

## Special Board Meeting Agenda

**Monday, March 2, 2026**  
**9:00 AM**

San Diego County Regional Airport Authority  
Administration Building  
First Floor – Boardroom  
2417 McCain Road  
San Diego, CA 92101

### Board Members

Gil Cabrera (Chair)  
James Sly (Vice-Chair)  
Whitney Benzian  
Monica Montgomery Steppe  
Rafael Perez  
Esther C. Sanchez  
Steve Vaus  
Marni von Wilpert

### Ex-Officio Board Members

Ann Fox  
Col. R. Erik Herrmann  
Michele Perrault

### President/CEO

Kimberly J. Becker

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

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

Staff Reports and documentation relating to each item of business on the Agenda are on file in the Office of the Authority Clerk Department and are available for public inspection.

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

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

*The Authority has identified a local company to provide oral interpreter and translation services for public meetings. If you require oral interpreter or translation services, please telephone the Office of the 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:

## NEW BUSINESS:

### **1. APPROVE A FRAMEWORK FOR PROJECT LABOR AGREEMENTS FOR CERTAIN CAPITAL IMPROVEMENT PROGRAM PROJECTS AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2026-0019, approving a framework that will be used to determine whether future projects will be covered by Project Labor Agreements.

**(Development: Angela Shafer-Payne, VP & Chief Development Officer)**

## PRESENTATIONS:

### **A. DISCUSSION REGARDING THE PARAMETERS FOR THE FISCAL YEAR 2027 AND FISCAL YEAR 2028 OPERATING BUDGETS:**

Presented by Scott Brickner, Vice President/Chief Financial Officer and Maya Dayan, Director, Finance & Airline Relations

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

- **AUDIT COMMITTEE:**  
Committee Members: Huerta, Newsom (Chair), Montgomery Steppe, Perez, Sanchez, Vaus, Wong Nickerson
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**  
Committee Members: Benzian, Perez, Sanchez, von Wilpert (Chair)
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Committee Members: Cabrera (Chair), Sly
- **FINANCE COMMITTEE:**  
Committee Members: Sly (Chair), von Wilpert

## ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**  
Liaison: Benzian (Primary)
- **ARTS ADVISORY COMMITTEE:**  
Liaison:

## LIAISONS

- **CALTRANS:**  
Liaison: Fox
- **INTERGOVERNMENTAL AFFAIRS:**  
Liaison: Cabrera
- **MILITARY AFFAIRS:**  
Liaison: Herrmann
- **PORT:**  
Liaisons: Cabrera (Primary), von Wilpert
- **WORLD TRADE CENTER:**  
Representative: Sly

## BOARD REPRESENTATIVES (EXTERNAL)

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

## CHAIR REPORT:

## PRESIDENT/CEO REPORT:

## NON-AGENDA PUBLIC COMMENT:

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

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

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## **CONSENT AGENDA (ITEMS 2-13):**

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

### **2. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the Minutes of the January 23, 2026, Special Board Meeting and the February 5, 2026, Regular Board Meeting.

### **3. 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.

**(Office of the Authority Clerk: Annette Fagan Ortiz, Authority Clerk)**

### **4. AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM JANUARY 9, 2026, THROUGH FEBRUARY 5, 2026, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 9, 2026, THROUGH FEBRUARY 5, 2026:**

RECOMMENDATION: Receive the report.

**(Procurement: Jana Vargas, Director)**

### **5. MARCH 2026 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2026-0012, approving the March 2026 Legislative Report.

**(Government Relations and Strategy: Matt Harris, Director)**

### **6. AMEND AUTHORITY POLICY 1.10(4)(a) INCREASING THE AMOUNT OF COMPENSATION A BOARD MEMBER MAY RECEIVE FOR A DAY OF SERVICE TO \$250:**

RECOMMENDATION: Adopt Resolution No. 2026-0013, amending Authority Policy 1.10(4)(a) to increase the amount of compensation a Board Member may receive for each day of service to \$250, effective March 1, 2027.

**(Government Relations and Strategy: Matt Harris, Director)**

## **CLAIMS:**

### **7. REJECT CLAIM OF RODERICK DICK:**

RECOMMENDATION: Adopt Resolution No. 2026-0014, rejecting the claim of Roderick Dick.

**(General Counsel: Amy Gonzalez)**

## COMMITTEE RECOMMENDATIONS:

**8. ACCEPTANCE OF THE SINGLE AUDIT REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2025:**

RECOMMENDATION: The Audit Committee recommends that the Board accept the Single Audit Report for the Fiscal Year Ended June 30, 2025.

**(Accounting: Liz Stewart, Director)**

**9. FISCAL YEAR 2026 SECOND QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**

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

**(Audit: Lee Parravano, Chief Auditor)**

**10. APPROVE THE FIRST AMENDMENT TO THE ON-CALL CONSTRUCTION AUDIT SERVICES PROVIDER AGREEMENT WITH BAKER TILLY US, LLP EXTENDING THE TERM FOR ONE YEAR:**

RECOMMENDATION: Adopt Resolution No. 2026-0015, approving the First Amendment to the On-Call Construction Audit Services provider agreement with Baker Tilly US, LLP extending the term by one year.

**(Audit: Lee Parravano, Chief Auditor)**

**11. REVISION TO THE FISCAL YEAR 2026 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2026-0016, approving the revision to the Fiscal Year 2026 Audit Plan of the Office of the Chief Auditor.

**(Audit: Lee Parravano, Chief Auditor)**

## CONTRACTS AND AGREEMENTS:

**12. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE BLANKET PURCHASE ORDER WITH HKA GLOBAL, INC., FOR E-CONSTRUCTION PROJECT MANAGEMENT SOFTWARE SYSTEM SERVICES:**

RECOMMENDATION: Adopt Resolution No. 2026-0017, approving and authorizing the President/CEO to execute a First Amendment to the Blanket Purchase Order with HKA Global, Inc., for E-Construction Project Management Software System Services, extending the term for eighteen (18) months to January 22, 2028.

**(Information & Technology Services: Jessica Bishop, Director)**

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

**13. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE ON-CALL PAVEMENT REPAIR SERVICES AGREEMENT WITH R.P. GENERAL CONSTRUCTION, INC.:**

RECOMMENDATION: Adopt Resolution No. 2026-2018, approving and authorizing the President/CEO to execute a Second Amendment to the On-Call Pavement Repair Services Agreement with R.P. General Construction, Inc., increasing the amount payable by an amount not to exceed \$4,200,000, resulting in a total maximum amount payable up to \$27,700,000.

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

## PUBLIC HEARINGS:

## CONTINUED BUSINESS:

## CLOSED SESSION:

**14. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9  
Number of potential Cases: 1

**15. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**

Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9  
Name of Case: San Diego County Regional Airport Authority v. AQ US SW Holding Co., et al., San Diego Superior Court Case No. 37-2023-00032124-CU-BC- CTL

## REPORT ON CLOSED SESSION:

## GENERAL COUNSEL REPORT:

## BOARD COMMENT:

## ADJOURNMENT:

Monday, March 2, 2026

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

- 1) Persons wishing to address the Board, ALUC, and Committees shall submit a speaker slip to the Clerk prior to the initiation of the portion of the Agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to submit a speaker slip shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the Agenda is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board.
- 3) Persons wishing to speak on specific items listed on the Agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.

After a public hearing or the public comment portion of the meeting has been closed, no person shall address the Board, ALUC, and Committees without first obtaining permission to do so.

## Additional Meeting Information

**NOTE:** This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2550 at least three (3) working days prior to the meeting to ensure availability.

For your convenience, the Agenda is also available to you on our website at [www.san.org](http://www.san.org).

**For those planning to attend the Board meeting, parking is available in the Airport Administration Building Parking Lot (entrance on the east side of McCain Road). Bring your ticket to the first-floor receptionist for validation.**

**Visitors can park in the lot from 8:00 a.m. to 5:00 p.m.**

You may also reach the SDCRAA Building by using public transit via the San Diego MTS System, Route 923. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511

## Staff Report

**Meeting Date:** March 2, 2026

**Subject:**

**Approve a Framework for Project Labor Agreements for Certain Capital Improvement Program Projects at San Diego International Airport**

**Recommendation:**

Adopt Resolution No. 2026-0019, approving a framework that will be used to determine whether future projects will be covered by Project Labor Agreements.

**Background/Justification:**

On April 4, 2019, the Airport Authority Board of Directors voted to require contractors working on the New Terminal 1 (NT1) Program to enter into Project Labor Agreements (PLA) for design-build projects within the program. The Board considered that the NT1 Program would involve construction work that would affect a majority of the existing airport footprint and would be performed while the airport continues to operate. It was established that timely and successful completion of the NT1 construction projects, were critical to the safe and efficient movement of San Diego International Airport passengers and cargo and an improved passenger experience. Finally, consideration was given to the essential work of the program and necessity that these projects be performed in a timely and economical manner that maximizes airport security and safety, without interruption. Labor stability and cooperation were critical to achieving this goal.

Following this direction, the design-build contractors, the Joint Venture Partnership (Turner/Flatiron) for Terminal, Landside and Roadway elements and Sundt for the Administration Building element independently negotiated PLAs. The PLAs for these elements have been successful. The projects have seen labor stability and have met the milestones established in the contract.

California law specifically allows a public entity to require contractors to enter into project labor agreements under certain circumstances. Specifically, Public Contract Code §2500 *et seq.* states:

- a) A public entity may use, enter into, or require contractors to enter into, a project labor agreement for a construction project only if the agreement includes all of the following taxpayer protection provisions:

- 1) The agreement prohibits discrimination based on race, national origin, religion, sex, sexual orientation, political affiliation, or membership in a labor organization in hiring and dispatching workers for a project.
- 2) The agreement permits all qualified contractors and subcontractors to bid for and be awarded work on the project without regard to whether they are otherwise parties to collective bargaining agreements.
- 3) The agreement contains an agreed-upon protocol concerning drug testing for workers who will be employed on the project.
- 4) The agreement contains guarantees against work stoppages, strikes, lockouts, and similar disruptions of the project.
- 5) The agreement provides that disputes arising from the agreement shall be resolved by a neutral arbitrator.

PLAs have been used by numerous governmental agencies nationwide to standardize working conditions for workers and to promote labor harmony on large, long-term public works projects. PLAs have been successfully used on large-scale projects at the busiest California airports, including Los Angeles International Airport, San Francisco International Airport, Oakland International Airport, San Jose International Airport, and Long Beach International Airport.

### Questions often Raised About Project Labor Agreements

**Do PLAs exclude non-union contractors from working on the project?** The use of a PLA does not exclude non-union contractors. California law explicitly requires a PLA to permit all qualified contractors and subcontractors to bid on the project without regard to whether they are union or non-union. Both union and non-union contractors are eligible to submit bids for the project, but in the performance of services, all contractors must comply with all terms of the negotiated PLA.

**How can PLAs ensure compliance with a local agency's local, small, disadvantaged and minority-owned business policies?** The use of a PLA does not preclude the Authority from requiring compliance with its local, small, disadvantaged, and veteran-owned business policies. The Authority may require that PLAs recognize and comply with the Authority's policies and commitments for the utilization of business enterprises owned and/or controlled by small, local, disadvantaged, and veteran-owned persons and others. The terms of the PLAs would require the parties to ensure that these commitments are fully met.

**Can PLAs ensure maximum usage of local labor and apprentices?** The use of a PLA allows maximum usage of local labor in a non-discriminatory manner and emphasizes apprenticeship programs.

The PLAs would include specific understandings and agreements permitting and encouraging geographical preferences in employment, utilization of training and apprenticeship programs for introduction of area residents to the skills necessary to work in the construction industry and provisions to encourage the utilization of a diversity of business enterprises for construction work under the PLAs.

## Outreach/Research

At the completion of NT1 Phase 1A, staff reached out to two key groups to solicit feedback on the NT1 PLA: local union representatives (including the San Diego County Building and Construction Trades Council) and representatives of the contractor community. The unions shared a desire that all contractor solicitations be afforded ample time for contractors to submit. Additionally, they offered some feedback about contractor work area facilities, access for union representatives to site areas, and other logistical concerns. Beyond these issues, the unions were generally satisfied with how the PLAs worked on the New T1 project and supported our efforts to require PLAs on projects going forward. The Associated General Contractors, who represent the contractor community, expressed similar satisfaction with the NT1 PLA and supported the process outlined below to include PLAs in future projects.

Second, staff reached out to Los Angeles International Airport and San Francisco International Airport to understand application of PLAs to their capital programs. Both are the same, in that PLAs are applied to specific capital projects where timing of the project, if not managed properly, would have detrimental impacts on other projects and/or there is a specific time constraint associated with the project. The difference between the two airports arose around when projects are reviewed for potential inclusion under a PLA. In the case of Los Angeles International Airport, the capital program is reviewed every two years for identification of projects to be included within a PLA, previously negotiated by the airport with local unions. In the case of San Francisco, staff negotiates a PLA and makes a recommendation approximately every ten years for project inclusion under a PLA. Should new projects arise during that ten-year period, staff can recommend to their Board inclusion of a new project.

## Recommendation

The Authority manages a five-year revolving Capital Improvement Program (CIP). Staff recommends that each April, during the Capital Improvement Program Oversight Committee Meeting, it will present proposed projects for review and recommend those suitable for a Project Labor Agreement.

Staff will evaluate the proposed project list based on five key criteria to determine PLA suitability:

- Project Scale: The overall size and complexity of the work.
- Schedule Risk: Potential for delays impacting other projects and the impact of those delays. The necessity for rapid or time-sensitive completion.
- Trade Diversity: The total number of different craft trades required.
- Specialty Trades: Requirements for highly specialized labor or technical expertise.
- Competition: Market availability of qualified contractors and laborers.

At the June Board Meeting, with adoption of the annual budget, the Board would formalize the list of projects requiring a PLA. Once a project is designated for a PLA, the selected contractor would be required to negotiate, execute, and administer the PLA as a condition of the contract.

### Fiscal Impact:

Any fiscal impact related to projects identified to include PLAs will be incorporated into each specific project budget that is presented to the Board during the annual budget process.

### Authority Strategies/Focus Areas:

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

#### Strategies

**XError!** Community  Customer  Employee  Financial  Operations  
**Bookmark** Strategy Strategy Strategy Strategy Strategy  
**not**  
**defined.**

#### Focus Areas

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

## Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (Cal. Pub. Res. Code §21065).
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Prepared by:

Angela Shafer-Payne  
VP and Chief Development Officer

RESOLUTION NO. 2026-0019

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, ADOPTING A FRAMEWORK THAT WILL BE USED TO DETERMINE WHETHER FUTURE PROJECTS AT SAN DIEGO INTERNATIONAL AIRPORT WILL BE COVERED BY PROJECT LABOR AGREEMENTS.

**WHEREAS**, on April 4, 2019, the Airport Authority Board of Directors voted to require contractors working on the New Terminal 1 (NT1) Program to enter into Project Labor Agreements (PLA) for design-build projects within the program; and

**WHEREAS**, the Board considered that the NT1 Program would involve construction work that would affect a majority of the existing airport footprint and would be performed while the airport continues to operate, and it was established that timely and successful completion of the NT1 construction projects were critical to the safe and efficient movement of San Diego International Airport passengers and cargo, and an improved passenger experience; and

**WHEREAS**, the Board also considered the essential work of the NT1 Program and necessity that these projects be performed in a timely and economical manner that maximizes airport security and safety, without interruption, and that labor stability and cooperation were critical to achieving this goal; and

**WHEREAS**, following this direction, the design-build contractors, the Joint Venture Partnership (Turner/Flatiron) for Terminal, Landside and Roadway elements and Sundt for the Administration Building element independently negotiated PLAs, which have been successful - the projects have seen labor stability and have met the milestones established in the contract; and

**WHEREAS**, California law allows a public entity to require contractors to enter into project labor agreements under certain circumstances; specifically, Public Contract Code §2500 et seq. states:

- a) A public entity may use, enter into, or require contractors to enter into, a project labor agreement for a construction project only if the agreement includes all of the following taxpayer protection provisions:
  - 1) The agreement prohibits discrimination based on race, national origin, religion, sex, sexual orientation, political affiliation, or membership in a labor organization in hiring and dispatching workers for a project.
  - 2) The agreement permits all qualified contractors and subcontractors to bid for and be awarded work on the project without regard to whether they are otherwise parties to collective bargaining agreements.
  - 3) The agreement contains an agreed-upon protocol concerning drug testing for workers who will be employed on the project.
  - 4) The agreement contains guarantees against work stoppages, strikes, lockouts, and similar disruptions of the project.
  - 5) The agreement provides that disputes arising from the agreement shall be resolved by a neutral arbitrator; and

**WHEREAS**, PLAs have been used by numerous governmental agencies nationwide to standardize working conditions for workers and to promote labor harmony on large, long-term public works projects; and

**WHEREAS**, PLAs have been successfully used on large-scale projects at the busiest California airports, including Los Angeles International Airport, San Francisco International Airport, Oakland International Airport, San Jose International Airport, and Long Beach International Airport; and

**WHEREAS**, at the completion of NT1 Project Phase 1A, staff reached out to key groups representing the unions and the contractor community to solicit feedback on the NT1 PLA, constructively discussing various issues and generally finding overall satisfaction with how the PLAs worked on the NT1 Project Phase 1A; and

**WHEREAS**, staff reached out to Los Angeles International Airport and San Francisco International Airport to understand and take into consideration the application of PLAs to their respective capital programs; and

**WHEREAS**, the Authority manages a five-year revolving Capital Improvement Program (CIP); and

**WHEREAS**, Authority staff recommends that each April, during the Capital Improvement Program Oversight Committee Meeting, it would present proposed projects for review and recommend those it finds suitable for a Project Labor Agreement; and

**WHEREAS**, in making its recommendation, staff would evaluate the proposed project list based on five key criteria to determine PLA suitability:

- (1) Project Scale: The overall size and complexity of the work;
- (2) Schedule Risk: Potential for delays impacting other projects and the impact of those delays. The necessity for rapid or time-sensitive completion;
- (3) Trade Diversity: The total number of different craft trades required;
- (4) Specialty Trades: Requirements for highly specialized labor or technical expertise; and
- (5) Competition: Market availability of qualified contractors and laborers; and

**WHEREAS**, at the Authority's June Board Meeting, with adoption of the annual budget, the Board would formalize the list of projects requiring a PLA; and

**WHEREAS**, once a project is designated for a PLA, the selected contractor would be required to negotiate, execute, and administer the PLA as a condition of the contract.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves staff's recommendation described in this resolution as the framework that will be used to determine whether future Authority projects at San Diego International Airport will be covered by Project Labor Agreements; and,

**BE IT FURTHER RESOLVED** that the Board hereby directs staff to employ this framework for determination of whether future Authority projects at San Diego International Airport will be covered by Project Labor Agreements; and

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

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL



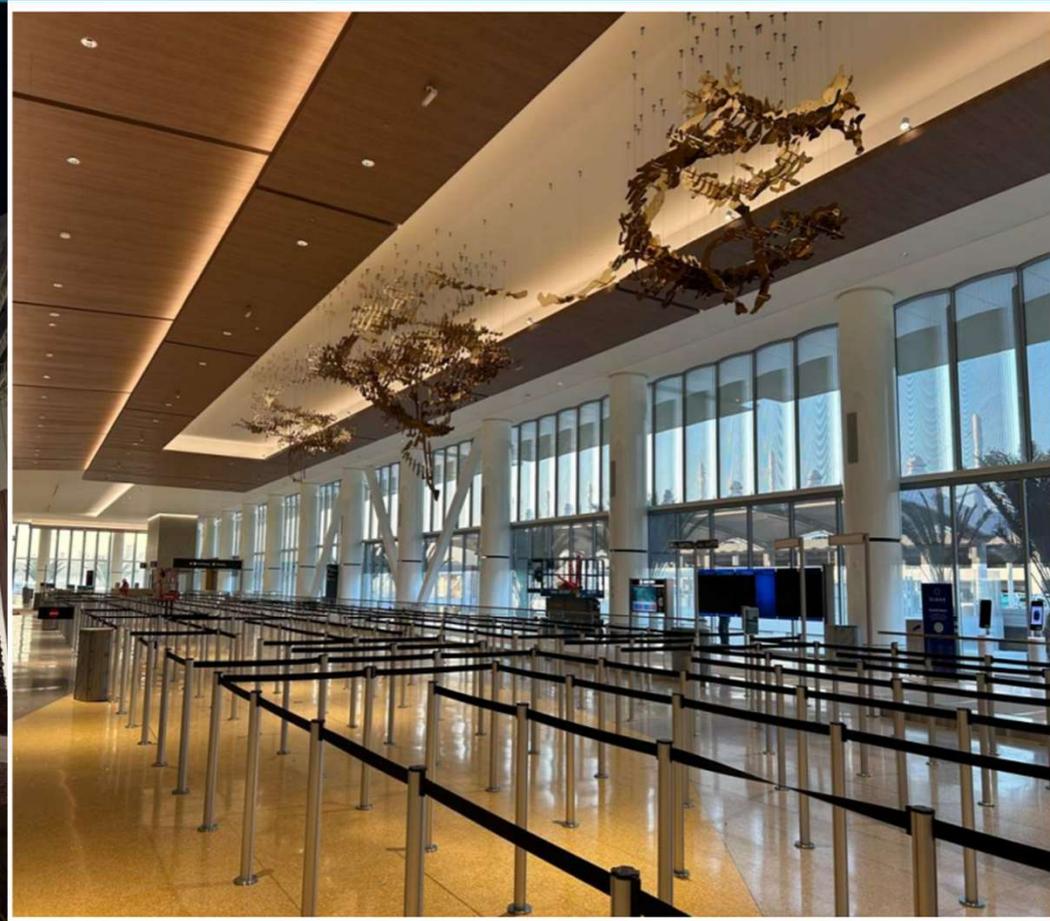
Added to Packet 2/26/2026

# Approve a Framework for Project Labor Agreements for Certain Capital Improvement Program Projects at San Diego International Airport

March 2, 2026



NT1



# Process



- Five criteria to evaluate Capital Improvement Program (CIP) projects against
  - Project scale
  - Schedule risk
  - Trade diversity
  - Specialty trades
  - Competition
- Annual review of five-year CIP during budget process
- CEO recommendation to the Board
- Adoption of CIP during budget process

# Process



- Authority may direct certain elements of a project's PLA through contract requirements
- Contractors would negotiate, execute, and administer the PLA as a condition of the project contract
- Authority would oversee the execution of, and compliance with, the requirements

# Recommendation



- Adopt Resolution No. 2026-XXXX, approving a framework, which requires contractors to enter into Project Labor Agreements for certain Authority-designated Capital Improvement Program projects.

Questions?





# Discussion Regarding the Parameters for the FY 2027 & FY 2028 Operating Budgets

Presented by:

**Scott Brickner**  
Vice President & Chief Financial Officer

**Maya Dayan**  
Director, Finance & Airline Relations

**Shaun Ginsburg**  
Manager, Airport Finance

San Diego County Regional Airport Authority

March 2, 2026

# Agenda



- **Strategic Plan - Draft**
- **Economic Update and Airports Outlook**
- **Authority Debt Profile**
- **Authority Financial Overview**
- **Budget Calendar**

# Strategic Plan - Draft



# Focus Areas



## Efficiency

Focuses on improving systems, processes, infrastructure, and technology to maximize effectiveness and reduce friction.

## Customer Experience

Encompasses the end-to-end traveler journey, including facilities, digital experiences, and amenities.

## Resiliency

Addresses the Authority's ability to anticipate, withstand, and recover from environmental, financial, operational, and reputational challenges.

## People

Includes workforce development, engagement, leadership, and culture.

## Data-Driven Decision Making

Emphasizes the use of data, analytics, and forecasting to inform planning, prioritization, and decisions across the Authority.

