

# SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY



## BOARD MEMBERS

DAVID ALVAREZ  
LAURIE BERMAN\*  
GREG COX  
JIM DESMOND  
COL. JOHN FARNAM\*  
ROBERT H. GLEASON  
LLOYD B. HUBBS  
ERAINA ORTEGA\*  
PAUL ROBINSON  
MARY SESSOM  
TOM SMISEK

\* EX OFFICIO BOARD MEMBERS

PRESIDENT/CEO  
THELLA F. BOWENS

## **BOARD** **AGENDA**

Thursday, October 2, 2014  
9:00 A.M.

San Diego International Airport  
Commuter Terminal – Third Floor

Board Room  
3225 N. Harbor Drive  
San Diego, California 92101

***Live webcasts of Authority Board meetings can be accessed at  
[http://www.san.org/sdcraa/leadership/board\\_meetings.aspx](http://www.san.org/sdcraa/leadership/board_meetings.aspx)***

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

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

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

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

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

**CALL TO ORDER:**

**PLEDGE OF ALLEGIANCE:**

**ROLL CALL:**

**PRESENTATIONS:**

- A. RECOGNITION OF PRESIDENT’S AWARD OF EXCELLENCE WINNER EMPLOYEE OF THE YEAR AND TEAM OF THE YEAR:**  
Presented by: Thella F. Bowens, President/CEO
- B. PRESENTATION OF THE ACHIEVEMENT OF EXCELLENCE IN PROCUREMENT AWARD:**
- C. PRESENTATION BY RENTAL CAR CENTER PUBLIC ARTISTS, AMY LANDESBURG AND CHRISTIAN MOELLER:**
- D. REVIEW OF THE CONCESSION DEVELOPMENT PROGRAM AS OF JUNE 30, 2014:**  
Presented by Kathy Kiefer, Senior Director, Finance & Asset Management

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

***STANDING BOARD COMMITTEES***

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

***ADVISORY COMMITTEES***

- **AUTHORITY ADVISORY COMMITTEE:**  
Liaison: Smisek, Robinson
- **ART ADVISORY COMMITTEE:**  
Committee Member: Gleason

## ***LIAISONS***

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:**  
Liaison: Robinson
- **CALTRANS:**  
Liaison: Berman
- **INTER-GOVERNMENTAL AFFAIRS:**  
Liaison: Cox
- **MILITARY AFFAIRS:**  
Liaisons:
- **PORT:**  
Liaisons: Cox, Gleason (Primary), Robinson

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

- **SANDAG TRANSPORTATION COMMITTEE:**  
Representatives: Hubbs, Smisek (Primary)
- **WORLD TRADE CENTER:**  
Representatives: Alvarez, Gleason (Primary)

## **CHAIR'S REPORT:**

## **PRESIDENT/CEO'S REPORT:**

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

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

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

**CONSENT AGENDA (Items 1-15):**

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

**1. APPROVAL OF MINUTES:**

The Board is requested to approve minutes of prior meetings.

RECOMMENDATION: Approve the minutes of the September 4, 2014 regular meeting.

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

The Board is requested to accept the reports.

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

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

**3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM AUGUST 11, 2014, THROUGH SEPTEMBER 7, 2014, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM AUGUST 11, 2014, THROUGH SEPTEMBER 7, 2014:**

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

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

**4. OCTOBER 2014 LEGISLATIVE REPORT:**

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2014-0112, approving the October 2014 Legislative Report.

**(Inter-Governmental Relations: Michael Kulis, Director)**

**5. GRANT AN EASEMENT FOR ELECTRICAL SERVICES TO SAN DIEGO GAS & ELECTRIC:**

The Board is requested to grant an easement.

RECOMMENDATION: Adopt Resolution No. 2014-0098, authorizing the President/CEO to negotiate and execute an electrical easement with San Diego Gas & Electric in support of the Terminal Link Road project.

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



**6. GRANT TWO EASEMENTS FOR ELECTRICAL AND PUBLIC STREET PURPOSES TO THE CITY OF SAN DIEGO:**

The Board is requested to grant two easements.

RECOMMENDATION: Adopt Resolution No. 2014-0099, authorizing the President/CEO to negotiate and execute two easements with the City of San Diego, one for an electrical easement, and one for public street purposes, in support of the Terminal Link Road project.

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

**7. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:**

The Board is requested to approve the appointments.

RECOMMENDATION: Adopt Resolution No. 2014-0113, approving appointments to the Authority Advisory Committee.

**(Assets & Alliances: Matt Harris, Senior Director)**

***CLAIMS***

**8. REJECT THE CLAIM OF NANCY LE ALCALA:**

The Board is requested to reject the claim.

RECOMMENDATION: Adopt Resolution No. 2014-0100, rejecting the claim of Nancy Le Alcala.

**(Legal: Breton Lobner, General Counsel)**

**9. REJECT THE CLAIM OF ALEXANDRA TARANTINO:**

The Board is requested to reject the claim.

RECOMMENDATION: Adopt Resolution No. 2014-0101, rejecting the claim of Alexandra Tarantino.

**(Legal: Breton Lobner, General Counsel)**

**10. REJECT THE CLAIM OF JOSEFINA MARTINEZ:**

The Board is requested to reject the claim.

RECOMMENDATION: Adopt Resolution No. 2014-0102, rejecting the claim of Josefina Martinez.

**(Legal: Breton Lobner, General Counsel)**

***COMMITTEE RECOMMENDATIONS***

***CONTRACTS AND AGREEMENTS***

**11. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CHANGE ORDER TO EXTEND THE TIME FOR COMPLETION UP TO 145 CALENDAR DAYS FOR PROJECT NO. 104118, NORTH SIDE INTERIOR ROAD AND UTILITIES PROJECT, AT SAN DIEGO INTERNATIONAL AIRPORT:**

The Board is requested to authorize the President/CEO to execute a change order.

RECOMMENDATION: Adopt Resolution No. 2014-0103, authorizing the President/CEO to execute a Change Order to extend the time for completion up to 145 calendar days for Project No. 104118, North Side Interior Road and Utilities Project, at San Diego International Airport.

**(Airport Planning: Keith Wilschetz, Director)**

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

**12. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC., FOR QUIETER HOME PROGRAM PHASE 8, GROUP 1, PROJECT NO. 380801 (20 HISTORIC AND NON-HISTORIC SINGLE AND MULTI-FAMILY UNITS ON 7 RESIDENTIAL PROPERTIES AND 17 NON-HISTORIC DWELLING UNITS IN TWO CONDOMINIUM BUILDINGS LOCATED EAST AND WEST OF THE AIRPORT):**

The Board is requested to award a contract.

RECOMMENDATION: Adopt Resolution No. 2014-0104, awarding a contract to G&G Specialty Contractors, Inc., in the amount of \$1,454,882, for Phase 8, Group 1, Project No. 380801, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.

**(Airport Planning: Keith Wilschetz, Director)**

**13. AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND AWARD AN AGREEMENT WITH VELOCITY TECHNOLOGY SOLUTIONS, INC., TO PROVIDE MANAGED HOSTING SERVICES FOR THE ORACLE JD EDWARDS ENTERPRISEONE SOFTWARE SYSTEM:**

The Board is requested to authorize the President/CEO to award an agreement.

RECOMMENDATION: Adopt Resolution No. 2014-0105, authorizing the President/CEO to negotiate and award a Managed Hosting Service Agreement with Velocity Technology Solutions, Inc., for a term of five years in an amount not-to-exceed \$1,800,000, to host and manage Oracle JD Edwards EnterpriseOne software and associated applications.

**(Information and Telecommunication Services: Rick Belliotti, Director)**

**14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE KIMLEY-HORN AND ASSOCIATES, INC., ON-CALL PROGRAM MANAGEMENT AND SUPPORT SERVICES AGREEMENT:**

The Board is requested to authorize the President/CEO to execute an amendment.

RECOMMENDATION: Adopt Resolution No. 2014-0106, approving and authorizing the President/CEO to execute a First Amendment to the Kimley-Horn and Associates, Inc., On-Call Program Management and Support Services Agreement by exercising the first option; and increasing the original overall not-to-exceed Agreement amount of \$18,000,000 by \$15,000,000, for a revised not-to-exceed Agreement amount of \$33,000,000.

**(Airport Design & Construction: Bob Bolton, Director)**

**15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE DEMATTEI WONG ARCHITECTURE, INC., ON-CALL CONSULTANT SERVICES AGREEMENT:**

The Board is requested to authorize the President/CEO to execute an amendment.

RECOMMENDATION: Adopt Resolution No. 2014-0107, approving and authorizing the President/CEO to execute a Second Amendment to the Demattei Wong Architecture, Inc., On-Call Rental Car Center Development Architect and Engineering Consultant Services Agreement, increasing the agreement amount by \$5,000,000, for a revised maximum not-to-exceed amount of \$27,000,000.

**(Airport Design & Construction: Bob Bolton, Director)**

**PUBLIC HEARINGS:**

**OLD BUSINESS:**

**NEW BUSINESS:**

**16. REVIEW AND ACCEPTANCE OF (1) MODIFICATIONS TO THE VEHICLE CONVERSION INCENTIVE-BASED PROGRAM; (2) TRANSPORTATION NETWORK COMPANY (TNC) PERMIT CRITERIA; (3) TAXICAB AND VEHICLE FOR HIRE (VFH) MEMORANDUM OF AGREEMENT (MOA) – REQUIREMENTS, RESPONSIBILITIES AND CONSEQUENCES; AND (4) AN UPDATE ON OTHER GROUND TRANSPORTATION ISSUES:**

The Board is requested to approve the Ground Transportation's recommendation.

RECOMMENDATION: Adopt Resolution No. 2014-0108, revising Resolution No. 2009-0150R to exempt limousines, livery vehicles and charter party carriers (TCP licensed only) from all Airport clean air vehicle conversion objectives, plans, incentives and requirements.

Adopt Resolution No. 2014-0109, (1) approving modifications to the Vehicle Conversion Incentive-Based Program related to alternative fuel vehicle incentives, and (2) adopting a cost recovery fee for Fiscal Year 2015 for Transportation Network Company vehicles.

Adopt Resolution No. 2014-0110, approving the Transportation Network Company (TNC) Permit Criteria and directing staff **to proceed with the issuance of the Airport's TNC Vehicle and Driver permits commencing January 1, 2015.**

Adopt Resolution No. 2014-0111, approving (1) the Taxicab and Vehicle for Hire Memorandum of Agreement (MOA) requirements, responsibilities and consequences, and (2) directing staff to proceed with the issuance of the newly revised Airport MOA's commencing November 1, 2014.

**(Ground Transportation: David Boenitz, Director)**

**CLOSED SESSION:**

**17. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**

(Real property negotiations pursuant to Cal. Gov. Code § 54954.5(b) and § 54956.8.)  
Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego.  
Agency Negotiators: Scott Brickner, Finance & Asset Management, Vice President/Treasurer.  
Negotiating Parties: San Diego Gas & Electric, United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties.  
Under Negotiation: Sale – terms and conditions.

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

(Cal. Gov. Code § 54956.9(a) and (d)(1).)  
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,  
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL

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

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

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

(Cal. Gov. Code § 54956.9(a) and (d)(1).)  
Donna Wilson: John Wilson v. San Diego Port Authority; San Diego International Airport;  
San Diego County Regional Airport Authority  
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL (Meyer)

**21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**

(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)  
Number of cases: 1

**22. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**

(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)  
Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al.,  
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL

**23. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**

(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)  
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.  
Number of potential cases: 1

**24. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**

(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)  
Number of cases: 2

**REPORT ON CLOSED SESSION:**

**NON-AGENDA PUBLIC COMMENT:**

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

**GENERAL COUNSEL REPORT:**

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

**BOARD COMMENT:**

**ADJOURNMENT:**

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

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

**Additional Meeting Information**

**NOTE:** This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability. For your convenience, the agenda is also available to you on our website at [www.san.org](http://www.san.org).

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**UPCOMING MEETING SCHEDULE**

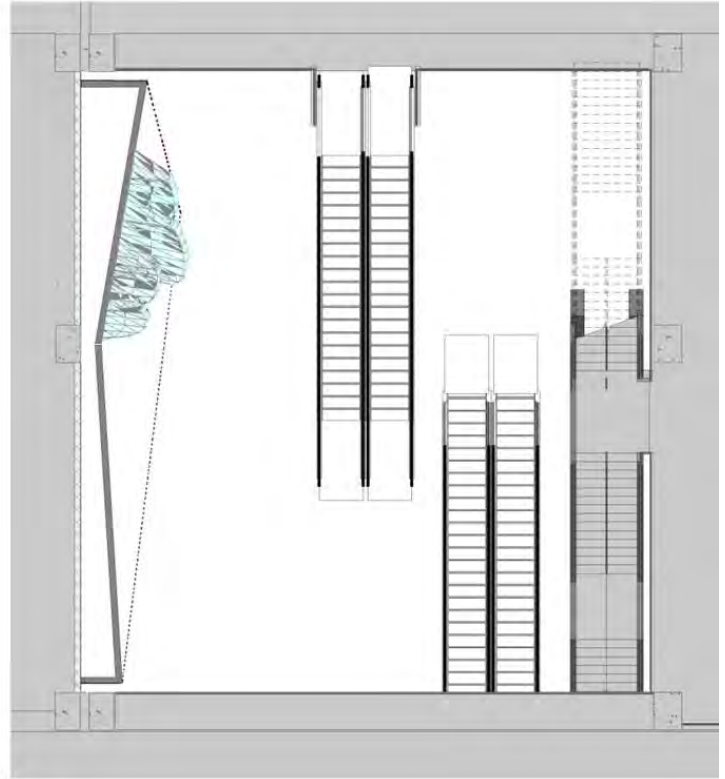
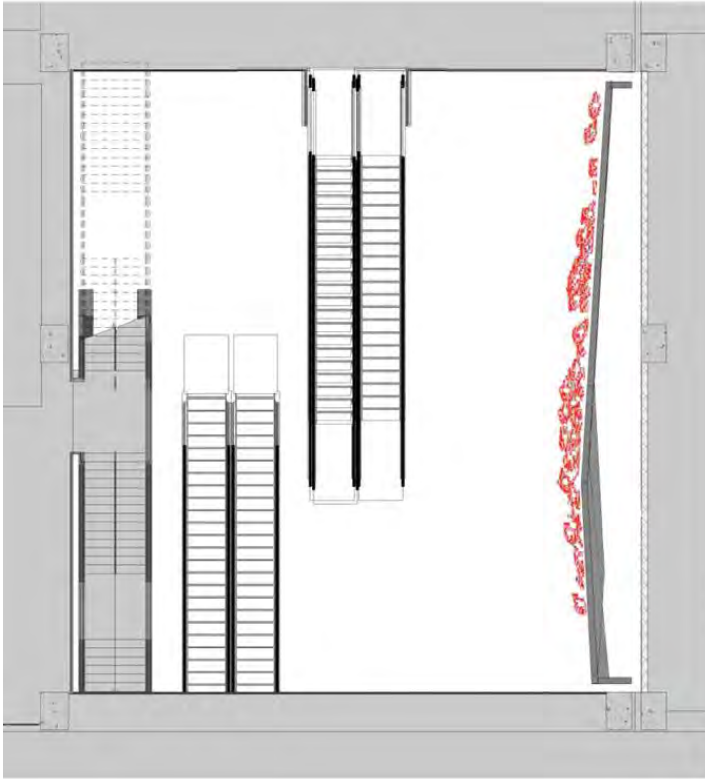
<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
November 6	Thursday	9:00 a.m.	Regular	Board Room
December 4	Thursday	9:00 a.m.	Regular	Board Room

**Item C**

Presentation by Amy Landesberg  
Rental Car Center Public Artist  
October 2, 2014



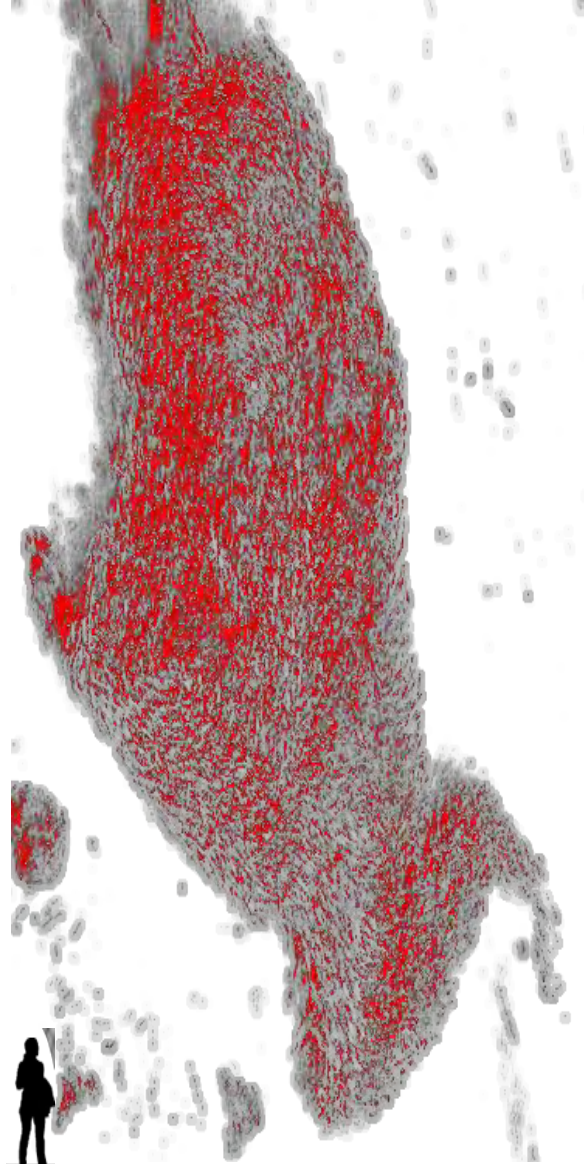


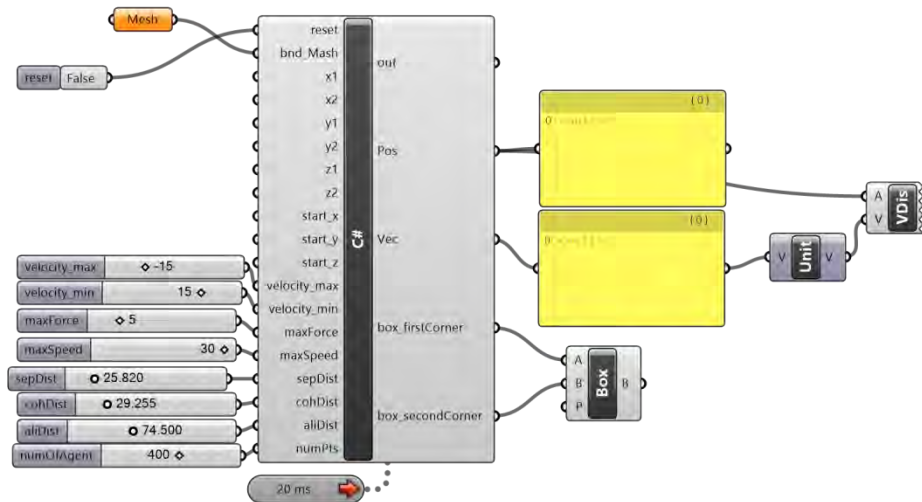
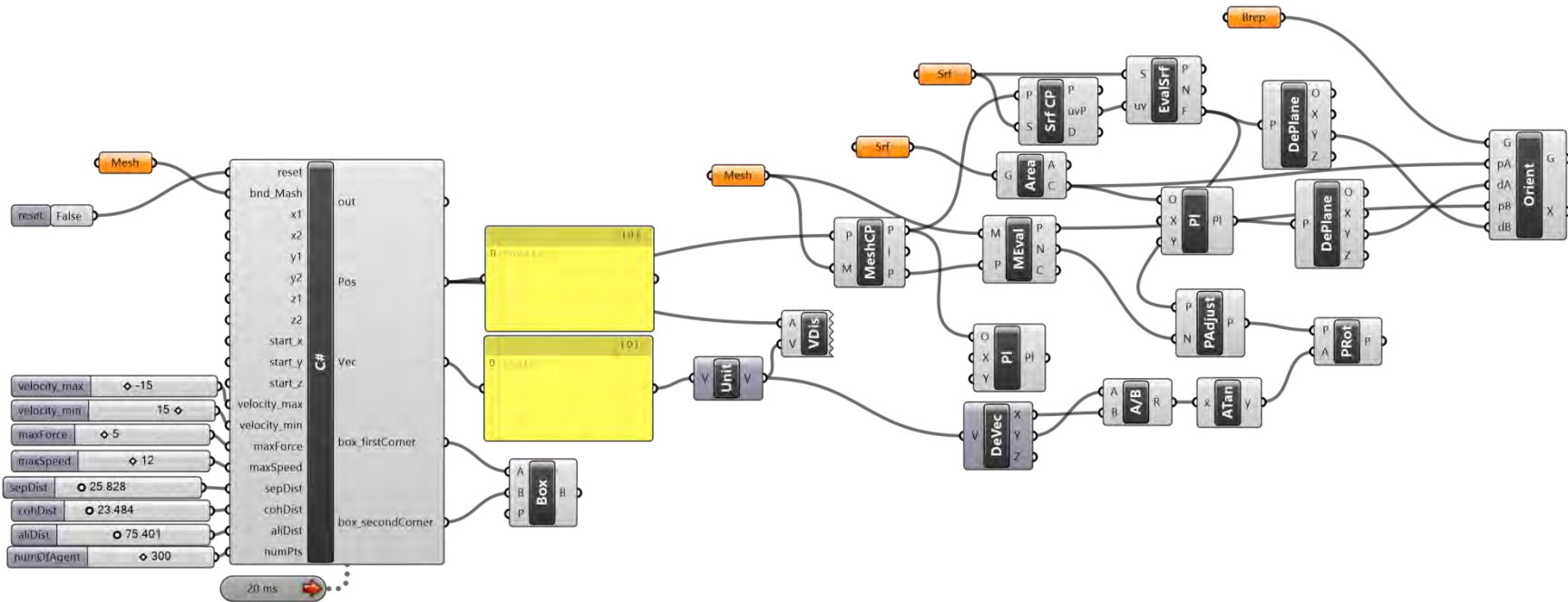


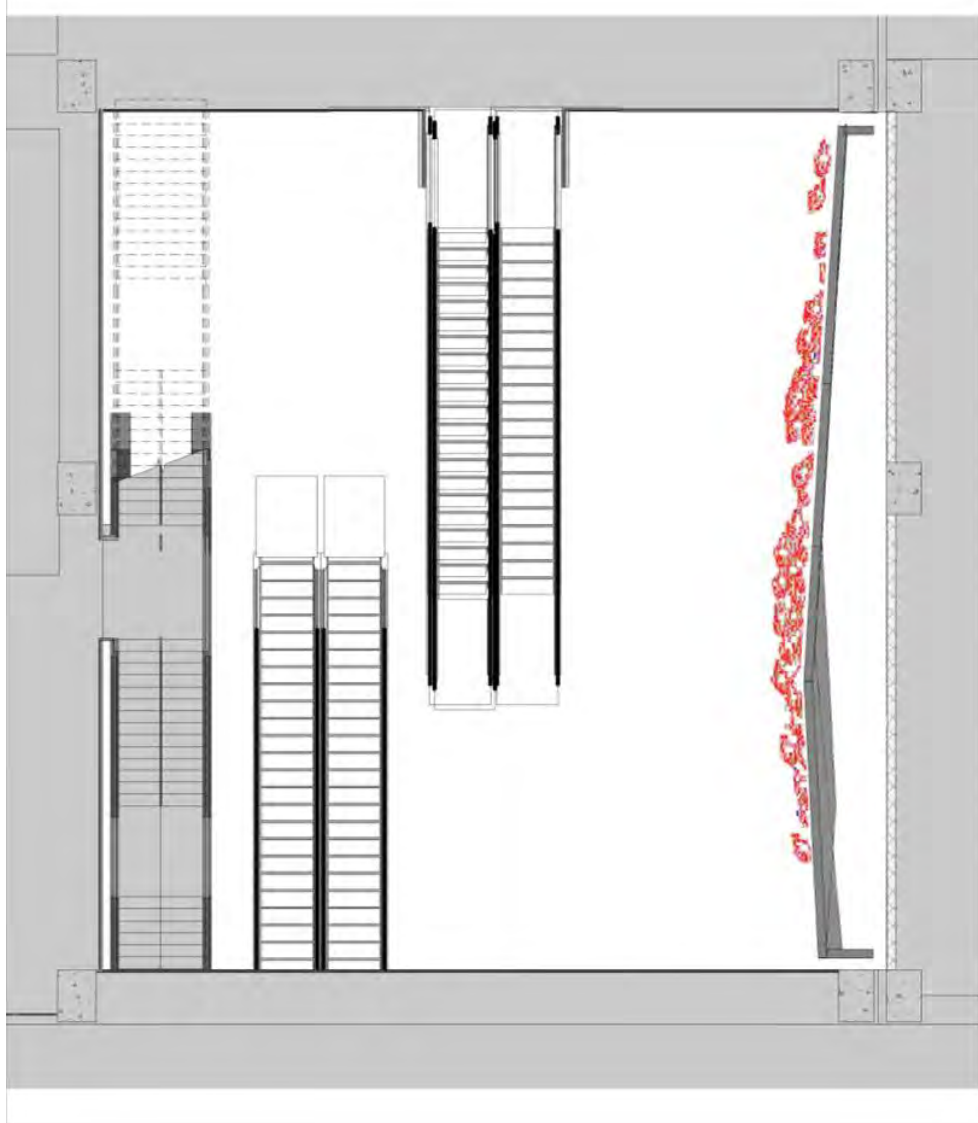
CORE ART LOCATIONS

WEST CORE: BRAKE LIGHTS (swarm)



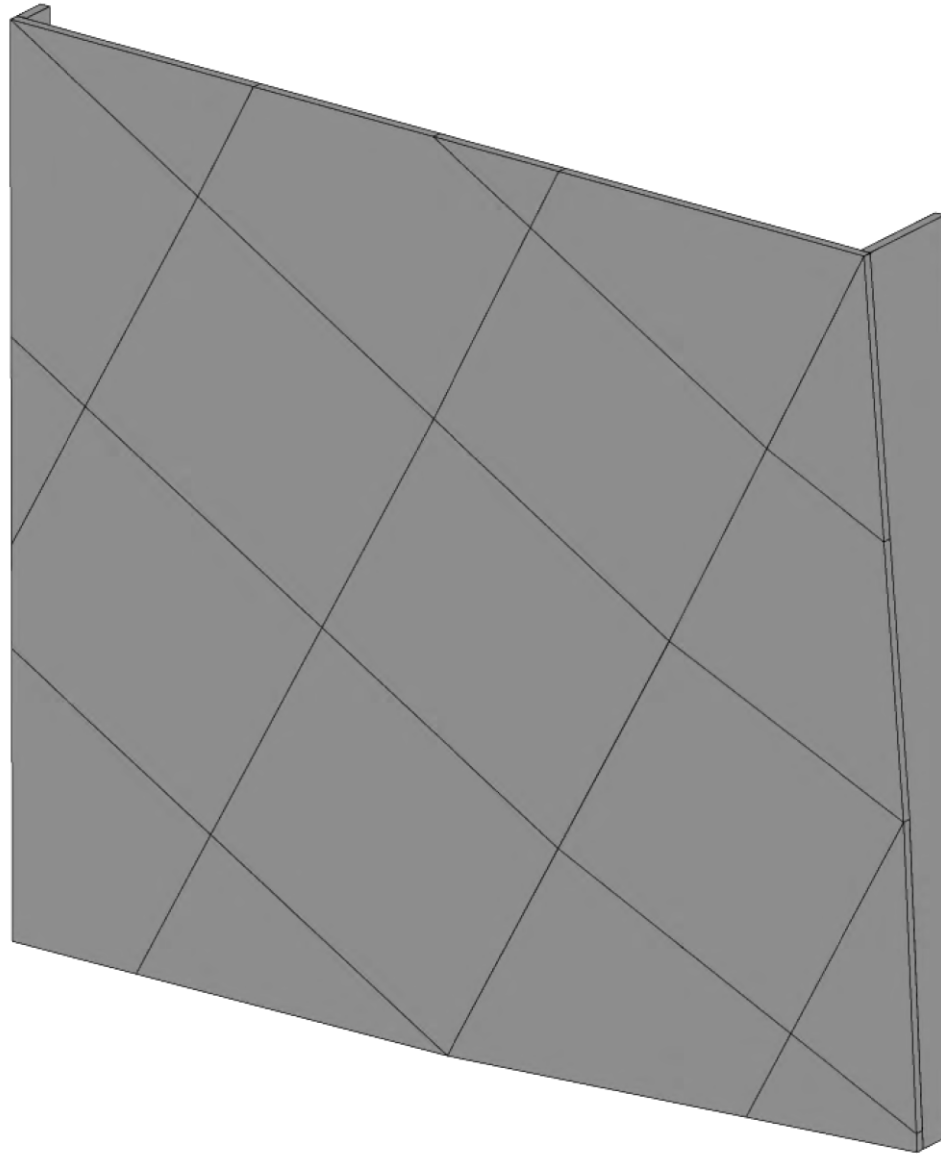




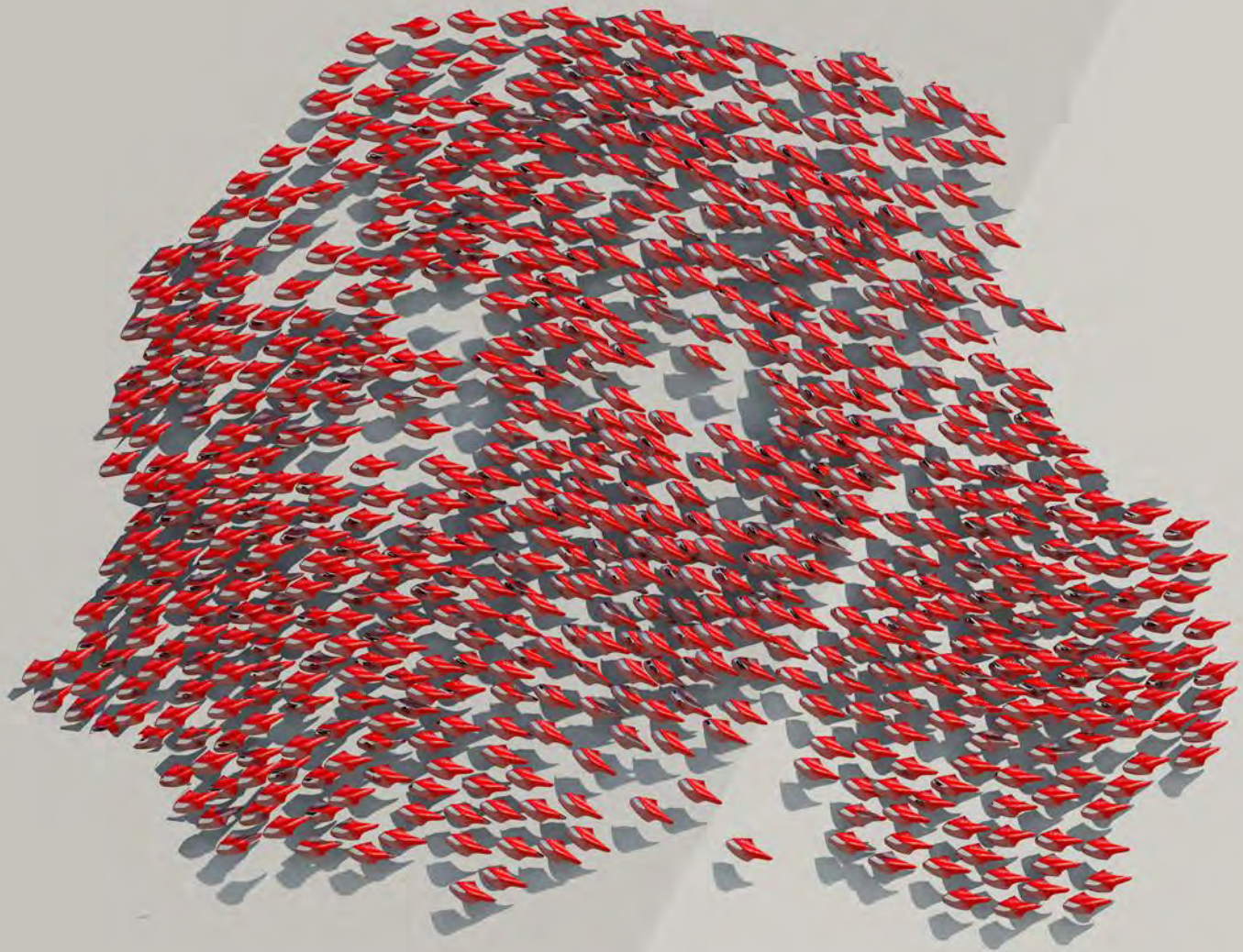


CONVEX

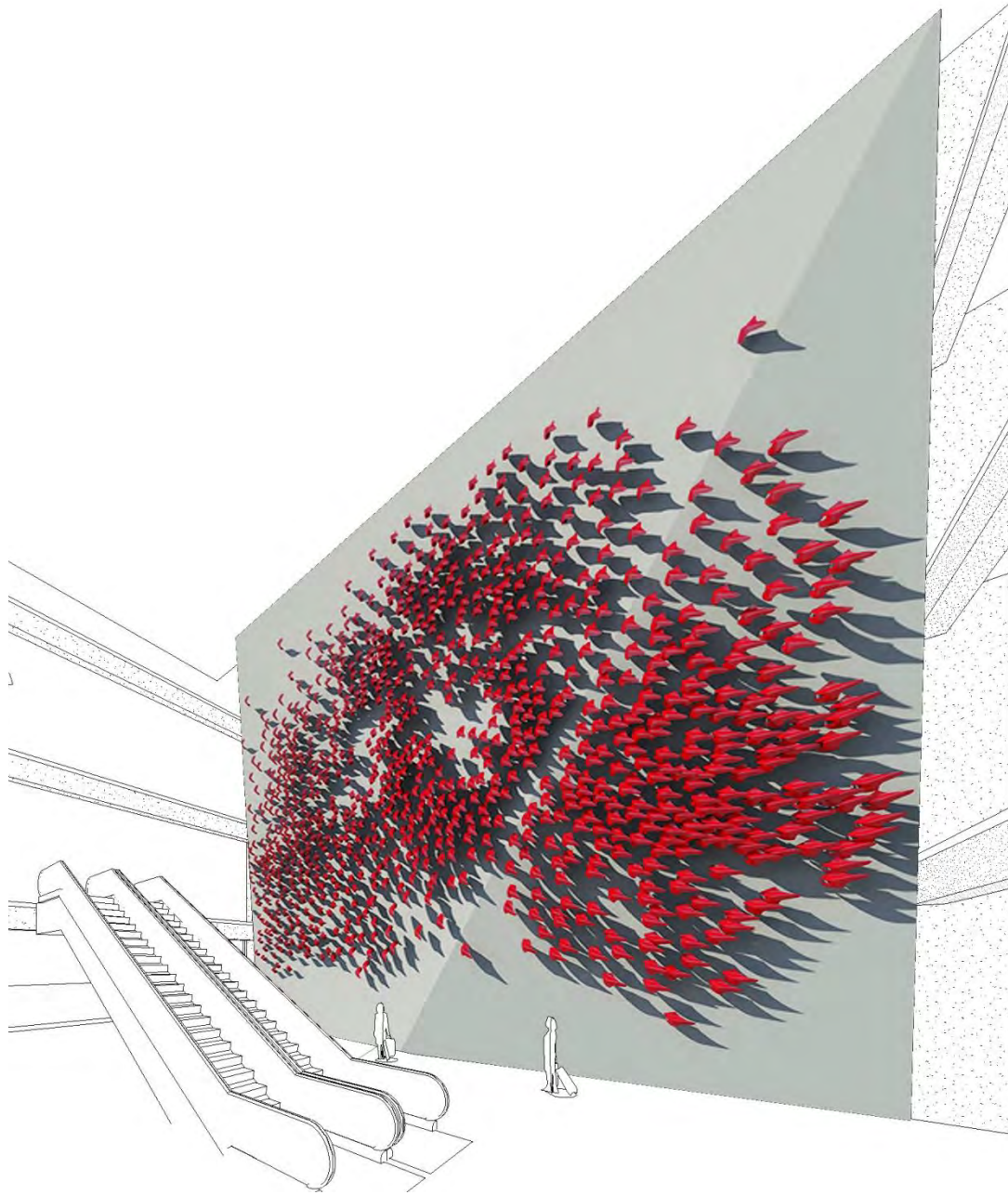




CONVEX

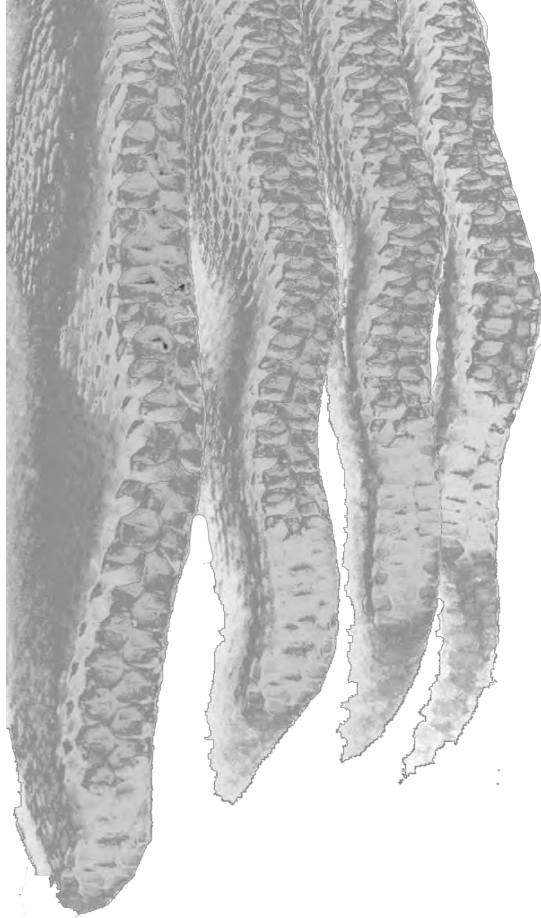




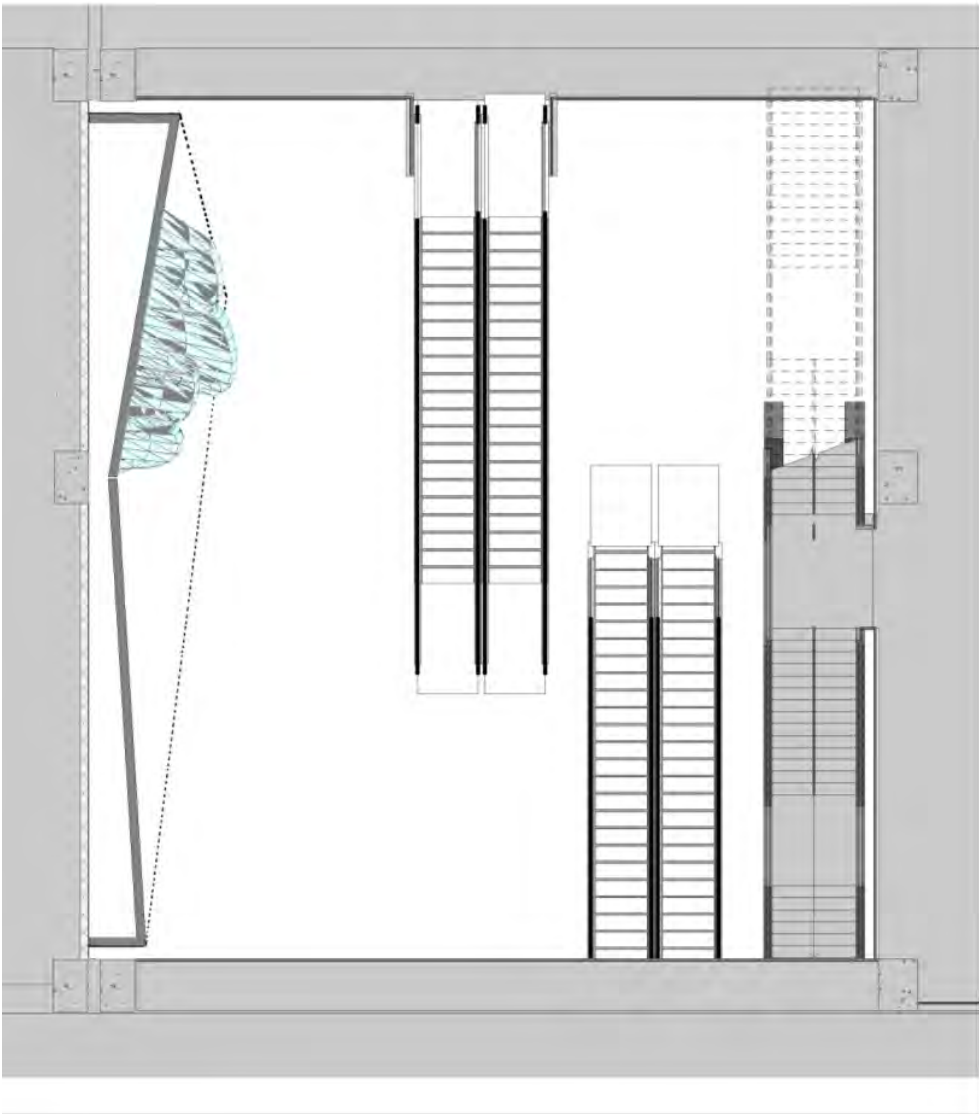




EAST CORE: REAR VIEW MIRRORS (hive)

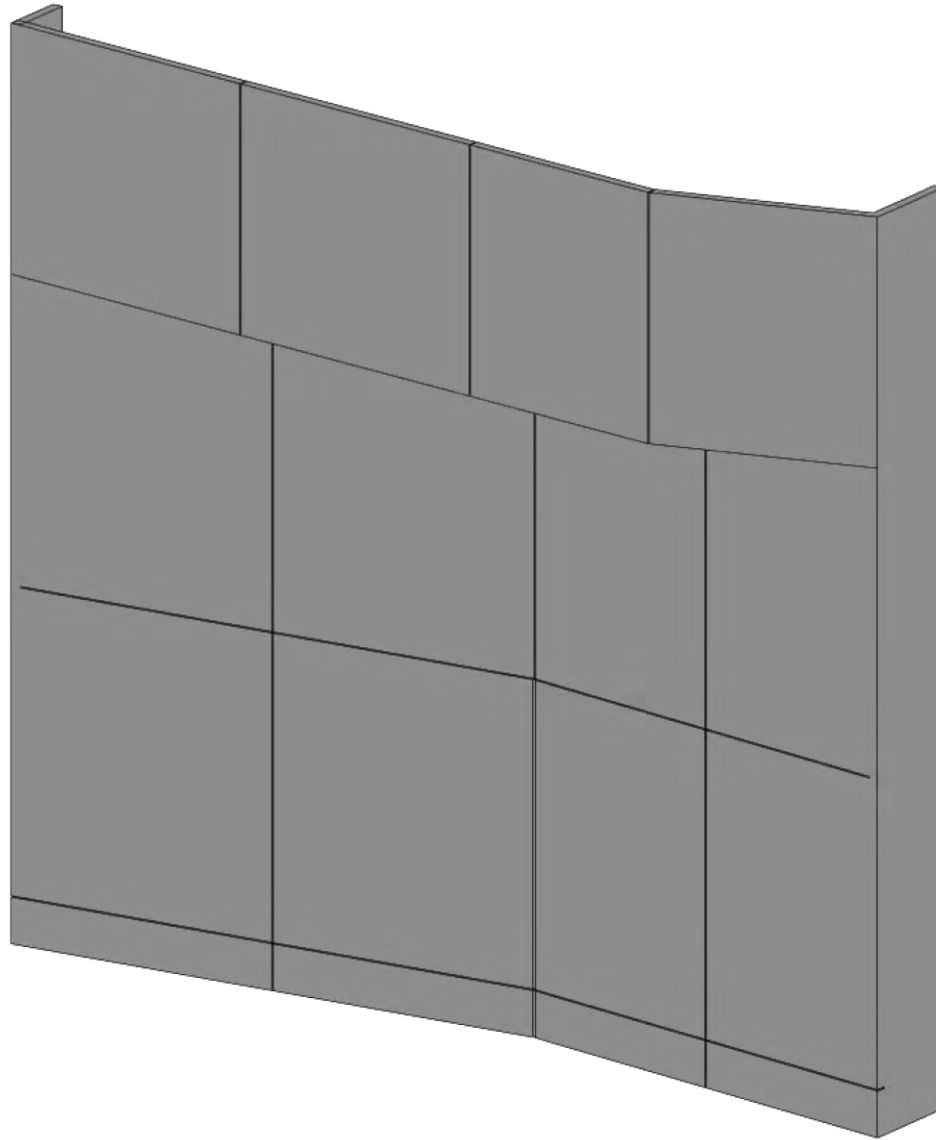




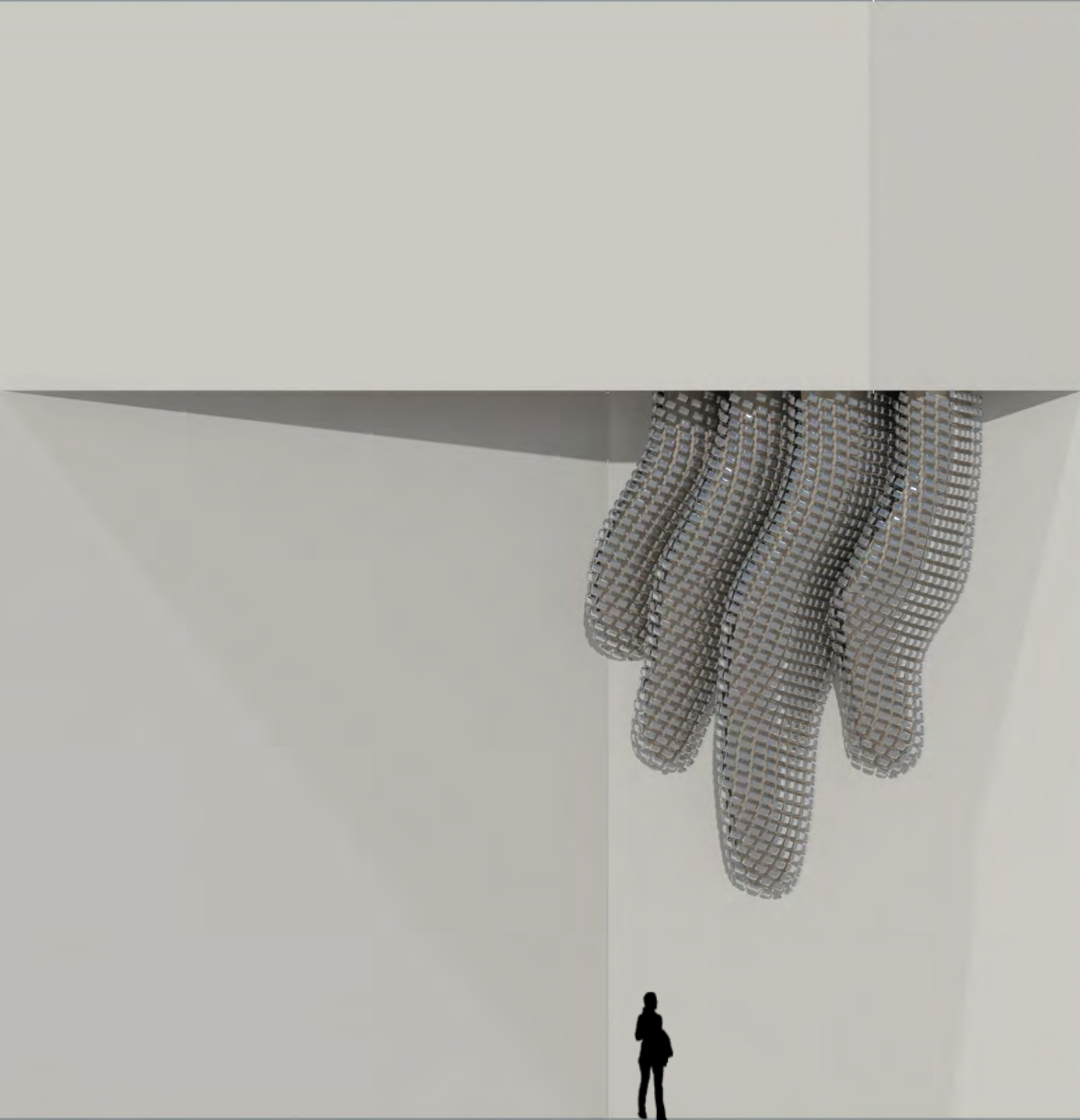


CONCAVE

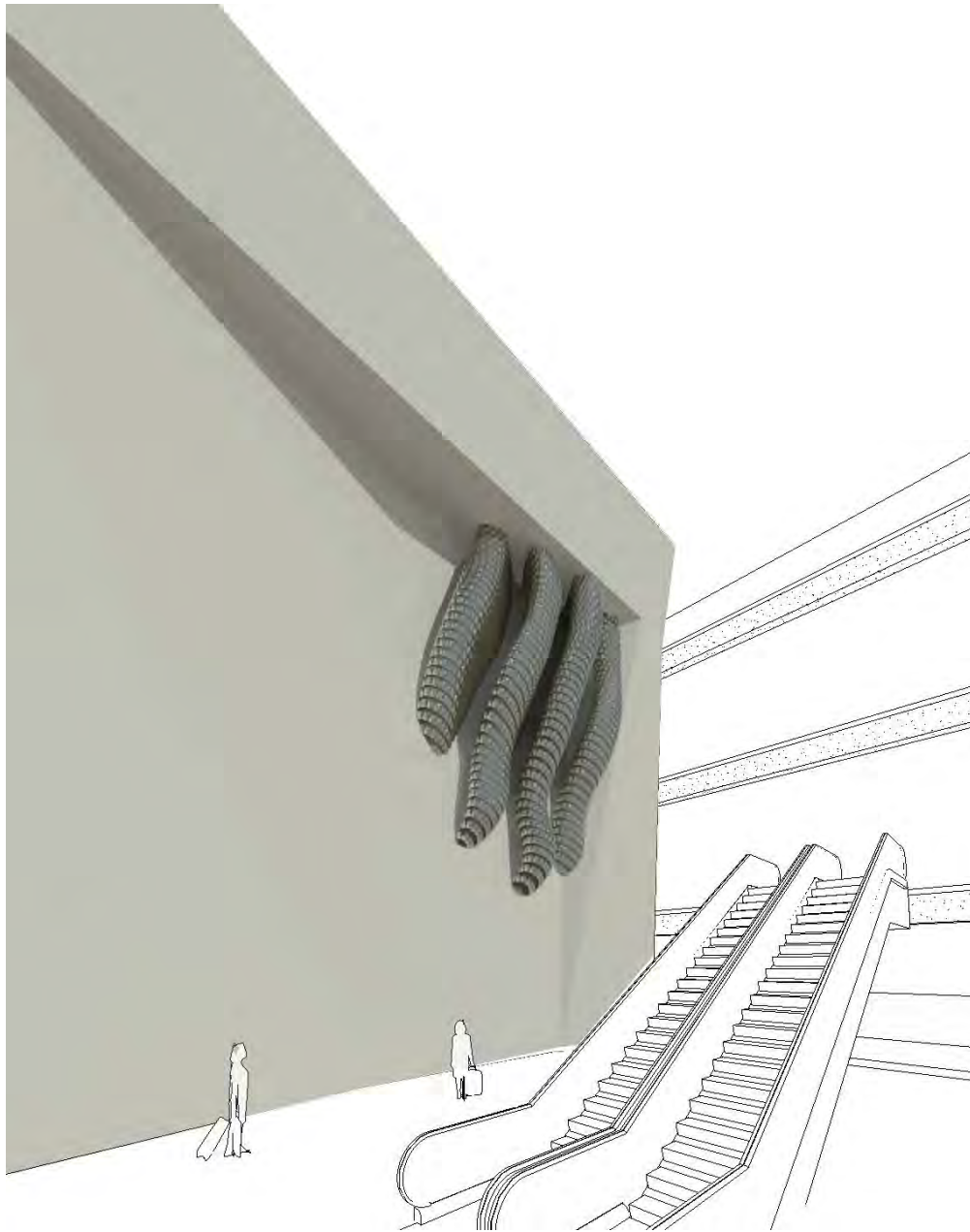




COCAVE

















Item C

Presentation by Christian Moeller

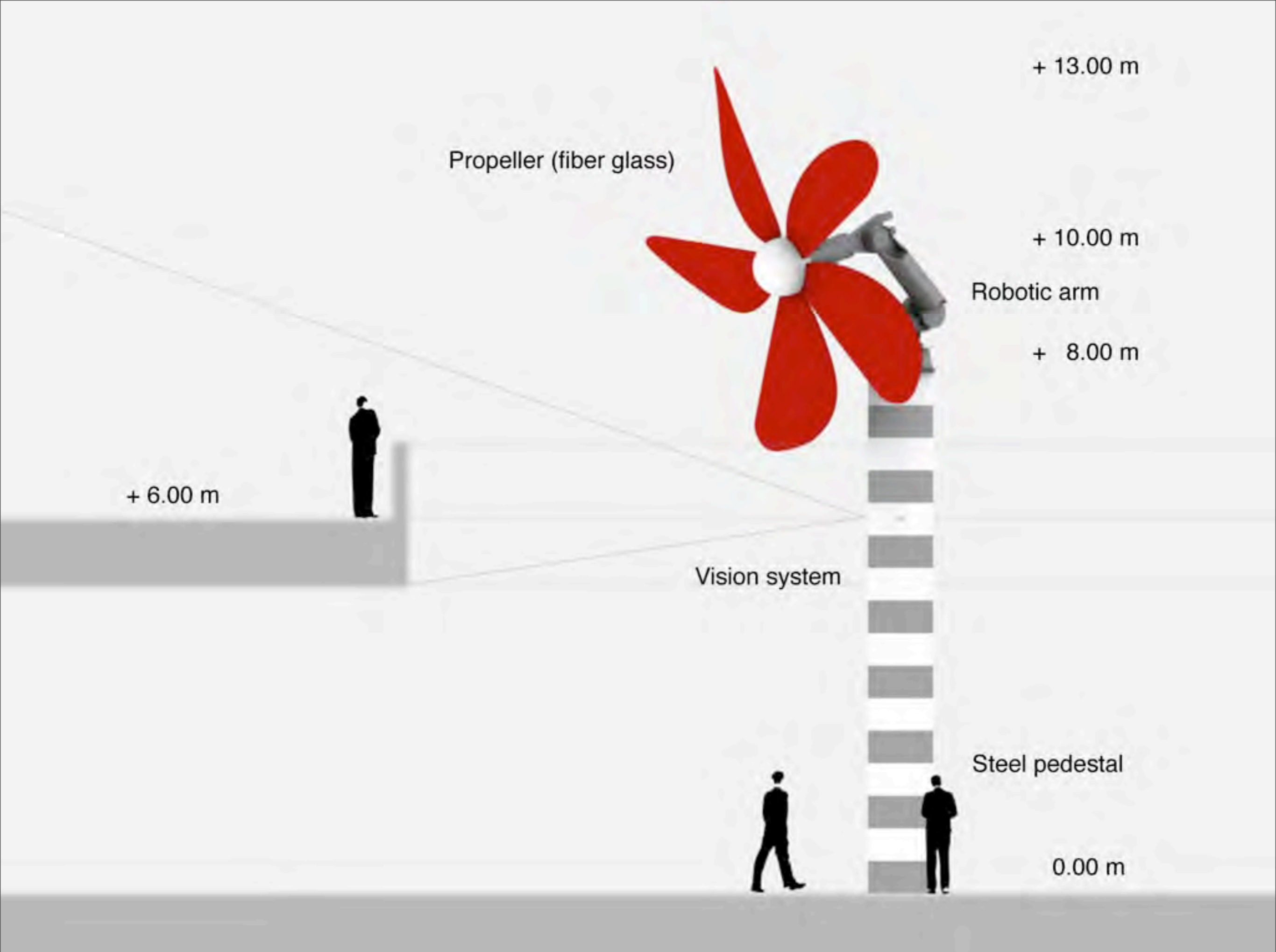
Rental Car Center Public Artist

October 2, 2014

**Art Work Proposal  
for the  
San Diego International Airport  
CONRAC Facility**

**Daisy**  
**Changi International Airport Terminal 3**  
**Singapore, 2008**





Propeller (fiber glass)

+ 13.00 m

+ 10.00 m

Robotic arm

+ 8.00 m

+ 6.00 m

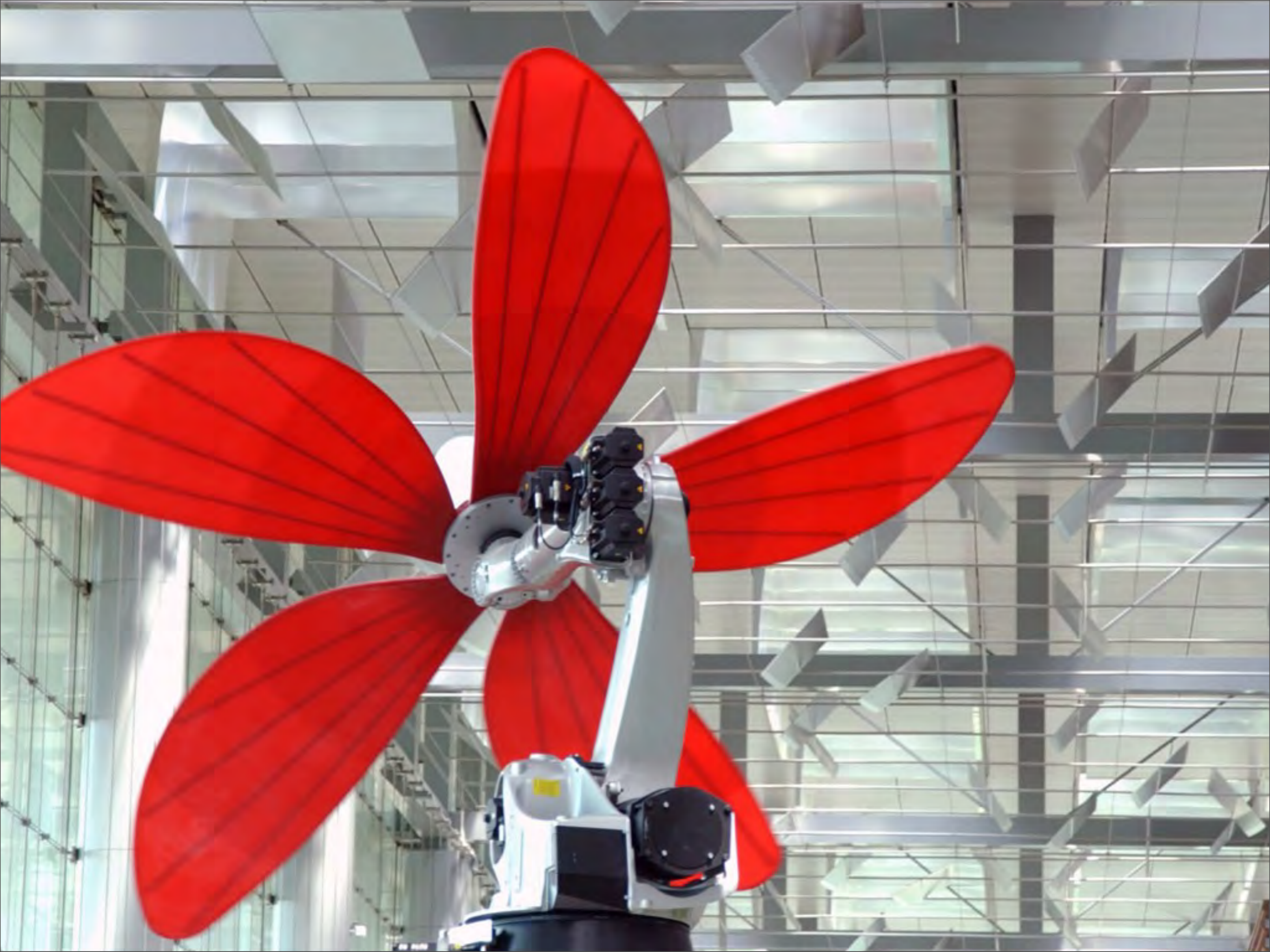
Vision system

Steel pedestal

0.00 m



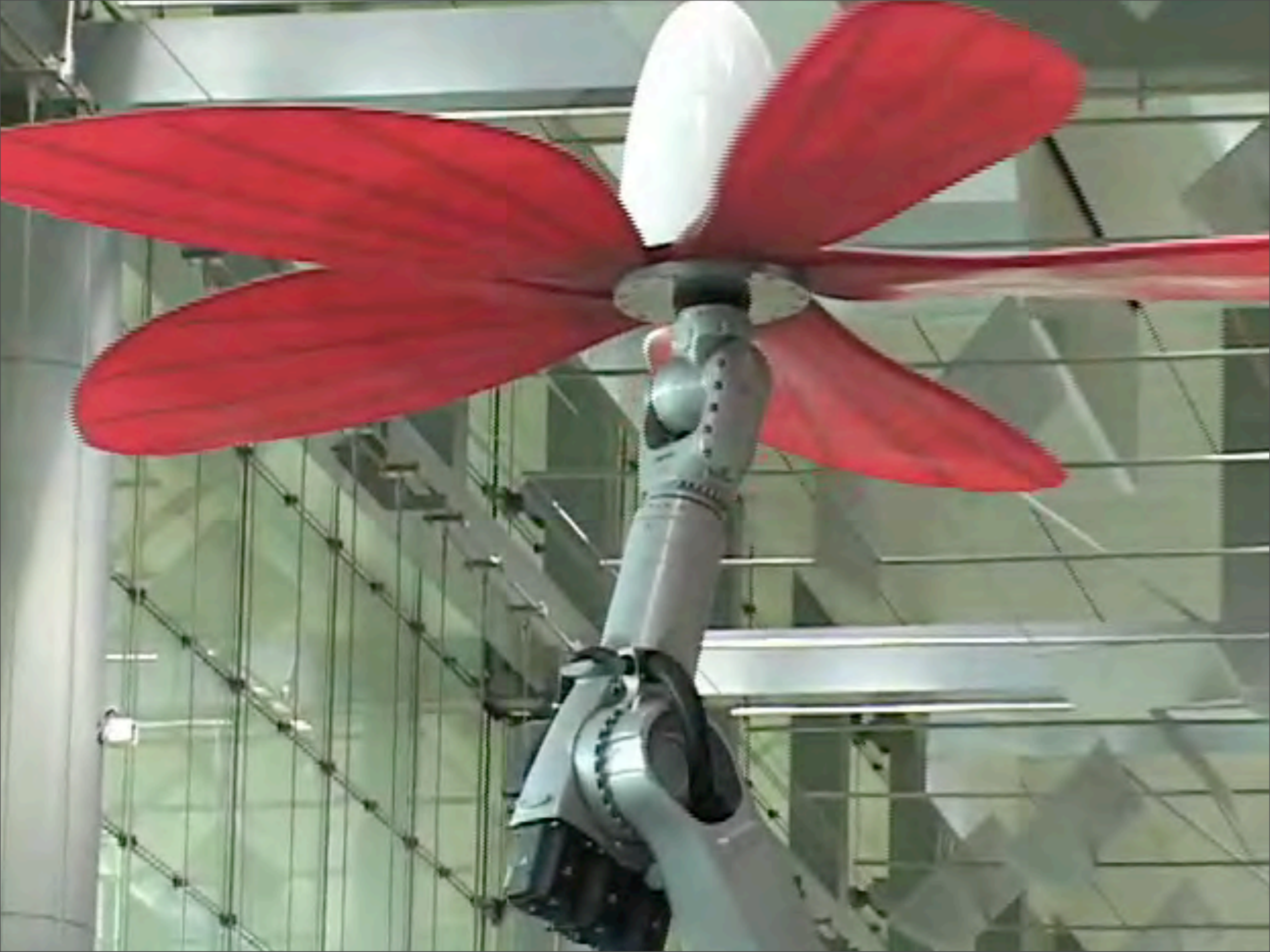
















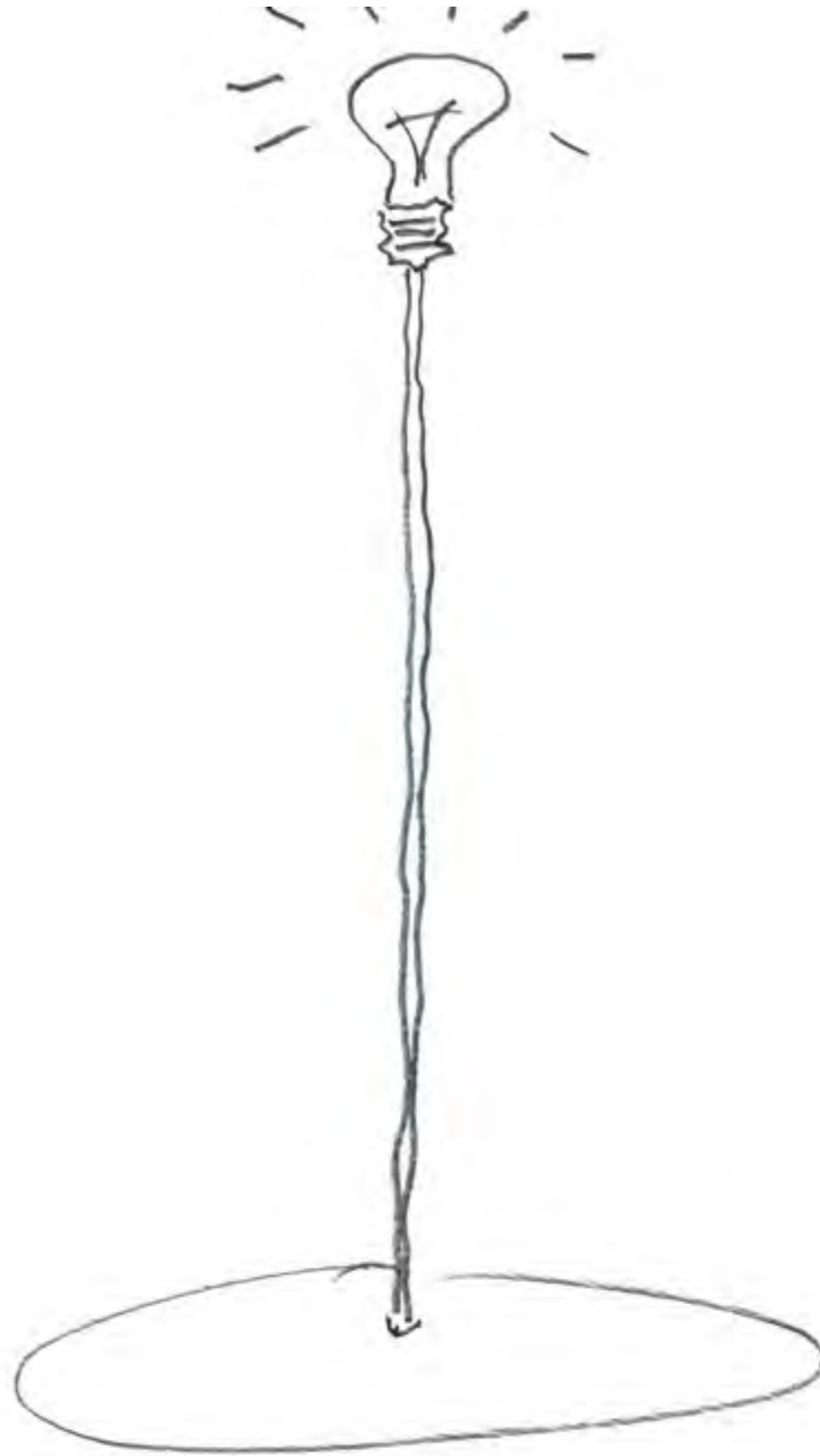


**Art Work Proposal  
for the  
San Diego International Airport  
CONRAC Facility**

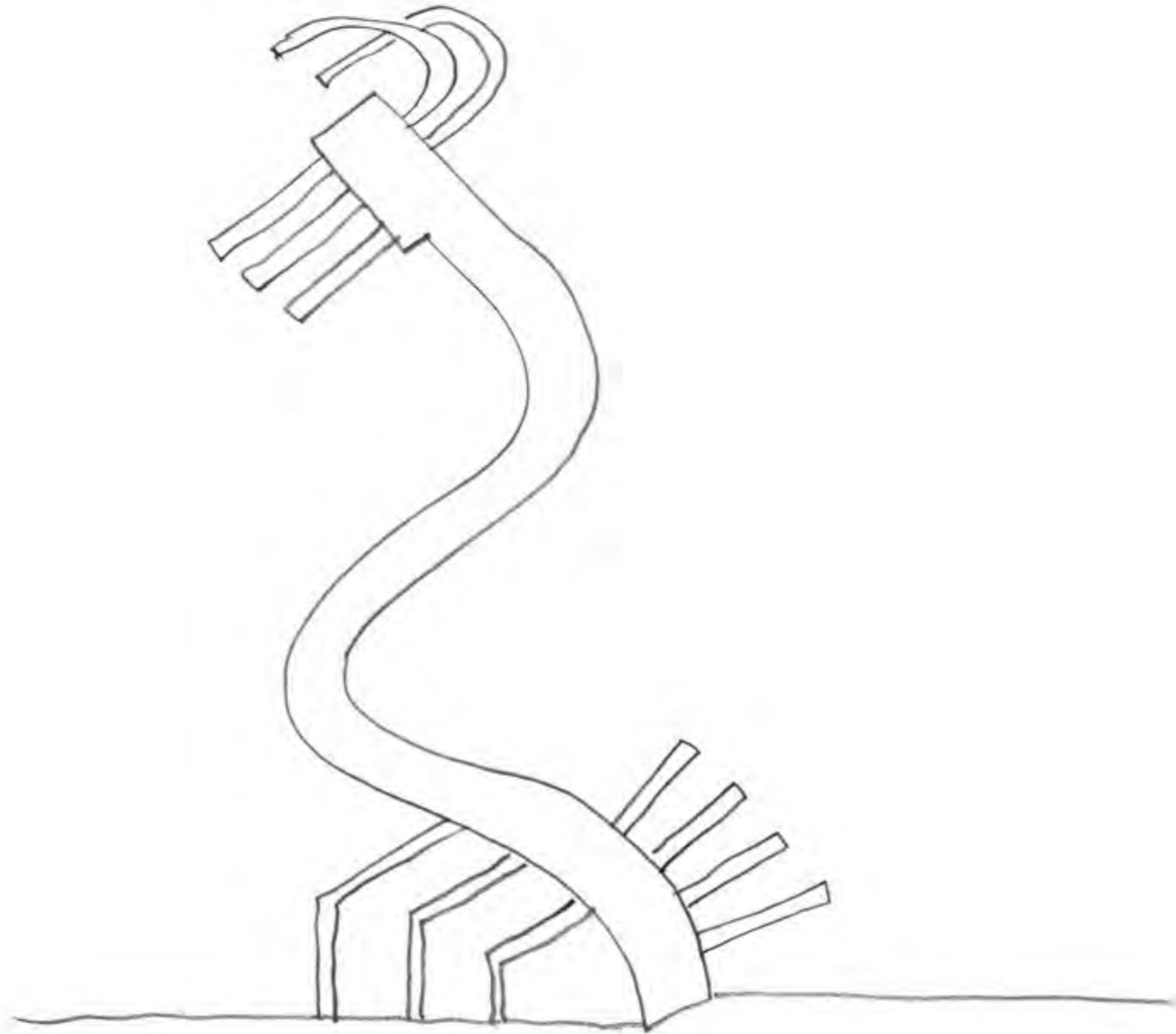
**Title: ‘Metrognomes’**



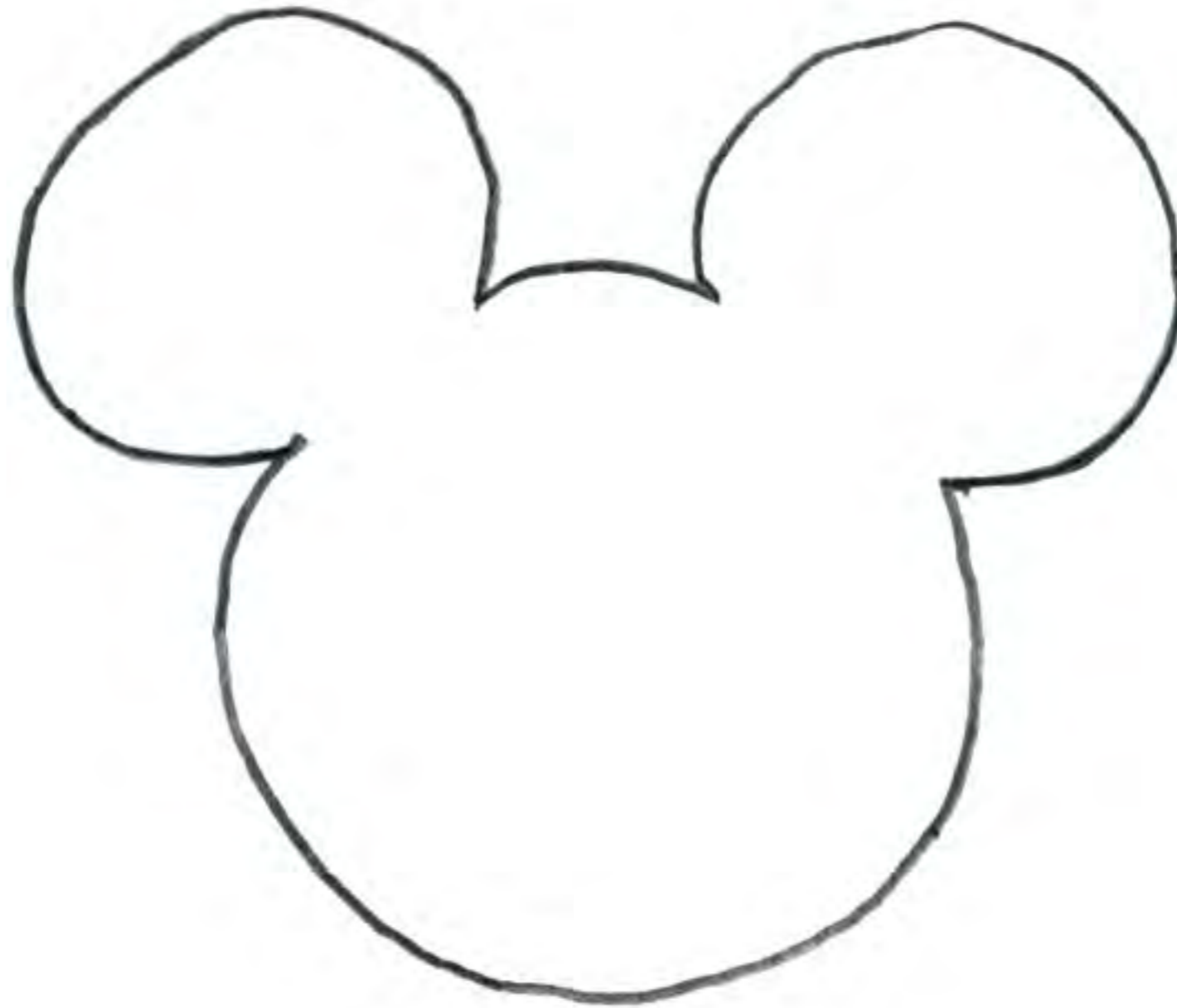
**Very tall and graceful**



**Easy to light**



**Unique and therefor open to multiple readings**



**Iconic**

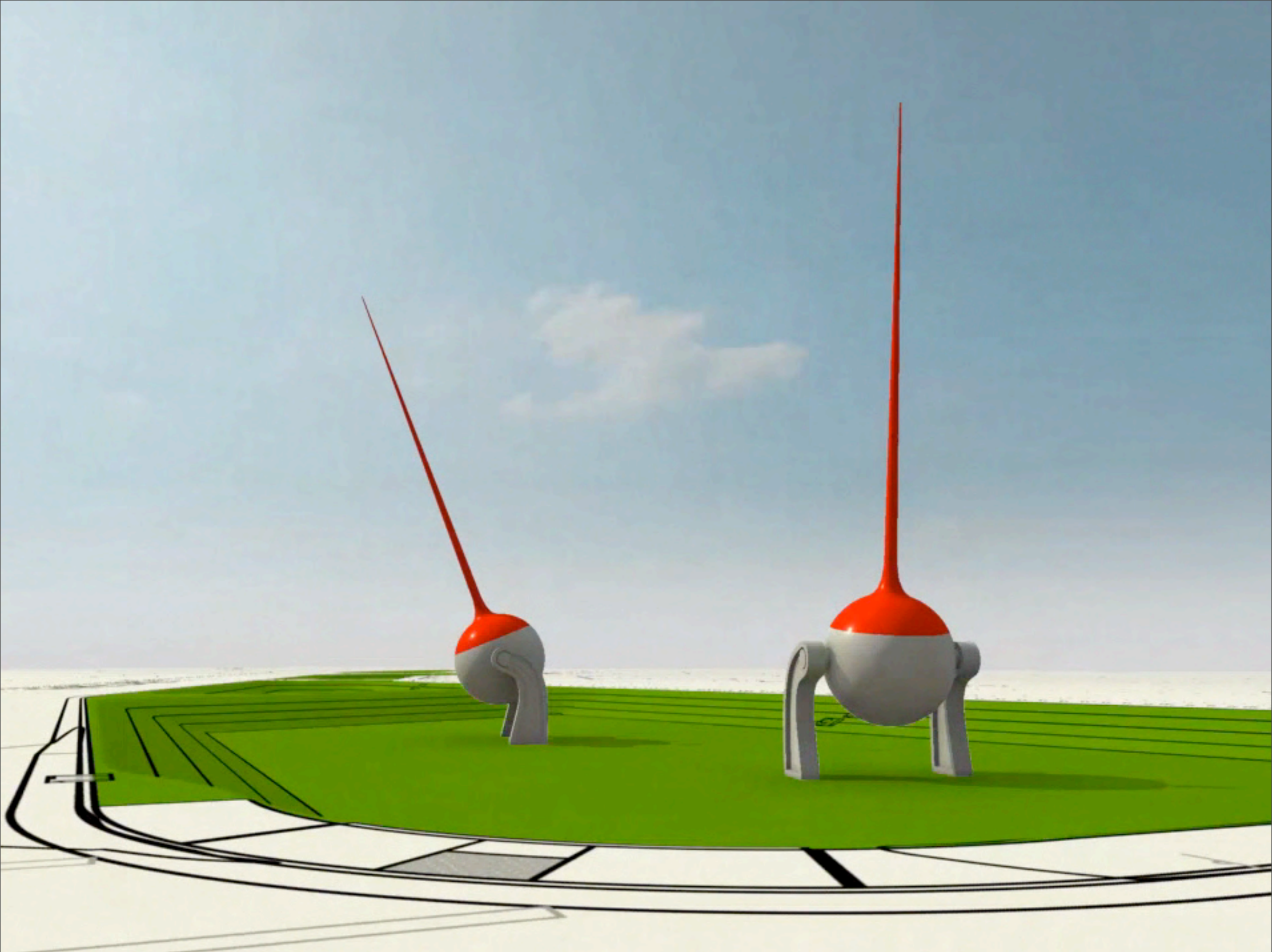




Turn Right



**Metro(G)nome**

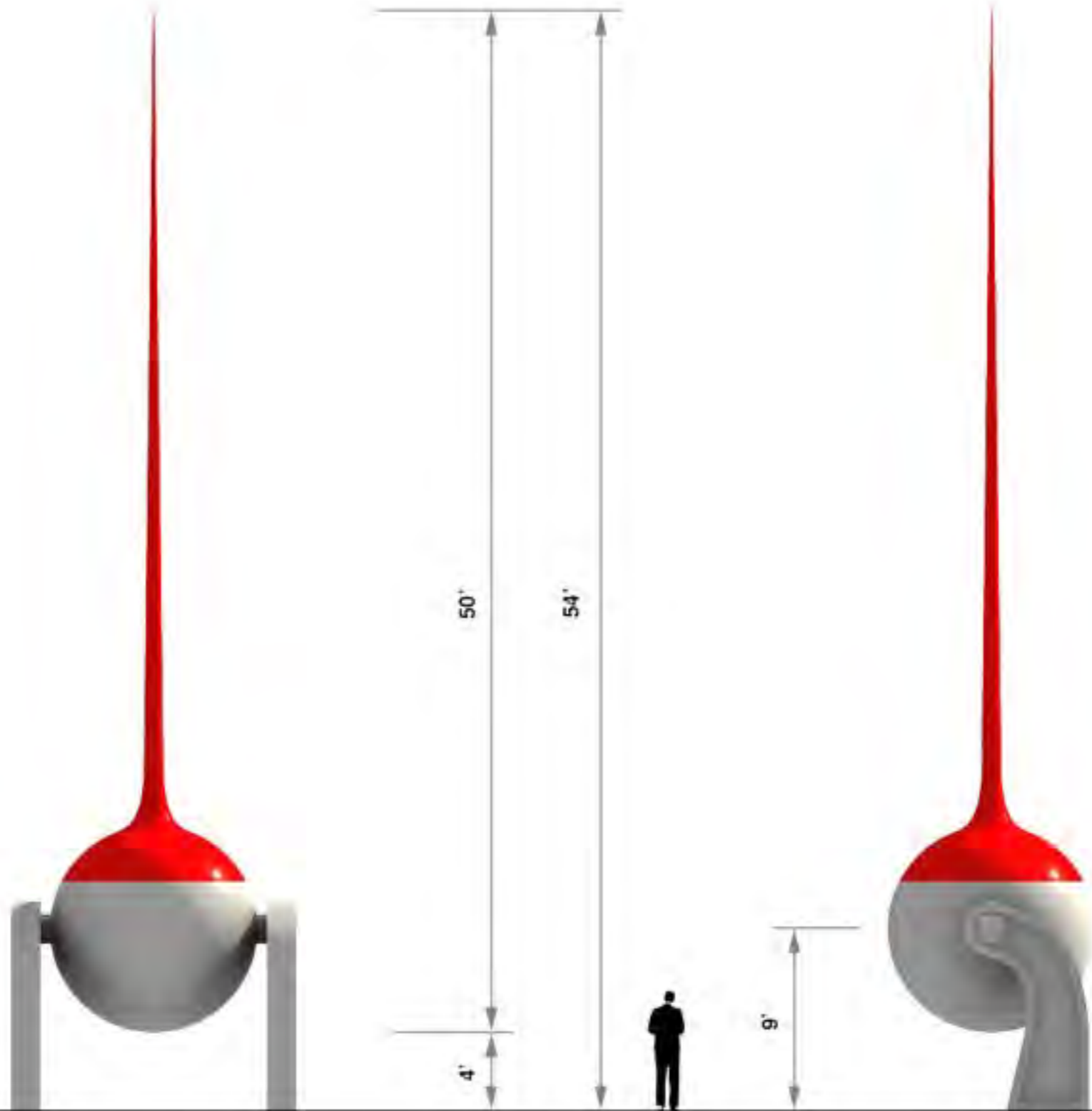


**Fishing float**  
**a**  
**Gnome**  
**a**  
**Metronome**



Stylus h 40'

Sphere ø 10'



### Dimensions



**Johann Immanuel Perrot 1860**





**Bartholomaeus Cathedral Frankfurt, Germany**





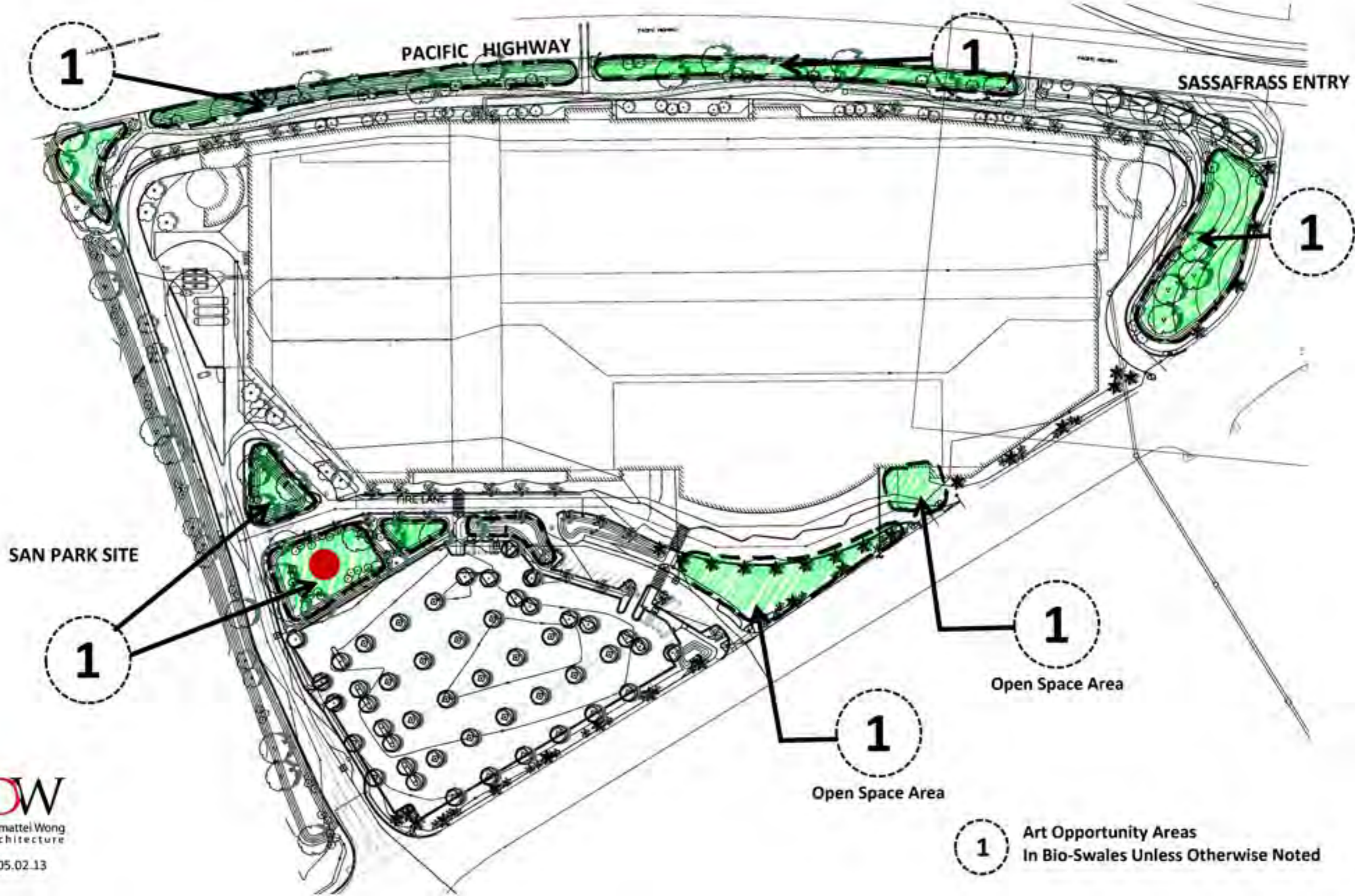
**Clock for the Mecca Royal Clock Tower**





**Prototype at Perrot in Calw, Germany**



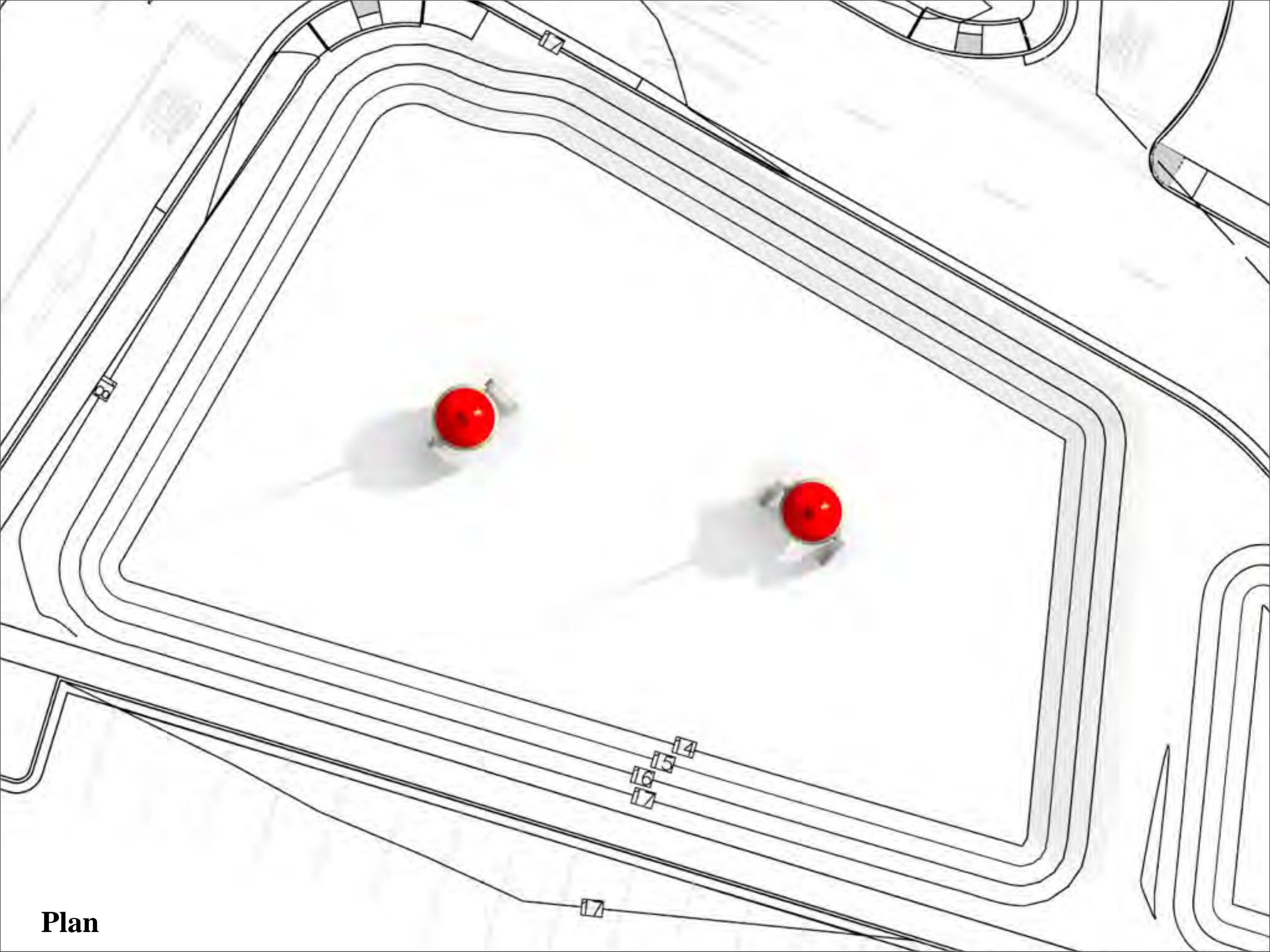


## Location

**The sculptures will be located at the southwestern end of parking garage in the center of one of the bio retention ponds.**

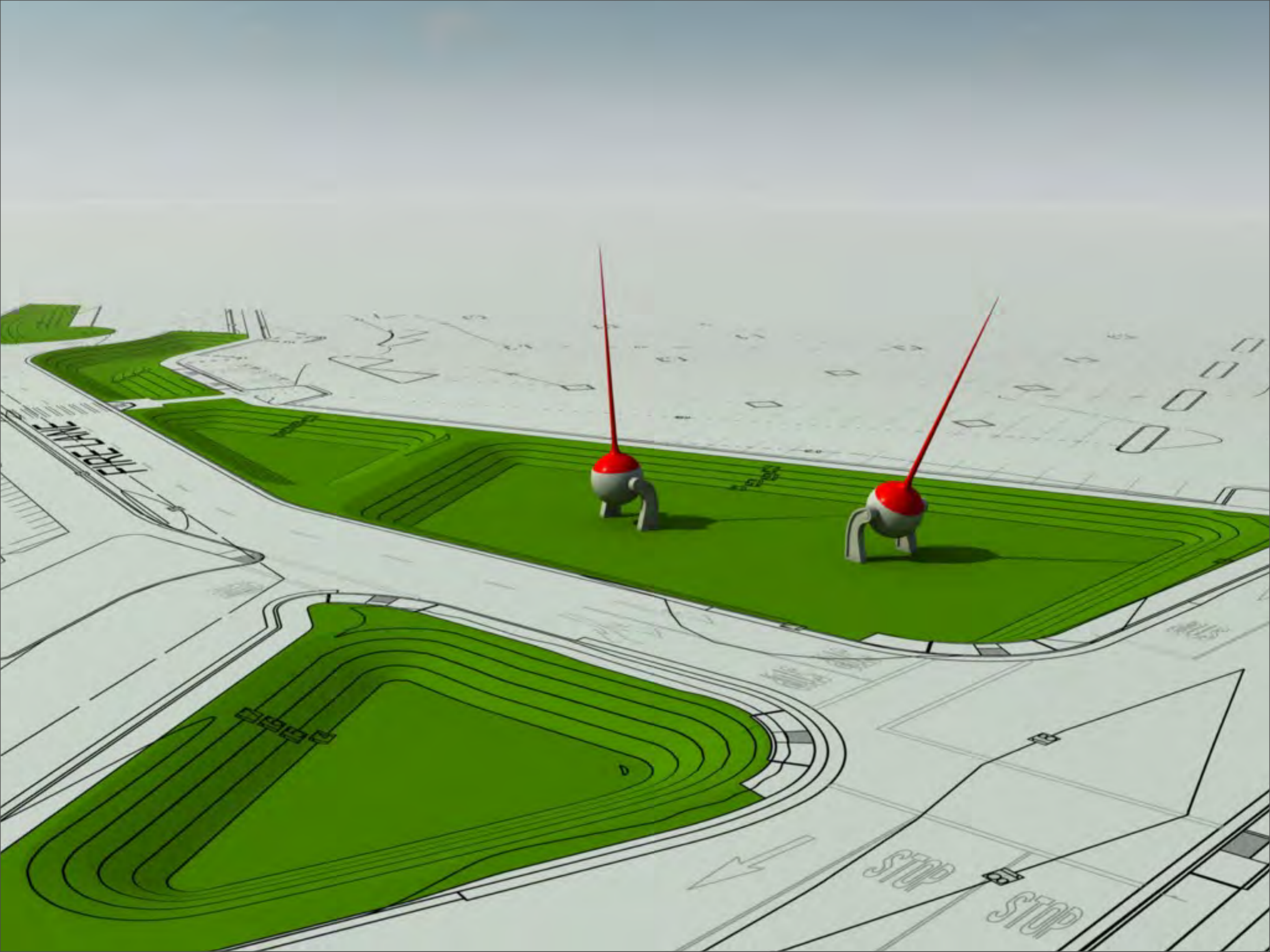
**Including staff roughly 7000 people will drive by the sculptures daily based on an estimate of 2.6 million customers per year.**



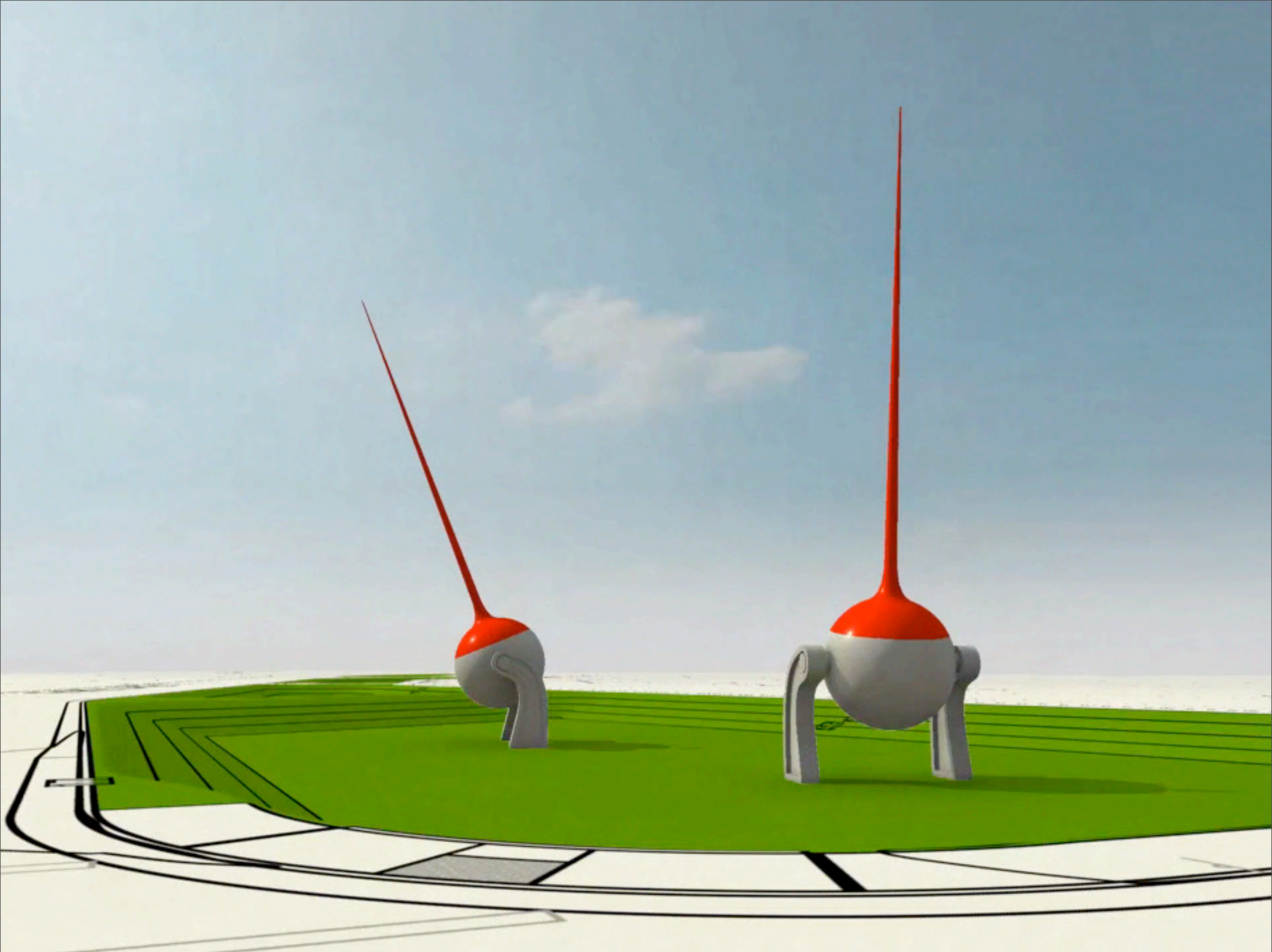


# Plan









A short animation of the project can be seen at Vimeo under:  
<https://vimeo.com/68410332> (pass word: sandiego)



Item D

# San Diego County Regional Airport Authority

## Review of the Concession Development Program as of June 30, 2014

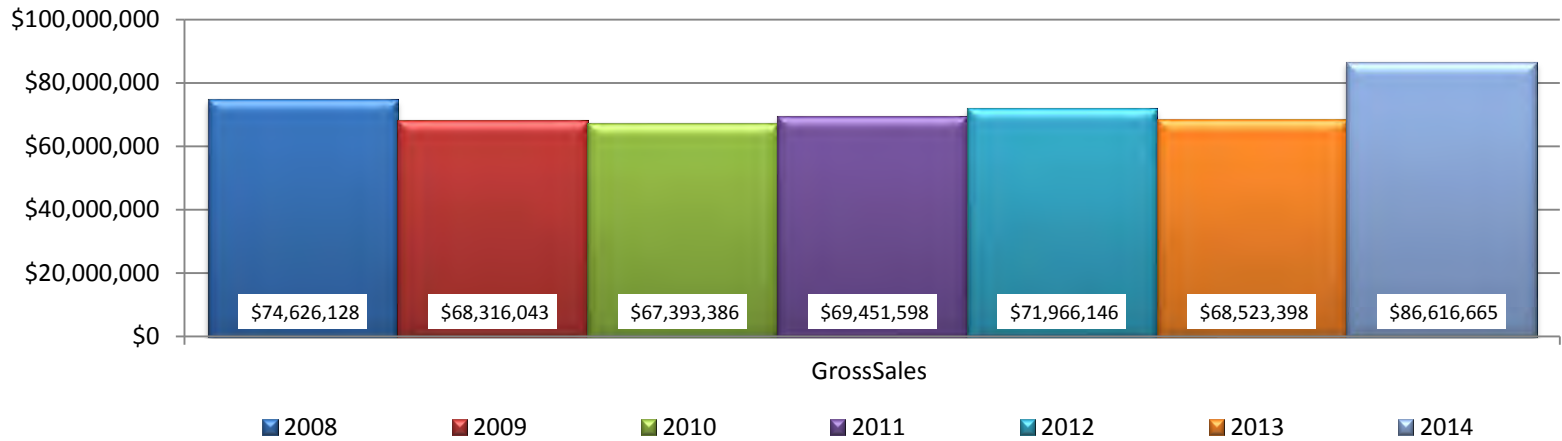
Presented by:  
Kathy Kiefer  
Senior Director, Finance and Asset Management

October 2, 2014



# Concessions Gross Sales, Sales per Enplaned Passenger, and Enplanements by Fiscal Year

## Gross Sales



SEP

\$7.95

\$8.00

\$7.97

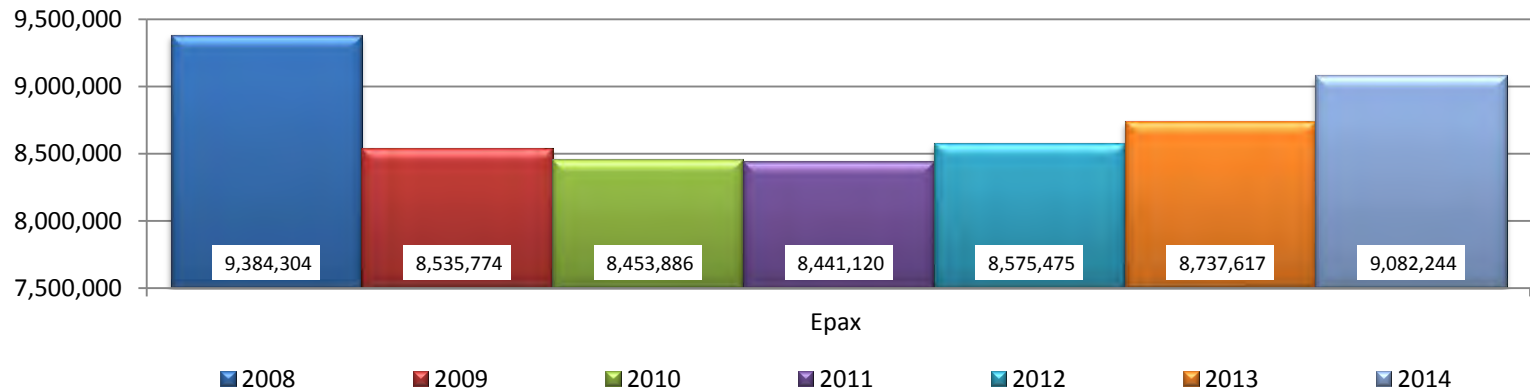
\$8.23

\$8.39

\$7.84

\$9.54

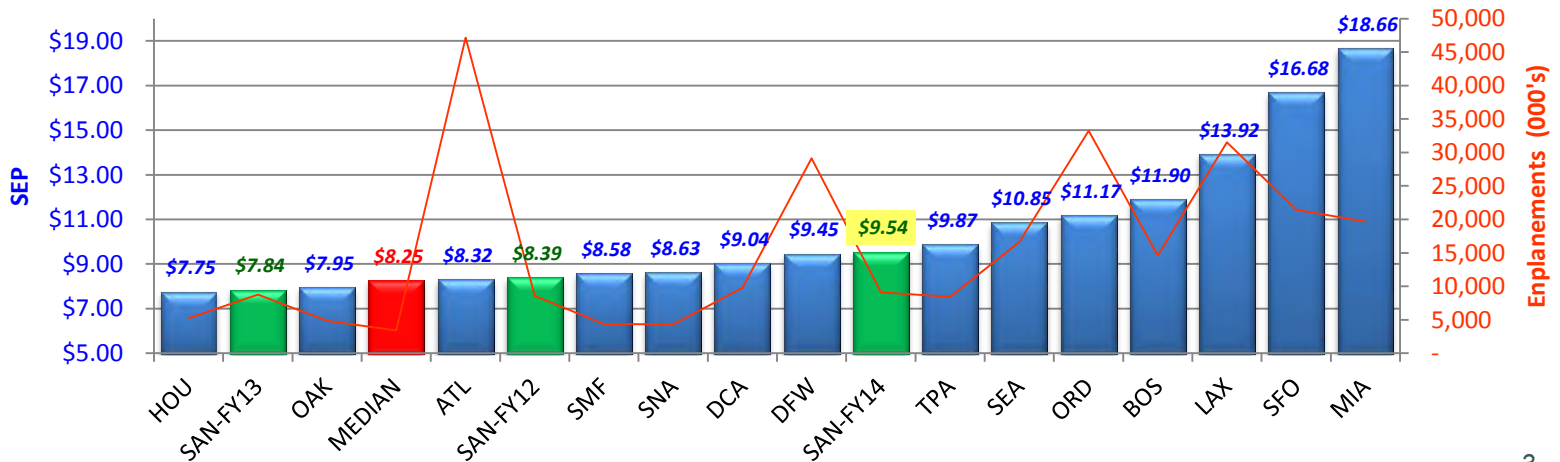
## Enplaned Passengers



# SAN Comparative SEP (vs selected airports)

Source: ACI-NA 2013 Survey (2012 data); median is for 96 participating airports

Airport Code	Name of Airport	Gross Sales	Enplanements	SEP
MIA	Miami International Airport	\$ 367,294,956	19,683,678	\$ 18.66
SFO	San Francisco International Airport	\$ 357,322,140	21,420,063	\$ 16.68
LAX	Los Angeles World Airports	\$ 438,727,713	31,516,917	\$ 13.92
BOS	Logan International Airport	\$ 173,532,993	14,580,106	\$ 11.90
ORD	Chicago O'Hare International Airport	\$ 371,310,804	33,244,515	\$ 11.17
SEA	Seattle-Tacoma International Airport	\$ 180,106,198	16,597,324	\$ 10.85
TPA	Tampa International	\$ 83,284,466	8,441,087	\$ 9.87
SAN-FY14	San Diego County Regional Airport Authority	\$ 86,616,665	9,082,244	\$ 9.54
DFW	Dallas/Ft. Worth International Airport	\$ 275,154,238	29,118,913	\$ 9.45
DCA	Ronald Reagan Washington National Airport	\$ 88,483,342	9,788,155	\$ 9.04
SNA	John Wayne Airport	\$ 37,169,127	4,305,428	\$ 8.63
SMF	Sacramento Airport System	\$ 37,496,242	4,372,287	\$ 8.58
SAN-FY12	San Diego County Regional Airport Authority	\$ 71,966,146	8,575,475	\$ 8.39
ATL	Hartsfield Jackson Atlanta Airport	\$ 392,333,926	47,147,315	\$ 8.32
MEDIAN	MEDIAN	\$ 28,451,824	3,425,884	\$ 8.25
OAK	Oakland International Airport	\$ 38,346,308	4,825,802	\$ 7.95
SAN-FY13	San Diego County Regional Airport Authority	\$ 68,523,398	8,737,617	\$ 7.84
HOU	William P. Hobby Airport	\$ 40,430,682	5,218,109	\$ 7.75

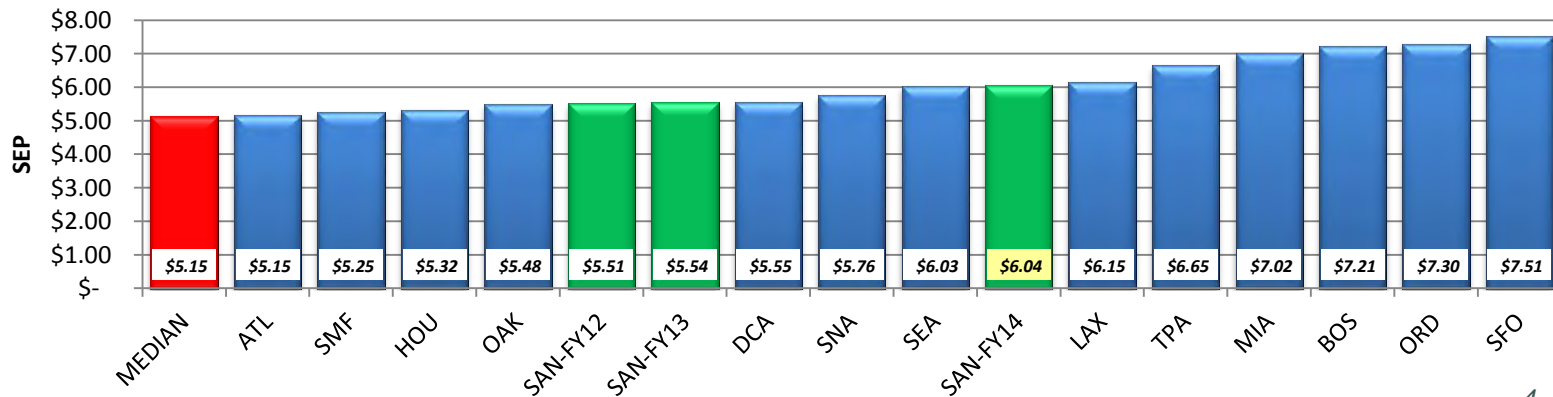


# SAN Comparative SEP - Food & Beverage

Source: ACI-NA 2013 Survey (2012 data); median is for 96 participating airports

Airport Code	Airport Name	Enplanements	Food & Beverage	Food & Beverage SEP
SFO	San Francisco International Airport	21,420,063	\$ 160,927,677	\$ 7.51
ORD	Chicago O'Hare International Airport	33,244,515	\$ 242,564,418	\$ 7.30
BOS	Logan International Airport	14,580,106	\$ 105,138,342	\$ 7.21
MIA	Miami International Airport	19,683,678	\$ 138,118,527	\$ 7.02
TPA	Tampa International	8,441,087	\$ 56,128,692	\$ 6.65
LAX	Los Angeles World Airports	31,516,917	\$ 193,857,415	\$ 6.15
SAN-FY14	San Diego County Regional Airport Authority	9,082,244	\$ 54,879,697	\$ 6.04
SEA	Seattle-Tacoma International Airport	16,597,324	\$ 100,106,112	\$ 6.03
SNA	John Wayne Airport	4,305,428	\$ 24,797,559	\$ 5.76
DCA	Ronald Reagan Washington National Airport	9,788,155	\$ 54,366,969	\$ 5.55
SAN-FY13	San Diego County Regional Airport Authority	8,737,617	\$ 48,404,022	\$ 5.54
SAN-FY12	San Diego County Regional Airport Authority	8,575,475	\$ 47,270,248	\$ 5.51
OAK	Oakland International Airport	4,825,802	\$ 26,438,255	\$ 5.48
HOU	William P. Hobby Airport	5,218,109	\$ 27,766,390	\$ 5.32
SMF	Sacramento Airport System	4,372,287	\$ 22,973,170	\$ 5.25
ATL	Hartsfield Jackson Atlanta Airport	47,147,315	\$ 242,875,594	\$ 5.15
<b>MEDIAN</b>	<b>MEDIAN</b>	<b>3,425,884</b>	<b>\$ 17,105,524</b>	<b>\$ 5.15</b>

