

Board Members

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

Board Meeting Agenda

Thursday, January 11, 2024
9:00 A.M.

NEW LOCATION:

San Diego County Regional Airport Authority
Administration Building
First Floor – Board Room
2417 McCain Road
San Diego, California 92101

Ex-Officio Board Members

Col. Thomas M. Bedell
Gayle Miller

President/CEO

Kimberly J. Becker

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

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

Staff Reports and documentation relating to each item of business on the Agenda are on file in Board Services and are available for public inspection.

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

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

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

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATIONS:

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

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

ADVISORY COMMITTEES

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

LIAISONS

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

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

BOARD REPRESENTATIVES (EXTERNAL)

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

CHAIR REPORT:

PRESIDENT/CEO REPORT:

NON-AGENDA PUBLIC COMMENT:

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

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

CONSENT AGENDA (ITEMS 1- 8):

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

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the December 7, 2023, meeting.
2. **ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**
RECOMMENDATION: Accept the reports and pre-approve Board Member attendance at other meetings, trainings and events not covered by the current resolution.
(Board Services: Tony R. Russell, Director/Authority Clerk)

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3. AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM NOVEMBER 13, 2023, THROUGH DECEMBER 10, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM NOVEMBER 13, 2023, THROUGH DECEMBER 10, 2023:

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

4. JANUARY 2024 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0001, approving the January 2024 Legislative Report.

(Government Relations: Matt Harris, Director)

CLAIMS

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

5. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE TWO ON-CALL GEOGRAPHIC INFORMATION SYSTEMS ENGINEERING SUPPORT SERVICES AGREEMENTS AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0002, approving and authorizing the President/CEO to negotiate and execute two On-Call Geographic Information Systems ("GIS") Engineering Support Services Agreements, one agreement with AtkinsRéalis USA, Inc., and one agreement with Arora Engineers, LLC, each for a term of three (3) years, with the option for two (2) one-year extensions at the sole discretion of the President/CEO, in an amount not-to-exceed \$600,000 in support of the New Terminal 1 (New T1) Program, Capital Improvement Program, and other sustainability and facility operations initiatives at San Diego International Airport.

(Airport Design and Construction: Bob Bolton, Director)

6. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A FIFTH AMENDMENT TO THE CONCESSION LEASE WITH CLEAR CHANNEL AIRPORTS

RECOMMENDATION: Adopt Resolution No. 2024-0003, approving and authorizing the President/CEO to negotiate and execute a Fifth Amendment to the Concession Lease with Clear Channel Airports.

(Revenue Generation and Partnership Development: Deanna Zachrisson, Director)

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

7. **RATIFY A SIXTY-DAY EXTENSION TO THE CONTRACT TERM FOR THE SASSAFRAS STREET WIDENING PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:**
RECOMMENDATION: Adopt Resolution No. 2024-0004, ratifying a sixty-day extension to the contract duration for Project No. 104205, Sassafras Street Widening at San Diego International Airport.
(Airport Design and Construction: Bob Bolton, Director)

8. **APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN APRON AND RAMP CLEANING SERVICE AGREEMENT WITH STATEWIDE STRIPES, INC.:**
RECOMMENDATION: Adopt Resolution No. 2024-0005, approving and authorizing the President/CEO to execute an Apron and Ramp Cleaning Service Agreement with Statewide Stripes, Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$2,165,625.
(Facilities Management: Stephen Mosca, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

9. **APPROVE AND AUTHORIZE AN INCREASE TO THE AUTHORITY PREVIOUSLY GRANTED TO THE PRESIDENT/CEO TO EXECUTE A GMP AMENDMENT AND OTHER ASSOCIATED ACTIONS FOR THE NEW TERMINAL 1 TERMINAL AND ROADWAYS PROJECT:**
RECOMMENDATION: Adopt Resolution No. 2024-0006, approving and authorizing: (1) an increase to the authority previously granted to the President/CEO to negotiate and execute a Guaranteed Maximum Price ("GMP") Amendment in order to negotiate and execute amendments to the Contract with Turner-Flatiron, a Joint Venture for the design and construction of New Terminal 1 Terminal and Roadways, increasing the contract price to a value not exceeding \$3,007,772,513 and establishing a Final Acceptance and Completion date of September 6, 2028; (2) the President/CEO to include shared savings incentives within the GMP Amendment to incentivize savings between the GMP and final project completion; and (3) the President/CEO to negotiate and execute additional increases to the contract price in an amount not to exceed uncommitted New T1 program contingency funds.
(Airport Design and Construction: Angela Shafer-Payne, Chief Development Officer, and Bob Bolton, Director)

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10. APPROVE AND AUTHORIZE AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY FOR THE NEW T1 AIRSIDE IMPROVEMENTS PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0007, waiving Policy 5.02(4)(b)(iii) and approving and authorizing an increase in the President/CEO's change order authority for the Contract with Griffith Company, Inc., from \$10,066,852.60 to an amount not to exceed the amount of uncommitted New T1 program contingency funds for Project No. 411001, New T1 Airside Improvements at San Diego International Airport.

(Airport Design and Construction: Angela Shafer-Payne, Chief Development Officer, and Bob Bolton, Director)

11. APPROVE AN AMENDMENT TO THE CAPITAL PROGRAM BUDGET FOR FISCAL YEARS 2024-2028:

RECOMMENDATION: Adopt Resolution No. 2024-0008, amending the Fiscal Year 2024-2028 Capital Program Budget to increase the New T1 Program Budget by \$370,000,000, for a total Capital Program Budget of \$4.224 Billion.

(Capital Financial Planning and Airline Relations: Maya Dayan, Director)

CLOSED SESSION:

12. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

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

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

13. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

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

Name of Case: *Jennifer Adams v. San Diego County Regional Airport Authority*, San Diego Superior Court Case No. 37-2022-00015113-CU-PO-CTL

REPORT ON CLOSED SESSION:

GENERAL COUNSEL REPORT:

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

BOARD COMMENT:

ADJOURNMENT:

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

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

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

Additional Meeting Information

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

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

For those planning to attend the Commission meeting, parking is available in the Airport Administration Building Parking Lot (entrance on the east side of McCain Road). Visitors can park in the lot from 8:00 a.m. to 5:00 p.m.

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

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, DECEMBER 7, 2023
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD ROOM

CALL TO ORDER: Chair Cabrera called the meeting of the San Diego County Regional Airport Authority Board to order at 9:04 a.m. on Thursday, December 7, 2023, at the San Diego County Regional Airport Authority, Administration Building, 2417 McCain Road, San Diego, CA 92101.

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

ROLL CALL:

PRESENT: Board Members: Cabrera, Casillas Salas, McNamara, Perez, Sanchez, von Wilpert

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

ALSO PRESENT: Kimberly J. Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Board Services/Authority Clerk; Shawna Morales, Assistant Authority Clerk II

Major Justin Campbell attended the meeting on behalf of Board Member Bedell.

PRESENTATIONS:

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

- **AUDIT COMMITTEE:** Board Member Sanchez reported that during the Committee's November meeting, the Committee reviewed and requested several agenda items be forwarded to the Board. She reported that the items are on today's Consent Agenda and include the Authority's Audited Financial Statements for Fiscal Year-ended June 30, 2023, as well as a revision to the Office of the Chief Auditor's Audit Plan for Fiscal Year 2024. She reported that the Committee received the External Auditor's Report from FORVIS, on the Authority's financial reports for the year ended June 30, 2023, and that their opinion was clean and unmodified.

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that the last CIPOC Meeting was held October 19th with updates on the construction progress of the New Terminal 1, community outreach and a budget update. She reported that this month, demolition work continues on the old administration building and the new parking structure.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee has not meet since the last Board Meeting.
- **FINANCE COMMITTEE:** Board Member McNamara reported that the committee met on November 27th and reviewed the Unaudited Financial Statements for the four months ended October 31, 2023, as well as the Authority's Investment Report as of October 31, 2023.

ADVISORY COMMITTEES:

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Casillas Salas reported that the committee met on November 16th and received an update on outreach efforts and the New Terminal 1. She reported that the members were also given a tour of the new administration building.
- **ARTS ADVISORY COMMITTEE:** Board Member Casillas Salas reported that the Arts Program held a new member orientation for the new Arts Advisory Committee members on November 30th. She reported that the Arts Program is bringing a festive spirit to the terminals this holiday season with six different performing arts groups.

LIAISONS

- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that the Senate and House continue to work on their respective versions of FAA Reauthorization Legislation. He reported that last week, the House Transportation Committee leadership introduced a bill that would extend FAA programs until March 8, 2024. He also reported that the current FAA extension expires on December 31, 2023. He reported that in Sacramento, the California State Senate and Assembly are in recess and reconvene on January 3, 2024, for the second year of the legislative cycle.
- **MILITARY AFFAIRS:** None.
- **PORT:** None
- **WORLD TRADE CENTER:** None

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors met once since the last Board meeting and that in a closed session, the Board of Directors conducted interviews for the position of Interim Chief Executive Officer.
- **SANDAG TRANSPORTATION COMMITTEE:** Board Member Sanchez reported that the committee met once since the last Board meeting and that at the meeting, staff presented details of the recently completed Telework Study that is being used as one of the modeling inputs for the 2025 Regional Plan.

CHAIR REPORT: Chair Cabrera reported that last month, he attended and emceed the Structural Steel Completion Celebration for the New Terminal 1. He reported that it was a special milestone not just for San Diego International Airport (SDIA), but for the entire community. He congratulated Board Members Lidia Martinez, James Sly, and CEO Kimberly Becker for being named to the San Diego Business Journal's San Diego's (SD) 500 list. He reported that the Airport Authority's Aviation Security and Public Safety team supported Harbor Police's efforts to conduct Special Weapons and Tactics (SWAT) training in the old Administration Building to hone their skills should they be needed in the airport environment. He reported that the Airport Authority held their Annual Holiday Appreciation event for the Airport Ambassadors.

PRESIDENT/CEO REPORT: Kim Becker, President/CEO, reported that during the week of Thanksgiving, the airport saw nearly 600,000 passengers, which is a 7.5% increase over Thanksgiving week in 2019. She reported that the team is working diligently to ensure that travelers have a positive guest experience. She reported that last month, the Planning and Environmental Affairs team met with over 40 staff from the City of San Diego's Planning Department, to gain a better understanding of the projects that each group is working on and identify opportunities for collaboration. She reported that in the last few months, the Authority has hosted students from Southwestern College, Cuyamaca College, Point Loma Nazarene University, and participated in the Grossmont Career Expo. She reported that last week, the Airport Authority hosted E3 Civic High School and Del Lago Academy for its 9th Take Flight event. She reported that she represented the Airport Authority at the San Diego Transportation Development Association's Holiday Luncheon, along with Board Member Dallarda, and SANDAG's CEO Hasan Ikhata. She reported that she will be attending the San Diego Tourism Authority's Board retreat, where she will present an update on how the Airport contributes to the vitality of the community through the support of our businesses, air travel, and job creation. She recognized the Airport Authority's Employee of the Quarter, Kim Sheredy, who was nominated for outstanding leadership and hard work related to the move to the new Administration Building.

NON-AGENDA PUBLIC COMMENT: None.

CONSENT AGENDA (ITEMS 1 - 15):

ACTION: Moved by Board Member von Wilpert and seconded by Board Member McNamara to approve the Consent Agenda. Motion carried by the following votes: YES – Cabrera, Casillas Salas, McNamara, Perez, Sanchez, von Wilpert, NO – None; ABSENT –Martinez, Sly. (Weighted Vote Points: YES – 71; NO – 0; ABSENT - 21)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the November 9, 2023, special Board meeting.

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

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

3. DECEMBER 2023 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0097, approving the December 2023 Legislative Report.

4. AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM OCTOBER 9, 2023, THROUGH NOVEMBER 12, 2023, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 9, 2023, THROUGH NOVEMBER 12, 2023:

RECOMMENDATION: Receive the report.

5. DISPOSITION OF SURPLUS PROPERTY:

RECOMMENDATION: Adopt Resolution No. 2023-0096 authorizing the disposition of surplus property (materials and/or equipment) in accordance with Policy 8.21.

CLAIMS:

6. REJECT THE CLAIM OF TRACIE SLAOU:

RECOMMENDATION: Adopt Resolution No. 2023-0098, rejecting the claim of Tracie Slaoui.

COMMITTEE RECOMMENDATIONS:

7. ESTABLISH THE DATE AND TIME OF BOARD AND ALUC MEETINGS FOR 2024, AS INDICATED ON THE PROPOSED 2024 MASTER CALENDAR OF BOARD AND COMMITTEE MEETINGS:

RECOMMENDATION: The Executive Committee recommends that the Board adopt Resolution No. 2023-0099, establishing the date and time of Board and ALUC meetings; and Committee meetings for 2024 as indicated on the proposed 2024 Master Calendar of Board and Committee Meetings.

8. EXTERNAL AUDITOR'S FISCAL YEARS ENDED JUNE 30, 2023, REPORT: A) AUDITED FINANCIAL STATEMENTS, B) SINGLE AUDIT REPORTS, C) PASSENGER FACILITY CHARGES COMPLIANCE REPORT, D) CUSTOMER FACILITY CHARGE COMPLIANCE REPORT, AND E) LETTER TO THE BOARD:

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

9. REVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE FISCAL YEAR ENDED JUNE 30, 2023:

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

10. FISCAL YEAR 2023 ANNUAL REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:

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

11. FISCAL YEAR 2024 FIRST QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:

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

12. REVISION TO THE FISCAL YEAR 2024 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:

RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2023-0100, approving the revision to the Fiscal Year 2024 Audit Plan of the Office of the Chief Auditor.

CONTRACTS AND AGREEMENTS:

13. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO EXTEND THE AIRPORT PARKING MANAGEMENT SERVICES AGREEMENT:

RECOMMENDATION: Adopt Resolution No. 2023-0101 authorizing the President/CEO to execute a Second Amendment to the Airport Parking Management Services Agreement to extend the agreement 151 days to June 30, 2024, with no increase in the maximum amount payable.

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

14. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 13, GROUP 2, PROJECT NO. 381302 TWENTY-SEVEN (27) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON TWENTY-TWO (22) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2023-0103, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,465,000 for Phase 13, Group 2, Project No. 381302, of the San Diego County Regional Airport Authority's Quieter Home Program and making a finding that the project is exempt from the California Environmental Quality Act.

15. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ELEVATOR AND ESCALATOR MAINTENANCE AND REPAIR SERVICE AGREEMENT WITH KONE INC.:

RECOMMENDATION: Adopt Resolution No. 2023-0104, approving and authorizing the President/CEO to execute an Elevator and Escalator Maintenance and Repair Service Agreement with Kone Inc., for a term of three years, with the option for two (2) one-year extensions exercisable at the sole discretion of the President/CEO, for a total not to exceed amount of \$14,000,000.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

16. AWARD A LEASE TO ALASKA AIRLINES FOR THE OPERATION OF AN AIRLINE CLUB FOR THE TERM OF 10 YEARS:

Paul Anderson, Asset Manager, Capital Financial Planning and Airline Relations, provided a presentation on the Alaska Lounge Lease that included Airline Operating and Lease Agreement and Airline Club Leases; Airport Authority Policy 6.01; and Proposed Alaska Lease Club.

RECOMMENDATION: Adopt Resolution No. 2023-0102 awarding a lease to Alaska Airlines for the operation of an Airline Club and authorizing the President/CEO to negotiate and execute the lease.

ACTION: Moved by Board Member Casillas Salas and seconded by Board Member Sanchez to approve staff's recommendation. Motion carried by the following votes: YES - Cabrera, Casillas Salas, McNamara, Perez, Sanchez, von Wilpert, NO - None; ABSENT - Martinez, Sly. (Weighted Vote Points: YES - 71; NO - 0; ABSENT - 21)

The Board recessed at 9:31 a.m. and reconvened at 9:32 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 9:33 a.m. to hear items 18 and 19.

17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

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

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

18. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

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

Name of Case: *Jennifer Adams v. San Diego County Regional Airport Authority*, San Diego Superior Court Case No. 37-2022-00015113-CU-PO-CTL

19. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

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

Name of Case: *Christine Randazzo v. Morrow Meadows, et al.*, San Diego Superior Court Case No. 37-2020-00018378-CU-PO-CTL

20. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION

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

Name of Case: *United States of America v. City of San Diego, et al., and Related Cross Actions* United States District Court Case No. 3:23-CV-00541-LL-BGS

REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 9:47 a.m. There was no reportable action.

GENERAL COUNSEL REPORT:

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

BOARD COMMENT:

ADJOURNMENT: The meeting was adjourned at 9:47 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 11th DAY OF JANUARY 2024.

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 11, 2024

Subject:

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

Recommendation:

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

Background/Justification:

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

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

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

Fiscal Impact:

Board and Committee Member Compensation is included in the FY 2024 Operating Budget.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

Tony R. Russell
Director, Board Services/Authority Clerk

Attachment A

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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

Period Covered:	December 1 through December 31, 2023	
Board Member Name:	Gil Cabrera	
Date:	12/31/23	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/7/2023 - 9am-12pm - SDCRAA Board Room	SDCRAA Board of Directors Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/8/2023 - 10-1130am - SANDAG Board Room	SANDAG Board of Directors Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/18/2023 - 9am-11am - SDCRRA Board Room	Executive and Finance Committee Meetings
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Gil Cabrera Digitally signed by Gil Cabrera
Date: 2023.12.31 10:36:57 -08'00'

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2021-0053. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Board Services, Authority Clerk Staff.

Period Covered:	December 2023
Board Member Name:	Paul McNamara
Date:	1/2/2024

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. 2021-0053	12/7/2023/0900/SDCAA	Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053	12/18/2023/0900/SDCAA	Exec/Finance Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
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<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		

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

Signature: Paul McNamara


BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

Directions: This Form permits Board Members to report their attendance at meetings, events, and training that qualifies for “day of service” compensation pursuant to Cal. Pub. Util. Code §170017, Board Policy 1.10 and Board Resolution 2021-0053. Unless attending a meeting held pursuant to the Brown Act, attendance must be pre-approved by the Board prior to attendance and a written report delivered at the next Board meeting. After completing this Form, please forward it to Board Services, Authority Clerk Staff.

Period Covered:	12/1/23-12/31/23
Board Member Name:	Rafael Perez
Date:	1/2/24

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. 2021-0053	12/7/23 9am Board Room-Admin. Bldg	Board ALUC Mtg.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2021-0053	12/1/23 9am SANDAG Board Room	Transportation Com.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2021-0053	12/15/23 9am SANDAG Board Room	Transportation Com.
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053	12/18/23 Board Room-Admin Bldg.	Executive-Finance Com.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2021-0053		

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

Signature: 

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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

Period Covered:	1 November 2023 - 30 November 2023	
Board Member Name:	James Sly	
Date:	1/8/24	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/9/23: 9AM-12PM, SDCRAA Offices	SDCRAA Board of Directors Meeting and ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/16/23: 2PM-4PM, Port of San Diego Offices	World Trade Center Board Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/27/23: 9AM-12PM, SDCRAA Offices	SDCRAA Executive-Finance Committee
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: 

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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

Period Covered:		1 December 2023 - 31 December 2023	
Board Member Name:		James Sly	
Date:		1/8/24	
Type of Meeting		Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		12/18/23: 9AM-12PM, SDCRAA Offices	SDCRAA Executive-Finance Committee
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074			

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

Signature: 

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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

Period Covered:	12/01/2023 - 12/31/2023	
Board Member Name:	Marni von Wilpert	
Date:	1/2/24	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	December 7, 2023 : 9:00 am - 12:00 pm San Diego County Regional Airport Authority Administrative Offices at 2417 McCain Road, San Diego, CA 92101	Board / ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	December 18, 2023 : 9:00 am - 12:00 pm San Diego County Regional Airport Authority Administrative Offices at 2417 McCain Road, San Diego, CA 92101	Executive - Finance Committee
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: 

Staff Report

Meeting Date: January 11, 2024

Subject:

Awarded Contracts and Approved Change Orders from November 13, 2023 through December 10, 2023, and Real Property Agreements Granted and Accepted from November 13, 2023 through December 10, 2023

Recommendation:

Receive the report.