# Economic Update and Airports Outlook



# Economic Projections (YoY Change)



	Actuals (grey)		Projections		
	2024	2025	2026*	2027*	2028*
Real GDP	2.80%	2.20%*	2.50%	2.00%	1.80%
CPI	3.00%	2.70%	2.60%	2.50%	2.50%
Crude Oil (WTI)	\$67.36	\$57.22	\$59.75	\$61.25	\$65.00
10-year US Treasury Note	4.57%	4.17%	4.12%	4.10%	4.30%

\* Projections

Sources: Bloomberg, Federal Reserve, Congressional Budget Office

# Rating Agencies: U.S. Airport Outlook



**Moody's – Stable**  
**Fitch - Neutral**

## Key Drivers:

- Passenger traffic will see modest growth in 2026. Uneven demand expected with higher-income travelers supporting growth.
- Geopolitical friction and political instability risk enplanement growth
- Construction costs set to increase leverage, though interest rate cuts and airline cost-recovery will soften impact

### SDCRAA Credits

#### **Fitch:**

AA- Senior and A+ Subordinate ratings with a Stable outlook

#### **Moody's:**

Aa3 Senior and A1 Subordinate ratings with a Stable outlook; and,

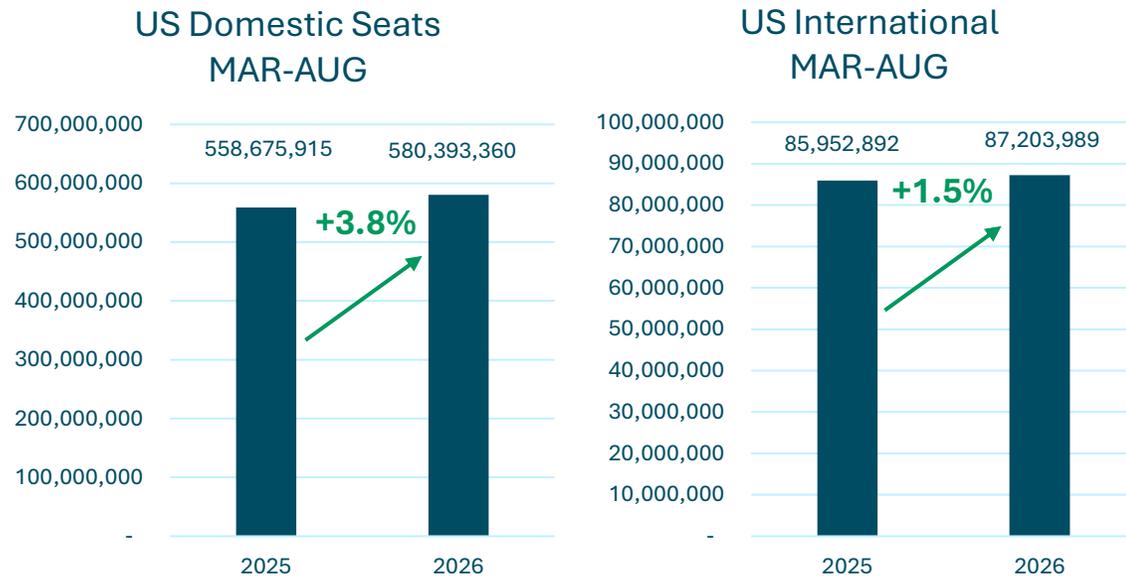
A3 rating for CFC special facility bonds with a Stable outlook



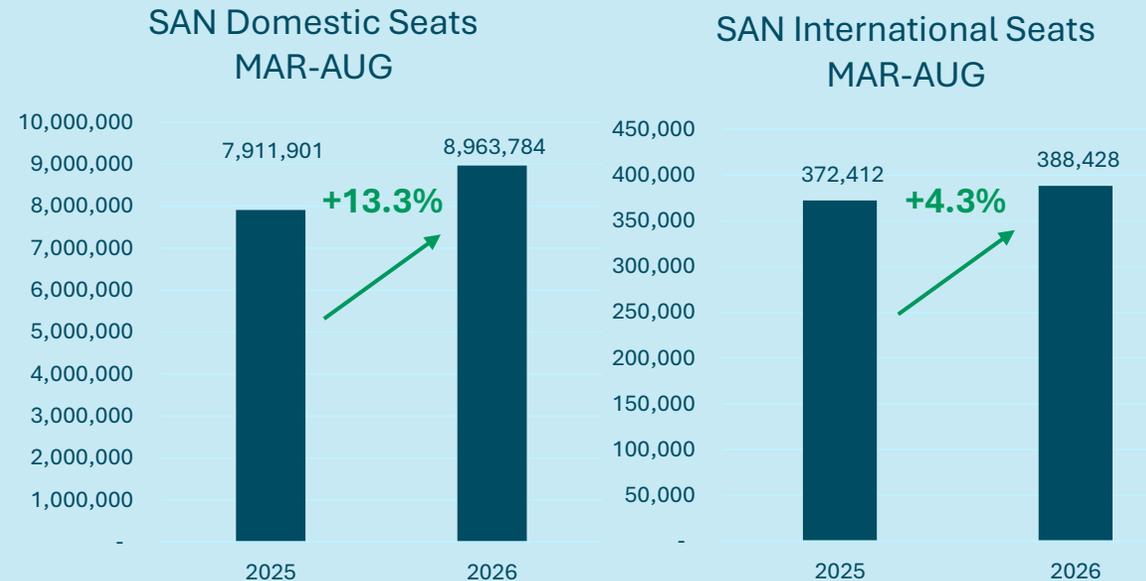
# SAN International Outlook is Outperforming US Capacity Trends



**US SEAT GROWTH, MARCH-AUGUST 2026 vs 2025**  
Domestic and International



**SAN SEAT GROWTH, MARCH-AUGUST 2026 vs 2025**  
Domestic and International

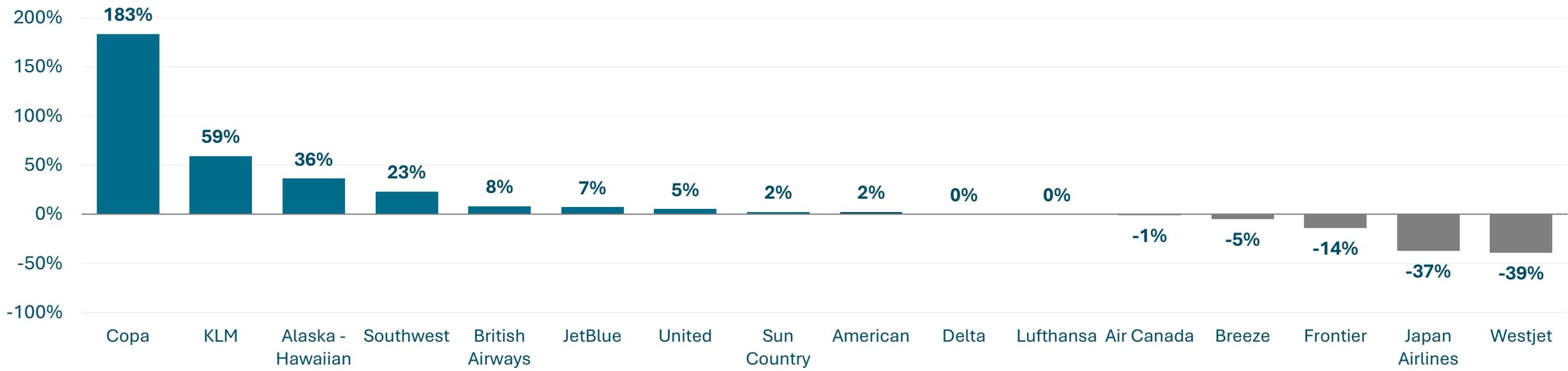


Source: Cirium Diio Mi, Note: International Includes Canada

# While SAN Growth Overall is Positive, Not All Airlines are Growing (Mar-Aug YOY)



% Change in Seats YoY



Source: Schedules March – August 2026 vs 2025 via Cirium, Note: International Includes Canada

# Authority Debt Profile



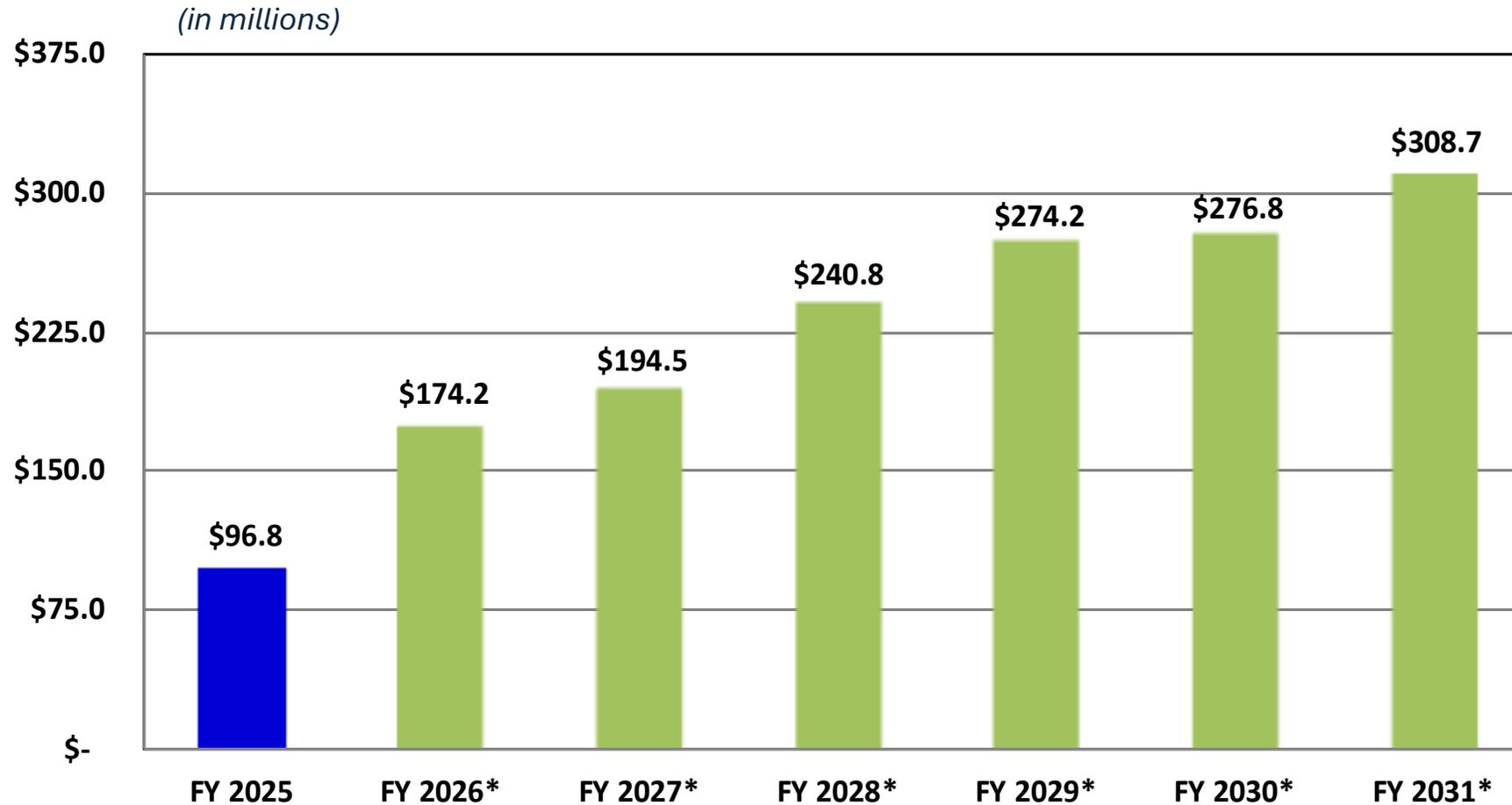
# General Airport Revenue Bonds Outstanding



Series	Lien	Principal Outstanding (Millions) <sup>1</sup>	Maturity	Major Funded Projects
2017 Bonds	Subordinate	\$249.0	2026 - 2047	T2W Parking Plaza and T2W FIS
2019 Bonds	Subordinate	\$436.5	2026-2049	Refunded 2010C bonds and New Money for Airport Support Facilities, Stormwater management, New T1 programatic documents, RON parking and Baggage Handling upgrades
2020 Bonds	Subordinate	\$170.0	2026-2049	Refunded 2010A/B bonds. 2010 bonds funded Green Build, T2E project, concessions infrastructure
2021 Bonds	Subordinate	\$1,849.9	2026-2056	All New T1 Program projects (\$1,585m), refunding of 2013A and 2013B (\$357m) senior Bonds, expansion of T2E, concessions infrastructure, new 12kV system, Washington St parking and access improvements, north side utilities infrastructure
2023 Bonds	Senior	\$1,056.9	2028-2058	All New T1 Program projects (\$782mm), repay revolving obligations (\$80.4m), and tender 2021C bonds (\$27.5m)
2025 Bonds	Senior	\$784.5	2029-2056	New T1 Program
<b>Total Current Debt</b>		<b>\$4,546.8</b>		

<sup>1</sup> Total debt excludes balance sheet amounts relating to premium and discount received or paid during debt issuance. These amounts are amortized over the life of the bonds.

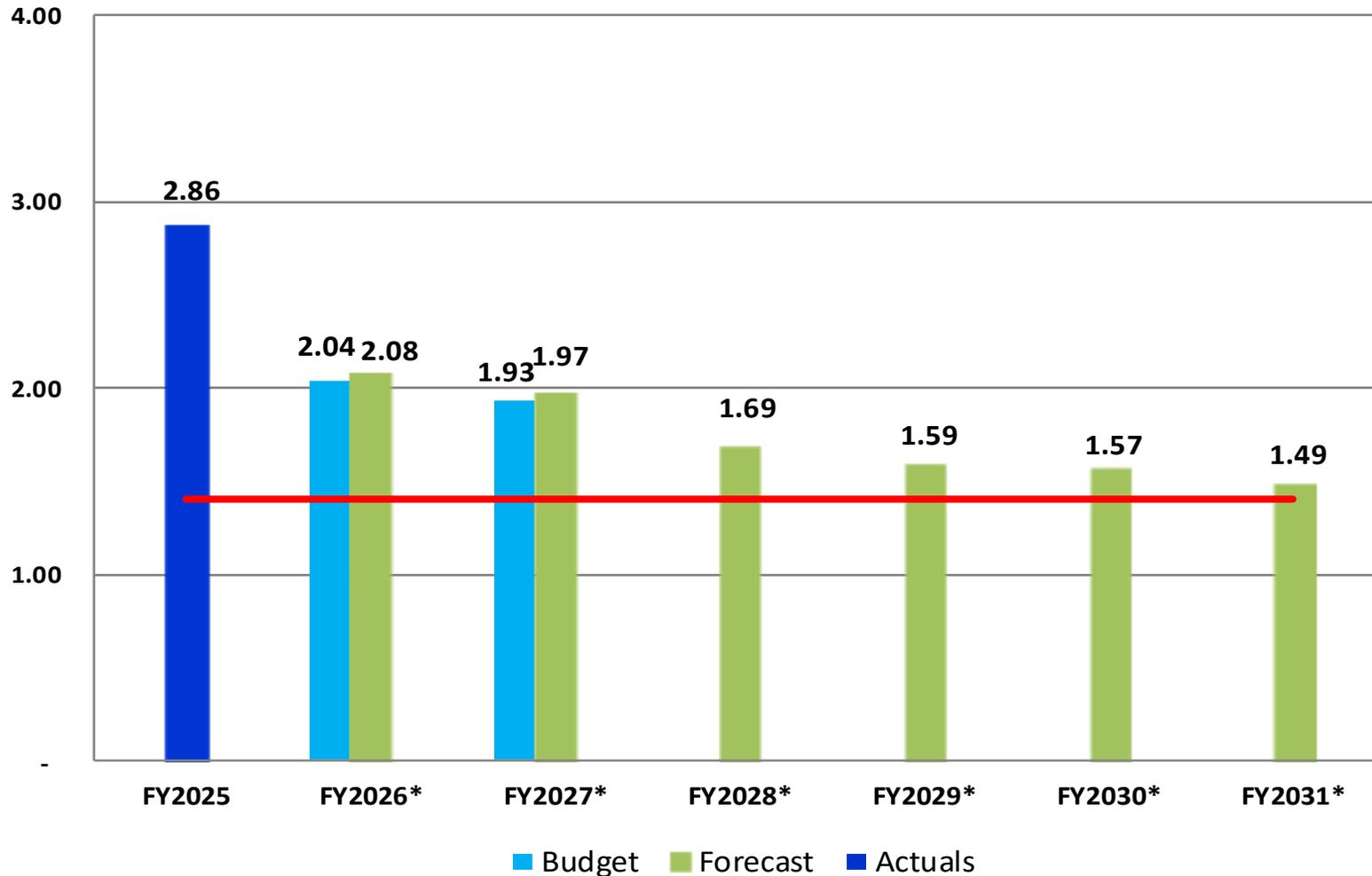
# General Airport Revenue Bonds (GARB) Debt Service



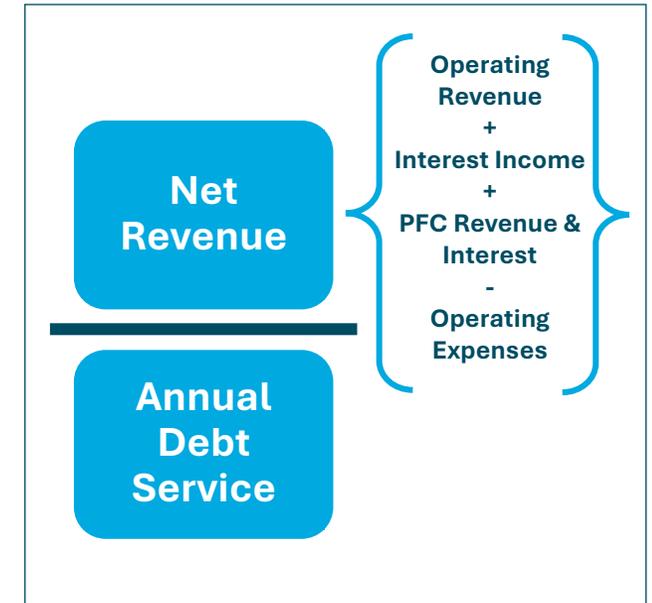
\*Projected FY 2026 – FY 2031

# GARB Debt Service Coverage

(Ratio of Net Revenue over Debt Service)



Board  
Min.  
Target  
(x 1.4)



\*Projected FY 2026 – FY 2031

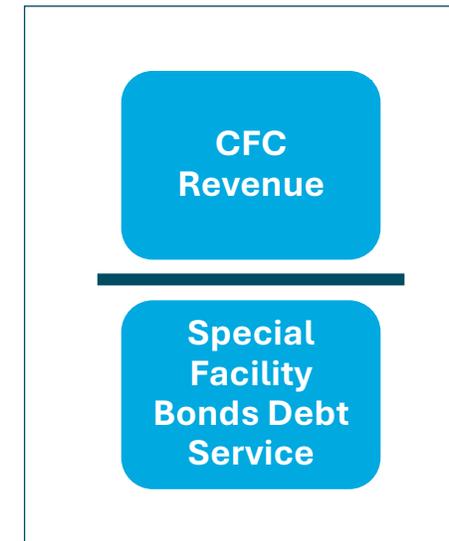
# Special Facilities Bond



Series	Lien	Principal Outstanding (Millions) <sup>1</sup>	Annual Debt Service (Millions)	Maturity	Major Funded Projects
2014 Bonds	Senior	\$254.1	\$21.9	2026 - 2043	Rental Car Center (RCC)



**Bond  
Covenant  
(x 1.3)**



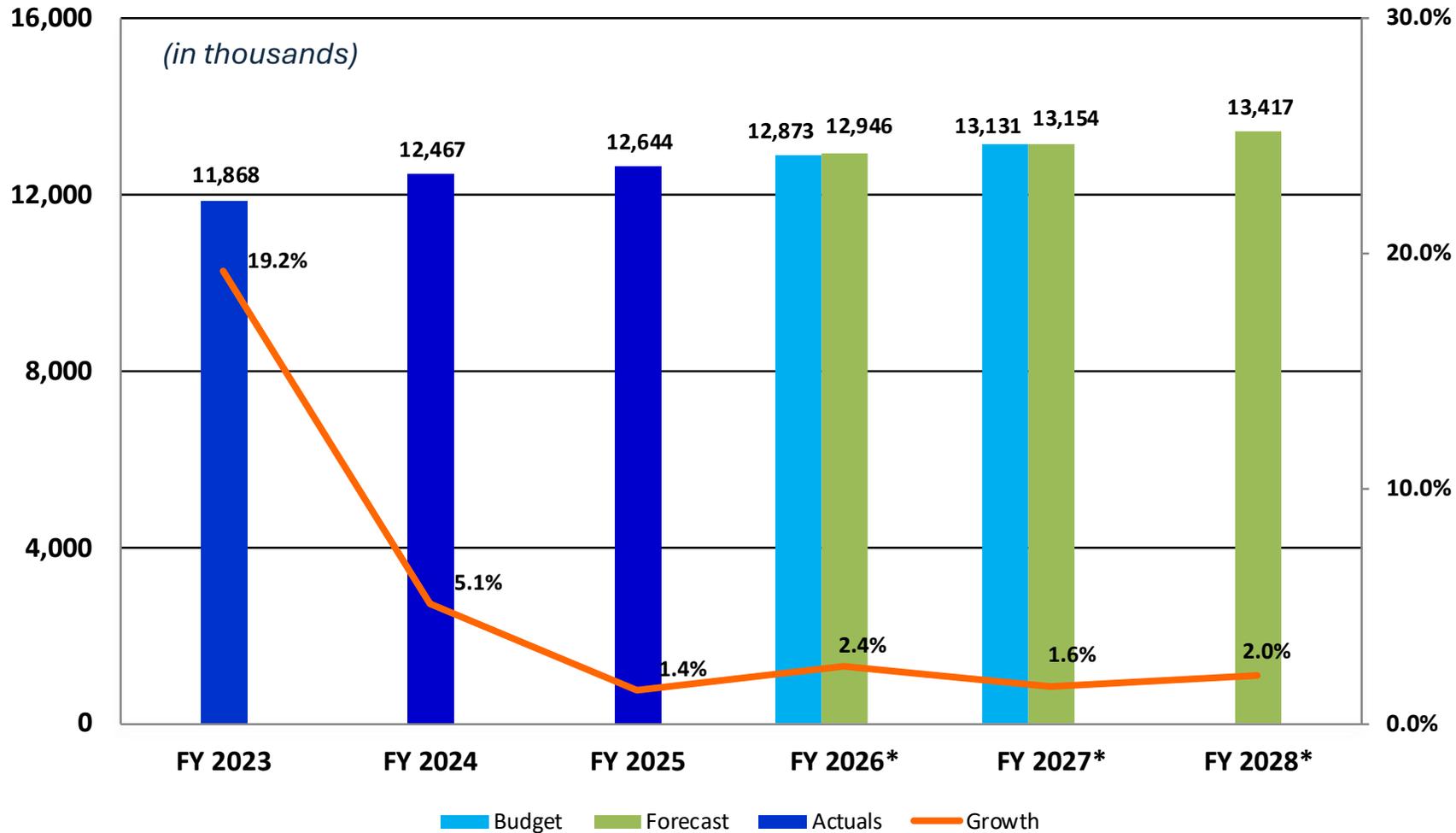
<sup>1</sup> Total debt excludes balance sheet amounts relating to premium and discount received or paid during debt issuance. These amounts are amortized over the life of the bonds.

