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San Diego International Airport

2010 Annual Report



San Diego International Airport
2010 Annual Report

INDEX

- I. Message from the Board Chair and President/CEO
- II. The Airport Authority: Piloting Progress
- III. The Green Build: Supporting a Sustainable Future
- IV. Environmental Responsibility: Safeguarding the Airport's Natural Setting Approach to Environmental Stewardship
- V. Corporate Citizenship: Rooted in the Community
- VI. Working to Master Customer Service: Putting Customers First
- VII. Airport Art: Bringing Texture to the Airport
- VIII. Air Service Development: Reaching New Heights
- IX. The Future is Bright
- X. 2010 Business Highlights
- XI. 2010 Board and Management
- XII. Financial Report



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Moving
forward.
The
Green
Build.

Amey welcomes
our Independent
Business Owners
to San Diego.







MESSAGE

from the Board Chair and President/CEO

Everyone counts and we count on everyone. That spirit of cooperation and collaboration is one of the Airport Authority's core values – an integral part of everything we do. This value is especially reflected in The Green Build, San Diego International Airport's largest ever improvement project. The perspectives of stakeholders across disciplines from air quality and art to construction and engineering are vital in The Green Build development process and in our overall success.

To lay the groundwork for The Green Build, the Airport Authority reached out to local government, environmental groups, transportation specialists, small businesses, area artists, prospective concessionaires and a host of other audiences. Because of the contributions of these constituents, The Green Build derives from and indelibly links to our community.

San Diego International Airport has satisfied the region's air transportation needs for 82 years. The Green Build will help to ready our acclaimed airport for a projected surge in demand, when by 2030 approximately 30 million passengers will walk through our doors. The future of San Diego's air transportation is bright. Together and with your support, we are certain to meet and exceed San Diego's air travel needs and the expectations of the flying public for years to come.

*Robert H. Gleason, Board Chair
Thella F. Bowens, President/CEO*

THE AIRPORT AUTHORITY: Piloting Progress

The San Diego County Regional Airport Authority was formed in 2003 as an independent agency tasked with managing the airport's daily operations and addressing the region's long-term air transportation requirements. An appointed board of nine members and three ex-officio members govern the Airport Authority.



The Airport Authority's three primary responsibilities are to:



1. OPERATE
San Diego International Airport

2. PLAN
for the future
air transportation needs
of the region



3. SERVE
as the region's
Airport Land Use Commission



What The Green Build Will Provide

- **10 new gates** at Terminal 2 West to minimize terminal congestion and provide enhanced passenger-waiting areas
- **Convenient, curbside check-in** via easy-to-use passenger kiosks
- **A dual-level roadway** separating arriving and departing passengers and reducing curbside traffic congestion
- **12 security lanes** to improve passenger flow through the terminals
- **Expanded concessions area** offering regional and national dining and shopping outlets





THE GREEN BUILD: Supporting a Sustainable Future

A major focus for the Airport Authority this year, The Green Build is a \$1 billion airport improvement project designed to enhance customer service, boost the local economy and provide the upgrades needed to meet current and future travel demand.

Project Highlights

Environmental sensitivity is a hallmark of The Green Build. With the goal of meeting LEED (Leadership in Energy and Environmental Design) silver certification from the U.S. Green Building Council, The Green Build seeks to diminish water usage, reduce energy consumption, decrease emissions and employ alternate energy sources.

The project integrates modern design principles, environmental stewardship, public art installations and a myriad of customer conveniences. Linking San Diego International Airport to its local setting, passengers perusing the upgraded terminal will be reminded of San Diego at every turn—from temporary exhibitions created by local artists to new dining venues serving specialties reminiscent of the region.



Increasing Small Business Participation

The Airport Authority's Small Business Development department is dedicated to helping small, disadvantaged, minority, women-owned and disabled veteran businesses win airport contracts, thereby keeping construction jobs within the San Diego region. Raising awareness about opportunities in various fields of work is a top priority for the small business team, which won two prestigious awards in 2010 for successful involvement initiatives.

The Green Build will create 1,000 new jobs at peak construction. As a result, opportunities are plentiful for local and small businesses. The Airport Authority has begun several new programs to position these firms for success, including improving the procurement process and introducing a bonding and contract financial assistance program.