Background/Justification:

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

Fiscal Impact:

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

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

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

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

Application of Inclusionary Policies:

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

Prepared by:

Jana Vargas
Director, Procurement

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN NOVEMBER 13, 2023 THROUGH DECEMBER 10, 2023

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
11/13/2023		Noa Barankin dba Drumatix	The Contractor will provide a performing arts residency program in Fall 2023 at the San Diego International Airport	Informal RFP	Marketing, Arts, & Air Service Development	\$15,000.00	10/30/2024
11/14/2023		iHeart Media	The Contractor will provide new T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$41,475.00	6/10/2024
11/14/2023		KPBS	The Contractor will provide new T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$25,266.25	6/30/2024
11/14/2023		Univision	The Contractor will provide new T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$15,000.55	6/30/2024
11/16/2023		DNN LLC	The Contractor will provide DNN maintenance and support services for the San Diego County Regional Airport Authority.	Informal RFP	Information & Technology Services	\$27,180.64	11/13/2024
11/16/2023		Local Media San Diego, LLC	The Contractor will provide new T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$31,000.00	6/24/2024
11/16/2023		Amplified	The Contractor will provide new T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$27,258.20	6/30/2024
11/16/2023		Simplifi Holdings LLC	The Contractor will provide new T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$20,000.00	6/24/2024
11/16/2023		Crimtan Inc.	The Contractor will provide new T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$40,000.00	6/30/2024
11/17/2023		Wellworks For You	The Contractor will provide a wellness online platform for the San Diego County Regional Airport Authority.	Informal RFP	Human Resources	\$20,000.00	11/30/2024
11/28/2023		SAP	The Contractor will provide business objects remote software maintenance and license subscription services for the San Diego County Regional Airport Authority.	Informal RFP	Information & Technology Services	\$45,417.12	12/13/2024
11/30/2023		Competitive Metals	The Contractor will provide steel roadway plates for the San Diego County Regional Airport Authority.	Informal RFP	Facilities Management	\$23,397.37	12/26/2023
11/30/2023		Border Tire	The Contractor will provide ARFF vehicle tires for the San Diego County Regional Airport Authority.	Informal RFP	Facilities Management	\$50,198.34	12/19/2023
12/6/2023		Zoological Society of San Diego dba San Diego Zoo Wildlife Alliance	The Contractor will provide lease term management services at the San Diego International Airport.	Sole Source	Planning & Environmental Affairs	\$600,000.00	12/31/2028

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN NOVEMBER 13, 2023 THROUGH DECEMBER 10, 2023

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
12/7/2023		Art of Context	The Contractor will provide directory management studio subscription, maintenance and support services for an interactive wayfinding directory application at the San Diego International Airport.	Sole Source	Information & Technology Services	\$275,749.90	12/31/2028

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN NOVEMBER 13, 2023 THROUGH DECEMBER 10, 2023

New Contracts Approved by the Board

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
11/16/2023		Sign Age Identity Systems	The Agreement was approved by the Board at the September 7, 2023 Board Meeting. The Contractor will provide on-call airport signage fabrication, installation and repair services for the San Diego County Regional Airport Authority.	RFP	Airside & Terminal Operations	\$2,200,000.00	10/31/2026
11/16/2023		Cartwright Termite & Pest Control Inc.	The Agreement was approved by the Board at the October 5, 2023 Board Meeting. The Contractor will provide integrated pest management services at the San Diego International Airport.	RFP	Planning & Environmental Affairs	\$5,000,000.00	11/30/2026
11/29/2023		Statewide Stripes Inc.	The Agreement was approved by the Board at the October 5, 2023 Board Meeting. The Contractor will provide on-call roadway painting and slurry sealing services at the San Diego International Airport.	RFP	Facilities Management	\$6,812,000.00	11/30/2025

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN NOVEMBER 13, 2023 THROUGH DECEMBER 10, 2023

Amendments and Change Orders

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value (%) (+ / -)	New Contract Value	New End Date
11/28/2023		InterVISTAS Consulting USA LLC	The First Amendment reflects the Contractor's name change and extends the term by ninety (90) days. The Contractor provides air service development consulting services for the San Diego County Regional Airport Authority.	Marketing, Arts, & Air Service Development	\$750,000.00	\$0.00	0.0%	\$750,000.00	1/29/2024
11/29/2023		Jacobsen/Daniels Associates, LLC	The First Amendment adds a subcontractor to provide augmented staffing support services specific to supporting planning and environmental affairs. The Contractor provides on-call airport planning services for the San Diego County Regional Airport Authority.	Planning & Environmental Affairs	\$7,000,000.00	\$0.00	0.0%	\$7,000,000.00	4/30/2026
12/7/2023		AtkinsRealis USA Inc.	The Assignment and Consent Agreement reflects a name change from Faithful+Gould Inc to AtkinsRealis USA Inc. All other terms remain the same. The Contractor provides on-call program management services for the San Diego County Regional Airport Authority.	Facilities Management	\$3,000,000.00	\$0.00	0.0%	\$3,000,000.00	10/13/2024

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN NOVEMBER 13, 2023 THROUGH DECEMBER 10, 2023

Amendments and Change Orders Approved by the Board

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value (%) (+ / -)	New Contract Value	New End Date
11/14/2023		R.P. General Construction Inc.	The First Amendment was approved by the Board at the September 7, 2023 Board Meeting. This amendment increased the total amount payable by Eleven Million Five Hundred Thousand Dollars (\$11,500,000.00). The Contractor provides on-call pavement repair services for the San Diego County Regional Airport Authority.	Facilities Management	\$12,000,000.00	\$11,500,000.00	95.8%	\$23,500,000.00	12/31/2025

Staff Report

Meeting Date: January 11, 2024

Subject:

January 2024 Legislative Report

Recommendation:

Adopt Resolution No. 2024-0001, approving the January 2024 Legislative Report.

Background/Justification:

The Authority's Legislative Advocacy Program Policy requires that staff present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A). The January 2024 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. In directing staff, the Authority Board may take a position on pending or proposed legislation that has been determined to have a potential impact on the Authority's operations and functions.

Federal Legislative Action

In Washington, Congress is working to pass another short-term extension of Federal Aviation Administration (FAA) programs before the current extension expires on December 31, 2023. The House has passed an extension to fund programs through March 8, 2024, and, as of the writing of this report, it now awaits a vote in the Senate.

Both chambers continue work on their respective versions of FAA reauthorization legislation. The Senate Commerce, Science, and Transportation Committee has yet to hold a hearing on the bill because there are still delays and ongoing negotiations on amendments related to pilot retirement age and training, and with additional slots for expanded air service at Washington Reagan National Airport (DCA). Senate Commerce Committee Chair Maria Cantwell has expressed her confidence that the Senate will pass their version of the FAA bill before the March 8, 2024 expiration of the pending extension. In July, the House FAA reauthorization bill passed the full House without the inclusion of amendments related to additional slots at DCA, which remains a priority of the Authority. Once both bills have cleared the two chambers, a conference committee will likely convene to resolve the differences between the bills. The Authority's legislative team is reviewing

each chamber's FAA reauthorization legislation throughout the legislative process to determine potential impacts on the Authority's priorities, communicating those priorities to the San Diego Congressional Delegation as well as Congressional Committee leadership, and continues to monitor for any new funding opportunities available to support the Authority's initiatives and operations.

The two chambers continue to work on an annual appropriations package. Congress avoided a government shutdown in November by passing a second Continuing Resolution (CR) to extend federal appropriations and federal agencies (including Transportation) until January 19, 2024, and the remaining federal agencies (including Homeland Security) until February 2, 2024. All appropriations bills must pass the House and Senate before they can be enacted, however, there is a significant \$120 billion discrepancy in top-line spending across all the bills that must be resolved between the chambers. Airports, through national trade associations, have agreed on a set of priorities and programmatic recommendations for the Fiscal Year 2024 appropriations cycle.

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

State Legislative Action

In Sacramento, the California State Senate and Assembly reconvened on January 3, 2024 for the final year of the legislative cycle. The first order of business is to advance eligible measures introduced in the first year (referred to as "two-year bills") through their house of origin by the January 31, 2024 deadline.

Concurrently, Governor Newsom will unveil his fiscal year 2024-2025 budget proposal which must address a sizeable deficit of up to \$68 billion according to the latest projections from the Legislative Analyst's Office. Decreased revenues are attributed to high interest rates, federal tax filing extensions, and rising unemployment.

State legislators are also expected to introduce thousands of new bills for consideration prior to the February 16, 2024 bill introduction deadline.

The Authority's legislative team is reviewing and monitoring legislative and budget discussions for any new opportunities available to support the Authority's initiatives and operations. The Authority's legislative team does not recommend that the Board adopt any new positions on state legislation at this time.

Meeting Date: January 11, 2024

Fiscal Impact:

Not applicable.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

Matt Harris
Director, Government Relations

RESOLUTION NO. 2024-0001

A RESOLUTION OF THE BOARD OF THE SAN DIEGO
COUNTY REGIONAL AIRPORT AUTHORITY,
APPROVING THE JANUARY 2024 LEGISLATIVE
REPORT

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the January 2024 Legislative Report (“Attachment A”); and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

January 2024 Legislative Report

State Legislation

New Assembly Bills

None

*Shaded text represents new or updated legislative information

Assembly Bills from Previous Report

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (03/02/2023)

*Shaded text represents new or updated legislative information

New Senate Bills

None

*Shaded text represents new or updated legislative information

Senate Bills from Previous Report

None

*Shaded text represents new or updated legislative information

Federal Legislation

New House Bills

None

*Shaded text represents new or updated legislative information

House Bills from Previous Report

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Watch (04/06/2023)

*Shaded text represents new or updated legislative information

*Shaded text represents new or updated legislative information

New Senate Bills

None

*Shaded text represents new or updated legislative information

Senate Bills from Previous Report

Legislation/Topic

S.66 (Klobuchar): NOTAM Improvement Act

Background/Summary

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

Anticipated Impact/Discussion

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

Status: 12/13/2023 – Placed on Senate Legislative Calendar under General Orders.

Position: Watch (04/06/2023)

*Shaded text represents new or updated legislative information

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (05/04/2023)

*Shaded text represents new or updated legislative information

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (05/04/2023)

*Shaded text represents new or updated legislative information

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (05/04/2023)

*Shaded text represents new or updated legislative information

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (05/04/2023)

*Shaded text represents new or updated legislative information

Legislation/Topic

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

Background/Summary

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

Anticipated Impact/Discussion

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

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

Position: Support (06/01/2023)

*Shaded text represents new or updated legislative information

Staff Report

Meeting Date: January 11, 2024

Subject:

Approve and Authorize the President/CEO to Execute Two On-Call Geographic Information Systems Engineering Support Services Agreements at San Diego International Airport

Recommendation:

Adopt Resolution No. 2024-0002, approving and authorizing the President/CEO to negotiate and execute two On-Call Geographic Information Systems (“GIS”) Engineering Support Services Agreements, one agreement with AtkinsRéalis USA, Inc., and one agreement with Arora Engineers, LLC, each for a term of three (3) years, with the option for two (2) one-year extensions at the sole discretion of the President/CEO, in an amount not-to-exceed \$600,000 in support of the New Terminal 1 (New T1) Program, Capital Improvement Program, and other sustainability and facility operations initiatives at San Diego International Airport.

Background/Justification:

The San Diego County Regional Airport Authority (“Authority”) maintains and improves facilities and infrastructure at San Diego International Airport (“SDIA”) through its New Terminal 1 (“New T1”) Program and Capital Improvement Program (“CIP”). Authority Staff (“Staff”) utilizes on-call Geographic Information Systems (“GIS”) engineering support services to provide geospatial engineering services in support of projects associated with the New T1 Program, CIP, and other sustainability and facility operations initiatives at SDIA.

On September 28, 2023, a Request for Qualifications (“RFQ”) was issued to obtain Statements of Qualifications (“SOQ”) from qualified firms to provide on-call Geographic Information Systems (“GIS”) engineering support services for the Authority.

The RFQ evaluated the following key criteria:

1. Project Team Qualifications and Organization;
2. Project Management;
3. Work Plan and Approach/Methodology; and
4. Inclusionary Approach and Outreach.

The RFQ anticipated that up to two (2) firms would be contracted for a duration of three (3) years with the option for two (2) one-year extensions, with a contract valued at an amount not to exceed \$600,000. In addition, the RFQ anticipated that detailed scopes of services will be negotiated with the consultant and task authorizations will be issued to the consultant throughout the duration of the contract.

The Authority also established an Evaluation Panel (“Panel”) for the RFQ. The Panel included key representatives from the Authority’s Airport Design & Construction, Information & Technology Services, and Aviation Security & Law Enforcement departments.

The Authority received seven (7) responsive SOQs from prospective consulting firms (“Respondents”) on October 30, 2023.

The Panel conducted a thorough review of the SOQs and invited five (5) of the Respondents, listed in alphabetical order below, to interview.

1. Arora Engineers, LLC (Arora)
2. AtkinsRéalis USA, Inc. (AtkinsRéalis)
3. NV5 Geospatial (NV5)
4. Woolpert, Inc. (Woolpert)
5. X-Spatial, LLC (X-Spatial)

The Respondents were interviewed on November 28, 2023, and were asked to provide responses to a specific list of questions which targeted the evaluation criteria presented in the RFQ. The Panel then ranked and scored the short-listed Respondents. The Panel’s final ranking and scoring are presented below:

Rankings	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Rank
Arora	2	2	2	3	9	2
AtkinsRéalis	1	1	1	1	4	1
NV5	3	3	3	2	11	3
Woolpert	5	5	5	5	20	5
X-Spatial	4	4	4	4	16	4

Combined Scores	Project Team Qualifications & Organization	Project Management	Work Plan & Approach/ Methodology	Inclusionary Approach/ Outreach	Total
Arora	1155	1120	850	120	3245
AtkinsRéalis	1260	1330	900	180	3670
NV5	1155	1085	800	60	3100
Woolpert	665	770	450	180	2065
X-Spatial	910	945	650	60	2565

The top ranked firms were:

AtkinsRéalis USA, Inc.

AtkinsRéalis USA, Inc., will be a prime consultant responsible for managing and delivering the services requested by the Authority. They will be managing a team of qualified subconsultants with substantial staff resources, diverse capabilities, and specialist expertise.

Since 1960, AtkinsRéalis has provided full-service consulting for aviation technology, airport airside, landside, and facility development and has completed thousands of projects worldwide, including projects located at 38 of the top 50 airports in the United States. Their experience in providing development and support of system architecture, database administration, web design, and geospatial services to the aviation industry spans nearly 60 years. AtkinsRéalis has been in southern California since 1986 and has worked at 20 commercial airports, general aviation airports, and military bases in California.

Their GIS and software development professionals have the knowledge and resources to provide a well-rounded and holistic approach to developing geospatial solutions.

Arora Engineers, LLC.

Arora will be a prime consultant responsible for managing and delivering the services requested by the Authority. They will be managing a team of qualified subconsultants with substantial staff resources, diverse capabilities, and specialist expertise.

Arora has over 30 years of relevant aviation experience including leading similar GIS programs for large, medium, and small hub airports across the country. Their team of GIS professionals has been working with SDCRAA as a prime consultant since 2019. Arora has been providing services to configure and deploy GIS web applications that enabled stakeholders to perform precise and independent analysis to identify potential obstacles and helping to improve efficiency and stakeholder coordination at SDIA.

Next Steps:

Staff recommends that the Board authorize the President/CEO to negotiate and execute agreements with two of the top-ranked firms, AtkinsRéalis USA, Inc., and Arora Engineers, LLC. Each agreement shall be for a term of three (3) years, with the option for two (2) one-year extensions at the sole discretion of the President/CEO, in an amount not-to-exceed \$600,000 for the entire term of the agreement. The total aggregate spending authorization between the two agreements will be capped at a maximum of \$600,000.

As part of the negotiations with each of the top ranked firms, Staff will negotiate appropriate billing rates for the firm and its proposed subconsultants. Additional subconsultants may be added during the term of the agreement as additional consulting needs are identified.

Fiscal Impact:

Funds for the On-Call Geotechnical Support Services Agreement are included within the approved FY2024-FY2028 Capital Program Budget and the adopted FY2024 Operating Budget, on an as-needed basis. Capital sources of funding will include Passenger Facility Charges, Airport Revenue Bonds, Airport Improvement Program Grants, and Airport Cash, depending on the individual project.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

Application of Inclusionary Policies:

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

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

This contract may be federally funded; therefore, DBE participation will be applied towards the Authority's overall DBE goal. No preferences were applied to the award of the On-Call Geographic Information Systems Engineering Support Services contract. AtkinsRéalis USA, Inc., and Arora Engineers, LLC submitted an Inclusionary Outreach Plan delineating their commitment to maximizing opportunities to small, DBE, local, and veteran-owned small businesses.

Prepared by:

Bob Bolton
Director, Airport Design & Construction

RESOLUTION NO. 2024-0002

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE TWO ON-CALL GEOGRAPHIC INFORMATION SYSTEMS ("GIS") ENGINEERING SUPPORT SERVICES AGREEMENTS, ONE AGREEMENT WITH ATKINSRÉALIS USA, INC., AND ONE AGREEMENT WITH ARORA ENGINEERS, LLC, EACH FOR A TERM OF THREE (3) YEARS, WITH THE OPTION FOR TWO (2) ONE-YEAR EXTENSIONS AT THE SOLE DISCRETION OF THE PRESIDENT/CEO, IN AN AMOUNT NOT-TO-EXCEED \$600,000 IN SUPPORT OF THE NEW TERMINAL 1 (NEW T1) PROGRAM, CAPITAL IMPROVEMENT PROGRAM, AND OTHER SUSTAINABILITY AND FACILITY OPERATIONS INITIATIVES AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, the San Diego County Regional Airport Authority ("Authority") maintains and improves facilities and infrastructure at San Diego International Airport ("SDIA") through its New T1 ("New T1") Program and Capital Improvement Program ("CIP"); and

WHEREAS, Authority Staff ("Staff") utilizes on-call Geographic Information Systems ("GIS") engineering support services to provide geospatial engineering services in support of projects associated with the New T1 Program, CIP, and other sustainability and facility operations initiatives at SDIA; and

WHEREAS, Staff prepared a Request for Qualifications ("RFQ") to obtain Statements of Qualifications ("SOQ") from qualified firms to provide on-call Geographic Information Systems ("GIS") engineering support services for the Authority; and

WHEREAS, the RFQ anticipated that two (2) firms would be awarded contracts for a term of three (3) years with two (2) one-year extensions with the compensation value for each contract in an amount not to exceed \$600,000 and a total spending authorization not to exceed \$600,000 in the aggregate between the two (2) firms; and

WHEREAS, the RFQ anticipated that detailed scopes of services will be negotiated with the consultants and task authorizations will be issued to the consultants throughout the duration of the contracts; and

WHEREAS, the RFQ evaluated each proposer's project team qualifications and organization, project management, work plan, and approach/methodology, and inclusionary approach and outreach; and

WHEREAS, the Authority established an RFQ Evaluation Panel ("Panel") that included key representatives from the Authority's Airport Design & Construction, Information & Technology Services, and Aviation Security & Law Enforcement departments; and

WHEREAS, the Authority received seven (7) responsive SOQs from prospective consulting firms ("Respondents") on October 30, 2023; and

WHEREAS, the Panel conducted a thorough review of the SOQs, and invited five (5) of the Respondents to interview; and

WHEREAS, the Respondents were interviewed on November 28, 2023, and were asked to provide responses to a specific list of questions which targeted the Evaluation Criteria in the RFQ; and

WHEREAS, the Panel then ranked and scored the Respondents; and

WHEREAS, the Panel determined the two most qualified firms to perform the requested GIS Engineering Support Services, were AtkinsRéalis USA, Inc., and Arora Engineers, LLC respectively; and

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to negotiate and execute an On-Call Geographic Information Systems (“GIS”) Engineering Support Services Agreement with AtkinsRéalis USA, Inc., for a term of three (3) years, with the option for two (2) one-year extensions at the sole discretion of the President/CEO, in an amount not-to-exceed \$600,000 for the agreement, in support of the New T1 Program, Capital Improvement Program, and other sustainability and facility operations initiatives at San Diego International Airport; and

BE IT FURTHER RESOLVED that the Board hereby approves and authorizes the President/CEO to negotiate and execute an On-Call Geographic Information Systems (“GIS”) Engineering Support Services Agreement with Arora Engineers, LLC for a term of three (3) years, with the option for two (2) one-year extensions at the sole discretion of the President/CEO, in an amount not-to-exceed \$600,000 for the agreement, in support of the New T1 Program, Capital Improvement Program, and other sustainability and facility operations initiatives at San Diego International Airport; and

BE IT FURTHER RESOLVED that the total aggregate spending between the agreements with AtkinsRéalis USA, Inc., and Arora Engineers, LLC will be capped at a maximum of \$600,000; and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January, 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 11, 2024

Subject:

Approve and Authorize the President/CEO to Negotiate and Execute a Fifth Amendment to the Concession Lease with Clear Channel Airports

Recommendation:

Adopt Resolution No. 2024-0003, approving and authorizing the President/CEO to negotiate and execute a Fifth Amendment to the Concession Lease with Clear Channel Airports.

Background/Justification:

On April 5, 2018, the Board of the San Diego County Regional Airport Authority (“Authority”) adopted Resolution 2018-0034 granting a ten-year Concession Lease (“Lease”) for an in-terminal airport advertisement program to Clear Channel Airports (“CCA”) for the non-exclusive right to develop, install, operate, maintain, and sell in-terminal advertisement, sponsorships, and promotions. The Authority’s objectives for the in-terminal advertising program are to optimize revenue and provide an aesthetically pleasing environment that reflects state-of-the-art advertising concepts. Under the Lease, CCA pays the Authority monthly rent that is the greater of one twelfth of the Minimum Annual Guarantee or percentage rent. The percentage rent required under the Lease is 65% of Gross Receipts, as that term is defined in the Lease.

The Lease states that “Gross Receipts” shall include all income, sales, and revenue resulting from Concessionaire’s occupancy or use of the Premises and activities thereon in any manner and from whatever source billed, received, or derived and whether for cash or credit.” The Lease also provides that the following are not included in the definition of “Gross Receipts”:

- A. Any taxes imposed by law that are separately stated to and paid by a customer and directly payable to the taxing authority by Concessionaire;
- B. Insurance proceeds for damaged equipment and other losses; and
- C. Tax rebates.

With an increasing number of media options, including online and mobile which are automated and can be executed in a few clicks, advertisers and agencies expect easy one-stop purchasing for in-house creative design services, production, installation, and removal known as PIR services. CCA currently offers this service to their clients, but not for clients who want to advertise at SAN because PIR services are used to calculate "Gross Receipts" and thus are included in the Lease's percentage rent requirement of 65%. This creates a barrier for companies who want to advertise at SAN because they need to sign multiple agreements (media buy with CCA, creative design with an agency, print with a graphic house & then install/removal with a qualified installer). In many cases advertisers opt to move ad budgets to airports that are "easier to buy".

In several cases, in order to satisfy high-value advertisers, CCA has been covering those separate costs. This significantly impacts profit margins and creates a disincentive for CCA to place media buys at SAN rather than at other large airports, most of which allow a PIR services exclusion.

The proposed solution is to add PIR services to the list of items not considered when calculating Gross Receipts. Staff recommends that the Board authorize the President/CEO to execute an amendment to the Lease to exclude PIR services from the definition of Gross Receipts and that this amendment be effective January 1, 2024. The proposed amendment would make clear that there is cap of 15% on PIR services, meaning any PIR costs over 15% per contract year shall be included in in the calculation of Gross Receipts.