## Food & Beverage SEP



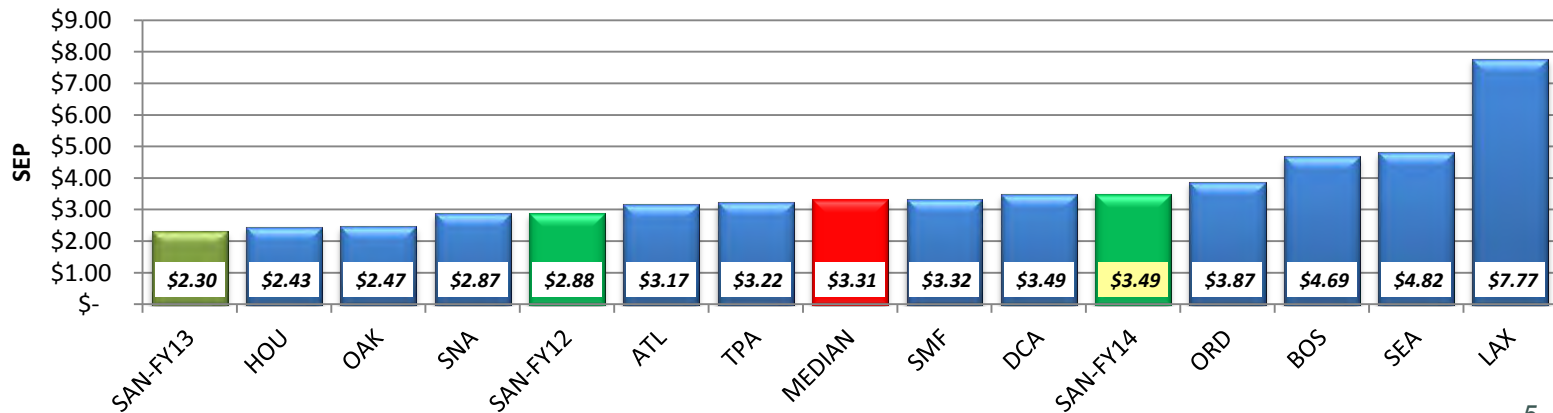


# SAN Comparative SEP - Retail

Source: ACI-NA 2013 Survey (2012 data); median is for 96 participating airports

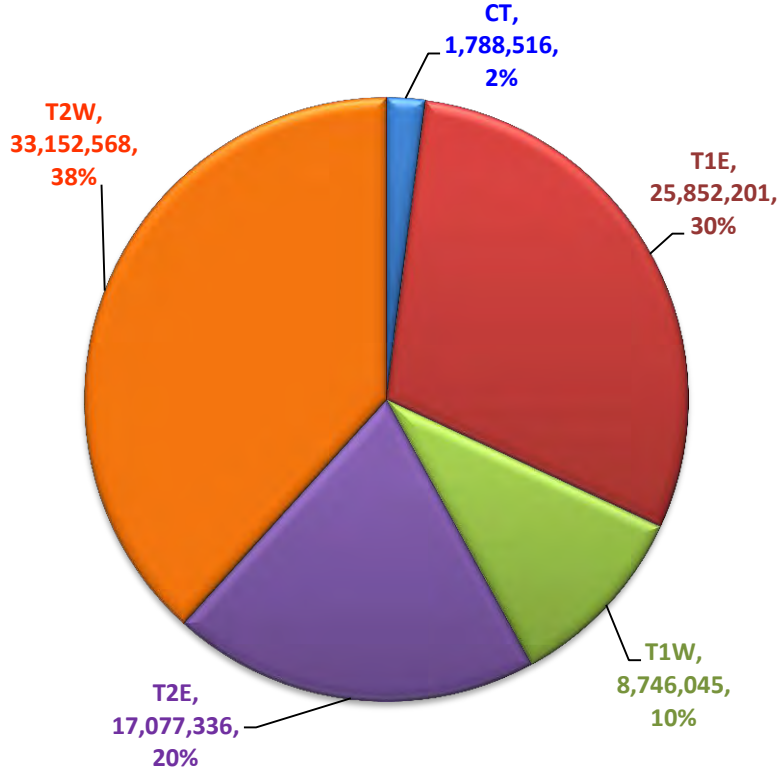
Airport Code	Airport Name	Enplanements	Retail	Retail SEP
MIA	Miami International Airport	19,683,678	\$ 229,176,429	\$ 11.64
SFO	San Francisco International Airport	21,420,063	\$ 196,394,463	\$ 9.17
LAX	Los Angeles World Airports	31,516,917	\$ 244,870,298	\$ 7.77
SEA	Seattle-Tacoma International Airport	16,597,324	\$ 80,000,086	\$ 4.82
BOS	Logan International Airport	14,580,106	\$ 68,394,651	\$ 4.69
ORD	Chicago O'Hare International Airport	33,244,515	\$ 128,746,386	\$ 3.87
SAN-FY14	San Diego County Regional Airport Authority	9,082,244	\$ 31,736,968	\$ 3.49
DCA	Ronald Reagan Washington National Airport	9,788,155	\$ 34,116,373	\$ 3.49
SMF	Sacramento Airport System	4,372,287	\$ 14,523,072	\$ 3.32
<b>MEDIAN</b>	<b>MEDIAN</b>	<b>3,425,884</b>	<b>\$ 11,346,300</b>	<b>\$ 3.31</b>
TPA	Tampa International	8,441,087	\$ 27,155,774	\$ 3.22
ATL	Hartsfield Jackson Atlanta Airport	47,147,315	\$ 149,458,332	\$ 3.17
SAN-FY12	San Diego County Regional Airport Authority	8,575,475	\$ 24,695,898	\$ 2.88
SNA	John Wayne Airport	4,305,428	\$ 12,371,568	\$ 2.87
OAK	Oakland International Airport	4,825,802	\$ 11,908,053	\$ 2.47
HOU	William P. Hobby Airport	5,218,109	\$ 12,664,292	\$ 2.43
SAN-FY13	San Diego County Regional Airport Authority	8,737,617	\$ 20,119,376	\$ 2.30

## Retail SEP

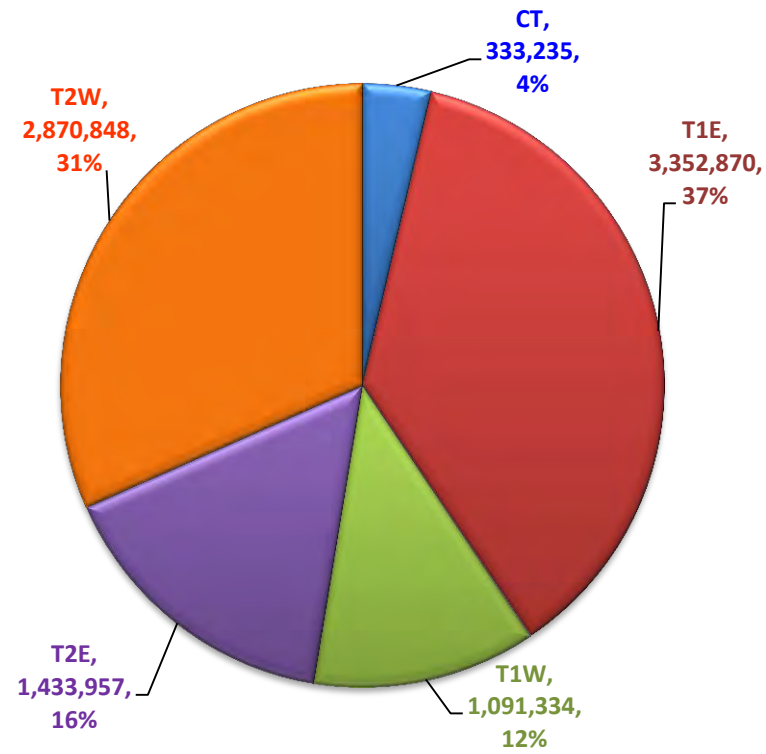


# FY 2014 Gross Sales, Enplanements, and SEP by Terminal

**Gross Sales: \$86,616,665**



**Enplanements: 9,082,244**

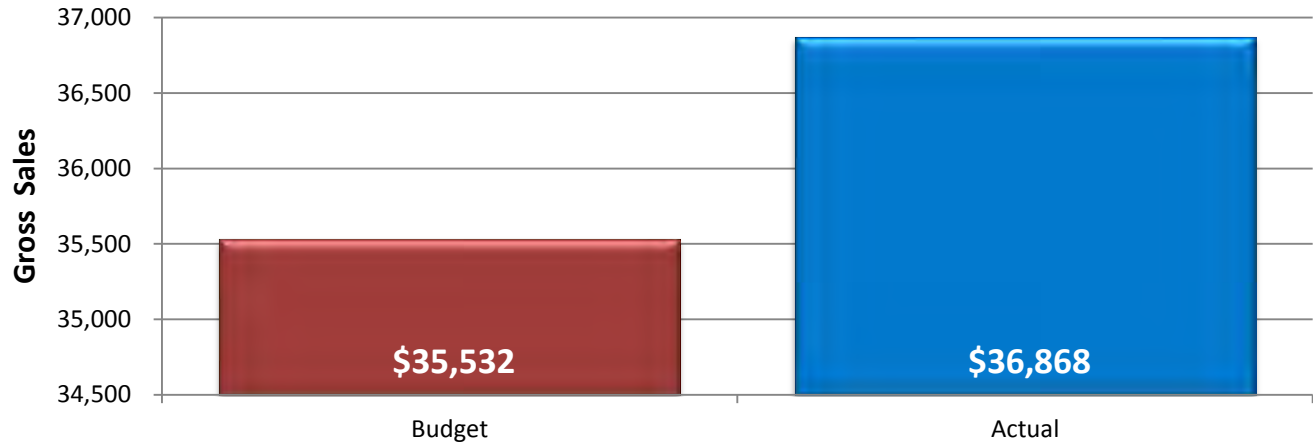


<i>Terminal</i>	<i>SEP</i>
<i>CT</i>	<b>\$5.37</b>
<i>T1E</i>	<b>\$7.71</b>
<i>T1W</i>	<b>\$8.01</b>
<i>T2E</i>	<b>\$11.91</b>
<i>T2W</i>	<b>\$11.55</b>
<b>Program SEP</b>	<b>\$9.54</b>

# Total CDP – First 7 months (Dec-12 thru Jun-13)

(In 000's)

## Gross Sales

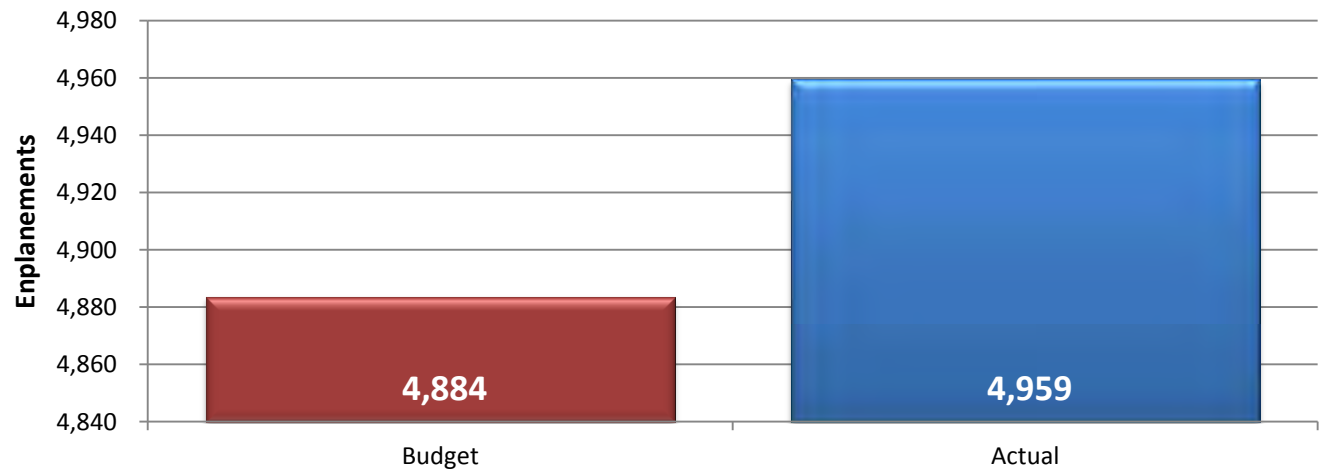


SEP

\$7.28

\$7.43

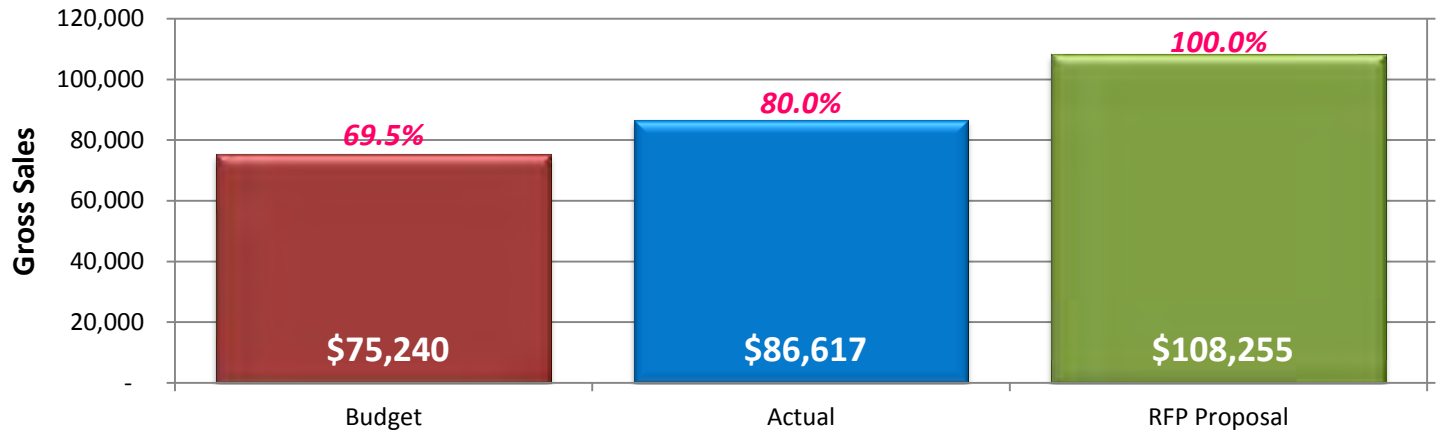
## Enplanements



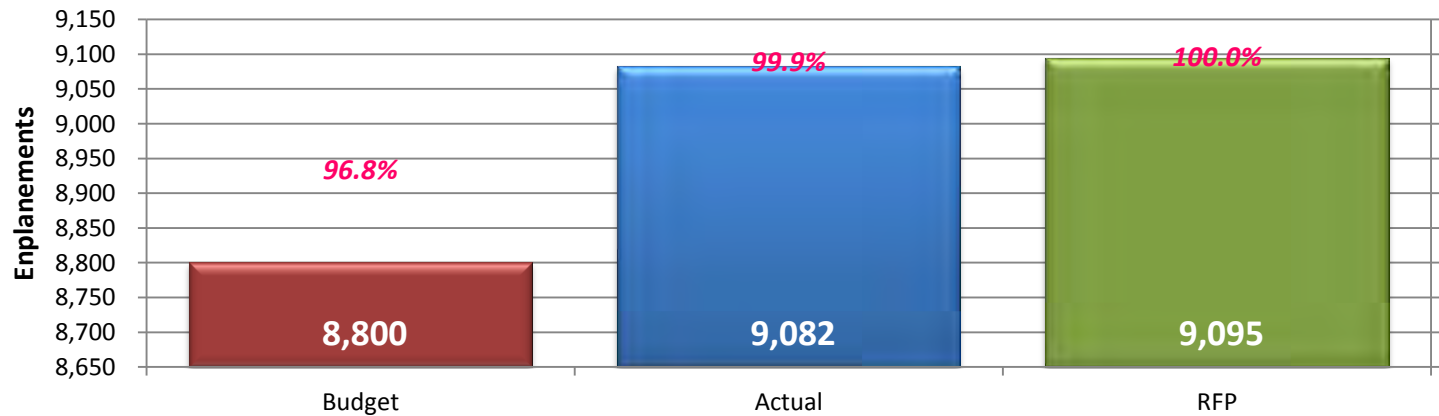
# CDP - FY 2014 (Jul-13 thru Jun-14)

(In 000's)

## Gross Sales



## Enplanements



% of RFP Proposal

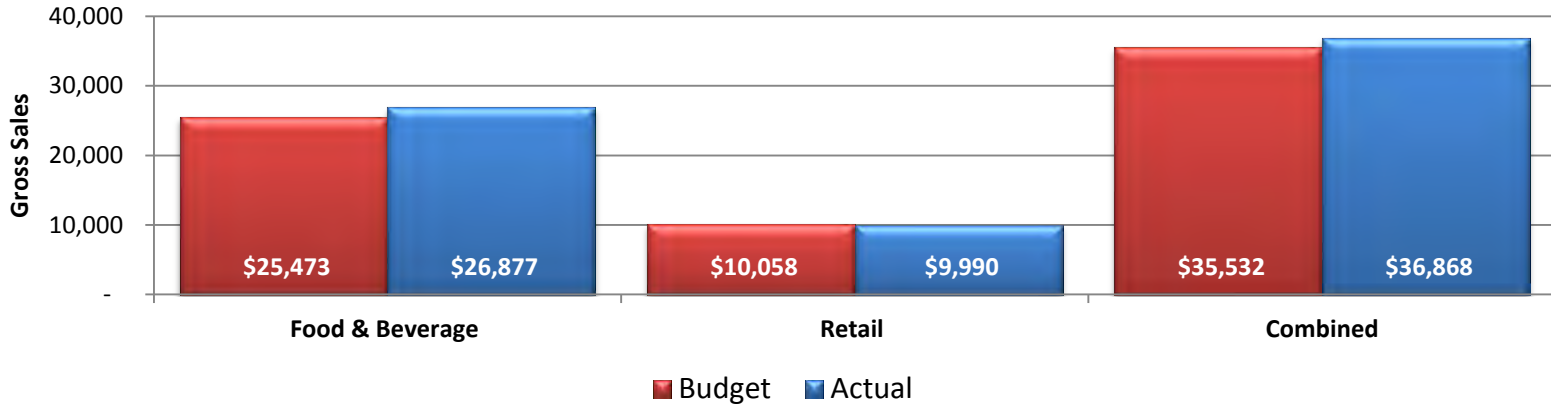
% of RFP



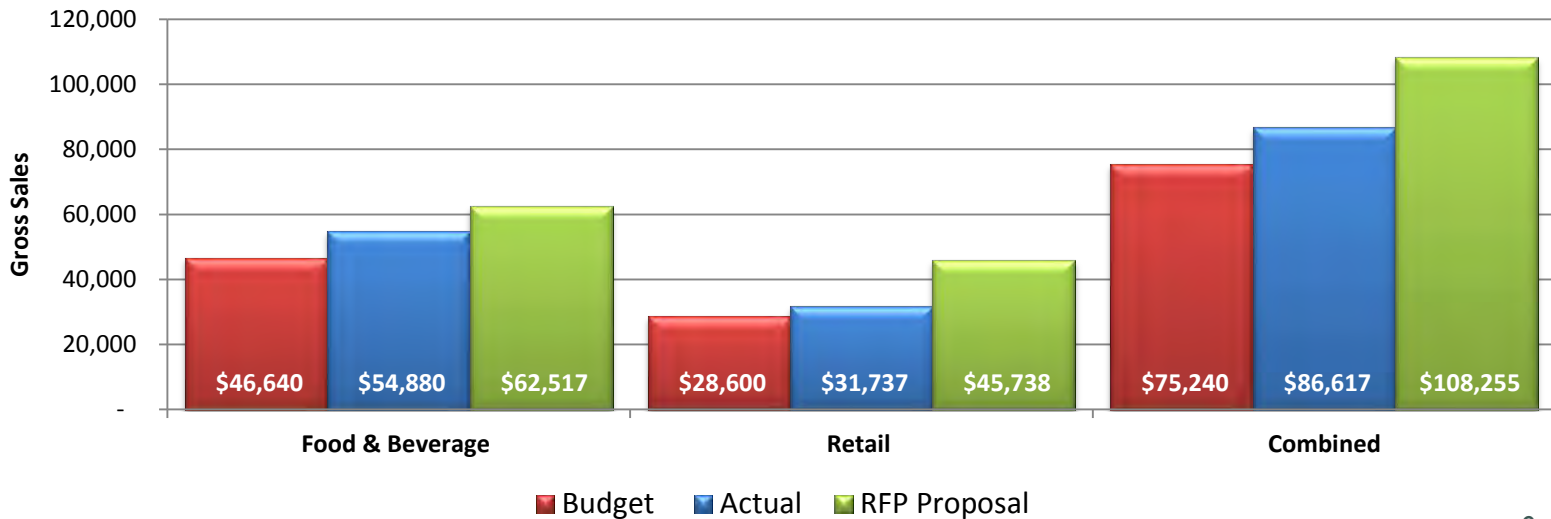
# CDP Gross Sales – by activity

In (000's)

## First 7 months (Dec-12 thru Jun-13)



## FY 2014 (Jul-13 thru Jun-14)





Questions?

**DRAFT**  
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD**  
**MINUTES**  
**THURSDAY, SEPTEMBER 4, 2014**  
**SAN DIEGO INTERNATIONAL AIRPORT**  
**BOARD ROOM**

**CALL TO ORDER:** Chair Gleason called the special meeting of the San Diego County Regional Airport Authority Board to order at 9:02 a.m. on Thursday, September 4, 2014, in the Board Room at the San Diego International Airport, Commuter Terminal, 3225 North Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Board Member Farnam introduced the Color Guard, and led the Pledge of Allegiance.

**ROLL CALL:**

**PRESENT:** Board Members: Alvarez, Berman (Ex Officio),  
Desmond, Farnam (Ex Officio),  
Gleason, Hubbs, Robinson,  
Sessom, Smisek

**ABSENT:** Board Members: Rear Admiral Bruce R. Boland, Cox,  
Ortega (Ex Officio)

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

**TRIBUTE TO BRUCE R. BOLAND, BOARD MEMBER AND RETIRED REAR ADMIRAL, U.S. NAVY:**

Chair Gleason and the Board provided a tribute in honor of Bruce R. Boland, Board Member and Retired Rear Admiral, U.S. Navy. He presented Mrs. Elaine Boland with a Plaque of Recognition and a Resolution, recognizing Mr. Boland for his service on the San Diego County Regional Airport Authority Board.

*RECOMMENDATION: The Board is requested to adopt a resolution recognizing Rear Admiral Bruce R. Boland for his service on the San Diego County Regional Airport Authority Board and directing that the Northside Terminal Link Road be named in his honor.*

**ACTION: Moved by Chair Gleason, and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following vote: YES – Alvarez, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO - None; ABSENT – Cox. (Weighted Vote Points: YES - 79; NO - 0; ABSENT- 8).**

*The Board recessed at 9:20 a.m. and reconvened at 9:30 a.m.*



## **PRESENTATION:**

### **A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014:**

Scott Brickner, Vice President, Finance & Asset Management/Treasurer and Kathy Kiefer, Senior Director, Finance & Asset Management, provided a presentation on the Review of the Unaudited Financial Statements for the Year Ended June 30, 2014, which included Operating Revenues by Percentage for Year Ended June 30, 2014 (Unaudited), Operating Expenses by Percentage for Year Ended June 30, 2014 (Unaudited), Non-operating Revenue & Expenses (Unaudited), Financial Summary, and Statement of Net Position, as of June 30 2014 (Unaudited).

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

### **STANDING BOARD COMMITTEES**

- **AUDIT COMMITTEE:**  
Board Member Smisek reported that the Committee met for its quarterly meeting on August 18, 2014, and he noted that Items 13 through 16 are on the Agenda for Board Approval.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**  
Board Member Hubbs provided a brief update on activities regarding Rental Car Center and the Fixed Base Operator (FBO) facilities. He announced that the FBO grand opening is scheduled for September 17, 2014.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Board Member Desmond reported that the Committee met on August 20, 2014, to discuss the 2015 Employee Benefits Program, and he noted that Item 24 is on the Agenda for Board Approval.
- **FINANCE COMMITTEE:** None

### **ADVISORY COMMITTEES**

- **AUTHORITY ADVISORY COMMITTEE:**  
Board Member Smisek announced that the next meeting of the Committee is scheduled on October 15, 2014.
- **ART ADVISORY COMMITTEE:**  
Chair Gleason reported that all of the temporary and rotating exhibits for 2014 are installed. He stated that the 2015 temporary and rotating exhibits theme will be *Balboa Park and the City*. He reported that the Rental Car Center artist selection panel for the third public art opportunity will be reviewed by the Art Advisory Committee at its next meeting and presented to the Board at its November meeting.



## **LIAISONS**

- **AIRPORT LAND USE COMPATIBILITY PLAN FOR SAN DIEGO INTERNATIONAL AIRPORT:** None.
- **CALTRANS:**  
Board Member Berman reported that CALTRANS has received the Coastal Permit approval for the North Coast Corridor Project.
- **INTER-GOVERNMENTAL AFFAIRS:**  
Michael Kulis, Director, Inter-Governmental Relations, reported that on August 27<sup>th</sup>, Chair Gleason authorized staff to change the Authority's position on AB 2293 from Support to Oppose Unless Amended. He reported that this legislation which would enact new insurance coverage and notification requirements for Transportation Network Companies, was amended in the last few days of the legislative session, reducing the required insurance coverage to \$200,000. He reported that the State Legislature adjourned for the year on August 31<sup>st</sup>, and Governor Brown has until September 30<sup>th</sup> to sign or veto legislation approved by the Legislature. He reported that on August 21<sup>st</sup>, Authority staff provided an airfield tour for Congressman Darrell Issa's district staff, and on August 26<sup>th</sup>, Authority staff, along with Board Member Robinson, provided San Diego Councilmember Lorie Zapf and her staff a briefing and airfield tour.
- **MILITARY AFFAIRS:** None.
- **PORT:**  
Chair Gleason noted that discussions are ongoing with the Port and other groups on the bid for the Americas Cup in 2017.

## **BOARD REPRESENTATIVES (EXTERNAL)**

- **SANDAG TRANSPORTATION COMMITTEE:**  
Board Member Smisek reported that the Committee met on July 18<sup>th</sup> and August 1<sup>st</sup>, to discuss the TransNet bond issue and the Constrained Regional Transportation Plan.
- **WORLD TRADE CENTER:**  
Chair Gleason noted that Item 18, clarifying ownership of the World Trade Center license agreement, is on the agenda for Board approval.

## **CHAIR'S REPORT:**

Chair Gleason recognized Board Member Desmond for his appointment to a new term as Mayor of the City of San Marcos. He also announced that he and other Board Members would be attending the upcoming Chamber of Commerce delegation in Washington D.C. He also announced that the September 19, 2014 Board Workshop Meeting is cancelled.

**PRESIDENT/CEO'S REPORT:**

Thella F. Bowens, President/CEO reported that the Authority has exceeded 18 million passengers for the year. She announced new service by Seaport Airlines. She reported that the Authority Finance Department received an Investment Policy Certificate of Excellence Award from the Association of Public Treasurers of the United States and Canada, for its Comprehensive Written Investment Policy. She reported that on August 1, 2014, Landmark Aviation commenced operations from its new facility, and that the grand opening of the facility is scheduled on September 17, 2014. She reported that outreach for the Airport Development Plan is ongoing and provided an update on the Ebola virus outbreak regarding international travel and transportation.

**NON-AGENDA PUBLIC COMMENT:**

SISTER JUSTINE CHURCH, SAN DIEGO, representing the Interfaith Center for Worker Justice, asked for Board consideration for support of good wages, health benefits and justice for concession workers at the Airport.

MICHELLE GUTIERREZ, SAN DIEGO, representing Unite Here Local 30, reported that High Flying Foods is in violation of the Neutrality Agreement.

FRANCISCO HERNANDEZ, SAN DIEGO, stated that he was terminated by High Flying Foods. He stated that the management of High Flying Foods practices fear and intimidation to make it an uncomfortable place for its workers. He requested intervention by the Authority regarding the issue.

MIRNA SOTO, SAN DIEGO, stated that she was unfairly disciplined by High Flying Foods and eventually terminated.

Board Member Sessom requested a briefing by Staff regarding this issue.

Board Member Alvarez requested that staff provide a copy of the signed contracts with SSP America and High Flying Foods, and an explanation of the Authority's role.

Board Member Robinson suggested that Staff provide the Board with a Report regarding this issue.

Chair Gleason stated that contract negotiations between SSP America and High Flying Foods and their employees was brought to the attention of the Board at its July meeting, and was referred to Staff. He requested that the President/CEO, coordinate with staff to provide a comprehensive update to the Board regarding these contracts, and that Bret Lobner, General Counsel, provide a briefing to the Board as to the appropriate level of involvement of the Authority on this issue.

**CONSENT AGENDA (Items 1-21):**

Chair Gleason requested that Item 6 be pulled from the Consent Agenda for discussion.

**ACTION: Moved by Board Member Desmond and seconded by Board Member Smisek to approve the Consent Agenda as amended. Motion carried by the following vote: YES – Alvarez, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Cox. (Weighted Vote Points: YES – 79; NO – 0; ABSENT 8).**

1. **APPROVAL OF MINUTES:**  
RECOMMENDATION: Approve the minutes of the July 7, 2014 special meeting.
2. **ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**  
RECOMMENDATION: Accept the reports and pre-approve Board member attendance at other meetings, trainings and events not covered by the current resolution.
3. **AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JUNE 9, 2014 THROUGH AUGUST 10, 2014 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JUNE 9, 2014 THROUGH AUGUST 10, 2014:**  
RECOMMENDATION: Receive the report.
4. **SEPTEMBER 2014 LEGISLATIVE REPORT:**  
RECOMMENDATION: Adopt Resolution No. 2014-0082, approving the September 2014 Legislative Report.
5. **BIENNIAL REVIEW AND AMENDMENT OF AUTHORITY CODE SECTION 2.30 – CONFLICT OF INTEREST CODE:**  
RECOMMENDATION: Adopt Resolution No. 2014-0083, amending Authority Code Section 2.30 – Conflict of Interest Code.
6. **APPOINTMENTS TO BOARD COMMITTEES, LIAISON POSITIONS, OTHER REPRESENTATIVE AND ALTERNATE POSITIONS:**  
**ACTION: This item was pulled from the Consent Agenda for discussion.**

## **CLAIMS**

7. **REJECT THE CLAIM OF KAYE LONDON:**  
RECOMMENDATION: Adopt Resolution No. 2014-0085, rejecting the claim of Kaye London.
8. **REJECT THE CLAIM OF CHAUNCI KING:**  
RECOMMENDATION: Adopt Resolution No. 2014-0086, rejecting the claim of Chaunci King.
9. **REJECT THE CLAIM OF MARIANNA SPINELLI:**  
RECOMMENDATION: Adopt Resolution No. 2014-0087, rejecting the claim of Marianna Spinelli.
10. **REJECT THE CLAIM OF CLAIM OF STANLEY JOHN MAIDA:**  
RECOMMENDATION: Adopt Resolution No. 2014-0088, rejecting the claim of Stanley John Maida.

## **COMMITTEE RECOMMENDATIONS**

11. **ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014:**  
RECOMMENDATION: The Finance Committee recommends that the Board accept the report.
12. **ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF JULY 31, 2014:**  
RECOMMENDATION: The Finance Committee recommends that the Board accept the report.
13. **FISCAL YEAR 2014 – ANNUAL REPORT FROM THE AUDIT COMMITTEE:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
14. **FISCAL YEAR 2014 – ANNUAL AUDIT ACTIVITIES REPORT AND AUDIT RECOMMENDATIONS FROM THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
15. **REVISION TO THE CHARTER FOR THE OFFICE OF THE CHIEF AUDITOR:**  
RECOMMENDATION: The Audit Committee recommends that the Board Adopt Resolution No. 2014-0089, approving the revision to the Charter for the Office of the Chief Auditor.



- 16. REVISION TO THE FISCAL YEAR 2015 AUDIT PLAN:**  
**RECOMMENDATION:** The Audit Committee recommends that the Board accept the information.

***CONTRACTS AND AGREEMENTS***

- 17. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A COST-SHARE AGREEMENT WITH THE SAN DIEGO UNIFIED PORT DISTRICT (PORT) AND GENERAL DYNAMICS TO CONDUCT THE LAUREL HAWTHORNE CENTRAL EMBAYMENT SEDIMENT CHEMISTRY SAMPLING AND ANALYSIS TO COMPLY WITH INVESTIGATIVE ORDER NO. R9-2014-0007 ISSUED BY THE SAN DIEGO REGIONAL WATER QUALITY CONTROL BOARD TO THE AUTHORITY, THE PORT, AND GENERAL DYNAMICS:**  
**RECOMMENDATION:** Adopt Resolution No. 2014-0090, authorizing the President/CEO to execute a Cost-Share Agreement with the San Diego Unified Port District (Port) and General Dynamics to conduct the Laurel Hawthorne Central Embayment Sediment Chemistry Sampling and Analysis to comply with Investigative Order No. R9-2014-0007 issued by San Diego Regional Water Quality Control Board to the Authority, the Port, and General Dynamics.
- 18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN AMENDED AND RESTATED LICENSE AGREEMENT WITH THE WORLD TRADE CENTERS ASSOCIATION AND SUCH OTHER RELATED ACTIONS AS ARE NECESSARY:**  
**RECOMMENDATION:** Adopt Resolution No. 2014-0091, approving and authorizing the President/CEO to execute an amended and restated license agreement with the World Trade Centers Association and to take such other related actions as are necessary regarding the non-profit corporation owned by the Authority, the San Diego Unified Port District and the City of San Diego.

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

- 19. AWARD A CONTRACT TO S&L SPECIALTY CONTRACTING, INC., FOR QUIETER HOME PROGRAM PHASE 7, GROUP 12, PROJECT NO. 380712 (38 HISTORIC AND NON-HISTORIC SINGLE AND MULTI-FAMILY UNITS ON 26 RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT):**  
**RECOMMENDATION:** Adopt Resolution No. 2014-0092, awarding a contract to S&L Specialty Contracting, Inc., in the amount of \$1,463,050, for Phase 7, Group 12, Project No. 380712, of the San Diego County Regional Airport Authority's Quieter Home Program.

**20. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE 12KV ELECTRICAL DISTRIBUTION SYSTEM OPERATIONS, MAINTENANCE, AND REPAIR SERVICE AGREEMENT WITH CHULA VISTA ELECTRIC COMPANY:**

RECOMMENDATION: Adopt Resolution No. 2014-0093, approving and authorizing the President/CEO to execute 12kV Electrical Distribution System Operations, Maintenance, and Repair service agreement with Chula Vista Electric Company, for a term of three years, for a total not-to-exceed amount of \$5,000,000, to provide 12kV electrical distribution system operations, maintenance, and repair services at San Diego International Airport.

**21. AWARD A CONTRACT TO GRANITE CONSTRUCTION COMPANY FOR NORTH SIDE BYPASS TAXIWAY AT SAN DIEGO INTERNATIONAL AIRPORT:**

RECOMMENDATION: Adopt Resolution No. 2014-0094, awarding a contract to Granite Construction Company, in the amount of \$5,698,868, for Project No. 104176, North Side Bypass Taxiway at San Diego International Airport.

**ITEMS PULLED FROM THE CONSENT AGENDA:**

**6. APPOINTMENTS TO BOARD COMMITTEES, LIAISON POSITIONS, OTHER REPRESENTATIVE AND ALTERNATE POSITIONS:**

Chair Gleason recommended revisions to the Appointments to Board and Committees, to appoint Board Member Hubbs as Chair of the Capital Improvement Program Oversight Committee, and Vice Chair of the Executive Personnel and Compensation Committee, Board Member Alvarez as Vice Chair of the Capital Improvement Program Oversight Committee, and Board Member Sessom to the Executive Personnel and Compensation Committee.

RECOMMENDATION: Adopt Resolution No. 2014-0084, making appointments to Board committees and liaison positions.

**ACTION: Moved by Chair Gleason and seconded by Board Member Smisek to approve Staff's recommendation as amended. Motion carried by the following vote: YES – Alvarez, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Cox. (Weighted Vote Points: YES – 79; NO – 0; ABSENT 8).**

**PUBLIC HEARINGS:** None.

**OLD BUSINESS:** None.

*The Board recessed at 10:00 a.m. and reconvened at 10:03 a.m.*

000008

**NEW BUSINESS:**

**22. APPROVE AND AUTHORIZE AMENDMENT NO. 1 TO THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RETIREMENT PLAN AND TRUST OF 2013:**

Kurt Gering, Director, Talent, Culture & Capability, provided an update on the proposed revisions to the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013.

In response to Board Member Alvarez regarding that the proposed changes are clerical only, with no re-classifications, Mr. Gering confirmed that there are no net changes to the Plan. Elaine Regan, General Counsel, representing SDCERS, further clarified that the action requested by staff does not change the Authority's practice.

RECOMMENDATION: Adopt Resolution No. 2014-0095, approving and authorizing the President/CEO to execute Amendment No. 1 to the Amended and Restated San Diego County Regional Airport Authority Retirement Plan and Trust of 2013.

**ACTION: Moved by Board Member Smisek and seconded by Board Member Alvarez to approve Staff's recommendation. Motion carried by the following vote: YES – Alvarez, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Cox. (Weighted Vote Points: YES – 79; NO – 0; ABSENT 8).**

Chair Gleason announced that Item 24 would be heard at this time.

**24. RENEWAL OF THE EMPLOYEE BENEFIT PROGRAM(S) FOR 2015:**

Kurt Gering, Director, Talent, Culture & Capability, provided a presentation on the Renewal of the Employee Benefit Program(s) for 2015, which included Employee Benefits Task Force Charter, Task Force Composition and Meetings, Executive Summary – Detail, Authority Premium Budget vs. Project Cost, Medical Marketing Decision Points, Medical Marketing Results, Historical Medical Increases, Medical Marketing Value Ranking, Anthem Medical Renewal, Anthem Mandatory Renewal Plan Changes, Average HMO Employee Contributions, Average PPO Employee Contributions, Enhanced Wellness Focus, Wellness Premiums, Wellness Costs, and Plan Recommendations Summary.

Board Member Desmond noted that this item was unanimously approved by the Executive Personnel and Compensation Committee at its last meeting.

Board Member Sessom disagreed with the 5% penalty being assessed for employees choosing to not participate in the wellness screenings without any qualitative cost benefit to the Authority.

**RECOMMENDATION:** The Executive Personnel and Compensation Committee recommends that the Board Adopt Resolution No. 2014-0096, approving the renewal of the Employee Benefit Program(s) for 2015.

**ACTION: Moved by Board Member Desmond and seconded by Board Member Smisek to approve Staff's recommendation. Motion carried by the following vote: YES – Alvarez, Desmond, Gleason, Hubbs, Robinson, Sessom, Smisek; NO – None; ABSENT – Cox. (Weighted Vote Points: YES – 79; NO – 0; ABSENT 8).**

**23. OVERVIEW OF RENTAL CAR CENTER RESTAURANT OPPORTUNITY AND MARKETING PLAN:**

Troy Anne Leech, Senior Manager, Aviation & Commercial Business, provided a presentation on the Rental Car Center Restaurant Opportunity and Marketing Plan, which included Rental Car Center Background, Restaurant Facility, Benefits From Restaurant, Preliminary Financial Summary, Restaurant Recruitment, Closed Lease Transactions, and Target Schedule.

Mike Spilky, President/Principal, Location Matters, provided a brief overview about his Company.

In response to Board Member Hubbs regarding the length of the lease and what if the selected restaurant is not successful, Mr. Spilky stated that although the lease is negotiable, most restaurants request a minimum of 10 years plus options, in order to receive a return on investment. If they are unsuccessful, there is usually a personal or corporate guarantee associated with the lease.

Board Member Hubbs expressed concern about the financial viability of the plan, and he requested that staff provide a report regarding the financial analysis.

**RECOMMENDATION:** Receive the report.

**ACTION: No action taken.**

**CLOSED SESSION:** The Board recessed into Closed Session at 10:51 a.m. to discuss Item 29.

**25. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**

(Real property negotiations pursuant to Cal. Gov. Code § 54954.5(b) and § 54956.8.)

Property: Salt Plant – 17 acre parcel located at 1470 Bay Boulevard, San Diego.

Agency Negotiators: Scott Brickner, Finance & Asset Management, Vice President/Treasurer.

Negotiating Parties: San Diego Gas & Electric, United States Fish and Wildlife Service, GGTW, LLC (current tenant) and/or other interested parties.

Under Negotiation: Sale – terms and conditions.



- 26. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**  
(Cal. Gov. Code § 54956.9(a) and (d)(1).)  
Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,  
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL
- 27. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**  
(Cal. Gov. Code § 54956.9(a) and (d)(1).)  
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court, North County, Case No. 37-2014-00004077-  
CU-EI-NC
- 28. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**  
(Cal. Gov. Code § 54956.9(a) and (d)(1).)  
Donna Wilson; John Wilson v. San Diego Port Authority; San Diego International Airport; San Diego County Regional Airport Authority  
San Diego Superior Court Case No. 37-2014-00015326-CU-PO-CTL  
(Meyer)
- 29. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)  
Number of cases: 1
- 30. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION AND EXISTING LITIGATION:**  
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(a) and 54956.9(b).)  
Jay A. Bass, et al v. San Diego City Employees' Retirement System, et al.,  
San Diego Superior Court Case No. 37-2013-00077566-CU-OE-CTL
- 31. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)  
Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.  
Number of potential cases: 1
- 32. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**  
(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)  
Number of cases: 2

**REPORT ON CLOSED SESSION:** The Board reconvened into Open Session at 11:14 a.m. There was no reportable action.

**NON-AGENDA PUBLIC COMMENT:** None.

**GENERAL COUNSEL REPORT:** None.

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

**BOARD COMMENT:** None.

**ADJOURNMENT:** The meeting was adjourned at 11:15 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 2<sup>nd</sup> DAY OF OCTOBER, 2014.

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**2**

Meeting Date: **OCTOBER 2, 2014**

**Subject:**

**Acceptance of Board and Committee Members' Written Reports on Their Attendance at Approved Meetings and Pre-Approval of Attendance at other Meetings not Covered by the Current Resolution**

**Recommendation:**

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

**Background/Justification:**

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

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

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

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

**Fiscal Impact:**

Board and Committee Member Compensation is included in the FY 2015 Budget.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

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

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

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



**DAVID ALVAREZ**

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

Period Covered: July 2014

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
<i>DAVID ALVAREZ</i>		<i>9-12-14</i>
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: <i>July 7, 2014</i> Time: <i>9 am</i> Location: <i>SDCRAA</i>	<i>Board Committee</i>
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

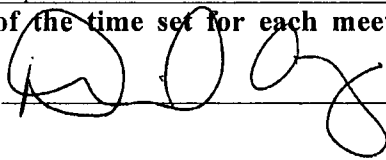
Signature: *David Alvarez*

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**  
 Period Covered: September 2014

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
David Alvarez		9-23-14
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-4-14 Time: 9AM Location: SDCRAA	Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-22-14 Time: 9AM Location: SDCRAA	Finance Committee
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

**GREG COX**



**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**  
 Period Covered: SEPT 1-30, 2014

SDCRAA  
**SEP 22 2014**  
 Corporate & Information Governance

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
GREG COX		SEPT 22 2014
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: SEPT 22, 2014 Time: 9 am Location: SDIA	EXECUTIVE COMMITTEE/ FINANCE COMMITTEE MEETING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: 



**JIM DESMOND**

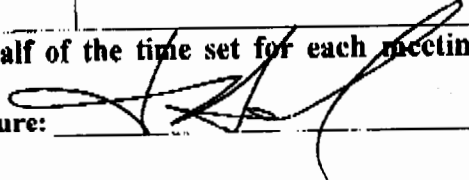
**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
 Board Member Event/Meeting/Training Report Summary**

Period Covered: Sept 14

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
<u>J. DESMOND</u>		<u>9/23/14</u>
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: <u>9/4/14</u> Time: <u>9 AM</u> Location: <u>SDIA</u>	<u>BOARD Meeting</u>
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

**ROBERT H. GLEASON**

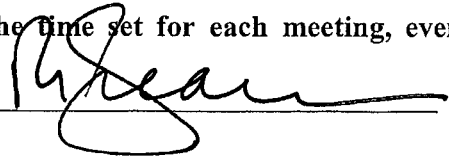


**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**  
 Period Covered: SEPTEMBER 2014

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

<b>BOARD MEMBER NAME: (Please print)</b>		<b>DATE OF THIS REPORT:</b>
ROBERT H. GLEASON		September 25, 2014
<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. 2009-0149R	Date: September 4, 2014 Time: 9:00 am Location: SDCRAA offices	ALUC / Board meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 7, 2014 Time: 7:00 pm Location: Madison Hotel	San Diego Chamber of Commerce Mission to Washington, DC
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 8, 2014 Time: all day Location: Washington, DC	San Diego Chamber of Commerce Mission to Washington, DC
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 9, 2014 Time: all day Location: Washington, DC	San Diego Chamber of Commerce Mission to Washington, DC
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 17, 2014 Time: 4:00 pm Location: SDIA	Landmark Terminal Grand Opening; spoke on behalf of Airport Authority
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 19, 2014 Time: 11:30 am Location: SDIA	Employee BBQ; spoke on behalf of Airport Authority
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 22, 2014 Time: 9:00 am Location: SDCRAA offices	Executive / Finance Committee meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2009-0149R	Date: September 23, 2014 Time: 4:00 pm Location: City Hall	Quarterly Airport Authority briefings with Mayor Faulconer

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

Signature: 

**LLOYD HUBBS**

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

Period Covered: Sept. 2014

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
LLOYD HUBBS		9-22-14
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-24-14 Time: 9:00 - 11:00 Location: BOARD RM	BOARD Mtg
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-22-14 Time: 9:00 - 10:00 Location: BOARD RM	EXEC. FINANCE
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-5-14 Time: 9:00 - 11:00 Location: SANDAG	SANDAG Transp.
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-19-14 Time: 9:00 - 10:00 Location: SANDAG	SANDAG TRANSP.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: Lloyd Hubbs

**PAUL ROBINSON**



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

Period Covered: 9/30/14

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
Paul E. Robinson		9-23-14
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>9/2/14</u> Time: <u>9:00 - 11:30 a.m.</u> Location: <u>SDCRAA Bd. Rm</u>	SDCRAA Bd/ALVC Mtgs
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>9/7</u> Time: <u>6:00 p.m. - 10:00 p.m.</u> Location: <u>Wash. D.C.</u>	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>9/8</u> Time: <u>All Day</u> Location: <u>Wash D.C.</u>	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>9/9</u> Time: <u>All Day</u> Location: <u>Wash. D.C.</u>	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>9/10</u> Time: <u>8:00 a.m. - 2:30 p.m.</u> Location: <u>Wash DC</u>	Chamber Trip
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <u>9/22</u> Time: <u>9:00 - 10:00 a.m.</u> Location: <u>SDCRAA Bd Rm</u>	EXOC/EMAPP Comm Mtg
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: PE Robinson

**MARY SESSOM**

## SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

## Board Member Event/Meeting/Training Report Summary

Corporate &amp; Information Governance

Period Covered: August 2014

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
Mary Sessom		9/4/2014
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/18 Time: 10:00 Location: Board Room	Audit Committee
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/20 Time: 10:00 Location: Board Room	Personnel and Compensation
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/25 Time: 9:00 Location: Board Room	Executive and Finance
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

**TOM SMISEK**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**Board Member Event/Meeting/Training Report Summary**  
 Period Covered: SEPTEMBER 1-30, 2014

SDCRAA  
 SEP 22 2014  
 Corporate & Information Governance

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualify for "day of service" compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2009-0007. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Tony Russell, Authority Clerk.

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT
Tom SMISEK		SEPTEMBER 22, 2014
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: 9-4-2014 Time: 9:00 AM Location: SDIA	SDCRAA BOARD MEETING
<input checked="" type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: 9-5-2014 Time: 9:00 AM Location: SANDAG	SANDAG TRANSPORTATION COMMITTEE MEETING, SDCRAA REPRESENTATIVE
<input checked="" type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: 9-19-2014 Time: 9:00 AM Location: SANDAG	SANDAG TRANSPORTATION COMMITTEE MEETING, SDCRAA REPRESENTATIVE
<input checked="" type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: 9-22-2014 Time: 9:00 AM Location: SDIA	SDCRAA EXECUTIVE / FINANCE COMMITTEES MEETING
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	

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

Signature: Tom Smisek





SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**3**

Meeting Date: **OCTOBER 2, 2014**

**Subject:**

**Awarded Contracts, Approved Change Orders from August 11, 2014 through September 7, 2014 and Real Property Agreements Granted and Accepted from August 11, 2014 through September 7, 2014**

**Recommendation:**

Receive the report.

**Background/Justification:**

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

**Fiscal Impact:**

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

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

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

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

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**Environmental Review:**

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

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

**Application of Inclusionary Policies:**

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

**Prepared by:**

JANA VARGAS  
DIRECTOR, PROCUREMENT

**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN AUGUST 11, 2014 - SEPTEMBER 7, 2014**



**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>
08/12/14	N/A	EMS Construction, Inc.	The Contractor is one of three pre-qualified and approved to bid on on-call sheet metal fabrication services at San Diego International Airport. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFQ	M. Bauer	\$ 900,000.00	10/31/17
08/12/14	N/A	Ehmcke Sheet Metal Corp.	The Contractor is one of three pre-qualified and approved to bid on on-call sheet metal fabrication services at San Diego International Airport. The contract value reflects the total not-to-exceed cost for the entire pool of contractors for this service.	RFQ	M. Bauer	\$ 900,000.00	10/31/17
08/11/14	N/A	Sojern	The Contractor will provide internet advertising services at San Diego International Airport.	Informal RFP	D. Lucero	\$ 15,000.00	12/11/14
08/27/14	N/A	Baron Center, Inc.	The Contractor will provide human resources support services for San Diego County Regional Airport Authority.	Informal RFP	K. Gering	\$ 50,000.00	07/31/15
08/28/14	N/A	N.E. Fried and Associates, Inc.	The contractor will provide individual coaching services on an as-needed basis for personnel at the San Diego County Regional Airport Authority.	Informal RFP	K. Gering	\$ 40,000.00	08/14/17
09/02/14	N/A	Allie's Party Equipment Rental, Inc.	The Contractor will provide on-call equipment rental services for special events at San Diego International Airport Authority.	RFP	J. Vargas	\$ 60,000.00	08/31/17
08/29/14	N/A	JRM Consultants & Investigations Co.	The contractor will perform background investigative services for individuals employed at San Diego International Airport.	RFP	C. Weich	\$ 900,000.00	08/31/17
09/05/14	N/A	Location Matters	The Contractor will provide real estate brokerage services related to the implementation of a full service restaurant at the Rental Car Center at San Diego International Airport.	RFP	T. Leech	\$ 300,000.00	08/31/17



**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>
07/30/14	104180	Vasquez Construction Company	This contract was approved by the Board at the July 7, 2014 Board Meeting. The Contractor will upgrade the Flight Information Display Systems (FIDS) located throughout San Diego International Airport.	RFB	I. Ghaemi	\$ 246,612.00	11/21/14
05/15/14	104179	Hearne Corporation	This contract was approved by the Board at the July 7, 2014 Board Meeting. The Contractor will reconfigure Security Checkpoint 2 and refurbish Terminal 1 rotundas and baggage claim area at San Diego International Airport.	RFB	I. Ghaemi	\$ 3,829,623.00	02/23/15

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**Attachment "A"**

**AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN AUGUST 11, 2014 - SEPTEMBER 7, 2014**



**Amendments and Change Orders**

Date Signed	CIP #	Company	Description of Change	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value ( % ) (+ / -)	New Contract Value	New End Date
08/11/14	N/A	A/E Scantech, Inc.	The First Amendment extends the term of the contract by 90 days for on-call reprographic services for San Diego County Regional Airport Authority. There is no increase in compensation.	\$ 25,000.00	\$ -	0%	\$ 25,000.00	9/28/2014
08/15/14	N/A	AMEC Environmental & Infrastructure, Inc.	The Third Amendment increases the maximum amount of compensation by \$120,000.00 for additional work studies related to storm water management.	\$ 2,000,000.00	\$ 120,000.00	6%	\$ 2,120,000.00	11/30/2015
08/25/14	N/A	Riskconnect, Inc.	The First Amendment revises Exhibit A "Scope of Work" to include additional software licenses and revises Exhibit B "Compensation and Payment" to increase the maximum amount of compensation by \$29,935.00 for the Risk Management Information System used by San Diego County Regional Airport Authority.	\$ 300,000.00	\$ 29,935.00	10%	\$ 329,935.00	9/30/2016
08/25/14	N/A	Greenhaus, Inc.	The First Amendment extends the term of the contract six months for on-call marketing, advertising and creative services for San Diego County Regional Airport Authority. There is no increase in compensation.	\$ 2,500,000.00	\$ -	0%	\$ 2,500,000.00	2/28/2015



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

08/11/14	N/A	DuWright Construction, Inc.	The Second Amendment was approved by the Board at the July 7, 2014 Board Meeting. The Second Amendment increases the maximum amount of compensation by \$900,000.00 for the pool of pre-approved on-call HVAC contractors to complete pending projects at San Diego International Airport.	\$ 990,000.00	\$ 900,000.00	91%	\$ 1,890,000.00	12/31/2015
08/15/14	N/A	Helix Mechanical, Inc.	The Second Amendment was approved by the Board at the July 7, 2014 Board Meeting. The Second Amendment increases the maximum amount of compensation by \$900,000.00 for the pool of pre-approved on-call HVAC contractors to complete pending projects at San Diego International Airport.	\$ 990,000.00	\$ 900,000.00	91%	\$ 1,890,000.00	12/31/2015
08/27/14	N/A	Siemens Industry, Inc.	The Second Amendment was approved by the Board at the July 7, 2014 Board Meeting. The Second Amendment extends the term of the contract to December 31, 2014 and increases the maximum amount of compensation by \$643,430.10 to provide operation and maintenance support for the Terminal 2 baggage handling system at San Diego International Airport.	\$ 1,388,691.00	\$ 643,430.10	46%	\$ 2,032,121.10	12/31/2014

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**Attachment "B"**

**REAL PROPERTY AGREEMENTS EXECUTED FROM AUGUST 11, 2014 TO SEPTEMBER 7, 2014**



**Real Property Agreements**

Begin/End Dates	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
7/1/2013-6/30/2018	LE-0822	American Airlines, Inc.	Airline Operating and Lease Agreement	San Diego International Airport	Scheduled Airline Passenger Service	15,626 SF of exclusive/shared space; common use ticketing facilities and joint use hold rooms & bag claim space in Terminal 2 East	Estimated \$5,038,400 in rent, \$2,319,100 in security surcharges, \$365,600 in aircraft overnight parking fees and \$1,445,800 in landing fees annually.	N/A
7/1/2013-6/30/2018	LE-0823	US Airways, Inc.	Airline Operating and Lease Agreement	San Diego International Airport	Scheduled Airline Passenger Service	8,946 SF of exclusive/shared space; common use ticketing facilities and joint use hold rooms & bag claim space in Terminal 2 West	Estimated \$2,836,000 in rent, \$1,562,000 in security surcharges, \$104,460 in aircraft overnight parking fees and \$1,269,900 in landing fees annually	N/A
7/1/2013-6/30/2018	LE-0824	US Airways, Inc. and SkyWest Airlines	Affiliate Airline Operating Agreement	San Diego International Airport	Scheduled Airline Passenger Service	N/A	No rent; an estimated \$200 in annual landing fees.	N/A
7/1/2013-6/30/2018	LE-0825	American Airlines and SkyWest Airlines	Affiliate Airline Operating Agreement	San Diego International Airport	Scheduled Airline Passenger Service	N/A	No rent; an estimated \$194,000 in annual landing fees.	N/A
7/1/2014 - 12/31/16	LE-0827	AT&T California	Right of Entry Permit	San Diego International Airport	Install, operate and maintain communications	Northside of Airport by RCC	None	N/A



**Real Property Agreement Amendments and Assignments**

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
No real property Amendments or Assignments								

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SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**4**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**October 2014 Legislative Report**

**Reccomendation:**

Adopt Resolution No. 2014-0112, approving the October 2014 Legislative Report.

**Background/Justification:**

The Legislative Advocacy Program Policy adopted by the Board on November 10, 2003, requires that Authority staff present the Board with monthly reports concerning the status of federal and state legislation with potential impact to the Authority. The October 2014 Legislative Report updates Board members on legislative activities that have taken place during the month of September. The Authority Board gives direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A).

**State Legislative Action:**

On September 17th, Governor Brown signed into law AB 2293, legislation establishing new notification and insurance requirements for Transportation Network Companies.

September 30th was the final day for Governor Brown to veto or sign into law any bills passed by the State Legislature in 2014. The Legislature is scheduled to reconvene on January 5, 2015.

**Federal Legislative Action:**

Congress adjourned in September for the fall elections. Although the House of Representatives has not yet announced when it will reconvene, the Senate is expected to reconvene on November 12th for a "lame duck" session.

**Fiscal Impact:**

Not applicable

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**Authority Strategies:**

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

Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

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

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

**Application of Inclusionary Policies:**

Not applicable

**Prepared by:**

MICHAEL KULIS  
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

RESOLUTION NO. 2014-0112

A RESOLUTION OF THE BOARD OF THE SAN  
DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
APPROVING THE OCTOBER 2014 LEGISLATIVE  
REPORT

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the October 2014 Legislative Report; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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## Attachment A

### October 2014 Legislative Report

#### State Legislation

##### Legislation/Topic

##### **AB 612 (Nazarian) – Transportation Network Companies**

##### **Background/Summary**

This legislation would have added to the definition of charter-party carriers individuals using on-line enabled applications or platforms to connect passengers with hired drivers. The bill would have also required charter-party carriers to participate in the Department of Motor Vehicle's Employee Pull Notice Program, used to regularly check driver records. In addition, drivers transporting passengers for compensation would have been required to submit fingerprints to the Department of Justice for criminal history checks and forward the results to the Public Utilities Commission. The Public Utilities Commission would also have been required to develop a standard disclosure agreement that would inform drivers about the limits of liability and personal automobile insurance policy coverage.

##### **Anticipated Impact/Discussion**

Although TNC activity at San Diego International Airport continues to be managed by Authority staff, the level of TNC activity at other California airports suggests that it is likely to increase at SDIA. It is anticipated that the enactment of AB 612 would have benefited the Authority by improving safety and security for airport passengers utilizing TNCs.

**Status:** 8/27/14 – Died in Assembly Transportation Committee

**Position:** Support (6/5/14)

##### Legislation/Topic

##### **AB 1598 (Rodriguez) – Emergency Response Services: active shooter incidents**

##### **Background/Summary**

This bill would require first responders to take several actions to improve collaboration between agencies responsible for responding to active shooter incidents. It would specifically require the Curriculum Development Advisory Committee (CDAC) to consult with the Commission on Peace Officer Standards and Training (POST). The bill would also require that the Emergency Medical Services Authority (EMSA) training standards include criteria for coordinating between different responding entities. In addition it would require the Interdepartmental Committee on Emergency Medical Services (ICEMS) to consult with POST regarding emergency medical services integration and

- *Shaded text represents new or updated legislative information.*



coordination with peace officer training, and require POST's guidelines and training standards to address tactical casualty care and coordination with emergency medical services providers.

**Anticipated Impact/Discussion**

The Authority regularly conducts active shooter related training exercises and coordination efforts with its first responder partners to optimize our capacity to respond effectively in an active shooter situation. Although this bill could increase costs to cover additional agency training mandates, the Authority is prepared to undertake additional coordination with responders if required.

**Status:** 9/2/14 – Enrolled and presented to the Governor for signature

**Position:** Watch (6/5/14)

**Legislation/Topic**

**AB 2471 (Frazier) – Public Contracts: change orders**

**Background/Summary**

This bill would have required a public entity, when authorized, to order changes or additions in a public works contract awarded to the lowest bidder, to issue a change order promptly, and no later than 60 days after the change or additions are required. If this requirement is not met, the public entity would be liable to the original contractor for the work that has been performed. The bill would have also authorized a contractor to present to the public entity a request for a change order for extra work performed by subcontractors.

**Anticipated Impact/Discussion**

This bill would have possibly resulted in increased costs to the Authority.

**Status:** 8/4/14 – Died in Senate Committee on Appropriations

**Position:** Oppose (5/1/14)

**Legislation/Topic**

**SB 1204 (Lara/Pavley) – California Clean Truck, Bus and Off-Road Vehicle and Equipment Program**

**Background/Summary**

This bill would create the California Clean Truck, Bus and Off-Road Vehicle and Equipment Technology Program. It will be funded from cap-and-trade revenues, to fund zero- and near-zero emissions related truck, bus, off-road vehicle and equipment projects, with preference given to projects in disadvantaged communities.

- *Shaded text represents new or updated legislative information.*

**Anticipated Impact/Discussion**

This legislation will be monitored by Authority staff for any future impact to SDIA. If approved, this program could provide the Authority with opportunities to compete for funding for alternative vehicle conversions.

**Status:** 9/4/14 – Enrolled and presented to the Governor for signature

**Position:** Watch (5/1/14)

**Legislation/Topic**

**AB 2045 (Rendon) – Energy Improvements: financing**

**Background/Summary**

This bill would have created a statewide financing program to support nonresidential property owners desiring to retrofit their properties with energy efficient or renewable energy technology. The program would have been administered by the California Energy Commission and would have provided financial assistance to owners of eligible real properties for implementing energy improvements.

**Anticipated Impact/Discussion**

If approved, this bill could have provided the Authority with opportunities to obtain funding for energy-efficient programs at San Diego International Airport.

**Status:** 5/23/14 – Died in Senate Committee on Appropriations

**Position:** Watch (5/1/14)

**Legislation/Topic**

**SB 1121 (De Leon) – The California Green Bank**

**Background/Summary**

This bill would have established until January 1, 2036, the California Green Bank to serve as a provider of bond guarantees, loans, loan guarantees, the warehousing of loans, securitization, insurance, portfolio insurance, credit enhancements, and other forms of financing support and risk management for clean energy projects and innovative energy technology projects. The bank would have been governed by an eleven member board of directors to be appointed by the Governor, the Legislature, and various heads of executive branch entities.

**Anticipated Impact/Discussion**

If approved, this bill could have provided entities with funding for clean energy projects and innovative energy technology projects.

- *Shaded text represents new or updated legislative information.*

**Status:** 08/28/14 – Ordered to Senate inactive file

**Position:** Watch (05/01/14)

**Legislation/Topic**

**AB 2293 (Bonilla) – Transportation Network Companies: insurance coverage**

**Background/Summary**

This bill requires Transportation Network Companies (TNC) to disclose in writing to their drivers the insurance coverage and limits of liability provided by the TNC. AB 2293 also requires a TNC's insurance policy to apply as primary coverage in the event of loss or injury when a driver is logged on to the TNC's application program and require the TNC's insurer to defend and indemnify participating drivers and vehicle owners.

**Anticipated Impact/Discussion**

This legislation creates three distinct periods that comprise transportation network company services: when a driver logs onto the application program and has not yet accepted a match, the time when a driver accepts a match and is en route to pick-up, and last, the time when a passenger is in the vehicle. The bill also establishes the levels of insurance that TNCs are required to carry for each service period.

**Status:** 9/17/14 – Signed into law by the Governor

**Position:** Support

**Legislation/Topic**

**AB 1787 (Lowenthal) – Airports: Lactation Accommodation**

**Background/Summary**

This bill would require managers of commercial airports with more than one million annual enplanements to provide the use of a post-security room or other location, other than a toilet stall, at each airport terminal for use by nursing mothers. As amended, the bill exempts SDIA's Terminal 1 and Commuter Terminal from these requirements until renovation or terminal replacement occurs.

**Anticipated Impact/Discussion**

As introduced, this legislation would require that the Airport Authority establish private, post-security locations in each terminal for use by nursing mothers, resulting in additional costs to the Authority. The Authority's legislative team and California Airports Council worked with the author to obtain an exemption for SDIA's Terminal 1 and Commuter Terminal.

**Status:** 9/5/14 – Enrolled and presented to the Governor for signature

**Position:** Support

- *Shaded text represents new or updated legislative information.*

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**Legislation/Topic**

**SB 1350 (Lara) – Baby Changing Accommodation**

**Background/Summary**

As amended on May 5, 2014, this bill would require the California Building Standards Commission to mandate that any place of public accommodation that provides restroom facilities, and installs new, or substantially renovated facilities (requiring a building permit and costing \$10,000 or more), to install and maintain at least one baby diaper changing accommodation in the new or renovated restroom that is accessible to women, men, or both.

**Anticipated Impact/Discussion**

The requirement of including baby diaper changing stations into future restroom renovations or new restroom construction may result in increased costs to the Authority.

**Status:** 8/28/14 – Enrolled and presented to the Governor for signature

**Position:** Watch (04/03/14)

**Legislation/Topic**

**SB 1156 (Steinberg) – California Carbon Tax Law of 2014**

**Background/Summary**

This bill, effective January 1, 2015, would impose a carbon tax of an unspecified amount per ton of carbon dioxide equivalent emissions on suppliers of fossil fuels. The State Board of Equalization would be required to administer and implement the carbon tax, depositing revenues into the Carbon Tax Revenue Special Fund in the State Treasury. The bill would state the intent of the Legislature that revenues from the carbon tax be rebated to taxpayers, particularly low- and medium-income taxpayers.

**Anticipated Impact/Discussion**

This legislation will be monitored by Authority staff for any future impact to SDIA.

**Status:** 4/2/14 – Died in Senate Committee on Governance and Finance

**Position:** Watch (04/03/14)

**Legislation/Topic**

**AB 2516 (Gordon) – Sea Level Rise Planning Database**

**Background/Summary**

This bill would require, on or before January 1, 2016, the Natural Resources Agency (NRA) and the Ocean Protection Council, to create, update monthly, and post on the internet a Planning for Sea Level Rise Database describing actions being taken statewide to prepare for, and adapt to sea level rise. The bill specifically requires

- *Shaded text represents new or updated legislative information.*

airports within the California Coastal Zone to provide the NRA with sea level rise-related project information on a monthly basis.

**Anticipated Impact/Discussion**

This legislation will be monitored by Authority staff for any future impact to SDIA.

**Status:** 9/9/14 – Enrolled and presented to the Governor for signature

**Position:** Watch (04/03/14)

**Legislation/Topic**

**SB 1430 (Hill) – Malicious Mischief: Airport Property Transportation Services**

**Background/Summary**

Under this bill, any person who offers for sale transportation services at an airport to members of the public without written consent of the Airport's governing board would be guilty of a misdemeanor.

**Anticipated Impact/Discussion**

This bill could prevent drivers of transportation network companies (TNC) from soliciting business from SDIA passengers. This legislation was requested by San Francisco International Airport (SFO), and is supported by the California Airports Council.

**Status:** 9/15/14 – Signed into law by the Governor

**Position:** Support (04/03/14)

**Legislation/Topic**

**AJR 34 (Cooley) – Terrorism Risk Insurance**

**Background/Summary**

This joint resolution urges the President and United States Congress to support reauthorization of the Terrorism Risk Insurance Act, scheduled to expire December 31, 2014.

**Anticipated Impact/Discussion**

This bill encourages Congress and the President to continue an important risk management tool of the Authority. The loss of the federal government subsidy on our terrorism insurance policy would result in higher policy costs to the Authority.

**Status:** 05/05/14 – Chaptered by Secretary of State

**Position:** Support (04/03/14)

- *Shaded text represents new or updated legislative information.*



**Legislation/Topic**

**AB 2390 (Muratsuchi) – Low Carbon Fuel Standard: Green Credit Reserve**

**Background/Summary**

This bill would have required the Governor, by June 30, 2015, to designate a state agency to establish and administer a Low Carbon and Renewable Fuels Credit Reserve (Green Credit Reserve or Reserve) to facilitate and encourage the development of renewable and low carbon transportation fuel projects in California.

**Anticipated Impact/Discussion**

Under this bill, the Green Credit Reserve would have entered into specified contracts with developers of projects intended to produce renewable fuels that qualify for state and federal low carbon/renewable fuel credits.

**Status:** 05/29/14 – Died in Assembly Committee on Appropriations

**Position:** Watch (04/03/14)

**Legislation/Topic**

**SB 616 (Wright) – Aeronautics Account: California Aid to Airports Program**

**Background/Summary**

This bill would have allowed Caltrans, until July 1, 2015, to provide matching funds to secure federal Airport Improvement Program funding from the State Aeronautics Account for airport improvement projects. Specifically, the bill would have suspended a regulation prohibiting airports from receiving funds for a project that has been started or completed after January 1, 2014.

**Anticipated Impact/Discussion**

The Airport Improvement Program (AIP) provides grants to large and medium hub airports covering 75% of eligible project costs and to small primary, reliever, and general aviation airports covering 90-95% of eligible costs. To supplement AIP, Caltrans administers a State AIP Matching Grant Program. Due to a 2009-2010 transfer of funds from the Aeronautics Account that funds the Matching Grant Program, Caltrans has been prevented from providing grants to most projects. As a result, approximately \$80 million in potential federal funding to airports has been delayed. Approval of SB 616 will allow Caltrans to provide matching funds for AIP-funded airport projects.

**Status:** 8/7/14 – Not signed into law by the Governor

**Position:** Support (03/06/14)

- *Shaded text represents new or updated legislative information.*

**Legislation/Topic**

**SB 969 (DeSaulnier) – Public Works Project Overview Improvement Act**

**Background/Summary**

This bill would define a “megaproject” as a transportation project with total estimated development and construction costs exceeding \$1,000,000,000. The bill would require the agency administering a megaproject to establish a peer review group and to take specified actions to manage the risks associated with a megaproject, including establishing a comprehensive risk management plan, and regularly reassessing its reserves for potential claims and unknown risks.

**Anticipated Impact/Discussion**

Although the bill has not yet clearly outlined the protocol for establishment of a peer review group, the Authority already establishes peer review groups for major construction projects.

**Status:** 8/28/14 – Enrolled and sent to the Governor for signature

**Position:** Watch (03/06/14)

**Legislation/Topic**

**SB 985 (Pavley) – Stormwater Resource Planning**

**Background/Summary**

This bill would require jurisdictions opting to develop a stormwater resource plan to identify opportunities to use existing publicly owned lands to capture and reuse stormwater.

**Anticipated Impact/Discussion**

The Authority is currently working on its own Stormwater Master Plan and will monitor this legislation for any future impact to SDIA.

**Status:** 9/4/14 – Enrolled and presented to the Governor for signature

**Position:** Watch (03/06/14)

- *Shaded text represents new or updated legislative information.*

## Federal Legislation

### Legislation/Topic

**Fiscal Year 2015 Transportation, Housing and Urban Development Appropriations**

### Background/Summary

This bill would provide annual funding for the Department of Transportation and Federal Aviation Administration. It would fund the Airport Improvement Program at its fully authorized level of \$3.35 billion. The bill would provide full funding for 14,800 air traffic controllers, 7,300 safety inspectors, and operational support personnel.

### Anticipated Impact/Discussion

This legislation would benefit the Airport Authority by ensuring that the Federal Aviation Administration personnel and programs are adequately funded for Fiscal Year 2015.

**Status:** 5/6/14 – Approved by the House Appropriations Committee

**Position:** Support

### Legislation/Topic

**S. 2290 (Menendez) – Real Transparency in Airfares Act of 2014**

### Background/Summary

This bill would maintain a federal rule requiring sellers of airline tickets to disclose upfront full airfare costs. This bill would also increase penalties for violators of this rule, establishing a fine of \$55,000 or, if the violator is an individual or small business, \$2,500.

### Anticipated Impact/Discussion

Although this legislation would not directly impact SDIA operations, it may assist passengers in more easily understanding the full cost of their airfare.

**Status:** 5/5/14 – Introduced and referred to the Senate Committee on Commerce, Science, and Transportation

**Position:** Watch

### Legislation/Topic

**H.R. 4156 (Shuster) – Transparent Airfares Act of 2014**

### Background/Summary

This bill would overturn a Department of Transportation regulation that requires air carriers to display the full ticket price in published fares. Under H.R. 4156, Air Carriers

- *Shaded text represents new or updated legislative information.*

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would be allowed to advertise only base airfares and separately disclose government imposed taxes and fees as well as total airfare costs.

**Anticipated Impact/Discussion**

Although this legislation would not directly impact SDIA operations, total airfare costs may not be as easily understood by passengers purchasing airline tickets.

**Status:** 7/29/14 – Referred to Senate Committee on Commerce, Science, and Transportation

**Position:** Watch (5/1/14)

**Legislation/Topic**

**H.R. 3676 (Shuster/DeFazio) – Prohibiting In-Flight Voice Communications on Mobile Wireless Devices Act of 2013**

**Background/Summary**

This bill would prohibit voice communications on mobile devices during the in-flight portion of any scheduled domestic commercial flight. The bill contains exemptions from the ban for on-duty members of flight and cabin crew, and federal law enforcement personnel acting in an official capacity

**Anticipated Impact/Discussion**

This legislation will be monitored by Authority staff for any future impact to SDIA.

**Status:** 5/30/14 – Referred to House Committee of Transportation and Infrastructure.

**Position:** Watch (3/6/14)



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**5**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Grant An Easement for Electrical Services to San Diego Gas & Electric**

**Recommendation:**

Adopt Resolution No. 2014-0098, authorizing the President/CEO to negotiate and execute an electrical easement with San Diego Gas & Electric in support of the Terminal Link Road project.

**Background/Justification:**

The Terminal Link Road ("TLR") project is a key component of the North Side Development providing access from the San Diego International Airport passenger terminals to the Rental Car Center and new Economy Public Parking Lot. The TLR project includes the construction of a perimeter road that begins at the southerly end of Sassafras Street and terminates at a new signalized intersection on North Harbor Drive near the U.S. Coast Guard Station ("USCG"). The TLR then will merge with North Harbor Drive via an additional lane to be constructed by the Authority which will span from the new signalized intersection at the USCG and continuing to Winship Lane. (The partial route of the TLR is depicted on Exhibit "A", attached hereto.) The TLR project is also relocating the existing triturator facility and jet blast deflector which are in conflict with the TLR project footprint near Laurel Street.

With the widening of North Harbor Drive, there are numerous San Diego Gas & Electric ("SDG&E") above ground utility boxes that must be relocated. A new Electrical Easement for the approximate 6,928 square foot area depicted in Exhibit "A", is proposed to cover the relocated equipment. The proposed Easement is necessary to allow SDG&E the right to construct, maintain, operate and repair the above ground utility boxes and the electrical lines at its cost, including any and all appurtenances thereto, together with the right of ingress and egress along the Easement area.

The property covered by the subject Easement is leased by the Authority from the San Diego Unified Port District ("Port") under a Lease dated January 1, 2005 covering the former Teledyne Ryan property (Authority Document No. LE-0286). The duration of the term for the proposed Easement will be coterminous with the term of the Authority's Lease from the Port which expires on December 31, 2068; and any extensions thereof.

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**Fiscal Impact:**

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

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

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

**Application of Inclusionary Policies:**

Not Applicable

**Prepared by:**

SUSAN DIEKMAN, REAL ESTATE MANAGER  
BUSINESS & FINANCIAL MANAGEMENT



RESOLUTION NO. 2014-0098

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY AUTHORIZING THE PRESIDENT/CEO  
TO NEGOTIATE AND EXECUTE AN ELECTRICAL  
EASEMENT WITH SAN DIEGO GAS & ELECTRIC  
IN SUPPORT OF THE TERMINAL LINK ROAD  
PROJECT

WHEREAS, the San Diego County Regional Airport Authority ("Authority") currently leases Airport property from the San Diego Unified Port District ("Port") pursuant to that certain Lease dated January 1, 2005 and bearing Authority Document No. LE-0286; and

WHEREAS, paragraph 4 in said Lease specifies that Authority may, at its own expense, make alterations or changes, or cause to be made, built, installed, or remove any structures, machines, appliances, utilities, signs, or other improvements necessary or desirable for the authorized use of the Leased Airport without the approval of the Port; and

WHEREAS, the Terminal Link Road ("TLR") project is a key component for the North Side Development providing access from the San Diego International Airport passenger terminal to the Rental Car Center and the new Economy Public Parking Lot; and

WHEREAS, the TLR project includes the construction of a perimeter road that will merge with North Harbor Drive via an additional lane and improve two signalized intersections and construct a new signalized intersection; and

WHEREAS, there are numerous San Diego Gas & Electrical ("SDG&E") above ground utility boxes that must be relocated out of the newly expanded lane on North Harbor Drive; and

WHEREAS, the proposed Electrical Easement ("Easement") is necessary to allow SDG&E the right to construct, reconstruct, maintain, operate and repair the above ground utility boxes at its cost and the right to ingress and egress along the easement.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the President/CEO to negotiate and execute an electrical easement with SDG&E in support of the Terminal Link Road project; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**6**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Grant Two Easements for Electrical and Public Street Purposes to the City of San Diego**

**Recommendation:**

Adopt Resolution No. 2014-0099, authorizing the President/CEO to negotiate and execute two easements with the City of San Diego, one for an electrical easement, and one for public street purposes, in support of the Terminal Link Road project.

**Background/Justification:**

The Terminal Link Road ("TLR") project is a key component of the North Side Development providing access from the San Diego International Airport passenger terminals to the Rental Car Center and new Economy Public Parking Lot. The TLR project includes the construction of a perimeter road that begins at the southerly end of Sassafras Street and terminates at a new signalized intersection on North Harbor Drive, near the U.S. Coast Guard Station ("USCG"). The TLR then will merge with North Harbor Drive via an additional lane to be constructed by the Authority which will span from the new signalized intersection at the USCG to Winship Lane. (The partial route of the TLR is depicted on Exhibit "A", attached hereto.) The TLR project is also relocating the existing triturator facility and jet blast deflector which are in conflict with the TLR project footprint near Laurel Street.

The TLR project also is improving two signalized intersections and constructing a new signalized intersection at North Harbor Drive near the USCG which will require electrical wiring, conduit, and pull boxes to serve the signal equipment. A new Easement for the approximate 49,658-square-foot of area as depicted in the attached Exhibit "A," is proposed to cover this equipment.

The construction of the additional lane on North Harbor Drive necessitates that a new Public Street Easement be granted to the City of San Diego for the approximate 25,679-square-foot area as depicted in Exhibit "B" including the street, curb, and gutter of the planned lane.

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The proposed Easements are necessary to allow the Authority to complete the TLR project according to the construction plans and provide to the City of San Diego ("City") the right to maintain, operate, and repair public electrical infrastructure and the new lane on North Harbor Drive at its cost, including any and all appurtenances thereto, together with the right of ingress and egress along the easement areas.

The property covered by the subject Easements are leased by the Authority from the San Diego Unified Port District ("Port") under a Lease dated January 1, 2005 covering the former Teledyne Ryan property (Authority Document No. LE-0286). The duration of the term for the proposed Easements will be coterminous with the term of the Authority's Lease from the Port which expires on December 31, 2068, and any extensions thereof, and may only be terminated earlier pursuant to the provisions set forth in the California Streets and Highways Code and the City's Municipal Code.

### **Fiscal Impact:**

The proposed Easements do not provide for monetary consideration to be paid to or by the Authority. Therefore, there is no direct fiscal impact.

### **Authority Strategies:**

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

- Community Strategy   
  Customer Strategy   
  Employee Strategy   
  Financial Strategy   
 Operations Strategy

### **Environmental Review:**

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

### **Application of Inclusionary Policies:**

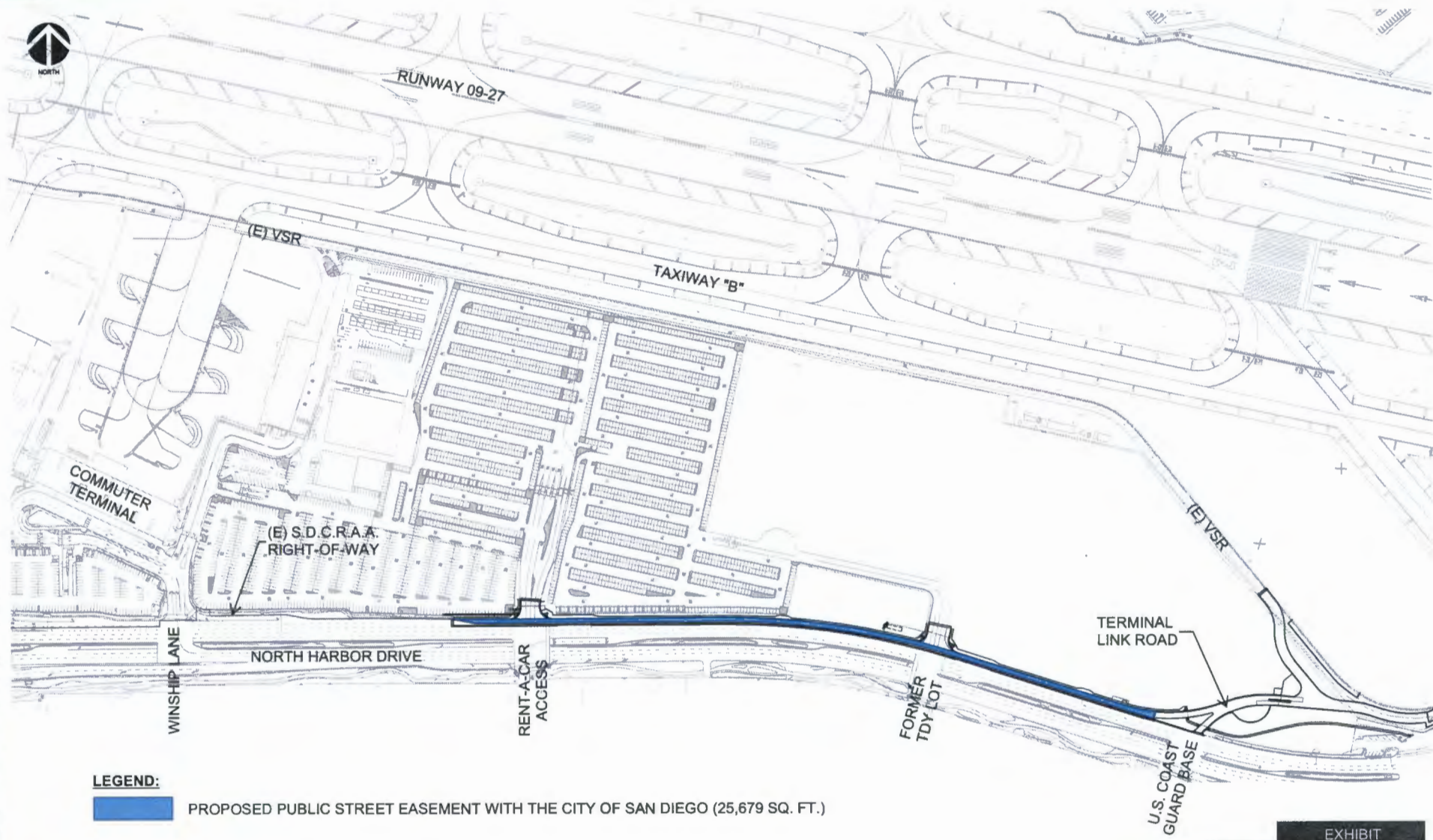
Not Applicable

### **Prepared by:**

SUSAN DIEKMAN, REAL ESTATE MANAGER  
BUSINESS & FINANCIAL MANAGEMENT







**LEGEND:**

 PROPOSED PUBLIC STREET EASEMENT WITH THE CITY OF SAN DIEGO (25,679 SQ. FT.)

Scale: 1" = 250'

EXHIBIT

**Public Street Easement - Exhibit "B"**

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RESOLUTION NO. 2014-0099

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE TWO EASEMENTS WITH THE CITY OF SAN DIEGO; ONE FOR AN ELECTRICAL EASEMENT AND ONE FOR PUBLIC STREET PURPOSES, IN SUPPORT OF THE TERMINAL LINK ROAD PROJECT

WHEREAS, the San Diego County Regional Airport Authority ("Authority") currently leases Airport property from the San Diego Unified Port District ("Port") pursuant to that certain Lease dated January 1, 2005 and bearing Authority Document No. LE-0286; and

WHEREAS, paragraph 4 in said Lease specifies that Authority may, at its own expense, make alterations or changes, or cause to be made, built, installed, or remove any structures, machines, appliances, utilities, signs, or other improvements necessary or desirable for the authorized use of the Leased Airport without the approval of the Port; and

WHEREAS, the Terminal Link Road ("TLR") project is a key component for the North Side Development providing access from the San Diego International Airport passenger terminal to the Rental Car Center and the new Economy Public Parking Lot; and

WHEREAS, the TLR project includes the construction of a perimeter road that will merge with North Harbor Drive via an additional lane and improve two signalized intersections and construct a new signalized intersection; and

WHEREAS, the signalized intersections will require electrical wiring, conduit, and pull boxes to serve the signal equipment which necessitates an easement be granted to the City of San Diego ("City"); and

WHEREAS, the construction of the additional lane on North Harbor Drive necessitates a public street easement be granted to the City including the street, curb and gutter of the planned lane; and

WHEREAS, the proposed electrical easement and public street easement (collectively, the "Easements") are necessary to allow the City the right to construct, reconstruct, maintain, operate and repair electrical infrastructure and the expansion of North Harbor Drive at its costs, including any and all appurtenances thereto, together with the right to ingress and egress along the easement areas.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the President/CEO to negotiate and execute two Easements with the City of San Diego, one for an electrical easement and one for public street purposes in support of the Terminal Link Road project; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**7**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Appointment of Authority Advisory Committee Members**

**Recommendation:**

Adopt Resolution No. 2014-0113, approving appointments to the Authority Advisory Committee.

**Background/Justification:**

The Authority's Advisory Committee, which is governed by the provisions of Authority Policy 1.21, has a maximum of 18 members. While the Board appoints all members of the Committee, nominations are received from various sources as follows:

(Seats 1 – 6) The President/CEO shall nominate individuals to fill seats representing each of the following categories:

- (1) airport management;
- (2) passenger and freight air transportation operations and economics;
- (3) general aviation;
- (4) the natural environment;
- (5) local government; and
- (6) the campuses of the University of California and the California State Universities in the region.

(Seats 7 – 14) The Presidents of the organizations listed below may each nominate one individual. As shown below, in some cases, the nominating organization rotates among different organizations at the conclusion of each two year term.

- (7) San Diego Regional Economic Development Corporation
- (8) Rotation among:
  - a. San Diego North Economic Development Council
  - b. East County Economic Development Council
  - c. South County Economic Development Council
- (9) San Diego Regional Chamber of Commerce
- (10) Rotation among:
  - a. CleanTECH San Diego
  - b. BIOCOM
  - c. CONNECT

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- (11) Metropolitan Transit System
- (12) North County Transit District
- (13) San Diego County Taxpayers Association
- (14) San Diego Convention and Visitors Bureau

(Seat 15) The District Director of the California Department of Transportation for the San Diego Region or his/her designee serves in this seat.

(Seat 16) The representative of the United States Department of Defense currently serving on the Board or his/her designee serves in this seat.

(Seats 17 – 18) Two seats are reserved for members of the general public. Whenever a vacancy occurs in one of these seats, a notice is issued by the Authority. The Chief Auditor and Vice President, Development jointly review and nominate individuals to serve in these two seats.

#### NOMINATIONS TO FILL OPEN SEATS

The terms of eight Advisory Committee members expire on October 6, 2014.

Nominations have been received for each of the 8 seats with terms commencing on October 7, 2014. Under Policy 1.21, terms of Advisory Committee appointments are two years. The name and biographical information of each nominee, category represented by the nominee, and the source of the nomination are listed below.

Seat 1: ORIS DUNHAM (reappointment) – Mr. Oris W. Dunham, Jr., a native of Missouri, served four years in the US Air Force prior to attending the University of California, Los Angeles (UCLA), and the University of Washington in Seattle where he earned a Bachelor of Science in Physics. Past positions include: Director of Aviation at Sea-Tac International Airport, Deputy Executive Director for operations and administration of the Los Angeles Dept. of Airports, and Executive Director of the Dallas/Ft. Worth International Airport. An active civic and community leader, Mr. Dunham has served as President of the International Northwest Aviation Council, Chairman of the Washington State International Tourism Committee, has been on the Board of Directors of several trade associations, and has served on the board of Bombardier Services America Corporation and the board of the Airport Council International – North America and presently is a Civil Service Commissioner for the Port of Seattle Police Department. In 1997, Mr. Dunham started an international aviation consulting and development business. His current clients include The Boeing Company, Delta Air Lines, Trex Enterprises and Bradford Airport Logistics. (Category: Airport Management; Nominated by: Thella Bowens, President/CEO, San Diego County Regional Airport Authority)

Seat 7: LAUREE SAHBA (reappointment) – Lauree Sahba, Chief Operating Officer, San Diego Regional Economic Development Corporation, oversees the operations of the nonprofit which is supported by 150 companies and public entities committed to regional prosperity. EDC markets the region to attract corporate investment and talent from around the world and assists companies with expansion plans and through initiatives to

improve the region's competitiveness. She joined EDC in 1999 as Vice President of Business Development. Prior to EDC, Ms. Sahba was executive director of the Otay Mesa Chamber of Commerce, where she was responsible for managing the 325-member organization. During her tenure with the border region's chamber, she helped orchestrate a collaborative effort to secure \$200 million for the completion of State Route 905. She also secured grants for economic development-related projects and increased the organization's membership by more than sixty percent. Earlier in her career, Ms. Sahba spent six years with the Building Industry Association of San Diego County. She is a former chair of Voices for Children, a private, nonprofit organization serving San Diego's 5,000+ foster children with Court advocacy. During her ten-year tenure on the Board, the operating budget grew from \$1.1 million to \$3.7 million; by the end of her tenure, VFC had 1,157 Court Appointed Special Advocates (CASAs) directly serving 1,343 children, and all 5,600 foster case files were reviewed. Ms. Sahba is also a member of the board of LEAD San Diego and NAIOP/San Diego Chapter. A graduate of San Diego State University, she holds a bachelor's degree in Journalism. She lives in Point Loma with her husband Monte. (Category: Regional Economic Development; Nominated by: Mark Cafferty, President/CEO, San Diego Regional Economic Development Corporation)

Seat 9: JERRY SANDERS (reappointment) – Jerry Sanders began his lifelong career in public service when he joined the San Diego Police Department at the age of 22, fulfilling his dream of becoming a police officer. In 1999, Sanders retired from the police force and became CEO of the United Way of San Diego, where he reduced the organization's costs and increased fundraising by 20 percent. Three years later, he chaired the board of the local chapter of the American Red Cross. He increased financial transparency at the chapter and helped restore the nonprofit's credibility. After winning in a special San Diego mayoral election in 2005, Sanders immediately launched a top-to-bottom review and streamlining of city operations, which eliminated more than 1,800 positions from the city budget. Under Mayor Sanders, city financial staff completed six years' worth of back-logged audits, allowing the city to return to the public bond markets in January 2009 -- helping to fund the mayor's commitment to repair San Diego's long-neglected water, sewer and transportation infrastructure. Sanders also won City Council approval for compensation cuts for employees that saved the city more than \$34 million annually, sparing the public from drastic service cuts. He negotiated permanent changes to the pension system that delivered savings to generations of San Diego taxpayers, and reformed the retiree healthcare system, which will save approximately \$700 million over the next 25 years. Sanders completed his second and final term as Mayor in December 2012. He was appointed President/CEO of the San Diego Regional Chamber of Commerce in early 2013. (Category: Business, Including the Technology Sector of the Economy; Nominated by: Jerry Sanders, President/CEO, San Diego Regional Chamber of Commerce)

Seat 11: HARRY MATHIS (reappointment) – Harry Mathis was unanimously elected in 2013 as Chairman of the Board of Metropolitan Transit System (MTS). This will be his third four-year term. He has had a 14-year association with local public transportation as a member of the then Metropolitan Transit Development Board (MTDB), Chairman of San Diego Trolley, and the Board of MTS. He graduated from the University of California at Berkeley with a degree in Political Science. Commissioned an Ensign in the regular



Navy at graduation, he served for 28 years, retiring as a Captain in 1981. He was elected to represent District One on the San Diego City Council in 1993, and was reelected to a second term, unopposed, in 1996. During 2000, he served as Deputy Mayor. He left the Council because of term limits in December 2000. Harry, and his wife of 45 years, Mary, have made their home in San Diego's University City for 37 years. They have two daughters and five grandchildren. Harry is an instrument-rated pilot. He and Mary regularly fly in their Cessna Centurion to visit their grandchildren in California's Santa Cruz area. (Category: Local Public Transit Authorities; Nominated by: Paul Jablonski, Chief Executive Officer, Metropolitan Transit System)

Seat 15: CHRIS SCHMIDT (reappointment) – Chris Schmidt has worked for the California Department of Transportation (Caltrans) in the District 11, San Diego, Planning Division since 2000. He is currently the Chief of the Public Transportation & Grants Administration Branch where he oversees SANDAG's overall work program, transit capital and transportation planning grants, community and environmental justice planning grants, regional park & rides, bicycle/pedestrian planning program and special studies. As the multi-modal transportation planning lead, he and his staff focus on regional and system planning, bus rapid transit, and bicycle/pedestrian accommodation on major corridor capital projects. As primary advocate for non-motorized and transit modes on project development teams delivering congestion relief capital projects, coordination efforts include review of designs for transit accommodation, bicycle friendly features, estimating park/ride demand and coordinating with transit service providers. Additional community interaction results from oversight of planning grants to local jurisdiction with an emphasis on public participation. Current emphasis areas include complete streets, airport ground access, high-speed rail, and transportation sustainability. He has also worked as a land-use planner for the cities of Encinitas and San Marcos, as well as, a transit planner for the North County Transit District. He is a member of the American Planning Association and the American Institute of Certified Planners and holds a Master of Planning degree from the University of Virginia and Master of Health Science degree from Ball State University. He has also been a research team panel member for the National Academy of Sciences, Transportation Research Board's National Highway Cooperative Research Program for studies related to highway pricing and modeling bicycle/pedestrian activity. He is an avid cyclist and golfer, and teaches part-time at the University of Phoenix. (Category: The Department of Transportation; Nominated by: Laurie Berman, District 11 Director, California Department of Transportation)

Seat 16: COL. CARL HUENEFELD II (reappointment) – Colonel Huenefeld is the Assistant Chief of Staff for Manpower and the Community Plans and Liaison for the Marine Corps Depot San Diego (MCRD). Now a civilian employee, he retired from the Marine Corps earlier this year after forty years of active duty. His most recent post prior to retirement was Chief of Staff of MCRD. Prior posts included command of the 8<sup>th</sup> Marine Corps District, Force Fires Coordinator and Assistant Chief of Staff of the III Marine Expeditionary Force in Okinawa, Japan; and Depot Inspector and H&S Battalion Executive Officer at MCRD. He attended Marine Corps Command and Staff College in Quantico, Virginia and National War College in Washington D.C. (Category: The United States Department of Defense; Nominated by: Colonel John Farnam, Commanding Officer, MCAS Miramar)

Seat 13: SEAN KARAFIN (reappointment) – Sean contributes to the research and advocacy efforts of SDCTA. Since 2011, Sean has directed numerous research efforts for the Association and his commentary has regularly appeared in media outlets including KPBS, UT San Diego, and Voice of San Diego. Sean has served in multiple roles at SDCTA including as Interim President and CEO from March through June of 2014. Prior to joining SDCTA, Sean held positions at two economic consulting firms: Applied Development Economics (San Francisco Bay Area), and BW Research Partnership (North San Diego County). In these roles, Sean worked with numerous municipalities to make economic and fiscal policy decisions based on comprehensive research and sound analysis. A San Diego native, he received a bachelor's degree from San Diego State University in Economics and a master's degree in Economics from the University of California at Santa Barbara. Sean and his wife reside in the San Diego community of North Park. (Term: Category: Other Groups and Residents of San Diego County; Nominated by: Mark Leslie, President/CEO, San Diego County Taxpayers Association)

Seat 14: JOE TERZI (reappointment) – Joe Terzi began his hospitality career with ITT Sheraton Corporation in 1972. During his tenure with the company, he distinguished himself as General Manager for a diverse set of hotels in locations from coast-to-coast including Washington, DC; Billings, MT; Tulsa, OK; Dallas, TX; Seattle, WA; Bal Harbor, FL, and, finally, San Diego, CA. Shortly after Starwood acquired ITT Sheraton in 1998, Terzi was promoted to Vice President of Operations with responsibility for all Starwood brands in California and Nevada. His role included the direction of a regional management team responsible for supervision and support of all Starwood owned, managed and franchised brands in the region. This included Westin, Sheraton, W, St. Regis, Luxury Collection, Le Meridian, Four Points and Aloft brands, totaling 38 hotels with annual revenues of \$1 billion. In recognition of his performance and leadership, Terzi received numerous awards during his tenure in hotel management, including twice helping Sheraton Corporation's *Hotel of the Year*, first at the Sheraton Seattle and second at the Sheraton San Diego. In addition, he was inducted into the *ITT Ring of Quality*, the highest award given by the ITT Corporation for exceptional business performance. In 2002, Terzi was promoted to Senior Vice President for Starwood Hotels & Resorts and continued in that capacity until his retirement on January 1, 2009. Terzi was recruited to fill the role of President and CEO for the San Diego Tourism Authority in March 2009. Joe Terzi and his family have resided in Poway, CA for 22 years. (Category: Other Groups and Residents of San Diego County; Nominated by: Joe Terzi, President/CEO, San Diego Convention and Visitors Bureau)

Staff recommends that the Board appoint each of the individuals listed above to two-year terms on the Authority Advisory Committee.



**Fiscal Impact:**

Adequate funding for the Advisory Committee meetings is included in the adopted FY 2015 and conceptually approved FY 2016 Operating Expense Budgets within the respective department line items. Expenses that will impact budget years that have not been adopted or approved by the Board will be included in future year budget requests.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

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

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

MATTHEW C. HARRIS  
SENIOR DIRECTOR, ASSETS & ALLIANCES

RESOLUTION NO. 2014-0113

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY APPROVING APPOINTMENTS TO  
THE AUTHORITY ADVISORY COMMITTEE

WHEREAS, California Public Utilities Code §170054 requires the establishment of an advisory committee (“Advisory Committee”) to assist the San Diego County Regional Airport Authority (“Authority”) in performing its responsibilities related to the planning and development of all airport facilities for the County of San Diego; and

WHEREAS, the Board of the Authority desires to have timely and qualitative input from a diverse community in the planning and development of airport facilities; and

WHEREAS, pursuant to Authority Policy 1.21, nominations for seats on the Advisory Committee are received from various sources; and

WHEREAS, the terms of eight (8) Advisory Committee seats expire on October 6, 2014, and nominations for the appointments and reappointments to those seats were received; and

WHEREAS, the Board desires to appoint to the Advisory Committee individuals whose nominations were received pursuant to Authority Policy 1.21.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the appointment of the individuals listed on “Attachment A” as members of the Advisory Committee for the terms of service stated; and

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

000045.6

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

---

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

APPROVED AS TO FORM:

---

BRETON K. LOBNER  
GENERAL COUNSEL

000045.7

## Attachment A

San Diego County Regional Airport Authority			
Advisory Committee Members			
	Seat	Appointed	Term Ends
<b>Airport Management</b>			
Oris Dunham	1	10/02/14	10/01/16
<b>Passenger and Freight Air Transportation Operations and Economics</b>			
Jim Panknin	2	10/07/13	10/07/15
<b>General Aviation</b>			
Peter Drinkwater	3	10/07/13	10/07/15
<b>The Natural Environment</b>			
Jo Brooks	4	10/07/13	10/07/15
<b>Local Government</b>			
Deanna Spehn	5	10/07/13	10/07/15
<b>The Campuses of the University of California and the California State Universities in the Region</b>			
Megan Collins	6	10/07/13	10/07/15
<b>Regional Economic Development</b>			
Lauree Sahba	7	10/02/14	10/01/16
Jo Marie Diamond	8	10/07/13	10/07/15
<b>Business, Including the Technology Sector of the Economy</b>			
Jerry Sanders	9	10/02/14	10/01/16
Jimmy Jackson	10	10/07/13	10/07/15
<b>Local Public Transit Authorities</b>			
Harry Mathis	11	10/02/14	10/01/16
Johnny Dunning	12	10/07/13	10/07/15
<b>The Department of Transportation</b>			
Chris Schmidt	15	10/02/14	10/01/16
<b>The United States Department of Defense</b>			
Col. Carl Huenefeld II (Ret.)	16	10/02/14	10/01/16
<b>Other Groups and Residents of San Diego County</b>			
Sean Karafin	13	10/02/14	10/01/16
Joe Terzi	14	10/02/14	10/01/16
Russ Mitchell	17	10/07/13	10/07/15
Robert Orr, M.D.	18	10/07/13	10/07/15

\*Reappointments are highlighted

000045.8



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**8**

Meeting Date: **OCTOBER 2, 2014**

---

**Subject:**

**Reject the Claim of Nancy Le Alcala**

**Recommendation:**

Adopt Resolution No. 2014-0100, rejecting the Claim of Nancy Le Alcala.

**Background/Justification:**

On August 25, 2014, Nancy Le Alcala ("Le Alcala") filed a claim (Attachment A) with the Authority alleging that on August 13, 2014, damage was sustained by her vehicle as a result of driving over a steel plate as she entered the roadway leading to Terminal One at San Diego International Airport. Le Alcala claims damages in the amount of \$116.57 to include replacing a blown tire.

Le Alcala alleges in her claim that on August 13, 2014, she was entering the roadway leading to Terminal One when she hit a steel plate and her tire blew. She further alleges when she returned to the airport several days later there was a cover over the hole she hit.

Le Alcala's claim should be denied. The Authority was not on notice of an unsafe condition of public property or an unsafe or dangerous condition. The picture provided by the claimant shows a tire with significant wear. The Authority had no similar incidents at the time in question.

**Fiscal Impact:**

Not applicable.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

000046



**Environmental Review:**

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

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

**Application of Inclusionary Policies:**

Not Applicable

**Prepared by:**

SUZIE JOHNSON  
PARALEGAL, GENERAL COUNSEL



SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
ACCIDENT OR DAMAGE CLAIM FORM

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

Document No.: CL-284

Filed: 8-25-14

SDCRAA  
AUG 25 2014  
Corporate & Information Governance

1) Claimant Name: <u>NANCY LEALCALA</u>	
2) Address to which correspondence regarding this claim should be sent: <u>3759 BREMS ST.</u> <u>SAN DIEGO, CA 92115</u>	
Telephone No.: <u>619.265.8861</u>	Date: <u>8/21/14</u>
3) Date and time of incident: <u>8/13/14</u>	
4) Location of incident: <u>ENTERING IN TERMINAL 1 @ SAN DIEGO AIRPORT</u>	
5) Description of incident resulting in claim: <u>I HIT A STEEL PLATE AND MY TIRE BLEW.</u> <u>* A PHOTO OF THE TIRE INCLUDED.</u> <u>I TOOK MY SISTER-IN-LAW BACK TO THE AIRPORT TODAY &amp; THERE IS A COVER OVER THE HOLE I HIT.</u>	
6) Name(s) of the Authority employee(s) causing the injury, damage or loss, if known: <u>N/A</u>	
7) Persons having firsthand knowledge of incident:	
Witness (es) <u>TRAFFIC SECURITY</u>	Physician(s):
Name: <u>GUARD -</u>	Name:
Address: <u>DID NOT GET HIS NAME - HE SAID</u>	Address:
Phone: <u>THE SOMETHING HAPPENED TO HIM.</u>	Phone:

ATTACHMENT A

8) Describe property damage or personal injury claimed:
BLOWN OUT TIRE
9) Owner and location of damaged property or name/address of person injured:
NANCY LeALCALA -
MINI VAN - NISSIAN - QUEST
TERMINAL 1 S.D. AIRPORT
10) Detailed list and amount of damages claimed as of date of presentation of claim, including prospective damages. If amount exceeds \$10,000.00, a specific amount need not be included.
NEW TIRE - \$116.57 REPLACE EXACT TIRE
* Receipt included

Dated: 8/21/14

Claimant: *Nancy LeAlcala*  
(Signature)

**Notice to Claimant:**

Where space is insufficient, please use additional paper and identify information by proper section number.

Return completed form to:

San Diego County Regional Airport Authority  
Tony Russell, Director, Corporate & Information Governance/Authority Clerk  
Corporate & Information Governance  
P.O. Box 82776  
San Diego, CA 92138-2776

# DISCOUNT TIRE

discounttire.com

4291485

DATE: 08-14-2014 TIME: 3:06 PM

CUSTOMER INFORMATION		VEHICLE INFORMATION	STORE LOCATION
MARIO LEALCALA		2000 NISSAN QUEST	CAS 16
3759 BREMS		16-INCH SE	6883 FEDERAL BLVD.
SAN DIEGO	CA 92115	MILEAGE: 209,658	LEMON GROVE CA 91945
(H) 619-265-8861		PLATE # 5GVZ64B	PHONE: 619-286-2786
(W) 619-392-1142		TORQUE SPECS: 085	625 TOMAS J GUTIERREZ
			WORK ORDER# _____

CODE	CC	QTY	SIZE	DESCRIPTION	F.E.T.	PRICE	AMOUNT
27201	NAM	1	225/60R16 94T BLK	ARIZONIAN SILVER EDITION	.00	89.00	89.00
WARRANTY: MILEAGE- 65,000 SEE REVERSE SIDE FOR WARRANTY DETAILS							
COMMENT: BOLT PATTERN: 5-114.3							
COMMENT: INFLATION F:35 R:35							
80075	NRM	1	STATE REQUIRED	ENVIRONMENTAL FEE	.00	1.75	1.75
80224	NRM	1	WASTE TIRE DISPOSAL	FEE	.00	2.50	2.50
80219	NRM	1	INSTALLATION &	LIFETIME SPIN BALANCING	.00	16.00	16.00
80402	NRM	1	VALVES/ROTATIONS/	LIFETIME REPAIRS INCLUDED	.00	.00	.00
COMMENT: REPLACE THE LEFT FRONT							

Since you have purchased fewer than four tires (or wheels), we will mount the new tires on the rear of your vehicle for best safety and handling.

The tire and/or wheel you have chosen is different from the original equipment provided with your vehicle and may change its handling or stability characteristics. Further information is available from your Discount Tire salesperson.

SUBTOTAL: 109.25  
TAX: 7.32  
TOTAL: 116.57  
DEBIT: 116.57  
TENDERED: 116.57

XXXXXXXXXXXX 4647

READER UNAVAILABLE

000050



ATTACHMENT A



000051



RESOLUTION NO. 2014-0100

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY REJECTING THE CLAIM OF NANCY  
LE ALCALA.

WHEREAS, on August 25, 2014, Nancy Le Alcala filed a claim with the San Diego County Regional Airport Authority for damages she alleges were the result of driving over a metal plate as she approached Terminal One at San Diego International Airport on August 13, 2014; and

WHEREAS, at its regular meeting on October 2, 2014, the Board considered the claim filed by Nancy Le Alcala 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 Nancy Le Alcala; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at its regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

---

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

APPROVED AS TO FORM:

---

BRETON K. LOBNER  
GENERAL COUNSEL

000052



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**9**

Meeting Date: **OCTOBER 2, 2014**

---

**Subject:**

**Reject the Claim of Alexandra Tarantino**

**Recommendation:**

Adopt Resolution No. 2014-0101, rejecting the Claim of Alexandra Tarantino

**Background/Justification:**

On September 3, 2014, Alexandra Tarantino ("Tarantino") filed a claim (Attachment A) with the Authority alleging that on August 5, 2014, damage was sustained to her Macbook computer as a result of placing it on a broken bag hook in a restroom stall in Terminal One at San Diego International Airport. Tarantino claims damages in the amount of \$3,009 to cover the cost of replacing her computer.

Tarantino alleges in her claim that on August 5, 2014, she entered the stall in the women's restroom near gate one in Terminal One. She states she reached up to place her backpack on a bag hook attached to the stall door when her backpack fell to the ground. She states she realized after that the bag hook was broken and new, functional hooks were secured on the side wall of the stall where they were not as apparent to her.

Tarantino's claim should be denied. An investigation into the alleged incident revealed there was no hook on the stall door at all, and the only hooks available were on the side, which she would have seen first as she entered the stall. It appears from the photo accompanying the claim that the claimant may have mistaken the door stop for a bag hook. The door stop is a post attached to the very top or bottom of a swinging door that keeps the door from colliding with walls and other objects. The Authority was not on notice of an unsafe condition of public property or an unsafe or dangerous condition.

**Fiscal Impact:**

Not applicable.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

000053

**Environmental Review:**

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

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

**Application of Inclusionary Policies:**

Not Applicable

**Prepared by:**

SUZIE JOHNSON  
PARALEGAL, GENERAL COUNSEL



FOR AUTHORITY CLERK USE ONLY
Document No.: <u>CL-235</u>
Filed: <u>9-3-14</u>
SDCRAA SEP 03 2014 Corporate & Information Governance

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
ACCIDENT OR DAMAGE CLAIM FORM

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

1) Claimant Name: <u>Alexandra Tarantino</u>	
2) Address to which correspondence regarding this claim should be sent: <u>5541 Hamill Ave.</u> <u>San Diego, CA 92120</u>	
Telephone No.: <u>619-281-8108</u>	Date: <u>9.2.14</u>
3) Date and time of incident: <u>8.5.14</u>	
4) Location of incident: <u>Gate I Southwest terminal restroom</u>	
5) Description of incident resulting in claim: <u>I entered a stall in the ladies restroom in the southwest terminal. I reached up to hang my backpack on the bag hook attached to the stall door and my backpack fell to the ground. It was then that I saw the bag hooks attached to all the doors were broken and the actual hooks were attached to the side of the bathroom stall where it is not as apparent. I pulled my computer out of my backpack to find that the front right corner had been crushed including the CD/DVD drive which is no longer usable.</u>	
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) <u>I dont know her name</u>	Physician(s):
Name: <u>but the south west employee</u>	Name:
Address: <u>saw what happened to my</u>	Address:
Phone: <u>computer and told me I should</u>	Phone:
<u>file a claim. she also gave me</u>	
<u>the phone number of the San Diego</u>	
<u>Regional Airport Authority.</u>	

ATTACHMENT A

8) Describe property damage or personal injury claimed:

The front right corner of my MacBook Pro was crushed rendering the CD/DVD drive inoperable. My computer will not close all the way. Because of the way it was crushed the plastic now sticks up and scratches my arm when typing.

(photo included shows bathroom hook + computer)

9) Owner and location of damaged property or name/address of person injured:

Alexandra Tarantino 5541 Hamill Ave San Diego, CA 92120

10) Detailed list and amount of damages claimed as of date of presentation of claim, including prospective damages. If amount exceeds \$10,000.00, a specific amount need not be included.

I contacted CryWolf Computers and was told that my computer is deemed obsolete and cannot be fixed because they no longer make parts for this computer. My only option is to buy a new computer. (emailed enclosed) Base model 15" mac book pro = \$1,999.00 - \$2,499.00 Taxes + apple care est. \$510

Dated: 9.2.14

Claimant:

Alexandra Tarantino  
(Signature)

**Notice to Claimant:**

Where space is insufficient, please use additional paper and identify information by proper section number.

