yet taken a position on this bill.)

Office of the Chief Auditor (OCA)- Review of Lyft Compliance (Attachment D)

A review of Lyft compliance was conducted to ascertain the TNCs compliance with the Permit's terms and conditions. The summary of the findings is attached.

Fiscal Impact:

Ground transportation costs assigned to TNC's are included in the proposed FY 17 budget and FY 18 conceptual budget and are recovered via the trip fee, and included in budgeted revenue, as part of Ground Transportation cost recovery. The additional revenue generated from the TNC hold lot (option 2) will be incorporated in the approved budgets for FY 17 and FY 18 (conceptual budget)

Authority Strategies:

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

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

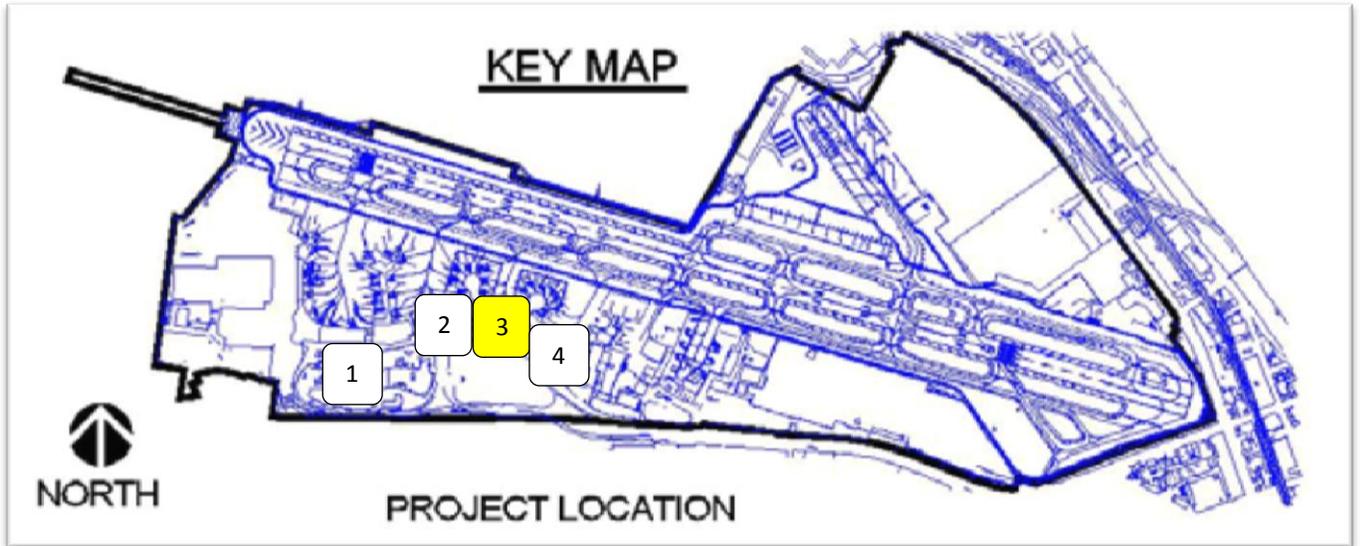
Not applicable.

Prepared by:

DAVID BOENITZ
DIRECTOR, GROUND TRANSPORTATION

Attachment A

TNC Passenger Pickup Areas



Option #1 T2W Parking area



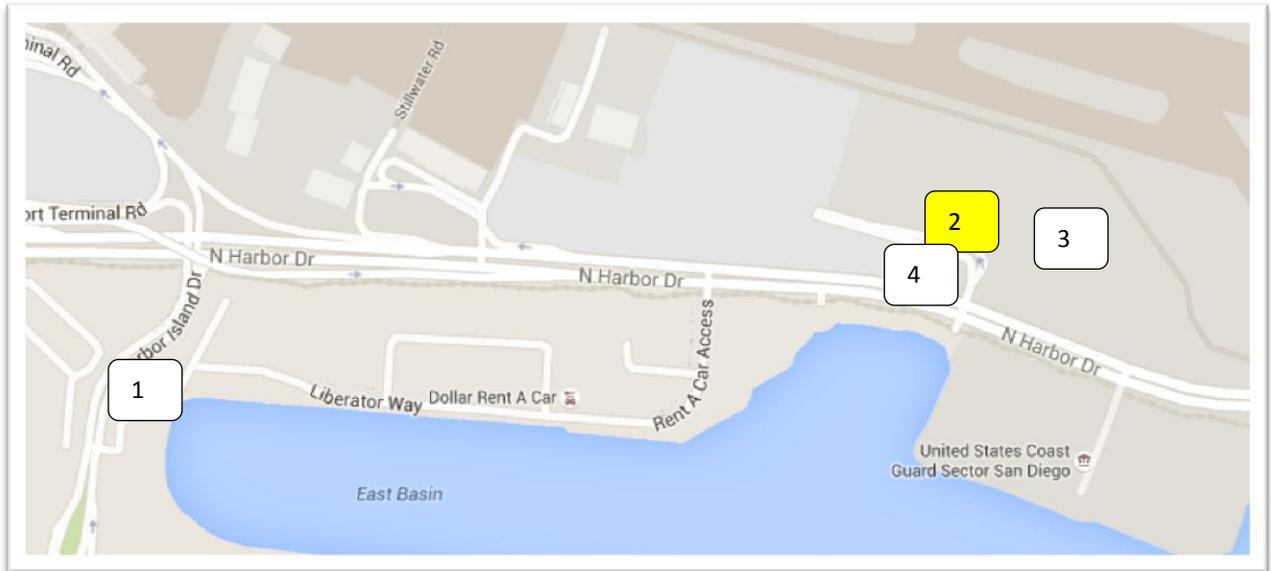
Option #2 T2 Commercial Transportation Island



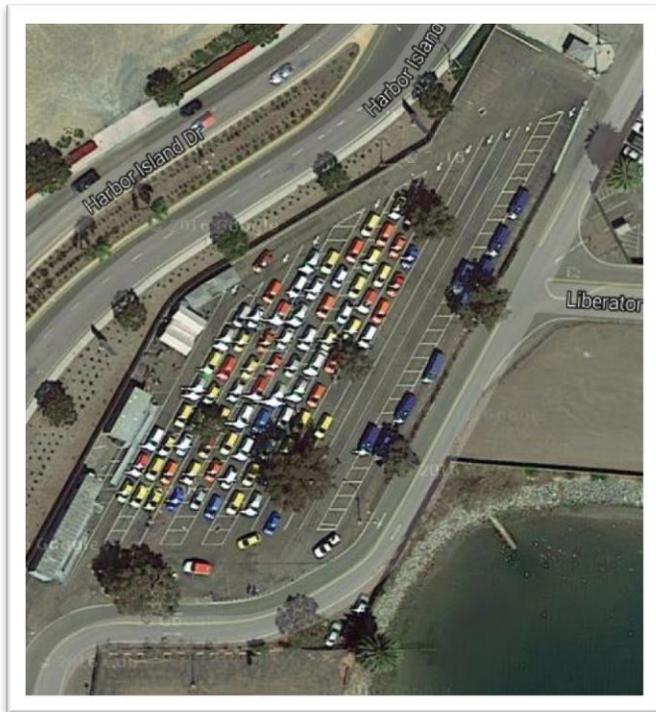
Option #3 T2 Elevated Departure Roadway



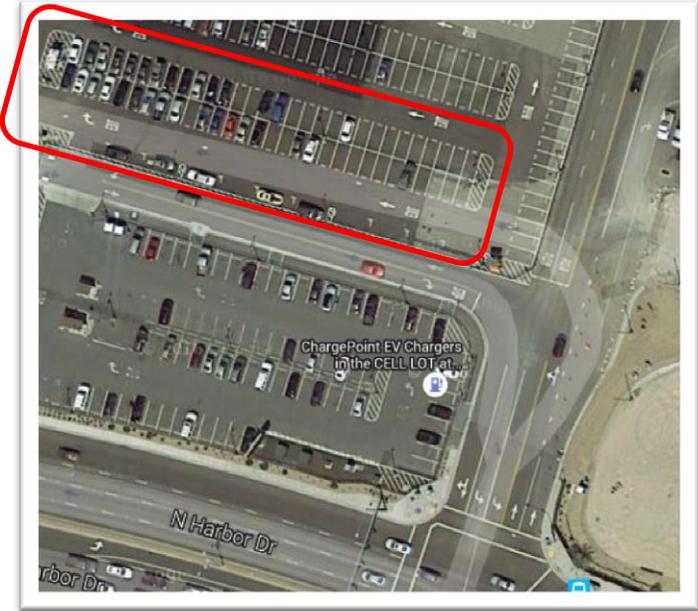
Attachment B
TNC Staging Area



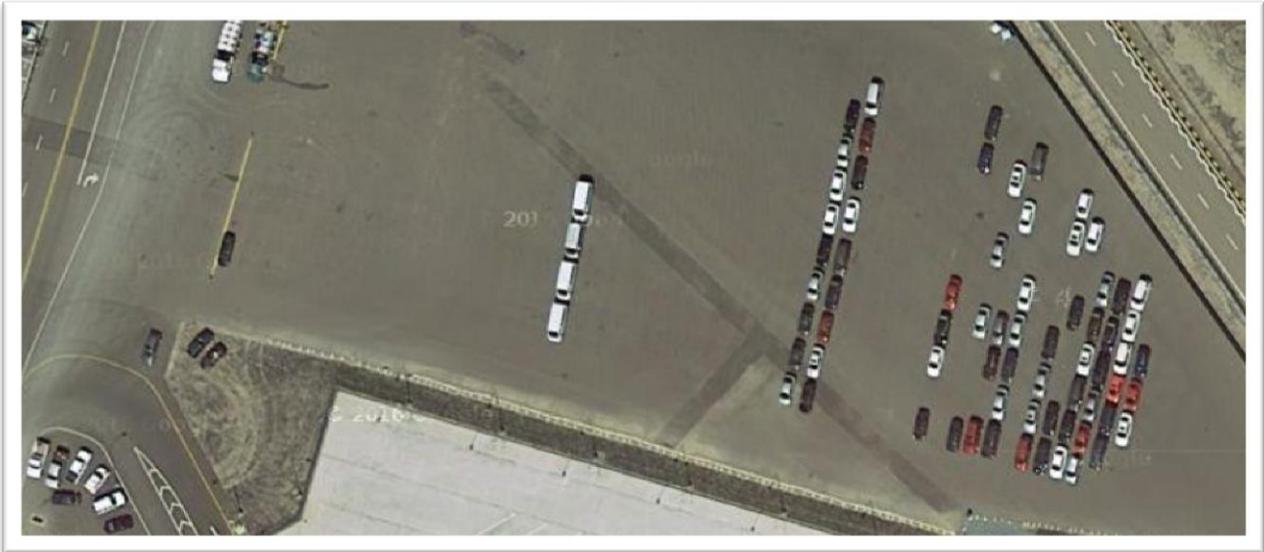
Option #1 Vacated Taxicab Hold Lot



Option #2 Existing Employee Parking Area



Option #3 Undeveloped Area





or other computations, which may be necessary or essential in carrying out the terms of this Pilot Program Agreement. Operator shall maintain its records relating to the operation permitted by this Pilot Program Agreement for a period of at least three (3) years after the end of the pilot program (or until the close of any ongoing audit thereof being conducted by, or on behalf of, the Port.

- B. The Port shall have the right to inspect and audit, through its accountants or representatives, Operator's records with reference to the determination of any matters relevant to this Pilot Program Agreement, and Operator shall make or cause to be made the records readily available for such examination for so long as Operator is required to retain the records under Paragraph 6.A. The Port may undertake such inspection and/or audit at any reasonable time and from time to time. In the event that Operator's records are not maintained in the Puget Sound region, they shall be made available for audit locally within twenty (20) business days of a request by the Port, or Operator shall pay in full, any travel and related expenses of Port representative(s) to travel to the location outside the Puget Sound region.
- C. In the event that any such audit discloses that the per-trip fees were under-reported, Operator shall forthwith pay the per-trip Fee due along with interest and/or late charges as provided in this Pilot Program Agreement, and, if the audit reveals a discrepancy of more than two percent (2%) of the per-trip fees for the term of this Pilot Program Agreement, Operator shall also pay the cost of such audit along with interest as provided in this Pilot Program Agreement. If Operator over-reports its per-trip fees (other than as a result of not reporting "pooling"), Operator will be granted a credit toward future payment obligations or refund after first deducting the cost of the audit. In the event the cost of the audit exceeds the credit/refund due, Operator shall not be responsible for the balance of the cost of the audit but shall not be entitled to any credit/refund associated with the over-reporting.

7. ENVIRONMENTAL REQUIREMENTS

- A. The Port is undertaking this Pilot Program Agreement specifically expecting Operator to achieve environmental standards equivalent to those provided by the outbound, on-demand taxi and for-hire vehicles. Operator specifically acknowledges that the Port would not undertake this pilot program without such an understanding. Operator's achievement of that equivalence will be measured by an environmental key performance indicator (the "E-KPI") that is calculated, based on the data required to be provided under Paragraph 5, as set forth in **Attachment E**. Equivalence is measured by an E-KPI ≤ 10.82 lbs of CO₂ per typical passenger trip (the "Required Metric").
- B. The Port will calculate the E-KPI for each quarter of the Pilot Program Agreement not later than the 20th day of the month following the end of each quarter. The first quarter will be measured from the first day of the first month that Operator operates for at least fifteen (15) days under this Pilot Program Agreement. As an example, if Operator first commences operations under this Pilot Program Agreement on April 5, 2016 (so that Operator will have operated 26 days in the month of April), the first quarter will run from April 1, 2016 through June 30, 2016, but if Operator first commences operations under this Pilot Program Agreement on April 20, 2016 (so that Operator will have operated only 11 days in the month of April), the first quarter will run from May 1, 2016 through July 31, 2016. The Port may, but shall not be required, to calculate the E-KPI for periods other than each quarter (e.g. monthly).
- C. In the event that Operator fails to achieve the Required Metric over the third quarter of its operations under this Pilot Program Agreement (or any subsequent quarter, if the term of this Pilot Program Agreement should be extended), the per-trip fee provided by Paragraph 4.A will be increased as provided in this subparagraph and the table below.

D.

Increase in Per-Trip Fees	
Quarters of Noncompliance	Fee Multiplier
1 st Nonconsecutive Quarter of Noncompliance	2x
2 nd Consecutive Quarter of Noncompliance	3x
3 rd Consecutive Quarter of Noncompliance	4x

Although the Port will measure and report the E-KPI for Operator’s first two quarters of operations under this Pilot Program Agreement, there will be no consequence for Operator’s failure to achieve the Required Metric over those first two quarters of its operations. However, in the event that Operator fails to achieve the Required Metric for the third quarter (or any subsequent quarter, if the term of this Pilot Program Agreement should be extended), the per-trip fee for the three-month period (or remaining term of this Pilot Program Agreement, if less) beginning with the second month of the next quarter will increase as provided in the table above. The Port will notify Operator of this fact and amount of this increase no later than the 25th day of the first month of the next quarter. In the event that Operator fails to timely provide the monthly report required under Paragraph 5.A., from which report the Port will make the determination around Operator’s compliance with the Required Metric, the Port shall have the right to notify Operator that the increase associated with noncompliance shall, subject to later reconciliation, be effective pending Operator’s provision of the required reports and the Port’s ability to make the required calculations. In the event that the term of this Pilot Program Agreement is extended and Operator was subject to an increase in the per-trip fee as a result of the failure to achieve the Required Metric in the prior quarter but achieves the Required Metric in the current quarter, the per-trip fee for the three-month period beginning the second month of the next quarter will revert to the amount set forth in Paragraph 4.A.

- E. As a detailed example, assume that Operator commences operations on March 31, 2016. The first quarter for Operator will then run from April 1, 2016 through June 30, 2016. Based on the data provided to the Port each month under Paragraph 5.A., the Port will calculate the E-KPI for the first quarter no later than July 20, 2016, for the second quarter no later than October 20, 2016, and for the third quarter no later than January 20, 2017. In the event that Operator fails to achieve the Required Metric for the third quarter, the per-trip fee set forth in Paragraph 4.A. will be multiplied by two (2) (i.e. \$5.00 per outbound trip will increase to \$10.00; \$2.50 per inbound and outbound trip will increase to \$5.00) for last two months of the term (i.e. February 1, 2017 through March 31, 2017). And if the term of this Pilot Program Agreement should be extended, the increase will also continue through April 2017 (i.e. the third month of the three-month period for which the increase is otherwise effective). Likewise, in the event that the term of this Pilot Program Agreement is extended and Operator failed to achieve the Required Metric for the fourth quarter, the per-trip fee for the three-month period beginning May 1, 2017 through July 31, 2017 will be multiplied by three (3) (i.e. \$5.00 per outbound trip will increase to \$15.00; \$2.50 per inbound and outbound trip will increase to \$7.50). However, if the Operator instead achieved the Required Metric for the fourth quarter, the per-trip fee for that same three-month period (i.e. May 1, 2017 through July 31, 2017) would instead revert to the amount set forth in Paragraph 4.A.
- F. Absolutely nothing in the discussion set forth in this Paragraph 7 shall obligate the Port to consider an extension of (much less obligate the Port to extend) the term of this Pilot Program Agreement beyond the term set forth in Paragraph 2 hereof.



ATTACHMENT D

- Monthly Reporting Template -

Report Header	All fields are required.		
Field	Description	Format	Example
Report Timestamp	Timestamp of when the report was run.	Date and Time of the event represented in ISO 8601 format. It is preferred that time be expressed in local time with a time zone offset of hours and minutes as specified in the ISO 8601 standard.	2016-03-11T13:28:22-08:00
Company ID	The ID of the TNC Operator. (Assigned by Port of Seattle)	String	As assigned to TNC Operator by Port of Seattle
Report Period Start	Start timestamp of the event period being reported on. Report events include those at and after this timestamp, up until the Report Period End.	Date and Time of the event represented in ISO 8601 format. It is preferred that time be expressed in local time with a time zone offset of hours and minutes as specified in the ISO 8601 standard.	2016-03-11T13:28:22-08:00
Report Period End	End timestamp of the event period being reported on. Report events include those that happened up until this timestamp.	Date and Time of the event represented in ISO 8601 format. It is preferred that time be expressed in local time with a time zone offset of hours and minutes as specified in the ISO 8601 standard.	2016-03-11T13:28:22-08:00

Event Table	All fields are required, with the possible exception of License Plate, Trip Id, and Matched Rides Correlation Id as described.		
Field	Description	Format	Example
Timestamp	Timestamp of event	Date and Time of the event represented in ISO 8601 format. It is preferred that time be expressed in local time with a time zone offset of hours and minutes as specified in the ISO 8601 standard.	2016-03-11T13:28:22-08:00
Trip Id	A unique Id that corresponds to the customer's trip.	String. In cases when the TNC does not have this value for the event type, it may be blank. It should otherwise be provided.	8CB3B16D-2676-4894-AAE7-9E83EE832D75
Driver Id	Unique Id for driver. It is expected that the unique Id for a specific driver will stay consistent between reporting periods so that data can be correlated between reporting periods.	String	90188A25-02A8-4C86-8305-31F66E23A9D5
Vehicle Id	Unique Id for Vehicle. It is expected that the unique Id for a specific vehicle will stay consistent between reporting periods so that data can be correlated between reporting periods.	String	CFC6B1C8-540F-4C25-8250-08DA5F448B623
Latitude	GPS Latitude.	Decimal	47.449783
Longitude	GPS Longitude.	Decimal	-122.311114
Event Type	Entry/Exit/Pick-Up/Drop-Off. Include drop off and pick up events for passengers sharing rides to and from Sea-Tac Airport within the agreed geofence areas. For ride shares, each party dropped off should have a separate drop-off event. The same is true for pick-ups.	One of the following values: ENTRY EXIT PICKUP DROPOFF	PICKUP

Matched Rides	The number of parties that were involved in the trip to or from the airport. A trip with a single party would have a value of 1. This value will be used in the E-KPI calculations and is expected to follow the rules as defined for this field in the E-KPI agreement. Operator is not required to report a count greater than 1, but would then potentially be subject to payment of per-trip fees in excess of those that would otherwise apply if this data were reported as defined in the E-KPI and Operating agreements.	A whole number greater than or equal to 0.	2
---------------	--	--	---

Matched Rides Correlation Id	A unique id used to correlate drop-offs or pick-ups that were part of the same visit by the same driver and vehicle. It is expected that this id will be unique even when data from multiple reporting periods is viewed together. The purpose of the Matched Rides Correlation Id is to associate pick-ups and drop-offs that are part of the same shared ride. For example, if two or more drop-offs are part of the same shared ride, they should share the same Matched Rides Correlation Id. If two drop-offs were not part of the same shared ride, then they should NOT share the same Matched Rides Correlation Id. Likewise, if two or more pickups are part of the same shared ride, they should share the same Matched Rides Correlation Id. If two pickups were not part of the same shared ride, then they should NOT share the same Matched Rides Correlation Id. Operator is not required to report Matched Rides Correlation Id, but would then potentially be subject to payment of per-trip fees in excess of those that would otherwise apply if this data were reported as defined in the E-KPI and Operating agreements.	String.	2808A908-C37A-4991-B938-0E718333E961
License Plate	License plate number.	String. In rare cases when the TNC does not have the license plate we expect that this field will be empty. In all other cases, we expect that this	ABC123
Vehicle Make	Vehicle Make	Common name of the vehicle maker (No abbreviations)	TOYOTA
Vehicle Model	Vehicle Model	Vehicle model name	PRIUS V
Vehicle Model Year	Vehicle Model Year	4 digit year	2015

The Port will provide a Microsoft Excel spreadsheet reflecting these fields and formats as well.

ATTACHMENT E

– E-KPI Methodology –

Calculation Methodology for Environmental Key Performance Indicator (E-KPI)

The E-KPI is a tool that demonstrates equivalency with the environmental performance of outbound, on-demand taxis at Sea-Tac Airport. It is based on the “CO₂ emissions generated from a typical passenger trip.”

1.0 E-KPI (lbs of CO₂ per typical passenger-trip)

The E-KPI is expressed in units of lbs of CO₂ per typical passenger-trip and is calculated using the following equation:

E-KPI = (Airport Drop-off Trip Fuel Consumption + Airport Pick-up Trip Fuel Consumption) x Carbon Emissions per Fuel Consumed

Where:

- **Airport Drop-off Trip Fuel Consumption** = $[(1 - \% \text{Pooling Drop-off}) \times 13 \text{ miles/WA-MPG}] + (\% \text{Pooling Drop-off} \times (13 \text{ miles}/\# \text{ of Matched Rides})/\text{WA-MPG}] \times \% \text{Deadheading}$
- **Airport Pick-up Trip Fuel Consumption** = $((1 - \% \text{Pooling Pick-up}) \times 13 \text{ miles/WA-MPG}) + (\% \text{Pooling Pick-up} \times (13 \text{ miles}/\# \text{ of Matched Rides})/\text{WA-MPG})$
- **Carbon emissions per fuel consumed** = 19.4 lbs carbon/gallon of gasoline

2.0 E-KPI Inputs

a) **Weighted-Average MPG (WA-MPG)**

The WA-MPG for the TNC’s vehicle fleet is calculated by weighting the United States Environmental Protection Agency (EPA) blended highway/city fuel efficiency rating in miles per gallon (MPG), or miles per gallon equivalent (MPGe) for electric vehicles, for each vehicle having provided at least one pick-up event in the measurement period by the number of time a pick-up fee was assessed for that vehicle in the same measurement period.

- Only includes non-commercial vehicles (e.g. UberX and not UberBLACK or Uber For Hire, etc)
- For simplicity, we will assume the WA-MPG for inbound vehicles is the same as outbound for each TNC.

b) **%Deadheading**

Deadheading is measured relative to outbound trips only. An outbound trip from Sea-Tac Airport is considered to be deadheading if the same vehicle does not have a corresponding inbound revenue-trip that occurred in the preceding 3 hours.

% Deadheading for a measurement period is calculated by adding the total number of outbound trips that have a corresponding inbound trip for the same vehicle in a 3-hour period, divided by the total number of outbound trips, and subtracted from 100%.

c) **%Pooling (or “Ride-sharing”) for Drop-Offs and Pick-Ups and # Matched Rides**

A TNC may be given credit for pooling or ride-sharing only when the pooling is arranged via a trackable option available through its app (e.g. UberPOOL, Lyft Line). Credit is not given for passengers traveling together unless they were actively matched through the TNC’s software. Likewise, credit is *not* given for passengers expressing a willingness to be matched but who do not achieve a successful match for their ride.

A “pooled” revenue trip does not, however, require that all matched passengers begin or end their trip at the Airport. A TNC will receive “pooling” credit for a revenue-trip dropping off or picking up at least one passenger at Sea-Tac Airport, even if one or more of the other matched passengers is dropped off en route to the Airport or picked up en route to the final destination.

Credit for pooling may only be applied to TNC-endorsed, non-commercial vehicles that can travel anywhere in the region. For example, a fixed route, fixed price van service would not qualify a “pooled” in the E-KPI, as the intention is to show equivalency to taxi services, and not shared ride vans.

%Pooling Pick-Up is the percentage of total rides picked up from airport that were matched and %Pooling Drop-Off is the % of total rides dropped off at the airport that were matched.

of matched rides is the number of parties that were involved in the trip to or from the airport. A trip with a single party would have a value of 1.

Interoffice Communication

Date: June 1, 2016
 To: David Boenitz, Director, Ground Transportation
 From: Mark A. Burchyett, Chief Auditor, Office of the Chief Auditor *MB*
 Subject: Review of Lyft Compliance

As requested, the Office of the Chief Auditor (OCA) has performed a compliance review of Lyft, Inc. (Lyft) at San Diego International Airport (SDIA). The results are presented below.

Background

In July 2015, the San Diego Regional Airport Authority began authorizing Transportation Network Companies (TNC) to operate at SDIA under a pilot program. The program is guided by a TNC Permit operated and managed by the Ground Transportation Department (GT). To ensure compliance with the program by the TNCs, GT requested that the OCA perform a compliance review of TNCs.

The OCA and GT identified Rasier, LLC, which operates Uber, as the first TNC to review. That review, performed in December 2015, did not identify any potential areas of non-compliance with the TNC and identified internal controls that, if maintained, would help ensure on-going compliance. The second TNC review is of Lyft, Inc. which is the second largest TNC operator at SDIA. Lyft averages roughly \$22,000 in trip fees per month on just over 6,000 invoiced trips. In these initial TNC reviews, the OCA examines three broad areas for compliance: 1) background checks, 2) vehicle inspections and vehicle requirements, and 3) trip fees.

Background Checks

The TNC Permit requires background checks for all drivers. Additionally, the drivers are subject to a monthly audit by the San Diego County Regional Airport Authority (Authority) to ensure compliance, whereby selected drivers are subject to a second background check performed by the Authority or by an approved entity. Our review found that adequate controls exist at Lyft to ensure that all drivers pass initial background checks. Specifically, we found evidence of a robust on-boarding process for prospective drivers, including checks through driver's social security numbers, driver's licenses and/or the Department of Motor Vehicles. We also identified that the process utilized to audit the drivers and obtain the "secondary" background check was mostly controlled. We confirmed that Lyft utilizes established third parties for their background checks.

However, we did identify a potential issue with the on-going background checks. According to Lyft staff, when the Authority identifies which drivers (via license plates) require a second background check, Lyft must obtain that driver's consent to perform the check. If Lyft encounters delays or if the driver refuses to provide consent, Lyft indicated that it would substitute that driver for a willing driver. As a result, a driver that knows he/she will fail the background check can excuse themselves with no repercussions and in effect eliminates the internal control. We did not identify any instances where the drivers were substituted for non-consent, but, GT should communicate to Lyft that substitutions are not permitted.

Vehicle Inspections and Requirements

The TNC Permit contains various requirements for drivers related to the condition, operation, and appearance of the vehicles. This includes being free of visible damage, displaying proper trade dress, and vehicles must be less than 10 years old. Our review found that Lyft complies with these requirements, largely through its process to approve drivers and their vehicles, by requiring vehicle inspections. Additionally, Lyft utilizes passenger feedback to identify potential issues and regularly communicates with drivers regarding vehicle requirements.

Trip Fees

The TNC Permit requires Lyft to remit to the Authority \$3.76 for each trip providing TNC services at SDIA, on a monthly basis, within 15 days of the end of the month. A review of the process used by Lyft to identify trips originating at SDIA found adequate controls to ensure completeness and accuracy. A reconciliation of daily log sheets compiled by the Authority against trip reports utilized by Lyft to calculate trip fees did not identify any discrepancies. Further, GT maintains a spreadsheet that reconciles invoiced trips against Authority counted trips.

Conclusion

Based on the above, it appears that Lyft is in compliance with the various requirements of the TNC Permit. Additionally, we found evidence of appropriate controls and processes that should help ensure on-going compliance. However, GT should communicate to Lyft that substitutions of drivers are not permitted in the background check process.

RESOLUTION NO. 2016-0054

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY APPROVING A PERMANENT
TRANSPORTATION NETWORK COMPANY (TNC)
PROGRAM AT SAN DIEGO INTERNATIONAL
AIRPORT

WHEREAS, a Transportation Network Company ("TNC"), as defined by the California Public Utilities Commission ("PUC") is an organization (whether a corporation, partnership, sole proprietor, or other form) operating in California that provides prearranged transportation services for compensation using an online-enabled application ("app") or platform to connect passengers with drivers using the TNC's personal vehicles; and

WHEREAS, on July 1, 2015, the Authority issued a "Pilot Program" ("Program") permit application for any eligible TNC to operate at San Diego International Airport through June 30, 2016; and

WHEREAS, four TNCs were approved to operate through June 30, 2016 in accordance with the Airport's Codes and Policies, Rules and Regulations and the Program's terms and conditions ; and

WHEREAS, all TNCs have complied with the Airport's Codes and Policies and Rules and Regulations and the Program's terms and conditions; and

WHEREAS, the Program is scheduled to expire on June 30, 2016.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves a permanent Transportation Network Company Program at San Diego International Airport; and

BE IT FURTHER RESOLVED the TNCs will continue to operate in accordance with the Airport's Codes and Policies, and Rules and Regulations and the new Program's terms and conditions; and

BE IT FURTHER RESOLVED the permanent program will begin July 1, 2016; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL



Transportation Network Company (TNC) Pilot Program Update

David Boenitz
Director, Ground Transportation

June 23, 2016



RECOMMENDATION

Adopt Resolution 2016-_____ to approve a permanent Transportation Network Company (TNC) Program at San Diego International Airport.