Fiscal Impact:

The addition of this exclusion will not negatively impact the Fiscal 2024 revenue budgets presented to the Board at the June 1, 2023 Board Meeting. It has the potential to improve the advertising revenue but the magnitude is not known at this point.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

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

The Authority has an Airport Concession Disadvantaged Business Enterprise (“ACDBE”) Program Plan as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 23. The ACDBE Program Plan calls for the Authority to submit a triennial overall goal for ACDBE participation on all concession projects. This is an airport concession opportunity that will be applied toward the Authority’s overall ACDBE goal. Clear Channel Airports submitted an ACDBE/Local/Small Business Participation Plan that delineates their commitment to:

1. Mentoring and cultivating small business firms during the construction build-out as well as ongoing operations and management;
2. Utilizing good faith efforts throughout the term of the agreement to seek and contract with local, small, and/or disadvantaged firms; and
3. Assisting eligible firms in achieving ACDBE certification over the full term of the new concession agreement.

Prepared by:

Vatana Kang
Program Manager, Revenue Generation & Partnership Development

RESOLUTION NO. 2024-0003

A RESOLUTION OF THE BOARD OF THE SAN DIEGO
COUNTY REGIONAL AIRPORT AUTHORITY
APPROVING AND AUTHORIZING THE
PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A
FIFTH AMENDMENT TO THE CONCESSION LEASE
WITH CLEAR CHANNEL AIRPORTS

WHEREAS, on April 5, 2018, the Board granted a ten-year Concession Lease ("Lease") for an in-terminal airport advertisement program to Clear Channel Airports ("CCA"); and

WHEREAS, CCA has the non-exclusive right to develop, install, operate, maintain and sell in-terminal advertisement, sponsorships and promotions; and

WHEREAS, the Authority's objectives for the in-terminal advertising program are to optimize revenue and provide an aesthetically pleasing environment that reflects state-of-the-art advertising concepts; and

WHEREAS, CCA pays the Authority monthly rent that is the greater of one twelfth of the Minimum Annual Guarantee or percentage rent of 65% of gross receipts; and

WHEREAS, the Lease states that "Gross Receipts" shall include all income, sales, and revenue resulting from Concessionaire's occupancy or use of the Premises and activities thereon in any manner and from whatever source billed, received, or derived and whether for cash or credit"; and

WHEREAS, the Lease also provides that the following are not included in the definition of "Gross Receipts": (A) any taxes imposed by law that are separately stated to and paid by a customer and directly payable to the taxing authority by Concessionaire, (B) insurance proceeds for damaged equipment and other losses; and (C) tax rebates; and

WHEREAS, with an increasing number of media options, including online and mobile which are automated and can be executed in a few clicks, advertisers and agencies expect easy one-stop purchasing for in-house creative design services, production, installation and removal known as PIR services. CCA currently offers this service to their clients, but not for clients who want to advertise at SAN because PIR services are used to calculate "Gross Receipts" and thus are included in the Lease's percentage rent requirement of 65%. This creates a barrier for companies who want to advertise at SAN because they need to sign multiple agreements (media buy with CCA, creative design with an agency, print with a graphic house & then install/removal with a qualified installer). In many cases advertisers opt to move ad budgets to airports that are "easier to buy"; and

WHEREAS, in order to address this issue, the Board finds it in the best interest of the Authority to authorize the President/CEO to execute a Fifth Amendment to the Lease to exclude PIR services from the definition of "Gross Receipts"; and

WHEREAS, the Board finds that excluding PIR services from the definition of "Gross Receipts" will reduce barriers to media buy placements at SAN and potentially increase incentivize media buys at SAN.

NOW, THEREFORE, BE IT RESOLVED that the board hereby approves and authorizes the President/CEO to negotiate and execute a Fifth Amendment to the Concession Lease with Clear Channel Airports to exclude PIR services from the definition of "Gross Receipts" with a cap of 15% on PIR services per contract year with an effective date of January 1, 2024; and

BE IT FURTHER RESOLVED that the Board authorizes and directs the President/CEO to take such actions as are necessary to comply with this Resolution; and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 11, 2024

Subject:

Ratify a Sixty-Day Extension to the Contract Term for the Sassafras Street Widening Project at San Diego International Airport

Recommendation:

Adopt Resolution No. 2024-0004, ratifying a sixty-day extension to the contract duration for Project No. 104205, Sassafras Street Widening Project at San Diego International Airport.

Background/Justification:

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

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

Since beginning construction, Hazard has encountered multiple unforeseen conditions that delayed the Project and have required multiple change orders. The Project requires continuous coordination with the City of San Diego regarding projects by others in the area, as well as for testing, inspection, and final acceptance of facilities they will own and maintain after Project completion. In addition to close coordination with the City of San Diego, the Project requires extensive coordination with all agencies with right-of-way interests and property or access impacts including CPUC, North County Transit District (“NCTD”), San Diego Metropolitan Transit System (“MTS”), Caltrans and the Port of San Diego.

Meeting Date: January 11, 2024

As a result of these unforeseen conditions, the Board has adopted several resolutions regarding this Project. Most recently, on July 13, 2023, the Board adopted Resolution No. 2023-0050, approving and authorizing an increase in the contract duration from 595 calendar days to 670 calendar days and an increase in the President/CEO's change order authority. On September 27, 2023, a change order was executed increasing the contract duration by 45 days. On November 10, 2023, a change order was executed increasing the contract duration by 45 days resulting in a total contract duration of 760 days.

On November 9, 2023, the Board authorized an additional increase in the President/CEO's change order authority but did not increase the contract duration. At the time of the November Board meeting, Staff believed that the Project could be completed within the allotted 760 calendar days. Since the November Board meeting, several unexpected events occurred that prevent completion of the Project within 760 calendar days. Specifically, Hazard and its subcontractor will not be able to complete their contract work and provide the required testing for the transit inspectors, prior to the contract expiration on December 30th. During the process of modifying the railroad crossing signals, Hazard identified damaged electrical cables they previously installed to energize the traffic signal equipment. Hazard must replace the cables and retest them with the transit inspectors. These cables are ordered but not on site yet. Additional time is needed to complete this work and to allow the Authority and transit agencies to perform appropriate inspection.

In order to allow work to continue on the Project and to complete work on this critical intersection, the President/CEO authorized a change order to extend the contract duration by sixty (60) days. Continuing work allowed a safe and operational traffic/train signal at this critical intersection.

Staff requests that the Board ratify the change order authorized by the President/CEO to extend the contract duration by an additional sixty (60) calendar days.

Fiscal Impact:

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

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore, at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses, service disabled/veteran owned small businesses, and local businesses. Policy 5.12 provides a preference of up to seven percent (7%) in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance with Policy 5.12, the recommended firm Hazard Construction Engr LLC did not receive small business, local business, and service disabled/veteran owned small business preference.

Prepared by:

Bob Bolton
Director, Airport Design & Construction

RESOLUTION NO. 2024-0004

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RATIFYING A SIXTY-DAY EXTENSION TO THE CONTRACT DURATION FOR PROJECT NO. 104205 SASSAFRAS STREET WIDENING PROJECT AT SAN DIEGO INTERNATIONAL AIRPORT

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

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

WHEREAS, the Project was defined as a required mitigation measure to the Rental Car Center’s Environmental Impact Report (“EIR”) in 2009; and

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

WHEREAS, the Project requires continuous coordination with the City of San Diego regarding projects by others in the area, as well as for testing, inspection and final acceptance of facilities they will own and maintain after Project completion; and

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

WHEREAS, as a result of these unforeseen conditions, the Board has adopted several resolutions regarding this Project extending the contract duration and increasing the President/CEO’s change order authority; and

WHEREAS, on November 9, 2023, the Board authorized an additional increase in the President/CEO’s change order authority but did not increase the contract duration; and

WHEREAS, at the time of the November Board meeting, Staff believed that the Project could be completed within the allotted 760 calendar days; and

WHEREAS, since the November Board meeting, several unexpected events occurred that prevent completion of the Project within 760 calendar days. Specifically, Hazard and its subcontractor will not be able to complete their contract work and provide the required testing for the transit inspectors, prior to the contract expiration on December 30th. During the process of modifying the railroad crossing signals, Hazard identified damaged electrical cables they previously installed to energize the traffic signal equipment. Hazard must replace the cables and retest them with the transit inspectors. These cables are ordered but not on site yet. Additional time is needed to complete this work and to allow the Authority and transit agencies to perform appropriate inspection; and

WHEREAS, in order to allow work to continue on the Project and to complete work on this critical intersection in a safe and efficient manner, the President/CEO authorized a change order to extend the contract duration by sixty (60) days; and

WHEREAS, the Board finds it is in the best interests of the Authority and the public it serves that work continue on the Project to allow a safe and operational traffic/train signal at this critical intersection.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby ratifies a sixty-day extension to the contract duration for Project No. 104205 Sassafras Street Widening Project at San Diego International Airport; and

BE IT FURTHER RESOLVED that the Board authorizes and directs the President/CEO to take such actions as are necessary to comply with this Resolution; and

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

BE IT FURTHER RESOLVED that a coastal development permit was issued for the Rental Car Center in 2013 (CDP#6-13-011) and that this Board action is for a project that is a development not within the jurisdiction of the Airport Authority and that the City of San Diego is the permitting entity for Coastal Act review and approval; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January, 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 11, 2024

Subject:

Approve and Authorize the President/CEO to Execute an Apron and Ramp Cleaning Service Agreement with Statewide Stripes, Inc.

Recommendation:

Adopt Resolution No. 2024-0005, approving and authorizing the President/CEO to execute an Apron and Ramp Cleaning Service Agreement with Statewide Stripes, Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$2,165,625.

Background/Justification:

On July 20, 2023, the San Diego County Regional Airport Authority ("Authority") published a Request for Proposals ("RFP") for the cleaning of concrete pavement ramps and apron areas. This service contract will be the primary means for professional airside pavement surface cleaning at San Diego International Airport ("SDIA"). The RFP required respondents to submit per unit pricing for the proposed five-year term of the agreement.

On August 23, 2023, the Authority's Procurement Department received responses to the RFP from the following two entities: Abhe & Svoboda, Inc. and Statewide Stripes, Inc. Upon review of proposals received, the Procurement Department determined that the two proposals were responsive.

On October 5, 2023, the Authority's Selection Panel ("Panel"), which was comprised of representatives from Facilities Management, Airport Design & Construction, Airside & Terminal Operations, and Planning & Environmental Affairs, interviewed the two respondents. During the interviews each respondent provided a presentation of its qualifications and responded to prepared questions.

After the interview the Panel evaluated respondents using weighed criteria of six factors: the organization's overall experience and qualifications; skill and experience of personnel who would interact with Authority staff in the performance of services; planned procedures and methodology for performing services; cost; the firm's sustainable practices; and, eligibility for small business participation under Authority Policy 5.12, Preference to Small Business.

The final combined scoring matrix from the Panel is as follows:

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Panelist 6	Total	Final Rank
Abhe & Svoboda, Inc.	2	2	1	2	1	2	10	2
Statewide Stripes, Inc.	1	1	2	1	2	1	8	1

The Panel ranked Statewide Stripes, Inc. as the best qualified respondent to provide services based on the evaluation criteria and interview.

The per unit pricing submitted multiplied by the estimated unit quantities, provided a five-year estimated total cost for services of \$2,165,625. Based on the Panel's evaluation of the two respondents and its finding that Statewide Stripes, Inc. was the best qualified overall, staff recommends awarding the on-call apron and ramp cleaning service agreement to Statewide Stripes, Inc., for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$2,165,625 for five years.

Fiscal Impact:

Adequate funding for the on-call apron and ramp cleaning service agreement is included in the adopted FY 2023 and conceptually approved FY 2024 Operating Expense Budgets within the Facilities Management Annual Repair and Service Contracts line item. The expense for this contract that will impact budget years not yet adopted or approved by the Board and will be included in future year budget requests.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is not a project that would have a significant effect on the environment as defined by the California Environmental Quality Act ("CEQA"), as amended. 14 Cal. Code Regs. §15378. This Board action is not a "project" subject to CEQA. Cal. Pub. Res. Code §21065.
- B. California Coastal Act Review: This Board action is not a "development" as defined by the California Coastal Act. Cal. Pub. Res. Code §30106.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses, service disabled/veteran owned small businesses, and local businesses. Policy 5.12 provides a preference of up to seven percent (7%) in the award of selected Authority contracts and when selection is based on a scoring matrix the resulting points shall be added to the total points, provided that it does not exceed the total allowable preference.

In accordance to Policy 5.12, the recommended firm Statewide Stripes, Inc. received 3% small business and 2% local business preference.

Prepared by:

Stephen Mosca
Director, Facilities Management

RESOLUTION NO. 2024-0005

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN APRON AND RAMP CLEANING SERVICE AGREEMENT WITH STATEWIDE STRIPES, INC., FOR A TERM OF THREE (3) YEARS, WITH THE OPTION FOR TWO (2) ONE-YEAR EXTENSIONS EXERCISABLE AT THE DISCRETION OF THE PRESIDENT/CEO, FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$2,165,625

WHEREAS, on July 20, 2023, the San Diego County Regional Airport Authority ("Authority") published a Request for Proposals ("RFP") for apron and ramp cleaning services at San Diego International Airport; and

WHEREAS, the contemplated agreement will be the primary means for professional airside pavement surface cleaning services; and

WHEREAS, on August 23, 2023, the Authority's Procurement Department received two responses to the RFP from the following two entities: Statewide Stripes, Inc. and Abhe & Svoboda, Inc.; and

WHEREAS, on October 5, 2023, the Authority's Selection Panel ("Panel"), which was comprised of representatives from Facilities Management, Airport Design & Construction, Airside & Terminal Operations, and Planning & Environmental Affairs, interviewed the two respondents where each respondent provided a presentation of its qualifications and responded to prepared questions; and

WHEREAS, after the interview the Panel evaluated respondents using weighed criteria of six factors: the organization's overall experience and qualifications; skill and experience of personnel who would interact with Authority staff in the performance of services; planned procedures and methodology for performing services; cost; the firm's sustainable practices; and, eligibility for small business participation under Authority Policy 5.12, Preference to Small Business; and

WHEREAS, upon conclusion of the evaluation process, the Panel ranked Statewide Stripes, Inc. as the best qualified respondent to provide services based on the evaluation criteria and interview.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute an Apron and Ramp Cleaning Service Agreement with Statewide Stripes, Inc., for a term of three (3) years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed amount of \$2,165,625; and

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

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January, 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 11, 2024

Subject:

Approve and Authorize an Increase to the Authority Previously Granted to the President/CEO to Execute a GMP Amendment and Other Associated Actions for the New Terminal 1 Terminal and Roadways Project

Recommendation:

Adopt Resolution No. 2024-0006, approving and authorizing: (1) an increase to the authority previously granted to the President/CEO to negotiate and execute a Guaranteed Maximum Price ("GMP") Amendment in order to negotiate and execute amendments to the Contract with Turner-Flatiron, a Joint Venture for the design and construction of New Terminal 1 Terminal and Roadways, increasing the contract price to a value not exceeding \$3,007,772,513 and establishing a Final Acceptance and Completion date of September 6, 2028; (2) the President/CEO to include shared savings incentives within the GMP Amendment to incentivize savings between the GMP and final project completion; and (3) the President/CEO to negotiate and execute additional increases to the contract price in an amount not to exceed uncommitted New T1 program contingency funds.

Background/Justification:

In 2019, the San Diego County Regional Airport Authority ("Authority") published a draft Environmental Impact Report ("EIR") for the San Diego International Airport ("SDIA") Airport Development Plan ("ADP"). In January 2020, the Authority Board ("Board") certified the Final EIR and authorized an increase to the Authority Capital Program Budget to implement the ADP. The program to implement the ADP is referred to in this Staff Report as "New T1".

In September 2020, the Board authorized the selection of Turner-Flatiron, a Joint Venture ("JV") as the design-build contractor for the New T1, Terminal and Roadways project ("Terminal and Roadways") and authorized the JV to perform Validation Phase services. In October 2021, the Board authorized the execution of a Maximum Contract Price ("MCP") Amendment and authorized the President/CEO to negotiate and execute a Guaranteed Maximum Price ("GMP") Amendment. This Staff Report requests Board authorization to increase the authority granted to the President/CEO to execute a GMP Amendment and associated actions.

The Board has taken the following actions related to the Terminal and Roadways project:

1. On January 9, 2020, the Board adopted the following: (1) Resolution No. 2020-0001R, certifying the Final EIR for SDIA ADP and adopting a Mitigation Monitoring and Reporting Program, a Statement of Overriding Considerations, and California Environmental Quality Act ("CEQA") Findings of Fact; (2) Resolution No. 2020-0002, adopting ADP Alternative 4; and (3) Resolution 2020-0003 approving and adopting a mid-year adjustment of \$3,000,000,000 to the Fiscal Year 2020-2024 Capital Program Budget to incorporate implementation of ADP Alternative 4.
2. On September 3, 2020, the Board adopted Resolution No. 2020-0090, approving and authorizing the President/CEO to negotiate and execute a contract and a Validation Phase Services Agreement with the JV for validation phase services, design concept and documentation, early procurement work, and early construction related to the Terminal and Roadways project in an amount not to exceed \$80,000,000.
3. On July 1, 2021, the Board adopted Resolution No. 2021-0081, approving, and authorizing the President/CEO to negotiate and execute an Amendment to the Contract with the JV, extending the Validation Phase Services Agreement by 107 days from 300 days to 407 days and increasing the contract price by \$78,000,000 from \$80,000,000 to \$158,000,000 for validation phase services, extended design, early procurement, early construction, and select abatement and demolition activities.
4. On October 7, 2021, the Board adopted Resolution No. 2021-0115, approving and authorizing the President/CEO to negotiate and execute: (1) a Validation Amendment establishing a MCP not to exceed \$2,610,417,181 and a Master Project Schedule to the Contract with the JV for New T1, Terminal and Roadways; (2) a GMP Amendment within the MCP after the issuance of the Validation Amendment; and (3) future change orders using uncommitted program contingency funds within the New T1 Program Budget.
5. On October 7, 2021, the Board adopted Resolution No. 2021-0117, amending the Fiscal Year 2022 through Fiscal Year 2026 Capital Improvement Program to increase the New T1 Program Budget by \$375,000,000 and approving the New T1 Plan of Finance.
6. On January 6, 2022, the Board adopted Resolution No. 2022-0010 approving and authorizing the President/CEO to negotiate and execute an amendment to the contract with the JV for New T1 Terminal and Roadways to add a performance-based incentive program ("PBIP").

Validation Phase

The Terminal and Roadways project is being implemented using a design-build delivery method that emphasizes and relies on exceptional performance, physical co-location, team alignment, transparency, and collaboration to achieve results that meet or exceed the Authority's expectations including those of functionality, efficiency, aesthetics, customer experience, sustainability, and positive environmental and community impacts. Cost and schedule guarantee for the work are developed progressively beginning with an MCP at the completion of the validation of the program and continuing with a GMP after design is nearly complete.

The JV began the Validation Phase immediately after contract execution. The Validation Phase served as a transitional phase from the Authority's planning and programming to the JV's implementation of the project and provided the JV with an opportunity to examine and evaluate the requirements of the scope of work, including the information provided by the Authority that presents the Authority's vision, goals, objectives, criteria, and standards and to which, as amended, the JV is held accountable.

During the Validation Phase, the JV conducted the conceptual design, studies, and investigations necessary to verify site conditions and solidify the scope, budget, and schedule of the program. Authority staff and consultants worked collaboratively with the JV to facilitate Validation Phase work and reviewed the documentation prepared by the JV.

As the Validation Phase neared its completion on May 21, 2021, the JV submitted an initial MCP proposal of \$2,669,000,000. With the support of independent third-party cost estimators and schedulers, staff performed an extensive review and reconciliation of the JV's MCP, schedule, project scope, and assumptions and clarifications. The JV submitted a revised MCP proposal on August 20, 2021, and the Board approved and authorized the negotiation and execution of a Validation Amendment based on an MCP not exceeding \$2,610,417,181 on October 7, 2021. The results of the Validation Phase, including the MCP and other deliverables stipulated in the contract, were memorialized in the Validation Amendment.

Market Volatility and Cost Escalation

At the beginning of the Validation Phase in September 2020, construction activity across the country and the region had slowed significantly due to the COVID-19 pandemic. At that time, both the supply and demand for construction materials was reduced. Beginning in early 2021, however, the demand for construction materials and subcontractor labor rose very quickly, outpacing supply, and causing a high amount of price volatility.

The MCP included known impacts of market volatility through April 1, 2021. In order to account for expected future cost escalation, the MCP included, by mutual agreement, an Authority-controlled Escalation Allowance of \$104,725,330. The Escalation Allowance included a calculation of escalation of subcontractor bid packages at the rate of 4% per year compounded over the life of the project. This rate assumed a return to normal historic construction cost escalation rates going forward. It was mutually agreed that any trade package escalation that exceeded the Escalation Allowance would be funded from the Program Contingency by change order.

The Validation Amendment established that use of the Escalation Allowance be calculated using a yearly local cost index (“LCI”) jointly commissioned by the JV and the Authority. The LCI is developed based on input from the local contractor and material supplier community along with other regional and national cost indexes and trends.

The LCIs for the periods from April 2021 to March 2022 and April 2022 to March 2023 are listed below:

Year	LCI For Year	Cumulative LCI
April 2021-March 2022	15.39%	15.39%
April 2022-March 2023	7.99%	24.61%

Authority staff and consultants have also reviewed multiple cost indices published by various government agencies, professional cost estimators and contractors. On average, these indices indicate that construction costs increased 24.46% in the two years from the first calendar quarter of 2021 to the first calendar quarter of 2023.

Guaranteed Maximum Price

Upon completion of the Validation Phase and establishment of the MCP, the JV continued with design and the procurement of subcontractor trade packages while developing a GMP Proposal. The design of the first 19 gates is complete and the design of the final 11 gates is 90% complete. In addition, the JV started construction, and, as of October 31, 2023, had completed over 38% of the overall project construction including completion of the structural steel frame for the first 19 gates of the project.

Staff worked closely with the JV to provide oversight of the JV’s management of the design, procurement, and construction. In addition, staff worked closely with the JV since Spring of 2023 on the development of the JV’s detailed GMP proposal.

On December 7, 2023, the JV submitted a GMP proposal that includes the costs for design; construction; JV staff, insurance, fee, and bond; contractor-controlled and Authority-controlled allowances; and a contractor-controlled contingency. The proposal also includes escalation through the duration of the project, barring another catastrophic market disruption, and will allow the LCI process and the Escalation Allowance to be discontinued.