\*Projected FY 2026 – FY 2028

# Authority Financial Overview

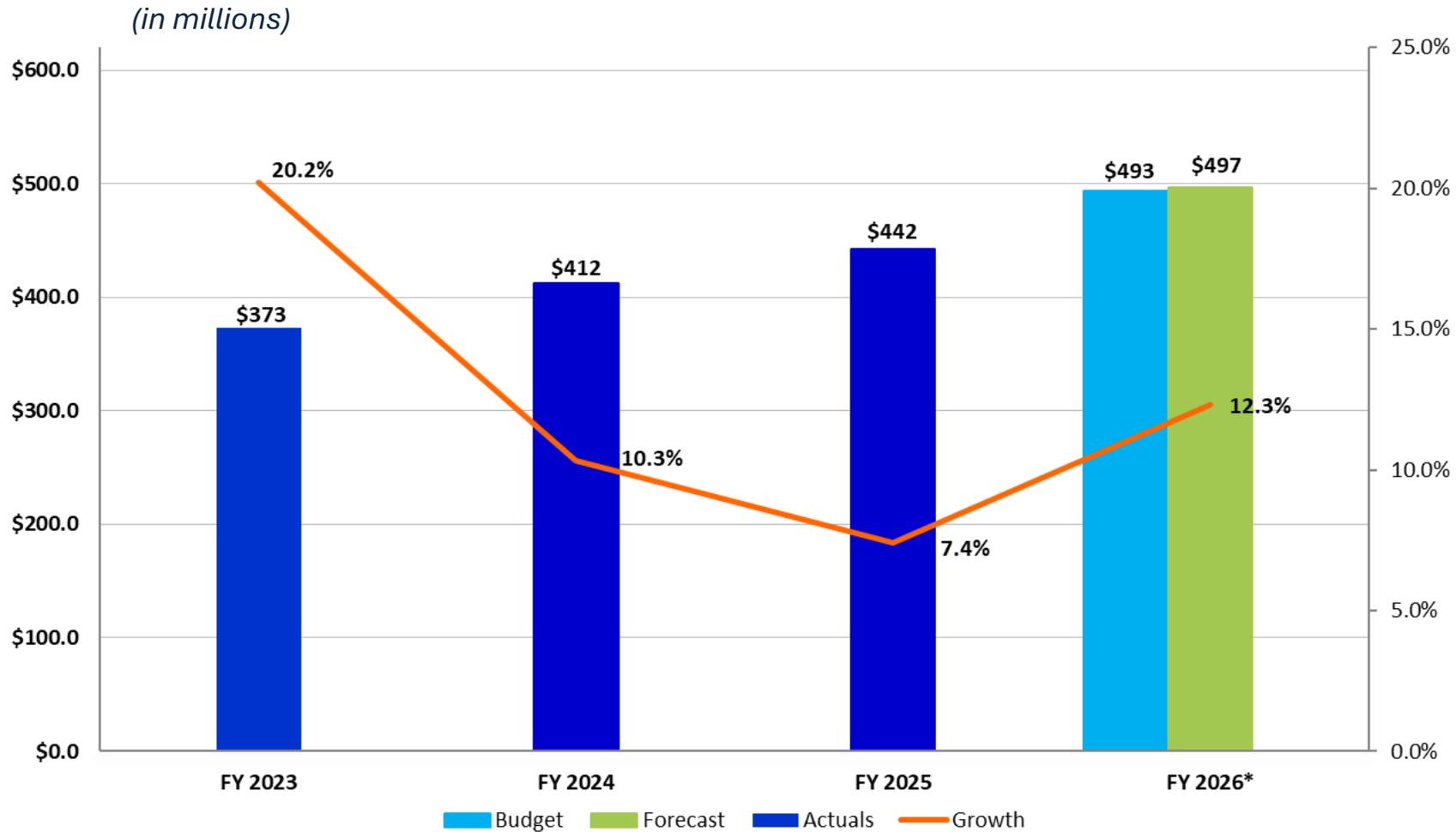


# Enplanements



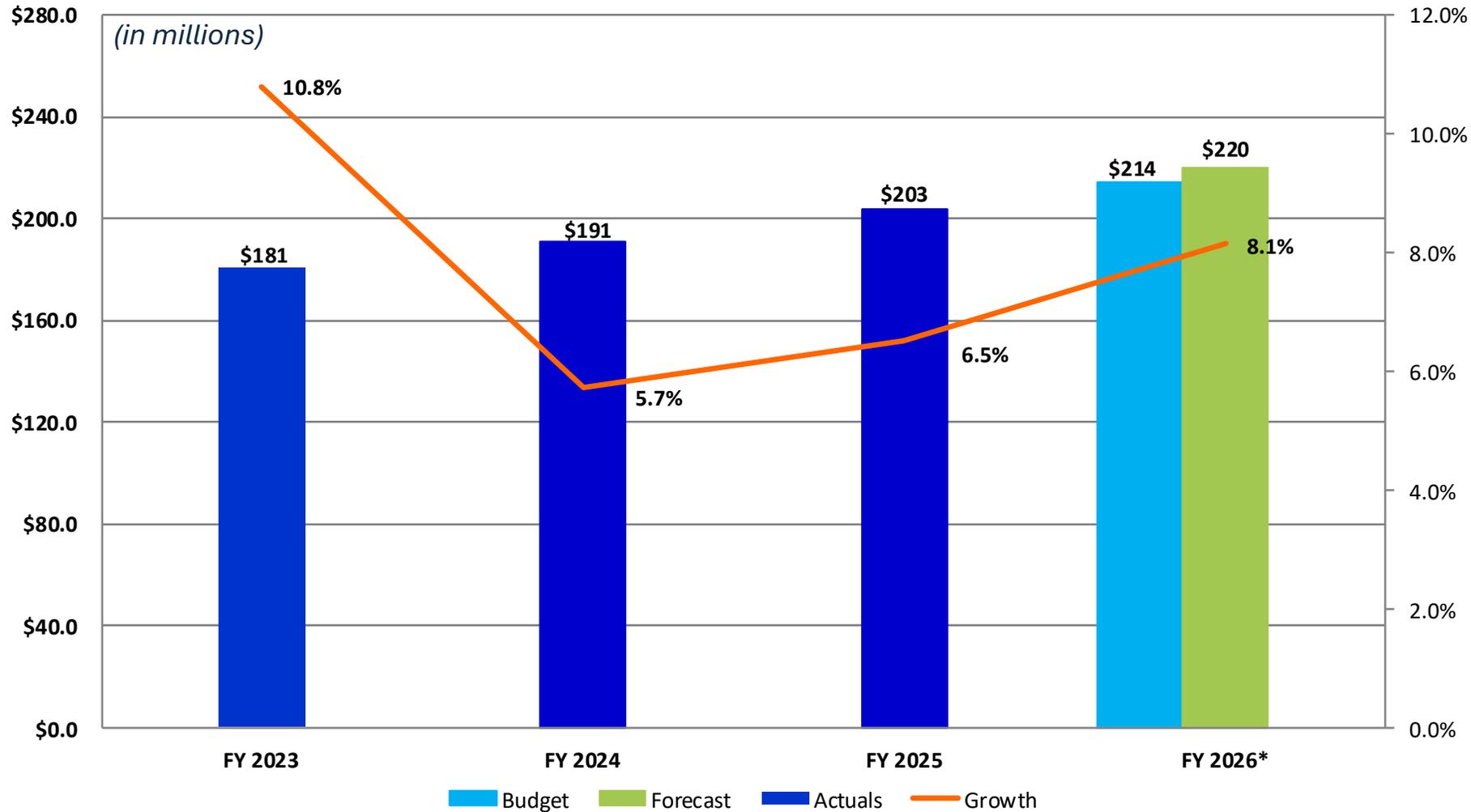
\*Projected FY 2026 – FY 2028  
 FY2026 Adopted Budget and FY2027 Conceptual Budget in light blue

# Total Operating Revenue



\*Projected FY 2026

# Total Non-Airline Operating Revenue



\*Projected FY 2026

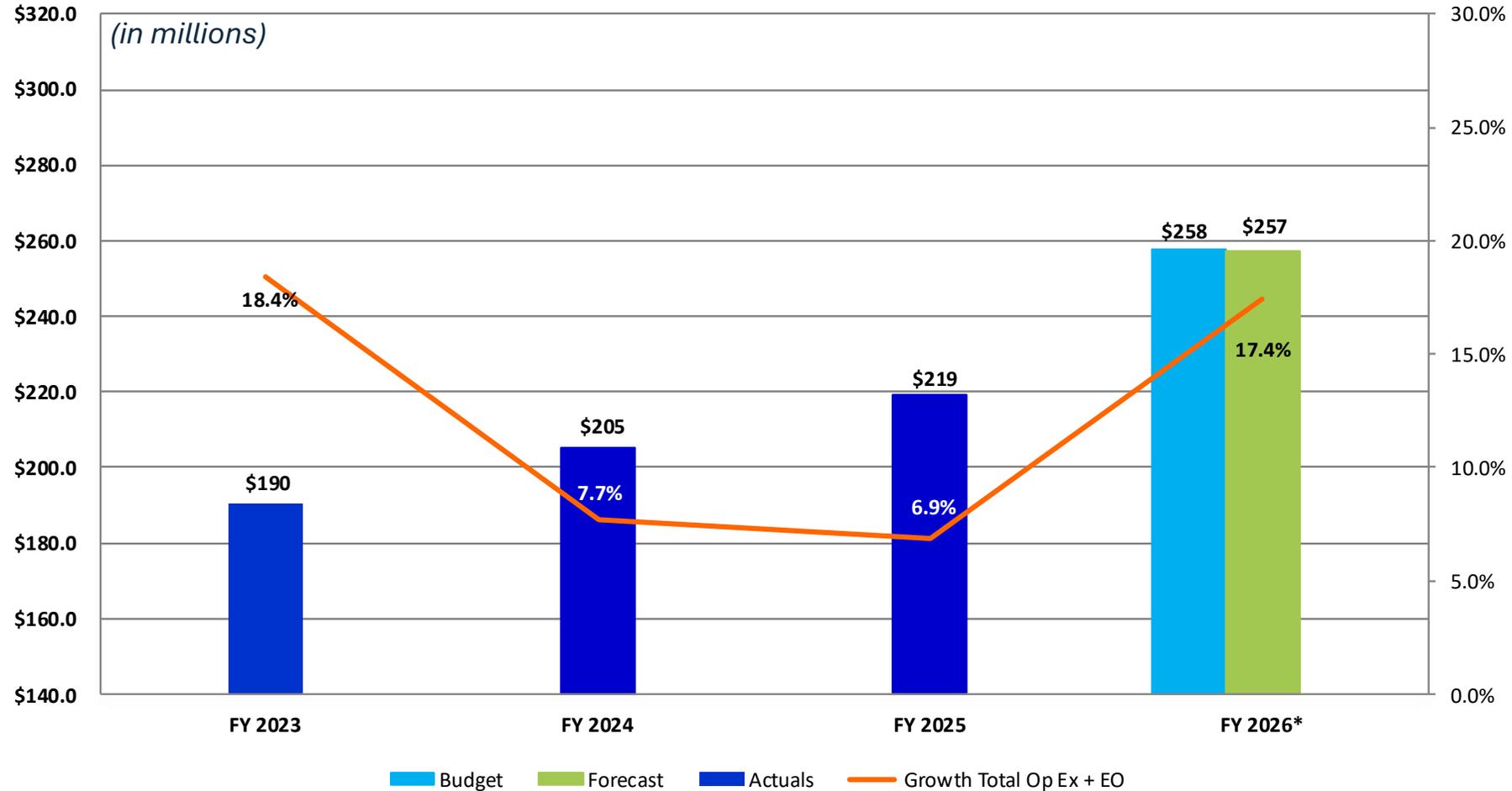
# Non-Airline Revenue Budget Parameters



- Adjust revenue to the current trends
- Increase impacted revenues by projected growth of enplanements
- CPI increase
- Parking - continue to focus on marketing initiatives and dynamic pricing
- Ground Transportation Fees
  - TNC user fees increase from \$4.50 to \$5.00 (FY27) and to \$5.25 (FY28)
  - All Other Modes:
    - Drop-off fees starting FY27
    - Pick-up fees increase



# Total Operating Expenses & Equipment Outlay



\*Projected FY 2026

# Expense Budget Parameters



## Personnel

- Evaluate headcount requests while reviewing personnel vacancies
- Compensation study implementation and pay for performance for non-represented employees
- Contractual increases for represented employees
- Consider market trends for employee benefits (Medical, Dental, Vision)
- Retirement Benefits
  - FY 2027 actuarial rate of 15.52%
  - FY 2028 actuarial rate of 14.25%



# Expense Budget Parameters



## Non-Personnel

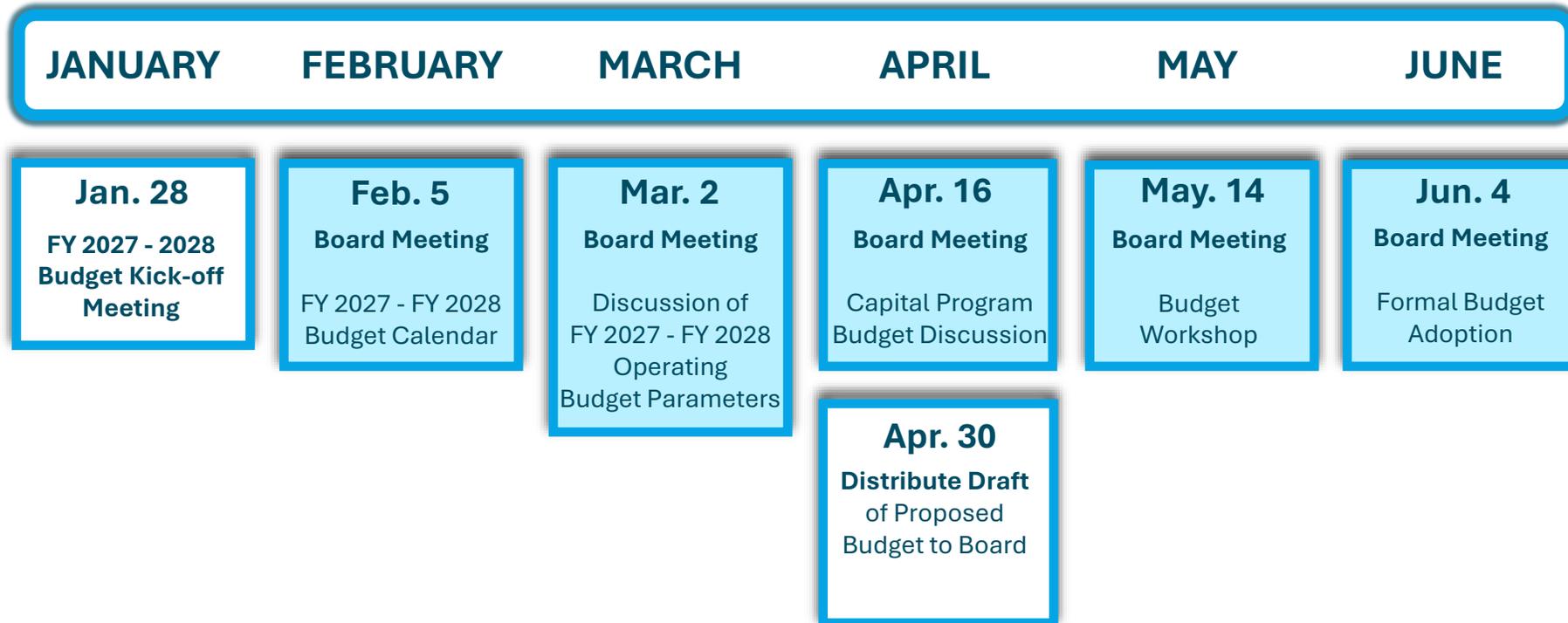
- Strategic investments in processes, infrastructure, and technology to drive
  - Efficiency within operational constraints
  - Enhanced customer experience
  - Non-airline revenue growth
- Operational costs related to full year of the NT1 and anticipated opening of Phase 1B in FY 28
- Increases due to contractual obligations
- Evaluate maintenance cost considering any future capital development
- Utilities increases (rate and usage)
- Safety and security costs increases



# Budget Calendar



# Budget – Timeline of Key Dates



# Questions?



**DRAFT**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**SPECIAL BOARD MEETING MINUTES**  
**MONDAY, JANUARY 26, 2026**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**BOARDROOM**

**CALL TO ORDER:** Chair Cabrera called the Special Meeting of the San Diego County Regional Airport Authority Board to order at 9:01 a.m. on Monday, January 26, 2026, in the Boardroom at the San Diego County Regional Airport Authority, Administration Building, 2417 McCain Road, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Chair Cabrera led the Pledge of Allegiance.

**ROLL CALL:**

PRESENT: Board Members: Benzian, Cabrera (Chair), Perez, Sly (Vice Chair), Vaus

ABSENT: Board Members: Fox (Ex-Officio), Herrmann (Ex-Officio), Montgomery Steppe, Perrault (Ex-Officio), Sanchez, von Wilpert

ALSO PRESENT: Kimberly J. Becker, President/CEO; Jennifer Fontaine, Associate General Counsel V; Annette Fagan Ortiz, Authority Clerk; Mia Courtney, Deputy Authority Clerk; Patricia Willis, Assistant Authority Clerk II

**CLOSED SESSION:** The Board recessed into Closed Session at 9:24 a.m. to hear Item 1.

- 1. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**  
Property: San Diego International Airport, Terminal 1, 3301 N. Harbor Drive, San Diego CA 92101  
Agency negotiator: Maya Dayan, Brendan Reed  
Negotiating parties: Steve Hubbell- Southwest Airlines, Tom Waldron-Cavu  
Under negotiation: price and terms of payment

**REPORT ON CLOSED SESSION:** The Board adjourned out of Closed Session at 9:46 a.m.

**GENERAL COUNSEL REPORT:** No report.

**BOARD COMMENT:** None

**ADJOURNMENT:** The meeting adjourned at 9:46 a.m.

Draft – Special Board Meeting Minutes

Monday, January 26, 2026

Page 2 of 2

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 2<sup>ND</sup> DAY OF MARCH 2026.

**ATTEST:**

---

ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

---

AMY GONZALEZ  
GENERAL COUNSEL

**DRAFT**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD MEETING MINUTES**  
**THURSDAY, FEBRUARY 5, 2026**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**BOARDROOM**

**CALL TO ORDER:** Chair Cabrera called the Regular Meeting of the San Diego County Regional Airport Authority Board to order at 9:04 a.m. on Thursday, February 5, 2026, in the Boardroom at the San Diego County Regional Airport Authority, Administration Building, 2417 McCain Road, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Chair Cabrera led the Pledge of Allegiance.

**ROLL CALL:**

PRESENT: Board Members: Benzian, Cabrera (Chair), Fox (Ex-Officio), Herrmann (Ex-Officio), Montgomery Steppe, Perez, Sly (Vice Chair), Vaus, von Wilpert

ABSENT: Board Members: Perrault (Ex-Officio), Sanchez

ALSO PRESENT: Kimberly Becker, President/CEO; Amy Gonzalez, General Counsel; Annette Fagan Ortiz, Authority Clerk; Mia Courtney, Deputy Authority Clerk; Sonja Banks, Assistant Authority Clerk II

**ELECTION OF THE VICE CHAIR OF THE BOARD AND APPOINTMENT OF ADDITIONAL EXECUTIVE COMMITTEE MEMBER:**

Chair Cabrera nominated Board Member Sly to serve as Vice Chair and Board Member Perez to serve on the Executive Committee.

**ACTION: Moved by Chair Cabrera and seconded by Board Member Vaus to approve the nomination. Motion carried by the following votes: YES – Cabrera, Benzian, Montgomery Steppe, Perez, Sly, Vaus; NO – None; ABSENT – Sanchez, von Wilpert (Weighted Vote Points: YES – 62; NO – 0; ABSENT – 25)**

*Chair Cabrera reordered the Agenda, announcing Items 16 and 17 would be heard in Closed Session, followed by Items 10 and 11 in Open Session.*

**CLOSED SESSION:** The Board recessed into Closed Session at 9:07 a.m. to hear Items 16 and 17.

*Board member von Wilpert arrived at the meeting at 9:18 a.m.*

*The Board reconvened out of Closed Session at 9:21 a.m.*

**11. APPOINT ATIF SAEED AS THE PRESIDENT/CEO OF THE AIRPORT AUTHORITY:**

Chair Cabrera made a motion to appoint Atif Saeed as President/CEO effective March 11, 2026, and ending on June 30, 2030, with automatic renewal on June 30, 2030, without any action by either party unless notice is given 6 months prior to termination date of intent not to renew, and with the following provisions:

- Base salary of \$490,000
- Senior executive standard benefits to include a car allowance of \$1,500 per month, participation in the benefits made generally available by the Airport Authority to senior management employees, including by not limited to paid time off, health and life insurance, holidays, 457(b) deferred compensation plan, and other fringe benefit plans established by the Airport Authority, and as may be amended from time to time in the Airport Authority sole discretion.
- Employment is "at-will".

RECOMMENDATION: Adopt Resolution No. 2026-0011 appointing Atif Saeed as the President/CEO of the Authority and approving an employment agreement.

**ACTION: Moved by Chair Cabrera and seconded by Vice Chair Sly to approve the recommendation. Motion carried by the following votes: YES – Cabrera, Benzian, Montgomery Steppe, Perez, Sly, Vaus, von Wilpert; NO – None; ABSENT – Sanchez (Weighted Vote Points: YES – 75; NO – 0; ABSENT – 12)**

**10. APPOINT LEE KAMINETZ AS THE GENERAL COUNSEL OF THE AIRPORT AUTHORITY:**

Chair Cabrera made a motion to appoint Lee Kaminetz as General Counsel effective July 1, 2026, and ending on June 30, 2027, with automatic renewal on June 30 of each year without any action by either party unless notice is given 6 months prior to termination date of intent not to renew.

- Base salary of \$394,000
- Senior executive standard benefits to include a car allowance of \$1,000 per month, participation in the benefits made generally available by the Airport Authority to senior management employees, including by not limited to paid time off, health and life insurance, holidays, 457(b) deferred compensation plan, and other fringe benefit plans established by the Airport Authority, and as may be amended from time to time in the Airport Authority sole discretion.
- Employment is "at-will".

RECOMMENDATION: Adopt Resolution No. 2026-0010 appointing Lee Kaminetz as the General Counsel of the Authority and approving an employment agreement.

**ACTION: Moved by Chair Cabrera and seconded by Vice Chair Sly to approve the recommendation. Motion carried by the following votes: YES - Cabrera, Benzian, Montgomery Steppe, Perez, Sly, Vaus, von Wilpert; NO - None; ABSENT - Sanchez (Weighted Vote Points: YES - 75; NO - 0; ABSENT - 12)**

**PRESENTATION:**

**A. REVIEW OF UNAUDITED FINANCIAL STATEMENTS FOR SIX MONTHS ENDED DECEMBER 31, 2025, AND 2024:**

Scott Brickner, Vice President/Chief Financial Officer provided a presentation on the Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2025, and 2024, that included Unaudited Operating Revenues, Operating Expenses, Non-Operating Revenue & Expenses, Financial Summary, Statement of Net Position and Budget-Timeline of Key Dates.

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

- **AUDIT COMMITTEE:** Board Member Vaus reported that the Audit Committee has not met since the last Board Meeting. The next meeting of the Audit Committee is scheduled for Monday, February 9, 2026, at 10:00 a.m.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that at the January 29, 2026, CIPOC Meeting, the Committee received updates on New T1 Phase 1A punch list closeout and upcoming Phase 1B milestones, as well as an update on the budget and contingency spending to date. The project remains on schedule for the January 2028 Phase 1B opening. The next CIPOC Meeting is April 16, 2026, where staff will present the proposed Fiscal Year 2027 Capital Projects at the Capital Budget Workshop.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** None
- **FINANCE COMMITTEE:** Vice Chair Sly reported that the Finance Committee last met on January 26, 2026. The Committee reviewed the Unaudited Financial Statements ending December 31, 2025, and the Authority Investment Report as of the same date. The next meeting is scheduled for February 23, 2026.

## ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Benzian reported that the Authority Advisory Committee has not met since the last Board Meeting. The next meeting is scheduled for March 19, 2026.
- **ARTS ADVISORY COMMITTEE:** Board Member Benzian reported that the next Arts Advisory Meeting is March 19, 2026, from 3-5 p.m. He also reported that two public art commissions for the T2 East Connector Project have been approved: the Glass Façade commission awarded to the De La Torre Brothers and the Terrazzo Floor Design commission awarded to Julie Chang. In Performing Arts, the creative youth development organization and dance group *A Step Beyond* began their performing arts residency.