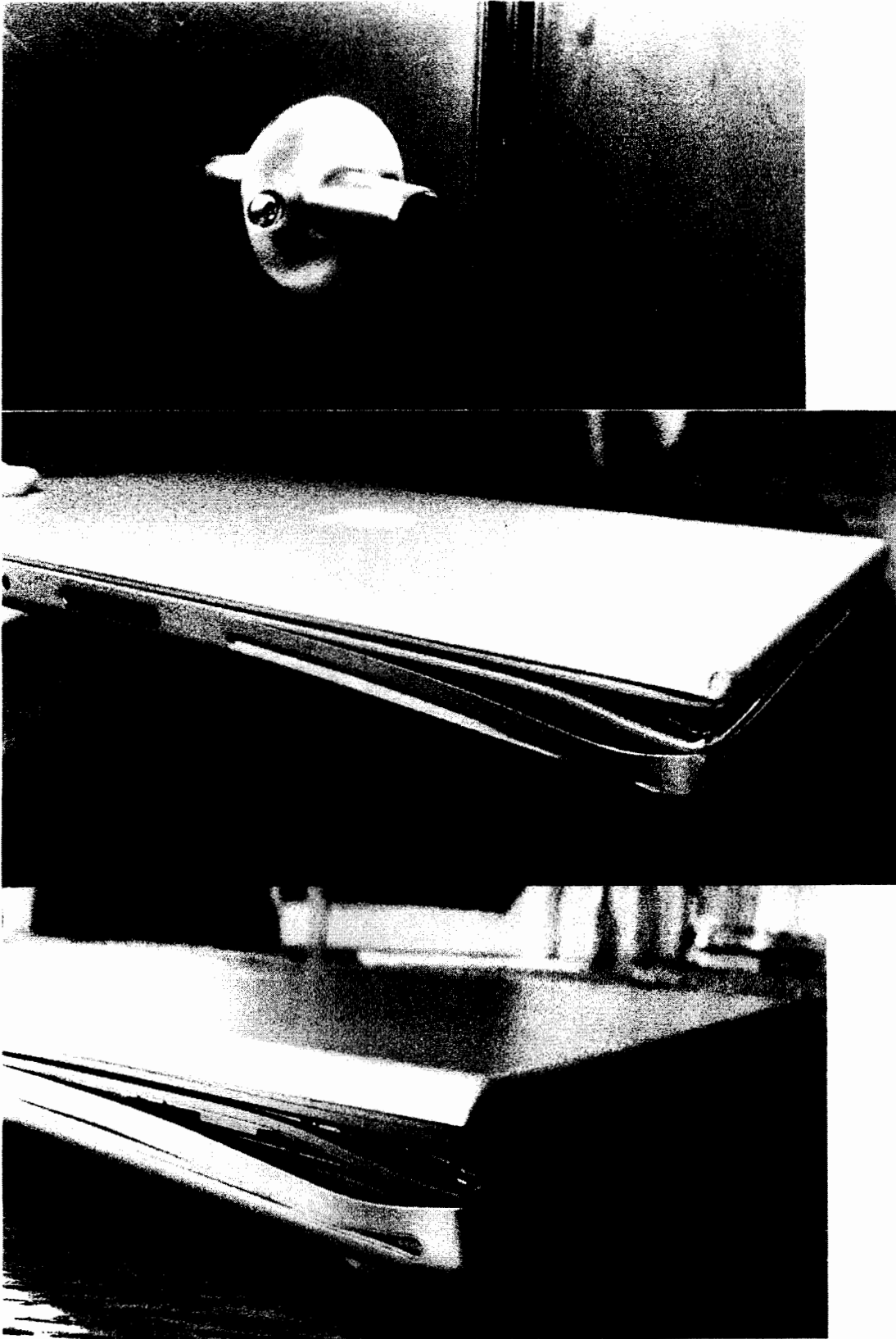
Return completed form to:

Tony Russell, Director, Corporate Services/Authority Clerk  
Corporate Services Department  
P.O. Box 82776  
San Diego, CA 92138-2776

000056



ATTACHMENT A



000057

**Subject:** Damaged MacBook Pro  
**From:** Kate Waterman (kate@crywolf.com)  
**To:** allie\_tarantino@yahoo.com;  
**Date:** Tuesday, September 2, 2014 12:50 PM

Hi Allie,

As I said when I spoke with you earlier, your MacBook Pro with the serial number W87170PRW0H is obsolete and we cannot get replacement parts for it, and therefore cannot provide an estimate. In lieu of repair, I would advise purchasing a new computer.

Thank you,  
Kate Waterman  
Crywolf, Inc.  
(858) 277-9653

000058

RESOLUTION NO. 2014-0101

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY REJECTING THE CLAIM OF  
ALEXANDRA TARANTINO.

WHEREAS, on September 3, 2014, Alexandra Tarantino filed a claim with the San Diego County Regional Airport Authority for damages she alleges were the result of placing her backpack on a broken bathroom stall bag hook in Terminal One at San Diego International Airport on August 5, 2014; and

WHEREAS, at its regular meeting on October 2, 2014, the Board considered the claim filed by Alexandra Tarantino 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 Alexandra Tarantino; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at its regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

---

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

APPROVED AS TO FORM:

---

BRETON K. LOBNER  
GENERAL COUNSEL

000059



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**10**

Meeting Date: **OCTOBER 2, 2014**

---

**Subject:**

**Reject the Claim of Josefina Martinez**

**Recommendation:**

Adopt Resolution No. 2014-0102, rejecting the Claim of Josefina Martinez

**Background/Justification:**

On September 15, 2014, Josefina Martinez ("Martinez") filed a claim (Attachment A) with the Authority alleging that on June 23, 2014, she fell as she ascended an elevator in Terminal Two at San Diego International Airport. Martinez claims damages in an unspecified amount exceeding \$25,000.00 to include medical expenses and pain and suffering.

Martinez alleges in her claim that on June 23, 2014, she was ascending an escalator in Terminal Two when she slipped and fell on a banana peel, causing injuries. She claims she suffered a broken right hand, a broken left finger and unspecified injuries to her elbow, rib and hip. She further alleges that Airport failed to maintain the premises in a safe manner or warn her of the dangerous condition.

Martinez's claim should be denied. An investigation into the alleged incident revealed the claimant was pulling a rolling bag and unable to walk without the assistance of both a cane and her own daughter when she stepped on to the escalator. When her daughter let go of the claimant to grab her own rolling bag, the claimant fell. There was no banana peel on the escalator. There was no dangerous condition at the time of the claimant's fall, nor was there a notice of an unsafe condition or dangerous condition.

**Fiscal Impact:**

Not applicable.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

000060

**Environmental Review:**

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

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

**Application of Inclusionary Policies:**

Not Applicable

**Prepared by:**

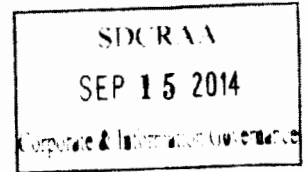
SUZIE JOHNSON  
PARALEGAL, GENERAL COUNSEL



Attachment A



*A Professional Law Corporation*  
468 N. Camden Drive, Suite 282  
Beverly Hills, CA 90210  
Phone: (310)860-7442  
Fax: (310)860-7502  
ML@Loghmana.com



September 12, 2014

S.D. County Regional Airport Authority  
Tony Russell/Authority Clerk  
Corporation & Information Governance  
P.O. Box 82776  
San Diego, CA 92138-2776

**Re: NOTICE OF CLAIM**

**Our Client:** Josefina Martinez  
**Incident:** Slip and Fall  
**Date of Incident:** 6/23/14  
**Location:** San Diego Airport

To Whom It May Concern:

Enclosed please find a claim for damages form. Please be advised that we represent the above-named clients with respect to injuries and damages suffered in the above-referenced accident on you premises. Our investigation reveals that you have an insurance policy which was in full force and effect on the date of the accident. If this information is incorrect, please advise us in writing.

You may consider this letter to be a claim under the provisions of your insurance policy or policies. Please send us your acknowledgment letter immediately. You may also forward a copy of this letter your insurance company so they can contact us directly. Please be assured that we will cooperate with you in this matter. Please direct any and all future correspondence to the undersigned and not to our client. Liability and personal injury issues must not be discussed with our client. As mandated by law, please provide us with any and all written/recorded statements and/or documents signed by our client in your possession or that of your company, its agents or employees, and any medical payment provisions you may carry. Any and all prior medical, wage, or other authorizations, or assignments of benefits signed by our client, are hereby expressly revoked.

We have also been informed that there was a security camera in operation on the day that the incident happened and that it is in your possession. Said evidence is crucial to determining the facts of the accident. This letter constitutes notice and demand that said evidence be immediately preserved. This request is essential as any alteration, change or destruction of the tape and failure to preserve the evidence outlined in this notice shall constitute spoliation of evidence and subject your insured to legal claims for damages and/or evidentiary and monetary sanctions.

Thank you for your prompt attention to this matter.

Very truly yours,

LOGHMANA LAW FIRM, PLC

Michael Loghmana, Esq.

000062

Attachment A



SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
ACCIDENT OR DAMAGE CLAIM FORM

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

FOR AUTHORITY CLERK USE ONLY	
Document No.:	CL-236
Filed:	9-15-14
SDCRAA SEP 15 2014	
Corporate & Information Governance	

1) Claimant Name: <u>Josefina Lozano Martinez</u>	
2) Address to which correspondence regarding this claim should be sent: <u>LOGHMANA LAW FIRM, PLC</u> <u>468 N. Camden Dr., #282</u> <u>Beverly Hills, CA 90210</u>	
Telephone No.: <u>(310) 860-7442</u>	Date: <u>9-12-2014</u>
3) Date and time of incident: <u>June 23, 2014</u> <u>7:15 a.m.</u>	
4) Location of incident: <u>San Diego Airport / United Terminal, 1st Floor</u>	
5) Description of incident resulting in claim: <u>Claimant slipped &amp; fell on a banana peel on the</u> <u>escalator going up, causing claimant to fall &amp; sustain</u> <u>injuries.</u> <u>San Diego Airport failed to maintain the premises</u> <u>in a safe manner or warn claimant of the dangerous</u> <u>condition</u>	
6) Name(s) of the Authority employee(s) causing the injury, damage or loss, if known: <u>Investigation is ongoing &amp; continuing</u>	
7) Persons having firsthand knowledge of incident:	
Witness (es)	Physician(s):
Name:	Name:
Address:	Address:
Phone:	Phone:

Attachment A

8) Describe property damage or personal injury claimed:  
 Claimant sustained injuries, including but not limited to broken right hand, broken left finger, elbow injuries, rib injuries and hip injuries. Investigation is ongoing.

9) Owner and location of damaged property or name/address of person injured:  
 San Diego Airport

10) Detailed list and amount of damages claimed as of date of presentation of claim, including prospective damages. If amount exceeds \$10,000.00, a specific amount need not be included.  
 Amount of Damages exceeds \$25,000. Claimant has past & future Medical expenses & past and future pain and suffering. Investigation is ongoing.

Dated: 9/12/14 Claimant:  Attorney for Claimant

**Notice to Claimant:**

Where space is insufficient, please use additional paper and identify information by proper section number.

Return completed form to:

San Diego County Regional Airport Authority  
 Tony Russell, Director, Corporate & Information Governance/Authority Clerk  
 Corporate & Information Governance  
 P.O. Box 82776  
 San Diego, CA 92138-2776

RESOLUTION NO. 2014-0102

A RESOLUTION OF THE BOARD OF THE  
SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY REJECTING THE CLAIM OF  
JOSEFINA MARTINEZ.

WHEREAS, on September 15, 2014, Josefina Martinez filed a claim with the San Diego County Regional Airport Authority for injuries she sustained when she fell while riding an escalator in Terminal Two at San Diego International Airport on June 23, 2014; and

WHEREAS, at its regular meeting on October 2, 2014, the Board considered the claim filed by Josefina Martinez 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 Josefina Martinez; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at its regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

---

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

000065



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**11**

Meeting Date: **OCTOBER 2, 2014**

---

**Subject:**

**Authorize the President/CEO to Execute a Change Order to Extend the Time for Completion Up to 145 Calendar Days For Project No. 104118, North Side Interior Road and Utilities Project, at San Diego International Airport**

**Recommendation:**

Adopt Resolution No. 2014-0103, authorizing the President/CEO to Execute a Change Order to extend the time for completion up to 145 Calendar Days, for Project No. 104118, North Side Interior Road and Utilities Project, at San Diego International Airport.

**Background/Justification:**

On September 12, 2013, the San Diego County Regional Airport Authority Board ("Board") awarded and authorized the President /CEO to execute a contract with West Coast General Corporation / PK Mechanical Systems Inc., JV ("Contractor") to construct the North Side Interior Road and Utilities project in the amount of \$9,323,838.44 [Resolution No. 2013-0098] and a contract duration of 270 calendar days. Several events have occurred that have impacted the project schedule, including but not limited to:

- The new Fixed Base Operator (FBO) development utility connection date became a milestone for delivery of the Interior Road and Utilities project. To accommodate the FBO's August 1, 2014, opening date, the Contractor was required to re-sequence work to provide FBO water and communications by June 1, 2014.
- An offsite sewer improvement within the Sassafras Street/Pacific Highway intersection required significant redesign, after a shallow SDG&E electrical line was discovered that crossed the path of the proposed sewer. The shallow electric line required the sewer to be redesigned and tunneled under the SDG&E line, rather than installed via trench, as reflected in the original design.
- Various approval processes with the City of San Diego caused schedule delays, including an imposed moratorium on all traffic control and construction on Pacific Highway during the week of Comic-Con.
- San Diego Gas and Electric (SDG&E) required a shutdown of its electrical system at the project site before the contractor excavated for the directional drilling for the sewer.

**Page 2 of 3**

- The project includes relocating the employee parking lot for the San Diego Unified Port District ("Port District"). The Port District imposed advanced notice and other requirements on any construction that could impact their employees during construction.
- Delays caused by the Contractor for which Authority may seek liquidated damages.

The President/CEO has approved change orders extending the time for completion for a total of 89 days pursuant to Authority Policy 5.02(4)(b)(iii). Authority Policy 5.02(4)(b)(iii) however requires Board approval for time extensions in excess of ninety (90) days. Therefore, Staff requests the Board authorize the President/CEO to execute a change order extending the time for completion up to 145 calendar days for a total contract duration of 415 calendar days.

**Fiscal Impact:**

Adequate funds for the contract are included within the FY2014-FY2018 Capital Program Budget for the Project No. 104118, North Side Interior Road and Utilities. Due to proposed change orders, the contract price may increase from \$9,313,180 to approximately \$9,700,000, which is within the contracting authority of the President/CEO, as outlined in Authority Policy 5.02(4)(b)(iii). Sources of funding for this project includes Airport Revenue Bonds and Customer Facility Charges.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. The proposed Interior Road and Utilities project was evaluated under the California Environmental Quality Act ("CEQA") Pub. Res. Code Section 21065 as a project component of the San Diego International Airport Master Plan Final Environmental Impact Report (SCH #2005091105; SDCRAA #EIR-06-01), certified May 1, 2008, and the North Side Improvements Final Supplemental Environmental Impact Report (also SCH #2005091105; SDCRAA #EIR-10-01), certified by the San Diego County Regional Airport Authority on September 1, 2011.
- B. The proposed North Side Interior Road and Utilities Project was approved by the California Coastal Commission on August 14, 2013 in accordance with the California Coastal Act (Coastal Development Permit #6-13-011).



**Application of Inclusionary Policies:**

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

This contract does not utilize federal funds and provides opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.14 was applied. Policy 5.14 establishes separate goals for the participation of: (1) small businesses; (2) local businesses; and, (3) service disabled veteran owned small businesses (SDVOSB). The local business participation goal can only be applied when the overall local business participation of all Authority contracts at the time of solicitation is less than 60%. The maximum preference applied under Policy 5.14 is seven percent (7%): three percent (3%) for small business participation; two percent (2%) for local business participation; and, two percent (2%) for SDVOSB participation. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$100,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid. When bid price is not the primary selection criteria, the preference is only applied to determine which proposers are interviewed for final consideration. Per Policy 5.14, the preference is not applied in the final selection.

In accordance with Policy 5.14, West Coast General Corporation / PK Mechanical Inc., JV partially met the SBE goal of 43% with 16% certified small business participation for a 1% certified small business preference and did not meet the SDVOSB goal of 3% for a 0% SDVOSB participation preference. At the time of the solicitation it was determined that the Authority's overall local business participation exceeded 60%, therefore no preference was applied for local business participation.

**Prepared by:**

KEITH WILSCHETZ  
DIRECTOR, AIRPORT PLANNING

RESOLUTION NO. 2014-0103

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A CHANGE ORDER TO EXTEND THE TIME FOR COMPLETION UP TO 145 CALENDAR DAYS FOR PROJECT NO. 104118, NORTH SIDE INTERIOR ROAD AND UTILITIES PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, on September 12, 2013, the San Diego County Regional Airport Authority Board ("Board") awarded and authorized the President /CEO to execute a contract with West Coast General Corporation / PK Mechanical Systems Inc., a Joint Venture ("Contractor") to construct North Side Interior Road and Utilities project in the amount of \$9,323,838.44 [Resolution No. 2013-0098]; and

WHEREAS, several factors have subsequently occurred that have impacted the project schedule; and

WHEREAS, Authority Policy 5.02(4)(b)(iii) requires Board approval to extend time for project completion in excess of ninety (90) days; and

WHEREAS, staff requests the Board authorize the President/CEO to execute a change order extending the time for project completion up to 145 calendar days.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby finds it is in the best interest of the Authority to authorize the President/CEO to execute a change order to extend time for project completion based upon the foregoing; and

BE IT FURTHER RESOLVED that the Board authorizes the President/CEO to execute a change order extending the time for project completion up to 145 calendar days; and

BE IT FURTHER RESOLVED that the Board directs its officers, employees, and agents to do and perform such acts as may be necessary or appropriate in order to effectuate fully the foregoing resolution; and

BE IT FURTHER RESOLVED that the San Diego County Regional Airport Authority Board finds that the proposed North Side Interior Road and Utilities Project was evaluated subject to the California Environmental Quality Act ("CEQA"), Pub. Res. Code Section 21065 as a project component of the San Diego International Airport Master Plan Final Environmental Impact Report (SCH#2005091105; SDCRAA#EIR-06-01) certified May 1, 2008 and the Northside Improvements Final Supplemental Environmental Impact Report (also SCH#2005091105; SDCRAA #EIR-10-01) certified by the San Diego County Regional Airport Authority on September 1, 2011. The North Side Interior Road and Utilities Project was approved by the California Coastal Commission on August 14, 2013 in accordance with the California Coastal Act (Coastal Development Permit #6-13-011).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

---

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

APPROVED AS TO FORM:

---

BRETON K. LOBNER  
GENERAL COUNSEL



**SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
STAFF REPORT**

**Item No.  
12**

Meeting Date: **OCTOBER 2, 2014**

**Subject:**

**Award a Contract to G&G Specialty Contractors, Inc., for Quieter Home Program Phase 8, Group 1, Project No. 380801 (20 Historic and Non-Historic Single and Multi-Family Units on 7 Residential Properties and 17 Non-Historic Dwelling Units in Two Condominium Buildings Located East and West of the Airport)**

**Recommendation:**

Adopt Resolution No. 2014-0104, awarding a contract to G&G Specialty Contractors, Inc., in the amount of \$1,454,882, for Phase 8, Group 1, Project No. 380801, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.

**Background/Justification:**

The Quieter Home Program ("Program") provides sound attenuation treatment to residences within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("SDIA"). The Phase 8, Group 1, project includes installation of new acoustical windows, doors, insulation, and ventilation improvements to reduce aircraft-related noise levels inside the homes. This project will provide sound attenuation to 20 historic and non-historic single and multi-family units on 7 residential properties and 17 non-historic dwelling units in two condominium buildings located east and west of the airport (refer to Attachment A).

To date, the Program has completed 2,930 residences, of which 741 are historic and 2,189 are non-historic; 1,873 residences are located west of SDIA and 1,057 are located east of SDIA.

Project No. 380801 was advertised on July 29, 2014, and bids were opened on August 28, 2014. The following bid was received (refer to Attachment B):

<b>Company</b>	<b>Total Bid</b>
G&G Specialty Contractors, Inc.	\$1,454,882

Four (4) prime contractors attended the Pre-Bid meeting. Research was conducted on why those contractors did not bid and it was determined that either their existing workload was too great, or, they found the project too challenging. Although the work in the Program is challenging, Staff continues to mentor prospective bidders.

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**Page 2 of 3**

The Engineer's estimate is \$1,316,159.

The low bid of \$1,454,882, is considered responsive, and G&G Specialty Contractors, Inc. is considered responsible.

Although the bid amount is 10.5% above the Engineer's estimate, it has been determined the difference is attributed to costs associated with the aluminum windows required for this project. Award to G&G Specialty Contractors, Inc. is, therefore, recommended in the amount of \$1,454,882.

**Fiscal Impact:**

Adequate funds for FY2015 expenditures, under the G&G Specialty Contractors, Inc. contract, are included within the adopted FY2015 operating budget in the Authority's Quieter Home Program. Sources of funding include federal Airport Improvement Program grants and Passenger Facility Charges.

**Authority Strategies:**

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

Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. CEQA. This Board action is a "project" subject to the California Environmental Quality Act ("CEQA"), Pub. Res. Code §21065. The individual projects under the Quieter Home Program are part of a class of projects that are categorically exempt from CEQA: 14 Cal. Code Regs. §15301 – "Existing Facilities: Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination."
- B. California Coastal Act. This Board action is a "development" as defined by the California Coastal Act, Cal. Pub. Res. Code §30106. The individual projects under the Quieter Home Program will consist of treatments to single-family and multi-family dwellings. Improvements to single-family homes are exempt from coastal permit requirements under Cal. Pub. Res. Code §30610(a) and 14 Cal. Code Regs. §13250 – "Improvements to Single-Family Residences." The proposed improvements to multi-family residences are exempt from coastal permit requirements under Cal. Pub. Res. Code §30610(b) and 14 Cal. Code Regs. §13253 – "Improvements to Structures Other than Single-Family Residences and Public Works Facilities that Require Permits."

**Application of Inclusionary Policies:**

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

The Authority's DBE Program, as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 26, calls for the Authority to submit a triennial overall goal for DBE participation on all federally funded projects. When federal funds are utilized, the Authority is prohibited from using a program that provides a preference such as those used in Policies 5.12 and 5.14. Therefore, the Authority must utilize other means as provided in the DBE Plan to achieve participation.

This project utilizes federal funds; therefore, it will be applied toward the Authority's overall DBE goal. G&G Specialty Contractors, Inc. is proposing 8% DBE participation on QHP Phase 8, Group 1.

**Prepared by:**

KEITH WILSCHETZ  
DIRECTOR, AIRPORT PLANNING AND NOISE MITIGATION



# ATTACHMENT A



Homes in this contract are located both east and west of the airport in these two areas.

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Map Notes:  
Staff Report Attachment A

1 inch = 3,898 feet

**Land Use - SanGIS 2/07**

- Single-Family Residential
- Multi-Family Residential
- Condominiums

- QHP Completed
- QHP Ineligible
- County Parcel

- 67 dB Boundary
- 65 dB CNEL Contour
- Address Point

San Diego County Regional Airport Authority  
Quieter Home Program  
Project 380801



SPECIFICATION NO. 380801

TABULATION OF BIDS

ATTACHMENT B

TITLE: QUIETER HOME PROGRAM PROJECT NO. 380801  
 BIDS OPENED: August 28, 2014, 2:00 p.m.  
 ENGINEER'S ESTIMATE: \$1,316,159.00

CONTRACTOR:					G&G Specialty Contracotr, Inc.			
ADDRESS:								
GUARANTEE OF GOOD FAITH:								
Res No.	Bid Item Number		Dwelling Units	Unit of Measure	General Construction (In Figures)	HVAC Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)
380801.02	BUCQUET	2257 WORDEN ST, UNIT 1	1	Lump Sum	27,112.00	4,457.00	2,425.00	33,994.00
380801.03	BUSCHE	2340 POINSETTIA DR	1	Lump Sum	42,903.00	7,156.00	1,340.00	51,399.00
380801.04	CAREY	2251 WORDEN ST, UNIT 9	1	Lump Sum	26,167.00	4,457.00	2,340.00	32,964.00
380801.05	CHIEVES-LESNEY	2249 WORDEN ST, UNIT 20	1	Lump Sum	24,803.00	4,457.00	2,340.00	31,600.00
380801.06	COOPER	2251 WORDEN ST, UNIT 14	1	Lump Sum	28,916.00	4,457.00	2,425.00	35,798.00
380801.07	DaSILVA	2255 WORDEN ST, UNIT 17	1	Lump Sum	23,543.00	2,228.00	1,995.00	27,766.00
380801.08	GAUGHRAN	2257 WORDEN ST, UNIT 4	1	Lump Sum	29,680.00	4,457.00	2,425.00	36,562.00
380801.09	GRIFFITHS	2251 WORDEN ST, UNIT 15	1	Lump Sum	23,722.00	2,228.00	1,995.00	27,945.00
380801.11	HARRIS	2255 WORDEN ST, UNIT 11	1	Lump Sum	26,615.00	4,457.00	2,340.00	33,412.00
380801.12	HERMSEN	2844 CHATSWORTH BLVD	1	Lump Sum	51,024.00	7,623.00	3,625.00	62,272.00
380801.14	JENKINS	2251 WORDEN ST, UNIT 10	1	Lump Sum	26,288.00	4,457.00	1,995.00	32,740.00
380801.16	WKM GROUP, LLC	2357 STATE ST	1	Lump Sum	53,312.00	7,629.00	3,710.00	64,651.00
380801.16	WKM GROUP, LLC	2357 STATE ST, UNIT C	1	Lump Sum	15,993.00	2,228.00	770.00	18,991.00
380801.17	KISER	3002 BARNETT AVE, UNIT 1	1	Lump Sum	31,685.00	2,228.00	32,770.00	66,683.00
380801.17	KISER	3002 BARNETT AVE, UNIT 2	1	Lump Sum	20,524.00	2,228.00	1,370.00	24,122.00
380801.17	KISER	3002 BARNETT AVE, UNIT 3	1	Lump Sum	16,865.00	2,228.00	1,370.00	20,463.00
380801.17	KISER	3002 BARNETT AVE, UNIT 4	1	Lump Sum	17,132.00	2,228.00	1,370.00	20,730.00
380801.17	KISER	3002 BARNETT AVE, UNIT 5	1	Lump Sum	19,305.00	2,228.00	1,370.00	22,903.00
380801.17	KISER	3002 BARNETT AVE, UNIT 6	1	Lump Sum	21,569.00	2,228.00	1,370.00	25,167.00
380801.18	KLEIGER	2249 WORDEN ST, UNIT 21	1	Lump Sum	33,370.00	4,457.00	2,340.00	40,167.00
380801.19	LEDYARD	2257 WORDEN ST, UNIT 3	1	Lump Sum	27,650.00	4,457.00	2,425.00	34,532.00
380801.20	COLLIER	2255 WORDEN ST, UNIT 18	1	Lump Sum	25,031.00	2,228.00	1,995.00	29,254.00
380801.22	REVELES	2257 WORDEN ST, UNIT 2	1	Lump Sum	26,272.00	4,457.00	2,425.00	33,154.00
380801.23	CRESCI	2316 INDIA ST	1	Lump Sum	75,153.00	7,156.00	3,540.00	85,849.00
380801.24	STANG	2244 2ND AVE, UNIT 22	1	Lump Sum	18,381.00	2,228.00	2,170.00	22,779.00
380801.25	SUNDBY	2257 WORDEN ST, UNIT 5	1	Lump Sum	25,242.00	4,457.00	2,425.00	32,124.00
380801.26	TAYLOR	2257 WORDEN ST, UNIT 6	1	Lump Sum	26,376.00	4,457.00	2,425.00	33,258.00
380801.27	THOMPSON	2255 WORDEN ST, UNIT 12	1	Lump Sum	27,392.00	4,457.00	2,340.00	34,189.00
380801.30	MAZI PROPERTIES, LTD	347 HAWTHORN STREET	1	Lump Sum	39,715.00	7,156.00	1,170.00	48,041.00
380801.30	MAZI PROPERTIES, LTD, UNIT 1	2066 4TH AVENUE	1	Lump Sum	34,076.00	2,228.00	21,670.00	57,974.00
380801.30	MAZI PROPERTIES, LTD, UNIT 2	2066 4TH AVENUE	1	Lump Sum	33,465.00	2,228.00	770.00	36,463.00
380801.30	MAZI PROPERTIES, LTD, UNIT 3	2066 4TH AVENUE	1	Lump Sum	24,765.00	2,228.00	685.00	27,678.00
380801.30	MAZI PROPERTIES, LTD, UNIT 4	2066 4TH AVENUE	1	Lump Sum	31,445.00	2,228.00	770.00	34,443.00
380801.30	MAZI PROPERTIES, LTD, UNIT 5	2066 4TH AVENUE	1	Lump Sum	25,905.00	2,228.00	770.00	28,903.00
380801.30	MAZI PROPERTIES, LTD, UNIT 6	2066 4TH AVENUE	1	Lump Sum	24,374.00	2,228.00	770.00	27,372.00
380801.30	MAZI PROPERTIES, LTD, UNIT 7	2066 4TH AVENUE	1	Lump Sum	31,305.00	2,228.00	685.00	34,218.00
380801.30	MAZI PROPERTIES, LTD, UNIT 8	2066 4TH AVENUE	1	Lump Sum	30,359.00	2,228.00	685.00	33,272.00
					<b>Subtotal</b>			1,343,832.00
					Allowance for Structural, HVAC, Electrical Repairs			72,500.00
					Building and Utility Permits and Fees			36,000.00
					Allowance for 150 Required T-Shirts			2,550.00
					<b>TOTAL BID</b>			1,454,882.00

Addenda No. 1 noted

000071

RESOLUTION NO. 2014-0104

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AWARDING A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC., IN THE AMOUNT OF \$1,454,882, FOR PHASE 8, GROUP 1, PROJECT NO. 380801, OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S QUIETER HOME PROGRAM

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

WHEREAS, Phase 8, Group 1, of the Program will include installation of new acoustical windows, doors, insulation, and ventilation improvements to reduce aircraft-related noise levels inside the homes; and

WHEREAS, Phase 8, Group 1, of the Program provides sound attenuation to 20 historic and non-historic single and multi-family units on 7 residential properties and 17 non-historic dwelling units in two condominium buildings located east and west of the airport; and

WHEREAS, the Authority issued a Bid Solicitation Package for Phase 8, Group 1, on July 29, 2014; and

WHEREAS, on August 28, 2014, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

WHEREAS, the apparent low bidder G&G Specialty Contractors, Inc., submitted a bid of \$1,454,882; and the Authority's staff has duly considered the bid and has determined G&G Specialty Contractors, Inc. is responsible and that its bid is responsive in all material respects; and

WHEREAS, the San Diego County Regional Airport Authority Board ("Board") believes that it is in the best interest of the Authority and the public that it serves to award G&G Specialty Contractors, Inc., the lowest bidder, the contract for Phase 8, Group 1, upon the terms and conditions set forth in the Bid Solicitation Package.

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NOW, THEREFORE, BE IT RESOLVED that the Board hereby awards a contract to G&G Specialty Contractors, Inc., in the amount of \$1,454,882, for Phase 8, Group 1, Project No. 380801, of the Authority's Quieter Home Program; and

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

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

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this is a "project" as defined by the California Environmental Quality Act ("CEQA"), Cal. Pub. Res. Code §21065; and is a "development," as defined by the California Coastal Act, Cal. Pub. Res. Code §30106 and that the individual Quieter Home Program projects are categorically exempt from the CEQA under Cal. Code Regs. §15301(f), "Existing Facilities," and are exempt from coastal permit requirements under Cal. Pub. Res. Code §§30610(a) and 30610(b) and 14 Cal. Code Regs. §§13250 and 13253.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

\_\_\_\_\_  
BRETON K. LOBNER  
GENERAL COUNSEL



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**13**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Authorize the President/CEO to Negotiate and Award an Agreement with Velocity Technology Solutions, Inc., to Provide Managed Hosting Services for the Oracle JD Edwards EnterpriseOne Software System**

**Recommendation:**

Adopt Resolution No. 2014-0105, authorizing the President/CEO to negotiate and award a Managed Hosting Service Agreement with Velocity Technology Solutions, Inc., for a term of five years in an amount not-to-exceed \$1,800,000, to host and manage Oracle JD Edwards EnterpriseOne software and associated applications.

**Background/Justification:**

The Authority currently has an agreement with Velocity Technology Solutions, Inc. (VTS, Inc.) to host the Authority's Oracle JD Edwards EnterpriseOne software system. The current agreement has a term of five years, ending on November 30, 2014 with a not to exceed amount of \$2,500,000. Approval of this item will grant the President/CEO authorization to negotiate and award the new hosting agreement to Velocity Technology Solutions, Inc.

Hosting is the provision of computing services on the hosting firm's remote computer systems, in the hosting firm's computer data centers, with support provided by the hosting firm's in-house system specialists. Typically, a hosting firm has a computing center that is certified to withstand major catastrophic events (*e.g.*, earthquakes, floods, other natural disasters) by having specially built facilities, redundant power sources, very strict security and access controls, and an alternate, redundant computing center. This relieves the need for the Authority to construct similar expensive facilities, and hire additional personnel solely dedicated to operating and maintaining the Authority Financial/Procurement/HR information system, thus reducing embedded Authority O&M costs. In addition to the added reliability of a hosted environment, the Authority gains the benefit of having a built-in off-site disaster recovery capability to support continuity of Authority operations in the event of a major disaster. Velocity Technology Solutions, Inc., has a computer data center in the Tukwila, WA area, with an alternate processing site in the Minneapolis, MN area. Therefore, in the event of a major natural disaster in San Diego, the Authority would still have an operational financial system in Tukwila, WA, readily available via Internet access. Additionally, Velocity Technology Solutions, Inc. hosting service maintains a backup processing site in Minneapolis, MN, in the event a natural catastrophe occurs in the Tukwila, WA area.

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The Authority issued a Request For Proposals for Managed Hosting Services (RFP) on May 8, 2014. Notice of the RFP was advertised in the San Diego Daily Transcript and on the Authority's Website.

23 prospective firms viewed the opportunity.

The Authority received two proposals on June 5, 2014 in response to the RFP. One additional firm attended the pre-submittal conference but did not submit a proposal. The Procurement Department contacted this firm to better understand why they chose not to submit a proposal. The firm advised they were transitioning staff at the time proposals were due and were uncertain which team member would be responsible for Oracle based projects. Therefore they decided to forego submitting a proposal.

The panel found both proposals responsive and the firms were interviewed on July 15, 2014. The Panelists' final rankings are presented below:

#### Final Rankings

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Final Rank
Denovo Ventures LLC	2	2	2	2	2	10	2
Velocity Technology Solutions Inc.	1	1	1	1	1	5	1

#### Final Combined Scoring

Combined Scores	SB Preference	Proposed Cost/ Fees	Primary Staff	Work Plan	Org. Experience/Skill	Total
Denovo	0	750	620	480	1350	3200
Velocity	0	675	880	645	2200	4400



The evaluation panel consisted of the Senior Director of Accounting; Director of I&TS, Database Administrator, Manager of Application Development; and HRIS Business Partner 1.

Upon conclusion of the two interviews, Velocity Technology Solutions, Inc. was selected for negotiations and, if successful, award of the agreement. Velocity Technology Solutions, Inc. demonstrated competitive pricing, requisite organization experience and skill, the right capability and talent, and innovative ideas in its work plan.

**Fiscal Impact:**

Adequate funding for a Managed Hosting Service Agreement with Velocity Technology Solutions, Inc. is included in the adopted FY 2015 and conceptually approved FY 2016 Operating Expenses Budgets within the Services-Other line item. 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:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

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

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

**Application of Inclusionary Policies:**

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$100,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Velocity Technology Solutions, Inc., did not receive the small business preference.

**Prepared by:**

RICK BELLIOTTI  
DIRECTOR, I&TS DEPARTMENT

RESOLUTION NO. 2014-0105

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND AWARD A MANAGED HOSTING SERVICES AGREEMENT WITH VELOCITY TECHNOLOGY SOLUTIONS INC., FOR A TERM OF FIVE YEARS IN AN AMOUNT NOT-TO-EXCEED \$1,800,000 TO HOST AND MANAGE ORACLE JD EDWARDS ENTERPRISEONE SOFTWARE AND ASSOCIATED APPLICATIONS

WHEREAS, the Authority has a current agreement with Velocity Technology Solutions, Inc., for hosting and managing the Authority's licensed Oracle JD Edwards EnterpriseOne and associated applications which ends on November 30, 2014; and

WHEREAS, a proposed new hosting agreement will provide for continued hosting and managing of the Authority's licensed Oracle JD Edwards EnterpriseOne and associated applications for a five-year term beginning December 1, 2014; and

WHEREAS, the Authority issued a Request for Proposals for hosting and managing services on May 8, 2014; and

WHEREAS, the Authority received two proposals in response to the RFP; and

WHEREAS, proposers underwent panel interviews conducted by Authority for evaluation, and the best qualified proposal was selected for recommendation to the Board based on criteria presented in the Request For Proposal; and

WHEREAS, the Board believes that it is in the best interest of the Authority to authorize the President/CEO to negotiate with and award an agreement to Velocity Technology Solutions, Inc..

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the President/CEO to negotiate and award a Managed Hosting Services Agreement with Velocity Technology Solutions, Inc., for a term of five years in an amount not-to-exceed \$1,800,000 to host and manage Oracle JD Edwards EnterpriseOne Software and associated applications, upon the terms and conditions set forth in the RFP, with such minor changes or modifications as the President/CEO or designee may deem to be in the best interests of the Authority; and

BE IT FURTHER RESOLVED that the President/CEO or designee hereby is authorized to execute and deliver such Agreement to Velocity Technology Solutions, Inc.; 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; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**14**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Approve and Authorize the President/CEO to Execute a First Amendment to the Kimley-Horn and Associates, Inc., On-Call Program Management and Support Services Agreement**

**Recommendation:**

Adopt Resolution No. 2014-0106, approving and authorizing the President/CEO to execute a First Amendment to the Kimley-Horn and Associates, Inc., On-Call Program Management and Support Services Agreement by exercising the first option; and increasing the original overall not-to-exceed Agreement amount of \$18,000,000 by \$15,000,000 for a revised not-to-exceed Agreement amount of \$33,000,000.

**Background/Justification:**

Historically, the San Diego County Regional Airport Authority ("Authority") has maintained and improved facilities and infrastructure at San Diego International Airport through its Capital Improvement and Major Maintenance Programs by augmenting Authority Staff utilizing a competitively-selected program management firm.

On May 3, 2012, the Board approved and authorized the President/CEO to execute three on-call Program Management and Support Services Agreements as part of a new multiple program management firms approach. The three selected Program Management firms are Kimley-Horn and Associates, Inc. ("Kimley-Horn"), Abadjis Systems, Ltd., and Jacobs Project Management Co. Each of the three firms was awarded an Agreement in the not-to-exceed amount of \$18,000,000 for a term of three-years with the option for two, one-year extensions.

Since May 2012, Kimley-Horn has provided the Authority program management services related to the Capital Improvement Program, Major Maintenance Program, Quieter Home Program, The Green Build, north side improvement projects, and Rental Car Center ("RCC") projects. The initial three-year term for the Kimley-Horn Agreement is currently due to expire on May 10, 2015.

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Kimley-Horn's primary assignment is to provide program management support to the Airport Design & Construction ("ADC") department for the design and construction of the RCC and other north side projects. These professional services include, but are not limited to program management, program development, project management, construction management, engineering analysis and design, financial analysis, project scheduling, field inspections, safety management, environmental analysis, design development, cost estimating, and other staff augmentation. As part of its program management services for the RCC, Kimley-Horn provides program management support for the three prime RCC contracts: 1) Design – Demattei Wong Architecture, 2) Construction – Austin-Sundt Joint Venture, and 3) Rental Industry Representative – Jacobsen Daniels Associates.

Kimley-Horn also provides program management support and specific engineering services to the Facilities Development Department. These professional services include, but are not limited to airfield engineering, civil engineering, program management, project management, construction management, environmental analysis, traffic and transit planning, traffic engineering and simulation, and other staff augmentation.

The following is a summary of the completed and ongoing professional services authorized through August 31, 2014, for Kimley-Horn to provide a variety of tasks supporting the Authority:

• RCC Program Support:	\$7,687,000
• RCC Shuttle Bus Related Services:	\$559,000
• Airside Engineering Related Services:	\$205,000
• Landside Engineering Related Services:	\$6,640,000
• Environmental Related Services:	\$541,000
• Planning Related Services:	\$606,000
• Quieter Homes Related Services:	\$304,000
• Concessions Development Related Services:	\$292,000
• The Green Build Close-Out Support:	\$197,000
• Parking Plaza Technology and Programming Support:	\$52,000
<b>TOTAL:</b>	<b>\$17,083,000</b>

Staff is seeking approval of a First Amendment, to the Agreement with Kimley-Horn, so that the Authority can continue to ensure a consistent level of service necessary to complete the previously authorized tasks and support the completion of the RCC, north side improvements, final close-out of The Green Build, Parking Plaza start-up activities, and other ongoing Capital Improvement and Major Maintenance projects.

The First Amendment to the Kimley-Horn agreement will maintain the current professional staff critical to supporting ADC, The Green Build, RCC, and other projects currently in design or under construction. With the approval of this First Amendment, Kimley-Horn will work exclusively on the RCC and Close-out of the Green Build while completing other tasks "in the pipeline" previously authorized in the current agreement. Making staff changes in key project management positions providing

support to the RCC design and construction would have a significant negative impact on the continuity of the project team responsible for successfully delivering the program to completion. The proposed amendment will provide the following support to completion of the RCC. All cost is accounted for in the budget for the Capital Improvement Program and the \$316.1 million RCC Program Budget for the following Program Management services:

- Program Management
- Construction Management
- Construction Inspection
- Project Planning and Engineering
- Grant Assistance
- FAA Coordination
- Design Review
- Commissioning
- Environmental Analysis
- Scheduling
- Cost Estimating
- Project Reporting
- Project Control
- Document Control
- Safety Program Administration
- Tenant Project Review
- Labor Compliance

Staff believes this First Amendment of the Kimley-Horn Agreement is necessary to complete major identified ongoing projects. In the interim, Staff plans to publish a solicitation of qualifications early next year and competitively procure additional program management services.

#### Proposed Actions:

Staff requests Board authorization to amend the Kimley-Horn agreement to:

1. Exercise the first one-year option to extend the term and authorize the President/CEO to exercise the second one-year option in her sole discretion. The work on the RCC is expected to be completed and open in January of 2016. This time extension will allow the staff to remain with the current projects for close-out of the RCC and other north side improvement projects; and
2. Increase the not-to-exceed compensation amount of the agreement by \$15,000,000 for a revised not-to-exceed amount of \$33,000,000.

#### **Fiscal Impact:**

The \$33,000,000 funds for the On-Call Program Management and Support Services Agreement with Kimley-Horn and Associates, Inc., are included in multiple projects within the San Diego County Regional Airport Authority Board adopted FY2015-2019 Capital Improvement Program budget. The funding source for capital projects is dependent on the projects utilizing the on-call services and includes, but is not limited to,

Federal Entitlement and Discretionary Grants, Passenger Facility Charges, Customer Facility Charges, Revolving Line of Credit, General Airport Revenue Bonds, Special Facility Bonds, and Airport Cash. Adequate funding for Major Maintenance projects is included in the adopted FY 2015 and conceptually approved FY 2016 Operating Budgets within the Facilities Development Major Maintenance line item.

Expenses that will impact budget years not yet adopted/approved by the Board will be included in future year budget requests.

### **Authority Strategies:**

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

Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

### **Environmental Review:**

- A. The proposed Rental Car Center facility was evaluated subject to the CEQA, Pub. Res. Code Section 21065 as a project component of the San Diego International Airport Master Plan Final Environmental Impact Report (SCH #2005091105; SDCRAA #EIR-06-01) certified May 1, 2008 and the Northside Improvements Final Supplemental Environmental Impact Report (also SCH #2005091105; SDCRAA #EIR-10-01) certified by the San Diego County Regional Airport Authority on September 1, 2011.
- B. The proposed Rental Car Center facility was approved by the California Coastal Commission on August 14, 2013 in accordance with the California Coastal Act (Coastal Development Permit #6-13-011).

### **Application of Inclusionary Policies:**

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$100,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Kimley-Horn and Associates, Inc. did not receive the small business preference.

**Prepared by:**

BOB BOLTON  
DIRECTOR, AIRPORT DESIGN & CONSTRUCTION

RESOLUTION NO. 2014-0106

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 KIMLEY-HORN AND ASSOCIATES, INC., ON-CALL PROGRAM MANAGEMENT AND SUPPORT SERVICES AGREEMENT, BY EXERCISING THE FIRST OPTION; AND INCREASING THE ORIGINAL OVERALL NOT-TO-EXCEED AGREEMENT AMOUNT OF \$18,000,000 BY \$15,000,000 FOR A REVISED NOT-TO-EXCEED AGREEMENT AMOUNT OF \$33,000,000

WHEREAS, the San Diego County Regional Airport Authority ("Authority") has maintained and improved facilities and infrastructure at San Diego International Airport through its Capital Improvement and Major Maintenance Programs by augmenting Authority Staff utilizing a competitively-selected program management firm; and

WHEREAS, on May 3, 2012, the Board approved and authorized the President/CEO to execute three on-call Program Management and Support Services Agreements as part of a new multiple program management firms approach; and

WHEREAS, Kimley-Horn and Associates, Inc. ("Kimley-Horn") is one of the three selected Program Management firms; and

WHEREAS, each of the three firms was awarded an Agreement in the not-to-exceed amount of \$18,000,000 for a term of three-years with the option for two, one-year extensions; and

WHEREAS, since May 2012, Kimley-Horn has provided the Authority program management services and the initial three-year term will expire on May 10, 2015; and

WHEREAS, Kimley-Horn's primary assignment is to provide program management support to the Airport Design & Construction department for the design and construction of the RCC and other north side projects; and



WHEREAS, Kimley-Horn provides contract management support for the three prime RCC contracts: 1) Design – Demattei Wong Architecture, 2) Construction – Austin-Sundt Joint Venture, and 3) Rental Industry Representative – Jacobsen Daniels Associates; and

WHEREAS, Kimley-Horn also provides program management support and specific engineering services to the Facilities Development Department; and

WHEREAS, Staff is seeking approval of a First Amendment, to the Agreement with Kimley-Horn, so that the Authority can continue to ensure a consistent level of service necessary to complete the previously authorized tasks and support the completion of the RCC, north side improvements, final close-out of The Green Build, Parking Plaza start-up activities, and other ongoing Capital Improvement and Major Maintenance projects; and

WHEREAS, making staff changes in key project management positions providing support to the RCC design and construction would have a significant negative impact on the continuity of the project team responsible for successfully delivering the program to completion; and

WHEREAS, the proposed amendment will provide program management, construction management, construction inspection, project planning and engineering, grant assistance, FAA coordination, design review, commissioning, environmental analysis, scheduling, cost estimating, project reporting, project control, document control, safety program administration, tenant project review, labor compliance services to support the completion of the RCC; and

WHEREAS, all cost is accounted for in the budget for the Capital Improvement Program and the \$316.1 million RCC Program Budget for the following Program Management services; and

WHEREAS, Staff believes this First Amendment to the Kimley-Horn Agreement is necessary to complete major identified ongoing projects.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute a First Amendment to the Kimley-Horn and Associates, Inc., On-Call Program Management and Support Services Agreement by exercising the first option; and increasing the original overall not-to-exceed Agreement amount of \$18,000,000 by \$15,000,000, for a revised not-to-exceed Agreement amount of \$33,000,000, and authorizing the President/CEO to exercise the second one-year option in her sole discretion;

BE IT FURTHER RESOLVED that the San Diego County Regional Airport Authority Board finds that the proposed Rental Car Center ("RCC") was evaluated subject to the California Environmental Quality Act ("CEQA"), Pub. Res. Code Section 21065 as a project component of the San Diego International Airport Master Plan Final Environmental Impact Report (SCH#2005091105; SDCRAA#EIR-06-01) certified May 1, 2008 and the Northside Improvements Final Supplemental Environmental Impact Report (also SCH#2005091105; SDCRAA #EIR-10-01) certified by the San Diego County Regional Airport Authority on September 1, 2011. The Rental Car Center facility was approved by the California Coastal Commission on August 14, 2013 in accordance with the California Coastal Act (Coastal Development Permit #6-13-011).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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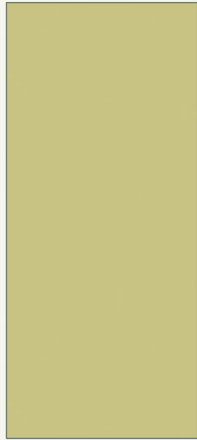
BRETON K. LOBNER  
GENERAL COUNSEL

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**Item 14**  
**October 2, 2014**

**APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST  
AMENDMENT TO THE KIMLEY-HORN AND ASSOCIATES, INC.,  
ON-CALL PROGRAM MANAGEMENT AND SUPPORT SERVICES  
AGREEMENT**

**PRESENTED BY: BOB BOLTON  
DIRECTOR, AIRPORT DESIGN & CONSTRUCTION**



# PRESENTATION TOPICS

Kimley-Horn and Associates, Inc.  
(KHA) History

Program Metrics

Board Action

# KHA HISTORY

## Original Contract (\$18 Million) Includes:

- Staff Augmentation
- RCC Program Support
- RCC Shuttle Bus Related Services
- Airside/Landside Engineering Services
- Environmental & Planning Related Services
- Concession Development Related Services
- The Green Build Close-out Support
- Parking Plaza Programming Support

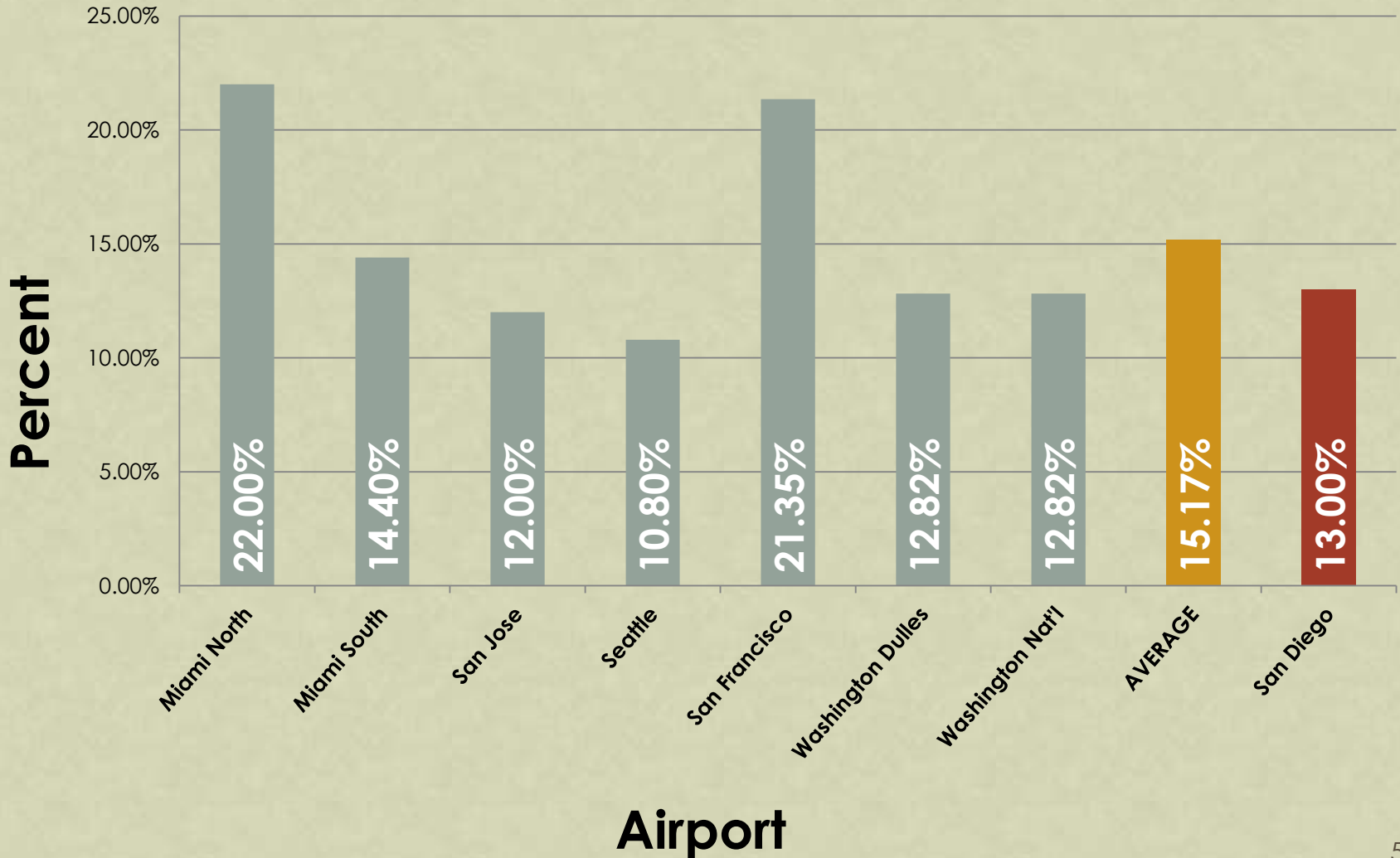
# KHA 1<sup>ST</sup> AMENDMENT

## \$15 Million Amendment Includes:

- Continuation of Services for RCC and North Side Improvement Projects
- Continuation of Services for Tasks Previously Defined
  - The Green Build Close-out
  - Parking Plaza Start-up Activities
  - Completing Tasks “in the Pipeline”
  - Ongoing CIP and Major Maintenance Projects



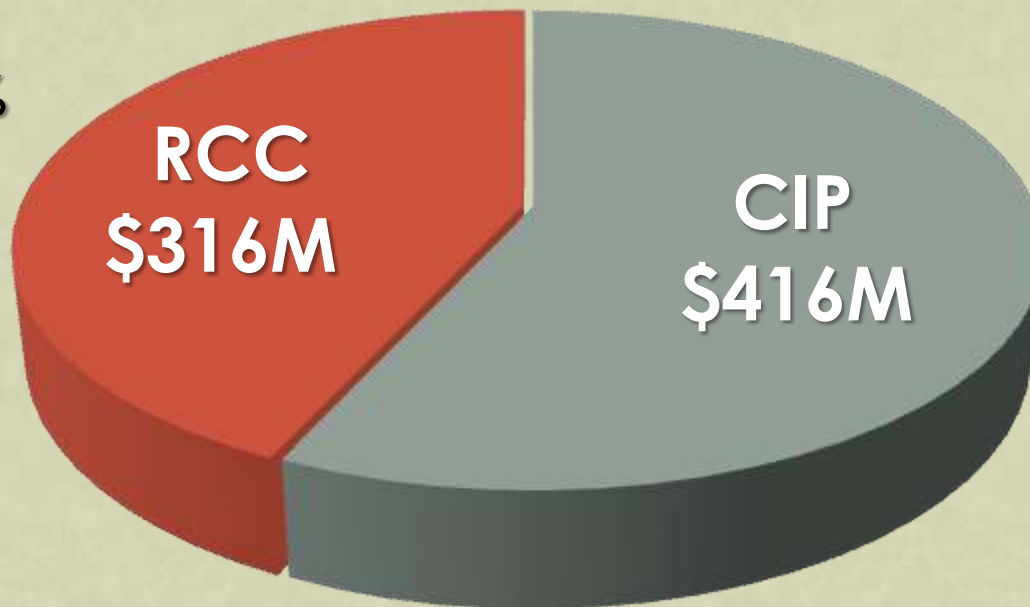
# PM/CM % OF PROGRAM



# PROGRAM BUDGET FORECAST FY2014

TOTAL PROGRAM BUDGET - \$732M

RCC  
PMCM 11%



# KHA PMSS AGREEMENT

<b>Description</b>	<b>KHA</b>
Current Board Authorized Contract Amount	\$18.0 Million
Requested Additional PMSS	\$15.0 Million
<b>Proposed Contract Amount</b>	<b>\$33.0 Million</b>

# BOARD ACTION

Approve and Authorize the President/CEO to Execute a First Amendment to the Kimley-Horn and Associates, Inc., On-Call Program Management and Support Services Agreement, by Exercising the First Option and Increasing the Agreement Amount by \$15,000,000 for a Revised Not-to-Exceed Amount of \$33,000,000



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**15**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Approve and Authorize the President/CEO to Execute a Second Amendment to the Demattei Wong Architecture, Inc., On-Call Consultant Services Agreement**

**Recommendation:**

Adopt Resolution No. 2014-0107, approving and authorizing the President/CEO to execute a Second Amendment to the Demattei Wong Architecture, Inc., On-Call Rental Car Center Development Architect and Engineering Consultant Services Agreement, increasing the Agreement amount by \$5,000,000, for a revised maximum not-to-exceed amount of \$27,000,000.

**Background/Justification:**

The rental car industry plays an important role in the success of the San Diego International Airport ("SDIA") by providing customer service and non-airline revenue to the San Diego County Regional Airport Authority ("Authority"). The Authority's Rental Car Center ("RCC") program will provide a long-term facility for the rental car industry at SDIA. The proposed RCC supports the Authority's goals for operational efficiency, commitment to environmental stewardship, regulatory compliance, and financial performance, by providing a single consolidated facility located on the northerly portion of SDIA, from which the majority of rental car companies serving SDIA will operate.

Previous Authority Board ("Board") Actions Relating to the RCC On-Call Architect and Engineering Consultant Services Agreement:

- October 6, 2011 – Authorized the use of \$60,000,000 in CFC funds for design of RCC facility (\$30,000,000) and enabling projects (\$30,000,000); and the increase of the FY 2012 - FY2016 Capital Improvement Program ("CIP") by \$264,000,000
- June 7, 2012 - Approved a \$10,000,000 design agreement with Demattei Wong Architecture, Inc. ("DWA")
- June 6, 2013 – Approved adoption of CIP for Fiscal Years 2014-2018 in the amount of \$1.5 billion including RCC facility budget in the amount of \$316.1 million

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On July 11, 2013, the Board authorized the President/CEO to execute an amendment to the Demattei Wong Architecture, Inc., Agreement, to increase the Agreement by \$12,000,000, for a revised not-to-exceed amount of \$22,000,000 for the following RCC design activities:

- Completion of 100% Construction Documents
- Preparation of final bid packages for: foundations, fuel system, conveyance systems, superstructure, exterior architecture, expansion joints, interior finishes, roof, mechanical/electrical/plumbing, fire protection system, lighting, landscaping, and signage
- Construction administration services during construction phase
- Reimbursable expenses (reprographics, travel, etc.).

Staff is requesting authorization to increase the DWA Agreement by \$5,000,000, for a revised not-to-exceed amount of \$27,000,000. Approximately \$21.5 million has been committed for 100% design and construction administration services on the project. Staff has estimated additional design and construction administration services required to complete the RCC project thru January 2016. These additional services will be performed on a Time and Material basis and all cost is accounted for in the budget for the Capital Improvement Program and the \$316.1 million RCC Program Budget for the following scope of work:

- New Scope of Work not included in the first amendment
  - Design and construction administration for build-out of Small Market Operator Spaces
  - Concept development, design, and construction administration for exterior lighting enhancement on the facade of the RCC project
  - Additional design services to accommodate field conditions
  - Redesign of the employee parking lot to accommodate Restaurant access and parking, and to add electric vehicle charging stations
  - Additional design services for stakeholder requested scope changes
- Scope of Work unanticipated at the time of the first amendment
  - Greater than anticipated on-site engineering and architectural services needed to accommodate the accelerated production schedule included in the GMP
  - Additional design services for multiple construction packages required for City of San Diego building permit of a unique building type
  - Additional design services necessary to relocate the water service connection to avoid project schedule delays and impacts to the San Diego Unified Port District tenant



**Fiscal Impact:**

Adequate funds for Demattei Wong Architecture, Inc., are included within the Board approved FY2015-FY2019 Capital Program Budget in Project No. 104151 – Rental Car Center (formerly ConRAC Development), Project No. 104175 Restaurant Core and Shell and Project No. 104188 Small Market Operator Build-out. Sources of funding for these projects include Customer Facility Charges and Airport Cash.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

- A. The proposed Rental Car Center facility was evaluated subject to the CEQA, Pub. Res. Code Section 21065 as a project component of the San Diego International Airport Master Plan Final Environmental Impact Report (SCH #2005091105; SDCRAA #EIR-06-01) certified May 1, 2008 and the Northside Improvements Final Supplemental Environmental Impact Report (also SCH #2005091105; SDCRAA #EIR-10-01) certified by the San Diego County Regional Airport Authority on September 1, 2011.
- B. The proposed Rental Car Center facility was approved by the California Coastal Commission on August 14, 2013 in accordance with the California Coastal Act (Coastal Development Permit #6-13-011).

**Application of Inclusionary Policies:**

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$100,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Demattei Wong Architecture did not receive the small business preference.

**Prepared by:**

BOB BOLTON  
DIRECTOR, AIRPORT DESIGN & CONSTRUCTION

RESOLUTION NO. 2014-0107

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 DEMATTEI WONG ARCHITECTURE, INC., ON-CALL RENTAL CAR CENTER DEVELOPMENT ARCHITECT AND ENGINEERING CONSULTANT SERVICES AGREEMENT, INCREASING THE AGREEMENT AMOUNT BY \$5,000,000, FOR A REVISED MAXIMUM NOT-TO-EXCEED AMOUNT OF \$27,000,000

WHEREAS, the rental car industry plays an important role in the success of the San Diego International Airport ("SDIA") by providing customer service and non-airline revenue to the San Diego County Regional Airport Authority ("Authority"); and

WHEREAS, the Authority's Rental Car Center ("RCC") program will provide a long-term facility for the rental car industry at SDIA; and

WHEREAS, the proposed RCC supports the Authority's goals for operational efficiency, commitment to environmental stewardship, regulatory compliance, and financial performance, by providing a single consolidated facility located on the northerly portion of SDIA, from which the majority of rental car companies serving SDIA will operate; and

WHEREAS, on October 6, 2011, the San Diego County Regional Airport Authority Board ("Board") authorized the use of \$60,000,000 in CFC funds for design of RCC facility (\$30,000,000) and enabling projects (\$30,000,000); and the increase of the FY 2012 - FY2016 Capital Improvement Program ("CIP") by \$264,000,000; and

WHEREAS, on June 7, 2012, the Board authorized the President/CEO to execute an On-Call Consultant agreement for Architect and Engineering Consultant Services related to the RCC, with Demattei Wong Architecture, Inc. ("DWA") for a term of four years with an option for a one-year extension and maximum not-to-exceed amount of \$10,000,000; and

WHEREAS, on June 6, 2013, the Board approved adoption of CIP for Fiscal Years 2014-2018 in the amount of \$1.5 billion including RCC facility budget in the amount of \$316.1 million; and

WHEREAS, on July 11, 2013, the Board authorized the President/CEO to execute an amendment to the DWA Agreement, to increase the Agreement by \$12,000,000, for a revised not-to-exceed amount of \$22,000,000 for completion of 100% construction documents; preparation of final bid packages for: foundations, fuel system, conveyance systems, superstructure, exterior architecture, expansion joints, interior finishes, roof, mechanical/ electrical/ plumbing, fire protection system, lighting, landscaping, and signage; and construction administration services during construction phase; and reimbursable expenses (reprographics, travel, etc.) for RCC design activities; and

WHEREAS, Staff is requesting authorization to increase the DWA Agreement by \$5,000,000, for a revised not-to-exceed amount of \$27,000,000; and

WHEREAS, approximately \$21.5 million has been committed for 100% design and construction administration services on the project; and

WHEREAS, Staff has estimated additional design and construction administration services required to complete the RCC project thru January 2016; and

WHEREAS, the additional services will be performed on a Time and Material basis and all cost is accounted for in the budget for the Capital Improvement Program and the \$316.1 million RCC Program Budget for the following scope of work.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute a Second Amendment to the Demattei Wong Architecture, Inc., On-Call Rental Car Center Development Architect and Engineering Consultant Services Agreement, increasing the Agreement amount by \$5,000,000, for a revised maximum not-to-exceed amount of \$27,000,000; and

BE IT FURTHER RESOLVED that the San Diego County Regional Airport Authority Board finds that the proposed Rental Car Center ("RCC") was evaluated subject to the California Environmental Quality Act ("CEQA"), Pub. Res. Code Section 21065 as a project component of the San Diego International Airport Master Plan Final Environmental Impact Report (SCH#2005091105; SDCRAA#EIR-06-01) certified May 1, 2008 and the Northside Improvements Final Supplemental Environmental Impact Report (also SCH#2005091105; SDCRAA #EIR-10-01) certified by the San Diego County Regional Airport Authority on September 1, 2011.

BE IT FURTHER RESOLVED that the Rental Car Center facility was approved by the California Coastal Commission on August 14, 2013 in accordance with the California Coastal Act (Coastal Development Permit #6-13-011).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY  
**STAFF REPORT**

Item No.  
**16**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Review and Acceptance of (1) Modifications to the Vehicle Conversion Incentive-Based Program; (2) Transportation Network Company (TNC) Permit Criteria; (3) Taxicab and Vehicle For Hire (VFH) Memorandum of Agreement (MOA) – Requirements, Responsibilities and Consequences; and (4) an Update on Other Ground Transportation Issues**

**Recommendations:**

Adopt Resolution No. 2014-0108, revising Resolution No. 2009-0150R to exempt limousines, livery vehicles and charter party carriers (TCP licensed only) from all Airport clean air vehicle conversion objectives, plans, incentives and requirements.

Adopt Resolution No. 2014-0109, (1) approving modifications to the Vehicle Conversion Incentive-Based Program related to alternative fuel vehicle incentives and, (2) adopting a cost recovery fee for Fiscal Year 2015 for TNC vehicles.

Adopt Resolution No. 2014-0110, approving the Transportation Network Company (TNC) Permit Criteria and directing staff to proceed with the issuance of the Airport's TNC Vehicle and Driver permits commencing January 1, 2015.

Adopt Resolution No. 2014-0111, approving (1) the Taxicab and Vehicle for Hire Memorandum of Agreement (MOA) requirements, responsibilities and consequences and, (2) directing staff to proceed with the issuance of the newly revised Airport MOAs commencing November 1, 2014.

**Background/Justification:**

This Ground Transportation Staff Report is divided into the following sections:

Section 1 Ground Transportation Projects Update

Section 2 Financial and Ground Transportation Topics

- Taxicab and Vehicle for Hire CSR Staffing and Dispatch Operation
- Limousine and Charter Vehicle Conversion Exemption
- Ground Transportation Grants and Financing Opportunities
- Commercial Vehicle Conversion Incentive Programs
- Airport Ground Transportation Access Fees

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Section 3 Transportation Network Company (TNC) Permit Requirements and Criteria

Section 4 Airport Taxicab and Vehicle for Hire (VFH) Memorandum of Agreement (MOA) - Requirements, Responsibilities and Consequences

**Section 1**Ground Transportation Projects Update

The Airport's ground transportation functions include: (1) Annual permitting of taxicabs, vehicle for hire (VFH) shuttles (vehicles and drivers), livery vehicles, limousines and charters, and courtesy vehicles (e.g., off airport parking operators, hotel/ motel vehicles and rental car agency shuttles (Note: permitting of Transportation Network Company ("TNC") vehicles and drivers is pending Board approval); (2) Airport Code Enforcement and Terminal Traffic management and curbside customer service; (3) Management of the ACE parking and shuttle contracts; (4) SP+ contract providing for the Rental Car Center ("RCC") bus purchase and operation; and (5) T2 Parking Plaza project sponsor.

Over the next two (2) years a number of technology, infrastructure and construction and other operational improvement projects will be underway to upgrade the Airport's commercial and non-commercial ground transportation system and capabilities. Projects, in the planning stages or currently underway:

PROJECT	SCOPE	PROJECTED COMPLETION DATES
<b>TECHNOLOGY</b>		
Commercial Vehicle Management System Software Upgrade	Commercial vehicle software update to enhance data collection and reporting for all commercial vehicles	Completed July 1, 2014
Parking and Revenue Control System upgrade	Replacement of aged and end-of-life terminal parking entry and exit equipment	December 2014
Commercial Vehicle and Driver Self-Permitting	New software system allowing drivers and vehicle permit holders to complete on-line GT permit applications.	January 2015
Automated Vehicle Identification (AVI) Upgrade	Phased installation of new software and the associated hardware to track commercial vehicle trips on airport roadways and facilities	Phase I: Jan. 2015 Phase II: June 2015 Phase III: Mar. 2016
Automated Trip Coupon Payment System	New software system offering all commercial vehicle drivers and permit holders the ability to make trip fee payments on-line	March 2016
Automated Taxicab and Vehicle for Hire Dispatch System	New software system to automatically dispatch taxicabs and shuttles from the Hold Lot to the Terminal transit islands.	March 2016

PROJECT	SCOPE	COMPLETION DATES
<b>INFRASTRUCTURE &amp; CONSTRUCTION</b>		
Rental Car Center Bus Procurement and Staging Area	4 acre parcel located on TDY to securely stage and safely operate 16-20 40' Rental Car Center CNG buses when procured	Buses- July 2015 Facility- September 2015
Employee Parking Lot expansion	Expansion of existing employee lot to accommodate 650 additional parking spaces	December 2015
Taxicab and Vehicle for Hire Hold Lot and Staging Area	5 acre parcel located on TDY to safely and securely stage 180 taxis and 40 VFHs with automated dispatch capability.	March 2016
Harbor Drive traffic upgrades	Harbor Drive turn lane and other roadway improvements	September 2016
Airport Parking Plaza	Project to construct and operate a "green," "smart" Airport Parking Plaza for Terminal 2.	TBD
PROJECT	SCOPE	COMPLETION DATES
<b>OTHER</b>		
Taxcab and Vehicle for Hire MOA	Development of a new Taxicab and Shuttle MOA specifying requirements, responsibilities, consequences and implementation.	January 1, 2015
TNC Permit Application	Development of a new TNC Permit Application conforming to the California Public Utilities Commission (PUC) Rulings and Airport requirements	January 1, 2015
Transportation Network Company (TNC) Pilot Program	One (1) year pilot program to allow TNCs to conduct operations at the Airport. The pilot will assess driver and vehicle permitting and operational management.	January – December 2015

Taxicab and Vehicle for Hire Availability	Improvement to scheduling methods and staging areas to better accommodate customer demand	April 2015
Taxicab and Vehicle for Hire Dispatch Personnel (CSRs) Staffing and Operations	CSR staffing model improvements to provide better customer service and more efficient commercial vehicle operations	July 2015 (dependent on Staff Report option selected)
Customer Wait Time Reduction	Queuing technology applications- RFID (Radio Frequency Identification) or Blue Tooth (celluar identification) to monitor and record customer wait times.	October 2015

## Section 2

### Financial and Ground Transportation Topics

#### Taxicab and Vehicle for Hire CSR Staffing and Dispatch Operation

The Board directed staff to recommend a plan to correct the underperforming taxicab and vehicle for hire ("VFH") Customer Service Representative ("CSR") operational model and thus, establish a means of providing a better customer experience and improved vehicle and passenger dispatch.

Taxicab and VFH dispatch operations are currently conducted on the Airport's transportation islands by ACE Parking's CSRs and SuperShuttle's Guest Service Representatives ("GSRs"). The ACE CSRs dispatch VFH shuttles for the San Diego County Airport Shuttle Association ("SDCASA") (Note: SDCASA is comprised of Coronado Livery, Advanced Shuttle, EZ Ride Shuttle, Sea Breeze Shuttle, and Airport Shuttle) and Prime Time shuttles from the Taxicab and Vehicle for Hire Hold Lot, the Commuter Terminal and Terminal 1 and Terminal 2. SuperShuttle's GSRs dispatch their company's shuttles from Terminal 1 and Terminal 2.

#### Customer Service

The ACE CSRs currently are charged with providing customer service and dispatch operations for taxicabs and the designated shuttle companies. CSRs greet customers, respond to questions and inquiries, ensure the continual supply of taxicabs and shuttles and generally orchestrate a smooth flow of vehicles on the transportation islands. CSRs direct reservation and non-reservation (walk-up) customers to the designated VFH Company. CSRs must often educate non-reservation customers who are often unfamiliar with the VFH operators and services. CSRs must also contend with insufficient supplies of taxicabs and VFHs as well as to manage the continual flow of passengers with questions and inquiries.

CSRs are currently challenged to provide accurate fare information to the commercial transportation customers. CSRs must request the information from the driver due to differing VFH fare structures and fare "bargaining". CSRs must often deal with competing drivers and their constant and disruptive efforts to solicit passengers. CSRs have no enforcement authority to address or discipline improper driver behavior. Authority Code Section 9.33 states "Airport Traffic Officers ("ATOs") and other Authority personnel designated by the President/CEO that are assigned to the enforcement of Authority codes, applicable sections of the California Vehicle Code and other applicable laws relating to illegal parking and related violations within the jurisdiction of the Authority are authorized to issue written notices of violation..." ATOs, however, are not always present at the transportation islands to enforce the Rules and Regulations.

Staff reviewed the CSR challenges to define the problems and identify the best solution. Multiple options and their advantages and disadvantages were compiled and evaluated to fully understand the problem and its complexities, obtain stakeholder feedback, and develop a more effective, efficient and robust customer service solution.

Option 1: Use Current ACE CSR Structure and Staffing for Dispatch and Operations. ACE Parking's present CSR structure and staffing is comprised of 41 employees (36 part time employees working less than 30 hours per week) with a full time supervisory staff. New hires start out at California state minimum wage and are provided an annual 3% increase. These employees are required to attend ACE CSR training comprised of a three (3) hour ACE Orientation training class and two (2) weeks of curbside On Job Training (OJT) with supervisory oversight that covers various topics including professional conduct, taxicab and VFH operational dispatch procedures, passenger queue management and customer service. ACE CSRs are represented by Teamsters Local 481 so ACE is obligated to follow the collective bargaining agreement for discipline and termination.

Option No. Scenario	Assessment Advantages	Assessment Disadvantages	Projected Trip Fees FY16-FY18 <sup>1</sup>
<b>1. Current State - ACE CSR Staffing with Enhanced Training Program and a Permanent Airport Traffic Officer (ATO) Presence on the Transportation Islands</b>	1) Maintains current staffing model and does not alter ACE contract terms and conditions; 2) Maintains lowest cost vehicle trip fees for VFH providers; 3) An enhanced training program for CSRs would further improve service skills, dispatch operations and procedures; 4) Greater ATO presence on the transportation island would improve needed enforcement and better oversight.	1) Base wages with minimal benefits do not effectively attract a high level of CSR staff talent or capability; 2) Two CSR systems can often confuse customers (existing SuperShuttle GSR would remain); 3) Current CSR staffing is insufficient at peak passenger arrival volumes and times diminishing the CSRs ability to provide optimal customer service.	Without SuperShuttle Taxicabs FY16: \$3.51 FY17: \$3.88 FY18: \$3.92 <u>VFH (SuperShuttle)</u> FY16: \$2.61 FY17: \$3.00 FY18: \$2.99 <u>VFH (Other Shuttles)</u> FY16: \$12.71 FY17: \$13.13 FY18: \$13.53  With SuperShuttle Taxicabs FY16: \$3.51 FY17: \$3.88 FY18: \$3.92 <u>VFH (SuperShuttle)</u> FY16: \$7.06 FY17: \$7.46 FY18: \$7.63

<sup>1</sup> All costs are currently estimates. Actual trip fees for FY16-FY18 will be established and set during the FY16 budget process.



Option 2: Full-time presence of Airport Traffic Officers for Dispatch and Operations.  
 The use of Airport Traffic Officers (ATOs) would allow better and effective enforcement of the Airport's Rules and Regulations for drivers and vehicles. It would also bring individuals that are more committed and qualified than the existing personnel to the transportation islands to perform dispatch duties and responsibilities.

Option No. Scenario	Assessment		Projected Trip Fees FY 16 – FY 18 <sup>2</sup>
	Advantages	Disadvantages	
<b>2. Airport Traffic Officers Staff All CSR functions</b>	1) ATOs can enforce the Airport's Rules and Regulations (Airport Code Section 9.33) and better maintain vehicle flow, driver discipline and curbside operations; 2) Supervision and direction provided by the Airport.	1) ATOs would have to manage functions not within their control (vehicle availability and customer wait times); 2) Would require additional ATO headcount; 3) SuperShuttle employs its own GSR which allows them greater van density (better efficiency with more passengers in the vehicles) and driver oversight and discipline; 4) SuperShuttle has indicated that under a model where it is not allowed to maintain its employees, it would have to lay off employees; 5) Scarce terminal space would likely be requested by the current VFH companies to provide reservation customers with a check-in location.	Without SuperShuttle Taxicabs FY16: \$4.72 FY17: \$5.19 FY18: \$5.31 <u>VFH (SuperShuttle)</u> FY16: \$2.30 FY17: \$2.69 FY18: \$2.69 <u>VFH (Other Shuttles)</u> FY16: \$27.46 FY17: \$28.60 FY18: \$29.63  With SuperShuttle Taxicabs FY16: \$4.72 FY17: \$5.19 FY18: \$5.31 <u>VFH (SuperShuttle)</u> FY16: \$13.38 FY17: \$14.10 FY18: \$14.55 <u>VFH (Other Shuttles)</u> FY16: \$13.38 FY17: \$14.10 FY18: \$14.55

<sup>2</sup> All costs are currently estimates. Actual trip fees for FY16-FY18 will be established and set during the FY16 budget process

Option 3: Upgrade the CSR dispatch personnel to full-time with improved operating procedures. ACE Parking currently provides the Taxicab and VFH dispatch personnel (except for SuperShuttle) which provides ACE-trained individuals with basic customer service skills and dispatch capabilities and knowledge. ACE has committed to and made initial inquiries to provide individuals with a higher customer service skill sets and knowledge of dispatch operations. There are also no contractual agreements for performance standards within the current ACE contract to apply in the event the operational arrangements do not work as planned. ACE however, has stated they would be willing to amend the current contract to upgrade the CSR position and institute specific performance criteria.

Option No. Scenario	Assessment Advantages	Assessment Disadvantages	Projected Trip Fees FY16-FY18 <sup>3</sup>
<b>3. ACE CSR Staffing Upgrade to Full Time and a Permanent ATO Presence on the Transportation Islands</b>	1) Dedicated full time staff typically will have a lower turn-over rate; 2) CSR job candidates would be screened and hired for specific responsibilities especially related to customer service, taxicab and VFH operations, passenger queue management and other critical operations requirements.	1) If SuperShuttle is not allowed to employ its own GSRs, it has indicated that customer service will suffer, greater van density (better efficiency with more passengers in the vehicles) will not be achieved (SuperShuttle has proprietary scheduling software that no one outside of their company will be allowed to use) and driver oversight and discipline will not be as stringent; 2) Difficulty integrating staff and operation procedures for the different VFH companies.	Without SuperShuttle <u>Taxicabs</u> FY16: \$3.97 FY17: \$4.37 FY18: \$4.43 <u>VFH (SuperShuttle)</u> FY16: \$2.66 FY17: \$3.05 FY18: \$3.05 <u>VFH (Other Shuttles)</u> FY16: \$16.87 FY17: \$17.49 FY18: \$18.06  With SuperShuttle <u>Taxicabs</u> FY16: \$3.97 FY17: \$4.37 FY18: \$4.43 <u>VFH (SuperShuttle)</u> FY16: \$8.92 FY17: \$9.41 FY18: \$9.66 <u>VFH (Other Shuttles)</u> FY16: \$8.92 FY17: \$9.41 FY18: \$9.66

<sup>3</sup> All costs are currently estimates. Actual trip fees for FY16-FY18 will be established and set during the FY16 budget process.

Option 4: SDCASA and Prime Time CSR Staff. CSR personnel hired and supervised by SDCASA and Prime Time would provide the VFH service providers with greater control and accountability for customer service, vehicle dispatch and driver oversight. These VFH providers would recruit and train a more professional, highly motivated staff for their consortium’s dispatch and customer service operations. A better trained, more qualified and experienced CSR staff would be able to respond to customer needs and requirements more quickly, ensure shuttles were more readily available and provide better oversight of drivers and curbside operations.

Option No. Scenario	Assessment		Projected Trip Fees FY16-FY18 <sup>4</sup>
	Advantages	Disadvantages	
<b>4.</b> <b>SuperShuttle</b> <b>GSR staff,</b> <b>SDCASA and</b> <b>Prime Time</b> <b>CSR Staff</b> <b>Provided Staff</b> <b>with a</b> <b>Permanent</b> <b>ATO Presence</b> <b>on the</b> <b>Transportation</b> <b>Islands</b>	1) Relieve the Airport of the obligation to maintain a CSR contract and costs for SDCASA and Prime Time; 2) SDCASA and Prime Time would hire, train and support their own CSR and not rely on the Airport for staffing; SDCASA and Prime Time CSRs would provide dispatch, customer service and driver oversight; 3) SDCASA and Prime Time would be directly accountable for shuttle quality assurance, customer satisfaction and compliance to the Airport’s requirements for van availability, they would deal directly with customer complaints and driver solicitations; 4) SDCASA and Prime Time would provide their own technology solutions to communicate shuttle fares, improve van density, customer satisfaction and airport transit efficiency.	1) VFH providers would each have their own three separate CSRs, CSRs would then be required to work together collaboratively and professionally with each other; 2) Untested staffing structure-specific CSR requirements and expectations would have to be developed and implemented, SDCASA and Prime Time are not currently responsible for CSR staffing and oversight; 3) Walk up passengers would still be confronted by (and possibly confused with) various shuttle options and providers.	a) SDCASA and Prime Time CSR staff <u>Taxis</u> FY16: \$3.52 FY17: \$3.94 FY18: \$3.98 <u>VFH (SuperShuttle)</u> FY16: \$2.64 FY17: \$3.04 FY18: \$3.04 <u>VFH (Other Shuttles)</u> FY16: \$2.64 FY17: \$3.04 FY18: \$3.04

<sup>4</sup> All costs are currently estimates. Actual trip fees for FY16-FY18 will be established and set during the FY16 budget process.

Option 5: Contract Taxicab and VFH Dispatch Personnel and Operations to a new 3<sup>rd</sup> Party Operator. This option would allow the Airport to seek interested contractors providing qualified and professional staff with the desired customer service skills and technical capabilities to provide a better customer experience. The contract would be more specific with terms and condition, duties and responsibilities and performance expectations to ensure the contractor provides a higher level of service.

Option No. Scenario	Assessment Advantages	Assessment Disadvantages	Projected Trip Fees FY16-FY18 <sup>5</sup>
<p><b>5. Contract all CSR Personnel and Operations to a New Third Party Operator and a Permanent ATO Presence on the Transportation Islands</b></p> <p><b>Labor costs projected @</b>                      a) \$27/hr.                      b) \$23/hr.                      c) \$19/hr.</p>	<p>1) Dedicated full time staff typically will have a lower turn-over rate;                      2) CSR job candidates would be screened and hired for specific responsibilities especially related to customer service, taxicab and VFH operations, passenger queue management and other critical operational requirements;                      3) A Third Party vendor would bring a fresh perspective to the operation.</p>	<p>1) Costs could be higher, but that is unknown until the RFP solicitation process is complete;                      2) If SuperShuttle is not allowed to employ its own GSRs, it has indicated that customer service will suffer, greater van density (better efficiency with more passengers in the vehicles) will not be achieved (SuperShuttle has proprietary scheduling software that no one outside of their company will be allowed to use) and driver oversight and discipline will not be as stringent;                      3) SuperShuttle has indicated that under a model where it is not allowed to maintain its employees, it would therefore have to lay off employees.</p>	<p>a) @ \$27/hr.                      Taxicabs:                      FY16: \$3.97                      FY 17: \$4.37                      FY18: \$4.43                      VFH (SuperShuttle):                      FY16: \$8.92                      FY17: \$9.41                      FY18: \$9.66                      VFH (Others):                      FY16: \$8.92                      FY17: \$9.41                      FY18: \$9.66</p> <p>b) @ \$23/hr.                      Taxicabs:                      FY16: \$3.74                      FY 17: \$4.12                      FY18: \$4.17                      VFH (SuperShuttle):                      FY16: \$7.97                      FY17: \$8.41                      FY18: \$8.62                      VFH (Others):                      FY16: \$7.97                      FY17: \$8.41                      FY18: \$8.62</p> <p>c) @ \$19/hr.                      Taxicabs:                      FY16: \$3.50                      FY 17: \$3.87                      FY18: \$3.90</p>

<sup>5</sup> All costs are currently estimates. Actual trip fees for FY16-FY18 will be established and set during the FY16 budget process.

Option No.	Assessment		Projected Trip Fees
Scenario	Advantages	Disadvantages	FY16-FY18 <sup>6</sup>
<b>Option 5 (cont.)</b>			VFH (SuperShuttle): FY16: \$7.06 FY17: \$8.41 FY18: \$8.62 VFH (Others): FY16: \$7.97 FY17: \$8.41 FY18: \$8.62

Other options considered by staff to address the staffing and operational issues:

Option 6: Alter the T2 Transportation curbside operation to separate the Shuttles and relocate the taxicabs to another curb. Currently all CSR personnel and vehicles are co-located on the T2 Transportation Island. With this option, the physical locations of the SuperShuttle, Prime Time Shuttle and SDCASA Shuttle CSRs and vehicles would be redesignated to minimize customer confusion with competing companies, driver solicitations of passengers and a more efficient operation.

Option No.	Assessment		Projected Trip Fees
Scenario	Advantages	Disadvantages	FY16-FY18 <sup>7</sup>
<b>6. Alter the T2 Transportation Curbside Operation to Separate the Shuttles and Relocate the Taxicabs to Another Curb</b>	1) This option would minimize customer confusion with competing companies; 2) Would potentially reduce the possibility of driver solicitations of passengers; 3) Create a more efficient operation	1) Does not address current multiple CSR scenario; 2) Due to physical constraints, can't be accomplished until after Rental Car Center opens in 2016; 3) Status-quo at Terminal 1	No cost

<sup>6</sup> All costs are currently estimates. Actual trip fees for FY16-FY18 will be established and set during the FY16 budget process.

<sup>7</sup> All costs are currently estimates. Actual trip fees for FY16-FY18 will be established and set during the FY16 budget process.

Staff recommends Option #5 to contract taxicab and VFH dispatch operations and customer service personnel to a new 3<sup>rd</sup> party operator. This decision is made based on the following:

- 1) *Enhanced customer service and more contractual performance requirements*  
A professionally trained staff with specific customer service performance measures would provide a higher level customer experience and address the various passenger needs and questions. A third party contractor with their commercial vehicle dispatch expertise along with the CSR consolidation would minimize customer confusion over competing ground transportation services.
- 2) *Improved shuttle vehicle curbside dispatch and van utilization*  
A common CSR would ensure passengers (especially those without reservations) would be able to use the next available van. This would increase the van's utilization and efficiency reducing the likelihood of vans leaving the airport without the reasonably full passenger load.
- 3) *Van driver customer service and compliance*  
A better trained CSR staff would negate the need for driver interaction with passengers minimizing driver solicitation and fare bargaining.
- 4) *Technology Use*  
A number of new and innovative technologies are available to assist the consolidated CSR as well as the taxicab and the VFH providers. These technologies include vehicle Global Positioning Systems, an "open" passenger reservation system, an application to provide passengers with pricing, vehicle availability and time to destination and an application to consolidate and direct non-reservation passengers to the next available transportation mode. Better use of technology would also provide more detailed data and management reports leading to better feedback and continual improvement.

#### Limousine and Charter Vehicle Conversion Exemption

In the Board Resolution 2009-0150R, the requirements stipulated in the Attorney General Memorandum of Understanding ("AG MOU") of May 2008 were augmented by the Authority Board's approval mandating all commercial ground transportation vehicles to be fully compliant with the Airport's alternative fuel and clean air vehicle commitments by July 1, 2017. This action expanded the commercial vehicle covered providers beyond shuttle vans as required by the AG MOU to include taxicabs, limousines and charters to comply with the Airport's Alternative Fuel and Clean Air Vehicle commitments. Limousines and Charters have expressed a number of reservations and significant concerns about their ability to convert for the following reasons:



1. Viable or acceptable clean air or alternative fuel vehicles that meet the charter industry's requirements for purchase price, vehicle cost of ownership and customer acceptance are not available in today's vehicle market. There are also no published plans by any automotive manufacturer to offer replacement models for today's standard Lincoln Town Car. Prius hybrids were approved to replace the taxicab standard Ford Crown Victoria (the Prius is more suited to the taxicab customer and although these vehicles get better gas mileage are not considered alternative fuel or clean air vehicles). Larger limousine vehicles, whether hybrid, clean air or alternative fuel are not available.

According to a recent (California) Center for Sustainable Energy ("CSE") update, only the following vehicles meet the Airport's requirements (all of these vehicle types are considered unacceptable due to vehicle size, purchase price or cost of ownership):

Hybrids/ Electric

- LINCOLN MKZ
- LEXUS CT 200h and 300h
- TOYOTA Avalon
- TESLA Model S
- FORD Fusion
- BMW i3

Biodiesel/Diesel Models:

- Audi A6, A7, A8 L
- BMW 3 Series, 5 Series, 7 Series
- Mercedes Benz E-Class

2. Clean air vehicle (e.g., CNG, Propane, Electric or Hydrogen) fueling infrastructure continues to either be non-existent (for electric and hydrogen) or widely dispersed (for propane, compressed natural gas and biodiesel) or operate at irregular times throughout the County. This situation makes it extremely problematic for limousine operators to be assured of needed, cost effective fueling when needed.
3. SDIA is the only California airport with a limousine conversion mandate. Many southern California limousine operators serve multiple airports in the region, making conversion to meet one Airport's requirements difficult.
4. The California Public Utilities Commission ("CPUC") is not requiring the conversion of charter and limousine vehicles. The Greater California Livery Association (GCLA) has petitioned the CPUC to "adopt a regulation providing that vehicle standards for limousine operators and other charter party carriers are within the Commission's exclusive jurisdiction." A California Airports Council's response states "the CAC strongly believes that airports have the authority to set standards for charter party carriers operating limousines who wish to conduct business on airport property." ("Assigned Commissioner's Ruling Regarding the Commission's Rules for Limousine Operators and other Charter Party Carriers" (Attachment A) and "The California Airports Council Comments in Response to Whether the Commission Has Exclusive Jurisdiction to Regulate Vehicle Standards for Charter Party Carriers, (Attachment B).
5. It is unlikely limousine and charter operators will acquire the needed vehicles or have the necessary fueling infrastructure to meet the Airport's July 1, 2017 conversion commitments (based on recent manufacturer inquiries and published new vehicle releases).

6. Finally, the AG MOU did not require limousine or charter vehicle conversions.

Staff recommends that limousines, charter and livery vehicles (except TNCs) serving the Airport be exempted from the Airport's Air Quality Management Plan ("AQMP") and Comprehensive Ground Transportation Management Plan ("CGTMP"). After a very extensive review of the available charter party carrier vehicles and the new planned vehicle introductions as well as the problematic fueling infrastructure, it is apparent that limousines and charter vehicles will be unable to meet the AQMP and CGTMP which therefore, presents an extremely difficult situation for operators to comply with the Airport's July 1, 2017 conversion commitments.

#### Ground Transportation Grants and Financing Opportunities.

The Board directed Staff to return with recommendations at the September 2014 Board meeting with concepts for providing financing opportunities or grants to commercial ground transportation operators ("Operators") to convert to Alternative Fuel Vehicles (AFV) or Clean Air Vehicles (CAV). Staff researched grant and funding programs from TransNet, San Diego Air Pollution Control District, MTS, and California Center for Sustainable Energy (CSE). No programs were currently found to be available that would significantly assist the Operator's efforts to convert to AFV vehicles.

Current initiatives before the state legislature were researched for applicability to the Operators, including the California Clean Truck, Bus and Off Road Vehicle Equipment Program and the California Green Bank. These programs, if approved, would not start before January 1, 2015 and definitions and applicability to vehicles types have not yet been established.

The Transportation Alliance Group (TAG) submitted a proposed \$3,000,000 incentive payment and outreach program for Staff to consider in November 2013. The proposed program would essentially create a \$3,000,000 grant program (funded by the Authority) for operators to convert their vehicles. General Counsel reviewed the program and advised that such a use of Airport funds would constitute revenue diversion based on the FAA Revenue Diversion Policy (64 Fed. Reg. 7696; 49 USC § 47133 and § 47107).

In April 2014, TAG proposed an incentive program whereby the Authority would apply, in perpetuity, a 25% discount for AFV/CAV vehicles and 25% premium for non-AFV/CAV vehicles. Discounts and premiums have been set for Fiscal Year (FY) 15 at these levels. Staff has considered the proposal, but is recommending a variation of the proposal that, in staff's opinion, is more encouraging for conversions (refer to the Vehicle Conversion Incentive Program section).

As a business relationship benefit, the Authority's primary bank (US Bank) has offered preferred pricing on loan rates for GT operators. The preferred pricing program offers a 0.50% loan rate discount, an expedited approval process and a 100% finance option to Operators who qualify. The merits and highlights of the loan rate program have been discussed with the taxicab and VFH operators and staff will be meeting with the industry this fall to convey the specific program details and requirements.

Staff has also investigated ways to increase the number of Operators who qualify for automobile loans by using premium payments (from the Vehicle Conversion Incentive Program) as collateral for credit enhancement. One significant limiting factor in providing such collateral is the FAA Revenue Diversion Policy. The FAA policy states that airport revenue may not be expended unless the expenditure is directly related to the capital or operating costs of the airport. As GT operators do not operate exclusively at the Airport, General Counsel has advised that there is significant risk that the use of Airport funds for collateral would be considered revenue diversion.

To alleviate these limited financing opportunities, staff is recommending an additional 25% discount from the FY16 fees for vehicles that convert to AFV/CAV from October 1, 2014 through June 30, 2016. The 25% discount would be available to public commercial ground transportation vehicles (Commercial Vehicles including TNCs) except charter and limousine vehicles. The 25% discount will be applied to the FY16 Fees, which will be calculated and presented as part of the FY16 Budget process.

For taxicabs, this 25% discount from the FY16 trip fee would be spread over FY16 and future fiscal years (if necessary) to avoid any potential violation of Proposition 26 [Cal. Constitution Article XIIIC] (All trip fees collected from taxicab passengers must be remitted to the Authority hence the trip fee remitted to the Authority cannot be lower than the \$2.00 meter fee collected from the passenger). All other modes will benefit from the discount in FY16.

#### Commercial Vehicle Conversion Incentive Program

The current Vehicle Conversion Incentive Program ("Incentive Program") was approved and adopted in March 2010 (Resolution 2010-0027R). The goal of the Incentive Program is to convert 100% of the public commercial ground transportation vehicles (Commercial Vehicles) operating at the Airport to AFVs or to CAVs by 2017. The following table shows the discount and premium rates implemented with the Incentive Program.

Fiscal Year	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
% Reduced user fees for AFVs/CAVs	100%	100%	75%	50%	25%	10%	0%	0%
% Increased user fees for non-AFVs/non-CAVs	0%	0%	25%	50%	75%	100%	150%	200%

The Incentive Program has been modified several times since its adoption.

Board Resolution 2012-0114 deferred the penalty for not operating an AFV for all commercial vehicle model types for Fiscal Years 2013 and 2014. Board Resolution 2014-0057R set the Fiscal Year 2015 penalty at 25%.

In order to avoid potential violation of Proposition 26, the Incentive Program for taxicabs was modified by the Board in May 2012 to replace the reduced user trip fee incentive program for taxicab AFVs and CAVs with a cash based incentive program that reduced or eliminated permit fees and provided a cash rebate in certain years, beginning July 1, 2012 (FY13) and lasting through FY16. The amount of incentive payments and permit fee waivers for taxicabs is estimated to approximately equal the amount of the discount that would have been received under the original Incentive Program.

To fulfill the Authority's Ground Transportation vehicle conversion goals while seeking broad support from the ground transportation industry, the following incentives are recommended to replace the existing taxicab incentive and modified incentive program:

	<b><u>FY 2015</u></b>	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>	<b><u>FY 2018-2021</u></b>
Discount from trip fees for AFVs/CAVs	25%	25% <sup>8</sup>	25%	25%
Premium on Trip fee for non-AFVs/non-CAVs	25%	50%	75%	100%

It is recommended by staff that the premium and discount apply to all modes (including TNCs) except limousines, charter and livery vehicles (see prior section on Limousine and Charter Vehicle Conversion Exemption). Converted Limousines as of December 31, 2014 will continue to receive discounts in FY 15 and FY 16 of 25% and 10% respectively as provided by the original incentive plan.

#### Airport Ground Transportation Access Fees

To further meet the Airport's ground transportation goals, staff is recommending implementation of trip fees for all Operators to replace the existing Vehicle Permit and Taxicab Trip Fee cost recovery program. In the existing cost recovery model (Attachment C), there is a two year lag for recovery of the Authority's GT operating expenses (i.e. FY15 permit fee amounts were based on FY13 GT operating expenses). When the cost recovery program was implemented, each commercial vehicle mode was polled as to how they preferred to pay the airport fees. All requested the fee be charged in the permit except for the taxicabs. The taxicab drivers and permit holders requested both the trip fee and the permit fee be used.

In the proposed cost recovery program, revenue and expenditures are based on the same fiscal year (e.g. FY16 trip fees will be based on budgeted FY16 costs; FY17 trip fees will be based on estimated FY17 costs; etc.). During the FY16 budget process, trip fees will be established and set for FY16 – FY18 based on expected costs during those fiscal years. The trip fees for FY16 – FY18 will be presented to the GT Modes and the Board as part of the FY16 budget process. Costs and trips will then be re-assessed during the FY19 budget process to establish FY19 - FY21 trip fees. This proposed

<sup>8</sup> The 25% discount in FY16 does not include the proposed additional discount of 25% relating to all vehicles that are converted from 1st October 2014-30th June 2016.

program has obtained broad industry support. The main advantages of a trip fee model include:

- 3 year trip fee projection provides certainty of costs to GT providers
- Assists the Airport in reducing traffic as GT operators seek to more efficiently serve the Airport (i.e., there is an incentive to reduce trips)
- More accurate allocation of cost recovery for providers within each mode
- Ease of introduction for new modes (e.g., TNC's)
- More equitable association of costs and benefit

The projected trip fee estimates (FY16- FY18) are shown in the previous section entitled Airport Taxicab and Vehicle for Hire Dispatch Personnel Staffing (CSRs) and Operations .

**Section 3**Transportation Network Company (TNC) Permit Requirements and Criteria

A great deal of discussion has surfaced lately about the emergence of a new commercial vehicle business model, designated TNC, including new restrictive commercial transportation regulatory requirements, resistance from existing providers and ever-changing and expanding customer demands for commercial ground transportation services. These issues become very visible as states, municipalities and airports look for ways to adapt to and impose regulatory oversight over TNCs who provide commercial transportation services to customers for fee or compensation using private or personal vehicles.

Major criticisms and concerns have been expressed regarding insurance and liability coverage, vehicle safety, inspections and operations, driver qualifications, background checks and their legitimacy, customer safety, and consumer protection. Airports are very deeply concerned about insurance limits and coverage, passenger safety, curbside congestion and operations, roadway circulation and ensuring TNCs bear their fair share of operational costs and responsibilities.

As defined by the California Public Utilities Commission (PUC), a TNC is an organization, whether a corporation, partnership, sole proprietor or other form, operating in California providing transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles. All TNC transportation services must be prearranged through the use of the app or an online enable device. Transportation Network Companies (e.g., Uber, Lyft, and Sidecar) are very well funded and are currently operating in major cities throughout the United States and have made inroads into Europe and Asia.

TNCs are classified as Charter Party Carriers regulated by the PUC which has oversight responsibility for public safety and enforcement. In September 2013, the PUC issued its Decision to adopt rules and regulations for TNCs to ensure that public safety is not compromised by the operation of this new transportation business model. TNCs are not permitted to own vehicles used in their operations or to own a fleet of vehicles. TNCs however, compete with taxicabs, shuttles for hire, limousines in transporting passengers for compensation using private vehicles and independent drivers. A second *proposed* CPUC decision in June 2014 seeks to clarify the rules regarding insurance liability, limits and notifications.

TNCs currently are not authorized to operate on airport property, but continue to do so even after informal notifications, written warnings and the issuance of a cease and desist letter from the Authority's General Counsel in late July about the consequences of the TNC's continuing to operate on Airport property. Since January 2014, Airport Traffic Officers ("ATO") have issued 55 UBER-X citations and 51 LYFT citations for illegal airport operations (as of September 23, 2014). Harbor Police and the Metropolitan Transit System issued 14 citations in early May during a one night Airport operation.



At the July 7, 2014 meeting, the Authority Board approved Authority Code changes increasing the citation fee from \$67 to \$250 to place greater penalties on TNC operators for unauthorized Airport pick-ups.

#### TNC Oversight, Regulation and Enforcement

California law currently recognizes and regulates three modes of passenger transportation for compensation: taxicab services, regulated by cities and/or counties; charter-party carrier services, and passenger-stage companies, regulated by the PUC.

#### California Assembly Bill 2293 (Attachment D)

Effective July 1, 2015, AB 2293 requires a TNC to 1) disclose in writing to its participating drivers, as part of its agreement with those drivers, the insurance coverage and limits of liability provided by the TNC and advise the participating drivers in writing that their personal automobile insurance policy may not provide coverage while the driver makes himself or herself available for TNC services; 2) require a TNC's insurance policy to apply, as the primary coverage, in the event of a loss or injury when a participating driver is logged on to the TNC's application program; and 3) require the TNC's insurance company to defend and indemnify the participating driver and the person to whom the personal motor vehicle is registered in a civil action for a loss or injury that occurs when the personal motor vehicle is made available for TNC services.

AB 2293 was signed into law by Governor Brown on September 18, 2014. Specifically the approved legislation will

- Create a personal insurance firewall to ensure personal insurance auto policyholders will no longer subsidize the commercial activity of TNCs, beginning July 1, 2015.
- Lower the primary insurance coverage requirement in the timeframe formerly known as, "App On to Match," to: \$50,000/\$100,000/\$30,000 with excess coverage of \$200,000.
- Ensure CA Public Utilities Commission oversight of Transportation Network Companies (TNC) such as Uber and Lyft.
- Expedite the approval process for new TNC insurance products.

#### PUC Decision Rules and Proposed Decision Regarding TNCs (Attachments E & F)

The PUC has rejected the assertion that TNCs are nothing more than an application on smart phones and not part of the transportation industry. The PUC has ruled that the TNC app is the means by which the transportation service is arranged and performs essentially the same function as a limousine or shuttle company dispatch office. Accordingly, the PUC ruled that TNCs are not exempt from the PUC's jurisdiction over charter-party carriers and found that TNCs are a type of charter party carrier.

The PUC has issued regulatory and safety rules regarding TNC operations in California. For a TNC permit/certificate to be issued, a TNC must be in compliance with all points found in the CPUC Decision 13-09-045 Adopting Rules and Regulations on TNCs (September 23, 2013) and additional modifications as found in the CPUC Issues Proposed Decision to Clarify TNC Rules (June/July 2014 Revised) which are pending before the PUC.

Airport Permit Applications- Taxicabs and Limousines (Attachments G, H, & I)

The Ground Transportation Department requires all commercial ground transportation operators and drivers complete a vehicle and/or driver application for a permit to operate. The Taxicab Vehicle Permit Application, the Taxicab Driver Permit Application and the Limousine Vehicle Permit Application are provided. A Limousine Driver Permit is not required by the Airport and therefore a sample permit has not been provided.

TNC Airport Permit Criteria

Airport staff has evaluated, compiled and summarized requirements from PUC documents, airport permit requirements and from other commercial ground transportation providers. These findings and decisions form the basis for the staff's recommended TNC Application for permit. Airport staff has reviewed the requirements and permit criteria with the Taxicab and TNC representatives. Staff has received comments with differing viewpoints and opinions as to how the plans should be implemented for the TNC requirements and criteria.

UBER Technologies submitted its comments (Attachment J1-J2) in response to the recommended Airport permit requirements and criteria. Its comments clearly highlight the significant operational philosophical differences between UBER's business model and that of the other regulated business and operational models currently used by the taxicabs and limousines operators.

Lyft was provided the permit criteria but has not provided any responses or comments. The third most prominent TNC, Sidecar, has not yet approached the Airport to inquire about the possibility of obtaining a permit to operate.

A major point of contention is the Airport's proposed "Pilot Plan" limiting the number of TNC permitted vehicles and drivers servicing the Airport. Since the number of taxicab permits is limited and controlled, TNC permits should also be kept at some threshold. Limiting permits allows Airport staff to better monitor and control TNC operations and gives the time needed to verify data and documentation submitted by the TNC.

The Airport's TNC Requirements and Permit Criteria are outlined in the following table. The issuance of TNC permits (scheduled for January 1, 2015) is dependent on Board direction and ultimately on the TNC's acceptance of the permit requirements.

*Recommended TNC Permit Application Criteria*

<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
<p>1. Automobile Insurance and Liability            Note: The California Public Utilities Commission has defined the following</p> <ul style="list-style-type: none"> <li>• Period One: App open – waiting for a match.</li> <li>• Period Two: Match accepted – but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger).</li> <li>• Period Three: Passenger in the vehicle and until the passenger safely exits the vehicle.</li> </ul>	<ul style="list-style-type: none"> <li>a) TNCs will be required to maintain \$1 million Combined Single Limits (CSL) commercial automobile insurance anytime on airport property (including the cell phone lot).</li> <li>b) A TNC's insurance, as required by these regulations, is primary and exclusive and shall assume all liability for Periods One, Two and Three (contingent on the approval of the proposed PUC Decision)</li> <li>c) TNC drivers shall submit (using an Airport approved form) at the time of permit application, an acknowledgement by driver's personal insurance company of the driver's intent to conduct commercial transportation operations.</li> <li>d) The driver's insurance policy must provide coverage for losses from first dollar up to \$1 million CSL. Insurer must be admitted in California by the California Department of Insurance, have a minimum A.M. Best rating of A-minus or above, and be a financial size category of not less than VII (seven), or a similar Standard and Poor's rating. Surplus Line and excess policies are not acceptable.</li> <li>e) All liability insurance policies shall be endorsed or otherwise provide the following: 1) Name SDCRAA as additional insured; 2) that they are primary insurance to any other insurance available to the additional insureds with respect to any claims arising out the Authority's permit; and (3) that the insurance applies separately to each insured against whom claim is made or suit is brought. No other insurance covering the Airport will be called upon to contribute to a loss.</li> </ul>

<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
2. Driver Background Check and Airport Permit	<ul style="list-style-type: none"> <li>a) The Authority will process (at the TNC driver's expense) a Security Threat Assessment through TSA that includes checks against criminal history records, terrorist watch lists, and immigration status.</li> <li>b) Permits shall be issued only to drivers with background checks marked as "approved."</li> </ul>
3. Vehicle Inspection, Registration and Airport Permit	<ul style="list-style-type: none"> <li>a) All vehicles shall be a) in a safe operating condition and in compliance with the California Vehicle Code and with regulations contained in Title 13 of the California Code of Regulations relative to motor carrier safety;</li> <li>b) TNC Drivers must have vehicles inspected annually through a licensed automotive repair dealer with a "VALID STATUS (licensed auto repair facilities are regulated by Bureau of Automotive Repair) and maintain proper documentation of such inspections. All costs associated with these vehicle inspection and repairs shall be at the TNC or driver's expense.</li> <li>c) Airport Permits shall be issued only to vehicles with inspections deemed "passed."</li> </ul>
4. Pilot Program	<ul style="list-style-type: none"> <li>a) The Authority will offer, for a one year period (extendable and expandable at the Airport's discretion), a defined maximum number of Airport driver and vehicle permits (number to be determined based on the designated operating locations) to be issued to permitted TNC drivers and vehicles and distributed through a lottery or random drawing.</li> <li>b) Staff will present to the Board in April 2015, a summary and status of the TNC Pilot Program to elicit feedback, changes and/or other program modifications.</li> </ul>

<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
<p>5. Records, Reports, Audits and Disclosures</p>	<p>a) At any time, the Authority may conduct an inspection or audit of a TNC Permittee's operations at the Airport to confirm that such operations comply with requirements set forth in this Permit. Permittee shall cooperate with such inspection and/or audit. In the event an inspection or audit shows that Permittee is not complying with the requirements or the Permit, the Authority may require the Permittee reimburse the Authority for the costs of such inspection and/or audit. Permittee shall promptly remedy any noncompliance found through the inspection and/or audit.</p>
<p>6. Positive identification- Driver, Vehicle, Permit Sticker/Decal, TNC Name/Logo</p>	<p>a) Drivers shall obtain from the Authority an approved driver and vehicle placard with pictures along with an approved airport sticker indicating both have been properly permitted. The permit shall also have the TNC name clearly displayed.</p> <p>b) Placard. The Authority shall provide the Permittee with an Airport Permit Placard for each of the Permittee's TNC Vehicles. The Permittee shall assign one placard for each of its TNC vehicles. The Permittee shall indicate the assigned TNC vehicle on each Placard by inscribing with permanent marker the license plate number for that TNC Vehicle using that placard. Each TNC Vehicles shall display the Placard on its dashboard. While operating on Airport roadways, whether or not carrying a passenger, every TNC Vehicle operating under Permittee's permit shall display the Permittee's placard on the dashboard.</p> <p>c) Sticker/Decal. The Authority shall issue the Permittee a SAN TNC Permit sticker or decal for each of the</p>

<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
<p>7. Airport Permitted Use</p>	<p>Permittee's TNC Vehicles. Each TNC Vehicle shall affix the sticker inside windshield passenger side. While operating on Airport roadways, whether or not carrying a passenger, every TNC vehicle operating under the driver's permit shall display this sticker/decals.</p> <p>d) The Driver or the TNC will return the placard and the permit when the TNC vehicle is removed from Airport service.</p> <p>e) An Authority-issued transponder is required by each vehicle to monitor, track and record pickup location, date, and time. The TNC driver shall affix the transponder and keep affixed while operating on the Airport. The cost of the transponder and any subsequent replacements shall be borne by the TNC driver.</p> <p>a) Authority grants Permittee the non-exclusive right to operate the permitted vehicles at the Airport for the purpose of picking up and transporting passengers from the Airport. The rights guaranteed by this Permit do not establish or vest in Permittee any rights to preferential use of Airport facilities.</p> <p>b) TNC Operations. Permittee's TNC vehicles are allowed to pick up at the Airport provided they comply with all Airport Codes, Rules, Regulations, and Permit requirements. TNC Drivers must immediately exit the Airport premises after pick up. Pick up locations will be designated by the Authority's President/CEO or designee. The designated location shall be the only location the TNC may operate. TNCs found operating in non-</p>



<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
	<p>designated areas shall have their permits suspended or revoked.</p> <p>c) Electronic Waybill. TNC drivers must be prepared to present an electronic waybill to any law enforcement officer or other Authority authorized personnel. The electronic waybill must comply with the CPUC Decision and shall include a photograph of the TNC driver, a photograph of the TNC vehicle, including the license plate number and information regarding the passenger's pick up location.</p>
8. Vehicle Age Limits	<p>a) Permittee shall not allow any driver to operate a permitted vehicle at the Airport that is seven (7) years of age or older. Vehicles can only be operated at the Airport with an approved inspection report, completed less than thirty (30) days prior to the time of presenting a completed application, by a third-party automotive inspection facility which utilizes the Authority's Vehicle Maintenance Inspection Form.</p>
9. Alternative Fuel and Clean Air Vehicles	<p>a) Vehicles are required to conform to the Airport's AFV/CAV regulations and will be subject to the Authority's permit fee vehicle permit incentive or the vehicle permit premium.</p>
10. Vehicle Permit and Trip Fees	<p>a) In consideration of the rights granted by the Authority and the Permit, Permittee agrees to pay the following fees:</p> <ol style="list-style-type: none"> <li>1. Prior to the execution of this Permit, Permittee shall pay a fee for each Permitted Vehicle: <ol style="list-style-type: none"> <li>i. A \$20 Transponder fee (Non-refundable) and a</li> </ol> </li> </ol>

<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
	<p>\$30 Security Threat Assessment (STA) Background Check (Non-Refundable).</p> <p>2. For each trip to the Airport, Permittee shall pay for each Permitted Vehicle (on a base fee of \$1.30 for FY 2015) as follows:</p> <ul style="list-style-type: none"> <li>i. 25% premium per trip for non-Alternative fuel/Clean Air Vehicles</li> <li>ii. 25% discount per trip for Alternative Fuel/Clean Air Vehicles</li> </ul>
11. Trade Dress	<p>a) Permittee shall provide the Authority with a photograph of Permittee's trade dress, along with a description of the designated trade dress location. (Note: the location must be approved by the Airport Ground Transportation Director or his/her designee). While operating on Airport roadways, whether or not carrying a passenger, every TNC Vehicle shall display Permittee's Trade Dress in the designated Trade Dress location.</p>
12. TNC Contact	<p>a) For retrieval of lost property or consumer complaints, Permittee must maintain a local business office and a local telephone number.</p> <p>b) A local TNC business number with 7 day a week, 24 hours a day response must also be maintained and on file with the Airport.</p>

<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
13. ADA Compliance	a) Permittee shall provide the Authority with a current plan for ADA compliance and passenger service standards. Accommodations shall be made for the visually-impaired and service animals.
14. General Prohibited Activities	a) Permittees and TNC drivers shall at all times comply with the Airport's Rules and Regulations.
15. Hold Harmless and Indemnification	a) Permittee, for and on behalf of its directors, officers, employees, contractors, drivers, representatives and agents, covenants and agrees to defend, indemnify and hold harmless Authority and Authority-related Personnel from and against any and all liabilities, liens, claims, judgments, demands, causes of action, losses, damages, costs and expenses (including reasonable attorneys' fees and costs) (collectively hereinafter "Liabilities"), arising out of, related to, or in any way connected with, directly or indirectly: (i) any use of a Permitted Vehicle; (ii) any acts or omissions of Permittee or any Driver of a Permitted Vehicle; (iii) any obligations or activities undertaken in connection with this Permit; (iv) any damage to any person or property, or injury to or death to any person, including without limitation any claim or action alleging latent and other defects, whether or not discoverable by Permittee or Authority; (v) any alleged or actual breach of any federal, state or local law or regulation; and (vi) Permittee's

<b><u>REQUIREMENT</u></b>	<b><u>PERMIT CRITERIA</u></b>
	<p>duties under easements or contracts with third parties; except that this paragraph shall not apply to any Liabilities arising through the sole active negligence or willful misconduct of Authority. These indemnity obligations shall apply for the entire time that any third party can make a claim against or sue the Authority or the Authority-related Personnel.</p>
<p>16. Surge Pricing</p>	<p>a) The Authority shall be notified within 24 hours after a "surge price" has been charged at the Airport.  b) The Authority will evaluate the use of surge pricing to determine if it will be authorized beyond the Pilot Program</p>
<p>17. Commercial License Plates</p>	<p>a) No Authority Requirement</p>
<p>18. Permit transferability</p>	<p>a) Permits are not transferable and must be surrendered to the Ground Transportation Department when the Permittee ceases operations at the Airport or is terminated</p>

**Section 4**Airport Taxicab and Vehicle for Hire (VFH) Memorandum of Agreement (MOA) Requirements, Responsibilities and Consequences

In March 2011, two (2) Taxicab and two (2) Vehicle for Hire (VFH) consortiums entered into Memorandums of Agreement (MOAs) with the Authority. These agreements were originally signed by the San Diego Taxi Association (SDTXA) and San Diego Transportation Association (SDTRA) representing airport-permitted taxicab drivers (Attachment K) and by San Diego County Airport Shuttle Association (SDCASA) and SuperShuttle representing airport-permitted VFH drivers (Attachment L). These agreements underscored the importance of creating a closer, more well-defined partnership between the Authority and its ground transportation service providers. Over the course of the following year, the Independent Cab Owners Association (ICOA) and Prime Time Shuttle signed separate agreements with the Airport.