KEY DATES

- April 1, 2015: TNC Permit Application released
- June 1, 2015: Opoli signs TNC application
- July 1, 2015: TNC Permit amendment released
- July 3, 2015: Lyft and Uber sign TNC Permit
- January 21, 2016: Board update
- June 23, 2016: Board update
- June 30, 2016: TNC Pilot Program scheduled to expire



REMAINING ITEMS

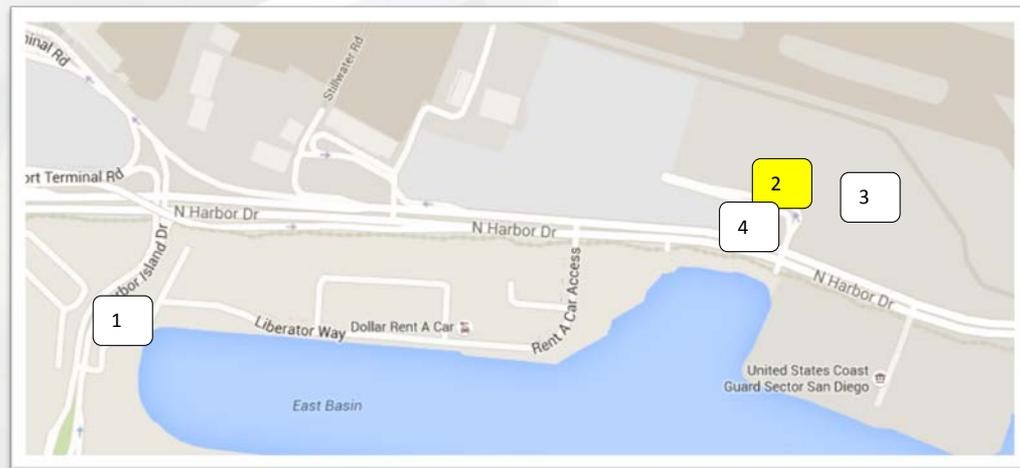
- Cost recovery fees
- Maintaining TNC driver and vehicle safety and Permit compliance
- TNC Staging Area
- TNC passenger pickup locations
- GHG emissions/vehicle conversions
- State legislation and regulation



TNC STAGING AREA

- Alleviate illegal/unauthorized TNC parking in off-airport commercial, residential and private parking lots
- Areas evaluated:
 1. Vacated taxicab hold lot
 2. Employee parking lot space
 3. Undeveloped space (east side)
 4. Other areas

TNC STAGING AREA

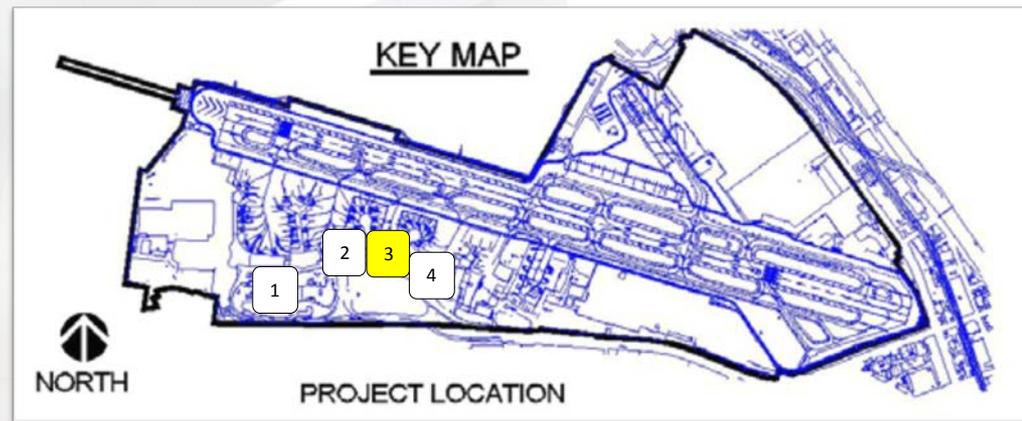




TNC PICKUP AREA

- Provide a safe, secure and convenient TNC passenger pickup location in anticipation of the T2 Parking Plaza construction
- Areas evaluated:
 1. Far west T2 parking lot
 2. T2 Commercial Transportation Island curb
 3. T2 Elevated Departure Roadway
 4. Terminal curbside

TNC PICKUP AREA





GHG EMISSIONS & VEHICLE CONVERSIONS

- Continue the Airport's long standing effort to reduce commercial vehicle carbon emissions
- For FY17, a 75% premium is added to the base trip fee
- Uber has proposed various alternatives which are being studied
- Port of Seattle has implemented an Environmental Key Performance Indicator (E-KPI) to measure and hold TNCs accountable



CA LEGISLATION & REGULATIONS

- AB1289- Background check (Support)
- AB2687- Blood/ Alcohol content (Watch)
- SB1035- Set fares/rates, prohibit discrimination and award reparations for discrimination (Watch)
- SP1231- Charter party carrier consumer protection (Watch)
- AB2777- Background check (No position)



Transportation Network Company
(TNC) Pilot Program Update

Questions?

ITEM 13

TRANSPORTATION NETWORK COMPANY (TNC) PILOT PROGRAM UPDATE:

**The attached information
was received from the public.**

Gehiken Linda

Subject: FW: Item 13 Reply Comments, Board Meeting 6-23-16
Attachments: SDAP Comments item 13, 06-23-2016.pdf



From: Lisa McGhee [mailto:lisamcghee@aol.com]
Sent: Wednesday, June 22, 2016 7:16 AM
To: Russell Tony; Robert Gleason; Gleason Robert; Boenitz David
Subject: Item 13 Reply Comments, Board Meeting 6-23-16

Dear Tony:

I am submitting the following reply comments to distribute to the Staff and Board for item 13 that is on the Agenda for the 6-23-16 Authority Board meeting. If you have any questions, please feel free to contact me. Thank in advance. ~Lisa

Lisa McGhee, operations manager
San Diego Airport Parking Company
2771 Kurtz St., San Diego, CA. 92110
www.sdap.net
714-881-4856, direct
619-574-1177, work

Lisa McGhee
Off-Site Airport Parking
San Diego Airport Parking Company



Update on the Ground Transportation Compliance to the Low Carbon Fuel Standard Conversion Program



June 23, 2016, Item 13

We operate San Diego's very first and only
Zero Emission Electric Bus Operation.
We have been operating ZEV's since May 2015.



FY 2017 Estimated Trips = Emissions (most VMT = Taxi)

FY 2015 % Share of Conversion = Compliance By Mode

Where are we today?

Vehicle Emissions	GT Permitted Mode	FY 2017 Estimated Trips	FY 2017 Share of Trips	2015 Total Vehicles	2014 Non-AFV	2015 Non-AFV	2015 AFV	2015 % Converted
1	Taxicabs	825,000	10.9%	364	52	12	352	96%
2	TNC ¹	646,000	8.5%	500 (estimated)	?	?	?	?
3	Rental Car Shuttles	336,000	4.4%	82	74	69	13	15%
4	Off-Airport Parking	208,000	2.7%	39	9	6	33	84%
5	Hotel/Motel Shuttles ²	170,000	2.2%	71	75	62	10	14%
6	Airport Parking Shuttles	148,000	2.0%	29	5	0	29	100%
7	Limousines	106,000	1.4%	1,198	Exempt	Exempt	Exempt	Exempt
8	Vehicles for Hire	96,000	1.3%	115	62	45	70	60%

1: TNC: does not report converted vehicles.

2: Hotel: User fee based on permit fee

This is a Table of the 2017 Trips and The 2015 reported Percentage Share of Converted Vehicles: (previous slide)

- ▶ Trips Equal Emissions, which Equals “MOST” Vehicle Miles traveled by each Mode.
 - ▶ Taxi’s equal the # 1 producing trip mode & the Vehicle-For-Hire equals the lowest number of trips by a mode.
- ▶ The Reported percentage Share of Conversion Equals Compliance by each Mode.
 - ▶ The Pink Column equals Non-Converted vehicles
 - ▶ The Green Column equals Percentage Converted
 - ▶ So...WHERE ARE WE TODAY?
- ▶ The Two Yellow Rows depict the TNC’s & Hotel Modes, which is hereby being discussed due to their ‘Lack of Compliance’.

In Accordance with the MOU the Authority adopted the Airport Resolution that Requires All Public Ground Transportation Commercial Operators To Convert by 2017.

- ▶ Due to the Lack of Conversion by the following two modes it can be determined that we will NOT hit our goal off 100% conversion by January 2017:
- ▶ TNC's are currently the **#1** emission producer & Hotel's are **#2**.
- ▶ TAXI's are 96% compliant and Off-Airport Parking is 84%.
- ▶ BUT... The TNC's & Hotel Modes are now skewing our emission results.
- ▶ TNC's currently complete 50,000 trips per month VS the estimated pilot trips of 35,000 "Annual" trips; this is a 1,300% increase over the estimated Annual Trips.
- ▶ Hotels achieved **ZERO conversions** over the last year and are only 14% Converted today.

Hotels have only 9 converted total shuttles out of their 71.

- ▶ Permits fees VS trips fees are influencing Hotel operators to NOT participate in conversion.
- ▶ Smaller Hotels subsidize Large.
- ▶ For Example, their 170,000 annual trips divided by 71 hotel shuttle buses EQUALS each Operator completing 6.5 Daily Trips.
- ▶ Large operators do more than 6 per day!
 - ▶ Subsidizing allows them to pay less than their ACTUAL share of use.
- ▶ AND, Hotels are paying the least amount for a trip which has contributed to their ZERO conversions.
- ▶ Both the TNC and Hotels are FAR OFF of TRACK for the 100% Conversion Goal by 2017.

Let's get on track!

Most importantly we are hindering our air quality accomplishments, emissions reduction and compliance to meet the MOU, State and Federal Climate Policies.

- ▶ **Prioritizing the Conversion Program is necessary.**
- ▶ **The Goal is 100% by 2017, What is being done?**
- ▶ **Maintaining an honest share of trips used should be enforced, this includes paying your actual share of use which promotes conversion.**
- ▶ **Thank-you.**

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Update on the San Diego International Airport Transit Plan

Recommendation:

Accept the presentation on the Airport Transit Plan.

Background/Justification:

Public transit is used by 1.2 percent of airport passengers to access San Diego International Airport. Public transit to the airport terminals is provided by MTS Route 992 bus service (previously branded the Airport Flyer) via stops along Broadway/Santa Fe Depot and North Harbor Drive. In January 2016, a second transit connection to the airport was created from the Middletown trolley station with the launch of a free Trolley to Terminal bus shuttle.

AIRPORT TRANSIT COMMITTEE

An Airport Transit Committee (Committee) was organized by the San Diego County Regional Airport Authority (SDCRAA) in 2005 to identify potential enhancements to the transit/transportation system serving San Diego International Airport. The Committee is comprised of regional transportation agencies and meets periodically to discuss both transit and road access to San Diego International Airport. The Committee is led by the SDCRAA and includes transit/transportation planning staff from the:

- San Diego Association of Governments (SANDAG)
- Metropolitan Transit System (MTS)
- North County Transit District (NCTD)
- Caltrans
- City of San Diego
- Civic San Diego
- Port of San Diego
- Federal Aviation Administration (FAA)
- California Coastal Commission
- California State Parks – Old Town State Park

AIRPORT TRANSIT PLAN

The Committee provided technical oversight to the development of an Airport Transit Plan report in 2010 and an update report in 2016. The update to the Airport Transit Plan was prepared by the transit consulting firm of Nelson/Nygaard and was funded by the Caltrans Transportation Planning Grant Program. The Airport Transit Plan is posted on the SDCRAA website for public and agency review. The Airport Transit Plan recommends specific transit improvements to enhance access to San Diego

International Airport and identifies four potential programs to improve public transit ridership for airport passengers and employees. The recommended transit programs are:

Increase Marketing and Wayfinding: The Airport Transit Plan recommends increasing regional internet information of public transit to the airport on SDCRAA, MTS, NCTD, and SANDAG websites. The Airport Transit Plan also recommends improving physical wayfinding and signage in terminal, transit stations, and transit connection nodes. In January 2016, MTS installed ticket machines in the baggage claim areas of Terminals 1 and 2 with display screens providing next bus arrival information for the MTS Route 992.

Enhance the Trolley to Terminal Shuttle: The Airport Transit Plan recommends the Trolley to Terminal Shuttle (launched January 2016), which provides a second connection via the Middletown trolley station and Palm Street. The Trolley to Terminal program utilizes the SAN Park economy lot buses to provide a free shuttle service to the terminals along the airport-dedicated terminal link roadway. The buses are branded with a Trolley to Terminal decal on the doors. The buses pick up passengers at a bus shelter on Admiral Boland Way/Palm Street which is a 400-foot walk from the Middletown Trolley station. SANDAG and the City of San Diego are anticipated to make pedestrian access improvements along the 400-foot walk from the Middletown Trolley station to the Pacific Highway/Palm Street intersection by the end of 2016. SDCRAA has requested MTS to integrate signage, branding and wayfinding information at the Middletown trolley station to inform Green Line trolley riders of the option to connect to the airport as they ride through the Middletown station, by adding an airport sign or symbol below the Middletown station sign.

Improve MTS Route 992 as a Rapid Bus: The Airport Transit Plan recommends converting the existing MTS Route 992 to a Rapid service with improved service frequency and earlier morning/later evening service that would appeal to both airport passengers' flight schedules and employees' work schedules. Creating an airport-branded Rapid Route with fewer stops and shorter travel times could increase public transit ridership.

Operate an Old Town Transit Center Shuttle: The Airport Transit Plan recommends working with regional transportation partners to add new service from the Old Town Transit Center to the airport. This direct bus service would provide enhanced access, not only for Coaster and Trolley riders, but for many important bus lines that connect at the Old Town Transit Center.

The Airport Transit Plan states that SDCRAA does not have the sole jurisdiction to implement these public transit improvements and has limitations on the use of airport funds for ground transportation programs. Thus, SDCRAA would be reliant on transit partners to provide the service.

SDCRAA will have to work with the regional transportation agencies to:

- Inform and educate the regional transportation agencies about transit programs that will most likely contribute to an increase in public transit ridership to the airport; and
- Partner with the transportation agencies to include the improvements in the SANDAG Regional Transportation Plan and the transit agencies' capital improvement and operations programs.

Fiscal Impact:

No fiscal impact, unless the Airport participates in the funding of additional transit programs (in accordance with federal restrictions on the use of airport funds). However, increased public transit use by airport passengers may decrease non-airline revenue sources such as parking or other ground transportation cost recovery fees.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065. The Airport Transit Plan is described in the San Diego International Airport Master Plan and cited in the Final Environmental Impact Report (SCH#2005091105; SDCRAA #EIR-06-01) certified May 1, 2008.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106. The California Coastal Commission required special conditions improving public transit to the airport in the Coastal Development Permit (#6-14-1886) for the proposed parking plaza at Terminal 2. These special conditions were determined by the Coastal Commission to be fulfilled with the January 2016 implementation of the Trolley to Terminal shuttle.

Application of Inclusionary Policies:

Not Applicable

Prepared by:

JEFFREY WOODSON
VICE PRESIDENT, DEVELOPMENT

ITEM 14



SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Update on the Airport Transit Plan

Transit Committee
Recommendations

June 2016

Airport Transit Plan - Background

- Public transit is used by 1-2% of airport passengers to San Diego International Airport
- In 2005, an Airport Transit Committee was organized to identify potential transit improvements
- Airport Transit Committee includes: SANDAG, MTS, NCTD, Caltrans, City of San Diego, Civic San Diego, Port of San Diego, FAA, CA Coastal Commission and CA State Parks - Old Town State Park
- With support of Caltrans grant, an update to Airport Transit Plan was prepared and available on website

Limitations on Use of Airport Funds

- Airport funds may be used to fund improvements on-airport for the benefit of airport passengers
- All expenditures must be “directly and substantially related to the air transportation of passengers or property”
- Airport can work with partner agencies to support grants or other funding sources for off-airport transit improvements

Airport Transit Plan - Recommendations

1. Improve marketing and wayfinding at the airport and through partner agencies
2. Maximize the opportunity for a quality connection at the Middletown Station (Trolley to Terminal shuttle)
3. Improve existing MTS Route 992 bus service both on and off the airport
4. Work with partners to consider transit connection from Old Town Transit Center

Recommended Transit Programs

Description	Potential Annual Boardings ¹	Total Capital Cost ^{2,3}	Annual Ops Cost ^{2,3}
1. Airport Marketing and Wayfinding	12,500	\$200,000	N/A
2. Middletown Trolley Station/Airport Access Improvements (Trolley to Terminal shuttle)	150,000	\$2 to 4.5 Million	N/A
3. MTS Route 992 Bus to Rapid Bus	75,000	\$5.5 Million	\$700,000
4. Old Town Transit Center Shuttle	170,000	\$2 Million	\$1.2 Million

- 1. Potential annual boardings at program maturity in 3-5 years with transit agency participation.***
- 2. Total program costs are not allocated to or are to be paid by the Airport.***
- 3. These are total costs program costs irrespective of which agency pays for them.***

Implementation

Recommendation	Tasks by Airport	Tasks for Transit Partners
1. Airport Marketing and Wayfinding	<ul style="list-style-type: none">✓ Transit info on website✓ Brochure in terminals and on website✓ Trolley to Terminal marketing✓ Temporary signage (feather flags)	<ul style="list-style-type: none">✓ Website transit info - MTS✓ Ticket machines - MTS<input type="checkbox"/> Additional marketing - All transit agencies

✓ *Done*

To be completed

Marketing

The screenshot shows the San Diego Regional Transit Authority website. The main navigation bar includes links for TICKETS, SHUTTLE SERVICE, PARKING & TRANSPORTATION, TRAVEL INFO, AIRPORT LINES, SERVICES & FACILITIES, EDUCATION, and INTERACTIVE MAP. The 'PARKING & TRANSPORTATION' section is active, displaying a sidebar menu with options like Directions, Parking, Rental Cars, and Public Transportation. The main content area is titled 'PUBLIC TRANSPORTATION' and features sections for Trolley Service, City Bus, and TROLLEY - TERMINAL Shuttle Service. A 'San Diego Regional Trip Planning' form is visible at the bottom, with fields for 'From' and 'To' locations, 'Date', and 'Time'.



Implementation

Recommendation	Tasks by Airport	Tasks for Transit Partners
<p>2. Middletown Trolley Station/ Airport Access Improvements (Trolley to Terminal shuttle)</p>	<ul style="list-style-type: none">✓ Free bus shuttle service✓ Install bus shelter✓ Bus decals✓ Improvements to pedestrian path from Pacific Highway to Admiral Boland Way✓ Temporary directional signs (feather flags)✓ Promotion to airport employees☐ Next bus display at shelter	<ul style="list-style-type: none">☐ Pedestrian path improvements from Middletown Trolley station to Pacific Highway – SANDAG; City of SD☐ Install signage at Middletown Trolley station – MTS☐ Airport symbol/signs at station and on route maps – MTS; SANDAG

Trolley to Terminal



Implementation

Recommendation	Tasks by Airport	Tasks for Transit Partners
3. MTS Route 992 Rapid Bus Service	<input type="checkbox"/> Curbfront stops	<ul style="list-style-type: none">✓ Ticket machines installed - MTS✓ Bus shelters branded and consolidated - MTS<input type="checkbox"/> Consider earlier/later service hours, develop schedule and finalize stops – SANDAG; MTS<input type="checkbox"/> Purchase and brand Rapid buses – SANDAG; MTS<input type="checkbox"/> Fund and operate service – MTS

✓ *Done*

To be completed

MTS Route 992 to Rapid Bus Service



Implementation

Recommendation	Tasks by Airport	Tasks for Transit Partners
4. Old Town Transit Center Shuttle	<input type="checkbox"/> Curbfront stops	<input type="checkbox"/> Develop parking management program at Old Town - MTS; City of SD; CA State Park <input type="checkbox"/> Purchase buses - MTS <input type="checkbox"/> Fund and operate service - SANDAG; MTS

✓ *Done*

To be completed

Old Town Transit Center



Next Steps

- Share feedback from public review with partner agencies
- Communicate to policy makers for consideration in SANDAG RTP and MTS capital and operations programs
- Airport can work with partner agencies to support grants or other funding for off-airport transit improvements
- As special condition of CCC parking plaza, annual report on transit plan coordination and progress with transit partners

Questions?



(Revised 6/22/16)

SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY

Item No.
15

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Approval And Adoption Of The Operating Budget For Fiscal Year 2017, The Capital Program For Fiscal Years 2017-2021, And Conceptual Approval of The Operating Budget For Fiscal Year 2018

Recommendation:

Adopt Resolution No. 2016-0052, approving and adopting the Authority's Annual Operating Budget for Fiscal Year 2017, the Capital Program for Fiscal Years 2017-2021, and conceptually approving the Operating Budget for Fiscal Year 2018.

Background/Justification:

On June 13, 2016 the Board participated in a Board Workshop regarding the proposed FY 2017 and FY 2018 Operating Budgets and FY 2017 – FY 2021 Capital Program. After an in-depth presentation and discussion, the proposed FY 2017 Operating Budget and FY 2017 – FY 2021 Capital Program were forwarded for Board approval and adoption at the June 23, 2016 Board meeting. In addition, the proposed FY 2018 Operating Budget was forwarded for conceptual approval at the June 23, 2016 Board meeting. Per Authority Policy 4.01, the Authority's Board of Directors has determined that the preparation and adoption of an annual budget will assist in (a) determining the Authority's short-term and long-term strategic and financial planning needs, and (b) effectively managing the facilities and airport under the jurisdiction of the Authority.

The proposed FY 2017 Operating Budget ("Budget") of \$263,634,000 marks the Authority's twenty-second fiscal year operating budget. The Budget reflects operational and environmental challenges, and continued economic and industry recovery. It supports planning and building an enduring and resilient customer-focused enterprise by effectively managing our financial; social; and environmental risks, obligations and opportunities.

Once approved and adopted by the Board, the Budget will become the spending plan (and spending limit) for the Authority for FY 2017. Actual revenues and expenditures will be monitored during the year and reported to the Board at least quarterly. The Budget may be modified by the Board to reflect new assumptions or events based on periodic reporting and good cause.

The FY 2017 Budget Expenses are comprised of the following divisional expenditure levels:

Division	FY 2017
Operations	\$110,164,986
Debt Service	80,841,954
Development	27,478,522
Finance & Asset Management	26,853,232
Executive	18,295,307
Total	<u>\$263,634,000</u>

This operating budget reflects a total increase of \$17.9 million, or 7.3%, over the FY 2016 Budget. The increase over the FY 2016 Budget is mostly attributed to a \$8.4 million increase in debt service costs, an increase of \$6.0 million in Rental Car Center (RCC) busing costs, an increase of \$3.0M in other non-personnel operating expenses, and an increase of \$0.4 million in personnel costs.

The budgeted operating and non-operating revenue of \$345.0 million is an increase of \$19.0 million, or 5.8%, over the FY 2016 Budget. The increase over the FY 2016 Budget reflects an increase of \$14.6 million in non-airline revenue, an increase of \$6.0 million in airline revenue, and a decrease of \$1.6 million in non-operating revenue.

Total FY 2017 airline revenue is projected to be \$117.2 million as compared to \$111.2 million in the FY 2016 Budget, a \$6.0 million increase. The projected landing fee rate is increasing from \$2.15 to \$2.21 per thousand pound units and the terminal gross rental rate per square feet is increasing from \$144.00 to \$146.28. In consultation with the airlines, rates, fees, and charges are monitored and adjusted, if necessary.

The net increase of \$14.6 million in non-airline revenue predominantly consists of increases of \$4.8 million in ground rentals revenue, \$2.9 million in rental car license fees, \$2.5 million in concession revenue, \$2.4 million in parking revenue, and \$2.1 million in ground transportation permits.

The net decrease of \$1.6 million in non-operating revenue consists of a decrease of \$10.2 million in Capital Grant contributions, offset by increases of \$4.2 million in Customer Facility Charges (CFC), \$2.6 million in Passenger Facility Charges (PFC) and \$1.8M in interest income.

The projected FY 2017 revenues will cover the FY 2017 proposed budgeted expenses and debt service requirements, and will also provide for adequate working capital.

The Capital Program is comprised of 1) the Capital Improvement Program (CIP) which includes the Rental Car Center and Parking Plaza; and 2) the board-approved initial projects within the Airport Development Plan (ADP).

The Capital Improvement Program (CIP) is a rolling five year program which provides for critical improvements and asset preservation for the Authority. The program includes projects that address airfield safety and capacity, environmental protection, terminal enhancements, and landside infrastructure and access improvements. The CIP proposed total is \$892.6 million.

The board-approved initial projects within the Airport Development Plan (ADP) include two major projects in the FY 2017-2021 proposed budget, Programmatic Documents and Construction of Taxiway "A". The ADP proposed total is \$54.9 million.

Funding sources for the projects include Airport Improvement Program (AIP) grants, TSA grants, Passenger Facility Charges (PFCs), Customer Facility Charges (CFCs), airport cash, airport system revenue bonds, special facility bonds, and may include short-term borrowing using commercial paper or bank facility financing.

The FY 2017 – FY 2021 proposed Capital Program total is \$947.5 million.

Use of Funds (in millions):

Landside and Ancillary	582.9
Terminal	123.0
Airside	194.1
Administrative	<u>47.4</u>
Total Use of Funds	\$947.5

Source of Funds (in millions):

Airport Cash	\$374.1
Special Facility Bonds	241.0
CFC Revenues	115.1
Variable Rate Debt	86.8
Federal Grants	55.1
PFC Revenues	53.1
Airport System Revenue Bonds	<u>22.3</u>
Total Use of Funds	\$947.5

In summary, the Operating Budget and Capital Program as presented are consistent with Board policy and were developed under the guidance of the Authority's President/CEO and Chief Financial Officer. The budget reflects the revenues available to the Authority, and how these funds will be spent to support the Authority's strategies for FY 2017.

The Authority also embarked on its sixth year of preparing a biennial budget. As such, a budget for FY 2018 was developed and proposed for conceptual approval.

The proposed FY 2018 Budget Expenses total \$283,997,000 and are comprised of the following divisional expenditure levels:

Division	FY 2018
Operations	\$113,931,288
Debt Service	96,086,878
Development	27,489,440
Finance & Asset Management	27,135,610
Executive	19,353,784
Total	<u>\$283,997,000</u>

This budget reflects a total increase of \$20.4 million, or 7.7%, above the proposed FY 2017 Budget. This increase is mostly attributed to an increase of \$15.2 million in debt service costs, an increase of \$3.0 million in non-personnel operating expenses, and an increase of \$2.3 million in personnel costs.

The budgeted operating and non-operating revenues of \$367.0 million are an increase of \$22.0 million, or 6.4%, over the proposed FY 2017 Budget. This net increase reflects an increase of \$7.1 million in airline revenue, an increase of \$2.1 million in non-airline revenue, an increase of \$12.8 million in non-operating revenue.

The conceptually approved FY 2018 budget will be brought back to the Board next year for review, revisions, and adoption in summer 2017.

Fiscal Impact:

If the proposed FY 2017 Budget is approved and adopted and the proposed FY 2018 Budget is conceptually approved, funding of \$263,634,000 will be authorized for FY 2017 and funding of \$283,997,000 will be established as the framework for the FY 2018 Budget, which will be brought back to the Board next year for review, revisions, and adoption in June 2017. If the Capital Program is approved, \$947,527,133 will become the authorized spending level.

Environmental Review:

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

Application of Inclusionary Policies:

Not Applicable

Prepared by:

SCOTT M. BRICKNER
VICE PRESIDENT, FINANCE & ASSET MANAGEMENT/TREASURER

Board Communication

Date: June 16, 2016
 To: Board Members
 From: Thella F. Bowens, President/CEO
 Cc: Scott M. Brickner, Vice President, Finance & Asset Management/Treasurer
 Angela Shafer-Payne, Vice President, Operations
 Subject: Budget Workshop Follow-up regarding FY 2017 Proposed & FY 2018 Proposed Conceptual Budgets

During the Board Budget Workshop and Executive/Finance Committee meeting on June 13, 2016, Board members asked for additional information or clarification on the following items:

1. Personnel Growth and New Positions Cost Recovery

The Authority engages in workforce planning to plan for the future needs of the organization and identify skills needed to achieve our strategies and initiatives.

As part of the budget process departments set their goals for the next fiscal year, assess their workload and submit headcount requests. Directors explain the need for the position, how the function is currently being accomplished, who can provide the duties if this position is not filled and what will be the impact if the position is not filled. The justifications also focus on how the position supports achievement of department goals and the financial implication of the position (cost, savings, benefits).

All new positions are reviewed and discussed by the executive team and prioritized for consistency with initiatives and goals of the organization.

The table below shows budgeted headcount from FY 2012 through FY 2018.

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Total Funded and Authorized positions	379	388	413	415	425	430	438
Headcount growth YoY		9	25	2	10	5	8
% headcount growth		2.4%	6.4%	0.5%	2.4%	1.2%	1.9%

The Authority's headcount has grown at a modest rate, except FY 2014. The Green Build opening required additional positions to maintain and operate the new terminal and contributed to the FY 2013 and FY 2014 growth of 2.4% and 6.4% respectively. FY 2016 growth of 2.4% (ten positions) reflects an increased workload in preventive maintenance, security needs and traffic control.

The costs of the new positions are recovered according to our financial agreements with the airlines and other tenants. During each fiscal year, employees' time is allocated to respective cost centers and costs are recovered accordingly.

See the tables below with budgeted percentage recovery for each new position for FY 2017 and FY 2018.

<u>Division</u>	<u>Department</u>	<u>FY 2017 Proposed New Position</u>	<u>Salaries & Benefits</u>	<u>% Recovery</u>	<u>Total Recovery</u>
Operations	Terminals & Tenants	Terminals & Tenants Relations Specialist I	\$89,889	60%	\$53,933
Operations	Facilities Management	Maintenance Project Inspector	57,712	64%	36,979
Operations	Facilities Management	Maintenance Worker I (Limited)	69,070	64%	44,257
		3	\$216,671	62%	\$135,169
Development	Environmental Affairs	Associate Environmental Specialist	80,322	56%	45,061
		1	\$80,322	56%	\$45,061
Executive	Risk Management	Safety & Loss Prevention Analyst II	104,691	60%	62,815
Executive	Vision, Voice & Engagement	Airport Art Program Coordinator II	106,859	60%	64,115
		2	\$211,550	60%	\$126,930
Executive	Chief Auditor	Auditor (Eliminated)	(102,248)	60%	(61,349)
		-1	(\$102,248)	60%	(\$61,349)
	Total FY 2017 proposed new positions	5	\$406,296	61%	\$245,811

<u>Division</u>	<u>Department</u>	<u>FY 2018 Proposed new position</u>	<u>Salaries & Benefits</u>	<u>% Recovery</u>	<u>Total Recovery</u>
Operations	Aviation Security/Public Safety	Communication Center Specialist	\$90,724	95%	\$86,188
Operations	Facilities Management	Contract Administrator	115,503	64%	74,009
Operations	Facilities Management	Inspector, Planner & Estimator	107,674	64%	68,992
Operations	Facilities Management	Project Manager	144,800	64%	92,781
		4	\$458,701	70%	\$321,969
Executive	Talent Culture & Capability	Project Manager	\$144,800	60%	86,880
Executive	Vision, Voice & Engagement	Marketing Specialist II	115,503	60%	69,302
		2	\$260,303	60%	\$156,182
	Sub-total	6	\$719,004	67%	\$478,151

Development	Facilities Development	Construction Manager	\$144,800	consultant positions converted to Authority positions, part of capital budget*
Development	Facilities Development	Senior Construction Inspector	90,724	
		2	\$235,524	
	Total FY 2018 Proposed new positions	8	\$954,528	

*Cost recovery depends on each project's cost center and funding source. Recoverable capital expenses will be recovered through amortization charges, depreciation or debt service.

2. Concessions Actual Revenue Performance vs. Budget and Proposal Pro-formas

The table in Appendix A presents gross sales of the Concessions Development Program for FY 2015, FY 2016 year-to-date (through April) and the total since inception of the program.

3. Bond Covenants And Days' Cash On Hand

Days' Cash on Hand (DCOH) is a measure of the number of days cash reserves will be able to pay operating expenses. The Authority's debt policy cites a target minimum of 500 DCOH. For FY 2016 this equates to \$215 Million of cash reserves. Currently the airport is holding approximately \$300 million in

cash reserves or around 740 DCOH. Although DCOH is not a bond covenant, it is highly regarded by the rating agencies and investors as a key factor in assessing credit worthiness. The key bond covenant measured as part of the budget process is Debt Service Coverage (Coverage), which is a measurement of how many times net revenue will cover the Authority's debt service commitments in a particular fiscal year. The Authority's debt policy includes a target of 1.5 times aggregate Coverage, which is in excess of the bond covenant of 1.25 times Coverage on senior debt and 1.10 times Coverage on subordinate debt. Aggregate Coverage is budgeted to be 2.70 times in FY 2017 and is currently approximately 2.55 times. Other important bond covenants include: debt service payments that are made Bi-annually; timely audited financial statements and continuing disclosure reporting; maintenance of adequate insurance; and proper funding of operating and maintenance reserves, debt service reserves and renewal and replacement reserves. The Authority is in compliance with all covenants.

4. Response to Presentation Submitted by Ms. Lisa McGhee, San Diego Airport Parking Company

During the meeting, Ms. Lisa McGhee, representing San Diego Airport Parking Company, declared certain hotels are operating parking facilities but are paying only for a (hotel) courtesy permit. She explained that this circumvents the off airport parking permit requirement and the associated trip fee. Her primary objection is that hotels pay an annual permit fee (\$3,412 FY16 base permit fee, adjusted for alternative fuel vehicles or non-alternative fuel vehicles) equally distributed among all permitted hotels while the off airport operators pay a trip fee (\$1.90 FY16 base trip fee, also adjusted for AFV or non-AFV). She stated the hotel's permit fee unfairly subsidizes (penalizes) the smaller hotels as they pay the same permit fee as the larger hotels. Hotels operating a parking facility on hotel premises, in her opinion, therefore have an advantage over the off airport parking operators. She appealed to the Board for a more equitable and accurate hotel cost recovery fee for those operating airport-parking facilities on hotel premises.

