

Board Meeting Agenda

Thursday, January 9, 2025
9:00 AM

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

Board Members

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

Ex-Officio Board Members

Ann Fox
Col. R. Erik Herrmann
Michele Perrault

President/CEO

Kimberly J. Becker

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

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

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

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

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

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

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

PRESENTATIONS:

A. AIRPORT TRANSIT CONNECTION UPDATE BY SANDAG:

Presented by: Marisa Mangan, SANDAG

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

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

ADVISORY COMMITTEES

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

LIAISONS

- **CALTRANS:**
Liaison: Fox
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cabrera
- **MILITARY AFFAIRS:**
Liaison: Herrmann

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- **PORT:**
Liaisons: Cabrera (Primary), von Wilpert
- **WORLD TRADE CENTER:**
Representative: Sly

BOARD REPRESENTATIVES (EXTERNAL)

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

CHAIR REPORT:

PRESIDENT/CEO REPORT:

NON-AGENDA PUBLIC COMMENT:

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

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

CONSENT AGENDA (ITEMS 1-5):

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 November 25, 2024, special meeting and December 5, 2024, regular meeting.

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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.

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

3. AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM NOVEMBER 8, 2024, THROUGH DECEMBER 8, 2024, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM NOVEMBER 8, 2024, THROUGH DECEMBER 8, 2024:

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

CLAIMS:

4. REJECT THE CLAIM OF DINAH AMBEAU-SCOTT:

RECOMMENDATION: Adopt Resolution No. 2025-0001, rejecting the claim of Dinah Ambeau-Scott.

(General Counsel: Amy Gonzalez)

COMMITTEE RECOMMENDATIONS:

CONTRACTS AND AGREEMENTS:

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

5. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO AWARD AN AGREEMENT FOR AN ATLASIED PAGING SYSTEM UPGRADE:

RECOMMENDATION: Adopt Resolution No. 2025-0002 approving and authorizing the President/CEO to award an Agreement to Audio Associates of San Diego dba Audio Associates for a one-year term, in an amount not-to-exceed one million four hundred twenty-seven thousand eight hundred seventy-four dollars and fifty-seven cents (\$1,427,874.57) for the purchase and installation of AtlasIED microphone stations and Dante network infrastructure.

(Information and Technology Services: Jessica Bishop, Director)

PUBLIC HEARINGS:

OLD BUSINESS:

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NEW BUSINESS:

6. **JANUARY 2025 LEGISLATIVE REPORT AND 2025 LEGISLATIVE AGENDA:**
RECOMMENDATION: Adopt Resolution No. 2025-0003, approving the January 2025 Legislative Report and 2025 Legislative Agenda.
(Government Relations: Matt Harris, Director)

CLOSED SESSION:

7. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**
Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9
Name of Case: San Diego County Regional Airport Authority v. AQ US SW Holding Co., et al., San Diego Superior Court Case No. 37-2023-00032124-CU-BC- CTL
8. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:**
Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9
Name of Case: Sara Mitchell v. San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 24CU022992C
9. **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:**
Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9
Number of potential Cases: 1

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

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

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



Airport Transit Connection Update

San Diego County Regional Airport Authority

Marisa Mangan | Senior Regional Planner
January 9, 2025

Airport Transit Connection

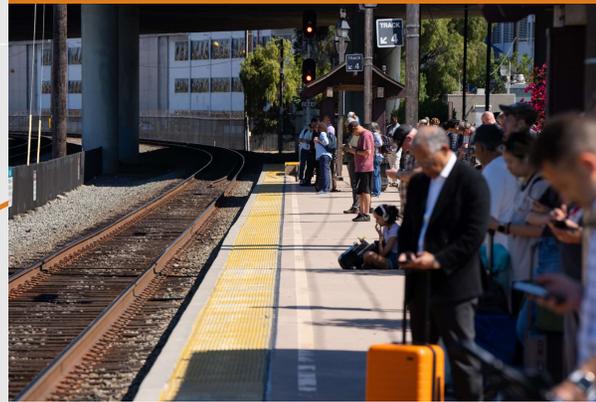


Regional Level Considerations

Connecting to Existing Regional Rail Network



Old Town Transit Center



Santa Fe Depot



Airport Transit Connection - Modes Considered



**Automated
People Mover**



**Light Rail Trolley
Extension**



**Enhanced
Bus Service**

Automated People Mover Image Source:
<https://creativecommons.org/licenses/by-sa/3.0>

Automated People Mover Concepts

Five people mover concepts with 13 total variations

AIRPORT TRANSIT CONNECTION Concepts 1-5: Automated People Mover



Trolley Concept Updates

- Concept 6a – Operational modeling in process
- Concept 6b – Trench extension concept variation added



*The location of the County Center/Little Italy Station is still being evaluated for Trolley Concept 6b.