The MCP and GMP proposal are summarized below:

Description	Board Authorized MCP	Current MCP*	GMP Proposal
JV Contract Price	\$ 2,610,417,181	\$ 2,617,979,607	\$ 2,968,320,737

* MCP inclusive of all Change Orders as of 11/24/23

The cost increase between the Board Authorized MCP and the GMP proposal is 13.7%, which is less than the cost escalation experienced nationally and locally since April 2021 and expected to be experienced through the end of the project.

The GMP proposal also includes the following major project milestone events:

Anticipated Milestone Event	Planned Date
Substantial Completion of Construction First 19 Gates	August 2025
New Terminal First 19 Gates Operational	September 2025
Substantial Completion of Construction final 11 Gates	December 2027
Final 11 Gates Operational	January 2028
Contract Final Acceptance & Completion	September 2028

Authority staff and consultants continue to review the GMP proposal, and the costs presented therein and negotiations on the final GMP are expected to continue into February 2024. Any reductions reflected in the final negotiated GMP contract price will be transferred to the program contingency.

In addition, the JV also provided a list of pending change orders estimated to be approximately \$39,451,776. These costs were funded from the NT1 Program Contingency and are primarily related to differing site conditions discovered during construction, for Authority-requested changes including updates to the concessions program as it developed post-MCP, and updates to the stormwater reuse system serving the terminal. These costs are not included in the GMP proposal and staff will continue to substantiate and negotiate these costs and issue change orders as appropriate. The overall JV costs, including the pending change orders is described below:

Description	Current MCP*	GMP
MCP/GMP Proposal	\$ 2,617,979,607	\$ 2,968,320,737
Currently Pending GMP Change Orders**		\$ 39,451,776
Total Design-Builder Costs		\$ 3,007,772,513

* MCP inclusive of all Change Orders as of 11/24/23

** Pending GMP Change Orders are not included in the Current MCP but have been transferred to Terminal and Roadways project budget from NT1 Program Contingency

It should be noted that this GMP is for the Terminal and Roadways **contract**. The Terminal and Roadways **budget** includes not only the cost of this GMP Proposal and pending GMP Change Orders, but also includes costs outside of the GMP such as program management, Authority departmental support, insurance, and permit fees. Additional discussion related to impacts to the New T1 Terminal and Roadways project budget and overall New T1 program budget can be found in the corresponding New T1 Capital Program Budget Amendment agenda item (Item 11) being considered by the Board during today's meeting.

Requested Authorizations

Staff requests that the Board approve an increase to the authority previously granted to the President/CEO to execute a GMP Amendment in order to negotiate and execute amendments to the Contract with the JV, increasing the contract price to an amount not exceeding \$3,007,772,513, which consists of the GMP Proposal plus currently pending change orders, and a Final Acceptance and Completion date of September 6, 2028.

The New T1 program consists of project budgets for the Terminal and Roadways, New Administration Building, Airside Improvements, and Shuttle Lot Relocation projects. Each project budget includes design, construction, and Authority costs such as program management, Authority departmental support, insurance, and permit fees. The New T1 program budget also includes an Authority-controlled program contingency that is outside of each project budget and is shared across the New T1 program as necessary. The program contingency has been used to fund changes to the work, including differing site conditions discovered during construction, Authority-initiated changes to the concessions' infrastructure stemming from the Authority concessions procurement process, and changes required by external agencies (e.g. TSA, Port of San Diego) and utilities (San Diego Gas & Electric).

Should the Board authorize the Budget revisions requested in the New T1 Capital Program Budget Amendment agenda item being considered by the Board during today's meeting, the revised program contingency will be \$122,933,363, 4.8% of the New T1 program funds remaining to be spent. Staff believes the contingency is appropriate given the years remaining on the New T1 program and risks, such as differing site conditions, that remain.

Meeting Date: January 11, 2024

Authority Policy 5.02(4)(b)(iii) requires Board approval for any increase in the contract price should that amount exceed 4% of the contract price. In the case of the Terminal and Roadways contract, the current contract price is the MCP, inclusive of all change orders and amendments, but ultimately the contract price will become the amount of the executed GMP Amendment. At its October 7, 2021, meeting, the Board waived this Policy 5.02 requirement and authorized the President/CEO to negotiate and execute increases to the contract price of up to \$227,251,907 (which was the original New T1 program contingency) using remaining uncommitted funds from this contingency. Should the Board authorize the New T1 budget increase being considered separately at this meeting, and authorize the President/CEO to negotiate and execute amendments to the Contract with the JV, increasing the contract price to an amount not exceeding \$3,007,772,513, staff requests that the Board also authorize the President/CEO to negotiate and execute additional increases to the new contract price in an amount not to exceed uncommitted funds in the revised New T1 program contingency, which is expected to total approximately \$123 million as described above.

The contract with the JV contains shared savings provisions intended to incentivize cost reduction as well as exceptional performance above and beyond the requirements of the contract. The various incentives currently end at the execution of the GMP Amendment. Staff requests that the Board authorize and approve the President/CEO to, at her discretion, negotiate and include shared savings incentives within the GMP Amendment to incentivize cost reductions between GMP and final project completion.

Fiscal Impact:

A corresponding resolution for the New T1 Capital Program Budget Amendment agenda item (Item 11) is being considered at this same January 11, 2024, Board meeting. If the Item 11 resolution is adopted by the Board, adequate funds for the Turner-Flatiron Validation Amendment are included within the Board approved and amended FY2024-FY2028 Capital Program Budget within the New T1 line item. Sources of funding for the Terminal and Roadways components of the New T1 Program are Airport Revenue Bonds, Airport Cash, and Federal Grants.

Authority Strategies/Focus Areas:

This item supports one or more of the following:

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053 – SDCRAA # EIR-18-01) on January 9, 2020;
- B. California Coastal Act Review: This Board action is for a project that the California Coastal Commission issued Coastal Development Permits (CDP-6-20-0154), (CDP 6-200447), and (CDP 6-20-0611), on September 30, 2021;
- C. NEPA: This Board this action is for a project that received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs/policies/approach: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Policy 5.12 and the Inclusionary Approach. These programs/policy/approach, are intended to promote the inclusion of small, local, service-disabled veteran owned, historically underrepresented businesses and other business enterprises, on all contracts.

The Terminal and Roadways contract is funded both by federal and non-federal dollars (mixed funded) therefore the DBE Program and Inclusionary Approach applies. DBE participation on the federally funded work will be counted towards the Authority's overall DBE goal. No preferences were applied to the award of the contract; however, Turner-Flatiron submitted an Inclusionary Outreach Plan which delineates their commitment to working with the Authority to maximize participation by small, local, veteran owned small businesses and disadvantaged business enterprises.

Prepared by:

Angela Shafer-Payne
Development: Vice President & Chief Development Officer

RESOLUTION NO. 2024-0006

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING (1) AN INCREASE TO THE AUTHORITY PREVIOUSLY GRANTED TO THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A GUARANTEED MAXIMUM PRICE ("GMP") AMENDMENT IN ORDER TO NEGOTIATE AND EXECUTE AMENDMENTS TO THE CONTRACT WITH TURNER-FLATIRON, A JOINT VENTURE, FOR THE DESIGN AND CONSTRUCTION OF NEW TERMINAL 1 TERMINAL AND ROADWAYS, INCREASING THE CONTRACT PRICE TO A VALUE NOT EXCEEDING \$3,007,772,513 AND ESTABLISHING A FINAL ACCEPTANCE AND COMPLETION DATE OF SEPTEMBER 6, 2028; (2) THE PRESIDENT/CEO TO INCLUDE SHARED SAVINGS INCENTIVES WITHIN THE GMP AMENDMENT TO INCENTIVIZE SAVINGS BETWEEN THE GMP AND FINAL PROJECT COMPLETION; AND (3) THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE ADDITIONAL INCREASES TO THE CONTRACT PRICE IN AN AMOUNT NOT TO EXCEED UNCOMMITTED NEW T1 PROGRAM CONTINGENCY FUNDS

WHEREAS, in 2019, the San Diego County Regional Airport Authority ("Authority") published a draft Environmental Impact Report ("EIR") for the San Diego International Airport ("SDIA") Airport Development Plan ("ADP"); and

WHEREAS, on January 9, 2020, the Authority Board ("Board") adopted the following: (1) Resolution No. 2020-0001R, certifying the Final EIR for SDIA ADP and adopting a Mitigation Monitoring and Reporting Program, a Statement of Overriding Considerations, and California Environmental Quality Act ("CEQA") Findings of Fact; (2) Resolution No. 2020-0002, adopting ADP Alternative 4; and (3) Resolution 2020-0003 approving and adopting a mid-year adjustment of \$3,000,000,000 to the Fiscal Year 2020-2024 Capital Program Budget to incorporate implementation of ADP Alternative 4; and

WHEREAS, on September 3, 2020, the Board adopted Resolution No. 2020-0090, approving and authorizing the President/CEO to negotiate and execute a contract and a Validation Phase Services Agreement with Turner-Flatiron, a Joint Venture (“JV”) for validation phase services, design concept and documentation, early procurement work, and early construction related to the Terminal and Roadways project in an amount not to exceed \$80,000,000 for ADP (“New T1”) Package 1, Terminal and Roadways; and

WHEREAS, on July 1, 2021, the Board adopted Resolution No. 2021-0081, approving and authorizing the President/CEO to negotiate and execute an Amendment to the Contract with the JV, extending the Validation Phase Services Agreement by 107 days from 300 days to 407 days and increasing the contract price by \$78,000,000 from \$80,000,000 to \$158,000,000 for validation phase services, extended design, early procurement, early construction, and select abatement and demolition activities; and

WHEREAS, on October 7, 2021, the Board adopted Resolution No. 2021-0115, approving and authorizing the President/CEO to negotiate and execute: (1) a Validation Amendment establishing a MCP not to exceed \$2,610,417,181 and a Master Project Schedule to the Contract with the JV; (2) a GMP Amendment within the MCP after the issuance of the Validation Amendment; and (3) future change orders using uncommitted program contingency funds within the New T1 Program Budget; and

WHEREAS, on October 7, 2021, the Board adopted Resolution No. 2021-0117, amending the Fiscal Year 2022 through Fiscal Year 2026 Capital Improvement Program to increase the New T1 Program Budget by \$375,000,000 and approving the New T1 Plan of Finance; and

WHEREAS, on January 6, 2022, the Board adopted Resolution No. 2022-0010 approving and authorizing the President/CEO to negotiate and execute an amendment to the contract with the JV to add a performance-based incentive program (“PBIP”); and

WHEREAS, the Terminal and Roadways project is being implemented using a design-build delivery method that emphasizes and relies on exceptional performance, physical co-location, team alignment, transparency, and collaboration to achieve results that meet or exceed the Authority's expectations including those of functionality, efficiency, aesthetics, customer experience, sustainability, and positive environmental and community impacts; and

WHEREAS, cost and schedule guarantee for the work are developed progressively beginning with an MCP at the completion of the validation of the program and continuing with GMP after design is nearly complete; and

WHEREAS, after contract execution in September 2020, the JV began the Validation Phase; and

WHEREAS, the Validation Phase served as a transitional phase from the Authority's planning and programming to the JV's implementation of the project and provided the JV with an opportunity to examine and evaluate the requirements of the scope of work, including the information provided by the Authority that presents the Authority's vision, goals, objectives, criteria, and standards and to which, as amended, the JV is held accountable; and

WHEREAS, during the Validation Phase, the JV conducted the conceptual design, studies, and investigations necessary to verify site conditions and solidify the scope, budget, and schedule of the program; and

WHEREAS, Authority staff and consultants worked collaboratively with the JV to facilitate Validation Phase work and reviewed the documentation prepared by the JV; and

WHEREAS, as the Validation Phase neared its completion on May 21, 2021, the JV submitted an initial MCP proposal of \$2,669,000,000 and with the support of independent third-party cost estimators and schedulers, staff performed an extensive review and reconciliation of the JV's MCP, schedule, project scope, and assumptions and clarifications; and

WHEREAS, the JV submitted a revised MCP proposal on August 20, 2021, and the Board approved and authorized the negotiation and execution of a Validation Amendment based on an MCP not exceeding \$2,610,417,181 on October 7, 2021; and

WHEREAS, the results of the Validation Phase, including the MCP and other deliverables stipulated in the contract, were memorialized in the Validation Amendment; and

WHEREAS, at the beginning of the Validation Phase, construction activity across the country and the region had slowed significantly due to the COVID-19 pandemic and at that time, both the supply and demand for construction materials was reduced; and

WHEREAS, beginning in early 2021, the demand for construction materials and subcontractor labor rose very quickly, outpacing supply, and causing a high amount of price volatility; and

WHEREAS, the MCP included known impacts of market volatility through April 1, 2021; and

WHEREAS, in order to account for expected future cost escalation, the MCP included, by mutual agreement, an Authority-controlled Escalation Allowance of \$104,725,330; and

WHEREAS, the Escalation Allowance included a calculation of escalation of subcontractor bid packages at the rate of 4% per year compounded over the life of the project; and

WHEREAS, this rate assumed a return to normal historic construction cost escalation rates going forward. It was mutually agreed that any trade package escalation that exceeded the Escalation Allowance would be funded from the Program Contingency by change order; and

WHEREAS, the Validation Amendment established that use of the Escalation Allowance is to be calculated using a yearly local cost index ("LCI") jointly commissioned by the JV and the Authority; and

WHEREAS, the LCI is developed based on input from the local contractor and material supplier community along with other regional and national cost indexes and trends; and

WHEREAS, the LCI for April 2021 to March 2022 was 15.39% and the LCI from April 2022 to March 2023 was 7.99% with a cumulative LCI from April 2021 to March 2023 at 24.61%; and

WHEREAS, Authority staff and consultants have also reviewed multiple cost indices published by various government agencies, professional cost estimators and contractors that indicate that construction costs increased, on average, 24.46% in the two years from the first calendar quarter of 2021 to the first calendar quarter of 2023; and

WHEREAS, upon completion of the Validation Phase and establishment of the MCP, the JV continued with design and the procurement of subcontractor trade packages while developing a GMP Proposal; and

WHEREAS, the design of the first 19 gates is complete and the design of the final 11 gates is 90% complete; and

WHEREAS, the JV has started construction, and, as of October 31, 2023, had completed over 38% of the overall project construction including completion of the structural steel frame for the first 19 gates of the project; and

WHEREAS, staff worked closely with the JV to provide oversight of the JV's management of the design, procurement, and construction; and

WHEREAS, since Spring of 2023 staff has worked closely with the JV on the development of the JV's detailed GMP proposal; and

WHEREAS, on December 7, 2023, the JV submitted a GMP proposal of \$2,968,320,737 that includes the costs for design; construction; JV staff, insurance, fee, and bond; contractor-controlled and Authority-controlled allowances; and a contractor-controlled contingency; and

WHEREAS, the proposal also includes escalation through the duration of the project, barring another catastrophic market disruption, and will allow the LCI process and the Escalation Allowance to be discontinued; and

WHEREAS, the cost increase between the Board Authorized MCP and the GMP is 13.7%, which is less than the cost escalation experienced nationally and locally since April 2021 and expected to be experienced through the end of the project; and

WHEREAS, Authority staff and consultants continue to review the GMP proposal, and the costs presented therein and negotiations on the final GMP are expected to continue into February 2024; and

WHEREAS, any reductions reflected in the final negotiated GMP contract price will be transferred to the program contingency; and

WHEREAS, the JV also provided a list of pending change orders estimated to be approximately \$39,451,776; and

WHEREAS, these costs were funded from the NT1 Program Contingency and are primarily related to differing site conditions discovered during construction, for Authority-requested changes including updates to the concessions' infrastructure stemming from the Authority concessions procurement process, and updates to the stormwater reuse system serving the terminal; and

WHEREAS, these costs are not included in the GMP proposal and staff will continue to substantiate and negotiate these costs and issue change orders as appropriate; and

WHEREAS, staff requests that the Board approve an increase to the authority previously granted to the President/CEO to execute a GMP Amendment in order to negotiate and execute amendments to the Contract with the JV, increasing the contract price to an amount not exceeding \$3,007,772,513, which consists of the GMP Proposal plus currently pending change orders, and a Final Acceptance and Completion date of September 6, 2028; and

WHEREAS, the New T1 program consists of project budgets for the Terminal and Roadways, New Administration Building, Airside Improvements, and Shuttle Lot Relocation projects; and

WHEREAS, the New T1 program budget also includes an Authority-controlled program contingency that is outside of each project budget and is shared across the New T1 program as necessary; and

WHEREAS, the program contingency has been used to fund changes to the work, including differing site conditions discovered during construction, Authority-initiated changes to the concessions' infrastructure stemming from the Authority concessions procurement process, and changes required by external agencies (e.g. TSA, Port of San Diego) and utilities (San Diego Gas & Electric); and

WHEREAS, the proposed Budget revisions requested in the New T1 Capital Program Budget Amendment item will revise the program contingency to be \$122,933,363, 4.8% of the New T1 program funds remaining to be spent; and

WHEREAS, staff believes the contingency is appropriate given the years remaining on the New T1 program and risks, such as differing site conditions, that remain; and

WHEREAS, Authority Policy 5.02(4)(b)(iii) requires Board approval for any increase in the contract price should that amount exceed 4% of the contract price; and

WHEREAS, in the case of the Terminal and Roadways contract, the contract price is the MCP, inclusive of all change orders and amendments, or the amount of the executed GMP Amendment; and

WHEREAS, on October 7, 2021, the Board waived this requirement and authorized the President/CEO to negotiate and execute increases to the contract price of up to \$227,251,907 using remaining uncommitted funds from the New T1 program contingency; and

WHEREAS, should the Board authorize the New T1 budget increase being considered separately, and should the Board authorize the President/CEO to execute amendments to the contract to increase the contract price to \$3,007,772,513, staff requests that the Board also authorize the President/CEO to negotiate and execute additional increases to the new contract price in an amount not to exceed \$122,933,363, which is the amount of uncommitted funds in the revised New T1 program contingency; and

WHEREAS, the contract with the JV contains shared savings provisions intended to incentivize cost reduction as well as exceptional performance above and beyond the requirements of the contract; and

WHEREAS, the various incentives currently end at the execution of the GMP Amendment; and

WHEREAS, staff requests that the Board authorize and approve the President/CEO to, at her discretion, negotiate and include shared savings incentives within the GMP Amendment to incentivize cost reductions between GMP and final project completion.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes an increase to the authority previously granted to the President/CEO to negotiate and execute amendments to the contract with Turner-Flatiron, a Joint Venture, for the design and construction of New Terminal 1 Terminal and Roadways, increasing the contract price to a value not exceeding \$3,007,772,513 and establishing a final acceptance and completion date of September 6, 2028; and

BE IT FURTHER RESOLVED that the Board hereby approves and authorizes the President/CEO to, at her discretion, include shared savings incentives within the GMP amendment to incentivize savings between the GMP and final project completion; and

BE IT FURTHER RESOLVED that the Board hereby approves and authorizes the President/CEO to negotiate and execute additional increases to the contract price in an amount not to exceed uncommitted New T1 Program contingency funds; and

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

BE IT FURTHER RESOLVED that the Board finds that this action is for a project that the California Coastal Commission issued Coastal Development Permits (CDP-6-20-0154), (CDP 6-200447), and (CDP 6-20-0611), on September 30, 2021; and

BE IT FURTHER RESOLVED that the Board finds that this action is for a project that received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Board Actions Regarding NT1 Terminal & Roadways and Airside Improvements Contracts and the Capital Program Budget (Items 9, 10, & 11)

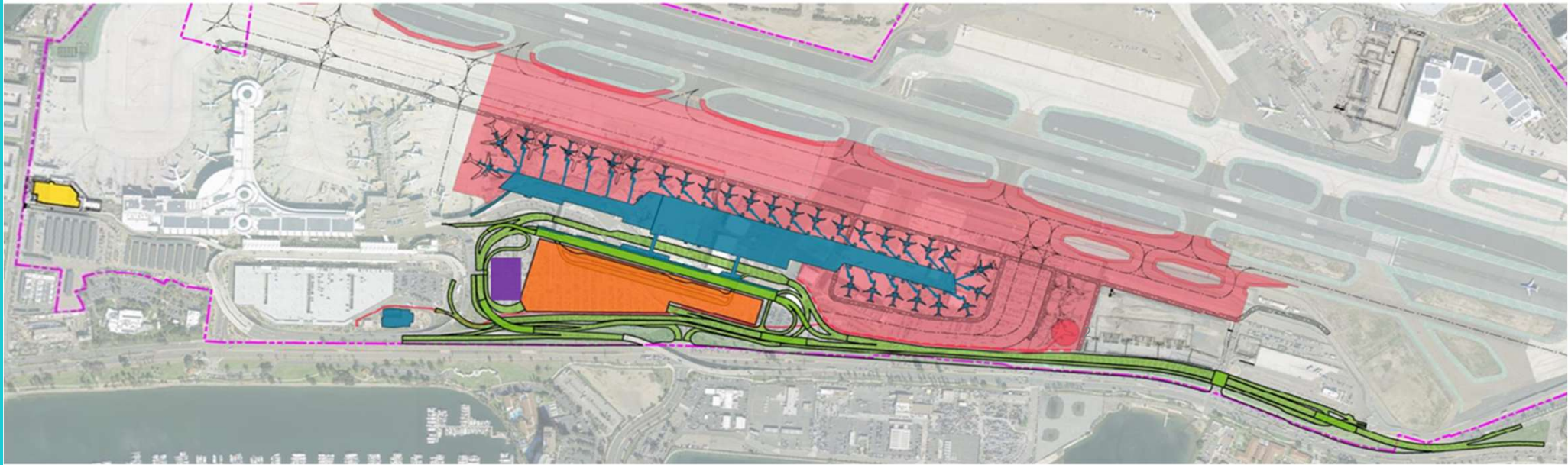
Presented by Angela Shafer-Payne, VP & Chief Development Officer, Bob Bolton, Director, Airport Design & Construction, and Maya Dayan, Director, Capital Financial Planning & Airline Relations