Ms. McGhee specifically singled out these hotels as examples:

1. Wyndham Hotel San Diego Bayside
2. Four Points San Diego Downtown
3. Holiday Inn Express
4. Horton Plaza
5. Sheraton San Diego

Staff is currently investigating and confirming whether these hotels offer on-premises airport parking facilities. The following information is known as of June 16, 2016:

1. The **Wyndham Hotel San Diego Bayside** advertises (via airportparkingreservations.com) and operates (through Ace Parking), an on-premises airport parking service. Staff intends to verify both the parking and shuttle operations are provided.
2. The **Four Points San Diego Downtown** advertises (via snagaspace.com) and operates (outsourced) an on-premises airport parking service. Staff intends to verify both the parking and shuttle operations are provided.
3. The **Holiday Inn Express- Old Town** general manager has stated their parking is for hotel guests only. Staff will contact the hotel to inquire about the advertisement.
4. The **Horton Plaza** (or any business entity associated with Horton Plaza) does not have an airport permit to operate nor have there been actual observations of any "Horton Plaza" vehicle pickups at the Airport.

5. The **Sheraton San Diego** advertises (via aboutairportparking.com and cheapairportparking.org) and operates an on-premises airport parking service. Staff has contacted the Sheraton to assess the extent of the parking operation and will advise them of the options.

Airport staff has several issues to address with the permitted hotel operators:

1. Ensure all are compliant with the Airport's permitting requirements, terms and conditions;
2. Ensure all are paying the appropriate cost recovery fees;
3. Recognize that hotel motel operators provide a courtesy (complimentary) service and as such, they do not charge the customer for the service;
4. Acknowledge that the Hotel Motel Association has lobbied for a permit fee for hotels not operating an on-premises parking facility, advocating these operators provide a courtesy service and that instituting a trip fee would be detrimental to their service commitments. They also emphasized that having a permit fee is easier to budget for as opposed to a trip fee.

Airport staff will:

1. Confirm the hotels listed above allow and charge for off-airport parking services, and provide passenger transport to the Airport. If the hotel is providing off-airport parking services, their permit will be reissued as an off airport-parking provider and their permit fee will be converted to a trip fee. The permit fee for the remaining hotel courtesy operators will then be recalculated.
2. Conduct an annual audit of the permitted hotel/motel operators to verify their compliance with the permit and whether they are operating an on-premises parking facility.
3. Poll airport permitted hotel and motel operators to determine if they wish to continue with a permit or convert to a trip fee. In 2015, the poll showed most permitted operators favored a permit fee. 36 Hotels were contacted, 24 preferred a permit fee, 7 preferred a trip fee and 5 were non responsive.

If you have questions about items 1-3 above, please contact Scott Brickner at 619.400.2838. If you have questions about item 4 above, please contact Angela Shafer-Payne at 619.400.2455.

Appendix A

Class	Package	2015			2016			Cumulative since inception		
		Proforma	Budget	Actuals	Proforma YTD	Budget YTD	Actuals YTD	Proforma	Budget	Actuals
Food & Beverages	High Flying Foods	26,520,000	19,275,475	21,375,196	22,984,000	17,371,822.02	19,151,916	75,004,000	55,860,288	62,603,093
	Host	16,426,800	16,210,693	17,976,561	14,236,560	12,862,725	14,286,639	46,458,360	57,047,976	64,058,606
	Mission Yogurt	4,423,526	3,682,300	4,083,422	3,796,859	3,249,350	3,609,056	12,515,070	9,431,140	10,633,541
	SSP America	15,526,273	17,549,683	19,461,409	13,206,955	18,352,173	20,383,774	44,395,728	58,456,694	65,655,463
Food & Beverages Total		\$62,896,599	\$56,718,152	\$62,896,588	\$54,224,374	\$51,836,070	\$57,431,385	\$178,373,158	\$180,796,098	\$202,950,704
Retail	Duty Free	1,713,832	1,430,953	1,529,092	1,511,197	966,066	1,028,189	4,834,261	5,389,074	5,304,849
	Hudson	14,677,431	11,052,595	11,810,611	12,734,065	9,075,754	9,659,372	41,461,966	30,937,717	32,383,872
	InMotion Entertainment	2,625,000	2,253,458	2,408,006	2,275,000	2,013,846	2,143,347	7,400,000	6,128,192	6,616,260
	Paradies	10,239,075	7,445,056	7,955,657	8,959,191	6,523,231	6,942,708	28,949,766	24,147,993	24,858,901
	PGC-PCI	8,509,860	5,923,243	6,329,474	7,450,382	5,732,314	6,100,931	24,060,242	19,010,843	19,566,569
	Spa Didacus	1,056,949	770,071	822,885	921,539	723,664	770,199	3,011,694	2,136,208	2,305,995
	Stellar	7,519,000	5,574,471	5,956,783	6,588,833	5,609,803	5,970,542	21,217,833	18,511,903	19,040,729
	ZoomSystems	785,400	879,338	939,646	667,590	701,543	746,656	2,222,990	2,711,348	2,762,803
Retail Total		\$47,126,547	\$35,329,187	\$37,752,154	\$41,107,797	\$31,346,220	\$33,361,942	\$133,158,752	\$108,973,278	\$112,839,978
Grand Total		\$110,023,146	\$92,047,339	\$100,648,742	\$95,332,171	\$83,182,290	\$90,793,327	\$311,531,910	\$289,769,376	\$315,790,682

Note: Proforma numbers are concessionaire forecasts that were included in original proposals

RESOLUTION NO. 2016-0052

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND ADOPTING THE AUTHORITY'S ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2017, THE CAPITAL PROGRAM FOR FISCAL YEARS 2017 – 2021, AND CONCEPTUALLY APPROVING THE ANNUAL OPERATING BUDGET FOR FISCAL YEAR 2018

WHEREAS, Authority management prepared and presented the Proposed Fiscal Year 2017 and 2018 Conceptual Operating Budgets and the Capital Program to the Authority Board for review at a duly noticed public workshop on June 13, 2016; and

WHEREAS, the Board provided opportunities at its meetings for members of the public to comment on and ask questions concerning the Proposed Fiscal Year 2017 and 2018 Operating Budgets and Capital Program; and

WHEREAS, the Proposed Fiscal Year 2017 and 2018 Conceptual Operating Budgets present a financial operating expenditure budget of \$263,634,000 and \$283,997,000, respectively, and a Capital Program for the next five (5) years of \$947,527,133, providing adequate resources to address the operating and infrastructure requirements of San Diego International Airport and the regional responsibilities of the Authority for Fiscal Years 2017 and 2018; and

WHEREAS, the Proposed Fiscal Year 2017 and 2018 Conceptual Operating Budgets present forecasted operating revenues and other funding to meet a balanced budget and other financial requirements as outlined under the Authority's Bond Master Trust Indenture; and

WHEREAS, the Board has reviewed the Proposed Fiscal Year 2017 and 2018 Conceptual Operating Budgets and the Capital Program and believes that the approval and adoption in the forms presented to the Board at the public meetings on June 13, 2016 and June 23, 2016, is in the best interests of the Authority and the public that it serves.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and adopts the Fiscal Year 2017 Proposed Operating Budget and Capital Program for Fiscal Years 2017-2021, and conceptually approves the Fiscal Year 2018 Proposed Budget.

BE IT FURTHER RESOLVED that the Authority and all of its officers, employees and agents are hereby authorized, empowered and directed to do and perform all such acts as may be necessary or appropriate to implement the Adopted Annual Operating Budget for Fiscal Year 2017 and the Capital Program.

BE IT FURTHER RESOLVED that the Board finds that this action is not a "project" as defined by the California Environmental Quality Act (CEQA), Cal. Pub. Res. Code §21065; and is not a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code Section §30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

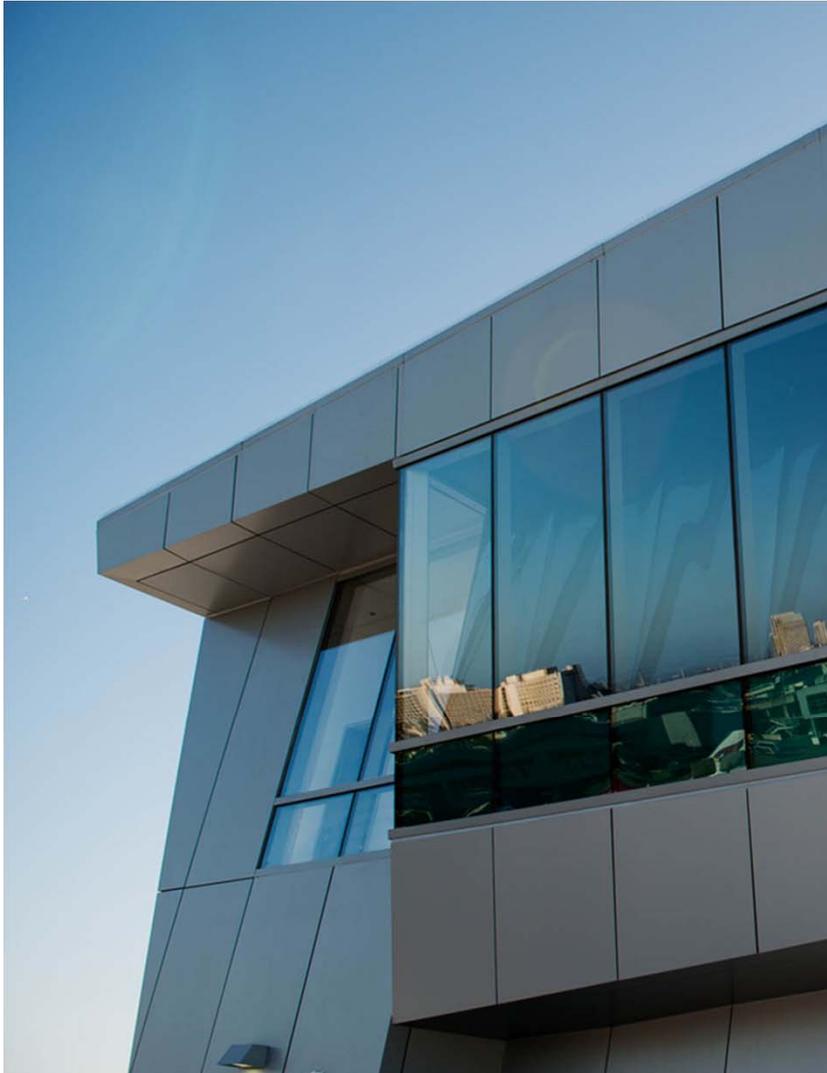
ITEM 15

**San Diego County Regional Airport Authority
FY 2017 Proposed Budget &
FY 2018 Proposed Conceptual Budget**



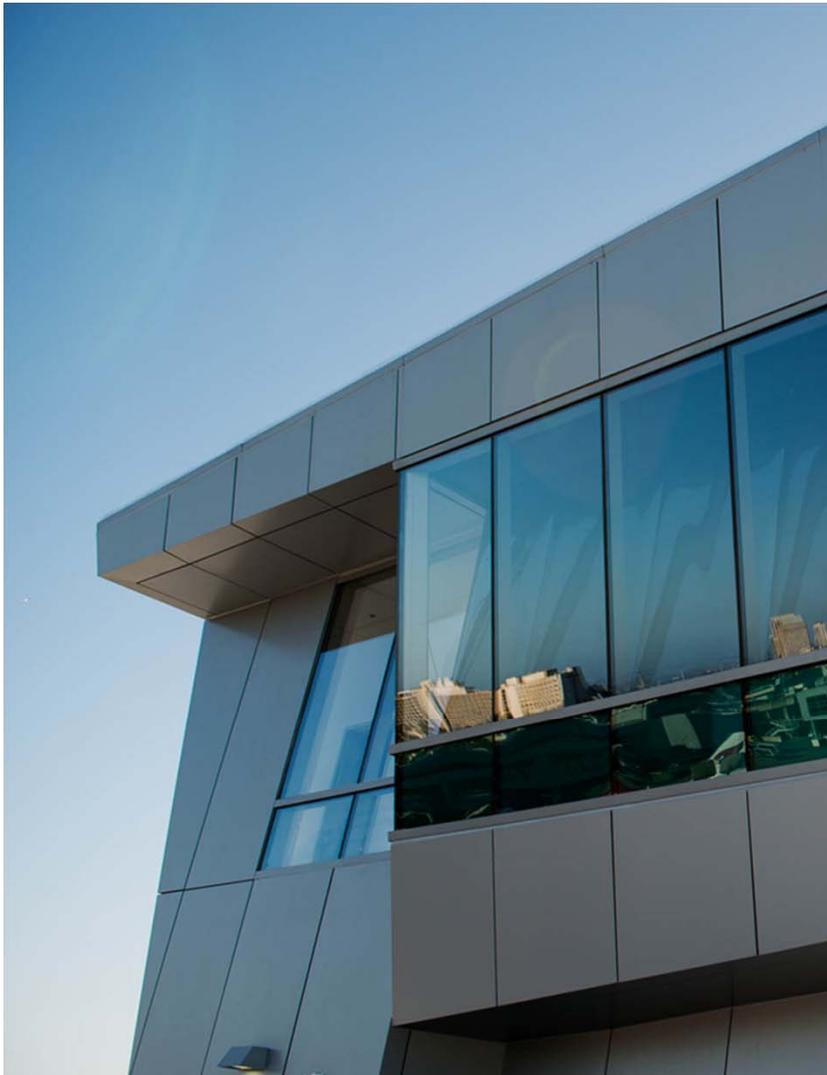
SAN DIEGO
INTERNATIONAL AIRPORT
LET'S **GO.**

Presented by:
Scott Brickner, Vice President
Finance & Asset Management/Treasurer



Budget Overview





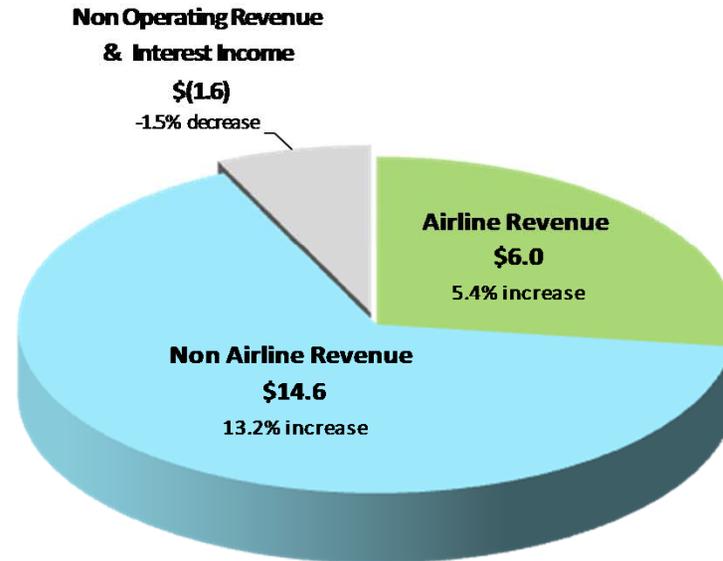
Revenue Budget Overview



FY 2017 Budget Revenue Increase vs. FY 2016 Budget

\$19.0M (5.8%)

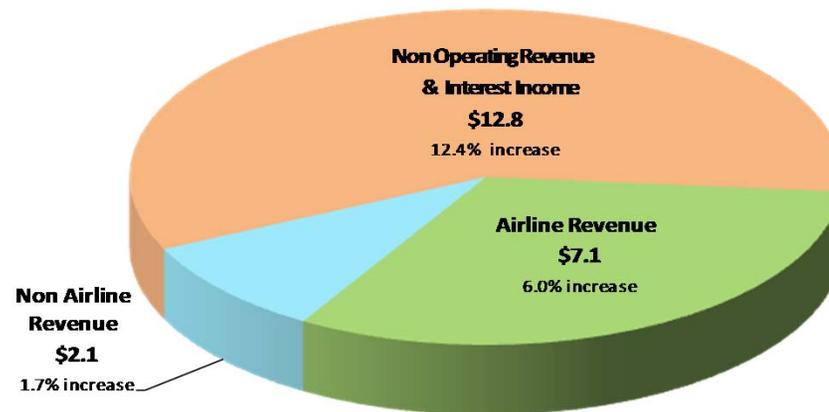
(in millions)



FY 2018 Budget Revenue Increase vs. FY 2017 Budget

\$22.0M (6.4%)

(in millions)

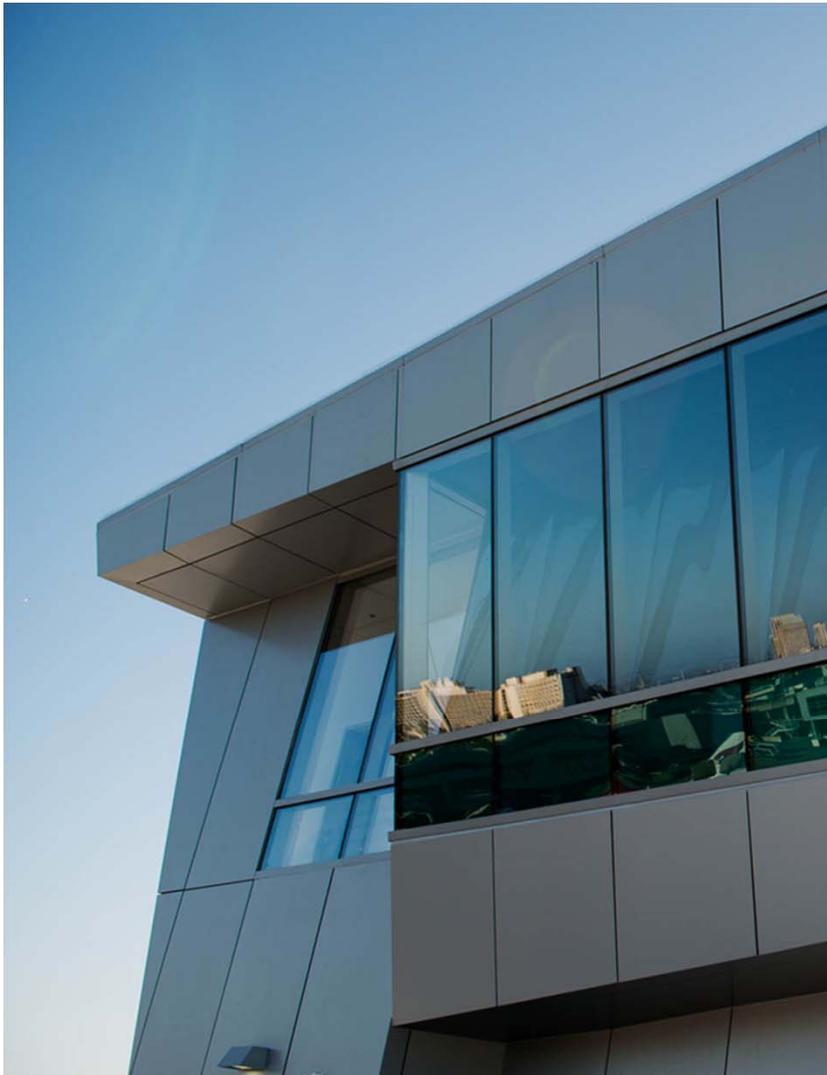


FY 2017 Proposed – FY 2018 Conceptual Revenue Budget Summary

	FY 2017 Proposed Budget	FY 2018 Conceptual Budget
Operating Revenue:		
Airline Revenue		
Landing Fees	\$ 26,620,940	\$ 28,740,510
Aircraft Parking Fees	2,907,647	3,123,922
Building Rentals	54,924,548	58,566,935
Common Use System Support Charges	1,245,131	1,248,913
Other Aviation Revenue	1,619,773	1,623,620
Security Surcharge	29,857,549	30,949,428
Total Airline Revenue	117,175,589	124,253,328
Non-Airline Revenue		
Terminal rent non-Airline	1,241,740	1,257,243
Terminal concessions	23,856,777	24,405,854
Rental Car License Fees	28,683,541	29,262,688
License Fees Other	4,339,300	4,399,400
Parking Revenue	40,577,290	41,019,488
Ground Transportation Permits and Citations	6,242,148	6,781,490
Ground Rentals	18,582,841	18,453,066
Grant Reimbursements	219,900	219,900
Other Operating Revenue *	752,288	757,539
Total Non-Airline Revenue	124,495,825	126,556,668
Total Operating Revenue	241,671,414	250,809,997
Interest Income	6,535,556	6,574,972
Non-Operating Revenue		
Passenger facility charges	41,924,100	42,761,700
Customer facility charges (Rental Car Center)	37,286,862	41,489,264
Quieter Home Program	11,627,849	11,627,849
BAB Interest Rebate	4,631,219	4,631,219
Capital grant contributions	1,350,000	9,135,000
Total Non-Operating Revenue	96,820,030	109,645,031
Total Revenue	\$ 345,027,000	\$ 367,030,000

*Other Operating Revenue includes: Finger Printing Fees, Utilities Reimbursements, Service Charges, Equipment Rental and Miscellaneous Revenues





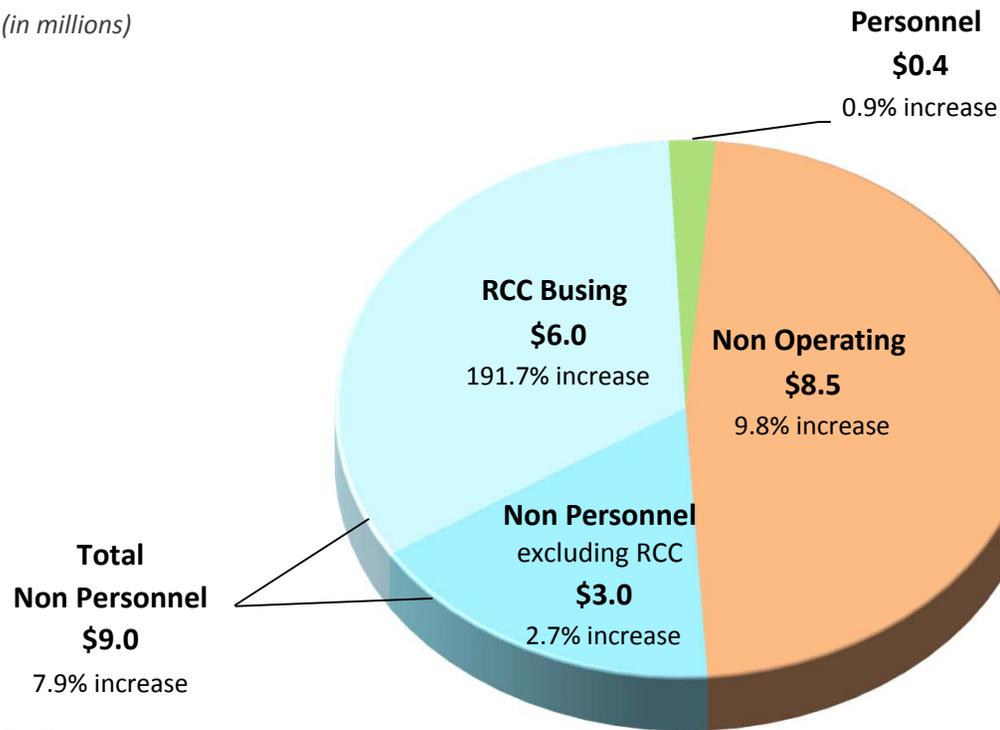
Expense Budget Overview



FY 2017 Budget Expense Increase vs. FY 2016 Budget

\$17.9M (7.3%)

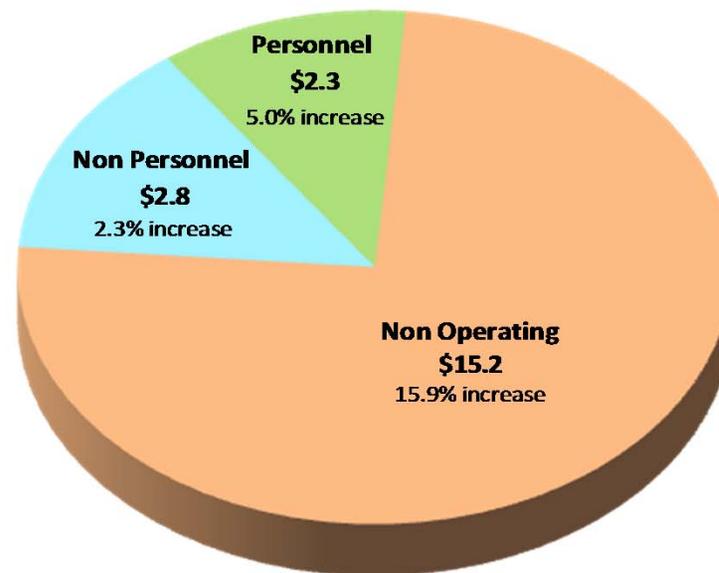
(in millions)



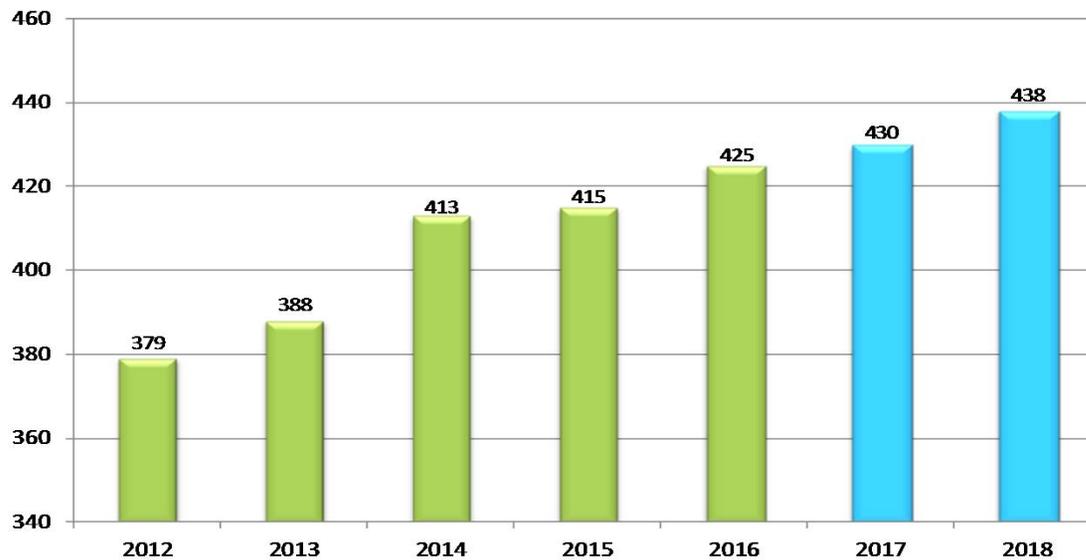
FY 2018 Proposed Budget Increase vs. FY 2017 Budget

\$20.4M (7.7%)

(in millions)



Budgeted Headcount FY 2012 – FY 2018



<u>Fiscal Year</u>	<u>Headcount</u>	<u>% Change</u>
2012	379	
2013	388	2.4%
2014	413	6.4%
2015	415	0.5%
2016	425	2.4%
2017	430	1.2%
2018	438	1.9%

FY 2017 Proposed Headcount Changes

<u>Division</u>	<u>Department</u>	<u>FY 2017 Proposed New Position</u>	<u>Salaries & Benefits</u>	<u>% Recovery</u>	<u>Total Recovery</u>
Operations	Terminals & Tenants	Terminals & Tenants Relations Specialist I (Limited)	\$89,889	60%	\$53,933
Operations	Facilities Management	Maintenance Project Inspector	57,712	64%	36,979
Operations	Facilities Management	Maintenance Worker I (Limited)	69,070	64%	44,257
		3	\$216,671	62%	\$135,169
Development	Environmental Affairs	Associate Environmental Specialist	80,322	56%	45,061
		1	\$80,322	56%	\$45,061
Executive	Risk Management	Safety & Loss Prevention Analyst II	104,691	60%	62,815
Executive	Vision, Voice & Engagement	Airport Art Program Coordinator II	106,859	60%	64,115
		2	\$211,550	60%	\$126,930
Executive	Chief Auditor	Auditor (Eliminated)	(102,248)	60%	(61,349)
		-1	(\$102,248)	60%	(\$61,349)
	Total FY 2017 Proposed New Positions	5	\$406,296	61%	\$245,811

FY 2018 Proposed Headcount Changes

<u>Division</u>	<u>Department</u>	<u>FY 2018 Proposed New Position</u>	<u>Salaries & Benefits</u>	<u>% Recovery</u>	<u>Total Recovery</u>
Operations	Aviation Security/Public Safety	Communication Center Specialist	\$90,724	95%	\$86,188
Operations	Facilities Management	Contract Administrator	115,503	64%	74,009
Operations	Facilities Management	Inspector, Planner & Estimator	107,674	64%	68,992
Operations	Facilities Management	Project Manager	144,800	64%	92,781
		4	\$458,701	70%	\$321,969
Executive	Talent, Culture & Capability	Project Manager	\$144,800	60%	86,880
Executive	Vision, Voice & Engagement	Marketing Specialist II	115,503	60%	69,302
		2	\$260,303	60%	\$156,182
	Sub-total	6	\$719,004	67%	\$478,151
Development	Facilities Development	Construction Manager	\$144,800	consultant positions converted to Authority positions, part of capital budget*	
Development	Facilities Development	Senior Construction Inspector	90,724		
		2	\$235,524		
	Total FY 2018 Proposed New Positions	8	\$954,528		

*The expenses will be recovered through amortization charges, depreciation or debt service.