These agreements established a core foundation and clearer understanding of the complex operational relationships and articulated the Airport's ground transportation objectives, the desire to enhance the Airport's ground transportation service standards and to increase each consortium's involvement in the ground transportation policy and implementation plans. The parties recognized a constantly improving Airport ground transportation system with safe commercial vehicles, courteous and professional drivers and a more efficient ground transportation system promotes greater passenger satisfaction and a more positive public perception of the Airport.

For the past three years, the MOA's have served as a primary working agreement (in addition to the Ground Transportation Permit) to establish and memorialize each consortium's commitments and specific responsibilities in coordination with the Authority. All parties were aware the relationships, requirements and responsibilities would likely need to be updated and clarified since it was not possible when the MOAs were conceived to specify all of the processes, issues, and changing conditions that might arise with ground transportation operations.

Today, the Authority and the Consortiums are constructively working together to offer safe, convenient and cost effective commercial ground transportation services. The operational areas cited below are not meant to be all inclusive but allow the parties to dialogue about ground transportation direction and the major responsibilities for improvement. These areas include:

- Airport roadway and traffic safety improvements (Consortiums can offer roadway, traffic safety and signage improvement suggestions and observations. All airport roadway traffic safety and signage improvements are made through extensive analysis and expert consultation),
- Efficient commercial vehicle circulation and passenger access procedures,
- Vehicle driver/occupant mishap risk reduction programs,
- Airport ground transportation facility and support system upgrades,
- Communication equipment modernization and centralized data dissemination procedures,
- Taxicab availability, particularly during peak hours and late at night,

- Customer service programs designed to enhance the traveler experience through the landside airport environs,
- Improved ADA service, more convenient accommodations and increased traveling options for the disabled,
- Improved vehicle appearance and driver professionalism,
- Uniform compliance with SDIA Rules and Regulation governing commercial ground transportation operations, and
- Environmental leadership program implementation, particularly in air quality improvements and greenhouse gas emission reductions

At the March 6, 2014 Board meeting, Airport staff was directed to extend the taxicab and vehicle-for hire Memorandums of Agreement (MOA) an additional six (6) months (terminating October 31, 2014). This extension allowed for Staff and industry representatives to develop specific, more detailed requirements, responsibilities and performance measures for customer satisfaction, taxicab availability, passenger wait times, vehicle appearance and driver professionalism. Further the Board directed Staff to conform the termination date of the Independent Cab Owners Association (ICOA) consortium MOA with the termination date of the MOAs for the two other taxicab MOA consortiums and to recommend a revised taxicab MOA to take effect after the October 31, 2014 termination date. This new MOA agreement would focus on the most essential ground transportation operational areas and provide more specific and tangible responsibilities and consequences.

#### Updated MOA with Airport-permitted Taxicabs and Vehicles for Hire

At the Board meeting on July 7, 2014, Staff recommended and the Board approved the following responsibilities and associated standards be incorporated into the revised MOAs: 1) Vehicle Safety and Appearance, 2) Driver Professionalism, Appearance and Customer Service, 3) Taxicab and Shuttle Availability, 4) Passenger Wait Times, 5) Vehicle Modernization (to include electronic equipment and AFV/CAV conversions), 6) Industry Communication and Collaboration, 7) Dispatch Operations and Personnel, 8) Other Operational Improvements (such as vehicle safety and traffic circulation issues), and 9) ADA Services and Compliance.

On July 26, 2014, Staff met with the Shuttle MOA representatives and on August 6, 2014 with the Taxicab MOA representatives to present and solicit feedback on the revised MOA responsibilities and consequences. Further meetings were held with the Taxicab Associations on August 26<sup>th</sup> and September 11<sup>th</sup>. Additional meetings have been held with the Shuttle Associations on August 28<sup>th</sup>, September 5<sup>th</sup>, September 12<sup>th</sup> and September 19<sup>th</sup>. A meeting with the TAG representative to discuss these MOAs was held on August 15<sup>th</sup>.

Staff recommends the following table be used to finalize the MOA requirements, each party's responsibilities and the escalating consequences or penalties for both Taxicab and Vehicle for Hire Drivers, Vehicle Permit Holders and all Consortiums.



*Taxicab and Vehicle for Hire Memorandum of Agreement (MOA) Criteria*

Requirements and Responsibilities	Consequences/Penalties and Implementation (per year)
<p><u>Requirement</u>  <b>Vehicle - Safety, External Condition and Appearance</b>                      Standard: Taxicab and VFH shuttles will conform to the designated local and state regulations as well as the Airport's Rules and Regulations. Vehicle Notice of Violations (NOVs) will be classified as:</p> <p>a) Non-Safety issues (minor):</p> <ul style="list-style-type: none"> <li>• Minor body damage</li> <li>• Offending interior odors</li> <li>• GPS operations</li> <li>• AC/Heater inoperative</li> <li>• Radio (taxicab)</li> </ul> <p>b) Safety Issues (major):</p> <ul style="list-style-type: none"> <li>• Vehicle Safety equipment not functioning</li> <li>• Worn Tires</li> <li>• Windshield broken</li> <li>• Major body damage</li> <li>• Horn inoperative</li> <li>• Regulatory findings</li> </ul> <p>c) Customer service complaint issues:</p> <ul style="list-style-type: none"> <li>• Vehicle not equipped with approved or operational credit card equipment</li> <li>• Vehicle condition (does the passenger feel safe in the vehicle?)</li> <li>• Vehicle (interior) condition</li> </ul> <p>Additional data will be gathered from</p> <p>d) Regulatory inspections                      e) Secret Shopper (3<sup>rd</sup> Party) reports                      f) Customer Satisfaction surveys</p>	<p><u>Consequences/Penalties</u>  <b>Vehicle Non-safety (minor) violations (per issue):</b>                      1<sup>st</sup> and 2<sup>nd</sup> offense – Notice of Violation (NOV), Fix-it (as per NOV Quick Reference Guide).                      3<sup>rd</sup> offense- NOV, Out of Service (OOS) – 1 day.                      4<sup>th</sup> offense– NOV, OOS- 5 days                      More than 4 offenses- Permit holder to provide corrective action to Ground Transportation Director; possible Permit revocation<sup>1</sup></p> <p><b>Vehicle Safety (major) violations:</b>                      1<sup>st</sup> offense- NOV, Fix-it (as per NOV Quick Reference Guide). .                      2<sup>nd</sup> offense– NOV, OOS- 3 days                      3<sup>rd</sup> offense- NOV, OOS- 5 days                      More than 3 offenses- Permit holder to provide corrective action to Ground Transportation Director; possible Permit revocation<sup>1</sup>                      Accident (driver fault) reported to HPD occurring on Airport premises)- possible Permit revocation<sup>1</sup></p> <p><b>Vehicle Customer Complaint (Vehicle) violations:</b>                      1<sup>st</sup> offense- NOV, OOS – 1 day.                      2<sup>nd</sup> offense– NOV, OOS- 3 days                      3<sup>rd</sup> offense- NOV, OOS- 10 days                      More than 3 offenses- Permit holder to provide corrective action to Ground Transportation Director; possible Permit revocation<sup>1</sup></p> <p><b>Vehicle Permit Holder</b>                      Vehicle violation data will be collected, tabulated and reported monthly to vehicle permit holders with semi-annual written updates to the Board.</p> <p><b>MOA Consortium</b>                      Vehicle violation data will be collected, tabulated and reported monthly to vehicle permit holders with semi-annual written updates to the Board.</p>
<p><u>Key Responsibilities</u></p> <ul style="list-style-type: none"> <li>• Drivers will perform and complete self-inspections daily and maintain inspection forms.</li> <li>• ATOs will inspect vehicles randomly using the inspection form</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Penalties recorded and communicated- 1/1/2015</li> <li>• Consequences and penalties- 4/1/2015</li> <li>• Authority notifies Vehicle Permit Holders of vehicle noncompliance (1/1/2016)</li> <li>• Dismissed violations will be removed from record within 10 business days.</li> </ul>

Requirements and Responsibilities	Consequences/Penalties and Implementation (per year)
<p><u>Requirement</u>  <b><i>Driver- Training, Personal Appearance, Courtesy, Professionalism, Safety and Compliance</i></b>            Standard: Taxi and VFH Drivers will conform to the local and state regulations and the Airport's Rules and Regulations. Driver Notice of Violations (NOVs) will be classified as:</p> <ul style="list-style-type: none"> <li>a) Driver (minor) issues               <ul style="list-style-type: none"> <li>• Attire</li> <li>• Passenger assistance</li> <li>• Conduct/ Attitude</li> <li>• Thomas Guide map book missing</li> <li>• Offending odors</li> </ul> </li> <li>b) Driver (major) issues               <ul style="list-style-type: none"> <li>• Failing to have inspection sheets from current day</li> <li>• Failure to comply with ATO directive(s)</li> <li>• Failure to comply with CSR directive(s)</li> <li>• Unsafe speed/ driving</li> <li>• Other/External agency findings</li> </ul> </li> <li>c) Customer service complaint issues:               <ul style="list-style-type: none"> <li>• Credit card acceptance</li> <li>• Long hauling</li> <li>• Driver's misconduct</li> <li>• Driver noncompliance with customer's request</li> </ul> </li> </ul> <p>Additional data will be gathered from</p> <ul style="list-style-type: none"> <li>d) Regulatory inspections</li> <li>e) Secret Shopper reports</li> <li>f) Customer Satisfaction surveys</li> </ul>	<p><u>Consequences/Penalties</u>  <b>Driver (minor) violations (per issue):</b>            1<sup>st</sup> and 2<sup>nd</sup> offense – Notice of Violation (NOV), Fix-it (as per NOV Quick Reference Guide).            3<sup>rd</sup> offense- NOV, OOS– 1 days.            4<sup>th</sup> offense– NOV, OOS- 5 days            More than 4 offenses- Permit holder to provide corrective action to Ground Transportation Director; possible Permit revocation<sup>1</sup>            Drivers will attend airport approved training after 2<sup>nd</sup> offense (with proof of attendance)</p> <p><b>Driver (Major) violations:</b>            1<sup>st</sup> offense- NOV, OOS– 1 day.            2<sup>nd</sup> offense– NOV, OOS- 3 days            3<sup>rd</sup> offense- NOV, OOS- 10 days            More than 3 offenses- Permit holder to provide corrective action to Ground Transportation Director; possible Permit revocation<sup>1</sup>            Drivers will attend Authority approved training after 1st offense (with proof of attendance)</p> <p><b>Driver Customer Complaint violations:</b>            1<sup>st</sup> offense- NOV, OOS– 1 day.            2<sup>nd</sup> offense– NOV, OOS- 3 days            3<sup>rd</sup> offense- NOV, OOS- 10 days            More than 3 offenses- Permit holder to provide corrective action to Ground Transportation Director; possible Permit revocation<sup>1</sup>            Drivers will attend airport approved training after 1st offense (with proof of attendance)</p> <p><b>Vehicle Permit Holder</b>            Driver violation data will be collected, tabulated and reported monthly to vehicle permit holders with semi-annual written updates to the Board.</p> <p><b>MOA Consortium</b>            Driver violation data will be collected, tabulated and reported monthly to vehicle permit holders with semi-annual written updates to the Board.</p>
<p><u>Key Responsibilities</u></p> <ul style="list-style-type: none"> <li>• Drivers will perform daily self-inspections and maintain inspection form for that day</li> <li>• ATOs will inspect vehicles randomly using the approved inspection form</li> <li>• Permit holders will be notified immediately of major or customer complaint violations</li> <li>• Drivers attend airport-approved training</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Penalties recorded and communicated- 1/1/2015</li> <li>• Consequences and penalties- 4/1/2015</li> <li>• Authority notifies Vehicle Permit Holders of driver noncompliance (11/1/2014)</li> <li>• Dismissed violations will be removed from record within 10 business days.</li> </ul>

Requirements and Responsibilities	Consequences/Penalties and Implementation (per year)
<p><u>Requirement</u> <b>Vehicle Availability</b> Standard: Taxicab and VFH shuttles will be available to meet customer demands and needs for 90% of all operational hours (8am to 12am).</p> <ul style="list-style-type: none"> <li>• Taxicabs will be available to meet customer demand</li> <li>• Vehicle for Hire will be available for passenger pickup within a 10- 15 minute window.</li> </ul>	<p><u>Consequences/Penalties</u> <b>Driver</b> Pending data collection; possible consequences to be determined prior to August 31, 2015; warnings issued starting June 1, 2015</p> <p><b>Permit Holder</b> Pending data collection; possible consequences to be determined prior to August 31, 2015; warnings issued starting June 1, 2015; semi-annual written updates to the Board</p> <p><b>MOA Consortium</b> Pending data collection; possible consequences to be determined prior to August 31, 2015; warnings issued starting June 1, 2015; semi-annual written updates to the Board</p>
<p><u>Key Responsibilities</u></p> <ul style="list-style-type: none"> <li>• Taxicabs will conform to the published Airport schedule throughout the day.</li> <li>• Authority's AVI system project will be implemented as scheduled</li> <li>• Taxicab and Vehicle for Hire Hold lot project will be implemented as scheduled.</li> <li>• CSR Staffing changes will be modified and implemented as scheduled.</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Install, test and activate the new AVI system (on-line starting 1/1/2015)</li> <li>• AVI test plan- data collected daily to verify scheduled taxicab and vehicle for hire availability, interruptions or unavailable service periods (1/1/2015- 6/30/2015)</li> <li>• AVI Implementation- Actual data collected and reports available for review, corrective action and penalties (starting 7/1/- 12/1/15)</li> </ul>
<p><u>Requirement</u> <b>Passenger Wait Times</b> Standard: Passenger wait times not to exceed 10 minutes for 90% of all operational hours (8am to 12am)</p> <ul style="list-style-type: none"> <li>• Special circumstances or extraordinary situations will be considered.</li> </ul>	<p><u>Consequences/Penalties</u> <b>Driver</b> Pending data collection; possible consequences to be determined prior to August 31, 2015; warnings start June 1, 2015.</p> <p><b>Permit Holder</b> Pending data collection; possible consequences to be determined prior to August 31, 2015;semi-annual written updates to the Board</p> <p><b>MOA Consortium</b> Pending data collection; possible consequences to be determined prior to August 31, 2015; semi-annual written updates to the Board</p>
<p><u>Key Responsibilities</u></p> <ul style="list-style-type: none"> <li>• Ground Transportation to evaluate 2-3 various technologies for passenger wait time data collection.</li> <li>• The Authority will coordinate taxi and shuttle schedules with Consortiums when higher than expected passenger demand events (e.g. conventions and conferences) occur.</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Install, test/verify and activate and begin data collection for the passenger wait time technology system (1/1/2015- 7/1/15)</li> <li>• Passenger Wait Time Implementation- Data collected and reports available for review, corrective action and penalties (7/1/2015)</li> </ul>

Requirements and Responsibilities	Consequences/Penalties and Implementation (per year)
<p><u>Requirement</u>  <b>Vehicle Modernization- Systems, Equipment and Operations</b>  Standard:</p> <ul style="list-style-type: none"> <li>• Credit card equipment and transaction processing- All Airport-permitted vehicles equipped with approved credit card machines and in compliance with transaction processing procedures.</li> <li>• Electronic system to collect passenger reservation and vehicle assignment information for customer dispatch and CSR management.</li> <li>• Global Positioning Systems (GPS) – Taxicab and VFH shuttles permit holders will work with the Airport to equip their vehicles with GPS devices able to track vehicles outside the Airport.</li> </ul>	<p><u>Consequences/Penalties</u></p> <p><b>Driver</b>  Drivers will be issued Notice of Violation for unapproved credit card equipment or incorrect transactions of credit card payments (See Driver Training, Personal Appearance, Courtesy, Professionalism, Safety and Compliance)</p> <p><b>Vehicle Permit Holder</b>  Permit holders will notified of the Violation data will be collected, tabulated and reported monthly to Permit Holder with semi- annual written updates to the Board.</p> <p><b>MOA Consortium</b>  Violations will be collected, tabulated and reported monthly to Consortium with semi-annual written updates to the Board.</p>
<p><u>Key Responsibilities</u></p> <ul style="list-style-type: none"> <li>• Vehicle permit holders to ensure all Authority-permitted vehicles have approved credit card machines and, that drivers follow MTS and Authority approved credit card procedures.</li> <li>• Vehicle permit holders to provide a vehicle modernization summary plan (as required).</li> <li>• Airport to establish technology plan and implementation costs</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Establish modernization plan and costs</li> <li>• Drivers and Permit Holders reminded of the MTS and Airport credit card machine and processing requirements.</li> <li>• Starting 1/1/15, drivers and permit holders in violation of the approved procedures will be issued a Notice of Violation (see Driver requirements)</li> </ul>
<p><u>Requirement</u>  <b>Vehicle Modernization- Conversion</b>  Standard: Conversion of all Airport taxicab and VFH vehicles to alternative fuel (AFV) or clean air (CAV) by July 1, 2017</p>	<p><u>Consequences/Penalties</u></p> <p><b>Driver</b>  Drivers and Permit Holders will be assessed increasing fees for non AFV/CAV.</p> <p><b>Vehicle Permit Holder</b>  Conversion data will be collected, tabulated and reported quarterly; annual written Board updates</p> <p><b>Consortium</b>  Conversion data collected, tabulated and reported; annual written Board updates.</p>
<p><u>Key Responsibilities</u></p> <ul style="list-style-type: none"> <li>• Authority assists with available grant opportunities or other financial incentives</li> <li>• Vehicle permit holders will continue to procure Authority approved AF/CA vehicles</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Vehicle Conversion Incentive Plan fees approved and implemented.</li> <li>• Increasing premium vehicle fees to be assessed per the conversion plan.</li> </ul>

Requirements and Responsibilities	Consequences/Penalties and Implementation (per year)
<p><u>Requirement</u>  <b><i>Dispatch Operations and Customer Service (CSRs) Personnel</i></b>            Standard: All CSR staff and employees will provide the highest level of customer service and conduct and dispatch taxicabs and shuttles effectively, efficiently and professionally.</p> <p>Dependent on Board approved option.</p>	<p><u>Consequences/Penalties</u>            Violations and non-compliance with standards will be dependent on the Board directed CSR option</p> <p>Dispatch Operations and Customer Service Personnel consequences and penalties will be defined based on CSR option approved by the Board</p>
<p><u>Responsibilities</u></p> <ul style="list-style-type: none"> <li>Establish the necessary programs and procedures to provide a better customer experience with the commercial vehicle transportation providers (CSR program option is contingent on Board direction)</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>The implementation requirements and timetable will be dependent on the selected CSR option.</li> <li>Dispatch personnel will be evaluated quarterly for technical proficiency and customer service.</li> </ul>
<p><u>Requirement</u>  <b><i>ADA Services</i></b>            Standard: ADA capable vans with qualified drivers will be provided within a 30- 45 minute or less response time. Compliance with all state and federal laws, regulations and standards will be met.</p>	<p><u>Consequences/Penalties</u>  <b>Vehicle Permit Holder</b>            To be determined after 4/1/2015</p> <p><b>Consortium</b>            To be determined after 4/1/2015</p>
<p><u>Responsibilities</u></p> <ul style="list-style-type: none"> <li>Taxicab and Vehicle for Hire providers will submit their ADA plans to the Authority by 4/1/2015.</li> <li>Base trip fees applied to ADA vehicles for 3yrs. and re-evaluated for FY2019</li> </ul>	<p><u>Implementation</u>            An ADA Service plan will be developed before 4/1/2015 and implemented 7/1/2015</p>

Requirements and Responsibilities	Consequences/Penalties and Implementation (per year)
<p><u>Requirement</u>  <b><i>Industry Communication and Collaboration</i></b>  <b><i>Other Operational Improvements</i></b>  <b><i>MOA Review and Evaluation</i></b></p> <p>Standard: Airport and MOA consortium representatives, permit holders and drivers will consistently and collaboratively work together to improve the SDIA's ground transportation operations and systems.</p> <p>Monthly Key Performance Indicators</p> <ul style="list-style-type: none"> <li>• Vehicle and Driver summary of key data to include ATO issued NOVs, regulatory inspections (as scheduled) Secret Shopper reports, CSR reports and customer complaints</li> <li>• Customer Satisfaction (Independent, Airport and Consortium survey) data</li> <li>• Key Performance measure- Van density/ occupancy (people/van trip)</li> <li>• Daily dispatch volumes</li> </ul>	<p><u>Consequences/Penalties</u>  Not applicable</p>
<p><u>Responsibilities</u></p> <ul style="list-style-type: none"> <li>• Consortium reps and the Authority will meet on defined days with specific agendas to review MOA requirements, corrective actions and performance results</li> <li>• Consortiums and the Authority will conduct quarterly meetings with Drivers to discuss issues &amp; concerns</li> </ul>	<p><u>Implementation</u></p> <ul style="list-style-type: none"> <li>• Monthly meetings are scheduled for each month and agendas are published. Performance Results and MOA requirements reviewed and corrective actions implemented</li> <li>• Driver meetings scheduled at least three times per year to communicate updates and news.</li> </ul>

<sup>1</sup> Permit revocation appealable to three (3) person review panel comprised of Ground Transportation Director, MOA Representative and 3<sup>rd</sup> party arbitrator.



Summary of Staff Recommendations

1. CSR Option # 5 to solicit a Taxicab and Vehicle for Hire Dispatch and Customer Service contractor through a competitive RFP to start July 1, 2015 (pg. 13).
2. Limousines, charter (TCP) and livery vehicles serving the Airport be exempted from the Airport's Air Quality Management Plan ("AQMP") and Comprehensive Ground Transportation Management Plan ("CGTMP") (pg. 15).
3. The Authority's primary bank (US Bank) offering a preferred pricing on loan rates be made available to GT commercial vehicle operators (pg. 16).
4. An additional 25% discount from the FY16 fees for vehicles that convert to AFV/CAV from October 1, 2014 through June 30, 2016 (pg. 16).
5. Modification of the vehicle conversion incentive program premium and discount rates (pg. 17).
6. The vehicle conversion premiums and discounts apply to all modes (including TNCs) except limousines, charter (TCP) and livery vehicles (pg. 18).
7. Implementation of trip fees for all Operators to replace the existing Vehicle Permit and Taxicab Trip Fee cost recovery program (pg. 18).
8. The TNC operating requirements and permit criteria be used to develop a TNC Permit application (pgs. 22- 29)
9. The requirements, each party's responsibilities and the escalating consequences or penalties for both Taxicab and Vehicle for Hire Drivers, Vehicle Permit Holders and all Consortiums to finalize the MOA (pgs. 32- 37).

**Fiscal Impact:**

- Section 1. OPERATING EXPENSE IMPACT: Adequate funding for the ground transportation operations relating to permitting, code enforcement and traffic management, parking and shuttle contract management, Rental Car Center bus management and operations, and ground transportation related customer service functions are included in the adopted FY 2015 and conceptually approved FY 2016 Operating Expenses Budgets within the Ground Transportation Department line items. Expenses that will impact budget years that have not been adopted or approved by the Board will be included in future year budget requests.
- CAPITAL PROGRAM IMPACT: Adequate funds for all of the projects listed in Section 1, with the exception of certain additional technology upgrades are included within the Board approved FY 2015 – FY 2019 Capital Program Budget. The additional technology upgrades are currently being evaluated and will be included in future Capital Program Budget requests. Sources of funding for these projects include Customer Facility Charges, Airport Cash and/or Debt.
- Section 2. The proposed modification to the vehicle conversion incentive program and the proposed introduction of a new trip fee method will decrease the conceptually approved FY16 revenue budget by an estimated \$450,000. The proposed airport ground transportation access fees for Fiscal Years 2016, 2017 and 2018 will be presented to the ground transportation modes and the Board as part of the FY 2016 budget process. Expenditures and revenues relating to ground transportation operations that will impact budget years that have not been adopted or approved by the Board will be included in future year budget requests.
- Customer Service Representative staffing changes are proposed which will result in higher than budgeted expenditures by an estimated \$1,041,000 in the conceptually approved FY 2016 Operating Expense Budget within the Ground Transportation Department line items. These additional CSR costs will be recovered in FY16 Ground Transportation cost recovery revenue. Expenses that will impact budget years that have not been adopted or approved by the Board will be included in future year budget requests.
- Section 3. The revenue generated from FY 2015 fees paid by the Transportation Network Companies under the pilot program are expected to be nominal. Future fee amounts will be determined as part of the FY 2016 budget process.
- Section 4. Adequate funding for administration and enforcement of the Airport Taxicab and Vehicle for Hire Memorandum of Agreement requirements and responsibilities are included in the adopted FY 2015 and conceptually approved FY 2016 Operating Expenses Budgets within the Ground Transportation Department line items.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

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

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

**Application of Inclusionary Policies:**

Not Applicable

**Prepared by:**

DAVID BOENITZ  
DIRECTOR, GROUND TRANSPORTATION



**FILED**  
7-16-14  
12:28 PM

MP1/jt2 7/16/2014

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on  
Regulations Relating to Passenger Carriers,  
Ridesharing, and New Online-Enabled  
Transportation Services.

Rulemaking 12-12-011  
(Filed December 20, 2012)

**ASSIGNED COMMISSIONER'S RULING REGARDING  
THE COMMISSION'S RULES FOR LIMOUSINE OPERATORS  
AND OTHER CHARTER PARTY CARRIERS**

**1. Summary**

This Ruling amends the scope of this proceeding to take comments from parties on the issue of whether the California Public Utilities Commission (Commission) has the exclusive jurisdiction to set vehicle standards for Charter Party Carriers or may California airports issue vehicle standards for Charter Party Carriers that operate on California airport property. This Commission regulates Charter-party Carriers which include both limousines (also known as Transportation Charter Party or TCPs) as well as Transportation Network Companies (TNCs) pursuant to Article XII of the California Constitution and the Passenger Charter-party Carriers' Act, Public Utilities Code Section 5351 *et seq.*

The role of the Commission must be established so it is clear whether California airports may issue regulations that affect the age and fuel requirements of commercial vehicles operating on airport premises.

## **2. Background**

As of July 1, 2014, San Diego International Airport is imposing a 75% increase on ground transportation permit fees for transportation service providers that have not converted to alternative fuel vehicles and has already imposed a 10-year age limit on vehicles. On January 1, 2015, Los Angeles International Airport will also impose alternative fuel requirements on commercial vehicles operating on its premises.

The Greater California Livery Association (GCLA) filed Petition 13-10-009 on October 16, 2013, pursuant to Public Utilities Code Section (Pub. Util. Code §) 1708.5, which authorizes “interested persons to petition the California Public Utilities Commission (Commission) to adopt, amend, or repeal a regulation.”

In that Petition, GCLA requests that the Commission adopt a regulation providing that vehicle standards for limousine operators and other charter-party carriers are within the Commission’s exclusive jurisdiction. The Commission has not yet voted whether to open the requested Rulemaking. If a Rulemaking is opened, the issues identified in this Assigned Commissioner’s Ruling will move to that proceeding. If a Rulemaking is not opened, the Commission will address the exclusive jurisdiction/sole authority issue in this open docket.

## **3. Commission Authority**

As referenced, the Commission regulates charter party carriers pursuant to Article XII of the California Constitution and the Passenger Charter-party Carriers’ Act, Pub. Util. Code § 5351 et seq. (the Act). The Commission has broad power under the Constitution to regulate passenger carriers, and the Constitution is clear that other public bodies may not regulate matters over which the California legislature has granted regulatory power to the Commission.

### **3.1. California Constitution**

Article XII of the California Constitution provides that passenger transportation companies are public utilities subject to Commission jurisdiction, and provides in relevant part:

SECTION 4. The commission may fix rates and establish rules for the transportation of passengers and property by transportation companies, prohibit discrimination, and award reparation for the exaction of unreasonable, excessive, or discriminatory charges.

SECTION 8. A city, county, or other public body may not regulate matters over which the Legislature grants regulatory power to the Commission.

### **3.2. Public Utilities Code**

The Commission's delegated authority over charter party carriers is found in Public Utilities Code Division 2, Chapter 8, entitled "Passenger Charter-party Carriers Act."

Section 5360 states in relevant part:

Subject to the exclusions of Section 5353, "charter-party carrier of passengers" means every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state.

Section 5381 states in relevant part:

...(t)he commission may supervise and regulate every charter-party carrier of passengers in the State and may do all things...necessary and convenient in the exercise of such power and jurisdiction.

Pub. Util. Code § 5371.4 also addresses the interaction between the Commission's charter party carrier authority and airport authorities' ability to regulate conduct on airport property: Section 5371.4 provides in relevant part:

(b) The governing body of any airport may not impose vehicle safety, vehicle licensing, or insurance requirements on charter-party carriers operating limousines that are more burdensome than those imposed by the commission. However, the governing board of any



airport may require a charter-party carrier operating limousines to obtain an airport permit for operating authority at the airport.

(c) Notwithstanding subdivisions (a) and (b), the governing body of any airport may adopt and enforce reasonable and nondiscriminatory local airport rules, regulations, and ordinances pertaining to access, use of streets and roads, parking, traffic control, passenger transfers, trip fees, and occupancy, and the use of buildings and facilities, that are applicable to charter-party carriers operating limousines on airport property.

#### **4. Current Dispute Over Charter Party Carriers**

GCLA argues that vehicle standards for limousine operators and other charter-party carriers are in the exclusive domain of the Commission. Therefore, local airport operators do not have the authority to prescribe the types of vehicles that limousine services may operate with respect to their emissions, fuel economy, type of fuel used and age.

The airports, however, claim that if the Commission had exclusive jurisdiction over the Charter Party Carriers, that would then interfere with established airport jurisdiction to regulate access and conduct.

The dispute is not over airport jurisdiction directly related to airport operations such as passenger loading and unloading, parking, traffic control and use of roads and streets on airport property. The dispute is centered on whether the airports can extend its authority to matters such as vehicle standards and then subject charter Party Carriers to multiple, potentially conflicting regulatory regimes. GCLA argues this is not allowed when the Commission has Constitutional authority over Charter Party Carriers and should be the only regulatory body with jurisdiction on the subject. In summary, GCLA contends that if airports are permitted to make such rules concerning vehicle standards,

those rules will extend beyond airport operations and will have the effect of regulating vehicles when they are not on airport property.

**5. Jurisdiction Question Raises Legal Issues**

The Commission requests that interested parties submit and serve briefs that address the question of law concerning the Commission's exclusive jurisdiction to regulate vehicle standards. It is obvious that this issue needs to be addressed and resolved in a timely fashion so the Commission, airports and Charter Party Carriers know whether airports can regulate vehicle standards, or is that authority exclusively vested in the Commission

**6. Schedule for Comments**

This ruling is served on the service list for the Rulemaking, R. 12-12-001 that was initiated to address the Commissions' regulation of TNCs. However, legal briefing is requested on only the issue set forth in this ruling concerning Commission and airport authority for regulating vehicle standards for Charter Party Carriers, and that would include vehicle standards for TNCs. Only parties interested in this jurisdictional issue are asked to file and serve briefs. Opening briefs are due August 15, 2014 and reply briefs are due August 29, 2014.

**7. Phase II**

It is anticipated that Phase II of this Rulemaking will consider updating all Charter Party Carrier Rules, including the new rules for TNCs adopted last September in Decision 13-09-045 and the rules for limousines.

**IT IS RULED** that:

1. The scope of Rulemaking 12-12-011 is amended to address whether the Commission has exclusive jurisdiction to regulate vehicle standards for Charter Party Carriers.

R.12-12-011 MP1/jt2

2. Interested parties are invited to file and serve comments on the legal issue of whether the Commission has the exclusive jurisdiction to regulate vehicle standards for Charter Party Carriers. Opening comments are due August 15, 2014 and reply comments are due August 29, 2014.

Dated July 16, 2014, at San Francisco, California.

/s/ MICHAEL R. PEEVEY

Michael R. Peevey  
Commissioner

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**FILED**

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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on  
Regulations Relating to Passenger Carriers,  
Ridesharing, and New Online-Enabled  
Transportation Services.

Rulemaking 12-12-011  
(Filed December 20, 2012)

**THE CALIFORNIA AIRPORTS COUNCIL COMMENTS IN RESPONSE TO WHETHER THE  
COMMISSION HAS EXCLUSIVE JURISDICTION TO REGULATE VEHICLE STANDARDS FOR  
CHARTER PARTY CARRIERS**

Date: August 15, 2014

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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on  
Regulations Relating to Passenger Carriers,  
Ridesharing, and New Online-Enabled  
Transportation Services.

Rulemaking 12-12-011  
(Filed December 20, 2012)

**THE CALIFORNIA AIRPORTS COUNCIL COMMENTS IN RESPONSE TO WHETHER THE  
COMMISSION HAS EXCLUSIVE JURISDICTION TO REGULATE VEHICLE STANDARDS FOR  
CHARTER PARTY CARRIERS**

The California Airports Council (CAC) submits the following comments in response to the Assigned Commissioners July 16<sup>th</sup> Ruling (“Ruling”) soliciting input on the California Public Utilities Commission’s (PUC) jurisdiction to regulate vehicle standards for Charter Party Carriers.

California municipal airports have multiple responsibilities in the management of the state’s aviation infrastructure. California’s airports are also business owners with full authority in their proprietary capacity to enter into operating agreements with concessionaires and providers of commercial transportation services – or not. When charter party carriers travel onto airport property, they are using **private** roadways within the airport.<sup>1</sup> These roadways were not constructed with, nor are they maintained through, the use of local, state or federal taxes. Airport roadways are among the most congested roads in the state and it is the obligation of each airport operator to ensure that the commercial ground transportation provided within these private roadways meet current State and Federal mandates while also serving the best interests of the public and the local communities.

Over the past several years, public entities in California have faced increased pressure to reduce greenhouse gas (GHG) emissions, especially with the passage of AB 32 and the Governor’s Executive Order S-01-07. In an effort to lower the carbon footprint from airport

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<sup>1</sup> The ability of airports to regulate ground transportation and livery service providers has been settled law in this State for almost sixty years. *City of Oakland v. Burns* 46 Cal. 2d 401 (1956). As recognized in the *City of Oakland* case, most roads at major commercial airports are not dedicated to public use either formally or by implication. *Id.*

operations, airport operators are weighing the significant impact of commercial ground transportation services on the environment, and as a consequence, creating environmental programs applicable to all such services, including charter party carriers, encouraging conversion of their vehicles to alternative fuel vehicles.<sup>2</sup>

The California Legislature recognizes publicly-owned airports have a fundamental governmental duty to develop and promote commerce and tourism in the State of California, and in doing so, **the governing bodies of the State's publicly- owned airports may enter into exclusive or limited agreements with service providers where doing so promotes a variety of objectives, including public safety, avoiding duplication of services, and the impact on the environment of the airport (See PUC §21690.5-21690.9).** Nothing in PUC § 5371.4 or any other provision of the Public Utilities Code gives the PUC authority over the private roadways of a municipal airport in California.

For the reasons set forth herein, the CAC strongly believes that airports have the authority to set standards for charter party carriers operating vehicles who wish to conduct business on airport property. Those ground transportation service providers who do not choose to do business at California airports need not adhere to airport regulations. The CAC urges the Commission to maintain the authority of airports to set rules and regulations for charter party carriers operating within the premises.

Date: August 15, 2014

\_\_\_\_\_/s/\_\_\_\_\_  
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<sup>2</sup> In its Background section, the Ruling states that "San Diego International Airport is imposing a 75% increase on ground transportation permit fees for transportation service providers that have not converted to alternative fuel vehicles..." See Ruling at p. 2. The "non-alternative fuel vehicle premium" adopted by the San Diego County Regional Airport Authority for non-alternative fuel commercial vehicles choosing to operate at San Diego International Airport is actually 25%.

000143





# Ground Transportation Permit And Trip Fees

000144

Mode	FY14 Actual Fees		FY15 Budgeted Fees			FY16 Estimated Fees			FY17 Estimated Fees	
	Includes AFV <sup>1</sup> 100% Discount	Includes Non AFV 0% Premium	Base Fee	Includes AFV <sup>1</sup> 25% Discount	Includes Non AFV 25% Premium	Base Fee	Includes AFV 10% Discount	Includes Non AFV 100% Premium	Base Fee No Disc.for AFV	Includes Non AFV 150% Premium
<b>Taxi Cab Trip Fee<sup>4</sup></b>	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.00	\$ 2.50	\$ 2.00	\$ 2.00	\$ 4.00	\$ 2.00	\$ 5.00
<b>Taxi Cab "All Day" Permit<sup>2</sup></b>	\$ -	\$ 571	\$ 475	\$ - <sup>3</sup>	\$ 594	\$ 2,052	\$ 1,047	\$ 4,104	\$ 2,847	\$ 7,118
<b>Supershuttle</b>	\$ -	\$ 907	\$ 992	\$ 744	\$ 1,240	\$ 1,257	\$ 1,131	\$ 2,513	\$ 1,428	\$ 3,570
<b>SDCASA/Primetime Shuttles</b>	\$ -	\$ 5,028	\$6,181	\$ 4,636	\$ 7,726	\$ 6,586	\$ 5,927	\$ 13,172	\$ 7,012	\$ 17,530
<b>Limousines</b>	\$ -	\$ 104	\$ 131	\$ 98	\$ 164	\$ 170	\$ 153	\$ 340	\$ 185	\$ 462
<b>Hotel/Motel</b>	\$ -	\$ 1,610	\$2,010	\$ 1,508	\$ 2,513	\$ 2,601	\$ 2,341	\$ 5,202	\$ 2,977	\$ 7,442
<b>Off Airport Parking</b>	\$ -	\$ 5,006	\$5,805	\$ 4,353	\$ 7,256	\$ 7,511	\$ 6,760	\$ 15,023	\$ 8,596	\$ 21,489

<sup>1</sup>AFV refers to Alternative Fuel Vehicles

<sup>2</sup> Taxi Cabs with only "A" and "B" permits also have a trip fee of \$2.00 but permit fees are 50% of "All Day" permit fees.

<sup>3</sup> Permit Fee reduction according to AFV Taxi Cab conversion incentive fully offsets permit fee for FY14 and FY15. In FY16 there is an \$800 maximum reduction in the permit as per the AFV Taxi Cab conversion incentive. Converted "All Day" Cabs also receive a cash incentive payment of \$2,000 in FY14 and \$500 in FY15. ("A" and "B" permits receive 50% of this cash incentive).

<sup>4</sup> The FY15-FY17 meter fee is projected to be \$2.00, however, Non-AFV Taxi Cabs will incur premiums in FY15 of 75%, FY16 of 100% and FY17 of 150% causing the trip fee charged to drivers to be \$3.50, \$4.00, and \$5.00 respectively.

AMENDED IN SENATE AUGUST 26, 2014  
AMENDED IN SENATE AUGUST 22, 2014  
AMENDED IN SENATE AUGUST 20, 2014  
AMENDED IN SENATE JULY 2, 2014  
AMENDED IN SENATE JUNE 19, 2014  
AMENDED IN ASSEMBLY MAY 15, 2014  
AMENDED IN ASSEMBLY APRIL 10, 2014  
AMENDED IN ASSEMBLY MARCH 28, 2014  
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2293**

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**Introduced by Assembly Member Bonilla**

February 21, 2014

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An act to add Article 7 (commencing with Section 5430) to Chapter 8 of Division 2 of the Public Utilities Code, relating to transportation.

LEGISLATIVE COUNSEL'S DIGEST

AB 2293, as amended, Bonilla. Transportation network companies: insurance coverage.

Existing law, the Passenger Charter-party Carriers' Act, provides for the regulation of charter-party carriers of passengers by the Public Utilities Commission, and makes it unlawful for a charter-party carrier to operate without first obtaining a permit or certificate, from the commission, except as specified. The act requires a charter-party carrier to, among other things, comply with specified vehicle identification and accident liability protection requirements. A violation of the act is

generally a misdemeanor, punishable by a specified fine or term of imprisonment, or both, depending on the violation.

This bill would amend the Passenger Charter-party Carriers' Act to enact specified requirements for liability insurance coverage for transportation network companies, as defined, and their participating drivers. These requirements would become operative on July 1, 2015. The bill would describe 2 distinct time periods and would specify the insurance requirements for each of those time periods and alternative methods of compliance with those requirements. The bill would require uninsured and underinsured motorist coverage to be provided for specified time periods. The bill would, in the event a driver's insurance policy ceases to exist or has been canceled, or under certain other circumstances, require a transportation network company's insurance policy to provide the required coverage.

The bill, beginning on July 1, 2015, would provide that a participating driver's or vehicle owner's personal automobile insurance policy does not provide coverage to the participating driver, vehicle owner, or any 3rd party unless the policy so provides. The bill, beginning on July 1, 2015, would require certain written disclosures by transportation network companies to their participating drivers on the insurance coverage provided by the company and to advise that the driver's personal automobile insurance policy will not provide coverage. The bill would authorize a personal automobile insurer to offer such coverage at its discretion to cover private vehicles, as specified. The bill would require participating drivers to carry proof of insurance coverage, as specified. The bill would require the commission and the Department of Insurance to collaborate on a study of transportation network company insurance, as specified, and would prohibit a transportation network company from disclosing the personally identifiable information of a passenger, except as specified. The bill would specify the Legislature's intent relating to expediting the approval of transportation network company insurance products, and would set forth related legislative findings and declarations.

Because a violation of the bill's provisions would be a crime, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

*The people of the State of California do enact as follows:*

1 SECTION 1. Article 7 (commencing with Section 5430) is  
2 added to Chapter 8 of Division 2 of the Public Utilities Code, to  
3 read:

4  
5 Article 7. Transportation Network Companies  
6

7 5430. Notwithstanding any other provision of this chapter, this  
8 article shall apply to transportation network companies.

9 5431. (a) As used in this article, a “transportation network  
10 company” is an organization, including, but not limited to, a  
11 corporation, limited liability company, partnership, sole proprietor,  
12 or any other entity, operating in California that provides  
13 prearranged transportation services for compensation using an  
14 online-enabled application or platform to connect passengers with  
15 drivers using a personal vehicle.

16 (b) As used in this article, “participating driver” or “driver” is  
17 any person who uses a vehicle in connection with a transportation  
18 network company’s online-enabled application or platform to  
19 connect with passengers.

20 (c) As used in this article, “transportation network company  
21 insurance” is a liability insurance policy that specifically covers  
22 liabilities arising from a driver’s use of a vehicle in connection  
23 with a transportation network company’s online-enabled  
24 application or platform.

25 5432. (a) A transportation network company shall disclose in  
26 writing to participating drivers, as part of its agreement with those  
27 drivers, the insurance coverage and limits of liability that the  
28 transportation network company provides while the driver uses a  
29 vehicle in connection with a transportation network company’s  
30 online-enabled application or platform, and shall advise a  
31 participating driver in writing that the driver’s personal automobile  
32 insurance policy will not provide coverage because the driver uses  
33 a vehicle in connection with a transportation network company’s  
34 online-enabled application or platform.



1 (b) A transportation network company shall also disclose in  
2 writing to participating drivers, as part of its agreement with those  
3 drivers, that the driver's personal automobile insurance policy will  
4 not provide collision or comprehensive coverage for damage to  
5 the vehicle used by the driver from the moment the driver logs on  
6 to the transportation network company's online-enabled application  
7 or platform to the moment the driver logs off the transportation  
8 network company's online-enabled application or platform.

9 (c) This section shall become operative on July 1, 2015.

10 5433. (a) A transportation network company and any  
11 participating driver shall maintain transportation network company  
12 insurance as provided in this section.

13 (b) The following requirements shall apply to transportation  
14 network company insurance from the moment a participating driver  
15 accepts a ride request on the transportation network company's  
16 online-enabled application or platform until the driver completes  
17 the transaction on the online-enabled application or platform or  
18 until the ride is complete, whichever is later:

19 (1) Transportation network company insurance shall be primary  
20 and in the amount of one million dollars (\$1,000,000) for death,  
21 personal injury, and property damage. The requirements for the  
22 coverage required by this subdivision may be satisfied by any of  
23 the following:

24 (A) Transportation network company insurance maintained by  
25 a participating driver.

26 (B) Transportation network company insurance maintained by  
27 a transportation network company.

28 (C) Any combination of subparagraphs (A) and (B).

29 (2) Transportation network company insurance coverage  
30 provided under this subdivision shall also provide for uninsured  
31 motorist coverage and underinsured motorist coverage in the  
32 amount of one million dollars (\$1,000,000) from the moment a  
33 passenger enters the vehicle of a participating driver until the  
34 passenger exits the vehicle. The policy may also provide this  
35 coverage during any other time period, if requested by a  
36 participating driver relative to insurance maintained by the driver.

37 (3) The insurer, in the case of insurance coverage provided  
38 under this subdivision, shall have the duty to defend and indemnify  
39 the insured.

1 (4) A transportation network company may meet its obligations  
2 under this subdivision through a policy obtained by a participating  
3 driver pursuant to subparagraph (A) or (C) of paragraph (1) only  
4 if the transportation network company verifies that the policy is  
5 *maintained by the driver and is specifically written to cover*  
6 ~~transportation network company services and is maintained by the~~  
7 ~~driver.~~ *the driver's use of a vehicle in connection with a*  
8 *transportation network company's online-enabled application or*  
9 *platform.*

10 (c) The following requirements shall apply to transportation  
11 network company insurance from the moment a participating driver  
12 logs on to the transportation network company's online-enabled  
13 application or platform until the driver accepts a request to transport  
14 a passenger, and from the moment the driver completes the  
15 transaction on the online-enabled application or platform or ~~until~~  
16 the ride is complete, whichever is later, until the driver either  
17 accepts another ride request on the online-enabled application or  
18 platform or logs off the online-enabled application or platform:

19 (1) Transportation network company insurance ~~shall~~, *shall* be  
20 primary and in the amount of at least fifty thousand dollars  
21 (\$50,000) for death and personal injury per person, one hundred  
22 thousand dollars (\$100,000) for death and personal injury per  
23 incident, and thirty thousand dollars (\$30,000) for property damage.  
24 The requirements for the coverage required by this paragraph may  
25 be satisfied by any of the following:

26 (A) Transportation network company insurance maintained by  
27 a participating driver.

28 (B) Transportation network company insurance maintained by  
29 a transportation network company that provides coverage in the  
30 event a participating driver's insurance policy under subparagraph  
31 (A) has ceased to exist or has been canceled, or the participating  
32 driver does not otherwise maintain transportation network company  
33 insurance pursuant to this subdivision.

34 (C) Any combination of subparagraphs (A) and (B).

35 (2) A transportation network company shall also maintain  
36 insurance coverage that provides excess coverage *insuring the*  
37 *transportation network company and the driver in the amount of*  
38 ~~five hundred thousand dollars (\$500,000)~~ *at least two hundred*  
39 *thousand dollars (\$200,000)* per occurrence to cover any liability  
40 arising from a participating driver using a vehicle in connection



1 with a transportation network company's online-enabled  
2 application or platform within the time periods specified in this  
3 subdivision, which liability exceeds the required coverage limits  
4 in paragraph (1).

5 (3) The insurer providing insurance coverage under this  
6 subdivision shall be the only insurer having the duty to defend any  
7 liability claim arising from an accident occurring within the time  
8 periods specified in this subdivision.

9 (4) A transportation network company may meet its obligations  
10 under this subdivision through a policy obtained by a participating  
11 driver pursuant to subparagraph (A) or (C) of paragraph (1) only  
12 if the transportation network company verifies that the policy is  
13 *maintained by the driver and is specifically written to cover*  
14 ~~transportation network company services and is maintained by the~~  
15 ~~driver.~~ *the driver's use of a vehicle in connection with a*  
16 *transportation network company's online-enabled application or*  
17 *platform.*

18 (d) Coverage under a transportation network company insurance  
19 policy shall not be dependent on a personal automobile insurance  
20 policy first denying a claim nor shall a personal automobile  
21 insurance policy be required to first deny a claim.

22 (e) In every instance where transportation network company  
23 insurance maintained by a participating driver to fulfill the  
24 insurance obligations of this section has lapsed or ceased to exist,  
25 the transportation network company shall provide the coverage  
26 required by this section beginning with the first dollar of a claim.

27 (f) This article shall not limit the liability of a transportation  
28 network company arising out of an automobile accident involving  
29 a participating driver in any action for damages against a  
30 transportation network company for an amount above the required  
31 insurance coverage.

32 (g) This section shall become operative on July 1, 2015.

33 5434. (a) Nothing in this section shall be construed to require  
34 a private passenger automobile insurance policy to provide primary  
35 or excess coverage during the period of time from the moment a  
36 participating driver in a transportation network company logs on  
37 to the transportation network company's online-enabled application  
38 or platform until the driver logs off the online-enabled application  
39 or platform or the passenger exits the vehicle, whichever is later.

1 (b) During the period of time from the moment a participating  
2 driver in a transportation network company logs on to the  
3 transportation network company's online-enabled application or  
4 platform until the driver logs off the online-enabled application or  
5 platform or the passenger exits the vehicle, whichever is later, all  
6 of the following shall apply:

7 (1) The participating driver's or the vehicle owner's personal  
8 automobile insurance policy shall not provide any coverage to the  
9 participating driver, vehicle owner, or any third party, unless the  
10 policy expressly provides for that coverage during the period of  
11 time to which this subdivision is applicable, with or without a  
12 separate charge, or the policy contains an amendment or  
13 endorsement to provide that coverage, for which a separately stated  
14 premium is charged.

15 (2) The participating driver's or the vehicle owner's personal  
16 automobile insurance policy shall not have the duty to defend or  
17 indemnify for the driver's activities in connection with the  
18 transportation network company, unless the policy expressly  
19 provides otherwise for the period of time to which this subdivision  
20 is applicable, with or without a separate charge, or the policy  
21 contains an amendment or endorsement to provide that coverage,  
22 for which a separately stated premium is charged.

23 (c) Notwithstanding any other law, a personal automobile insurer  
24 may, at its discretion, offer an automobile liability insurance policy,  
25 or an amendment or endorsement to an existing policy, that covers  
26 a private passenger vehicle, station wagon type vehicle, sport utility  
27 vehicle, or similar type of vehicle with a passenger capacity of  
28 eight persons or less, including the driver, while used in connection  
29 with a transportation network company's on-line enabled  
30 application or platform only if the policy expressly provides for  
31 the coverage during the time period specified in subdivision (b),  
32 with or without a separate charge, or the policy contains an  
33 amendment or an endorsement to provide that coverage, for which  
34 a separately stated premium may be charged.

35 (d) This section shall become operative on July 1, 2015.

36 5435. In a claims coverage investigation, a transportation  
37 network company or its insurer shall cooperate with insurers that  
38 are involved in the claims coverage investigation to facilitate the  
39 exchange of information, including the provision of dates and  
40 times at which an accident occurred that involved a participating

1 ~~driver.~~ *driver and the precise times that the participating driver*  
2 *logged on and off the transportation network company's*  
3 *online-enabled application or platform.*

4 5436. The commission and the Department of Insurance shall  
5 collaborate on a study of transportation network company insurance  
6 to assess whether coverage requirements are appropriate to the  
7 risk of transportation network company services in order to  
8 promote data-driven decisions on insurance requirements, and  
9 shall report the findings of this study to the Legislature no later  
10 than December 31, 2017.

11 5437. A transportation network company shall not disclose to  
12 a third party any personally identifiable information of a  
13 transportation network company passenger unless one of the  
14 following applies:

15 (1) The customer knowingly consents.

16 (2) Pursuant to a legal obligation.

17 (3) The disclosure is to the commission in order to investigate  
18 a complaint filed with the commission against a transportation  
19 network company or a participating driver and the commission  
20 treats the information under confidentiality protections.

21 5438. It is the intent of the Legislature that the Department of  
22 Insurance expedite review of any application for approval of  
23 transportation network company insurance products, and that these  
24 products become available for purchase on or before July 1, 2015.

25 5439. Transportation network company insurance that meets  
26 the requirements of Section 5433 shall be deemed to satisfy the  
27 financial responsibility requirements of Sections 16054 and 16056  
28 of the Vehicle Code.

29 5440. The Legislature makes the following findings:

30 (a) The commission has initiated regulation of transportation  
31 network companies as a new category of charter-party carriers and  
32 continues to develop appropriate regulations for this new service.

33 (b) Given the rapidly evolving transportation network company  
34 service, it is the intent of the Legislature to continue ongoing  
35 oversight of the commission's regulation of these services in order  
36 to enact legislation to adjust commission authority and impose  
37 specific requirements or prohibitions as deemed necessary as these  
38 services evolve.

39 5441. The Legislature does not intend, and nothing in this  
40 article shall be construed, to prohibit the commission from

1 exercising its rulemaking authority in a manner consistent with  
2 this article, or to prohibit enforcement activities related to  
3 transportation network companies.

4 5442. A participating driver of a transportation network  
5 company shall carry proof of transportation network company  
6 insurance coverage with him or her at all times during his or her  
7 use of a vehicle in connection with a transportation network  
8 company's online-enabled application or platform. In the event of  
9 an accident, a participating driver shall provide this insurance  
10 coverage information to any other party involved in the accident,  
11 and to a police officer, upon request.

12 5443. Notwithstanding Section 11580.9 of the Insurance Code,  
13 or any other law affecting whether one or more policies of  
14 insurance that may apply with respect to an occurrence is primary  
15 or excess, this article determines the obligations under insurance  
16 policies issued to transportation network companies and, if  
17 applicable, drivers using a vehicle in connection with a  
18 transportation network company's online-enabled application or  
19 platform.

20 SEC. 2. No reimbursement is required by this act pursuant to  
21 Section 6 of Article XIII B of the California Constitution because  
22 the only costs that may be incurred by a local agency or school  
23 district will be incurred because this act creates a new crime or  
24 infraction, eliminates a crime or infraction, or changes the penalty  
25 for a crime or infraction, within the meaning of Section 17556 of  
26 the Government Code, or changes the definition of a crime within  
27 the meaning of Section 6 of Article XIII B of the California  
28 Constitution.

O

COM/MP1/avs

Date of Issuance 9/23/2013

Decision 13-09-045 September 19, 2013

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on Regulations  
Relating to Passenger Carriers, Ridesharing, and  
New Online-Enabled Transportation Services.

Rulemaking 12-12-011  
(Filed December 20, 2012)

**DECISION ADOPTING RULES AND REGULATIONS TO  
PROTECT PUBLIC SAFETY WHILE ALLOWING NEW ENTRANTS  
TO THE TRANSPORTATION INDUSTRY**

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**DECISION ADOPTING RULES AND REGULATIONS  
TO PROTECT PUBLIC SAFETY WHILE ALLOWING NEW ENTRANTS  
TO THE TRANSPORTATION INDUSTRY**

**Summary**

This decision adopts rules and regulations for New Online Enabled Transportation Services, referred to hereafter as a Transportation Network Company<sup>1</sup> (TNC), to ensure that public safety is not compromised by the operation of this new transportation business model. TNCs are not just Lyft, SideCar, InstantCab, and UberX.<sup>2</sup> This Commission defines a TNC as an organization whether a corporation, partnership, sole proprietor, or other form, operating in California that provides prearranged transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles.<sup>3</sup> Among other

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<sup>1</sup> In the Rulemaking, we referred to these companies as New Online-Enabled Transportation Services (NOETS). We are changing the acronym to Transportation Network Company (TNC) for ease of use.

<sup>2</sup> The Commission's Safety and Enforcement Division issued cease and desist letters and \$20,000 citations against Uber, Lyft, and SideCar for operating without authority and other violations of state law. However, in 2013, the Safety and Enforcement Division entered into settlement agreements intended to ensure the public safety of both riders and drivers with Uber, Lyft, and SideCar, allowing the companies to operate while the Commission's TNC rulemaking is underway.

<http://www.cpuc.ca.gov/PUC/transportation/Passengers/CarrierInvestigations/>.

<sup>3</sup> There are eleven exemptions to the Passenger Charter-party Carriers' Act contained in Public Utilities Code § 5353. Our definition of a TNC does not in any way usurp those existing exemptions. For example, one of the exemptions is passenger vehicles carrying passengers on a non-commercial enterprise basis. This exception has been defined by the Commission to mean non-profit organizations. See D.91.-06-025 ("The term 'noncommercial enterprise basis' in PU Code Section 5353(f) includes operations conducted on a not-for-profit, tax-exempt basis, as authorized by federal or state law."). Another exemption is the rideshare exemption itself, which exempts: Transportation of

*Footnote continued on next page*

requirements established in this decision, we require each TNC (not the individual drivers) to obtain a permit from the California Public Utilities Commission (Commission), require criminal background checks for each driver, establish a driver training program, implement a zero-tolerance policy on drugs and alcohol, and require insurance coverage as detailed below.

This decision orders a second phase to this proceeding to review the Commission's existing regulations over limousines and other charter-party carriers to ensure that the public safety rules are up to date, and that the rules are responsive to the needs of today's transportation market. In addition, the second phase will consider the potential impact of any legislative changes that could affect our ability to regulate the TNC industry. When the second phase is complete, the Commission will initiate the Commission's resolution process to update the General Order (GO) 115 and 157 series to include the new regulations relating to the charter-party carrier subclass of TNC.

Finally, the Commission is aware that TNCs are a nascent industry. Innovation does not, however, alter the Commission's obligation to protect public safety, especially where, as here, the core service being provided -- passenger transportation on public roadways -- has safety impacts for third parties and property. The Commission is familiar with and confident in its ability to protect public safety in the face of rapid technological change. Consequently, while the Commission adopts these rules and regulations, it will

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persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

also look for further guidance from the legislature should it decide that there is a need for legislation to provide guidance in regulating this new industry.

### **1. Procedural History**

On December 20, 2012, the Commission opened this Rulemaking in order to determine whether and how TNC services arranged through online-enabled apps such as Uber, SideCar, and Lyft might affect public safety.<sup>4</sup>

In the Order Instituting Rulemaking (Rulemaking), the Commission stated that:

We initiate this proceeding to protect public safety and encourage innovators to use technology to improve the lives of Californians.<sup>5</sup> The purpose of this Rulemaking is not to stifle innovation and the provision of new services that consumers want, but rather to assess public safety risks, and to ensure that the safety of the public is not compromised in the operation of these business models. The Commission invites all interested parties to participate in this proceeding to ensure that regulation is not a hindrance, but continues to be the safety net that the public can rely on for its protection.<sup>6</sup>

The Commission sought comment on issues including: how the Commission's existing jurisdiction should be applied to businesses such as Uber, SideCar, and Lyft; the consumer protection and safety implications of these new

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<sup>4</sup> The Commission's Safety and Enforcement Division issued cease and desist letters and \$20,000 citations against Uber, Lyft, and SideCar for operating without authority and other violations of state law. However, in 2013, the Safety and Enforcement Division entered into settlement agreements intended to ensure the public safety of both riders and drivers with Uber, Lyft, and SideCar, allowing the companies to operate while the Commission's TNC rulemaking is underway.

<http://www.cpuc.ca.gov/PUC/transportation/Passengers/CarrierInvestigations/>.

<sup>5</sup> R.12-12-011, Rulemaking at 1.

<sup>6</sup> R.12-12-011, Rulemaking at 2.

methods for arranging transportation services; whether and how the new transportation business models differ from longstanding forms of ridesharing; and the new transportation business models' potential effect on insurance and transportation access.

On January 28, 2013, opening comments were filed by: Willie L. Brown, Jr., Luxor Cab Company, Greater California Livery Association, San Francisco Airport Commission, International Association of Transportation Regulators, Uber Technologies, Personal Insurance Federation of California (PIFC), Center for Accessible Technology (CforAT), Zimride, TransForm, SideCar Technologies, San Francisco Municipal Transportation Agency, Ed Healy, United Taxicab Workers, San Francisco Cab Drivers Association, Taxicab Limousine and Paratransit Association, and Taxicab Paratransit Association of California.

On February 11, 2013, reply comments were filed by: Electronic Frontier Foundation, International Association of Transportation Regulators, United Taxicab Workers, Zimride, CforAT, Luxor Cab Company, San Francisco Municipal Transportation Agency, Transform, SideCar Technologies, Taxicab Paratransit Association of California, Ed Healy, Willie J. Brown, Jr., eRideshare, and San Francisco Cab Drivers Association.

On February 15, 2013, the Commission held a Prehearing Conference in order to, *inter alia*, establish the service list, determine the positions of the parties, identify issues for inclusion in the April 2, 2013 Assigned Commissioner and Administrative Law Judge's Scoping Memo and Ruling (Scoping Memo), and discuss the procedural schedule. Prehearing Conference Statements were filed by: United Taxicab Workers, International Association of Transportation Regulators, Willie J. Brown, Jr., Transform, Taxicab Paratransit Association of

California, San Francisco Municipal Transportation Agency, Zimride, Uber Technologies, CforAT, and San Francisco Airport Commission.

On March 7, 2013, the Administrative Law Judge (ALJ) issued a notice to the parties via e-mail, setting a workshop schedule and directing parties to file workshop statements answering specific questions about the following issues: TNC operations; jurisdiction; public safety; insurance; background checks; accessibility and equal access; and how Commission regulations may enhance or impede access to public roadways.

On April 2, 2013, the assigned Commissioner and ALJ issued the Scoping Memo which established the scope and schedule of the Rulemaking, categorized the Rulemaking as quasi-legislative, and determined that hearings were not necessary.

On April 3, 2013, workshop statements were filed by: Willie L. Brown, Jr., The Utility Reform Network, San Francisco Cab Drivers Association, Zimride, SideCar Technologies, TransForm, San Francisco Airport Commission and San Francisco Municipal Transportation Agency, Uber Technologies, Taxicab Paratransit Association of California, United Taxicab Workers, Luxor Cab Company, and CforAT.

On April 10 and 11, 2013, the Commission held a workshop to facilitate dialogue among the parties on issues including: jurisdiction, public safety, accessibility, insurance, and proposed modifications for California statutes or Commission regulations. Two parties, TransForm and Taxicab Paratransit Association of California, took notes during the workshop and prepared a draft report summarizing all parties' positions as articulated during the workshop. Parties reviewed the draft report to ensure that their positions were captured

correctly, and on May 17, 2013, TransForm and Taxicab Paratransit Association of California filed the final workshop report with the Commission.

On April 25, 2013, CforAT filed a motion requesting an additional round of comments on the issues raised in the Scoping Memo. On May 10, 2013, the ALJ granted the motion, determining that opening comments were due on June 3, 2013 and reply comments were due on June 10, 2013. On July 17, 2013, the California Highway Patrol (CHP) filed its comments.<sup>7</sup>

The purpose of this Rulemaking is not to stifle innovation and the provision of new services that consumers want, but rather to assess public safety risks, and to ensure that the safety of the public is not compromised in the operation of these business models. The Commission invited all interested parties to participate in this proceeding to ensure that regulation is not a hindrance, but continues to be the safety net that the public can rely on for its protection.<sup>8</sup>

## **2. Jurisdiction**

As noted in the Rulemaking,<sup>9</sup> the Commission's jurisdiction over charter-party carriers is clear. Nevertheless, new technology and innovation require that the Commission continually review its regulations and policies to ensure that the law and the Commission's safety oversight reflect the current state of the industry and that these regulations are just and fair for all passenger carriers.

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<sup>7</sup> R.12-12-011, Rulemaking at 1.

<sup>8</sup> R.12-12-011, Rulemaking at 2.

<sup>9</sup> R.12-12-011, Rulemaking at 2-3.



The Commission sought comment on how the Commission's existing jurisdiction pursuant to the California Constitution and the Public Utilities Code (PU Code) should be applied to businesses like Uber, Sidecar, and Lyft and the drivers employed or utilized by these or similar entities. The Commission also sought comment on whether any existing legislation should be modified or if new legislation should be enacted.

### **2.1. Comments on the Rulemaking**

The parties that filed opening comments all addressed jurisdiction in varying degrees. The summaries of the positions of parties below capture all the positions that have been voiced in this Rulemaking on the subject of jurisdiction.

The CHP asserts that TNCs fall under existing Commission jurisdiction, because the CHP views TNCs as for-hire passenger carriers.<sup>10</sup> The CHP views a donation for transportation service equivalent to direct compensation, because the intent is to conduct a for-hire operation.<sup>11</sup>

Luxor Cab asserts that these businesses should be regulated the same as all other passenger carriers. Furthermore, it asserts that the presence of new technology for summoning a car does not in any way change the nature of the business that they are engaged in.<sup>12</sup>

Greater California Livery Association (GCLA) asserts that, based on their experience, these transportation technology companies should be subject to the same Commission regulation and enforcement as charter party carriers.<sup>13</sup>

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<sup>10</sup> California Highway Patrol comments filed on 07/17/13 at 1-2.

<sup>11</sup> California Highway Patrol comments filed on 07/17/13 at 1.

<sup>12</sup> Luxor Cab Opening Comments filed on 01/28/13 at 1.

<sup>13</sup> GCLA Opening Comments filed on 01/28/13 at 2.

Uber suggests that the Commission does not currently have jurisdiction over Uber because Uber is not a charter-party carrier within the meaning of PU Code § 5351 *et seq.* Further, Uber advocates against extending the Commission's jurisdiction to companies like Uber because: 1) no public policy or public interest is advanced by such an extension of the law; 2) the Legislature has recently enacted new legislation exempting Internet Protocol-enabled (IP-enabled) services from regulation by the Commission; and 3) extending Commission regulation to Uber would conflict with Federal and State policies promoting further development of, and innovation in, information services provided over the Internet by prohibiting regulation of information services providers.<sup>14</sup>

TransForm acknowledges that the Commission has jurisdiction over charter-party carriers not meeting the statutory exemptions for taxicabs and work-related ridesharing, and has exercised this jurisdiction to ensure consumer protection and safety for traditional chartered transportation services.<sup>15</sup> TransForm further asserts that the Commission should exercise its jurisdiction carefully so that it is applied in a way that allows growth of technology-enabled ridesharing services rather than eliminating an innovative tool to help address transportation access and climate change. The Commission should recommend to the legislature any necessary modifications to existing statutory exemptions to create a coherent regulatory framework that allows for ridesharing services to grow, while ensuring that consumer protection and safety is addressed. At the same time it is important for high-volume services to consult and coordinate

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<sup>14</sup> Uber Opening Comments filed on 01/28/13 at 5.

<sup>15</sup> TransForm Opening Comments filed on 01/28/13 at 2.

with local cities, counties, and public transit agencies to avoid potential impacts.<sup>16</sup>

The San Francisco Municipal Transportation Authority (SFMTA) says state law defines a charter-party carrier as any “person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state.”<sup>17</sup> Drivers affiliated with businesses like Lyft and Sidecar drive passengers to destinations of their choice in exchange for payment. These businesses collect payments from passengers, share revenue with the drivers, and manage the exchange of information between passengers and drivers to facilitate interactions and commerce between drivers and passengers. SFMTA goes on to say that although certain transportation providers that would otherwise meet the definition of a “charter-party carrier” are exempted by statute from the Commission’s regulatory oversight, services like Lyft and SideCar do not fall within any of these exemptions.<sup>18</sup>

SideCar asserts that it is neither a charter-party carrier nor a transportation service, but rather it is a technology platform that facilitates exempt ridesharing and, to that extent, should be exempt from Commission jurisdiction under PU Code § 5353(f) and (h).<sup>19</sup>

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<sup>16</sup> TransForm Opening Comments filed on 01/28/13 at 4.

<sup>17</sup> SFMTA Opening Comments filed on 01/28/13 at 2, citing PU Code § 5360.

<sup>18</sup> SFMTA Opening Comments filed on 01/28/13 at 2.

<sup>19</sup> SideCar Opening Comments filed on 01/28/13 at 9.

Lyft asserts that the Commission should solely focus on regulation necessary to fulfill its responsibility for public safety.<sup>20</sup> Lyft cautions the Commission to not force-fit existing regulations onto such an emerging industry.

International Association of Transportation Regulators (IATR) recommends that the Commission should conduct further investigation to determine whether TNCs operate without a profit. IATR believes that companies that operate for-profit, and that use on-line apps that directly connect passengers to drivers, clearly fall under the Commission's definition of a charter-party carrier, and should be subject to all the existing regulations.<sup>21</sup>

Taxicab Paratransit Association of California asserts that TNCs operate as on demand services and therefore fail to comply with the legal requirements for operation as a Transportation Charter Party (TCP).<sup>22</sup>

## **2.2. Discussion**

California law currently recognizes and regulates three modes of passenger transportation for compensation: taxi services, regulated by cities and/or counties; and charter-party carrier services, and passenger-stage companies, regulated by the Commission. In recent years, the communications revolution in wireless service, smartphones, and on-line apps has further facilitated the development and adoption of passenger transportation for compensation to a point where passengers seeking rides can be readily connected with drivers willing to provide rides in private vehicles. This

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<sup>20</sup> Zimride (Lyft) Opening Comments filed on 01/28/13 at 4.

<sup>21</sup> IATR Opening Comments filed on 01/28/13 at 3.

<sup>22</sup> TPAC Opening Comments filed on 02/04/13 at 5. The term TCP is defined and discussed, *infra*, in this Decision.

development in passenger transportation for compensation, referred to in this proceeding as TNCs and associated with companies including UberX, Lyft, and Sidecar, does not fit neatly into the conventional understandings of either taxis or limousines, but that does not mean that this Commission's responsibility to public safety in the transportation industry should be ignored and/or left for individual companies or the market place to control.

**2.2.1. Neither the Federal Telecommunications Act of 1996 nor Public Utilities Code Section 710 Exempts TNCs from State Jurisdiction**

We reject Uber's assertion that TNCs are nothing more than an application on smart phones, rather than part of the transportation industry. Uber is the means by which the transportation service is arranged, and performs essentially the same function as a limousine or shuttle company dispatch office. Accordingly, Uber is not exempt from the Commission's jurisdiction over charter-party carriers. Nonetheless, because of the novelty of these new services, we will address Uber's jurisdictional arguments here.

As Uber notes in its comments, the 1996 Federal Telecommunications Act<sup>23</sup> (FTA) distinguishes between "telecommunications" and "information services." In so doing, Congress codified the Federal Communications Commission's (FCC) historical determination that "basic" services were to be treated differently from "enhanced" services. Uber seeks to convince the Commission further with a detailed discussion of a Vonage case, in which the FCC concluded that nomadic Voice over Internet Protocol (VoIP) service is a purely interstate service, not subject to state jurisdiction. Uber recounts a California Court of Appeal case

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<sup>23</sup> P.L. No. 104-104, 110 Stat. 56 (1996).

involving actions brought against eBay, where the court held eBay immune from state causes of action.

In addition, Uber notes passage of Senate Bill 1161 in 2011 codified §§ 239 and 710 of the PU Code. Section 710 prohibits the Commission from “exercising any regulatory jurisdiction” over VoIP or IP-enabled services, subject to a delegation of federal authority, other express statutory authority, or exceptions contained in § 710.

Uber’s citations are beside the point as none of the cited statutes or precedents prevent this Commission from regulating passenger transportation over public roadways. Specifically, we reject the argument that TNCs are simply providers of IP-enabled services and therefore exempt from our jurisdiction. We find this argument to be factually and legally flawed and, therefore, do not accept that the method by which information is communicated, or the transportation service arranged, changes the underlying nature of the transportation service being offered.

First, the Commission is not attempting to enact rules that would impose regulations on the smart phone applications used to connect passengers with drivers. Instead, the Commission is promulgating rules that will govern the transportation service itself. Second, we do not believe that this Commission loses its jurisdiction over transportation services simply because a smart phone application is used to facilitate the transportation service. Nothing Uber has cited in California or federal law would mandate that result based on the facts here. Indeed Uber and Sidecar’s position would effectively obviate the Commission’s authority under PU Code § 5371.6(a) to prevent TCPs from operating illegally in order to protect the public and prevent unfair competition:



The Legislature finds and declares that advertising and use of telephone service is essential for charter-party carriers of passengers to obtain business and to conduct intrastate passenger transportation services. Unlawful advertisements by unlicensed charter-party carriers of passengers has resulted in properly licensed and regulated charter-party carriers of passengers competing with unlicensed charter-party carriers of passengers using unfair business practices. Unlicensed charter-party carriers of passengers have also exposed citizens of the state to unscrupulous persons who portray themselves as properly licensed, qualified, and insured charter-party carriers of passengers. Many of these unlicensed charter-party carriers of passengers have been found to have operated their vehicles without insurance or in an unsafe manner, placing the citizens of the state at risk.

Similarly, the Legislature has created additional safeguards in Government Code § 53075.8(b)(1) that allow for the termination of a taxicab's telephone service if the taxi is operating without proper authority:

The Legislature further finds and declares that the termination of telephone service utilized by taxicabs operating without proper authority is essential to ensure the public safety and welfare. Therefore, local agencies should take enforcement action, as specified in this section, to disconnect telephone service of unauthorized taxicab operators who unlawfully advertise passenger transportation services in yellow page directories and other publications. The enforcement actions provided for by this section are consistent with the decision of the California Supreme Court in *Goldin v. Public Utilities Commission* (1979) 23 Cal. 3d 638.

We deem it is inconsistent with our grant of authority over transportation services to be barred from regulating a transportation service provided by TNCs based on the means of communication used to arrange the service.

Moreover, to date neither the FCC, nor a court of higher jurisdiction, has ruled that this Commission, or any other state commission, is precluded by the FTA from regulating TNCs. It is interesting to note that the Federal Trade Commission (FTC) has intervened in state proceedings by filing comments but has not, to date, gone so far as to claim that state-regulatory efforts to assert jurisdiction over TNCs is preempted by the FTA. For instance, on June 7, 2013, the FTC sent a letter to General Counsel of the District of Columbia Taxicab Commission that offered comments in the proposed TNC-related rulemaking. Previously, the FTC filed comments in TNC-related rulemaking proceedings in Alaska<sup>24</sup> and Colorado.<sup>25</sup> Tellingly, neither the FTC nor the FCC has claimed that the state regulatory bodies are preempted from promulgating regulations to deal with the growing TNC business.

In response to the proposed decision, Uber continued its argument by comparing itself to Google PowerMeter. In its August 19, 2013 comments to this decision, Uber stated that in the same way that Google did not become an energy utility by developing the Google PowerMeter software application, Uber does not become a transportation company by developing the Uber Software Application. The major difference between Uber and Google PowerMeter is that Uber controls the financial transaction between the customer and the company. Uber receives the customer fare and then transfers those funds to the driver

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<sup>24</sup> FTC comments dated April 19, 2013 to the Honorable Debbie Ossiander Concerning AO NO. 2013-36 Regarding the Regulatory Framework for the Licensing and Permitting of Taxicabs, Limousines, and Other Vehicles for Hire in Anchorage, Alaska.

<sup>25</sup> FTC comments dated March 6, 2013 to the Colorado Public Utilities Commission *In The Matter of the Proposed Rules Regulating Transportation by Motor Vehicle*, 4 Code of Colorado Regulations 723-6.

minus its share, while Google PowerMeter does not take any money from the customer. Google PowerMeter was a tool that allowed an electricity consumer to view his or her electricity usage. The data displayed by Google PowerMeter was measured by a measurement device installed by the customer with his or her consent. The goal of the Google PowerMeter was to inform the energy customers of their energy use, which could help the consumer identify ways to save energy. The customer was not charged a fare, and Google did not generate other revenues from the tool. If all Uber did was to show customers maps of available cars, without giving them a way to book a ride and without controlling or taking a share of the fare, then the analogy might be more appropriate.

The Commission elects to use a more appropriate analogy involving Google. Google Search is an app and a software platform, and uses that software to provide a product: search listings. In 2011, Google agreed to pay a settlement of \$500 million for allowing fraudulent pharmaceutical advertisements.<sup>26</sup> In the case of pharmaceutical listings, Google Search was connecting people with products that were harmful or fraudulent, and which represented a threat to public safety. The people selling the illegal drugs had to be held accountable, but so did the software platform that connected people with the illegal drugs. The same is true with Uber. The Uber brand is now a known brand for car service. It is expected that a passenger requesting an Uber car will get a black town car or something of similar stature. It is expected that this service may cost more, but it is a higher service with professional drivers. Passengers may call Uber more frequently because of its name recognition. Uber by its name alone is selling a

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<sup>26</sup> See <http://www.wired.com/threatlevel/2013/05/google-pharma-whitaker-sting/all/>.

type of car service. Because Uber is profiting from this service it should also be held responsible if the driver is negligent or not applying Uber safe practices. The same way Google was held responsible for allowing fraudulent advertisements is the same reason why Uber should be held responsible for its drivers.

Uber argues that the taxi cabs and limousines that arrange rides on the Uber platform are already regulated and insured, and that no additional regulation of Uber itself is necessary to protect the public interest. Perversely, however, the fact that regulated forms of transportation arrange rides through the Uber platform injects a considerable degree of uncertainty into the question of whether a taxi cab or limousine's insurance coverage would cover a claim. For example, if a limousine driver uses Uber's method of fare calculation and billing rather than the method otherwise required by TCP rules or limousine company policy, in the event of an incident the limousine's existing insurance policy may deny a claim on the grounds that the limousine had stopped operating, strictly speaking, and for insurance purposes, as a covered vehicle. In this same hypothetical incident, based on Uber's comments in this proceeding, we anticipate that Uber would deny that it has any obligation to insure the parties injured in the accident, on the grounds that Uber is an app and the limousine driver was already insured.

Until this Decision becomes effective, there is a real possibility that parties suffering losses in an incident would find that there is no insurance available to cover their potential claim.

Due to the considerable uncertainty that exists concerning the insurance coverage applicable to rides (other than UberX rides) arranged through the Uber app, and the threat to public safety and well-being created by this uncertainty,

the Commission is strongly inclined to require Uber to obtain a TCP permit in order to continue operating in California. As discussed elsewhere in this Decision, the Commission intends to open a second phase of this proceeding (Phase II) to consider the rules applicable to TCPs in California. In order to ensure the greatest possible evidentiary record, the Commission would prefer to leave all non-TCN issues, including Uber's potential TCP status, to Phase II. However, the Commission will not allow the uncertainty regarding Uber's insurance to persist during the pendency of Phase II. We require Uber to demonstrate to the Commission within 30 days of the issuance of this decision that it maintains commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers in transit to or during trips arranged through the Uber app, the Commission reserves the right to require Uber to obtain a TCP permit through Commission resolution. while they are providing Uber services. The insurance coverage shall be available to cover claims regardless of whether an Uber driver maintains insurance adequate to cover any portion of the claim.

### **2.2.2. TNCs Transport Passengers for Compensation**

Public Utilities Code § 5360 states in part:

Subject to the exclusions of Section 5353, "charter-party carrier of passengers" means every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state.

We reject the arguments made by Lyft and SideCar that any payment for rides arranged through their apps is voluntary and find that current TNCs are engaged in the transportation of persons for compensation. Although the phrase "for compensation" is not defined by PU Code § 5360, the plain-meaning

interpretation of PU Code § 5360 in D. 69231 (June 15, 1965) informs our decision in this proceeding.

In D.69231, a skate arena owner was ordered to cease and desist transporting passengers to his skate arena until he obtained his TCP certificate. While the record was unclear as to whether the owner would charge a fee for the proposed service, the Commission determined that even if the transportation was for free, “transportation furnished by business enterprises without charge is also ‘for compensation’ if the organization sponsoring the trip receives a business benefit.”<sup>27</sup> The Commission reiterated this interpretation in D.81805 (August 28, 1973) where we reasoned that “it was not necessary for the staff to prove that respondent actually received money consideration for the transportation in question. It is enough that he received an economic benefit.”<sup>28</sup>

Clearly each TNC is receiving either an economic benefit or a business benefit. At a minimum, they are receiving increased patronage with the growth of their businesses. This possibility was an important factor for the Commission in rendering its decision in D.69231 that the skate arena owner’s status was a TCP: “Applicant would receive a business benefit and compensation from the

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<sup>27</sup> D.69231 at 409.

<sup>28</sup> D.69231 at 493. The Commission has reached a similar conclusion with respect to free service provided by PSCs, finding that the service was for compensation. (See *Peter J. Van Loben Sels (Valley Transit Lines) v. B.J. Smith et al., copartners (Cal. Transit Lines)*, 49 Cal. P.U.C. 290 (1950); and *Richard Chala v. Morris Gordon of Gordon’s Outlet Store, et al.*, Decision No. 57356 in Case No. 6152 (1958), unreported. Our reasoning is also similar the Legislature’s when it added Section 17510.1 to the Business and Professions Code: “As used in this article, ‘sale’ shall include a gift made with the hope or expectation of monetary compensation.” Thus, a donation or a gift can still be considered a form of compensation.



increased patronage for his skate arena business resulting from the advertising.”<sup>29</sup>

### **2.2.3. TNCs Operate on a Prearranged Basis**

Unlike taxi cabs, which may pick up passengers via street hails, PU Code § 5360.5 requires that charter party carriers operate on a prearranged basis.

We find that TNCs operate on a prearranged basis. PU Code § 5360.5 does not define “prearranged,” and we are reluctant to impose a minimum time requirement as some other jurisdictions have done.<sup>30</sup> Instead, we are guided by the plain meaning of “prearranged” as something arranged in advance, which has been our custom and practice in interpreting “prearranged” at the Commission. For example, our information packet for prospective TCP applicants says that all transportation performed by TCPs must be arranged beforehand, and the driver must have a completed waybill in his or her possession at all times during the trip.<sup>31</sup>

We believe TNCs satisfy the “prearranged” requirement in two ways: first, before a passenger can request a ride, the passenger must download the app and agree to the TNC service agreement. Examples can be found in the TNC written

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<sup>29</sup> 409.

<sup>30</sup> For example, the Washington Administrative Code requires that for-hire vehicles must be prearranged for at least 15 minutes. (Washington Rev. Code Section 308-83-200.) The International Association of Transportation Regulators issued proposed model regulations for smartphone applications in the for-hire industry and suggested that the “prearranged or prearrangement” should require “a minimum of thirty (30) minutes between the request for transportation service and the arrival of the vehicle at the transportation origin location.”

<sup>31</sup> Basic Information for passenger carriers and applicants (Rev. /28/11) issued by the Transportation License Section of the Commission.

terms of use.<sup>32</sup> Uber makes our point clearly in its description of its service that “persons who use the Uber App to request *prearranged transportations* have sole discretion over whether or not to use the Uber App, if ever.”<sup>33</sup> Second, for a particular trip, the passenger must input information such as current location. A TNC driver cannot be hailed like a cab where no information is exchanged until the passenger enters the vehicle. As such, each TNC is offering transportation on a “prearranged” basis.

Prearrangement has typically been verified through the use of a waybill. TCPs must possess a waybill for each ride that includes information on the driver’s name, vehicle license plate number, and time and date when the charter was arranged, and similar information.<sup>34</sup> Pursuant to more recent legislation, waybills may be kept in an electronic format beginning January 1, 2014.<sup>35</sup> In order to comply with the applicable statutes and regulations, all TNC drivers must be able to prove that a ride was matched on the TNC software application as evidence of prearrangement. In other words, information in the software application must be the equivalent of an electronic waybill.

#### **2.2.4. The Commission Has the Jurisdiction and the Duty to Establish Regulations Governing the Provision of TNC Services**

Based on the record in this proceeding, and as the Rulemaking originally made clear, this Commission regulates charter party passenger carriers pursuant

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<sup>32</sup> See Exhibits B (Uber), D (SideCar), F (Lyft), and H (Tickengo) to the Workshop brief, filed on April 3 by TPAC.

<sup>33</sup> Pre-Workshop Statement, 4, filed on April 3, 2013 by Uber. (*Italics added.*)

<sup>34</sup> General Order 157-D, Part 3.01.

<sup>35</sup> See PU Code § 5381.5.

to Article XII of the California Constitution and the Charter-party Carriers' Act, PU Code § 5351 *et seq.* (the Act). Section 5360 states in part:

Subject to the exclusions of Section 5353, "charter-party carrier of passengers" means every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state.

Section 5381 states in part:

...(t)he commission may supervise and regulate every charter-party carrier of passengers in the State and may do all things...necessary and convenient in the exercise of such power and jurisdiction.

We are persuaded by the comments made by the CHP, TransForm, and to a certain extent Lyft. Our focus is public safety and secondarily ensuring that regulations reflect changing technology and ways of doing business to ensure that rules are in place to improve the lives of Californians. We agree with the CHP that a "donation" for passenger transportation service is equivalent to direct compensation for the service provided, which falls under the jurisdiction of this Commission. TransForm states in their comments in part:

TransForm believes that all people deserve affordable, safe, and easy access to jobs, housing, services, and nature on foot, bicycle, or public transportation. TransForm envisions that in the future transportation will be redefined in terms of access and sustainability, and residents will be able to quickly get where they want to go in ways that fully meet their needs, whether these needs are health, happiness, saving time, or saving money. Our transportation system will provide the public with choices that amount to a system that is exceptional and state-of-the-art.

TransForm believes that rideshare services have the potential to advance several California policy goals, including improving transportation access, reducing

greenhouse gas emissions, reducing vehicle miles travelled, and reducing congestion. When the legislature passed the landmark transportation law SB 375 in 2008, the legislature found that “[w]ithout improved land use and transportation policy, California will not be able to achieve the goals of AB 32,” the Global Warming Solutions Act. The legislature also found that the transportation sector contributes over 40 percent of the greenhouse gas emissions in the State of California, the largest of any sector, with automobiles and light trucks alone contributing almost 30 percent. The California Air Resources Board, in setting regional greenhouse gas reduction targets, adopted targets requiring each region’s Sustainable Communities Strategy and Regional Transportation Plan to achieve specified reductions in the transportation sector by the years 2020 and 2035.<sup>36</sup>

We agree with TransForm with respect to the above two points. Additionally, Lyft has been the only TNC that has acknowledged that safety is not only a priority, but there should also be some overarching rules and regulations. We applaud Lyft for its leadership in this area and we certainly agree with Lyft in this area.

For the reasons discussed *supra*, we find that TNCs are charter-party passenger carriers, and therefore we will exercise our existing jurisdiction pursuant to Article XII of the California Constitution and the Passenger Charter-party Carriers’ Act, PU Code §§ 5351, *et seq.* (the Act). Additionally, the Commission has very broad powers under PU Code § 701 which gives the Commission the ability (via a rulemaking process) to develop new categories of regulation when a new technology is introduced into an existing industry. In

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<sup>36</sup> TransForm Opening Comments filed on 01/28/13 at 1.

this Decision, under the broad grant of authority pursuant to PU Code §§ 5381 and 701, we create the category of Transportation Network Company (TNC) to accompany the existing category of TCP.<sup>37</sup> Again, a TNC is defined as an organization, whether a corporation, partnership, sole proprietor, or other form, operating in California that provides transportation services for compensation using an online-enabled app or platform to connect passengers with drivers using their personal vehicles. The primary distinction between a TNC and other TCPs is that a TNC connects riders to drivers who drive their personal vehicle, not a vehicle such as a limousine purchased primarily for a commercial purpose. To that end, a TNC is not permitted to itself own vehicles used in its operation or own fleets of vehicles.

With this definition in mind, the Commission finds that Uber (in contrast to UberX) is not a TNC. Uber connects riders with drivers who do not drive their own personal vehicle, but typically operate in town cars or limousines, which the driver may often as well use to transport customers for another limousine/town car company. As such, Uber does not meet the definition of a TNC. As discussed elsewhere in this Decision, the Commission intends to open a second phase of this proceeding (Phase II) to consider the rules applicable to TCPs in

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<sup>37</sup> The Commission has previously developed new types of transportation services with unique rules relevant to that specific form of transportation. Namely, in D.97-07-063, the Commission “adopt[ed] rules for a new niche form of passenger stage corporation (PSC) that specializes in the common carriage of infants and children . . .” The Commission required such carriers to apply for a PSC permit, but developed a special set of rules applicable to these forms of transportation. D.97-07-063 stated, “This is a restricted class of PSC carrier not previously designated by this Commission, and special requirements need to be imposed on these carriers.” In creating these new rules, the Commission relied on its broad power under § 701, and the Passenger-Stage Corporation provisions of the Public Utilities Code § 5351.

California. In order to ensure the greatest possible evidentiary record, the Commission would prefer to leave all non-TNC issues, including Uber's potential TCP status, to Phase II. UberX, however, does meet the TNC definition and must apply for a TNC license.

A company or individual wishing to provide transportation or facilitate transportation of passengers can choose to either get a TCP certificate/permit or a TNC permit.<sup>38</sup> Further, TNCs need not apply for a certificate of public convenience and necessity pursuant to PU Code § 5371. TNCs are exempted from this requirement, as are many charter-party carriers regulated by the Commission, pursuant to PU Code § 5384(b), which authorizes the Commission to issue permits to passenger carrier operations who use only vehicles with seating capacities of under 15-passengers. TNC permits will only be granted to companies utilizing smart phone technology applications to facilitate transportation of passengers in the driver's personal vehicle.

Within 45 days after the effective date of this Decision, the Commission's Safety Enforcement Division (SED) will post a TNC Application Packet on its website, and TNCs currently operating in California are required to file their TNC Applications with SED 60 days thereafter if they wish to continue operating. The TCP requirements are already in place, although as suggested *supra* the Commission will open a second phase to this Rulemaking to update those rules and regulations to ensure that safety requirements are up to date. Based on the record of this proceeding and the safety and other concerns expressed by parties, the settlement agreements that were entered into with Lyft,

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<sup>38</sup> There is also a third choice and that is to apply for a taxicab license.

SideCar, and Uber, and our existing TCP rules we have created the following rules and regulations for all TNCs. The following rules and regulations shall be applied for all TNCs effective immediately:

**Safety Requirements**

- a) TNCs shall maintain commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing TNC services. The insurance coverage shall be available to cover claims regardless of whether a TNC driver maintains insurance adequate to cover any portion of the claim.<sup>39</sup>
- b) TNC drivers shall be required to provide proof of both their personal insurance and the commercial insurance in the case of an accident.
- c) TNCs shall perform criminal background checks on each TNC driver before the driver begins offering service. In order to protect public safety, any person who has been convicted, within the past seven years, of driving under the influence of drugs or alcohol, fraud, sexual offenses, use of a motor vehicle to commit a felony, a crime involving property damage, and/or theft, acts of violence, or acts of terror shall not be permitted to provide TNC services.
- d) TNCs shall institute a zero tolerance intoxicating substance policy with respect to drivers as follows:
  - 1. The TNC shall include on its website, mobile application and riders' receipts, notice/information on the TNC's zero-tolerance

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<sup>39</sup> TNCs must make their certificate of insurance public and the Commission will put this certificate on its website.



- policy and the methods to report a driver whom the rider reasonably suspects was under the influence of drugs or alcohol during the course of the ride.
2. The website and mobile application must include a phone number or in-app call function and email address to contact to report the zero-tolerance complaint.
  3. Promptly after a zero-tolerance complaint is filed, the TNC shall suspend the driver for further investigation.
  4. The website and mobile application must also include the phone number and email address of the Commission's Passenger Section: 1-800-894-9444 and [CIU\\_intake@cpuc.ca.gov](mailto:CIU_intake@cpuc.ca.gov).
- e) TNCs shall obtain each TNC driver's driving record before the driver begins providing service and quarterly thereafter. Drivers with convictions for reckless driving, driving under the influence, hit and run, or driving with a suspended or revoked license shall not be permitted to be a TNC driver. Drivers may have a maximum of two points on their driving records for lesser offenses, e.g., equipment problems, speeding, or child safety seat violations.
- f) TNCs shall establish a driver training program to ensure that all drivers are safely operating the vehicle prior to the driver being able to offer service. This program must be filed with the Commission within 45 days of the adoption of this decision. TNCs must report to the Commission on an annual basis the number of drivers that became eligible and completed the course.
- g) TNC drivers must possess a valid California driver's license, be at least 21 years of age, and must provide at least one year of driving history before providing TNC services.

- h) TNCs may only use street-legal coupes, sedans, or light-duty vehicles including vans, minivans, sport utility vehicles (SUVs) and pickup trucks. Hatchbacks and convertibles are acceptable.
- i) TNC drivers are prohibited from transporting more than 7 passengers on any given ride.<sup>40</sup>
- j) The app used by a TNC to connect drivers and passengers must display for the passenger: 1) a picture of the driver, and 2) a picture of the vehicle the driver is approved to use, including the license plate number to identify the vehicle.
- k) TNC vehicles shall not be significantly modified from factory specifications, e.g., no “stretch” vehicles.
- l) Prior to allowing each TNC driver to operate a vehicle, and annually thereafter, a TNC must inspect the driver’s vehicle, or have the vehicle inspected at a facility licensed by the California Bureau of Automotive Repair, and maintain complete documentation of such inspections. A TNC driver’s vehicle must, at a minimum, pass a 19 point inspection prior to allowing the driver to operate the vehicle under the TNC’s platform:
  - 1. Foot brakes;
  - 2. Emergency brakes;
  - 3. Steering mechanism;
  - 4. Windshield;

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<sup>40</sup> If a TNC elects to carry insurance up to \$1.5 million per incident for all of its drivers, then pursuant to PU Code § 5391 and General Order 115-F, the TNC vehicles can include up to 10 people including the driver. However, no TNC driver is permitted to operate a bus, which is defined by California Vehicle Code § 233(b) as “a vehicle designed, used, or maintained for carrying more than 10 persons, including the driver, which is used to transport persons for compensation or profit . . .”

5. Rear window and other glass;
6. Windshield wipers;
7. Headlights;
8. Tail lights;
9. Turn indicator lights;
10. Stop lights;
11. Front seat adjustment mechanism;
12. Doors (open, close, lock);
13. Horn;
14. Speedometer;
15. Bumpers;
16. Muffler and exhaust system;
17. Condition of tires, including tread depth;
18. Interior and exterior rear view mirrors; and
19. Safety belts for driver and passenger(s).

### **Regulatory Requirements**

For all reports identified below required to be provided by TNCs, the reports must be verified. Verification consists of provision of a signature of a corporate officer of the TNC verifying under penalty of perjury under the laws of the State of California that the report is accurate and contains no material omissions.

- a. TNCs (not the drivers) must be permitted by this Commission before operating as a TNC.<sup>41</sup>
- b. TNCs shall clearly disclose, on their app and website, that TNCs facilitate rides between

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<sup>41</sup> There are six types of charter party carrier permits/certificates. TNCs shall apply for a class P permit.

passengers and private drivers using their own personal vehicles. Additionally, the disclosure should state that each TNC is required to maintain insurance policies providing a minimum of \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing TNC services.

- c. TNC drivers may only transport passengers on a prearranged basis. For the purpose of TNC services, a ride is considered prearranged if the ride is solicited and accepted via a TNC digital platform before the ride commences. TNC drivers are strictly prohibited from accepting street hails.
- d. TNCs shall participate in the California Department of Motor Vehicle's Employer Pull Notice Program to obtain timely notice when any of the following are added to a TNC driver's driving record:
  - i. Convictions;
  - ii. Accidents;
  - iii. Failures to appear;
  - iv. Driver's license suspension or revocation; and
  - v. Any other action taken against the driving privilege.
- e. TNCs shall obtain proof of insurance from each TNC driver before the driver begins providing service and for as long as the driver remains available to provide service.
- f. TNCs shall allow passengers to indicate whether they require a wheelchair-accessible vehicle or a vehicle otherwise accessible to individuals with disabilities.
- g. One year from the effective date of these rules and annually thereafter, each TNC shall submit to the Safety and Enforcement Division a report detailing the number and percentage of their customers who

requested accessible vehicles, and how often the TNC was able to comply with requests for accessible vehicles.

- h. TNC vehicles shall display consistent trade dress (i.e., distinctive signage or display on the vehicle) when providing TNC services that is sufficiently large and color contrasted as to be readable during daylight hours at a distance of at least 50 feet. The trade dress shall be sufficient to allow a passenger, government official, or member of the public to associate a vehicle with a particular TNC (or licensed transportation provider). Acceptable forms of trade dress include, but are not limited to, symbols or signs on vehicle doors, roofs, or grills. Magnetic or removable trade dress is acceptable. TNC shall file a photograph of their trade dress with the Safety and Enforcement Division.
- i. Although TNCs may provide platforms allowing drivers and passengers to “rate” each other, TNCs shall ensure that such ratings are not based on unlawful discrimination, and that drivers do not discriminate against passengers or potential passengers on the basis of geographic endpoints of the ride, race, color, national origin, religion, sex, disability, age, or sexual orientation/identity.
- j. One year from the effective date of these rules and annually thereafter, each TNC shall submit to the Safety and Enforcement Division a verified report detailing the number of rides requested and accepted by TNC drivers within each zip code where the TNC operates; and the number of rides that were requested but not accepted by TNC drivers within each zip code where the TNC operates. The verified report provided by TNCs must contain the above ride information in electronic Excel or other spreadsheet format with information, separated by columns, of the date, time, and zip code of each request and the concomitant date, time, and zip code

of each ride that was subsequently accepted or not accepted. In addition, for each ride that was requested and accepted, the information must also contain a column that displays the zip code of where the ride began, a column where the ride ended, the miles travelled, and the amount paid/donated. Also, each report must contain information aggregated by zip code and by total California of the number of rides requested and accepted by TNC drivers within each zip code where the TNC operates and the number of rides that were requested but not accepted by TNC drivers.

- k. One year from the effective date of these rules and annually thereafter, each TNC shall submit to the Safety and Enforcement Division a verified report in electronic Excel or other spreadsheet format detailing the number of drivers that were found to have committed a violation and/or suspended, including a list of zero tolerance complaints and the outcome of the investigation into those complaints. Each TNC shall also provide a verified report, in electronic Excel or other spreadsheet format, of each accident or other incident that involved a TNC driver and was reported to the TNC, the cause of the incident, and the amount paid, if any, for compensation to any party in each incident. The verified report will contain information of the date of the incident, the time of the incident, and the amount that was paid by the driver's insurance, the TNC's insurance, or any other source. Also, the report will provide the total number of incidents during the year.
- l. One year from the effective date of these rules and annually thereafter, each TNC shall submit to the Safety and Enforcement Division a verified report

detailing the average and mean number of hours and miles each TNC driver spent driving for the TNC.<sup>42</sup>

- m. Upon request, drivers shall display to Commission or airport enforcement officers, law enforcement, or city or county officials a physical or electronic record of a ride in progress sufficient to establish that it was prearranged. To the extent that trip records are contained on electronic devices, TNC drivers are not required to relinquish custody of the devices in order to make the required display.
- n. If a passenger files a complaint against a TNC or TNC driver with the Commission, Commission staff shall have the right to inspect TNC records and vehicles as necessary to investigate and resolve the complaint to the same extent the Commission and Commission staff is permitted to inspect all other charter-party carriers.
- o. Operations at Airports. TNCs shall not conduct any operations on the property of or into any airport unless such operations are authorized by the airport authority involved.
- p. Similar to our regulations over limousines one-third of one percent of the total revenues from TNC services in California shall be collected by this Commission on a quarterly basis as part of overall fees.

The Commission will convene a workshop one year after the issuance of this decision to hear from all stakeholders on the impacts of this new mode of transportation and the accompanying regulations. Workshops topics will

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<sup>42</sup> For the requested reporting requirements, TNCs shall file these reports confidentially unless in Phase II of this decision we require public reporting from TCP companies as well.



include, but not necessarily be limited to, a consideration of safety, competition, innovation, accessibility, congestion, the California Environmental Quality Act, and other pollution related issues. Specifically, the Commission will be interested to get an update on TNCs' commercial insurance policies and how these policies have performed. The Commission may choose to open a new proceeding to update its rules based on the information learned in this workshop.

TNCs that fail to adhere to these requirements may have their permits revoked or be otherwise subject to sanctions by the Commission. The Commission is authorized to conduct inspections of charter-party carriers including TNCs. For instance, PU Code § 5371.5 states that: "Upon receipt of a complaint containing sufficient information to warrant conducting an investigation, the commission shall investigate any business that advertises limousine-for-hire or passenger charter transportation service for compensation in motor vehicles." Therefore, each TNC must keep records of all trips made by its TNC drivers. The Commission is also authorized to "cancel, revoke, or suspend any operating permit or certificate" if the carrier violates any of the provisions of the Act, provisions of the operating permit or certificate issued thereunder, or any order, decision, rule, regulation, direction, demand, or requirement established by the Commission.<sup>43</sup> The Commission is also authorized to issue fines.<sup>44</sup>

Sections 5411 to 5420 of the Act contain relevant provisions regarding issuing fines and penalties. In addition, the Commission has established a

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<sup>43</sup> PU Code § 5378.

<sup>44</sup> See *e.g.*, PU Code § 5378(b).

citation program in Resolution ALJ-187, which provides a process by which the Commission may issue fines, carriers may appeal fines, and the Commission may hold a hearing pursuant to that appeal.

These provisions authorizing the Commission to inspect, investigate, and issue fines and other penalties apply in equal measure to all TNCs as they do to other charter-party carriers. Therefore, the Commission must have access to a TNC's records whenever it requests them.

Parties have raised a number of concerns regarding the Terms & Conditions used by certain TNCs, which include general disclaimers of liability. No Term & Condition in a TNC's Terms of Service or elsewhere, can be inconsistent with this decision. Nor can any Term & Condition in a TNC's Terms of Service be used or relied on by the TNC to deny insurance coverage, or otherwise evade the insurance requirements established in this decision. Moreover, the Terms of Service does not absolve the TNC of its responsibilities to comply with the stated regulations in this decision to ensure safety of the public. As stated earlier in this decision, the Commission will open a Phase II to consider updating its regulations over TCP certificate holders. Phase II will also consider the standard and appropriate language for Terms & Conditions for both TCP and TNC certificate holders.

### **3. Safety**

The Commission opened this proceeding to protect public safety and secondarily encourage innovators to use technology to improve the lives of Californians. The Commission has a responsibility for determining whether and how public safety might be affected by these TNCs. In opening this Rulemaking,

the Commission wanted to assess public safety risks, and to ensure that the safety of the public is not compromised in the operation of TNCs.

### **3.1. Comments on the Rulemaking**

As with the issue of jurisdiction a number of parties filed comments about the effect of TNC service on public safety. In this section we will summarize all the positions filed.

The CHP asserts that it is too early to determine the effect of this type of service on both the passengers and public safety. It goes on to caution, however, that passenger transportation left unregulated unnecessarily increases the potential for operation of unsafe vehicles, unqualified drivers, and uninsured transportation drivers.<sup>45</sup>

Luxor Cab's comments focus more on the need to keep drivers safe. Luxor Cab asserts that taxicab drivers have the highest risk of occupational homicide of all US occupations, and that this is why taxi regulators require safety equipment such as bullet-resistant partitions and digital security cameras, as well as crime-prevention training for drivers.<sup>46</sup>

The GCLA believes that the transportation technology companies can put the public at risk of potential dangers arising from having unregulated and perhaps even unlicensed drivers and unsafe vehicles providing for-hire transportation services without oversight or enforcement.<sup>47</sup>

The San Francisco Airport Commission believes that lack of adequate liability insurance, criminal background checks, driver training and regular

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<sup>45</sup> CHP Comments filed on 7/17/13 at 2.

<sup>46</sup> Luxor Cab Comments filed on 01/28/13 at 2.

<sup>47</sup> GCLA Comments filed on 01/28/13 at 2.

vehicle inspections all decrease public safety, and although some TNCs represent that they do all of the above, the Airport Commission is asking for regulatory verification.<sup>48</sup>

The SFMTA asserts that TNCs have a negative effect on public safety because of a lack of regulatory oversight. The SFMTA asserts that at the state and local level, California regulators of taxi and limousine service protect the public with the following kinds of requirements:

1. Criminal background checks of drivers;
2. Drug and alcohol testing of drivers;
3. DMV “pull notice” checks to enable suspension of drivers with new safety related moving violations;
4. Driver training for local geography, traffic safety and customer service values;
5. Vehicle age and mileage limitations;
6. Routine, professional vehicle inspections; and
7. Transparent pricing regulations.<sup>49</sup>

The San Francisco Cab Drivers Association asserts that the proliferation and acceptance of private vehicles and unlicensed public passenger drivers for hire creates a false sense of trust by the general public. Furthermore, it asserts that they are witnessing private vehicles being flagged down and soliciting passengers on the street which will result in an assault or worse, on a passenger or a driver, unprotected by security cameras, dispatch or a shield, and no readily identifiable markings on the vehicle.<sup>50</sup>

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<sup>48</sup> San Francisco Airport Commission Opening Comments filed on 01/28/13 at 2.

<sup>49</sup> SFMTA Opening Comments filed on 01/28/13 at 8.

<sup>50</sup> San Francisco Cab Association’s Opening Comments filed on 01/29/13 at 2.

In their comments, Lyft notes that ridesharing is nothing new and has been occurring on a relatively large scale for many decades – from casual carpools and bulletin boards to more recent on-line forums – without any regulation and with few if any institutional safety mechanisms. Lyft goes on to say that rather than creating a new activity requiring scrutiny as a public safety concern, responsible peer-to-peer platforms such as Lyft have introduced innovative and highly effective institutional safety mechanisms that increase public safety over existing alternatives. New tools made available by modern technologies – online criminal background checks, mobile application photo identification, and Global Positioning System (GPS) positioning – can advance public safety beyond existing measures.<sup>51</sup>

SideCar asserts that TNCs are mission-driven and have strong incentives to protect the trust and safety of their communities and the public. SideCar goes on to claim that its safety program and rules aim to reduce and prevent accidents or other incidents, and it has implemented a 10-point safety program to create a safe experience for drivers and riders alike. Under this safety program, all drivers are required to undergo thorough background checks and safety training.<sup>52</sup>

United Taxicab Workers assert that TNCs provide service through non-professional drivers of private vehicles, and since they claim that they are not regulated by the state or local authorities, the public can only take the word of the company. United Taxicab Workers go on to note that safety is the paramount concern in the taxi regulation and that taxis are inspected regularly and are

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<sup>51</sup> Lyft Opening Comments filed on 01/28/13 at 4-5.

<sup>52</sup> SideCar Opening Comments filed on 01/28/13 at 17.

subject to age and mileage requirements. Furthermore, drivers receive training and must go through background checks prior to becoming a taxi driver.<sup>53</sup>

In its comments, TPAC asserts that the primary reason for regulation of the passenger transportation industry is the need to ensure safety. It goes on to say that public safety is promoted through the screening of drivers, and by ensuring that those who take on the responsibility of transporting passengers can be held accountable for their actions.<sup>54</sup>

### **3.2. Discussion**

We agree that protecting and enhancing public safety is the paramount purpose behind regulating this industry. We initiated this Rulemaking for the sole purpose of determining how TNCs affect public safety. We further agree with the CHP, the San Francisco Airport Commission, the SFMTA, and other parties who have urged us to adopt safety rules and regulations that will hold TNCs accountable for safety. We also agree with Lyft that ridesharing is nothing new and has been occurring on a relatively large scale for many decades – from casual carpools and bulletin boards to more recent on-line forums. We note, however, that there is a specific exemption for the true form of ridesharing in the PU Code. PU Code § 5353(h) exempts:

Transportation of persons between home and work locations or of persons having a common work-related trip in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

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<sup>53</sup> United Taxicab Workers Opening Comments filed on 01/29/13 at 4-5.

<sup>54</sup> TPAC Opening Comments filed on 02/04/13 at 6.

The section also states:

This exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as used in this subdivision does not include the recovery of actual costs incurred in owning and operating a vanpool vehicle, as defined in Section 668 of the Vehicle Code.

In our view the Commission firmly believes that TNCs do not meet the rideshare exemption and actually are providing transportation services for compensation.

Lyft and SideCar have both entered into settlement agreements with the Commission's Safety and Enforcement Division as stated above and have complied with the safety requirements in those agreements. Therefore, it is not entirely correct to state (as some parties have in their comments) that the public must only rely on the company's word. These agreements, however, are interim arrangements pending the conclusion of this Rulemaking. Therefore, in this decision we adopt strict safety regulations and guidelines that are similar in nature and in some cases more stringent than current and past practice in the transportation industry as a whole. The regulations for TNCs will require the company to conduct criminal background checks, establish a driver training program, maintain a zero-tolerance policy on drugs and alcohol, register in the Department of Motor Vehicle (DMV) Pull Notice program, conduct a 19-point car inspection, and require a one-year driving history from the driver. These regulations along with other requirements are stated above in the summary section as well as the jurisdiction section.

Regarding the criminal background checks, we will require each TNC to conduct a criminal background check for each driver prior to that applicant becoming a TNC driver. The criminal background check must be a national



criminal background check including the national sex offender database. The criminal background check should be using the applicant's social security number and not just the applicant's name. Any felony criminal conviction within seven years prior to the date of the background check for violent crime, a sexual offense, a crime involving property damage, and/or theft will make the applicant ineligible to be a TNC driver.

Regarding the 19-point vehicle inspection, we require the TNC or an authorized third party facility licensed by the California Bureau of Automotive Repair to conduct the car inspections and for the TNC to maintain the record of such inspections in case of an audit.

Regarding the DMV Pull Notice Program, we are aware that the California DMV does not currently permit TNCs to enroll non-employee drivers in the Employer Pull Notice Program. We are also aware that it was established to provide employers and regulatory agencies with a means of promoting driver safety through the ongoing review of driver records. An employer enrolled in the program is assigned a requester code. The requester code is added to an employee's driver license (DL) record. When an employee's DL is updated to record an action/activity, a check is made electronically to determine if a pull notice is on file. If the action/activity is one that is specified to be reported under the program, a driver record is generated and mailed to that employer. The DMV Pull Notice program allows a transportation company to monitor DL records of employees. This monitoring accomplishes the following:

- Improves public safety;
- Determines if each driver has a valid DL;
- Reveals problem drivers or driving behavior; and
- Helps to minimize the transportation company's liability.

The Commission began enrolling owner operators into this program in 1990. We are similarly hopeful that the DMV is able to amend the requirements of the program to allow TNCs to participate automatically in the program once they have completed the other requirements for the driver to begin providing service. Specifically, we encourage the DMV to modify the language about employers being the only entity to qualify for this automatic service. We understand that currently TNCs can manually enter into the program, but automatic enrollment improves public safety in that the notification to TNCs will be automatic and timely. We are hoping to work with the DMV to find a solution that improves public safety as we have added new rules and regulations to allow TNCs to provide transportation services. Until the DMV Employer Pull Notice Program is available for use by TNCs, TNCs shall perform, prior to allowing a driver on the platform and quarterly thereafter, driving record checks through the DMV in order to ensure that drivers meet applicable requirements. The DMV check criteria shall provide that a user may have no more than three points within the preceding three years, no "major violations" (reckless driving, hit and run, or driving with a suspended license conviction) within the preceding three years, and no driving under the influence conviction within the past seven years.