January 11, 2024

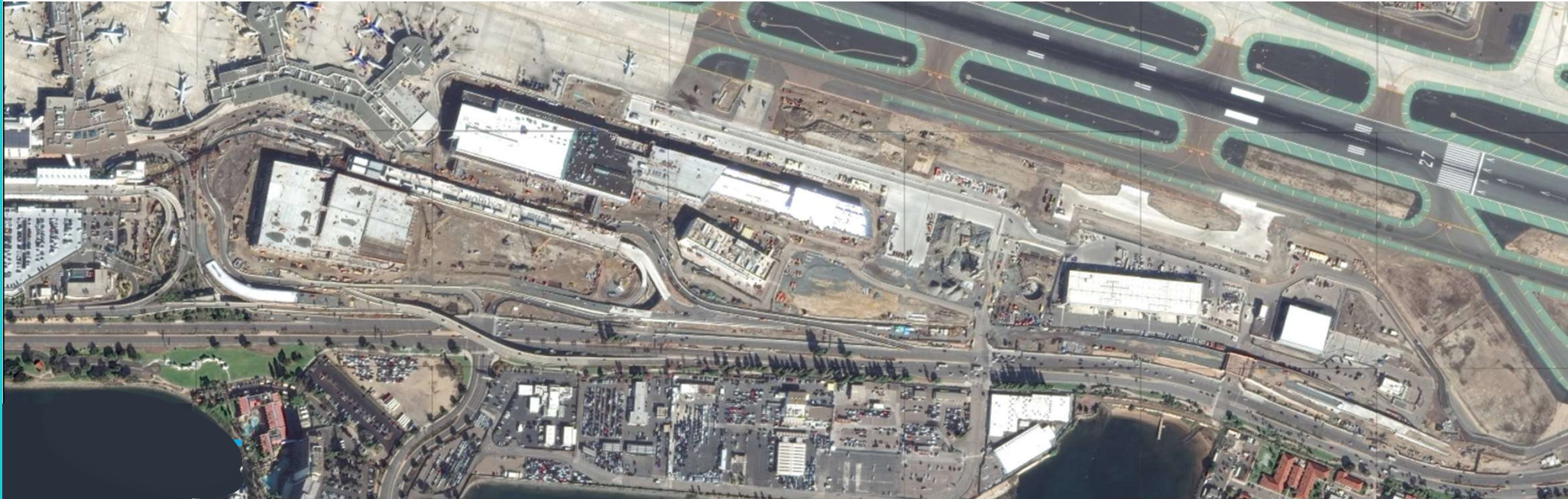
New T1

OVERALL PROGRAM SCOPE

- Terminal and Roadways
- Airside Improvements
- Administration Building
- Future Transit Station



New T1 Aerial



NT1 Milestones

General	Date
Shuttle Lot Relocation Phase 1 Operational	October 2023
New Administration Building Move-In Complete	October 2023

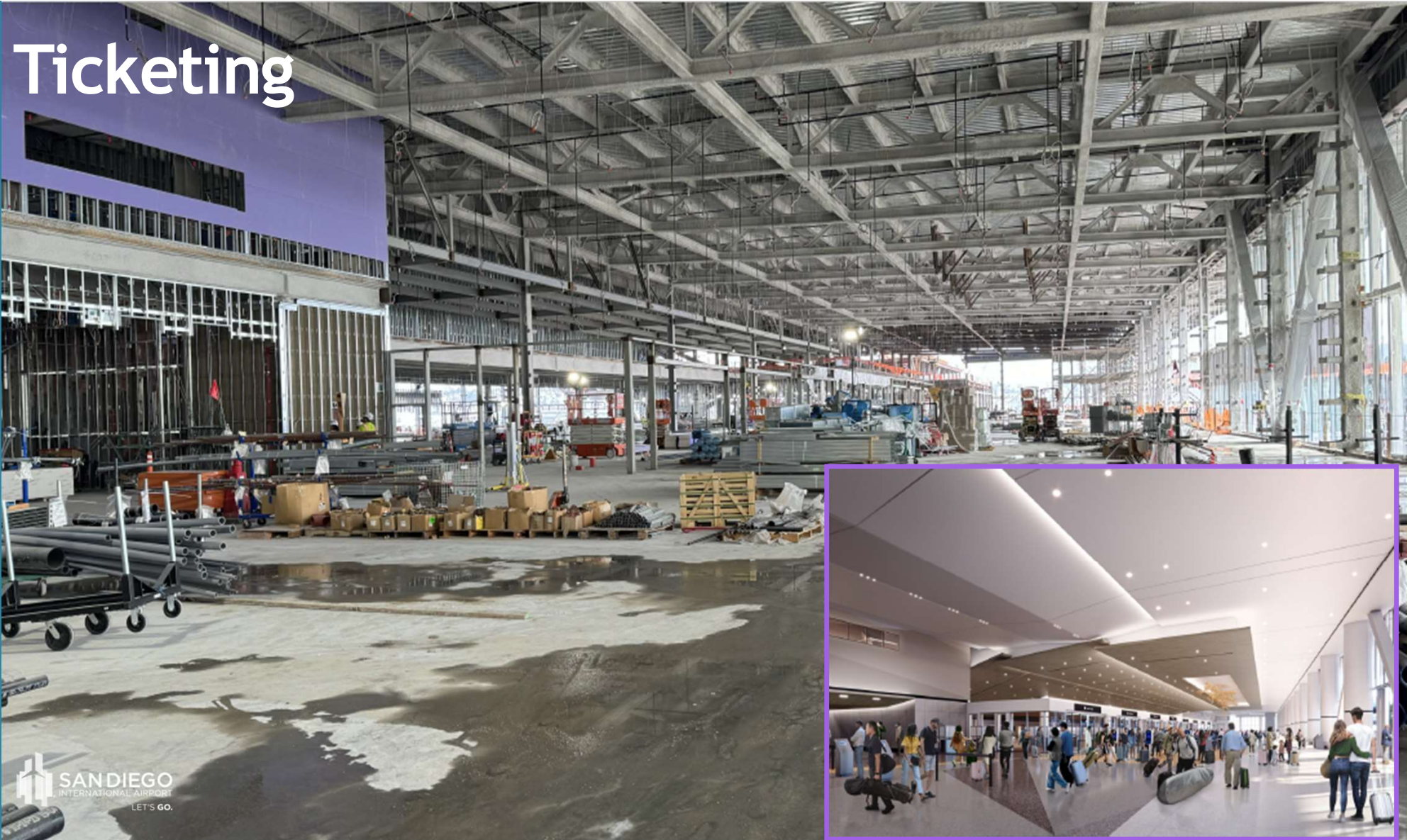
Airside Improvements	Date
Construction 30% Complete	November 2023
Air Operations Area Wall Construction Started	October 2023

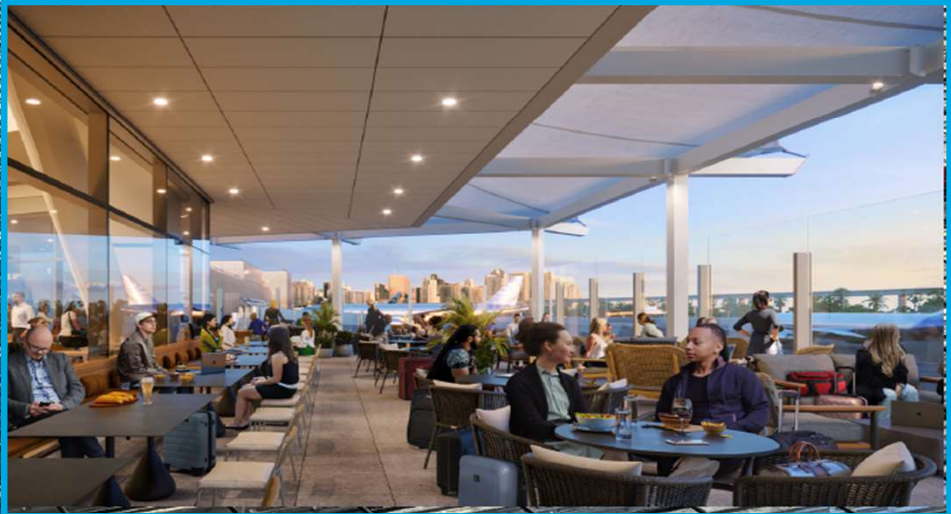
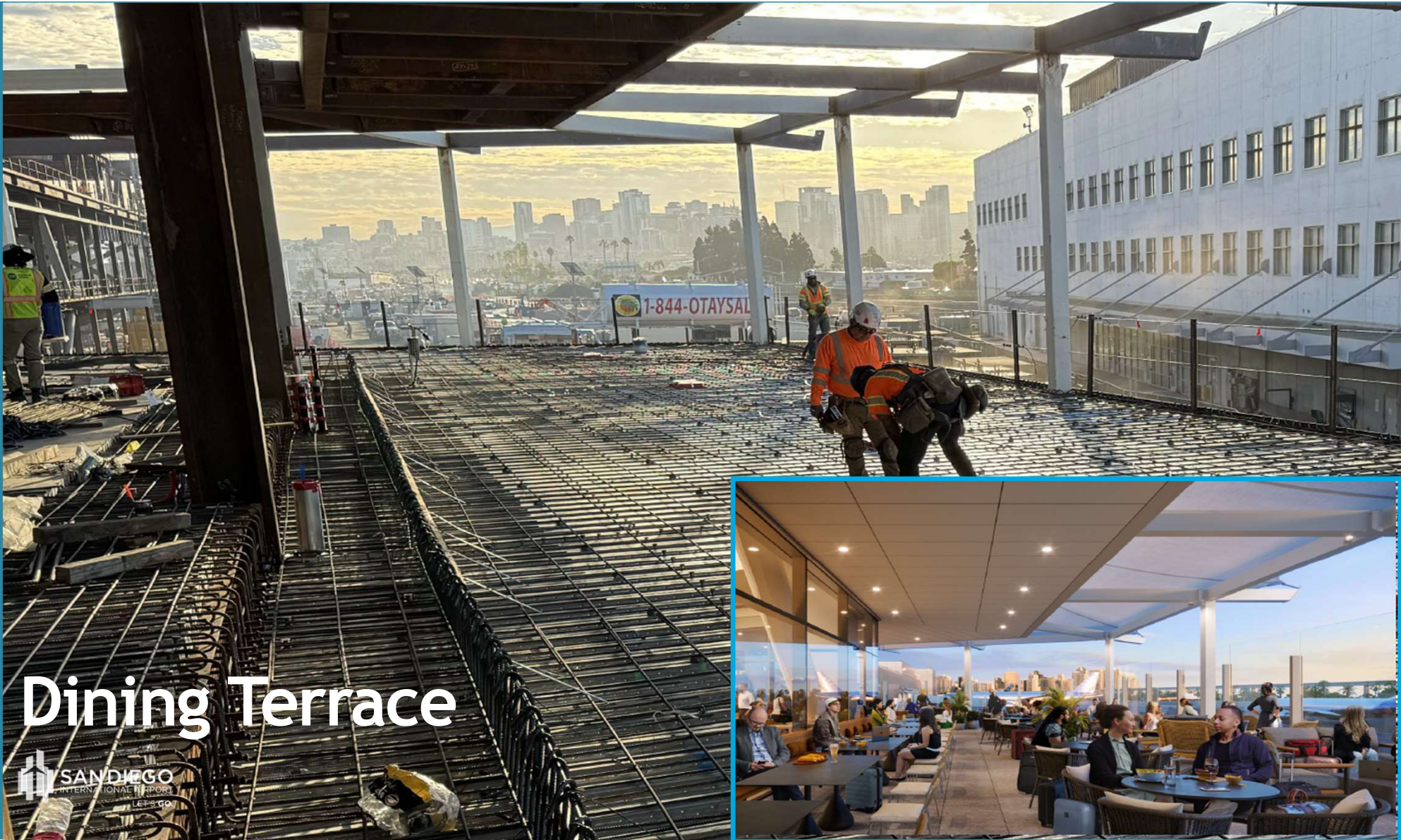
Terminals and Roadways	Date
Steel Topping Out (Phase 1A)	October 2023
Demolition of Former Administration Building Started	November 2023

Arrivals Road



Ticketing





Dining Terrace

 SANDIEGO
INTERNATIONAL AIRPORT
LENS GO

NT1 - Milestones

Construction of Luminous Wave at South Facade



View From Pedestrian Bridge of NT1 and EDR



Demolition of Former Administration Building



NT1 Program Budget

(in thousands)

Project Description	Board Approved Budget	Approved Budget after Contingency Transfer
New T1 Program		
Terminal and Roadways	2,813,284	2,857,456
Airside Improvements	306,000	314,904
New Administration Building	102,000	109,321
Shuttle Lot Relocation Construction	15,764	15,764
Program Contingency	227,252	166,854
Total New T1 Program ¹	\$3,464,300	\$3,464,300

¹ Total may differ due to rounding

Challenging Times for Construction

Covid -19 Pandemic

Original - March 2020

Δ Variant (Delta)—Mid 2021

Ω Variant (Omicron)—2022

Supply Chain Issues

Closure of Suez Canal-2021

War in Ukraine-2022

Shipping and Logistics Disruptions-2021and 2022

Labor Availability—2021-2023

Extreme Weather Events Nationally and Locally

Hurricanes and Deep Freeze in Southeast - 2021

Unprecedented Rain Events Including Hurricane Hilary - 2022-2023

NT1 - Extreme Weather Events

High Winds & Rain Cause Flooding & City Sewer Overflow, Downed Fences, & Overload of the Stormwater System on North Harbor Drive



Construction Escalation

a) Escalation Locally (Local Cost Index)

Year	LCI for Year	Cumulative LCI
April 2021-March 2022	15.39%	15.39%
April 2022-March 2023	7.99%	24.61%

b) Escalation Nationally

Year	Year	Cumulative
Q1 2021-Q1 2022	13.26%	13.26%
Q1 2022-Q1 2023	11.20%	24.46%

Guaranteed Maximum Price

Why a GMP?

- GMP locks in price for this scope
- JV has bid 96% of subcontracts
- Risk can now be appropriately assigned or mitigated
- JV takes on escalation for reasonable future increases
- Team can focus on project completion
- Potential for a shared savings incentive program to incentivize cost savings between GMP and completion

Guaranteed Maximum Price

Description	Board Authorized MCP	Current MCP*	GMP Proposal
Contract Price	\$ 2,610,417,181	\$ 2,617,979,607	\$ 2,968,320,737
Pending Change Orders**			\$ 39,451,776

* MCP inclusive of all Change Orders as of 11/24/23

** Pending Change Orders are not included in the Current MCP but have been transferred to Terminal and Roadways project budget from NT1 Program Contingency

Terminal and Roadways Budget Update

(in thousands)

Project Description	Board Approved Budget	Approved Budget after Contingency Transfer	Proposed Budget Adjustment	Revised Proposed Budget
T&R Construction Contract	2,610,417	2,617,980	350,341	2,968,321
Currently pending GMP Change Orders		39,452	-	39,452
Authority Costs *	202,867	200,025	21,575	221,600
Total T&R Project¹	2,813,284	2,857,456	371,916	3,229,372

* Authority costs associated with management of the T&R project, insurance, environmental and permit fees

¹ Total may differ due to rounding

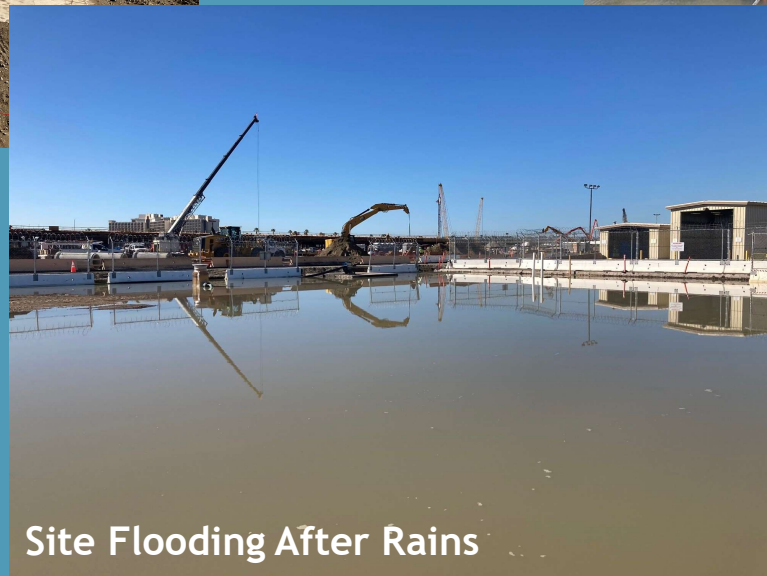
Airside Improvements - Project Impacts



Existing Foundation
Discovered During Excavation



Existing Leaking Utility Pipe



Site Flooding After Rains

Airside Improvements Budget Update

(in thousands)

Project Description	Board Approved Budget	Approved Budget after Contingency Transfer	Proposed Budget Adjustment	Revised Proposed Budget
Airside Improvements Construction Contract	251,671	259,223	20,413	279,636
Authority Costs *	54,329	55,682	21,202	76,884
Total Airside Improvements Project¹	306,000	314,904	41,615	356,519

* Authority costs associated with management of the Airfield Improvements project, insurance, environmental and permit fees

¹ Total may differ due to rounding

Capital Program Budget Update and Plan of Finance

January 11, 2024

Proposed Capital FY 2024-2028 Budget Amendment

(in thousands)

Project Description	Board Approved Budget	Approved Budget after Contingency Transfer	Proposed Budget Adjustment	Revised Proposed Budget
New T1 Program				
Terminal and Roadways	2,813,284	2,857,456	371,916	3,229,372
Airside Improvements	306,000	314,904	41,615	356,519
New Administration Building	102,000	109,321	(2,021)	107,300
Shuttle Lot Relocation Construction	15,764	15,764	2,411	18,175
Program Contingency	227,252	166,854	(43,921)	122,933
Total New T1 Program	\$3,464,300	\$3,464,300	\$370,000	\$3,834,300
Capital Improvement Program (CIP)				
CIP FY 2024 - FY 2028	389,249	389,249	0	389,249
Total CIP	\$389,249	\$389,249	\$0	\$389,249
Total Capital Program ¹	\$3,853,549	\$3,853,549	\$370,000	\$4,223,549

¹ Total may differ due to rounding

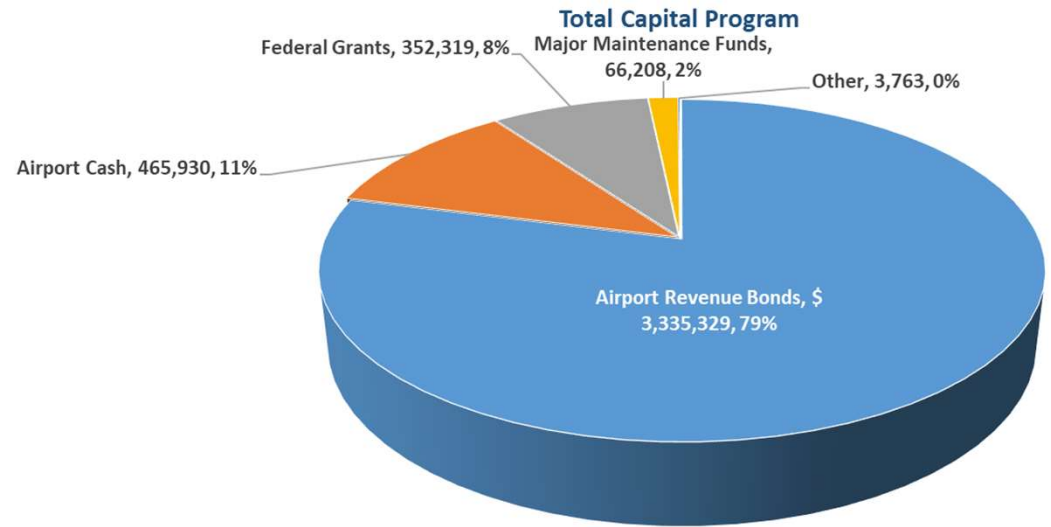
Sources of Funds

(in thousands)

New T1 Program	TOTAL
Airport Revenue Bonds	\$ 3,184,817
Airport Cash	345,274
Federal Grants	304,209
New T1 Program Total	3,834,300

Capital Improvement Program (CIP)	
Airport Revenue Bonds	150,512
Airport Cash	120,656
Major Maintenance Funds	66,208
Federal Grants	48,110
Other	3,763
CIP Total	389,249