## LIAISONS

- **CALTRANS:** None
- **INTERGOVERNMENTAL AFFAIRS:** Chair Cabrera reported that Congress approved a five-bill spending package on Tuesday funding nearly all federal agencies, including the Department of Transportation, through September. The package includes funding for SAN's Aircraft Rescue and Fire Fighting Station Modernization project, with appreciation to Congressman Scott Peters for securing this support. The package funds the Department of Homeland Security only through next week, leaving its long-term budget unresolved. In Sacramento, Governor Newsom presented his FY 2026–27 budget proposal during his final State of the State address, and legislators have begun informational budget hearings focused on healthcare, housing, and transportation.
- **MILITARY AFFAIRS:** Col. Herrmann reported that the West 2026 Defense Industry Conference will be held next week at the Convention Center.
- **PORT:** None
- **WORLD TRADE CENTER:** None

## BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors met twice since the last Board Meeting. At the first meeting, the Board received a presentation on SANDAG's Disadvantaged Business Enterprise and related programs. At the second meeting, the Board received a presentation on the Automated Regional Justice Information Systems (ARJIS). The next meeting is scheduled for February 13, 2026.

- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Perez reported that the SANDAG Transportation Committee has not met since the last Board Meeting. The next meeting is scheduled for February 20, 2026.

**CHAIR REPORT:** Chair Cabrera reported that the North County Coastal Mayors have reappointed Mayor Esther Sanchez to the Authority Board for a new three-year term, beginning February 1, 2026. He also reported that the Port of San Diego Board of Port Commissioners welcomed its new chair, Ann Moore.

**PRESIDENT/CEO REPORT:** Kim Becker, President/CEO, reported that passenger volume reached 25.3 million in 2025, driven by new international routes and expanded service. The New T1 earned an Excellence in Construction award, former staff member Deanna Zachrisson was recognized for her contributions; Paul Robinson, former Board Member, received the Crystal Globe Award, Angela Shafer-Payne, Vice President/CDO, is scheduled to speak at a women's leadership conference, and a tribute was given to former Advisory Committee Member Michael DiGirolamo.

**CONSENT AGENDA (ITEMS 1-8):**

**ACTION: Moved by Board Member Vaus and seconded by Vice Chair Sly to approve the Consent Agenda. Motion carried by the following votes: YES – Cabrera, Benzian, Montgomery Steppe, Perez, Sly, Vaus, von Wilpert; NO – None; ABSENT – Sanchez (Weighted Vote Points: YES – 75; NO – 0; ABSENT – 12), noting Board Member Montgomery Steppe ABSTENTION on Item 1.**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the Minutes of the December 22, 2025, Special Meeting and the January 8, 2026, 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 AND APPROVED CHANGE ORDERS FROM DECEMBER 5, 2025, THROUGH JANUARY 8, 2026, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM DECEMBER 5, 2025, THROUGH JANUARY 8, 2026:**

RECOMMENDATION: Receive the report.

**CLAIMS:**

**4. REJECT CLAIM OF TERESA MEANS:**

RECOMMENDATION: Adopt Resolution No. 2026-0006, rejecting the claim of Teresa Means.

**COMMITTEE RECOMMENDATIONS:**

**5. ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2025:**

RECOMMENDATION: Accept the report.

**6. ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2025:**

RECOMMENDATION: Accept the report.

**CONTRACTS AND AGREEMENTS:**

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

**7. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 14, GROUP 6, PROJECT NO. 381406 TWENTY-SIX (26) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON NINETEEN (19) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2026-0007, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,296,000 for Phase 14, Group 6, Project No. 381406, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

**8. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL SURVEY CONSULTING SERVICES AGREEMENT AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2026-0008, approving and authorizing the President/CEO to execute an On-Call Survey Consulting Services Agreement with NV5, Inc., or with the second ranked proposer Michael Baker in the event negotiation with NV5 are not successful, for a term of three (3) years, with the option for two (2) one-year extensions, in an amount not-to-exceed \$2,000,000, in support of the Capital Improvement Program, New T1, Planning, Noise, and Environment, and other sustainability and facility operations initiatives at San Diego International Airport.

**PUBLIC HEARINGS:**

**CONTINUED BUSINESS:**

**NEW BUSINESS:**

**9. FEBRUARY 2026 LEGISLATIVE REPORT AND 2026 LEGISLATIVE AGENDA:**

Matt Harris, Director of Government Relations & Strategy; Sam Whitehorn of Elevate Government Affairs; and Nick Romo of Cruz Strategies presented the 2026 Legislative Report and Legislative Agenda. Their presentation covered the Legislative Advocacy Program, the 2025 Federal Review, the 2026 Federal Landscape for Aviation and Funding, Engagement and Outreach Plans, Federal Legislative priorities, the 2025 State Review, the 2026 State Legislative Outlook, Engagement Strategies, Administration Outreach Targets, and 2026 State Legislative Priorities.

RECOMMENDATION: Adopt Resolution No. 2026-0009, approving the February 2026 Legislative Report and 2026 Legislative Agenda.

**ACTION: Moved by Board Member von Wilpert and seconded by Board Member Benzian to approve the recommendation. Motion carried by the following votes: YES – Cabrera, Benzian, Montgomery Steppe, Perez, Sly, Vaus, von Wilpert; NO – None; ABSENT – Sanchez (Weighted Vote Points: YES – 75; NO – 0; ABSENT – 12)**

**CLOSED SESSION:** The Board recessed into Closed Session at 10:33 a.m. to hear Items 12,14,15 and 18 (noting Dominique Sheck in attendance).

**12. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9 Number of potential Cases: 1

**13. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**

Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9  
Name of Case: San Diego County Regional Airport Authority v. AQ US SW Holding Co., et al., San Diego Superior Court Case No. 37-2023-00032124-CU-BC- CTL

**14. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**

Paragraph (1) and (2) of subdivision (d) of Cal. Gov. Code §54956.9  
Name of Case: *Georgette Stott v. San Diego County Regional Airport Authority*, San Diego Superior Court Case No. 24CU014156C

**15. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**

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

Name of Case: Sara Mitchell v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court Case No. 24CU022992C

**16. PUBLIC EMPLOYEE APPOINTMENT:**

Title: President/CEO

**17. PUBLIC EMPLOYEE APPOINTMENT:**

Title: General Counsel

**18. CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

Property: San Diego International Airport, Terminal 1, 3301 N. Harbor Drive, San Diego CA 92101

Agency negotiator: Maya Dayan, Brendan Reed

Negotiating parties: Steve Hubbell- Southwest Airlines, Tom Waldron-Cavu

Under negotiation: price and terms of payment

**REPORT ON CLOSED SESSION:** The Board reconvened out of Closed Session at 11:06 a.m.

**GENERAL COUNSEL REPORT:** Amy Gonzalez, General Counsel, reported that on Item 15 (Sara Mitchell v. San Diego County Regional Airport Authority), the Board authorized a settlement on November 6, 2025. Board Members Cabrera, Martinez, Perez, Sanchez, Sly, Vaus, and von Wilpert voted yes; Board Member Benzian abstained. The case was settled for \$130,000 paid to the plaintiff.

**BOARD COMMENT:**

**ADJOURNMENT:** The meeting adjourned at 11:07 a.m.

Draft - Board Meeting Minutes

Thursday, February 5, 2026

Page 9 of 9

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
BOARD THIS 2<sup>ND</sup> DAY OF MARCH 2026.

**ATTEST:**

---

ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

---

AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

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

**Recommendation:**

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

**Background/Justification:**

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

Pursuant to Authority Policy 1.10, Board Members are required to deliver to the Board a written report regarding their participation in meetings for which they are compensated. Their report is to be delivered at the next Board meeting following the specific meeting and/or training attended. The reports (Attachment A) were reviewed pursuant to Authority Policy 1.10 Section 5 (g), which defines a “day of service”. The reports were also reviewed pursuant to Board Resolution No. 2019-0074, which granted approval of Board Member representation for attending events and meetings.

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

**Fiscal Impact:**

Board and Committee Member Compensation is included in the FY 2025 Budget

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

### Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act (CEQA) (Cal. Pub. Res. Code §21065).
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### Prepared by:

Annette Fagan Ortiz  
Authority Clerk

# **Attachment A**



**Added to Packet 2/25/2026**

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

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074 Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Board Services, Authority Clerk Staff.

<b>Period Covered:</b>		February 1 through February 28, 2026
<b>Board Member Name:</b>		Gil Cabrera
<b>Date:</b>		2/24/26
<b>Type of Meeting</b>	<b>Date/Time/Location of Event/Meeting/Training</b>	<b>Summary and Description of the Event/Meeting/Training</b>
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/5/2026 - 9am-1130am - SDCRAA Board Room	SDCRAA Board of Directors Meeting and Airport Land Use Commission meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	2/18/2026 - 11:30am-130pm - SDCRAA Offices	SAN Live Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Gil Cabrera Digitally signed by Gil Cabrera  
Date: 2026.02.24 22:13:11 -05'00'

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

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Board Services, Authority Clerk Staff.

<b>Period Covered:</b> Feb 10, 2025 to Feb 9, 2026		
<b>Board Member Name:</b>	Claudia Huerta	
<b>Date:</b>	2/13/26	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/10/25 / 10am / Administration Building / Audit Committee Meeting	Regular Audit Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	9/8/25 / 10am / Administration Building / Audit Committee Meeting	Regular Audit Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/24/25 / 10am / Administration Building / Audit Committee Meeting	Special Audit Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/9/26 / 10am / Administration Building / Audit Committee Meeting	Regular Audit Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: C. Huerta



## BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Board Services, Authority Clerk Staff.

<b>Period Covered:</b>	January 1 - January 31 2026	
<b>Board Member Name:</b>	Monica Montgomery Steppe	
<b>Date:</b>	2/5/26	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	January 21, 2026, 11am - 12:30pm, Terminal 1	Novcientos Grados celebration with SAN leadership and Areas partners. Areas recently acquired Delaware North's Travel Hospitality Services and celebrated the collaborated process behind the development of the Novcientos Grados menu.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature:

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

**Directions:** This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2019-0074. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Board Services, Authority Clerk Staff.

<b>Period Covered:</b> Steve Vaus		
<b>Board Member Name:</b> February 2026		
<b>Date:</b> 2/24/26		
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/5/26: 9AM- McCain Road, San Diego Headquarters	Board/ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/9/26: 9AM- McCain Road, San Diego Headquarters	Audit Committee Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/9/26: 1PM- McCain Road, San Diego Headquarters	Authority Badge Renewal
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/26/26: 5PM- Manchester Grand Hyatt, 1 Market Place, San Diego	San Diego Regional Chamber of Commerce's 155th Anniversary
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Steve Vaus Digitally signed by Steve Vaus  
Date: 2026.02.24 10:22:01 -08'00'

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Awarded Contracts Approved Change orders from January 9, 2026, through February 5, 2026, and Real Property Agreements Granted and Accepted from January 9, 2026, through February 5, 2026**

**Recommendation:**

Receive the report.

**Background/Justification:**

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

**Fiscal Impact:**

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

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

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

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

### Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (Cal. Pub. Res. Code §21065).
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### Prepared by:

Jana Vargas  
Director, Procurement

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 9, 2026 THROUGH February 5, 2026**

**New Contracts**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description</b>	<b>Solicitation Method</b>	<b>Owner</b>	<b>Contract Value</b>	<b>End Date</b>
1/9/2026		Mehmet Akten	The Contractor is one of six (6) exhibitors to be part of the 2026 Temporary Art Exhibition, "New Paint," at the San Diego International Airport.	Informal RFP	Customer Experience	\$1,550.00	6/30/2027
1/15/2026		South County Industrial Emergency Council	The Contractor will provide Aircraft Rescue Fire Fighting Live Fire Training at the San Diego International Airport.	Informal RFP	Airside & Terminal Operations	\$23,500.00	1/1/2027
1/15/2026		Baker Electric & Renewables, LLC	The Contractor will provide On-Call Audio Visual Repair Services of the Airport Authority's Conferencing Systems at the San Diego International Airport.	Informal RFP	Information & Technology Services	\$50,000.00	11/30/2026
1/15/2026		Claremont Toyota DWWCT, LLC	The Contractor will provide one (1) Toyota Sienna LE Hybrid for the San Diego County Regional Airport Authority.	Informal RFP	Facilities Management	\$46,516.78	2/14/2026
1/22/2026		David Pauze	The Contractor will provide On-Call Musical Performance Services at the San Diego International Airport.	Informal RFP	Customer Experience	\$8,300.00	12/31/2026
1/22/2026		Kennedy Ellis	The Contractor will provide On-Call Musical Performance Services at the San Diego International Airport.	Informal RFP	Customer Experience	\$8,300.00	12/31/2026
1/22/2026		Leonard Polk	The Contractor will provide On-Call Musical Performance Services at the San Diego International Airport.	Informal RFP	Customer Experience	\$8,300.00	12/31/2026
1/23/2026		Evan Diamond-Goldberg	The Contractor will provide On-Call Musical Performance Services at the San Diego International Airport.	Informal RFP	Customer Experience	\$8,300.00	12/31/2026
1/23/2026		Noel Tsoukalas	The Contractor will provide On-Call Musical Performance Services at the San Diego International Airport.	Informal RFP	Customer Experience	\$8,300.00	12/31/2026
1/23/2026		Todd Davidson	The Contractor will provide On-Call Musical Performance Services at the San Diego International Airport.	Informal RFP	Customer Experience	\$8,300.00	12/31/2026
1/23/2026		Amy Alexander	The Contractor is one of six (6) exhibitors to be part of the 2026 Temporary Art Exhibition, "New Paint," at the San Diego International Airport.	Informal RFP	Customer Experience	\$1,550.00	6/30/2027
1/27/2026		Anderson Airport Group, LLC	The Contractor will provide Level 2 Terminal Program Management & Facilitation Services at the San Diego International Airport.	Sole Source	Planning, Noise, & Environment	\$900,000.00	1/19/2029
1/27/2025		Multicard	The Contractor will provide security badging supplies for the San Diego County Regional Airport Authority.	Quote	Aviation Security & Public Safety	\$9,679.17	2/20/2026
1/28/2026		SoCal Truck Accessories & Equipment	The Contractor will provide Upfitting for three (3) 2026 Ford Maverick Trucks for the San Diego County Regional Airport Authority.	Informal RFB	Facilities Management	\$14,850.73	5/1/2026
1/29/2026		CPR 1, LLC	The Contractor will provide Automated External Defibrillators and First Responder Kits for the San Diego County Regional Airport Authority.	Informal RFB	Aviation Security & Public Safety	\$24,696.30	2/24/2026

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 9, 2026 THROUGH February 5, 2026**

**New Contracts Approved by the Board**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description</b>	<b>Solicitation Method</b>	<b>Owner</b>	<b>Contract Value</b>	<b>End Date</b>
1/9/2026	381404	S&L Specialty Construction, Inc.	The Contract was approved by the Board at the November 6, 2025 Board Meeting. The Contractor will provide sound attenuation improvements for certain residences around the San Diego International Airport.	RFB	QHP & Noise Mitigation	\$1,475,200.00	9/24/2026
1/20/2026		Mesa Energy Systems, Inc.	The Agreement was approved by the Board at the October 2, 2025 Board Meeting. The Contractor will provide Heating, Ventilating, and Air Conditioning HVAC Maintenance and Repair Services for the San Diego County Regional Airport Authority.	RFP	Facilities Management	\$20,000,000.00	1/14/2029
1/26/2026	104258	Wier Construction Corporation	The Contract was approved by the Board at the November 6, 2025 Board Meeting. The Contractor will provide Fire Department Code Compliance Remediation for the San Diego County Regional Airport Authority.	RFB	Airport Design & Construction	\$1,397,662.00	9/23/2026

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 9, 2026 THROUGH February 5, 2026**

**Amendments and Change Orders**

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description of Change</b>	<b>Owner</b>	<b>Previous Contract Amount</b>	<b>Change Order Value ( + / - )</b>	<b>Change Order Value ( % ) ( + / - )</b>	<b>New Contract Value</b>	<b>New End Date</b>
1/9/2026		Aptaero, Inc.	The First Amendment is to increase the number of gate passes and the total amount payable under the contract. The Contractor provides gate pass at the San Diego International Airport.	Customer Experience	\$48,500.00	\$4,500.00	9.3%	\$53,000.00	6/12/2026
1/14/2026		Landrum & Brown, Inc.	The Fifth Amendment is to add nine (9) rate categories for one (1) subcontractor in "Exhibit B - Compensation & Payment Schedule" in order to support T2E environmental entitlements efforts. The Contractor provides On-Call Technical Airport Planning Services for the San Diego County Regional Airport Authority.	Planning, Noise, & Environment	\$7,000,000.00	\$0.00	0.0%	\$7,000,000.00	4/30/2026
1/15/2026		Hallmark Aviation Services, L.P.	The First Amendment is to add an hourly staff fee for a "Supervisor" position and update the Federal Aviation Administration Regulations. The Contractor provides Lost and Found Operations for the San Diego County Regional Airport Authority.	Customer Experience	\$800,000.00	\$0.00	0.0%	\$800,000.00	10/19/2026
2/5/2026		Best, Best, & Krieger, LLP	The Second Amendment is to revise the hourly rates in Exhibit B as part of an annual rate adjustment. The Contractor provides legal services for the San Diego County Regional Airport Authority.	General Counsel	\$1,300,000.00	\$0.00	0.0%	\$1,300,000.00	12/29/2026

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 9, 2026 THROUGH February 5, 2026**

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

<b>Date Signed</b>	<b>CIP #</b>	<b>Company</b>	<b>Description of Change</b>	<b>Owner</b>	<b>Previous Contract Amount</b>	<b>Change Order Value (+ / -)</b>	<b>Change Order Value ( % ) (+ / -)</b>	<b>New Contract Value</b>	<b>New End Date</b>
10/31/2025			No Amendments approved by the Board during this period.						

Attachment "B"

REAL PROPERTY AGREEMENTS EXECUTED FOR December 5, 2025 through January 8, 2026

Real Property Agreements (Per Board Policy 6.01)

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
No Real Property Agreement Agreements During this Period								

Real Property Agreement Amendments and Assignments (Per Board Policy 6.01)

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
No Real Property Agreement Amendments and Assignments During this Period								

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**March 2026 Legislative Report**

### **Recommendation:**

Adopt Resolution No. 2026-0012, approving the March 2026 Legislative Report.

### **Background/Justification:**

The Authority's Legislative Advocacy Program Policy requires that staff present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A). The March 2026 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. In directing staff, the Authority Board may take a position on pending or proposed legislation that has been determined to have a potential impact on the Authority's operations and functions.

### **Federal Legislative Action**

In Washington, Congress failed to reach an agreement on Fiscal Year (FY) 2026 funding for the Department of Homeland Security (DHS), resulting in a partial government shutdown that began on February 14. The rest of the federal government is fully funded through the end of FY 2026 because of legislation that was previously signed into law. Though DHS is shut down, the effects will likely not be felt for at least a month because Transportation Security Administration (TSA) officers are not scheduled to miss a paycheck until March and other parts of DHS are expected to use existing funds to prolong operations. Negotiations in Congress continue but it is unclear when a resolution will be reached.

In aviation news, work continues to implement the Brand New Air Traffic Control System (BNATCS) that was announced by the federal government. According to a Quarter 1 2026 update provided to Congress by the Federal Aviation Administration (FAA), \$1.6 billion of the \$12.5 billion in funding provided by the One Big Beautiful Bill Act has been obligated as of December 2025. Additionally, 37% of telecommunications connections have been upgraded. By June 2026, FAA aims to install 612 new radar systems nationwide. FAA also estimates that using Peraton as the integrator will cost approximately \$1.5 billion.

On February 1, TSA's new ConfirmID system launched, giving travelers without a REAL ID the option to use an optional alternative identity verification system that provides access to air travel for a \$45 fee.

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

## **State Legislative Action**

In Sacramento, state legislators introduced over a thousand new bills by the February 20 deadline. At the start of the session, legislators often introduce 'intent' or 'spot' bills, which will be amended into substantive proposals throughout the Spring.

The Senate and Assembly have begun convening their budget committees to review the Governor's January budget proposal, which outlined a \$350 billion expenditure plan. The Governor has since released details of a new zero emission vehicle purchase rebate, sustainable aviation fuel tax credit, and changes to the Cap-and-Invest Program.

The legislature has also taken early action to expedite funding available from the recently approved climate bond (Proposition 4; 2024). The Authority's legislative team continues to monitor the state budget for future funding opportunities for climate, infrastructure, and transportation-related priorities.

The Authority's legislative team is monitoring the introduction of new state legislative proposals for impacts to airport operations through the March 25 bill amendment deadline. The Authority's legislative team does not recommend that the Board adopt any new positions on state legislation at this time.

## **Fiscal Impact:**

Not applicable.

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

### Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act (CEQA) (Cal. Pub. Res. Code §21065).
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### Application of Inclusionary Policies:

Not applicable.

### Prepared by:

Matt Harris  
Director, Government Relations & Strategy

RESOLUTION NO. 2026-0012

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY  
APPROVING THE MARCH 2026 LEGISLATIVE REPORT

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

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

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

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

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

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves the March 2026 Legislative Report (“Attachment A”); and

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

March 2026 Legislative Report

State Legislation

New Assembly Bills

None

\*Shaded text represents new or updated legislative information

## **Assembly Bills from Previous Report**

### **Legislation/Topic**

AB 810 (Irwin): Local government: internet websites and email addresses

### **Background/Summary**

Current law requires cities and counties that have a publicly available internet website to use a ".gov" or a ".ca.gov" domain no later than January 1, 2029. Current law allows an agency to maintain a noncompliant domain (".com" or ".org") so long as it redirects users to a ".gov" or ".ca.gov" domain. Existing law also requires cities and counties, that maintain public email addresses, to ensure that each email address provided to its employees uses a ".gov" or ".ca.gov" domain no later than January 1, 2029.

This bill would expand the requirement to adopt a ".gov" or ".ca.gov" domain to special districts, joint power authorities, or other political subdivisions by January 1, 2031. This bill provides newly covered agencies the same flexibility, as in current law, to redirect visitors to compliant internet domains from their legacy domains.

The state and federal government have encouraged the adoption of 'top-level' security domains such as ".gov" due to their heightened security features including multifactor authentication, consumer privacy tools, and improved cyber threat communication. The federal Cybersecurity and Infrastructure Security Agency (CISA) sponsors the ".gov" domain and makes it available solely to United States based government organizations and publicly controlled entities. A ".gov" domain is available without a fee for agencies that qualify.

### **Anticipated Impact/Discussion**

This bill would require the Authority to adopt a ".gov" website domain by January 1, 2031. The bill would allow the Authority to maintain its current domain (www.san.org) so long as it redirects visitors to the subsequently developed ".gov" address. Authority staff would need to assess and incur costs to complete the process for requesting and adopting a ".gov" domain. In addition, the Authority staff would need to assess its use of the current domain name in public outreach and communication, advertisements, and internal documents. The bill may result in heightened cybersecurity for the Authority and public visitors to its website.

**Status:** 05/23/2025 – Held in Assembly Appropriations Committee and will carry over into the 2026-2027 legislative session as a two-year bill

**Position:** Watch (05/01/2025)

\*Shaded text represents new or updated legislative information

**New Senate Bills**

None

\*Shaded text represents new or updated legislative information

**Senate Bills from Previous Report**

**Legislation/Topic**

SB 239 (Arreguín): Open meetings: teleconferencing: subsidiary body

**Background/Summary**

Current law authorizes state advisory boards, commissions, committees, and subcommittees or similar multimember advisory bodies to hold a meeting by teleconference without posting participants' physical location until January 1, 2026 [SB 544 (Laird) Stats. 2023, Chapter 216]. This bill would provide a narrow exemption under the Ralph M. Brown Act for local government "subsidiary bodies", such as advisory bodies and commissions, to participate in two-way virtual teleconferencing without posting the physical location of members. This bill prescribes requirements to provide public access to the meetings of subsidiary bodies, including the requirement to provide a physical location from which the public can participate in meetings. This bill also limits the use of the exemption to subsidiary bodies with certain subject matter jurisdiction.