FY 2017 – FY 2018 Proposed Conceptual Budget Expense Summary

	FY 2017 Proposed Budget	FY 2018 Proposed Conceptual Budget
Operating Expenses:		
Personnel Expenses		
Salaries and Wages	\$ 35,094,014	\$ 36,950,799
Premium Overtime	664,500	664,500
Employee Benefits	16,293,173	17,164,628
Subtotal	52,051,687	54,779,927
Less: Capitalized Labor	(5,833,173)	(6,244,809)
Less: QHP - Labor/Burden/Labor Overhead	(662,631)	(684,707)
Total Personnel Expenses	45,555,883	47,850,412
Non-Personnel Expenses		
Contractual Services	44,698,463	44,825,395
Safety and Security	29,061,387	29,917,194
Space Rental	10,191,450	10,191,450
Utilities	12,903,213	13,611,308
Maintenance	14,665,767	15,279,164
Operating Equipment & Systems	365,314	375,192
Operating Supplies	446,912	441,899
Insurance	1,012,758	1,045,818
Employee Programs	1,328,398	1,297,687
Business Development	2,564,368	3,282,200
Equipment Rentals & Repairs	2,727,672	2,637,093
Tenant Improvements	900,000	990,000
Total Non-Personnel Expenses	120,865,702	123,894,399
Total Operating Expenses	166,421,585	171,744,811
Non-Operating Expenses:		
Joint Studies/Sound Attenuation	14,834,811	14,834,811
Debt Service	80,841,954	96,086,878
Legal Settlements Expense	10,000	10,000
Total Non-Operating Expenses	95,686,765	110,931,689
Total Expenses	262,108,350	282,676,500
Equipment Outlay	1,525,650	1,320,500
Total Authority Expenses incl Equip Outlay	\$ 263,634,000	\$ 283,997,000



Capital Program Budget Fiscal Years 2017-2021

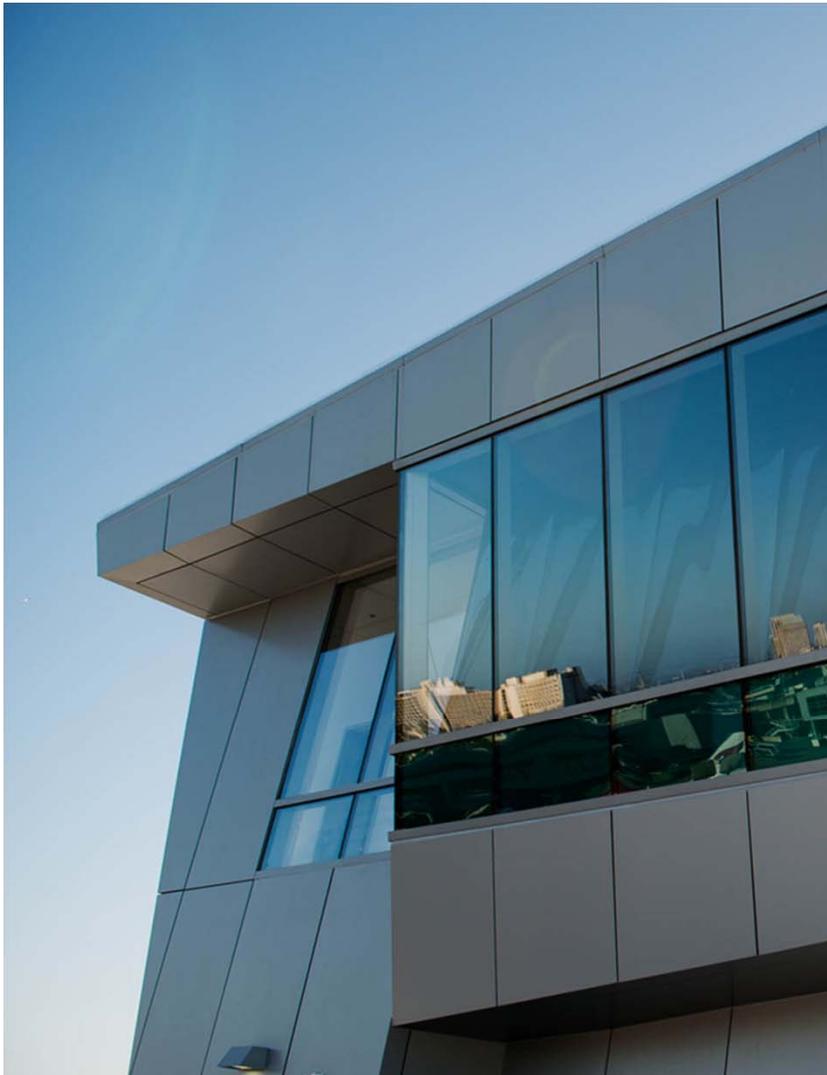


Capital Program Budget Summary

FY 2016 – FY 2020 Capital Program	\$	491,024,228
Rental Car Center		316,124,104
The Green Build (T2W Roof & Project Closeout)		<u>7,178,330</u>
FY 2016 – FY 2020 Capital Program Budget	\$	814,326,662
FY 2016 – FY 2020 Project Closeouts / Adjustments	\$	(64,098,948)
Proposed Terminal 2 Parking Plaza Adjustment *		<u>45,720,000</u>
FY 2016 – FY 2020 Capital Program Balance	\$	795,947,714
Proposed FY 2017 – FY 2021 Capital Projects/Adjust.	\$	96,679,419
Proposed Airport Development Plan		<u>54,900,000</u>
Proposed FY 2017 – FY 2021 Capital Program Budget	\$	<u>947,527,133</u>



* Pending Board approval



Plan of Finance Fiscal Years 2017-2021



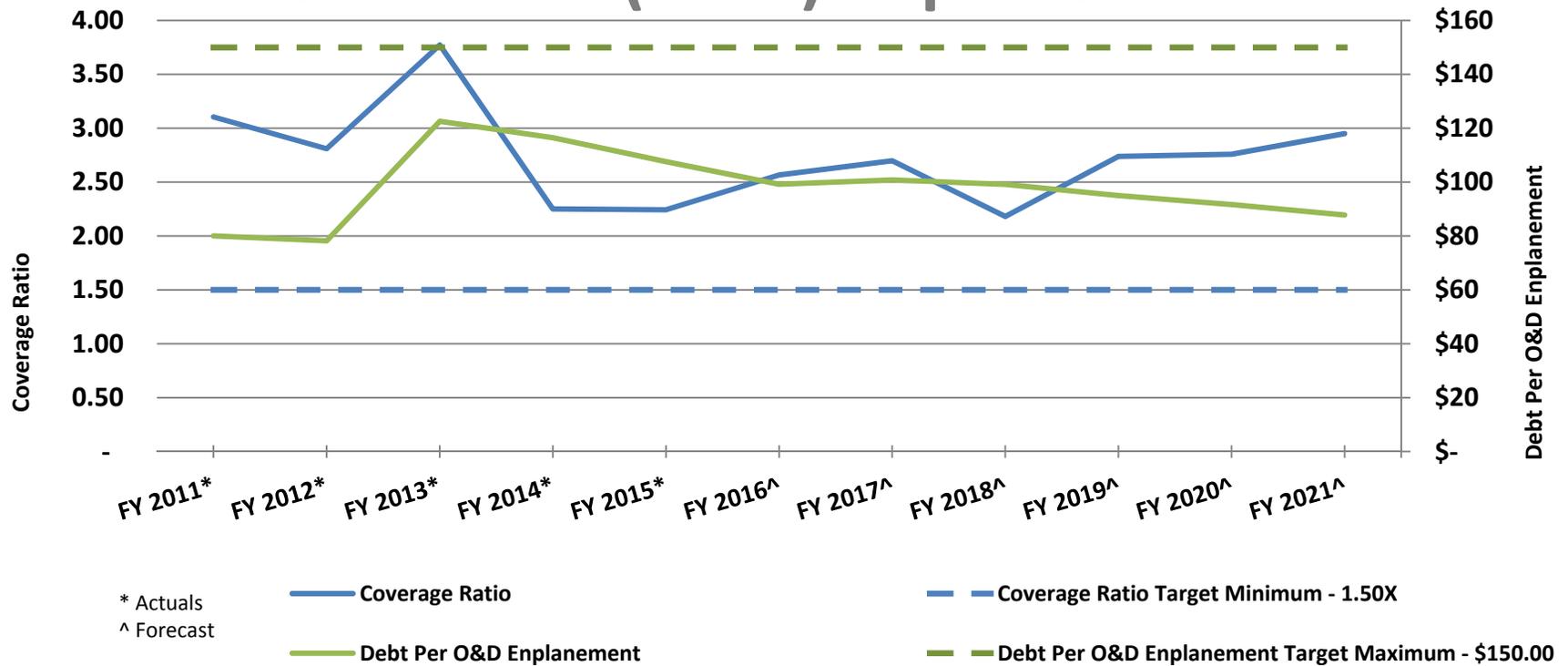
Uses and Sources of Funds

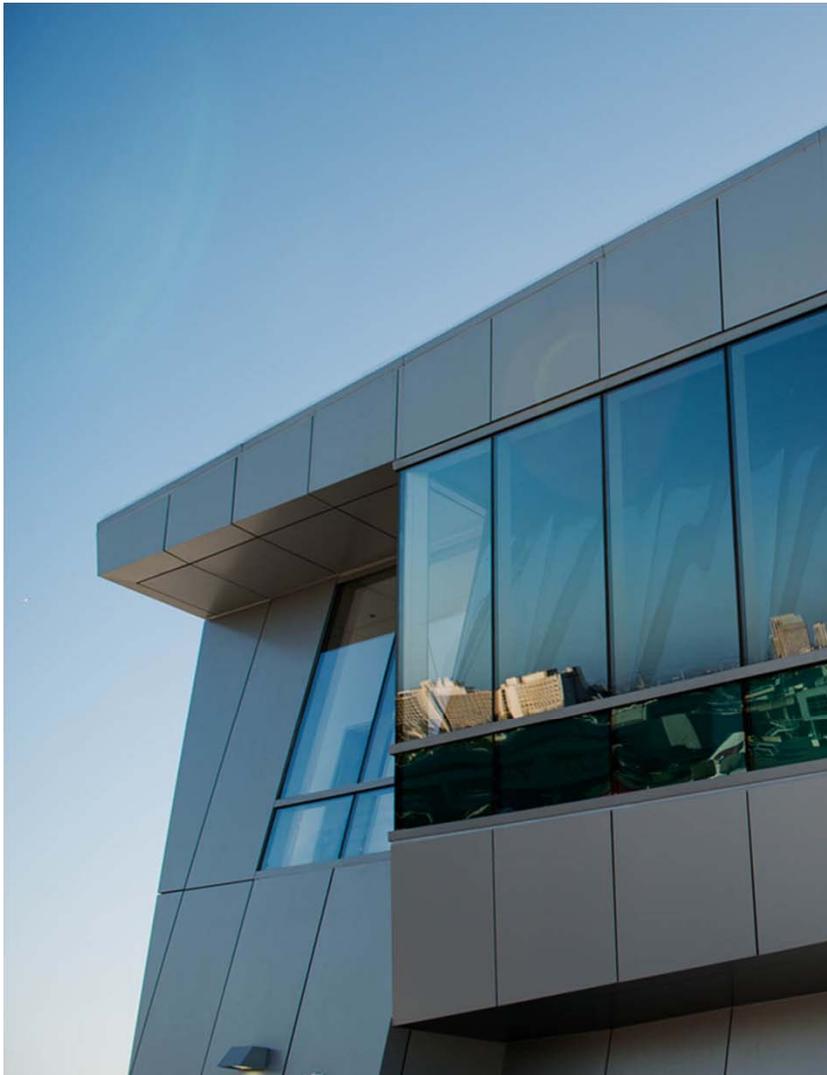
(in thousands)

Total Use of Funds							
	Pre FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
Capital Program	\$ 483,614	\$ 154,803	\$ 160,695	\$ 49,747	\$ 87,772	\$ 10,897	\$ 947,527
Finance Costs	69,195	-	-	-	-	-	69,195
Total	\$ 552,809	\$ 154,803	\$ 160,695	\$ 49,747	\$ 87,772	\$ 10,897	\$ 1,016,723

Total Sources of Funds							
	Pre FY 2017	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Total
Airport Cash	\$88,991	\$65,691	\$105,471	\$48,767	\$54,272	\$10,897	\$374,089
Special Facility Bonds	301,543	-	-	-	-	-	301,543
Customer Facility Charges	112,138	2,925	-	-	-	-	115,064
Variable Rate Debt	-	57,100	29,739	-	-	-	86,839
Federal Grants	18,653	1,350	9,135	-	26,000	-	55,138
Passenger Facility Charges	841	27,390	16,350	980	7,500	-	53,060
Airport Revenue Bonds	30,643	347	-	-	-	-	30,990
TOTAL SOURCES OF FUNDS	\$ 552,809	\$ 154,803	\$ 160,695	\$ 49,747	\$ 87,772	\$ 10,897	\$ 1,016,723

Coverage Ratio, Debt Per Origin & Destination (O&D) Enplanement





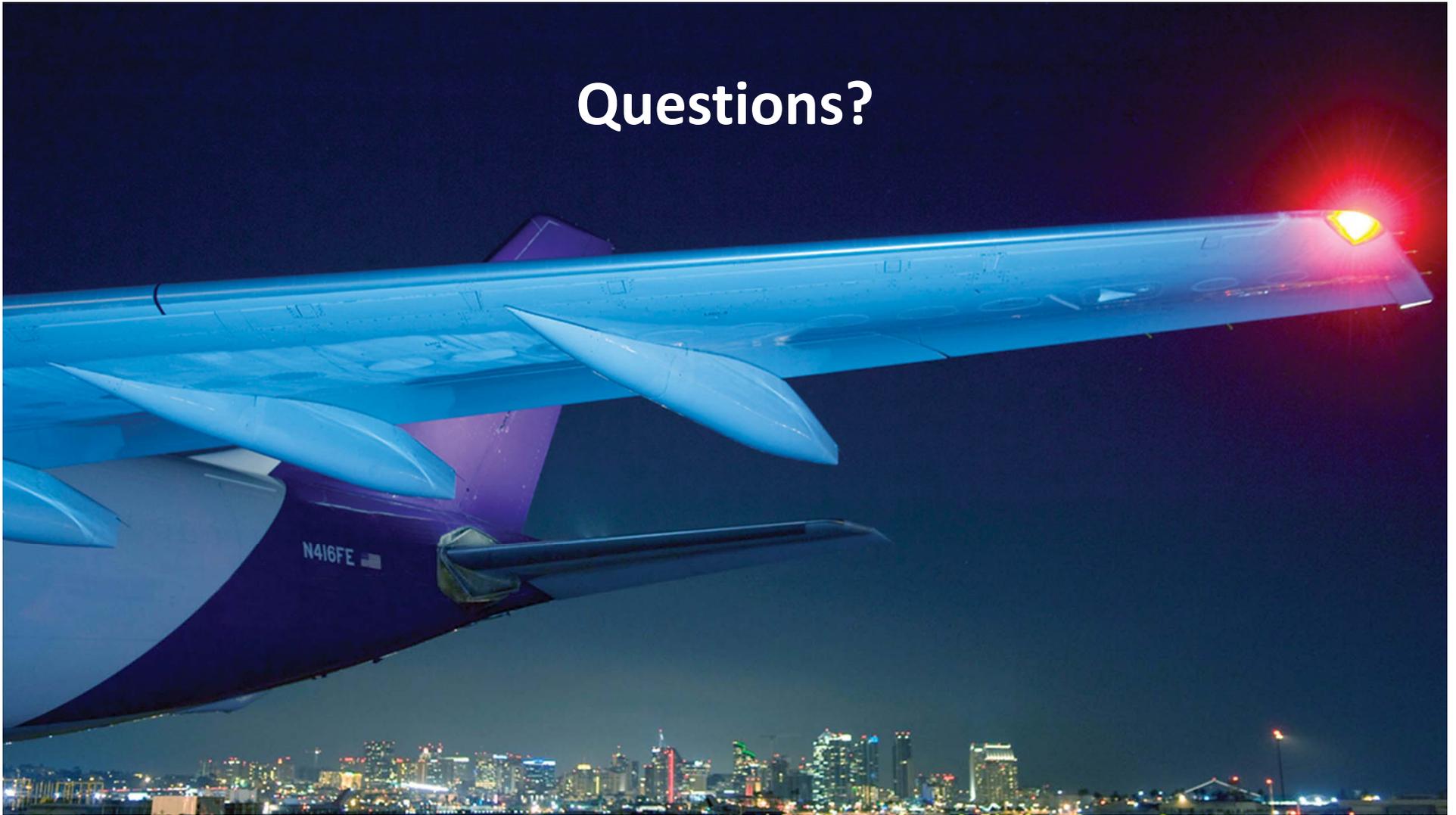
Conclusion



Conclusion

- Follows the Authority's legislative and regulatory mandates
- Provides necessary resources to accomplish the Authority's Strategies and Initiatives
- Enhances the financial position of the Authority through revenue enhancement and cost reduction / containment
- Demonstrates the discipline necessary to remain a sustainable enterprise
- Supports regional transportation partnerships and community outreach
- Maintains competitive rates for airline tenants and airport users
- Supports continued efforts to create sustainable Long Term Capital Plan and addresses facility maintenance needs

Questions?



ITEM 15

**APPROVAL AND ADOPTION
OF THE OPERATING
BUDGET FOR FISCAL YEAR
2017, THE CAPITAL
PROGRAM FOR FISCAL
YEARS 2017-2021, AND
CONCEPTUAL APPROVAL
OF THE OPERATING
BUDGET FOR FISCAL YEAR
2018:**

**The attached information
was received from the public.**

~~Dacquist Dawn~~

SDCRAA
JUN 22 2016
Corporate & Information Governance

From: Russell Tony
Sent: Wednesday, June 22, 2016 10:10 AM
To: Gehlken Linda; Levy-Mayer Ariel; Dacquist Dawn
Subject: Fwd: Item 15, Capital Program, Reply Comments, Board Meeting 6-23-16
Attachments: SDAP Comments item 15, 06-23-2016.pdf

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

From: Lisa McGhee <~~lmcghee@sdap.net~~>
Date: 6/22/16 9:50 AM (GMT-08:00)
To: Russell Tony <~~rtony@sdap.net~~>
Subject: Item 15, Capital Program, Reply Comments, Board Meeting 6-23-16

Dear Tony:

I am also submitting the following reply comments to distribute to the Staff and Board for item 15 regarding the Capital Program that is on the Agenda for the 6-23-16 Authority Board meeting. If you have any questions, please feel free to contact me. Thank in advance. ~Lisa

Lisa McGhee, operations manager
San Diego Airport Parking Company
2771 Kurtz St., San Diego, CA. 92110
www.sdap.net
714-881-4856, direct
619-574-1177, work

SAN is building Parking Garage of The Future



Requiring 45 Million
Additional Dollars



Lisa McGhee,
San Diego Airport Parking Company
Off-Site Airport Parking
6-23-16, item 15



- This project started because travelers parking at Terminal 2 were analyzed and it was determined that more space was needed and that if a Parking Garage was Built today it would be used immediately.
- In Feb 2015 the Request for Qualifications (RFQ) went out advertising “Airport Seeking Design Build Team for High Level Experience” Parking Plaza at Terminal 2.
 - This Design Team is to create a parking structure of the Future including Elegant Architectural Design, Newly Integrated Parking Technologies, Advanced Communications, and Security Systems.



- The current Capital Program is requesting approval for a 55% increase over the Parking Plaza budget.
- It can be anticipated that most construction projects tend to end up costing more than the Proposed Budget.
 - 45 million dollars more is substantial, plus it could end up more once the construction activity starts.
- Be Prudent, let's maintain a strong control of the budget.



- FACTS: Regardless of all of the Bells and Whistles...
- It's Parking, they will park.

• **BUILD IT AND THEY WILL COME!**



STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Grant a Five-Year Concession Lease to SFS Beauty CA, LLC to Design, Build and Operate a Top Ranked Prestige Cosmetics Retail Modular Unit Within Terminal 2 West

Recommendation:

Adopt Resolution No. 2016-0053, awarding a five-year concession lease to SFS Beauty CA, LLC to Design, Build and Operate a Top Ranked Prestige Cosmetics Retail Modular Unit within Terminal 2 West at San Diego International Airport and authorizing the President/CEO to take all necessary actions to execute the concession lease.

Background/Justification:

Authority Staff continually evaluates options to enhance the traveling public's experience while utilizing the airport terminals and associated facilities. As the terminal concession program matures, reviews are completed and new offerings are considered that would enhance and add to the airport concession program. One such offering that was identified that would add to the concession program was a prestige cosmetic brand.

On March 21, 2016, a Request for Proposals (RFP) solicitation was posted seeking a Top Ranked Prestige Cosmetics retail modular unit to be constructed and operated within an approximate 429 square foot area of Terminal 2 West.

Two proposals were received by the due date of May 23, 2016. Following is a brief summary of each proposal:

Respondent Name	SFS Beauty CA, LLC	Stellar Partners, Inc.
Respondent Background	A Partnership between SFS Investors, LLC, (a subsidiary of Duty Free Partners) and P&P Services, LLC a San Diego ACDBE. The majority partner has experience operating numerous concession venues in Mexico, Canada and the US.	Operates retail stores exclusively in airports for over 25 years. Received recognition as the Best Overall Retailer for 2016 by Airport Revenue News. Operates 41 stores in 10 US Airports, including our Airport -- San Diego International Airport.
Concept Name	M-A-C (Make-up Art Cosmetics)	Kiehl's

<p>Concept Description</p>	<p>M-A-C is a leading brand of professional cosmetics. M-A-C is a subsidiary of Estee Lauder Company and is sold in 79 countries/territories worldwide. M-A-C believes it has created 5 Brand Pillars which work together to create a compelling brand position: 1) Makeup Authority; 2) Individuality; 3) Community; 4) Trendsetting; and 5) Social Responsibility. M-A-C is sold in numerous airports around the world including: JFK, Chicago, LAX, Hong Kong, Paris, among others. M-A-C is ranked #1 in 20 countries, including the US/Canada, as measured by market share.</p>	<p>A prestige skincare brand founded in 1851 in New York City, Kiehl's offers high quality formulated products that advance healthy skincare. Kiehl's is a single brand skincare product line that appeals to both men and women through an affordable product price. Kiehl's is ranked 8th in the US by sales of skincare products.</p>
<p>Business Terms Proposed</p>		
<p>5 yr. Term Scenario</p>	<p>MAG \$100,000 % Rent 10%</p>	<p>MAG \$14,400 % Rent 3%</p>
<p>6 yr. Term Scenario</p>	<p>MAG \$100,000 % Rent 10% yr. 1-5 11% yr. 6</p>	<p>MAG \$24,000 % Rent 5%</p>
<p>7 yr. Term Scenario</p>	<p>MAG \$100,000 % Rent 10% yr. 1-5 11% yr. 6-7</p>	<p>MAG \$38,400 % Rent 8%</p>
<p>Concessionaire's Projected Sales</p>	<p>Year 1 \$ 1,315,222 Year 2 \$ 1,415,534 Year 3 \$ 1,516,006 Year 4 \$ 1,615,633 Year 5 \$ 1,718,498 Year 6 \$ 1,784,412 Year 7 \$ 1,794,197</p>	<p>Year 1 \$ 600,000 Year 2 \$ 618,000 Year 3 \$ 636,540 Year 4 \$ 655,636 Year 5 \$ 675,305 Year 6 \$ 695,564 Year 7 \$ 716,431</p>
<p>ACDBE Participation</p>	<p>10% -- Respondent includes P&P Services, LLC</p>	<p>100% -- Respondent is ACDBE certified.</p>

Note: MAG – Minimum Annual Guarantee

An evaluation panel reviewed and ranked the Proposals. The evaluation panel was made of five Authority staff members from the following departments; Terminal and Tenants, Procurement and Small Business, Vision, Voice and Engagement and two staff members from Business & Financial Management. The evaluation included five criteria, (1) concept, organization background, demonstrated experience and financial capability (2) financial offer and financial projections (3) capital investment (4) operations, marketing and maintenance plans and (5) proposed management, staffing and training. Below is the matrix of the scoring.

Combined Scores	Financial Offer and Financial Projections	Concept, Organization Background, Demonstrated Experience, and Financial Capability	Capital Investment	Operations, Marketing, and Maintenance Plan	Proposed Management, Staffing, and Training	Total
SFS Beauty CA, LLC	1500	1470	380	735	720	4805
Stellar Partners, Inc.	750	270	470	735	720	2945

SFS Beauty CA, LLC operating the M-A-C venue was the unanimous selection of the evaluation panel. Consequently, staff did not conduct interviews given the proposed nominal 1% increase in percentage rents in years 6 and 7, coupled with the flexibility of a shorter term, staff recommends a concession lease with a term of 5 years.

Fiscal Impact:

SFS is responsible for the build-out costs associated with the implementation of the concession location. SFS anticipates the tenant improvement cost to be approximately \$220,000. It is currently estimated that the opening date will be early 2017. The rents proposed are as follows:

	Projected Gross Sales	Concession Fee	Greater of		Projected Revenue to Airport
			Percentage Rent	Minimum Annual Guarantee*	
Year 1	1,315,222	10%	131,522	100,000	131,522
Year 2	1,415,534	10%	141,553	118,370	141,553
Year 3	1,516,006	10%	151,601	127,398	151,601
Year 4	1,615,633	10%	161,563	136,441	161,563
Year 5	1,718,498	10%	171,850	145,407	171,850
				Total:	758,089

* Minimum Annual Guarantee is the greater of 90% of the prior year percentage rent or 103% of prior MAG

Authority Strategies:

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

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

Environmental Review:

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

Application of Inclusionary Policies:

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

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

This solicitation is an airport concession opportunity; therefore, it will be applied toward the Authority’s overall ACDBE goal. SFS Beauty CA, LLC proposed 10% ACDBE participation on this project.

Prepared by:

ERIC PODNIEKS
PROGRAM MANAGER, REAL ESTATE AND CONCESSIONS

RESOLUTION NO. 2016-0053

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AWARDING A FIVE-YEAR CONCESSION LEASE TO SFS BEAUTY CA, LLC TO DESIGN, BUILD AND OPERATE A TOP RANKED PRESTIGE COSMETICS RETAIL MODULAR UNIT WITHIN TERMINAL 2 WEST AT SAN DIEGO INTERNATIONAL AIRPORT AND AUTHORIZING THE PRESIDENT/CEO TO TAKE ALL NECESSARY ACTIONS TO EXECUTE THE CONCESSION LEASE

WHEREAS, the Authority released a Request for Proposals (RFP) on March 21, 2016, seeking proposals to design, build and operate a top ranked prestige cosmetic retail concession within Terminal 2 West at San Diego International Airport; and

WHEREAS, two responses were received in response to the RFP; and

WHEREAS, the proposals were evaluated by an evaluation panel using the following criteria:

- Concept, organization background, demonstrated experience and financial capability;
- Financial offer and financial projections;
- Capital investment;
- Operations, marketing and maintenance plan; and
- Proposed management, staffing and training; and

WHEREAS, the evaluation panel reviewed the proposals and unanimously recommended that a concession lease be awarded to SFS Beauty CA, LLC operating a M-A-C venue ("SFS") for a maximum term of five years and six months (which includes a period not-to-exceed six months to allow for design, permitting and construction of the concession) with a first year Minimum Annual Guarantee (MAG) of \$100,000; and

WHEREAS, the Board finds that awarding a concession lease to SFS is in the best interest of the Authority.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby awards a concession lease to SFS Beauty CA, LLC to develop and operate a Top Ranked Prestige Cosmetics Retail Modular concession within Terminal 2 West at San Diego International Airport with a maximum term of five (5) years and six (6) months, which includes a period not-to-exceed six months to allow for design, permitting and construction of the concession, and a first year MAG of \$100,000; and

BE IT FURTHER RESOLVED that the Board authorizes the President/CEO to take all necessary actions to negotiate and execute the concession lease; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

ITEM 16



Top Ranked Prestige Cosmetics Retail Modular

Concession Lease with
SFS Beauty CA, LLC

By: Eric Podnieks, Program Manager

June 23,2016



Concession program lacks
prestige cosmetics venue

Committed to provide Airport
passengers with world class
service

Request for Proposals was
issued in March of 2016





Two Proposals -

M·A·C

leading brand of professional cosmetics operated by SFS Beauty CA, LLC

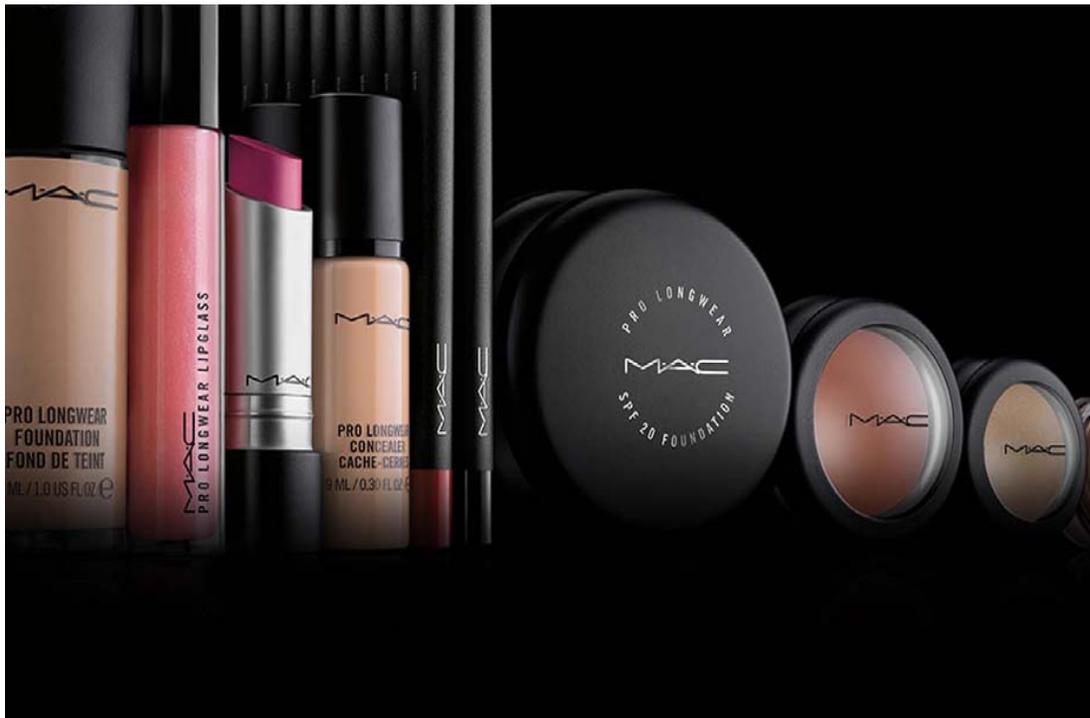
Kiehl's

prestige skincare brand that offers high quality formulated products operated by Stellar Partners, Inc

The MAC logo is displayed in a white, stylized, sans-serif font against a solid black background. The letters are bold and modern, with the 'A' and 'C' having a unique, slightly elongated shape.

M·A·C operated by SFS Beauty CA, LLC was the unanimous selection by the evaluation panel

M·A·C



- **Subsidiary of Estee Lauder Company**
- **Sold in 79 countries**
- **Airport locations include: JFK, Chicago, LAX, Hong Kong and Paris**
- **Ranked #1 by market share in 20 countries including US and Canada**

SFS BEAUTY CA, LLC



Partnership between:

- **SFS Investors, LLC a subsidiary of Duty Free Partners (90% partner)**
- **P&P Services, LLC a San Diego ACDBE (10% partner)**

Concessions venues in Mexico, Canada and the US

Proposed Business Terms



Term: 5-Years

Rent: Greater of:

\$100,000 Minimum Annual Guarantee; or

10% of Gross Receipts

Premises: 429 sq.ft.

Est. Sales: \$7,580,893 (over 5 yr. term)

Est. Rent: \$758,089 (over 5 yr. term)

PROPOSED
SAN DIEGO
INTERNATIONAL
AIRPORT
RENDERING



A low-angle photograph of a modern airport terminal building. The building features a complex, multi-tiered structure with large concrete overhangs and glass facades. The sky is bright and clear. A teal-colored overlay with a geometric pattern is positioned on the left side of the image. The word "Questions" is written in white text on this overlay. In the bottom left corner, a sign for "Ticketing" and "U S Airways" is visible. The number "9" is located in the bottom right corner of the image.

Questions

● Ticketing
U S Airways

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Update on Noise Issues and Amendment of Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee

Recommendation:

Adopt Resolution No. 2016-0051, accepting the update on noise issues and the amendment of Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee.

Background/Justification:

As a result of discussions at the April 21, 2016, Airport Authority Board meeting, staff is proposing modifications to Board Policy 9.20 - the Airport Noise Advisory Committee (ANAC) to restructure the committee and facilitate a more open dialogue on noise issues. The restructure includes expanding and modifying the membership and adding a subcommittee.

As the current Board Policy 9.20 dates back to 2002, it requires a rewrite to clean up administrative items and to provide a consistent format with other Airport Authority Policies. The new Policy 9.20 is attached as Exhibit A. The items below explain the substantial proposed changes.

Membership Modifications

Currently, ANAC voting members are limited to community residents living within the 65 decibel (dB) Community Noise Equivalent Level (CNEL) contour. In order to ensure all community residents are able to participate in ANAC in a consistent manner, staff is proposing all community resident members have voting privileges. Proposed ANAC membership changes include three items:

- Addition of a new community at-large voting member that represents an organized community group focused on aircraft noise concerns, approved by the voting ANAC members.
- Elimination of the community member at-large within the 60-65 dB CNEL. Although this position is in the current Policy, it has never been filled. The position is being eliminated in order to maintain an odd number of voting ANAC members.
- The community member representing the Mission Beach Precise Planning Board will move from ex-officio to voting.

The Policy will be amended to include a limit of no more than two (2) consecutive terms. Each term is three (3) years in duration.

The ANAC membership, with proposed changes, is shown in the table on the next page.

ANAC Membership

Voting Members	Ex-Officio Members
Airline Pilot (retired)	The United States Congress
City of San Diego (staff member)	The State of California Legislature
County of San Diego (staff member)	The County of San Diego Board of Supervisors
Downtown Community Planning Council	The San Diego City Council
Greater Golden Hill Planning Committee	The FAA, Lindbergh Air Traffic Control Tower
Midway / Pacific Highway Community Planning Group	The FAA, SoCal TRACON
Mission Beach Precise Planning Board*	Active Airline Representative
Ocean Beach Planning Board	Acoustician
Peninsula Community Planning Board	
Uptown Planners	
The United States Military	
Community Member At-Large, within 65 dB CNEL	
Community Member At-Large, within 60-65 dB CNEL*	
Community Member At-Large, representing a recognized community group regarding noise *	

* Reflects a change in membership.

Addition of Subcommittee

In order to facilitate a further discussion on specific aircraft noise concerns, and to provide an opportunity for members of the community to have a dialogue with industry stakeholders on aircraft noise concerns, a subcommittee will be created. Voting members of the ANAC will nominate a member to chair subcommittee meetings and provide updates on the subcommittee at the ANAC meetings.

To allow members of the community that may not serve on the ANAC to be part of this dialogue, community residents that are interested in serving on the Subcommittee can submit an application, that will be placed on the Airport's website, to the President/CEO. To help ensure that the subcommittee is effective, there will be no more than 15 members and the term of the subcommittee members will be one year. Even though this is a public application process, the criteria used to select members will be based on those community members most impacted by the current noise concerns.

The subcommittee meetings can occur as frequently as monthly.

Frequency of Meetings – No Policy Change

Currently, Board Policy states that ANAC shall meet at least quarterly, which gives the President/CEO the discretion to meet on a more frequent basis. Given the community's recent noise concerns, the President/CEO has determined that, effective immediately, meetings will be held on a bi-monthly basis. The remaining meetings for calendar year 2016 will be on June 15, August 17, October 19, and December 21. These meetings will be held in the Authority's Board Room.