Expansive Accomplishments

This year, construction teams of close to 700 daily workers laid the groundwork for The Green Build, installing new utilities, taking down pedestrian bridges with minimal passenger disruption and providing alternate parking areas.

In addition, the airport's USO center—the second-largest in the country—was temporarily relocated to make way for its new permanent home. As part of the terminal expansion, San Diego International Airport will construct a 10,000 sq. ft., state of the art facility. The new USO center, paying tribute to the military's strong San Diego presence, will welcome the more than 100,000 service members and their families who visit the airport annually.



**CONSTRUCTION
ZONE**

**AUTHORIZED
PERSONNEL ONLY**



ENVIRONMENTAL RESPONSIBILITY:

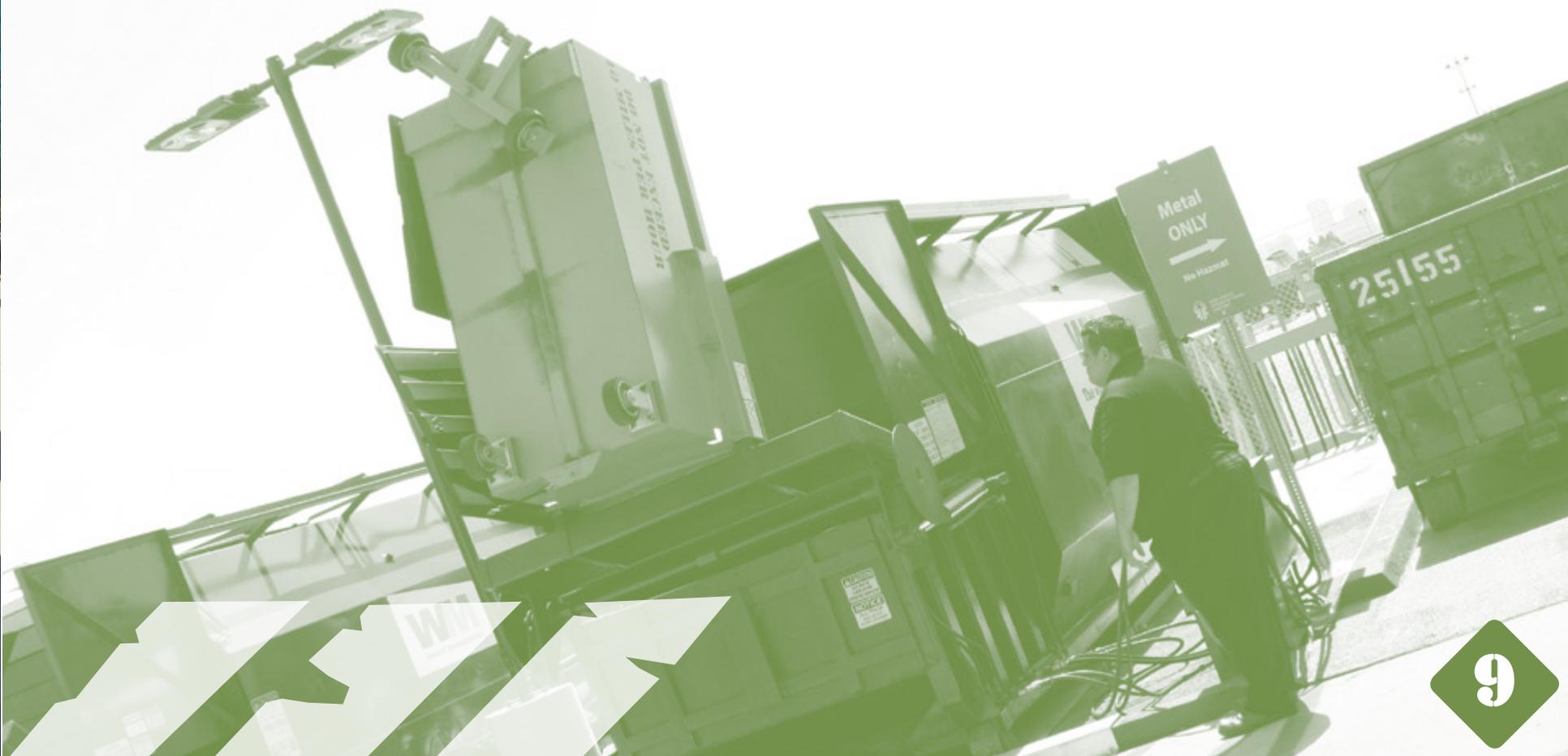
Safeguarding the Airport's Natural Setting Approach to Environmental Stewardship

The airport takes great care to protect its natural environment and pristine location on San Diego's bayside. It was one of the first airports in the United States to issue a formal sustainability policy, and the airport's go-green initiatives are guided by a comprehensive approach to environmental stewardship.