Regarding the accessibility plan which each TNC is required to file within 45 days of the issuance of this decision, each plan shall include the following:

- a. A timeline for modifying apps so that they allow passengers to indicate their access needs, including but not limited to the need for a wheelchair accessible vehicle. A passenger should be allowed to state other access needs, either from a drop-down menu with room for comments or through a field requesting information.

- b. A plan for how the TNC will work to provide appropriate vehicles for passengers who specify access needs, including but not limited to a plan to provide incentive to individuals with accessible vehicles to become TNC drivers.
- c. A timeline for modifying apps and TNC websites so that they meet accessibility standards. The relevant standard for web access is WCAG 2.0 AA. Guidance on accessibility standards for iPhone apps can be found at [http://developer.apple.com/library/ios/documentation/UserExperience/Conceptual/iPhone Accessibility](http://developer.apple.com/library/ios/documentation/UserExperience/Conceptual/iPhoneAccessibility) and [http://developer.apple.com/library/ios/documentation/UserExperience/Conceptual/iPhone Accessibility/Making Application Accessible/Making Application Accessible.html](http://developer.apple.com/library/ios/documentation/UserExperience/Conceptual/iPhoneAccessibility/MakingApplicationAccessible/MakingApplicationAccessible.html). Guidance on accessibility standards for Android apps can be found at <http://developer.android.com/training/accessibility/accessible-app.html>.
- d. A timeline for modifying apps so that they allow passengers to indicate that they are accompanied by a service animal, and for adopting a policy that service animals will be accommodated.
- e. A plan for ensuring that drivers' review of customers will not be used in a manner that results in discrimination, including any policies that will be adopted and any monitoring that will take place by the TNC to enforce this requirement.

Each aspect of the accessibility plan will be addressed in the annual reports required of each TNC regarding compliance, necessary improvements (if any) and additional steps to be taken by the TNC to ensure that there is no divide between service provided to the able and disabled communities. These reports will be served by SED on the service list for this proceeding, and input from interested parties will be invited. Based on SED's review of the annual reports as well as input from interested parties, the Commission will determine what, if

any, changes need to be made in the TNC business model, or new regulations adopted, in order to ensure that TNCs are accessible to, and do not discriminate against, persons with disabilities.

#### **4. Ridesharing**

The definition of ridesharing does not permit transportation performed for profit.<sup>55</sup> Recovery of actual costs incurred only applies to vanpool vehicles, which is defined by the Vehicle Code as seating more than 10 passengers, but less than 15 passengers, including the driver. The Commission sought comment on whether the TNCs' business models qualify as ridesharing for the purpose of the PU Code § 5353(h) exemption and, with respect to its passenger carrier regulation, whether the Commission should recommend a broader or narrower definition of ridesharing than that contained in the California Vehicle Code.

##### **4.1. Comments on the Rulemaking**

Various parties filed comments in response to the questions asked in the Rulemaking. This section will summarize all the various positions. We may not cite every party that filed comments, but we will cite every position.

Opening comments filed by former San Francisco Mayor Willie L. Brown Jr. proposes a mandatory cap on TNC driver earnings and an updated definition that includes this cap in the PU Code § 5353 (f).<sup>56</sup> These comments further state that the issue for sites such as Tickengo and 511.org is that there is no clear definition of vehicles carrying passengers on a noncommercial enterprise basis, and that a clear definition of ridesharing would help eliminate confusion with TCPs, fill empty seats in cars, and reduce pollution and congestion while

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<sup>55</sup> Rulemaking at 7.

<sup>56</sup> Comments from Willie Brown filed on 01/18/13 at 1-2.

lowering the cost of door-to-door transportation.<sup>57</sup> Tickengo proposes that we limit the maximum share-the-expense carpool amount drivers can collect on a yearly basis to the American Automobile Association's (AAA) official annual cost of vehicle ownership (currently \$8,776 per year).<sup>58</sup>

Luxor Cab, on the other hand, asserts that the statutory definition of ridesharing is adequate, but what is lacking is compliance with regulations by unlicensed for-hire TNCs.<sup>59</sup> Luxor Cab further comments that legitimate ridesharing does not include the transportation of a passenger on a trip the driver was not otherwise planning to take. Luxor asserts that it is the very nature of taxicab service that the ride is offered on demand and in accordance with the passenger's desired location. Finally, Luxor Cab comments that the amount of compensation should not determine the need for compliance with regulations, but rather it is the nature of the service that ought to be determinative.<sup>60</sup>

The SFMTA asserts that there is no reason for the Commission to change the definition of ridesharing under the Vehicle Code in order to accommodate for-profit transportation services delivered through smartphone applications. It further asserts that there is nothing about the 'new business model' of offering for-hire transportation services through the mechanism of a smartphone application that justifies abandoning the fundamental regulatory infrastructure of the transportation for-hire industry, or that changes the level of regulatory concern when members of the public place themselves in the care and control of

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<sup>57</sup> Comments of Willie Brown filed on 01/18/13 at 2.

<sup>58</sup> Comments of Willie Brown filed on 01/18/13 at 3.

<sup>59</sup> Luxor Cab comments filed on 01/28/13 at 3.

<sup>60</sup> Luxor Cab comments filed on 01/28/13 at 3.

a private individual who they pay to carry them safely to their destination in a motor vehicle over the public right of way.<sup>61</sup>

Lyft asserts that the Commission is reading the PU Code too narrowly and recommends that the Commission explicitly acknowledge and clarify that: 1) a voluntary donation, regardless of the amount, does not constitute “compensation” as the term is used in § 5360 and that 2) the “primary purpose” of any driver that only receives voluntary donations from riders and no other pay from the company operating the rideshare platform is not to make a “profit,” as defined in § 5353(h). Lyft also suggests that the Commission consider recommending that the Legislature clarify or broaden the definition of ridesharing.<sup>62</sup>

SideCar urges the Commission to clarify the rideshare exemption in PU Code § 5353(h) and establish a bright line “safe harbor” for ridesharing drivers and authentic peer-to-peer rideshare technology providers. It goes on to say that while the Public Utilities Code currently has no provision for the recovery of the costs incurred in owning and operating a vehicle, except a vanpool vehicle, SideCar believes that a standard should be adopted for ridesharing in regular passenger vehicles.<sup>63</sup>

The San Francisco Cab Drivers Association asserts that businesses like Sidecar and Lyft clearly do not qualify for exemption from charter carrier laws under the definition of ridesharing as defined in § 522 of the Vehicle Code. This transportation is not between home and work locations or of persons having a

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<sup>61</sup> SFMTA comments filed on 01/28/13 at 9.

<sup>62</sup> Lyft comments filed on 01/28/13 at 7.

<sup>63</sup> SideCar comments filed on 01/28/13 at 11.

common work-related trip. The sole purpose of these trips is to convey passengers to their requested destination, for profit.<sup>64</sup>

IATR asserts that while the PU Code exempts from regulation passenger vehicles that carry passengers on a “noncommercial enterprise basis,” this term is not defined. It goes on to say that TNCs fail to meet the definition for ridesharing (as they operate outside of strictly work and home locations, and transport passengers on trips that are NOT incidental to the driver) and fail to qualify for the Commission exemption because they are operating for profit/compensation.<sup>65</sup> IATR further suggests that the definition of ridesharing be narrowed whereas Lyft says that the Commission is reading the definition too narrowly. IATR says that the Commission should act to clarify the regulatory exemption and to make clear that to qualify for the exemption, a driver is prohibited from making any profit and/or accepting compensation.<sup>66</sup>

The CHP asserts that the term “ridesharing” is a term-of-art within the lexicon of transportation - notwithstanding the vehicle used, ridesharing is essentially deemed to be reserved for like-minded individuals with a transportation motivation incidental to another purpose and not seated in profit-making derived from the transportation.<sup>67</sup>

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<sup>64</sup> San Francisco Cab Drivers Association comments filed on 01/28/13 at 3.

<sup>65</sup> IATR Comments filed on 01/28/13 at 4.

<sup>66</sup> IATR Comments filed on 01/28/13 at 5.

<sup>67</sup> CHP comments filed on 7/17/13 at 4-5.



#### **4.2. Discussion**

We agree with the vast majority of the parties that filed comments that TNCs do not qualify for the rideshare exemption under PU Code § 5353(h).

PU Code § 5353(h) exempts from Commission regulation:

Transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver. This exemption also applies to a vehicle having a seating capacity of more than 15 passengers if the driver files with the commission evidence of liability insurance protection in the same amount and in the same manner as required for a passenger stage corporation, and the vehicle undergoes and passes an annual safety inspection by the Department of the California Highway Patrol. The insurance filing shall be accompanied by a one-time filing fee of seventy-five dollars (\$75). This exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as used in this subdivision, does not include the recovery of the actual costs incurred in owning and operating a vanpool vehicle, as defined in Section 668 of the Vehicle Code.<sup>68</sup>

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<sup>68</sup> Vehicle Code § 522 defines "ridesharing" as "two or more persons traveling by any mode, including, but not limited to, carpooling, vanpooling, bus pooling, taxi pooling, jitney, and public transit."

Section 5353(h) provides two opportunities to qualify for the rideshare exemption:

Transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in Section 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

TNCs fail to satisfy either of these requirements.

In our review of the filings and supporting documents, there is no evidence that TNC drivers have a common work-related or incidental purpose with their passengers. Instead, drivers transport passengers entirely at the convenience of the passenger:

Lyft is recruiting drivers with the following language: "Be a Lyft Driver" material states that "drivers are making up to \$35/hour + choosing their own hours!"<sup>69</sup>

Uber's service is defined as "your on-demand private driver."<sup>70</sup>

SideCar offers the following pitch to its prospective drivers: "Drive where you want, when you want, and who you want. You are your own boss. Some of our SideCar drivers are earning \$30+ per hour."<sup>71</sup>

InstantCab tells prospective drivers that it makes "it easy for customers and cab drivers to find each other. We're looking for drivers to help us launch and provide high quality service to anyone who needs a taxi. We're not a taxi company, you

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<sup>69</sup> <http://www.lyft.me/drivers>.

<sup>70</sup> Exhibit A, 34, Workshop Brief, filed by TPAC on April 3, 2013.

<sup>71</sup> Exhibit C, 48, Workshop Brief, filed by TPAC on April 3, 2013.

can work for any existing taxi company and use our app to find guaranteed customers.”<sup>72</sup>

Tickengo tells its prospective drivers that they can “accept any ride if you want to go to the same destination, *or if you just want to help.*”<sup>73</sup>

Services provided by TNCs are thus very different from traditional, longstanding forms of ridesharing.<sup>74</sup> TNCs are clearly designed to provide a car service for compensation. There is no requirement that there be a common purpose. Instead, TNCs operate as an alternative to other traditional car services. Several parties in comments on the proposed decision expressed concern that the proposed decision would, as former San Francisco Mayor Brown described in his comments, limit the ability of “a regular citizen [to] request a ride from a family member who may wish to give them a ride to the airport for free.”<sup>75</sup> Similarly, eRideShare, which has provided an online carpool matching service since 1999, expressed concerns that the proposed decision would override existing statutory exemptions for ridesharing services.<sup>76</sup> These concerns are ill founded. We reiterate that our Decision in no way impacts the exemptions in Section 5353 of the Public Utilities Code. To the extent that services such as Rideshare meet

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<sup>72</sup> <https://instantcab.wordpress.com/join/>.

<sup>73</sup> <https://tickengo.com/a/becomedriver/>. (Italics added.)

<sup>74</sup> The TNCs should be contrasted with <http://www.511.org>, a ridesharing service which is managed by a partnership of public agencies led by the Metropolitan Transportation Commission, the California Highway Patrol, and the California Department of Transportation. There are no references to Terms and Conditions, donations, and other forms of compensation.

<sup>75</sup> Comments on Proposed Decision – from former San Francisco Mayor Willie L. Brown Jr. on 8/12/2013.

<sup>76</sup> Final Opening Comments of eRideShare Inc. on 08/19/2013.

either the “non-commercial enterprise” or rideshare exemption under Section 5353, or other exemptions as applicable, such services would be exempt from Commission regulation. The Commission has never regulated the ability of a “regular citizen [to] request a ride from a family member who may wish to give them a ride to the airport for free,” and nothing in the Public Utilities Code or our Decision would extend the Commission’s jurisdictional reach to such lengths. Further, the Commission would again note that the basis for regulating TNCs is that they meet the definition of a charter-party carrier under the Public Utilities Code. That is, they are “engaged in the transportation of persons by motor vehicle for compensation.”<sup>77</sup>

We agree with SFMTA that there is no reason for the Commission to change the definition of ridesharing under the Vehicle Code in order to accommodate for-profit transportation services delivered through smartphone applications. Furthermore, there is nothing about the ‘new business model’ of offering transportation services for compensation through the mechanism of a smartphone application that justifies abandoning the fundamental regulatory infrastructure of the transportation for compensation industry, or that changes the level of regulatory concern. The underlying principal continues to be ensuring public safety. Regulation is the safety net that the public should rely on for its protection. We are not persuaded by the TNCs that would like us to create a regulatory gap because they are using a smartphone to facilitate transportation for compensation. We are, however, encouraged by the TNC’s embrace of

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<sup>77</sup> PU Code § 5360 (emphasis added).

technology and innovation to bring choice and convenience to the public in a safe manner.

## **5. Transportation Access**

The Commission's authority over passenger carriers is grounded in the need to protect the public's safe and reliable access to California's roadways.

Section 5352 of the Act states:

The use of the public highways for the transportation of passengers for compensation is a business affected with a public interest. It is the purpose of this chapter to preserve for the public full benefit and use of public highways consistent with the needs of commerce without unnecessary congestion or wear and tear upon the highways; to secure to the people adequate and dependable transportation by carriers operating upon the highways; to secure full and unrestricted flow of traffic by motor carriers over the highways which will adequately meet reasonable public demands by providing for the regulation of all transportation agencies with respect to accident indemnity so that adequate and dependable service by all necessary transportation agencies shall be maintained and the full use of the highways preserved to the public; and to promote carrier and public safety through its safety enforcement regulations.

PU Code § 5352 places public safety as a key goal in ensuring that the public enjoys full access to the roadways. In this Rulemaking the Commission sought comment on the ways that safety regulations may enhance or impede public access to the roadways.

### **5.1. Comments on the Rulemaking**

Many parties filed comments in response to this issue and there were some that remained silent. We will summarize those positions that were submitted in this section.

Luxor Cab asserts that unlicensed for-hire carriers such as Uber, Lyft, and SideCar do not invest in safety equipment and crime-prevention training for drivers. It goes on to say that TNCs and their drivers try to compensate for the lack of professional safety measures by cherry-picking the customers whom they believe are safest to convey. Luxor Cab then cautions that the result of this type of cherry-picking is de facto red-lining of low-income neighborhoods and discrimination against customers based on drivers' profiling that may be little more than stereotyping according to ethnicity or disability. Luxor Cab also says that such practices are illegal for licensed operators because they have the effect of reducing public access to the roadways.<sup>78</sup>

The CHP asserts that the Commission's oversight responsibilities relative to transportation access are rooted in two essential areas. First, the regulation of accident indemnity to ensure adequate and dependable service by transportation operators and preservation of full use of the highways; and secondly, to promote public and operator safety through enforcement regulations.<sup>79</sup>

Perhaps the most detailed and focused comments on this issue came from Center for Accessible Technology (CforAT). CforAT rightly reminds us that any demand-response transit service must also comply with state and federal anti-discrimination statutes, including requirements that such services be accessible to people with disabilities.<sup>80</sup>

San Francisco Cab Drivers Association asserts that they have personally witnessed an abundance of Lyft and other private vehicles transporting people in

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<sup>78</sup> Luxor Cab opening comments filed on 01/28/13 at 3-4.

<sup>79</sup> CHP comments filed on 07/17/13 at 3.

<sup>80</sup> CforAT comments filed on 01/28/13 at 1-2.

the back seat, blocking up traffic and making illegal maneuvers, while legal taxicabs drive around empty. They go on to say that this adds to traffic congestion. Additionally, the assertion is made that a Lyft driver nearly ran into the individual head-on while making an illegal left turn across Van Ness Avenue in San Francisco onto California Street and a professional driver would not do that.<sup>81</sup>

## **5.2. Discussion**

We agree with CforAT that TNCs must endeavor to provide equal access to all consumers. Because TNCs are in their infancy we cannot determine at this point whether equal access is being hampered. As a threshold matter, TNCs must do the following:

- a. TNCs shall allow passengers to indicate whether they require a wheelchair-accessible vehicle or a vehicle otherwise accessible to individuals with disabilities.
- b. One year from the effective date of these rules and annually thereafter, each TNC shall submit to the Safety and Enforcement Division a report detailing the number and percentage of their customers who requested accessible vehicles, and how often the TNC was able to comply with requests for accessible vehicles. Upon receipt this report shall be made public by the Safety and Enforcement Division. This report shall also contain a description of any instances or complaints of unfair treatment or discrimination of persons with disabilities.

The above information will be used by the Commission to determine what, if any, changes need to be made to the regulations in order to ensure that TNCs are accessible to, and do not discriminate against, persons with disabilities. The

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<sup>81</sup> San Francisco Cab Drivers Association comments filed on 01/29/13 at 3-4.



Commission also notes it currently has few provisions or protections to ensure equal access for passengers with disabilities under its current TCP regulations.<sup>82</sup> Updating any regulations in this area, as found to be needed, may also be something the Commission should consider in Phase 2 of this rulemaking.

We also agree with the CHP that the Commission must regulate TNCs to ensure adequate and dependable service by transportation operators and to promote public and operator safety. Consequently, we require TNCs to follow the safety and regulatory requirements stated above in section 3.2 of this decision.

And we also agree with Luxor Cab that discrimination against customers based on drivers' profiling that may be little more than stereotyping by ethnicity, disability, or economic class, will not be tolerated. It is noteworthy that, although not a party to this proceeding, Homobiles was created to serve a community that may not have been adequately served by the existing transportation forms. According to Homobiles' website, it was formed to serve underserved communities who experience stress or discrimination on various forms of transportation for hire due to their gender or sexual identity.<sup>83</sup> The Commission notes that while some parties argue that TNCs such as Lyft, UberX, and SideCar must be regulated either as taxi cabs or limousines in order to ensure nondiscrimination and public safety, Homobiles was formed to meet the needs of consumers whose transportation needs are not being adequately met by

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<sup>82</sup> For instance, the Commission requires every carrier to maintain on file with the Commission an equipment list of all vehicles in use including whether each vehicle is handicap accessible. (GO 157-D, Section 4.01.)

<sup>83</sup> <http://www.homobiles.org/terms/>.

either taxi cabs or limousines. We applaud the founders of Homobiles for establishing a non-profit 501(c)(3) volunteer organization that caters to the underserved communities of San Francisco.

We agree with CforAT that the Commission should be informed by the legacy of transit discrimination and should work to ensure that the new services mark a break from this problematic history. Just as it would be unacceptable to allow any form of transit service to operate if it were to engage in racial discrimination, new forms of online-enabled transit services cannot be permitted to exclude people with disabilities. We agree. Therefore, we direct TNCs to submit a plan within 90 days of the effective date of this decision to tell us how they plan to ensure that TNCs will avoid creating a divide between the able and disabled communities. TNCs must explain how they plan to provide incentives to individuals with accessible vehicles to become TNC drivers. Furthermore, TNCs should ensure accessibility accommodations for their apps and websites to enable the disabled public access to the same services as clients who are not disabled.<sup>84</sup>

## **6. Insurance**

California Insurance Code § 11580.1(b) requires that non-commercial vehicles have a minimum liability coverage of \$15,000 for injury/death to one person, \$30,000 for injury/death to more than one person, and \$5,000 for damage to property. The Commission's GO 115-F requires that any charter party carrier vehicle with a seating capacity of seven passengers or fewer have a minimum

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<sup>84</sup> Title III of the Americans with Disabilities Act (ADA) requires that businesses and nonprofit services providers make accessibility accommodations to enable the disabled public to access the same services as clients who are not disabled.

commercial coverage of \$750,000. In the Rulemaking, the Commission sought comments on, *inter alia*, the insurance aspects of this new transportation model. For instance, if a vehicle is insured as a private vehicle, but involved in an incident while transporting passengers for compensation, the Rulemaking asked what type of coverage would the insurance offer for injuries/damages to the driver, the paying passenger, and any other people or property involved in the incident, and whether the insurance industry had an opinion on the insurance coverage available for private vehicles used to transport passengers for compensation.

#### **6.1. Comments on the Rulemaking**

This Rulemaking has at least 18 parties who filed comments. No party claimed that TNCs should not have insurance or that liability insurance in the transportation business was not a key component of their business model. In this section we will note the PIFC's comments.<sup>85</sup> We also note that many parties claimed either in their comments or during the workshop that TNCs are uninsured.

In its comments, PIFC asserts that it surveyed its member insurance companies, finding that "the industry standard for personal auto insurance policy contracts is to exempt from insurance coverage claims involving vehicles used for transporting passengers for a charge."<sup>86</sup> PIFC goes on to say that in situations where a vehicle is insured as a private vehicle and is used to transport

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<sup>85</sup> According to comments filed by PIFC on 01/28/13, the PIFC members represent six of the nation's largest insurance companies (State Farm, Farmers, Liberty Mutual Group, Progressive, Allstate and Mercury) which collectively write a majority of the personal lines of auto insurance in California.

<sup>86</sup> PIFC comments filed on 01/28/13 at 1-2.

passengers for a fee, no insurance coverage would exist.<sup>87</sup> The Commission also inquired about the sufficiency of the minimum liability coverage required under California Insurance Code § 1158.1(b). PIFC asserts that since there would be no coverage for the type of situations at issue, the minimum amount of coverage would be irrelevant.<sup>88</sup> Finally, with respect to California Insurance Code § 11580.24, PIFC notes that the legislature encouraged car sharing programs (i.e., renting out one's personal vehicle to another driver), as long as the owner does not earn more than the annual cost of owning the vehicle from the car sharing program. PIFC goes on to say that in doing so, it shields private passenger car insurers from any liability by shifting the responsibility for coverage to the private vehicle ridesharing program. The PIFC notes that the issue before the Commission is not ridesharing, but instead it is one of using a private passenger vehicle in a livery service. This is clearly not covered under a standard policy; if an incident occurs, coverage would not exist.<sup>89</sup>

## **6.2. Discussion**

We will require TNCs to maintain commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing TNC services. The insurance coverage shall be available to cover claims regardless of whether a TNC driver maintains insurance adequate to cover any portion of the claim. This level of liability insurance is above what the Commission currently requires of

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<sup>87</sup> PIFC comments filed on 01/28/13 at 1-2.

<sup>88</sup> *Id.*

<sup>89</sup> *Id.*

TCP drivers. It is equal to the insurance that the SFMTA requires of taxicab companies.

We reject the claim that Lyft, SideCar, and Uber/UberX do not have insurance. The Commission's Safety & Enforcement Division, in entering into settlement agreements with these entities, made sure that each of these companies maintained excess liability insurance policies providing a minimum of \$1 million per incident. We note PIFC's comments in this Rulemaking, and note that, even if a TNC driver's personal insurance does not apply in the event of an accident, the insurance required by the Commission will apply.

We require that each TNC file their insurance policies under seal with the Commission as part of applying for a license. Furthermore, the license for the TNC will automatically expire upon expiration of the insurance policy unless and until the TNC provides an updated insurance policy and applies to renew its license. In Phase II of this proceeding we will consider whether these policies for both TCP as well as TNC certificate holders should be made public and included in the Commission's website.

## **7. Workshop Report**

As part of the Scoping Memo, parties were invited to attend a workshop to consider issues including but not limited to jurisdiction, safety, transportation access, and proposed modifications to existing rules and regulations. On April 10 and 11, 2013, the parties attended the Commission's workshop in San Francisco at the Commission's offices. The workshop sessions were publicly noticed and open to the public.

Two parties that we'd like to thank and extend our appreciation to for drafting the workshop report are TPAC and TransForm. On May 17th these two parties filed the Workshop Report on behalf of those parties who attended

the workshop.<sup>90</sup> The Workshop Report summarizes party positions as articulated during the workshop.

Most of the issues such as jurisdiction, safety, access, and the definition of ridesharing have already been discussed in the above sections of this decision. There are, however, two issues not addressed above that we will address in this section.

During the workshop, Commission staff asked whether there was a third way to regulate TNCs that protected public safety, but also allowed innovation and technology to bring choice and convenience to the public. The SFMTA/IATR stated that the idea that there is some third way to regulate these TNCs is offensive to the men and women who work as regulators to protect public safety and access. The SFMTA/IATR pointed out that the taxi industry is a highly managed transportation network that requires regulations to ensure universal access to door to door transportation in an urban environment.<sup>91</sup> TPAC stated that it believed that the Commission had inappropriately provided preapproval to a third-way regulatory approach via its settlement agreements with companies such as Uber and Lyft. TPAC stated that the third-way regulatory approach affected by the TNCs' settlement agreements amounted to the deregulation of the taxicab industry, and as such violated state law.<sup>92</sup> Counsel for the SFMTA and the San Francisco Airport Commission stated that

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<sup>90</sup> TPAC, TransForm, CforAT, GCLA, Luxor Cab, IATR, PIFC, the San Francisco Cab Drivers Association, the San Francisco Limo Union, the San Francisco Medallion Association, SFMTA, The San Francisco Airport Commission, SideCar, Tickengo, Uber, The United Taxicab Workers, TURN, and Lyft.

<sup>91</sup> Workshop Report at 14.

<sup>92</sup> *Id.*

TNCs have presented no credible argument for a third way. The SFMTA and San Francisco Airport Commission stated that there are two possible regulatory schemes, the local system for taxicabs and the state system for charter-party carriers, but there is no justification for subjecting TNCs to lesser standards than those applicable to all other charter party carriers.<sup>93</sup> Luxor Cab stated that the topic of a third way to regulate TNCs is misleading because it assumes that there is something new about the TNCs, when taxi companies have been using similar technological services for several years before the inception of Uber, Lyft, and SideCar.<sup>94</sup> SideCar asserted the need for regulatory recognition of the innovative combination of services offered by communications platforms such as SideCar, in combination with noncommercial ridesharing.<sup>95</sup> Lyft stated that, to the extent the Commission finds that it should regulate to protect public safety interests, it is supportive of a third way regulatory approach because, if applied to TNCs, the current regulatory scheme would create unreasonable barriers for ridesharing services to enter the market.<sup>96</sup>

A second issue that was discussed during the workshops and does not neatly fit into any of the discussion above is the notion of fair competition among regulated and unregulated entities. TPAC commented that the goal of the Commission should be to create a fair system. They argue that where both a regulated system and an unregulated system exist, the natural inclination of the industry will be to move towards deregulation in order to avoid all of the costs of

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<sup>93</sup> Workshop Report at 15.

<sup>94</sup> *Id.*

<sup>95</sup> *Id.*

<sup>96</sup> *Id.*



regulatory compliance. Consequently there will be no room left for a regulated industry.<sup>97</sup>

Several parties including the SFMTA, San Francisco Airport Commission, TPAC, United Taxicab Workers, and the SF Cab Drivers Association contend that regulated taxis cannot compete with TNCs. United Taxicab Workers argue that to allow TNCs to exist in their current unregulated form or subject to minimal regulation essentially creates a race towards the bottom with negative impact on safety and service. These groups contended that professional drivers will be pushed towards the TNC business model because of lower operational costs. The representative from the SFMTA/IATR states that when this unregulated system devastates the regulated environment, no one will be left to provide safe and accessible door to door service to city residents and visitors.<sup>98</sup>

### **7.1. Discussion**

We are not persuaded by the position taken by the SFMTA that updating regulation is offensive to those currently working to regulate public safety and access. Regulatory bodies must always look to update their rules and regulations in order to keep pace with time and technology. The Commission's goal in this Rulemaking is to strike the proper balance between safety and innovation, so that regulation provides a safety net that the public can rely on for its protection while new businesses innovate and use technology to better the lives of Californians. The regulations that we are adopting for TNCs are similar to what the SFMTA requires of taxicab drivers. Namely, we require a license for each TNC, require a criminal background check to be completed for each driver,

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<sup>97</sup> Workshop Report at 26.

<sup>98</sup> *Id.*

require that each TNC establish a driver training program, and require liability insurance that is equal to what the SFMTA requires of taxicab drivers. We will not, however, meddle into their business model by forcing TNCs to designate each driver an employee or contractor. Again, our role is to protect public safety, not to dictate the business models of these companies.

We reject TPAC's allegation that a third way of regulation is the same as deregulation. The settlement agreements that SED entered into with three of the companies were a first step toward regulation. The regulations that we establish in this decision will ensure that safety is foundational to a TNC's business. Additionally, we support choice not only for passengers, but also drivers. Going forward, a company may either apply for a TNC license or a TCP license with the Commission.

We accept those party's comments calling for regulation of TNCs. As such, in this decision we exercise our existing jurisdiction pursuant to Article XII of the California Constitution and the Act. In this decision under the broad grant of authority pursuant to PU Code § 5381, we create the category of TNC to accompany the existing category of TCP. A company or individual wishing to provide transportation or facilitate transportation of passengers can choose to either get a TCP license or a TNC license. The TCP requirements are already in place, although as indicated, *supra*, the Commission will open a second phase to this Rulemaking to update those rules and regulations to ensure that safety requirements are up to date.

## **8. Comments on Proposed Decision**

The proposed decision of Commissioner Michael R. Peevey in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of

Practice and Procedure. Comments were filed on August 19, 2013 by Tickengo, CforAT, SideCar, Lyft, Uber, TPAC, IATR, Los Angeles Department of Transportation, GCLA, TransForm, Luxor Cab, eRideshare, SFMTA, California Airports Council, TLPA, San Francisco Cab Drivers Association (SFCDA), United Taxicab Workers, SFMTA/SFO, PIFC and Consumer Attorneys of California, and reply comments were filed on August 26, 2013 by TPAC, Luxor Cab, United Taxicab Workers, Lyft, IATR, CforAT, TLPA, SFMTA/SFO, SideCar, Uber, PIFC and SFCDA.

In response to comments, the proposed decision has been revised to further explain the definition of what constitutes a TNC. It is further noted that the existing exemptions under the Commission's Charter Party Carrier authority are not usurped by the creation of this new category. All of the existing eleven exemptions still apply. The proposed decision has also been revised to clarify what kind of a criminal background check is expected, the insurance requirements and what specifics should be included in the TNC plans to ensure accessibility. Other revisions in response to comments have been made as appropriate.

#### **9. Assignment of Proceeding**

Michael R. Peevey is the assigned Commissioner and Robert Mason III is the assigned ALJ in this proceeding.

#### **Findings of Fact**

1. The Commission opened this Rulemaking on December 20, 2012, to protect public safety and to encourage innovators to use technology to improve the lives of Californians.

2. The Commission has a responsibility for determining whether and how public safety might be affected by these TNCs.

3. Parties filed comments in this proceeding on January 28, 2013 and reply comments were filed on February 11, 2013.

4. On February 15, 2013, the Commission held a Prehearing Conference and on April 2, 2013, the assigned Commissioner and ALJ issued a Scoping Memo.

5. Workshops were held on April 11 and 12, 2013, at the Commission's auditorium.

6. In the Rulemaking we referred to these companies as New Online-Enabled Transportation Services. We are changing the abbreviation to TNC for ease of use.

7. TNCs are not just Lyft, SideCar, InstantCab, and UberX.

8. A TNC is defined as an organization whether a corporation, partnership, sole proprietor, or other form, operating in California that provides prearranged transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles.

9. California law currently recognizes and regulates three modes of passenger transportation for compensation: taxi services, regulated by cities and/or counties; and charter party carrier services, and passenger stage companies, regulated by the California Public Utilities Commission.

10. It is reasonable to conclude that in recent years, the communications revolution in wireless service, smartphones and apps has further facilitated the development and adoption of passenger transportation for compensation, to a point where passengers seeking rides are readily connected with drivers willing to provide rides in private vehicles.

11. It is reasonable to conclude that current TNCs are providing passenger transportation for compensation.

12. TNCs do not fit neatly into the conventional understandings or statutory definitions of either taxis or limousines, but that does not mean that this Commission's responsibility to public safety in the transportation industry should be ignored and/or left for individual companies to dictate.

13. TNCs operate on a prearranged basis because 1) before a passenger can request a ride, the passenger must download the software application, provide identification information and agree to the TNC service agreement, and 2) for a particular trip, the passenger must input information regarding current location, and finally 3) a TNC driver cannot be hailed on the street similar to a taxicab where no information is shared until the passenger enters the vehicle.

14. In order to comply with the applicable statutes and regulations, all TNC drivers must be able to prove that a ride was matched on the TNC software application as evidence of prearrangement.

15. The California DMV does not currently permit TNCs to enroll non-employee drivers in the Employer Pull Notice Program. Until the DMV Employer Pull Notice Program is available for use by TNCs, TNCs should perform, prior to allowing a driver on the platform and quarterly thereafter, driving record checks through DMV in order to ensure that drivers meet applicable requirements. The DMV check criteria shall provide that a user may have no more than 3 points within the preceding 3 years, no "major violations" (reckless driving, hit and run, or driving with a suspended license conviction) within the preceding 3 years, and no driving under the influence conviction within the past 7 years.

16. It is reasonable to conclude that TNCs are charter party passenger carriers, and therefore we will exercise our existing jurisdiction over these services

pursuant to Article XII of the California Constitution and the Passenger Charter-party Carriers' Act, PU Code § 5351 *et seq.*

17. It is reasonable to exercise this Commission's broad grant of authority pursuant to PU Codes §§ 5381 and 701 to create the category of TNC to accompany the existing category of TCP. A company or individual wishing to provide transportation or facilitate transportation of passengers can choose to either get a TCP license or a TNC permit.

18. The definition of ridesharing does not permit transportation performed for profit.

19. Recovery of actual costs incurred only applies to vanpool vehicles, which is defined by the Vehicle Code as seating more than 10 passengers, but less than 15 passengers, including the driver.

20. It is reasonable to conclude that TNCs do not qualify for the rideshare exemption under PU Code § 5353(h), because § 5353(h) provides two opportunities to qualify for the rideshare exemption: either the transportation must have a common work-related purpose; or the transportation must be incidental to another purpose of the driver. TNCs fail to satisfy either of these requirements.

21. Pursuant to PU Code § 5352 the Commission's authority over passenger carriers is grounded in the need to protect the public's safe and reliable access to California's roadways.

22. PU Code § 5352 positions public safety as a key goal in ensuring that the public enjoys full access to the roadways.

23. The primary distinction between a TNC and other TCPs is that a TNC connects riders to drivers who drive their personal vehicle, not a vehicle such as a limousine purchased primarily for a commercial purpose.

24. A TNC shall not be permitted to accept street hails.

25. A TNC is not permitted to itself own vehicles used in its operation or own fleets of vehicles. With this definition in mind, the Commission finds that Uber (in contrast to UberX) is not a TNC.

26. Uber connects riders with drivers who do not drive their own personal vehicle, but typically operate in town cars or limousines, which the driver may often as well use to transport customers for another limousine/town car company.

27. In order to ensure the greatest possible evidentiary record, the Commission would prefer to leave all non-TNC issues, including Uber's potential TCP status, to Phase II.

28. The Commission will not allow the uncertainty regarding Uber's insurance to persist during the pendency of Phase II. Uber should be required to demonstrate to the Commission within 30 days of the issuance of this decision that it maintains commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing Uber services. The insurance coverage shall be available to cover claims regardless of whether an Uber driver maintains insurance adequate to cover any portion of the claim.

29. UberX does meet the TNC definition and should apply for a TNC license.

30. In this decision we will require TNCs to maintain commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing TNC services. The insurance coverage shall be available to cover claims regardless of whether a TNC driver maintains insurance adequate to cover any portion of the claim.



31. The criminal background check must be a national criminal background check including the national sex offender database. The criminal background check should be using the applicant's social security number and not just the applicant's name. Any felony criminal conviction within seven years prior to the date of the background check for violent crime, a sexual offense, a crime involving property damage, and/or theft will make the applicant ineligible to be a TNC driver.

32. The Commission is authorized to conduct inspections of charter-party carriers which will now include TNCs. For instance, § 5371.5 of the Act states that: "Upon receipt of a complaint containing sufficient information to warrant conducting an investigation, the commission shall investigate any business that advertises limousine-for-hire or passenger charter transportation service for compensation in motor vehicles."

33. The Commission is also authorized to issue fines pursuant to PU Code § 5378(b).

34. PU Code § 5411 to 5420 of the Act contain relevant provisions regarding issuing fines and penalties. These provisions allow the Commission to issue fines to carriers who have violated one or more provisions of the California Public Utilities Code. In addition, the Commission has established a citation program in Resolution ALJ-187.

35. The Commission's purpose in this Rulemaking is to ensure that regulation is the safety net that the public relies on for its protection and secondarily encouraging innovation and utilization of technology to better the lives of Californians.

36. No Term and Condition in a TNC's Terms of Service or elsewhere, can be inconsistent with this decision's commercial liability insurance requirements for

TNCs. Nor can any Term and Condition in a TNC's Terms of Service be used or relied on by the TNC to deny insurance coverage, or otherwise evade the insurance requirements established in this decision.

37. The Commission will open a Phase II to consider updating its regulations over TCP certificate holders. Phase II will also consider the standard and appropriate language for Terms & Conditions for both TCP and TNC certificate holders.

### **Conclusions of Law**

1. The Federal Telecommunications Act of 1996 and recently adopted California legislation (Senate Bill 1161 authored by Senator Alex Padilla) limit California's ability to regulate IP-enabled services, but they do not prevent California from regulating passenger transportation over public roadways.

2. TNCs are not providers of IP-enabled services and are not exempt from our jurisdiction.

3. To date neither the FCC, nor a court of higher jurisdiction, has ruled that this Commission, or any other state commission, is precluded by the Federal Telecommunication Act of 1996 from regulating TNCs.

4. The Commission regulates charter party passenger carriers pursuant to Article XII of the California Constitution and the Passenger Charter-party Carriers' Act, PU Code, §§ 5351, *et seq.* Section 5360 states in part:

Subject to the exclusions of Section 5353, "charter-party carrier of passengers" means every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state.

Section 5381 states in part:

...(t)he commission may supervise and regulate every charter-party carrier of passengers in the State and may do all

things...necessary and convenient in the exercise of such power and jurisdiction.

5. The Commission has very broad powers under PU Code § 701 which suggests that the Commission has the ability (via a rulemaking process) to develop new categories of regulation when a new technology disrupts an existing industry.

6. We find that TNCs are charter party passenger carriers, and therefore we will exercise our existing jurisdiction pursuant to Article XII of the California Constitution and the Passenger Charter-party Carriers' Act, PU Code § 5351 *et seq.* (the Act). In this decision, under the broad grant of authority pursuant to PU Codes § 5381 and 701, we create the category of TNC to accompany the existing category of TCP.

7. Section 5353(h) provides two opportunities to qualify for the rideshare exemption: Transportation of persons between home and work locations or of persons having a common work-related trip purpose in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in § 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

8. PU Code § 5353(h) exempts transportation of persons between home and work locations or of persons having a common work-related trip in a vehicle having a seating capacity of 15 passengers or less, including the driver, which are used for the purpose of ridesharing, as defined in § 522 of the Vehicle Code, when the ridesharing is incidental to another purpose of the driver.

9. The section also states the exemption does not apply if the primary purpose for the transportation of those persons is to make a profit. "Profit," as

used in this subdivision does not include the recovery of actual costs incurred in owning and operating a vanpool vehicle, as defined in § 668 of the Vehicle Code.

10. Current TNCs do not fulfill the rideshare exemption and actually are providing transportation services for compensation.

11. PU Code § 5352 positions public safety as a key goal in ensuring that the public enjoys full access to the roadways.

## O R D E R

### IT IS ORDERED that:

1. Transportation Network Companies shall follow the safety and regulatory requirements as detailed in Section 2.2.4 of this decision.

2. All reports required by this decision to be submitted by Transportation Network Companies must be verified by the provision of a signature of an officer of the corporation stating under penalty of perjury under the laws of the State of California that the report is accurate and contains no material omissions.

3. Each Transportation Network Company (TNC) (not the driver) must have a license with this Commission. There are six types of charter party carrier permits/certificates. TNCs shall apply for a class P permit.

4. Each Transportation Network Company (TNC) is required to conduct a criminal background check for each driver prior to that applicant becoming a TNC driver. The criminal background check must be a national criminal background check including the national sex offender database. The criminal background check must use the applicant's social security number and not just the applicant's name. Any felony criminal conviction within seven years prior to the date of the background check for driving under the influence of drugs or alcohol, fraud, use of a motor vehicle to commit a felony, a violent crime or act of

terror, a sexual offense, a crime involving property damage, and/or theft will make the applicant ineligible to be a TNC driver.

5. We require the Transportation Network Company (TNC) or an authorized third party facility licensed by the California Bureau of Automotive Repair to conduct and ensure that each vehicle passes a 19-point vehicle inspection prior to allowing a vehicle to be driven as part of the TNC's service, and annually thereafter, and for the TNC to maintain the record of such inspections in case of an audit.

6. We require TNCs to maintain commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing TNC services. The insurance coverage shall be available to cover claims regardless of whether a TNC driver maintains insurance adequate to cover any portion of the claim. This insurance requirement shall be disclosed on each TNC's app and website.

7. Until the Department of Motor Vehicle (DMV) Employer Pull Notice Program is available for use by Transportation Network Companies (TNC), TNCs shall perform, prior to allowing a driver on the platform and quarterly thereafter, driving record checks through the DMV in order to ensure that drivers meet applicable requirements. The DMV check criteria shall provide that a user may have no more than 3 points within the preceding 3 years, no "major violations" (reckless driving, hit and run, or driving with a suspended license conviction) within the preceding 3 years, and no driving under the influence conviction within the past 7 years.

8. Drivers for Transportation Network Companies are prohibited from accepting street hails from potential passengers.

9. This decision orders a second phase to this proceeding to review the Commission's existing regulations over limousines and other charter party carriers in order to ensure that these rules have kept pace with the needs of today's transportation market, and that the public safety rules are up to date. In addition, the second phase will consider the potential impact of any legislative changes that could affect our ability to regulate the Transportation Network Company industry.

10. The Commission will convene a workshop one year after the issuance of this decision to hear from all stakeholders on the impacts of this new mode of transportation and accompanying regulations. Workshops topics will include, but not necessarily be limited to, a consideration of safety, competition, innovation, accessibility, congestion, the California Environmental Quality Act, and other pollution related issues.

11. Transportation Network Companies must submit a plan within 90 days of the issuance of this decision to the Safety and Enforcement Division to explain how they plan to ensure that this new form of transportation service does not create a divide between the able and disabled communities.

12. Within 45 days after the effective date of this Decision, the Commission will post a Transportation Network Company Application Packet on its website, and Transportation Network Companies currently operating in California must file their Transportation Network Company Applications with the Safety and Enforcement Division 60 days thereafter if they wish to continue operating.

13. Uber is required to demonstrate to the Commission within 30 days of the issuance of this decision that it maintains commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing Uber services.

The insurance coverage shall be available to cover claims regardless of whether an Uber driver maintains insurance adequate to cover any portion of the claim.

14. UberX meets the Transportation Network Company (TNC) definition and must apply for a TNC license.

15. No Term and Condition in a TNC's Terms of Service or elsewhere, can be inconsistent with this decision. Nor can any Term and Condition in a TNC's Terms of Service be used or relied on by the TNC to deny insurance coverage, or otherwise evade the insurance requirements established in this decision.

16. Taxicab Paratransit Association of California's motion to compel discovery is denied without prejudice.

17. Rulemaking 12-12-011 remains open.

This order is effective today.

Dated September 19, 2013, at San Francisco, California.

MICHAEL R. PEEVEY  
President  
MICHEL PETER FLORIO  
CATHERINE J.K. SANDOVAL  
MARK J. FERRON  
CARLA J. PETERMAN  
Commissioners



COM/MP1/sbf/lil

**PROPOSED DECISION**

Agenda ID #13072 (Rev. 1)  
Quasi-legislative  
7/10/2014 Item 40

Decision **PROPOSED DECISION OF COMMISSIONER PEEVEY**  
(Mailed 6/10/14)

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on  
Regulations Relating to Passenger  
Carriers, Ridesharing, and New  
Online-Enabled Transportation Services.

Rulemaking 12-12-011  
(Filed December 20, 2012)

**DECISION MODIFYING DECISION 13-09-045**

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**DECISION MODIFYING DECISION 13-09-045****1. Summary**

This decision modifies Decision (D.) 13-09-045 which adopted rules and regulations for Transportation Network Companies (TNC).

The modifications deal with defining TNC services and the insurance the Commission requires while TNC services are being provided. Specifically, the modifications are:

- a. TNC services are defined with three periods. Period One is: App open – waiting for a match. Period Two is: Match accepted – but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger). Period Three is: Passenger in the vehicle and until the passenger safely exits the vehicle.<sup>1</sup>
- b. A minimum of at least \$1 million primary commercial insurance is required for Periods 2 & 3.
- c. A minimum of at least \$100,000 for one person, \$300,000 for more than one person, and \$50,000 for property damage of excess commercial insurance is required for Period 1. As explained in more detail below Period 1 is further complicated because a driver could have multiple apps open while waiting to get matched. This situation makes it impossible to require exclusive and primary insurance and sole duty to defend for insurance purposes. For period 1 we adopt city of Los Angeles' insurance amount that is required for all taxicabs.<sup>2</sup>

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<sup>1</sup> We have heard from at least one airport that it requires that the app stay on until the TNC driver has left airport property. As we stated in D.13-09-045, the TNCs must follow any and all airport regulations the TNCs must keep the app on for any airport that has a requirement that the app stay on after the passenger has been dropped off and can be turned off no sooner than when the TNC driver has left airport property. Additionally, it should be noted that with respect to the three periods listed above, TNC service would still continue in all situations after a passenger has exited a car provided that the driver's app is still open

<sup>2</sup> LA Muni Code Section 71.14.

d. TNCs can satisfy the insurance requirements by one of two ways; 1) maintaining such insurance on its own or 2) maintaining such insurance on its own in combination with a policy maintained by the TNC driver that is specifically written for the purpose of covering TNC services, or portion thereof.

A TNC's insurance, as required by these regulations, is primary and exclusive and shall assume all liability for Periods 2 and 3. Such policy shall have the sole duty to defend for an incident which occurred during Periods 2 and 3.

In the event a driver maintained policy is used to partially fulfill the insurance requirements, a transportation network company's insurance must provide sole excess coverage to the driver's policy that is specifically written for the purpose of covering transportation network services, or portion thereof. In the event such driver maintained policy ceases to exist due to a coverage lapse, denial of claims, or policy cancellation, the transportation network company's insurance shall provide exclusive coverage, and assume all liability and the sole duty to defend, at dollar one.

Unless coverage for TNC services is separately and specifically stated in the policy and priced pursuant to approval by the California Department of Insurance, a driver's personal automobile policy is in no way required to provide coverage or the duty to defend for Periods 2 and 3.

For Period 1 we are adopting excess commercial policy, because in this period the driver could have multiple apps on and only when a match is made with a passenger will it be certain which TNC is being used. Therefore, it is not reasonable to expect a TNC to provide exclusive and primary insurance during Period 1. It doesn't seem reasonable to have multiple primary coverage that is exclusive and has the sole duty to defend.

The final modification concerns the reporting of communications between interested persons and decision-makers. The Commission exercises its authority under Rule 1.2 of the Commission's Rules of Practice and Procedure to make Rule 8.4 (Reporting *Ex Parte* Communications) applicable to this proceeding.

## **2. Procedural History**

### **2.1. The Assigned Commissioner's Ruling (ACR)**

An Assigned Commissioner's Ruling (ACR) was issued on March 25, 2014, requesting comment on five proposed modifications to D.13-09-045.<sup>3</sup> The need to issue that ACR was driven by a number of factors.<sup>4</sup> First, the phrase "providing TNC services" has been interpreted different ways; second, there was some uncertainty over whether a TNC driver's personal automobile insurance would apply to an incident where the TNC driver is wholly or partially at fault, the app is open, and there is no passenger in the vehicle; and third, the Commission analyzed whether the TNC should provide coverage beyond commercial liability insurance required by our September 22, 2013 decision. Concerns were raised by the California Insurance Commissioner and others about potential gaps in TNC insurance required by our September 22, 2013 decision, including lack of clear requirements for coverage of collision, comprehensive, uninsured/underinsured motorists, and medical expenses. The ACR proposed modifications so that coverage is provided on a consistent basis. The ACR also invited the parties to comment on the proposed changes.

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<sup>3</sup> ACR, at 2-3.

<sup>4</sup> Rule 16.4 of the Commission's Rules sets forth the procedure for a party to file a petition for modification, and the Commission also has the power pursuant to Pub. Util. Code § 1708 to modify its decision.

The following parties filed opening comments to the ACR: SideCar, Lyft, United Taxicab Workers, San Francisco Municipal Transportation Agency (SFMTA), San Francisco Cab Association, Luxor, Taxicab Paratransit Association of California (TPAC), Uber, Personal Insurance Federation of California (PIFC), Greater Livery, former mayor Willie L. Brown Jr, Christopher Dolan and the Dolan Law Firm (collectively referred to as Dolan).<sup>5</sup> The following parties filed replies to the ACR: Sidecar, Lyft, United Taxicab Workers, SFMTA, San Francisco Cab Association, TPAC, Uber, and the Dolan Law Firm.

### **3. Defining the phrase “Providing TNC Services”**

#### **3.1. Comments on the ACR**

D.13-09-045 did not specifically define TNC services other than to say for the purpose of TNC services, a ride is considered prearranged if the ride is solicited and accepted via a TNC digital platform before the ride commences.<sup>6</sup> The ACR proposed to define this term and asked parties for comment, because TNC companies seemed to settle on a definition that was too narrow and did not meet the Commission’s original intent. Thirteen parties filed comments in response to the ACR.

California Airports Council believes the definition must include the time a TNC driver is waiting for notification of new patrons and the time between trips.

City and County of San Francisco supports closing the insurance gap but questions if the proposed modification is sufficient. The City proposes that “providing TNC services” should include those periods in which a driver is (1) en route to pick up a TNC passenger; (2) transporting a TNC passenger;

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<sup>5</sup> Christopher Dolan and the Dolan Law Firm were granted party status, with limitations, by way of an e mail ruling on April 7, 2014.

<sup>6</sup> D.13-09-045 at 30.

(3) picking up a TNC passenger; (4) dropping off a TNC passenger; or  
(5) situated in the TNC vehicle while the app is open or the driver is otherwise available to accept rides from a subscribing TNC passenger.

Dolan Law Firm supports defining this phrase but suggests changing “whenever the TNC driver is using their vehicle” to “whenever the TNC driver is using a vehicle.” Additionally, the phrase “as a public or livery conveyance” should be changed to read “for the purpose of facilitating the actual or prospective transportation of the public, including but not limited to the time that they initially log onto, open, or otherwise indicate their availability as open and available to accept passengers through, a TNC app, until the driver has logged off, closed the application or otherwise indicated they are no longer available to provide TNC services.” Dolan Law Firm asserts this coverage would be similar to what is afforded by other transportation providers such as taxis.

Luxor argues that a vehicle become a commercial vehicle as soon as the driver registers his or her vehicle with a TNC. Otherwise, Luxor fears that there is an open invitation for insurance fraud.

Lyft does not believe the Commission should create a new definition of “providing TNC services” as the current definition is clear and unambiguous. Additionally, adding the phrase “whenever the TNC driver is using their vehicle as a public or livery conveyance” will create ambiguity with the balance of the Phase I decision. The app on/app off concept will also throw the entire regulatory framework into chaos as the decision contemplated a nexus between the provision of transportation for compensation and the concept of providing TNC services. There is no universally accepted meaning of the terms “open,” “closed,” or “available to accept rides.”



PIFC suggests defining the phrase to mean “when participating drivers make themselves available for passengers, which includes, but is not limited to, logging on to the transportation network company’s application program, attaching an insignia or logo indicating the personal motor vehicle as providing transportation network services, or having a fare-paying passenger getting into or out of the vehicle.” PIFC believes this definition will accomplish the Commissioner’s goal of removing gaps in the commercial liability coverage.

San Francisco Cab Drivers Association opposes the proposed definition and instead believes either the TNC or the TNC driver needs to provide each vehicle with 100% insurance coverage, 100% of the time.

SideCar believes the proposed definition is overbroad and would subject TNCs to fraud by unscrupulous drivers and lead to higher than necessary insurance costs.

Summons proposes limiting “providing TNC services” to only those times when TNC drivers are en route to a passenger or are transporting a passenger.

TPAC suggest that rather than basing insurance upon a limited time frame when TNC driver has a specific app open, the appropriate Commercial Auto Liability Insurance policy would cover the vehicles being used to provide transportation services at all times. The Commercial Auto Liability Insurance policy should be commensurate with at least the minimum charter-party carrier requirements for TNCs that provide exclusively pre-arranged services.

Uber suggests that the Commission should maintain the original language of D.13-09-045 with regard to the period during which commercial TNC third-party liability insurance shall apply. While Uber supports establishing coverage requirements for Period 1 (*i.e.*, the driver’s app is open, but the TNC driver has not yet accepted a request for transportation), Uber argues that the Commission

should allow the TNCs and the insurance industry to fashion market-based solutions to address the coverage needs during that period. Uber is also concerned about a TNC driver in Period 1 having contracted with multiple TNCs and keeping all apps open at all times in order to maximize the likelihood of procuring a request for transportation. Uber suggests defining “providing TNCs services” as follows: “Whenever the TNC driver is using their vehicle as a public or livery conveyance, which is from the time the TNC driver accepts a passenger’s request to prearrange transportation services until the time the TNC driver concludes providing such transportation services to the passenger.” As for levels of insurance during Period 1, Uber suggests the Commission should mandate coverage “at least at the limits required by state personal auto policies, but leave open the question of who may purchase such coverage.”

United Taxicab Workers do not believe the proposed modifications will close the TNC coverage gaps.

### **3.2. Discussion**

As this is a new industry, the Commission knew that the rules and regulations it enacted might need to be modified as real-time information about TNC operations became known. The Commission also has the power pursuant to Pub. Util. Code § 1708 to modify its decision:

The commission may at any time, upon notice to the parties, and with opportunity to be heard as provided in the case of complaints, rescind, alter, or amend any order or decision made by it.

D.13-09-045 uses the phrase “providing TNC services” in a manner that may have caused some confusion. For example, in Application of the TPAC for Rehearing of D.13-09-045, TPAC argues that the “Decision fails to state whether a TNC driver is considered to be providing TNC services when en route to picking

up a passenger, when returning from dropping off a passenger, or when a driver is cruising an area while awaiting a ride request.”<sup>7</sup> The California Department of Insurance has also recognized this potential uncertainty<sup>8</sup> and has advocated defining “providing TNC services” to cover the following three periods: Period 1 (App Open – No Match); Period 2 (Match Accepted – Passenger Pick-Up); and Period 3 (Passenger in the Car – Passenger has safely exited the vehicle).<sup>9</sup>

As such, in an effort to eliminate uncertainty, the Commission defines “providing TNC services” as follows:

TNC services are defined with three periods. Period One is: App open – waiting for a match. Period Two is: Match accepted – but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger). Period Three is: Passenger in the vehicle and until the passenger safely exits the vehicle.

With this definition, we clarify that providing TNC services is not limited to the time between obtaining a recorded acceptance to transport a subscribing TNC passenger or the TNC operator’s travel to pick up that subscribing TNC passenger, transport, or drop-off of that subscribing TNC passenger(s) to his/her/their destination. Instead, this definition is expansive enough to cover all circumstances when the TNC driver is driving and/or waiting to be hired by a subscribing TNC passenger, has accepted a subscribing TNC passenger and is en route to pick up the subscribing TNC passenger, is transporting the subscribing TNC passenger from the pick-up spot to the destination stop, and is

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<sup>7</sup> Application, at 23, and fn. 129.

<sup>8</sup> See Department of Insurance letters dated January 10, 2014, March 25, 2014, and Background White Paper updated April 1, 2014.

<sup>9</sup> Department of Insurance letter dated April 7, 2014.

then again driving and/or the app is open to indicate that the driver is available or waiting to be hired by another subscribing TNC passenger. It is our intent that insurance coverage must be consistent with our definition of “providing TNC services” and during those times that those services are being provided.

### **3.3. Comments on Insurance Coverage in Response to the ACR**

As stated above this is a new industry and D.13-09-045 left the proceeding open in the event new data became available that could assist the Commission in refining our policies to further assure public safety, consumer choice, and innovation for the betterment to all Californians. Since the issuance of D.13-09-045 this industry has grown and the Commission has received additional data regarding the operation of TNCs and how TNCs are applying this Commission’s directives. For example, the California Insurance Commissioner raised the specter of potential gaps in TNC insurance required by the Commission’s decision, including lack of clear requirements for coverage of collision, comprehensive, uninsured/underinsured motorists, and medical expenses. As a result of these uncertainties, there are a number of different situations where either no coverage or differing coverage may be available. The Commission’s top priority in this case and all cases is to protect the public while allowing for customer choice and encouraging innovation. Thirteen parties filed comments in response to the ACR.

California Airports Council supports additional insurance requirements at a level similar to other transportation services. The language should also require that airports be listed as additional insured’s to protect airport liability when TNCs are operating on airport property.

City and County of San Francisco (CCSF) argues that the new definition of the phrase “providing TNC services” should remain a part of the decision’s insurance requirement. CCSF believes that the phrase “used as a public livery or conveyance” would add further confusion to the question of when TNC insurance applies to incidents involving TNC vehicles and drivers. CCSF supports additional coverage with the caveat that the comprehensive and collision insurance be \$50,000 per person and \$100,000 per accident as recommended by the California Department of Insurance. Additionally, CCSF requests that TNC insurance be deemed primary, that the TNC insurance policies be made available to the public, and ensure that personal insurance providers are advised of TNC activities of their insureds.

Dolan Law Firm argues that instead of the phrase “used as a public or livery conveyance,” it should state “TNC vehicles providing TNC services” in order to provide consistency throughout the decision. Dolan also supports the additional coverage and limits.

Former mayor Willie L. Brown Jr also supports additional insurance coverage requirements such as Uninsured Motorists Coverage, Comprehensive Coverage, Collision Coverage, and medical payments coverage as a safety measure.

Greater California Livery Association (GCLA) believes additional insurance coverage requirements are fair and responsible. But GCLA suggests that the commercial coverage be primary, transparent to the public, and in force and effect 24 hours per day, 7 days per week. Finally only “A” rated and admitted carriers be allowed to insure TNCs.

Luxor argues for TNCs maintaining full-time primary commercial insurance on all vehicles registered with them for purposes of providing TNC services.

Lyft argues that the Commission need not revise the insurance requirements as there is no documented coverage gap. It cites the settled rule that exclusions in insurance contracts will be narrowly against the insurer. (*White v. Western Title Insurance Company* (1985) 40 Cal. Ed 870, 881.) Lyft concludes that insurers would be unlikely to prevail if they were to invoke this exclusion to deny a TNC driver's coverage under a personal automobile policy during periods when the driver "is in match mode."

PIFC suggests that the TNC commercial liability be primary and clarify that the duty to defend rests with the TNC's primary commercial liability policy.

San Francisco Cab Drivers Association (SFCDA) maintains that TNC drivers and vehicles should be required to obtain full-time commercial livery insurance policies. The coverage limits should be no less than what is required of taxicabs in a given jurisdiction.

SideCar disagrees that the proposed coverage limits are appropriate and, instead, recommends that the \$1,000,000 liability coverage only apply for the period where a ride has been accepted in the app until the ride ends and the passenger exits the vehicle. Contingent third party liability should be \$50,000 per individual bodily injury claim and \$1,000,000 per incident, and property damage up to \$25,000. Contingent collision coverage should be required in the amount of \$50,000.

Summons opposes any new insurance requirements until the insurance market offers financially viable products to meet those requirements.

United Taxicab Workers asserts having separate personal and TNC insurance policies provides an incentive for driver fraud that may be difficult to detect. Instead, TNC drivers must carry commercial livery insurance.

### **3.4. Discussion**

With respect to TNCs, this Commission stepped in to establish basic consumer protection policies in order to promote the safety of passengers, drivers, and the general public. Our role has not been to favor one form of transportation over another. More specifically, we have not chosen to select specific insurance contract language favored by one side or another. Instead, we remain steadfast in promoting safety and consumer choice.

In their comments, the taxicab and limousine industries have advocated that we implement a \$1 million insurance policy for the TNCs and have stated that such a policy would mirror their own requirements. On the other hand, the personal insurance industry has continuously asked for this Commission to recognize that personal insurance should never have a role in a TNC incident. Finally, the TNC companies' original position was that they would cover the first dollar that was not covered by a driver's personal insurance. To further complicate things, just recently some TNCs have conceded that exclusive insurance would be applicable for Periods 2 & 3, while other TNC companies are advocating that personal insurance companies reject the claim first and then the TNC's coverage would begin.

Let's look a little bit more closely at the taxicab industries own policies. Subsequent review indicates that the taxicab industry does not have a unified insurance policy requirement. In fact, only a few cities require a \$1 million



insurance policy.<sup>10</sup> For instance, Los Angeles requires taxicabs to carry a policy that covers a minimum of \$100,000 per person, \$300,000 for more than one person, and \$50,000 for property damage.<sup>11</sup>

Next, if we look at the limousine industry's insurance requirement for guidance we find that the amount is set by this Commission and it is a combined single policy of \$750,000.<sup>12</sup>

Then if we turn to the personal insurance industry, we are convinced that the industry's sole goal *vis-à-vis* this proceeding has been to make clear to this Commission, the industry, and its policy holders that personal policies would not be applicable for TNC drivers. In point of fact, the insurance industry is not regulated by this Commission but by the California Insurance Department. This industry can set its own requirements and write its own policies. The coverage issues identified by the insurance industry are the more challenging and complicated to address – but the resolution of them is not within the jurisdiction of this Commission. They can, and appropriately should, be solved by the personal insurance industry who can create more tailored products to meet this growing demand. To this end, we applaud Lyft and MetLife Insurance for working together and proffering potential products that would provide insurance for Lyft drivers and passengers in a recent filing with the California Department of Insurance.<sup>13</sup>

While we carefully evaluated and considered the comments presented by the varying constituencies, it is our responsibility to focus on our role to promote

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<sup>10</sup> See comments of Uber Technologies on behalf of Raiser (UberX) on the proposed decision at 2.

<sup>11</sup> Los Angeles Municipal Code 71.14.

<sup>12</sup> CPUC General Order 115F.

<sup>13</sup> Comments of Lyft on the proposed decision at 2.

safety of passengers, drivers, and the general public while promoting consumer choice. We are committed to reducing, if not eliminating, the need for litigation resulting from who is and should be providing insurance coverage for injured parties resulting from TNC services. The policy is (and has been since we issued D.13-09-045 in September 2013) that for Periods 2 & 3 the TNC is responsible for providing insurance. This will be primary insurance with a minimum coverage of \$1 million. Again, this requirement can be met in one of two ways; 1) the TNC itself can maintain insurance on its own or 2) a combination of a TNC policy and a driver policy that is specifically written for the purpose of covering TNC services, or portion thereof.

For Period 1, when a driver has multiple apps actively on and is waiting to see which app requests his/her services, we cannot ask for multiple exclusive insurance with the sole duty to defend. In that event, which one will have the sole duty to defend and which one is exclusive when both are on? Our intent is to reduce litigation or better yet eliminate it. We certainly do not want to add to it. Having multiple primary/exclusive insurance seems to add to it. And, for this reason, we will adopt excess commercial insurance which will be available during an incident.

The TNCs insurance companies may litigate with themselves as to who will be providing insurance. However, we hope that in time the insurance companies will solve this issue and create products that will reduce the risk of litigation and provide clear coverage to the injured parties. For this excess commercial insurance requirement, we will adopt Los Angeles' current insurance amount of \$100,000 for one person, \$300,000 for more than one person, and \$50,000 for property damage. While we adopt these rules, we are hopeful that the insurance industry along with its regulator, the California Department of

Insurance, will work together to come up with better insurance products for this growing industry.

### **3.4.1. The Extent of the Insurance Requirements Ordered by This Decision**

We also invited the parties to comment on our proposed expansion of the TNC insurance requirements beyond requiring commercial liability insurance. Specifically, we asked parties comment on whether the Commission should also require TNCs to carry uninsured/ underinsured, medical, comprehensive, and collision coverage.

The Commission has reviewed the comments to the ACR and to this proposed decision. We specifically acknowledge the information provided to us in comments, and confirmed through our own investigation, that the additional coverage (i.e. uninsured/underinsured, collision, comprehensive, and medical payments coverage) we had contemplated is well beyond what is currently required for taxis, limos, and other for hire transportation vehicles. After researching the municipal codes of San Francisco, Los Angeles, Sacramento, Fresno, and Stockton, the California Vehicle Code regulations for taxis and other for hire transportation vehicles, and the Commissions regulations of Charter-party carriers, we find that none of these regulations require such additional insurance requirements.<sup>14</sup> We also note that the \$100,000 per person/ \$300,000 for more than one person in commercial liability insurance for Period One is

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<sup>14</sup> See Comments filed by Uber in response to both the ACR and this decision, which reference the SFMTA, LA Municipal Code Section 71.14, Sacramento Municipal Code 5.136.440, Fresno Municipal Code 9-916, Stockton Municipal Code 5.84.480, and California Vehicle Code Section 16500; Lyft's Comments to this decision, at 7-9; and Sidecar's Comments to this decision, at 6-8.

consistent with the coverage limits imposed by LA Municipal Code Section 71.14 for taxis with a seating capacity of 1-7 passengers.<sup>15</sup>

We are concerned, therefore, that imposing these additional coverage requirements (i.e. uninsured/underinsured, collision, comprehensive, and medical payments coverage) may make it difficult to for TNCs to satisfy these requirements through the existing insurance market, thus inhibiting the creative environment that has allowed the TNC industry to flourish in California for the benefit of California residents who wish to avail themselves of TNC services. Instead, we believe that tailoring the commercial liability insurance requirements to our clarified definition of “providing TNC services” should provide sufficient coverage protections consistent with those protections afforded to passengers of taxis, limos, other for his transportation carriers, and Charter-party carriers. Of course, the Commission reserves the right to revisit this issue should factual circumstances change or if we are directed by the Legislature to impose additional insurance requirements.<sup>16</sup>

### **3.4.2. Summary of Required Insurance Coverage**

We summarize in the chart below the coverage, types, purposes, and amounts:

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<sup>15</sup> See Uber’s Comments to the ACR, Exhibit A, and Uber’s Comments to this decision, at 2 and 5.

<sup>16</sup> The Commission acknowledges that Assembly Bill (AB) 2293 (Bonilla), which contains insurance requirements for TNCs, is making its way through the legislative process. As we do not know what the final version of AB 2293 will require, we are prepared to adjust this decision as our legislature directs in the event the final bill contains requirements different than those contained in our decision.

<b>Segment of Providing TNC Services</b>	<b>Type of Coverage Required</b>	<b>Amount</b>
Period One: App is open - waiting for a match	Excess Commercial liability coverage to protect the TNC and the TNC driver against bodily injury and or property damage claims brought by third parties	\$100,000 per person and \$300,000 for more than one person, and \$50,000 for property damage.
Period Two: Match accepted - but passenger not yet picked up	Primary Commercial liability coverage to protect the TNC and the TNC driver against bodily injury and or property damage claims brought by third parties	\$1,000,000 per incident coverage
Period Three: Passenger in car - until passenger safely exits car	Primary Commercial liability coverage to protect the TNC and the TNC driver against bodily injury and or property damage claims brought by third parties	\$1,000,000 per incident coverage

We require that each TNC file their insurance policies under seal with the Commission as part of applying for a permit. Furthermore, the permit for the TNC will automatically expire upon expiration of the insurance policy unless and until the TNC provides an updated insurance policy and applies to renew its permit. The new insurance requirements will apply upon the expiration of the insurance policies in place or one year from the effective date of this decision, whichever is sooner. In the meantime, we encourage the insurance industry to create new products specific to TNC drivers. As such, a TNC may satisfy the insurance requirements, prescribed by these regulations, by one of the following:

1. Maintaining such insurance on its own, or
2. With any combination of a policy maintained by the TNC and a policy maintained by the TNC driver that is specifically written for the purpose of covering TNC services, or portion thereof. Such combination of policies must meet the minimum limits required by these regulations.

In Phase II of this proceeding we will consider whether these policies for both TCP as well as TNC certificate holders should be made public and included in the Commission's website.

### **3.4.3. Applying the Modified Insurance Requirements to Uber Technologies, Inc.**

#### **3.4.3.1. Comments regarding applying modifications to Uber Technologies, Inc.**

The California Airports Council supports applying the proposed modifications to Uber Technologies, Inc.

Dolan supports applying the insurance modifications to Uber but also wants them to apply to Raiser-Ca. LLC. Finding of Fact ¶ 26 should also be changed with the phrase "while they are providing Uber services" added at the end following the phrase "incidents involving vehicles and drivers." This same

change should be made at Finding of Fact ¶ 13. Finally, Dolan suggests that the commercial liability coverage be a primary “nonwasting policy” so that defense fees and costs do not eat away at the policy limits.

SFCDA agrees that these modified insurance requirements should apply to Uber.

Uber disagrees, reasoning that as the TNC insurance requirements already apply to Uber’s TNC subsidiary, Rasier-CA LLC, there is no need to apply them to Rasier’s parent entity, Uber. Uber also believes the question is premature as the Commission deferred issues regarding whether Uber should be regulated as a TCP to Phase 2.

United Taxicab Workers argues that Uber should be required to carry commercial livery insurance on all its vehicles.

#### **3.4.3.2. Discussion**

We are persuaded by Uber’s comments. The fact of the matter is that Uber Technologies has multiple transportation offerings, however, only UberX (Raiser) provides TNC services. The other transportation offerings are licensed as limo drivers and regulated by this Commission. For instance, offerings such as Uber or Uber Black or Uber SUV are all and should be licensed professional drivers and required to carry commercial insurance of at least \$750,000. Therefore, this decision will require Uber Technologies’ subsidiary UberX (Raiser) to comply with the modified requirements. We will consider whether Uber Technologies should be a TCP itself in Phase II of this proceeding.

#### **4. All Ex Parte Communications Must be Reported in this Quasi-Legislative Proceeding.**

The above-mentioned ACR also asked for comments on a proposal to treat all communication regarding this proceeding with Commission Decisionmakers



subject to the reporting requirements of our *Ex Parte* communication rules (Rule 8.4).

#### **4.1. Comments on *Ex Parte* Communications**

California Airports Council supports making Rule 8.4 applicable to this proceeding. CCSF supports reporting of *ex parte* communications in this proceeding. Lyft sees no reason for the Commission to depart from its *ex parte* rules. SFCDA supports requiring the reporting of *ex parte* communications. SideCar opposes the reporting requirements as they will stifle and hinder the free and abundant communication between Commission staff and the TNC industry. Summons supports having the reporting requirements cover meeting minutes of the Insurance Working Group. TPAC supports making the *ex parte* reporting rules applicable to this proceeding. United Taxicab Workers argues that all *ex parte* communications should be reported.

#### **4.2. Discussion**

Normally in any quasi-legislative proceeding, “*ex parte* communications are allowed without restriction or reporting requirement.” (Rule 8.3(a) of the Commission’s Rules of Practice and Procedure.) But the Commission does have the authority “in special cases and for good cause shown,” to “permit deviations from the rules.” (Rule 1.2 of the Commission’s Rules.)

In this instance, we believe there is good cause to deviate from Rule 8.3(a) and, instead, require that all *ex parte* communications between interested persons and decisionmakers be reported pursuant to Rule 8.4. The TNC industry is in a constant state of change in terms of its operations and regulation. To the extent any “interested person”<sup>17</sup> wishes to bring information about any of the above

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<sup>17</sup> Pursuant to Rule 8.1(d), “interested person” means any party to the proceeding or the agents or employees of any party; any person with a financial interest, as described in Government

topics – as well as other topics not listed above that are relevant to this proceeding – to a “decision-maker,”<sup>18</sup> we believe that it is vital to the assurance of due process and to the orderly and efficient dissemination of information that all parties to this proceeding receive notice of the communications in accordance with Rule 8.4.

## 5. Comments on Modified Decision

The proposed modified decision of the assigned Commissioner in this matter was mailed to the parties in accordance with Pub. Util. Code § 311 and comments were allowed under Rule 14.3 of the Commission’s Rules of Practice and Procedure. The following parties filed comments on June 30, 2014: ACIC, Lyft, PIFC, San Francisco Cab Drivers Association, San Francisco International Airport and SFMTA, Sidecar, TPAC, Uber, and United Taxicab Workers.

ACIC has proposed clarifications to the definition of providing TNC services, and when the duty of excess coverage is triggered. ACIC also asks the Commission to specify the duty of indemnification.<sup>19</sup>

Lyft believes that the decision is adopting an expansive and unworkable definition of providing TNC services. Lyft also objects to the decision on the grounds it imposes “arbitrary and unreasonable levels of insurance on TNCs which would far exceed those imposed on other passenger carriers, including TCPs and taxis[.]”<sup>20</sup>

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Code § 87100, et seq.; or a representative acting on behalf of any formally organized civic, environmental, neighborhood, business, labor, trade, or similar association who intends to influence the decision of a Commission member on a matter before the Commission.

<sup>18</sup> Pursuant to Rule 8.1(b), “decisionmaker” means “any Commissioner, the Chief Administrative Law Judge, any Assistant Chief Administrative Law Judge, the assigned Administrative Law Judge, or the Law and Motion Administrative Law Judge.”

<sup>19</sup> ACIC Comments, at 3-5.

<sup>20</sup> Lyft Comments, at 1.

PIFC supports the decision in a number of ways but suggests clarifying language regarding the definition of providing TNC services, the maintenance of commercial liability insurance, and the TNC's insurer's duty to defend.<sup>21</sup>

San Francisco Cab Drivers Association opposes the decision on the grounds that the proposed insurance requirements are insufficient because they provide less than full-time commercial livery insurance.<sup>22</sup>

San Francisco International Airport and SFMTA supports the Commission's efforts to close the gaps in current TNC insurance coverage requirements but ask that the definition of providing TNC services be expanded to include all times those TNC vehicles are on airport property, regardless of whether an app is on or off, or whether the TNC driver has a passenger.<sup>23</sup>

Sidecar argues that the proposed insurance requirements are unjustified and unreasonable as they are not tailored to TNC activities, and would impose requirements beyond what is required by municipalities and this Commission for other transportation services.<sup>24</sup>

TPAC's comments go well beyond the scope of what was covered by the ACR and this decision, and instead appears to be rearguing points it has raised in the Court of Appeal and the California Supreme Court.<sup>25</sup> These comments are beyond the scope of the decision and shall not be considered. We do, however, consider TPAC's comment that TNCs argument that TNCs should be required to maintain primary commercial insurance commensurate with Charter-party

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<sup>21</sup> PIFC Comments, at 1-3.

<sup>22</sup> San Francisco Cab Drivers Association Comments, at 1-4.

<sup>23</sup> San Francisco International Airport and SFMTA's Comments, at 1.

<sup>24</sup> Sidecar's Comments, at 3-8.

<sup>25</sup> TPAC's Comments, at 3-10.

carriers and taxis.<sup>26</sup> Finally, TPAC suggests that the *ex parte* reporting rules adopted by this decision should be applied retroactively.<sup>27</sup>

Uber, as we have noted above, argues that the originally proposed insurance requirements go beyond what is currently required for Charter-party carriers, taxis, limos, and other for hire modes of transportation.<sup>28</sup> Uber also objects to the inclusion of Period One in the definition of providing TNC services.<sup>29</sup> Instead, Uber argues that coverage for Period One can be satisfied with the imposition of lesser insurance amounts.<sup>30</sup> Finally, Uber asks that the Commission not extend the *ex parte* rules to quasi-legislative proceedings such as this proceeding.<sup>31</sup>

United Taxicab Workers oppose the decision on the ground it does not provide the widest scope of coverage because it does not address the period when a driver has his/her app turned off but is nonetheless working.<sup>32</sup> They also argue that TNCs should carry full-time commercial livery insurance.<sup>33</sup>

Where appropriate, the Commission has made edits to this decision based on some of the comments. Where comments have not been incorporated, they shall be deemed rejected.

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<sup>26</sup> *Id.*, at 12-13.

<sup>27</sup> *Id.*, at 13-14.

<sup>28</sup> Uber's Comments, at 4-9.

<sup>29</sup> *Id.*, at 9-10.

<sup>30</sup> *Id.*, at 12-14.

<sup>31</sup> *Id.*, at 16.

<sup>32</sup> United Taxicab Workers Comments, at 2-3.

<sup>33</sup> *Id.*, at 4-5.

**6. Assignment of Proceeding**

Michael R. Peevey is the assigned Commissioner and Robert Mason III is the assigned ALJ in this proceeding.

**Findings of Fact**

1. D.13-09-045 did not adequately define the phrase “providing TNC services.”
2. Parties have differing interpretations of the phrase “providing TNC services.”
3. The California Department of Insurance has advocated a definition of “providing TNC services” that is different than how some insurance companies have defined “providing TNC services.”
4. Some parties have taken the position that a TNC driver’s personal automobile insurance will not apply to an incident arising out of the TNC driver “providing TNC services because of the presence of the public conveyance or livery exclusion.
5. Uber Technologies has multiple transportation offerings, however, only UberX (Raiser) provides TNC services.
6. The other transportation offerings by Uber Technologies are licensed as limo drivers and regulated by this Commission.
7. All Uber offerings other than UberX such as Uber or Uber Black or Uber SUV are all and should be licensed professional drivers and required to carry commercial insurance of at least \$750,000.
8. Communications between “interested persons” and “decision-makers” have occurred during this proceeding without notice to other “interested persons” and without any reporting of the communications.

**Conclusions of Law**

1. TNC services are defined with three periods. Period One is: App open – waiting for a match. Period Two is: Match accepted – but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger). Period Three is: Passenger in the vehicle and until the passenger safely exits vehicle.

2. A minimum of at least \$1 million primary commercial insurance is required for Periods 2 & 3.

3. A minimum of at least \$100,000 for one person, \$300,000 for more than one person, and \$50,000 for property damage of excess commercial insurance is required for Period 1.

4. The modified insurance requirements should not be applicable to Uber Technologies, but should apply to its subsidiary UberX which provides TNC services.

**O R D E R****IT IS ORDERED** that:

1. Transportation Network Company (TNC) services are defined with three periods. Period One is: App open – waiting for a match. Period Two is: Match accepted – but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger). Period Three is: Passenger in the vehicle and until the passenger safely exits vehicle.<sup>34</sup>

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<sup>34</sup> We have heard from at least one airport that it requires that the app stay on until the TNC driver has left airport property. As we stated in D.13-09-045, the TNCs must follow any and all airport regulations the TNCs must keep the app on for any airport that has a requirement that the app stay on after the passenger has been dropped off and can be turned off no sooner than when the TNC driver has left airport property. Additionally, it should be noted that with respect to the three periods listed above, TNC service would still continue in all situations after a passenger has exited a car provided that the driver's app is still open

2. A minimum of at least \$1 million primary commercial insurance is required for Periods 2 & 3.

3. A minimum of at least \$100,000 for one person, \$300,000 for more than one person, and \$50,000 for property damage of excess commercial insurance is required for Period 1.

4. This insurance requirements can be met in one of two ways; 1) the Transportation Network Company (TNC) itself can maintain insurance on its own or 2) a combination of a TNC policy and a driver policy that is specifically written for the purpose of covering TNC services, or portion thereof.

5. The modified insurance requirements applies to Uber's subsidiary Raiser (UberX). We will consider whether Uber Technologies itself should be a TCP in Phase II of this proceeding.

6. Only UberX from the various Uber Technologies offerings is permitted to provide TNC services.

7. All other Uber offerings except for UberX should be licensed TCP drivers with an active permit from this Commission.

8. We require that all *ex parte* communications between interested persons and decisionmakers be reported pursuant to Rule 8.4 of the Commission's Rules of Practice and Procedure.

9. Rulemaking 12-12-011 remains open.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.



**INSTRUCTIONS FOR SUBMITTING AN APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT**

Persons seeking to operate a Taxicab at San Diego International Airport ("Airport") must submit the following items prior to the issuing of a permit:

	Applicant Checklist	SDCRAA USE
1. <b>Attachment 1:</b> Permittee Information		
2. <b>Attachment 1 A-D:</b> Applicable Business Entity Information		
3. <b>Attachment 2:</b> Signed Permit (With all Exhibits Completed)		
Copy of Contract for ADA Services (as applicable)		
" <b>Exhibit A</b> ": Vehicle Registration Listing		
Copy of current Vehicle Registration(s) for all vehicle(s)		
Certificate of Insurance and Endorsement Form listing SDCRAA as an "Additional Insured" (See " <b>Exhibit B</b> " for Insurance Requirements)		
Workers' Compensation Insurance; or " <b>Exhibit C</b> ": Signed Statement of Waiving Workers' Compensation (as applicable)		
" <b>Exhibit D</b> ": Taxicab Driver Listing Form		
MTS Vehicle Inspection notice for all vehicles seven (7) years of age and older		
4. Check or Money Order Payable to: <b>SDCRAA</b>		

**Submitting Your Information**

Mailing Address:

San Diego County Regional Airport Authority  
Ground Transportation Department  
P.O. Box 82776  
San Diego, CA 92138-2776

Overnight or Hand-Delivered Mail:

San Diego County Regional Airport Authority  
Ground Transportation Department  
Commuter Terminal- 3rd Floor  
3225 North Harbor Drive  
San Diego, CA 92101

**Contact Us**

Contact the San Diego County Regional Airport Authority, Ground Transportation Department at (619) 400-2685 with any questions.

**Authorization & Acknowledgement**

The undersigned authorizes the San Diego County Regional Airport Authority ("Authority") to make any inquiry or investigation it believes necessary to verify or augment all information furnished in connection with seeking a non-exclusive permit to operate designated Taxicabs at the Airport and authorizes others to release to the Authority any and all information the Authority believes necessary to conduct its investigation. The undersigned certifies under penalty of perjury under the laws of the State of California that all information furnished is true and correct to the best of his or her knowledge.

\_\_\_\_\_  
Signature of Authorized Agent

\_\_\_\_\_  
Printed Name & Title

\_\_\_\_\_  
Date

**Submitting your information does not authorize you to conduct commercial operations at the Airport. The Permit is not valid until it is appropriately and physically affixed to the windshield of the vehicle.**

# APPLICATION FOR NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT

## ATTACHMENT 1: PERMITTEE INFORMATION

Business Name: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_  
\_\_\_\_\_

Check here if business address is same as above

Business Address: \_\_\_\_\_  
\_\_\_\_\_

Contact Name: \_\_\_\_\_  
Contact Title: \_\_\_\_\_  
Business Phone: \_\_\_\_\_  
Fax Number: \_\_\_\_\_  
Mobile Phone: \_\_\_\_\_  
Email Address: \_\_\_\_\_

Radio Service Name: \_\_\_\_\_  
Radio Service Phone: \_\_\_\_\_  
Color Scheme: \_\_\_\_\_  
Business Entity: \_\_\_\_\_

Please indicate below the type of legal entity of your business and complete the corresponding attachment with updated.

- Sole Proprietorship: Complete Attachment 1-A
- Partnership: Complete Attachment 1-B
- Limited Liability Partnership (LLP): Complete Attachment 1-B
- Limited Liability Company (LLC): Complete Attachment 1-C
- Corporation: Complete Attachment 1-D

The following persons have the authority to conduct business with the Authority on the applicant's behalf:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Compliance with Federal Americans with Disabilities Act (ADA) Requirements:**  
Please describe how Applicant complies with applicable ADA requirements:

\_\_\_\_\_

For ADA-compliance information, contact the Federal Regulatory Agency website listed by the U.S. Department of Justice at [www.usdoj.gov/crt/ada](http://www.usdoj.gov/crt/ada) or call (800) 514-0301.

**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE  
DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT**

**ATTACHMENT1-A: SOLE PROPRIETORSHIP INFORMATION**

1. Date you first began business operations:

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2. Has Applicant operated any other businesses as a sole proprietorship under a different name in the past 5 years?

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If yes, please list all other businesses operated and the dates of operation:

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# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT

## ATTACHMENT1-B: PARTNERSHIP (GENERAL/LIMITED) INFORMATION

1. Date of Organization: \_\_\_\_\_
2.  General Partnership       Limited Liability Partnership
3. Name, Title address and phone number each partner. If a partner is another partnership, a corporation or a limited liability company (LLC), please complete separate pages as appropriate, for such entity.

**ALL** Partner(s) [Indicate after name if Limited ("L") or General ("P")]:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT

## ATTACHMENT1-C: LIMITED LIABILITY COMPANY INFORMATION

1. LLC Name: \_\_\_\_\_

2. Date of Organization: \_\_\_\_\_

3. Where Organized: \_\_\_\_\_

4. Business Entity Number: \_\_\_\_\_

5. Agent for Service of Process:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

6. Is the LLC authorized to do business in California?       YES       NO

7. Name, address and ownership share held by each owner and officer. If an owner is a partnership, corporation, or another LLC, please complete separate pages, as appropriate, for each entity.

Please list **ALL** Owner(s), Officer(s), and member(s):

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_



Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

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Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Any partnership, corporation or LLC holding any class of stock, ownership, or membership interest must also complete separate pages, as appropriate, for each entity. If there is an ownership chain of additional partnerships, corporations or LLCs, the above requirements extend to each such entity having either: (1) a direct, indirect or beneficial ownership interest or membership interest in the primary Company; or (2) effective control of the primary Company regardless of the percentage of ownership or membership interest.

# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT

## ATTACHMENT1-D: CORPORATION INFORMATION

1. Corporate Name? \_\_\_\_\_
2. Date Incorporated? \_\_\_\_\_
3. City and State Incorporated? \_\_\_\_\_
4. Business Entity Number: \_\_\_\_\_
5. Agent for Service of Process:  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_
6. Is the corporation authorized to do business in California?     YES     NO

7. Please provide the name, title, address and phone number for **ALL** corporate officers and **ALL** stockholders owning any class of stock:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_  
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Phone: \_\_\_\_\_ Email: \_\_\_\_\_



Name: \_\_\_\_\_  
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Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Any partnership, corporation or LLC holding any class of stock, ownership, or membership interest must also complete separate pages, as appropriate, for each entity. If there is an ownership chain of additional partnerships, corporations or LLCs, the above requirements extend to each such entity having either: (1) a direct, indirect or beneficial ownership interest or membership interest in the primary Company; or (2) effective control of the primary Company regardless of the percentage of ownership or membership interest.

## APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT

This NON-EXCLUSIVE PERMIT, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_\_\_, by and between the SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY (“Authority”), a local governmental entity of regional government, and \_\_\_\_\_ a \_\_\_\_\_ (“Permittee”) (Authority and Permittee are collectively referred to as “Parties”).

### WITNESSETH

**WHEREAS**, the San Diego Unified Port District (“District”) is the trustee of certain tidelands owned by the State of California, including San Diego International Airport at Lindbergh Field (“Airport”), located in the City of San Diego, California; and

**WHEREAS**, the San Diego County Regional Airport Authority Act (“Act”) established Authority with the exclusive power and authority to oversee the establishment, operation and coordination of airport facilities within the County of San Diego, as well as to study, plan and implement any improvements, expansions, or enhancements at existing or future airports within its control; and

**WHEREAS**, pursuant to the Act, District and Authority entered into a ground lease (“Master Lease”) dated December 17, 2002, bearing Authority’s Document No. AA-0008, whereby District leased to Authority the Airport and other real property related thereto; and

**WHEREAS**, Authority Code §8.41 makes it unlawful for any person or entity to engage in a business or commercial activity on the Airport without the appropriate grant, franchise, certificate, or permit issued by the Authority; and

**WHEREAS**, Authority has determined that it will provide certain facilities and services at the Airport to allow authorized commercial Taxicab operators to pickup and transport fare-paying passengers from the Airport; and

**WHEREAS**, Permittee is the owner of one or more Taxicabs authorized to operate within the City of San Diego California, said Taxicabs having authority from the Metropolitan Transit System (“MTS”) to operate in the City of San Diego (“City”); and

**WHEREAS**, Permittee desires to derive financial benefit by operating Taxicabs to transport fare-paying passengers from the Airport; and

**WHEREAS**, Permittee has requested Authority authorize the Taxicab or Taxicabs identified in “Exhibit A” to this Permit to operate at the Airport by picking up Airport Passengers and to use certain taxicab-support facilities and services at the Airport for such purpose; and

**WHEREAS**, Permittee, in consideration of Authority granting Permittee authorization to operate at the Airport the Taxicabs identified in “Exhibit A” and to use Airport roadways and certain taxicab-support facilities and services at the Airport, agrees to conduct Taxicab services at the Airport in accordance with the terms and conditions in this Permit.

**NOW, THEREFORE,** Authority, for the consideration and upon the terms and conditions herein set forth, grants Permittee, the non-exclusive right to operate the designated Taxicabs on the Airport for the purpose of picking up and transporting Airport Passengers.

**ARTICLE 1 – DEFINITIONS.** The following words and phrases when used in this Permit shall have the following meanings:

- 1.1 **Airport:** the San Diego International Airport, Lindbergh Field.
- 1.2 **Airport Hold Lot:** the staging lot at Airport designated by the Authority for the use of all Taxicabs and Vehicles-For-Hire arriving at the Airport for new business and from which all Taxicabs and Vehicles-For-Hire are dispatched to Airport terminals.
- 1.3 **Airport Passenger:** any individual who hires a Taxicab operated by Permittee pursuant to this Permit for transportation from the Airport.
- 1.5 **Application:** the Application for Non-Exclusive Permit to Operate Designated Taxicabs at San Diego International Airport, that Permittee completed and lodged with the Authority prior to the issuance of this Permit, as updated by Permittee from time to time in accordance with the requirements specified in this Permit.
- 1.6 **Authority:** the San Diego County Regional Airport Authority.
- 1.7 **Authority-related Personnel:** the officers, officials, directors, employees, agents, representatives and volunteers of the Authority.
- 1.8 **Automatic Vehicle Identification (AVI) Transponder:** a device that provides automatic tracking and counting of vehicles at the Airport.
- 1.9 **Clean Air Vehicle / Alternative Fuel Vehicle (CAV / AFV):** a vehicle that runs on an energy source, fuel or blend of fuels that achieves a reduction of at least ten percent (10%) carbon intensity relative to petroleum fuel, identified in Governor Schwarzenegger's Executive Order S-01-07, or a vehicle that meets the criteria for a low-emission vehicle as set forth in the California Vehicle Code §5205.5, Special Identification; Ultra-Low Emission Vehicles; Use of Preferential Access Lanes.
- 1.10 **Customer Service Representative (CSR):** persons at the Authority Hold Lot and Airport terminals, stationed in Authority-designated locations to, among other things, assist in the dispatch of Permitted Vehicles-For-Hire and Taxicabs.
- 1.11 **Driver:** the Permittee, an employee, agent or representative of Permittee, a lessee leasing a Permitted Taxicab of Permittee (or a sublessee or subcontractor thereof), an independent contractor, or any other person who operates a Permitted Taxicab of Permittee at Airport, where the driver is approved by Authority and possesses a valid Airport Driver's Permit.
- 1.12 **Memorandum of Agreement (MOA):** sets forth the terms of agreement between the parties for the establishment of an operational relationship that enhances transportation services provided by the local Taxicab industry (hereinafter "Industry") at SDIA and increases airport service provider involvement with developing ground transportation policy and procedures. The MOA serves as the master agreement establishing each party's interrelated responsibilities.
- 1.13 **Permit:** this Non-exclusive Permit to Conduct Commercial Taxicab Operations at the Airport.



- 1.14 **Permit Fee:** an annual fee paid for each Permitted Taxicab.
- 1.15 **Permitted Taxicab:** a Taxicab that is owned by Permittee and identified in the most current "Exhibit A" to this Permit that Permittee has filed with the Authority and that is authorized pursuant to the terms and conditions of this Permit to pickup and transport fare-paying passengers from the Airport.
- 1.16 **Permittee:** the entity defined on Page 1 of this Permit, and any employees, representatives and other agents of Permittee.
- 1.17 **Rules and Regulations:** all rules and regulations of Authority, including but not limited to, the "San Diego International Airport Rules and Regulations", "Code of the San Diego County Regional Airport Authority", "Policies of the San Diego County Regional Airport Authority", and any new, modified or additional rules and regulations, which the Authority now or hereafter enacts, and as may be amended from time to time. The "San Diego International Airport Rules and Regulations" may be found on the Authority's website at [http://www.san.org/documents/airport\\_rules\\_regulations.pdf](http://www.san.org/documents/airport_rules_regulations.pdf), the "Code of the San Diego County Regional Airport Authority" may be found at: [http://www.san.org/sdcraa/about\\_us/codes\\_policies.aspx](http://www.san.org/sdcraa/about_us/codes_policies.aspx) and the "Policies of the San Diego County Regional Airport Authority" may be found at [http://www.san.org/sdcraa/about\\_us/codes\\_policies.aspx](http://www.san.org/sdcraa/about_us/codes_policies.aspx).
- 1.18 **Taxicab:** a passenger vehicle for hire and licensed as such by the MTS which is (1) designed to carry no more than eight persons, (2) used to transport passengers on public streets, and (3) where the charges for use of said vehicle are determined by a taximeter.
- 1.19 **Trip:** each time a Taxicab is dispatched from an Airport Taxicab Hold Lot to pickup and transport an Airport Passenger.
- 1.20 **Trip Fee:** means a fee that is assessed each time a Permitted Taxicab makes a Trip.
- 1.21 **Vehicle-For-Hire:** any vehicle issued a Passenger Stage Corporation Certificate by the California Public Utilities Commission.
- 1.22 **"Vehicle Identification Decal":** the decal issued by the Authority that Permittee must place on each Taxicab owned by Permittee and authorized by this Permit for use in conducting commercial Taxicab operations at the Airport.

**ARTICLE 2 - TERM OF PERMIT.** The term of this Permit shall commence on July 1, 2014 and shall expire on June 30, 2015, unless sooner suspended, revoked or terminated in accordance with the terms of this Permit.

### **ARTICLE 3 – PERMIT APPLICATION, USE, CONDITIONS, AND RESTRICTIONS**

- 3.1 **Permit Application** – Authority reserves the right to change the Ground Transportation Service Permit Application process, technology, and procedures at any time. The Authority will notify the Permittee in writing to use an internet website, email, facsimile, or other electronic application to fulfill the permit application process.
- 3.2 **Use.** Subject to the terms and conditions of this Permit and upon satisfactory completion and filing of a Permit Application, Authority grants Permittee the non-exclusive right to operate Permitted Taxicab(s) at the Airport for the purpose of picking up and transporting passengers

from the Airport. The rights granted by this Permit do not establish or vest in Permittee any right to preferential or continued use of Airport facilities.

3.2.1 Permittee shall comply with all terms and conditions set forth within the Authority Rules and Regulations and the MOA responsibilities as amended starting November 1, 2014.

3.3 **Use Limitations and Restrictions**. Permittee's right to operate Permitted Taxicabs at the Airport shall be subject to the following conditions and restrictions:

3.3.1 Permittee shall take all necessary actions to ensure Permitted Taxicabs do not obstruct or interfere with the rights of others using any part of the Airport.

3.3.2 Permittee shall not cause or permit to occur upon any portion of the Airport any illegal waste, public or private nuisance, or other act or thing which may disturb the quiet enjoyment of any other tenant, licensee, invitee, or person using or occupying any portion of the Airport.

3.3.3 Permittee shall not allow any Driver of a Permitted Taxicab to solicit business or engage in any manner of solicitation of business except as may be expressly permitted in writing by the Authority.

3.3.4 Permittee shall ensure that all Permitted Taxicabs are operated in accordance with all applicable laws, statutes and Rules and Regulations, including the Americans with Disability Act, while operating a Permitted Taxicab pursuant to this Permit.

3.3.5 Permittee shall ensure that all Drivers of Permitted Taxicabs comply with all applicable laws, statutes, and Rules and Regulations while operating a Permitted Taxicab pursuant to this Permit.

3.3.6 Permittee shall ensure its Permitted Taxicabs are operated in accordance with the terms and conditions of this Permit and in accordance with the directions and operating procedures Issued by the Authority or those operating the Airport Hold Lot or the Taxicab terminal curbside locations.

3.3.7 Permittee shall not change the service level for any Permitted Taxicabs without the prior written authorization of Authority, which shall be granted at the sole discretion of Authority. Permittee must provide Authority with a written request for any change in service level a minimum of thirty (30) days prior to the proposed implementation date of such change.

3.3.8 This Permit is personal to Permittee and Permittee may not assign, transfer, license, convey, or sell this Permit, or any rights of Permittee hereunder, whether voluntarily or by operation of law without the prior written approval of Authority.

Any transfer in violation of this provision shall be void. Authority's acceptance of trip fees or any other fee or charge or the continued operations of Permitted Taxicabs ostensibly pursuant to this Permit shall not constitute a waiver of Authority's right to terminate this Permit.

3.3.9 Permittee shall ensure that all Drivers of Permitted Taxicabs conduct themselves in a professional manner and are courteous to the public, passengers, Airport employees, and other Authority representatives. Threats of physical harm, fighting, gambling,

possession or use of any weapons, public intoxication or the use or possession of illegal substances on Airport premises are expressly prohibited.

- 3.3.10 Permittee shall not install, erect, affix, paint, display or place or permit the installation, erection, affixation, painting, display or placement of any sign, lettering, or other advertising device or media in, on, or about the Airport, the terminals, or any portion thereof, without the prior written consent of the Authority.
- 3.3.11 Any Permittee who has its Permit suspended, and is then found to be operating on the Airport during the period of suspension, may have its Permit revoked without notice.
- 3.3.12 The Authority reserves the right to perform periodic vehicle inspections to determine that Permitted Taxicabs are in compliance with standards set forth in this Ground Transportation Service Permit, Authority Rules and Regulations, the California Vehicle Code and the California Public Utilities Code.
- 3.3.13 Permittee acknowledges and agrees to Authority Code § 9.19(b) describing the regulations, limitations, and requirements for Permit transfer. Permittee further agrees that all persons and entities listed in Attachments 1-B through Attachment 1-D are complete and accurate. These attachments will be referenced by the Authority when considering for all future Permit transfer requests. Transfer or assignment of this Permit after June 30, 2014 to any individual or entity not listed will constitute a transfer.
- 3.3.14 Authority, at its sole discretion, shall allow an "All" Taxicab permit to be split into "A" and "B" Taxicab permits. Authority will not allow the joining of an "A" and "B" Taxicab permit into an "All" Taxicab permit.
- 3.3.15 Permittee shall comply with the Authority's CAV / AFV conversion directives, requirements and timelines.

#### 3.4 **Conditions Relating to Drivers of Permitted Taxicabs.**

- 3.4.1 Permittee shall not allow any Driver to operate on the Airport any Taxicab owned by Permittee unless each of the following conditions are met:
- 3.4.1.1 The Taxicab is a Permitted Taxicab;
- 3.4.1.2 Authority has authorized the Driver to operate Permitted Taxicabs at the Airport;  
and
- 3.4.1.3 The Driver of each Permitted Taxicab is listed on the most current version of "Exhibit D – List of Drivers of Permitted Taxicabs" that Permittee has filed with the Authority. Permittee shall not list any individual on "Exhibit D" unless such individual is currently and actively driving a Permitted Taxicab. Permittee shall immediately provide the Authority with a revised "Exhibit D" whenever a listed individual is no longer currently and actively driving a Permitted Taxicab or a new Driver is added.
- 3.4.2 Irrespective of whether the Driver of a Permitted Taxicab is an employee of Permittee or operates the Permitted Taxicab as a lessee of the Permitted Taxicab, or as a subcontractor or sublessee, Permittee shall at all times be responsible for the actions and omissions of every Driver of Permitted Taxicabs while operated at the Airport.



- 3.4.3 Permittee shall not allow any third party to operate a Permitted Taxicab on the Airport pursuant to this Permit unless such operation is pursuant to a written agreement between the Permittee and the third party. At a minimum, the written agreement must include provisions regarding responsibility for providing liability insurance required by this Permit and for payment of trip fees. The written agreement must incorporate this Permit wherein the third party agrees to be bound by all terms and conditions of this Permit. Permittee shall provide the Authority with copies of such written agreements when requested by the Authority.
- 3.4.4 Except as stated in Authority Code § 9.21(f), Permittee shall ensure that no Driver of a Permitted Taxicab shall refuse to pickup and transport any fare-paying passenger for which the Permitted Taxicab has been dispatched to pickup. Avoidance of this rule by suggesting alternate means of transportation to a passenger is strictly prohibited.
- 3.5 **No Guarantee of Business** - By issuing this Permit, Authority does not make, and has not made, any representation, warranty, assurance, or guaranty that this Permit, or the operations conducted thereunder, will generate any minimum, maximum, or optimum volume of airline or other passenger traffic business, or that any minimum, maximum, or optimum volume of airline or other passenger traffic business will occur.

#### **ARTICLE 4 - FEES AND CHARGES.**

- 4.1 **Establishment of Fees and Charges.** In consideration of the rights granted by the Authority pursuant to this Permit, Permittee agrees to pay the following compensation to the Authority:
- 4.1.1 **Permit Fee.** Prior to the execution of this Permit, Permittee shall pay an annual fee for each Permitted Taxicab in accordance with the following schedule:
- 4.1.1.1 For Permitted Taxicabs with "A" or "B" Permit: **Two Hundred Ninety-Seven Dollars (\$297).**
- 4.1.1.2 For Permitted Taxicabs with "All" Permit: **Five Hundred Ninety-Four Dollars (\$594).**
- 4.1.1.3 CAV / AFV Incentive: For each Permitted Vehicle that the Authority qualifies as a CAV / AFV, the above-stated annual permit fee shall be:
- 4.1.1.3.1 For Permitted Taxicabs with "A" or "B" Permit: **Zero Dollars (\$0).**
- 4.1.1.3.2 For Permitted Taxicabs with "All" Permit: **Zero Dollars (\$0).**
- 4.1.3 **Trip Fees.**
- 4.1.3.1 Trip Fee Amount for non-CAV / AFV. Permittee shall pay a per trip fee in the amount of Two Dollars and Fifty Cents, (\$2.50) each time a Permitted non-CAV / AFV Taxicab is dispatched to pickup and transport a fare-paying passenger at the Airport.
- 4.1.3.2 Trip Fee Amount for approved CAV / AFV. Permittee shall pay a per trip fee in the amount of Two Dollars, (\$2.00) each time a Permitted CAV / AFV Taxicab is dispatched to pickup and transport a fare-paying passenger at the Airport.



- 4.1.3.3 **Payment of Trip Fees.** Trip fees shall be assessed and collected in accordance with procedures promulgated by Authority. Authority, in its sole discretion, shall have the right to change such procedures and the trip fee amount from time to time.
- 4.1.3.4 **Permittee's Obligation.** Permittee acknowledges that the obligation to pay all trip fees is a condition of this Permit and a requirement in order for the Permitted Taxicab to be used to conduct Taxicab operations on the Airport pursuant to this Permit. In the event, Permittee allows a Driver to operate a Permitted Taxicab at Airport, Permittee shall ensure and require that the Driver pays all trip fees incurred.
- 4.1.4 **Insufficient Funds** – In the event Permittee or any Driver of Permittee provides payment pursuant to the terms of this Permit by a check that is dishonored, Permittee shall be liable for the face value of the check plus a Fifteen Dollar (\$15) handling fee. Payment of the face value of the check and the handling fee shall be made within fifteen (15) days of notification of the dishonored check and shall be made by cashier's check or money order for the full amount due.
- 4.1.5 **Prorated Payments for Alternative Fuel Vehicles** – In the event Permittee substitutes a CAV / AFV Permitted Vehicle for a non-CAV / AFV Permitted Vehicle during the term of this Permit, Permittee shall be entitled to a prorated Permit Fee for each full quarter (ending September 30, December 31, March 31, and June 30) that the Permitted Vehicle is CAV / AFV.

## **ARTICLE 5 - VEHICLE REQUIREMENTS.**

- 5.1 **Appearance** – Permittee shall ensure that each Permitted Taxicab conforms to the vehicle requirements set forth in the Rules and Regulations.
- 5.2 **Permitted Taxicab Condition** – Permittee shall maintain all Permitted Taxicabs in good and safe mechanical condition and in full compliance with all applicable Rules and Regulations. Permittee shall ensure that all Permitted Taxicabs when operated pursuant to this Permit are clean, free of visible damage, have installed hubcaps, door handles, and other standard equipment.
- 5.3 **Inspection** – The Authority at its sole discretion shall have the right to inspect from time to time Permitted Taxicabs for compliance with standards set forth in this Permit, Authority Rules and Regulations, and applicable law.
- 5.4 **Standardized Age Replacement Policy** – Permittee shall not allow any Driver to operate a Permitted Taxicab at the Airport that is ten (10) years in age or older. Permittee or his/her Driver may only operate a Permitted Taxicab at the Airport that is seven (7) years of age or older after Permittee has filed with the Authority a satisfactory inspection report from the MTS Taxicab Administration where the inspection took place within the preceding twelve (12) months.
- 5.5 **Vehicle Identification Decal and AVI Transponder.** All Permitted Taxicabs shall display a Vehicle Identification Decal affixed to the Vehicle's inside front windshield, or in a location otherwise prescribed by Authority. If required by the Authority, Permittee shall install or have installed an appropriate AVI transponder to each Permitted Taxicab. The Authority will provide and install one transponder for each Permitted Taxicab. Permittee shall be responsible for the

cost of replacing any lost or damaged AVI transponder, but the installation of any replacement AVI transponders shall be performed by the Authority or its agent. Permittee agrees to waive any and all claims against Authority and its agent for any incidental damage to a Permitted Taxicab where such damage was occasioned by the ordinary process of installing or removing the AVI transponder or similar device, unless solely caused by the negligence of Authority or its agent. Permittee shall execute an acceptance of the installation work done and a waiver of claims for damage from installation of the AVI device upon completion of the installation, unless the Vehicle was unreasonably damaged during installation.

- 5.5.1 Permittee shall not remove the Vehicle Identification Decal or transponder without prior authorization by Authority.
- 5.5.2 Permittee shall not damage, tamper, or attempt to damage or tamper with any Permitted Taxicab Identification Decal or transponder.
- 5.5.3 In the event Permittee replaces the windshield of a Permitted Taxicab or replaces a Permitted Taxicab with another vehicle acceptable to the Authority, the Authority will issue a replacement Vehicle Identification Decal provided Permittee returns the original Vehicle Identification Decal.
- 5.5.4 Permittee shall take all necessary action to ensure that no Permitted Taxicab evades or attempts to evade any airport AVI reader.
- 5.5.5 Permittee shall not assign, loan, transfer or alienate in any way a Vehicle Identification Decal.
- 5.5.6 All Vehicle Identification Decals shall expire at the same time as this Permit.
- 5.5.7 **Replacement cost for an AVI transponder is Seventy-Five Dollars (\$75).**

## **ARTICLE 6 – HOLD HARMLESS**

- 6.1 **Hold Harmless** – Permittee, for and on behalf of its directors, officers, employees, contractors, Drivers, representatives and agents, covenants and agrees to defend, indemnify and hold harmless Authority and Authority-related Personnel from and against any and all liabilities, liens, claims, judgments, demands, causes of action, losses, damages, costs and expenses (including reasonable attorneys' fees and costs) (collectively hereinafter "Liabilities"), arising out of, related to, or in any way connected with, directly or indirectly: (i) any use of a Permitted Taxicab; (ii) any acts or omissions of Permittee or any Driver of a Permitted Taxicab; (iii) any obligations or activities undertaken in connection with this Permit; (iv) any damage to any person or property, or injury to or death to any person, including without limitation any claim or action alleging latent and other defects, whether or not discoverable by Permittee or Authority; (v) any alleged or actual breach of any federal, state or local law or regulation; and (vi) Permittee's duties under easements or contracts with third parties; ~~except~~ that this paragraph shall not apply to any Liabilities arising through the sole active negligence or willful misconduct of Authority. ~~These~~ indemnity obligations shall apply for the entire time that any third party can make a claim against or sue the Authority or the Authority-related Personnel. Permittee and Authority agree to promptly provide notice to each other of any Liabilities following the learning thereof by such party. Permittee shall not settle or compromise any claim or matter pursuant to this paragraph without first obtaining Authority's written consent.

- 6.2 **Permittee's Assumption of Risk** – Permittee covenants that it voluntarily assumes any and all risk of loss, damage, or injury to the person or property of Permittee, its directors, officers, employees, contractors, Drivers, representatives and agents which may occur in, on, or about the terminals, or the Airport at any time and in any manner, except such loss, injury, or damage as may be caused by the sole active negligence or the willful misconduct of Authority or Authority-related Personnel.
- 6.3 **Waiver by Permittee**. As a material part of the consideration to be rendered by Permittee to Authority under this Permit, Permittee waives any and all claims or causes of action against Authority, its officers, employees, and agents which Permittee may now or hereafter have at any time for damage to Permittee's property located in, on, or about the Airport or the terminals, and for injury to or death of any person occurring in, on or about the terminals or the Airport from any cause arising at any time, except as may arise from the active sole negligence or the willful misconduct of Authority, its officers, employees, and agents.

In addition to the foregoing, except as shall arise out of the sole active negligence or willful misconduct of Authority, its officers, employees, and agents, Permittee specifically waives any and all claims or causes of action which it may now or hereafter have against Authority, its officers, employees, and agents for any loss, injury, or damage arising or resulting from any act or omission of any licensee, other Permittee, sublicensee, or concessionaire of the terminals or the Airport, or any person who uses the terminals or the Airport with or without the authorization or permission of Authority.

Further, Permittee agrees to voluntarily assume all risk of loss, damage, or injury to the person and property of Permittee, its directors, officers, employees, contractors, Drivers, representatives and agents in or about the Airport or the terminals which, during the term of this Permit, may be caused by or arise or occur in any manner, including but not limited to the following:

- 6.3.1 From the flight of any aircraft of any and all kinds now or hereafter flown in, through, across, or about any portion of the air space over the Airport or the terminals; or
- 6.3.2 From noise, vibration, currents and other effects of air, illumination, and fuel consumption, or fear thereof, arising or occurring from or during such flight, or from or during the use by aircraft of the Airport, including but not limited to, landing, storage, repair, maintenance, operation, run-up, and take-off of such aircraft, and the approach and departure of aircraft to or from the Airport.

## **ARTICLE 7 – TERMINATION AND SUSPENSION.**

- 7.1 **Default and Termination** – If Permittee fails to perform or observe any of the terms, covenants or conditions in this Permit, Authority may give written notice to cure such omission. If Permittee fails to cure the omission within ten (10) days after service of the notice, Authority may terminate this Permit by providing written notice of termination to Permittee. In such event, this Permit shall terminate on the date stated in the termination notice; Permittee shall have no further rights under this Permit and shall immediately surrender all Vehicle Identification Decals that have been issued by Authority, and the Authority further shall have all other rights and remedies as provided by law, including without limitation the right to recover damages from Permittee in the amount necessary to compensate Authority for all the detriment and injury proximately caused by Permittee's failure to perform its obligations under this Permit or which in the ordinary course would be likely to result therefrom.