Noise Updates

A new noise webpage went live the week of May 9, 2016. This page allows the public to easily find information regarding aircraft noise, view flight tracks and submit noise concerns. It also allows staff to provide timely updates on specific errant operations.

On May 3, 2016, the President/CEO sent a letter (Exhibit B) to the Honorable Toni Atkins, California State Assembly, requesting an audit of the Airport Authority’s airport noise and operations monitoring system (ANOMS) and portable noise studies completed by BridgeNet International.

At the Airport’s monthly meeting with the FAA on April 29, 2016, the Manager of the FAA SoCal TRACON facility announced they are able to move their Noise Dot #3 to match our Early Turn location. However, due to equipment acquisition requirements with the FAA, the new Noise Dot location cannot be reflected on the air traffic controllers’ radar screens until later in the year.

Staff is working with the ANOMS vendor to upgrade the system to allow for noise data to be incorporated into the online flight tracking system on a more frequency basis.

Fiscal Impact:

Adequate funds for the ANAC are included in the adopted Airport Planning FY 2016 budget and conceptually approved FY 2017 Operating Expense Budgets.

Authority Strategies:

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

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

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

KEITH WILSCHETZ
DIRECTOR, AIRPORT PLANNING & NOISE MITIGATION

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

POLICIES

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

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

POLICY STATEMENT:

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

COMMITTEE COMPOSITION:

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

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

1. City of San Diego (Staff Member)
2. County of San Diego (Staff Member)
3. Downtown Community Planning Council
4. Greater Golden Hill Planning Committee
5. Midway/Pacific Highway Community Planning Group
6. Mission Beach Precise Planning Board
7. Ocean Beach Planning Board
8. Peninsula Community Planning Board
9. Uptown Planners
10. The United States Military
11. Airline Pilot (retired)
12. General community member from within the current 65 decibel Community Noise Equivalent Contours
13. General community member from a legitimate community group, this group must have a formal structure including by-laws, membership and regular meetings and will be approved, by vote, by the voting Committee members

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

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

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

SUBCOMMITTEE:

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

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

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

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

MEETING PROCEDURES:

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

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

- (3) The Committee is advisory in nature. The Committee and its members shall have no authority to negotiate for, represent, or commit the Authority in any respect.
- (4) The Committee will consider and make recommendations on aircraft noise-related projects such as:
- Residential Sound Attenuation ("Quieter Home") Program;
 - Airport Noise & Land Use Compatibility Plan (14 CFR Part 150); (c) Airport noise monitoring and mitigation efforts;
 - Community Outreach Programs; and
 - Other aircraft noise issues.
- (5) Presentations to the Board by the Committee may be scheduled upon request of the Committee, President/CEO, or the Chair of the Board.
- (6) The Airport Planning and Noise Mitigation Department ("Department") shall maintain a roster and record of the appointment of Committee members and shall provide staff support to the Committee.
- (7) Minutes of each meeting shall be maintained by the Authority Clerk and shall be submitted to the Committee for approval.

[Amended by Resolution No. 2015-0025 dated April 23, 2015]

[Amended by Resolution No. 2013-0079 dated September 12, 2013]

[Amended by Resolution No. 2011-0119 dated October 6, 2011]

[Amended by Resolution No. 2008-0110 dated September 4, 2008]

[Adopted by Resolution No. 2002-02 dated September 20, 2002.]

May 3, 2016

The Honorable Toni Atkins
California State Assembly
P.O. Box 942849
Sacramento, CA 94249-0078

Re: Request for State Audit of Airport Noise Program Activities

Dear Speaker Emeritus Atkins:

I am writing to request your assistance in submitting a formal request to the California State Auditor to conduct an audit of the accuracy of the noise monitoring and management activities for San Diego International Airport (SDIA). Specifically, I am requesting that an audit be conducted for the Airport Authority's Airport Noise and Operations Monitoring System (ANOMS) and statistical reports as well as for the recent noise studies conducted by BridgeNet International, an acoustical engineering consultant.

The California Bureau of State Audits completed a similar audit report on October 31, 2000, when the San Diego Unified Port District monitored noise data for SDIA. During the Airport Authority Board's April 21, 2016, monthly meeting, the Board received a presentation from the Airport Authority's Noise Mitigation staff, Federal Aviation Administration officials, and expert consultants updating the Board on airport noise issues and the Airport Authority's airport noise program. Attached for your review is a copy of the staff report for this item.

Following the April 21, 2016, presentation, the Board provided direction requesting that a noise audit be conducted by the State Auditor regarding the Airport Authority's noise monitoring and management activities for SDIA. I have also included for your review two previous internal audit reports (dated June 23, 2009 and January 8, 2015) from the Airport Authority's Chief Auditor concerning SDIA noise program activities which I thought might be of interest.

Again, I would appreciate any assistance that you are able to provide in submitting a formal request to the California State Auditor to conduct an audit of the accuracy of the noise monitoring and management activities for San Diego International Airport. If you have any questions or need additional information concerning this matter, please feel free to contact me at (619) 400-2445 or tbowens@san.org or contact Michael Kulis, Director of Inter-Governmental Relations, at (619) 400-2897 or mkulis@san.org.

Sincerely,



Thella F. Bowens
President/CEO

TFB/mk

Enclosures

RESOLUTION NO. 2016-0051

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY ACCEPTING THE UPDATE ON NOISE ISSUES AND THE AMENDMENT OF AUTHORITY POLICY 9.20 – SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE

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

WHEREAS, the Airport Authority Board has requested staff to restructure the Committee to facilitate a more open dialogue on noise issues; and

WHEREAS, the membership has been restructured to add a Community at-large member that represents an organized community group focused on aircraft noise concerns, approved by the voting members of the Committee; and

WHEREAS, the membership has been restructured to change the Mission Beach Precise Planning Board member from ex-officio to a voting position to ensure all community resident members on the Committee have voting privileges; and

WHEREAS, the membership has been restructured removing the community member at-large within the 60-65 decibel community noise equivalent level contour, as this position has never been filled and is necessary to eliminate in order to maintain an odd number of voting Committee members; and

WHEREAS, to provide an opportunity for the community to have more of a dialogue on specific noise concerns, a Subcommittee will be created.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby accepts the noise update and approves the amendments to Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee, as reflected in “Exhibit A”; and

BE IT FURTHER RESOLVED that the Board finds this action is not a “project” that would have a significant effect on the environment as defined by the California Environmental Quality Act (“CEQA”), as amended, 14 Cal. Code Regs. §15378; is not a “project” subject to CEQA Cal. Pub. Res. Code (Cal. Pub. Resources Code § 21065); and is not a “development” as defined by the California Coastal Act (Cal. Pub. Res. Code § 30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 23rd day of June, 2016, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL



Update on Noise Issues and Amendment of Authority Policy 9.20 - San Diego International Airport Noise Advisory Committee

Sjohnna Knack,
Program Manager

June 23, 2016

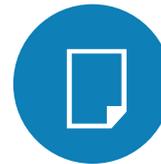
Proposed Changes to ANAC

Current Policy

Voting community members are limited to residents within the 65 dB Community Noise Equivalent Level (CNEL).

Membership for community members is limited to those residents that live within the 60 dB CNEL contour.

There is no policy for a subcommittee.



All community members on the committee will be voting members.

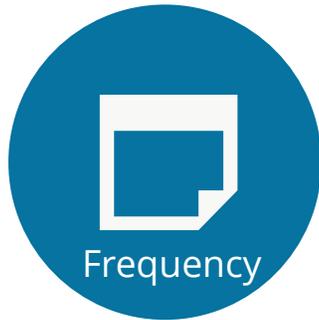


Membership will include a member from a local community group that will be elected by the voting ANAC members.



A subcommittee will be added. The voting members of the ANAC will nominate and elect a chair. Community members not on the ANAC can send an application to the President/CEO to participate on the subcommittee. There will be up to 15 members and the subcommittee can meet as frequently as once a month.

Changes Not Requiring Policy Change



Current Policy requires ANAC meet at least quarterly. Beginning immediately, the panel will be meeting bi-monthly.



Meetings will be held at in the Airport Authority Board Room.



Important presentation items related to the community will be heard first, leaving business items until the end, after public comment.

Membership Changes

VOTING MEMBERS

1. City of San Diego (staff member)
 2. County of San Diego (staff member)
 3. Downtown Community Planning Council
 4. Greater Golden Hill Planning Committee
 5. Midway/Pacific Highway Community Planning Group
 - 6. Mission Beach Precise Planning Board**
 7. Ocean Beach Planning Board
 8. Peninsula Community Planning Board
 9. Uptown Planners
 10. The United States Military
 11. General Community Member – Within 65 dB
 - 12. General Community Member – Organized community group related to aircraft noise**
 13. Airline Pilot
- General Community Member – Within 60-65 dB**

NON-VOTING (Ex-Officio) MEMBERS

1. United States Congress
2. State of California Legislature
3. County of San Diego Board of Supervisors
4. San Diego City Council
5. FAA, Lindbergh Air Traffic Control Tower
6. FAA, SoCal TRACON
7. Active Airline Industry Representative
8. Acoustician

= Changes

Additional Efforts



Airport Noise Webpage

Website went live on the week of May 9, 2016.

Audit

An audit request was sent to Assemblymember, Toni Atkins on May 3, 2016, requesting an audit of the Airport Authority's airport noise and operations monitoring system and portable noise studies completed by BridgeNet International.



FAA

At the regular monthly meeting with the FAA on April 29, 2016, the FAA agreed to move their Noise Dot #3 to match our Early Turn location. However, the new location cannot be reflected on the radar screens until later this year.



ANOMS Upgrade

Staff is working on an upgrade to the ANOMS that will allow for noise data to be incorporated into the online flight tracking system in a more real-time manner.

SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY

STAFF REPORT

Meeting Date: **JUNE 23, 2016**

Subject:

Business and Travel Expense Reimbursement Reports for Board Members, President/CEO, Chief Auditor and General Counsel When Attending Conferences, Meetings, and Training at the Expense of the Authority

Recommendation:

For information only.

Background/Justification:

Authority Policy 3.30 (2)(b) and (4)(b) require that business expenses reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting. Authority Policy 3.40 (2)(b) and (3)(b) require that travel expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of policies 3.30 and 3.40

Fiscal Impact:

Funds for Business and Travel Expenses are included in the FY 2015-2016 Budget.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

TONY RUSSELL
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

TRAVEL REQUEST

THELLA F. BOWENS

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: THELLA F. BOWENS Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 5/17/16 PLANNED DATE OF DEPARTURE/RETURN: 7/7/16 / 7/8/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Glendale, CA

Purpose: Attend California Airports Council Board Meeting

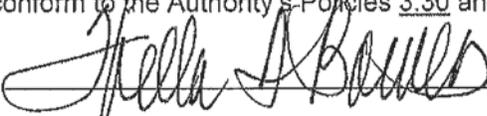
Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$	
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	141.00
B. LODGING	\$	225.00
C. MEALS	\$	100.00
D. SEMINAR AND CONFERENCE FEES	\$	
E. ENTERTAINMENT (If applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	50.00
TOTAL PROJECTED TRAVEL EXPENSE	\$	516.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 5/17/16

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Thella F. Bowens Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 6/9/16 PLANNED DATE OF DEPARTURE/RETURN: 6/29/16 / 6/30/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Washington, DC

Purpose: Attend Department of Commerce U.S. Travel & Tourism Advisory Board Meeting

Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 900.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 100.00

B. LODGING \$ 260.00

C. MEALS \$ 150.00

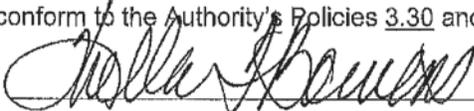
D. SEMINAR AND CONFERENCE FEES \$ _____

E. ENTERTAINMENT (If applicable) \$ _____

F. OTHER INCIDENTAL EXPENSES \$ 50.00

TOTAL PROJECTED TRAVEL EXPENSE \$ 1460.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 9 June 2016

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.

(Leave blank and we will insert the meeting date.)

TRAVEL EXPENSE

THELLA F. BOWENS

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

TRAVEL EXPENSE REPORT

(To be completed within 30 days from travel return date)

TRAVELER: Thella F. Bowens DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 4/29/2016 RETURN DATE: 4/30/2016 REPORT DUE: 5/30/16
 DESTINATION: Overland Park, KS

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses																					
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY 4/29/16	SATURDAY 4/30/16	TOTALS														
Air Fare, Railroad, Bus (attach copy of Itinerary w/charges)									0.00														
Conference Fees (provide copy of flyer/registration expenses)									0.00														
Rental Car*									0.00														
Gas and Oil*									0.00														
Garage/Parking*									0.00														
Mileage - attach mileage form*									0.00														
Taxi and/or Shuttle Fare (include tips pd.)*									0.00														
Hotel*									0.00														
Telephone, Internet and Fax*							14.10		14.10														
Laundry*									0.00														
Tips - separately paid (maids, bellhop, other hotel svcs.)									0.00														
Meals (include tips pd.)									0.00														
Breakfast*																							
Lunch*							18.87		18.87														
Dinner*									0.00														
Other Meals*									0.00														
<i>Alcohol is a non-reimbursable expense</i>																							
Hospitality ¹ *									0.00														
Miscellaneous:									0.00														
									0.00														
									0.00														
*Provide detailed receipts									0.00														
Total Expenses prepaid by Authority	0.00	0.00	0.00	0.00	0.00	0.00	32.97	0.00	32.97														
Explanation:		<table border="1"> <tr><td>Total Expenses Prepaid by Authority</td><td>0.00</td></tr> <tr><td>Total Expenses Incurred by Employee (including cash advances)</td><td>32.97</td></tr> <tr><td>Grand Trip Total</td><td>32.97</td></tr> <tr><td>Less: Cash Advance (attach copy of Authority ck)</td><td></td></tr> <tr><td>Less Expenses Prepaid by Authority</td><td>0.00</td></tr> <tr><td>Due Traveler (positive amount)²</td><td></td></tr> <tr><td>Due Authority (negative amount)³</td><td>32.97</td></tr> </table> <p align="center"><i>Note: Send this report to Accounting even if the amount is \$0.</i></p>								Total Expenses Prepaid by Authority	0.00	Total Expenses Incurred by Employee (including cash advances)	32.97	Grand Trip Total	32.97	Less: Cash Advance (attach copy of Authority ck)		Less Expenses Prepaid by Authority	0.00	Due Traveler (positive amount)²		Due Authority (negative amount)³	32.97
Total Expenses Prepaid by Authority	0.00																						
Total Expenses Incurred by Employee (including cash advances)	32.97																						
Grand Trip Total	32.97																						
Less: Cash Advance (attach copy of Authority ck)																							
Less Expenses Prepaid by Authority	0.00																						
Due Traveler (positive amount)²																							
Due Authority (negative amount)³	32.97																						
¹ Give names and business affiliations of any persons whose meals were paid by traveler. ² Prepare Check Request ³ Attach personal check payable to SDCRAA																							

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Kim Ayers Ext.: 2447
 Traveler Signature: Thella F. Bowens Date: 5/31/16
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.

(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.



GUEST FOLIO

OVERLAND PARK MARRIOTT

810 BOWENS/THELLA .00 04/30/16 12:00 [REDACTED]
 ROOM NAME RATE DEPART TIME ACCT#
 DXK TUSKEGEE AIRMEN 04/29/16 16:47
 TYPE ARRIVE TIME
 50
 ROOM CLERK PAYMENT RWD#:

DATE	ADDRESS	REFERENCE	CHARGES	CREDITS	BALANCE DUE
04/29	TELECOMM	BASEHSIA	12.95		
04/29	ST TAX	BASEHSIA	1.15		
04/30	AX CARD			\$14.10	

TO BE SETTLED TO: AMERICAN EXPRESS CURRENT BALANCE .00

THANK YOU FOR CHOOSING MARRIOTT! TO EXPEDITE YOUR CHECK-OUT, PLEASE DIAL "0" AND AN AT YOUR SERVICE AGENT WILL BE DELIGHTED TO ASSIST YOU. THANK YOU

WANT YOUR FINAL HOTEL BILL BY EMAIL? JUST ASK THE FRONT DESK! SEE "INTERNET PRIVACY STATEMENT" ON MARRIOTT.COM



OVERLAND PARK MARRIOTT
10800 METCALF AVENUE
OVERLAND PARK, KS 66210

This statement is your only receipt. You have agreed to pay in cash or by approved personal check or to authorize us to charge your credit card for all amounts charged to you. The amount shown in the credits column opposite any credit card entry in the reference column above will be charged to the credit card number set forth above. (The credit card company will bill in the usual manner.) If for any reason the credit card company does not make payment on this account, you will owe us such amount. If you are direct billed, in the event payment is not made within 25 days after check-out, you will owe us interest from the check-out date on any unpaid amount at the rate of 1.5% per month (ANNUAL RATE 18%), or the maximum allowed by law, plus the reasonable cost of collection, including attorney fees.

Signature X _____

**RECEIPTS FOR TUSKEGEE AIRMEN CHARTER LUNCH
OVERLAND PARK, KS
APRIL 29-30, 2016 - THELLA F. BOWENS**

SALT LICK BBQ
DNC Travel Hospitality Services
DFW Terminal A

SALT LICK BBQ
DNC Travel Hospitality Services
DFW Terminal A

Sale Terminal:1

Auth:551700
Tbl:0 Ref: 140038
Date:4/29/2016 Time:11:44 am
Invoice:1010599 Name:Mena

Approved - Thank You

Amount: \$18.87

MID: 372048307881

Cardholder agrees to pay issuer
such total in accordance with
issuer's agreement with
cardholder.

Signature
THELLA F BOWENS

CUSTOMER COPY

Tbl:0 Ref:140038
Chk:140038
Mena 4/29/2016 11:43 am

Brisket Platter	15.35
Bottled Water	2.25

SubTotal	17.60
State Tax	1.27

Total 18.87

***** 18.87

Amount Paid 18.87

*** Quality IS what we are all about

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Thella F. Bowens Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 2/16/16 **PLANNED DATE OF DEPARTURE/RETURN:** 4/29/16 / 4/30/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Overland Park, KS Purpose: Keynote Speaker at Tuskegee Airmen Annual Charter Lunch

Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 500.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 100.00

B. LODGING \$ COMP

C. MEALS \$

D. SEMINAR AND CONFERENCE FEES \$

E. ENTERTAINMENT (If applicable) \$

F. OTHER INCIDENTAL EXPENSES \$ 50.00

TOTAL PROJECTED TRAVEL EXPENSE \$ 650.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: *Thella F. Bowens* Date: 2/17/2016

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

Tony R. Russell, Authority Clerk, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its 3/1/16 meeting.
(Leave blank and we will insert the meeting date.)

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

TRAVEL EXPENSE REPORT

(To be completed within 30 days from travel return date)

TRAVELER: Thella F. Bowens DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 5/14/2016 RETURN DATE: 5/16/2016 REPORT DUE: 6/15/16
 DESTINATION: Houston, TX

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	
		5/15/16	5/16/16					5/14/16	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	\$573.80								0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*			33.00					33.00	66.00
Hotel*		251.55						251.55	503.10
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel svcs.)									0.00
Meals (include tips pd.)	Breakfast*		2.33						2.33
	Lunch*		18.81						18.81
	Dinner*	49.30							49.30
	Other Meals*		2.22						2.22
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ¹ *									0.00
Miscellaneous:									0.00
									0.00
									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority	573.80	300.85	56.36	0.00	0.00	0.00	0.00	284.55	641.76
Explanation:		Total Expenses Prepaid by Authority							573.80
		Total Expenses Incurred by Employee (Including cash advances)							641.76
		Grand Trip Total							1,215.56
		Less Cash Advance (attach copy of Authority ck)							
		Less Expenses Prepaid by Authority							573.80
		Due Traveler (positive amount)²							
		Due Authority (negative amount)³							641.76
<i>Note: Send this report to Accounting even if the amount is \$0.</i>									

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Kim Ayers Ext.: 2447
 Traveler Signature: Thella F. Bowens Date: 7 June 2016
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.

(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel travelling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Thella F. Bowens Dept: 6
 Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 3/14/16 PLANNED DATE OF DEPARTURE/RETURN: 5/9/16 / 5/18/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip- continue on extra sheets of paper as necessary):

Destination: Houston, TX Purpose: Attend AAAE Annual Conference, and Policy Review/Board Meetings
 Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:	
• AIRFARE	\$ 600.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 100.00
B. LODGING	\$ 1,000.00
C. MEALS	\$ 300.00
D. SEMINAR AND CONFERENCE FEES	\$ 795.00
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
TOTAL PROJECTED TRAVEL EXPENSE	\$ 2845.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: *Thella F. Bowens* Date: 14 March 2016

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

- By my signature below, I certify the following:
1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

Tony R. Russell, Authority Clerk, hereby certify that this document was approved
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 by the Executive Committee at its 4/4/16 meeting.
 (Leave blank and we will insert the meeting date.)



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700



Monday, 11APR 2016 02:51 PM EDT

Passengers: THELLA BOWENS (06)

Agency Reference Number: CIAROT

Click here to view your current itinerary or ETicket receipt on-line: tripcase.com

American Airlines Confirmation CIAROT

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

You are a valued client and we want to do everything possible to make your trip enjoyable and worry free.
 Because the unexpected can occur, we offer the Travel Insured Plan. It has excellent
 benefits and combines insurance coverage with Emergency Hotline Services. Please click the following link
 for a free quote or more information. [Click Here](#) (Currently Available For U.S. Departures Only)

AIR	Monday, 9MAY 2016	
American Airlines	Flight Number: 0606	Class: G-Coach/Economy
From: San Diego CA, USA	Depart: 12:50 PM	
To: Dallas/Ft Worth TX, USA	Arrive: 05:44 PM	
Stops: Nonstop	Duration: 2 hour(s) 54 minute(s)	
Seats: 05D	Status: CONFIRMED	Miles: 1175 / 1880 KM
Equipment: Airbus A321 Jet	MEAL: FOOD FOR PURCHASE.	
DEPARTS SAN TERMINAL 2		
Frequent Flyer Number: [REDACTED] THELLA BOWENS		
EXTRA LEG ROOM AISLE SEAT CONFIRMED		
American Airlines Confirmation number is CIAROT		

AIR	Saturday, 14MAY 2016	
American Airlines	Flight Number: 3382	Class: N-Coach/Economy
Operated By: ENVOY AIR AS AMERICAN EAGLE	Depart: 08:44 AM	
From: Dallas/Ft Worth TX, USA	Arrive: 09:56 AM	
To: Houston Hobby TX, USA	Duration: 1 hour(s) 12 minute(s)	
Stops: Nonstop	Status: CONFIRMED	Miles: 233 / 373 KM
Seats: 09D		
Equipment: EMBRAER EMB 175		
DEPARTS DFW TERMINAL B		
Frequent Flyer Number: [REDACTED] THELLA BOWENS		
EXTRA LEG ROOM AISLE SEAT CONFIRMED		
American Airlines Confirmation number is CIAROT		

AIR	Monday, 16MAY 2016	
American Airlines	Flight Number: 2788	Class: V-Coach/Economy
Operated By: EXPRESSJET AS AMERICAN EAGLE	Depart: 02:31 PM	
From: Houston Hobby TX, USA	Arrive: 03:43 PM	
To: Dallas/Ft Worth TX, USA		

Stops: Nonstop

Duration: 1 hour(s) 12 minute(s)

Seats: 12A

Status: CONFIRMED

Miles: 233 / 373 KM

Equipment: ERJ-145 Jet

Frequent Flyer Number: [REDACTED] THELLA BOWENS

EXTRA LEG ROOM AISLE SEAT CONFIRMED

American Airlines Confirmation number is CIAROT

AIR: Monday, 16MAY 2016

American Airlines

Flight Number: 1214

Class: V-Coach/Economy

From: Dallas/Ft Worth TX, USA

Depart: 04:50 PM

To: San Diego CA, USA

Arrive: 06:01 PM

Stops: Nonstop

Duration: 3 hour(s) 11 minute(s)

Seats: 13C

Status: CONFIRMED

Miles: 1175 / 1880 KM

Equipment: 32B/AIR

MEAL: FOOD FOR PURCHASE

ARRIVES SAN TERMINAL 2

Frequent Flyer Number: [REDACTED] THELLA BOWENS

EXTRA LEG ROOM AISLE SEAT CONFIRMED

American Airlines Confirmation number is CIAROT

THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY. AMERICAN AIRLINES CONFIRMATION NUMBER - CIAROT FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

Ticket for: THELLA BOWENS

Date issued: 4/11/2016 Invoice Nbr: 5378364

Ticket Nbr: AA7767912203 Electronic Tkt: Yes Amount: 143.10

Base: 120.00 US Tax: 9.00 USD XT Tax: 14.10 USD

Charged to: AX*****[REDACTED]

Ticket for: THELLA BOWENS

Date issued: 4/11/2016 Invoice Nbr: 5378364

Ticket Nbr: AA7767912204 Electronic Tkt: Yes Amount: 138.10

Base: 115.35 US Tax: 8.65 USD XT Tax: 14.10 USD

Charged to: AX*****[REDACTED]

Ticket for: THELLA BOWENS

Date issued: 4/11/2016 Invoice Nbr: 5378364

Ticket Nbr: AA7767912205 Electronic Tkt: Yes Amount: 262.60

Base: 223.26 US Tax: 16.74 USD XT Tax: 22.60 USD

Charged to: AX*****[REDACTED]

Service fee: THELLA BOWENS

Date issued: 4/11/2016

Document Nbr: XD0674721390

Amount: 30.00

Charged to: AX*****[REDACTED]

Total Tickets: 543.80

Total Fees: 30.00

Total Amount: 573.80

Click here 24 hours in advance to obtain boarding passes:
[American](#)



HILTON AMERICAS-HOUSTON
 1600 Lamar | Houston, Texas | 77010
 T: 713 739 8000 | F: 713 739 8007
 W: hilton.com

NAME AND ADDRESS:

BOWENS, THELLA
 X
 HOUSTON TX 77010
 UNITED STATES OF AMERICA

Room: 8005/K1
 Arrival Date: 5/14/2016 10:30:00 AM
 Departure Date: 5/16/2016

Adult/Child: 1/0
 Room Rate: 215.00

Rate Plan: 4AE
 HH #:
 AL:
 Car:

Confirmation Number: 3229307706

5/16/2016

DATE	DESCRIPTION	ID	REF. NO	CHARGES	CREDITS	BALANCE
5/14/2016	GUEST ROOM	JRAIN	12069456	\$215.00		
5/14/2016	STATE TAX 6.0%	JRAIN	12069456	\$12.90	\$251.55	
5/14/2016	SPORTS AUTHORITY TAX 2.0%	JRAIN	12069456	\$4.30		
5/14/2016	CITY TAX 9.0%	JRAIN	12069456	\$19.35		
5/15/2016	GUEST ROOM	JRAIN	12072536	\$215.00		
5/15/2016	STATE TAX 6.0%	JRAIN	12072536	\$12.90	\$251.55	
5/15/2016	SPORTS AUTHORITY TAX 2.0%	JRAIN	12072536	\$4.30		
5/15/2016	CITY TAX 9.0%	JRAIN	12072536	\$19.35		
5/16/2016	**BALANCE**	JAVABROWN	12073244		(\$503.10)	\$0.00



You have earned approximately 4300 Hilton HHonors points and approximately 430 Miles with American Airlines for this stay. Hilton HHonors(R) stays are posted within 72 hours of checkout. To check your

Thank you for choosing Hilton. You'll get more when you book directly with us - more destinations, more points, and more value. Book your next stay at hilton.com.

ACCOUNT NO.

DATE OF CHARGE
5/16/2016

FOLIO NO./CHECK NO.
1991556 A

CARD MEMBER NAME
BOWENS, THELLA

AUTHORIZATION INITIAL
524841

ESTABLISHMENT NO. & LOCATION ESTABLISHMENT AGREES TO TRANSMIT TO CARD HOLDER FOR PAYMENT

PURCHASES & SERVICES

TAXES

TIPS & MISC.

CARD MEMBER'S SIGNATURE

TOTAL AMOUNT
-503.10

MERCHANDISE AND/OR SERVICES PURCHASED ON THIS CARD SHALL NOT BE RESOLD OR RETURNED FOR A CASH REFUND.

PAYMENT DUE UPON RECEIPT

**RECEIPTS FOR AAAE ANNUAL CONFERENCE & POLICY REVIEW/
BOARD MEETINGS
HOUSTON, TX
MAY 14-16, 2016 - THELLA F. BOWENS**

5/15/16

Hearsay on the Green
1515 Dallas St.
832-377-3362

Server: Claire 05/15/2016
Table 202/10 8:29 PM
Guests: 1 60058

Short Ribs 30.00
Caprese Salad 10.00

Subtotal 40.00
Tax 3.30

Total 43.30

Balance Due 43.30

Suggested Tip Amounts
20%= 8.00
18%= 7.20
15%= 6.00

www.hearsayhouston.com
Thank you!-- Like us on Facebook!

Hearsay on the Green
1515 Dallas St.
832-377-3362

Server: Claire DOB: 05/15/2016
08:35 PM 05/15/2016
Table 202/10 6/60058

SALE

AMEX 6291496
Card #XXXXXXXXXX
Magnetic card present: BOWENS
THELLA F
Card Entry Method: S

Approval: 558550

Amount: \$ 43.30

+ Tip: 6.00

= Total: \$ 49.30

I agree to pay the above
total amount according to the
card issuer agreement.

X _____



Transaction Details Prepared for
 Thella F Bowens
 Account Number
 XXXX-XXXXXX

DATE	DESCRIPTION	AMOUNT
MAY16 2016	PAPPAS BBQ #019 0016 - HOUSTON, TX	\$18.61

Doing business as:
 PAPPAS BBQ
 7800 AIRPORT BLVD
 # C14
 HOUSTON
 TX
 770814145
 UNITED STATES OF AMERICA (THE)

Additional Information: 713-869-0151
 Reference: 320161380604187594
 Category: Restaurant - Bar & Café

Transaction Details

Description

FOOD/BEVERAGE

BBQ PLATE - NO ALCOHOL PURCHASED

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

MISSING RECEIPT FORM

Employee/Department Head must complete form below.

Date of Purchase/Event: 5/16/2016

Description of Item/Event: Taxi - Hotel to Houston Hobby Airport

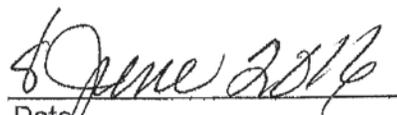
Vendor/Event Name: Yellow Cab

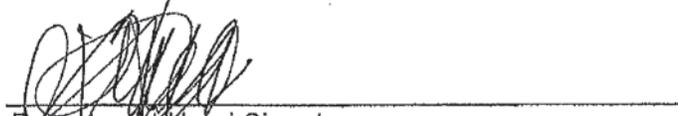
Dollar Amount: \$33.00

Reason for Missing Receipt: Missing Receipt

I hereby certify that the original receipt in question was lost or none was issued to me.


Employee Signature


Date


Department Head Signature

Date

**RECEIPTS FOR AAAE ANNUAL CONFERENCE & POLICY REVIEW/
BOARD MEETINGS
HOUSTON, TX
MAY 14-16, 2016 - THELLA F. BOWENS**

ARAMARK @ GEORGE R BROWN CC
STARBUCKS
864800015 STARBUCKS

3537

16MAY'16 7:42AM

RETAIL
BLOND BREWED T 2.15
SUBTOTAL 2.15
TAX 0.18
PAYMENT **2.33**
CASH 5.00
CHANGE DUE 2.67
-864800015 Closed MAY16 07:42AM-

THANK YOU!

Peet's Coffee & Tea - Central
Houston Hobby Airport
7800 Airport Blvd
Houston, TX 77061
713-847-7338

250

Host: Fernando 05/16/2016
250 12:21 PM
20351
Area: Counter 2
Coffe of the Day Small 2.05
Subtotal 2.05
Tax 0.17
Dine In Total **2.22**
Cash 2.22

For Guest Comments
Please Email
Peetshobby@latrelles.com
Thank You!

--- Check Closed ---

**Yellow Cab
Fare Receipt**



Date 5-14-16
Received of _____
The Sum of \$ 33.00
Pick up location Hobby
Destination location Downtown
Yellow Cab # 1422 Driver _____

AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES

AAAE DELIVERS SERVICE. INNOVATION. RESULTS.