Total Capital Program **\$ 4,223,549**



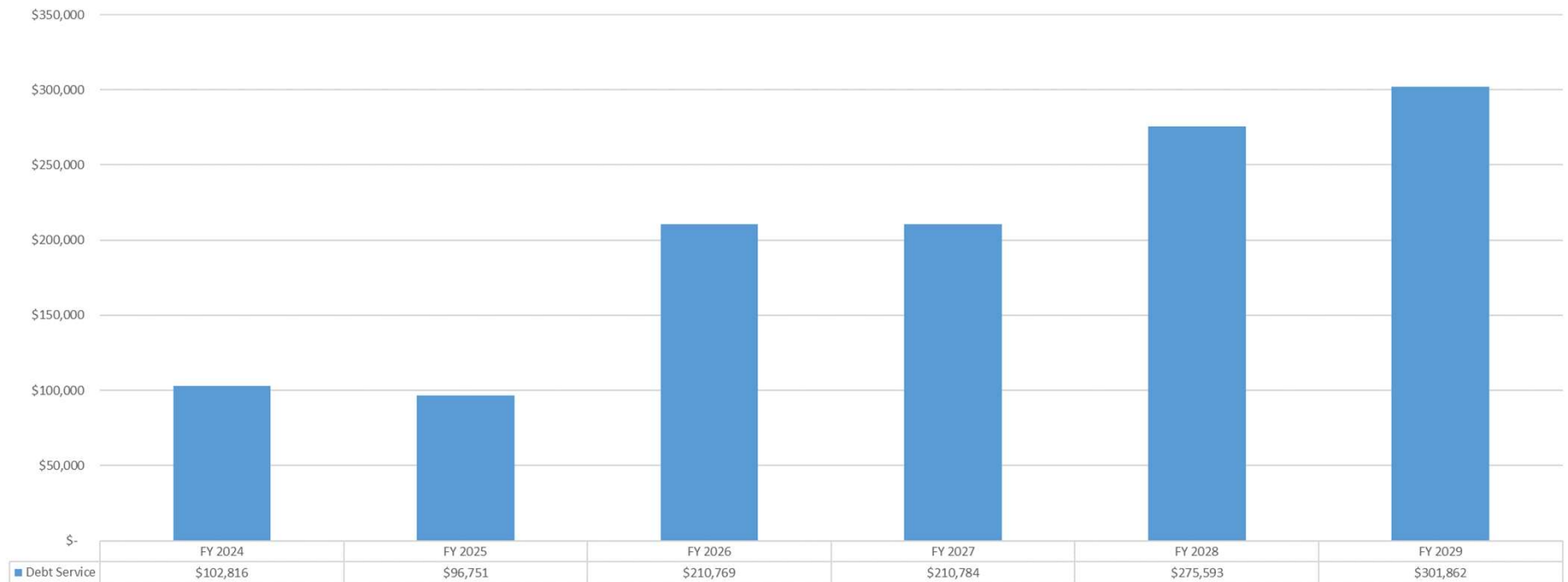
Debt Issuance

	Series 2021	Series 2023	Projected CY 2025	Total
Par	\$ 1,941,745	\$ 1,061,980	\$ 1,050,765	\$ 4,054,490
Premium / (Discount)	332,381	(7,023)	-	325,359
Total Sources ¹	\$ 2,274,126	\$ 1,054,957	\$ 1,050,765	\$ 4,379,849
Project Funds NT1	1,500,458	862,632	772,437	3,135,528
Project Funds CIP	71,516	-	-	71,516
Fund Deposits and Cost of Issuance	344,982	164,818	278,328	788,128
Refunding/Tender proceeds	357,170	27,506	-	384,676
Total Uses ¹	\$ 2,274,126	\$ 1,054,956	\$ 1,050,765	\$ 4,379,848

¹ Total may differ due to rounding

Gross Debt Service *

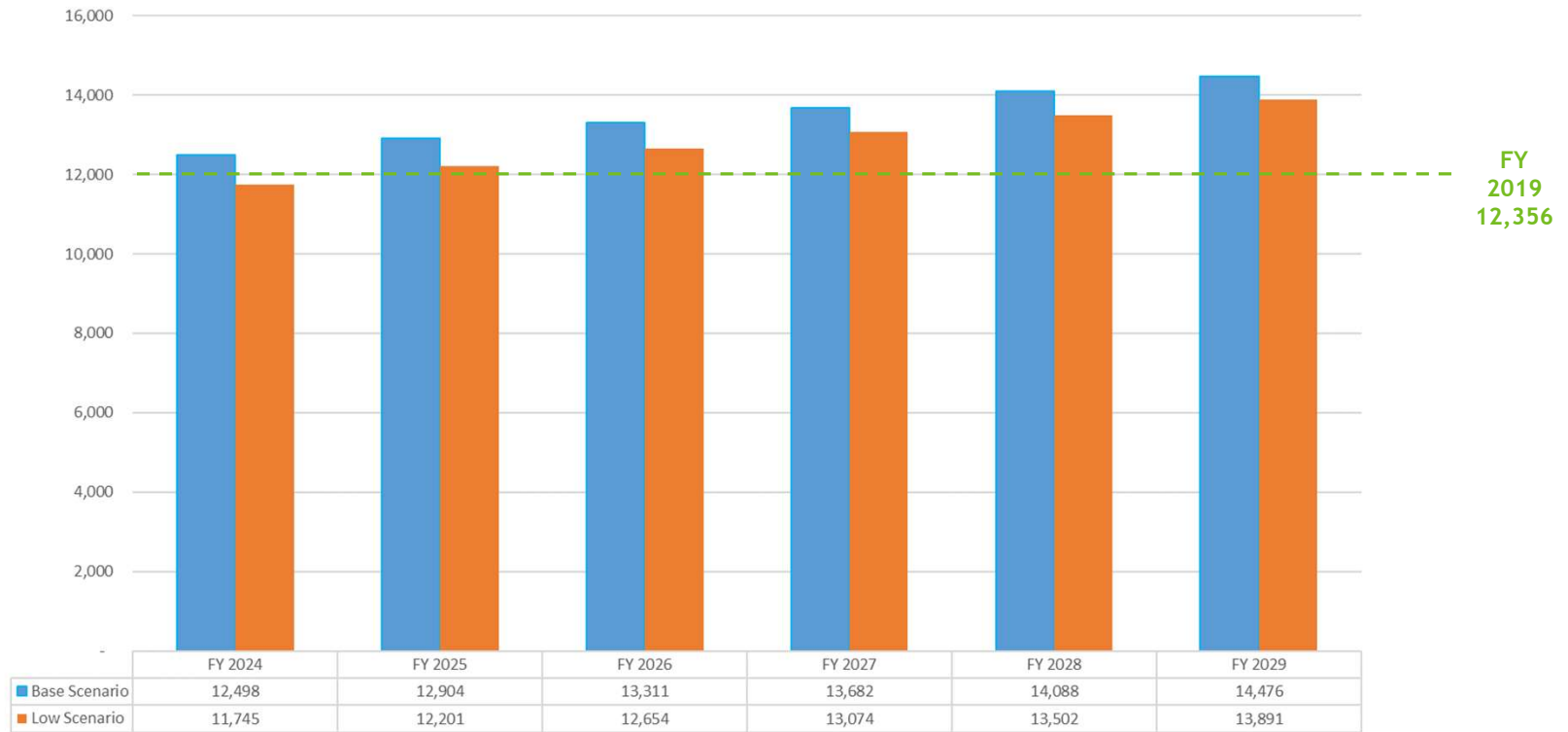
(in thousands)



* based on the 2023 Feasibility Report – metrics will be updated during the upcoming FY2025 and FY2026 Budget process

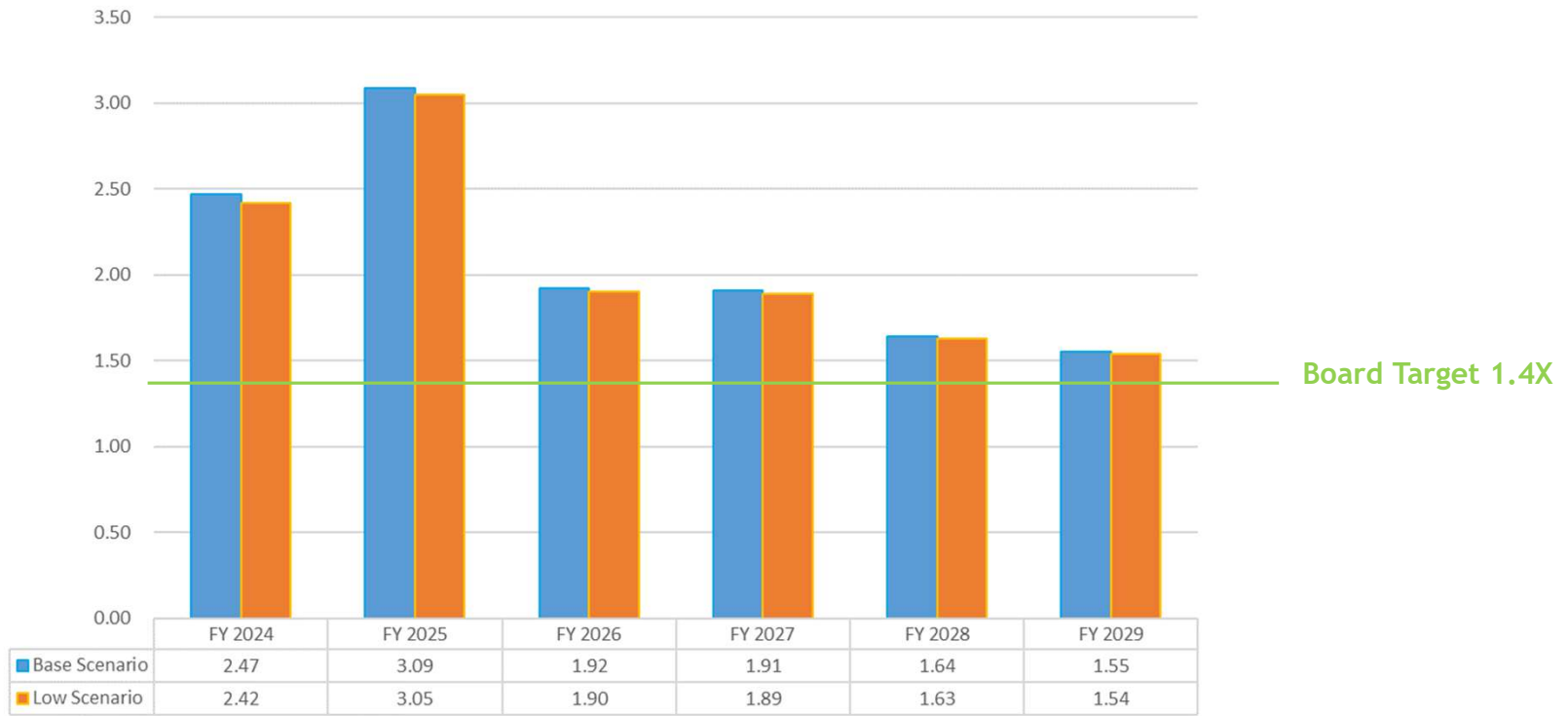
Enplanements Forecast *

(in thousands)



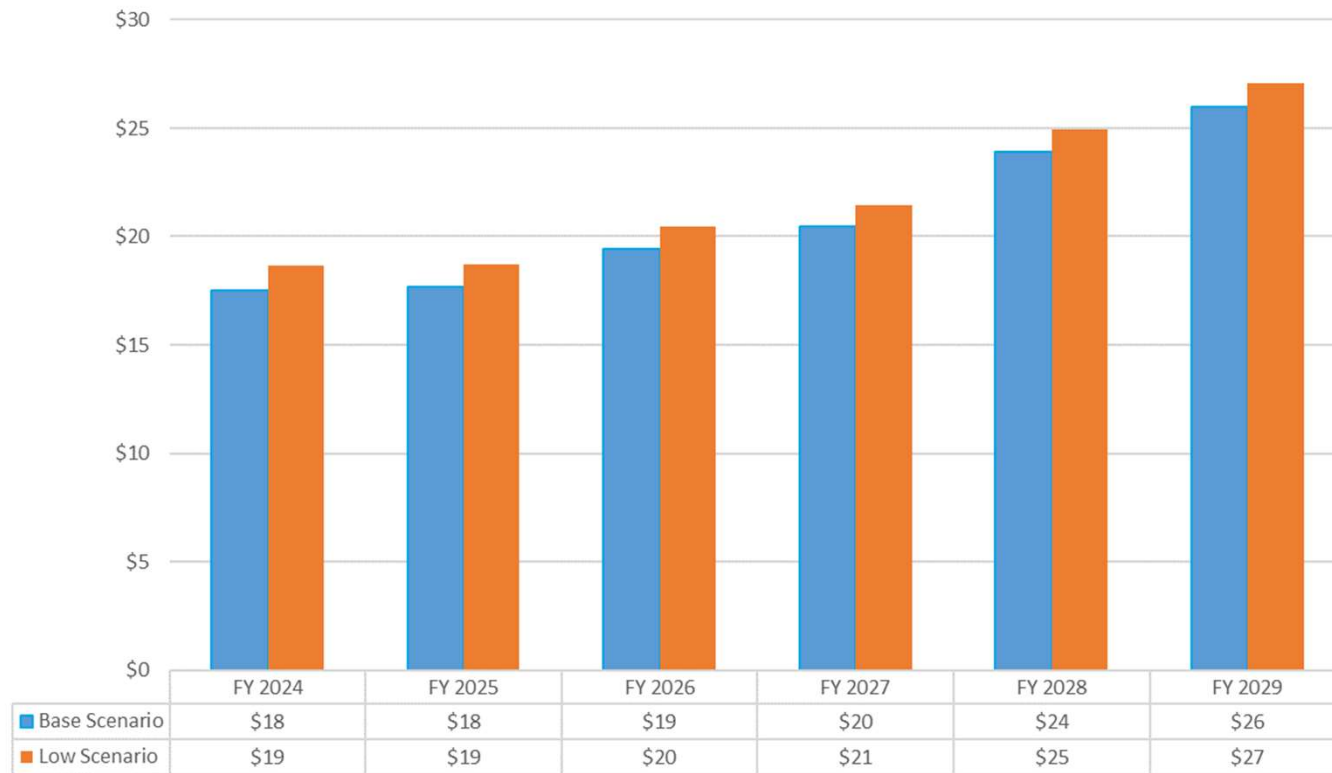
* based on the 2023 Feasibility Report – metrics will be updated during the upcoming FY2025 and FY2026 Budget process

Debt Service Coverage *



* based on the 2023 Feasibility Report - metrics will be updated during the upcoming FY2025 and FY2026 Budget process

Cost Per Enplaned Passenger (CPE) *



* based on the 2023 Feasibility Report – metrics will be updated during the upcoming FY2025 and FY2026 Budget process

Summary

- The financial forecast and metrics shown are from the Feasibility Consultant's Report included in the Authority's late 2023 debt issuance.
- Finance staff expects to maintain a solid financial position and a competitive cost structure through the New T1 program with financial metrics remaining within board approved targets of at least 600 Days' Cash On Hand, 1.4x DSC, and a competitive CPE.
- The upcoming budget process for FY2025-2026 will update the forecast and metrics.
- Airline partners continue to support the New T1 Program in spite of the increased cost.

Recommendation Item 11:

Adopt Resolution No. 2024-0008, amending the Fiscal Year 2024-2028 Capital Program Budget to increase the New T1 Program Budget by \$370,000,000, for a total Capital Program Budget of \$4.224 Billion.

Recommendation Item 9:

Adopt Resolution No. 2024-0006, approving and authorizing: (1) an increase to the authority previously granted to the President/CEO to negotiate and execute a Guaranteed Maximum Price (“GMP”) Amendment in order to negotiate and execute amendments to the Contract with Turner-Flatiron, a Joint Venture for the design and construction of New Terminal 1 Terminal and Roadways, increasing the contract price to a value not exceeding \$3,007,772,513 and establishing a Final Acceptance and Completion date of September 6, 2028; (2) the President/CEO to include shared savings incentives within the GMP Amendment to incentivize savings between the GMP and final project completion; and (3) the President/CEO to negotiate and execute additional increases to the contract price in an amount not to exceed uncommitted New T1 Program Contingency funds.

Recommendation Item 10:

Adopt Resolution No. 2024-0007, waiving Policy 5.02(4)(b)(iii) and approving and authorizing an increase in the President/CEO's change order authority for the Contract with Griffith Company, Inc., from \$10,066,852.60 to an amount not to exceed the amount of uncommitted New T1 Program Contingency funds for Project No. 411001, New T1 Airside Improvements at San Diego International Airport.



Questions?

Staff Report

Meeting Date: January 11, 2024

Subject:

Approve and Authorize an Increase in the President/CEO's Change Order Authority for the New T1 Airside Improvements Project at San Diego International Airport

Recommendation:

Adopt Resolution No. 2024-0007, waiving Policy 5.02(4)(b)(iii) and approving and authorizing an increase in the President/CEO's change order authority for the Contract with Griffith Company, Inc., from \$10,066,852.60 to an amount not to exceed the amount of uncommitted New T1 program contingency funds for Project No. 411001, New T1 Airside Improvements at San Diego International Airport.

Background/Justification:

On October 7, 2021, the San Diego County Regional Airport ("Airport") Authority ("Authority") Board ("Board") adopted Resolution 2021-0116, awarding a contract to Griffith Company, Inc., ("Griffith") in the amount of \$251,671,315 for Project No. 411001, New T1 Airside Improvements (hereinafter the "Project").

This Project includes all airfield related components to allow for operation of the new terminal, to improve overall airfield operations, and to increase the safety and efficiency of aircraft movements. Federal funding through a Federal Aviation Administration ("FAA") grant has been awarded and as such the design meets FAA criteria and standards. This Project is being constructed over a seven-year period that will include multiple construction phases to ensure minimal impact to ongoing airfield operations.

The major elements of this Project include a new aircraft apron to support the New T1, Remain Overnight (RON) parking aprons for Group III to Group V aircraft, a new Taxiway A parallel to Taxiway B, and realignment and improvements to the existing Taxiway B that provide the FAA required 400-foot clearance from Runway 9-27.

Other major Project elements include a 0.9-million-gallon cistern that is part of the Airport's storm water capture and reuse system, new connectors for portions of Taxiway A, reconstruction of a portion of the Runway 27 connector to Taxiway B and relocation of the vehicle service road.

Since beginning construction, Griffith has encountered multiple unforeseen conditions that have delayed the Project and required multiple change orders, including an extensive rephasing and schedule recovery effort aimed at getting the Project back on a schedule that will deliver substantial completion coincident with that of the New T1 Terminal and Roadways project. To ensure that the Project is completed by a date that will not impact the opening of New T1, additional change orders will need to be issued to mitigate multiple items which have resulted in delays to the construction schedule. Examples of some of the unforeseen conditions encountered by Griffith during construction include:

1. The effects of approximately thirteen atmospheric river driven rain events experienced by the project in 2023, which have incurred labor and material costs to restore the site to required conditions to continue construction.
2. Soil containing excessive free oils and grease visible in the groundwater was found within the trench excavation during the construction of multiple storm drain lines. The oils encountered also had a negative effect on the dewatering treatment system in operation at the time, requiring the accelerated replacement schedule for equipment and treatment material.
3. Abandoned building foundations were encountered during construction of storm drain lines. Also, during demolition of the foundations, concrete was found that was stained a green color, alerting staff to the possibility of hazardous conditions. In response to this finding, Authority Environmental Affairs Department staff instructed Griffith to remove and segregate material into discreet piles placed on top of plastic sheets and protect against exposure to storm water before being further analyzed and profiled for proper disposal by the Authority. At least one of these abandoned foundations also included floor tiles which were determined to contain asbestos after sampling and testing performed under the direction of Authority Environmental Affairs Department staff.
4. Existing City of San Diego 60-inch diameter concrete pipe scheduled for replacement during the Project contained holes and gaps at the joint locations that leaked water, causing delays to construction. The existing pipe also included wooden supports treated with creosote, a chemical which has historically been used to prevent wood exposed to ground water from rotting.
5. Miscellaneous underground obstructions such as both wooden and steel piles used during the construction of buildings formerly constructed on Airport property. Griffith has also encountered several underground utilities that were not documented on plans used during the design phase of the Project.

It should be noted that contractors working onsite are bound by the contract to immediately inform Project staff any time they unexpectedly encounter conditions they suspect could contain potentially hazardous material, at which time the appropriate contact from our Environmental Affairs Department is also notified. Often, as has been the case in multiple instances during construction of the Project, this results in lengthy delays as Griffith and/or other on-call environmental contractors are required to excavate the material using specialized equipment to be isolated from suitable material while it is waiting to be tested. At other times, it is required not to disturb the material so that it can be tested in place, without the risk of further contamination of adjacent material. This has required Griffith to construct temporary ramps or other methods to allow the required sampling equipment to access the excavation. In cases where the testing confirms the presence of known hazardous material, the material is required to be removed using additional specialized equipment and disposed of in a location specifically permitted to receive such material. These procedures have added substantial unanticipated cost to the Project and have also caused the Project to experience significant delays which will also require additional effort to accelerate construction timelines to get the Project back on schedule.

The additional cost required to compensate Griffith for mitigating these and other unforeseen conditions that have been encountered to date is currently estimated to be \$7,551,265, which has been covered by the originally approved change order authority amount. However, the additional cost required to accelerate construction in an effort to get the Project back on schedule after the associated delays is currently estimated at \$20,413,024, which is 8.1% of the contract value previously awarded to Griffith by the Board.

The New T1 Program consists of project budgets for the Terminal and Roadways, New Administration Building, Airside Improvements, and Shuttle Lot Relocation projects. Each project budget includes design, construction, and Authority costs such as program management, Authority departmental support, insurance, and permit fees. The New T1 Program budget also includes an Authority-controlled program contingency that is outside of each project budget and is shared across the New T1 Program, as necessary. Should the Board authorize the Budget revisions requested in the Capital Program Budget Amendment agenda item (Item 11) also being considered during today's meeting, the revised program contingency will be \$122,933,363, 4.8% of the New T1 program funds remaining to be spent. Staff believes the contingency is appropriate given the years remaining and the risks associated with the New T1 program. Because the Airside Improvements project is subject to many of the same risks as have been experienced to date, such as differing site conditions which continue to be encountered, the Project needs to have access to the shared program contingency to mitigate for possible additional unforeseen conditions that could be encountered as construction continues over the next several years.

Authority Policy ("Policy") 5.02(4)(b)(iii) requires Board approval for change orders in excess of 4% of the original contract amount on contracts awarded for more than \$5 million. For this contract with Griffith, that amounts to \$10,066,852.60. Should the Board authorize the New T1 budget increase being considered separately at this meeting, staff requests that the Board waive Policy 5.02(4)(b)(iii) and approve and authorize an increase in the President/CEO's change order authority from \$10,066,852.60 to an amount not to exceed the amount of uncommitted funds in the revised New T1 Program contingency, which is \$122,933,363 shared across all projects included in the New T1 Program.