**Anticipated Impact/Discussion**

This bill aligns with the Authority Board's adopted Culture Statement which highlights the importance of diversity within the organization. SB 239 aims to increase both civic engagement and diversity on boards and commissions by removing certain in-person requirements for participation. While this measure would not be applicable to the full Authority Board (a decision-making body), or elected officials, SB 239 would apply to the non-decision-making bodies of the Authority Board including its committees, such as the Airport Noise Advisory Committee (ANAC), which has seen reduced engagement and attendance since COVID-19 restrictions were lifted. This bill is substantively similar to AB 817 (Pacheco; 2023) which the Authority supported in the prior legislative session.

**Status:** 06/05/2025 – Placed on inactive file and was made into a two-year bill

**Position:** Watch (04/03/2025)

**Federal Legislation**

**New House Bills**

None

\*Shaded text represents new or updated legislative information

\*Shaded text represents new or updated legislative information

**House Bills from Previous Report**

**Legislation/Topic**

H.R. 3754 (Cohen) / S. 1966 (Duckworth): The Don't Miss Your Flight Act

**Background/Summary**

The bill would direct the Department of Transportation (DOT) to establish and carry out a program to provide grants to states, Tribal communities, or local governments for projects that (1) connect to a public airport; (2) make improvements on land that is on or within five miles of that public airport, and (3) reduce congestion, expands capacity, provides access to under-connected areas, or rehabilitates roadway, rail, or transit infrastructure (including bridges, tunnels, and rolling stock).

**Anticipated Impact/Discussion**

This bill would establish a \$1 billion-per-year grant program from Fiscal Year 2027 – 2031 to fund surface transportation projects, such as roads, transit, and rail, that improve access to public airports, particularly large and medium hub airports. The bill aims to reduce congestion, enhance multimodal connectivity, and expand access to under-connected areas within five miles of airports. It also allows flexibility in meeting non-federal cost share through tools like the Transportation Infrastructure Finance and Innovation Act (TIFIA) program and Passenger Facility Charges. If enacted, the bill would create new opportunities for state and local governments to secure funding for airport-adjacent infrastructure and reflects a growing emphasis on improving the full passenger journey to support economic mobility and system efficiency.

**Status:** 06/06/2025 - Referred to the House Committee on Transportation and Infrastructure / Senate Committee on Environment and Public Works

**Position:** Support (07/10/2025)

\*Shaded text represents new or updated legislative information

**Legislation/Topic**

H.R. 3746 (Amodei): The Rebuilding America's Airport Infrastructure Act

**Background/Summary**

The bill would modify the Passenger Facility Charge (PFC) program administered by the Federal Aviation Administration (FAA). Specifically, the bill proposes a phased increase to the maximum allowable PFC, raising the current cap of \$4.50 per passenger to \$5.50 for a one-year period beginning on January 1, 2027. The cap would then increase to \$6.50 in 2028, \$7.50 in 2029, and \$8.50 in and after 2030. Additionally, the bill requires the FAA to establish a pilot program to provide grants to states, Tribal communities, and localities.

**Anticipated Impact/Discussion**

H.R. 3746 would modernize airport funding by gradually increasing the cap on the Passenger Facility Charge (PFC), enabling airports to raise significantly more local revenue for infrastructure improvements. This change would help airports advance critical projects such as terminal upgrades and runway expansions, reduce reliance on federal funds, and improve the passenger experience. The bill also establishes a pilot grant program to support infrastructure needs in states, Tribal communities, and localities. The Authority has long supported an increase in the PFC (which hasn't been adjusted for 25 years) and it is included in the Authority's 2025 Legislative Agenda.

**Status:** 06/06/2025 - Referred to the House Transportation and Infrastructure Committee Subcommittee on Aviation

**Position:** Support (07/10/2025)

\*Shaded text represents new or updated legislative information

**Legislation/Topic**

H.R. 2353 (Langworthy): The Safer Skies Act of 2025

**Background/Summary**

This bill requires the Transportation Security Administration (TSA) to implement the Aircraft Operator Standard Security Program (ASOSSP), commonly known as the AOP Standard Security program. Under the program, aircraft operators must conduct common carriage passenger-carrying operations for compensation or hire for which the certificate holder or a representative of such certificate holder offers individual seats in advance and provides publicly available schedules that include the departure location, departure time, and arrival location of operations; operate airplanes with a passenger-seat configuration of more than nine seats; and do not enplane or deplane in a checkpoint managed by the TSA. TSA must revise any of their rules, guidance, or policies to comply with the proposed requirements.

**Anticipated Impact/Discussion**

This bill aims to strengthen aviation security by requiring TSA to apply AOSSP to certain air carriers that offer public-facing flight services with more than nine seats but operate outside of TSA-managed checkpoints. This bill seeks to close a key security gap by ensuring consistent passenger screening standards across all qualifying operations, regardless of airport size or carrier type. While the legislation is expected to enhance public safety and align with broader Homeland Security goals, it may prompt debate over implementation logistics, costs for smaller carriers, and infrastructure readiness at non-commercial terminals.

**Status:** 03/26/2025 – Referred to the House Committee on Homeland Security

**Position:** Watch (05/01/2025)

**Legislation/Topic**

H.R. 1818 (Collins); the Aviation Workforce Development Act / S. 1590 (Scott), the Aviation Workforce Development Act

**Background/Summary**

The bill would allow students enrolled in Federal Aviation Administration flight and aviation maintenance programs to use their 529 plan funds to cover associated educational expenses.

**Anticipated Impact/Discussion**

This bill aims to remove financial barriers for those seeking a career in flight and aviation maintenance by allowing 529 plans, commonly used to finance educational careers, to be applied toward the costs of these programs. These career paths can be lucrative and help alleviate a looming workforce shortage in the industry.

**Status:** 03/03/2025 – Referred to the House Committee on Ways and Means

**Position:** Support (06/05/2025)

**New Senate Bills**

None

\*Shaded text represents new or updated legislative information

## **Senate Bills from Previous Report**

### **Legislation/Topic**

S. 2175 (Budd): The Pilot and Aircraft Privacy Act

### **Background/Summary**

The Pilot and Aircraft Privacy Act prohibits the use of Automatic Dependent Surveillance-Broadcast (ADS-B) data to identify aircraft for the purpose of charging fees or imposing costs on aircraft owners or operators. Air traffic controllers may only use ADS-B data for tracking aircraft to enhance safety and efficiency or for purposes approved by the Secretary of Transportation after public notice and comment. The bill also imposes requirements on public-use airports before charging fees on general aviation aircraft, mandating disclosure of cost estimates, revenue diversification efforts, and impact assessments on aviation-related communities. Any fees collected must be exclusively used for airside safety projects, and the Federal Aviation Administration (FAA) may establish regulations and reporting obligations to ensure compliance.

### **Anticipated Impact/Discussion**

This legislation would undermine airport safety, efficiency, and financial sustainability by restricting airports' ability to impose reasonable and necessary fees on general aviation and commercial aircraft and their ability to use ADS-B data and FAA aircraft registration information to assess appropriate user fees. These tools are essential for managing operations, ensuring safety, and collecting reasonable user fees.

**Status:** 06/25/2025 – Read twice and referred to the Committee on Commerce, Science, and Transportation

**Position:** Oppose (11/06/2025)

\*Shaded text represents new or updated legislative information

**Legislation/Topic**

S. 2378 (Moran): The SAFEGUARDS Act

**Background/Summary**

Using revenue generated from the September 11 Security Fee, the *Spending Aviation Fees for Equipment, Guaranteeing Upgraded and Advanced Risk Detection and Safety (SAFEGUARDS) Act* (S. 2378) would help the Transportation Security Administration (TSA) fund and install new security equipment like explosive detection systems, credential authentication technology machines, computed tomography machines, and automated exit lanes. Specifically, the bill would increase the current set aside for the Aviation Security Capital Fund from \$250 million per year to \$500 million per year and establish a new set aside for an Aviation Security Checkpoint Technology Fund at \$250 million per year.

**Anticipated Impact/Discussion**

This legislation aims to speed up long acquisition timelines at TSA. The bill would direct revenue from the existing 9/11 security fee fund toward much needed security upgrades that include explosive detection systems, credential authentication technology, computed tomography machines, and automated exit lanes. If enacted, this bill would increase passenger safety and streamline airport operations nationwide to provide a better overall passenger experience.

**Status:** 07/22/2025 – Referred to the Committee on Commerce, Science, and Transportation

**Position:** Support (09/11/2025)

\*Shaded text represents new or updated legislative information

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Amend Policy 1.10(4)(A) to increase Board Member Compensation**

**Recommendation:**

Adopt Resolution No. 2026-0013, approving an amendment to Policy 1.10(4)(a) increasing Board Member compensation for a day of service to \$250

**Background/Justification:**

The San Diego County Regional Airport Authority Act (hereinafter the "Act") (Public Utilities Code §170017) and Authority Policy 1.10 provide that Board Members may receive compensation in an amount not to exceed two hundred dollars (\$200) for each day of service. The Act and Policy also state that, by a two thirds majority, the Board may modify the amount of compensation that Board Members receive for each day of service. In 2008, the Board adopted amendments to Policy 1.10(4)(a) to allow Board Members to receive \$200 for each day of service. (Resolution No. 2008-0029). The amount of compensation for a day of service has remained unchanged since 2008. Adjusting for inflation, \$200 in 2008 equals approximately \$301 today. Staff recommends an increase in the compensation amount for a day of service to \$250 effective March 1, 2027. Raising the compensation amount to \$250, while still below the inflation-adjusted value, reflects a careful, responsible approach that aligns with the Authority's expectations of fiscal accountability and fairness. Updating board compensation after 18 years demonstrates the organization's commitment to prudent, ethical, and transparent practice. The proposed changes to Policy 1.10(4)(a) are reflected in Exhibit A, attached hereto.

**Fiscal Impact:**

Funding for Board Member compensation is included in the Authority Clerk Department's operating budget within the Contractual Services line item. If adopted, the increased Board Member compensation will affect FY 2027 and future fiscal years and will be included in the upcoming proposed FY 2027 and conceptual FY 2028 budgets.

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

- Advance the New T1    Transform the Customer Journey    Optimize Ongoing Business

## Environmental Review:

- A. CEQA: This Board action is not a “project” as defined by the California Environmental Quality Act (“CEQA”) Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a “development” as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required.

## Application of Inclusionary Policies:

Not Applicable

## Prepared by:

Matt Harris  
Director, Government Relations & Strategy

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**POLICIES**

- ARTICLE 1 - ADMINISTRATION AND GOVERNANCE**  
**PART 1.1 - APPOINTMENT, ELECTION AND REMOVAL OF BOARD MEMBERS**  
**SECTION 1.10 - APPOINTMENT, TERM, SUCCESSION AND COMPENSATION OF THE BOARD OF DIRECTORS`**
- 

**PURPOSE:** To establish a policy for the appointment, term, succession and compensation of the Board of Directors (“**Board**”) of the San Diego County Regional Airport Authority (“**Authority**”).

**POLICY STATEMENT:**

(1) Board of Directors. The San Diego County Regional Airport Authority Act, §170000 *et seq.* of the California Public Utilities Code (“**P.U.C.**”), as amended from time to time (“**Act**”), provides that the Authority shall have a board of directors.

(2) Establishment of the Board. The Board shall consist of nine voting members, appointed as follows:

(a) Representatives of the City of San Diego

The Mayor of the City of San Diego shall appoint three persons, two of whom shall be subject to confirmation by the City Council of the City of San Diego. The persons appointed pursuant to this paragraph shall be residents of the City of San Diego and not less than one shall be an elected official of the City of San Diego. For purposes of this subdivision, an "elected official of the City of San Diego" means the Mayor or a member of the City Council of the City of San Diego.

(b) Representatives of the County of San Diego:

The Chair of the Board of Supervisors of the County of San Diego shall appoint two persons, subject to confirmation by the Board of Supervisors of the County of San Diego. The persons appointed pursuant to this paragraph shall be residents of the County of San Diego and not less than one shall be a member of the Board of Supervisors of the County of San Diego.

- (c) A representative of the north county coastal cities:
  - (i) At a public meeting, the mayors of the north county coastal cities shall appoint one person pursuant to a majority vote of the mayors of the north county coastal cities. The person appointed pursuant to this paragraph shall be a member of a city council of one of the north county cities or another resident of the north county coastal cities.
  - (ii) As used in this paragraph, the “**north county coastal cities**” shall mean the Cities of Carlsbad, Del Mar, Encinitas, Oceanside, and Solana Beach.
- (d) A representative of the north county inland cities:
  - (i) At a public meeting, the mayors of the north county inland cities shall appoint one person pursuant to a majority vote of the mayors of the north county inland cities. The person appointed pursuant to this paragraph shall be a member of a city council of one of the north county inland cities or another resident of the north county inland cities.
  - (ii) As used in this paragraph, the “**north county inland cities**” shall mean the Cities of Escondido, Poway, San Marcos and Vista.
- (e) A representative of the south county cities:
  - (i) At a public meeting, the mayors of the south county cities shall appoint one person pursuant to a majority vote of the mayors of the south county cities. The person appointed pursuant to this paragraph shall be a member of a city council of one of the south county cities or another resident of the south county cities.
  - (ii) As used in this paragraph, the “**south county cities**” shall mean the Cities of Chula Vista, Coronado, Imperial Beach and National City.
- (f) A representative of the east county cities:
  - (i) At a public meeting, the mayors of the east county cities shall appoint one person pursuant to a majority vote of the mayors of the east county cities. The person appointed pursuant to this paragraph shall be a member of a city council of one of the east county cities or another resident of the east county cities.
  - (ii) As used in this paragraph, the “**east county cities**” shall mean the Cities of El Cajon, LaMesa, Lemon Grove, and Santee.
- (g) Public meetings of the mayors of the north county coastal cities, the north county inland cities, the south county cities, and the east county cities are subject to the Ralph M. Brown Act (Chapter 9 (commencing with §54950) of Part 1 of Division 2 of Title 5 of the Government Code).

(h) The following persons shall be non-voting, non-compensated, *ex officio* members of the Board, appointed by the Governor:

(i) The District Director of the Department of Transportation for the San Diego region.

(ii) The Department of Finance representative on the State Lands Commission.

(i) The Board may appoint additional non-voting, non-compensated members to the Board. Each Board-approved non-voting, non-compensated member may appoint an alternate to serve in his or her place. [P.U.C. §170010(c)]

(j) Non-voting, non-compensated Board members may serve on committees formed by the Board, but shall not attend closed sessions of the Board held pursuant to the Ralph M. Brown Act, nor be counted for purposes of calculating a quorum for a meeting of the Board.

(3) Terms.

(a) Except for the term of non-voting, non-compensated Board members, the term of office of a member of the Board is three (3) years. A member of the Board may continue to serve beyond the expiration of the term until his or her successor qualifies for appointment and takes office. Members of the Board shall take office at 12:01 a.m. February 1 following their appointment. If a Board appointment is made after February 1 of the year in which the member's term is scheduled to commence, the member shall take office immediately upon appointment and, if applicable, after receiving confirmation, to serve the remainder of the term. Each Board member shall serve the Board during the term until his or her removal, resignation, death or incapacity. [P.U.C. §170011(a)]

(b) If a member of the Board is appointed to be a member as a result of holding another public office and that person no longer holds that other public office, then that person shall no longer serve on the Board and a vacancy shall exist. [P.U.C. §170011(b)]

(c) Any vacancy in the office of a member of the Board shall be filled promptly pursuant to Government Code §1779<sup>1</sup>. Any person appointed to fill a vacant office shall serve the balance of the unexpired term. [P.U.C. §§170011(c), (d)]

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<sup>1</sup> **Government Code §1779.** "A vacancy on any appointed governing board of a special district shall be filled by the appointing authority within 90 days immediately subsequent to its occurrence. If no action is taken for a period of 90 days immediately subsequent to a vacancy on such a board, the board of supervisors of the county in which the larger portion of the district is located shall have authority to fill the vacancy by appointment."

(4) Compensation.

(a) The Board may provide, by ordinance or resolution, that each of its members may receive compensation in an amount not to exceed two hundred dollars (\$200) for each day of service. Beginning March 1, 2027, Board Members may receive compensation in an amount not to exceed two hundred fifty dollars (\$250) for each day of service. A member of the Board shall not receive compensation for more than eight days of service a month. A member of the Board shall not receive compensation for being present at more than one meeting, hearing, event, or training program on each day of service. A Board member must be present for at least half (50%) of the time set for the meeting, or for the duration of the meeting, whichever is less, in order to be eligible for compensation.

(b) By a two-thirds vote of the majority, the Board may, by ordinance or resolution, modify the amount of compensation provided pursuant to subdivision (a).

(c) The Board, by ordinance or resolution, may provide for the Chair to receive an amount, not to exceed five hundred dollars (\$500) a month, in addition to all other compensation provided pursuant to this section.

(d) The Board may provide, by ordinance or resolution, that its members may receive their actual and necessary traveling and incidental expenses incurred while on official business. Reimbursement of these expenses is subject to Article 2.3 (commencing with §53232) of Chapter 2 of Part 1 of Division 2 of Title 5 of the Government Code, except that the provisions of this section as specified in P.U.C. 170017(d) shall prevail over the provisions of §53232.1 of the Government Code to the extent of any conflict.

(e) The members of the Board shall not receive any benefits pursuant to Chapter 2 (commencing with §53200) of Part 1 of Division 2 of Title 5 of the Government Code. This subsection does not prohibit a member of the Board from electing to participate in a plan of health and welfare benefits if the costs of those benefits are paid by such member of the Board and the Authority incurs no expense other than those expenses associated with processing the application of such Board member seeking the benefits.

(f) A member of the Board may waive any or all of the payments permitted by the Act or by this Policy.

(g) For the purposes of this section, a "**day of service**" means any of the following:

(i) A meeting of the Authority or an Authority committee conducted pursuant to the Ralph M. Brown Act (Gov. Code §54950 *et seq.*).

(ii) Representation of the Authority at a public event, provided that the Board has previously approved the member's representation at a Board meeting and that the member delivers a written report to the Board regarding the member's representation at the next Board meeting following the public event.

(iii) Representation of the Authority at a public meeting or a public hearing conducted by another public agency, provided that the Board has previously approved the

member's representation at a Board meeting and that the member delivers a written report to the Board regarding the member's representation at the next Board meeting following the public meeting or public hearing.

(iv) Representation of the Authority at a meeting of a public benefit nonprofit corporation on whose board the Authority has membership, provided that the Board has previously approved the member's representation at a Board meeting and the member delivers a written report to the Board regarding the member's representation at the next Board meeting following the corporation's meeting.

(v) Participation in a training program on a topic that is directly related to the Authority, provided that the Board has previously approved the member's participation at a Board meeting, and that the member delivers a written report to the Board regarding the member's participation at the next board of directors' meeting following the training program.

(vi) Representation of the Authority at an official meeting, if the Board has previously approved the member's representation at a meeting of the Board and the member delivers a written report to the Board regarding the member's representation at the next meeting of the Board. [P.U.C. §170017 (a)-(g)]

(5) Board Officers - Appointment of Chair and Election of Other Officers and Executive Committee.

(a) The officers of the Board are a Chair and Vice Chair and those additional officers created by the Board pursuant to subdivision (d), below. The Chair shall preside over meetings of the Board and the Vice Chair shall serve during the Chair's absence or inability to serve. [P.U.C. §170012(b)]

(b) The Mayor of the City of San Diego shall appoint the Chair of the Board from among the members of the Board. [P.U.C. §170010(d) and 170012(a)]

(c) At the first meeting of the Board on or after February 1 of each even-numbered year, the Board shall meet and elect its officers, except for the Chair of the Board, who shall be appointed by the Mayor of the City of San Diego. [P.U.C. §170010(a) and 170012(a)]

(d) The Board may create additional offices and elect members to those offices, provided that no member of the Board shall hold more than one office. [P.U.C. §170012(c)]

(6) Appointment of Authority Officers.

- (a) The Board shall appoint the following officers of the Authority:
- (i) President/Chief Executive Officer (“**President/CEO**”);
  - (ii) General Counsel; and
  - (iii) Auditor.

- (b) The President/CEO shall be responsible for all of the following:
  - (i) The implementation of the policies established by the Board for the operation of the Authority.
  - (ii) The appointment, supervision, discipline, and dismissal of the Authority's other employees consistent with the employee relations system established by the Board.
  - (iii) The supervision of the Authority's facilities and services.
  - (iv) The supervision of the Authority's finances.

(c) When vacancies occur due to resignations, retirements, or from incapacitating events, the Board may select an interim replacement for the President/CEO, the General Counsel or Auditor. The Executive Committee is authorized to make an emergency appointment of the position for the period prior to the Board meeting.

(7) Executive Committee and Board Officers.

(a) Executive Committee. The Authority shall have a three-person Executive Committee consisting of one Board member from each of the following “defined jurisdictions”: the City of San Diego, the County of San Diego, and a sub-regional jurisdiction (the east county cities, south county cities, north county inland cities, or north county coastal cities). [P.U.C. §170013(d)]. The Executive Committee shall be comprised of the following Board officers: the Mayor-appointed Chair, a Board-elected Vice Chair, and a Board-elected third Board member serving as a Board officer.

(b) Board Officers. The Mayor-appointed Chair will serve as a Board officer. The Board’s Vice Chair shall be elected following the appointment of the Chair and must be a representative from a defined jurisdiction not represented by the Chair. Thereafter, a third Board member shall be elected as a Board officer who must be from the defined jurisdiction not represented by the two other Executive Committee members/Board officers. [P.U.C. §170010(d) and §170012]

(c) Terms. Except for the Chair, who is appointed by the Mayor of San Diego, the appointment (election) of the Board officers shall occur at the first meeting of the board on or after February 1 of each even-numbered years, to be seated immediately upon appointment. [P.U.C. §170010(d) and §170012(a)]

(d) Rotation of Member. The Board shall ensure that the Executive Committee member representing the sub-regional city jurisdiction shall rotate among said jurisdictions.

(e) Role of Executive Committee. The Executive Committee is responsible for overseeing the implementation of the administrative policy of the Authority. The Executive Committee members may not be included in the direct operation of the facilities and airports under the jurisdiction of the Authority, nor may they be included in the chain of command for purposes of emergency procedures. The Executive Committee shall conduct monthly meetings

with the President/CEO and his or her staff to review the operations of the Authority. Any policy recommendations from the Executive Committee shall be forwarded to the Board for consideration at a public meeting of the Board.

(8) In the event of any inconsistency between this Policy and the Act, the provisions of the Act will govern.

[Amended by Resolution No. 2026-0000 dated March 2, 2026.]  
[Amended by Resolution No. 2024-0019 dated March 7, 2024.]  
[Amended by Resolution No. 2018-0133 dated December 6, 2018.]  
[Amended by Resolution No. 2013-0132 dated December 12, 2013.]  
[Amended by Resolution No. 2008-0029 dated March 6, 2008.]  
[Amended by Resolution No. 2005-0094 dated July 7, 2005.]  
[Amended by Resolution No. 2005-0088 dated July 7, 2005.]  
[Amended by Resolution No. 03-005R dated February 6, 2003.]  
[Adopted by Resolution No. 2002-02 dated September 20, 2002.]

RESOLUTION NO. 2026-0013

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AN AMENDMENT TO POLICY 1.10(4)(a) INCREASING BOARD MEMBER COMPENSATION FOR A DAY OF SERVICE TO \$250

**WHEREAS**, the San Diego County Regional Airport Authority Act (hereinafter the "Act") (Public Utilities Code §170017) and Authority Policy 1.10 provide that Board Members may receive compensation in an amount not to exceed two hundred dollars (\$200) for each day of service; and

**WHEREAS**, the Act and Policy also state that, by a two thirds majority, the Board may modify the amount of compensation that Board Members receive for each day of service; and

**WHEREAS**, the amount of compensation for a day of service has remained unchanged since 2008; and

**WHEREAS**, the Board finds that updating Board compensation after 18 years demonstrates the Authority's commitment to prudent, ethical, and transparent practice; and

**WHEREAS**, the Board finds that raising the compensation amount to \$250, while still below the inflation-adjusted value, reflects a careful, responsible approach that aligns with the Authority's expectations of fiscal accountability and fairness.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves an increase in Board Member compensation for a day of service to \$250 effective March 1, 2027; and

**BE IT FURTHER RESOLVED** that the Board approves revisions to Policy 1.10(4)(a) as reflected in Attachment 1; and

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Reject Claim of Roderick Dick**

### **Recommendation:**

Adopt Resolution No. 2026-0014 rejecting claim of Roderick Dick.