Eco-minded achievements in 2010 included completing an air quality management plan to reduce both airside and landside emissions and greenhouse gases, introducing a vehicle incentive program endorsing the conversion of all public commercial



ground transportation vehicles to alternative fuel or clean air vehicles by 2017 and winning a 2010 Recycler of the Year award from the City of San Diego's Environmental Services Department for the fourth consecutive year.





Least Tern Habitat Preservation

The California least tern, an endangered species, has nested at San Diego International Airport since 1970. The Airport Authority's ongoing habitat preservation efforts, along with predator control and monitoring programs, succeeded in transforming the airport into the most productive least tern nesting colony in San Diego Bay.



Quieter Homes

Designed to mitigate aircraft noise inside qualifying homes, the Quieter Home Program is San Diego International Airport's voluntary sound insulation initiative. From its initial focus on single-family and smaller multi-family residences, the Quieter Home Program has added condominium complexes to its annual charge of 400 to 500 completed homes. In 2010, the Quieter Home Program strengthened its ties to the community by unveiling a 700 sq. ft. customer showroom.





CORPORATE CITIZENSHIP: Rooted in the Community

Forging Community Partnerships

San Diego International Airport is tightly linked to and rooted in its various communities. On a national level, U.S. Transportation Secretary Ray LaHood in 2010 named Airport Authority President/CEO Thella F. Bowens to the Future of Aviation Advisory Committee, a new federal committee focused on the future of America's aviation industry.

Day to day, the Airport Authority stays true to its environmental aspirations by collaborating with a host of eco-forward community organizations such as the American Lung Association of California, San Diego Coastkeeper and the Surfrider Foundation.

Additional creative alliances with groups from the World Trade Center and San Diego Air & Space Museum to the California Airports Council give the airport a voice in the community, allowing it to be a good neighbor and support the region's economic vitality.

Amplifying Its Aviation Assets

The Regional Aviation Strategic Plan (RASP) represents the first time a comprehensive look at all civilian airports has been undertaken in San Diego County aviation history. A mandate of Senate Bill 10, the RASP examines each airport's capabilities and resources and will develop potential scenarios for future use. This year, the Airport Authority conducted open house sessions from Carlsbad to Chula Vista to solicit feedback from a variety of stakeholders.