- 7.2 **Default and Suspension** – If Permittee fails to perform or observe any of the terms, covenants or conditions in this Permit, but cures such default within ten (10) days after service of notice, the Authority, in its sole discretion, may suspend this Permit for a period of time deemed appropriate by the Authority when considering the facts, circumstances and seriousness of the default.
- 7.3 **Termination Without Cause** – Notwithstanding the right of Authority to terminate for default as specified above, this Permit may be terminated by Authority or Permittee as a matter of right and with or without cause at any time upon the giving of thirty (30) days' advanced notice in writing to the other party of such termination.
- 7.4 **Refund of Permit Fee in the Event of Termination or Suspension.**
- 7.4.1 **Termination or Suspension Due to Permittee's Default** – In the event this Permit is terminated or suspended due to Permittee's default, Permittee shall not be entitled to any refund of Permit Fees or any other fees paid to the Authority.
- 7.4.2 **Termination Without Cause** – In the event this Permit is terminated without cause, Permittee shall be entitled to a refund of the Permit Fees paid to Authority on a *pro-rata* basis for the remaining portion of the term of this Permit. Authority shall make such refund available to Permittee, less any funds owed by Permittee to Authority, within sixty (60) days of the termination date of the Permit.
- 7.5 **Non-waiver of Rights** – The waiver by either party of any breach of any term, covenant or condition in this Permit shall not be deemed to be a waiver of any other term, covenant or condition, or of any subsequent breach of the same term, covenant or condition. The subsequent acceptance by Authority of any payment by Permittee shall not be deemed to be a waiver of any preceding breach by Permittee of any term, covenant or condition of this Permit other than the failure of Permittee to pay the particular compensation, regardless of Authority's knowledge of such preceding breach at the time of acceptance of such compensation.
- 7.6 **Survival of Authority's Rights.** The following rights of the Authority under this Permit shall survive any termination of this Permit including termination due to expiration of the Permit's term:
- 8.6.1 **Funds Due the Authority** – All funds due the Authority as provided in this Permit.
- 8.6.2 **Hold Harmless and Indemnification** – The Authority's rights to be held harmless and to be indemnified by Permittee as provided in this Permit.
- 8.6.3 **Permittee's Waiver and Permittee's Assumption of Risk** - The Authority's rights arising pursuant to Permittee's waiver and assumption of risk provisions set forth above.
- 8.6.4 **Environmental Compliance** – The Authority's rights and Permittee's obligations arising pursuant to Article 12 of this Permit.

## **ARTICLE 8 – JOINT AND SEVERAL LIABILITY**

If Permittee is a partnership or joint venture, or is comprised of more than one party or entity or a combination thereof, the obligations imposed on Permittee under this Permit shall be joint and several, and each general partner, joint venturer, party, or entity of Permittee shall be jointly and severally liable for said obligations. Nothing contained herein, however, shall be deemed or construed as creating a

partnership or joint venture between Authority and Permittee or between Authority and any other entity or party, or cause Authority to be responsible in any way for the debts or obligations of Permittee, or any other party or entity.

**ARTICLE 9 - PUBLIC SAFETY INTERRUPTION**

Authority may interrupt or suspend Permittee's activities at the Airport and Permittee's use of the Airport if, in Authority's sole discretion, such interruption or termination is necessary in the interest of public safety. Permittee hereby waives any claim against Authority for damages or compensation should its activities be interrupted or suspended for any period.

**ARTICLE 10 - COST OF LITIGATION AND/OR ADMINISTRATIVE ACTIONS - ATTORNEY FEES**

If any action, whether an action in litigation or in an administrative action, brought by Permittee or by Authority and arising out of or traceable to any rights, privileges, or obligations bestowed by this Permit, including but not limited to breach of any provision of this Permit, the Parties agree that the prevailing party shall be entitled to and the non-prevailing party shall be bound to pay all reasonably incurred costs associated with the action. The Parties agree that all reasonably incurred costs associated with the action include, but are not limited to attorney fees, costs of legal research incurred in preparing documents filed with the court or administrative body, expert witness fees, and exhibits used in presenting the prevailing party's case to the court, jury or administrative body.

**ARTICLE 11 – NOTICES**

11.1 **Notice** – Any notice required or permitted by this Permit shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a)by personal delivery on the date that personal delivery is accomplished; (b)by overnight courier upon the date of signature verification of receipt; or (c)by certified or registered mail, return receipt requested, upon signature verification of receipt. Notice shall be sent to the addresses set forth below, or such other address as either party may specify in writing:

If to the Authority, to:

San Diego County Regional Airport Authority  
Ground Transportation Department  
P. O. Box 82776  
San Diego, California 92138-2776

If to Permittee, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

11.2 **Notice From President/CEO** – Permittee agrees that Notice from the President/CEO or the President/CEO's duly appointed designee shall be effective as to the Permittee as if it were executed by the Board or by resolution of the Board.

**ARTICLE 12 – ENVIRONMENTAL COMPLIANCE - PROHIBITIONS AND RESTRICTIONS**

- 12.1 **Definitions.** The following words and phrases when used in this Permit shall have the following meanings:
- 12.1.1 **Hazardous Material:** includes Solid Wastes and shall mean any substance whether solid, liquid, or gaseous in nature: (i) the presence of which requires investigation or remediation under any applicable federal, state or local statute, regulation, ordinance, order or common law; or (ii) which is or becomes defined as a hazardous waste, hazardous substance, pollutant or contaminant under any applicable federal, state, or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Clean Air Act, and the Clean Water Act, and state and federal regulations relating to stormwater discharges, including without limitation, 40 CFR Part 122; or (iii) the presence of which on the Airport causes or threatens to cause a nuisance upon the Airport or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Airport; or (iv) without limitation, which contains gasoline, diesel fuel, other petroleum hydrocarbons, natural gas liquids, polychlorinated biphenyls (PCBs), asbestos, or lead-based paint.
- 12.1.2 **Pollutant:** any Hazardous Materials or Solid Wastes (as such terms are defined herein).
- 12.1.3 **Release:** any depositing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.
- 12.1.4 **Solid Waste:** has the same meaning as in the Resource Conservation and Recovery Act and includes sewage.
- 12.2 **Permittee's Operations On the Airport.** In conducting its operations as they occur on the Airport, Permittee shall abide and be bound by all of the following requirements:
- 12.2.1 Permittee shall comply with all applicable present and future federal, state, and local statutes, regulations, ordinances, permits, codes, orders, limitations, restrictions, or prohibitions of any governmental authority, including Authority Codes and Rules and Regulations, relative to the use of the Airport regarding the environment, including, without limitation, waters of the United States or the State of California, the protection of the environment, public health, welfare or safety, including, without limitation, those related to Pollutant(s) (as such term is defined herein) and environmental conditions on, under or about the Airport including, but not limited to, soil and groundwater conditions and shall not contaminate the Airport or the subsurface with any Pollutant(s).
- 12.2.2 Permittee shall restrict its use of hazardous materials when it comes onto the Airport to those kinds of materials that are normally used in operating vehicles e.g., petroleum and petroleum products, antifreeze or batteries, and shall utilize any such hazardous materials in a safe and prudent manner. Disposal of any hazardous materials or hazardous waste at or under the Airport is strictly prohibited.
- 12.2.3 Permittee shall be solely and fully responsible for the reporting of hazardous material releases to the appropriate public agencies, when such releases are caused by or result from Permittee's activities on the Airport. Permittee shall immediately notify Authority of any release of hazardous materials, whether or not the release is in quantities that would otherwise be reportable to a public agency.



- 12.2.4 Permittee shall be solely and fully responsible and liable in the event Permittee, or any of its directors, officers, employees, contractors, Drivers, representatives or agents causes or permits any Pollutant(s) to be released at the Airport, or into the Authority's sewerage or storm drainage system, or groundwater. Permittee shall take all necessary precautions to prevent any Pollutants from being released on the Airport, or into Authority's sewerage, storm drainage system, or the groundwater. If at any time a release of any Pollutants is discovered on the premises, the Airport, Authority's sewerage or storm drainage system, or the groundwater, or there is the danger of a release of a Pollutant, Permittee, at Permittee's sole cost and expense, shall be removed immediately by suitable procedures in accordance with requirements of all appropriate governmental authorities and/or in a manner acceptable to the President/CEO. Failure to act promptly to immediately remedy the release may result in a determination by the President/CEO or his/her duly authorized representative to expend Authority resource to protect public health and safety, or property, or the environment. Permittee shall reimburse Authority within five (5) days of Authority's demand for payment.
- 12.2.5 Permittee shall indemnify and hold Authority harmless from and against all loss, damage, liability (including all foreseeable and unforeseeable consequential damages) and expense (including, without limitation, the cost of any required cleanup and remediation of the Pollutants) which Authority may sustain as a result of the presence or cleanup of Pollutants on the Airport or the subsurface. After notice from Authority, and at the discretion of Authority, Permittee shall cease its activities on the Airport until such release or the danger of release of Pollutants is cured. Authority's decision to require Permittee to cease activities may be based on factors such as Permittee's continued activities may result in a subsequent release of Pollutants, ceasing activities may aid Authority in determining the extent of liability of Permittee or may aid Authority in cleanup and remediation of the Pollutants.
- 12.2.6 Permittee's obligations under this Article shall survive the expiration or earlier revocation or suspension of this Permit.

#### **ARTICLE 13 - TAXES, CHARGES AND ASSESSMENTS**

Permittee shall pay before delinquency, and without notice or demand, all taxes, charges, and assessments which may be levied, imposed, or assessed against Permittee, Permittee's property, Permittee's interest in its operations or possession of its assets, or any other tax for which Permittee may become liable. Permittee acknowledges that this Permit may create a possessory interest and that such interest may give rise to a real estate or possessory interest tax. In such event, Permittee shall be solely responsible for the payment of said possessory interest taxes and agrees to pay such taxes if and when they become due. Payment of all such taxes and charges shall be the sole responsibility of Permittee.

#### **ARTICLE 14 – INSURANCE – GENERAL REQUIREMENTS**

- 14.1 Permittee shall procure at its expense, and keep in effect at all times during the term of this Permit, the types and amounts of insurance specified on Insurance, "Exhibit B," attached hereto and incorporated by reference herein. The specified insurance shall also include and insure Authority, its Board and all its officers, employees, and agents, their successors and assigns, as additional insureds with respect to the acts or omissions of Permittee and any of its directors, officers, employees, contractors, Drivers, representatives or agents in their performance of services pursuant to this Permit, in their operations, use, and occupancy of the



Airport, or other related functions performed by or on behalf of Permittee in, on or about Airport. All vehicles operated on the Airport by or on behalf of Permittee or any of its directors, officers, employees, contractors, Drivers, representatives or agents, must be covered by such insurance policies.

- 14.2 All such insurance shall be primary and noncontributing with any other insurance held by Authority where liability arises out of or results from the acts or omissions of Permittee, its agents, employees, Drivers, officers, assigns, or any person or entity acting for or on behalf of Permittee.
- 14.3 Such policies may provide for reasonable deductibles and/or self-insured retentions. All deductibles and self-insured retentions must be declared and acceptable to the President/CEO based upon the nature of Permittee's operations and the type of insurance involved.
- 14.4 Authority shall have no liability for any premiums charged for such coverage(s). The inclusion of Authority, Board and all its officers, employees, and agents, their successors and assigns, as an Additional Insured is not intended to, and shall not, make them, or any of them, a partner or joint venturer with Permittee in its operations at the Airport or connected with this Permit.
- 14.5 At least ten (10) days prior to the expiration date of the all policies, documentation showing that the insurance coverage has been renewed or extended shall be filed with Authority. If such coverage is canceled, Permittee shall, within fifteen (15) days of such cancellation of coverage, file with Authority evidence that the required insurance has been reinstated or provided through another insurance company or companies.
- 14.6 Permittee shall provide proof of the requested insurance to the Authority in the following manner:
  - 14.6.1 Certificate(s) of Insurance evidencing all specified coverage shall be filed with Authority prior to Permittee performing under this Permit or occupying the Airport. The Certificate(s) shall contain the name of the Permittee, the applicable policy numbers, the inclusive dates of policy coverage, the insurance carrier's name, the insurance broker's name, address and telephone number, shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, or non-renewal except after written notice by certified mail, return receipt requested, to the Authority at least thirty (30) days prior to the effective date thereof. Authority reserves the right to have submitted to it, upon request, all pertinent information about the broker and carrier providing such insurance.
  - 14.6.2 Additional Insured Endorsement(s) shall be filed with Authority prior to Permittee performing under this Permit or occupying the Airport.
  - 14.6.3 A Workers' Compensation Waiver of Subrogation Endorsement shall be filed with Authority prior to Permittee performing under this Permit or occupying the Airport.
  - 14.6.4 If requested, copies of original insurance policies.
  - 14.6.5 If requested, when coverage is provided by foreign insurance syndicates, a broker's letter acceptable to the Authority in form and content.
  - 14.6.6 If requested, other written evidence of coverage acceptable to the Authority.

- 14.7 Authority and Permittee agree that the insurance policy limits specified herein shall be reviewed for adequacy annually throughout the term of this Permit by the Authority who may, thereafter, require Permittee, on thirty (30) days prior written notice, to adjust the insurance coverage to whatever reasonable requirement said Authority deems to be adequate.
- 14.8 All insurance policies required herein shall have a minimum A.M. Best Company financial rating of A- minus 7.
- 14.9 Submission of insurance from a non-California admitted carrier is subject to the provisions of California Insurance Code §§ 1760 through 1780, and any other regulations and/or directives from the State Department of Insurance or other regulatory board or agency. Permittee agrees, except where exempted, to provide Authority proof of said insurance by and through a surplus line broker Permitted by the State of California at the address specified below:

Risk Management Department  
San Diego County Regional Airport Authority  
P.O. Box 82776  
San Diego, CA 92138-2776

Or email to this address:  
[certificates@san.org](mailto:certificates@san.org)

## **ARTICLE 15 – MISCELLANEOUS PROVISIONS**

### **15.1 Interpretation**

- 15.1.1 **Section Headings:** Article or section headings in this Permit are for the convenience and reference of the Parties, and do not define or limit the scope of any article, section or provision.
- 15.1.2 **Fair Meaning:** The language of this Permit shall be construed according to its fair meaning, and not strictly for or against either Party.
- 15.1.3 **Two Constructions:** If any provision in this Permit is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
- 15.1.4 **Governing Law:** This Permit and all of its terms and conditions shall be construed, interpreted and applied in accordance with, governed by, and enforced under the laws of the State of California.
- 15.1.5 **Venue:** Notwithstanding applicable provision of 28 U.S.C. §1391 or of California Code of Civil Procedure §394, the Parties agree that the venue in all matters arising out of this Permit shall be the Superior Court of California, County of San Diego.
- 15.1.6 **Gender:** The use of any gender shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.
- 15.1.7 **Integrated Agreement:** The Parties agree that this Permit and any documents to which it refers contain the whole agreement between the Parties relating to the terms and conditions by which Permittee is authorized to operate Permitted Taxicabs on the Airport. The Parties further agree that this Permit supersedes all previous understandings, permits, and agreements between the Parties regarding such terms

and conditions. Each party to this Permit acknowledges that it has not relied on any representation, warranty, collateral contract or other assurance that is not set out in this Permit or in any documents to which it refers, that was made before the execution of this Permit, except that Authority shall have the right to rely upon the information provided in the Application. Each party waives all rights and remedies which, but for this provision, might otherwise be available to it in respect to any such representation, warranty, collateral contract or other assurance. However, nothing in this provision shall limit or exclude any liability for willful misconduct or fraud. The Parties further agree that no alteration or variation of the terms of this Permit shall be valid unless made in writing and signed by the Parties.

15.1.8 **Other Agreements Not Affected:** Except as specifically stated herein, this Permit and its terms, conditions, provisions and covenants shall not in any way change, amend, modify, alter, enlarge, impair or prejudice any of the rights, privileges, duties or obligations of either of the Parties under or by reason of any agreement between the Parties.

15.1.9 **Partial Invalidity:** If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.

15.2 **Non-discrimination** – Permittee agrees at all times to fully comply with all laws prohibiting discrimination against any person or class of persons by reason of race, color, gender, religious creed, sex (including pregnancy or child birth), age, national origin, ancestry, sexual orientation, physical or mental disability, medical condition including genetic characteristics, veteran status, marital status, family care status, or any other considerations made unlawful by federal, state or local law in performance of this Agreement. If the use provided for in this Agreement allows Permittee to offer accommodations or services to the public, such accommodations, or services shall be offered on fair and reasonable terms.

15.3 **Counterparts** – This Permit may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

15.4 **Resolutions** – Permittee shall submit a copy of any corporate resolution, where required, which authorizes any director or officer to act on behalf of Permittee or which authorizes Permittee to enter into this Permit.

15.5 **Prohibition on Gifts**

15.5.1 Permittee is familiar with Authority's prohibition against the acceptance of any gift by an Authority officer or designated employee.

15.5.2 Permittee agrees not to offer any Authority officer or designated employee any gift prohibited by the Policies and Codes of the Authority or by state law.

15.5.3 The offer or giving of any gift prohibited by law shall constitute a material violation of this Permit by Permittee.

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**ACKNOWLEDGEMENT & ACCEPTANCE**

By signature of its authorized agent below, Permittee acknowledges it has read, understands and accepts the terms, conditions, restrictions and obligations contained within this Permit.

\_\_\_\_\_  
Print Name / Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

By my signature above, I \_\_\_\_\_ [print name/title], of \_\_\_\_\_ [company name], hereby certify under penalty of perjury under the laws of the State of California that I am an owner, officer or employee of Permittee with authority to obligate Permittee.

**FOR OFFICIAL USE ONLY. DO NOT WRITE BELOW THIS LINE.**

---

DATE OF PERMIT ISSUANCE: \_\_\_\_\_

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**By:** \_\_\_\_\_

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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT  
SAN DIEGO INTERNATIONAL AIRPORT**

**EXHIBIT A**

VEHICLE REGISTRATION LISTING FOR: \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_

#	Vehicle Year / Make	License Plate Number	Vehicle Identification Number (VIN Must be complete)	Company Vehicle #	Vehicle Capacity	Office Use Only	
						Transponder Number	Decal Number
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							

Please make copies of this form for additional listings or future changes

\* Vehicles may not be more than ten (10) years old. [Authority Code §9.12(a)(4)]

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# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT

## EXHIBIT B

### INSURANCE REQUIREMENTS FOR PERMITTEE

Permittee shall procure and maintain at its expense, and keep in effect at all times during the term of this Permit, the types and minimum levels of insurance specified below:

1. **Commercial General Liability:** The Authority reserves the right to require commercial general liability coverage at a later time.
2. **Commercial Automobile Liability:** Covering Owned, Non-Owned, or Hired Automobiles written on the Insurance Service Office (ISO) form number CA 00 01 or its equivalent in the following amounts:
  - a. Taxicabs:
    - i. Seating Capacity 9 or less: one million dollars (\$1,000,000) combined single limit (CSL) for bodily injury and property damage.
    - ii. Seating Capacity 10 to 15: two million dollars (\$2,000,000) combined single limit for bodily injury and property damage.
    - iii. Seating Capacity over 16: five million dollars (\$5,000,000) combined single limit for bodily injury and property damage.
3. **Workers' Compensation and Employers' Liability:** Workers' Compensation in the amount required by California state law and Employer's Liability coverage in an amount not less than one million dollars (\$1,000,000) per occurrence. Coverage shall include a Waiver of Subrogation Endorsement in favor of the Authority.

Permittee may request a waiver (see "Exhibit C") of this requirement if they are exempt from Workers' Compensation coverage in accordance with California law.

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# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT

## EXHIBIT C

### REQUEST FOR WAIVER WORKERS' COMPENSATION INSURANCE REQUIREMENT

**Business:**

Legal Name: \_\_\_\_\_

Address:

\_\_\_\_\_  
\_\_\_\_\_

Legal Form

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Limited Partnership | <input type="checkbox"/> General Partnership       |
| <input type="checkbox"/> Corporation     | <input type="checkbox"/> Business Trust      | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other: _____    |  |  |

Contact Person (Name / Telephone): \_\_\_\_\_

**Authority Reference:**

Authority Department: GROUND TRANSPORTATION

Contact Name/Telephone: x 2685

Document Reference: N/A

Any work performed on Authority Premises?  YES  NO

Nature of work to be performed for Authority (bid, contract, job no., location, etc.):

TRANSPORTATION SERVICES

**Declaration:**

With respect to the above-mentioned business, I hereby warrant that the business has no employees other than the owners, officers, directors, partners or other principals who have elected to be exempt from Workers' Compensation coverage in accordance with California law. I further warrant that I understand the requirements of §§ 3700 *et seq.* of the California Labor Code with respect to providing Workers' Compensation coverage for any employees of the above mentioned business. I agree to comply with the code requirements and all other applicable laws and regulations regarding workers' compensation, payroll taxes, FICA and tax withholding and similar employment issues. I further agree to hold the San Diego County Regional Airport Authority harmless from loss or liability which may arise from the failure of the above-mentioned business to comply with any such laws or regulations. I therefore request that the Authority waive its requirements for evidence of Workers' Compensation insurance in connection with the above-referenced work.

**Signature**

\_\_\_\_\_  
Owner, Officer, Director, Partnership or other Principal

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE  
DESIGNATED TAXICABS AT SAN DIEGO INTERNATIONAL AIRPORT**

**EXHIBIT D**

**PERMITTEE:** \_\_\_\_\_

**TAXICAB ASSOCIATION:** \_\_\_\_\_

**DRIVERS OF PERMITTED TAXICABS**

NO.	DRIVER'S LASTNAME	DRIVER'S FIRST NAME	DRIVER'S AIRPORT PERMIT #
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

\_\_\_\_\_  
**PRINTED NAME OF PERMITTEE**

\_\_\_\_\_  
**SIGNATURE OF PERMITTEE**

\_\_\_\_\_  
**EFFECTIVE DATE**

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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO DRIVE PERMITTED TAXICABS AT THE SAN DIEGO INTERNATIONAL AIRPORT**

This NON-EXCLUSIVE PERMIT, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, by and between the SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY ("Authority"), a local governmental entity of regional government, and \_\_\_\_\_, ("Permittee") (Authority and Permittee are collectively referred to as "Parties").

**WITNESSETH**

**WHEREAS**, the San Diego County Regional Airport Authority Act (hereinafter "Act") establishes Authority with the exclusive power and authority to oversee the establishment, operation and coordination of airport facilities within the County of San Diego, as well as to study, plan and implement any improvements, expansions, or enhancements at existing or future airports within its control; and

**WHEREAS**, pursuant to the Act, the Authority is the operator of the San Diego International Airport, Lindbergh Field ("Airport")

**WHEREAS**, Authority Code Section 8.41 makes it unlawful for any person or entity to engage in a business or commercial activity on the Airport without the appropriate grant, franchise, certificate, or permit issued by the Authority; and

**WHEREAS**, Permittee holds the appropriate licenses and is authorized to drive a Taxicab within the limits of the City of San Diego California; and

**WHEREAS**, Permittee desires to derive financial benefit by driving a Taxicab on Airport property for the purposes of picking up and transporting Airport Passengers from the Airport; and

**WHEREAS** Permittee affirms that Permittee has read and is knowledgeable of all provisions in Part 9.1 (Ground Transportation) of the Authority's Codes and applicable portions of the Authority's Rules and Regulations; and

**WHEREAS**, Permittee has requested the Authority to authorize Permittee to drive the Permitted Taxicabs, identified in "Exhibit A" to this Permit, on Airport property for the purposes of picking up and transporting Airport Passengers; and

**WHEREAS**, Permittee, in consideration of Authority granting this Permit, agrees to operate a Permitted Taxicab at the Airport in accordance with the terms and conditions in this Permit.

**NOW, THEREFORE**, Authority, for the consideration and upon the terms and conditions herein set forth, grants Permittee, the non-exclusive right to drive a Permitted Taxicab on Airport property for the purpose of picking up and transporting passengers from the Airport.

**1. DEFINITIONS.** The following words and phrases when used in this Permit shall have the following meanings:

**"Airport"** means the San Diego International Airport, Lindbergh Field.



**“Airport Passenger”** means any individual who hires a Taxicab driven by Permittee pursuant to this Permit for transportation from the Airport.

**“Authority”** means the San Diego County Regional Airport Authority.

**“Authority-related Personnel”** means the officers, officials, directors, employees, agents, representatives and volunteers of the Authority.

**“Permit”** means this Non-exclusive Permit to Drive a Permitted Taxicab at the Airport.

**“Permitted Taxicab”** means a Taxicab to which the Authority has issued a current and valid Non-exclusive Permit to Operate Designated Taxicabs at San Diego International Airport and which is identified in the most current Exhibit A to this Permit that Permittee has lodged with the Authority.

**“Permittee”** means the individual identified on Page 1 of this Permit.

**“Rules and Regulations”** means all rules and regulations of Authority, including but not limited to, the “Codes of the San Diego County Regional Airport Authority,” the “Policies of the San Diego County Regional Airport Authority,” the “San Diego International Airport Rules and Regulations,” and any new, modified or additional rules and regulations, which the Authority now or hereafter enacts, and as may be amended from time to time. The Rules and Regulations may be found on the Authority’s website at [http://www.san.org/documents/airport\\_rules\\_regulations.pdf](http://www.san.org/documents/airport_rules_regulations.pdf), the Authority Codes may be found at: [http://www.san.org/sdcraa/about\\_us/codes\\_policies.aspx](http://www.san.org/sdcraa/about_us/codes_policies.aspx), and the Authority Policies may be found at [http://www.san.org/sdcraa/about\\_us/codes\\_policies.aspx](http://www.san.org/sdcraa/about_us/codes_policies.aspx).

**“Taxicab”** means a passenger vehicle for hire and licensed as such by a local authority which is (1) designed to carry no more than eight persons, and (2) used to transport passengers on public streets, and (3) where the charges for use of said vehicle are determined by a taximeter.

**2. TERM OF PERMIT.** The term of this Permit shall commence on October 1, 2013 and shall expire on September 30, 2014, unless sooner suspended or terminated in accordance with the terms of this Permit.

**3. USE, LIMITATIONS, AND RESTRICTIONS.**

A. **Use.** Subject to the terms and conditions of this Permit, Authority grants Permittee the non-exclusive right to drive a Permitted Taxicab on Airport property for the purpose of picking up and transporting Airport Passengers from the Airport. The rights granted by this Permit do not establish or vest in Permittee any right to preferential use of Airport facilities.

B. **Limitations and Restrictions.** At all times while driving a Permitted Taxicab as authorized by this Permit, Permittee:

- (1). Shall, at all times, operate the Permitted Taxicab in accordance with applicable laws and regulations, including provisions in the Authority’s Rules and Regulations;
- (2). Shall not, by action or omission, obstruct or interfere with the rights of others using any part of the Airport;

- (3). Shall not solicit business or engage in any manner of solicitation of business except with the prior written authorization of the Authority;
- (4). Shall only operate Permitted Taxicabs on Airport property that are listed on the most current copy of Exhibit A to this Permit. Permittee shall promptly provide the Authority with a revised version of Exhibit A whenever there are any changes to the Permitted Taxicabs Permittee intends to drive on Airport property pursuant to this Permit;
- (5). Shall ensure the Authority has a current copy of Exhibit B. Permittee shall promptly provide the Authority with a revised version of Exhibit B whenever there are any changes to the Permittee's information contained in Exhibit B;
- (6). At all times, shall conduct himself in a professional manner and be courteous to the public, passengers, and Airport employees and representatives; and
- (7). Except as provided in Authority Code Section 9.21, shall not refuse to pickup and transport any Airport Passenger for which the Permitted Taxicab has been dispatched to pickup. In the event Permittee refuses to pickup or transport an Airport Passenger pursuant to provisions in Authority Code Section 9.21, Permittee shall notify the Authority within twenty-four hours of the circumstances and justification for such refusal.

**4. CONSIDERATION.**

- A. **Driver Permit Fee.** Prior to the issuance of this Permit, Permittee shall pay the Authority a one-time fee of **Forty Dollars (\$40)** for a new driver permit or **Twenty Five Dollars (\$25)** for a renewal driver permit.
- B. **Fees on Permitted Taxicabs.** Permittee acknowledges that the Authority has imposed certain fees including trip fees on Permitted Taxicabs and that the Authority has discretion as to how such fees are to be collected. Permittee understands and agrees that no Permitted Taxicab may be used to pick up and transport Airport Passengers unless the payment of all fees, including trip fees, is current. Permittee further understands and agrees that the method and means of paying all such fees, including trip fees, is strictly a business arrangement between Permittee and the owner of the Permitted Taxicab and that the Authority is not involved in any way in that business arrangement.

**5. ASSIGNMENT OR TRANSFER PROHIBITED.** Permittee acknowledges and agrees that this Permit does not confer any property right to Permittee. Permittee further acknowledges and agrees that this Permit does not confer any right to Permittee or obligation on the part of Authority for renewal of this Permit on its expiration or termination.

**6. TERMINATION AND SUSPENSION.**

- A. **Default and Termination.** If Permittee fails to perform or observe any of the terms, covenants or conditions in this Permit, Authority may give written notice to cure such omission. If Permittee fails to cure the omission within ten (10) days after service of the notice, Authority may terminate this Permit by providing written notice of termination to Permittee. In such event, this Permit shall terminate on the date stated in the termination notice; Permittee shall have no further rights under this Permit; and the Authority shall have all other rights and remedies as provided by law, including without limitation the right

to recover damages from Permittee in the amount necessary to compensate Authority for all the detriment and injury proximately caused by Permittee's failure to perform its obligations under this Permit or which in the ordinary course would be likely to result therefrom.

- B. **Default and Suspension.** If Permittee fails to perform or observe any of the terms, covenants or conditions in this Permit, but cures such default within ten (10) days after service of notice, the Authority, in its sole discretion, may suspend this Permit for a period of time deemed appropriate by the Authority when considering the facts, circumstances and seriousness of the default.
  - C. **Termination Without Cause.** Notwithstanding the right of Authority to terminate for default as specified above, this Permit may be terminated by Authority or Permittee as a matter of right and with or without cause at any time upon the giving of thirty (30) days' advanced notice in writing to the other party of such termination.
7. **NO GUARANTEE OF BUSINESS.** By issuing this Permit, Authority does not make, and has not made, any representation, warranty, assurance, or guaranty that Permittee's business operations conducted pursuant to this Permit will generate any minimum, maximum, or optimum volume of Airport Passenger business.

8. **HOLD HARMLESS AND INDEMNIFICATION.**

- A. **Hold Harmless.** Permittee, for and on behalf of itself and its representatives and agents, covenants and agrees to defend, indemnify and hold harmless Authority and Authority-related Personnel from and against any and all liabilities, liens, claims, judgments, demands, causes of action, losses, damages, costs and expenses (including reasonable attorneys' fees and costs) (collectively hereinafter "Liabilities"), arising out of, related to, or in any way connected with, directly or indirectly: (i) any use of a Permitted Taxicab; (ii) any acts or omissions of Permittee or any driver of a Permitted Taxicab; (iii) any obligations or activities undertaken in connection with this Permit; (iv) any damage to any person or property, or injury to or death to any person, including without limitation any claim or action alleging latent and other defects, whether or not discoverable by Permittee or Authority; (v) any alleged or actual breach of any federal, state or local law or regulation; and (vi) Permittee's duties under easements or contracts with third parties; except that this paragraph shall not apply to any Liabilities arising through the sole active negligence or willful misconduct of Authority. These indemnity obligations shall apply for the entire time that any third party can make a claim against or sue the Authority or the Authority-related Personnel. Permittee and Authority agree to promptly provide notice to each other of any Liabilities following the learning thereof by such party. Permittee shall not settle or compromise any claim or matter pursuant to this paragraph without first obtaining Authority's written consent.
- B. **Permittee's Assumption of Risk.** Permittee covenants that it voluntarily assumes any and all risk of loss, damage, or injury to the person or property of Permittee, and its representatives and agents which may occur in, on, or about Airport property at any time and in any manner, except such loss, injury, or damage as may be caused by the active negligence or the willful misconduct of Authority or Authority-related Personnel.
- C. **Waiver by Permittee.** As a material part of the consideration to be rendered by Permittee to Authority under this Permit, Permittee waives any and all claims or causes of action

against Authority and Authority-related Personnel which Permittee may now or hereafter have at any time for damage to Permittee's property located in, on, or about the Airport, and for injury to or death of any person occurring in, on or about the Airport from any cause arising at any time, except as may arise from the active sole negligence or the willful misconduct of Authority or Authority-related Personnel.

In addition to the foregoing, except as shall arise out of the active sole negligence or the willful misconduct of Authority or Authority-related Personnel, Permittee specifically waives any and all claims or causes of action which it may now or hereafter have against Authority or Authority-related Personnel for any loss, injury, or damage arising or resulting from any act or omission of any licensee, other permittee, sublicensee, or concessionaire on the Airport, or any person who uses the Airport with or without the authorization or permission of Authority.

Further, Permittee agrees to voluntarily assume all risk of loss, damage, or injury to the person and property of Permittee, its representatives and agents that occurs on or about the Airport which, during the term of this Permit, may be caused by or arise or occur in any manner, including but not limited to the following:

- (1) Flight of any aircraft of any and all kinds now or hereafter flown in, through, across, or about any portion of the air space over the Airport; or
- (2). From noise, vibration, currents and other effects of air, illumination, and fuel consumption, or fear thereof, arising or occurring from or during such flight, or from or during the use by aircraft of the Airport, including but not limited to, landing, storage, repair, maintenance, operation, run-up, and take-off of such aircraft, and the approach and departure of aircraft to or from the Airport.

9. **NON-WAIVER OF RIGHTS.** The waiver by either party of any breach of any term, covenant or condition in this Permit shall not be deemed to be a waiver of any other term, covenant or condition, or of any subsequent breach of the same term, covenant or condition. The subsequent acceptance by Authority of any payment by Permittee shall not be deemed to be a waiver of any preceding breach by Permittee of any term, covenant or condition of this Permit other than the failure of Permittee to pay the particular compensation, regardless of Authority's knowledge of such preceding breach at the time of acceptance of such compensation.
10. **INSURANCE.** When driving a Permitted Taxicab pursuant to this Permit, Permittee shall ensure the insurance required by the Non-Exclusive Permit to Operate Designated Taxicabs at San Diego International Airport which authorizes the Taxicab to be operated at the Airport.
11. **PUBLIC SAFETY INTERRUPTION.** The Authority may interrupt or suspend Permittee's activities at the Airport and Permittee's use of the Airport if, in Authority's sole discretion, such interruption or termination is necessary in the interest of public safety. Permittee hereby waives any claim against Authority for damages or compensation should its activities be interrupted or suspended for any period.
12. **COST OF LITIGATION AND/OR ADMINISTRATIVE ACTIONS - ATTORNEY FEES.** If any action, whether an action in litigation or in an administrative action, is brought by Permittee or by Authority and arising out of or traceable to any rights, privileges, or obligations bestowed by this Permit, including but not limited to breach of any provision of this Permit, the Parties

agree that the prevailing party shall be entitled to and the non-prevailing party shall be bound to pay all reasonably incurred costs associated with the action. The Parties agree that all reasonably incurred costs associated with the action include, but are not limited to attorney fees, costs of legal research incurred in preparing documents filed with the court or administrative body, expert witness fees, and exhibits used in presenting the prevailing party's case to the court, jury or administrative body.

**13. NOTICES.**

- A. **Notices.** Any notice required or permitted by this Permit shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a) by personal delivery on the date that personal delivery is accomplished; (b) by overnight courier upon the date of signature verification of receipt; or (c) by certified or registered mail, return receipt requested, upon signature verification of receipt. Notice shall be sent to the addresses set forth below, or such other address as either party may specify in writing:

If to the Authority, to:

San Diego County Regional Airport Authority  
Director, Ground Transportation  
P. O. Box 82776  
San Diego, California 92138-2776

If to Permittee, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

- B. **Notice From President/CEO.** Permittee agrees that Notice from the Authority's President/CEO or the President/CEO's duly appointed designee shall be effective as to the Permittee as if it were executed by the Board or by Resolution of the Board.

**14. SURVIVAL OF AUTHORITY'S RIGHTS.** The following rights of the Authority and/or Permittee under this Permit shall survive any termination of this Permit including termination due to expiration of the Permit's term:

- A. **Hold Harmless and Indemnification.** The Authority's rights to be held harmless and to be indemnified by Permittee as provided in Section 8 of this Permit.
- B. **Cost of Litigation and/or Administrative Actions – Attorney Fees.** The prevailing party's right to cost of litigation and/or administrative actions, including attorney fees, as provided in Section 12 of this Permit.

**15. MISCELLANEOUS PROVISIONS.**

A. **Interpretation.**

- (1). **Section Headings:** Article or Section headings in this Permit are for the convenience and reference of the Parties, and do not define or limit the scope of any article, section or provision.

- (2). **Fair Meaning:** The language of this Permit shall be construed according to its fair meaning, and not strictly for or against either Party.
  - (3). **Two Constructions:** If any provision in this Permit is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
  - (4). **Governing Law:** This Permit and all of its terms and conditions shall be construed, interpreted and applied in accordance with, governed by, and enforced under the laws of the State of California.
  - (5). **Venue:** Notwithstanding applicable provision of 28 U.S.C. §1391 or of California Code of Civil Procedure §394, the Parties agree that the venue in all matters arising out of this Permit shall be the Superior Court of California, County of San Diego.
  - (6). **Gender:** The use of any gender shall include all genders, and the use of any number shall be construed as the singular or the plural, as the context may require.
  - (7). **Integrated Agreement:** The Parties agree that this Permit and any documents to which it refers contain the whole agreement between the Parties relating to the terms and conditions by which Permittee is authorized to operate Permitted Taxicabs on the Airport. The Parties further agree that this Permit supersedes all previous understandings, permits, and agreements between the Parties regarding such terms and conditions. Each party to this Permit acknowledges that it has not relied on any representation, warranty, collateral contract or other assurance that is not set out in this Permit or in any documents to which it refers, that was made before the execution of this Permit. Each party waives all rights and remedies which, but for this provision, might otherwise be available to it in respect to any such representation, warranty, collateral contract or other assurance. However, nothing in this provision shall limit or exclude any liability for willful misconduct or fraud. The Parties further agree that no alteration or variation of the terms of this Permit shall be valid unless made in writing and signed by the Parties.
  - (8). **Other Agreements Not Affected:** Except as specifically stated herein, this Permit and its terms, conditions, provisions and covenants shall not in any way change, amend, modify, alter, enlarge, impair or prejudice any of the rights, privileges, duties or obligations of either of the Parties under or by reason of any agreement between the Parties.
  - (9). **Partial Invalidity:** If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.
- B. **Non-discrimination** - Permittee agrees at all times to fully comply with all laws prohibiting discrimination against any person or class of persons by reason of race, color, gender, religious creed, sex (including pregnancy or child birth), age, national origin, ancestry, sexual orientation, physical or mental disability, medical condition including genetic characteristics, veteran status, marital status, family care status, or any other considerations made unlawful by federal, state or local law in performance of this Permit. If the use provided for in this Permit allows Permittee to offer accommodations or

services to the public, such accommodations, or services shall be offered on fair and reasonable terms.

C. **Counterparts** - This Permit may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

D. **Prohibition on Gifts** -

- (1). Permittee is familiar with Authority's prohibition against the acceptance of any gift by an Authority officer or designated employee.
- (2). Permittee agrees not to offer any Authority officer or designated employee any gift prohibited by this Chapter.
- (3). The offer or giving of any gift prohibited by law shall constitute a material violation of this Permit by Permittee.

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**ACKNOWLEDGEMENT & ACCEPTANCE**

By signing below, Permittee acknowledges he/she has read, understands and accepts the terms, conditions, restrictions and obligations contained within this Permit.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

**FOR OFFICIAL USE ONLY. DO NOT WRITE BELOW THIS LINE.**

---

DATE OF PERMIT ISSUANCE: \_\_\_\_\_

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**By:** \_\_\_\_\_

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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO DRIVE  
PERMITTED TAXICABS AT THE SAN DIEGO INTERNATIONAL  
AIRPORT**

**EXHIBIT A**

**LIST OF PERMITTED TAXICABS PERMITTEE IS AUTHORIZED  
TO DRIVE ON AIRPORT PROPERTY**

\_\_\_\_\_  
**PRINTED DRIVER NAME**

\_\_\_\_\_  
**DATE**

TAXICAB COMPANY	TAXICAB OWNER/CONTACT	RELATIONSHIP TO TAXICAB OWNER/CONTACT (See Notes Below)	EFFECTIVE DATE

**NOTES:**

1. Owner, Employee, Lessee/Independent Contractor, Other (if Other, explain below).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

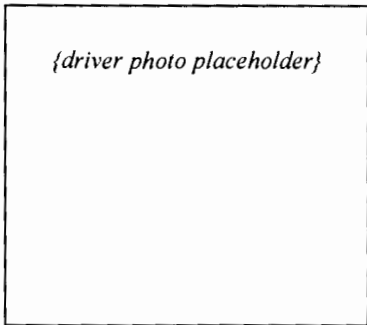
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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO DRIVE PERMITTED TAXICABS AT THE SAN DIEGO INTERNATIONAL AIRPORT**

**EXHIBIT B**

**TAXI DRIVER PERMIT GENERAL INFORMATION**

**Permit Number:** \_\_\_\_\_  
Driver Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_  
EMAIL: \_\_\_\_\_  
Taxi Company: \_\_\_\_\_  
Sheriff's Permit: \_\_\_\_\_  
DMV License: \_\_\_\_\_  
  
Permit Issued: \_\_\_\_\_  
Expires: **09/30/2014**  
Permit Fee: **\$25**  
Receipt Number: \_\_\_\_\_



Permit shall be carried on driver's person at all times while operating a Taxicab for hire on Authority property and shall be presented for inspection on demand by any Authority employee along with a valid California driver's license. A lost permit will be replaced upon application and payment of the Authority fee, provided permit holder is in good standing with the Authority.

Permit may be subject to suspension or revocation in the event the holder is found to be in non-compliance with Authority rules and regulations for the operation of a vehicle for hire on Authority property.

I have read, understand and agree to abide by the provisions of this agreement.

This driver permit may not be assigned or transferred in any manner whatsoever and shall expire on:

**September 30, 2014**

\_\_\_\_\_  
Date

\_\_\_\_\_  
Applicant's Signature

SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY

Attachment I

P.O. BOX 82776, SAN DIEGO, CA 92138-2776  
619.400.2400 WWW.SAN.ORG

November 12, 2013

Dear New Charter Service Provider:

This letter serves as a notice for those applying for a Ground Transportation Service Permit for the **first time**. For your convenience, we have included with this letter the "Application and Permit to Operate Charter Vehicles at the San Diego International Airport." We have provided a sample application on our website. **It is MANDATORY that you include an email address for future correspondence.** The Authority will also be accepting credit and debit cards for the first time for vehicle permit processing. Please note that the Permit is not valid until it is physically affixed to the vehicle. Completed Agreements are due by November 22, 2013.

The Authority has made changes to the Application and Permit, so please read it carefully. **Keep all 32 pages (including all attachments from the application) together, and do not remove any pages. Do not mail, fax, or email any documentation separate from your completed Application and Permit. Incomplete agreements will not be accepted and returned to the applicant for completion.**

The Ground Transportation office is located at 3225 N. Harbor Drive, 3<sup>rd</sup> floor. Hours of operation are:

**Monday, Wednesday & Thursday**

8:30am – 11:30am

1:30pm – 4:00pm

**Tuesday**

8:30am – 11:00am

1:30pm – 4:00pm

**Friday**

8:30am – 11:00am

You may mail your completed Application to our office. If incomplete, the application will be returned unprocessed. We thank you for your patience and assistance during this renewal period. Permits will be issued as the completed Applications are processed and approved by our Office. The following documents must be fully and accurately completed:

1. Signed Application, **which includes a valid email address** and:
  - a. **Exhibit A:** Vehicle Registration Listing
  - b. **Exhibit C:** Signed Statement of Waiving Workers Compensation or Workers Compensation Certificate
  - c. **Exhibit D:** Vehicle Inspection form for all vehicles over seven (7) years of age
2. Copy of *Current* Certificate of Insurance and Endorsement Form
3. Copy of *Current* Vehicle Registration(s) for all vehicle(s)
4. Copy of *Current* TCP Certificate
5. Copy of a sample Waybill
6. Payment: Either Debit, Credit, Check, or money order (Payable to: SDCRAA)

Sincerely,

Ground Transportation Staff

Enclosures



SAN DIEGO  
INTERNATIONAL  
AIRPORT

000304

## How to Submit Insurance Documents for Vehicle Permits

1. Email insurance documents as soon as possible to [certificates@san.org](mailto:certificates@san.org)
2. Include the following information in the email:
  - Name of the Permit Applicant
  - Company Name (if applicable)
  - Phone Number
  - Mailing Address
  - Email Address
  - Issuing Office: Ground Transportation
3. Insurance Certificate must include the vehicle information (Year, Make, Model, & VIN) for all vehicles listed in the Permit Application if your Auto Liability policy is limited to coverage for "Scheduled Autos"

If you or your insurance representatives have any questions contact:

**Risk Management Department at 619-400-2845**

San Diego County Regional Airport Authority

[certificates@san.org](mailto:certificates@san.org)

**If you have questions regarding permits, please call Ground Transportation at 619-400-2685**



SAN DIEGO  
INTERNATIONAL  
AIRPORT

000305

Updated 10/1/2013



SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY

**Ground Transportation  
Schedule of Annual Permit Fees  
Fiscal Year 2014**

July 1, 2013 thru June 30, 2014

<b>Type of Vehicle</b>	<b>Fee</b>
CHARTER (limousine)	\$104 per vehicle
COURTESY (hotel/motel)	\$1,610 per vehicle
COURTESY (off-airport parking)	\$5,006 per vehicle
COURTESY (rent-a-car)	\$200 per vehicle
VEHICLE-FOR-HIRE (VFH) Supershuttle	\$907 per vehicle
VEHICLE-FOR-HIRE (VFH) All Other Shuttles	\$5,028 per vehicle
TAXICAB "ALL" PERMIT	\$571 per vehicle + \$2.00 trip fee
TAXICAB "A" or "B" PERMIT	\$285.50 per vehicle+ \$2.00 trip fee
TAXI DRIVER PERMIT	\$40 per year*
RENEWAL TAXI DRIVER PERMIT	\$25 per year
VFH DRIVER PERMIT	\$90 per year*
RENEWAL VFH DRIVER PERMIT	\$50 per year

\* Driver permit fees include \$15.00 STA fee from Access Control Office



000506

Updated 10/1/2013



## Ground Transportation Vehicle Conversion Incentive-Based Program

The San Diego County Regional Airport Authority (Authority) has developed this Ground Transportation Vehicle Conversion Incentive-Based Program (Incentive Program) to set incentives for public commercial ground transportation service providers operating at San Diego International Airport (Airport) to convert their current vehicles to alternative fuel vehicles (AFVs) as specified in Governor’s Executive Order S-01-07, or to Clean Air Vehicles (CAV)s as specified in the California Vehicle Code §5205.5. The goal of this Incentive Program is to convert 100% of the public commercial ground transportation vehicles operating at the Airport to AFVs or CAVs by 2017.

### **Conversion Incentives**

The Incentive Program includes incentives to ground transportation providers that use AFVs or CAVs. The incentives consist of a reduction in fees per year based on a percentage of the Ground Transportation Schedule of Annual Permit Fees, set by the Authority. The reduction in annual user fee decreases over time as the availability of alternative fuel vehicles become more prevalent. The following illustrates the percent reduction in fees and charges for the following fiscal years:

Fiscal Year 2011	100% reduction in ground transportation permit fees
Fiscal Year 2012	100% reduction in ground transportation permit fees
Fiscal Year 2013	100% reduction in ground transportation permit fees
Fiscal Year 2014	100% reduction in ground transportation permit fees
Fiscal Year 2015	25% reduction in ground transportation permit fees
Fiscal Year 2016	10% reduction in ground transportation permit fees
Fiscal Year 2017	0% reduction in ground transportation permit fees
Fiscal Year 2018	0% reduction in ground transportation permit fees

### **Non-Conversion Penalties**

In addition to the incentives offered, the Incentive Program includes fee increases for non-AFVs or non-CAVs operating at the Airport. As detailed below, penalties increase in the future as alternative fuel vehicles and infrastructure become more available. By charging monetary penalties rather than mandating conversion, shuttle operators may still opt to use petroleum based vehicles, but at higher fees.

Fiscal Year 2011	0% increase in ground transportation permit fees
Fiscal Year 2012	0% increase in ground transportation permit fees
Fiscal Year 2013	0% increase in ground transportation permit fees
Fiscal Year 2014	0% increase in ground transportation permit fees
Fiscal Year 2015	75% increase in ground transportation permit fees
Fiscal Year 2016	100% increase in ground transportation permit fees
Fiscal Year 2017	150% increase in ground transportation permit fees
Fiscal Year 2018	200% increase in ground transportation permit fees





# SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

## Ground Transportation Schedule of Annual Permit Fees Conversion Incentives for Alternative Fuel Vehicles Fiscal Year 2014

July 1, 2013 thru June 30, 2014

Type of Vehicle	Fee
CHARTER (limousine)	\$0 per vehicle
COURTESY (hotel/motel)	\$0 per vehicle
COURTESY (off-airport parking)	\$0 per vehicle
COURTESY (rent-a-car)	\$0 per vehicle
VEHICLE-FOR-HIRE (VFH) Supershuttle	\$0 per vehicle
VEHICLE-FOR-HIRE (VFH) All Other Shuttles	\$0 per vehicle
TAXICAB "ALL" PERMIT	\$0 per vehicle + \$2.00 trip fee
TAXICAB "A" or "B" PERMIT	\$0 per vehicle + \$2.00 trip fee
TAXI DRIVER PERMIT	\$40 per year*
RENEWAL TAXI DRIVER PERMIT	\$25 per year
VFH DRIVER PERMIT	\$90 per year*
RENEWAL VFH DRIVER PERMIT	\$50 per year

\* Driver permit fees include \$15.00 STA fee from Access Control Office



SAN DIEGO  
INTERNATIONAL  
AIRPORT

000308

Updated 10/1/2013

**OFFICIAL APPLICATION BEGINS NEXT PAGE**

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000309



## INSTRUCTIONS FOR SUBMITTING AN APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT

Persons seeking to operate a Charter Vehicle at San Diego International Airport ("Airport") must submit the following items prior to the Authority issuing of a permit:

		Applicant Checklist	SDCRAA USE
1.	<b>Attachment 1: Permittee Information</b>		
2.	<b>Attachment 1 A-D: Applicable Business Entity Information</b>		
3.	<b>Attachment 2: Signed Permit (With all Exhibits Completed)</b>		
	Copy of Contract for ADA Services (as applicable)		
	<b>Exhibit A: Vehicle Registration Listing</b>		
	Copy of current Vehicle Registration(s) for all vehicle(s)		
	All vehicles must be registered and on file with the California Public Utilities Commission		
	Certificate of Insurance and Endorsement Form listing SDCRAA as an "Additional Insured" (See <b>Exhibit B</b> for Insurance Requirements)		
	Workers' Compensation Insurance; or <b>Exhibit C: Signed Statement of Waiving Workers' Compensation (as applicable)</b>		
	<b>Exhibit D: Vehicle Inspection form for all vehicles over seven (7) years of age</b>		
4.	Copy of Charter-Party Carrier of Passengers Certificate		
5.	Copy of a sample Waybill		
6.	Check or Money Order Payable to: SDCRAA		

### **Submitting Your Information**

Mailing Address:

San Diego County Regional Airport Authority  
Ground Transportation Department  
P.O. Box 82776  
San Diego, CA 92138-2776

Overnight or Hand-Delivered Mail:

San Diego County Regional Airport Authority  
Ground Transportation Department  
Commuter Terminal- 3rd Floor  
3225 North Harbor Drive  
San Diego, CA 92101

### **Contact Us**

Contact the San Diego County Regional Airport Authority, Ground Transportation Department at (619) 400-2685 with any questions.

### **Authorization & Acknowledgement**

The undersigned authorizes the San Diego County Regional Airport Authority ("Authority") to make any inquiry or investigation it believes necessary to verify or augment all information furnished in connection with seeking a non-exclusive permit to operate a Charter Vehicle the Airport and authorizes others to release to the Authority any and all information the Authority believes necessary to conduct its investigation. The undersigned certifies under penalty of perjury under the laws of the State of California that all information furnished is true and correct to the best of his or her knowledge.

\_\_\_\_\_  
Signature of Authorized Agent

\_\_\_\_\_  
Printed Name & Title

\_\_\_\_\_  
Date

**Submitting your information does not authorize you to conduct commercial operations at the Airport. No permit or authorization shall be issued or considered valid until you receive written notice from the Authority stating your permit is complete and valid.**

**APPLICATION FOR NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT**

**ATTACHMENT 1: PERMITTEE INFORMATION**

Business Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

\_\_\_\_\_

Check here if business address is same as above

Business Address: \_\_\_\_\_

\_\_\_\_\_

Contact Name: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Fax Number: \_\_\_\_\_

Mobile Phone: \_\_\_\_\_ Email Address: \_\_\_\_\_

Business Entity: «Corporation»

If your business entity has changed, please mark the appropriate entity below and complete the corresponding attachment with updated information:

- |   |                         |
|---|-------------------------|
| <input type="checkbox"/> Sole Proprietorship:                 | Complete Attachment 1-A |
| <input type="checkbox"/> Partnership:                         | Complete Attachment 1-B |
| <input type="checkbox"/> Limited Liability Partnership (LLP): | Complete Attachment 1-B |
| <input type="checkbox"/> Limited Liability Company (LLC):     | Complete Attachment 1-C |
| <input type="checkbox"/> Corporation                          | Complete Attachment 1-D |

The following persons have the authority to conduct business with the Authority on the applicant's behalf:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER  
VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT**

**ATTACHMENT 1-A: SOLE PROPRIETORSHIP INFORMATION**

1. Date you first began business operations:

---

2. Has Applicant operated any other businesses as a sole proprietorship under a different name in the past 5 years?

---

If yes, please list all other businesses operated and the dates of operation:

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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT**

**ATTACHMENT 1-B: PARTNERSHIP (GENERAL/LIMITED) INFORMATION**

1. Date of Organization: \_\_\_\_\_
2. General Partnership  Limited Liability Partnership
3. Name, Title address and phone number each managing partner. If a managing partner is another partnership, a corporation or a limited liability company (LLC), please complete separate pages as appropriate, for such entity.

Managing Member(s):

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_



**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT**

**ATTACHMENT 1-C: LIMITED LIABILITY COMPANY INFORMATION**

- 1. LLC Name: \_\_\_\_\_
- 2. Date of Organization: \_\_\_\_\_
- 3. Where Organized: \_\_\_\_\_
- 4. Business Entity Number: \_\_\_\_\_
- 5. Agent for Service of Process:  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

6. Is the Company authorized to do business in California?

Yes  No

7. Name, address and membership share held by each manager and officer. If a member is a partnership, corporation, or another LLC, please complete separate pages, as appropriate, for each entity.

Managing Member(s), Officers and members over 10%:

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone: \_\_\_\_\_

**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT**

**ATTACHMENT 1-D: CORPORATION INFORMATION**

1. Corporate Name? \_\_\_\_\_

2. Date Incorporated? \_\_\_\_\_

3. City and State Incorporated? \_\_\_\_\_

4. Business Entity Number: \_\_\_\_\_

5. Agent for Service of Process:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

6. Is the corporation authorized to do business in California?

Yes

No

7. Please provide the name, title, address and phone number for each corporate officer and any stock holder owning more than 10% of any class of stock:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_

Any partnership, corporation or LLC holding more than 10% of any class of stock or membership interest must also complete separate pages, as appropriate, for each entity. If there is an ownership chain of additional partnerships, corporations or LLCs, the above requirements extend to each such entity having either: (1) a 10% or greater direct, indirect or beneficial ownership interest or membership interest in the primary Company; or (2) effective control of the primary Company regardless of the percentage of ownership or membership interest.

# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT

This NON-EXCLUSIVE PERMIT, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_, by and between the SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY ("Authority"), a local governmental entity of regional government, and \_\_\_\_\_ a \_\_\_\_\_ ("Permittee") (Authority and Permittee are collectively referred to as "Parties").

## WITNESSETH

**WHEREAS**, the San Diego Unified Port District ("District") is the trustee of certain tidelands owned by the State of California, including San Diego International Airport at Lindbergh Field ("Airport"), located in the City of San Diego, California; and

**WHEREAS**, the San Diego County Regional Airport Authority Act ("Act") established Authority with the exclusive power and authority to oversee the establishment, operation and coordination of airport facilities within the County of San Diego, as well as to study, plan and implement any improvements, expansions, or enhancements at existing or future airports within its control; and

**WHEREAS**, pursuant to the Act, District and Authority entered into a ground lease ("Master Lease") dated December 17, 2002, bearing Authority's Document No. AA-0008, whereby District leased to Authority the Airport and other real property related thereto; and

**WHEREAS**, Authority Code §8.41 makes it unlawful for any person or entity to engage in a business or commercial activity on the Airport without the appropriate grant, franchise, certificate, or permit issued by the Authority; and

**WHEREAS**, Authority has determined that it will provide certain facilities and services at the Airport to allow authorized Charter Vehicle operators to pickup and transport passengers from the Airport; and

**WHEREAS**, Permittee desires to derive financial benefit by operating one or more Charter Vehicles to transport passengers from the Airport; and

**WHEREAS**, Permittee has requested Authority authorize the vehicles identified in "Exhibit A" to this Permit to operate at the Airport by picking up Airport Passengers and to use certain support facilities and services at the Airport for such purpose; and

**WHEREAS**, Permittee, in consideration of Authority granting Permittee authorization to operate at the Airport the vehicles identified in "Exhibit A" and to use Airport roadways and certain support facilities and services at the Airport, agrees to conduct its services at the Airport in accordance with the terms and conditions in this Permit.

**NOW, THEREFORE**, Authority, for the consideration and upon the terms and conditions herein set forth, grants Permittee, the non-exclusive right to operate the Charter Vehicles identified in "Exhibit A" on the Airport for the purpose of picking up and transporting Airport Passengers.

**ARTICLE 1 – DEFINITIONS.** The following words and phrases when used in this Permit shall have the following meanings:

1.1 **Airport:** the San Diego International Airport, Lindbergh Field.

- 1.2 **Airport Car Rental Agency:** a business that provides vehicles for rent to Airport passengers.
- 1.3 **Airport Passenger:** any individual who hires or enters a Charter Vehicle operated by Permittee pursuant to this Permit for transportation from the Airport.
- 1.4 **Clean Air Vehicle/Alternative Fuel Vehicle (CAV/AFV):** a vehicle that runs on an energy source, fuel or blend of fuels that achieves a reduction of at least ten percent (10%) carbon intensity relative to petroleum fuel, identified in Governor Schwarzenegger's Executive Order S-01-07, or a vehicle that meets the criteria for a low-emission vehicle as set forth in the California Vehicle Code §5205.5, Special Identification; Ultra-Low Emission Vehicles; Use of Preferential Access Lanes.
- 1.5 **Application:** the Application for Non-Exclusive Permit to Operate Charter Vehicle at San Diego International Airport, that Permittee completed and lodged with the Authority prior to the issuance of this Permit, as updated by Permittee from time to time in accordance with the requirements specified in this Permit.
- 1.6 **Authority:** the San Diego County Regional Airport Authority.
- 1.7 **Authority-related Personnel:** the officers, officials, directors, employees, agents, representatives and volunteers of the Authority.
- 1.8 **Automatic Vehicle Identification (AVI) Transponder:** a device that provides automatic tracking and counting of vehicles at the Airport.
- 1.9 **Charter Vehicle:** any vehicle issued a Charter-Party Carrier of Passengers Certificate by the California Public Utilities Commission.
- 1.10 **Courtesy Vehicle:** any vehicle used by a hotel/motel, rental car company, off-airport parking lot operator, or any other service transporting passengers where there is no charge for said service.
- 1.11 **Customer Service Representative (CSR):** persons at the Authority hold lots and curbs stationed in Authority-designated locations to, among other things, assist in the dispatch of Permitted Vehicle for Hires and taxicabs.
- 1.12 **Driver:** the Permittee, an employee, agent or representative of Permittee, a lessee leasing a Permitted vehicle of Permittee (or a sublessee or subcontractor thereof), an independent contractor, or any other person who operates a Permitted Vehicle of Permittee at Airport.
- 1.13 **Permit:** this Non-exclusive Permit to Operate Charter at the Airport.
- 1.14 **Permit Fee:** an annual fee paid for each Permitted Vehicle.
- 1.15 **Permittee:** the entity defined on Page 1 of this Permit, and any employees, representatives and other agents of Permittee.
- 1.16 **Permitted Vehicle:** a Charter Vehicle that is owned by Permittee and identified in the most current "Exhibit A" to this Permit that Permittee has lodged with the Authority and that is authorized pursuant to the terms and conditions of this Permit to pickup and transport Airport Passengers.

- 1.17 **PUC:** the California Public Utilities Commission.
- 1.18 **Rules and Regulations:** all rules and regulations of Authority, including but not limited to, the "San Diego International Airport Rules and Regulations", "Code of the San Diego County Regional Airport Authority", "Policies of the San Diego County Regional Airport Authority", and any new, modified or additional rules and regulations, which the Authority now or hereafter enacts, and as may be amended from time to time. The "San Diego International Airport Rules and Regulations" may be found on the Authority's website at [http://www.san.org/documents/airport\\_rules\\_regulations.pdf](http://www.san.org/documents/airport_rules_regulations.pdf), the "Code of the San Diego County Regional Airport Authority" may be found at: [http://www.san.org/sdcraa/about\\_us/codes\\_policies.aspx](http://www.san.org/sdcraa/about_us/codes_policies.aspx) and the "Policies of the San Diego County Regional Airport Authority" may be found at [http://www.san.org/sdcraa/about\\_us/codes\\_policies.aspx](http://www.san.org/sdcraa/about_us/codes_policies.aspx).
- 1.19 **Vehicle-For-Hire:** any vehicle issued a Passenger Stage Corporation Certificate by the California Public Utilities Commission.
- 1.20 **Vehicle Identification Decal:** the decal issued by the Authority that Permittee is to place on each Charter Vehicle owned by Permittee and authorized by this Permit to conduct commercial operations at the Airport.
- 1.21 **Waybill:** for Charter Vehicle operators, means a document, as defined by the PUC, containing, but not limited to, the operator's TCP number, driver's name, vehicle number, passenger name(s), number of persons in party, location of pick up, and airline and flight number on which the passenger(s) arrived or will arrive.

**ARTICLE 2 - TERM OF PERMIT.** The term of this Permit shall commence on January 1, 2014 and shall expire on December 31, 2014, unless sooner suspended, revoked or terminated in accordance with the terms of this Permit.

### **ARTICLE 3 – USE, CONDITIONS, AND RESTRICTIONS.**

- 3.1 **Use.** Subject to the terms and conditions of this Permit, Authority grants Permittee the non-exclusive right to operate the Permitted Vehicle(s) identified in "Exhibit A" at the Airport for the purpose of picking up and transporting passengers from the Airport. The rights granted by this Permit do not establish or vest in Permittee any right to preferential use of Airport facilities.
- 3.2 **Use Limitations and Restrictions.** Permittee's right to operate Permitted Vehicles at the Airport shall be subject to the following conditions and restrictions:
- 3.2.1 Permittee shall take all necessary actions to ensure Permitted Vehicles do not obstruct or interfere with the rights of others using any part of the Airport.
- 3.2.2 Permittee shall not cause or permit to occur upon any portion of the Airport any illegal waste, any public or private nuisance, or any other act or thing which may disturb the quiet enjoyment of any other tenant, licensee, invitee, or person using or occupying any portion of the Airport.
- 3.2.3 Permittee shall not allow any Driver of a Permitted Vehicle to solicit business or engage in any manner of solicitation of business except as may be expressly permitted in writing by the Authority.

- 3.2.4 Permittee shall ensure that all Drivers of Permitted Vehicles comply with all applicable laws and Rules and Regulations while operating a Permitted Vehicle pursuant to this Permit.
- 3.2.5 Permittee shall ensure its Permitted Vehicles are operated in accordance with the terms and conditions of this Permit and in accordance with the directions and operating procedures Issued by the Authority or those operating the Airport Hold Lot or the designated curbside locations.
- 3.2.6 This Permit is personal to Permittee and Permittee may not assign, transfer, license, convey, or sell this Permit, or any rights of Permittee hereunder, whether voluntarily or by operation of law without the prior written approval of Authority.

Any transfer in violation of this provision shall be void. Authority's acceptance of any fee or charge by Authority for the continued operations of Permitted Vehicles ostensibly pursuant to this Permit shall not constitute a waiver of Authority's right to terminate this Permit.

- 3.2.7 Permittee shall ensure that at all times all Drivers of Permitted Vehicles conduct themselves in a professional manner and are courteous to the public, passengers, Airport employees, and other Authority representatives. Threats of physical harm, fighting, gambling, possession or use of any weapons, public intoxication or the use or possession of illegal substances on Airport premises are expressly prohibited.
- 3.2.8 Permittee shall not install, erect, affix, paint, display or place or permit the installation, erection, affixation, painting, display or placement of any sign, lettering, or other advertising device or media in, on, or about the Airport, the terminals, or any portion thereof, without the prior written consent of the Authority.
- 3.2.9 Any Permittee who has its Permit suspended, and is then found to be operating on the Airport during the period of suspension, may have its Permit revoked without notice.
- 3.2.10 The Authority reserves the right to perform periodic inspections of Permitted Vehicles to determine if they are in compliance with standards set forth in this Ground Transportation Permit, Authority Rules and Regulations, the California Vehicle Code and the California Public Utilities Code.

### 3.3 **Conditions Relating to Drivers of Permitted Vehicles.**

- 3.3.1 Irrespective of whether the driver of a Permitted Vehicle is an employee of Permittee or operates the Permitted Vehicle as a lessee of the Permitted Vehicle, or as a subcontractor or sublessee, Permittee shall at all times be responsible for the actions and omissions of every driver of Permitted Vehicle while operated pursuant to this Permit.
- 3.3.2 Permittee shall not allow any third party to operate a Permitted Vehicle on the Airport pursuant to this Permit unless such operation is pursuant to a written agreement between the Permittee and the third party. At a minimum, the written agreement must include provisions regarding responsibility for providing liability insurance required by this Permit. The written agreement must incorporate this Permit wherein the third party agrees to be bound by all terms and conditions of



this Permit. Permittee shall provide the Authority with copies of such written agreements when requested by the Authority.

- 3.4 **No Guarantee of Business** - By issuing this Permit, Authority does not make, and has not made, any representation, warranty, assurance, or guaranty that this Permit, or the operations conducted thereunder, will generate any minimum, maximum, or optimum volume of airline or other passenger traffic business, or that any minimum, maximum, or optimum volume of airline or other passenger traffic business will occur.

#### **ARTICLE 4 - FEES AND CHARGES.**

- 4.1 **Establishment of Fees and Charges.** In consideration of the rights granted by the Authority pursuant to this Permit, Permittee agrees to pay the following compensation to the Authority:

- 4.1.1 **Permit Fee.** Prior to the execution of this Permit, Permittee shall pay an annual Permit Fee for each Permitted Vehicle as follows:

4.1.1.1 For each Permitted Charter Vehicle: **One Hundred Four Dollars (\$104).**

4.1.1.2 Notwithstanding the fees described above, for each Permitted Vehicle that the Authority qualifies as a CAV / AFV, the annual Permit Fee shall be: **Zero Dollars (\$0.00).**

- 4.1.2 **Insufficient Funds.** In the event Permittee or any Driver of Permittee provides payment pursuant to the terms of this Permit by a check that is dishonored, Permittee shall be liable for the face value of the check plus a Fifteen Dollar (\$15) handling fee. Payment of the face value of the check and the handling fee shall be made within fifteen (15) days of notification of the dishonored check and shall be made by cashier's check or money order for the full amount due.

#### **ARTICLE 5 - VEHICLE REQUIREMENTS.**

- 5.1 **Appearance.** Permittee shall ensure that each Permitted Vehicle conforms to the vehicle requirements set forth in the Rules and Regulations.

- 5.2 **Permitted Vehicle Condition.** Permittee shall maintain all Permitted Vehicles in good and safe mechanical condition and in full compliance with all applicable Rules and Regulations. Permittee shall ensure that all Permitted Vehicles when operated pursuant to this Permit are clean and free of visible damage.

- 5.3 **Inspection.** The Authority at its sole discretion shall have the right to inspect from time to time Permitted Vehicles for compliance with standards set forth in this Permit and applicable law.

- 5.4 **Standardized Age Replacement Policy.** Permittee shall not allow any Driver to operate a Permitted Vehicle at Airport that is ten (10) years in age or older. Permittee or his/her Driver may only operate a Permitted Vehicle at Airport that is seven (7) years of age or older after Permittee has lodged with the Authority a satisfactory inspection report, which was completed less than thirty (30) days prior to the time of presenting this completed application, by a third-party automotive inspection facility which utilizes the Authority's Vehicle Maintenance Inspection Form, "Exhibit D".

- 5.5 **Vehicle Identification Decal and AVI Transponder.** All Permitted Vehicles shall display a Vehicle Identification Decal affixed to the Vehicle's inside front windshield, or in a location otherwise prescribed by Authority. If required by the Authority, Permittee shall install or have installed an appropriate AVI Transponder to each Permitted Vehicle. The Authority will provide and install one AVI Transponder for each Permitted Vehicle. Permittee shall be responsible for the cost of replacing any lost or damaged AVI Transponder, but the installation of any replacement AVI Transponders shall be performed by the Authority or its agent. Permittee agrees to waive any and all claims against Authority and its agent for any incidental damage to a Permitted Vehicles where such damage was occasioned by the ordinary process of installing or removing the AVI Transponder or similar device, unless solely caused by the negligence of Authority or its agent. Permittee shall execute an acceptance of the installation work done and a waiver of claims for damage from installation of the AVI Transponder upon completion of the installation, unless the Vehicle was unreasonably damaged during installation.
- 5.5.1 No Permittee shall remove a Vehicle Identification Decal or transponder without prior authorization by Authority.
- 5.5.2 No Permittee shall damage, tamper, or attempt to damage or tamper with any Permitted Vehicle Identification Decal or AVI Transponder.
- 5.5.3 In the event Permittee replaces the windshield of a Permitted Vehicle or replaces a Permitted Vehicle with another vehicle acceptable to the Authority, the Authority will issue a replacement Vehicle Identification Decal provided Permittee returns the original Vehicle Identification Decal.
- 5.5.4 Permittee shall take all necessary action to ensure that no Permitted Vehicle evades or attempts to evade any airport AVI reader.
- 5.5.5 Permittee shall not assign, loan, transfer or alienate in any way a Vehicle Identification Decal.
- 5.5.6 All Vehicle Identification Decals shall expire at the same time as this Permit.

#### **ARTICLE 6 – HOLD HARMLESS.**

- 6.1 **Hold Harmless.** Permittee, for and on behalf of its directors, officers, employees, contractors, Drivers, representatives and agents, covenants and agrees to defend, indemnify and hold harmless Authority and Authority-related Personnel from and against any and all liabilities, liens, claims, judgments, demands, causes of action, losses, damages, costs and expenses (including reasonable attorneys' fees and costs) (collectively hereinafter "Liabilities"), arising out of, related to, or in any way connected with, directly or indirectly: (i) any use of a Permitted Vehicle; (ii) any acts or omissions of Permittee or any Driver of a Permitted Vehicle; (iii) any obligations or activities undertaken in connection with this Permit; (iv) any damage to any person or property, or injury to or death to any person, including without limitation any claim or action alleging latent and other defects, whether or not discoverable by Permittee or Authority; (v) any alleged or actual breach of any federal, state or local law or regulation; and (vi) Permittee's duties under easements or contracts with third parties; except that this paragraph shall not apply to any Liabilities arising through the sole active negligence or willful misconduct of Authority. These indemnity obligations shall apply for the entire time that any third party can make a claim against or sue the Authority or the Authority-related Personnel. Permittee and Authority agree to promptly provide notice to each other of any Liabilities following the learning thereof by such party.

Permittee shall not settle or compromise any claim or matter pursuant to this paragraph without first obtaining Authority's written consent.

6.2 **Permittee's Assumption of Risk.** Permittee covenants that it voluntarily assumes any and all risk of loss, damage, or injury to the person or property of Permittee, its directors, officers, employees, contractors, Drivers, representatives and agents which may occur in, on, or about the terminals, or the Airport at any time and in any manner, except such loss, injury, or damage as may be caused by the sole active negligence or the willful misconduct of Authority or Authority-related Personnel.

6.3 **Waiver by Permittee.** As a material part of the consideration to be rendered by Permittee to Authority under this Permit, Permittee waives any and all claims or causes of action against Authority, its officers, employees, and agents which Permittee may now or hereafter have at any time for damage to Permittee's property located in, on, or about the Airport or the terminals, and for injury to or death of any person occurring in, on or about the terminals or the Airport from any cause arising at any time, except as may arise from the active sole negligence or the willful misconduct of Authority, its officers, employees, and agents.

In addition to the foregoing, except as shall arise out of the sole active negligence or willful misconduct of Authority, its officers, employees, and agents, Permittee specifically waives any and all claims or causes of action which it may now or hereafter have against Authority, its officers, employees, and agents for any loss, injury, or damage arising or resulting from any act or omission of any licensee, other Permittee, sub-licensee, or concessionaire of the terminals or the Airport, or any person who uses the terminals or the Airport with or without the authorization or permission of Authority.

Further, Permittee agrees to voluntarily assume all risk of loss, damage, or injury to the person and property of Permittee, its directors, officers, employees, contractors, Drivers, representatives and agents in or about the Airport or the terminals which, during the term of this Permit, may be caused by or arise or occur in any manner, including but not limited to the following:

6.3.1 From the flight of any aircraft of any and all kinds now or hereafter flown in, through, across, or about any portion of the air space over the Airport or the terminals; or

6.3.2 From noise, vibration, currents and other effects of air, illumination, and fuel consumption, or fear thereof, arising or occurring from or during such flight, or from or during the use by aircraft of the Airport, including but not limited to, landing, storage, repair, maintenance, operation, run-up, and take-off of such aircraft, and the approach and departure of aircraft to or from the Airport.

## **ARTICLE 7 – TERMINATION AND SUSPENSION.**

7.1 **Default and Termination.** If Permittee fails to perform or observe any of the terms, covenants or conditions in this Permit, Authority may give written notice to cure such omission. If Permittee fails to cure the omission within ten (10) days after service of the notice, Authority may terminate this Permit by providing written notice of termination to Permittee. In such event, this Permit shall terminate on the date stated in the termination notice; Permittee shall have no further rights under this Permit and shall immediately surrender all Vehicle Identification Decals that have been issued by Authority, and the Authority further shall have all other rights and remedies as provided by law, including without limitation the right to recover damages from Permittee in the amount necessary to

compensate Authority for all the detriment and injury proximately caused by Permittee's failure to perform its obligations under this Permit or which in the ordinary course would be likely to result therefrom.

- 7.2 **Default and Suspension.** If Permittee fails to perform or observe any of the terms, covenants or conditions in this Permit, but cures such default within ten (10) days after service of notice, the Authority, in its sole discretion, may suspend this Permit for a period of time deemed appropriate by the Authority when considering the facts, circumstances and seriousness of the default.
- 7.3 **Termination Without Cause.** Notwithstanding the right of Authority to terminate for default as specified above, this Permit may be terminated by Authority or Permittee as a matter of right and with or without cause at any time upon the giving of thirty (30) days' advanced notice in writing to the other party of such termination.
- 7.4 **Refund of Permit Fee in the Event of Termination or Suspension.**
- 7.4.1 **Termination or Suspension Due to Permittee's Default.** In the event this Permit is terminated or suspended due to Permittee's default, Permittee shall not be entitled to any refund of Permit Fees or any other fees paid to the Authority.
- 7.4.2 **Termination Without Cause.** In the event this Permit is terminated without cause, Permittee shall be entitled to a refund of the Permit Fees paid to Authority on a *pro-rata* basis for the remaining portion of the term of this Permit. Authority shall make such refund available to Permittee, less any funds owed by Permittee to Authority, within sixty (60) days of the termination date of the Permit.
- 7.5 **Non-waiver of Rights.** The waiver by either party of any breach of any term, covenant or condition in this Permit shall not be deemed to be a waiver of any other term, covenant or condition, or of any subsequent breach of the same term, covenant or condition. The subsequent acceptance by Authority of any payment by Permittee shall not be deemed to be a waiver of any preceding breach by Permittee of any term, covenant or condition of this Permit other than the failure of Permittee to pay the particular compensation, regardless of Authority's knowledge of such preceding breach at the time of acceptance of such compensation.
- 7.6 **Survival of Authority's Rights.** The following rights of the Authority under this Permit shall survive any termination of this Permit including termination due to expiration of the Permit's term:
- 8.6.1 **Funds Due the Authority.** All funds due the Authority as provided in this Permit.
- 8.6.2 **Hold Harmless and Indemnification.** The Authority's rights to be held harmless and to be indemnified by Permittee as provided in this Permit.
- 8.6.3 **Permittee's Waiver and Permittee's Assumption of Risk.** The Authority's rights arising pursuant to Permittee's waiver and assumption of risk provisions set forth above.
- 8.6.4 **Environmental Compliance.** The Authority's rights and Permittee's obligations arising pursuant to Article 12 of this Permit.

**ARTICLE 8 – JOINT AND SEVERAL LIABILITY.** If Permittee is a partnership or joint venture, or is comprised of more than one party or entity or a combination thereof, the obligations imposed on Permittee under this Permit shall be joint and several, and each general partner, joint venturer,

party, or entity of Permittee shall be jointly and severally liable for said obligations. Nothing contained herein, however, shall be deemed or construed as creating a partnership or joint venture between Authority and Permittee or between Authority and any other entity or party, or cause Authority to be responsible in any way for the debts or obligations of Permittee, or any other party or entity.

**ARTICLE 9 - PUBLIC SAFETY INTERRUPTION.** Authority may interrupt or suspend Permittee's activities at the Airport and Permittee's use of the Airport if, in Authority's sole discretion, such interruption or termination is necessary in the interest of public safety. Permittee hereby waives any claim against Authority for damages or compensation should its activities be interrupted or suspended for any period.

**ARTICLE 10 - COST OF LITIGATION AND/OR ADMINISTRATIVE ACTIONS - ATTORNEY FEES.** If any action, whether an action in litigation or in an administrative action, brought by Permittee or by Authority and arising out of or traceable to any rights, privileges, or obligations bestowed by this Permit, including but not limited to breach of any provision of this Permit, the Parties agree that the prevailing party shall be entitled to and the non-prevailing party shall be bound to pay all reasonably incurred costs associated with the action. The Parties agree that all reasonably incurred costs associated with the action include, but are not limited to attorney fees, costs of legal research incurred in preparing documents filed with the court or administrative body, expert witness fees, and exhibits used in presenting the prevailing party's case to the court, jury or administrative body.

**ARTICLE 11 – NOTICES.**

11.1 **Notice.** Any notice required or permitted by this Permit shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a) by personal delivery on the date that personal delivery is accomplished; (b) by overnight courier upon the date of signature verification of receipt; or (c) by certified or registered mail, return receipt requested, upon signature verification of receipt. Notice shall be sent to the addresses set forth below, or such other address as either party may specify in writing:

If to the Authority, to:

San Diego County Regional Airport Authority  
Ground Transportation Department  
P. O. Box 82776  
San Diego, California 92138-2776

with a copy to:

San Diego County Regional Airport Authority  
Director, Ground Transportation  
P. O. Box 82776  
San Diego, California 92138-2776

If to Permittee, to:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

11.2 **Notice From President/CEO.** Permittee agrees that Notice from the President/CEO or the President/CEO's duly appointed designee shall be effective as to the Permittee as if it were executed by the Board or by resolution of the Board.

**ARTICLE 12 – ENVIRONMENTAL COMPLIANCE - PROHIBITIONS AND RESTRICTIONS.**

12.1 **Definitions.** The following words and phrases when used in this Permit shall have the following meanings:

12.1.1 **Hazardous Material:** includes Solid Wastes and shall mean any substance whether solid, liquid, or gaseous in nature: (i) the presence of which requires investigation or remediation under any applicable federal, state or local statute, regulation, ordinance, order or common law; or (ii) which is or becomes defined as a hazardous waste, hazardous substance, pollutant or contaminant under any applicable federal, state, or local statute, regulation, rule or ordinance or amendments thereto including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the Clean Air Act, and the Clean Water Act, and state and federal regulations relating to stormwater discharges, including without limitation, 40 CFR Part 122; or (iii) the presence of which on the Airport causes or threatens to cause a nuisance upon the Airport or to adjacent properties or poses or threatens to pose a hazard to the health or safety of persons on or about the Airport; or (iv) without limitation, which contains gasoline, diesel fuel, other petroleum hydrocarbons, natural gas liquids, polychlorinated biphenyls (PCBs), asbestos, or lead-based paint.

12.1.2 **Pollutant:** any Hazardous Materials or Solid Wastes (as such terms are defined herein).

12.1.3 **Release:** any depositing, spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into the environment.

12.1.4 **Solid Waste:** has the same meaning as in the Resource Conservation and Recovery Act and includes sewage.

12.2 **Permittee's Operations On the Airport.** In conducting its operations as they occur on the Airport, Permittee shall abide and be bound by all of the following requirements:

12.2.1 Permittee shall comply with all applicable present and future federal, state, and local statutes, regulations, ordinances, permits, codes, orders, limitations, restrictions, or prohibitions of any governmental authority, including Authority Codes and Rules and Regulations, relative to the use of the Airport regarding the environment, including, without limitation, waters of the United States or the State of California, the protection of the environment, public health, welfare or safety, including, without limitation, those related to Pollutant(s) (as such term is defined herein) and environmental conditions on, under or about the Airport including, but not limited to, soil and groundwater conditions and shall not contaminate the Airport or the subsurface with any Pollutant(s).

12.2.2 Permittee shall restrict its use of hazardous materials when it comes onto the Airport to those kinds of materials that are normally used in operating vehicles e.g., petroleum and petroleum products, antifreeze or batteries, and shall utilize any such hazardous materials in a safe and prudent manner. Disposal of any

hazardous materials or hazardous waste at or under the Airport is strictly prohibited.

12.2.3 Permittee shall be solely and fully responsible for the reporting of hazardous material releases to the appropriate public agencies, when such releases are caused by or result from Permittee's activities on the Airport. Permittee shall immediately notify Authority of any release of hazardous materials, whether or not the release is in quantities that would otherwise be reportable to a public agency.

12.2.4 Permittee shall be solely and fully responsible and liable in the event Permittee, or any of its directors, officers, employees, contractors, Drivers, representatives or agents causes or permits any Pollutant(s) to be released at the Airport, or into the Authority's sewage or storm drainage system, or groundwater. Permittee shall take all necessary precautions to prevent any Pollutants from being released on the Airport, or into Authority's sewerage, storm drainage system, or the groundwater. If at any time a release of any Pollutants is discovered on the premises, the Airport, Authority's sewerage or storm drainage system, or the groundwater, or there is the danger of a release of a Pollutant, Permittee, at Permittee's sole cost and expense, shall be removed immediately by suitable procedures in accordance with requirements of all appropriate governmental authorities and/or in a manner acceptable to the President/CEO. Failure to act promptly to immediately remedy the release may result in a determination by the President/CEO or his/her duly authorized representative to expend Authority resource to protect public health and safety, or property, or the environment. Permittee shall reimburse Authority within five (5) days of Authority's demand for payment.

12.2.5 Permittee shall indemnify and hold Authority harmless from and against all loss, damage, liability (including all foreseeable and unforeseeable consequential damages) and expense (including, without limitation, the cost of any required cleanup and remediation of the Pollutants) which Authority may sustain as a result of the presence or cleanup of Pollutants on the Airport or the subsurface. After notice from Authority, and at the discretion of Authority, Permittee shall cease its activities on the Airport until such release or the danger of release of Pollutants is cured. Authority's decision to require Permittee to cease activities may be based on factors such as Permittee's continued activities may result in a subsequent release of Pollutants, ceasing activities may aid Authority in determining the extent of liability of Permittee or may aid Authority in cleanup and remediation of the Pollutants.

12.2.6 Permittee's obligations under this Article shall survive the expiration or earlier revocation or suspension of this Permit.

**ARTICLE 13 - TAXES, CHARGES AND ASSESSMENTS.** Permittee shall pay before delinquency, and without notice or demand, all taxes, charges, and assessments which may be levied, imposed, or assessed against Permittee, Permittee's property, Permittee's interest in its operations or possession of its assets, or any other tax for which Permittee may become liable. Permittee acknowledges that this Permit may create a possessory interest and that such interest may give rise to a real estate or possessory interest tax. In such event, Permittee shall be solely responsible for the payment of said possessory interest taxes and agrees to pay such taxes if and when they become due. Payment of all such taxes and charges shall be the sole responsibility of Permittee.



## **ARTICLE 14 – INSURANCE – GENERAL REQUIREMENTS.**

- 14.1 Permittee shall procure at its expense, and keep in effect at all times during the term of this Permit, the types and amounts of insurance specified on Insurance, Exhibit B, attached hereto and incorporated by reference herein. The specified insurance shall also include and insure Authority, its Board and all its officers, employees, and agents, their successors and assigns, as additional insureds with respect to the acts or omissions of Permittee and any of its directors, officers, employees, contractors, Drivers, representatives or agents in their performance of services pursuant to this Permit, in their operations, use, and occupancy of the Airport, or other related functions performed by or on behalf of Permittee in, on or about Airport. All vehicles operated on the Airport by or on behalf of Permittee or any of its directors, officers, employees, contractors, Drivers, representatives or agents, must be covered by such insurance policies.
- 14.2 All such insurance shall be primary and noncontributing with any other insurance held by Authority where liability arises out of or results from the acts or omissions of Permittee, its agents, employees, Drivers, officers, assigns, or any person or entity acting for or on behalf of Permittee.
- 14.3 Such policies may provide for reasonable deductibles and/or self-insured retentions. All deductibles and self-insured retentions must be declared and acceptable to the President/CEO based upon the nature of Permittee's operations and the type of insurance involved.
- 14.4 Authority shall have no liability for any premiums charged for such coverage(s). The inclusion of Authority, Board and all its officers, employees, and agents, their successors and assigns, as an Additional Insured is not intended to, and shall not, make them, or any of them, a partner or joint venturer with Permittee in its operations at the Airport or connected with this Permit.
- 14.5 At least ten (10) days prior to the expiration date of the all policies, documentation showing that the insurance coverage has been renewed or extended shall be filed with Authority. If such coverage is canceled, Permittee shall, within fifteen (15) days of such cancellation of coverage, file with Authority evidence that the required insurance has been reinstated or provided through another insurance company or companies.
- 14.6 Permittee shall provide proof of the requested insurance to the Authority in the following manner:
- 14.6.1 Certificate(s) of Insurance evidencing all specified coverage shall be filed with Authority prior to Permittee performing under this Permit or occupying the Airport. The Certificate(s) shall contain the name of the Permittee, the applicable policy numbers, the inclusive dates of policy coverage, the insurance carrier's name, the insurance broker's name, address and telephone number, shall bear an original signature of an authorized representative of said carrier, and shall provide that such insurance shall not be subject to cancellation, or non-renewal except after written notice by certified mail, return receipt requested, to the Authority at least thirty (30) days prior to the effective date thereof. Authority reserves the right to have submitted to it, upon request, all pertinent information about the broker and carrier providing such insurance.
- 14.6.2 Additional Insured Endorsement(s) shall be filed with Authority prior to Permittee performing under this Permit or occupying the Airport.

- 14.6.3 A Workers' Compensation Waiver of Subrogation Endorsement shall be filed with Authority prior to Permittee performing under this Permit or occupying the Airport.
- 14.6.4 If requested, copies of original insurance policies.
- 14.6.5 If requested, when coverage is provided by foreign insurance syndicates, a broker's letter acceptable to the Authority in form and content.
- 14.6.6 If requested, other written evidence of coverage acceptable to the Authority.
- 14.7 Authority and Permittee agree that the insurance policy limits specified herein shall be reviewed for adequacy annually throughout the term of this Permit by the Authority who may, thereafter, require Permittee, on thirty (30) days prior written notice, to adjust the insurance coverage to whatever reasonable requirement said Authority deems to be adequate.
- 14.8 All insurance policies required herein shall have a minimum A.M. Best Company financial rating of A- minus 7.
- 14.9 Submission of insurance from a non-California admitted carrier is subject to the provisions of California Insurance Code §§ 1760 through 1780, and any other regulations and/or directives from the State Department of Insurance or other regulatory board or agency. Permittee agrees, except where exempted, to provide Authority proof of said insurance by and through a surplus line broker Permitted by the State of California at the address specified below:

Risk Management Department  
San Diego County Regional Airport Authority  
P.O. Box 82776  
San Diego, CA 92138-2776

Or email to this address:  
[certificates@san.org](mailto:certificates@san.org)

## **ARTICLE 15 – MISCELLANEOUS PROVISIONS.**

### **15.1 Interpretation.**

- 15.1.1 **Section Headings.** Article or section headings in this Permit are for the convenience and reference of the Parties, and do not define or limit the scope of any article, section or provision.
- 15.1.2 **Fair Meaning.** The language of this Permit shall be construed according to its fair meaning, and not strictly for or against either Party.
- 15.1.3 **Two Constructions.** If any provision in this Permit is capable of two constructions, one of which would render the provision void and the other of which would render the provision valid, then the provision shall have the meaning which renders it valid.
- 15.1.4 **Governing Law.** This Permit and all of its terms and conditions shall be construed, interpreted and applied in accordance with, governed by, and enforced under the laws of the State of California.

- 15.1.5 **Venue.** Notwithstanding applicable provision of 28 U.S.C. §1391 or of California Code of Civil Procedure §394, the Parties agree that the venue in all matters arising out of this Permit shall be the Superior Court of California, County of San Diego.
- 15.1.6 **Gender.** The use of any gender shall include all genders, and the use of any number shall be construed as the singular or the plural, all as the context may require.
- 15.1.7 **Integrated Agreement.** The Parties agree that this Permit and any documents to which it refers contain the whole agreement between the Parties relating to the terms and conditions by which Permittee is authorized to operate Permitted Vehicles on the Airport. The Parties further agree that this Permit supersedes all previous understandings, permits, and agreements between the Parties regarding such terms and conditions. Each party to this Permit acknowledges that it has not relied on any representation, warranty, collateral contract or other assurance that is not set out in this Permit or in any documents to which it refers, that was made before the execution of this Permit, except that Authority shall have the right to rely upon the information provided in the Application. Each party waives all rights and remedies which, but for this provision, might otherwise be available to it in respect to any such representation, warranty, collateral contract or other assurance. However, nothing in this provision shall limit or exclude any liability for willful misconduct or fraud. The Parties further agree that no alteration or variation of the terms of this Permit shall be valid unless made in writing and signed by the Parties.
- 15.1.8 **Other Agreements Not Affected.** Except as specifically stated herein, this Permit and its terms, conditions, provisions and covenants shall not in any way change, amend, modify, alter, enlarge, impair or prejudice any of the rights, privileges, duties or obligations of either of the Parties under or by reason of any agreement between the Parties.
- 15.1.9 **Partial Invalidity.** If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.
- 15.2 **Non-discrimination.** Permittee agrees at all times to fully comply with all laws prohibiting discrimination against any person or class of persons by reason of race, color, gender, religious creed, sex (including pregnancy or child birth), age, national origin, ancestry, sexual orientation, physical or mental disability, medical condition including genetic characteristics, veteran status, marital status, family care status, or any other considerations made unlawful by federal, state or local law in performance of this Agreement. If the use provided for in this Agreement allows Permittee to offer accommodations or services to the public, such accommodations, or services shall be offered on fair and reasonable terms.
- 15.3 **Counterparts.** This Permit may be executed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.
- 15.4 **Resolutions.** Permittee shall submit a copy of any corporate resolution, where required, which authorizes any director or officer to act on behalf of Permittee or which authorizes Permittee to enter into this Permit.

15.5 **Prohibition on Gifts.**

15.5.1 Permittee is familiar with Authority's prohibition against the acceptance of any gift by an Authority officer or designated employee.

15.5.2 Permittee agrees not to offer any Authority officer or designated employee any gift prohibited by the Policies and Codes of the Authority or by state law.

15.5.3 The offer or giving of any gift prohibited by law shall constitute a material violation of this Permit by Permittee.

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**ACKNOWLEDGEMENT & ACCEPTANCE**

By signature of its authorized agent below, Permittee acknowledges it has read, understands and accepts the terms, conditions, restrictions and obligations contained within this Permit.

\_\_\_\_\_  
Print Name / Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

By my signature above, I \_\_\_\_\_ [print name/title], of \_\_\_\_\_ [company name], hereby certify under penalty of perjury under the laws of the State of California that I am an owner, officer or employee of Permittee with authority to obligate Permittee.

**FOR OFFICIAL USE ONLY. DO NOT WRITE BELOW THIS LINE.**

---

DATE OF PERMIT ISSUANCE: \_\_\_\_\_

**SAN DIEGO COUNTY REGIONAL AIRPORT  
AUTHORITY**

**By:** \_\_\_\_\_

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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT**

**EXHIBIT A**

VEHICLE REGISTRATION LISTING FOR: \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_

#	Vehicle Year/Make	License Plate Number	Vehicle Identification Number (VIN Must be complete)	Company Vehicle #	Vehicle Capacity	Office Use Only	
						Transponder Number	Decal Number
1.							
2.							
3.							
4.							
5.							
6.							
7.							
8.							
9.							
10.							
11.							
12.							
13.							
14.							

Please make copies of this form for additional listings or future changes

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# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT

## EXHIBIT B

### INSURANCE REQUIREMENTS FOR PERMITTEE

Permittee shall procure and maintain at its expense, and keep in effect at all times during the term of this Permit, the types and minimum levels of insurance specified below:

1. **Commercial General Liability:** The Authority reserves the right to require commercial general liability coverage at a later time.
2. **Commercial Automobile Liability:** Covering Owned, Non-Owned, or Hired Automobiles written on the Insurance Service Office (ISO) form number CA 00 01 or its equivalent in the following amounts:
  - a. Charter Vehicles and Vehicle-For-Hire:
    - i. Seating Capacity 7 or Less: \$750,000 combined single limit for bodily injury and property damage.
    - ii. Seating Capacity 8 to 15: \$1,500,000 combined single limit for bodily injury and property damage.
    - iii. Seating Capacity over 16: \$5,000,000 combined single limit for bodily injury and property damage.
3. **Worker's Compensation and Employer's Liability:** Workers Compensation in the amount required by California State Law and Employer's Liability coverage in an amount not less than one million dollars (\$1,000,000) per occurrence. Coverage shall include a Waiver of Subrogation Endorsement in favor of the Authority.

Permittee may request a waiver (see Exhibit C) of this requirement if they are exempt from Workers' Compensation coverage in accordance with California law.

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**APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE  
CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT**

**EXHIBIT C**

**REQUEST FOR WAIVER  
WORKERS' COMPENSATION INSURANCE REQUIREMENT**

**Business**

Legal Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Legal Form     Sole Proprietor     Limited Partnership     General Partnership  
                   Corporation         Business Trust         Limited Liability Company  
                   Other: \_\_\_\_\_

Contact Person (Name and Telephone):  
\_\_\_\_\_

**Authority Reference**

Authority Department: \_\_\_\_\_

Contact Name/Telephone: \_\_\_\_\_

Document Reference: \_\_\_\_\_

Any work performed on Authority Premises?  Yes  No

Nature of work to be performed for Authority: (bid, contract, job no., location, etc.)  
\_\_\_\_\_

**Declaration:**

With respect to the above-mentioned business, I hereby warrant that the business has no employees other than the owners, officers, directors, partners or other principals who have elected to be exempt from Workers' Compensation coverage in accordance with California law. I further warrant that I understand the requirements of Section 3700 et seq. of the California Labor Code with respect to providing Workers' Compensation coverage for any employees of the above mentioned business. I agree to comply with the code requirements and all other applicable laws and regulations regarding workers' compensation, payroll taxes, FICA and tax withholding and similar employment issues. I further agree to hold the San Diego County Regional Airport Authority harmless from loss or liability which may arise from the failure of the above-mentioned business to comply with any such laws or regulations. I therefore request that the Authority waive its requirements for evidence of Workers' Compensation insurance in connection with the above-referenced work.

**Signature**

\_\_\_\_\_  
Owner, Officer, Director, Partnership or other Principal

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

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# APPLICATION FOR A NON-EXCLUSIVE PERMIT TO OPERATE CHARTER VEHICLE AT SAN DIEGO INTERNATIONAL AIRPORT

## EXHIBIT D



SAN DIEGO INTERNATIONAL AIRPORT  
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
**VEHICLE MAINTENANCE INSPECTION FROM**  
SDCRAA (9-14-2012)



COMPANY NAME		OWNER NAME	VIN #		
YEAR	MAKE/MODEL	MILEAGE	2012-2013		
			OK	DEF	COMMENTS
* 1	Fire extinguisher, first aid kit, and reflective warning devices				
* 2	Horn, defroster, gauges, odometer, and speedometer				
* 3	Driver seat, passenger seats, padding, interior, and floor condition				
* 4	Windshield wipers, windows, mirrors, and supports				
* 5	All interior and exterior lights, signals, reflectors				
* 6	Electrical wiring-condition and protection				
* 7	Batteries-water level, terminals, and cables				
* 8	Warning devices-air, oil, temperature, exit, and/or vacuum				
* 9	Heaters, defrosters, switches, and vents				
* 10	Doors, exterior, paint, and marking				
* 11	Radiator and water hoses-coolant level, condition, and/or leaks				
* 12	Belts-compressor, fan, water, and/or alternator				
* 13	Air hoses and tubing-leaks, condition, and/or protection				
* 14	Fuel system-tank, hoses, tubing, and/or pump-leaks				
* 15	Exhaust system, manifolds, piping, muffler leaks and/or condition				
* 16	Engine-mounting, excessive grease and/or oil				
* 17	Clutch adjustment-free play				
* 18	Air filter, throttle linkage				
* 19	Starting and charging system				
* 20	Hydraulic brake system-adjustment, components, and/or condition				
* 21	Hydraulic master cylinder-level, leaks, and/or condition				
* 22	Hoses and tubing-condition, protection				
* 23	Air brake system-adjustment, compartments, and/or condition				
* 24	1 minute air or vacuum loss test				
* 25	Air compressor governor-cut in and cut out pressure (85-130)				
* 26	Primary air tank-drain and test function of check valve				
* 27	Other air tanks-drain and test function of check valve				
* 28	Tires-tread depth, inflation, condition				
* 29	Wheels, lug nuts, and stud-cracks				
* 30	Parking brake-able to hold the vehicle				
* 31	Emergency stopping system-labeled, operative				
* 32	Brakes do not release after complete loss of service air				
* 33	Steering system-mounting, free lash and components				
* 34	Steering arms, drag links, and/or tie rod ends				
* 35	Suspension system-springs, shackles, u-bolts, and/or torque rods				
* 36	Frame and cross members-cracks and/or condition				
* 37	Drive shaft, universal joints, and/or guards				
* 38	Transmission and differential-mounting, leaks, and/or condition				
* 39	Wheel seals-leaks and/or condition				
* 40	Under carriage-clean and secure				
SIGNATURES					
INSPECTOR NAME		INSPECTOR SIGNATURE		DATE	COMPANY
					PHONE #
GROUND TRANSPORTATION OFFICE USE ONLY					
AUTHORIZER		AUTHORIZER SIGNATURE		DATE	DATE RECEIVED
					ACCEPTED: YES <input type="checkbox"/> NO <input type="checkbox"/>

*\*Inspection items above may or may not apply to all transportation modes.*

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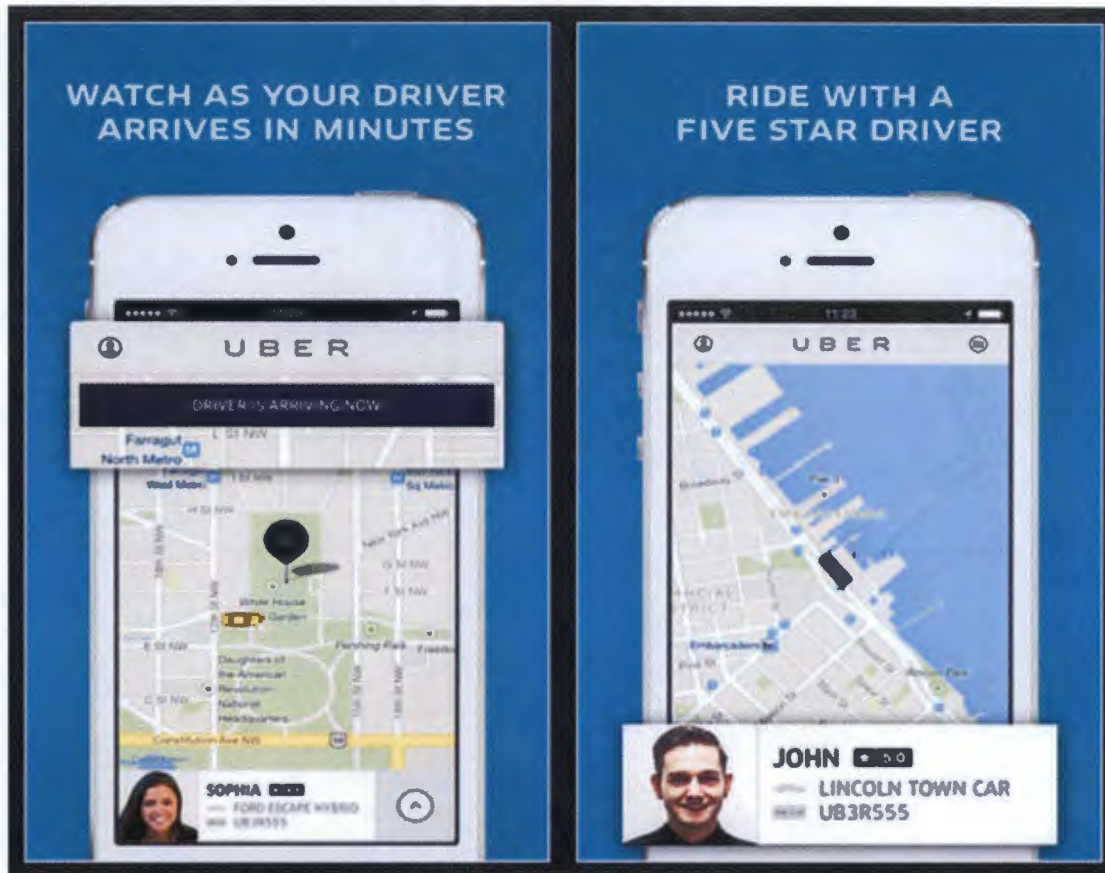
**Transportation Network Company – Proposed Permit Criteria**

- **Insurance** – Uber, via our TNC subsidiary Rasier, LLC, will submit an Acord insurance certificate that satisfies SAN’s requirements for TNC vehicles utilizing the Uber platform (app-on) within the SAN Airport geofence. The coordinates of this geofence will be provided by SAN officials. This coverage will apply in the geofence regardless of whether or not the partner is carrying a rider.
- **Background Checks** – All partners must undergo a rigorous, industry-leading background check. Uber’s background checks consist of the following:
  - **All drivers are screened against:**
    - County courthouse records going back 7 years for every county of residence
    - Federal courthouse records going back 7 years
    - Multi-State Criminal Database going back 7 years
    - National Sex Offender Registry Screen
    - Social Security Trace (lifetime)
    - Motor Vehicle Records (historical and ongoing)
  - **Criteria for drivers to pass through Uber’s screening, going back 7 years:**
    - No DUI or other drug related driving violations or severe infractions (Note: In California, the applicable period extends to 10 years back)
    - No Hit and Runs
    - No fatal accidents
    - No history of reckless driving
    - No violent crimes
    - No sexual offenses
    - No gun related violations
    - No resisting/evading arrest
    - No driving without insurance or suspending license charge in the past 3 years
- **Trade Dress** – All TNC vehicles are required to display the proper trade dress as indicated below. This is a CPUC requirement and partners are subject to a \$1,000 citation for non-compliance.



- **Staging & Curbside Operating Locations** – SAN to propose staging and operating locations.
- **Passenger Service Areas** – As part of our license agreement, Uber partners are required to transport their riders to the requested destination, and routinely complete trips to the outlying areas of San Diego County, Los Angeles, etc.
- **ADA Requirements** – Uber is compliant with the current ADA requirements as stipulated in our TNC permit. We are proud of the increased mobility Uber provides to users with disabilities, and take our anti-discrimination policies very seriously. Uber serves individuals with collapsible wheelchairs, service animals, and our app is voice-enabled for the visually impaired.
- **Driver Drug and Alcohol Testing** – Uber has a Zero-Tolerance policy on drugs and alcohol. Riders can report a driver suspected of being under the influence via the app, phone, or email. The partner is immediately deactivated pending an investigation of the incident. All reporting info can be found here: <https://www.uber.com/report-issue>.
- **Vehicle Age Limits** – Uber does not partner with any vehicles older than 10 years, as a matter of maintaining our high quality standards.
- **AFV/CAV** – Due to increasing fuel prices and operating costs, Uber TNC partners are gradually switching their vehicles to AFV/CAV. Partners will be notified of both the [i] [Approved Vehicle List](#); and [ii] the [Ground Transportation Vehicle Conversion Incentive-Based Program](#), as well as the applicable Conversion Incentives and Non-Conversion Penalties as listed on pages four and five of the document.
- **Out-of-State Licensed Vehicles** – The CPUC requires TNC partners to have a California driver's license. Uber is not opposed to requiring all TNC partners conducting operations at SAN Airport to have California registration and license plates.
- **Pilot Program** – Uber opposes any program that artificially limits the ability of permitted TNC vehicles to operate at SAN Airport. Any artificial cap on eligible vehicles only serves to increase pickup times at the expense of a positive rider experience. Additionally, there is no equitable way to distribute a limited number of Ground Transportation Permits across the TNC partners.

- **Trip/Permit Fee** – Uber is willing to create a geofence (with coordinates provided by SAN officials) that automatically charges a per trip pickup or drop-off fee when the trip either begins or ends on SAN property. For payment, Uber is willing to provide funds (up-front) which SAN can draw against on a monthly / quarterly basis based on trip volume provided by Uber.
- **Stickers & Placards Identifying Company** – Please see “Trade Dress” above.
- **Geofence & Trip Audit / AVI & Transponders** – Each Uber partner is provided with a device through which they receive rider requests. This device can also be used to count each time the vehicle enters the SAN geofence, as defined by SAN officials. An additional AVI / Transponder system is not required. Uber is also open to an independent 3<sup>rd</sup>-party audit of the provided SAN geofence analytics.
- **Livery & Commercial Plates** – Livery and Commercial plates are not a requirement of the CPUC [TNC application](#). On Page 2 of the application, you’ll see language that refers to eligible TNC vehicles as “personal, non-commercial vehicles.” Neither the application nor the CPUC [TNC permit](#) list a requirement for commercial registration and/or commercial license plates.
- **Vehicle Inspections** – A requirement of the CPUC TNC permit is an annual inspection of all vehicles and the storage of the record of each inspection. These 19-point vehicle inspections must be conducted with a 3<sup>rd</sup>-party licensed by the California Bureau of Automotive Repair. Locally, these vehicle inspections are performed by [Express Tire](#).
- **Driver Sanctions and Penalties for Misbehavior or Non-Compliance** – As indicated, many of the proposed requirements are already requirements under the CPUC TNC permit. Each TNC partner has signed an Uber Software License and Online Services agreement. Any partner that does not comply with any and all regulations (including SAN Airport Rules & Regulations) is subject to deactivation from the Uber platform.
- **Positive Driver ID** – As detailed in the graphics below, riders are able to positively identify their driver-partner via [i] a photograph; [ii] the make and model of the vehicle; and [iii] the license plate of the vehicle. Additionally, the rider can watch the arrival of their vehicle, and see its location, in real-time.



- **Surge Pricing** – Dynamic, or “surge” pricing is a mechanism to help us manage extreme demand. During these times, we can’t possibly have enough supply to fulfill all ride requests, and if we don’t take action, requesting a ride would be near-impossible. Prices change dynamically, if demand exceeds our available supply of cars, prices go up; similarly, prices decline with reduced demand. Any time surge pricing is active, we provide additional confirmation through the mobile app. Until we receive the rider’s explicit approval of the current pricing, the pickup request is not sent. During the entire history of Uber’s operation at SAN Airport, only 0.1% of all trips have been subject to surge pricing. An example of the notification and confirmation screens is below.





- **Lost Property** – Uber routinely deals with lost items, and we have multiple support channels to assist with the return of lost property.
  - **Phone:** The partner and rider can directly contact one another via anonymous phone number for up to 30 minutes after the end of the trip. The vast majority of lost items are returned via this method.
  - **In-App:** Once the trip has ended, the rider is taken to the feedback screen where they have the opportunity to leave feedback about the trip, or inquire about a lost item. Each piece of feedback goes to an Uber Support representative for follow-up.
  - **Support Email:** The rider inquire about the lost time to [supportSD@uber.com](mailto:supportSD@uber.com), where an Uber Support representative will

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connect with both the partner and rider to arrange the drop off of the lost item.

- **In-Office:** The partner can drop off the lost item at the Uber San Diego office, where we can follow up with the rider to either [i] arrange a pick up; or [ii] ship the item directly to the rider.
  - **Social Media:** The rider can post to social media (typically Twitter) and an Uber Support representative will reach out to assist with connecting the partner and rider.
- **Airport Permitting Period** - Based on feedback from other California airports, Uber recommends a five-year permit period.
  - **Additional PUC Requirements** - Uber (via its TNC subsidiary, Rasier-CA, LLC) is compliant with all the requirements as listed in our Class-P Transportation Network Company Permit (issued 4/7/2017). A copy of the permit can be [found here](#).

## **SAN – Proposed Permit Questions #2**

### Insurance Requirements

Further discussion on the insurance policies for drivers. The attached article provides not only some previously revealed facts but also raises several more. I would be interested in your comments regarding the article.

<http://www.sfbg.com/politics/2014/03/24/uber%E2%80%99s-secret-%E2%80%9Cproprietary%E2%80%9D-insurance-policy-leaked>

In the article it states "The California Public Utilities Commission directly regulates rideshares, or Transportation Network Companies, is one of the few regulatory bodies to have a copy of the policy, but so far it has declined to distribute it openly." Since we are also going to regulate TNCs at the Airport, we would be requesting a copy of the policy as well.