Fiscal Impact:

A corresponding resolution for the Capital Program Budget Amendment agenda item (Item 11) is being considered at this same January 11, 2024, Board meeting. If the Item 11 resolution is adopted by the Board, adequate funds for the NT1 Airside Improvements project will be included within the Board approved and amended FY2024-FY2028 Capital Program Budget within the New T1 line item. Sources of funding for the Airside Improvements components of the New T1 Program are Airport Revenue Bonds and Federal Grants.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053 – SDCRAA # EIR-18-01) on January 9, 2020;
- B. California Coastal Act Review: This Board action is for a project that the California Coastal Commission issued Coastal Development Permits (CDP-6-20-0154), (CDP 6-200447), and (CDP 6-20-0611), on September 30, 2021;

- C. NEPA: This Board this action is for a project that received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

Application of Inclusionary Policies:

The Authority has the following inclusionary programs and policies: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program and Policy 5.12. These programs and policy are intended to promote the inclusion of small, local, service disabled/veteran owned small businesses, historically underrepresented businesses, and other business enterprises, on all contracts. Only one of the programs and 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 Policy 5.12. Therefore, the Authority must utilize other means as provided in the DBE Plan to achieve participation.

This project utilizes federal funds; therefore, DBE participation will be applied towards the Authority's overall DBE goal. Griffith Company agrees to ensure that DBEs have the maximum opportunity to participate in the performance of the work for this project and will take all necessary and reasonable steps in accordance with the contract documents to ensure DBEs have the maximum opportunity to complete for and perform subcontracted work. Griffith Company shall cooperate with the Authority and will demonstrate that it intends to subcontract to certified DBEs in accordance with the FAA-approved DBE Program for the Authority.

Prepared by:

Angela Shafer-Payne
Development: Vice President & Chief Development Officer

RESOLUTION NO. 2024-0007

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY WAIVING POLICY 5.02(4)(b)(iii) AND APPROVING AND AUTHORIZING AN INCREASE IN THE PRESIDENT/CEO'S CHANGE ORDER AUTHORITY FOR THE CONTRACT WITH GRIFFITH COMPANY, INC., FROM \$10,066,852.60 TO AN AMOUNT NOT TO EXCEED THE AMOUNT OF UNCOMMITTED NEW T1 PROGRAM CONTINGENCY FUNDS FOR PROJECT NO. 411001, NEW T1 AIRSIDE IMPROVEMENTS AT SAN DIEGO INTERNATIONAL AIRPORT

WHEREAS, on October 7, 2021, the San Diego County Regional Airport Authority ("Authority") Board ("Board") adopted Resolution No. 2021-0116, ("Airport") awarding a Contract to Griffith Company, Inc., in the amount of \$251,671,315 for Project No. 411001, New T1 Airside Improvements (hereinafter the "Project"); and

WHEREAS, this Project includes all airfield related components to allow for operation of the new terminal, to improve overall airfield operations, and to increase the safety and efficiency of aircraft movements. Federal funding through a Federal Aviation Administration ("FAA") grant is expected and as such the design meets FAA criteria and standards; and

WHEREAS, this Project is being constructed over a seven-year period that will include multiple construction phases to ensure minimal impact to ongoing airfield operations; and

WHEREAS, the major elements of this Project include a new aircraft apron to support the New T1, Remain Overnight (RON) parking aprons for Group III to Group V aircraft, a new Taxiway A parallel to Taxiway B, and realignment and improvements to the existing Taxiway B that provide the FAA required 400-foot clearance from Runway 9-27; and

WHEREAS, other major Project elements include a 0.9-million-gallon cistern that is part of the Airport storm water capture and reuse system, new connectors for portions of Taxiway A, reconstruction of a portion of the Runway 27 connector to Taxiway B and relocation of the vehicle service road; and

WHEREAS, since beginning construction, Griffith has encountered multiple unforeseen conditions that have delayed the Project and required multiple change orders, including an extensive rephasing and schedule recovery effort aimed at getting the Project back on a schedule that will deliver substantial completion coincident with that of the New T1 Terminal and Roadways project; and

WHEREAS, to ensure that the Project is completed by a date that will not impact the opening of New T1, additional change orders will need to be issued to mitigate multiple items which have resulted in delays to the construction schedule; and

WHEREAS, during construction of the Project, unexpected hazardous material conditions have been encountered resulting in lengthy delays; and

WHEREAS, this has required Griffith to construct temporary ramps or other methods to allow the required sampling equipment to access the excavation; and

WHEREAS, these procedures have added substantial unanticipated cost to the Project and have also caused the Project to experience significant delays which will also require additional effort to accelerate construction timelines to get the Project back on schedule; and

WHEREAS, the additional cost required to compensate Griffith for mitigating these and other unforeseen conditions that have been encountered to date is currently estimated to be \$7,551,265; and

WHEREAS, the additional cost required to accelerate construction in an effort to get the Project back on schedule after the associated delays is currently estimated at \$20,413,024, which is 8.1% of the contract value previously awarded to Griffith by the Board; and

WHEREAS, the New T1 Program consists of project budgets for the Terminal and Roadways, New Administration Building, Airside Improvements, and Shuttle Lot Relocation projects; and

WHEREAS, each project budget includes design, construction, and Authority costs such as program management, Authority departmental support, insurance, and permit fees; and

WHEREAS, the New T1 Program budget also includes an Authority-controlled program contingency that is outside of each project budget and is shared across the New T1 Program, as necessary; and

WHEREAS, should the Board authorize the proposed Budget revisions in the Capital Program Budget Amendment, the revised program contingency will be \$122,933,363, approximately 5% of the New T1 program funds remaining to be spent; and

WHEREAS, Authority Staff ("Staff") believes the contingency is appropriate given the years remaining and the risks associated with the New T1 program; and

WHEREAS, because the Airside Improvements project is subject to many of the same risks, such as differing site conditions which continue to be encountered, the Project needs to have access to the shared program contingency to mitigate for possible additional unforeseen conditions that could be encountered as construction continues over the next several years; and

WHEREAS, Authority Policy ("Policy") 5.02(4)(b)(iii) requires Board approval for change orders in excess of 4% of the original contract amount on contracts awarded for more than \$5 million, which in this case is \$10,066,852.60; and

WHEREAS, Staff requests that the Board waive Policy 5.02(4)(b)(iii) and approve and authorize an increase in the President/CEO's change order authority from \$10,066,852.60 to an amount not to exceed the amount of uncommitted funds in the revised New T1 Program contingency, which is \$122,933,363 shared across all projects in the New T1 Program.

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

BE IT FURTHER RESOLVED that the Board approves and authorizes an increase in the President/CEO's change order authority from \$10,066,852.60 to an amount not to exceed the amount of uncommitted funds in the revised New T1 program contingency, which is \$122,933,363 shared across all projects in the New T1 Program, for Project No. 411001, New T1 Airside Improvements at San Diego International Airport; and

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

BE IT FURTHER RESOLVED that the Board finds that this action is for a project that the California Coastal Commission issued Coastal Development Permits (CDP-6-20-0154), (CDP 6-200447), and (CDP 6-20-0611), on September 30, 2021; and

BE IT FURTHER RESOLVED that the Board finds that this action is for a project that received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January, 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 11, 2024

Subject:

Approve an Amendment to the Capital Program Budget for Fiscal Years 2024–2028

Recommendation:

Adopt Resolution No. 2024-0008, amending the Fiscal Year 2024-2028 Capital Program Budget to increase the New T1 Program Budget by \$370,000,000, for a total Capital Program Budget of \$4.224 Billion.

Background/Justification:

The Capital Program is a rolling five-year program that provides for critical improvements and asset preservation for the Airport Authority. The Capital Program includes: 1) the \$389.2 million Capital Improvement Program (“CIP”) that predominantly addresses airfield safety and capacity, environmental protection, terminal enhancements, landside infrastructure, and access improvements; and 2) the \$3.464 billion New Terminal 1 (New T1) Program to replace the existing Terminal 1 with a larger, more efficient facility that enhances the airport experience. It will also include airfield enhancements, major improvements to roadways serving the airport, and an area preserved for a future transit station on airport property. The total Fiscal Year 2024 – 2028 Capital Program budget is \$3.854 billion and was adopted at the Board’s June 1, 2023, meeting.

New T1 Program Budget Increase:

This Staff Report requests that the Board amend the Fiscal Year 2024 – 2028 Capital Program budget to increase the New T1 Program budget by \$370.0 million or 10.7%. The increase would result in an amended New T1 Program budget of \$3.834 Billion and an amended total Capital Program budget of \$4.224 billion. In accordance with Board Policy 8.50, an Art Allowance of 2.23% of eligible construction costs is included in the New T1 Program budget.

Meeting Date: January 11, 2024

In order to understand all the changes being recommended to the New T1 Program budget, two corresponding staff reports must be read in conjunction with this staff report. They include Item 9 regarding the GMP Amendment to the Turner-Flatiron Joint Venture Contract for Terminal and Roadways Project and Item 10 regarding an increase in the President/CEO's change order authority for the New T1 Airside Improvements Project. Items 9 and 10 are for contractual increases only and do not include Authority costs associated with management of the projects, insurance, environmental and permit fees. The project budgets in this staff report include all costs.

Terminal and Roadways Project

Escalation primarily drives an increase of \$350.3 million in the Terminal and Roadways contract, as described in the corresponding staff report (Item 9). In addition to the cost increases to the Terminal and Roadways contract, the Authority costs associated with management of the project, insurance, environmental and permit fees have increased by approximately \$21.6 million. This is primarily due to: 1) an increase in the project duration since the budget was developed in 2020; and 2) increases in staffing due to additional night and weekend shifts. In total, the proposed Terminal and Roadways Project budget adjustment is \$371.9 million.

Airside Improvements Project

As described in the corresponding staff report (Item 10), the Airside Improvements contract increase of \$20.4 million is predominantly driven by multiple unforeseen conditions that have delayed the project and required extensive rephasing and schedule recovery effort aimed at getting the project back on schedule. Additionally, similar to the Terminal and Roadways Project, Authority costs associated with management of the Airside Improvements Project, insurance, environmental and permit fees have increased by \$21.2 million. This is primarily due to: 1) an increase in the project duration since the budget was developed in 2020; 2) increases in staffing due to additional night and weekend shifts; and 3) significantly higher than expected environmental remediation and inspection costs. In total, the proposed Airside Improvements Project budget adjustment is \$41.6 million.

Administration Building Project

The New Administration Building was placed in service in October, 2023 and is in its closeout stage. The project is forecasted to be \$2.0 million below budget.

Shuttle Lot Relocation Project

Finally, the Shuttle Lot Relocation Construction project is expected to increase by \$2.4 million as the result of escalation due to schedule delays and market conditions as well as higher environmental remediation and inspection costs.

Program Contingency

The New T1 Program budget also includes an Authority-controlled program contingency that is outside of each project budget and is shared across the New T1 Program, as necessary. To partially offset some of the increases described above that are not related to escalation, \$43.9 million of contingency within the existing New T1 Program budget is being used. Should the Board authorize the Budget revisions, the revised program contingency will be \$122.9 million or 4.8% of the New T1 Program budget remaining to be spent.

Below is a table of the requested amended total Capital Program budget of \$4.224 billion compared to the original adopted budget of \$3.853 billion.

(in thousands)

Project Description	Board Approved Budget	Approved Budget after Contingency Transfer	Proposed Budget Adjustment	Revised Proposed Budget
New T1 Program				
Terminal and Roadways	2,813,284	2,857,456	371,916	3,229,372
Airside Improvements	306,000	314,904	41,615	356,519
New Administration Building	102,000	109,321	(2,021)	107,300
Shuttle Lot Relocation Construction	15,764	15,764	2,411	18,175
Program Contingency	227,252	166,854	(43,921)	122,933
Total New T1 Program	\$3,464,300	\$3,464,300	\$370,000	\$3,834,300
Capital Improvement Program (CIP)				
CIP FY 2024 - FY 2028	389,249	389,249	0	389,249
Total CIP	\$389,249	\$389,249	\$0	\$389,249
Total Capital Program ¹	\$3,853,549	\$3,853,549	\$370,000	\$4,223,549

¹ Total may differ due to rounding

Plan of Finance:

As part of the Authority’s debt issuance in late 2023, the Authority engaged a consultant to develop a Feasibility Report that was included in the debt offering documents. This report included an assumed increase of \$370.0 million in the NT1 Program budget and provided a detailed financial analysis and forecast of key financial metrics as depicted below:

Enplanements Forecast

The feasibility report includes a base and a low enplanement forecast.

(in thousands)

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Base Scenario	12,498	12,904	13,311	13,682	14,088	14,476
Low Scenario	11,745	12,201	12,654	13,074	13,502	13,891

Cost per Enplanement (CPE):

CPE is the metric that measures the average cost per enplaned passenger at the airport. The airlines pay fees and rents to use the airport, which are set to recover the operating and debt service costs of the Authority allocated to airline cost centers. CPE is based upon both these costs as well as the number of passengers. Once the New T1 is placed in service, CPE is estimated to peak at approximately \$26 for the base forecast and \$27 for the low forecast. When comparing the forecasted CPE with other large California and national peer airports, this meets the target in Board Policy 4.40 for an affordable CPE.

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Base Scenario	\$18	\$18	\$19	\$20	\$24	\$26
Low Scenario	\$19	\$19	\$20	\$21	\$25	\$27

Debt Service Coverage (DSC):

This metric shows the Authority's ability to service its outstanding debt. Under the Authority's bond indentures, the minimum Senior Lien Debt coverage requirement is 1.25x, and the minimum Subordinate Lien requirement is 1.10x. These minimums are met based on the Plan of Finance in the Feasibility Report. In addition, the Airlines have agreed in the Airline Operating and Lease Agreement (AOLA) to guarantee at least 1.40x aggregate DSC. The feasibility report's forecast of DSC does not go below the Authority Board's target of 1.40x (per Board Policy 4.40) through FY 2029.

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Base Scenario	2.47	3.09	1.92	1.91	1.64	1.55
Low Scenario	2.42	3.05	1.90	1.89	1.63	1.54

Days Cash on Hand (DCOH):

This metric illustrates how long the Authority's cash reserves can support paying its operating costs. Rating analysts and airport bond investors view higher cash reserves as a positive factor for credit worthiness. The AOLA supports Board Policy 4.40 that the Authority maintains a target of at least 600 DCOH, with cash above that level used to either pay down debt or forego issuing more debt. Staff expects DCOH to remain above 1,000 days through FY 2025, at which time any excess over 600 days is planned to be used to pay down debt or finance capital projects.

In summary, based on the Feasibility Report forecast, the Authority is expected to maintain a solid financial position and a competitive cost structure. During the upcoming FY2025 and FY2026 Budget process, we will be revising the Airport Authority's Plan of Finance with updated forecasts for enplanements, revenues, expenditures, and debt service, as well as updated key metric projections.

Authority Staff have met frequently with airline partners during the last year, discussing the evolving budget for the New T1 Project. The Airlines have had an opportunity to provide input throughout the process and they continue to support proceeding with the New T1 Program in spite of the increased cost.

Fiscal Impact:

The following tables provide the sources of funds for the amended FY 2024 – 2028 Capital Program budget of \$4.224 billion:

(in thousands)

New T1 Program	TOTAL
Airport Revenue Bonds	\$ 3,184,817
Airport Cash	345,274
Federal Grants	304,209
New T1 Program Total	3,834,300

Capital Improvement Program (CIP)	
Airport Revenue Bonds	150,512
Airport Cash	120,656
Major Maintenance Funds	66,208
Federal Grants	48,110
Other	3,763
CIP Total	389,249

Total Capital Program \$ 4,223,549

As presented above, Staff will be updating the Authority's financial metrics during the upcoming budget process. We expect the updated forecast of key metrics to remain within Board approved targets of at least 600 DCOH, 1.4x DSC, and a competitive CPE, demonstrating a viable Plan of Finance.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is for a project that received certification and approval for the Airport Development Plan Environmental Impact Report (SCH NO. 2017011053 – SDCRAA # EIR-18-01) on January 9, 2020.
- B. California Coastal Act Review: This Board action is for a project that the California Coastal Commission issued Coastal Development Permits (CDP-6-20-0154), (CDP 6-200447), and (CDP 6-20-0611), on September 30, 2021.
- C. NEPA: This Board this action is for a project that received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021.

Application of Inclusionary Policies:

Not Applicable

Prepared by:

Maya Dayan
Capital Financial Planning and Airline Relations, Director

RESOLUTION NO. 2024-0008

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AMENDING THE FISCAL YEAR 2024-2028 CAPITAL PROGRAM BUDGET TO INCREASE THE NEW T1 PROGRAM BUDGET BY \$370,000,000 FOR A TOTAL CAPITAL PROGRAM BUDGET OF \$4.224 BILLION

WHEREAS, the Authority's Capital Program is a rolling five-year program that provides for critical improvements and asset preservation at San Diego International Airport ("Airport"); and

WHEREAS, the Fiscal Year 2024-2028 Capital Program includes: 1) the \$389.2 million Capital Improvement Program ("CIP") that predominantly addresses airfield safety and capacity, environmental protection, terminal enhancements, landside infrastructure, and access improvements and 2) the \$3.464 billion New Terminal 1 (New T1) Program to replace the existing Terminal 1 with a larger, more efficient facility that enhances the airport experience, including airfield enhancements, major improvements to roadways serving the Airport, and an area preserved for a future transit station on airport property; and

WHEREAS, the total Fiscal Year 2024 – 2028 Capital Program budget is \$3.854 billion and was adopted at the Board's June 1, 2023, meeting; and

WHEREAS, beginning in early 2021, the demand for construction materials and subcontractor labor rose very quickly, outpacing supply, and causing a high amount of price volatility resulting in increased costs for the New T1 Program; and

WHEREAS, on December 7, 2023, the Turner-Flatiron Joint Venture (“JV”), the contractor performing the Terminal and Roadways project, submitted a Guaranteed Maximum Price (“GMP”) proposal of \$2,968,320,737 for the Terminal and Roadways project that includes costs for: design; construction; JV staff, insurance, fee, and bond; contractor-controlled and Authority-controlled allowances; and a contractor-controlled contingency; and

WHEREAS, escalation is the primary driver behind the proposed increase of \$350.3 million for the Terminal and Roadways contract; and

WHEREAS, increases in the JV’s non-construction costs are driven primarily by additional design requested by the Authority, additional staffing required for weekend and overnight work shifts, and staff rate increases; and

WHEREAS, in addition to the JV’s increased costs, the Authority’s costs associated with management of the Terminal and Roadways project have increased by approximately \$21.6 million, primarily due to: 1) an increase in the duration of the Terminal and Roadways project since the budget was developed in 2020; and 2) increases in staffing due to additional night and weekend shifts; and

WHEREAS, as a result of these increased costs, the proposed Terminal and Roadways project budget adjustment is \$371.9 million; and

WHEREAS, Griffith Company, Inc., the contractor performing the Airside Improvements project, has encountered multiple unforeseen conditions that have delayed the Airside Improvements project and required multiple change orders, including an extensive rephasing and schedule recovery effort aimed at getting the Airside Improvements project back on a schedule that will deliver substantial completion coincident with that of the Terminal and Roadways project; and

WHEREAS, to ensure that the Airside Improvements project is completed by a date that will not impact the opening of the New T1, additional change orders will need to be issued to mitigate multiple items which have resulted in delays to the construction schedule; and

WHEREAS, as a result of these unforeseen conditions, the Airside Improvements project contract must be increased by \$20.4 million; and

WHEREAS, similar to the Terminal and Roadways project, Authority costs associated with management of the Airfield Improvements project have increased by \$21.2 million due primarily to: 1) an increase in the project duration since the budget was developed in 2020; 2) increases in staffing due to additional night and weekend shifts; and 3) significantly higher than expected environmental remediation and inspection costs; and

WHEREAS, as a result of these increased costs, the proposed Airfield Improvements project budget adjustment is \$41.6 million; and

WHEREAS, the New Administration Building was placed in service in October, 2023 and is in its closeout stage. The project is forecasted to be \$2.0 million below budget; and

WHEREAS, the Shuttle Lot Relocation Construction project's cost is expected to increase by \$2.4 million as the result of escalation due to schedule delays and market conditions as well as higher environmental remediation and inspection costs; and

WHEREAS, to partially offset some of the increases described above that are not related to escalation, \$43.9 million of contingency within the existing New T1 Program Budget is being used; and

WHEREAS, as a result of the factors described herein, a projected \$370,000,000 increase to the previously Board-approved Fiscal Year 2024 – 2028 Capital Program budget is needed to cover the increased costs; and

WHEREAS, the Board finds that the Plan of Finance supports an amended Capital Program budget of \$4.224 billion because it meets the Board targets of 600 days' cash on hand, a competitive Cost per Enplanement and maintains a 1.40 times Debt Service Coverage; and

WHEREAS, Board Policy 8.50 states that the President/CEO shall take appropriate action to allocate two percent (2%) of eligible construction costs from each eligible construction project; and

WHEREAS, the Art Allowance for New T1 is 2.23% of eligible construction cost.

NOW THEREFORE BE IT RESOLVED that the Board approves an amendment to the Fiscal Year 2024-2028 Capital Program budget, to increase the New T1 Program Budget by \$370,000,000 for a total Capital Program budget of \$4.224 billion; and

BE IT FURTHER RESOLVED that the Board finds that increasing the Fiscal Year 2024-2028 Capital Program budget as described herein is in the best interest of the Authority and the public that it serves; and

BE IT FURTHER RESOLVED that the Board approves a 2.23% allocation of eligible construction costs from the Terminal and Roadways Project to fund the Public Art Program; and

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

BE IT FURTHER RESOLVED that the Board finds that this action is for a project that the California Coastal Commission issued Coastal Development Permits (CDP-6-20-0154), (CDP 6-200447), and (CDP 6-20-0611), on September 30, 2021; and

BE IT FURTHER RESOLVED that the Board finds that this action is for a project that received approval and was issued a Finding of No Significant Impact (FONSI) and Record of Decision (ROD) by the Federal Aviation Administration (FAA) on October 22, 2021; and

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 11th day of January 2024, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Board Communication

Date: January 11, 2024
To: Board Members
From: Tony R. Russell, Director, Board Services/ Authority Clerk
Subject: Business and Travel Expense Reimbursement Reports for Board Members, President/CEO, Chief Auditor and General Counsel When Attending Conferences, Meetings, and Training at the Expense of the Authority

Authority Policy 3.30 (3)(b) and (4) require that travel and business expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved or pre-approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of Policy 3.30.