Balloon Parade 2010



Airport Explorers YMCA Summer Camp



Junior Achievement BizTown



LINKED

TO OUR COMMUNITY



Terminals to Tarmac Tours



United Way fundraising



Holiday Photos on the Fly

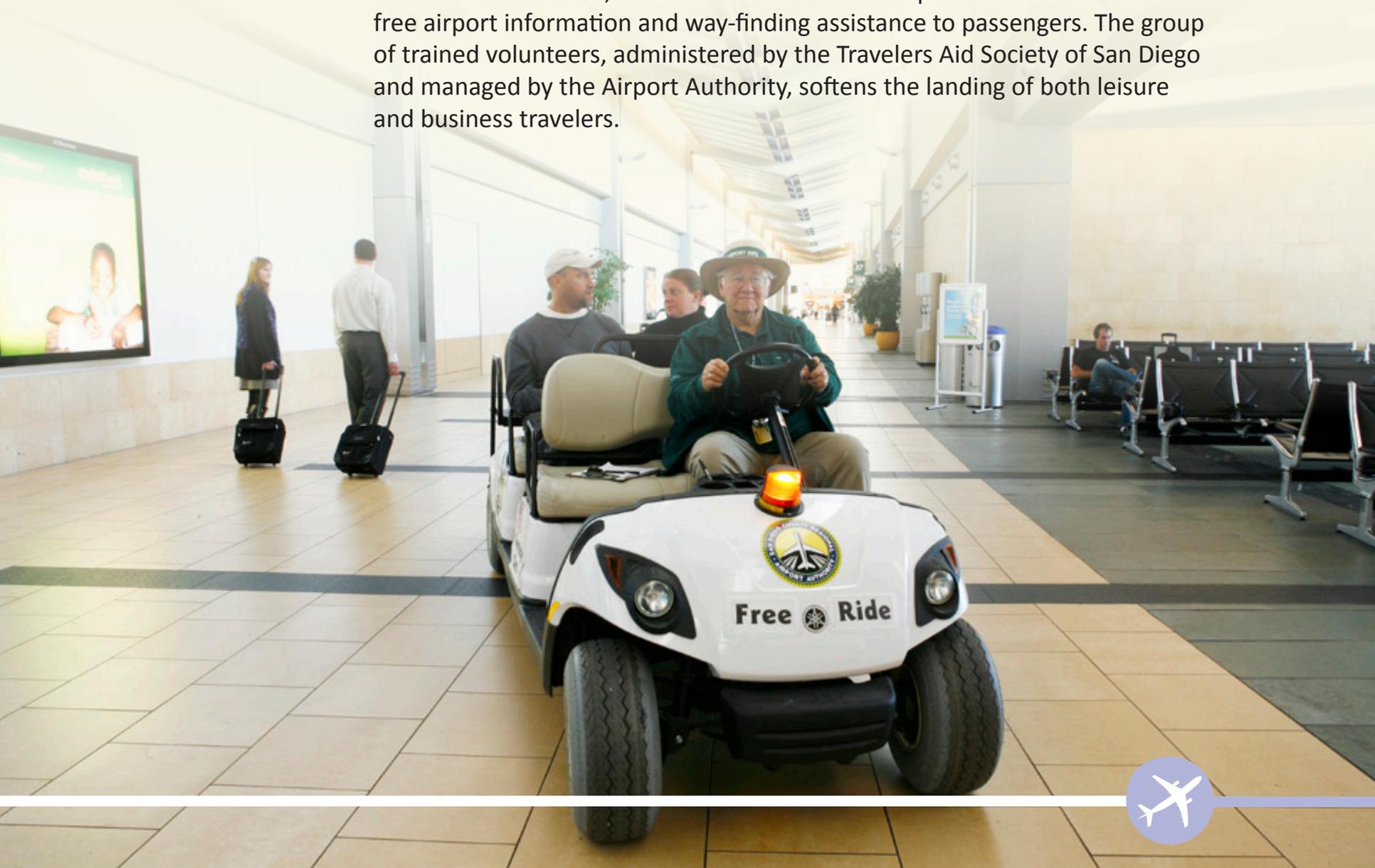




WORKING TO MASTER CUSTOMER SERVICE: Putting Customers First

Volunteer Ambassadors

Supporting San Diego International Airport in maintaining high marks in customer satisfaction, a team of 350 Volunteer Airport Ambassadors offers free airport information and way-finding assistance to passengers. The group of trained volunteers, administered by the Travelers Aid Society of San Diego and managed by the Airport Authority, softens the landing of both leisure and business travelers.





TERMINAL 2 EAST ↑

AIR CANADA
AIRTRAN
ALLEGiant AIR
AMERICAN

FRONTIER
HAWAIIAN
VIRGIN AMERICA
WESTJET

FOOD
COURT ON
THE UPPER
LEVEL

↑ AIR CANADA AIRTRAN ALLEGiant AIR AMERICAN FRONTIER HAWAIIAN VIRGIN AMERICA WESTJET Ground Transportation ↓
USO

Social Networking

In addition to an active presence on both Facebook and Twitter, this year the Airport Authority introduced e-alerts, an airport construction alert system to enhance the airport's interactive communications and keep travelers informed about The Green Build. The Airport Authority also launched an SMS (short message service) text alert program offering up-to-the-minute information via mobile phones.