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PRESIDENT & CEO
TODD J. HAUPTLI

DATE: May 6, 2016

TO: Thella Bowens

FROM: Jacky Sher Raker, Executive Vice President, Meetings, Membership, Marketing and Administration

RE: 88th Annual AAAE Conference & Exposition

We are looking forward to seeing you in Houston! Following is your hotel confirmation number and the updated schedule for your reference. Please read all information carefully to verify the details for the week.

Our records show you will be arriving on 5/14/2016 at 9:56 AM on AA3382, into HOU. You will be met at the gate by a Houston Airport System representative and taken to baggage claim. We have you returning on 5/16/2016 at 2:31 PM on AA2788.

- William P. Hobby Airport is located approximately ten miles from the Hilton Americas Houston Hotel. A taxicab ride between William P. Hobby Airport and the Hilton Americas Houston Hotel costs approximately \$27 one way and the ride is approximately twenty minutes. Ensure to mention you want the Flat Rate when getting into the cab.

Your confirmation number at the Hilton Americas Houston Hotel is 3229307706. Hilton Americas Houston Hotel is located at 1600 Lamar Street, Houston, TX, phone (713) 739-8000.

Saturday, May 14

12 – 12:45 p.m.

AAAE Board of Directors and PRC Luncheon

Room 340 – Level 3

George R. Brown
Convention Center

12:45 – 4:45 p.m.

AAAE Board of Directors and PRC Meeting

Room 342 – Level 3

George R. Brown
Convention Center

6:15 – 9:15 p.m.

88th Annual AAAE Leadership Dinner

Space Center Houston

Hosted by Houston Airport System

*Buses will load from the lobby of the Hilton Americas Houston at 5:30 p.m.

Sunday, May 15

12 – 12:45 p.m.

Top 100 Airport CEO Leadership Focus Lunch

Room 340 – Level 3

George R. Brown
Convention Center

12:45 – 4:30 p.m.

Top 100 Airport CEO Leadership Focus Meeting

Room 342 – Level 3

George R. Brown
Convention Center

Agenda is attached

5 – 6:30 p.m.
Exhibit Hall E – Level 1
George R. Brown
Convention Center

Exhibit Hall Grand Opening and Corporate Appreciation
Reception

Monday, May 16

7:30 – 9:30 a.m.
Room 342 – Level 3
George R. Brown
Convention Center

Top 100 Airport CEO Leadership Focus
(Breakfast will be served at 7:30 a.m.)

9:45 – 10:05 a.m.
Room 350A – Level 3
George R. Brown
Convention Center

Informal Meet and Greet with AAAE Leaders -
David McCullough

Tuesday, May 17

7:30 – 9 a.m.
Room 340B
Hilton

Breakfast for AAAE Leaders
Hosted by Airport Consultants Council (ACC)

9:45 – 10:15 a.m.
Room 350A – Level 3
George R. Brown
Convention Center

Informal Meet and Greet with AAAE Leaders -
Peter Neffenger

Wednesday, May 18

2:45 – 3:15 p.m.
Room 320B – Level 3
George R. Brown
Convention Center

AAAE Board of Directors and PRC Meeting

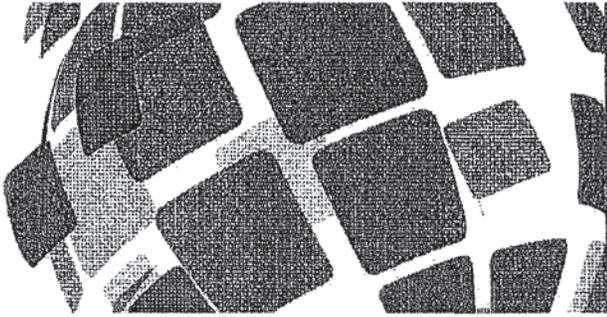
Sunday, May 15 – Wednesday, May 18

88th Annual AAAE Conference and Exposition

All conference events taking place Sunday, May 15 through Wednesday, May 18 including general sessions, concurrent sessions, breakfasts, lunches, the exposition, the airport tours departure, the final banquet and dessert reception, will take place at the George R. Brown Convention Center.

Houston temperatures are in the upper-80s during the day and low 70's in the evenings. Dress is business casual for all meetings. Dress for Wednesday night's banquet is business attire.

If you are aware of changes to your travel schedule, call Erin O'Connor at (703) 797-2543 or email erin.oconnor@aaae.org or call me at (703) 801-5180 or email jacky.sherraker@aaae.org. In addition, if there is anything that we can do to make your stay more pleasant, please let us know. See you in Houston!



THE POWER TO CONNECT

88TH ANNUAL AAAE CONFERENCE & EXPOSITION
MAY 15-18, 2016 | HOUSTON, TEXAS

Top 100 Airport CEO Leadership Focus Agenda

SUNDAY, MAY 15

12:00 – 12:45 p.m.

Luncheon

12:45 – 1:00 p.m.

Welcome and Introductions

Todd Hauptli, President & CEO, AAAE

1:00 – 2:30 p.m.

Leadership Lecture: "Lessons Learned" with Mark Reis and Kent George, A.A.E.



Former Managing Director, Aviation Division of the Seattle-Tacoma International Airport (Sea-Tac) Mark Reis and former Director of Aviation of the Fort Lauderdale-Hollywood International Airport Kent George, A.A.E., will discuss the challenges they have faced in their careers, the leadership lessons they have learned along the way, and the advice they have for you and other CEOs. We intend

to have a facilitated discussion to make the conversation entertaining, informative, and thought-provoking.

2:30 – 3:00 p.m.

Networking Break

3:00 – 4:30 p.m.

Industry Metrics and Big Policy Issues Confronting Airport CEOs with Dr. Stephen Van Beek, Vice President, ICF International



5:00 – 6:30 p.m.

Exhibit Hall Grand Opening and Corporate Appreciation Reception

MONDAY, MAY 16

7:30 – 8:00 a.m.

Continental Breakfast

8:00 – 8:45 a.m.

Presentation & Discussion with Vicki Bryan, Senior High Yield Analyst, Gimme Credit



Vicki will give a presentation and lead a discussion on the current financial condition of several of the individual airlines and the industry at large. Given the current shareholder unrest with United Airlines and the management changes at Delta taking place in May, this will be a very informative and provocative session.

8:45 – 9:15 a.m.

Presentation & Discussion with Daniel Domeracki, Senior Vice President for Government and Industry Relations, Schlumberger



Houston is the home of many of the largest energy companies in the world. Daniel will lead a discussion on the outlook for energy prices and how this may impact the travel industry.

9:15 – 9:30 a.m.

Airport CEO Leadership Focus Wrap-Up

9:45 – 10:05 a.m.

Meet and Greet with David McCullough, New York Times Bestselling Author of *The Wright Brothers*



10:15 – 11:00 a.m.

**88th Annual AAAE Conference & Exposition
Official Conference Opening Ceremonies**

11:00 a.m. – 12:00 p.m.

**General Session I:
David McCullough, *New York Times* Bestselling Author of *The Wright Brothers***

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Thella F. Bowens DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 5/23/2016 RETURN DATE: 5/25/2016 REPORT DUE: 6/24/16
 DESTINATION: Washington, DC

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY 5/23/16	TUESDAY 5/24/16	WEDNESDAY 5/25/16	THURSDAY	FRIDAY	SATURDAY	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	\$680.20								0.00
Conference Fees (provide copy of flyer/registration expenses)									0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*			8.93	20.95					29.88
Hotel*		443.69	443.69						887.38
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel svcs.)									0.00
Meals (include tips pd.)	Breakfast*		20.00	26.00					46.00
	Lunch*			43.85					43.85
	Dinner*		26.17	80.10					106.27
	Other Meals*								0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ^{1*}									0.00
Miscellaneous:									0.00
									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority	680.20	0.00	469.86	596.57	46.95	0.00	0.00	0.00	1,113.38

Explanation:

Total Expenses Prepaid by Authority	680.20
Total Expenses Incurred by Employee (including cash advances)	1,113.38
Grand Trip Total	1,793.58
Less Cash Advance (attach copy of Authority ok)	
Less Expenses Prepaid by Authority	680.20
Due Traveler (positive amount)²	
Due Authority (negative amount)³	1,113.38
<i>Note: Send this report to Accounting even if the amount is \$0.</i>	

¹Give names and business affiliations of any persons whose meals were paid by traveler.
² Prepare Check Request
³Attach personal check payable to SDCRAA

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.
⁴Travel and Lodging Expense Reimbursement Policy 3.40 ⁵Business Expense Reimbursement Policy 3.30

Prepared By: Kim Ayers Ext.: 2447
 Traveler Signature: Thella F. Bowens Date: June 23, 2016
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: _____ Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 5/6/16 **PLANNED DATE OF DEPARTURE/RETURN:** 5/23/16 / 5/25/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):

Destination: Washington, DC

Purpose: Meeting with CBP and other Executive Branch Officials

Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

- AIRFARE \$ 700.00
- OTHER TRANSPORTATION (Taxi, Train, Car Rental) \$ 100.00

B. LODGING \$ 850.00

C. MEALS \$ 200.00

D. SEMINAR AND CONFERENCE FEES \$ _____

E. ENTERTAINMENT (If applicable) \$ _____

F. OTHER INCIDENTAL EXPENSES \$ 50.00

TOTAL PROJECTED TRAVEL EXPENSE \$ 1900.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: *Hella Kowens* Date: 6 May 2016

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

Tony R. Russell, Authority Clerk, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its 5/9/16 meeting.
(Leave blank and we will insert the meeting date.)



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700



Friday, 6MAY 2016 06:18 PM EDT

Passengers: THELLA BOWENS (06)

Agency Reference Number: RTKPGU

Click here to view your current Itinerary or ETicket receipt on-line: tripcase.com

American Airlines Confirmation RTKPGU

Please review your Itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

You are a valued client and we want to do everything possible to make your trip enjoyable and worry free.
 Because the unexpected can occur, we offer the Travel Insured Plan. It has excellent
 benefits and combines insurance coverage with Emergency Hotline Services. Please click the following link
 for a free quote or more information. [Click Here](#) (Currently Available For U.S. Departures Only)

AIR	Monday, 23MAY 2016		
American Airlines From: San Diego CA, USA To: Dallas/Ft Worth TX, USA Stops: Nonstop Seats: 05D Equipment: Airbus A321 Jet DEPARTS SAN TERMINAL 2 Frequent Flyer Number: ██████████ EXTRA LEG ROOM AISLE SEAT CONFIRMED American Airlines Confirmation number is RTKPGU		Flight Number: 0606 Depart: 12:50 PM Arrive: 05:44 PM Duration: 2 hour(s) 54 minute(s) Status: CONFIRMED MEAL: FOOD FOR PURCHASE	Class: W-Coach/Economy Miles: 1175 / 1880 KM
AIR	Monday, 23MAY 2016		
American Airlines From: Dallas/Ft Worth TX, USA To: Washington Reagan Natl DC, USA Stops: Nonstop Seats: 08D Equipment: Boeing 737-800 Jet ARRIVES DCA TERMINAL C Frequent Flyer Number: ██████████ EXTRA LEG ROOM AISLE SEAT CONFIRMED American Airlines Confirmation number is RTKPGU		Flight Number: 2293 Depart: 08:10 PM Arrive: 11:59 PM Duration: 2 hour(s) 49 minute(s) Status: CONFIRMED MEAL: FOOD FOR PURCHASE	Class: W-Coach/Economy Miles: 1177 / 1883 KM
AIR	Wednesday, 25MAY 2016		
American Airlines From: Washington Reagan Natl DC, USA To: Dallas/Ft Worth TX, USA Stops: Nonstop Seats: 09D		Flight Number: 1033 Depart: 11:49 AM Arrive: 02:20 PM Duration: 3 hour(s) 31 minute(s) Status: CONFIRMED	Class: Q-Coach/Economy Miles: 1177 / 1883 KM

Equipment: 32B/AIR
DEPARTS DCA TERMINAL C
Frequent Flyer Number: [REDACTED]
EXTRA LEG ROOM AISLE SEAT CONFIRMED
American Airlines Confirmation number is RTKPGU

MEAL: FOOD FOR PURCHASE

AIR: Wednesday, 25MAY 2016

American Airlines
From: Dallas/Ft Worth TX, USA
To: San Diego CA, USA
Stops: Nonstop
Seats: 14C
Equipment: 32B/AIR
ARRIVES SAN TERMINAL 2
Frequent Flyer Number: [REDACTED]
AISLE SEAT CONFIRMED
American Airlines Confirmation number is RTKPGU

Flight Number: 1194
Depart: 03:15 PM
Arrive: 04:23 PM
Duration: 3 hour(s) 8 minute(s)
Status: CONFIRMED
MEAL: FOOD FOR PURCHASE

 Class: W-Coach/Economy

Miles: 1175 / 1880 KM

THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY. AMERICAN AIRLINES CONFIRMATION NUMBER - RTKPGU FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

Ticket for: THELLA BOWENS
Date issued: 5/6/2016 Invoice Nbr: 5381698
Ticket Nbr: AA7775515625 Electronic Tkt: Yes Amount: 650.20
Base: 562.78 US Tax: 42.22 USD XT Tax: 45.20 USD
Charged to: AX*****[REDACTED]

Service fee: THELLA BOWENS
Date issued: 5/6/2016
Document Nbr: XD0675855155 Amount: 30.00
Charged to: AX*****[REDACTED]

Total Tickets: 650.20
Total Fees: 30.00
Total Amount: 680.20

Click here 24 hours in advance to obtain boarding passes:
[American](#)

Click here to review Baggage policies and guidelines:
[American](#)

TSA Guidance- a government issued photo Id is needed for checkin.
Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.
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Saturday from 9am-1pm Pacific.
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You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.
Each call is billable at a minimum \$25.00.

THE DONOVAN

A KIMPTON® HOTEL

MS. Thella Bowens
 PO Box 82776
 San Diego, CA 92138
 CA

Room No. : 0614
 Arrival : 05-23-16
 Departure : 05-25-16
 Page : 1 of 1

INFORMATION INVOICE

Folio No :
 Cashier :

Date	Description	Charges	Credits
05-23-16	Room Charge	370.00	
05-23-16	Room Tax Sales	53.65	
05-23-16	Hotel Fee 2	17.50	
05-23-16	Hotel Fee Tax Sales	2.54	
05-24-16	Zentan Breakfast	20.00	- Receipt attached
05-24-16	Room Charge	370.00	
05-24-16	Room Tax Sales	53.65	
05-24-16	Hotel Fee 2	17.50	
05-24-16	Hotel Fee Tax Sales	2.54	
05-25-16	Zentan Breakfast	26.00	- Receipt attached
05-25-16	Honor Bar Food	4.00	
05-25-16	Honor Bar State Tax	0.40	
05-25-16	American Express		937.78
	XXXXX 01/21		
		Balance	0.00

RECEIPTS FOR MEETINGS WITH CBP & OTHER EXECUTIVE
BRANCH OFFICIALS - WASHINGTON, DC
MAY 23-25, 2016 - THELLA F. BOWENS

5/23/16

PAPPADEAUX

SEAFOOD KITCHEN

Pappadeaux Seafood Kitchen (607)
2610 International Pkwy (DFW)
Dallas, Tx 75261
(972) 615-3508

117b-2 Table 91 #Party 1
MARITZA L SvrCk: 0 18:51 05/23/16
NE IN

Grilled Calamari Appetizer	14.99
1 Baked Potato	5.49
Sub Total:	20.48
Tax:	1.69
Sub Total:	22.17
05/23 19:19 TOTAL:	22.17

* Suggested gratuity for parties of 8 or more is not mandatory. You are free to increase, reduce, or eliminate gratuity.

0417-2
Server: MARITZA L Rec:364
05/23/16 19:21, Swiped T: 91 Term: 4

Pappadeaux #35
2610 International Pkwy
(972) 615-3508
MERCHANT #: 67071730196

CARD TYPE ACCOUNT NUMBER
AMERICAN EXPRESS XXXXXXXXXXXX
Name: THELLA F BOWENS
TRANSACTION APPROVED
AUTHORIZATION #: 546416
Reference: 0523010200417
TRANS TYPE: Credit Card SALE

CHECK:	22.17
TIP:	<u>4.00</u>
TOTAL:	<u>26.17</u>

X_____

RECEIPTS FOR MEETINGS WITH CBP & OTHER EXECUTIVE
BRANCH OFFICIALS - WASHINGTON, DC
MAY 23-25, 2016 - THELLA F. BOWENS

5/24/16

THE WILLARD INTERCONTINENTAL
CAFE DU PARC
WASHINGTON, DC USA
2015 Duc 1

111/4 5651

MAY24'16 12:27PM

1 Crab Cake Apt 20.00
1 Iced Tea 3.50
1 Pot de Creme 10.00
Subtotal..... 33.50
Food Tax 3.35
Payment Due. \$36.85

Gratuity: _____

Total: _____

Guest Name: _____

Room Number: _____

Signature: _____

CAFE DU PARC RESERVATION FOR
PRIVATE EVENTS OR LARGE PARTY
PLEASE CALL AT 202-942-7000

THE WILLARD INTERCONTINENTAL
CAFE DU PARC
WASHINGTON, DC USA
www.cafeduparc.com

CHECK: 5651
TABLE: 111/4
SERVER: 2015 Duc
DATE: MAY24'16 1:31PM
CARD TYPE: American Express
ACCT #: XXXXXXXXXXXX
EXP DATE: XX/XX
AUTH CODE: 534503

SUBTOTAL: 36.85

Gratuity: 7.00

Total: 43.85

Customer Signature

I agree to pay the total amount
above according to card issuer
agreement.

**RECEIPTS FOR MEETINGS WITH CBP & OTHER EXECUTIVE
BRANCH OFFICIALS - WASHINGTON, DC
MAY 23-25, 2016 - THELLA F. BOWENS**

5/24/16

Zentan Restaurant
1155 14th Street, NW
Washington, DC 20005

149 Tyler H

Tbl 14/2 Chk 3588 Gst 1
May24'16 10:22AM

Dining In

1 Side Sm Salmon	9.00
1 Fruit Salad	6.00
Food	15.00
Tax	1.50
10:43AM Total	16.50

Tip: _____ 3.50

Total: _____ \$ 20.00

Room #: _____

Print Name: _____

Signature: _____

Thank you for joining us

ALLI'D CAB
WASHINGTON, DC
(202) 269-1100
PLATE# H77476
PVIN B968

TRX: 3133215
AMEX: [REDACTED]
APRV: 546257
START TIME
05/24/16 18:26
END TIME
5/24/16 18:31
DIST: 0.8 MI
FARE: \$5.68
EXTRAS: \$1.25
TIP: \$2.00
TOTAL: \$8.93
VEHICLE: 0075
DRIVER: 296

COMPLAINTS CALL
(202) 645 6018

**RECEIPTS FOR MEETINGS WITH CBP & OTHER EXECUTIVE
BRANCH OFFICIALS - WASHINGTON, DC
MAY 23-25, 2016 - THELLA F. BOWENS**

5/24/16



* Customer Copy *

Tosca
1112 F STREET, N.W.
Washington, DC 20004
Tel. 202.367.1990
Server 13 TEAM#3
Order 8900 05/24/16 7:39 PM
TABLE 43:1 Cust. 1

Tosca
1112 F STREET, N.W.
Washington, DC 20004
202.367.1990

Date: 05/24/16
Time: 7:41 PM
Server: 13. TEAM#3
Order: 498900
Description: Table 43:1

***** TABLE SERVICE *****

~~XXXXXXXXXXXXXXXXXXXX~~
~~XXXXXXXXXXXXXXXXXXXX~~

1 GR. DOVER SOLE	48.00
1 MIXED GELATO	10.00
0.33 SIDE SPINACH PINE NUTS	3.00

Card Type: AMEX
Card No: XXXXXXXXXXXX
Expires: XX/XX
Appr Code: 513827

Taxable:	95.00 61.00
Sub-total:	95.00 61.00
Sales Tax:	9.50 6.10

Purchases: \$ ~~104.50~~ 67.10

Tip: \$ 13.00

Total Due: ~~104.50~~ 67.10
Tip 13.00

Total: \$ 80.10
BOWENS/THELLA F

-- Private dining space available \$ 80.10
-- Please inquire at (202) 367-1990
-- Visit www.toscadc.com
Thank You !!!!

I agree to pay the above total amount
according to the card issuer agreement.

RECEIPTS FOR MEETINGS WITH CBP & OTHER EXECUTIVE
BRANCH OFFICIALS - WASHINGTON, DC
MAY 23-25, 2016 - THELLA F. BOWENS

5/25/16

DIAL CAB
(202) 832-4444

DRIVER COPY
CARD RECEIPT
MID: 4080368830
TID: P285635695
DR. ID: 00078209
CAB#: F968
DATE: 05/25/2016
ST. TIME: 10:16
END TIME: 10:30
PASS#: 1
TRIP#: 9011201
DIST.: 5.70 MI
RATE 1
FARE: \$ 16.21
EXTRA: \$ 1.00
SURCH: \$ 0.25
TIP: \$ 3.49
TOTAL: \$ 20.95
CARD#: ****
AUTH#: 803152
ENTRY METHOD:
CONTACT CHIP
AID:A00000002501
APPL. NAME:
AMERICAN EXPRESS
ATC:
AC:
032416/F2F0075CE

Zentan Restaurant
1155 14th Street, NW
Washington, DC 20005

149 Tyler H

Tbl 15/1 Chk 3690 Cst 1
May25'16 09:38AM

Dining In

1 Coffee	5.00
1 Farm Fresh Eggs Scrambled BACON CHEESE EGG Special Prep	9.00
1 Fruit Salad	6.00
Food	20.00
Tax	2.00
09:54AM Total	22.00

Tip: _____ 4.00

Total: _____ 26.00

Room #: _____

Print Name: _____

Signature: _____

Thank you for joining us

MARK BURCHYETT

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Mark Burchyett DEPT. NAME & NO. Chief Auditor - 016

DEPARTURE DATE: 5/21/2016 RETURN DATE: 5/25/2016 REPORT DUE: 6/24/16

DESTINATION: Austin, Texas - Association of Local Government Auditors (ALGA) Annual Conference

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	
		5/22/16	5/23/16	5/24/16	5/25/16			5/21/16	
Air Fare, Railroad, Bus <i>(attach copy of itinerary w/charges)</i>	322.96								0.00
Conference Fees <i>(provide copy of flyer/registration expenses)</i>	450.00								0.00
Rental Car*		52.40	52.40	52.40	52.37			52.40	261.97
Gas and Oil*					9.40				9.40
Garage/Parking*		22.00	22.00	22.00				22.00	88.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare <i>(include tips pd.)*</i>									0.00
Hotel*		157.07	157.07	157.07				157.07	628.28
Telephone, Internet and Fax*									0.00
Laundry*									0.00
Tips - separately paid <i>(maids, bellhop, other hotel svcs.)</i>					4.00			4.00	8.00
Meals <i>(include tips pd.)</i>	Breakfast*	1.89			22.42				24.31
	Lunch*								0.00
	Dinner*	31.84	25.86	20.08				17.53	95.31
	Other Meals*			7.80					7.80
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ¹ *									0.00
Miscellaneous: Baggage Fees									0.00
									0.00
									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority	772.96	265.20	257.33	259.35	88.19	0.00	0.00	253.00	1,123.07

Explanation:

Total Expenses Prepaid by Authority	772.96
Total Expenses Incurred by Employee (including cash advances)	1,123.07
Grand Trip Total	1,896.03
Less Cash Advance <i>(attach copy of Authority ck)</i>	
Less Expenses Prepaid by Authority	772.96
Due Traveler (positive amount)²	
Due Authority (negative amount)³	1,123.07

Note: Send this report to Accounting even if the amount is \$0.

¹Give names and business affiliations of any persons whose meals were paid by traveler.
²Prepare Check Request
³Attach personal check payable to SDCRAA

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Mark Burchyett
 Traveler Signature: _____
 Approved By: _____

Ext.: 2435
 Date: 6/2/16
 Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

Electronic Invoice

Prepared For:
BURCHYETT/MARK A

Ref: DEPT 16

SALES PERSON	GM
INVOICE NUMBER	5372915
INVOICE ISSUE DATE	23 Feb 2016
RECORD LOCATOR	IGJASO
CUSTOMER NUMBER	0000SDCRAA

Client Address
SAN DIEGO COUNTY REG AIRPORT AUTHORITY
PO BOX 82776
SAN DIEGO CA 92138-2776

Notes

YOUR CONFIRMATION IS ** R S 6 C U 7 **

DATE: Sat, May 21

Flight: SOUTHWEST AIRLINES 2935

From	SAN DIEGO, CA	Departs	10:35am
To	AUSTIN, TX	Arrives	3:20pm
Departure Terminal	1		
Duration	2hr(s) 45min(s)	Class	Economy
Type	BOEING 737-700	Meal	
	JET		
Stop(s)	Non Stop		

DATE: Wed, May 25

Flight: SOUTHWEST AIRLINES 3079

From	AUSTIN, TX	Departs	12:50pm
To	ST LOUIS INTL, MO	Arrives	2:45pm
		Arrival Terminal	2
Duration	1hr(s) 55min(s)	Class	Economy
Type	BOEING 737-700	Meal	
	JET		
Stop(s)	Non Stop		

DATE: Mon, Nov 21

Others
AUSTIN
THANK YOU FOR
YOUR BUSINESS

Ticket Information

Ticket Number	WN 2185862627	Passenger	BURCHYETT M		
		Billed to:	AX XXXXXXXXXXXX [REDACTED]	USD	* 292.96
Service Fee	XD 0672731965	Passenger	BURCHYETT MARK A		
		Billed to:	AX XXXXXXXXXXXX [REDACTED]	USD	* 30.00

SubTotal	USD 322.96
Net Credit Card Billing	* USD 322.96

Total Amount Due	USD 0.00

ITINERARY NOTES:

THIS TICKET IS NON-REFUNDABLE.
SOUTHWEST AIRLINES CONFIRMATION NUMBER - RS6CU7
FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

The carriage of certain hazardous materials, like aerosols, fireworks, and flammable liquids, aboard the aircraft is forbidden. If you do not understand these restrictions, further information may be obtained from your airline.

Your travel arranger provides the information contained in this document. If you have any questions about the content, please contact your travel arranger. For Credit Card Service fees, please see eTicket receipt for total charges.

02599

INVOICE

Thursday, February 11,
2016
Invoice No: 904



ALGA

Bill To:

San Diego County Regional Airport Authority
Attn: Mark Burchyett
Office of the Chief Auditor
P.O. Box 82776
San Diego, CA 92138-2776

Remit Payment To:
ALGA
449 Lewis Hargett Circle,
Suite 290
Lexington, KY 40503

Federal Tax ID Number: 23-2539807

Member Number: 1624

DESCRIPTION	UNIT PRICE	QTY	AMOUNT
Event Registration Primary: Mark Burchyett - All Days	\$500.00	1	\$500.00
Event Registration Tracks/Sessions: Day 1 Concurrent Sessions: 9:50 - 10:40 for day: 1 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 1 Concurrent Sessions: 10:50 - 11:40 for day: 5 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 1 Concurrent Sessions: 12:30 - 1:20 for day: 9 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 1 Concurrent Sessions: 1:30 - 2:20 for day: 10 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 1 Concurrent Sessions: 2:40 - 3:30 for day: 15 - \$0.00	\$0.00	1	\$0.00
Event Registration Early Bird Discount: - (\$50.00)	(\$50.00)	1	(\$50.00)
Event Registration Tracks/Sessions: Day 1 Concurrent Sessions: 3:40 - 4:30 for day: 18 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 2 Concurrent Sessions: 9:50 - 10:40 for day: 19 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 2 Concurrent Sessions: 10:50 - 11:40 for day: 23 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 2 Concurrent Sessions: 12:30 - 1:20 for day: 26 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 2 Concurrent Sessions: 1:30 - 2:20 for day: 28 - \$0.00	\$0.00	1	\$0.00
Event Registration Tracks/Sessions: Day 2 Concurrent Sessions: 2:40 - 3:30 for day: 31 - \$0.00	\$0.00	1	\$0.00

TERMS: Due Upon Receipt

Subtotal	\$450.00
Sales Tax	\$0.00
Prior Payments	\$0.00
TOTAL DUE	\$450.00

Notes:

Event:2016 ALGA Annual Conference
Time:Monday, May 23, 2016 at 08:00 AM
Location:701 East 11th Street Austin, TX, 78701

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Mark Burchyett Dept: 016
Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 2/3/2016 PLANNED DATE OF DEPARTURE/RETURN: 5/21/2016 / 5/25/2016

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: Austin, Texas Purpose: 2016 Association of Local Govt Conference
Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$	400
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	280
B. LODGING	\$	540
C. MEALS	\$	200
D. SEMINAR AND CONFERENCE FEES	\$	450
E. ENTERTAINMENT (If applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	100
TOTAL PROJECTED TRAVEL EXPENSE	\$	1,970

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: [Signature] Date: 2/3/16

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

- 1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
- 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
- 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

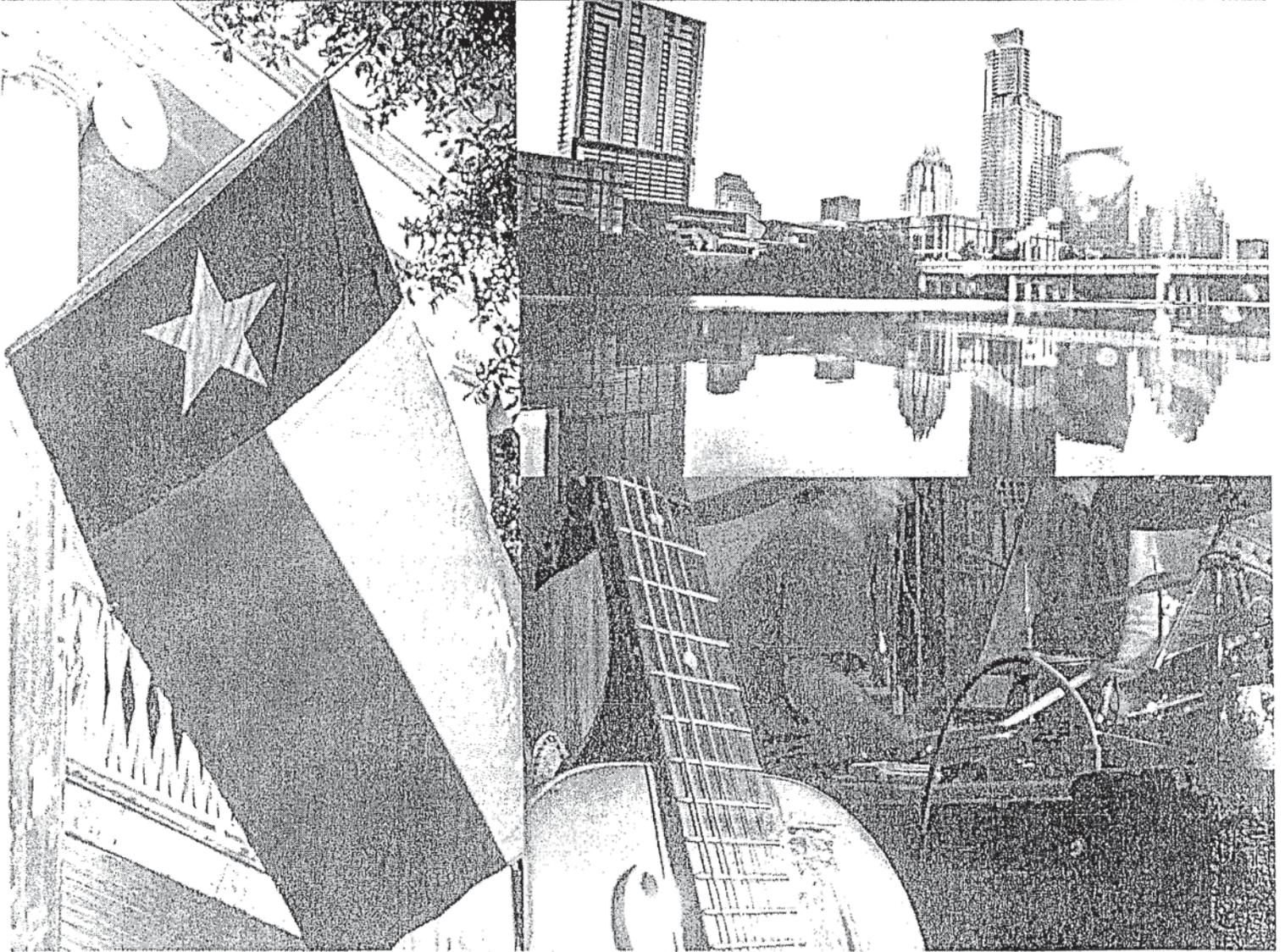
Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

[Signature] Assistant Authority Clerk hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its 2-8-16 meeting.
(Leave blank and we will insert the meeting date.)