**The article you are referencing is from 3/24/14, and is very outdated. The most recent information on our insurance policy (including the policy itself) is here: <http://blog.uber.com/ridesharinginsurance>. Please note that currently, Uber holds a **commercial insurance policy** and this policy is primary to any personal auto coverage.**

### Vehicle Inspections

I understand you have Express Tire performing you 19 point inspection. I have heard that this is a very cursory inspection with the inspector just completing the form. The Airport will need to verify the integrity of the inspections

**Annual vehicle inspections are a requirement of the TNC permit. In San Diego, Uber's policy is to have a third-party (Express Tire), licensed by the California Bureau of Automotive Repair, conduct a full 19-point vehicle inspection. The inspection points are as follows:**

- 1) Foot brakes (Check Stopping: At 20 mph, a vehicle must be capable of stopping within 25 feet).
- 2) Emergency Brakes (Engine Stall Test)
- 3) Steering Mechanism
- 4) Windshield
- 5) Rear Window and Other Glass
- 6) Windshield Wipers
- 7) Headlights
- 8) Tail Lights
- 9) Turn Indicator Lights
- 10) Brake Lights
- 11) Front Seat Adjustment Mechanism
- 12) Doors (Open / Close / Lock)



- 13)Horn
- 14)Speedometer
- 15)Bumpers
- 16)Muffler and Exhaust System
- 17)Condition of Tires (including tread depth)
- 18)Interior and Exterior Rear View Mirrors
- 19)Safety belts for driver and passenger(s)

**This is a full vehicle inspection, including a test drive of the vehicle. The technician then fills out the required form (below), and indicates a PASS or FAIL. The partner vehicle is not activated until an Uber representative receives and verifies the form.**

**\*\*\*Vehicle Inspection Form on next page\*\*\***

# RASIER

## VEHICLE INSPECTION

INSPECTION POINT	PASS	FAIL	INSPECTION POINT	PASS	FAIL
1 <b>Foot brakes (brake pads/shoes)</b>	<input type="checkbox"/>	<input type="checkbox"/>	9 <b>Turn indicator lights</b>	<input type="checkbox"/>	<input type="checkbox"/>
Right front	Measurement	_____	10 <b>Stop lights</b>	<input type="checkbox"/>	<input type="checkbox"/>
Left front	Measurement	_____	11 <b>Front seat adjustment</b>	<input type="checkbox"/>	<input type="checkbox"/>
Right rear	Measurement	_____	12 <b>Doors (open, close, lock)</b>	<input type="checkbox"/>	<input type="checkbox"/>
Left rear	Measurement	_____	13 <b>Horn</b>	<input type="checkbox"/>	<input type="checkbox"/>
2 <b>Emergency brake (parking brake)</b>	<input type="checkbox"/>	<input type="checkbox"/>	14 <b>Speedometer</b>	<input type="checkbox"/>	<input type="checkbox"/>
3 <b>Steering mechanism</b>	<input type="checkbox"/>	<input type="checkbox"/>	15 <b>Bumpers</b>	<input type="checkbox"/>	<input type="checkbox"/>
Ball joints	<input type="checkbox"/>	<input type="checkbox"/>	16 <b>Muffler and exhaust system</b>	<input type="checkbox"/>	<input type="checkbox"/>
Tie rods	<input type="checkbox"/>	<input type="checkbox"/>	17 <b>Tires, incl.tread depth</b>	<input type="checkbox"/>	<input type="checkbox"/>
Rack & pinion	<input type="checkbox"/>	<input type="checkbox"/>	Right front	[32nd's / In]	_____
Bushings	<input type="checkbox"/>	<input type="checkbox"/>	Left front	[32nd's / In]	_____
4 <b>Windshield</b>	<input type="checkbox"/>	<input type="checkbox"/>	Right rear	[32nd's / In]	_____
Large crack	<input type="checkbox"/>	<input type="checkbox"/>	Left rear	[32nd's / In]	_____
Small crack	<input type="checkbox"/>	<input type="checkbox"/>	18 <b>Interior and exterior rear view mirrors</b>	<input type="checkbox"/>	<input type="checkbox"/>
5 <b>Rear window and other glass</b>	<input type="checkbox"/>	<input type="checkbox"/>	19 <b>Safety belts for driver and passenger(s)</b>	<input type="checkbox"/>	<input type="checkbox"/>
6 <b>Windshield wipers</b>	<input type="checkbox"/>	<input type="checkbox"/>	VEHICLE INSPECTION (Please circle)      PASS      FAIL		
7 <b>Headlights</b>	<input type="checkbox"/>	<input type="checkbox"/>			
8 <b>Tail lights</b>	<input type="checkbox"/>	<input type="checkbox"/>			

RASIER PARTNER NAME \_\_\_\_\_ EMAIL ADDRESS \_\_\_\_\_

LICENSE PLATE # \_\_\_\_\_ VIN # \_\_\_\_\_

VEHICLE MAKE \_\_\_\_\_ VEHICLE MODEL \_\_\_\_\_ VEHICLE YEAR \_\_\_\_\_

RASIER PARTNER SIGNATURE \_\_\_\_\_ RASIER PARTNER PHONE NUMBR \_\_\_\_\_ DATE \_\_\_\_\_

**TO BE COMPLETED BY INSPECTOR**

INSPECTOR NAME \_\_\_\_\_ INSPECTOR SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

COMPANY \_\_\_\_\_

ADDRESS \_\_\_\_\_

**Driver/Vehicle/TNC Positive ID**

We discussed the use of your geo-fence for airport trips. We have also proposed a Pilot period to evaluate the operational aspects. The Airport wants to determine if an airport-provided transponder, placard and permit decal would be

000350

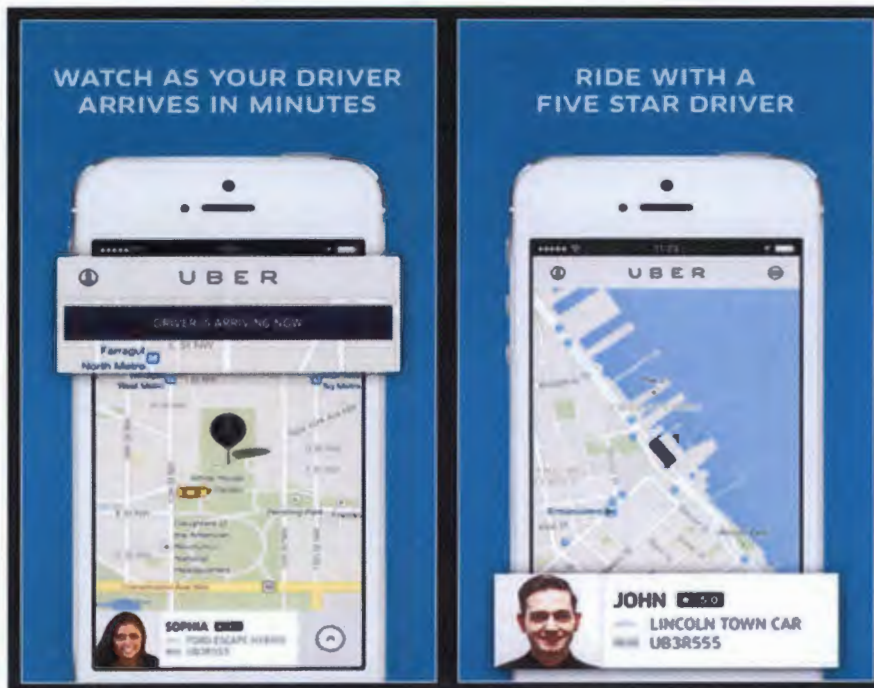
effective for positive driver/vehicle/TNC id. This is in light of the fact that drivers are passing their phones around to others or picking up illegally.

**As indicated, any driver that is found to allow another individual to use their Uber account is subject to immediate permanent deactivation. This is not an issue, given our current driver verification systems. Riders are able to positively identify their driver-partner via [i] a photograph; [ii] the make and model of the vehicle; [iii] the license plate of the vehicle; and [iv] a photo of the vehicle.**

**Phone or driver account sharing is explicitly prohibited by Uber's terms and conditions – it's also illegal. If a driver-partner or company partner is found to have engaged in that kind of fraud, they will be immediately and permanently deactivated from the platform and reported to the authorities.**

**We are open to, and will assist with the distribution of, placards and permit decals, but the use of transponders raises a number of issues. For example, what happens when a partner that is using both the Uber and Lyft platforms enters the SAN Airport geofence? Do they have multiple transponders? How does your system know which transponder to register at that point in time? Also, what happens when the partner is on a personal trip to the airport? Using a transponder, wouldn't that trip also register, subjecting them to the trip fee?**

**Transponders are likely not a good fit for the TNC model.**



000351

#### Driver Background Checks

The Airport is evaluating whether an additional background check (formally known as Security Threat Assessment) would be warranted on drivers. I understand that HPD made a stop of a limo driver operating under the UBER app. The driver was found to have a prior conviction.

**Can you please provide additional detail about the Uber partner that was alleged to have a prior conviction? As indicated, all Uber partners are subject to an [industry-leading background check](#) on an annual basis.**

#### Surge Pricing

We would like to evaluate whether the Airport can be exempt from surge pricing. I understand there are safeguards in place to alert the passenger to the increased pricing.

**As indicated, only 0.1% of all trips originating at SAN Airport were subject to surge pricing. This is effectively a non-issue.**

#### TNC Crossover

Trade dress when drivers operate for both UBER and LYFT.

**TNC requirements state that the proper trade dress must be displayed when a partner is operating under a particular TNC. We communicate to our partners that when they have accepted a request via the Uber platform, they are required to display the Uber trade dress, and only the Uber trade dress.**

#### Data collection and reporting

The PUC decision stipulates that TNCs provide data and information for various requirements. How will this be provided? This would also include the number of times a driver declines a request for pickup at the airport.

**Can you be specific here? What metrics do you feel are critical for airport operations? As a reminder, part of our quality control process is monitoring the overall acceptance rate of each partner. If a partner falls below our required threshold, they are subject to deactivation from the platform. From an operations standpoint, riders use Uber because they know that the closest partner will accept their request. Reliability is the foundation of our business model.**



**MEMORANDUM OF AGREEMENT BETWEEN THE  
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
AND  
SAN DIEGO TAXI ASSOCIATION  
FOR IMPROVING GROUND TRANSPORTATION SERVICES AT  
SAN DIEGO INTERNATIONAL AIRPORT**

**I. THE PARTIES**

The parties to this Memorandum of Agreement (hereinafter "MOA") are the San Diego County Regional Airport Authority (hereinafter "Authority") and the San Diego Taxi Association.

**II. AUTHORITY**

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

- (1) The Authority shall be responsible for developing all aspects of airport facilities that it operates, including, but not limited to the location of terminals, hangars, aids to navigation, parking lots and structures, and all facilities and services necessary to serve passengers and other customers of San Diego International Airport (hereinafter "SDIA").
- (2) It is essential to the public health, safety and welfare that public officials and the private sector plan, develop and operate the airports in the San Diego County region so that those airports promote economic development, protect environmental quality and enhance social equity.
- (3) The Authority may contract with any agency or person upon those terms and conditions that the Authority finds are in its best interests.

B. San Diego Taxi Association is a California Nonprofit Mutual Benefit Corporation, duly registered with the Office of the California Secretary of State, formed for the purpose of (a) enhancing the ability of its members to effectively and profitably serve the transportation needs of the public; (b) providing timely information and educational opportunities to its members; (c) representing and advocating its members' common business interests before legislative and regulatory bodies; (d) assisting its members in dealing with special issues related to the public transportation industry; and (e) improving the business conditions and promoting the common business interests of its members.

**III. PURPOSE.**

A. The purpose of this MOA is to set forth the terms of agreement between the parties for the establishment of an operational relationship that enhances transportation services provided by the local taxicab industry (hereinafter "Industry") at SDIA and increases airport service provider involvement with developing ground transportation policy and procedures. Improved travel conditions at SDIA and traveler satisfaction with taxicab service delivery will promote a positive public perception of the Authority and taxicab industry in San Diego and strengthen community support for ground transportation improvement programs at SDIA.

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

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

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

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

#### **IV. BACKGROUND**

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

- Airport roadway and traffic safety improvements,
- Efficient commercial vehicle circulation and passenger access procedures,

- Vehicle driver/occupant mishap risk reduction programs,
- Airport ground transportation facility and support system upgrades,
- Communication equipment modernization and centralized data dissemination procedures,
- Taxicab availability, particularly during peak hours and late at night,
- Customer service programs designed to enhance the traveler experience through the landside airport environs,
- Improved ADA service, more convenient accommodations and increased traveling options for the disabled,
- Improved vehicle appearance and driver professionalism,
- Uniform compliance with SDIA Rules and Regulation governing commercial ground transportation operations, and
- Environmental leadership program implementation, particularly in air quality improvements and greenhouse gas emission reductions

B. Specific areas of service improvement that can be successfully addressed through an effective operational relationship between San Diego Taxi Association and the Authority are shown below. It is understood and appreciated that service levels can vary considerably based on individual taxicab operator performance, however, the standards addressed herein are meant to be applied uniformly and serve as benchmarks for delivering the highest levels of customer service to our passengers. Specific areas that would benefit from increased attention center on (1) *Vehicle Condition*, including safety systems, physical appearance, cleanliness and system functionality; (2) *Vehicle Modernization*, including electronic/communication upgrades, such as next generation GPS, Drive Cams, passenger TV and other aids and amenities. (3) *Driver Professionalism*, particularly in customer interactions with passengers (4) *Driver Operator Training*, specifically focused on Safe Driving and Courteous Driving programs (5) *ADA Training* in the latest service requirements, the proper handling of specialized ADA equipment and effective interactions with passengers with disabilities. (6) *Environmental Regulatory Compliance*- both parties (i.e., fleet conversion to alternative fuels, clean air and recycling awareness and pollution abatement programs).

C. On the Authority's part and more generally, there is a need for improved on-scene, at airport communication between airport representatives, management and taxicab operators. Specifically, at the transportation plazas and at the hold lot there is a need for greater airport supervision to deal with the multitude of day to day challenges of managing a ground transport system of great complexity and time dependence. The Authority recognizes it has the primary responsibility for improving areas such as: timely communication, regulatory clarity, advanced coordination of new programs and emerging requirements and notification to operators on changes to conditions and major construction interference.

D. The operational deficiencies cited above are not all inclusive but are meant to suggest areas that both parties can agree could benefit from increased management attention. The provisions seen in Section V address specific responsibilities and set timelines. However, there is a need for developing a methodology, with metrics, for measuring progress in each of the targeted areas. Such a methodology will be developed between the parties within sixty days of



the signing of the MOA to allow for consultation and agreement on the metrics and any modifications to the Airport Rules and Regulations that might be necessary.

E. A successful operational relationship with the Industry can result in long-term, sustainable performance improvements in the service areas listed above. Among other benefits, these improvements will increase traffic safety, alleviate congestion, reduce passenger delay and greatly enhance the travel experience at SDIA. The overall goal of the Authority/San Diego Taxi Association relationship is the movement of passengers efficiently, safely and in a cost effective manner with an emphasis on customer service. To realize this goal, it is highly desirable that the Authority and San Diego Taxi Association work together and produce well organized and efficient ground transportation operations for the benefit of the air traveling public.

F. On September 2, 2010, the Authority Board considered measures to improve ground transportation services at SDIA. The Board received input from members of the taxicab community and authorized staff to pursue a management approach based on a strong operational relationship with the local taxicab industry, governed by Memorandums of Agreement (MOAs). In constructing MOAs, both the Authority and San Diego Taxi Association have accepted certain responsibilities for improving taxicab operations at SDIA. The management model envisioned is based on the use of one or more formal MOAs with groups of taxicab owners permitted to operate at SDIA who have joined together to form local business entities.

G. The licensed taxicab owners and drivers permitted to operate at SDIA perform a valuable and necessary service in transporting passengers to and from the SDIA. Their services ensure the safety and well being of customers and promote confidence in the traveling public with the Industry. The Industry is a vital component in the region's commercial aviation sector and generates significant economic benefits for many service sectors that depend on its reliability and professionalism. It is important that the Industry has a strong and clear voice and timely input in decisions affecting taxicab services at SDIA. San Diego Taxi Association's willingness to work with the Authority will improve taxicab service at SDIA and ensure the planned facility upgrades work together for the benefit of the Authority, the Industry and the traveling public.

H. The following actions and responsibilities are proposed to assist in meeting the challenge of improving commercial ground transportation services at SDIA and implementing the performance improvement areas listed above.

## **V. RESPONSIBILITIES**

### **Authority**

1. The Authority will maintain open lines of communications with San Diego Taxi Association and closely collaborate with its representatives on issues affecting ground transportation operations at SDIA.
2. Throughout the facility and policy development process the Authority will ensure operational programs and business planning decisions affecting the members of San Diego Taxi Association consider San Diego Taxi Association viewpoints and interests prior to implementation.
3. The Authority will develop specific programs to meet the performance objectives listed in the MOA and consult with San Diego Taxi Association representatives in fashioning program procedures and implementation schedules. Joint consultation will precede implementation and consider the program's business impacts on the entire Industry including owners, operators, permit holders and drivers and, in particular, San Diego Taxi Association members.
4. The Authority will confer with the Industry and seek input in managing changing airport conditions necessitated by terminal facility and roadway infrastructure improvements and construction activities. The Authority will collaborate and receive input from San Diego Taxi Association in developing facilities that support taxicab operations at SDIA.
5. The Authority will coordinate with San Diego Taxi Association, as well as, other ground transportation service providers, on planning for improvements to the taxicab/shuttle van hold lot, support facilities and amenities for drivers, including properly equipped restrooms, food concessions, reflection/meditation areas and other facility and infrastructure requirements. The Authority will provide a progress report on development plans by June 2011 and periodically thereafter.
6. The Authority has established a comprehensive cost recovery system for the purpose of fairly allocating expenses for operating, maintaining and administrating ground transportation facilities and systems. Incremental personnel costs for providing a Field Coordinator position, Secret Shopper representatives and the like will be fairly allocated to all user groups affected. In managing the cost recovery system, the Authority will consult with San Diego Taxi Association representatives prior to enacting changes to the commercial vehicle fee rate (also known as trip fees), methods of collections, vehicle permit charges or the introduction of new fees or charges.
7. The Authority will provide San Diego Taxi Association, on a yearly basis, with a financial report outlining the previous year's expenditures of funds in support of airport ground transportation systems, an estimate of fee rates, and the basis of the forecasted rates for the coming year.

8. The Authority will publish a comprehensive Ground Transportation Service Operator Guide for use by taxicab drivers and permit holders at SDIA. The Operator Guide will address various aspects of ground transportation operations, specifically: (1) program administration, (2) driver training requirements and professionalism, (3) customer service standards, including ADA and environmental regulations compliance, (4) vehicle condition and safety systems inspection criteria, and (5) program enforcement. Also included will be sections on areas such as: (a) dispatch operations, (b) accident prevention and reporting, and (c) complaint resolution. The Operator Guide will be entirely consistent with SDIA Codes, Policies and Rules and Regulations. The Authority will develop the Guide with input and comment by San Diego Taxi Association and publish the Operator Guide by June 30, 2011.
9. The Authority will conduct periodic vehicle inspections, noticed and non-noticed, with an emphasis on vehicle safety systems and exterior appearance. Failure to appear and undergo required inspections will result in suspension of ground transportation access until the vehicle has been inspected and any substandard condition corrected. Appendix B contains the preliminary inspection criteria and from time to time will be further refined and re-published in the Operator Guide.
10. The Authority will develop the design architecture and cost estimate for a kiosk-type facility located within the terminals or terminal curbside for the purpose of facilitating business operations for all modes of ground transportation service. Initial design options and cost data will be provided to the Industry by July 2011 and the Authority will seek San Diego Taxi Association's interest in using the kiosk and, if so, provide an incremental cost estimate for San Diego Taxi Association consideration.
11. The Authority will conduct quarterly meetings open to San Diego Taxi Association members, other taxicab San Diego Taxi Association members, and taxicab drivers servicing SDIA. Subjects involving vehicular and passenger safety, impacts of shuttle van operations, customer service improvement initiatives, and planned facility upgrades will be discussed and input from the Industry considered by the Authority in its decision making.
12. The Authority will assist San Diego Taxi Association with information and programs that provide alternative approaches for acquiring vehicles, including pooling arrangements, lease/option to purchase and third party financing. Such information will be forthcoming by June 2011, with follow-on data provided as requested.
13. The Authority will provide information and assistance, as requested, on cost reduction programs for procurement, fueling, upkeep, administration and insurance of taxicabs. The Authority will share ideas and recommendations on group cost sharing programs, including medical, personal property and liability insurance and common maintenance strategies. Such information will be forthcoming by June 2011, with follow-on data provided as requested.
14. The Authority will work with San Diego Taxi Association and its members in accessing federal and state Small Business Administration (SBA) training courses and handbook guidance on transportation business operations and management for the small business owner

and operator. Such information will be forthcoming by July 2011, with follow-on data provided as requested.

15. Taxicab Permits- The Authority desires to increase control over the transferability of Taxicab Service Permits. To that effect, in the event the Board exercises its discretion to issue Taxicab Permits for any subsequent one-year period after June 30, 2014, holders of Taxicab Permits no longer wishing to operate under a Taxicab Permit must do one of the following:
  1. Return the Taxicab Permit to the Authority; or
  2. Transfer the Taxicab Permit to an Authority-approved recipient ("Transferee"), and
    - a. pay the Authority a one-time transfer fee of \$3,000, and
    - b. advise the Transferee in a writing approved by the Authority that the Taxicab Permit is no longer transferrable and must be returned to the Authority if he/she no longer wishes to operate under the Taxicab Permit; and
16. The Authority will establish provisions in the SDIA Rules and Regulations requiring all taxicab permit holders to join a taxicab association, co-op, or consortium, which has entered into an MOA with the Authority and whose membership is equal to or greater than five (5) active permit holders. All taxicab permit holders will have thirty (30) days from the issuance of the requirement to affiliate with an association, co-op, or consortium of their choosing. This shall be a condition to maintaining their ground transportation service permit at SDIA.
17. Following execution of the MOA, the Authority will evaluate the ground transportation program for system improvements for a period of one (1) year to better understand the benefits and challenges. If the process does not result in meaningful improvements or the terms of the MOA prove too difficult for either party to manage, a different management approach may be pursued by the Authority.

#### **San Diego Taxi Association**

1. San Diego Taxi Association will establish and maintain itself as a business entity in accordance with California law and organize in a manner suited to its members, with the understanding that the San Diego Taxi Association should represent a minimum of five (5) active permit holders, be open to all airport taxicab permit holders and designate its official representative(s) on an equitable basis and be free from conflicts of interest caused by ownership or operation of taxicabs permitted to operate at SDIA.
2. San Diego Taxi Association will designate a single point of contact (with alternate) for the purpose of:
  - a. timely planning to meet forecasted changes in passenger demand,
  - b. immediate problem solving in areas of taxicab availability,
  - c. management issues with driver performance or complaints, unsatisfactory vehicle condition and other customer service issues,
  - d. ameliorating congested conditions in the taxicab hold lot and transportation plazas, and

- e. other real-time operational conditions requiring coordination of taxicab services
3. San Diego Taxi Association will establish a program for monitoring the appearance and condition of member taxicabs that service SDIA and ensuring the correction of deficiencies in a timely manner. A program to ensure the standards of appearance for taxicabs promulgated in the SDIA Rules and Regulations will be developed by June 2011 and inspection of taxicabs by the San Diego Taxi Association for appearances will be ongoing.
4. San Diego Taxi Association will provide its best efforts in ensuring its members' vehicles conform to the standards for commercial service vehicles promulgated in the SDIA Rules and Regulations.
5. San Diego Taxi Association will establish a program for monitoring the appearance and professional behavior of its members' taxicab drivers. The program guidelines will be developed and submitted to the Authority by June 2011. San Diego Taxi Association will use its best efforts to ensure its members' drivers conform to the driver regulations and standards promulgated in the SDIA Rules and Regulations.
6. San Diego Taxi Association will establish a process for correcting and disciplining member owners and drivers who operate taxicabs at SDIA and who repeatedly or flagrantly violate SDIA Rules and Regulations by June 2011. San Diego Taxi Association will work with the Authority to periodically review relevant sections of the Authority Code for applicability, enforceability and timeliness.
7. San Diego Taxi Association will develop a control system, acceptable to the Authority that ensures there are two hundred and twenty-five (225) taxicabs providing service at SDIA on a daily basis with an additional seventy-five (75) taxicabs available from 6:00 p.m. until 2:00 a.m. The system must be flexible and allow for adjustment over time in the number of taxicabs and time-of-day authorization to meet changing passenger demand. San Diego Taxi Association accepts the responsibility to respond to airport taxicab inventory shortfalls, without undue delay, through established protocols using local radio service companies. Preliminary control plan will be provided by April 3, 2011.
8. San Diego Taxi Association will develop owner/driver procedures and protocols for the electronic collection of fares (credit/debit cards) and ensure all member vehicles servicing SDIA are equipped and capable of electronic collection of fares and are operated in a manner that protects the owner/driver and passenger. Deadline for achieving installation of all necessary equipment is September 2011.
9. San Diego Taxi Association recognizes that its organization is not the sole entity designated to serve the interests of taxicab permit holders at SDIA and other like organizations are authorized to form and associate with the Authority for the purpose of administering to the needs and interests of their membership and the Authority.

**Authority/ San Diego Taxi Association Joint Responsibilities**

1. The Authority and San Diego Taxi Association will develop a process for addressing airport ground transportation system shortfalls and exploring areas of operational improvement through frequent consultation. Such consultation will take into account the operational objectives of other modes of transportation and the constrained conditions at the transportation plazas and terminal curbside fronts.
2. The parties' representatives will meet initially at least quarterly each year with an agreed-upon agenda. Meeting minutes will be maintained. San Diego Taxi Association members will be invited to attend and be given an opportunity to address the participants.
3. The Authority and San Diego Taxi Association will formulate an expanded curriculum for the existing taxicab Driver Training Program and ensure its administration recognizes both driver and Authority needs and interests. The initial mandatory training program for new drivers will be augmented with mandatory refresher training every two (2) years thereafter to ensure driver familiarity with new customer service programs. The Authority will conduct the training sessions and San Diego Taxi Association will work to ensure all required persons attend. Appendix A contains the curriculum outline for the enhanced Driver Training Program with new areas of instruction/training, together with familiarization sections for the new terminal/curbside arrangement being constructed at Terminal 2. The completed curriculum will be finalized by April 2011.
4. The Authority and San Diego Taxi Association will jointly develop a complaint resolution process that addresses specific violations of SDIA Rules and Regulations by taxicab permit holders or drivers at SDIA. The process will involve immediate action to resolve the issue by Authority management, as provided for by SDIA Rules and Regulations, followed by consultation with San Diego Taxi Association and the parties involved in the incident. The complaint resolution process will be finalized by June 2011.
5. The Authority will provide well trained and motivated Customer Service Representatives (hereinafter "CSRs") to help manage daily operations at the taxicab hold lot and transportation plazas. Representatives from San Diego Taxi Association are authorized to monitor and comment on dispatch operations and their report will be acted upon as per Item 1. and Item 2. of this section. Dispatch services and other taxicab support functions will be funded by the ground transportation industry through the Authority's Cost Recovery System.
6. The Authority will closely coordinate with the San Diego Taxi Association in devising best practices in the use of the CSRs, establishing duties and responsibilities and standards of performance.
7. The Authority and San Diego Taxi Association representatives will closely monitor conditions at the hold lot and transportation plazas to ensure the dispatch operation supports the interests of the Industry, the Authority and the needs of the travelling public.

8. The Authority and San Diego Taxi Association will develop program guidelines and a written plan for achieving total airport taxicab fleet conversion to electric, alternative fuel and/or clean-air vehicles per the schedule adopted by the Authority Resolution No 2010-0027R of March 4, 2010 (25% by 2014, 50% by 2015, 75% by 2016, and 100% by 2017.) The conversion program guidelines will include vehicle eligibility, conversion timelines, owner incentives and dis-incentives and address other related environmental regulatory compliance programs implemented by federal and state regulatory agencies. A preliminary Action Plan will be finalized by July 1, 2011.
9. The Authority and San Diego Taxi Association will develop program guidelines and a written plan by September 2011 for achieving enhanced service, accommodations and traveling options for disabled persons, including full compliance with the provisions of the Americans with Disability Act (hereinafter "ADA") applicable to commercial service vehicles requiring conformance-equivalent service for disabled passengers.

#### **VI. COOPERATIVE EFFORTS**

A. Both parties agree to keep each other informed about the progress of their relevant improvement plans and business programs. Any unusual developments, significantly changed conditions or problem areas affecting taxicab operations will be addressed in a timely manner. Both parties will also periodically assess the viability of this MOA to ensure that it continues to further the purposes for which it was entered.

B. Both parties will carry out their responsibilities as set forth in this MOA in good faith and will collaborate with each other on their interrelated responsibilities and interests whenever it is in the best interest of the Authority, San Diego Taxi Association or the travelling public.

#### **VII. DISPUTE RESOLUTION**

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

#### **VIII. INDEMNIFICATION**

San Diego Taxi Association shall indemnify, hold harmless and defend the Authority, its Board, officers, directors, employees, agents and volunteers from and against all claims, damages, losses and expenses, including reasonable attorneys' fees and court costs, arising out of the performance of the activities described herein, caused by any act or omission of San Diego Taxi Association and/or any of its members, representatives, subcontractors, employees, agents,



officers and directors, except where caused by the sole negligence or willful misconduct of the Authority.

**IX. THIRD PARTY RIGHTS AND BENEFITS**

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

**X. SEVERABILITY**

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

**XI. MODIFICATION**

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

**XII. EFFECTIVE DATE**

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

**XIII. TERM**

The term of this MOA is for a period of three (3) years commencing \_\_\_\_\_, 2011, subject to earlier termination as provided herein.

**XIV. TERMINATION**

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

**XV. RELEASE OF INFORMATION**

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

**XVII. NOTICE AND POINTS OF CONTACT**

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

For San Diego Taxi Association:

NAME  
TITLE  
San Diego Taxi Association ADDRESS

For Authority:

Thella F. Bowens  
President/CEO  
San Diego County Regional Airport Authority  
PO Box 82776  
San Diego, CA 92138-2776

The successors of these individuals shall be treated as assuming all responsibilities associated with this MOA, without the need for any additional modification of or correction to this MOA.

The undersigned have read this MOA, fully understand its contents, and by the signatures below agree to its terms on behalf of their respective entities.

SAN DIEGO TAXI ASSOCIATION

SAN DIEGO COUNTY REGIONAL  
AIRPORT AUTHORITY

By: 

By: 

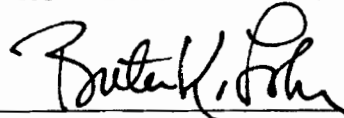
PRINT NAME: NASSER TEHRANI

PRINT NAME: \_\_\_\_\_

DATE: 05-19-2011

DATE: 20 May 2011

APPROVED AS TO FORM:

  
\_\_\_\_\_

**MEMORANDUM OF AGREEMENT BETWEEN THE  
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
AND  
SAN DIEGO COUNTY AIRPORT SHUTTLE ASSOCIATION  
AN OPERATIONAL PARTNERSHIP FOR IMPROVING GROUND  
TRANSPORTATION SERVICES AT  
SAN DIEGO INTERNATIONAL AIRPORT**

RECEIVED

JUN 15 2011

**I. THE PARTIES**

GROUND TRANSPORTATION

The parties to this Memorandum of Agreement (hereinafter "MOA") are the San Diego County Regional Airport Authority (hereinafter "Authority") and San Diego County Airport Shuttle Association (hereinafter "SDCASA")

**II. AUTHORITY**

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

- (1) The Authority shall be responsible for developing all aspects of airport facilities that it operates, including, but not limited to the location of terminals, hangars, aids to navigation, parking lots and structures, and all facilities and services necessary to serve passengers and other customers of San Diego International Airport (hereinafter "SDIA").
- (2) It is essential to the public health, safety and welfare that public officials and the private sector plan, develop and operate the airports in the San Diego County region so that those airports promote economic development, protect environmental quality and enhance social equity.
- (3) The Authority may contract with any agency or person upon those terms and conditions that the Authority finds are in its best interests.

B. SDCASA is a California Nonprofit Mutual Benefit Corporation, duly registered with the Office of the California Secretary of State, formed for the purpose of (a) enhancing the ability of its members to effectively and profitably serve the transportation needs of the public; (b) providing timely information and educational opportunities to its members; (c) representing and advocating its members' common business interests before legislative and regulatory bodies; (d) assisting its members in dealing with special issues related to the public transportation industry; and (e) improving the business conditions and promoting the common business interests of its members.

### **III. PURPOSE.**

A. The purpose of this MOA is to set forth the terms of agreement between the parties for the establishment of an operational relationship that enhances transportation services provided by SDCASA at SDIA and increases airport service provider involvement with developing ground transportation policy and procedures. Improved travel conditions at SDIA and traveler satisfaction with SDCASA service delivery will promote a positive public perception of the Authority and SDCASA in San Diego and strengthen community support for ground transportation improvement programs at SDIA.

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

C. Nothing in this MOA invalidates, supersedes or amends the following:

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

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

### **IV. BACKGROUND**

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

- Airport roadway and traffic safety improvements,
- Efficient commercial vehicle circulation and passenger access procedures,
- Vehicle driver/occupant mishap risk reduction programs,
- Airport ground transportation facility and support system upgrades,

- Communication equipment modernization and centralized data dissemination procedures,
- Shuttle van availability, particularly during peak hours and late at night,
- Customer service programs designed to enhance the traveler experience through the landside airport environs,
- Improved ADA service, more convenient accommodations and increased traveling options for the disabled,
- Improved vehicle appearance and driver professionalism,
- Uniform compliance with SDIA Rules and Regulation governing commercial ground transportation operations, and
- Environmental leadership program implementation, particularly in air quality improvements and greenhouse gas emission reductions

B. Specific areas of service improvement that can be successfully addressed through an effective operational relationship between the shuttle van operators and the Authority are shown below. It is understood and appreciated that service levels can vary considerably based on individual franchisee/operator performance, however, the standards addressed herein are meant to be applied uniformly and serve as benchmarks for delivering the highest levels of customer service to our passengers. Specific areas that would benefit from increased attention center on (1) *Vehicle Condition*, including safety systems, physical appearance, cleanliness and system functionality; (2) *Vehicle Modernization*, including electronic/communication upgrades, such as next generation GPS, Drive Cams, passenger TV and other aids and amenities. (3) *Driver Professionalism*, particularly in customer interactions with passengers (4) *Driver Operator Training*, specifically focused on Safe Driving and Courteous Driving programs (5) *ADA Training* in the latest service requirements, the proper handling of ADA equipment and effective interactions with passengers with disabilities. (6) *Environmental Regulatory Compliance*- both parties (i.e., fleet conversion to alternative fuels, clean air and recycling awareness and pollution abatement programs).

C. On the Authority's part and more generally, there is a need for improved on-scene, at airport communication between airport representatives, management and shuttle van operators. Specifically at the transportation plazas and, less so, at the hold lot there is a need for greater airport supervision to deal with the multitude of day to day challenges of managing a ground transport system of great complexity and time dependence. The Authority recognizes it has the primary responsibility for improving areas such as: timely communication, regulatory clarity, advanced coordination of new programs and emerging requirements and notification to operators on changes to conditions and major construction interference.

D. The operational deficiencies cited above are not all-inclusive but are meant to suggest areas that both parties can agree could benefit from increased management attention. The provisions seen in Section V address specific responsibilities and set timelines. However, there is a need for developing a methodology, with metrics, for measuring progress in each of the targeted areas. Such a methodology will be developed between the parties within sixty days of the signing of the MOA to allow for consultation and agreement on the metrics and any modifications to the Airport Rules and Regulations that might be necessary.

E. A successful operational relationship with the Industry can result in long-term, sustainable performance improvements in the service areas listed above. Among other benefits, these improvements will increase traffic safety, alleviate congestion, reduce passenger delay and greatly enhance the travel experience at SDIA. The overall goal of the Authority/SDCASA relationship is the movement of passengers efficiently, safely and in a cost effective manner with an emphasis on customer service. To realize this goal, it is highly desirable that the Authority and SDCASA work together and produce well organized and efficient ground transportation operations for the benefit of the air traveling public.

F. On September 2, 2010, the Authority's Board considered measures to improve ground transportation services at SDIA. The Board received input from members of the shuttle van community and authorized staff to pursue a management approach based on a strong operational relationship with the local shuttle van industry. In constructing a management model, both the Authority and SDCASA have accepted certain responsibilities for improving SDCASA operations at SDIA. The management model envisioned is based on the use of one or more formal memoranda of agreements with groups of shuttle van owners permitted to operate at SDIA who have joined together to form local business entities.

G. The licensed shuttle van owners and drivers permitted to operate at SDIA perform a valuable and necessary service in transporting passengers to and from the SDIA. Their services ensure the safety and well-being of customers and promote confidence in the traveling public with the Industry. The Industry is a vital component in the region's commercial aviation sector and generates significant economic benefits for many service sectors that depend on its reliability and professionalism. It is important that the Industry has a strong and clear voice and timely input in decisions affecting shuttle van services at SDIA. SDCASA's willingness to work with the Authority will improve shuttle service at SDIA and ensure the planned facility upgrades work together for the benefit of the Authority, the Industry and the traveling public.

H. The following actions and responsibilities are proposed to assist in meeting the challenge of improving commercial ground transportation services at SDIA and implementing the performance improvement areas listed above.

## **V. RESPONSIBILITIES**

### **Authority**

1. The Authority will maintain open lines of communications with SDCASA and closely collaborate with its representatives on issues affecting ground transportation operations at SDIA.
2. Throughout the facility and policy development process the Authority will ensure operational programs and business planning decisions affecting SDCASA consider SDCASA viewpoints and interests prior to implementation.

3. The Authority will develop specific programs to meet the performance objectives listed in the MOA and consult with SDCASA representatives in fashioning program procedures and implementation schedules. Joint consultation will precede implementation and consider the program's business impacts on the entire Industry including owners, franchise operators, permit holders and drivers.
4. The Authority will confer with SDCASA and seek input in managing changing airport conditions on the transportation plazas necessitated by terminal facility and roadway infrastructure construction activities. The Authority will collaborate and receive input from SDCASA in developing facilities that support shuttle van operations at SDIA.
5. The Authority will coordinate with SDCASA , as well as, other ground transportation service providers, on planning for improvements to the SDCASA /shuttle van hold lot, support facilities and amenities for drivers, including properly equipped restrooms, food concessions, reflection/meditation areas and other facility and personnel support requirements. The Authority will provide a progress report on development plans by June 2011 and periodically thereafter.
6. The Authority has established a comprehensive cost recovery system for calculating expenses for operating, maintaining and administrating facilities and systems in support of ground transportation services at SDIA. In preparing for the allocation of these expenses to the different service industry groups and establishing annual permit fee rates the Authority will consult with SDCASA representatives, explain the methodology used and be responsive to SDCASA's input and viewpoint.
7. The Authority will provide SDCASA, on a yearly basis, a financial report outlining the previous year's expenditures of funds in support of airport ground transportation systems, the shuttle van service in particular, and an estimate of permit fees for the coming year.
8. The Authority will publish a comprehensive Ground Transportation Service Operator Guide for use by shuttle van permit holders and franchise operators at SDIA. The Operator Guide will address various aspects of ground transportation operations, specifically: (1) program administration, (2) driver training requirements and professionalism, (3) customer service standards, including ADA and environmental regulations compliance, (4) vehicle condition and safety systems inspection criteria, and (5) program enforcement. Also included will be sections on areas such as: (a) dispatch operations, (b) accident prevention and reporting, and (c) complaint resolution. The Operator Guide will be entirely consistent with SDIA Codes, Policies and Rules and Regulations. The Authority will develop the Guide with input and comment by SDCASA and publish the Operator Guide by June 30, 2011.
9. The Authority will conduct periodic vehicle inspections, noticed and non-noticed, with an emphasis on vehicle safety systems, and exterior appearance. Failure to appear and undergo required inspections will result in immediate suspension of ground transportation access until the vehicle has been inspected and any substandard condition corrected.



Appendix B contains the preliminary inspection criteria and from time to time will be further refined and re-published in the Operator Guide.

10. The Authority will develop the design architecture and cost estimate for a kiosk-type facility located within the terminals or terminal curbside for the purpose of facilitating business operations for all modes of ground transportation service. Initial design options and cost data will be provided to the Industry by July 2011.
11. The Authority will conduct a quarterly meeting with all shuttle van companies servicing SDIA. Items involving vehicular and passenger safety, daily shuttle van operations, customer service improvement initiatives, and planned facility upgrades will be discussed and input from the Industry considered by the Authority in its decision making.
12. The Authority will assist SDCASA or franchise operators with information and programs that provide alternative approaches for acquiring vehicles, including pooling arrangements, lease/option to purchase and third party financing. Such information will be forthcoming by June 2011, with follow-on data provided as requested.
13. The Authority will provide information and assistance, as requested by the SDCASA or franchise operators, on cost reduction programs for procurement, fueling, upkeep, administration and insurance of shuttle vans. The Authority will share ideas and recommendations on group cost sharing programs, including medical, personal property and liability insurance and common maintenance strategies. Such information will be forthcoming by June 2011, with follow-on data provided as requested.
14. The Authority will work with SDCASA or its franchise operators as requested, in accessing federal and state Small Business Administration (SBA) training courses and handbook guidance on transportation business operations and management for the small business owner and operator. Such information will be forthcoming by July 2011, with follow-on data provided as requested.
15. Following execution of the MOA, the Authority will evaluate the ground transportation program for system improvements for a period of one year to better understand the benefits and challenges remaining with the operational relationship. If the process does not result in meaningful improvements, or the terms of the MOA prove too difficult for either party to manage, a different management approach may be pursued by the Authority.

#### **SDCASA**

1. SDCASA will designate a single point of contact (with alternate) for the purpose of:
  - a. timely planning to meet forecasted changes in passenger demand,
  - b. immediate problem solving in areas of shuttle van availability,
  - c. resolution of driver performance or complaints, unsatisfactory vehicle condition and other customer service issues,

- d. ameliorating congested conditions in the shuttle van hold lot and transportation plazas and,
  - e. other real-time operational conditions requiring coordination of shuttle van service
2. SDCASA will establish a program by June 2011 for monitoring the appearance and condition of franchisees shuttle vans that service SDIA and correcting deficiencies in a timely manner.
3. SDCASA will establish a program by June 2011 for monitoring the appearance and professional behavior of franchisees and their employees, subcontractors or agents who provide shuttle van service to SDIA. SDCASA will establish a program by June 2011 for correcting and disciplining franchisees and their employees, subcontractors or agents who operate shuttle vans at SDIA and who flagrantly violate Airport Rules and Regulations and work with the Authority to periodically review relevant sections of the Authority Code for applicability, enforceability and timeliness.
4. SDCASA will provide its best efforts in ensuring its franchisees and their employees, subcontractors or agents conform to the driver regulations and standards promulgated in the Airport Rules and Regulations.
5. SDCASA will provide a formal training program, acceptable to the Authority, by July 2011 for all prospective franchisee operators, their sub-contractors and agents who provide shuttle van service at SDIA. The training will includes topic on vehicular and personal safety, customer service, map reading, and regional/Airport familiarization.
6. SDCASA will maintain record of franchisee driver safety and customer service incidents, complaints and adverse actions and make those records available to the Authority upon request. Any driver safety performance issues affecting the driver's eligibility to maintain a Driver permit at SDIA, as provide for in Authority Code, will be brought to the attention of the Authority with recommended action.
7. SDCASA will develop a control system, acceptable to the Authority, by April 2011, that helps ensure there is ample supply of shuttle vans at the Airport on a daily basis. As the need arises, SDCASA accepts the responsibility to respond to airport shuttle van inventory shortfalls, without undue delay.
8. SDCASA will develop owner/driver procedures and protocols for the electronic collection of fares and ensure all franchisee vehicles servicing the Airport are equipped and capable of electronic collection of fares and are operated in a manner that protects the driver and passenger. The program should be in place in all vehicles by June 2011.
9. SDCASA will prepare a plan within sixty days after execution of the MOA, to outfit all SDCASA vans with equipment capable of providing electronic mapping and Global Positioning Systems (GPS) information to the driver.

10. SDCASA recognizes that its organization is not the sole entity designated to serve the interests of shuttle van permit holders at SDIA and other like organizations are authorize to form and associate with the Authority for the purpose of administering to the needs and interests of their membership and the Airport Authority.

#### **Authority/SDCASA Joint Organizational Responsibilities**

1. The Authority and SDCASA will establish a process for addressing airport ground transportation system shortfalls and exploring areas of operational improvement through frequent consultation. Such consultation will take into account the operational objectives of other modes of transportation, and the constrained conditions at the transportation plazas and terminal curbside.
2. The parties' representatives will meet at least quarterly with an agreed-upon agenda and meeting minutes will be maintained. SDCASA franchisees will be invited to attend and given an opportunity to address the participants.
3. The Authority and SDCASA will formulate an expanded curriculum for the existing shuttle van Driver Training Program and ensure its administration recognizes both driver and Authority needs and interests. The initial mandatory training program for new drivers will be augmented with mandatory refresher training every two (2) years thereafter to ensure driver familiarity with new customer service programs. The Authority will conduct the training sessions and SDCASA will work to ensure all required persons attend. Appendix A contains the curriculum outline for the enhanced Driver Training Program with new areas of instruction/training, together with familiarization sections for the new terminal/curbside arrangement being constructed at Terminal 2.
4. The Authority and SDCASA will jointly develop a complaint resolution process that addresses specific violations of Airport Rules and Regulations franchisees and their employees, subcontractors or agents who operate shuttle vans at SDIA. The process will involve immediate action to resolve the issue by Authority management, as provided for by Airport Rules and Regulations, followed by consultation with the franchise operator, SDCASA and the parties involved in the incident. The complaint resolution process will be finalized by April 2011.
5. The Authority will provide well trained and motivated Customer Service Representatives (CSRs) to facilitate operations at the shuttle van hold lot and transportation plazas. The Authority will closely coordinate with the SDCASA in devising best practices in the use of the CSRs, establishing duties and responsibilities and standards of performance. Dispatch services and other support functions will be funded by the ground transportation industry through the Authority's allocated cost recovery system. The Authority will use cost allocation formulas developed after consultation with SDCASA .

6. SDCASA representatives are allowed to operate on the transportation plazas and in the shuttle van hold lot in the exclusive service of SDCASA; however, all their expense and training needs will be borne by SDCASA.
7. The Authority and SDCASA representatives will closely monitor conditions at the hold lot and transportation plazas to insure the dispatch operation, in particular, supports the interests of both the Industry and the needs of the traveling public.
8. The Authority and SDCASA will develop program guidelines and a written plan for achieving total airport taxicab fleet conversion to electric, alternative fuel and/or clean-air vehicles per the schedule adopted by the Authority March 4, 2010 (25% by 2014, 50% by 2015, 75% by 2016, and 100% by 2017.) The conversion program guidelines will include vehicle eligibility, conversion timelines, owner incentives and dis-incentives and address other related environmental regulatory compliance programs implemented by federal and state regulatory agencies. A preliminary Action Plan will be finalized by July 1, 2011.
9. The Authority and SDCASA will develop program guidelines and written plan by June 2011 for achieving full compliance with the Americans with Disability Act (ADA) provisions for commercial service vehicle conformance-equivalent service for disabled passengers.

## **VI. COOPERATIVE EFFORTS**

A. Both parties agree to keep each other informed about the progress of their relevant improvement plans and business programs. Any unusual developments, significantly changed conditions or problem areas affecting shuttle van operations will be addressed in a timely manner. Both parties will also periodically assess the viability of this MOA to ensure that it continues to further the purposes for which it was entered.

B. Both parties will carry out their responsibilities as set forth in this MOA in good faith and will collaborate with each other on their interrelated responsibilities and interests whenever it is in the best interest of the Authority, SDCASA or the traveling public.

## **VII. DISPUTE RESOLUTION**

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

## **VIII. INDEMNIFICATION**

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

## **IX. THIRD PARTY RIGHTS AND BENEFITS**

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

## **X. SEVERABILITY**

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

## **XI. MODIFICATION**

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

## **XII. EFFECTIVE DATE**

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

## **XIII. TERM**

The term of this MOA is for a period of three (3) years commencing \_\_\_\_\_, 2011, subject to earlier termination as provided herein.

## **XIV. TERMINATION**

The term of this MOA will remain in effect for the period of three (3) years. The parties may mutually agree to terminate the MOA at any time. Either party may terminate the MOA by providing sixty (60) days notice of intent to terminate.

**XV. RELEASE OF INFORMATION**

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

**XVI. NOTICE AND POINTS OF CONTACT**

Any notice required or permitted by this MOA shall be in writing and shall be delivered as follows with notice deemed given as indicated: (a) by personal delivery when delivered personally, (b) by overnight courier upon written verification of receipt, or (c) by certified or registered mail, return receipt requested, upon verification of receipt.

Notice shall be sent to the addresses set forth below, or such other address as either party may specify in writing:

For Association:

NAME  
TITLE  
SDCASA  
ADDRESS

For Authority:

Thella F. Bowens  
President/CEO  
San Diego County Regional Airport Authority  
PO Box 82776  
San Diego, CA 92138-2776

The successors of these individuals shall be treated as assuming all responsibilities associated with this MOA, without the need for any additional modification of or correction to this MOA.

The undersigned have read this MOA, fully understand its contents, and by the signatures below agree to its terms on behalf of their respective entities.

SAN DIEGO COUNTY AIRPORT  
SHUTTLE ASSOCIATION

By: *Carolyn Reynolds*  
PRINT NAME: Carolyn Reynolds

SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY

By: *Thella Bowens*  
PRINT NAME:

APPROVED AS TO FORM:

000375

APR 27 2011  
*Bret K. Lobner*  
Bretton K. Lobner - General Counsel

Date: 4-21-2011

Date: \_\_\_\_\_

By: [Signature]

APPROVED AS TO FORM:

PRINT NAME: SUPRIYO DATTA EZ RIDE SHUTTLE

Date: 4/21/11

Date: \_\_\_\_\_

By: [Signature]

PRINT NAME: Anthony Caccone Jr.

Date: 04/21/2011

By: [Signature]

PRINT NAME: KEVIN R. KOHL

Date: 4-21-11

By: [Signature]

PRINT NAME: GONZALO AYALA

Date: 4/21/11

By: [Signature]

PRINT NAME: Janet Briley

Date: 4/21/11





RESOLUTION NO. 2014-0108

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY REVISING RESOLUTION NO. 2009-0150R TO EXEMPT LIMOUSINES, LIVERY VEHICLES AND CHARTER PARTY CARRIERS (TCP LICENSED ONLY) FROM ALL AIRPORT CLEAN AIR VEHICLE CONVERSION OBJECTIVES, PLANS, INCENTIVES AND REQUIREMENTS.

WHEREAS, the San Diego County Regional Airport Authority has prepared an Air Quality Management Plan (AQMP) and signed a Memorandum of Understanding (MOU) with the Attorney General of the State of California to address the reduction of greenhouse gas emissions for San Diego International Airport; and

WHEREAS, the Board approved the implementation of a Comprehensive Ground Transportation Management Plan (CGTMP) in Resolution 2010-0006 which outlined an implementation schedule for FY2011 to FY2018 for vehicles for hire, taxicabs, limousines, hotel/motel shuttles and off-airport parking shuttles; and

WHEREAS, development of the CGTMP includes recommended approaches to comply with the requirements of the MOU and to meet the specific AQMP requirements; and

WHEREAS, within the MOU, the Airport was to impose on every operator of a shuttle service on the Airport; a requirement to replace its existing shuttle vehicles which such operator owns or operates with electric or alternative fuel shuttle vehicles in accordance with stipulated provisions found within the MOU; and

WHEREAS, within the MOU, the implementation was deemed subject to the Authority's determination of commercial availability of equipment and adequate refueling infrastructure, and further, that if the Authority determines that such equipment is not commercially available or that there is not an adequate refueling infrastructure, then it shall provide a contemporaneous detailed, written statement of reasons for that determination to the Attorney General, which can be made available to the public; and

WHEREAS, Airport Staff and the livery industry have conducted extensive reviews of the equipment and fueling challenges and through thorough investigation and detailed discovery concluded that replacement limousine and charter vehicles are not commercially available for the foreseeable future and that an inadequate refueling infrastructure greatly hinders this commercial transportation mode's conversion to clean air or alternative fuel vehicles; and

WHEREAS, the Airport has made significant progress with its Vehicle Conversion Incentive Program but realizes that there are significant challenges and impediments to the conversion of livery vehicles before the July 1, 2017 deadline.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby exempts, for the current time, limousines, livery vehicles and charter party carriers (TCP licensed only) from all Airport clean air vehicle conversion objectives, plans, incentives and requirements; and

BE IT FURTHER RESOLVED the Board directs Staff to work closely with the livery industry to seek appropriate clean air vehicles and fueling infrastructure availability and provide the Authority Board with an annual update on the findings; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

000380

RESOLUTION NO. 2014-0109

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY (1) APPROVING MODIFICATIONS TO THE VEHICLE CONVERSION INCENTIVE-BASED PROGRAM RELATED TO ALTERNATIVE FUEL VEHICLE INCENTIVES, AND (2) ADOPTING A COST RECOVERY FEE FOR FISCAL YEAR 2015 FOR TRANSPORTATION NETWORK COMPANY ("TNC") VEHICLES

WHEREAS, the Board of the San Diego County Regional Airport Authority ("Board") has previously approved and adopted the Ground Transportation Vehicle Conversion Incentive-Based Program ("Incentive Program") applicable to designated commercial public ground transportation vehicles operating at San Diego International Airport ("Airport") to improve the air quality in and around the Airport and to comply with the terms and conditions of the Memorandum of Understanding ("MOU") with the California Attorney General; and

WHEREAS, the Incentive Program provides reduced user fees (i.e., reduced annual permit fees and/or trip fees) for Alternative Fuel Vehicles ("AFVs") and Clean Air Vehicles ("CAVs"), but increased user fees for non-AFVs and non-CAVs; and

WHEREAS, by Resolutions 2010-027R and 2012-0114 and 2014-0057R, the Board approved the current Incentive Program (Attachment A); and

WHEREAS, by Resolution 2012-0114, the Board approved modifications to the Incentive Program to replace the reduced user fee Incentive Program (trip and permit fees) for taxicab AFVs and CAVs with a cash-based incentive program and at least a partial waiver of permit fees (i.e., not trip fees), beginning July 1, 2012 (Fiscal Year ("FY") 2013) and lasting through FY 2016 (Attachment B); and

WHEREAS, the current Incentive Program includes a requirement for the Authority staff ("Staff") to reassess the feasibility of the Incentive Program annually; and

WHEREAS, Staff is recommending a further modification to the Incentive Program to amend the reduced user fee Incentive Program for AFVs and CAVs to adjust the fee schedules for taxicab, vehicle for hire, courtesy and Transportation Network Company ("TNC") vehicles (Attachment C); and

WHEREAS, Staff recommends that charter (except TNCs) and limousine vehicles be exempted from the modified incentive plan (Attachment C) and that the current Incentive Program of reduced user fees (Attachment A) shall apply to AFV/CAV charter (except TNCs) and limousine vehicles that are converted on or before December 31, 2014; and

WHEREAS, Staff recommends that vehicle for hire, courtesy and TNC vehicles that convert to AFVs and CAVs between September 1, 2014 and June 30, 2016 receive an additional 25% trip fee rebate (for a total of 50%) to be applied to the cost recovery fees during FY 2016 which begins July 1, 2015 and ends June 30, 2016; and

WHEREAS, Staff recommends that for taxicab vehicles converting to AFVs and CAVs between September 1, 2014 and June 30, 2016, an additional 25% trip fee rebate (for a total of 50%) be calculated on the cost recovery fees during FY 2016 which begins July 1, 2015 and ends June 30, 2016; and

WHEREAS, the trip fees comply with Proposition 26 [Cal. Constitution Article XIIC] as purely cost based fees; and

WHEREAS, the additional 25% trip fee rebate for taxicabs converting to AFVs and CAVs between September 1, 2014 and June 30, 2016: (1) may not reduce any taxicab trip fee paid to the Authority below the required taxicab meter fee (\$2.00 per trip currently); (2) may require fractional rebates of the 25% trip fee rebates over multiple fiscal years beginning in FY 2016; and (3) will terminate when the 25% trip fee rebates have been fully applied to future taxicab trip fees. [By way of example, if the FY 2016 base trip fee is \$3.50 and for FY 2017 is \$3.60, a taxicab that converts before July 1, 2015 would theoretically be entitled to receive the 25% new modified incentive plus the 25% trip fee rebate in FY 2016 (i.e.,  $\$3.50 \times .50\%$  rebates = \$1.75). However, only \$1.50 of the \$1.75 can be applied in FY 2016 because the taxicab trip fee paid to the Authority must amount to a minimum of \$2.00. (i.e., the unpaid .25 cents rebate would be carried forward to the next year.) For FY 2017, the taxicab would be entitled to receive the 25% modified incentive of .90 cents to reduce the taxicab trip fee (i.e.,  $\$3.60$  less rebate of .25% (.90 cents) = \$2.40), plus the taxicab would have the right to receive a credit of .25 cents (unpaid from FY 2016). With the rebate and credit, the FY 2017 taxicab trip fee would be \$2.15 (i.e.,  $\$3.60$  less the rebate of .25% (.90 cents) = \$2.40, less the credit from FY 2016 of .25 cents = \$2.15]; and

WHEREAS, Staff recommends the Board set a cost recovery fee of \$1.30 per trip for FY 2015 for all permitted TNC vehicles; and

WHEREAS, except for TNC vehicles where a new cost recovery fee is being approved, this Board action imposes no new fees and does not increase any fee currently in place in the Incentive Program; and

WHEREAS, Staff recommends that the proposed modifications to the Incentive Program be approved and adopted by the Board on October 2, 2014; and

WHEREAS, Staff believes the proposed modifications to the Incentive Program comply with the requirements set forth in the Attorney General's MOU and by implementation and enforcement of the Incentive Program the Authority will achieve a reduction in greenhouse gas emissions and the carbon footprint of airport businesses operating on and near SDIA; and

WHEREAS, the Board has considered the information provided by Staff, including information in the staff report and other relevant materials regarding the Incentive Program; and

WHEREAS, Staff has met with representatives of the commercial ground transport industry to obtain their input and advice on the proposed modifications to the Incentive Program; and

WHEREAS, prior to approval of the proposed modifications to the Incentive Program, the Board has provided an opportunity for interested members of the public to comment and present further information regarding this matter.

NOW, THEREFORE, BE IT RESOLVED that after considering the evidence presented and the reports provided, the Board hereby finds that the proposed modifications to the Incentive Program will continue to achieve its intended goals to reduce greenhouse gas emissions and the carbon footprint of airport businesses in the region, is reasonable in scope and effect, imposes non-discriminatory incentives and disincentives, imposes reasonable fees and incentives, and ensures that the public commercial ground transportation industry serving the Airport can continue to economically provide public transportation services; and

BE IT FURTHER RESOLVED that the Board hereby approves and adopts the proposed modifications to the Incentive Program (as depicted in Attachment C); and

BE IT FURTHER RESOLVED that the Board hereby approves and adopts a 25% additional rebate for taxicab, vehicle for hire, courtesy and TNC vehicles that are converted to AFVs and CAVs between September 1, 2014 and June 30, 2016, to be applied during FY 2016 which begins July 1, 2015 and ends June 30, 2016 (if necessary the rebate for taxicabs will terminate when the 25% trip fee rebates have been fully applied to future taxicab trip fees); and



BE IT FURTHER RESOLVED that the Board hereby approves and adopts a cost recovery fee of \$1.30 per trip for TNC vehicles for FY 2015; and

BE IT FURTHER RESOLVED that the President/CEO is hereby authorized to adopt further rules and regulations as terms and conditions of the Authority's licenses, permits and contracts with the public commercial ground transportation providers serving the Airport and to take such other actions as are necessary to enforce the modified Incentive Program; and

BE IT FURTHER RESOLVED that the President/CEO is hereby authorized to suspend or cancel the Incentive Program at any time, provided notice is first given to the Board; and

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

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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## Attachment A

Current Incentive Plan (as adopted by Resolution 2010-027R and 2012-0114  
and 2014-0057R)

Fiscal Year	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
% Reduced user fees for AFVs/CAVs	100%	100%	75%	50%	25%	10%	0%	0%
% Increased user fees for non-AFVs/non-CAVs	0%	0%	0%	0%	25%	100%	150%	200%

## Attachment B

Existing Taxicab Incentive Program (as adopted by Resolution 2012-0114)

Fiscal Year	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
% Reduced user fees for AFVs/CAVs	N/A	N/A	0%	0%	0%	0%	0%	0%
Permit Fee Reduction for "all" day permit holders of AFVs/CAVs (per taxicab) <sup>3</sup>	N/A	N/A	Full Waiver	Full Waiver	Lesser of full waiver or \$850 reduction	Lesser of full waiver or \$800 reduction	\$0	\$0
Permit Fee Reduction for holders of "A" or "B" permits of AFVs/CAVs (per taxicab) <sup>3</sup>	N/A	N/A	Full Waiver	Full Waiver	Lesser of full waiver or \$425 reduction	Lesser of full waiver or \$400 reduction	\$0	\$0
Incentive Payment to "all" day permit holders of AFVs/CAVs (per taxicab) <sup>3</sup>	N/A	N/A	\$2500	\$2000	\$500	\$0	\$0	\$0
Incentive Payment to holders of "A" or "B" permits of AFVs/CAVs (per taxicab) <sup>3</sup>	N/A	N/A	\$1250	\$1000	\$250	\$0	\$0	\$0
% Increased user fees for non-AFVs/non-CAVs <sup>1,2</sup>	N/A	N/A	0%	0%	25%	100%	150%	200%

<sup>1</sup>Actual dollars will depend on user fees as dictated in the Ground Transportation Management Plan

<sup>2</sup>% Increased user fees for non-AFVs/non-CAVs are unchanged from the original Incentive Program

<sup>3</sup>“All” permit holders are authorized to serve SDIA every day; Holders of “A” or “B” permits are authorized to serve SDIA only on specific days (approximately equivalent to every other day, or half of “all” permits).

## Attachment C

### New Modified Incentive Plan for taxicab, vehicle for hire, courtesy and TNC vehicles

Fiscal Year	FY2015	FY2016	FY2017	FY2018- FY2021
% Reduced user fees for AFVs/CAVs	25%	25% <sup>1</sup>	25%	25%
% Increased user fees for non-AFVs/non-CAVs	25%	50%	75%	100%

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<sup>1</sup> The 25% discount in FY 16 does not include the additional discount of 25% relating to all vehicles (except Limousines and Charter Vehicles -excluding TNC's) that are converted from 1st September 2014-30th June 2016. The additional discount of 25% for taxicabs may require spreading the discount over multiple years to avoid violation of proposition 26.

RESOLUTION NO. 2014-0110

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING THE TRANSPORTATION NETWORK COMPANY (TNC) PERMIT CRITERIA AND DIRECTING STAFF TO PROCEED WITH THE ISSUANCE OF THE AIRPORT'S TNC VEHICLE AND DRIVER PERMITS COMMENCING JANUARY 1, 2015.

WHEREAS, a Transportation Network Company (TNC) is an organization, whether a corporation, partnership, sole proprietor or other form, operating in California providing transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles where services must be on a prearranged basis through the use of the app or an on-line enabling device; and

WHEREAS, TNCs are classified as Charter Party Carriers and are regulated by the California Public Utilities Commission (CPUC) which has oversight responsibility for public safety and enforcement; and

WHEREAS, California law currently recognizes and regulates three modes of passenger transportation for compensation: taxicab services (regulated by cities and/or counties); and charter-party carrier services and passenger-stage companies (regulated by the CPUC); and

WHEREAS, TNCs are required to comply with CPUC Decision 13-09-045, Adopting Rules and Regulations on TNCs (dated September 23, 2013) and CPUC Issues *Proposed Decision to Clarify TNC Rules* (June/July 2014 Revised, pending approval by the CPUC in September); and

WHEREAS, the Authority currently permits, regulates, and assesses airport cost recovery fees on commercial vehicle ground transportation service providers, including taxicabs, passenger stage corporation carriers (vehicles for hire/shuttle vans), charter party carriers (limousines), courtesy vehicles (off-airport parking providers, hotel/motel providers and rental car buses); and

WHEREAS, the Authority currently regulates, conducts background checks of, and permits taxicabs and passenger stage corporation carriers (vehicles for hire/shuttle vans) drivers; and

WHEREAS, the Authority recognizes that TNCs are a nascent and quickly developing industry but that this service innovation should not alter the Authority's obligation and duty to protect public safety, especially where the core services being provided – commercial passenger transportation services – are to be conducted on Airport premises which has safety and security impacts for Airport passengers, property and public use; and

WHEREAS, the Authority desires to institute policies, structures and procedures to effectively and efficiently regulate and permit the TNCs' provision of services on Airport premises for Airport patrons; and

WHEREAS, the Authority staff is developing a Transportation Network Company (TNC) permit with the associated policies, structures and procedures for a pilot program to be conducted over the next twelve (12) months.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the Transportation Network Company (TNC) Permit criteria and directs staff to proceed with the issuance of the Airport's TNC Vehicle and Driver Permits commencing January 1, 2015; and

BE IT FURTHER RESOLVED that the Board directs staff to provide an update on the TNC Pilot Program at the April 2, 2015 Board meeting (or earlier at Board discretion); and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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RESOLUTION NO. 2014-0111

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING (1) THE TAXICAB AND VEHICLE FOR HIRE MEMORANDUM OF AGREEMENT (MOA) REQUIREMENTS, RESPONSIBILITIES AND CONSEQUENCES, AND (2) DIRECTING STAFF TO PROCEED WITH THE ISSUANCE OF THE NEWLY REVISED AIRPORT MOAS COMMENCING NOVEMBER 1, 2014.

WHEREAS, in March 2011, two (2) Taxicab and two (2) Vehicle for Hire consortiums established and signed Memorandums of Agreement (MOAs) with the Airport, initially signed by the San Diego Taxi Association and San Diego Transportation Association representing airport-permitted taxicab drivers and San Diego County Airport Shuttle Association (SDCASA) and SuperShuttle representing airport-permitted vehicle for hire drivers; and

WHEREAS, as of April 2014, the initial MOA signatories expanded to include the Independent Cab Owners Association (ICOA) and Prime Time Shuttle, including three (3) consortiums representing the airport-permitted taxicab operators and three (3) consortiums representing the airport-permitted vehicle for hire operators; and

WHEREAS, from March 2011 to March 2014, all consortiums and their representatives worked diligently and meticulously to enhance ground transportation services by working with the industry and implementing specific performance improvements for (1) Airport roadway and traffic safety improvements; (2) Efficient commercial vehicle circulation and passenger access procedures; (3) Vehicle driver/occupant mishap risk reduction programs; (4) Airport ground transportation facility and support system upgrades; (5) Communication equipment modernization and centralized data dissemination procedures; (6) Taxicab availability, particularly during peak hours and late at night; (7) Customer service programs designed to enhance the traveler experience through the landside airport environs; (8) Improved ADA service, more convenient accommodations and increased traveling options for the disabled; (9) Improved vehicle appearance and driver professionalism; (10) Uniform compliance with SDIA Rules and Regulation governing commercial ground transportation operations; and (11) Environmental leadership program implementation, particularly in air quality improvements and greenhouse gas emission reductions; and



WHEREAS, at the Board meeting on March 6, 2014, the Board directed staff to extend the taxicab and vehicle-for hire Memorandums of Agreement (MOAs) for an additional six (6) months (to now terminate on October 31, 2014) in order to allow the development of more specific performance measures for customer satisfaction, taxicab availability, passenger wait times, vehicle appearance and driver professionalism and further directed staff to conform the termination date of the Independent Cab Owners Association (ICOA) consortium MOA with the termination date of the MOAs for the two other taxicab MOA consortiums and to recommend a revised taxicab MOA to take effect after the October 31, 2014 termination date; and

WHEREAS, the Board on July 7, 2014 approved staff's recommendations for the MOA requirements and associated standards and that they be incorporated into the revised MOAs: (1) Vehicle Safety and Appearance, (2) Driver Professionalism, Appearance and Customer Service, (3) Taxicab and Shuttle Availability, (4) Passenger Wait Times, (5) Vehicle Modernization [to include electronic equipment and AFV/CAV conversions], (6) Industry Communication and Collaboration, (7) Dispatch Operations and Personnel, (8) Other Operational Improvements, and (9) ADA Services and Compliance; and

WHEREAS, staff has reviewed the recommended MOA requirements, responsibilities and consequences and received feedback from all MOA consortium representatives who recognize and agree that these requirements, responsibilities and consequences will need to continuously monitored and evaluated and that successful implementation will be dependent on on-going consultations and collaboration.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves (1) the Taxicab and Vehicle for Hire Memorandum of Agreement (MOA) requirements, responsibilities and consequences and, (2) directs staff to proceed with the issuance of the newly revised Airport MOAs commencing November 1, 2014; and

BE IT FURTHER RESOLVED the Board encourages all MOA signatories and their drivers to act in good faith and with diligence to improve the overall commercial ground transportation operations at SDIA; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2<sup>nd</sup> day of October, 2014, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

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BRETON K. LOBNER  
GENERAL COUNSEL

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# GROUND TRANSPORTATION

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David Boenitz  
Director, Ground Transportation

Board Presentation  
October 2, 2014



# Introduction

## GOAL

Implement Board direction to be provided in the Fall 2014 regarding Ground Transportation operations at San Diego International Airport.

# GT Presentation Topics

- Section 1      Ground Transportation Projects Update
- Section 2      Financial and Ground Transportation Topics:
- Taxi and Shuttle Dispatch Staffing (CSRs) and Operations
  - Limousine and Charter Vehicle Conversion Exemption
  - Ground Transportation Grants and Financing Opportunities
  - Commercial Vehicle Conversion Incentive Programs
  - Airport Ground Transportation Access Fees
- Section 3      Transportation Network Company (TNC) Permit Applications Requirements and Criteria
- Section 4      Airport Taxicab and Vehicle for Hire (VFH) Memorandum of Agreement- Requirements, Responsibilities and Consequences

# Resolutions

## Seeking Board approval for:

- Exemption of limousines, livery vehicles and charter party carriers (TCP licensed only) from all Airport clean air vehicle conversion objectives, plans, incentives and requirements.
- Modifications to the Vehicle Conversion Incentive-Based Program related to alternative fuel vehicle incentives and adopt a cost recovery fee for FY2015 for TNC Vehicles.
- The Transportation Network Company (TNC) Permit Criteria and to proceed with the issuance of the Airport's TNC Vehicle and Driver permits commencing January 1, 2015
- The Taxicab and Vehicle for Hire Memorandum of Agreement (MOA) requirements, responsibilities and consequences and to proceed with the issuance of the newly revised Airport MOAs commencing November 1, 2014.

## SECTION 1

# GROUND TRANSPORTATION PROJECTS UPDATE

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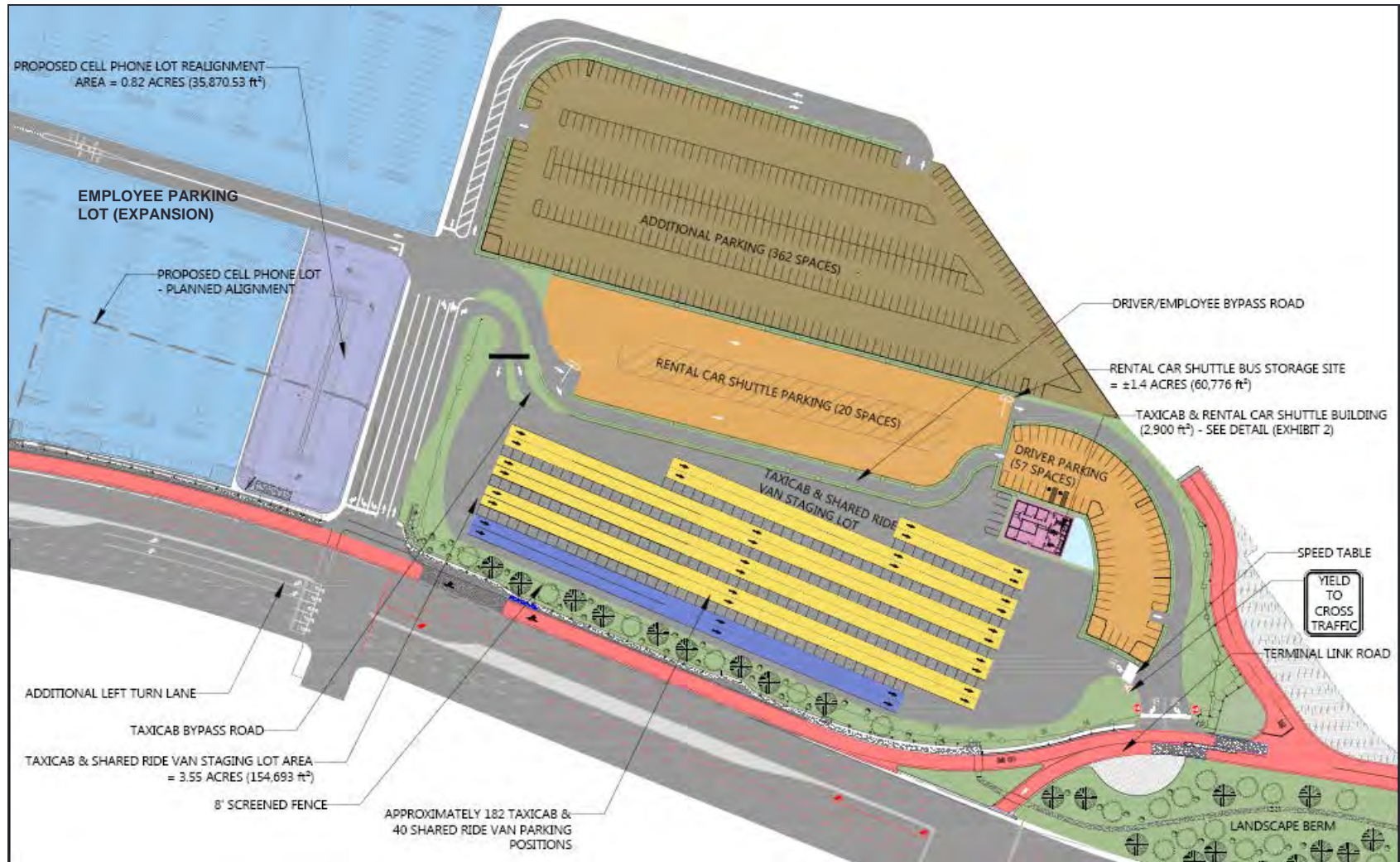




# Technology Projects

PROJECT	SCOPE	COMPLETION DATES
TECHNOLOGY		
Commercial Vehicle Management System Software Upgrade	Commercial Vehicle software update to enhance data collection and reporting for all commercial vehicles	Completed July 1, 2014
Parking and Revenue Control System upgrade	Replace aged and end-of-life terminal parking entry and exit equipment	December 2014
Commercial Vehicle and Driver Self-Permitting	New software system to offer airport- permitted drivers and permit holders the ability to complete on-line GT permit applications.	January 2015
Automated Vehicle Identification Upgrade	Phased installation of new software and the required hardware on airport roadways and facilities to track commercial vehicle trips.	Phase I: Jan. 2015 Phase II: June 2015 Phase III: Mar. 2016
Automated Trip Coupon Payment System	New software system offering all commercial vehicle drivers and permit holders the ability to make trip fee payments on-line	March 2016
Automated Taxi and Vehicle for Hire Dispatch System	New software system to automatically dispatch taxis and shuttles from the Hold Lot to the Terminal Transit Islands.	March 2016

# Infrastructure and Construction Projects



# Infrastructure and Construction Projects

PROJECT	SCOPE	COMPLETION DATES
INFRASTRUCTURE & CONSTRUCTION		
Rental Car Center Bus Procurement and Staging Area	4 acre parcel located on TDY to securely stage and safely operate 16-20 40' Rental Car Center CNG Buses when procured.	Buses- July 2015 Facility- September 2015
Employee Parking Lot expansion	Expansion of existing employee lot on TDY to accommodate 650 additional parking spaces	December 2015
Taxicab and Vehicle for Hire Hold Lot and Staging Area	5 acre parcel located on TDY to safely and securely stage 180 taxis and 40 VFHs with automated dispatch capability	March 2016
Harbor Drive traffic upgrades	Harbor Driver left turn lane and other roadway improvements	September 2016
Airport Parking Plaza	Project to construct and operate a "green," "smart" Airport T2 Parking Plaza.	TBD

# Other Projects

PROJECT	SCOPE	COMPLETION DATES
OTHER		
Taxicab and Vehicle for Hire MOA	A new Taxi and Shuttle MOA specifying requirements, responsibilities, consequences and implementation.	MOA: January 1, 2015
TNC Permit Application	Development of a new TNC Permit Application conforming to the California Public Utilities Commission (PUC) Rulings and Airport requirements	TNC Permit: January 1, 2015
Transportation Network Company (TNC) Pilot Program	One (1) year pilot program to allow TNCs to conduct operations at the Airport. The Pilot will assess driver and vehicle permitting and operational management.	January – December 2015
Taxicab and Vehicle for Hire Availability	Improvement to scheduling methods and staging areas to better accommodate customer demand	April 2015
Taxicab and Vehicle for Hire Dispatch Personnel (CSRs) Staffing and Operation	CSR Staffing model changes to provide better customer service and more efficient commercial vehicle operations	July 2015
Customer Wait Time Reduction	Queuing technology applications- RFID (Radio Frequency Identification) or Blue Tooth (cellular identification) to monitor and record customer wait times.	October 2015

# Ground Transportation Project Updates



# SECTION 2

# GROUND TRANSPORTATION

# FINANCIAL AND

# OPERATIONAL TOPICS

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# Introduction

## Ground Transportation Financial and Operational Topics

- Taxicab and Vehicle for Hire CSR Staffing and Dispatch Operation
- Limousine and Charter Vehicle Conversion
- Ground Transportation Grants and Financing Opportunities
- Commercial Vehicle Conversion Incentive Programs
- Airport Ground Transportation Access Fees



# CSR Staffing and Dispatch Operations

## What are we trying to accomplish?

Establish a CSR dispatch staff and operational system specifically for taxicabs and vehicles for hire that provides:

- Exceptional customer service, improved customer satisfaction and a higher-level customer experience
- Faster, more responsive taxicab and shuttle dispatch
- Improved driver and vehicle compliance with the Airport's Rules and Regulations
- Higher van density and reduced number of trips
- Better use of technology to minimize wait times, improve vehicle availability and ensure customers are well-informed about the various transportation options

# CSR Staffing and Dispatch Operations

## Current Situation

- Vehicle for Hire Customer Service Representatives (CSRs) are located at the T1 and T2 Transportation Islands during all operational hours.
- Primetime and SDCASA share an ACE CSR while SuperShuttle has their own Guest Service Representative (GSR).
- Taxi Cab (ACE) CSRs are located at the Commuter Terminal, T1 and T2 transportation islands.
- Hold Lot (ACE) CSRs, positioned in the taxi/shuttle hold lot, check driver badges and vehicle permits, collect trip coupons and dispatch terminal taxis and shuttles.

# CSR Staffing and Dispatch Operations

## Current Situation

- T2 Shuttle CSRs are co-located while T1 Shuttle CSRs are separated by a cross-walk.
- Customers are confused with the various ground transportation options and pricing, experience inconsistent customer service and the occasional “soliciting” drivers looking for fares.
- Frequent VFH driver conflicts arise with some drivers complaining about CSR dispatch skills and their abilities to interact with customers.
- VFH CSR and Driver issues are not being addressed or corrected by the MOA consortiums.

# CSR Staffing and Dispatch Operations

## Option #1:

Option No.	Advantages and Disadvantages	Trip Fees* FY16- FY18
<p>1. Current State - ACE CSR Staffing with Enhanced Training Program and a Permanent Airport Traffic Officer (ATO) Presence on the Transportation Islands</p>	<p><b>Advantages</b></p> <p>1) Maintains current staffing model and does not alter ACE contract terms and conditions; 2) Maintains lowest cost vehicle trip fees for VFH providers; 3) An enhanced training program for CSRs would further improve service skills, dispatch operations and procedures; 4) Greater ATO presence on the transportation island would improve needed enforcement and better oversight.</p> <p><b>Disadvantages</b></p> <p>1) Base wages with minimal benefits do not effectively attract a high level of CSR staff talent or capability; 2) Two CSR systems can often confuse customers (existing SuperShuttle GSR would remain); 3) Current CSR staffing is insufficient at peak passenger arrival volumes and times diminishing the CSRs ability to provide optimal customer service.</p>	<p>Trip fees without SuperShuttle</p> <p>Taxicabs: \$3.51- \$3.92 VFH (SuperShuttle): \$2.61- \$2.99 VFH (Others): \$12.71- \$13.53</p> <p>Trip fees with SuperShuttle</p> <p>Taxicabs: \$3.51- \$3.92 VFH (SuperShuttle): \$7.06- \$7.63 VFH (Others): \$7.06- \$7.63</p>

# CSR Staffing and Dispatch Operations

## Option #2

Option No.	Advantages and Disadvantages	Trip Fees* FY16- FY18
2. Airport Traffic Officers Staff All CSR functions	<p><b>Advantages</b></p> <ol style="list-style-type: none"> <li>1) ATOs can enforce the Airport's Rules and Regulations (Airport Code Section 9.33) and better maintain vehicle flow, driver discipline and curbside operations;</li> <li>2) Supervision and direction provided by the Airport.</li> </ol> <p><b>Disadvantages</b></p> <ol style="list-style-type: none"> <li>1) ATOs would have to manage functions not within their control (vehicle availability and customer wait times);</li> <li>2) Would require additional ATO headcount;</li> <li>3) SuperShuttle employs its own GSR which allows them greater van density (better efficiency with more passengers in the vehicles) and driver oversight and discipline;</li> <li>4) SuperShuttle has indicated that under a model where it is not allowed to maintain its employees, it would have to layoff employees;</li> <li>5) Scarce terminal space would likely be requested by the current VFH companies to provide reservation customers with a check-in location.</li> </ol>	<p>Trip fees without SuperShuttle</p> <p>Taxicabs: \$4.72- \$5.31 VFH (SuperShuttle): \$2.30- \$2.69 VFH (Others): \$27.46- \$29.63</p> <p>Trip fees with SuperShuttle</p> <p>Taxicabs: \$4.72- \$5.31 VFH (SuperShuttle): \$13.38- \$14.55 VFH (Others): \$13.38- \$14.55</p>

# CSR Staffing and Dispatch Operations

## Option #3:

Option No.	Advantages and Disadvantages	Trip Fees* FY16- FY18
<p>3. ACE CSR Staffing Upgrade to Full Time and a Permanent ATO Presence on the Transportation Islands</p>	<p><b>Advantages</b></p> <p>1) Dedicated full time staff typically will have a lower turn-over rate; 2) CSR job candidates would be screened and hired for specific responsibilities especially related to customer service, taxicab and VFH operations, passenger queue management and other critical operations requirements.</p> <p><b>Disadvantages</b></p> <p>1) If SuperShuttle is not allowed to employ its own GSRs, it has indicated that customer service will suffer, greater van density (better efficiency with more passengers in the vehicles) will not be achieved (SuperShuttle has proprietary scheduling software that no one outside of their company will be allowed to use) and driver oversight and discipline will not be as stringent; 2) Difficulty integrating staff and operation procedures for the different VFH companies.</p>	<p>Trip fees without SuperShuttle</p> <p>Taxicabs: \$3.97- \$4.43            VFH (SuperShuttle): \$2.66- \$3.05            VFH (Others): \$16.87- \$18.06</p> <p>Trip Fees with SuperShuttle</p> <p>Taxicabs: \$3.97- \$4.43            VFH (SuperShuttle): \$8.92- \$9.66            VFH (Others): \$8.92- \$9.66</p>

# CSR Staffing and Dispatch Operations

## Option #4:

Option No.	Advantages and Disadvantages	Trip Fees* FY16- FY18
<p>4. SuperShuttle GSR staff, SDCASA and Prime Time CSR Staff Provided Staff with a Permanent ATO Presence on the Transportation Islands</p>	<p><b>Advantages</b></p> <p>1) Relieve the Airport of the obligation to maintain a CSR contract and costs for SDCASA and Prime Time; 2) SDCASA and Prime Time would hire, train and support their own CSR and not rely on the Airport for staffing; SDCASA and Prime Time CSRs would provide dispatch, customer service and driver oversight; 3) SDCASA and Prime Time would be directly accountable for shuttle quality assurance, customer satisfaction and compliance to the Airport's requirements for van availability, they would deal directly with customer complaints and driver solicitations; 4) SDCASA and Prime Time would provide their own technology solutions to communicate shuttle fares, improve van density, customer satisfaction and airport transit efficiency.</p> <p><b>Disadvantages</b></p> <p>1) VFH providers would each have their own three separate CSRs, CSRs would then be required to work together collaboratively and professionally with each other; 2) Untested staffing structure-specific CSR requirements and expectations would have to be developed and implemented, SDCASA and Prime Time are not currently responsible for CSR staffing and oversight; 3) Walk up passengers would still be confronted by (and possibly confused with) various shuttle options and providers.</p>	<p><b>Trip Fees</b></p> <p>Taxicabs: \$3.52- \$3.98            VFH (SuperShuttle): \$2.64- \$3.04            VFH (Others): \$2.64- \$3.04</p>



# CSR Staffing and Dispatch Operations

## Option #5:

Option No.	Advantages and Disadvantages	Trip Fees* FY16- FY18
<p>5. Contract all CSR Personnel and Operations to a New Third Party Operator and a Permanent ATO Presence on the Transportation Islands</p> <p>Projected hourly rates: a) \$27/hr.; b) \$23/hr.; c) \$19/hr.</p>	<p><b>Advantages</b> 1) Dedicated full time staff typically will have a lower turn-over rate; 2) CSR job candidates would be screened and hired for specific responsibilities especially related to customer service, taxicab and VFH operations, passenger queue management and other critical operational requirements; 3) A Third Party vendor would bring a fresh perspective to the operation.</p> <p><b>Disadvantages</b> 1) Costs could be higher, but that is unknown until the RFP solicitation process is complete; 2) If SuperShuttle is not allowed to employ its own GSRs, it has indicated that customer service will suffer, greater van density (better efficiency with more passengers in the vehicles) will not be achieved (SuperShuttle has proprietary scheduling software that no one outside of their company will be allowed to use) and driver oversight and discipline will not be as stringent; 3) SuperShuttle has indicated that under a model where it is not allowed to maintain its employees, it would therefore have to lay off employees.</p>	<p>a) With SuperShuttle @ \$27/hr. Taxicabs: \$3.97- \$4.43 VFH (SuperShuttle): \$8.92- \$9.66 VFH (Others): \$8.92- \$9.66</p> <p>b) With SuperShuttle @ \$23/hr. Taxicabs: \$3.74- \$4.17 VFH (SuperShuttle): \$7.97- \$8.62 VFH (Others): \$7.97- \$8.62</p> <p>c) With SuperShuttle @ \$19/hr. Taxicabs: \$3.50- \$3.90 VFH (SuperShuttle): \$7.06- \$7.63 VFH (Others): \$7.06- \$7.63</p>

# CSR Staffing and Dispatch Operations

## Option #6:

Option No.	Advantages and Disadvantages	Trip Fees* FY16- FY18
6. Alter the T2 Transportation Curbside Operation to Separate the Shuttles and Relocate the Taxicabs to Another Curb	<p>Advantages:</p> <ul style="list-style-type: none"> <li>1) This option would minimize customer confusion with competing companies;</li> <li>2) Would potentially reduce the possibility of driver solicitations of passengers;</li> <li>3) Create a more efficient operation.</li> </ul> <p>Disadvantages:</p> <ul style="list-style-type: none"> <li>1) Does not address current multiple CSR scenario;</li> <li>2) Due to physical constraints, can't be accomplished until after Rental Car Center opens in 2016;</li> <li>3) Status-quo at Terminal 1.</li> </ul>	No Cost

# Staff Recommendation

- Pursue Option # 5, soliciting a professional, customer-focused and technically proficient contractor to upgrade customer service, curbside efficiency and driver oversight through a competitive RFP; evaluate “worker retention” as part of the contract requirements.
- Work with MOA consortiums and commercial vehicle industry representatives to develop work scope, staffing qualifications and operating parameters; ensure customer service and dispatch performance criteria with specific consequences for non-performance are established as part of the agreement.
- If requested, identify in-terminal locations for VFH company representatives to provide customer services.
- Implement key technologies for vehicle location, passenger reservations, transit fare and vehicle availability and non-reservation passenger dispatch.

# Limousine and Charter Vehicle Conversion

## Current Situation

- Board Resolution 2009-0150R included Limousines and Charters in the Airport's Alternative Fuel and Clean Air Vehicle commitments
- Industry-required Limo and Charter vehicles will not be available from manufacturers for at least the next 3-5 years.
- Clean air e.g. CNG, Propane fueling infrastructure continues to be widely dispersed with irregular hours throughout the state
- PUC is not requiring charter and livery industry to convert; Greater California Livery Association (GCLA) petition currently with the PUC requesting relief from Airport regulations.
- Projected that Limousines and Charters Operators will not have the equipment or the fueling infrastructure available to meet the July 1, 2017 conversion commitments.
- Airport continues to impose conversion incentives and premiums

# Limousine and Charter Vehicle Conversion

## Recommendation

- Exempt Airport-permitted Livery, Limousine and Charter party carriers from all clean air vehicle conversion objectives, plans, incentives and requirements.
- Staff to provide annual written updates on available livery and charter equipment and fueling infrastructure that would satisfy the Airport's clean air requirements.

# Finance Agenda

- Current Conversions
- Incentive Proposals Presented By Transport Alliance Group (TAG) Group
- Banking/Financial Institutions Financing Opportunities For GT Operators
- Potential Grant Opportunities
- Recommended Incentive Program Modifications
- Recommended GT Cost Recovery Method Re-design

# Commercial Vehicle Conversions

<b>Mode</b>	<b>Vehicles</b>	<b>Converted</b>	<b>%<sup>1</sup></b>
Taxicabs	354	<b>259</b>	<b>73%</b>
Shuttles	137	<b>51<sup>2</sup></b>	<b>37%</b>
Limousines	1198	<b>119</b>	<b>10%</b>
Hotel/Motel	84	<b>10</b>	<b>12%</b>
Off Airport	39	<b>28</b>	<b>72%</b>

<sup>1</sup>Conversion % are estimates based on vehicle count as at September 16, 2014.

<sup>2</sup>Conversions % calculated before expected increase in shuttles conversions following the Board direction in May 2016 not to proceed with a concession model for this mode. At Least 18 new converted vehicles were discussed by E-Z Ride, Advanced Shuttle and Primetime before the end of 2015 during the May Board meeting. This will increase converted shuttle vehicles to 50%, Furthermore, the Transport Alliance Group expects Shuttle operators they represent to be fully converted prior to FY17. Super Shuttle have indicated that they will be fully converted prior to FY 17 if the recommended incentive program schedule is maintained. Primetime shuttles have also indicated that they will be fully converted prior to FY17.



# TAG Incentive Proposals

- Vehicle Conversion Rebate Program (November 2013)  
\$3M incentive and outreach program (i.e. Authority grant)

Airport Response:

Concerns with revenue diversion, gift of public funds etc.

- Incentive program in perpetuity: 25% discount for converted vehicles/ 25% premium for unconverted vehicles

Airport Response:

Discount and premium were set at 25%/25% for FY15.  
Staff recommends these rates remain in place for FY 15.

# Financing Opportunities for GT Operators

The Board directed Staff to return with recommendations on concepts where the Authority would utilize loans (or underwrite loans) or other financing opportunities for operators to convert to Alternative Fuel Vehicles (AFV).

- Authority Legal Counsel concerns about revenue diversion, gift of public funds etc.
- Loan/underwriting administration would be burdensome and such a program would not benefit all modes.
- Authority's primary bank (US Bank) has offered preferred pricing on loan rates for qualifying GT operators.

# Potential Grant Opportunities

- TransNet (The 0.5 cent sales tax for local transportation projects managed SANDAG)
  - No current programs (TransNet focus on Highway and Transit programs)
- San Diego County Air Pollution Control District (Administer funds from California state):
  - Calstart (hybrid voucher incentive program) relates to trucks and buses. Limited number of alternative vehicles viable for the program
  - Carl Moyer Program Funding. Currently only available to existing Heavy Duty diesel vehicles that convert
- MTS: MTS Capital Grants manager: no grants currently available

# Potential Grant Opportunities

- Center for Sustainable Energy (CSE) (funds from California):  
Clean Vehicle Rebate Program (CVRP) - applies to small 100% electric vehicles which are not viable for Taxi or Limousine service.
- Other Current Programs:
  - Proposition 1B Goods Movement emission Program - not applicable
  - SOON Program for Off-Road Diesel Equipment - not applicable
  - California Air Quality Improvement Program (Part of California EPA -appears to use local agencies to deliver programs)
    - CVRP program above
    - Calstart Program above
- Initiatives Before The State Legislature:
  - California Clean Truck, Bus and Off Road Vehicle Equipment Program
  - California Green Bank

If adopted, programs could benefit GT operators. Programs would not start before January 1, 2015 and definitions and applicability to vehicles types have not yet been established.

# Staff Recommended Solution to Encourage Vehicle Conversion

## Additional 25% Fee Discount for FY 2016

- To alleviate limited financing opportunities, staff is recommending an additional 25% discount on FY16 fees for operators that convert to AFV/CAV vehicles from October 1, 2014 through June 30, 2016
- Available to all modes, except charter and limousine vehicles
- Additional 25% discount will be applied to FY16 fees, which will be calculated and presented as part of the FY16 Budget process
- For Taxicabs the additional discount will be calculated on FY16 fees but applied to FY16 and future fiscal years, if necessary, to avoid potential violation of Proposition 26 [Cal. Constitution Article XIIC]

# Recommended Incentive Program modifications

Modified Discount and Premium Rates to be used through FY21.

## Current Incentive Program

	FY 2015	FY 2016	FY 2017	FY 2018-2021*
Discount	25%	10%	0%	0%
Premium	25%	100%	150%	200%

## Recommended Incentive Program

	FY 2015	FY 2016	FY 2017	FY 2018-2021
Discount	25%	25% <sup>1</sup>	25%	25%
Premium	25%	50%	75%	100%

\* Incentive program approved and adopted in 2010 was for the period FY11 through FY18. This assumes an extension through FY21

<sup>1</sup> The 25% discount does not include the proposed additional FY16 discount of 25% relating to all eligible vehicles converted from October 1, 2014 to June 30, 2016.

# GT Cost Recovery Method Re-Design

- Set new trip fee for all operators (including TNC operators) to replace existing Permit and Taxi Trip Fee cost recovery program
- During the FY16 budget process Trip Fees will be set for FY16, FY17 and FY18
- The proposed Trip Fees for FY16, FY17 and FY18 will be presented to the GT Modes and the Board as part of the FY16 budget process
- Costs and trips will be re-assessed during FY19 budget process to establish Trip Fees for FY19, FY20 and FY21



# New Cost Recovery and Incentive Program Benefits

- Provides certainty of costs to GT providers
- Assists the Airport in reducing traffic as GT operators seek to more efficiently serve the Airport (i.e. there is an incentive to reduce trips)
- More accurate cost recovery for providers within each mode
- Ease of introduction for new modes (eg TNC's)
- Eliminates confusing 2 year delay of cost recovery elements
- Substantial industry support
- Simplified administration

# Preliminary Trip Fee Estimates\*

## Recommended Scenario

- Hire 3rd Party operator for CSR operations.
- 160 hours per day front line staff (58,400 hours)
- CSR cost shared between Taxis and all VFH operations
- 4 ATO's dedicated to traffic Island

Trip Fee* Build	TAXI CABS			VFH - supershuttle			VFH - Other Shuttles		
	FY16	FY17	FY18	FY16	FY17	FY18	FY16	FY17	FY18
Base Fee	1.77	1.83	1.82	1.77	1.83	1.82	1.77	1.83	1.82
CSR Fee	1.61	1.63	1.70	6.42	6.53	6.79	6.42	6.53	6.79
Hold Lot	-	0.33	0.32	-	0.33	0.32	-	0.33	0.32
ATO - Traffic Island	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49	0.49
Shop Tests	0.02	0.02	0.02	0.23	0.24	0.23	0.23	0.24	0.23
Taxi Fee (Cashier, Auto System )	0.08	0.07	0.07	-	-	-	-	-	-
	<b>\$ 3.97</b>	<b>\$ 4.37</b>	<b>\$ 4.43</b>	<b>\$ 8.92</b>	<b>\$ 9.41</b>	<b>\$ 9.66</b>	<b>\$ 8.92</b>	<b>\$ 9.41</b>	<b>\$ 9.66</b>

\*Actual Trip Fees for FY16-FY18 will be established and set during the FY16 budget process

# AIRPORT GROUND TRANSPORTATION FINANCIAL AND OPERATIONAL TOPICS



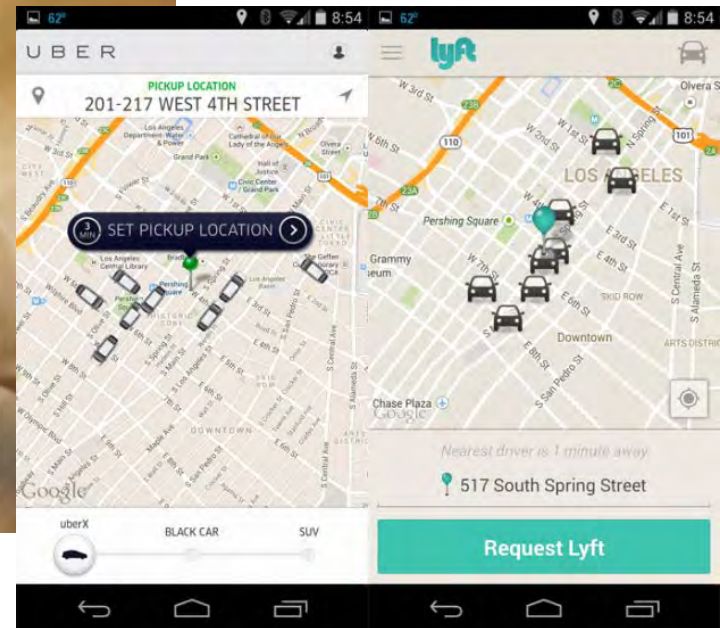
# SECTION 3

# TRANSPORTATION

# NETWORK COMPANY (TNC)

# PERMIT CRITERIA

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# Introduction

- A Transportation Network Company (TNC)- an organization, whether a corporation, partnership, sole proprietor or other form, operating in California providing transportation services for compensation using an online-enabled application (app) or platform to connect passengers with drivers using their personal vehicles. All TNC transportation services must be prearranged through the use of the app or an on-line enable device.
- TNCs are Charter Party Carriers, regulated by the California Public Utilities Commission (PUC) which has oversight responsibility for public safety and enforcement.
- TNC Permit Application pursuant to Public Utilities Commission § 5384(b) and Commission Decision 13-09-045 are in effect.
- TNCs are not permitted to own vehicles used in their operations or to own a fleet of vehicles.

# TNC Background

- TNCs aka Uber, Lyft, Sidecar, etc.
- Compete with taxi cabs, shuttles for hire, limousines
- The PUC has limited enforcement efforts to ensure TNCs operate within the regulatory requirements
- TNCs are not authorized to operate on airport property. The Airport began citing TNCs for illegal airport operations in January 2014 and have issued 55 UBER-X citations and 51 LYFT citations (as of 9/23/14). HPD and the MTS issued 14 citations in May during a one night Airport operation.
- The Board approved Authority Code changes to increase the citation fee from \$67 to \$250.
- Authority Board requested staff to develop a TNC permit.

# Oversight, Regulation and Enforcement

## California Legislature

- AB 2293 enacts specific requirements for liability and other insurance coverage for TNCs and their participating drivers. This bill required \$1M from the moment a passenger enters until exit and \$200K for all other times the driver is operating as a TNC.

## PUC Regulations

- DECISION 13-09-045 “Decision Adopting Rules and Regulations to Protect Public Safety While Allowing New Entrants to the Transportation Industry (Sept. 23, 2013) outlined specific TNC operational requirements
- PROPOSED DECISION MODIFYING DECISION 13-09-045 clarified the definition of TNC services and the insurance requirements while TNC services are provided.



# Oversight, Regulation and Enforcement

## Airport Enforcement

- Cease and desist letter sent to TNC representatives on July 29, 2014
- Ongoing enforcement and citation issuance- 95 airport citations have been issued as of 9//14 and 14 HPD/MTS tickets were issued in May 2014.
- Plan to further coordinate and expand enforcement actions with HPD and the PUC.

The TNC Permit Criteria discussed in this presentation will be incorporated into an SDIA Permit Application, made available to interested TNC applicants and used for Airport enforcement

# Oversight, Regulation and Enforcement

## Taxicabs (Local/City, County Transportation)

- Metropolitan Transit System (MTS) - Licensing, Inspection and Enforcement (Inspectors)
- San Diego County Sheriff's Dept.- Driver & vehicle background checks
- San Diego County Weights and Measures- Meter/Fare accuracy

## Charter Party Carriers (Limousines and Charter Vehicles), Passenger Stage Corporations (Shuttle Vans) and Transportation Network Companies (Intra state transportation)

- California Public Utilities Commission (PUC) - Licensing, Inspection and Enforcement (Investigators)
- California Highway Patrol (CHP) - Inspection and Enforcement (Police)

# Oversight, Regulation and Enforcement

## Airport Permits

ATOs enforce the Airport Rules and Regulations and Ground Transportation Service Permits

- Taxicab vehicles permit holders are issued an annual Airport GT Vehicle Permit in addition to the MTS license and inspection.
- Taxicab drivers are issued an annual Airport GT Driver Permit (with a full background check) addition to the Sheriff's license.
- Charter and Limousine Vehicles are issued an annual Airport GT Permit in addition to the required PUC Transportation Charter-Party (TCP) number; a waybill is required to show a pre-arranged ride.
- Charter and Limousine Drivers are not required to obtain an Airport GT Driver's Permit (driver's background checks are completed by the Vehicle Permit Holder)

# Oversight, Regulation and Enforcement

## California Public Utilities Commission

- The PUC responds to and investigates complaints of unsafe, unlicensed, and uninsured carriers, and responds to complaints against licensed carriers concerning fitness, overcharging, discriminating in service, failing to provide service, or failing to respond to customer complaints.
- Public Utilities Code § 5360 states in part (subject to the exclusions of § 5353) “charter-party carrier of passengers” means every person engaged in the transportation of persons by motor vehicle for compensation, whether in common or contract carriage, over any public highway in this state.
- PUC administrators propose placing a PUC investigator in San Diego to assist SDIA’s enforcement of the PUC’s regulations.

# PUC Safety Requirements

- a) TNCs shall maintain commercial liability insurance policies providing not less than \$1,000,000 (one million dollars) per-incident coverage. The proposed PUC insurance decision:
- TNC services are divided into three periods. Period One (1): App on – waiting for a match; Period Two (2): Match accepted, but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger); Period Three (3): Passenger is in the vehicle until the passenger safely exits the vehicle.
  - A minimum of at least \$1 million primary commercial insurance is required for Period 2 & 3.
  - A minimum of at least \$100,000- \$300,000 for personal injury and \$50,000 for property damage of excess commercial insurance for Period 1.

Airport Note: Since many TNC drivers however, use the Airport's Cell Phone Lot as a staging area (cell phone lot entry would constitute intent to conduct commercial business Period 1) or proceeding to the airport curbside pick up (Period 2), the Airport is requesting the same insurance coverage as Period 3.

## PUC Safety Requirements (cont.)

- b) TNC drivers shall be required to provide proof of both their personal insurance and the commercial insurance
- c) TNCs shall perform criminal background checks on each TNC driver before the driver begins offering service.
- d) TNCs shall institute a zero tolerance intoxicating substance policy
- e) TNCs shall obtain each TNC driver's driving record before the driver begins providing service and quarterly thereafter.
- f) TNCs shall establish a driver training program

## PUC Safety Requirements (cont.)

- g) TNC drivers must possess a valid California driver's license, be at least 21 years of age, and must provide at least one year of driving history before providing TNC services.
- h) TNCs may only use street-legal coupes, sedans, or light-duty vehicles
- i) TNC drivers are prohibited from transporting more than 7 passengers
- j) The app used by a TNC to connect drivers and passengers must display for the passenger: 1) a picture of the driver, and 2) a picture of the vehicle the driver is approved to use, including the license plate number to identify the vehicle.



## PUC Safety Requirements (cont.)

- k) TNC vehicles shall not be significantly modified from factory specifications
- l) Prior to allowing each TNC driver to operate a vehicle, and annually thereafter, a TNC must inspect the driver's vehicle, or have the vehicle inspected at a facility licensed by the California Bureau of Automotive Repair, and maintain complete documentation of such inspections. A TNC driver's vehicle must, at a minimum, pass a 19 point inspection prior to allowing the driver to operate the vehicle under the TNC's platform

# PUC Regulatory Requirements

- a) TNCs (not the drivers) must be permitted by the Public Utilities Commission before operating as a TNC.
- b) TNCs shall clearly disclose, on their app and website, that TNCs facilitate rides between passengers and private drivers using their own personal vehicles.
  - Additionally, the proposed disclosure states each TNC is required to maintain insurance policies providing a minimum of \$1,000,000 (one million dollars) per-incident coverage for incidents involving vehicles and drivers while they are providing TNC services.
- c) TNC drivers may only transport passengers on a prearranged basis.
- d) TNCs shall participate in the California Department of Motor Vehicle's Employer Pull Notice Program

## PUC Regulatory Requirements (cont.)

- e) TNCs shall obtain proof of insurance from each TNC driver before the driver begins providing service
- f) TNCs shall allow passengers to indicate whether they require a wheelchair-accessible vehicle or a vehicle otherwise accessible to individuals with disabilities.
- g) TNC shall submit to the Safety and Enforcement Division a report detailing the number and percentage of their customers who requested accessible vehicles, and how often the TNC was able to comply with requests for accessible vehicles.
- h) TNC vehicles shall display consistent trade dress

## PUC Regulatory Requirements (cont.)

- i) Although TNCs may provide platforms allowing drivers and passengers to “rate” each other, TNCs shall ensure that such ratings are not based on unlawful discrimination, and that drivers do not discriminate against passengers or potential passengers on the basis of geographic endpoints of the ride, race, color, national origin, religion, sex, disability, age, or sexual orientation/identity.
  
- j) Each TNC shall submit to the Safety and Enforcement Division a verified report detailing the number of rides requested and accepted by TNC drivers within each zip code where the TNC operates; and the number of rides requested but **not** accepted by TNC drivers within each zip code where the TNC operates.

## PUC Regulatory Requirements (cont.)

- k) Each TNC shall submit to the Safety and Enforcement Division a verified report detailing the number of drivers that were found to have committed a violation and/or suspended, including a list of zero tolerance complaints and the outcome of the investigation into those complaints.
- l) Each TNC shall also provide a verified report of each accident or other incident that involved a TNC driver and was reported to the TNC, the cause of the incident, and the amount paid, if any, for compensation to any party in each incident.
- m) Submit to the Safety and Enforcement Division a verified report detailing the average and mean number of hours and miles each TNC driver spent driving for the TNC.

## PUC Regulatory Requirements (cont.)

- n) Upon request, drivers shall display to airport enforcement officers, law enforcement, or city or county officials a physical or electronic record of a ride in progress sufficient to establish that it was prearranged.
- o) If a passenger files a complaint against a TNC or TNC driver with the PUC, PUC staff shall have the right to inspect TNC records and vehicles as necessary to investigate and resolve the complaint to the same extent the Commission and Commission staff is permitted to inspect all other charter-party carriers.
- p) TNCs shall not conduct any operations on the property of or into any airport unless such operations are authorized by the airport authority involved.

## PUC Regulatory Requirements (cont.)

- q) Similar to PUC regulations over limousines one-third of one percent of the total revenues from TNC services in California shall be collected on a quarterly basis as part of overall fees.

TNCs that fail to adhere to these requirements may have their permits revoked or be otherwise subject to sanctions by the Commission. The PUC is authorized to conduct inspections of charter-party carriers including TNCs.

Sections 5411 to 5420 of the Act contain relevant provisions regarding issuing fines and penalties. In addition, the PUC has established a citation program in Resolution ALJ-187, which provides a process by which the Commission may issue fines, carriers may appeal fines, and the Commission may hold a hearing pursuant to that appeal.

# Airport Commercial Operator Feedback

- PUC has not provided sufficient resources or funding to oversee (enforce) TNC requirements.
- SDIA is pursuing the permitting of TNCs ahead of all other Airports (except SFO). BNA has issued a TNC permit.
- TNC Driver permits are subject to abuse and misuse.
- TNC Vehicles are not inspected to the requirements of other commercial vehicles modes.
- TNC insurance (policy) is not available for public inspection and confirmation of coverage.
- TNCs “surge pricing” is inconsistent with approved and published fares.
- Commercial license plates are not required for TNCs.



# Airport TNC Permit Requirements

SDIA is proposing a TNC Pilot Program with applicable permitting requirements and ongoing vehicle and driver oversight

## TNC Permit Requirements

- |  |                                       |
|--|---------------------------------------|
| • Automobile Insurance & Liability   | • Alternative Fuel/Clean Air Vehicles |
| • Driver Background Check & Airport Permit                                 | • Vehicle permit and trip fees        |
| • Vehicle inspection, Registration and Airport Permit                      | • Trade Dress                         |
| • Pilot Program  | • TNC Contact                         |
| • Records, Reports, Audits and Disclosures                                 | • ADA Compliance                      |
| • Positive identification- Driver, Vehicle, Permit Decal/Sticker, TNC Logo | • Generally Prohibited Activities     |
| • Airport Permitted Use  | • Hold Harmless and Indemnification   |
| • Vehicle Age Limits   | • Permit Transferability              |

# Airport Permit Requirements

- ✓ Automobile liability insurance - a \$1 million commercial automobile insurance policy with the Airport Authority named as an additional insured is required.
- ✓ PERIOD 1: TNC drivers enters and waits at the Airport's cell phone lot - TNC app open waiting for a match,
- ✓ PERIOD 2: Match accepted – but passenger not yet picked up (i.e. driver is on his/her way to pick up the passenger) and
- ✓ PERIOD 3: Passenger in the vehicle and until the passenger safely exits the vehicle.
- ✓ Driver Background Check - Department of Justice (DOJ) criminal background checks to check the driver's criminal history plus a Security Threat Assessment (STA) that includes checks against criminal history records, terrorist watch lists, and immigration status.

# Airport Permit Requirements

- ✓ Vehicle Inspections- Annual TNC inspections and road tests of the driver's vehicle or have the vehicle inspected and road tested at a facility licensed by the California Bureau of Automotive Repair, and submit the vehicle inspection as part of the permit process. A TNC driver's vehicle must, at a minimum, pass a 19 point inspection prior to allowing the driver to operate the vehicle under the TNC's platform
- ✓ Pilot program- Program duration of at least 1 year to determine program efficacy, verify activity data, review operational performance and resolve enforcement issues.
- ✓ Issued permits- limit the number of vehicle and driver permits to a designated amount to determine pilot program efficacy, verify activity data, review operational performance and resolve enforcement issues
- ✓ TNC Audits, data and disclosures- as required by the PUC and the Airport (especially as they relate to airport trips)

# Airport Permit Requirements

- ✓ Driver and vehicle identification- an Airport sticker/decal, driver's picture, vehicle picture, and a airport-issued transponder (visible to ATOs and HPD) shall be consistently and prominently displayed.
- ✓ Permitted Use- TNC Drivers will be allowed to pick up only at designated locations (strictly enforced)
- ✓ Vehicle Age Limits- Vehicles shall conform to the Airport's vehicle age limit and inspection requirements.
- ✓ Alternative Fuel and Clean Air Vehicles- Vehicles shall be compliant with the Airport's clean air and alternative fuel vehicle requirements.

# Airport Permit Requirements

- ✓ Trade dress- Consistently and prominently displayed as per PUC requirements and subsequently verified by the Airport (vehicle cited if more than one TNC trade dress is displayed).
- ✓ Passenger Fares and “surge” pricing- TNC to report to surge pricing times to the Airport.
- ✓ Airport “hold harmless” and indemnification- as per standard Airport permit language.
- ✓ Permit and trip fees- TNC drivers will be charged for all TNC related permit application fees (background checks, transponders, decals) and a per vehicle Airport trip fee.
- ✓ Vehicle and Driver Permit Transferability- Airport permits cannot be transferred or assigned under any circumstances.

# Summary

- TNCs will continue to expand their commercial vehicle transportation market share and customer appeal. They are well funded, marketed very aggressively and using new and potentially disruptive technology.
- Staff has received taxicab, vehicle for hire and limousine stakeholder feedback regarding the TNC permit requirements.
- The Airport remains committed to ensuring all passengers are provided a safe, convenient, customer-focused and responsive ground transportation system and services.
- The Airport also wants to ensure a “level-playing field” for all Airport commercial transportation providers.

## Next Steps

1. Board approval of the TNC Permit criteria as outlined in this presentation (October 2, 2014).
2. Work with General Counsel to develop an Airport TNC permit (October- December 2014).
3. TNC permits available by January 1, 2015.
4. Determine appropriate number of “pilot” permits
5. TNCs sign permits by TBD.
6. Implement and evaluate Operational (curbside), Administrative (Permitting) and Enforcement (Code Compliance) procedures (one (1) year from date that TNC operations begin).

# TRANSPORTATION NETWORK COMPANIES (TNC) PERMIT CRITERIA





# SECTION 4 TAXICAB AND VEHICLE FOR HIRE (VFH) MEMORANDUM OF AGREEMENT (MOA) REQUIREMENTS, RESPONSIBILITIES AND CONSEQUENCES

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# Background

- Three (3) year MOA to improve the Airport's taxicab and Vehicle for Hire (VFH) service.
- The original MOAs expired in April 2014 and were extended to 10/31/14 to develop and agree to specific requirements, responsibilities with consequences/penalties.
- The MOA requirements and responsibilities were presented and approved at the July 2014 Board meeting providing the foundation for a revised MOA framework.
- The revised MOA will be structured with specific performance criteria along with applicable data collection methods, reporting frequencies and stakeholder communications.
- Penalties and consequences will be created that are consistent with Airport Codes, Ordinances, Rules and Regulations as well as the associated administrative penalties.