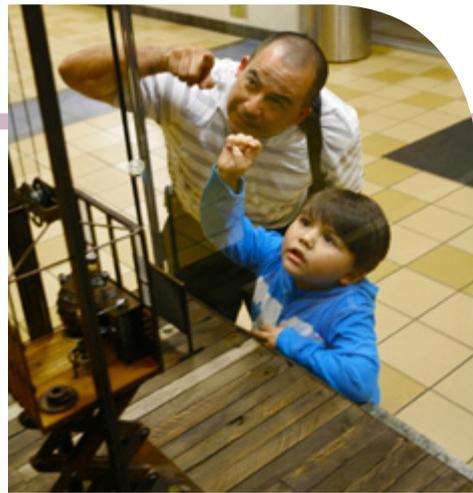


Ample Amenities

The availability of passenger conveniences including complimentary Wi-Fi, parking valet service, dedicated cell phone lot, service animal relief areas, immunization kiosks and seasonal gift-wrapping is a testament to San Diego International Airport's customer-service focus.

In addition to providing outstanding service to its diverse clientele, the Airport Authority also strives to offer passengers an inviting and memorable airport experience. Developing food, beverage and retail options with a flavor representative of the San Diego region is integral to a new Concession Development Program. Visitors will find 149,000 sq. ft. of new and improved concessions space within the next few years.





AIRPORT ART: Bringing Texture to the Airport





Public Art

From a sculptural cloud form floating above the new concessions area to the “Relativator,” a single elevator illustrating Einstein’s theory of relativity, a number of works are currently in design development. Artwork may be intriguing to the eye or functional in nature, deliberately placed to direct the traveler on his or her journey through the airport.

Temporary and Rotating Exhibits

The airport’s rotating exhibitions are both evocative of the San Diego region and visually innovative, often giving pause to travelers on the go.





Performing Arts

An integral part of the airport's plans to achieve world-class performance in its various capacities, à brève, San Diego International Airport's performing arts program, brings live music, dance and theater to the traveling public.

From regularly scheduled concert series featuring four- to five-piece bands and other musical ensembles, to more intimate musical experiences presented by groups of three members or less, live performances bring depth and texture to the airport.







Great moments are

MADE IN MEXICO

Low Fares and Nonstop Service to Puerto Vallarta.

Alaska Airlines
NORTH IS EXPECTED



MAKE IT MAUI

LOW FARES AND NEW DAILY NONSTOP SERVICE

Alaska Airlines
NORTH IS EXPECTED





AIR SERVICE DEVELOPMENT: Reaching New Heights Economic Indicators

San Diego International Airport serves close to 17 million passengers a year. As an economic engine for the region, the airport generates approximately \$2.2 billion each year in passenger expenditures. Supporting more than 540 flight operations per day, the airport is a hub of activity with nearly 6,000 onsite jobs in transportation, tourism, construction, concessions, shipping, security, food, freight and related industries.

Catalyst for Connections

New flights expand San Diego's air transportation industry and contribute to the region's economic health. On average, a new daily domestic flight garners an estimated \$8.7 million in total visitor spending annually, while an average new daily international flight generates \$27.2 million.

Domestically, in 2010 the airport launched several new routes including Alaska Airlines' daily nonstop service to and from Maui and Frontier Airlines' nonstop service between San Diego and Omaha.



Linking San Diego to Europe

The culmination of many years of effort on the part of San Diego International Airport, British Airways unveiled a new, daily nonstop flight between San Diego and London's Heathrow Airport. Beginning in June 2011, the new flight represents a significant victory for transcontinental passengers, San Diego's tourism industry and the regional economy as a whole.







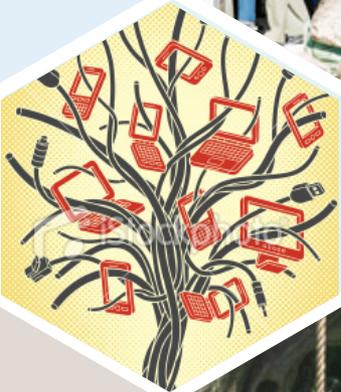
THE FUTURE IS BRIGHT

San Diego International Airport is at the nucleus of regional activity and exchange, linking people, ideas, goods and services. The expanded facilities, eco-friendly operations and improved passenger conveniences established within the next few years will position the airport as a continued asset to greater San Diego. From its unique location on the shores of the Pacific, San Diego International Airport supports the region's participation in the world marketplace, provides access to burgeoning industry and enables global connectivity.