Austin

2016 ALGA ANNUAL CONFERENCE



Presented by the Association of Local Government Auditors
May 23-24, 2016 | Austin, Texas | The Sheraton Austin Hotel at the Capitol

Conference Agenda

Saturday, May 21

8:30 a.m. – 5:00 p.m.

ALGA BOARD MEETING

8:30 a.m. – 5:00 p.m.

PEER REVIEW COMMITTEE MEETING

Sunday, May 22

8:00 a.m. – 4:30 p.m.

PRE-CONFERENCE WORKSHOP

WS#1. Peer Review Workshop

Current and previous members of the Peer Review Committee will teach you how to prepare for and conduct peer reviews assessing compliance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States. In addition to instruction on peer review preparation and performance, this popular workshop includes exercises and case studies to help participants gauge their own readiness for peer review participation. Two concurrent sessions of this workshop will be offered. *Continental breakfast and lunch will be provided.*

Paul Geib, Performance Audit Manager, Milwaukee Public Schools (WI)

Mike Edmonds, Retired

Stan Sewell, City Auditor, City of Chattanooga (TN)

Amanda Noble, Deputy City Auditor, City of Atlanta (GA)

8:00 a.m. – 12:00 p.m.

PRE-CONFERENCE WORKSHOP

WS#2. Creating Graphs and Visuals 101

Our brains process images faster than text - all the more reason to use visuals in our audit reports to get the point across! In this workshop you'll learn what makes graphs and visuals interesting and impactful as well as get hands-on experience creating them in Excel and Piktochart. Seating is limited, so sign up early! Participants should plan to bring a laptop. *Continental breakfast will be provided.*

Caroline Kirschner, Senior Auditor, City of Austin (TX)

Olga Ovcharenko, Quality Assurance Coordinator, City of Austin (TX)

Justin Wiesenfeld, Piktochart

8:00 a.m. – 12:00 p.m.

PRE-CONFERENCE WORKSHOP

WS#3. Lean For Auditors: Introduction to Basic Lean & Kaizen Tools with Discussion of Auditor's Role

Government agencies throughout the US are making efforts to introduce lean and Kaizen principles in the office. Over the past three years the Washington State Auditor's Office has funded onsite Rapid Office Kaizen (ROK) training for cities and counties to plant seeds of process improvement, we will use a high energy, participatory simulation to show how some of the key lean tools work. As time allows, the discussion will extend to the role of auditor with lean process improvement. Seating is limited, so sign up early! *Continental breakfast will be provided.*

Tom Nosack, Senior Management Analyst, Clark County (WA)

1:00 – 5:00 p.m.

PRE-CONFERENCE WORKSHOP

WS#4. Strong Team, Strong Shop: Activities You Can Use to Build an "A" Team

Office team building activities are a good way to improve communication, increase collaboration, and motivate employees. This workshop will give you an opportunity to experience various team building activities that you can use in your office. Seating is limited, so sign up early! *Afternoon break will be provided.*

Andrew Keegan, Supervising Senior Auditor, City of Austin (TX)

1:00 – 5:00 p.m.

PRE-CONFERENCE WORKSHOP

WS#5. Emerging Issues in Government Auditing

Given the magnitude and breadth of current and anticipated budget reductions, coupled with increasing citizen demands for tighter fiscal accountability, government at all levels is permanently changing. This requires the government auditing profession to reach deep for answers that go beyond strengthening controls or improving processes. This session will focus on identifying and responding to critical emerging issues both within the auditing profession and the surrounding environment. Seating is limited, so sign up early! *Afternoon break will be provided.*

Stephen Morgan, President, Excellence in Government Accountability and Performance Practices

5:00 – 8:30 p.m.

WELCOME RECEPTION

Monday, May 23

7:00 – 8:00 a.m.

BREAKFAST

8:00 – 8:45 a.m.

WELCOME AND AWARDS

Kymber Waltmunson, County Auditor, King County (WA), and President of ALGA

Ben Thompson, Deputy County Auditor, King County (WA), and Chair of ALGA's Awards Committee

8:45 – 9:35 a.m.

GENERAL SESSION

GS#1. In the Arena: Revisiting the Activist Auditor After 25 Years

Ed Wheat's article, "The Activist Auditor: A New Player in State and Local Politics," published in *Public Administration Review* in 1991, was extremely controversial among auditors at the time. They were appalled at the thought of being seen as political players. Our speaker will re-examine this issue through the lens of his experience of the last 25 years, including serving as mayor of Kansas City. He will also consider the issue within the context of the evolution of ALGA, which was a tiny, new organization then, having been founded two years prior in 1989.

Mark Funkhouser, Ph. D. Publisher, *GOVERNING Magazine*

Conference Agenda

9:50 – 10:40 a.m.

CONCURRENT SESSIONS

CS#1. IT Vendor Management

Many entities will outsource a portion or all of their IT function to third parties, but this does not relieve their responsibilities. Hear items to consider when managing IT vendors to ensure that services paid for are received and that sensitive information is protected.

David Schroth, CISA, Managing Director, Design Compliance and Security, LLC

CS#2. Innovative Reporting

Are decision-makers and citizens praising your audit reports? Are you aware of innovative reporting formats and techniques being used in the audit world? Let's talk about the future of audit reporting and how it will affect you!

Ross Tate, Director of Internal Audit, Maricopa County (AZ)
Peter Heineccius, Senior Management Auditor, King County (WA)

CS#3. FAST Audit to Go Edition

We're combining two new ALGA conference traditions into one: FAST, a five-minute presentation style with automatically advancing slides will be combined with Audits To Go, where presenters give a brief message about an interesting audit. This year, presenters will discuss audits on Lean, a courthouse fire, and department consolidation, among others.

Kevin Barthold, City Auditor, City of San Antonio (TX)
Jennifer Foliard, Audit Manager, Milwaukee County Office of the Comptroller (WI)
Elise Garvey, Management Auditor, King County (WA)
Mike Taylor, Director of Internal Audit, Hanover County (VA)
Emily Jacobson, Communications Specialist, City of Denver (CO)

10:50 – 11:40 a.m.

CONCURRENT SESSIONS

CS#4. Medicaid: Auditing in the Managed Care Era
In FY 2013, Medicaid Fraud Control Units nationwide reported a total of 1,341 criminal convictions in cases involving Medicaid fraud and patient abuse and neglect, and criminal recoveries reached nearly \$1 billion. This session will examine key steps audit teams can take to be better equipped to work with government auditing agencies in their efforts to detect fraud, waste, and abuse in the Medicaid program.

Stuart Bowen, Inspector General, Texas Health & Human Services Commission
Darnell Dent, President and CEO, FirstCare Health Plans

CS#5. Not Saying "otting the Wounded: Achieving a Balanced Approach to the Internal Audit Function

As auditors we are often feared, loathed, and usually avoided like the plague. Effectively being both "internal" and "auditor" presents a unique set of challenges. This session will combine an overview of strategies for winning the trust and confidence of management with a roundtable discussion of what participants are doing

Eric Spivak, County Auditor, Jackson County (OR)

CS#6. Roundtable: Chief Audit Executives

Come to the chief audit executive (CAE) roundtable prepared to discuss your ideas and experiences with leading audit shops and hear lessons learned from other participants

Kymber Waltmunson, County Auditor, King County (WA)

11:40 a.m. – 12:30 p.m.

LUNCH

12:30 – 1:20 p.m.

CONCURRENT SESSIONS

CS#7. Reports and Certifications for Third-Party Assurance

Third-party assurance certificates and reports can sometimes resemble alphabet soup. SOC, ISO, AT, etc. Knowing the main aim of each, along with the right questions to ask, can go a long way in ensuring your enterprise is as secure as it should be.

Adam Fowler, Director, Design Compliance and Security, LLC

CS#8. Improving Group Decision Making

Have you ever been on a team that just cannot seem to make good decisions? This session will focus on techniques to make better decisions when working in teams. We will discuss common decision-making mistakes teams make, how to avoid them, and how these techniques can apply to individuals as well.

Ben Thompson, Deputy County Auditor, King County (WA)

CS#9. Making a Difference: Measuring the Performance of Our Performance Audits

How do we know whether our recommendations are having an impact? Can we use empirical research to create outcome-based performance metrics for ourselves? We will share our experience in developing a practical framework to enhance our impact based on a data-supported understanding of how recommendations get implemented in King County, Washington.

Chelsea Lei, Management Auditor, King County (WA)
Peter Heineccius, Senior Management Auditor, King County (WA)

1:30 – 2:20 p.m.

CONCURRENT SESSIONS

CS#10. Communicating Audit Results to Decision-Makers and the Public

ALGA member offices produce excellent audit reports, but making sure they impact decision-makers and the public remains challenging. This session will describe tools and techniques to help your audit results resonate with your audience, and better ensure that audit reports both inform the public and enhance decision-making. We'll propose that releasing an audit report is just the first step in making positive differences in our communities. If you are interested in enhancing the lasting impact of your audit reports, you won't want to miss this session!

Drummond Kahn, Director of Audit Services, City of Portland (OR)

CS#11. Using Control Self-Assessment in the Audit Office
Control Self-Assessment (CSA) is another tool for the audit office to use for assisting its organization to develop a better understanding of risks and a strong control environment. Because CSA is a non-audit service, it also has the potential to help build goodwill toward the audit function. This session covers the basics of CSA and offers a case study approach in how CSA can be deployed successfully.

Chris Horton, Audit Manager, Fairfax County Public Schools (VA)

Conference Agenda

CS#12. Roundtable: Audit Impact

Come to the audit impact roundtable prepared to discuss your ideas and experiences with audit impact and hear lessons learned from other participants. Topics will be generated by attendees.

Peter Heineccius, Senior Management Auditor, King County (WA)
Chelsea Lei, Management Auditor, King County (WA)

2:40 - 3:30 p.m.

CONCURRENT SESSIONS

CS#13. SharePoint: A Solution for Managing Audits and Workpapers

A possible solution to managing audit work for the small to medium audit shop. This highly customizable workspace sharing solution is the bridge between a paper-based or semi-electronic audit system and the expensive audit management software system. We will show you the SharePoint site we've developed, how we use it to manage our audits and workpapers, and explain how it can work for you.

Mimi Nguyen, Senior Performance Auditor, City of Palo Alto (CA)

CS#14. Beyond GAS: Rising Above the Floor of Audit Performance

Former Comptroller General David Walker often reminded us that the yellow book represents the floor for auditor performance. If the standards are the floor, what makes for optimal performance? Is it more independence, more peer reviews, more supervision, more documentation, more words in the audit report, or maybe more CPE? Or, is it something else? In this session, we will explore ways that an audit organization can pick itself up off the floor and rise above minimum expectations.

Jerome Heer, Director of Audits, County of Milwaukee (WI)
Mike Taylor, Director of Internal Audit, Hanover County (VA)

CS#15. Creating a Great Office Culture

The #1 challenge facing organizations is employee engagement and culture, according to a 2015 report from Deloitte. This session will explain what organizational culture is, why it's important, and describe the ways Austin's Office of the City Auditor have made their office an even better place to work.

Jason Hadavi, Deputy City Auditor, City of Austin (TX)
Andrew Keegan, Supervising Senior Auditor, City of Austin (TX)

3:40 - 4:30 p.m.

CONCURRENT SESSIONS

CS#16. How Audits Become Investigations

This session will use case studies to discuss how audits become investigations of fraud, waste, or abuse, and vice versa. We will highlight useful methods for proper evidence collection during audits and investigations to ensure a relevant and useful outcome. We will additionally discuss the City of Austin's fraud brainstorming processes that enable identification and reporting of potential fraud-related issues within the planning, fieldwork, and reporting stages of audits.

Matt Clifton, Senior Investigator, Office of the City Auditor, Integrity Unit, City of Austin (TX)
Nathan Wiebe, Chief of Investigations, Office of the City Auditor, Integrity Unit, City of Austin (TX)

CS#17. Knighton Award Winners (Part 1)

Hear from Knighton winners about their award-winning reports, useful project approaches, and successful audit processes.

CS#18. So You Want to Survey? Yes/No

So you think you want to conduct a survey, but are not quite sure what things you should consider before embarking on this adventure? In this session, presenters discuss questions to ask and options to consider regarding surveys, along with a few case studies and useful tips.

Bob MacKay, Senior Management Auditor, City of Portland (OR)
Harriet Richardson, City Auditor, City of Palo Alto (CA)

4:45 - 5:30 p.m.

GENERAL SESSION

GS#2. Collaborating for Success: Leveraging Local Expertise

This session will provide insight and examples of how the Texas Department of Transportation Audit and Compliance function engages local stakeholders and auditors to provide transparency and value when delivering audit results. This will include examples of establishing relationships, determining reliance on local audit professionals' work and communicating results.

Benito Ybarra, Chief Audit & Compliance Officer, Texas Department of Transportation

6:30 - 9:30 p.m.

DINNER & ENTERTAINMENT AT SCHOLZ GARDEN

Tuesday, May 24

7:00 - 8:00 a.m.

BREAKFAST

8:00 - 8:50 a.m.

BUSINESS MEETING

8:50 - 9:40 a.m.

GENERAL SESSION

GS# 3. When No One Calls: Understanding Why Hotline Reporting Programs Fail

The mandates to have a hotline reporting program are numerous, overlapping and broad. From the U.S. based Federal Sentencing Guidelines and Sarbanes-Oxley Act to international guidelines posed by the European Union, Stock Exchanges and even the United Nations; reporting hotlines are deemed as a necessary and good business practices. Unfortunately, there is a huge difference between having a hotline reporting program and having an effective, trusted, hotline reporting program. How the program is designed, the experience level of the investigators, and how employees are treated can impact whether employees decide to come forward or not. This interactive presentation will explore the top 10 factors that lead to a lack of trust in hotline reporting programs, discuss how a lack of trust can impact the entire organization, and highlight opportunities where organizations can create trusted and effective hotline reporting programs.

Ryan C. Hubbs, Senior Manager, Fraud Investigation & Dispute Services, Ernst & Young LLP, Houston, TX

Conference Agenda

9:50 – 10:40 a.m.

CONCURRENT SESSIONS

CS#19. Writing Reader Friendly Audit Reports

The Oregon Secretary of State's Audits Division is trying to write more engaging reports that connect with the public and policymakers. Scott Learn, a performance auditor and former newspaper reporter, will detail the division's efforts, using examples from recent audit reports and emphasizing practical solutions.

Scott Learn, Performance Auditor, Oregon Audits Division

CS#20. Scrum Project Management for Auditing

Scrum, an incremental project management approach, focuses on the usability of its end products and the iterative process to create that end product. This session is intended to give attendees an introductory lesson and examples of using the Scrum framework to manage audit projects.

Elise Garvey, Management Auditor, King County (WA)

CS#21. Roundtable: Risk Assessment

Come to the risk assessment roundtable prepared to discuss your ideas and experiences with risk assessment and hear lessons learned from other participants

Carmelina DiMondo, Director, Forensic Unit, Auditor General's Office, City of Toronto (ON)

10:50 a.m. – 11:40 p.m.

CONCURRENT SESSIONS

CS#22. Hidden in Plain Sight: Investigating on the Internet
Investigators need to bring to bear all the tools they can to gather information on suspects and possible fact witnesses. The internet and social media have become some of the most valuable powerful and productive tools there are for this.

Allan Bachman, Education Manager, Association of Certified Fraud Examiners

CS#23. Common ALGA Peer Review Pitfalls and How to Avoid Them

Come learn about common findings identified during Yellow Book and Red Book peer reviews conducted by ALGA teams as well as the processes ALGA shops have developed to address these challenges.

Corrie Stokes, City Auditor, City of Austin (TX)
Bill Greene, City Auditor, City of Phoenix (AZ)

CS#24. Roundtable: Construction

Come to the construction roundtable prepared to discuss your ideas and experiences with construction audits and oversight and hear lessons learned from other participants. Topics will be generated by attendees.

Alan Pennington, Senior Vice President, Matrix Consulting

11:40 a.m. – 12:30 p.m.

LUNCH

12:30 – 1:20 p.m.

CONCURRENT SESSIONS

CS#25. How Audit Shops Can Use Tableau for Analysis and Reporting

This session will provide examples from the experience of two audit shops using Tableau to conduct analysis and share results by creating modern graphics and providing web-based reports.

Elise Garvey, Management Auditor, King County (WA)
Annamarie McNeil, Senior Management Auditor, Multnomah County (OR)

CS#26. Standards Update

When it comes to standards, there's always something changing. During this session, the GASB will provide an overview of key changes in government accounting and discuss future projects. Also, ALGA's Professional Issues Committee will highlight areas of the new Uniform Administrative Requirements for federal grants and common questions. Finally, the GAO will discuss their recent activities and share their perspective on the direction of government auditing standards.

Jan Sylvis, Vice Chair, Governmental Accounting Standards Board
Representative, U.S. Government Accountability Office
Sean Walker, Principal, CliftonLarsonAllen

CS#27. Roundtable: Managing From the Middle

Without formal decision-making authority, experienced auditors face unique challenges in managing audit projects while also fulfilling a critical leadership role within an office. This roundtable will host a discussion to gather input from participants about how experienced audit staff can manage projects, foster and execute new initiatives, and mentor less experienced staff without a formal managerial role.

Rebecca Takahashi, Senior Performance Auditor, Office of the City Auditor, San Diego (CA)
Katie Houston, Assistant City Auditor, Office of the City Auditor, City of Austin (TX)

1:30 – 2:20 p.m.

CONCURRENT SESSIONS

CS#28. Pictures Worth a Thousand Words: Using Infographics to Drive Audit Messages

If pictures are worth a thousand words, it would really tighten up our audit reports to include some high-potency graphics. Join a technical expert from Piktochart, an online infographic tool, and an experienced user to get the inside scoop. We'll give tips and tools for developing effective infographics that could help you show processes, concepts, timelines, decision trees, technical information, and more. We'll also call out common pitfalls and how to avoid them.

Justin Anderson, Senior Management Auditor King County Auditor's Office (WA)
Jacqueline Jensen, Piktochart

Conference Agenda

CS#29. The "Skata" In Trying to Deliver Audits
Welcome to Liz and Pam's world of audit "skata" (loosely translated from Greek meaning "poop") – a large municipality, ever changing Audit Committee members, and the challenges of delivering more audits than ever before on time, on budget and full of quality insights. We will share different solutions and initiatives we've implemented to keep the "skata" under control and to drive continuous improvement in our audit team's processes.

Liz Ormsby, Deputy City Auditor, City of Calgary (AB)
Pam Lewis, Deputy City Auditor, City of Calgary (AB)

CS#30. Knighton Award Winners (Part 2)
Hear from Knighton winners about their award-winning reports, useful project approaches, and successful audit processes.

2:40 – 3:30 p.m.

CONCURRENT SESSIONS

CS#31. **Open Government is Accountable Government**
The standard for government transparency has changed dramatically in the past few years. Simply posting financial documents is no longer enough – taxpayers are demanding more, be it in the form of downloadable datasets, new visual representations of information, or even simple bulleted lists of key figures. The Texas Comptroller's office seeks to evolve with the changing times with our new local transparency initiative, which recognizes local governments for going above and beyond previous standards for open government.

Haley Wynn, Transparency Division Manager, Comptroller of Public Accounts (TX)

CS#32. **Connecting the Left Brain and Right Brain: What Innovation and Performance can Offer One Another**
For the past few decades, governments at all levels have increasingly focused on managing and improving the performance of public programs—making them more efficient and more effective. More recently, cities like Austin have launched innovation efforts not only to improve what exists, but to do their work in new and better ways. These two areas are not unlike how we often talk about the human brain—one part focused on structure, logic, and analysis (performance); the other focused on free-flow, imagination, and intuition (innovation). And like the human brain, we in government need both of these not only to function, but to adapt in the face of complex challenges. In this session, the City of Austin's Innovation Office will share practices and stories of how the "hemispheres" of performance management and innovation can leverage what one another offers—all toward the common goal of making government better and more responsive to its people.

Daniel Honker, Innovation Office, City of Austin (TX)

CS#33. **Roundtable: Small Audit Shops**
Come to the small shop roundtable prepared to discuss your ideas and experiences with managing or working in a small shop and hear lessons learned from other participants.

Arlena Sones, City Auditor, City of Caracas Christ (TX)

3:40 – 4:30 p.m.

GENERAL SESSION

GS#4. **A Demographic Snapshot of Austin: Sustained Explosive Growth, Profound Diversification, and Stubborn Socioeconomic Separations**

Austin's demographic story continues to revolve around the three major themes of rapid, sustained job and population growth, profound diversification, and, stubborn socioeconomic separations. Leaders at Austin's City Hall are beginning to realize that being the fastest growing large city in the country year after year has become a bit of a dubious honor as this enormous growth drives and exacerbates our two biggest communitywide challenges: mobility and affordability.

Diversification of the urban region has gone way beyond demographics as Austin is now a far more economically, culturally and politically diverse community than it was twenty years ago. And yet, is Austin as integrated as it is diverse or is it as inclusive as it is tolerant? And finally, this analysis looks at other Texas cites and urban regions and attempts to put Austin's success as a place into perspective.

Ryan Robinson, City Demographer, City of Austin (TX)

4:45 p.m.

ALGA BOARD MEETING

Wednesday, May 25

8:00 a.m. – 4:00 p.m.

POST-CONFERENCE WORKSHOP

WS#6. **The GAO's Green Book: Internal Control Workshop**
How do you make sure bad things don't happen? Controls! In this workshop, learn how to define risks and apply controls to mitigate the risks without creating a burdensome bureaucracy. The class will work through a relevant case study based on the GAO's Standards for Internal Control in the Federal Government (the Green Book). The Green Book is based on the 2013 COSO model. *Continental breakfast and lunch will be provided.*

Leita Hart-Fanta, Audit Instructor and Founder of Yellowbook-CPE.com

8:00 a.m. - 12:00 p.m.

POST-CONFERENCE WORKSHOP

WS#7. **Deception Detection: The Art of Insightful Interviewing**
In this session, our goal is to teach auditors how to identify signs of deception on the part of the interviewee. We will discuss techniques focused on observing and interpreting verbal, nonverbal, and paralinguistic communication. We will also cover indicative behaviors that range from cadence and word selection to posture and hand gestures. Finally, we will finish with recommendations on how to respond to interviewees who have displayed signs of deceptive communication. *Continental breakfast will be provided.*

Brian Molloy, Senior Investigator, City of Austin (TX)
Mary Dory, Senior Auditor, City of Austin (TX)

Welcome to Shell
900 East Ave
Austin Tx 78701

SHELL
900 EAST AVE
AUSTIN, TX
78701
57545831802
05/25/2016 962574335
11:08:44 AM

PUMP# 5
REGULAR 4.4786
PRICE/GAL \$2.099

FUEL TOTAL \$ 9.40

CREDIT \$ 9.40

XXXX XXXX XXX
VISA
AUTH # 02405C
INV # 606692

Bonus Savings
Save \$0.25/gal! Join
Fuel Rewards today
at fuelrewards.com
Offer ends 6/5/16.
Terms and conditions
apply.

Diesel fuel contains up to 5% Biodiesel
State diesel tax \$0.19 per gallon
Please come again

THRIFTY RENT A CAR
AUSTIN, TX 512-530-0811
RA# U80845002
RENTER MARK A BURCHYETT
OUT 05/21/2016 03:48 PM
IN 05/25/2016 11:24 AM
UNIT # 95068-0957282 CLASS:
FCAR
Miles OUT 2635
Miles IN 2734
Miles DRIVEN 99
FUEL OUT F
FUEL IN F
TOTAL CHARGES 261.97
RATE CHARGE 160.00
SURCHARGE 23.60
CUSTOMER FACILITY CHARGE 23.80
DROP TO AUSTIN 0.00
STATE RENTAL TAX 22.78
AP ACCESS FEE 20.40
CITY RENTAL TAX 11.39

BILL TO VI XXXX
CHECKED IN BY CONNOR C

This is your receipt
No other copies will be provided
Closed rental subject to final audit

Sheraton Austin
 701 East 11th Street
 Austin, TX 78701
 United States
 Tel: 512-478-1111 Fax: 512-478-3700



Sheraton

Mark Burchyett
 2722 Truxtun Rd
 San Diego, CA 92106
 United States

Page Number : 1
 Guest Number : 802985
 Folio ID : A
 Arrive Date : 21-MAY-16 16:38
 Depart Date : 25-MAY-16 15:22
 No. Of Guest : 2
 Room Number : 810
 Club Account :

Tax Invoice

Tax ID : 46-5365229

Sheraton Austin 25-MAY-16 15:30 AUDREY

Date	Reference	Description	Charges (USD)	Credits (USD)
21-MAY-16	RT810	Room Charge	135.00	
21-MAY-16	RT810	Hotel State Tax	8.10	
21-MAY-16	RT810	Hotel City Tax	12.15	
21-MAY-16	RT810	Parking Self - Overnight	22.00	
21-MAY-16	RT810	Sales Tax	1.82	
22-MAY-16	RT810	Room Charge	135.00	
22-MAY-16	RT810	Hotel State Tax	8.10	
22-MAY-16	RT810	Hotel City Tax	12.15	
22-MAY-16	RT810	Parking Self - Overnight	22.00	
22-MAY-16	RT810	Sales Tax	1.82	
23-MAY-16	RT810	Room Charge	135.00	
23-MAY-16	RT810	Hotel State Tax	8.10	
23-MAY-16	RT810	Hotel City Tax	12.15	
23-MAY-16	RT810	Parking Self - Overnight	22.00	
23-MAY-16	RT810	Sales Tax	1.82	
24-MAY-16	RT810	Room Charge	135.00	
24-MAY-16	RT810	Hotel State Tax	8.10	
24-MAY-16	RT810	Hotel City Tax	12.15	

Continued on the next page

Sheraton Austin
 701 East 11th Street
 Austin, TX 78701
 United States
 Tel: 512-478-1111 Fax: 512-478-3700



Sheraton

Mark Burchyett
 2722 Truxtun Rd
 San Diego, CA 92106
 United States

Page Number : 2
 Guest Number : 802985
 Folio ID : A
 Arrive Date : 21-MAY-16 16:38
 Depart Date : 25-MAY-16 15:22
 No. Of Guest : 2
 Room Number : 810
 Club Account :

Date	Reference	Description	Charges (USD)	Credits (USD)
24-MAY-16	RT810	Parking Self - Overnight	22.00	
24-MAY-16	RT810	Sales Tax	1.82	
25-MAY-16	VI	Visa [REDACTED]		-716.28

For Authorization Purpose Only

xxxx [REDACTED]
 Date Code Authorized
 21-MAY-16 04766C 783

Approve EMV Receipt for VI [REDACTED]
 TC:345D71F637FA3AAS TVR:0080008000 AID:A0000000031010
 Application Label:CHASE VISA

** Total 716.28 -716.28
 *** Balance 0.00

With more than 70 destinations worldwide, Sheraton Resorts help you reboot, recharge and get the most out of your stay. Relax, play and experience what the world has to offer. Book your next vacation at www.sheraton.com/resorts

Continued on the next page

Sheraton Austin
701 East 11th Street
Austin, TX 78701
United States
Tel: 512-478-1111 Fax: 512-478-3700



Sheraton

Mark Burchyett
2722 Truxtun Rd
San Diego, CA 92106
United States

Page Number	:	3	
Guest Number	:	802985	
Folio ID	:	A	
Arrive Date	:	21-MAY-16	16:38
Depart Date	:	25-MAY-16	15:22
No. Of Guest	:	2	
Room Number	:	810	
Club Account	:		

Tell us about your stay. www.sheraton.com/reviews

Thank you for choosing the Sheraton Austin Hotel at the Capitol. Be our fan on Facebook & follow us on www.twitter.com/sheratonAustin!

~~13.49~~
\$13.49
x 8.390 Tax

\$1.12 Tax

13.49

14.61

2.92 20% Tip

\$17.53

Tip

Pelons/508 512-243-7874
LIKE us on Facebook@PelonsAustin
802 Red River

Server: Mando
06:09 PM
Table 330/1

DOB: 05/21/2016
05/21/2016
6/60023

SALT

VISA 6291470

Card #XXXXXXXXXX
Magnetic card present: BURCHETT MARK
Card Entry Method: S

Approval: 08660C

PELONS

Pelons/508 512-243-7874
LIKE us on Facebook@PelonsAustin
802 Red River

Server: Corina 05/21/2016
Table 330/1 6:03 PM
Guests: 0 60023

Grilled Zucchini 13.49
~~Cheese Enchilada 13.49~~

Subtotal 26.98
Tax 2.23

Total 29.21

Balance Due 29.21

Visit PelonsTexMex.com
Happy Hour M-F 2pm - 7pm
May We Suggest
(18%): \$ 4.86
(20%): \$ 5.40
(25%): \$ 6.75

Amount: \$ 29.21
+ Tip: 6
= Total: 35.21

I agree to pay the above
total amount according to the
card issuer agreement.

X

Visit PelonsTexMex.com
Happy Hour M-F 2pm - 7pm
May We Suggest
(18%): \$ 4.86
(20%): \$ 5.40
(25%): \$ 6.75

Pelons Tex-Mex Cantina
508 Tequila House
LIKE us on Facebook@PelonsAustin
Visit us at PelonsAustin.com
Happy Hour M-F 2pm - 7pm
Late Night Happy Hour M-F 10pm - Close

Thanks! Come again.

P. Terry's
 1.75
 X .083 Tax
 1.15
 1.75
 \$1.89

Roaring Fork
 \$24.50
 .083 Tax
 2.03
 24.50
 26.53
 5.31 Tip 20%
 \$31.84



515 Congress Ave.
 Austin, TX 78701

128 Cecilia
 Chk 9710 May 22 16 10:31A Gst 0

DINE IN
 1 EGG BURGER 1.75
 SAUSAGE 0.85
 REGULAR
 1 EGG BURGER 1.75
 REGULAR
 BACON 0.85
 XXXXXXXXX [REDACTED]
 VISA 5.63
 Subtotal 5.20
 Tax 0.43
 Payment 5.63

Thank You for dining with us!
 Order number 10

The Roaring Fork
 (512) 583-0000
 701 Congress
 Austin, TX 78701

Server: Joseph DOB: 05/22/2016
 06:35 PM 05/22/2016
 Table 42/1 4/40063

The Roaring Fork
 (512) 583-0000
 701 Congress
 Austin, TX 78701

Server: Joseph 05/22/2016
 Table 42/1 6:35 PM
 Guests: 2 40003

Iced Tea (2 @2.50) 5.00
 Bacon Wrapped Pork Tender (2 @22.0) 44.00
 Subtotal 49.00
 Tax 4.04
 Total 53.04
 Balance Due 53.04

SALE
 VISA 4194306

Card #XXXXXXXXXX [REDACTED]
 Magnetic card present: BURCHYETT MARK
 Card Entry Method: S
 Approval: 08065C

Amount: \$ 53.04
 + Tip: 11-
 = Total: 64.04

I agree to pay the above
 total amount according to the
 card issuer agreement.

Please join us for
 Happy Hour in the Lounge
 4pm to 7pm every day!!
 www.roaringfork.com

Y'all come back soon!

\$19.90
 X .083 TAX
1.65
 19.90
~~21.55~~
 4.31 Tip 20%
\$25.86

801 Red River

Server: Lucias DOB: 05/23/2016
 05:58 PM 05/23/2016
 Table 13/1 2/20056

SALE

VISA 2097206
 Card #XXXXXXXXXX
 Magnetic card present: BURCHYETT MARK
 Card Entry Method: S

Approval: 00196C

Amount: \$ 39.89

+ Tip: 7.00

= Total: 46.89

801 Red River

Server: Lucias 05/23/2016
 Table 13/1 5:58 PM
 Guests: 11 20056
 Reprint #: 1

Club's Miner (2 @16.35) 33.90
 Iced Tea 2.95

Subtotal 36.85
 Tax 3.04

Total 39.89

Balance Due 39.89

Suggested tip amounts provided
 for your convenience
 (20%) = 7.37
 (18%) = 6.63
 (15%) = 5.53

I agree to pay the above
 total amount according to the
 card issuer agreement.

X 

Suggested tip amounts provided
 for your convenience
 (20%) = 7.37
 (18%) = 6.63
 (15%) = 5.53

Thanks! Come again.