# Requirements

1. Vehicle Safety, External Condition & Appearance
2. Driver Training, Personal Appearance, Courtesy, Professionalism, Safety and Compliance
3. Taxi Cab and Shuttle Van Availability
4. Passenger Wait Times
5. Vehicle Modernization
  - a) Credit Card equipment and processing
  - b) Technology, systems, equipment and operational updates
  - c) AFV/CAV Conversion
6. Dispatch Operations and CSR Personnel
7. ADA Compliance
8. Industry Communication and Collaboration
  - a) Other Operational Improvements
  - b) MOA Review and Evaluation

# Responsibilities and Consequences

- Same MOA responsibilities and consequences for both taxicabs and vehicle for hires/shuttles
- MOA Responsibilities for
  - Permitted driver
  - Permit owner
  - Consortium
  - Airport Authority and Consortium (Joint)
- Escalating consequences (in accordance with Airport Rules and Regulations, Administrative Penalties, Section 7.7)
  - Driver: warnings
  - Driver: permit suspension
  - Driver: permit revocation
  - Vehicle Permit Owner: warnings
  - Vehicle Permit Owner: permit suspension
  - Vehicle Permit Owner: permit revocation
  - Consortium consequence/ penalty notifications: Board notifications

# Vehicles

- Requirements: Taxicab and Vehicle for Hire shuttle vehicles will conform to all designated state and local safety regulations and the Airport's Rules and Regulations.
- Challenges: 1) Driver and permit holder follow-up and compliance; 2) Airport enforcement
- Consequences/Penalties
  - Verbal warnings
  - Out of Service (escalating)
  - Permit Holder notifications
  - Written corrective action (from Permit holder)
  - Permit revocation
  - Semi-annual Board updates

# Drivers

- Requirements: Taxicab and VFH Drivers will conform to all local, county and state regulations and the Airport's Rules and Regulations.
- Challenges: 1) Driver and permit holder follow-up and compliance; 2) Airport enforcement
- Consequences/Penalties
  - Verbal warnings
  - Out of Service (escalating)
  - Permit Holder notifications
  - Written corrective action (from Permit holder)
  - Permit revocation
  - Semi-annual Board updates

# Vehicle Availability

- Requirement: Taxi and Shuttle Vehicle will be available to meet customer demands and needs for the defined operational period.
- Challenges: 1) Data collection tools and methods to accurately track availability; 2) Unplanned circumstances/events; 3) AVI accuracy; 4) Taxicab schedules and coordination with the Airport's flight schedule and passenger loads; 5) Hold Lot capacity; 6) CSR Dispatch personnel option (approved by Board).
- Consequences/Penalties
  - Verbal warnings
  - Permit Holder notifications
  - Written corrective action (from Permit holder)
  - Semi-annual Board updates

# Airport Passenger Wait Times

- Requirement: Passenger wait times not to exceed 10 minutes for the defined operational period.
- Challenges: 1) Data collection tools and methods to accurately track passenger wait times; 2) Unplanned circumstances and events; 3) Taxicab schedules and coordination with the Airport's flight schedule and passenger loads; 4) Hold Lot capacity; 5) CSR Dispatch personnel option.
- Consequences/Penalties
  - Verbal warnings
  - Permit Holder notifications
  - Written corrective action (from Permit holder)
  - Semi-annual Board updates



# Systems, Equipment and Operations Modernization

- Requirement: 1) Approved credit card equipment and transaction processing; 2) Electronic system for collecting passenger reservation and vehicle assignment data; and 3) Vehicle GPS equipment
- Challenges: 1) Competing credit card equipment technologies; 2) Driver resistance to use of approved credit card equipment; 3) Modernization investment costs.
- Consequences/Penalties
  - Verbal warnings
  - Out of Service (escalating)
  - Permit Holder notifications
  - Written corrective action (from Permit holder)
  - Permit revocation
  - Semi-annual Board updates

# Vehicle Modernization

- Requirement: All vehicles converted to alternative fuel or clean air by July 1, 2017
- Challenges: 1) Vehicle costs; 2) Reduced incentives and escalating premium fees; 3) Limited availability of grants and financing options
- Consequences/Penalties
  - Permit Holder notifications
  - Written corrective action (from Permit holder)
  - Permit revocation
  - Semi-annual Board updates

# Dispatch Operations and CSR Personnel

- Requirement: CSR Taxicab and VFH shuttle personnel that provide the highest level of customer service, professional conduct and efficient and efficient vehicle dispatch.
- Challenges: 1) Board direction on CSR option; 2) Added costs to implement upgraded CSR duties and responsibilities; 3) New Taxi and Shuttle Hold Lot
- Consequences/Penalties
  - Established via contractual terms and conditions

# ADA Compliance

- Requirement: ADA capable vans and qualified drivers provided within a 30- 45 minute or less response time.
- Challenges: 1) Consistently available ADA vehicle and driver from a qualified ADA provider; 2) Vehicle investment; 3) ADA vehicles are not AFV/CAV enabled.
- Consequences/Penalties
  - To be determined by April 2015

# Communication and Collaboration

- Requirement: Airport and MOA consortium representatives, permit holders and drivers will consistently and collaboratively work together to improve the SDIA's ground transportation operations and systems.
- Challenges: 1) Challenging and complicated issues;  
2) Airport improvements and changes/upgrades to the Ground Transportation equipment, processes and systems
- Consequences/Penalties
  - Not applicable

# Summary and Next Steps

- Construct and formally agree to the newly revised Memorandum of Agreement before January 1, 2015.
- Vehicle and Driver violations- data collection and communication starting January 1, 2015; begin imposing consequences and penalties as of April 1, 2015.
- Vehicle availability and passenger wait times- establish data collection and reporting from Jan. 2015- June 2015; issue warning June 2015- August 2015; impose penalties and consequences September 2015.
- Vehicle modernization- compliance with credit card equipment standards starting January 1, 2015; vehicle conversion incentives and premiums imposed as per FY schedule.

## Next Steps

- Taxi cab and Shuttle Van Dispatch CSR option implementation- RFP solicitation and contractor selection Nov. 2014- June 2015; Implementation beginning July 1, 2015.
- ADA- Service plan developed before April 1, 2015.
- Taxicab and Vehicle for Hire communication and collaboration- monthly meetings to continue; driver “appreciation” events 2-3 times per year.

# TAXI AND VEHICLE FOR HIRE MEMORANDUM OF AGREEMENT (MOA)- REQUIREMENTS RESPONSIBILITIES AND CONSEQUENCES





**ITEM 16**  
**GROUND TRANSPORTATION**

**COMMUNICATIONS RECEIVED FROM THE PUBLIC**

## Real Sara

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**Subject:** FW: Airport Authority meeting

> On Sep 21, 2014, at 2:24 PM, Giuseppe Terranova <[gterranova2@gmail.com](mailto:gterranova2@gmail.com)> wrote:

>

> My name is Giuseppe Terranova and I am President of Baharia Shuttle LLC. I manage 5 Supershuttle vans and 8 drivers operating at the San Diego International Airport. I have been working in the shuttle industry since early 2000. I started as driver working for Xpress Shuttle and when (almost 10 years later) Supershuttle acquired Xpress Shuttle, I didn't have much choice between switching to Supershuttle or being out of work. Since I love to drive. I started working with Supershuttle buying one van and driving it myself, and now I still drive and manage 5 vans. I think that being working around the san Diego Airport for almost 15 years, gives me a deep knowledge about the Shuttle operations around the Airport. I personally think that the current Ground Transportation management s not concern much about how those changes that they want propose to the Board Of Directors, would have a negative impact on Airport Customer Service at the Shuttle Islands and probably will affect negatively every Supershuttle Franchise Owner and driver income.

> Supershuttle Franchisees cannot afford to pay a \$7 - \$10 Loop fee every time they Circuit the Islands or pay for other Companies CSRS for the following reasons that in my personal opinion are correct and I hope that you folks will agree with me and will have a wider knowledge of the Shuttles operations.

> Just to start, I think that Supershuttle operates at the Airport with a Reservation system. Our daily reservations probably covers 80% of our daily business.

> In the other hand, our competitors operate at the Island with very few reservations. In my opinion, Unfortunately most of these Companies trough all these years have not upgraded the way they do business at the Island and usually the only reason why they fill up their vans is due to lack of taxis and taxis customers waiting at the Islands encouraged by CSRS to use them, (not fair for taxi business) and sometimes pay as much a taxi ride cost but with much longer travel time to final destination (if you consider that when we have conventions with larger number of attendants), the competitors can load as many as 10 (or even more) hotel guests in each shuttle. Another way for Supershuttle competitors to get passengers is trough soliciting done by the individual drivers or sometimes even by CSRS that solicit for them. Supershuttle has tried to uncover all these illegal acts performed at the Shuttle Islands and even offered to install surveillance cameras at the Island to have evidences of what happens there. Apparently Airport management has denied that request for obvious reasons. I personally have taken several pictures and video about competitors or CSRS soliciting and emailed to Supershuttle manager Mike Forbush requesting to him to do something about that. I think that there is a will from the Airport management to help the competitors to stay in business even if they don't do any marketing to generate their own business or update their equipments. I think that In case the Loop fee would be implemented Supershuttle drivers would have pay an average of \$100 every day (because Supershuttle has 10 times more reservations then competitors) and competitors would have to pay probably \$20 per day. Going 10 times to the shuttle Island doesn't necessary means generating more money for us. A lot of times we take 1 pax to downtown hotel for \$6 or even less (if is prepaid or part of Group that has extra discount) and the competitors take full vans for \$10 per person (cash) to the same destination. Thank you for letting me express my personal opinion about Shuttle business at the san Diego Airport.

> Sincerely

>

> Giuseppe Terranova

**Gehlken Linda**

**From:** Sandor Vitok <vitoktransportation@gmail.com>  
**Sent:** Sunday, September 28, 2014 8:43 AM  
**To:** dalvarez@sam.org; Smisek Tom; Hubbs Lloyd; Robinson Paul; Sessom Mary; Cox Gregory; Desmond Jim; Gleason Robert  
**Cc:** mforbush@supershuttle.com  
**Subject:** airport , loop charge , gsr service

Dear Board Member!

My name is Sandor Vitok , My company is Vitok transportation LLC. Have 7 partners and we are doing business as Supershuttle.

I'm small business owner like every other shuttle company at airport operating under a different business name, like primetime,advance shuttle, easy ride,and others.

I believe you receiving false information about what happening at shuttle island.

I started working at airport 2009.That time third party operating shuttle island (ace parking).

I did experience many time corruption. driver paying of the people at island, I was put on circuit to go town country shuttle island csr hold ed back 7 people from and called in different shuttle , I find out later other driver was her boy friend.

Still today some level corruption pay of going a round many independent shuttle driver have most of the csr phone number.man thing is still solicitation going on. Airport authority wont admitted this.

Our competition at airport do not have modern business model,some don't have working website, 24 hours phone service and so.every date has show their violating airport rules and that is just small percentage what was cut.

I was first operator who went out and purchased cng van \$ 54000 at door I was promised by airport 5 years free sticker two year later I have to pay a round \$750.we did not come and complaint we understand cost of doing business.

Also we do receiving hostile attitude from ace csr's.At holding lot we don't have hot water, aircondition,paper tile so cheap touched by wet hand will fall parts. airport say we destroy the bath room my calculation list 1600 times use daily.

The new proposal will this destroy our business the added cost will make us not able to make living proposed loop charge will force my out of business. My three van going true about 17 times  $17 \times 8 = 136$  dollars.weekly \$ 952

Yearly over \$49000 . Don't know how anyone think I can"T pay 30% out for loopcharge,of my revenue coming from the airport. other side revenue coming into airport any one can drop of no fee No other airport charge this much for loop charge.

LAX is small yearly fee and \$ 6.50 per loop no time limit shuttle can go round on the on the horseshoe, nick name for the terminals my average revenue going out less than \$50 dollars LAX lot more than \$200 per trip. Supershuttle has Little over 200 reservation going out from the port LAX over 3000 we have 67 vans LAX is more than 200 vans.

I can"t figure out who is beyond this, any person with authority try to manipulate market, who is survive.why one person business different treatment than others.

**BOTTOM LINE IS THIS PROPOSAL IS BAD FOR THE OPERATORS AND CUSTOMERS.**

The quality of the service will decline wait time will increase Create e again opportunity for corruption and other problems..

Further will increase our price prox. 10- 15% than we all have to deal with public .I'm already told some of our regular customer"s their reaction was simply outrage.

Supershuttle drivers has been show discipline at airport very little violation done by our people. I can"t say this about other side,their committing more than 90% of the violation

We are already working 12 hours or more ,already very difficult to find dependable safe ,courtesy people for driving job.

I can write 5 page letter for you with all the bad effect ,what this new rule implement.Please vote no on this matter and give time for better solution.

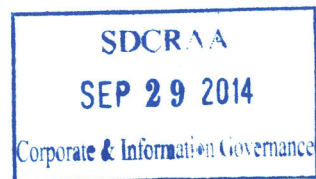
Sincerley Sandor Vitok



## Gehlken Linda

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**From:** EileSquir@aol.com  
**Sent:** Sunday, September 28, 2014 1:22 PM  
**To:** Alvarez David  
**Cc:** Gleason Robert  
**Subject:** Airport Authority Board Vote on Oct 2, 2014



Eileen Squires  
Esquires Shuttle Services  
Contracted Relief Driver for SuperShuttle Franchise Robert A. Miller Inc.

Dear Mr. Alvarez,

As resident in your area, 30 th & L St, you've been to my home a few times and I want to tell you some of my thoughts on the proposals from the Airport staff and how the vote will affect my business. My background is that I have been driving for 13 years starting with Cloud 9 as an employee, becoming Owner/operator for 8 years, and the past 4 years contracted operator under Cloud9 SuperShuttle Franchise owner Robert A. Miller, Inc.

The issues:

1. Hiring a 3rd party vendor to manage the islands.

I understand the concept, a 3rd party not linked to any company being paid directly or indirectly "under the table" on or off site.

The procedure in place now has evolved to be quite efficient and would be almost flawless with a few changes like an ATO, cameras, and enforcement of infractions on the islands.

The proposal will mean one person doing the job currently done by 2 - 3. There will be people losing their jobs and an unseasoned, minimum wage person who may or may not be well acquainted with San Diego County and it's freeways taking their places. This person is expected to get these folks on appropriate vans, going the appropriate direction and in a timely manner. There will be a good 6 mo. learning curve for this person and when there's high traffic coming to the island and they're overwhelmed, historically they will go to drivers for advice.

Our CSR's make more than minimum wage, they're trained with backup, they have benefits and most are full time. Yes, our driver's have been known to be out of their vans standing at the booth by our CSR's. SuperShuttle San Diego has requested numerous times for a Traffic Officer to be stationed on the islands. This would curb infractions from anybody. It would also be way less expensive than paying for a whole new vendor and the infrastructure that goes with it. Which leads to issue 2.

2. Changing the yearly permit fees to loop charges.

I'm aware the charge would be dependent on the decisions made. Please indulge me and let me make this real to you.

I am self-employed as a Contracted operator under the franchise owner. My contract with him is I pay 55% of the revenue I draw through the van to him and I pay for my own gas. What he, the owner, gets is used to pay all the expenses like van payment, ins, port fees, PUC fees, registration, SuperShuttle fees, maintenance etc. Mind you other owners take MORE percentage for their costs from their operators. Right now this equates, for me, average \$10/hr take home. I share the van and I have access to it for 12 hours.

There are times of being in the holding lot and shuttle island for 3 - 3 1/2 hrs to finally be 1st van up and then get 1 person in the 15 min. window going to a voucher hotel on Pacific Highway for \$5.00, or worse, 1 person to a hotel in Carlsbad with our contracted rate of \$33. That means \$14.85 in my pocket for 4 - 5 hours out of my 12 hours. Remember I have to pay for gas too, So going to Carlsbad, that's roughly 66 miles RT & in our van that's about 5 gallons x 3.59/gal (at Costco in our hood) = \$18.00. I haven't even addressed the loop fee yet! Not only did I not make any money, that trip through the port cost me \$3.15. Obviously, and luckily not all trips through the port are like that, but I hope that puts some perspective on this issue.

Right now in my contract with the franchise owner the port permit fees are covered in the 55% he receives from the revenue I draw. He pays roughly \$990 a year right now for that permit. Even if you let us keep our own (SuperShuttle CSR) and the loop fee is \$2.00 & we go through the port on average 4x's a day, that's \$2,912 a year - \$990 = \$1,922 more a year out of his pocket. Without our CSR and Port's talking \$7.00 a loop, that means \$10,192 a year - \$990 = \$9,202 more out of pocket a year. Mr. Alvarez, where do you think Robert A Miller, Inc. ( and all the other franchise owners) are going to make up that difference? He will be looking at either not being able to make all his expenses &/ or he will have to take from my percentage.

Now I also have to consider this new fuel tax, what \$.30 more per gallon? Quite frankly I will have to quite being self employed and look for a job, not easy here as I don't speak Spanish! So I will be going from self-employed productive person to unemployed. That's the reality to me and I believe several other competent, customer service oriented shuttle van operators .

3. If you purchase an alternative vehicle after Oct. 2014 you get 50% off your loop fees, but if you already own one, you will not get this discount.

Really? For about 2 years the franchise owners at Cloud9 SuperShuttle have been told they HAVE to convert to CNG vans to be in compliance with The Port. Many of the owners have been proactive and done just that, they purchased CNG vans. Now you want to discount their compliance and costs and it seems subsidize our competitors?

Please, Mr. Alvarez, keep in mind my thoughts when you vote:

Having one new third party CSR for all companies will be detrimental to my business and the traveling public experience. The loop fee vs port permit will put me and others out of business. Fairness across the board with Port regulation compliance.

Respectfully yours,

Eileen Squires

**Gehlken Linda**

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**From:** Tiklepink@aol.com  
**Sent:** Sunday, September 28, 2014 8:32 PM  
**To:** Gleason Robert  
**Cc:** Tiklepink@aol.com  
**Subject:** Proposed San Diego Internal Airport Shuttle per-trip fee ("Loop Fee") CSR/GSR



September 28, 2014

To: San Diego International Airport Advisory Board

RE: Proposed San Diego Internal Airport Shuttle per-trip fee ("Loop Fee") and CSR/GSR Options

I'm writing this so you may understand the impact of the proposed changes for the San Diego International Airport, regarding the "Loop Fee", CSR/GSR Options and to have your support to vote against the proposed changes by the San Diego Internal Airport; as the spouse and co-owner of a Super Shuttle ADA franchise. This change will impact local Shuttle and Taxi franchise owners, San Diego County's tourism, and San Diego County's convention business and economy. Super Shuttles is a franchise business with owner operators who for the most part operate one to two vehicles. Operators and owners struggle already to make an income that will maintain support for their business and family's daily needs.

These purposed changes would add additional fees which would cause an increased hardship on the business as well as the other Shuttle Franchise Owner/Operators. It would ultimately drive customers to make alternate arrangements for transportation. This would force the franchise owner/operators to figure how not to do business with the San Diego International Airport. This action would drive down customer service, response time for customer standing at the curb with luggage waiting until someone who is willing to pay the additional fee to come into the airport. This fee increase will force us to walk away from our business, impacting the business owner's families and customers of the airport traveling on personal and/or business. By us closing or refusing to go into San Diego Airport as an ADA van to pick up passengers this will direct impact disabled passengers flying into San Diego Airport.

The additional fee cost would add to the overall cost of fuel, fees for the franchise, and maintenances operational cost. Currently we are paying to San Diego International Airport a fee of \$992.00 per year. With the increased fees it would increase operational cost between \$6,500.00 and \$36,500.00 yearly for our one franchise; based upon our average of 6 to 10 trips a day out of San Diego Airport 365 days a year.

Example as of September 28, 2014 for Super Shuttle fee for one person:

From: San Diego International Airport  
To: Town and Country Resort & Convention Center  
500 Hotel Cir N, San Diego, CA 92108  
Round Trip: 14.0 miles  
Super Shuttle Standard Fare: \$11.00  
Proposed Loop Fee: \$10.00  
Cost using Standard Mileage Rates (\$0.56/mile): \$7.84  
Total cost to business: -\$6.84 (already without discounts, or additional fees)

Thank you for your time and I hope that you will vote against the per-trip fee ("Loop Fee") and CSR/GSR Options.



Susan Mullaney Cell: 858-722-2915

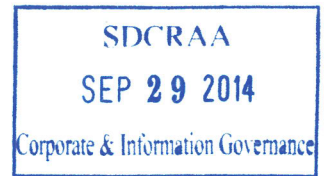
**G&S Mullaney, Inc. DBA Super Shuttle ADA Van #780**



## Gehlken Linda

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**From:** Gmmull@aol.com  
**Sent:** Sunday, September 28, 2014 9:15 PM  
**To:** Gleason Robert  
**Cc:** gmmull@aol.com  
**Subject:** Proposed Loop and CSR/GSR Options fees



September 28, 2014

To: San Diego International Airport Advisory Board

My name is Gregory Mullaney. My company name is G & S Mullaney, Inc. as a franchise under Super Shuttle. I operate one ADA vehicle with two operators. As an owner and operator (for over ten years) of a vehicle at the San Diego Airport I have been able to make a very good living; which has allowed me to support my family.

Being a veteran who is unable to work in the field that I was trained for in the military (Air Traffic Control) and my age now; it would be very difficult to find a new job that would allow me to make the income I need to support my family and business.

The purposed changes that the airport staffs are going to recommend at the next board meeting will cost my company a very large debt and operational cost increase that I will not be able to incur. If these purposed options are approved and put into action. I would not be able to operate my shuttle out of the airport because of the higher cost.

Changing from the current CSR/GSR System, to one of the five options that will be purposed and charging to a per loop fee instead of the current system will increase my cost. Just for doing business with the San Diego International Airport from \$1,000.00 per year to between \$6,570.00 up to \$36,500.00. These numbers are based on a fee of \$3.00 to \$10.00 a trip and six to ten trips per day by my shuttle.

If this is going to happen to all companies, there will be no shuttle service from the San Diego International Airport. Being that the shuttles are owned by Independent operators none of us can operate at this cost; no matter which company we do with.

The opening of the car rental center will make a big difference on the Shuttle Island situation and any consideration to proceed with changes now should wait till this happens. By going ahead with the purposed changes it will not increase the van density or customer service but will have the opposite effect by decrease it.

The purposed use of one CSR for all companies and to have this CSR have access to all the reservation for all companies will only take longer to find the person's reservation and assign the correct shuttle. The cost of this system would be very costly to setup and maintain. Who would pay and over see it. The issues of CSR/GSR conflict with shuttle drivers and soliciting will still be a problem. The only way to stop this from happening would be to have an ATO place on the shuttle islands full time.

I would like to thank you for your time and consideration of these comments I have stated.

Gregory Mullaney 858-722-6225

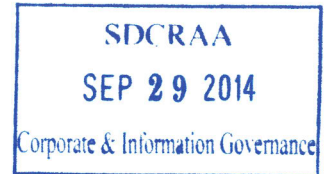
**G&S Mullaney, Inc. DBA Super Shuttle, Inc. ADA Van #780**

## Gehlken Linda

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**From:** Russell Tony  
**Sent:** Monday, September 29, 2014 10:09 AM  
**To:** Bennett Lorraine  
**Cc:** Real Sara; Gehlken Linda  
**Subject:** FW: small business concern

**Categories:** 10/02/14 Board/ALUC Meetings



**From:** Jim Simon [<mailto:jwsimon@hotmail.com>]

**Sent:** Friday, September 26, 2014 12:13 AM

**To:** [dalvarez@san.org](mailto:dalvarez@san.org); [gcox@san.org](mailto:gcox@san.org); [jdesmond@san.org](mailto:jdesmond@san.org); [rgleason@san.org](mailto:rgleason@san.org); [lhubbs@san.org](mailto:lhubbs@san.org); [probinson@san.org](mailto:probinson@san.org); [mseessom@san.org](mailto:mseessom@san.org); [tsmissek@san.org](mailto:tsmissek@san.org)

**Subject:** small business concern

Greetings,

My name is Jim Simon and I have been serving the traveling public at SAN for 8 years. As an independent contactor with Cloud 9 and now a Franchise operator with Super Shuttle. I would like to point out that I am not the Corporation (Super Shuttle).

I am as independent as all the smaller Shuttle company operators are (Advanced, EZ Ride, Airport Shuttle etc.) The difference between myself and them are two fold.

- 1.) My overhead with Super Shuttle is 3 times that of the smaller shuttle companies.
- 2.) My insurance cost is double the cost of small shuttle companies.

If what I understand to be true through reports from my reps and 8 years of personal experience, the Ground Transportation office, including ATO's and Ace Parking CSR's are outright hostile to me and my drivers because of our association with both Cloud 9 and now Super Shuttle. They are at best misinformed at worst willing to purposely be misleading.

1 EXAMPLE:

I have observed when the Transportation Island is overwhelmed and runs out of Taxis, you have 75- 100 people in line waiting for cabs. If the only concern was guests at SAN getting to their destinations quickly and easily the lines would move rapidly. Instead what you have is a coordinated effort to keep those travelers away from Super Shuttle and funneled to the smaller shuttle companies.

The traveler that is experienced and demands a cab only will wait .

The rest of the people are openly solicited by my competitors directly, and the Ace CSR's on behalf of my competitors. I attempt to address this at the Airport Ground Transportation meeting and I am informed that they only do this because they assume my vehicle to be full with reservations. Stat's show I average between 1.8 and 2.1 guests per trip on my 9 passenger van. A person merely could look in the window and observe that.

I would strongly request you, Airport Authority Board members to reject the Airport Staff's less than honest recommendations and let the free market do it's work. A change to the current structure at the Airport

clearly only picks winners and losers at the airport. I reject the notion of me the small business man (Super Shuttle Operator) subsidizing the other small business man (Advanced Ez ride etc; etc;) if they cannot compete. If the proposed changes go through it will ultimately put me out of business.

Thank You for your time and consideration.

**From:** Laura Tallant [<mailto:cloud9mom66@gmail.com>]

**Sent:** Tuesday, September 30, 2014 2:49 PM

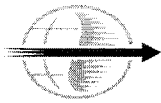
**To:** [dalvarez@san.org](mailto:dalvarez@san.org); [gcox@san.org](mailto:gcox@san.org); [jdesmond@san.org](mailto:jdesmond@san.org); [rgleason@san.org](mailto:rgleason@san.org); [lhubbs@san.org](mailto:lhubbs@san.org); [probinson@san.org](mailto:probinson@san.org); [mseessom@san.org](mailto:mseessom@san.org); [tsmisek@san.org](mailto:tsmisek@san.org)

**Subject:** Upcoming proposal

I and my my spouse are the only husband and wife team. we are J & L Shuttle DBA SuperShuttle. We have one CNG van.

After all is said and done, we make less than \$10,000 a year. That's less than minimum wage! SuperShuttle gets 25% of our revenue off the top. I/we take in very little cash and cannot afford a loop charge! that's why we have our permit fee included in our weekly fees. SuperShuttle has put a lot into our equipment upgrade- to tablets and in training and maintaining our GSR's. Who if you'd go to the shuttle islands as a traveler and not an airport employee you'd see what really goes on down there. Our GSR's barely look up as people come across, so they Surely aren't soliciting!!! i've been doing this for 10+ years. I was one of the original Cloud 9 employees made franchise. I'm sorry the other companies can't afford to pay to play this job. That's on them. They are scandalous and shady and rip people off. They cross sector and overcharge people!

Also, you folks told us by 2014 we had to have and alternative fuel vehicle. So we did. We didn't need a new van yet, we certainly didn't need a \$1000 monthly van payment. (our other van was paid for!) but we did it because we were told we had to or pay higher permit/van fees!!! Then that date got extended! Rather unfair! Again, I am sorry the companies can't afford it and you feel that the "buy one after October & get 50% off" is fair!!! it's just Not! My spouse and I do this for a living. We have no benefits or retirement. We can't save any \$. SuperShuttle hasn't raised their rates since buying out Cloud 9! Please don't make things worse by doing this. There is NO way the job of CSR can be done with 1 person instead of 3!!! Heck most times we have to have 2 GSR's to handle all our business. In the real world if you can't pay your "rent" (fees) then you can't stay.



TAXICAB, LIMOUSINE &  
PARATRANSIT ASSOCIATION

Representing taxicab, limousine, sedan, airport  
shuttle, paratransit, Medicaid & non-emergency  
medical fleets worldwide.

SDCRAA

OCT 01 2014

Corporate & Information Governance

October 1, 2014

Mr. Robert H. Gleason  
Board Chair  
San Diego International Airport  
San Diego, CA

Dear Chairman Gleason:

On behalf of the Taxicab, Limousine & Paratransit Association (TLPA) and our member companies operating in the greater San Diego area, we offer these comments on the proposed provisions for permitting TNCs to operate at the San Diego International Airport.

The TLPA, formed in 1917, serves as the national organization that represents taxicab, limousine, sedan, airport shuttle, paratransit, and non-emergency medical fleets. TLPA has over 1,000 member companies that operate 100,000 passenger vehicles. TLPA member companies transport well over 2 million passengers each day — more than 900 million passengers annually. The full licensed local passenger transportation service for-hire industry in the United States (TLPA members and nonmembers) transports 2 billion passengers annually.

### **TNC REGULATIONS ARE PRETTY QUICKLY BEING TIGHTENED AS PUBLIC SAFETY CONCERNS CONTINUE TO ESCALATE**

As you develop your requirements for Transportation Network Companies (TNCs) at San Diego International Airport, it is critically important for you to consider what has been learned from California being the first state in the nation to allow this untested form of citizen taxi service to legally operate.

The California Public Utilities Commission (CPUC), that licenses TNCs, has repeatedly had to improve and expand the requirements it first instituted about a year ago. That process is ongoing with yet another hearing on the weak and faulty criminal background checks of drivers being the next item to be reviewed and updated. This hearing was called even before the District Attorneys in Los Angeles and San Francisco ordered the TNCs to stop advertising that their drivers go through a thorough criminal background check — since that statement is misleading the public into a false sense of security. So without a doubt, the initial regulations were insufficient and led to public harm.

Even the state legislature has gotten involved and overridden the CPUC's insurance requirements for TNCs once the initial insurance requirements were found to be grossly insufficient. Those new and improved minimal insurance requirements go into effect next July, so the public in California remains grossly at risk for the next ten months. It is worth noting that those new TNC insurance requirements are subpar to what San Diego International Airport currently requires of any of its other for-hire ground transportation service providers.

It is also worth noting that 21 state insurance commissions (including California) and the District of Columbia have declared the TNC insurance to have major gaps in protecting the driver, the passenger and innocent bystanders. Therefore, to protect the public and to limit the airport's own liability for this known subpar TNC insurance coverage, we urge you to bring the TNCs insurance requirements in line with the airport's existing requirements for the other providers of ground transportation services.



## RECOMMENDED ACTIONS

At this point, no other airport in California has licensed TNCs to operate. So, it is important that San Diego set the standard for protecting those persons (the general public) who use your facilities and the services that you allow to operate on your facilities. I think it is fair to say that the nation looks to you to establish the right precedent for public safety in the use of your airport facilities and services.

Transportation Network Companies, like taxicab companies, earn their profit by marketing their services to passengers; receiving requests from passengers for immediate response transportation service (one cannot prearrange a ride with Uber, Lyft or Sidecar); dispatching independent contractor drivers to pick up the passengers; the drivers learn the passengers' destination from the passenger and then initiate their company supplied meter to measure the time and distance of the trip to determine the fare; and then the TNC collects the fare and pays the driver his share. This is relevant to the airport board, because regardless of what you call the TNC, the type of public safety and liability concerns you currently experience with taxicabs have shown to be a precursor of exactly what you should expect from TNCs. The TNCs are providing the same immediate response service, have the same safety exposures and they need to have the same public safety requirements.

Given that major airports in the United States are held to a higher safety standard than any other segment of our public transportation network, as is evidenced by the national safety regulations imposed on airports by the U.S. Department of Homeland Security, the TLPA makes the following recommended actions to the Board of Directors of the San Diego International Airport to help improve security by holding those firms/individuals profiting by serving the airport accountable and responsible for their actions.

**TNC Insurance Requirements:** The San Diego International Airport should require TNCs to carry \$1 million combined single limits of primary commercial auto liability insurance that is available 24 hours per day, seven days a week, and TNCs should name the airport as an additional insured. Should the TNC not be required to meet these recently established (three years ago) taxicab insurance standards, then alternatively the taxi insurance requirements should be reduced to match whatever the new TNC insurance requirements are established to be.

**TNC Company Licensing:** Each TNC company that wishes to dispatch vehicles at the San Diego International Airport should be required to obtain a license and be held responsible for the ground transportation services they provide on airport grounds and be accountable for paying any licensing and operating fees due to the airport.

**TNC Driver Licensing:** Major airports like San Diego International Airport are held to a higher standard due to their very significant safety and security concerns. This higher safety obligation includes reasonable efforts to ensure that those who routinely operate at the airport, like TNCs, must have a strong criminal background check that is fingerprint verified and law enforcement agency conducted. TLPA recommends that all for-hire drivers (taxicab, limousine, airport shuttle, TNC, etc.) clear the national criminal background check conducted by the F.B.I., but at a bare minimum the check must be conducted by a law enforcement agency.

**TNC Vehicle Inspections:** The San Diego International Airport should require all TNC vehicles to pass comparable independent mechanical inspections that other for-hire vehicles are required to pass, and any vehicle failing such an inspection should be immediately reported to the Airport and taken out of service until its mechanical deficiencies have been repaired and it has passed inspection.

**TNC Vehicle Markings:** All for-hire vehicles, taxicabs, limousines, airport shuttles and TNCs need to have an easily seen permanent name on the vehicle to operate so the public and the airport have knowledge of them, can determine they are operating in compliance with the airports public safety requirements, and can properly collect any ground transportation fees that may be due from their use of the airport. Also, if there is an accident involving a TNC, the injured parties need to know the TNC is a commercial vehicle that is accountable and there is commercial insurance available to them.

Taxicab, Limousine & Paratransit Association  
October 1, 2014  
Page 3

**TNC Vehicle Registration:** All for-hire vehicles authorized to operate at the San Diego International Airport must be properly registered as a commercial vehicle with the California Department of Motor Vehicles. TNC vehicles should also be required to meet this industry standard.

**TNC Driver Orientation/Training:** Your airport has already determined that for-hire drivers need to pass a very basic driver orientation/training program. Since TNC drivers are less professional, they need this training more than most other for-hire drivers and should be required to pass an airport-approved program.

**TNC Pilot Program:** Given that TNCs are new, have proven to need more regulation than the CPUC thought and have been deemed by law enforcement officials in Los Angeles and San Francisco to present unique public safety concerns, the San Diego International Airport would be wise to develop a twelve month pilot program to evaluate a limited number of TNC vehicles serving the airport. Once the pilot program is completed, then appropriate revisions can be made based on the real world experience in San Diego.

We appreciate this opportunity to share our experience and recommendations with you. We stand ready to respond to any questions you may have regarding our recommendations.

Regards,



Robert M. Werth  
TLPA President



SDCRAA  
OCT 01 2014  
Corporate & Information Governance

College of Business Administration  
University of Missouri-St. Louis  
487 Social Sciences & Business Bldg.  
1 University Boulevard  
St. Louis, MO 63121-4499  
314-516-6420 – Fax  
314-516-6109 – Contact number

1, October 2014

Subject: Regarding Airport TNC Proposed Regulations

Dear Mr. Gleason,

I have been requested by your local ground transportation industry to comment on your Board's proposed provisions for the permitting of TNCs at the San Diego International Airport. Please understand that, while I am the Executive Director of the Airport Ground Transportation Association, these comments are entirely my own and do not represent any collective views of our Association membership.

I personally have had more than 40 years' experience teaching and researching taxi and limousine services, and have authored more than two dozen city and airport taxi studies over the past several decades. Currently, I am also the Barriger Endowed Professor of Transportation and Director of the Center for Transportation Studies at the University of Missouri – St. Louis.

That being said, let me indicate that how to properly permit TNCs at our nation's airports has been a topic of considerable discussion throughout the airport ground transportation industry, even though only two states, California and Colorado, have created a legal category for these businesses which are being called Transportation Network Companies or TNCs. Thus, we are looking to your Airport Authority Board and other large California airport boards to get it right and set standards for the rest of North America.

Transportation Network Companies (TNCs) by state statute definition can only be arranged through a cell phone app. Thus, airports are and should be, defining them as prearranged ground transportation operations. Some of these services do not like to be called transportation companies, but they arrange for individual drivers to pick up passengers who want to be transported to a specified destination and are charged by time and distance. There is little doubt that they are transportation companies - perhaps only transportation dispatch companies, or transportation ride brokers, but, nonetheless, transportation companies.

Their partner drivers and their personal vehicles, also by California State statute, must have a California Public Utility Commission permit in order to operate within the State, further classifying their operations as transportation companies. Common sense dictates that both transportation dispatch companies and their partner transportation service drivers be treated and viewed as prearranged ground transportation providers. Since stated by California State statute and by the CPUC, that prearranged ground transportation authorized companies must secure a California airport operating permit before they are legally allowed to commercially operate on the roadways and facilities of that airport. It is necessary that



appropriate operating permits be offered to these transportation services. However, as we have seen at SFO and LAX, no TNC has yet accepted operating permits from these airports – citing they are unable or unwilling to comply with their standard public safety rules and regulations.

Airports are unlike cities in that their roadways and facilities are not public facilities. The airport is responsible for them and the people who use them. The costs of building, maintaining, and insuring these roadways and facilities must be borne by airport users. Airports also have a greater security threat to deal with, so knowledge and approval over who uses and how they use these facilities is significantly greater than cities. Finally, airport curb space is limited, and traffic congestion/environmental pollution are always concerns of airport ground transportation officials.

It is for these reasons that I recommend that TNCs be permitted just the same as any other prearranged ground transportation service provider in the State of California at its airports. San Diego International Airport rules and regulations for prearranged transportation service providers are neither arbitrary nor capricious. They exist to protect the public by only having police background checked commercial drivers, safe and identifiable vehicles, fee collection systems to support the cost of the roadways and facilities, and primary commercial liability insurance which protects both passengers and the airport against injury and/or loss. There should be no distinction among those offering the same service, prearranged transportation to and from San Diego International Airport.

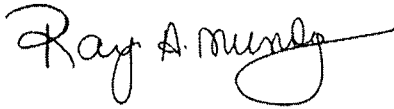
Existing airport regulations also protect the driver and passenger when a driver is providing a “personal” trip – something that all taxi and limousine drivers do. Why run the app and pay the TNC 20% or more when you can hand the passenger your business card and have them call your cell? In the case of personals there is no insurance coverage for the passenger, the driver, or the owner of the vehicle. In the case of a college student using the family car for commercial TNC business, the entire wealth of the family would be at stake.

More specifically I would recommend that:

1. All prearranged for-hire vehicles should have the same minimum levels of commercial liability insurance and provide this protection to the citizens and visitors 24 hours a day, year round. For the company to only insure the vehicle when they have a passenger in the car or on the way to get a passenger is not protection for the airport or users. It is not enforceable. How do you know the facts whether the vehicle was on a commercial trip or making a personal pickup? Without 24/7 insurance and naming the airport as “additionally insured” the airport and passengers are at risk. No other commercial vehicle is permitted to use the airport without indemnifying the airport as additionally insured; why take unreasonable chances with TNCs? Thus, all TNC vehicles should be required to be registered commercially with the airport and to have their primary insurance company coverage endorsing the airport.
2. All for-hire vehicles need to have a permanent company name on the vehicle to operate, so the public and the airport have knowledge of them. Enabling them to appropriately collect ground transportation fees from their use of the airport’s roadways and facilities. If there is an accident, the driver can’t say it is his personal car. The other party involved in an accident needs to know commercial insurance is available to protect them.

3. Any permit issued to TNCs be limited to a small number of vehicles and on a trial basis until the airport can see how this type transportation service provider operates within the airport's rules and regulations for prearranged ground transportation services.

Your consideration of these issues and this letter is greatly appreciated.

A handwritten signature in black ink that reads "Ray A. Mundy". The signature is written in a cursive style with a large, looping "M" at the end.

Ray A. Mundy, Ph.D  
Barriger Professor of Logistics & Transportation  
Director, Center for Transportation Studies  
University of Missouri - Saint Louis  
tel. 314-516-7213 fax. 314-516-7272  
url: [www.cts-umsl.org](http://www.cts-umsl.org)

**ITEM 16**  
**GROUND TRANSPORTATION**

**COMMUNICATION RECEIVED FROM THE PUBLIC**

**From:** Robert Werth [<mailto:president@tlpa.org>]  
**Sent:** Wednesday, October 01, 2014 10:38 AM  
**To:** [rgleason@san.org](mailto:rgleason@san.org)  
**Subject:** Testimony for Oct. 2 Meeting Regarding TNCs  
**Importance:** High

Dear Mr. Gleason:

On behalf of the Taxicab, Limousine & Paratransit Association (TLPA) and our member companies operating in the greater San Diego area, we offer these comments on the proposed provisions for permitting TNCs to operate at the San Diego International Airport.

The TLPA, formed in 1917, serves as the national organization that represents taxicab, limousine, sedan, airport shuttle, paratransit, and non-emergency medical fleets. TLPA has over 1,000 member companies that operate 100,000 passenger vehicles. TLPA member companies transport well over 2 million passengers each day — more than 900 million passengers annually. The full licensed local passenger transportation service for-hire industry in the United States (TLPA members and nonmembers) transports 2 billion passengers annually.

### **TNC REGULATIONS ARE PRETTY QUICKLY BEING TIGHTENED AS PUBLIC SAFETY CONCERNES CONTINUE TO ESCALATE**

As you develop your requirements for Transportation Network Companies (TNCs) at San Diego International Airport, it is critically important for you to consider what has been learned from California being the first state in the nation to allow this untested form of citizen taxi service to legally operate.

The California Public Utilities Commission (CPUC), that licenses TNCs, has repeatedly had to improve and expand the requirements it first instituted about a year ago. That process is ongoing with yet another hearing on the weak and faulty criminal background checks of drivers being the next item to be reviewed and updated. This hearing was called even before the District Attorneys in Los Angeles and San Francisco ordered the TNCs to stop advertising that their drivers go through a thorough criminal background check — since that statement is misleading the public into a false sense of security. So without a doubt, the initial regulations were insufficient and led to public harm.

Even the state legislature has gotten involved and overridden the CPUC's insurance requirements for TNCs once the initial insurance requirements were found to be grossly insufficient. Those new and improved minimal insurance requirements go into effect next July, so the public in California remains grossly at risk for the next ten months. It is worth noting that those new TNC insurance requirements are subpar to what San Diego International Airport currently requires of any of its other for-hire ground transportation service providers.

It is also worth noting that 21 state insurance commissions (including California) and the District of Columbia have declared the TNC insurance to have major gaps in protecting the driver, the passenger and innocent bystanders. Therefore, to protect the public and to limit the airport's own liability for this known subpar TNC insurance coverage, we urge you to bring the TNCs insurance requirements in line with the airport's existing requirements for the other providers of ground transportation services.

### **RECOMMENDED ACTIONS**

At this point, no other airport in California has licensed TNCs to operate. So, it is important that San Diego set the standard for protecting those persons (the general public) who use your facilities and the services

that you allow to operate on your facilities. I think it is fair to say that the nation looks to you to establish the right precedent for public safety in the use of your airport facilities and services.

Transportation Network Companies, like taxicab companies, earn their profit by marketing their services to passengers; receiving requests from passengers for immediate response transportation service (one cannot prearrange a ride with Uber, Lyft or Sidecar); dispatching independent contractor drivers to pick up the passengers; the drivers learn the passengers' destination from the passenger and then initiate their company supplied meter to measure the time and distance of the trip to determine the fare; and then the TNC collects the fare and pays the driver his share. This is relevant to the airport board, because regardless of what you call the TNC, the type of public safety and liability concerns you currently experience with taxicabs have shown to be a precursor of exactly what you should expect from TNCs. The TNCs are providing the same immediate response service, have the same safety exposures and they need to have the same public safety requirements.

Given that major airports in the United States are held to a higher safety standard than any other segment of our public transportation network, as is evidenced by the national safety regulations imposed on airports by the U.S. Department of Homeland Security, the TLPA makes the following recommended actions to the Board of Directors of the San Diego International Airport to help improve security by holding those firms/individuals profiting by serving the airport accountable and responsible for their actions.

**TNC Insurance Requirements:** The San Diego International Airport should require TNCs to carry \$1 million combined single limits of primary commercial auto liability insurance that is available 24 hours per day, seven days a week, and TNCs should name the airport as an additional insured. Should the TNC not be required to meet these recently established (three years ago) taxicab insurance standards, then alternatively the taxi insurance requirements should be reduced to match whatever the new TNC insurance requirements are established to be.

**TNC Company Licensing:** Each TNC company that wishes to dispatch vehicles at the San Diego International Airport should be required to obtain a license and be held responsible for the ground transportation services they provide on airport grounds and be accountable for paying any licensing and operating fees due to the airport.

**TNC Driver Licensing:** Major airports like San Diego International Airport are held to a higher standard due to their very significant safety and security concerns. This higher safety obligation includes reasonable efforts to ensure that those who routinely operate at the airport, like TNCs, must have a strong criminal background check that is fingerprint verified and law enforcement agency conducted. TLPA recommends that all for-hire drivers (taxicab, limousine, airport shuttle, TNC, etc.) clear the national criminal background check conducted by the F.B.I., but at a bare minimum the check must be conducted by a law enforcement agency.

**TNC Vehicle Inspections:** The San Diego International Airport should require all TNC vehicles to pass comparable independent mechanical inspections that other for-hire vehicles are required to pass, and any vehicle failing such an inspection should be immediately reported to the Airport and taken out of service until its mechanical deficiencies have been repaired and it has passed inspection.

**TNC Vehicle Markings:** All for-hire vehicles, taxicabs, limousines, airport shuttles and TNCs need to have an easily seen permanent name on the vehicle to operate so the public and the airport have knowledge of them, can determine they are operating in compliance with the airports public safety requirements, and can properly collect any ground transportation fees that may be due from their use of the airport. Also, if

there is an accident involving a TNC, the injured parties need to know the TNC is a commercial vehicle that is accountable and there is commercial insurance available to them.

**TNC Vehicle Registration:** All for-hire vehicles authorized to operate at the San Diego International Airport must be properly registered as a commercial vehicle with the California Department of Motor Vehicles. TNC vehicles should also be required to meet this industry standard.

**TNC Driver Orientation/Training:** Your airport has already determined that for-hire drivers need to pass a very basic driver orientation/training program. Since TNC drivers are less professional, they need this training more than most other for-hire drivers and should be required to pass an airport-approved program.

**TNC Pilot Program:** Given that TNCs are new, have proven to need more regulation than the CPUC thought and have been deemed by law enforcement officials in Los Angeles and San Francisco to present unique public safety concerns, the San Diego International Airport would be wise to develop a twelve month pilot program to evaluate a limited number of TNC vehicles serving the airport. Once the pilot program is completed, then appropriate revisions can be made based on the real world experience in San Diego.

We appreciate this opportunity to share our experience and recommendations with you. We stand ready to respond to any questions you may have regarding our recommendations.

Regards,

*Robert M. Werth*

President

Taxicab, Limousine & Paratransit Association (TLPA)

3200 Tower Oaks Blvd., Suite 220

Rockville, MD 20852

T: 301-984-5700

F: 301-984-5703

E: [president@tlpa.org](mailto:president@tlpa.org)

W: [www.tlpa.org](http://www.tlpa.org)

**ITEM 16**  
**GROUND TRANSPORTATION**

**COMMUNICATION RECEIVED FROM THE PUBLIC**

**From:** William D <[william.demorest@gmail.com](mailto:william.demorest@gmail.com)>

**Date:** October 1, 2014 at 12:42:03 AM PDT

**To:** [rgleason@san.org](mailto:rgleason@san.org)

**Subject:** Supershuttle GSR System

Mr Gleason,

My name is William DeMorest and I am currently employed by Supershuttle as one of two lead Guest Service Representatives at Lindbergh Field. I have been working for Supershuttle in my position since March 2014. Before becoming employed by Supershuttle, for 16 years I had been a driver and partner in a franchise of both Cloud 9 Shuttle and Supershuttle. Over these years one aspect of the shuttles has remained a clear difference: the true business model and system of Cloud 9 Shuttle and Supershuttle, and the independent and unsupervised collection of all of Supershuttle's competitors in the shuttle business.

It is about to be considered to remove Supershuttle employee coordination at the shuttle islands and leave it to a third-party who will be greeting all shuttle customers, regardless of company. This will hurt our franchisees that have made great investments in capital and time into Supershuttle, and feel it will destroy customer service for everyone choosing any shuttle at Lindbergh Field. This appears to be a case of changing something for the sake of change – an attempt to innovate, update or improve – when it is simply not necessary and will be none of those. The need for change has been attributed to a combative atmosphere between Supershuttle staff and ACE staff. I find no conflict between our workers, leaving the source of friction of which you may be alerted to be the competitor's drivers and their attitudes toward Supershuttle and their disregard for the airport's regulations while at the shuttle islands.

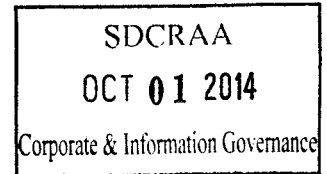
By merely modifying its currently operating system, ACE can make the same improvements for the small shuttle companies that would reduce or eliminate accusations of wrongdoing. Gonzalo Ayala, owner of Airport Shuttle, is asking only for staff that is knowledgeable and well trained, speak and understand English well, know the county, and provide attentive customer service. In addition, he says the rates must be consistent and accessible to the CSR so the true price can be provided quickly without having a driver run over to the CSR to think about a rate. In addition Mr Ayala himself wants an airport ATO on the islands –with which Supershuttle would agree– to monitor and enforce a business-like attitude. This officer could simply clear out any negative claims by monitoring both sides of the island, all the time offering assistance to the numerous travelers needing help in finding rental car buses and hotel vans and checking the vehicle condition of all shuttles. I have asked ATOs to come by the islands more often and stay for a short while and have noticed during their presence that the island is a cleaner and much different experience. We need it this way and an officer would do just that. With minimal change they can have a system of customer contact that works well along Supershuttle's system. Help them out first by improving their representation.

Our operators depend on Supershuttle's presence at the islands to be the storefront for their businesses and give efficient and organized dispatch. Supershuttle provides the reservations portal, the transportation to the airport, the return greeting by uniformed GSRs at their own desk and a van for the return home. Supershuttle works with travel providers such as Orbitz and Expedia, and their instructions direct users to find the Supershuttle's own representative at the airport to redeem their ride. Various hotels contact with Supershuttle to move guests to their hotels for no cost. Direct-bill accounts, vouchers, large groups, Delta, US Airways and Japan Airlines representatives, and our guests with special accessibility needs frequently have questions upon arrival at our desk and we can give them answers through trained GSRs and their direct line to problem-solve through a central dispatch. Will they get all those same quick and accurate answers from the new single representative, all while greeting customers for the handful of other companies, and understand the needs of hundreds of Supershuttle guests per day? Delays or wrong answers might result in an accusation of unequal service or apathy towards their needs, which the guest could blame on the airport since it does the dispatching of Supershuttle. It will destroy every customer's experience and the investments of our small business owners. We cannot trust this to a non-Supershuttle trained employee.

Supershuttle's drivers have invested time and money with Supershuttle and the various government agencies one must work with to create their legal businesses. Like any business venture, they have extended themselves at great risk into the Supershuttle and Lindbergh Field model because it is the best chance to be successful as a transportation provider in San Diego. I ask that the Board consider the positions of the risk takers and entrepreneurs, and when deciding this matter to find the spirit in the petitions you have heard in person and have read in written words from our business owners. Deem the proposed change to be destructive to too many livelihoods and see it for what it is– a tearing down of a system that is serving Lindbergh Field's travelers well. Focus on improvements in service given to the customers of the other shuttle companies first, and allow Supershuttle to continue its own representation in San Diego.

Sincerely,  
William DeMorest  
Co-Lead GSR, Supershuttle





**From:** Jim Simon [<mailto:jwsimon@hotmail.com>]  
**Sent:** Wednesday, October 01, 2014 2:52 PM  
**To:** Robert Gleason  
**Subject:** RE: small business concern

Mr. Gleason,

I am stuck trying to figure out if we are dealing with legitimate airport complaints and service or revenue ?

I am not Super Shuttle Corporate, I am just one guy. If I have my numbers correct, the Airport currently is charging Super Shuttle Owner Operators \$1000.00 per sticker or permit approximately.

We have about 65 vans = \$65,000. If we go to loop fee of \$8.00 per trip for each vehicle making 5 trips per day based on 350 days per year.

$(\$8.00 \times 5 = \$40 \text{ per day} \dots \$40.00 \times 65 \text{ vans} = \$2600 \text{ per day} \dots \$2600 \times 350 \text{ days per year} = \$910,000.00)$

Is it the airports intent in a down economy, with Uber and other companies eating our business, to increase operating costs from \$65,000.00 to \$ 910,000.00 ?

The other question is in regards to a 50% discount on these fees for alternative fuel vehicles. Again if my information is correct this discount only applies to people who purchase these vehicles after 10/14/14 which is only going to help the other Shuttle companies as a lot of our guys have already made the switch at great expense.

I provide one of the 6 ADA vans in the fleet and have a different fee structure in my contract with Super Shuttle.

This means my overhead is less because my wheelchair lift conversion van cost \$15,000.00 more to purchase than a regular van

I cannot absorb a \$14,000.00 a year increase in my business costs. This will put the bulk our guys out of business .

Thank You for your consideration,

Jim Simon

---

**From:** [jwsimon@hotmail.com](mailto:jwsimon@hotmail.com)  
**To:** [rgleason@evanshotels.com](mailto:rgleason@evanshotels.com)  
**Subject:** RE: small business concern  
**Date:** Mon, 29 Sep 2014 10:48:12 -0700

Mr. Gleason,

Thank you so much for your response. I am currently trying to gather as much proposed data as possible so I do not waste your time.

There are so many players in the game it is difficult to sort out. I will follow up the best I can.

Thanks again for your time. If it all possible I would welcome the chance to speak with you by phone, at a time you schedule if possible let me know. Otherwise I will follow up hopefully with some clarification on my concerns.

Thanks,  
Jim

---

From: [rgleason@evanshotels.com](mailto:rgleason@evanshotels.com)  
To: [jwsimon@hotmail.com](mailto:jwsimon@hotmail.com); [dalvarez@san.org](mailto:dalvarez@san.org); [gcox@san.org](mailto:gcox@san.org); [jdesmond@san.org](mailto:jdesmond@san.org); [rgleason@san.org](mailto:rgleason@san.org); [lhubbs@san.org](mailto:lhubbs@san.org); [probinson@san.org](mailto:probinson@san.org); [mseessom@san.org](mailto:mseessom@san.org); [tsmissek@san.org](mailto:tsmissek@san.org)  
CC: [tbowens@san.org](mailto:tbowens@san.org); [trussell@san.org](mailto:trussell@san.org)  
Subject: RE: small business concern  
Date: Fri, 26 Sep 2014 15:33:07 +0000

Mr. Simon:

Thank you for your email and for voicing your concerns, but thank you most especially for your service to our customers at SAN.

I appreciate hearing from you, but your letter is unclear about what exactly you are seeking. It is clear that you object to some "proposed changes," but it would be more helpful for us to understand exactly which ones.

Any clarification you can provide would be appreciated.

Robert H. Gleason  
Board Chair  
San Diego County Regional Airport Authority

**From:** Jim Simon [<mailto:jwsimon@hotmail.com>]  
**Sent:** Friday, September 26, 2014 12:13 AM  
**To:** [dalvarez@san.org](mailto:dalvarez@san.org); [gcox@san.org](mailto:gcox@san.org); [jdesmond@san.org](mailto:jdesmond@san.org); [rgleason@san.org](mailto:rgleason@san.org); [lhubbs@san.org](mailto:lhubbs@san.org); [probinson@san.org](mailto:probinson@san.org); [mseessom@san.org](mailto:mseessom@san.org); [tsmissek@san.org](mailto:tsmissek@san.org)  
**Subject:** small business concern

Greetings,

My name is Jim Simon and I have been serving the traveling public at SAN for 8 years. As an independent contactor with Cloud 9 and now a Franchise operator with Super Shuttle. I would like to point out that I am not the Corporation (Super Shuttle).

I am as independent as all the smaller Shuttle company operators are (Advanced, EZ Ride,

Airport Shuttle etc.)

The difference between myself and them are two fold.

- 1.) My overhead with Super Shuttle is 3 times that of the smaller shuttle companies.
- 2.) My insurance cost is double the cost of small shuttle companies.

If what I understand to be true through reports from my reps and 8 years of personal experience, the Ground Transportation office, including ATO's and Ace Parking CSR's are outright hostile to me and my drivers because of our association with both Cloud 9 and now Super Shuttle. They are at best misinformed at worst willing to purposely be misleading.

#### 1 EXAMPLE:

I have observed when the Transportation Island is overwhelmed and runs out of Taxis, you have 75- 100 people in line waiting for cabs. If the only concern was guests at SAN getting to their destinations quickly and easily the lines would move rapidly. Instead what you have is a coordinated effort to keep those travelers away from Super Shuttle and funneled to the smaller shuttle companies.

The traveler that is experienced and demands a cab only will wait .

The rest of the people are openly solicited by my competitors directly, and the Ace CSR's on behalf on my competitors. I attempt to address this at the Airport Ground Transportation meeting and I am informed that they only do this because they assume my vehicle to be full with reservations. Stat's show I average between 1.8 and 2.1 guests per trip on my 9 passenger van. A person merely could look in the window and observe that.

I would strongly request you, Airport Authority Board members to reject the Airport Staff's less than honest recommendations and let the free market do it's work. A change to the current structure at the Airport clearly only picks winners and losers at the airport. I reject the notion of me the small business man (Super Shuttle Operator) subsidizing the other small business man

(Advanced Ez ride etc; etc;) if they cannot compete. If the proposed changes go through it will ultimately put me out of business.

Thank You for your time and consideration.



**SAN DIEGO COUNTY  
REGIONAL AIRPORT AUTHORITY**

Meeting Date: **OCTOBER 2, 2014**

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**Subject:**

**Business and Travel Expense Reimbursement Reports for Board Members, President/CEO, Chief Auditor and General Counsel When Attending Conferences, Meetings, and Training at the Expense of the Authority**

**Recommendation:**

For information only.

**Background/Justification:**

Authority Policy 3.30 (2)(b) and (4)(b) require that business expenses reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

Authority Policy 3.40 (2)(b) and (3)(b) require that travel expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of Policies 3.30 and 3.40.

**Fiscal Impact:**

Funds for Business and Travel expenses are included in the FY 2014-2015 Budget.

**Authority Strategies:**

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

- Community Strategy     Customer Strategy     Employee Strategy     Financial Strategy     Operations Strategy

**Environmental Review:**

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

**Application of Inclusionary Policies:**

Not applicable.

**Prepared by:**

TONY RUSSELL  
DIRECTOR, CORPORATE & INFORMATION GOVERNANCE/AUTHORITY CLERK

# **TRAVEL REQUEST**

**THELLA F. BOWENS**

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**  
**OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

**1. TRAVELER:**

Travelers Name: Thella F. Bowens Dept: 6  
Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor  
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 9/12/14 PLANNED DATE OF DEPARTURE/RETURN: 9/27/14 / 9/28/14

**3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip- continue on extra sheets of paper as necessary):**

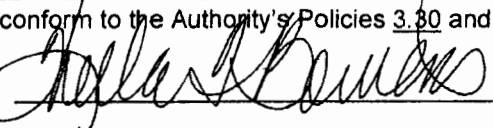
Destination: Portland, OR Purpose: Attend AAE Policy Review Committee Mtg.  
Explanation:

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

**A. TRANSPORTATION COSTS:**

• AIRFARE	\$ 500.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 100.00
B. LODGING	\$ 180.00
C. MEALS	\$ 50.00
D. SEMINAR AND CONFERENCE FEES	\$ 0.00
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
<b>TOTAL PROJECTED TRAVEL EXPENSE</b>	<b>\$ 880.00</b>

**CERTIFICATION BY TRAVELER** By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 12 Sept 2014

**CERTIFICATION BY ADMINISTRATOR** (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

- 1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
- 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
- 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

I, \_\_\_\_\_, hereby certify that this document was approved  
*(Please leave blank. Whoever clerk's the meeting will insert their name and title.)*  
by the Executive Committee at its \_\_\_\_\_ meeting.  
*(Leave blank and we will insert the meeting date.)*



**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

**1. TRAVELER:**

Travelers Name: Thella F. Bowens Dept: Exec Office BU6  
 Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor  
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 9/16/14 PLANNED DATE OF DEPARTURE/RETURN: 10/10/14 / 10/14/14

**3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):**

Destination: Durban, South Africa Purpose: ACI Word Governing Board Meeting and Annual Conference & Exhibition  
 Explanation: \_\_\_\_\_

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

<b>A. TRANSPORTATION COSTS:</b>	
• AIRFARE	\$ 10,000.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 300.00
<b>B. LODGING</b>	\$ 1100.00
<b>C. MEALS</b>	\$ 300.00
<b>D. SEMINAR AND CONFERENCE FEES</b>	\$ 500.00
<b>E. ENTERTAINMENT (If applicable)</b>	\$
<b>F. OTHER INCIDENTAL EXPENSES</b>	\$ 200.00
<b>TOTAL PROJECTED TRAVEL EXPENSE</b>	<u>\$ 12,400.00</u>

**CERTIFICATION BY TRAVELER** By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 18 Sept 2016

**CERTIFICATION BY ADMINISTRATOR** (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

- By my signature below, I certify the following:
1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
  2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
  3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

I, \_\_\_\_\_, hereby certify that this document was approved  
 (Please leave blank. Whoever clerk's the meeting will insert their name and title.)  
 by the Executive Committee at its \_\_\_\_\_ meeting.  
 (Leave blank and we will insert the meeting date.)

## **Adams Vicki**

---

**From:** Michelle Barre <MBarre@aci.aero>  
**Sent:** Monday, July 14, 2014 2:51 PM  
**Subject:** ACI WGB in Durban on 12 October 2014  
**Attachments:** Durban\_2014\_brochure\_en (2).pdf

Dear Board members,

Please find below the dates and times for the ACI World meetings:

- The ACI WGB meeting will take place on Sunday 12 October from 09:30 to 16:30 at the Oyster Box Hotel.
- The Board dinner will take place on Saturday 11 October from 19:30 to 22:00; venue and transportation details to follow.
- The Executive Committee meeting will take place on Saturday 11 October from 15:30 to 18:00 at the Oyster Box Hotel.
- The Audit Committee meeting will take place on Saturday 11 October from 08:30 to 10:00 at the Oyster Box Hotel.

To check if you need a visa please go to the link below:

<http://www.skyteam.com/en/Airports-Services/Services/Visa-and-Health/>

The ACI-Africa Conference will take place at the Coastlands Umhlanga Hotel and Conference Centre, 329 Umhlanga Rocks Drive; transportation from the Oyster Box Hotel will be provided. The conference brochure is attached. The information regarding the venue and choice of hotels is on pages 15-16. Hotel registrations can be made through the following link:

<http://www.eventsregistration.co.za/aci2014>

Kind regards,

Michelle

Ms. Michelle Barré  
Corporate Secretary  
ACI World  
800 rue du Square Victoria  
Suite 1810, PO Box 302  
Montréal, Québec H4Z 1G8  
Canada  
Tel: +1 514 373 1204  
Fax: +1 514 373 1201  
E-mail: [mbarre@aci.aero](mailto:mbarre@aci.aero)  
Website: [www.aci.aero](http://www.aci.aero)

"The voice of the world's airports"

# **EXPENSE REPORTS**

**ROBERT GLEASON**



**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

**1. TRAVELER:**

Travelers Name: Robert H. Gleason Dept: Board/02

Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 6/23/14 PLANNED DATE OF DEPARTURE/RETURN: 9/5/14 / 9/10/14

**3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):**

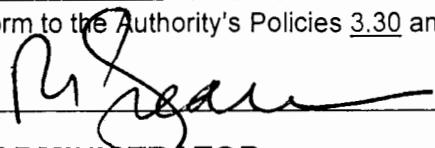
Destination: Washington, DC Purpose: Attend Chamber Event  
Explanation: San Diego Regional Chamber of Commerce One Region/One Voice, Mission to Washington, DC

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

**A. TRANSPORTATION COSTS:**

• AIRFARE	\$	630
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	100
B. LODGING	\$	990
C. MEALS	\$	
D. SEMINAR AND CONFERENCE FEES	\$	1399
E. ENTERTAINMENT (If applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	100
<b>TOTAL PROJECTED TRAVEL EXPENSE</b>	\$	<b>3219</b>

**CERTIFICATION BY TRAVELER** By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 6.19.14

**CERTIFICATION BY ADMINISTRATOR** (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

Lorraine Bennett, Assistant Authority Clerk II hereby certify that this document was approved  
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its 6/23/2014 meeting.  
(Leave blank and we will insert the meeting date.)



Electronic Invoice

Prepared For:  
GLEASON/ROBERT

SALES PERSON	E4
INVOICE NUMBER	1212247
INVOICE ISSUE DATE	20 Jun 2014
RECORD LOCATOR	EHRWHE
CUSTOMER NUMBER	0000SDCRAA

Client Address

SAN DIEGO COUNTY REG AIRPORT AUTHORITY  
PO BOX 82776  
SAN DIEGO CA 92138-2776

Notes

YOUR UNITED ETICKET CONFIRMATION IS \*\* JVLS4M \*\*  
-----INVOICE/ITINERARY ACCOUNTING DOCUMENT-----  
\*\*\*\*\*TICKETLESS TRAVEL INSTRUCTIONS\*\*\*\*\*  
THIS IS AN E-TICKET RESERVATION.  
A GOVERNMENT ISSUED PHOTO ID IS NEEDED AT CHECK IN  
A PORTION OF THIS TRIP MAY BE REFUNDABLE. PLEASE RETURN  
UNUSED PORTIONS TO TRAVELTRUST FOR POSSIBLE REFUND.  
\*\*\*\*\*  
\*\*\*\*\*TSA GUIDANCE FOR PASSENGERS\*\*\*\*\*  
PLEASE ALLOW EXTRA TIME FOR SCREENING AND BOARDING  
INTERNATIONAL-MINIMUM 3 HOUR CHECK-IN PRIOR TO DEPARTURE  
DOMESTIC-MINIMUM 2 HOUR CHECK-IN PRIOR TO DEPARTURE  
FOR ADDITIONAL SECURITY INFORMATION VISIT WWW.TSA.GOV  
\*\*\*\*\*

DATE: Fri, Sep 05

Flight: UNITED AIRLINES 1202

From	SAN DIEGO, CA	Departs	6:20am
To	NEWARK, NJ	Arrives	2:48pm
Departure Terminal	2	Arrival Terminal	C
Duration	05hr(s) :28min(s)	Class	United Economy
Type	BOEING 737-800 JET	Meal	Food for Purchase
Stop(s)	Non Stop		
Seat(s) Details	GLEASON/ROBERT	Seat(s) -	26D

DATE: Sun, Sep 07

Flight: UNITED AIRLINES 4299 Operated by: /EXPRESSJET AIRLINES DBA UNITED EXPRESS

From	NEWARK, NJ	Departs	4:00pm
To	WASHINGTON REAGAN, DC	Arrives	5:13pm
Departure Terminal	A	Arrival Terminal	B
Duration	01hr(s) :13min(s)	Class	United Economy
Type	EMBRAER JET	Meal	
Stop(s)	Non Stop		
Seat(s) Details	GLEASON/ROBERT	Seat(s) -	06A

DATE: Wed, Sep 10

Flight: UNITED AIRLINES 1101

From	WASHINGTON DULLES, DC	Departs	12:15pm
To	SAN DIEGO, CA	Arrives	2:27pm
		Arrival Terminal	2
Duration	05hr(s) :12min(s)	Class	United Economy
Type	BOEING 737-800 JET	Meal	Food for Purchase
Stop(s)	Non Stop		
Seat(s) Details	GLEASON/ROBERT	Seat(s) - 29C	

**DATE: Mon, Mar 09**

**Others**

RESERVATION  
RETAINED FOR  
180 DAYS

**Ticket Information**

<b>Service Fee</b>	XD 0622324234	<b>Passenger</b>	GLEASON ROBERT		
		<b>Billed to:</b>		USD	* 30.00
<b>Ticket Number</b>	UA 7457201721	<b>Passenger</b>	GLEASON ROBERT		
		<b>Billed to:</b>		USD	* 731.00
				<b>SubTotal</b>	USD 761.00
				<b>Net Credit Card Billing</b>	* USD 761.00
					-----
				<b>Total Amount Due</b>	USD 0.00

TRAVELTRUST IS OPEN MONDAY - FRIDAY FROM 5AM-530PM PST  
AND SATURDAY FROM 9AM-1PM PST - 760-635-1700.  
FOR EMERGENCY AFTERHOURS SERVICE IN THE US  
PLEASE CALL 888-221-6062 AND USE YOUR VIT CODE - S7NS0  
PLEASE NOTE THIS IS OUR NEW EMERGENCY NUMBER  
EACH EMERGENCY CALL IS BILLABLE AT A MINIMUM 25.00  
THANK YOU FOR CHOOSING TRAVELTRUST...SCOTT MACKERLEY

Your travel arranger provides the information contained in this document. If you have any questions about the content, please contact your travel arranger. For Credit Card Service fees, please see eTicket receipt for total charges.



**Robert Gleason**

**From:** Warren Anne <awarren@san.org>  
**Sent:** Tuesday, June 24, 2014 2:22 PM  
**To:** Robert Gleason  
**Subject:** RE: Travel Reservation to WASHINGTON REAGAN, DC on September 05 for ROBERT GLEASON

Per Scott Mackerley of Traveltrust, "With the stopover in Newark, the total would be \$731.00. If he flew directly to Washington on the 7<sup>th</sup>, the total would be \$612.00," which is the same cost as Paul's ticket flying on Saturday. The extra cost is \$119.00. Anne

**From:** Robert Gleason [mailto:rgleason@evanshotels.com]  
**Sent:** Tuesday, June 24, 2014 2:16 PM  
**To:** Warren Anne  
**Subject:** RE: Travel Reservation to WASHINGTON REAGAN, DC on September 05 for ROBERT GLEASON

And what is the amount I owe the Authority?

Robert H. Gleason, J.D., CHAE  
President & Chief Executive Officer  
Evans Hotels  
998 West Mission Bay Drive  
San Diego, California 92109  
858.539.8844 voice *NOTE NEW DIRECT DIAL NUMBER*  
858.488.2524 fax  
[rgleason@evanshotels.com](mailto:rgleason@evanshotels.com)

CONFIDENTIALITY NOTICE: This e-mail message and any attachment(s) are confidential and are intended only for the personal use of the recipient(s) named above. Its contents may also be an attorney-client communication and/or attorney work product, and all rights to privileged information are expressly claimed and not waived. If the reader of this message is not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error and that any reading, dissemination, distribution, printing, or copying of this message is strictly prohibited. If you have received this communication in error, please notify the sender immediately by e-mail and delete the original message and remove it from your computer system. Thank you.

**From:** Warren Anne [mailto:awarren@san.org]  
**Sent:** Tuesday, June 24, 2014 11:55 AM  
**To:** Robert Gleason  
**Cc:** Leann Mitchell  
**Subject:** FW: Travel Reservation to WASHINGTON REAGAN, DC on September 05 for ROBERT GLEASON



90-4217/1222

2593

**From:** TR/  
**Sent:** Tue:  
**To:** Warren  
**Subject:**

DATE 6.25.14

PAY TO THE ORDER OF SDCRAA \$ 119.00

One hundred nineteen and 00/100 DOLLARS



NORTHERN TRUST, NA

Northern Trust

NORTHERN TRUST ANCHOR ACCOUNT

MEMO Air ticket Δ-Sept 14

[Signature] MP



San Diego County Regional Airport Authority

OFFICIAL RECEIPT NO. 111291

RECEIVED FROM

Robert Gleason

ADDRESS

#11594

AMOUNT

One hundred nineteen and <sup>no</sup>/<sub>100</sub> \$ 119.00

IN PAYMENT OF

Check # 2593  
Washington DC Trip Sept 2014  
\* Stopover in Newark \$119.00 \*

BUSINESS UNIT / LOCATION CODE

1.11810:100

ACCOUNT NUMBER

WORK ORDER NUMBER

RECEIVED BY

Karen Tidwell

DEPARTMENT

Accounting

DATE

6/27/14

SDCRAA 02-016 (08/09)

COPIES: WHITE - CUSTOMER PINK - TREASURER YELLOW - RETAIN

## Warren Anne

---

**From:** Robert Gleason <rgleason@evanshotels.com>  
**Sent:** Friday, June 20, 2014 1:06 PM  
**To:** Warren Anne  
**Cc:** Leann Mitchell  
**Subject:** RE: Robert Gleason - Newark 5 Sep, 2014

Depart on 6:20 flight, then 4:00 flight on Sunday to DCA, and same flight home on Wednesday as Paul. Thanks.

Robert H. Gleason, J.D., CHAE  
President & Chief Executive Officer  
Evans Hotels  
998 West Mission Bay Drive  
San Diego, California 92109  
858.539.8844 voice *NOTE NEW DIRECT DIAL NUMBER*  
858.488.2524 fax  
[rgleason@evanshotels.com](mailto:rgleason@evanshotels.com)

CONFIDENTIALITY NOTICE: This e-mail message and any attachment(s) are confidential and are intended only for the personal use of the recipient(s) named above. Its contents may also be an attorney-client communication and/or attorney work product, and all rights to privileged information are expressly claimed and not waived. If the reader of this message is not the intended recipient or an agent responsible for delivering it to the intended recipient, you are hereby notified that you have received this document in error and that any reading, dissemination, distribution, printing, or copying of this message is strictly prohibited. If you have received this communication in error, please notify the sender immediately by e-mail and delete the original message and remove it from your computer system. Thank you.

**From:** Warren Anne [<mailto:awarren@san.org>]  
**Sent:** Wednesday, June 18, 2014 11:06 AM  
**To:** Robert Gleason  
**Cc:** Leann Mitchell  
**Subject:** FW: Robert Gleason - Newark 5 Sep, 2014

---

**From:** Scott Mackerley [<mailto:smackerley@Traveltrust.com>]  
**Sent:** Wednesday, June 18, 2014 10:56 AM  
**To:** Warren Anne  
**Subject:** Robert Gleason - Newark 5 Sep, 2014

Hi Anne,

With the stopover in Newark, the total would be \$731.00. If he flew directly to Washington on the 7th, the total would be \$612.00.

Thanks,  
Scott

FOR: GLEASON/ROBERT



# OneRegion OneVoice

## REGISTRATION FORM

Note: State or government issued photo I.D., Social Security number and birthdate required for Federal security clearance.

Last Name: Gleason First Name: Robert H.  
 Social Security #: \_\_\_\_\_ Birthdate: \_\_\_\_\_  
 Driver's License and/or Passport number: \_\_\_\_\_  
 Participant's Home Address: \_\_\_\_\_  
 City: San Diego State: CA Zip: 92116  
 Name Badge Preference: Robert  
 Business/Organization Name: San Diego County Regional Airport Authority  
 Your Job Title: Board Chair  
 Business/Organization Address: 3225 North Harbor Drive  
 City: San Diego State: CA Zip: 92101-1045  
 Email: awarren@san.org Phone: 619-400-2408 Mobile: \_\_\_\_\_

PROGRAM RATES* Please check appropriate boxes:	Per Person Rates Standard	Early Booking Discount By Friday- August 2, 2014
<input checked="" type="checkbox"/> Member Registration	\$1,599	\$1,399
<input checked="" type="checkbox"/> Second Attendee from Member Company	\$1,399	\$1,199
<input type="checkbox"/> Non-Member Registration	\$2,199	\$1,999
<input checked="" type="checkbox"/> Second Attendee from Non-Member Company	\$2,099	\$1,899
* Rates do not include hotel or air fares, see below for hotel information. Total:		

### HOTEL INFORMATION:

San Diego Regional Chamber of Commerce has negotiated special rates for the Washington DC Delegation at The Madison – A Loews Hotel. Please make your reservation as soon as possible by contacting the hotel directly. You must mention the **San Diego Regional Chamber of Commerce block** to get the special group rate.

1177 Fifteenth St NW, Washington, DC 20005  
 Rate: \$315 plus tax  
**Reservations: 800-235-6397**  
**Must reserve by August 2nd for special group rate**

Note: When the rooms in the Chamber block are sold out, requests will be handled on a space-available basis at the hotel's standard rate. Make your reservations early!

### POLICY ISSUES

Please list from 1 to 3 your top three issues of interest (1 being most important):

- 3 Cross Border Trade & Commerce      2 Defense & Security      \_\_\_\_\_ Education & Workforce Development  
 \_\_\_\_\_ Energy & Water      \_\_\_\_\_ Healthcare      \_\_\_\_\_ Housing & Urban Development  
 \_\_\_\_\_ Innovation & Technology      1 Transportation & Tourism      \_\_\_\_\_ Other: \_\_\_\_\_

### PAYMENT\*\*

\*\* Form of Payment must accompany registration

- Check     Visa     Master Card     American Express  
 Please Send Invoice to my Attention

Card #: Paid Online Order No. 15803/55964  
 Name on Card: Anne G. Warren  
 Exp. Date: 08/16  
 Billing Address: \_\_\_\_\_

Signature: Anne G. Warren

Date: 6-25-14

SEND YOUR REGISTRATION TO [EVENTREGISTRATION@SDCHAMBER.ORG](mailto:EVENTREGISTRATION@SDCHAMBER.ORG) OR FAX TO 619-544-1370  
 Events Department - San Diego Regional Chamber of Commerce, 402 West Broadway, Suite 1000, San Diego, CA 92101

## Warren Anne

---

**From:** webinfo@sdchamber.org  
**Sent:** Tuesday, June 24, 2014 4:41 PM  
**To:** Warren Anne  
**Subject:** ORDER RECEIPT from San Diego Regional Chamber of Commerce

**Importance:** High

Items Ordered from:

**San Diego Regional Chamber of Commerce**

**Billing Information**

San Diego County Regional  
Airport Authority  
Anne Warren  
P.O. Box 82776  
San Diego, CA 92138-2776

**Shipping/Contact Information**

Ship to: Billing Address  
Ship via: Standard Shipping  
Anne Warren

Phone: (619) 400-2408

Fax: (619) 400-2406

[awarren@san.org](mailto:awarren@san.org)

**Payment Information**

Method: Visa  
Card #: xxxx-xxxx-xxxx-

Order Date: **6/24/2014** Order Number: **15803/55964** Reference:

**VRCAEAA1CDC**

The total amount owed has been charged to your credit card.

Description	Qty	Member Price	Ext. Price	Amt. Pd/Adj	Amt. Owed
<b>One Region One Voice, Mission to Washington DC (9/7/2014)</b>					
Additional Guest - 2nd Ticket Only ( <i>price increases after 08/22</i> )	1	\$1,199.00	\$1,199.00	\$1,199.00	\$0.00
Early Bird Individual Registration ( <i>price increases after 08/22</i> )	1	\$1,399.00	\$1,399.00	\$1,399.00	\$0.00
		<hr/>			
		Sub-Total	\$2,598.00	\$2,598.00	\$0.00
		<hr/>			
		Total	\$2,598.00	\$2,598.00	\$0.00

PayPal has routed, processed, and secured your payment information. [More information about VeriSign](#)

Taxi - Commerce  
to hotel

RTZ

CLASSIC CAB  
PVIN/D479/RENTAL  
TAG/H98427  
TEL. 202-399-6815  
Date 09/08/14  
10:56a TO 11:06a  
TRIP # 1123  
DIST 0.99 mi  
Rate 1 \$ 7.57  
EXTRAS \$ 0.25  
TOTAL \$ 7.82  
S/N 35042/ 007  
COMPLAINTS CALL  
202 645 6018  
HAVE A NICE DAY!



# TAXICAB RECEIPT

Time: 12:45  
Date: 9-8-14

Origin of trip: Madison Hotel

Destination: Pentagon

Fare: \$15 Sign: [Signature]

\$9 total



402 West Broadway, Suite 1000  
San Diego, CA 92101-3585  
p: 619.544.1300  
[www.sdchamber.org](http://www.sdchamber.org)

9-8

Metro -  
Pentagon to  
hotel  
\$2.80

## YELLOW CAB OF DC (202) 544-1212

DATE 09-09-2014  
TIME 07:51  
CAR B279  
DRIVER 74827  
PLATE # H97361

JOB ID 0  
METER 4  
START 07:37  
END 07:51  
MILEAGE 2.5

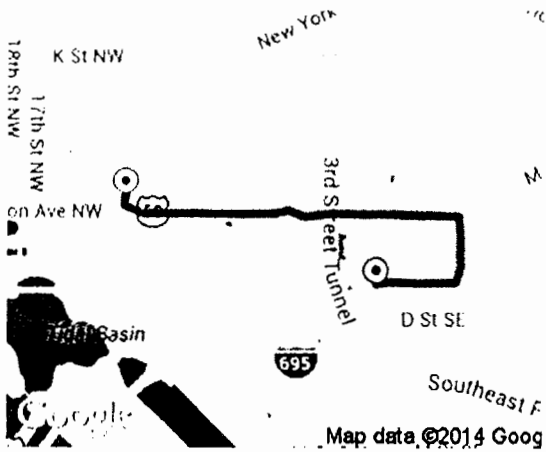
FARE 11.00  
DISPATCH 2.00  
SURCH. 0.25  
EXTRAS 2.25

TOTAL 13.33

TIP  
TOTAL \$16-

PAYMENT RECEIPT FOR PAYMENT RTZ CASH

Taxi Hotel  
to Rayburn  
40B  
DCTC COMPLAINTS  
TEL: 855-484-4967  
DCTAXI. DC. GOV



08:58am  
 2-98 Independence Avenue Southwest,  
 Washington, DC

09:18am  
 239-299 14th Street Northwest, Washington, DC

	MILE	TRIP TIME
BLACK CAR	2.35	00:20:21

FARE BREAKDOWN

Base Fare	7.00
Distance	8.00
Time	8.14
<b>Subtotal</b>	<b>\$23.14</b>
Rounding Down	-0.14

9/9/14 CHARGED Personal \*\*\*\* **\$23.00**

From Rayburn House Office Building  
 T Ronald Reagan Building & ITC



# TAXICAB RECEIPT

RJB

Time: 145  
Date: 9-9-14

Origin of trip: Dirksen SOB

Destination: Hotel

Fare: \$15 Sign: [Signature]



## Baggage Receipt

Issue Date: 07 SEP 2014 EWR ATO

A STAR ALLIANCE MEMBER

Baggage Document	Description	Qty	Fees
0162604357646	First Bag Fee	1	\$25.00

Method of Payment  
Vis: XXXXXXXXXXXX

Ticket Number  
0167457201721

Cardholder Name  
ROBERT H GLEASON

**BAGGAGE FEES** Total Fees **USD \$25.00**

Confirmation: **JVLS4M**

- Excess Baggage Terms and Conditions:
- All excess baggage is subject to space availability.
  - Receipt for payment must be presented at bag check.
  - For refunds or adjustments, see a United representative.

Carrier Routing  
UA EWR - DCA

AGENT REFERENCE: GG ESC BAG



## Baggage Receipt

Issue Date: 10 SEP 2014 IAD ATO

A STAR ALLIANCE MEMBER

Baggage Document	Description	Qty	Fees
0162604488803	First Bag Fee	1	\$25.00

Method of Payment  
Visa XXXXXXXXXXXX

Ticket Number  
0167457201721

Cardholder Name  
ROBERT H GLEASON

**BAGGAGE FEES** Total Fees **USD \$25.00**

Confirmation: **JVLS4M**

- Excess Baggage Terms and Conditions:
- All excess baggage is subject to space availability.
  - Receipt for payment must be presented at bag check.
  - For refunds or adjustments, see a United representative.

Carrier Routing  
UA IAD - SAN

AGENT REFERENCE: GG ESC BAG

Do not expose to excessive heat or direct sunlight.  
STAPLE HERE  
REV. 3/12 COMB4 10/11/14  
PRINTED IN U.S.A. BY METAL DALLAS, TX  
INSERT





# LOEWS

MADISON HOTEL  
WASHINGTON DC

Mr. Robert Gleason  
San Diego County Regional Airport Authority  
PO Box 82776  
San Diego CA 92138  
United States

Room Number: 0339  
Arrival Date: 09-07-14  
Departure Date: 09-10-14  
Confirmation Number: 10997173  
Merchant Ref #:  
Page No: 1 of 1

Guest Name:

## INFORMATION INVOICE

A/R No:

Folio No: 523667

09-10-14

Date	Description	Charges	Credits
09-07-14	Room Accommodation	315.00	
09-07-14	Occupancy Tax - 14.5 PCT	45.68	
09-08-14	Room Accommodation	315.00	
09-08-14	Occupancy Tax - 14.5 PCT	45.68	
<del>09-08-14</del>	<del>Room Accommodation</del>	<del>315.00</del>	
<del>09-08-14</del>	<del>Occupancy Tax - 14.5 PCT</del>	<del>45.68</del>	
<del>09-08-14</del>	<del>Room Accommodation</del>	<del>315.00</del>	
<del>09-08-14</del>	<del>Occupancy Tax - 14.5 PCT</del>	<del>45.68</del>	
09-09-14	Room Accommodation	315.00	
09-09-14	Occupancy Tax - 14.5 PCT	45.68	
09-10-14	Visa	XXXXXXXXXXXX	XX/XX
<b>Total</b>		<del>1116.04</del>	<del>1116.04</del>
<b>Balance</b>		0.00	

\$1,082.04

**PAUL ROBINSON**



**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY  
OUT-OF-TOWN TRAVEL REQUEST**

**GENERAL INSTRUCTIONS:**

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

**1. TRAVELER:**

Travelers Name: Paul Robinson Dept: Board/02  
Position:  Board Member  President/CEO  Gen. Counsel  Chief Auditor  
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 6/23/14 PLANNED DATE OF DEPARTURE/RETURN: 9/6/14 / 9/10/14

**3. DESTINATIONS/PURPOSE** (Provide detailed explanation as to the purpose of the trip– continue on extra sheets of paper as necessary):

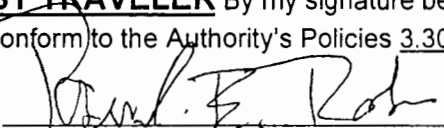
Destination: Washington, DC Purpose: Attend Chamber Event  
Explanation: San Diego Regional Chamber of Commerce One Region/One Voice, Mission to Washington, DC

**4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES**

**A. TRANSPORTATION COSTS:**

• AIRFARE	\$	630
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	100
B. LODGING	\$	1320
C. MEALS	\$	200
D. SEMINAR AND CONFERENCE FEES	\$	1199
E. ENTERTAINMENT (If applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	100
<b>TOTAL PROJECTED TRAVEL EXPENSE</b>	<b>\$</b>	<b>3549</b>

**CERTIFICATION BY TRAVELER** By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature:  Date: 6/19/14

**CERTIFICATION BY ADMINISTRATOR** (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

- 1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
- 2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
- 3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE**

I, Lorraine Bennett, Assistant Authority Clerk II, hereby certify that this document was approved  
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its 6/23/2014 meeting.  
(Leave blank and we will insert the meeting date.)



Electronic Invoice

Prepared For:  
ROBINSON/PAUL EDWARD

SALES PERSON	E4
INVOICE NUMBER	1212231
INVOICE ISSUE DATE	20 Jun 2014
RECORD LOCATOR	GGMLCQ
CUSTOMER NUMBER	0000SDCRAA

Client Address

SAN DIEGO COUNTY REG AIRPORT AUTHORITY  
PO BOX 82776  
SAN DIEGO CA 92138-2776

Notes

YOUR UNITED ETICKET CONFIRMATION IS \*\* JVSKR2 \*\*  
-----INVOICE/ITINERARY ACCOUNTING DOCUMENT-----  
\*\*\*\*\*TICKETLESS TRAVEL INSTRUCTIONS\*\*\*\*\*  
THIS IS AN E-TICKET RESERVATION.  
A GOVERNMENT ISSUED PHOTO ID IS NEEDED AT CHECK IN  
THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR  
THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED  
OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS  
IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE  
YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY.  
\*\*\*\*\*  
\*\*\*\*\*TSA GUIDANCE FOR PASSENGERS\*\*\*\*\*  
PLEASE ALLOW EXTRA TIME FOR SCREENING AND BOARDING  
INTERNATIONAL-MINIMUM 3 HOUR CHECK-IN PRIOR TO DEPARTURE  
DOMESTIC-MINIMUM 2 HOUR CHECK-IN PRIOR TO DEPARTURE  
FOR ADDITIONAL SECURITY INFORMATION VISIT WWW.TSA.GOV  
\*\*\*\*\*

DATE: Sat, Sep 06

Flight: UNITED AIRLINES 1648

From	SAN DIEGO, CA	Departs	1:15pm
To	WASHINGTON DULLES, DC	Arrives	9:16pm
Departure Terminal	2		
Duration	05hr(s) :01min(s)	Class	United Economy
Type	BOEING 737-800 JET	Meal	Food for Purchase
Stop(s)	Non Stop		
Seat(s) Details	ROBINSON/PAUL EDWARD	Seat(s) -	26D

DATE: Wed, Sep 10

Flight: UNITED AIRLINES 1101

From	WASHINGTON DULLES, DC	Departs	12:15pm
To	SAN DIEGO, CA	Arrives	2:27pm
		Arrival Terminal	2
Duration	05hr(s) :12min(s)	Class	United Economy
Type	BOEING 737-800 JET	Meal	Food for Purchase
Stop(s)	Non Stop		

Seat(s) Details

ROBINSON/PAUL  
EDWARD

Seat(s) - 28D

DATE: Mon, Mar 09

Others

RESERVATION  
RETAINED FOR  
180 DAYS

### Ticket Information

<b>Ticket Number</b>	UA 7457201712	<b>Passenger</b>	ROBINSON PAUL EDWARD		
		<b>Billed to:</b>		USD	* 612.00
<b>Service Fee</b>	XD 0622324228	<b>Passenger</b>	ROBINSON PAUL EDWARD		
		<b>Billed to:</b>		USD	* 30.00
				<b>SubTotal</b>	USD 642.00
				<b>Net Credit Card Billing</b>	* USD 642.00
					-----
				<b>Total Amount Due</b>	USD 0.00

TRAVELTRUST IS OPEN MONDAY - FRIDAY FROM 5AM-530PM PST  
AND SATURDAY FROM 9AM-1PM PST - 760-635-1700.  
FOR EMERGENCY AFTERHOURS SERVICE IN THE US  
PLEASE CALL 888-221-6062 AND USE YOUR VIT CODE - S7NS0  
PLEASE NOTE THIS IS OUR NEW EMERGENCY NUMBER  
EACH EMERGENCY CALL IS BILLABLE AT A MINIMUM 25.00  
THANK YOU FOR CHOOSING TRAVELTRUST...SCOTT MACKERLEY

Your travel arranger provides the information contained in this document. If you have any questions about the content, please contact your travel arranger. For Credit Card Service fees, please see eTicket receipt for total charges.

## Warren Anne

---

**From:** webinfo@sdchamber.org  
**Sent:** Tuesday, June 24, 2014 4:41 PM  
**To:** Warren Anne  
**Subject:** ORDER RECEIPT from San Diego Regional Chamber of Commerce

**Importance:** High

Items Ordered from:

**San Diego Regional Chamber of Commerce**

**Billing Information**

San Diego County Regional  
Airport Authority  
Anne Warren  
P.O. Box 82776  
San Diego, CA 92138-2776

**Shipping/Contact Information**

Ship to: Billing Address  
Ship via: Standard Shipping  
Anne Warren

Phone: (619) 400-2408  
Fax: (619) 400-2406

**Payment Information**

Method: Visa  
Card #: xxxx-xxxx-xxxx

[awarren@san.org](mailto:awarren@san.org)

Order Date: **6/24/2014** Order Number: **15803/55964** Reference:  
**VRCAEAA1CDC**

The total amount owed has been charged to your credit card.

Description	Qty	Member Price	Ext. Price	Amt. Pd/Adj	Amt. Owed
<b>One Region One Voice, Mission to Washington DC (9/7/2014)</b>					
Additional Guest - 2nd Ticket Only (price increases after 08/22)	1	\$1,199.00	\$1,199.00	\$1,199.00	\$0.00
Early Bird Individual Registration (price increases after 08/22)	1	\$1,399.00	\$1,399.00	\$1,399.00	\$0.00
			<hr/>		
		Sub-Total	\$2,598.00	\$2,598.00	\$0.00
			<hr/>		
		Total	\$2,598.00	\$2,598.00	\$0.00

PayPal has routed, processed, and secured your payment information. [More information about VeriSign](#)



# OneRegion OneVoice

## REGISTRATION FORM

Note: State or government issued photo I.D., Social Security number and birthdate required for Federal security clearance.

Last Name: Robinson First Name: Paul  
 Social Security #: [REDACTED] Birthdate: [REDACTED]  
 Driver's License and/or Passport number: \_\_\_\_\_  
 Participant's Home Address: \_\_\_\_\_  
 City: San Diego State: CA Zip: \_\_\_\_\_  
 Name Badge Preference: Paul  
 Business/Organization Name: San Diego County Regional Airport Authority  
 Your Job Title: Board Vice Chair  
 Business/Organization Address: 3225 North Harbor Drive  
 City: San Diego State: CA Zip: 92101-1045  
 Email: awarren@san.org Phone: 619-400-2408 Mobile: [REDACTED]

PROGRAM RATES*	Per Person Rates Standard	Early Booking Discount By Friday- August 2, 2014
<input type="checkbox"/> Member Registration	\$1,599	\$1,399
<input checked="" type="checkbox"/> Second Attendee from Member Company	\$1,399	\$1,199
<input type="checkbox"/> Non-Member Registration	\$2,199	\$1,999
<input checked="" type="checkbox"/> Second Attendee from Non-Member Company	\$2,099	\$1,899
* Rates do not include hotel or air fares, see below for hotel information. Total:		

### HOTEL INFORMATION:

San Diego Regional Chamber of Commerce has negotiated special rates for the Washington DC Delegation at The Madison - A Loews Hotel. Please make your reservation as soon as possible by contacting the hotel directly. You must mention the **San Diego Regional Chamber of Commerce block** to get the special group rate.

1177 Fifteenth St. NW, Washington, DC 20005  
 Rate: \$315 plus tax  
**Reservations: 800-235-6397**  
**Must reserve by August 2<sup>nd</sup> for special group rate**

Note: When the rooms in the Chamber block are sold out, requests will be handled on a space-available basis at the hotel's standard rate. Make your reservations early!

### POLICY ISSUES

Please list from 1 to 3 your top three issues of interest (1 being most important):

3 Cross Border Trade & Commerce      2 Defense & Security      \_\_\_ Education & Workforce Development  
 \_\_\_ Energy & Water      \_\_\_ Healthcare      \_\_\_ Housing & Urban Development  
 \_\_\_ Innovation & Technology      1 Transportation & Tourism      \_\_\_ Other: \_\_\_\_\_

### PAYMENT\*\*

\*\* Form of Payment must accompany registration

Check     Visa     Master Card     American Express  
 Please Send Invoice to my Attention

Card #: Paid Online Order No. 15803/55964  
 Name on Card: Anne G. Warren  
 Exp. Date: 08/16  
 Billing Address: \_\_\_\_\_

Signature: Anne G. Warren

Date: 6.25.14

SEND YOUR REGISTRATION TO [EVENTREGISTRATION@SDCHAMBER.ORG](mailto:EVENTREGISTRATION@SDCHAMBER.ORG) OR FAX TO 619-544-1370  
 Events Department - San Diego Regional Chamber of Commerce, 402 West Broadway, Suite 1000, San Diego, CA 92101





# LOEWS

MADISON HOTEL  
WASHINGTON DC

Mr. Paul Robinson

United States

Room Number: 0701  
Arrival Date: 09-06-14  
Departure Date: 09-10-14  
Confirmation Number: 10997170  
Merchant Ref #:  
Page No: 1 of 2

Guest Name:

## INFORMATION INVOICE

A/R No:

Folio No: 523669

09-10-14

Date	Description	Charges	Credits
09-06-14	Room Accommodation	315.00	
09-06-14	Occupancy Tax - 14.5 PCT	45.68	
09-07-14	Post Script Beverage Breakfast Room# 0701 : CHECK# 0113769	4.25	
09-07-14	Sales Tax Food - Post Script Room# 0701 : CHECK# 0113769	0.43	
09-07-14	Rural Society Food Lunch Room# 0701 : CHECK# 0127180	20.00	
09-07-14	Rural Society Beverage Lunch Room# 0701 : CHECK# 0127180	8.00	
09-07-14	Rural Society Gratuity Room# 0701 : CHECK# 0127180	6.00	
09-07-14	Sales Tax Food - Rural Society Res Room# 0701 : CHECK# 0127180	2.80	
09-07-14	Room Accommodation	315.00	
09-07-14	Occupancy Tax - 14.5 PCT	45.68	
09-08-14	Post Script Beverage Breakfast Room# 0701 : CHECK# 0113825	2.25	
09-08-14	Sales Tax Food - Post Script Room# 0701 : CHECK# 0113825	0.23	
09-08-14	Room Accommodation	315.00	
09-08-14	Occupancy Tax - 14.5 PCT	45.68	
09-09-14	Post Script Beverage Breakfast Room# 0701 : CHECK# 0113889	2.25	
09-09-14	Sales Tax Food - Post Script Room# 0701 : CHECK# 0113889	0.23	
09-09-14	Post Script Beverage Breakfast Room# 0701 : CHECK# 0113915	1.75	
09-09-14	Sales Tax Food - Post Script Room# 0701 : CHECK# 0113915	0.18	
09-09-14	Rural Society Food Lunch Room# 0701 : CHECK# 0127687	20.00	
09-09-14	Rural Society Gratuity Room# 0701 : CHECK# 0127687	4.00	
09-09-14	Sales Tax Food - Rural Society Res Room# 0701 : CHECK# 0127687	2.00	
09-09-14	Room Accommodation	315.00	
09-09-14	Occupancy Tax - 14.5 PCT	45.68	
09-10-14	Post Script Beverage Breakfast Room# 0701 : CHECK# 0113022	9.25	
09-10-14	Sales Tax Food - Post Script Room# 0701 : CHECK# 0113022	0.93	
09-10-14	American Express XXXXXXXXXXXX XX/XX		

1,527.27  
Taxes 137.04  
1390.23



# LOEWS

MADISON HOTEL  
WASHINGTON DC

Mr. Paul Robinson

United States

Room Number: 0701  
Arrival Date: 09-06-14  
Departure Date: 09-10-14  
Confirmation Number: 10997170  
Merchant Ref #:  
Page No: 2 of 2

*Guest Name:*

## INFORMATION INVOICE

A/R No:

Folio No: 523669

09-10-14

Date	Description	Charges	Credits
	<b>Total</b>	<b>1,527.27</b>	<b>1,527.27</b>
	<b>Balance</b>	<b>0.00</b>	

PHIL'S B.B.Q.  
San Diego Airport T2  
San Diego, Ca.  
619-542-8307

WWW.PHILSBBQ.NET

Date: Sep06'14 01:18PM  
Card Type: [REDACTED]  
Acct #: [REDACTED]  
Card Entry: SWIP  
Trans Type: PURCHASE  
Trans Key: DID002142370093  
Auth Code: 502288  
Check: 8163  
Check ID: 15  
Server: 1049 Crystal

Subtotal: 10.58

TIP 2.00

TOTAL 12.58

SIGNATURE  
I AGREE TO PAY THE ABOVE TOTAL  
ACCORDING TO MY CARD ISSUER  
AGREEMENT

Loews Madison Hotel  
1177 15th Street, NW  
Washington, D.C. 20005

102137 Michael J 2

TBL 44/4

CHK 7327  
SEP07'14 8:40PM [REDACTED]

1 Ensalada Arugula 12.00  
1 Charcuterie 16.00

Subtotal 28.00  
Food Tax 2.80  
Total Due \$30.80

TIP: ~~6.00~~ 7.80

TOTAL: 78.80

PRINT NAME: Ye.80

ROOM NUMBER:

SIGNATURE:

Loews Madison Hotel  
1177 15th Street, NW  
Washington, D.C. 20005

102123 Sayra F

CHE 3769

SEP07'14 10:02AM

1 Venti Coffee	2.25
1 Whole Fruit	2.00
Subtotal	4.25
Food Tax	0.43
Total Due	\$ 4.68

TIP:

TOTAL:

PRINT NAME:

ROOM NUMBER:

SIGNATURE:

DISTRICT CAB  
/M/398-8526  
CASH RECEIPT

ORDER: 00072076  
CAB #: A342  
DATE: 09/08/14  
Time: 11:31-11:52  
RATE #: 1  
STANDARD RATE  
Miles R1: 3.37  
TRIP #: 1625  
FARE: \$14.59  
SURCH.: \$0.25  
Total: \$14.84  
#Passengers: 01  
DCTC COMPLIMENTS  
LINES TTY: 711  
PH: 855-484-4966  
dctaxi.dc.gov

*Tip 2.16*  
*\$17.<sup>00</sup>*

09/08/14 16:31:19

Pentagon  
Arlington VA  
FOR CUSTOMER SERVICE  
CALL 202-962-5719

2 South Rotary Road  
MEZZANINE 43  
MACHINE 44

AN: \*\*\*\*\*

VENDOR: 043-44-30242  
REF NO: 302429056275  
AUTH NO: 273690

CREDIT PURCHASE

QUANTITY SELECTED: 1

COST IS \$5.00 PER

FAREGARD

S/N:  
302420779056277

TOTAL AMOUNT: \$5.00

THANK YOU  
FOR RIDING METRO RAIL

THE FUTURE IS  
RIDING ON METRO



12545 Bradford

Tp: 65/1 Chk 7959 Gst 9  
Sep09'14 08:19PM

1 Calamari	10.95	10.95
1 Squash Poppers		10.95
3 Cup Chowdr	6.10	18.30
3 House Salad		20.85
1 Bwl Chowd.		7.10
3 Crabcake Single	18.95	56.85
1 DOZEN		29.95
12 Oysters	36.00	0.00
1	3.60	0.00
1 Lentil Burger	39.60	12.95
1 Beverage		3.00
1 Croquettes		9.95
Subtotal		180.85
Tax		18.09
09:04PM Total		198.94

20th Annual Oyster Riot!!!  
November 21st & 22nd  
20 different oysters & 10 wines  
Tickets on sale online  
[www.ebbittoysterriot.com](http://www.ebbittoysterriot.com)



# Taxi Cab Receipt

DATE: 9/10/14 TIME: 12:00 p.m

ORIGIN Hart Bldg CAB # \_\_\_\_\_

DESTINATION: Madison Hotel

FARE: \$ 12.00 SIGNATURE PERd

Loews Madison Hotel  
1177 15th Street, NW  
Washington, D.C. 20005

CHECK: **7855**  
TABLE: **25/1**

SERVER: 102114 Daniel L  
DATE: SEP10'14 9:29AM

CARD TYPE: **[REDACTED]**  
ACCT #: **[REDACTED]**  
ALIAS #: **[REDACTED]**  
AUTH CODE: **[REDACTED]**

SUBTOTAL: 17.33

TIP: 3.50

TOTAL: 20.83

SIGNATURE: PERd

# ANA

Executive Sedan Service  
1301 14th Street, N.W., Suite 306  
Washington, D.C. 20005  
Tel: (703) 867-7461 Fax: (202) 525 2405  
E\_mail: ananiax@yahoo.com

**Invoice:**

Date: 09/10/14  
Request by: MANUVA HOTEL  
Client: (Mrs./Miss./Mr.) Mr Paul E Robinson  
Origin Of Trip: MANUVA HOTEL Robert Glaser  
Destination: Dallas airport  
Pick-Up Time: 10 AM  
Method of Payment: Credit Card  
C.C. Number: [REDACTED]  
Credit Card Holder Name: Paul E Robinson

**Type Of Transportation:**

Sedan  
6 Passenger  
14 passenger  
SUV  
15 Passenger Van  
32 Passenger Bus

Base Rate: 115  
Flat Rate: 115  
Hourly Rate: \_\_\_\_\_  
Waiting Time: \_\_\_\_\_  
Tax: \_\_\_\_\_  
Gratuity 20%: \_\_\_\_\_  
Total: 114


**Signature:**

Driver's [Signature] Client [Signature]  
Thank You

**UNITED** 

### Baggage Receipt

Issue Date: 10 SEP 2014 IAD ATO

A STAR ALLIANCE MEMBER 

Baggage Document	Description	Qty	Fees	Method of Payment
0162604489131	First Bag Fee	1	\$25.00	American Express XXXXXXXXXX

Ticket Number: 0167457201712  
Cardholder Name: PAUL E ROBINSON

**BAGGAGE FEES** Total Fees **USD \$25.00** Confirmation: **JVSKR2**

**Excess Baggage Terms and Conditions:**  
- All excess baggage is subject to space availability.  
- Receipt for payment must be presented at bag check.  
- For refunds or adjustments, see a United representative.

Carrier: **UA** Routing: **IAD - SAN**

AGENT REFERENCE: GG ESC BAG

**MAXIMUM PER DIEM RATES IN THE CONTINENTAL UNITED STATES  
TRAVEL PER DIEM ALLOWANCES  
FISCAL YEAR: 2014**

**STATE: DISTRICT OF COLUMBIA**

**NOTES**

1. When the Location or DOD Installation does not appear in the first column, search the second column for the County. If the County is not listed, run query using the **STANDARD CONUS PER DIEM RATE**.
2. For other allowances that are based on per diem rates (e.g., TLE, TLA, TQSE, TQSA), see the appropriate rules for those allowances regarding what per diem rate to use.
3. When **Government meals** are directed, the appropriate Government meal rate, as prescribed in Appendix A, is applicable.
4. Per Diem Rate = Max Lodging + Meals (Local Meals, Proportional, or Government) + Incidental rate

LOCATION (1)	County and/or Other Defined Location (2)	Seasons (Beg-End)	Max Lodging	Local Meals	Prop. Meals	Incidentals	Maximum Per Diem	Effective Date
DISTRICT OF COLUMBIA	DISTRICT OF COLUMBIA	10/01-10/31	219	66	<u>39</u>	5	<b>290</b>	10/01/2013
DISTRICT OF COLUMBIA	DISTRICT OF COLUMBIA	07/01-08/31	167	66	<u>39</u>	5	<b>238</b>	10/01/2013
DISTRICT OF COLUMBIA	DISTRICT OF COLUMBIA	03/01-06/30	224	66	<u>39</u>	5	<b>295</b>	10/01/2013
DISTRICT OF COLUMBIA	DISTRICT OF COLUMBIA	09/01-09/30	219	66	<u>39</u>	5	<b>290</b>	10/01/2013
DISTRICT OF COLUMBIA	DISTRICT OF COLUMBIA	11/01-02/28	184	66	<u>39</u>	5	<b>255</b>	10/01/2013
WASHINGTON	DISTRICT OF COLUMBIA	10/01-10/31	219	66	<u>39</u>	5	<b>290</b>	10/01/2013
WASHINGTON	DISTRICT OF COLUMBIA	11/01-02/28	184	66	<u>39</u>	5	<b>255</b>	10/01/2013
WASHINGTON	DISTRICT OF COLUMBIA	03/01-06/30	224	66	<u>39</u>	5	<b>295</b>	10/01/2013
WASHINGTON	DISTRICT OF COLUMBIA	07/01-08/31	167	66	<u>39</u>	5	<b>238</b>	10/01/2013
WASHINGTON	DISTRICT OF COLUMBIA	09/01-09/30	219	66	<u>39</u>	5	<b>290</b>	10/01/2013

[Request a Review of a Per Diem Rate](#)

[Find out more about the Proportional Meal Rate \(Prop. Meals\)](#)

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**MISSING RECEIPT FORM**

Board Member/Executive Committee Member must complete form below.

Date of Purchase/Event: 9/6/14

Description of Item/Event: Baggage Fee

Vendor/Event Name: United Airlines - SDIA

Dollar Amount: \$25.00


Reason for Missing Receipt: Lost receipt

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I hereby certify that the original receipt in question was lost or none was issued to me.

  
\_\_\_\_\_  
Board Member Signature

9/16/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Executive Committee Member Signature

9-16-14  
\_\_\_\_\_  
Date



**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**MISSING RECEIPT FORM**

Board Member/Executive Committee Member must complete form below.

Date of Purchase/Event: 9/8/14

Description of Item/Event: Breakfast - coffee & banana

Vendor/Event Name: Loews Madison Hotel, Washington, DC

Dollar Amount: \$2.48

Reason for Missing Receipt: Room service - no receipt provided

\_\_\_\_\_

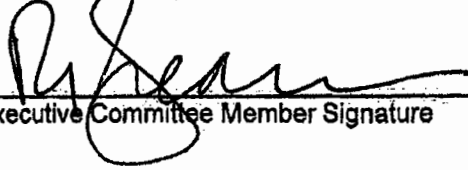
\_\_\_\_\_

\_\_\_\_\_

I hereby certify that the original receipt in question was lost or none was issued to me.

  
\_\_\_\_\_  
Board Member Signature

9/16/15  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Executive Committee Member Signature

9-16-14  
\_\_\_\_\_  
Date

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**MISSING RECEIPT FORM**

Board Member/Executive Committee Member must complete form below.

Date of Purchase/Event: 9/9/14

Description of Item/Event: Breakfast - Venti coffee and banana

Vendor/Event Name: Loews Madison Hotel, Washington, DC

Dollar Amount: \$4.41

Reason for Missing Receipt: No receipt provided

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

I hereby certify that the original receipt in question was lost or none was issued to me.

  
\_\_\_\_\_  
Board Member Signature

9/16/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Executive Committee Member Signature

9-16-14  
\_\_\_\_\_  
Date

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**MISSING RECEIPT FORM**

Board Member/Executive Committee Member must complete form below.

Date of Purchase/Event: 9/9/14

Description of Item/Event: Lunch - Chicken salad and Iced tea

Vendor/Event Name: Loews Madison Hotel, Washington, DC

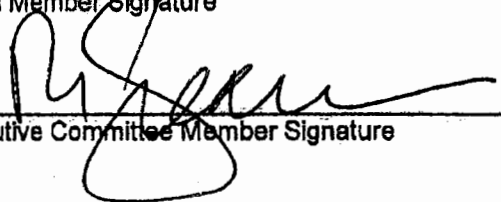
Dollar Amount: \$26.00

Reason for Missing Receipt: Room service - no receipt provided

I hereby certify that the original receipt in question was lost or none was issued to me.

  
Board Member Signature

9/16/14  
Date

  
Executive Committee Member Signature

9-16-14  
Date

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**MISSING RECEIPT FORM**

Board Member/Executive Committee Member must complete form below.

Date of Purchase/Event: 9/10/14

Description of Item/Event: Breakfast - Venti coffee and Flll water

Vendor/Event Name: Loews Madlson Hotel, Washington, DC

Dollar Amount: \$10.18

Reason for Missing Receipt: No receipt provided

I hereby certify that the original receipt in question was lost or none was issued to me.

  
Board Member Signature

9/16/14  
Date

  
Executive Committee Member Signature

9-16-14  
Date

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY**

**MISSING RECEIPT FORM**

Board Member/Executive Committee Member must complete form below.

Date of Purchase/Event: 9/10/14

Description of Item/Event: Egg white omelette, potatoes and coffee

Vendor/Event Name: Loews Madison Hotel, Washington, DC

Dollar Amount: \$20.83


Reason for Missing Receipt: No receipt provided

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\_\_\_\_\_  
\_\_\_\_\_

I hereby certify that the original receipt in question was lost or none was issued to me.

  
\_\_\_\_\_  
Board Member Signature

9/16/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Executive Committee Member Signature

9-16-14  
\_\_\_\_\_  
Date