2010 BUSINESS HIGHLIGHTS



January 26

Land use compatibility plans for five urban airports in San Diego County are adopted by the Airport Authority to help ensure the long-term viability of San Diego's aviation infrastructure.

January 26

The Chair of the San Diego County Board of Supervisors appoints Supervisor Greg Cox to the Airport Authority Board.

February 24

The Airport Authority introduces airport construction e-alerts allowing passengers to receive real-time updates via email, Facebook or Twitter.

March 18

San Diego International Airport's USO center is temporarily relocated to the west end of Terminal 1 to await a new home. The new, 10,000 sq. ft. facility, which is part of The Green Build, will be the largest USO center in the country.

March 23

The Airport Authority receives a \$9.8 million grant from the Federal Aviation Administration toward design and construction, including fencing and lighting of a new aircraft parking apron.

April 21

The Airport Authority schedules a series of events called "Big Opportunities for Small Contractors" designed to help small and local businesses gain access to construction work related to The Green Build.

April 22

For the fourth consecutive year and for the sixth time, the Airport Authority receives the Recycler of the Year Award from the City of San Diego.

May 9

Southwest Airlines begins daily flights between San Diego and St. Louis.

May 13

U.S. Transportation Secretary Ray LaHood names Airport Authority President and CEO Thella F. Bowns to the Future of Aviation Advisory Committee, designed to ensure the competitiveness and vitality of the U.S. aviation industry.

May 14

Paul Robinson is appointed to the Airport Authority Board, replacing John Davies on the Board's governor-appointed seat.

May 20

The Airport Authority's airport planning department wins first place for distinguished leadership at the American Planning Association's San Diego Chapter awards ceremony.

May 27

AirTran Airways resumes summer service to and from Atlanta and adds a nonstop flight between San Diego and Milwaukee.

June 3

Delta Air Lines returns to Hawaii with year-round nonstop service to and from Honolulu.

June 11

The Airport Authority introduces a series of outreach events to inform businesses about the airport's Concession Development Program, a comprehensive initiative providing a brand-new airport shopping and dining environment beginning in 2013.

June 17

Air Canada launches daily, year-round nonstop service between Toronto and San Diego.

August 30

As testament to the airport's commitment to local and small businesses, the Airport Authority wins awards from both the San Diego Chapter of the American Subcontracting Association and the Airport Minority Advisory Council.

September 1

The Airport Authority invites the public to a series of open houses about the Regional Aviation Strategic Plan, focused on identifying opportunities to enhance the performance of the San Diego County regional airport system.

September 14

Local dance troupe Malashock Dance Company performs a travel-themed modern dance at the airport's baggage claim.

September 17

The Airport Authority joins forces with Pacifica Medical to offer CDC-recommended immunizations, including the whooping cough vaccination, for a fee to ticketed passengers, airport employees and the general public.

September 24

For the fifth consecutive year, San Diego International Airport secures a top-10 spot in the *Condé Nast Traveler* magazine's Business Travel Awards.

October 1

Alaska Airlines launches daily roundtrip service between San Diego and Maui.

October 6

Heralding the return of transcontinental travelers to San Diego, British Airways introduces daily nonstop service between San Diego and London's Heathrow Airport beginning June 1, 2011.

October 18

The Airport Authority secured a favorable interest rate for the largest bond sale in the history of the airport, providing continued funding for The Green Build and Capital Improvement Program. The low rate is estimated to save more than \$40 million dollars over the 30-year term of the bonds.

November 12

Alaska Airlines unveils a seasonal, daily nonstop flight to and from Puerto Vallarta, enhancing the carrier's service to Mexico.

December 15–24

In the spirit of the season, the airport offers complimentary gift-wrapping for passengers.