\$15.45
 X .083 Tax

 1.28
 15.45

 16.73
 3.35 Tip 20%

20.08

6550 Comanche Tr.
The Oasis

Server: Kevin
 Table 192/1
 Guests: 2
 ICED TEA (2 @3.50) 7.00
 Dinner Burger 11.95
 MEDIUM
 * American Chz 1.25
~~Dinner Fench Chick Salad 14.95~~
 Complete Subtotal 35.15
 4 items
 Subtotal 35.15
 Tax Tax 2.90
 Total Tax 2.90
 Total 38.05
 Balance Due 38.05

For parties of 7 or more, an 18% gratuity has been added.
 Please feel free to raise, lower or remove based on your service experience.
 Thank you! The Oasis

6550 Comanche Tr.

Server: Kevin
 04:05 PM
 Table 192/1
 DOR: 05/24/2014
 05/24/2014
 9/0014

SALE

VISA 3291476
 Card XXXXXXXXX
 Magnetic card presents: BIRCHYETI MARK
 Card Entry Method: S

Approval: 05440C

Amounts 4 38.05
 - Tip 8-
 = Total: 46.05

I agree to pay the above total amount according to the card issuer agreement.

[Signature]

For parties of 7 or more, an 18% gratuity has been added.
 Please feel free to raise, lower or remove based on your service experience.
 Thank you! The Oasis

Merchant Copy

6.00
 X .083 Tax

 6.50
 6.00

 1.30 Tip

\$7.80

THE DRISKILL
 1886 CAFE
 (512) 439-1234

502 ADAM

CHK 1322 MAY24 16 7:12PM

DINING

THE DRISKILL
 1886 CAFE
 604 Brazos Street
 Austin, TX 78701
 (512) 439-1234

1 Cinnamon Roll 6.00
 1 Danish Cream Chz 4.50

 FOOD SALES 10.50
 *TAX 0.87
 TOTAL DUE \$11.37

CHECK: 1322
 SERVER: 502 ADAM
 DATE: MAY24 16 7:15PM
 CARD TYPE: VISA \$
 ACCT #: XXXXXXXXXXXX
 EXP DATE: XX/XX
 AUTH CODE: 05114C
 000000000000VN59 0
 052416191504
 MARK BURCHYETT

Tip: _____
 Total: _____
 Room: _____
 Name: _____
 Signature: _____

SUBTOTAL: 11.37
 TIP: 2.50
 TOTAL: 13.87
 SIGNATURE: _____

Earn or Redeem Points for Dining
 Gold Passport#:
 Last Name:
 Offer code(s):
 Redemption Eligible; 11.37 USD
 *Not point earning eligible.
 #Not point redemption eligible.

I agree to pay the above total
 amount according to cardholder
 agreement.

GRATUITY INCL. FOR PARTIES OF 6
 OR MORE

\$17.25
 X .083 TAX

 1.43
 17.25

 18.68
 3.74 Tip 20%

~~\$22.42~~

Sheraton Austin Capitol

701 E 11th Street
Austin, TX 78701

Contact: (512) 478-1111

930790021 Maria V.

Chk 33334 23
5/25/2016 8:43 AM

2 2 Eggs Your Way @	14.00	28.00
1 Reg Coffee		3.25
Subtotal		\$31.25
Sales Tax		\$0.27
Food Tax		\$2.31
Total Due		\$33.83

FOR ROOM CHARGES ONLY

GRATUITY: _____

TOTAL: _____

ROOM # _____

PRINT NAME _____

SIGNATURE _____

Thank you for dining with us!!!

Sheraton Austin Capitol

701 E 11th Street
Austin, TX 78701

Contact: (512)-478-1111
5/25/2016 9:09 AM

Check: 33334
 Server: 930790021 Maria V.
 Card Type: Visa
 Acct Num: *****
 Auth Code: 07512C

Amount: \$33.83

Gratuity: 7.00

Grand Total: 40.83

X _____

Cardmember agrees to pay the Grand Total in accordance with agreement governing use of such card.

Thank you, please come visit with us again!!!

BRETON K. LOBNER

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Breton Lobner DEPT. NAME & NO. General Counsel
 DEPARTURE DATE: 5/3/2016 RETURN DATE: 5/7/2016 REPORT DUE: 6/6/16
 DESTINATION: Portland, OR

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	
Air Fare, Railroad, Bus (attach copy of itinerary w/charges)	253.46			5/3/16	5/4/16	5/5/16	5/6/16	5/7/16	0.00
Conference Fees (provide copy of flyer/registration expenses)	825.00								0.00
Rental Car*									0.00
Gas and Oil*									0.00
Garage/Parking*									0.00
Mileage - attach mileage form*									0.00
Taxi and/or Shuttle Fare (include tips pd.)*				2.50					2.50
Hotel*			308.67	296.56	296.45	296.56			1,198.24
Telephone, Internet and Fax*					6.75				6.75 0.00
Laundry*									0.00
Tips - separately paid (maids, bellhop, other hotel srvs.)			2.00			2.00			4.00
Meals (include tips pd.)	Breakfast*								0.00
	Lunch*			12.30		13.80			26.10
	Dinner*			71.40	40.00	59.00	54.99		225.39
	Other Meals*								0.00
<i>Alcohol is a non-reimbursable expense</i>									
Hospitality ¹ *									0.00
Miscellaneous						-6.75			-6.75
Baggage fee									0.00
									0.00
*Provide detailed receipts									0.00
Total Expenses prepaid by Authority	1,078.46	0.00	0.00	396.87	336.56	376.00	353.55	0.00	1,462.98

Explanation:	Total Expenses Prepaid by Authority	1,078.46
	Total Expenses Pd. by Employee (including cash advances)	1,462.98
	Grand Trip Total	2,541.44
	Less Cash Advance (attach copy of Authority ck)	
	Less Expenses Prepaid by Authority	1,078.46
	Due Traveler (positive amount)²	
Due Authority (negative amount)³	1,462.98	
<i>Note: Send this report to Accounting even if the amount is \$0.</i>		

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Kendy Rios Ext.: x2424
 Traveler Signature: Breton Lobner Date: 5-18-16
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Bretton K. Lobner Dept: 15
 Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

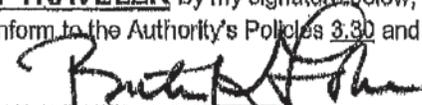
2. DATE OF REQUEST: 1-13-2016 PLANNED DATE OF DEPARTURE/RETURN: 6/3/2016 / 5/7/16

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):
Destination: Portland, OR Purpose: 2016 Legal Affairs Conference & Exhibition
Explanation: Legal Affairs Conference

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:	
• AIRFARE	\$ 400.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 0.00
B. LODGING	\$ 1100.00
C. MEALS	\$ 150.00
D. SEMINAR AND CONFERENCE FEES	\$ 825.00
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$
TOTAL PROJECTED TRAVEL EXPENSE	\$

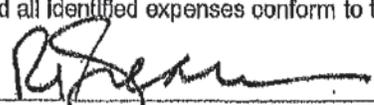
CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 2-23-16

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

- 1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
- 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
- 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature:  Date: 2.11.16

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)
 by the Executive Committee at its _____ meeting,
 (Leave blank and we will insert the meeting date.)



Traveltrust Corporation
 374 North Coast Hwy 101, Suite F
 Encinitas, CA 92024
 Phone: (760) 635-1700

ADD TO OUTLOOK

Wednesday, 13APR 2016 07:24 PM EDT

Passengers: BRETON LOBNER (19)

Agency Reference Number: NRWWDZ

Click here to view your current Itinerary or ETicket receipt on-line: trjpcase.com

Southwest Airlines Confirmation 9ZB5DU

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
 Be sure to visit www.traveltrust.com for additional travel information

You are a valued client and we want to do everything possible to make your trip enjoyable and worry free.
 Because the unexpected can occur, we offer the Travel Insured Plan. It has excellent
 benefits and combines insurance coverage with Emergency Hotline Services. Please click the following link
 for a free quote or more information. [Click Here](#) (Currently Available For U.S. Departures Only)

AIR Tuesday, 3MAY 2016

Southwest Airlines
From: San Diego CA, USA
To: Portland OR, USA
Stops: 1
 Sacramento CA, USA

Flight Number: 1981
Depart: 11:50 AM
Arrive: 03:15 PM
Duration: 2 hour(s) 55 minute(s)

 **Class:** T-Coach/Economy

Status: CONFIRMED

Miles: 947 / 1515 KM

Equipment: Boeing 737-700 Jet
 DEPARTS SAN TERMINAL 1
 FREQUENT FLYER NUMBER [REDACTED]
Southwest Airlines Confirmation number is 9ZB5DU

AIR Saturday, 7MAY 2016

Southwest Airlines
From: Portland OR, USA
To: San Diego CA, USA
Stops: Nonstop

Flight Number: 0622
Depart: 02:15 PM
Arrive: 04:40 PM
Duration: 2 hour(s) 25 minute(s)
Status: CONFIRMED

 **Class:** S-Coach/Economy

Miles: 934 / 1494 KM

Equipment: Boeing 737-700 Jet
 ARRIVES SAN TERMINAL 1
 FREQUENT FLYER NUMBER [REDACTED]
Southwest Airlines Confirmation number is 9ZB5DU

A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN
 UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND.
 SOUTHWEST AIRLINES CONFIRMATION NUMBER - 9ZB5DU
 FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043

Ticket/Invoice Information

Ticket for: BRETON LOBNER

Ticket Nbr: WN2401258716 Electronic Tkt: No Amount: 223.46
Base: 177.92 Tax: 45.54
Charged to: AX*****[REDACTED]

Service fee: BRETON LOBNER
Date issued: 4/13/2016
Document Nbr: XD0674859423 Amount: 30.00
Charged to: AX*****[REDACTED]

Total Tickets: 223.46
Total Fees: 30.00
Total Amount: 253.46

Click here 24 hours in advance to obtain boarding passes:
[SOUTHWEST](#)

Click here to review Baggage policies and guidelines:
[SOUTHWEST](#)

TSA Guidance- a government issued photo id is needed for checkin.
Please allow minimum 3 hour check-in for International flights and 2 hours for Domestic.
For Additional security information visit www.tsa.gov.

Thank you for choosing Traveltrust!
Our Business Hours are 1am-5:30pm Pacific Monday - Friday.
Saturday from 9am-1pm Pacific.
For EMERGENCY AFTERHOURS assistance in the US, please call 888-221-6043 and use VIP Code SJE72.
You can also use the Direct Dial Number 682-233-1914 or the collect number 682-647-0061.
Each call is billable at a minimum \$25.00.

The Nines
 525 SW Morrison
 Portland, OR 97204
 United States
 Tel: 503-222-9996 Fax: 503-222-9997



Breton Lobner
 120 29TH PL
 MANHATTAN BCH, CA 90266-2026
 United States

Page Number : 1
 Guest Number : 661954
 Folio ID : A
 Arrive Date : 03-MAY-16 16:38
 Depart Date : 07-MAY-16 11:17
 No. Of Guest : 1
 Room Number : 810
 Club Account : SPG [REDACTED]

Tax Invoice

Tax ID : 20-4185118
 The Nines 07-MAY-16 11:17 SUZARAN

Date	Reference	Description	Charges (USD)	Credits (USD)
03-MAY-16	5160	Urban Farmer	10.00	
03-MAY-16	5160	Urban Farmer	2.00	
03-MAY-16	RT810	Room Charge	259.00	
03-MAY-16	RT810	Lodging Tax	32.38	
03-MAY-16	RT810	Portland Tourism Assessment	5.18	
04-MAY-16	RT810	Room Charge	259.00	
04-MAY-16	RT810	Lodging Tax	32.38	
04-MAY-16	RT810	Portland Tourism Assessment	5.18	
05-MAY-16	RT810	Room Charge	259.00	
05-MAY-16	RT810	Lodging Tax	32.38	
05-MAY-16	RT810	Portland Tourism Assessment	5.18	
06-MAY-16	RT810	Room Charge	259.00	
06-MAY-16	RT810	Lodging Tax	32.38	
06-MAY-16	RT810	Portland Tourism Assessment	5.18	
07-MAY-16	AX	American Express-8586		-1198.24

For Authorization Purpose Only

[REDACTED]
 Date Code Authorized

Continued on the next page

The Nines
525 SW Morrison
Portland, OR 97204
United States
Tel: 503-222-9996 Fax: 503-222-9997



Breton Lobner
120 29TH PL
MANHATTAN BCH, CA 90266-2026
United States

Page Number : 2
Guest Number : 661954
Folio ID : A
Arrive Date : 03-MAY-16 16:38
Depart Date : 07-MAY-16 11:17
No. Of Guest : 1
Room Number : 810
Club Account : SPG - Axxxxxx

03-MAY-16	326082	1126.65
03-MAY-16	266497	375.55

** Total	1198.24	-1198.24
*** Balance	0.00	

As a Starwood Preferred Guest you have earned at least 2096 Starpoints for this visit! Axxxxxx

Tell us about your stay. www.luxurycollection.com/reviews

Rios Kendy

From: meetings@aci-na.org
Sent: Friday, February 12, 2016 1:41 PM
To: Lobner Breton
Cc: Rios Kendy
Subject: 2016 Legal Affairs Spring Conference Registration Details

**Airports Council International - North America
REGISTRATION CONFIRMATION & RECEIPT**

2016 Legal Affairs Spring Conference
Wednesday, May 4, 2016 through Saturday, May 7, 2016
The Nines
525 SW Morrison
Portland OR, 97204

Confirmation #81870

Registrant Information		
Badge	Bret Breton K. Lobner General Counsel San Diego County Regional Airport Authority San Diego, CA	Address 3225 N. Harbor Drive San Diego, CA 92101 USA Phone: (619) 400-2424 Email: blobner@san.org
Attendee Type(s)	Member Airport	
Total Registration		
	Total Registration Fees	\$ 825.00
	Amount Paid -- Thank You	\$ 825.00
	Balance Due	\$ 0.00
Basic Registration Fees		
	Conference Registration Fee	\$ 825.00
Additional Information		
2016 Legal Affairs Spring Conference May 4-7, 2016		

Bret's lunch \$12.30

Train
\$1 2.50



THE COUNTER



San Diego Intl Airport
San Diego, CA 92101
619-220-0368
San Diego Terminal 1 Rotunda

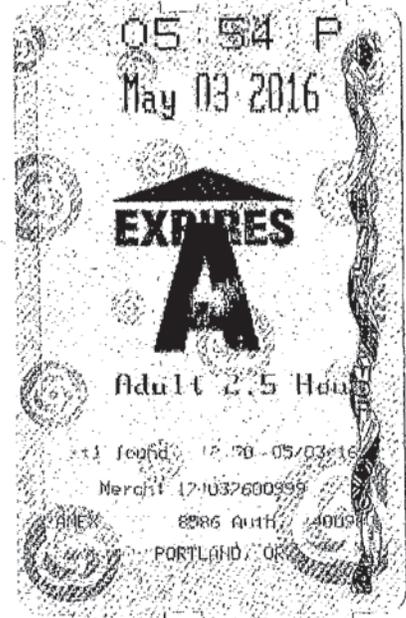
1280 Donna D

Chk 2815 BRET
 May03'16 11:01AM

1 ANGUS BEEF - American - Brioche Bun	9.95
1 Btl Water	2.71
XXXXXXXXXX	
AMER EXPRESS	12.30

FOOD	9.95
BEVERAGE	2.71
10 %	
10% DISC	1.27
TAX	0.91
PAYMENT	12.30

-----1450 Check Closed-----
-----May03'16 11:05AM-----



5/3

Dinner \$71.40

Port of Portland 5.3 Individual Itemized Receipt
ANDINA
1314 NW GLISAN
503-228-9535

Server: Matthew 05/03/2016
Table 6000/1 10:48 PM
Guests: 1 40016

TRES SALSAS CON PAN	1.50
3 COURSE PRIX FIXE MENU	58.00
Subtotal	59.50
Total	59.50
Gratuity 20.00%	11.90
Total	71.40

Muchas Gracias
Bar Mestizo features live
Latin music 7 days a week

Dinner
Bret's share
\$ 40

Little Bird
219 SW 6th
Portland, OR 97204
ph 503-688-5952

Guest Check
Thank You for Visiting

TABLE: 41 - 4 Guests
Your Server was Eric
5/4/2016 9:57:28 PM
Sequence #: 000082
ID #: 0222719

ITEM	QTY	PRICE
██████████		██████████
Coconut Cream Cake	1	\$10.00
Coq Au Vin	(2@)	\$27.00 \$54.00
Daily Fish	1	\$7.00
Matello, Caprice, (BTL)	(2@)	\$40.00 \$80.00
Trout	1	\$26.00
Subtotal		\$226.00
Grand Total		\$226.00
Amount Due:		\$226.00

MERCI
Guest Check

5/5
Lunch \$13.80

5/5
Dinner
Bret's share \$59⁰⁰

red hills market

Order #30-658 May 5, 2016, 1:30 PM
Sale Served by Whitney
Transaction #0172073005051612639

1 x COBB 12.00
1 x TO GO 0.00

Subtotal 12.00
Total 12.00

Name LOBNER/BRETOI
Approval Code 73718

Amount 12.00
Tip 1.8
Total Charged 13.8

I agree to pay the above total amount
according to the card issuer agreement.

Signature Bret

155 SW 7th Street
Dundee, OR 97115
United States
971.832.8414
info@redhillsmarket.com

redhillsmarket.com

OINKI



13

THE
JOEL PALMER
HOUSE

Order# 95/
Seat Count-1
Table: 14
Date: 5/5/16, 6:18 PM

3 course \$59.00
Coffee \$3.00
18% Service Charge \$25.56

Subtotal: \$167.56
Total Tax: \$0.00

Total: \$167.56

Order Balance due: \$167.56

Service Charge has been
added in lieu of gratuity
Feel free to adjust this amount
as you deem appropriate.

The Nines, Portland Business Center Receipt

Thank you for your purchase.

Computer Usage

15 minutes at \$5.95 per 15 minutes: \$5.95

Printing

5 grayscale pages free: \$0.00

2 grayscale pages at \$0.40 per page: \$0.80

Total Payment: \$6.75

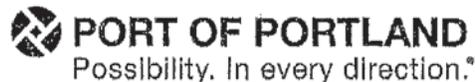
Payment Method: American Express, ***[REDACTED]
Payment Date: Thursday, May 05, 2016 11:19:54 PM

Thank you for using the Business Center at The Nines, Portland.



ACI-NA Legal Affairs Spring Conference May 4 – 7, 2016 • The Nines • Portland, OR

Host Airport



Sponsors



Wednesday, May 4, 2016

- 8:00am – 5:00pm **Registration**
Nines Ballroom Foyer (6th floor); The Nines
- 9:30am – 12:00pm **Steering Group Meeting (Steering Group Members only)**
Gallery 1 & 2; The Nines
- 12:45pm – 5:00pm **GENERAL SESSION**
All General Session Presentations will take place in the Fashion/Culture Ballroom
- 12:45pm – 1:00pm **Welcome and Introduction -- Moderator: Tom Devine, ACI-NA General Counsel;**
Speakers: Wendy Hain, Assistant General Counsel, Port of Portland, Portland International Airport ; Vince Granato, Chief Operating Officer, Port of Portland.
- 1:00pm – 1:30pm **FAA Perspective on Big Picture Issues – Moderator: Tom Devine, ACI-NA General Counsel;**
Speaker Eddie Angeles, FAA Associate Administrator for Airports. FAA Reauthorization, including PFCs and AIP issues, drones, land use, and more.
- 1:30pm – 2:30pm **Airport Development Part I: Legal Counsel Roles and Issues in Financing Transactions, and Airport Development Projects**
1:30-1:35pm Intro by Moderators Emily Neuberger, Senior Vice President & General Counsel, Wayne County Airport Authority, Detroit Metro Airport; Jeff Letwin, Partner, Saul Ewing LLP (Outside General Counsel, Allegheny County Airport Authority – Pittsburgh International Airport).
1:35-2:00pm Dave Bannard (Partner, Foley & Lardner); and Cindy Nichol (CFO, Port of Portland). Legal counsel roles and issues in the issuance of Airport Revenue Bonds for airport capital development;

2:00-2:15pm *Brandon Davis (Attorney, Nossaman LLP). LAX LAMP program;*

2:15-2:30pm *Carlene McIntyre, Assistant General Counsel Port Authority of New York and New Jersey LaGuardia Airport P3 redevelopment project.*

2:30pm – 2:45pm

Break
Nines Ballroom Foyer; The Nines

2:45pm – 4:00pm

Airport Development Part II: Legal Counsel Roles and Issues in Financing Transactions, Large Capital Improvement Programs and Airport Hotel Projects

2:45-3:15pm *Ann Morgan (Partner, Fenmore Craig Jones Vargas, outside general counsel, Reno Tahoe Airport Authority) and Tina Iftiger (Vice President of Economic Development, Reno Tahoe Airport Authority) Reno Tahoe Airport development project;*

3:15-3:30pm *Steve Michoulas (Director, Legal Services & Legal Counsel, Vancouver Airport Authority) Vancouver Non-Aeronautical Development project;*

3:30-3:45pm *Paul Tomme (Legal Counsel, Dallas/Fort Worth International Airport) DFW hotel financing;*

3:45-4:00pm *Brian Sadek (Assistant General Counsel, Wayne County Airport Authority) DTW Westin Hotel refinancing and renegotiation of Starwood Hotel Management.*

4:00pm – 5:00pm

Litigation Update (Closed Session. No one representing interests adverse to airports on topics being discussed may attend during that discussion) – Moderator: Joe Messina, Divisional Deputy City Solicitor, City of Philadelphia Law Department, Philadelphia International Airport. Dallas Love Field-related cases, Tampa PFC litigation, Phoenix Next Gen litigation (*Eric Pilsk, Kaplan Kirsch & Rockwell*), Part 16 skydiving cases (*Dave Bannard, Foley & Lardner, Eric Pilsk, Kaplan, Kirsch & Rockwell*); *Mocek v. City of Albuquerque* (10th Circuit case affirming the qualified immunity dismissal of lawsuit against arresting Aviation police officers, and discussing retaliatory arrests and First and Fourth Amendment concepts in an airport forum) (*Peter Pierotti, Assistant City Attorney, Aviation, Albuquerque International Sunport*); implications for other airports of FAA's position on the reversion of federal interest, the implications of grant amendments, and the duty to enter into long term leases in ongoing litigation involving Santa Monica; the settlement of the LA/ONT case and related PFC issues (*Scott Lewis, Anderson & Kreiger*).

5:30pm – 7:00pm

Welcome Reception sponsored by Miller Nash Graham & Dunn LLP
111 SW Fifth Avenue, Suite 3400 | Portland, OR 97204

The reception will be held just four blocks away at the landmark U.S. Bancorp Tower, referred to as "Big Pink" due to its unique coloring. Please proceed up the middle bay of elevators to the law offices of our sponsor Miller Nash Graham & Dunn LLP on the 34th floor.

**MILLER
NASH** | **GRAHAM
& DUNN**^{LLP}
ATTORNEYS AT LAW

Thursday, May 5, 2016

- 7:30am – 12:00pm **Registration**
Nines Ballroom Foyer (6th floor); The Nines
- 7:30am – 8:00am **Continental Breakfast**
Nines Ballroom Foyer; The Nines
- 8:00am – 8:30am **Legislative Update: ACI-NA Perspective** *Speaker: Tom Devine, ACI-NA General Counsel. FAA Reauthorization, security legislation, and more.*
- 8:30am – 10:00am **Airport Revenue Use Part I** – *Moderator Dan Reimer, Assistant General Counsel, Denver International Airport. Speakers: Scott Lewis, Anderson & Kreiger; Randy Fiertz, Manager of FAA's Northwest Mountain Region - Airports Division; Joelle Briggs, Manager, Seattle Airports District Office, FAA. Revenue Use and Self-Sustaining requirements for commercial development agreements, property acquisition, usage, leasing, and disposal. When can you do a voluntary transaction and buy a piece of land that someone offers you that is near the airport? What are the implications regarding compatible uses, land banking, etc.?*
- 10:00am – 10:15am **Break**
Nines Ballroom Foyer; The Nines
- 10:15am – 11:15am **Airport Revenue Use Part II** – *Moderator: Wendy Hain, Assistant General Counsel, Port of Portland, Portland International Airport. Speakers: T.J. Roskelly, Partner, Anderson Kreiger; Leila Lahbabi, Senior Assistant City Attorney/Airport Attorney, Charlotte Douglas International Airport; Kristen Rectenwald Senior Assistant City Attorney, Aviation Practice Group, City of Atlanta Department of Law; Randy Fiertz, Manager of FAA's Northwest Mountain Region - Airports Division. How do the Revenue Use requirements apply to payments in lieu of taxes (PILOTS), settlement of lawsuits; payments of project mitigation measures, stormwater fees and leases for USO or Police Protection?*
- 11:15am – 12:00pm **FAA Update** *Moderator Louisa Goldstein. Speaker: Randy Fiertz, Manager of FAA's Northwest Mountain Region - Airports Division - enforcement issues, staffing concerns. FAA response to A4A letter on per turn fees. Possible Rates and Charges Policy changes. Status of ACI-NA initiatives on incentives and land use, and other issues.*
- Noon **Adjourn for the day**

Friday, May 6, 2016

- 8:00am – 4:00pm **Registration**
Nines Ballroom Foyer (6th floor); The Nines
- 8:00am – 9:00am **Continental Breakfast**
Nines Ballroom Foyer; The Nines
- 9:00am – 10:15am **Legal Issues in Hiring Airport CEOs** – *Moderator: Nancy McNair; Speakers Sheryl Bregman, Airport General Counsel, Office of the San Francisco City Attorney San Francisco International Airport; Debra Braga, Chief Legal Officer, Jacksonville Aviation Authority; Ann Morgan, Partner, Fennemore Craig Jones Vargas (Outside General Counsel, Reno Tahoe Airport; Tom Anderson, General Counsel Metropolitan Airports Commission, Minneapolis-St. Paul International Airport, and search firm representative. Many airport CEO positions have recently become, or are anticipated to become, open in the near future. This session will discuss the methods for filling positions and the involvement of airport lawyers, covering topics such as how can airports conduct searches/negotiations in light of*

Open Meetings Act and state/local Open Records/Sunshine Act requirements?

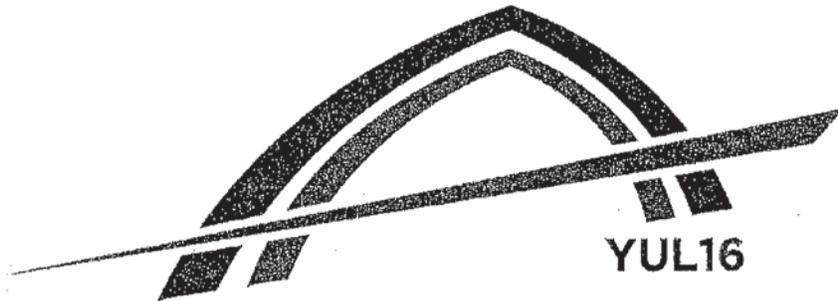
- 10:15am – 10:30am **Break**
Nines Ballroom Foyer; The Nines
- 10:30am – 12:00pm **Cyber Security** – Moderators: *Ann Morgan, Partner, Fennemore Craig Jones Vargas (Outside General Counsel, Reno Tahoe Airport); Bret Lobner, General Counsel, San Diego County Regional Airport Authority. Speaker: Marty Mueller, Director of IT, Reno-Tahoe Airport Authority).* Cautionary tales for airport attorneys concerning cyber security – measures to protect the airport from breaches and how to respond if there is a breach.
- 12:00pm – 1:30pm **Lunch**
Design 1 & 2 Ballrooms; The Nines – Speaker Scott Schickli, Of Counsel, Orrick, Herrington & Sutcliffe – Implications for Airport Bond Issues of Proposed IRS Revision to the Definition of "Political Subdivision."
- 1:30pm – 2:45pm **Airport Legal Ethics Interactive Session Part I** - Speakers *Peter Pierotti, Assistant City Attorney, Aviation, Albuquerque International Sunport; Tim Karaskiewicz, General Mitchell International Airport, Office of the Milwaukee County Corporation Counsel; Dave Mackey Partner, Anderson & Kreiger.*
- 2:45pm – 3:00pm **Break**
Nines Ballroom Foyer; The Nines
- 2:45pm – 4:00pm **Airport Legal Ethics Interactive Session Part II** - Speakers *Peter Pierotti, Assistant City Attorney, Aviation, Albuquerque International Sunport; Tim Karaskiewicz, General Mitchell International Airport, Office of the Milwaukee County Corporation Counsel; Dave Mackey Partner, Anderson & Kreiger.*
- 4:00pm – 5:00pm **Airport Law Roundtable (Closed Session. No one representing interests adverse to airports on topics being discussed may attend during that discussion)** - Moderator: *Tim Abbott, Assistant County Attorney, Dade County (Miami International Airport):* Safety Management Systems, Title VI Issues: Contract compliance, non-aeronautical use of hangars, ATC Metroplex issues, Stormwater litigation; proposed new IRS definition of "Political Subdivision" – impact on tax exempt status of some airport bonds; open carry – guns & dope, other issues.
- 5:30pm – 6:30pm **Reception hosted by the Port of Portland**
Join ACI-NA and the Port of Portland in **The Nines Ballroom Prefunction on the 6th Floor** for a unique cocktail experience at the host airport reception. The evening will be filled with food, drinks and a chance to network with your peers.



Saturday, May 7, 2016

- 8:00am – 10:00am **Registration**
Nines Ballroom Foyer (6th floor); The Nines
- 8:00am – 8:30am **Continental Breakfast**
Nines Ballroom Foyer; The Nines
- 8:30am – 10:00am **Airline Rates and Charges** - Moderator: *Pablo Nuoesch, Partner, Spiegel & McDiarmid. Speakers: Susana Carbajal, Assistant Director, Austin-Bergstrom International Airport; Dave Bannard, Partner, Foley & Lardner; Scott Lewis, Partner, Anderson & Kreiger; Peter Kirsch, Partner, Kaplan Kirsch & Rockwell.* Smaller airports seeking to negotiate a use and lease agreement with a per turn fee for low frequency carriers are getting vigorous push-back from legacy carriers. What is the impact of FAA's recent response to the A4A letter on this issue? How can airports reasonably accommodate different airlines operating under vastly different business models? Discussion of the Austin P3 project for an ultra-low cost carrier terminal. Legal and policy reasons for airports to consider rates by ordinance/resolution if airlines won't agree to reasonable terms in an agreement.
- 10:00am – 10:45am **TSA Update** - Moderator: *Bob Watson, Senior Vice President & CLO, Metropolitan Nashville Airport Authority; Speaker: Francine Kerner, Chief Counsel, Transportation Security Administration.* Topics include insider threat: employee/concessionaire screening, enforcement of Real ID laws, TSA regulation by Security Directives, and other airport security issues.
- 10:45am – 11:00am **Break**
Nines Ballroom Foyer; The Nines
- 11:00am – 12:30pm **Unmanned and Unregulated Aeronautical Vehicles** - Moderator: *Tom Anderson, General Counsel Metropolitan Airports Commission, Minneapolis-St. Paul International Airport. Speakers Jonathan Cross, Senior Attorney for Airport Certification, FAA Office of the Chief Counsel; Eric Smith, Partner, Kaplan, Kirsch & Rockwell.* The role of airports in addressing unmanned aeronautical vehicle issues: What to do when FAA asserts jurisdiction but does not regulate to ensure safety? Pre-emption, jurisdiction, local police powers, FAA's B4UFLY app, and more. Who is entitled to make the rules and who enforces them?
- 12:30pm **Conference Adjourns**

Mark your calendars!



**2016 ACI-NA/World
Annual Conference/World
Annual General Assembly**
September 25-28, 2016 | Montréal

<http://annual.aci-na.org>

BUSINESS EXPENSE

THELLA F. BOWENS

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BUSINESS EXPENSE REIMBURSEMENT REPORT**

April/May 2016

Period Covered

DATE	G/L Account	Description	AMOUNT
4/22/16	66290	Parking for meeting at SD Chamber of Commerce	\$ 20.00
5/13/2016	66240.100	Business meeting lunch with Clay Pasley to discuss P3 Programming Potential	\$ 50.22
TOTAL			\$70.22

I acknowledge that I have read, understand and agree to Authority *Policy 3.30 - Business Expense Reimbursement Policy and that any purchases that are not allowed will be my responsibility. I further certify that this report of business expenses were incurred in connection with official Authority business and is true and correct.

* Policy 3.30

Thelia Bowens

NAME Thelia Bowens

DATE 5/31/2016

APPROVED:

NAME

DATE