### **Background/Justification:**

On February 5, 2026, Roderick Dick ("Dick" or "Claimant") filed a claim ("Attachment A") with the San Diego County Regional Airport Authority ("Authority"). Specifically, Dick alleges that on or around August 8, 2025, he was injured when he tripped and fell on the ramp area in the vicinity of the fire station facilities at San Diego International Airport. As a result of that accident, Dick claims damages in an unspecified amount exceeding \$10,000.

As described above, Dick alleges that on or about August 8, 2025, he tripped and fell while participating in a running race. Dick is a firefighter employed by the City of San Diego and assigned at the time of the incident to the station located at San Diego International Airport. Dick claims that he was ordered to participate in a running race by his captain, also employed by the City of San Diego, following a drill on a nearby taxiway. While running with his fellow firefighters, Dick fell and was injured. Dick claims, among other things, the Authority failed to oversee the activities of the captain firefighter and did not provide or maintain a surface suitable for activities like sprinting.

Dick's claim should be denied. The Authority contracts with the City of San Diego to provide firefighting services. The City of San Diego is responsible for all hiring practices of its firefighters. Further, the Airport is not required to provide the surfaces mentioned for sprinting or similar activities within the agreement with the City of San Diego for their services. The General Counsel has reviewed the claim and recommends rejection.

### **Fiscal Impact:**

Not applicable.

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

## Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") (Cal. Pub. Res. Code §21065).
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

Not applicable.

## Prepared by:

Amy Gonzalez  
General Counsel

**Attachment A**



**ACCIDENT OR DAMAGE  
CLAIM FORM**

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

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

1) Claimant Name: Roderick Dick	
2) Address to which correspondence regarding this claim should be sent: 330 13th Street #1504 San Diego, CA 92101	
Telephone No.: 310-699-7700	Date: February 5, 2026
3) Date and time of incident:	August 8, 2025, 9 am
4) Location of incident:	San Diego International Airport
5) Description of incident resulting in claim:  Please see Accident and Claim Attachment, Pages 1 - 2.	
6) Name(s) of the Authority employee(s) causing the injury, damage or loss, if known:  -	
7) Persons having firsthand knowledge of incident:	
Witness (es)	Physician(s):
Name: _____	_____
Address: _____	_____
Please see Witness Attachment.	
Phone: _____	_____
_____	_____
_____	_____

1/15



I am a firefighter for the City of San Diego. On August 8th, 2025, after an airplane familiarization drill on Taxiway Charlie at the San Diego International Airport, the fire station captain ordered the crew to race each other back to the station for the expressed purpose of seeing who was the fastest runner. I protested the activity, but he let his order stand. At a point after I reached my maximum velocity I lost my footing and tumbled several times before coming to rest. The fall resulted in significant injuries.



The San Diego County Regional Airport Authority owns, operates, and maintains grounds where the injury occurred. I believe a third-party civil case against the Airport Authority is valid because:

- Airport grounds are under constant surveillance (tower personnel, zebras, cameras, etc). Airport Authority knew, or should have known, that sprint racing, which is not related to airport or fire department operations, has been occurring on its property. Another firefighter was reported injured under similar circumstances before August 8, 2025

- The Airport Authority failed to prohibit horseplay activities, such as sprinting, from occurring on its property
- The Airport Authority failed to vet that the fire captain would not be seduced by negligent actions
- The Airport Authority failed to supervise the airport fire captain when he ordered crew to partake in horseplay activity; the Authority did not control how the activity was conducted
- The Airport Authority entrusted airport fire captain to access airport grounds and conduct activities that were unsafe, unrelated to fire service, and unrelated to airport operations
- The Airport Authority failed to provide and maintain a surface suitable for sprinting, free of, among other things, concrete and asphalt defects, debris, cracks, large seams, and fine dust (see *Hazard Attachments, Pages 1 - 3*)

In summary, claims against the Airport Authority to date include breach of duty, premises liability, negligent supervision, negligent entrustment, negligent infliction of emotional distress, and negligent hiring. Staging the spectacle of sprint racing is as applicable to the fire service and airport operations as is a jousting or kick boxing competition, and is equally dangerous. My participation in the sprint race was not voluntary. I followed the captain's order, inline with the department's rank order system, only after first voicing my unwillingness. Any one of the conditions that pose a hazard for sprint racing on airport property could have caused an accident; the plurality of these hazards guaranteed that it did. The race was staged in an area that provided an unobstructed, direct line of sight, and was proximal to the control tower and multiple surveillance cameras. The considerable monitoring opportunities also included roaming Zebras who oversee airport activities and compliance. The airport authority, however, failed to meet a standard of care for employees on its property by allowing, and not supervising, a reckless activity in an environment with significant related hazards.

The City of San Diego Fire Crew on-duty on August 8th, 2025, at the time of the accident include:

Joshua Clark, Captain  
Matthew Galloway, Engineer  
Juan Trevino, Engineer  
Roderick Dick, Firefighter  
Alberto Gomez, Firefighter  
Eugene Watts, Engineer  
Jason Jones, Firefighter  
Noah Schenk, Firefighter

600 B Street, Suite 1300  
San Diego, CA 92101  
619-533-4300

Lead Physician:

Dr. Kristopher Downing  
Ortho 1 Medical Group Copley  
858-824-1703

*Witness Attachment*

RESOLUTION NO. 2026-0014

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY,  
REJECTING THE CLAIM OF RODERICK DICK

**WHEREAS**, on February 5, 2026, Roderick Dick filed a claim with the San Diego County Regional Airport Authority (“Authority”) for losses he claims were the result of falling on the ramp near the fire station facilities at San Diego International Airport; and

**WHEREAS**, at its special meeting on March 2, 2026, the Board considered the claim filed by Roderick Dick and the report submitted to the Board, and found that the claim should be rejected.

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

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March, 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## STAFF REPORT

**Meeting Date: March 2, 2026**

**Subject:**

**Acceptance of the Single Audit Report for the Fiscal Year Ended June 30, 2025**

**Recommendation:**

The Audit Committee recommends that the Board accept the Single Audit Report for the Fiscal Year Ended June 30, 2025.

**Background/Justification:**

The Single Audit is a federally required audit for government entities that expend \$750,000 or more in federal awards during a fiscal year. Its purpose is to ensure that federal funds are used in compliance with applicable laws, regulations, and grant requirements, and that adequate internal controls are in place. For the fiscal year ended June 30, 2025, the San Diego County Regional Airport Authority met the requirement for the audit due to the grant expenditures related to the Airport Improvement Program.

Plante Moran, PLLC, the Authority's external auditor, performed the Single Audit work concurrently with the fiscal year 2025 financial statement audit. Issuance of the Single Audit Report was delayed due to the late release of the Office of Management and Budget's 2025 Compliance Supplement. Following its release in late November 2025, Plante Moran completed the audit and issued the Single Audit Report dated January 12, 2026.

The auditors issued an unmodified (clean) opinion on compliance for the Authority's major federal program. No material weaknesses or significant deficiencies in internal controls were identified, and there were no findings reported under Government Auditing Standards or Uniform Guidance.

The Charter of the Audit Committee directs the Committee to review external auditor reports and forward them to the Board with a recommendation for acceptance. On February 9, 2026, the Single Audit Report for the Fiscal Year Ended June 30, 2025 (Attachment A), was presented to the Audit Committee, and the Committee voted to recommend that the Board accept the report.

**Fiscal Impact:**

Adequate funding for the audit conducted by Plante & Moran, PLLC, is included in the adopted Fiscal Year 2025 and Adopted Fiscal Year 2026 Operating Expense Budgets within the Accounting Department Audit Services line item.

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

## Environmental Review:

- A. CEQA: This Board action is not a “project” as defined by the California Environmental Quality Act (“CEQA”) Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required

## Application of Inclusionary Policies:

Not Applicable

## Prepared by:

Elizabeth Stewart  
Director, Accounting

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**San Diego County Regional Airport Authority**

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**Federal Awards Supplementary Information**  
**June 30, 2025**

**Independent Auditor's Reports**

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance	1
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	2-3
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance	4-6
<b>Schedule of Expenditures of Federal Awards</b>	7
<b>Notes to Schedule of Expenditures of Federal Awards</b>	8
<b>Schedule of Findings and Questioned Costs</b>	9-10

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

**Independent Auditor's Report**

To the Members of the Board  
San Diego County Regional Airport Authority

We have audited the financial statements of San Diego County Regional Airport Authority (the "Authority") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements. We issued our report thereon dated October 31, 2025, which contained an unmodified opinion on the financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to the audited financial statements subsequent to October 31, 2025.

The accompanying schedule of expenditures of federal awards is presented for the purpose of additional analysis, as required by the Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

*Plante & Moran, PLLC*

January 12, 2026

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of  
Financial Statements Performed in Accordance with *Government Auditing Standards*

**Independent Auditor's Report**

To Management and the Members of the Board  
San Diego County Regional Airport Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of San Diego County Regional Airport Authority (the "Authority") as of and for the year ended June 30, 2025 and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated October 31, 2025.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

To Management and the Members of the Board  
San Diego County Regional Airport Authority

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Plante & Moran, PLLC*

October 31, 2025

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance  
Required by the Uniform Guidance

**Independent Auditor's Report**

To the Members of the Board  
San Diego County Regional Airport Authority

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited San Diego County Regional Airport Authority's (the "Authority") compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Authority's major federal program for the year ended June 30, 2025. The Authority's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the major federal program for the year ended June 30, 2025.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Authority's federal program.

To the Members of the Board  
San Diego County Regional Airport Authority

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

To the Members of the Board  
San Diego County Regional Airport Authority

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Plante & Moran, PLLC*

January 12, 2026

**San Diego County Regional Airport Authority**

**Schedule of Expenditures of Federal Awards**

**Year Ended June 30, 2025**

Federal Agency/Pass-through Agency/Program Title	Assistance Listing Number	Grant Number	Provided to Subrecipients	Federal Expenditures
U.S. Department of Transportation - Federal Aviation Administration:				
Airport Improvement Program	20.106	3-06-0214-93	\$ -	\$ 5,396,492
Airport Improvement Program	20.106	3-06-0214-101	-	7,211,703
Bipartisan Infrastructure Law - Airport Improvement Program	20.106	3-06-0214-103	-	2,241,546
Airport Improvement Program	20.106	3-06-0214-105	-	14,288,894
Airport Improvement Program	20.106	3-06-0214-106	-	3,300,000
Airport Improvement Program	20.106	3-06-0214-108	-	9,270
Airport Improvement Program	20.106	3-06-0214-109	-	3,075,195
Total U.S. Department of Transportation - Federal Aviation Administration - Airport Improvement Program			<b>\$ -</b>	<b>\$ 35,523,100</b>

**Notes to Schedule of Expenditures of Federal Awards**

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**Year Ended June 30, 2025**

**Note 1 - Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of San Diego County Regional Airport Authority (the "Authority") under programs of the federal government for the year ended June 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the Authority, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Authority.

**Note 2 - Summary of Significant Accounting Policies**

Expenditures reported in the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The Authority has elected not to use the 10 percent *de minimis* indirect cost rate to recover indirect costs, as allowed under the Uniform Guidance.

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## Schedule of Findings and Questioned Costs

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**San Diego County Regional Airport Authority**

**Schedule of Findings and Questioned Costs**

**Year Ended June 30, 2025**

**Section I - Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None reported
- Noncompliance material to financial statements noted? \_\_\_\_\_ Yes      X   None reported

**Federal Awards**

Internal control over major programs:

- Material weakness(es) identified? \_\_\_\_\_ Yes      X   No
- Significant deficiency(ies) identified that are not considered to be material weaknesses? \_\_\_\_\_ Yes      X   None reported
- Any audit findings disclosed that are required to be reported in accordance with Section 2 CFR 200.516(a)? \_\_\_\_\_ Yes      X   No

Identification of major programs:

Assistance Listing Number	Name of Federal Program or Cluster	Opinion
20.106	Airport Improvement Program	Unmodified

Dollar threshold used to distinguish between type A and type B programs: \$1,065,693

Auditee qualified as low-risk auditee?   X   Yes    \_\_\_\_\_ No

**Section II - Financial Statement Audit Findings**

None

**Section III - Federal Program Audit Findings**

None



Item 8

# External Auditor's Single Audit Report for the Fiscal Year Ended June 30, 2025

Presented by: Elizabeth Stewart, Director, Accounting

Audit Committee Meeting  
February 9, 2026

# Single Audit Report - Overview

## Federal Requirement

- Required for government entities expending \$750,000 or more in federal awards

## Timing This Year

- Audit work performed concurrently with the FY 2025 financial statement audit
- Final report delayed due to late issuance of the OMB 2025 Compliance Supplement (released November 2025)

## Audit Results

Unmodified (clean) opinion on compliance for the Authority's major federal program

- Authority complied, in all material respects, with Airport Improvement Program requirements
- No material weaknesses or significant deficiencies in internal controls
- No findings under Government Auditing Standards or Uniform Guidance

“The Authority continues to qualify as a low-risk auditee, reflecting its strong track record of clean federal audits and effective grants compliance controls.” – Plante Moran

# Recommendation



Staff recommends the Audit Committee forward this item to the Board with a recommendation for acceptance.

# Questions



SAN DIEGO  
INTERNATIONAL AIRPORT

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Fiscal Year 2026 Second Quarter Report from the Office of the Chief Auditor**

**Recommendation:**

The Audit Committee recommends that the Board accept the report.

**Background/Justification:**

As directed in the Charter for the Office of the Chief Auditor, the Chief Auditor shall communicate the results of internal audit services to the Authority's Audit Committee and executive management quarterly.

The Fiscal Year 2026 Second Quarter Report from the Office of the Chief Auditor submitted to the Audit Committee is included as Attachment A. The report describes the activities and the results of the OCA during the period October 1, 2025, through December 31, 2025, and includes details on all recommendations completed or in progress during the second quarter of Fiscal Year 2026.

On February 9, 2026, during a scheduled meeting of the Audit Committee, a presentation was provided by the Chief Auditor on its second quarter activities. Upon review of the Fiscal Year 2026 Second Quarter Report, the Audit Committee voted unanimously to forward the report to the Board for acceptance.

**Fiscal Impact:**

None

## Authority Strategies/Focus Areas:

This item supports one or more of the following:

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

## Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Application of Inclusionary Policies:

Not Applicable

## Prepared by:

Lee M. Parravano  
Chief Auditor

# Office of the Chief Auditor Fiscal Year 2026 Second Quarter Report

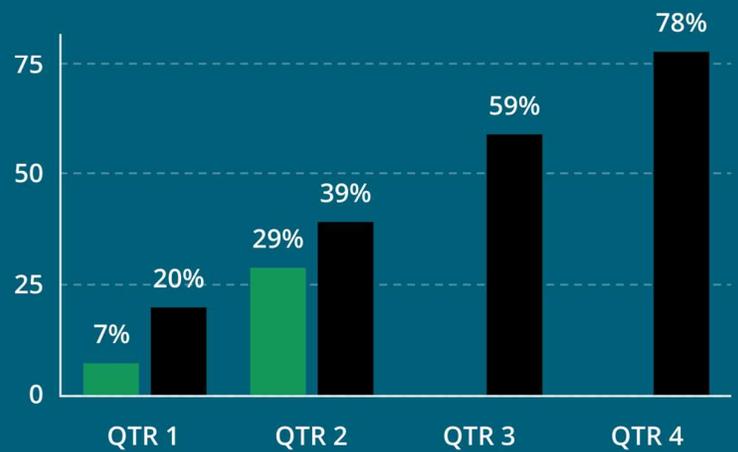


## Audit Engagement Progress



■ Completed (28.57%) 
 ■ In Progress (64.29%)  
■ Not Started (7.14%)

## Audit Engagements Completed vs. Benchmark & Goal



■ Completed 
 ■ Benchmark & Goal

## By The Numbers



Auditee  
Satisfaction Rating



Engagements  
Completed Under  
Budget



Auditor Utilization  
Percentage



Recommendations  
Accepted By  
Management

# Office of the Chief Auditor Fiscal Year 2026 Second Quarter Report

Issue Date: February 9, 2026



Office of the Chief Auditor

Lee Parravano, Chief Auditor

Fred Bolger, Manager Audit Services

Andrea Cook, Senior Auditor

Marnie Dale, Auditor

Shane Ellis, Senior Auditor

Scott Thein, Senior Auditor

## Second Quarter Summary

### Executive Summary

During the second quarter, the Office of the Chief Auditor (OCA) advanced the Fiscal Year 2026 Audit Plan. The OCA finalized three complex and lengthy audit reports, and by quarter's end, four audit reports had been issued with nine engagements underway. Additionally, OCA personnel completed continuing professional education courses as mandated by the Institute of Internal Auditors.

### Performance Measures

For Fiscal Year 2026, five major performance measures were developed to evaluate the OCA. The OCAs performance against the selected performance measures is displayed in Table 1.<sup>1</sup>

*Table 1: Status of Performance Measures as of December 31, 2025*

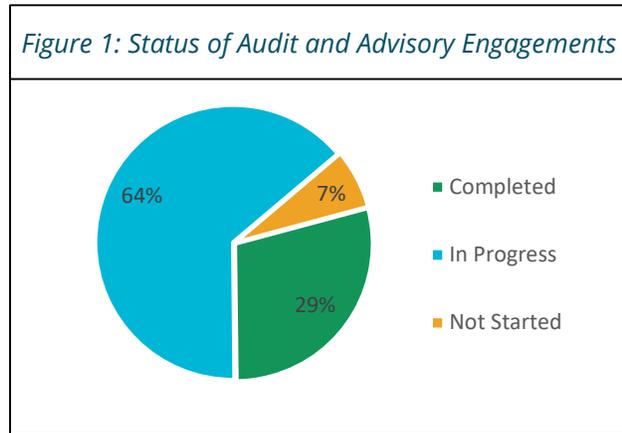
#	Performance Measure	Goal	Actual	Benchmark
1	Customer satisfaction ratings from auditee	4.0	5.0	4.0
2	Percentage of audit and advisory engagements completed	39%	29%	39%
3	Percentage of recommendations accepted	95%	100%	95%
4	Percentage of staff time spent on audit and advisory engagements and general audit activities	71%	76%	71%
5	Percentage of audit and advisory engagements completed within budget	78%	75%	78%

#### *Customer Satisfaction Rating:*

After the completion of an audit or advisory engagement, a survey is sent to the department to obtain customer satisfaction data. The OCAs goal for customer satisfaction is 4.0, on a 1 to 5 scale (with 1 being very dissatisfied and 5 being very satisfied). To date this fiscal year, we have achieved a score of 5.0.

<sup>1</sup> The OCA tracks additional performance measures that are not shown above. Their results are compiled and shared with the Audit Committee annually.

*Percentage of Audit and Advisory Engagements Completed:*



As of the end of the second quarter, the OCA completed 4 audit engagements, or 29%, of audit and advisory engagements (4/14 = 29%) that are planned to be completed on the Fiscal Year 2026 Audit Plan.<sup>2</sup> In addition to the four engagements completed, the OCA had 9 engagements (64%) in progress as of the end of the second quarter, as shown in Figure 1. The completed engagements are summarized in the upcoming section titled Audit Engagements

Issued.

The status of all activities in the Fiscal Year 2026 Audit Plan is included in Appendix A.

*Percentage of Recommendations Accepted:*

This category helps to evaluate the quality of the findings and recommendations issued by the OCA. Additionally, it helps hold the OCA accountable for the quality of the recommendations issued. As of the end of the second quarter 100% of all recommendations have been accepted.

*Percentage of Staff Time Spent on Audit & Advisory Engagements and General Audit Activities:*

This measure tracks the time spent on audit and advisory engagements and general audit activities.<sup>3</sup> The OCAs goal is for staff to spend 71% of working hours<sup>4</sup> on audit engagements, advisory engagements, and general audit activities. The OCA is currently exceeding the goal established, spending 76% of time on audit engagements, advisory engagements, and general audit activities.

*Percentage of Audit and Advisory Engagements Completed within Budgeted Time:*

This category monitors the efficiency of audit staff in performing audits and advisory engagements. Specifically, audit staff are responsible for the internally prepared budget hours assigned to each audit or advisory engagement. At the end of the second quarter of Fiscal Year 2026, the OCA completed 75% of its projects within the budgeted time, just below the benchmark and the OCAs goal of 78%.

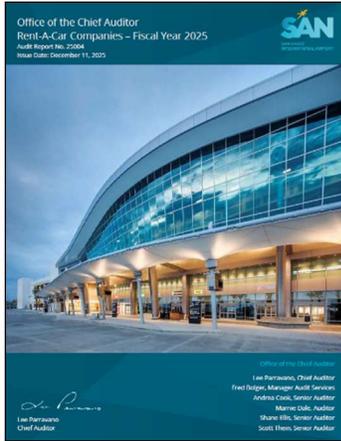
<sup>2</sup> The Fiscal Year 2026 Audit Plan has 13 audits and 2 advisory engagements. However, the audit identified as “Tenant Lease Administration and Management – FY2026 Rental Car Companies” will carry forward into Fiscal Year 2027. This results in 12 audits and 2 advisory engagement (14 total engagements) on the Fiscal Year 2026 Audit Plan to be completed in the fiscal year.

<sup>3</sup> Appendix A details all planned activities in these categories for Fiscal Year 2026.

<sup>4</sup> Excludes Time Off (e.g., Holidays, Paid Time off).

## Audit Engagements Issued

The Office of the Chief Auditor completed three audits during the second quarter. Below is a summary of these engagements.



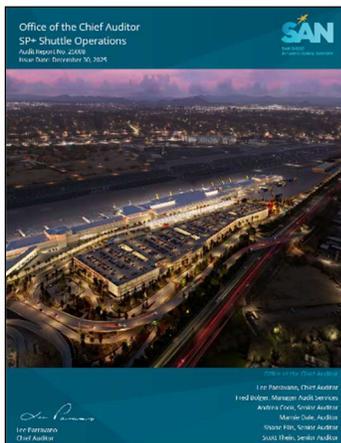
**Rent-A-Car Companies – Fiscal Year 2025:** The objectives of this audit were to determine if the Rent-A-Car (RAC) Companies accurately paid, in all material respects, concession fees and Customer Facility Charges (CFCs). We concluded that:

- concession fees were materially accurate for six of the eight tested RACs.
- Two RACs had a variance greater than the materiality range established for concession fees.
- Payments were materially accurate for all eight RACs for CFCs.

The OCA identified two findings and provided four recommendations as part of this audit.



**Facilities Management Department Purchasing and Inventory Management:** The objective of this audit was to evaluate the Facilities Management Department’s purchasing and inventory management internal controls. We concluded that some internal controls were not functioning as intended, insufficient, or were ineffective. The OCA recommended implementing formalized procedures, establishing segregation of duties, and enhancing warehouse security. Management reported some recommendations were already implemented by report issuance. The OCA identified two findings and provided 14 recommendations as part of this audit.



**SP+ Shuttle Operations:** The objective of this audit was to determine if SP+ accurately invoiced the Authority for In-Service shuttle service hours. Unfortunately, we were unable to obtain sufficient documentation to conclude on the accuracy of In-Service hours for shuttles. The OCA identified one finding and provided three recommendations as part of this audit.

## General Audit Activities

In addition to performing audit engagements, the OCA is involved in other general audit activities that do not result in a formal audit report/opinion being issued. The OCA is either required<sup>5</sup> to perform these activities or believes completion of these activities to be in the best interest of the Authority. A summary of the *General Audit Activities* is presented below.

### Risk Assessment and Audit Plan

The OCA is required to submit a formal risk-based internal Audit Plan to the Audit Committee annually. The Risk Assessment & Audit Plan is the culminating result of data gathering, management discussions, surveys, and data analysis. The annual Risk Assessment and Audit Plan is generally initiated during the third quarter of each Fiscal Year. However, informally, the OCA is constantly assessing risk and adjusting the Audit Plan as needed.