2010 BOARD AND MANAGEMENT

2010 Board

Robert H. Gleason* (Board Chair)
Appointed by Mayor, City of San Diego

Tom Smisek* (Vice Chair)
Appointed by South County area mayors

Laurie Berman
District 11 Director CEA, CALTRANS
Ex-Officio Member

Bruce R. Boland
Appointed by Mayor, City of San Diego

Greg Cox*
Appointed by San Diego County Board of Supervisors

Jim Desmond
Appointed by North Inland area mayors

Ramona Finnila
Appointed by North Coastal area mayors

Jim Panknin
Appointed by East County area mayors

Colonel Frank A. Richie
U.S. Department of the Navy Representative
Ex-Officio Member

Paul Robinson
Appointed by Governor, State of California

Anthony Young
Appointed by Mayor, City of San Diego

**Executive Committee Member*

Executive Staff

Thella F. Bowens
President/CEO

Brent Buma
Vice President, Marketing & Communications

Bryan Enarson
Vice President, Development

Vernon D. Evans
Vice President, Finance/CFO Finance

Matthew C. Harris
Senior Director/Executive Office

Angela Shafer-Payne
Vice President, Planning & Operations

Jeffrey Woodson
Vice President, Administration

Mark Burchyett
Chief Auditor

Breton Lobner
General Counsel



Directors

Murray Bauer

Director, Landside Operations

David Boenitz

Director, Business Planning

Scott Brickner

Director, Financial Planning & Budget

Hampton Brown

Director, Air Service Development

David Brush

Director, Terminal Development Program, Owners Representative

George Condon

Director, Aviation Operations & Public Safety

Dan Frazee

Director, Airport Noise Mitigation

Iraj Ghaemi

Director, Facilities Development

Amy Gonzalez

Director, Counsel Services

Wayne Harvey

Director, Facilities Management

Kathy Kiefer

Director, Accounting

Howard Kourik

Director, Information Technology

Michael Kulis

Director, Inter-Governmental Relations

Richard Kwiatkowski

Director, Marketing & Advertising

Troy Ann Leech

Director, Real Estate Management

Jeffrey Lindeman

Director, Human Resources

Diana Lucero

Director, Public, Community & Customer Relations

Paul Manasjan

Director, Environmental Affairs

Tony Russell

Director, Corporate Services

Bob Silvas

Director, Small Business Development

Jana Vargas

Director, Procurement

Keith Wilschetz

Director, Airport Planning

Diann Wilson

Director, Training & Organizational Development



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San Diego International Airport
2010 Annual Report

PHOTOGRAPHY & VIDEOS

Employee Photographers:

Roy Ang

Table of Contents pg., pg. 4 (top), pg. 6 (top & bottom), pg. 7, pg. 8 (bottom), pg. 14 (top & bottom right), pg. 16 (bottom), pg. 18, pg. 19 (right), pg. 20 (top left), pg. 24, pg. 26 (top left), pg. 27, pg. 30 (top left)

Cheryl Brown

pg. 6 (center)

Sharon Gonzales

pg. 2 (center), pg. 4 (bottom), pg. 9 (all), pg. 10, pg. 15 (all), pg. 17 (all), pg. 21 (slide show), pg. 28 (all), pg. 29 (left center), pg. 31 (bottom)

Rich Kwiatkowski

pg. 14 (top left)

Eric Van Pelt

pg. 11 (top left & center)

Susanna Hernández Peredo

pg. 8 (top center & right), pg. 19 (top left), pg. 20 (top right & bottom), pg. 21 (slide show), pg. 22

Additional Photographers and Contributors:

Mike Brown

pg. 1, pg. 3 (center), pg. 4, pg. 5, courtesy of Visions in Photography Inc.

Peter Carney

pg. 12 (top left), courtesy of the San Diego Air & Space Museum

Yrsina Colangelo

pg. 14 (center), pg. 26 (bottom)

Sheila Newbery

pg. 31 (middle right)

Frank Rogozienski

Cover (top left), pg. 2 (back) pg. 13, pg. 23, pg. 25 (right), pg. 32–33, pg. 34

Joel Zwink

pg. 11 (top right, bottom left & right), courtesy of Project Controls Swinerton Management & Consulting

WORLD TRADE CENTER San Diego

pg. 12 (bottom), courtesy of WORLD TRADE CENTER San Diego

Videographers:

Mantooth Productions

pg. 5 (The Green Build Terminal 2 Expansion)

San Diego County Regional Airport Authority

pg. 10 (San Diego International Airport's Least Tern Program)

Wayne Smith

pg. 6 (Terminal 2 Pedestrian Bridge Demolition)