TRAVEL EXPENSE REIMBURSEMENT

KIM BECKER

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REIMBURSEMENT REPORT - Board Members, President/CEO, General Counsel, Chief Auditor
 (To be completed within 30 days from travel return date for domestic travel; 45 days for international travel)

Refer to Authority Policy 3.30 - Business and Travel Expense Reimbursement Policy, outlining appropriate reimbursable expenses. Attach all required supporting documentation. All receipts must be detailed (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

[Policy 3.30 - Business and Travel Expense Reimbursement](#)

[Business and Travel Reimbursement Guidelines](#)

Employee/Trip Information

Name: Kimberly J. Becker Dept: 6 - Executive Division Date: _____
 Departure Date: 11/30/2023 Return Date: 12/1/2023 Report Due: 12/31/23
 Destination: Phoenix, AZ
 Business Purpose: AAAE Policy Review Committee Meeting

Expense items not included in Per Diem	Authority Prepaid Expenses	Employee Paid Expenses							TOTAL
		11/30/23 Thursday	12/1/23 Friday	12/2/23 Saturday	12/3/23 Sunday	12/4/23 Monday	12/5/23 Tuesday	12/6/23 Wednesday	
Air Fare, Railroad, Bus	229.28								-
Conference Fees									-
Rental Car									-
Gas									-
Parking & Tolls									-
Mileage - Attach mileage form									-
Taxi / TNC / Shuttle Fare		13.95							13.95
Lodging	*								-
Telephone, Internet and Fax									-
Laundry									-
Miscellaneous:									-
* Please Note - hotel was paid for by AAAE, as stipulated in their policy to pay expenses for Board and PRC members.									-
	\$ 229.28								\$ 13.95

Expense items included in Per Diem:

Meals & Incidental Expenses (M&IE) Meals will be reimbursed at established Per Diem rates. Receipts shall not be required except for authorized meals above per diem rate (approved by CEO or Vice President below). If a meal is provided by a conference or meeting, do not include the meal for reimbursement below. On first travel day, only include lunch and dinner if flight departs after 9:00 a.m. On last travel day, only include breakfast and lunch if flight returns before 6:00 p.m.

[GSA Per Diem for Domestic](#)

[US Dept of State Per Diem for International](#)

Enter Daily Per Diem Rate	11/30/23	12/1/23	12/2/23	12/3/23	12/4/23	12/5/23	12/6/23	TOTAL
	Thursday	Friday	Saturday	Sunday	Monday	Tuesday	Wednesday	
Breakfast	\$16.00							-
Lunch	\$17.00	17.00						17.00
Dinner	\$31.00		31.00					31.00
Incidentals	\$5.00	5.00	5.00					10.00
Total M&IE	\$69.00							

Approved Meal Exception Above Per Diem Rate¹

Total Meal and Incidental Expenses	\$ 22.00	\$ 36.00	\$ -	\$ -	\$ -	\$ -	\$ -	58.00
---	----------	----------	------	------	------	------	------	--------------

	Trip Grand Total	301.23
	LESS CASH ADVANCE (Attach copy of Authority check)	
	Less Expenses Prepaid by Authority	229.28
	Due Traveler - if positive amount, prepare check request	
	Due Authority - if negative, attach check payable to SDCRAA	\$ 71.95
	Note: Send this report to Accounting even if the amount is \$0.	

By signing below, TRAVELER: (a) acknowledges understanding and agreeing to be bound by Authority Policy 3.30 - Business and Travel Expense Reimbursement Policy; (b) certifies that this report is true and correct and all claimed expenses were incurred in connection with official Authority business; and (c) understands that any purchases/claims that are not allowed will be traveler's responsibility. By signing below, ADMINISTRATOR certifies, based on reasonable inquiry, that expenses approved in this report were reasonable, necessary, directly related to the Authority's business, and that they are reimbursable under Authority Policy 3.30.

Prepared By: Diane Casey Ext.: 2445
 Traveler's Signature: Kimberly J. Becker Date: 12/4/23

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be completed by Clerk)

I, _____ hereby certify that this document was approved by the Executive Committee at its meeting on _____
 Clerk Signature: _____ Date: _____



Traveltrust
374 North Coast Highway 101
Encinitas, CA 92024
760-635-1700

For a single calendar entry click [here](#)
Travel Itinerary

Passenger Names

BECKER/KIMBERLY JANE - 06

Traveltrust Business Hours are Monday-Friday 5am -5pm Pacific

Agency Reference Number: JCGFKJ

CHECK IN FOR FLIGHT 24 HOURS PRIOR TO DEPARTURE

Please review your itinerary and report any discrepancies to Traveltrust within 24hrs of receipt

Travel requirements are being updated constantly, please be sure to check with your airline or CDC.gov for the latest in travel requirements and restrictions.

Southwest Airlines - Flight Number 1900 Confirmation: 4ZWD4N

Departure: Thu, 11/30/2023 1:50 PM Departure City: San Diego, CA (SAN) Departing Terminal: TERMINAL 1 Status: Confirmed	Arrival: Thu, 11/30/2023 4:05 PM Arrival City: Phoenix, AZ (PHX) Arrival Terminal: TERMINAL 4 Class of Service: Z - ECONOMY	Equipment: 73W Travel Time: 1 hour(s) 15 minute(s) Add flight to Calendar Baggage Info Weather CHECK IN
Seat Assignments: FREQUENT FLYER NUMBER ██████████		

American Airlines - Flight Number 1766 Confirmation: HUHSPU

Departure: Fri, 12/1/2023 5:55 PM Departure City: Phoenix, AZ (PHX) Departing Terminal: TERMINAL 4 Status: Confirmed	Arrival: Fri, 12/1/2023 6:09 PM Arrival City: San Diego, CA (SAN) Arrival Terminal: TERMINAL 2 Class of Service: G - ECONOMY	Equipment: 738 Travel Time: 1 hour(s) 14 minute(s) Add flight to Calendar Baggage Info Weather CHECK IN
Seat Assignments: BECKER/KIMBERLY JANE - 17C FREQUENT FLYER NUMBER ██████████		

Invoice Detail

Name: BECKER/KIMBERLY JANE			
Southwest Airlines Ticket: 5268066684850	Issue Date: 11/6/2023	<i>See Exchange Detail</i>	Amount: \$9.99
Invoice Number: 7039841			
Service Fee: 8900857972550	Issue Date: 11/6/2023		Amount: \$30.00
Name: BECKER/KIMBERLY JANE			
American Airlines Ticket: 0018068073743	Issue Date: 11/15/2023	<i>See Exchange Detail</i>	Amount: \$159.29
Invoice Number: 7040772			
Service Fee: 8900858372931	Issue Date: 11/15/2023		Amount: \$30.00
			Total Fare: USD \$229.28
Your total has been charged to American Express ending In 1013			

Exchange Detail

New Ticket Number: 5268066684850	Issue Date: 11/6/2023	New Airfare: \$118.98
Original Ticket Number: 5268995197920		Original Airfare: -\$0.00
		Airline Change Fee: \$0.00
		Amount Charged: \$9.99
New Ticket Number: 0018068073743	Issue Date: 11/15/2023	New Airfare: \$193.90
Original Ticket Number: 0018993138329		Original Airfare: -\$34.61
		Airline Change Fee: \$0.00
		Amount Charged: \$159.29



PHOENIX AIRPORT MARRIOTT

GUEST FOLIO

301	BECKER/KIMBERLY	169.00	12/01/23	07:54	5191	53924
ROOM	NAME	RATE	DEPART	TIME	ACCT#	GROUP
NKNG	601 MADISON STE		11/30/23	16:51		
TYPE	STE 400		ARRIVE	TIME		
116	ALEXANDRIA VA 22314					
ROOM		MCXXXXXXXXXXXX0764			MBV#:	XXXXX9603
CLERK	ADDRESS	PAYMENT				

DATE	REFERENCES	CHARGES	CREDITS	BALANCES DUE
12/01	CASH EAM	.00		.00

See our "Privacy & Cookie Statement" on Marriott.com

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 6022737373

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This statement is your only receipt. You have agreed to pay in cash or by approved personal check or to authorize us to charge your credit card for all amounts charged to you. The amounts shown in the credit column opposite any credit card entry in the reference column above will be charged to the credit card number set forth above. (The credit card company will bill in the usual manner.) If for any reason the credit card company does not make payment on this account, you will owe us such amount. If you are direct billed, in the event payment is not made within 25 days after check-out, you will owe us interest from the check-out date on any unpaid amount at the rate of 1.5% per month (ANNUAL RATE 18%), or the maximum allowed by law, plus the reasonable cost of collection, including attorney fees.

Signature X

Casey Diane

Subject:

FW: Your ride with Austin on November 30

From: Lyft Receipts <no-reply@lyftmail.com>
Date: November 30, 2023 at 5:08:52 PM MST
To: Becker Kim <kbecker@san.org>
Subject: Your ride with Austin on November 30



NOVEMBER 30, 2023 AT 4:42 PM

Thanks for riding with Austin!

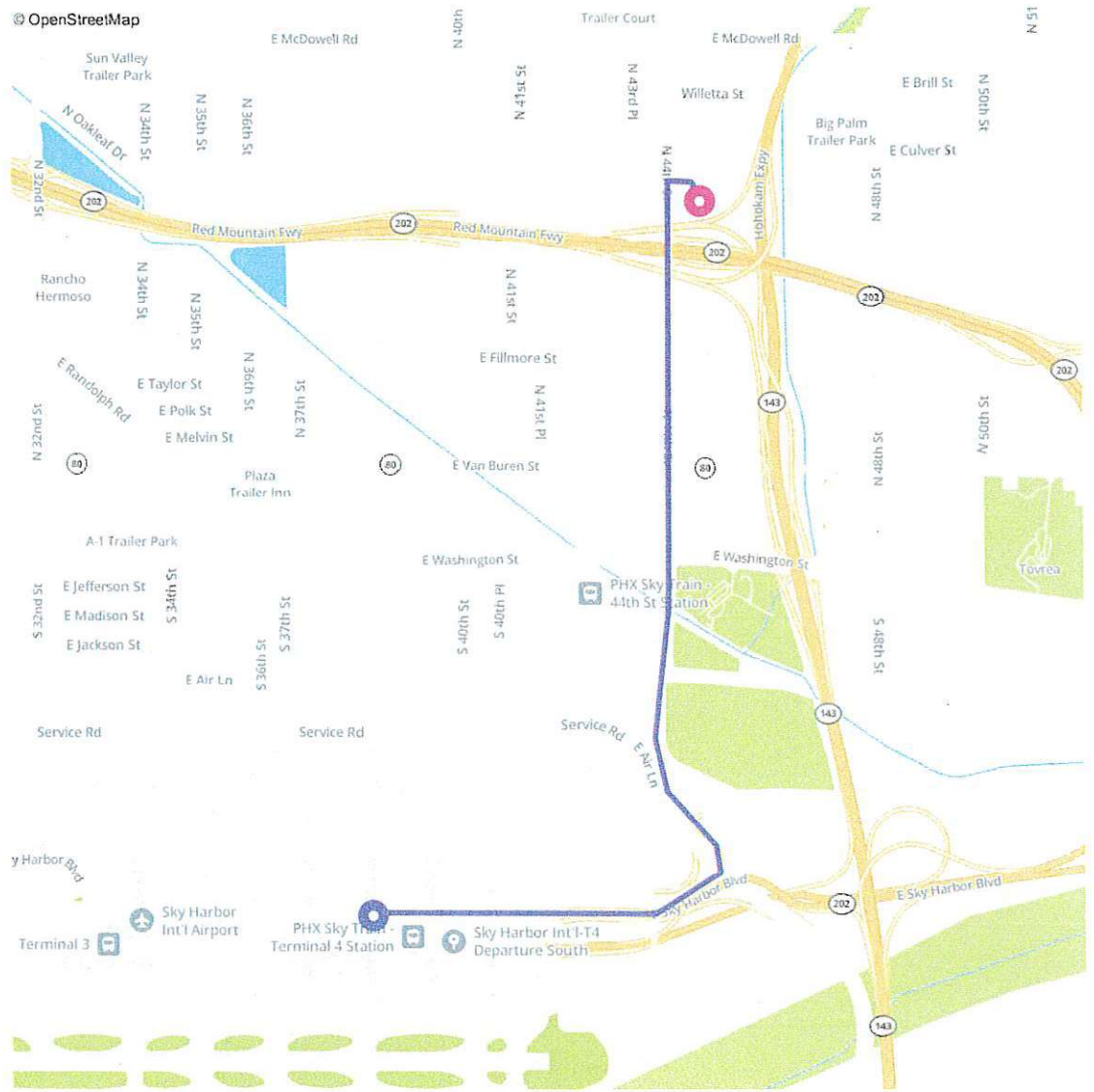
100% of tips go to drivers. [Add a tip](#)

Lyft fare (2.63mi, 8m 34s)
Tip

\$10.95
\$3.00

 Visa *1275

\$13.95



- **Pickup** 4:42 PM
4553 E Sky Harbor Blvd, Phoenix, AZ
- **Drop-off** 4:51 PM
1101 N 44Th St Phoenix, AZ

Tip driver

FY 2023 Per Diem Rates for Phoenix, Arizona

Meals & Incidentals (M&IE) rates and breakdown

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & LastDay of Travel
Phoenix / Scottsdale	Maricopa	\$69	\$16	\$17	\$31	\$5	\$51.75

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST

GENERAL INSTRUCTIONS:

- A. All out-of-town travel requests must conform to applicable provisions of [Policy 3.30](#).
- B. Once traveler completes form, submit to the traveler's Administrator for approval (for Board Members, President/CEO, General Counsel and Chief Auditor, Administrator is Board Executive Committee).

TRAVELER INFORMATION:

Traveler Name: Kimberly J. Becker Department: Executive, BU6
Position: Board Member President/CEO General Counsel Chief Auditor
 All Other Authority Employees

DATE OF REQUEST: 09/28/2023 DATE OF DEPARTURE/RETURN: 11/30/2023 / 12/01/2023

DESTINATION / BUSINESS PURPOSE:

Destination: Phoenix, AZ Business Purpose: AAAE Policy Review Council


PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:

A. Transportation Costs:	
• Airfare <input type="checkbox"/> check box for business class or equivalent (international only)	\$ 250.00
• Rental Car	\$
• Other Transportation (Taxi, TNC, Train, Bus)	\$ 100.00
• Auto (Gas, Parking/Tolls, Mileage)	\$
B. Lodging	\$ 350.00
C. Meals and Incidental Expenses (Per Diem)	\$ 138.00
D. Seminar and Conference Fees	\$
E. Entertainment	\$
TOTAL PROJECTED TRAVEL EXPENSES	\$ 838.00

CERTIFICATION BY TRAVELER

By my signature below, I certify the following:

- 1. The above-listed projected out-of-town travel expenses conform to Policy 3.30, are reasonable and directly related to Authority business; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Travelers Signature:  Date: Sep 28, 2023

CERTIFICATION BY ADMINISTRATOR (If Administrator is Executive Committee, Clerk certifies below.)

By my signature below, I certify the following:

- 1. I have reviewed this out-of-town travel request and made inquiries to determine that the out-of-town travel and identified expenses are directly related to and necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefits to the Authority; and
- 2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, Arely Valenzuela, certify that this document was approved by the
(Name of Clerk)

Executive Committee at its 10/19/23 meeting.
(Meeting Date)



AGENDA
AAAE Policy Review Council Meeting
December 1, 2023 | Phoenix, AZ

- A. Breakfast**
8:15 – 9 a.m.

- B. Opening Remarks**
AAAE President & CEO, Todd Hauptli,
Co-Chairs Daren Griffin, A.A.E. and Phillip Washington
9 – 9:15 a.m.

- C. ESG Follow-up - Potential Recommendations for AAAE Further Engagement**
Moderator: Co-Chair, Daren Griffin, A.A.E.
9:15 – 9:45 a.m.

- D. TSA National Level TSO Allocation Model**
Moderator: Co-Chair, Phillip Washington
9:45 – 10:30 a.m.

- E. Break**
10:30 – 10:45 a.m.

- F. Autonomous Vehicle Integration at PHX - Panel Discussion with Waymo and PHX Integration Leaders**
Moderator: Chad Makovsky, A.A.E., ACE, IACE
10:45 – 11:30 a.m.

- G. Working Lunch Session: AI for Airports**
Presented by: Eve Machol, Microsoft Americas Director Airport/Transportation Industry Strategy and
Michael Mattniller, Senior Director, State Government Affairs
Moderator: Co-Chair, Daren Griffin, A.A.E.
11:30 a.m. – 1 p.m.

- H. Break**
1 – 1:15 p.m.

- I. PRC Member Roundtable: Walk-on topics of interest for PRC discussion**
Moderator: Co-Chair, Phillip Washington
1:15 – 2:15 p.m.

- J. AAAE Airport Consortium Transformation - Overview and potential PRC advocacy items**
Presented by: Chad Makovsky, A.A.E., ACE, IACE,
2:15 – 2:30 p.m.

- K. Closing Discussion: Ways to Increase the Value of PRC Membership, 2024 Meeting Schedule, and other Housekeeping Items**
Moderator: Co-Chair, Daren Griffin, A.A.E.
2:30 – 3 p.m.

- L. Adjournment**
3 p.m.

OUT OF TOWN TRAVEL REQUESTS

KIM BECKER

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
OUT-OF-TOWN TRAVEL REQUEST**

GENERAL INSTRUCTIONS:

- A. All out-of-town travel requests must conform to applicable provisions of [Policy 3.30](#).
- B. Once traveler completes form, submit to the traveler's Administrator for approval (for Board Members, President/CEO, General Counsel and Chief Auditor, Administrator is Board Executive Committee).

TRAVELER INFORMATION:

Traveler Name: Kimberly J. Becker Department: Executive, BU6
 Position: Board Member President/CEO General Counsel Chief Auditor
 All Other Authority Employees

DATE OF REQUEST: 12/06/2023 DATE OF DEPARTURE/RETURN: 02/28/2023 / 02/29/2023

DESTINATION / BUSINESS PURPOSE:

Destination: Tampa, FL Business Purpose: Gateway Airports Council Meeting

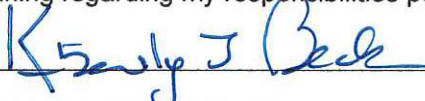
PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:

A. Transportation Costs:	
• Airfare <input type="checkbox"/> <i>check box for business class or equivalent (international only)</i>	\$ <u>800.00</u>
• Rental Car	\$ _____
• Other Transportation (Taxi, TNC, Train, Bus)	\$ <u>100.00</u>
• Auto (Gas, Parking/Tolls, Mileage)	\$ _____
B. Lodging	\$ <u>350.00</u>
C. Meals and Incidental Expenses (<i>Per Diem</i>)	\$ <u>140.00</u>
D. Seminar and Conference Fees	\$ _____
E. Entertainment	\$ _____
TOTAL PROJECTED TRAVEL EXPENSES	\$ <u>1,390.00</u>

CERTIFICATION BY TRAVELER

By my signature below, I certify the following:

1. The above-listed projected out-of-town travel expenses conform to Policy 3.30, are reasonable and directly related to Authority business; and
2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Travelers Signature:  Date: 12/6/23

CERTIFICATION BY ADMINISTRATOR (If Administrator is Executive Committee, Clerk certifies below.)

By my signature below, I certify the following:

1. I have reviewed this out-of-town travel request and made inquiries to determine that the out-of-town travel and identified expenses are directly related to and necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefits to the Authority; and
2. I have attended training regarding my responsibilities pursuant to Policy 3.30 within the past two years.

Administrator's Signature: _____ Date: _____

Casey Diane

From: Mary Baltzell <MBaltzell@TampaAirport.com>
Sent: Friday, December 1, 2023 11:36 AM
To: Shigley, Kristine; Maria Rosales; Barbara Barnes; Betty SooHoo; Chris Arrigale; Casey Diane; Grace Ichikawa; Iffatara Zaman; Karen Ng; Maria Campanella; Melissa Ortega; Thompson, Pam; Pamela Pace-Green; Sandy Cikity; Sawmya Abraham; Stephanie Coe; Tim Smith; Valerie Brown; Vicky Garcia; Zoraida Antonetty; Carrie Ryan; Nikki Petty
Subject: GAC Tampa Visit

Hello,

I wanted to follow up and confirm and get confirmations that Tampa is hosting a meeting with dinner Wednesday February 28th and all-day meeting on Thursday February 29th .

We are in the process of getting a room block at the JW Marriott Tampa Water Street. (link to follow once confirmed)

I look forward to hearing from you soon confirming attendance.

Mary Baltzell | Tampa International Airport | Executive Assistant

Preferred: (813) 870-7802 | Secondary: (813) 220-6341 | Email: mbaltzell@TampaAirport.com

Connect with us on social @FlyTPA - Online at TampaAirport.com

Dear GAC Assistants.

The Directors have been discussing an in-person meeting and Mr. Lopano has volunteer Tampa for the first location.

Now it is time for mental gymnastics 😊

Would the week of February 26th, 2024, or the week of March 11th 2024.

Once we narrow down the week we can focus on the dates of the meeting.

Dinner Tues, meeting Wednesday (either February 27th/28th or March 12th/13th)

or

Dinner Wednesday, meeting Thursday (either February 28th/29th or March 13th/14th)

I look forward to finding a time that works.

Mary Baltzell | Tampa International Airport | Executive Assistant

Preferred: (813) 870-7802 | Secondary: (813) 220-6341 | Email: mbaltzell@TampaAirport.com

Connect with us on social @FlyTPA - Online at TampaAirport.com

***** Important Notice *****

The Hillsborough County Aviation Authority is a public agency subject to Chapter 119 of Florida Statutes concerning public records.

FY 2024 Per Diem Rates for Tampa, Florida

Meals & Incidentals (M&IE) rates and breakdown

Primary Destination	County	M&IE Total	Continental Breakfast/Breakfast	Lunch	Dinner	Incidental Expenses	First & Last Day of Travel
Tampa / St. Petersburg	Pinellas / Hillsborough	\$69	\$16	\$17	\$31	\$5	\$51.75