### Construction Activities

Construction audit activity through the second quarter of Fiscal Year 2026 included continued work with Baker Tilly, the on-call construction audit consultant, on the audits of Change Orders, Pay Applications, and Subcontracts. The OCA expects to complete the Change Orders audit in the third quarter of 2026, followed by audits of Pay Applications and Subcontracts in subsequent quarters. The OCA also attended meetings regarding the New T1 terminal and roadways, and the New T1 airside improvements projects. The OCA remains involved with issues identified by ADC and Authority management, providing assistance as requested, and attending meetings specific to all aspects of the Authority's construction activity.

### Development of Data Analytics

The OCA is actively exploring options to increase its audit coverage through data analytics and to identify where in-depth audits should be initiated. In Fiscal year 2026, the OCA focused on the transition from Tableau to Power BI, Microsoft's business intelligence and data visualization platform, for rental car data. The Rent-A-Car Companies – Fiscal Year 2025 Audit was completed utilizing Data Analytics and Power BI.

<sup>5</sup> Requirements are dictated by the Charter for the Office of the Chief Auditor, Charter of the Audit Committee, or the Global Internal Audit Standards.

**Fraud, Waste, Abuse, and Ethics Program**

The OCA manages the Authority’s Ethics Program that includes a confidential Fraud, Waste, Abuse, and Ethics (FWA&E) reporting hotline. Through the second quarter of Fiscal Year 2026, the OCA received two (2) tips/reports that were considered FWA&E related and five (5) reports that were not considered FWA&E related<sup>6</sup>. Tips/reports that are not investigated by the OCA are forwarded to management, as appropriate.

The hotline also allows individuals to ask questions about possible ethical matters, thus allowing individuals to make an informed ethical decision. Through the second quarter of Fiscal Year 2026, two (2) questions were received. We appreciate the efforts made by individuals aiming to ensure an ethical decision is reached.

A summary of the tips/reports received through the second quarter is shown in Table 2 below.

*Table 2: Hotline Tips/Reports Received though the Second Quarter of Fiscal Year 2026*

Category	Number of Tips / Reports Received	Investigation Initiated by OCA/Others	Tip/Report was Investigated and was Substantiated
<b>Fraud, Waste, Abuse, &amp; Ethics Tips/Reports</b>			
Business Integrity	1	-	-
Workplace Conduct	1	-	-
<b>Total Fraud, Waste, Abuse, &amp; Ethics Tips/Reports</b>	<b>2</b>	<b>-</b>	<b>-</b>
<b>Non – Fraud, Waste, Abuse, &amp; Ethics Tips/Reports</b>			
Business Integrity	1	-	-
Workplace Conduct	2	-	-
Other	2	-	-
<b>Total Non-Fraud, Waste, Abuse, &amp; Ethics Tips/Reports</b>	<b>5</b>	<b>-</b>	<b>-</b>
<b>Total Hotline Tips/Reports</b>	<b>7</b>	<b>-</b>	<b>-</b>

**Recommendation Follow-up**

The OCA is mandated by its Charter to track the recommendations issued in audit reports and to report their implementation status to the Audit Committee on a periodic basis. The

<sup>6</sup> Tips/Reports that are Non-FWA&E related are tracked but are not investigated by the OCA. An example of a non-FWA&E related tip/report is a traveler reporting an issue with a water filling station in the terminal. Generally, these tips/reports are forwarded to management to address.

OCA tracks recommendations through regular inquiries made to the audited departments or to the owner of the specific recommendation(s) (See Appendix B). These inquiries allow the OCA to determine how many recommendations have been completed, as well as to obtain the status on progress being made to implement the recommendations.

Table 3 below shows the number of recommendations that were *Completed* or *In Progress* as of the second quarter of Fiscal Year 2026, along with the estimated/actual implementation timeframes based on the audit report issue date. Of the Completed recommendations, seven were implemented within the initial timeframe identified when the recommendations were issued. All In Progress recommendations are within the initial timeframe identified for implementation.

In general, the OCA is satisfied with the progress that Authority departments are making with the implementation, based upon our inquiries during the tracking process.

*Table 3: Recommendations with Estimated/Actual Implementation Timeframe*

<b>Recommendations</b>	<b>Zero to 7 Months</b>	<b>7 Months to 1 Year</b>	<b>Over 1 Year</b>	<b>Total<sup>7</sup></b>
Completed	8	-	-	8
In Progress	10	3	1	14

**Quality Assurance and Improvement Program**

The Global Internal Audit Standards require the OCA to maintain a Quality Assurance and Improvement Program (QAIP) that includes:

1. Ongoing monitoring (required annually).
2. Internal assessments (required periodically – Next scheduled for FY 2027).
3. External assessments (required every 5 years - Next scheduled for FY 2028).

The OCA completed ongoing monitoring of its Fiscal Year 2025 activities and operations during the first quarter of Fiscal Year 2026. The OCA found no items that would impact audit report quality. Full results were included in the Fiscal Year 2025 OCA Annual Report as part of the September 8, 2025, Audit Committee Meeting materials.

The OCA continues to monitor its activities and report on performance measures each quarter. Those results are presented in quarterly reports to the Audit Committee.

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<sup>7</sup> Recommendation(s) contained in confidential audit reports are not included in Table 3 or in Appendix B. They are tracked separately by the OCA.

## ***Administrative***

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The activities that reside within the administrative classification include meetings attended by the OCA, holiday and vacation time, and the fulfillment of Continuing Professional Education (CPE) requirements.

### **Tracking Budget and Expenses**

The OCA expenses totaled approximately \$625,000 through the end of the second quarter, which represents 41% of the Fiscal Year 2026 budget. No unexpected or large outlays occurred within the department during the second quarter of Fiscal Year 2026. The OCA expects to remain close to budget through the fiscal year-end.

### **Continuing Professional Development**

OCA staff continues to obtain Continuing Professional Education (CPE) credits as required by their various certifications. The OCAs CPE credits are tracked on a calendar year basis. At the end of calendar year 2025 all OCA staff met their respective CPE requirements. In the second quarter of 2026, staff attended training on topics that included Airport Concessions, Ethics, Forensic Accounting, Continuous Auditing, Artificial Intelligence, Privacy, and Internal Controls.

### **Procedural/Supervisory**

One Audit Committee meeting took place during the second quarter, which occurred on November 12, 2025. The meeting contained all regularly scheduled agenda items, of which the OCA assisted in coordination with the Committee Chair and the Clerk's Office.

### **Use of Report**

The information in this report is intended solely for the use of the San Diego County Regional Airport Authority's (SDCRAA) Audit Committee, Board, and management and is not intended to be, and should not be, used by anyone other than the specified parties.

This report has been authorized for distribution to the Audit Committee and as specified:

- President/Chief Executive Officer
- General Counsel
- Vice Presidents
- Director, Authority Clerk
- Director, Government Relations
- Assistants specified by Board Members and SDCRAA

**Appendix A – Fiscal Year 2026 Audit Plan**

#	Activity	Status as of 12/31/2025	Over/ Under Budget
<b>Audit</b>			
1	Purchase Goods and Services	Completed	Under
2	Tenant Lease Admin. & Management – FY 2025 Rental Car Companies	Completed	Over
3	Parking Management Contract Administration	In Progress	
4	Harbor Police Contract Management – Fiscal Year 2021,2022, 2023, and 2024	In Progress	
5	Construction - Change Orders	In Progress	
6	Construction – Subcontracts	In Progress	
7	Construction – Pay Applications	In Progress	
8	Tenant Lease Admin. & Management – ABRM Internal Controls	In Progress	
9	Payroll – Social Security Section 218 Agreement	Completed	Under
10	Tenant Lease Admin. & Management – FY 2026 Rental Car Companies <sup>8</sup>	In Progress	
11	System Security	In Progress	
12	ARFF Management	Not Started	
13	Rental Car Shuttle Service Contract Administration	Completed	Under
	<b>Total</b>		
<b>Advisory</b>			
14	Harbor Police Contract Management	In Progress	
15	Tenant Lease Admin. & Management –Rental Car Company Reporting	In Progress	
<b>General Audit</b>			
16	Risk Assessment & Audit Plan	In Progress	
17	Construction Meeting Attendance & Coordination	In Progress	
18	Development of Data Analytics	In Progress	
19	Fraud, Waste, Abuse, and Ethics Program	In Progress	
20	Recommendation Follow-up	In Progress	
21	Quality Assurance & Improvement Program	In Progress	
<b>Administrative</b>			
22	Indirect - Attendance at Staff/Board/Committee Meetings, Continuing Professional Development, and Other	In Progress	
23	Benefit - Vacation, Holiday Time, and Other Leave/Time Off	In Progress	

<sup>8</sup> Audit engagement is not anticipated to be completed in Fiscal Year 2026 and will be carried forward to Fiscal Year 2027.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>Completed</b>						
26-06	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT	High	Management should reinforce the requirement for independent third-party verification of goods received and ensuring legible approvals. The use of re-printed packing slips as sole documentation should be prohibited.	11/14/2025	11/14/2025	FMD completed this recommendation prior to the issuance of the final audit report by implementing the requirement for third-party verification.
26-13	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: PROCUREMENT	High	Procurement should enhance warehouse security by implementing physical access controls (e.g., keycard entry, cameras, or check-in systems) and ensure continuous staff presence during business hours when doors are open.	11/14/2025	11/14/2025	Procurement completed this recommendation prior to the issuance of the final audit report by implementing new protocols and security protocols.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>Completed</b>						
26-02	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT	Medium	We recommend that Management strengthen requisition and approval controls by implementing a formal, documented pre-approval process for purchases. This process should require clear documentation of the purpose, justification, and intended use of requested goods or services prior to procurement. Additionally, blanket order amounts should be released at the time of requisition.	11/14/2025	11/14/2025	FMD completed this recommendation prior to the issuance of the final audit report by implementing a preapproval process.
26-03	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT	Medium	Management should designate and train back-up requisitioners in each shop. This will help ensure uninterrupted purchasing capabilities and improve overall resilience in maintenance operations.	11/14/2025	11/14/2025	FMD completed this recommendation prior to the issuance of the final audit report by designating and training requisitioners in each shop.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>Completed</b>						
26-04	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT and PROCUREMENT	Medium	Management should develop clear, written guidance on when to use One-Time Purchase Orders, Blanket Purchase Orders, and On-Call Service agreements. This should include criteria for selecting the appropriate method and instructions for using each type of method or agreement. The guidance should be incorporated into staff training, easily accessible, and regularly reviewed and updated.	3/1/2026	12/31/2025	Procurement has a published Procurement Manual on SharePoint detailing the appropriate use of each solicitation and contract method. Guidance is available through training and Procurement’s monthly “Open Office Hours” for personalized support. Facilities Management has developed an internal SOP that aligns with the published Procurement Manual. In addition, ongoing support and collaboration is offered through weekly planning meetings between Facilities Management and Procurement in order to ensure alignment and continuous improvement.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>Completed</b>						
26-14	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: PROCUREMENT	Medium	Procurement should strengthen controls by securing high-value assets in access-controlled areas and implementing a formal process for managing obsolete or surplus items.	12/30/2025	12/30/2025	Due to physical restrictions, Procurement cannot bring pallets to the only access-controlled area. Most high-valued assets are palletized equipment and physically reconfiguring the access-controlled area is a costly endeavor. Procurement has implemented overall security measures that are more cost effective but still achieve the goal of strengthening security and controls. Additionally, Procurement has implemented a formal process to notify property owners regarding the disposition of items being stored in the procurement warehouse. Procurement has labeled all storage locations in the warehouse and created a master list to improve the tracking of items in inventory or storage. If items are designated as obsolete or surplus, Procurement will continue to adhere to the requirements set forth by SAN Policy 8.21.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>Completed</b>						
26-15	Audit Report 25004 Issued: December 11, 2025 Title: Rent-A-Car Companies - Fiscal Year 2025  Department: LANDSIDE BUSINESS DEVELOPMENT	Low	The Landside Business Development should formally request the OCA to launch an audit or advisory engagement of Fox to determine the variance noted by the OCA and Fox's CPA for concession fees due.	1/31/2026	1/20/2026	LBD formally requested the OCA to launch an advisory engagement of Fox on 12/17/2025.
25-32	Audit Report 25001 Issued: June 30, 2025 Title: ABRM Data Integrity  Department: TERMINAL BUSINESS DEVELOPMENT	Low	We recommend that ABRM Users investigate these discrepancies and bring the ABRM entries into alignment with the Agreements or other source data requirements. Further, ABRM Users should evaluate insurance attributes for other nontested Authority partners to ensure their accuracy.	10/30/2025	11/30/2025	TBD reviewed the discrepancies and brought each of the ABRM entries into compliance and this was completed by 11/30/25.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-10	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT	High	Management should require purchases to be reviewed and approved by an employee who has the expertise or knowledge of the types of materials/supplies that are being purchased. Further, management should establish a formal process for the regular review and reconciliation of expenses charged to all purchase, work, and blanket orders to ensure accuracy, appropriateness, and compliance with finance and procurement policies.	3/1/2026	3/1/2026	All purchases will require FMD supervisor review and authorization, with purchases exceeding \$1,000 requiring FMD manager’s authorization. To strengthen oversight, FMD managers will also conduct spot checks of invoice approvals using SCANMAN workflow.  Reconciliation of expenses is conducted by the Sr. Cost Analyst & Cost Analyst when invoices are processed for payment. Invoices must be reconciled against the blanket order and must be verified that the E1 contract balance matches the remaining balance of the contract capacity.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-11	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT	High	Management should implement system controls and internal policies to enforce segregation of duties across procurement, receiving, and payment functions; and provide staff training on internal control principles while periodically reviewing workflows for compliance and conflicts of interest.	5/1/2026	5/1/2026	FMD is currently in the process of implementing a Computerized Maintenance Management System (CMMS). This effort will support the segregation of duties for purchase and receiving. A number of unique controls have been developed: 1) an approved Purchase Request Form is required and, 2) Project Analyst must receive and deliver the approved purchase. 3) Invoice payments are approved by FMD managers in Scanman. All payment processed by Sr. Cost Analyst and Cost Analyst are routed to an FMD manager for review and approval.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-01	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT	Medium	Management should implement a centralized inventory management system by leveraging the Computerized Maintenance Management System (CMMS) or other inventory tools across all FMD shops to track maintenance supplies and attic stock and ensure that periodic inventory audits/counts are conducted to ensure accuracy and accountability.	6/1/2027	6/1/2027	FMD is currently in the process of implementing a centralized inventory management system in the Computerized Maintenance Management System (CMMS). FMD has currently conducted inventory of 80% of the maintenance shop supplies and attic stock. This will establish an accurate baseline and support the transition to CMMS based inventory tracking. On track to accomplish 100% supplies inventory count. After completing training and the initial inventory process, the CMMS will be used to monitor inventory throughout all FMD shops and assist with routine inventory checks.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-05	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: FACILITIES MANAGEMENT and PROCUREMENT	Medium	Management should develop and implement a formal MRO contract management framework that includes: a) documented guidelines (defining eligible materials, restrictions and sourcing protocols, b) step-by-step requestion procedures (with designated contacts and escalation paths), c) pre-purchase eligibility reviews, d) regular vendor performance evaluations (monitor service quality and adherence to contract terms), and e) staff training (to ensure consistent understanding and application of MRO procedures).	5/1/2026	5/1/2026	Facilities Management and Procurement are working together on a new MRO solicitation and contract which will incorporate additional controls and oversight. Procurement has published a Contract Administration Guide that is available to all Staff and best practices for contract monitoring is also included as part of the published Procurement Manual. The guide and manual can be used as a benchmark for the MRO contract management framework.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-07	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: PROCUREMENT	Medium	Management should revise/update the receiving process to include item-level verification upon receipt and require that packing slips be retained and matched to purchase orders and invoices.	7/15/2026	7/15/2026	Procurement has developed a new delivery confirmation form and revised the Standard Operating Procedures (SOPs) for the receiving, inspection, and delivery process. Procurement is working with I&TS to integrate technology utilizing a tablet for paperless copies of packing slips, delivery confirmation forms, and photos of delivered packages. Once the new tools can be deployed, Procurement will test and finalize the SOPs in anticipation of additional headcount and full integration of procedures as part of the FY 2027 Budget. Packing slips, delivery confirmation forms and photos will be retained in SharePoint for up to one year upon receipt of items.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-09	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: PROCUREMENT	Medium	Management should establish detailed Standard Operating Procedures (SOPs) for the receiving, inspection, documentation, and distribution of goods across the Authority. These procedures should be easily accessible to staff, integrated into onboarding and ongoing training programs, and reviewed and updated regularly to reflect changes in policy or operational needs.	7/15/2026	7/15/2026	Procurement has drafted detailed SOPs for receiving, inspection, delivery and documentation of goods across the Authority to provide better clarity on the respective roles of Procurement and FMD. Once finalized, Procurement will add the new SOPs to the published Procurement Manual and Contract Administration Guide on SharePoint to be easily accessible. Procurement will continue to provide training, support and meet with FMDs contracting team weekly. FMDs centralized internal receiving team has also strengthened FMDs contract administration and controls.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-19	Audit Report 25008 Issued: December 30, 2025 Title: SP+ Shuttle Operations  Department: LANDSIDE BUSINESS DEVELOPMENT	Medium	We recommend that LBD direct SP+ to work with ETA Transit to equip all shuttles with the necessary equipment to enable tracking of all shuttles. This will provide independent verification for the monthly In-Service calculations and the additional reports that are included.	6/30/2026	6/30/2026	LBD will direct SP+ to work with ETA Transit to equip all shuttles with the necessary equipment to enable tracking of all shuttles; subject to approval and timing authorization by the Authority Finance Department.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-20	Audit Report 25008 Issued: December 30, 2025 Title: SP+ Shuttle Operations  Department: LANDSIDE BUSINESS DEVELOPMENT	Medium	We recommend that LBD direct SP+ to fully implement the ETA Transit system on all SP+ shuttles and configure, test, and verify ETA accurately tracks data (e.g., In Service hours) which can be used to calculate monthly data for required reports to the Authority. Additionally, SP+ should be trained on the ETA Transit system.	6/30/2026	6/30/2026	LBD will direct SP+ to fully implement the ETA Transit system on SP+ shuttles and configure, test, and verify ETA accurately tracks data (e.g., In Service hours) which can be used to calculate monthly data for required reports to the Authority. LBD will evaluate the systems effectiveness and cost-benefit, and, if warranted, expand deployment to the remaining shuttles. Additionally, LBD will require SP+ to receive comprehensive training on the ETA Transit system's functionality and reconciliation process.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-21	Audit Report 25008 Issued: December 30, 2025 Title: SP+ Shuttle Operations  Department: LANDSIDE BUSINESS DEVELOPMENT	Medium	We recommend that LBD require that Supplemental Monthly reports sent to the Authority are accurate and LBD should review all reports for accuracy when received. Additionally, LBD should utilize ETA to confirm the data included in the Monthly billings from SP+.	6/30/2026	6/30/2026	LBD will require that Supplemental Monthly reports sent to the Authority are accurate. LBD will update SOPS and develop checklists and reconciliations to ensure a detailed review of all reports for accuracy. Additionally, LBD will cross-reference invoice data sources to the ETA to system data and reports to confirm the data included in the Monthly billings from SP+ is relevant, accurate, and complete.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-08	Audit Report 25014 Issued: November 14, 2025 Title: Facilities Management Department Purchasing and Inventory Management  Department: PROCUREMENT	Low	The delivery confirmation forms should be updated to include relevant references such as item descriptions, quantities etc. or implement a standardized receiving log or digital tracking system to monitor the receipt and internal distribution of items. Management could also consider integrating the receiving process with existing procurement processes/systems to provide real-time visibility and traceability of goods, if feasible.	7/15/2026	7/15/2026	Procurement has developed a delivery confirmation form containing all pertinent information and references. New SOPs have been drafted to enhance the receiving, inspection, and delivery processes. Currently, Procurement staff document the receipt of items in the Authority's financial system (E-1); however, real-time tracking capabilities are not available in the existing system.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-16	Audit Report 25004 Issued: December 11, 2025 Title: Rent-A-Car Companies - Fiscal Year 2025  Department: LANDSIDE BUSINESS DEVELOPMENT	Low	The Landside Business Development Department should request Payless to submit an Annual Report audited by a certified public accountant (CPA) that complies with Article 4.2.2 of the Concession Agreement prior to refunding or billing for any amounts due. Additionally, the Authority should impose a \$500 penalty on Payless for non-compliance with Article 4.2.2, in accordance with Article 5.2.	1/31/2026	1/31/2026	LBD will request Payless to submit an Annual Report Audited by a CPA that complies with Article 4.2.2 of the Concession Agreement on 01/20/2026. No refund or billing will be completed before the audit is completed. The Authority will also impose a \$500 Penalty for non-compliance with Article 4.2.2. on 1/31/2026.
26-17	Audit Report 25004 Issued: December 11, 2025 Title: Rent-A-Car Companies - Fiscal Year 2025  Department: LANDSIDE BUSINESS DEVELOPMENT	Low	The Landside Business Development and Accounting Departments should collaborate to complete the annual reconciliations within the period required in the Agreement.	3/31/2026	3/31/2026	LBD and Accounting will collaborate to complete the annual reconciliations within the required time period, as specified by the agreement. LBD will develop a schedule of reconciliation delivery dates for the Accounting Dept.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-18	Audit Report 25004 Issued: December 11, 2025 Title: Rent-A-Car Companies - Fiscal Year 2025  Department: LANDSIDE BUSINESS DEVELOPMENT	Low	The Landside Business Development Department should continue to communicate with Avis, Budget, and Hertz to ensure CFCs are calculated accurately using a 25-hour Transaction Day.	1/31/2026	1/31/2026	LBD will work with rental car partners to evaluate the feasibility and technological capability of calculating CFCs using a 25-hour Transaction Day.

**Appendix B - Status of OCA Recommendations**

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2025
<b>In Progress</b>						
26-12	<p>Audit Report 25014                      Issued: November 14, 2025                      Title: Facilities Management Department Purchasing and Inventory Management</p> <p>Department:                      FACILITIES MANAGEMENT and PROCUREMENT</p>	Medium	<p>Management should develop and implement comprehensive, written procurement procedures tailored to FMD’s operations. These should cover all relevant purchasing methods, including - but not limited to - purchase order types, pre-approval requirements, requisition protocols, receiving and payment authorization processes, and signature standards (ensuring legibility and verifiability). Roles and responsibilities must be clearly defined to promote accountability and consistency.</p>	1/1/2026	12/31/2025	<p>FMD has developed a comprehensive written SOP aligned with the Authority’s Procurement Manual. This SOP defines all relevant purchasing methods—including purchase order types, pre-approval requirements, requisition protocols, receiving processes, payment authorization steps, and signature standards—to ensure consistency, accuracy, and accountability. Roles and responsibilities have been clearly established, and the procedures have been incorporated into staff training and onboarding. The SOP is maintained in the department’s SharePoint library for accessibility and will be reviewed regularly to ensure continued alignment with operational needs and policy updates.</p> <p>FMD is currently updating the payment authorization process within the SOP to incorporate the new accounting SCANMAN process.</p>

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Approve the First Amendment to the On-Call Construction Audit Services Provider Agreement With Baker Tilly US, LLP Extending the term for one year**

**Recommendation:**

Adopt Resolution No. 2026-0015, approving the first amendment to the On-Call Construction Audit Services provider agreement with Baker Tilly US, LLP extending the term by one year.

**Background/Justification:**

On August 4, 2021, the Authority and Baker Tilly US, LLP (“Baker Tilly”) entered into an on-call construction audit services agreement for audit services relating to New Terminal 1 (“NT1”). The agreement has a term of three years with two one-year options to renew and a not-to-exceed compensation amount of one million five hundred thousand (\$1,500,000). The Authority has exercised both options resulting in a termination date of July 31, 2026. Baker Tilly is providing construction auditing services regarding construction activity around NT1. Additionally, an audit of subcontracts is currently in process and is expected to extend past the end date of the agreement of July 31, 2026. The Chief Auditor recommends an extension of the term of the agreement by one-year, resulting in a termination date of July 31, 2027, to allow Baker Tilly to continue providing auditing services and complete the in-progress audit. The not-to-exceed compensation amount remains unchanged.

**Fiscal Impact:**

Adequate funds for the on-call construction audit services are included within the Board approved FY2026-FY2030 Capital Program Budget within the New T1 line item.

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

### Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### Prepared by:

Lee Parravano  
Chief Auditor

RESOLUTION NO. 2026-0015

A RESOLUTION OF THE BOARD OF THE SAN DIEGO  
COUNTY REGIONAL AIRPORT AUTHORITY  
APPROVING THE FIRST AMENDMENT TO THE ON-  
CALL CONSTRUCTION AUDIT SERVICES PROVIDER  
AGREEMENT WITH BAKER TILLY US, LLP EXTENDING  
THE TERM FOR ONE YEAR

**WHEREAS**, on August 4, 2021, the Authority and Baker Tilly US, LLP (“Baker Tilly”) entered into an on-call construction audit services provider agreement for NT1 construction auditing services with a term of three years with two one-year options to renew and a not-to-exceed compensation amount of one million five hundred thousand dollars (\$1,500,000); and

**WHEREAS**, effective August 1, 2024, the Authority executed the first one-year extension to the Agreement extending the term for one year; and

**WHEREAS**, effective August 1, 2025, the Authority executed the second (and final) one-year extension to the Agreement extending the term for one year; and

**WHEREAS**, Baker Tilly continues to provide construction auditing services regarding the construction of NT1; and

**WHEREAS**, the Chief Auditor recommends that the Board approve a one-year extension to the term of the Agreement, resulting in a termination date of July 31, 2027, to allow Baker Tilly to continue providing construction audit services and to complete in-progress audits.

**NOW, THEREFORE, BE IT RESOLVED** that the Board approves a first amendment to the on-call construction audit services provider agreement with Baker Tilly increasing the term by one year, resulting in a termination date of July 31, 2027; and

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March, 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Revision to the Fiscal Year 2026 Audit Plan of the Office of the Chief Auditor**

**Recommendation:**

The Audit Committee recommends that the Board adopt Resolution No. 2026-0016, approving the revision to the Fiscal Year 2026 Audit Plan of the Office of the Chief Auditor.

**Background/Justification:**

The Charter for the Office of the Chief Auditor, instituted by Board Resolution No. 2003-062 on October 2, 2003, and most recently amended on October 3, 2025, per Board Resolution No. 2025-0065, defines the role and requirements of the Office of the Chief Auditor (OCA).

As directed in the Charter, the Chief Auditor shall submit, at least annually, a risk-based Audit Plan to the Audit Committee and to Authority executive management, and shall review and adjust the Audit Plan, as necessary, responding to changes in business risks, operations, special requests, programs, systems, and controls. All changes to the Audit Plan shall be communicated to the Audit Committee prior to being submitted to the Board for approval.

Additionally, Global Internal Audit Standards require that the Chief Auditor review and adjust the Audit Plan, as necessary.

The OCAs Audit Plan for Fiscal Year 2026 was initially accepted by the Audit Committee during its May 5, 2025, meeting, and was subsequently approved on June 5, 2025, by Board Resolution No. 2025-0033.

A revision that precisely accounted for the audits that carried over from Fiscal Year 2025, and adjustments needed to reflect the OCAs current operational requirements was approved by Board Resolution No. 2025-0067.

During the second quarter of Fiscal Year 2026 a review of the Audit Plan was undertaken by the OCA. On February 9, 2026, the OCA presented a proposed revision to the Audit Committee that added one audit and two advisory service engagements to the Audit Plan. To account for the additional hours added to the Audit Plan, the OCA proposed reducing

the hours assigned to two projects that are no longer planned to be completed this Fiscal Year. The Audit Committee unanimously recommended to forward the OCAs proposed revision to the Fiscal Year 2026 Audit Plan to the Board for approval.

The proposed revision to the Fiscal Year 2026 Audit Plan is provided as Attachment A.

### Fiscal Impact:

Adequate funding for the Fiscal Year 2026 Audit Plan of the Office of the Chief Auditor is included in the adopted FY 2026 Operating Expense Budgets within the Department of the Chief Auditor budget.

### Authority Strategies/Focus Areas:

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

#### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

#### Focus Areas

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

### Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA") Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

### Application of Inclusionary Policies:

Not Applicable

### Prepared by:

Lee Parravano  
Chief Auditor

RESOLUTION NO. 2026-0016

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING THE REVISION TO THE FISCAL YEAR 2026 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR

**WHEREAS**, California Public Utilities Code §170018 specifies the membership (consisting of board members and public members), the terms, and the responsibilities of the Audit Committee; and

**WHEREAS**, §170018(g) of the California Public Utilities Code and the Authority Charter of the Office of the Chief Auditor require the Audit Committee to approve the annual internal and external audits, including the auditor's annual audit plan, for each fiscal year and submit the same to the Board for approval; and

**WHEREAS**, at its regular meeting on May 5, 2025, the Audit Committee was presented with the Fiscal Year 2026 Proposed Audit Plan and voted to accept the plan and forward it for Board approval as adopted by Board Resolution No. 2025-0033 on June 5, 2025; and

**WHEREAS**, at its regular meeting on September 8, 2025, the Audit Committee was presented with an amendment to the Fiscal Year 2026 Audit Plan and voted to accept the revised Audit Plan and forward it for Board approval as adopted by Board Resolution No. 2025-0067 on October 2, 2025; and

**WHEREAS**, on February 9, 2026, during a regularly scheduled meeting of the Audit Committee, the Office of the Chief Auditor presented a proposal to revise the Fiscal Year 2026 Audit Plan to add one audit and two advisory service engagements to the Audit Plan. Additionally, the hours assigned to two projects that are no longer planned to be completed this Fiscal Year were reduced. The Audit Committee unanimously agreed and voted to forward the revision to the Board for approval.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves the revision to the Fiscal Year 2026 Audit Plan of the Office of the Chief Auditor (Attachment A); and

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

**Office of the Chief Auditor**  
2026 Audit Plan  
Proposed Audit Plan March 2, 2026

ATTACHMENT A

Key Work Activity	Objective <sup>1</sup>	Prior Estimated Hours	Change Requested	Revised Hours
<b>Audit Hours</b>				
Purchase Goods and Services <sup>2</sup>	To determine if internal controls surrounding the purchase of goods and services are appropriate. <i>Audit Engagement #25014</i>	100	-	100
Tenant Lease Administration and Management <sup>2</sup>	To determine if Airport Rental Car Companies accurately paid concession fees and Customer Facility Charges (CFCs) / Transportation Facilities Charges (TFC) in fiscal year 2025, in all material respects. <i>Audit Engagement #25004</i>	500	-	500
Parking Management Contract Administration <sup>2</sup>	To determine if the parking management contract is administered appropriately. <i>Audit Engagement #25009</i>	650	-	650
Harbor Police Contract Mgmt. <sup>2</sup>	To determine if Harbor Police costs or services are appropriate related to fiscal years 2021, 2022, 2023, and 2024. <i>Audit Engagement #25006</i>	400	-	400
Construction <sup>2</sup>	To determine compliance with the change order process within ADC. <i>Audit Engagement #25015 - Baker Tilly</i>	100	-	100
Construction <sup>2,3</sup>	To evaluate compliance with bid, award, and billing requirements of subcontracts. <i>Audit Engagement #25016 - Baker Tilly</i>	600	(500)	100
Construction <sup>2</sup>	To determine if costs within payment applications are allowable and meet requirements. <i>Audit Engagement #25017 - Baker Tilly</i>	150	-	150
Tenant Lease Administration and Management <sup>2</sup>	To determine if appropriate internal controls in the property management software (ABRM) are appropriate. <i>Audit Engagement #26001</i>	650	-	650

<sup>1</sup> Objective may change based on the preliminary survey performed by the OCA.

<sup>2</sup> Audit activity has been carried forward from fiscal year 2025.

<sup>3</sup> Audit activity will continue into fiscal year 2027.

**Office of the Chief Auditor**  
 2026 Audit Plan  
 Proposed Audit Plan March 2, 2026

ATTACHMENT A

Key Work Activity	Objective <sup>1</sup>	Prior Estimated Hours	Change Requested	Revised Hours
Payroll	To determine if the Social Security (Section 218 Agreement) process was administered appropriately. <i>Audit Engagement #26002</i>	450	-	450
Tenant Lease Administration and Management <sup>3</sup>	To determine if Airport Rental Car Companies accurately paid concession fees and Customer Facility Charges (CFCs) / Transportation Facilities Charges (TFC) in fiscal year 2026, in all material respects. <i>Audit Engagement #26003</i>	300	-	300
System Security	To evaluate the Authority's security posture by performing testing of a selected Information Technology system. <i>Audit Engagement #26004</i>	350	-	350
ARFF Management <sup>3</sup>	To determine if costs included in ARFF billings are appropriate. <i>Audit Engagement #26005</i>	600	(400)	200
Rental Car Shuttle Service Contract Administration	To determine if the Shuttle Service operations are administered appropriately. <i>Audit Engagement #26008</i>	500	-	500
Contract Security Personnel Management	To determine if the contract for the Authority's security personnel is administered appropriately. <i>Audit Engagement #26010</i>	-	550	550
To Be Determined	To initiate audit(s)/advisory engagements based on risks identified at the discretion of the Chief Auditor.	-	-	-
<b>Total Audit Hours</b>		<b>5,350</b>	<b>(350)</b>	<b>5,000</b>

**Office of the Chief Auditor**  
 2026 Audit Plan  
 Proposed Audit Plan March 2, 2026

ATTACHMENT A

Key Work Activity	Objective	Prior Estimated Hours	Change Requested	Revised Hours
<b>Advisory Service Hours</b>				
Harbor Police Contract Mgmt.	To provide management assistance with recommendations related to the Harbor Police Contract. <i>Advisory Service Engagement #26006-AS</i>	600	-	600
Tenant Lease Administration and Management	To provide management assistance with Rent a Car Companies related to reporting and payment of concession fees and Customer Facility Charges (CFC) / Transportation Facilities Charges (TFC). <i>Advisory Service Engagement #26007-AS</i>	50	-	50
Tenant Lease Administration and Management	To provide management assistance with evaluating audit reports submitted by Fox RAC for Fiscal Year 2025. <i>Advisory Service Engagement #26009-AS</i>	-	150	150
Rental Car Shuttle Service Contract Administration	To provide management assistance with evaluating the billing and review process of SP+ shuttle services. <i>Advisory Service Engagement #26011-AS</i>	-	200	200
	<b>Total Advisory Service Hours</b>	<b>650</b>	<b>350</b>	<b>1,000</b>

Office of the Chief Auditor

2026 Audit Plan

Proposed Audit Plan March 2, 2026

Key Work Activity	Objective <sup>4</sup>	Prior Estimated Hours	Change Requested	Revised Hours
<b>General Audit Hours</b>				
Risk Assessment and Audit Plan <sup>5</sup>	To conduct a Risk Assessment that will identify the high-risk activities to be considered when preparing the annual Audit Plan.	252	-	252
Construction Meeting Attendance & External Construction Auditor Coordination	Attend various construction meetings and incorporate knowledge into ongoing risk assessments and management of the External Construction Auditor.	300	-	300
Development of Data Analytics	Enhance or develop the data analytics program.	200	-	200
Fraud, Waste, Abuse & Ethics Program <sup>4</sup>	To review policies, perform training, and investigate reported incidents.	400	-	400
Recommendation Follow-up <sup>4</sup>	To verify that internal and external audit recommendations have been implemented as intended.	160	-	160
Quality Assurance & Improvement Program <sup>4</sup>	To assess conformance with the <i>Standards</i> , whether internal auditors apply the Code of Ethics, and allow for the identification of improvement opportunities.	400	-	400
<b>Total General Audit Hours</b>		<b>1,712</b>	<b>-</b>	<b>1,712</b>
Administrative - Indirect	Attendance at Staff/Board/Committee Meetings, Continuing Professional Development and Other.	2,632	-	2,632
Administrative - Benefit	Vacation, Holiday Time, and Other Time Off.	2,136	-	2,136
<b>Total Administrative Hours</b>		<b>4,768</b>	<b>-</b>	<b>4,768</b>
<b>Total Hours</b>		<b>12,480</b>	<b>-</b>	<b>12,480</b>

<sup>4</sup> Objective may change based on the preliminary survey performed by the OCA.

<sup>5</sup> Required activity in the Charter for the Office of the Chief Auditor or Charter of the Audit Committee.

**Office of the Chief Auditor**  
 2026 Audit Plan  
 Proposed Audit Plan March 2, 2026

ATTACHMENT A

Key Work Activity	Objective <sup>6</sup>	Prior Estimated Hours	Change Requested	Revised Hours
<b>Contingent Audit Hours</b>				
Tenant Lease Administration and Management	To determine if concessions and Customer Facility Charges (CFC) / Transportation Facilities Charges (TFC) were accurately paid for a selected Rental Car Company based on Data Analytics or new entity.	400	-	400
Tenant Lease Administration and Management	To determine if a selected in terminal concession contract correctly calculated and remitted concession fees due.	350	-	350
Tenant Lease Administration and Management	To determine if 3MP Rent a Car accurately paid concessions and Transportation Facility Charges (TFC).	350	-	350
Parking Management Contract Administration	To determine if Dynamic Pricing is being managed appropriately.	550	-	550
TNC Contract Administration & Revenue Collection	To determine if the TNC contract is administered appropriately.	475	-	475
Small Business Management	To determine if the Authority complies with applicable Federal Regulations for Small Business.	525	-	525
Advertising	To determine if the concessions marketing program is managed appropriately.	500	-	500
Traffic Control, Vehicle Insp., Code Comp., Citations & Notice of Violation Admin.	To determine if the processes and controls in place for citations are adequate and appropriate.	500	-	500

<sup>6</sup> Objective may change based on the preliminary survey performed by the OCA.

**Office of the Chief Auditor**  
 2026 Audit Plan  
 Proposed Audit Plan March 2, 2026

ATTACHMENT A

Key Work Activity	Objective	Prior Estimated Hours	Change Requested	Revised Hours
Curfew Violations	Determine if Curfew Violations are administered appropriately.	500	-	500
P Card Administration	To determine if the Authority's P Cards are administered appropriately.	500	-	500
Contract Security Personnel Management	To determine if the contract for the Authority's security personnel is administered appropriately.	550	(550)	-
On Airport Paramedic Services Contract Management	To determine if the EMT contract is administered appropriately.	500	-	500
Tenant Lease Administration and Management	To determine if the contract for advertising is administered appropriately.	500	-	500
<b>Total Contingent Audit Hours</b>		<b>6,200</b>	<b>(550)</b>	<b>5,650</b>

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Approve and Authorize the President/CEO to Execute a First Amendment to the Blanket Purchase Order with HKA Global, Inc., for E-Construction Project Management Software System Services**

**Recommendation:**

Adopt Resolution No. 2026-0017, approving and authorizing the President/CEO to execute a 1st Amendment to the Blanket Purchase Order with HKA Global, Inc., for E-Construction Project Management Software System Services, extending the term for eighteen (18) months to January 22, 2028.

**Background/Justification:**

The Authority currently maintains a Blanket Purchase Order with HKA Global, Inc. for services supporting PMWeb's e-construction project management software. PMWeb provides financial accounting and budgeting, electronic approval management, collaboration and reporting tools designed to automate the Authority's construction management processes. These services include implementation of business modules, report and dashboard development, and system integrations that enhance PMWeb's construction program management capabilities. The term of the Blanket Purchase Order is three years, plus two one-year options to extend the term and a not-to-exceed compensation amount of \$900,000. The term began July 23, 2021, and both options were exercised extending the term date to July 22, 2026.

Authority staff seeks to extend the term of the Blanket Purchase Order with HKA Global, Inc., for an additional eighteen (18) months to January 22, 2028. The existing agreement with HKA Global, Inc. provides sufficient funding to support this extension. Extending the Agreement will enable HKA Global, Inc. to deliver the professional services necessary to upgrade PMWeb to version 8.2 and transition the system from on-premise infrastructure to cloud hosting. As PMWeb does not provide professional services directly, clients must engage an authorized consulting partner when implementation support is required. HKA Global, Inc. is the approved PMWeb consulting provider for the Southwest region and is qualified to perform this work in alignment with PMWeb standards and best practices.

This initiative will modernize the platform, strengthen security and performance, reduce infrastructure and maintenance costs, and improve system availability and disaster recovery.

## Fiscal Impact:

Adequate funds for the PM Web upgrade are included within the Board adopted FY2026-FY2030 Capital Program Budget in Project No. 104343, Airport IT Rooms Remediation. The contract may also be utilized for future capital projects or operating expenses, as needed. Expenses that will impact budget years that have not been adopted/approved by the Board will be included in future year budget requests.

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

## Environmental Review:

- A. CEQA: This Board action is not a “project” as defined by the California Environmental Quality Act (“CEQA”) (Cal. Pub. Res. Code §21065).
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, no formal review under the National Environmental Policy Act (“NEPA”) is required.

## Prepared by:

Jessica Bishop  
Director, Information & Technology Services

RESOLUTION NO. 2026-0017

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE BLANKET PURCHASE ORDER WITH HKA GLOBAL, INC., FOR E-CONSTRUCTION PROJECT MANAGEMENT SOFTWARE SYSTEM SERVICES, EXTENDING THE TERM FOR EIGHTEEN (18) MONTHS TO JANUARY 22, 2028.

**WHEREAS**, the Authority currently has a Blanket Purchase Order with HKA Global, Inc., for E-Construction Project Management Software System Services for a total not-to-exceed amount of \$900,000; and

**WHEREAS**, the term of the Blanket Purchase Order is three years, plus two one-year options to renew. The term began July 23, 2021, and both options to extend the term were exercised extending the term date to July 22, 2026; and

**WHEREAS**, a 1<sup>st</sup> Amendment to the Blanket Purchase Order is being requested to add an additional eighteen months to the term resulting in an expiration date of January 22, 2028; and

**WHEREAS**, no additional funding is needed to support this extension; and

**WHEREAS**, the additional eighteen months will allow HKA Global, Inc. to provide services to upgrade PMWeb to version 8.2 and move it from on-premises to cloud hosting.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes a 1st Amendment to the Blanket Purchase Order with HKA Global, Inc., for E-Construction Project Management Software System Services, extending the term for eighteen (18) months to January 22, 2028; 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 resolution; and

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March, 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

---

ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL

## Staff Report

**Meeting Date: March 2, 2026**

**Subject:**

**Approve and Authorize the President/CEO to Execute a Second Amendment to the On-Call Pavement Repair Services Agreement with R.P. General Construction Inc.**

**Recommendation:**

Adopt Resolution No. 2025-0018, approving and authorizing the President/CEO to execute a Second Amendment to the On-Call Pavement Repair Services Agreement with R.P. General Construction Inc., increasing the amount payable by an amount not to exceed \$4,200,000, resulting in a total maximum amount payable of up to \$27,700,000.

**Background/Justification:**

The Authority and R.P. General Construction Inc. are parties to an agreement for On-Call Pavement Repair Services, No. 800768-OB ("Agreement"). The Agreement began on January 1, 2023, for a term of three years with two one-year options to extend. The current total amount payable over the three years plus two one-year options is up to \$23,500,000.

The increase in the amount is due to an urgent repair of pavement rutting along a 1,750-foot section of Taxiway Bravo between the concrete deck at Bravo 1 and the Bravo/Alpha1 intersection. Although a CIP project to address this asphalt rutting was scheduled to begin in September 2026, Airside Operations identified an immediate need to correct the existing rutting and pavement failures ahead of Least Tern season and in advance of what is expected to be the busiest summer on record at San Diego International Airport. The current pavement condition compromises FAR Part 139.305(a)(3), and any further degradation, particularly from water infiltration within the rutted areas—heightens the risk of asphalt pop-ups and increased foreign object debris (FOD), potentially resulting in an unplanned closure and emergency repair of this taxiway segment. Accelerating the work ensures the Authority meets its obligations under Paragraph 19 of our Grant Assurances while maintaining full compliance with the terms and conditions of the Authority's operating certificate under FAR Part 139.305(a)(3).

Staff requests the Board approve and authorize the President/CEO to execute a Second Amendment to the Agreement increasing the compensation amount by an amount not to exceed \$4,200,000, resulting in a total not to exceed amount for the Agreement of up to \$27,700,000.

A Summary of Contract Amendments is listed below:

<b>Initial Contract Award</b>	<b>\$12,000,000.00</b>
Amendment #1 Increase	\$11,500,000.00
Amendment #2 Increase	\$4,200,000.00
<b>New Contract Value</b>	<b>\$ 27,700,000.00</b>

## Fiscal Impact:

**Adequate funds for this amendment are included within the Board adopted FY 2026-FY 2030 Capital Program Budget in Project No. 104329. The source of funding for this project is Airport Revenue Bonds.**

## Authority Strategies/Focus Areas:

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

### Strategies

- Community Strategy    Customer Strategy    Employee Strategy    Financial Strategy    Operations Strategy

### Focus Areas

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

## Environmental Review:

- A. CEQA: This Board action is not a "project" as defined by the California Environmental Quality Act ("CEQA"). Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

## Prepared by:

Stephen Mosca  
Director, Facilities Management

## RESOLUTION NO. 2026-0018

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE ON-CALL PAVEMENT REPAIR SERVICES AGREEMENT WITH R.P. GENERAL CONSTRUCTION INC. INCREASING THE AMOUNT PAYABLE BY AN AMOUNT NOT TO EXCEED \$4,200,000 RESULTING IN A TOTAL MAXIMUM AMOUNT PAYABLE UP TO \$27,700,000.

**WHEREAS**, on November 3, 2022, the San Diego County Regional Airport Authority (“Authority”) Board adopted Resolution No. 2022-0101 approving and authorizing the President/CEO to negotiate and execute an On-Call Pavement Repair Services Agreement (“Agreement”) with RP General Construction, Inc., for an amount not-to-exceed \$12,000,000 for a term of three years with two one-year options; and

**WHEREAS**, on September 7, 2023, the Board adopted Resolution No. 2023-0082 approving an increase of \$11,500,000 to the maximum Agreement value of \$12,000,000, making the new maximum Agreement value \$23,500,000; and

**WHEREAS**, the current pavement condition, in particular, pavement rutting in a 1750 foot section of Taxiway Bravo, compromises FAR Part 139.305(a)(3), and any further degradation, particularly from water infiltration within the rutted areas—heightens the risk of asphalt pop ups and increased FOD, potentially resulting in an unplanned closure and emergency repair of this taxiway segment; and

**WHEREAS**, accelerating the work ensures the Authority meets its obligations under Paragraph 19 of its Grant Assurances while maintaining full compliance with the terms and conditions of the Authority’s operating certificate under FAR Part 139.305(a)(3); and

**WHEREAS**, a CIP project to address this asphalt rutting was scheduled to begin in September 2026; however, staff identified an immediate need to correct the existing rutting and pavement failures ahead of Least Tern season and in advance of what is expected to be the busiest summer on record at San Diego International Airport (“SDIA”), and

**WHEREAS**, staff recommends that the Board authorize the President/CEO to negotiate and execute a 2<sup>nd</sup> amendment to the Agreement, increasing the amount payable by an amount not to exceed up to \$4,200,000 to perform these critical services.

**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby approves and authorizes the President/CEO to negotiate and execute a Second Amendment to the Agreement for On-Call Pavement Repair Services with R.P. General Construction Inc., increasing the amount payable by an amount not to exceed \$4,200,000, resulting in a total maximum amount payable of up to \$27,700,000 in support of the repair of pavement rutting along a 1,750-foot section of Taxiway Bravo at SDIA; and,

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

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

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

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

**PASSED, ADOPTED, AND APPROVED** by the Board of the San Diego County Regional Airport Authority at a special meeting this 2<sup>nd</sup> day of March 2026, by the following vote:

**AYES:** Board Members:

**NOES:** Board Members:

**ABSENT:** Board Members:

**ATTEST:**

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ANNETTE FAGAN ORTIZ  
AUTHORITY CLERK

**APPROVED AS TO FORM:**

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AMY GONZALEZ  
GENERAL COUNSEL