Trolley Concept Updates

West Hawthorn Street & West Ash Street Existing Conditions

W Ash Street and
Santa Fe Depot

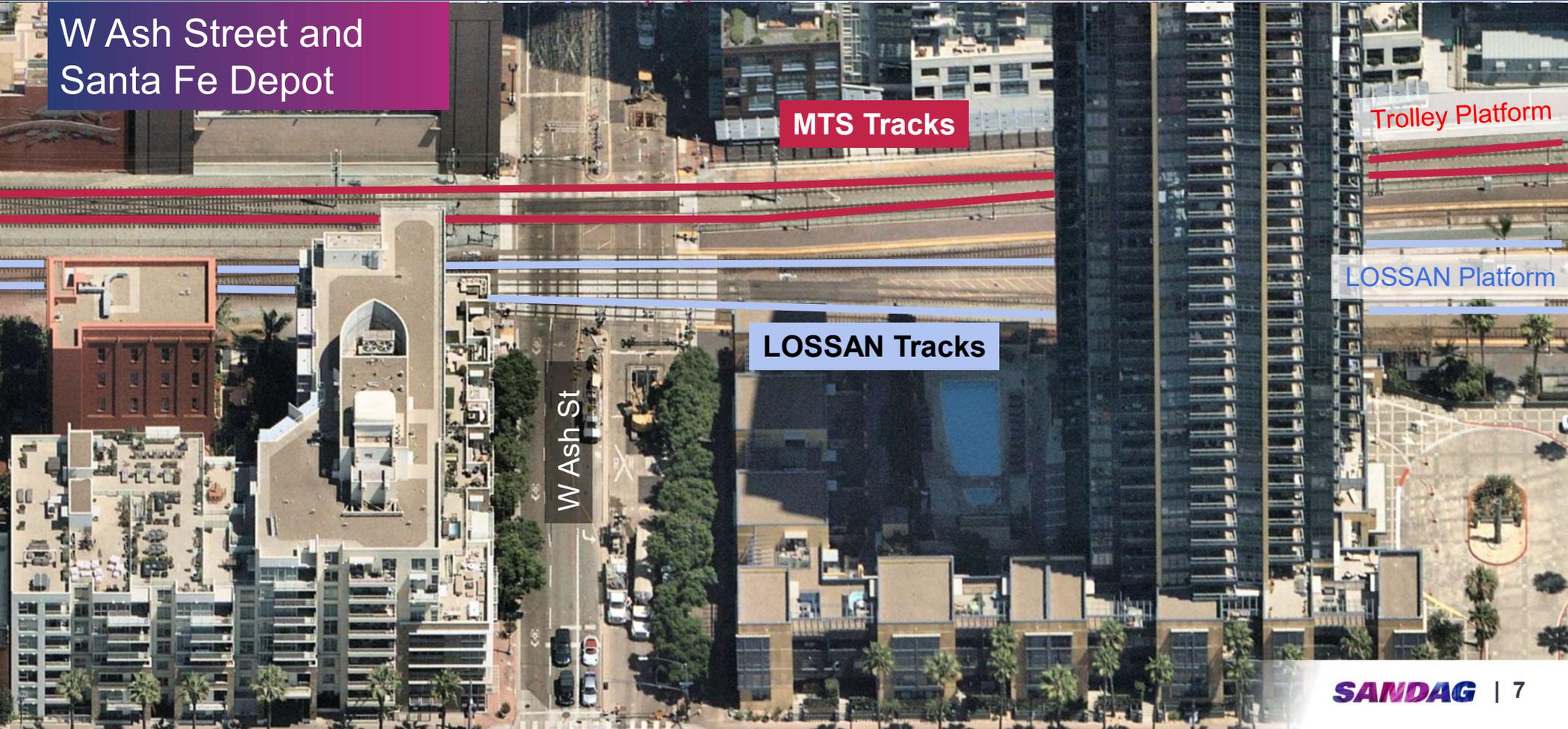
MTS Tracks

Trolley Platform

LOSSAN Platform

LOSSAN Tracks

W Ash St



Enhanced Bus Opportunities

Proposed Approach

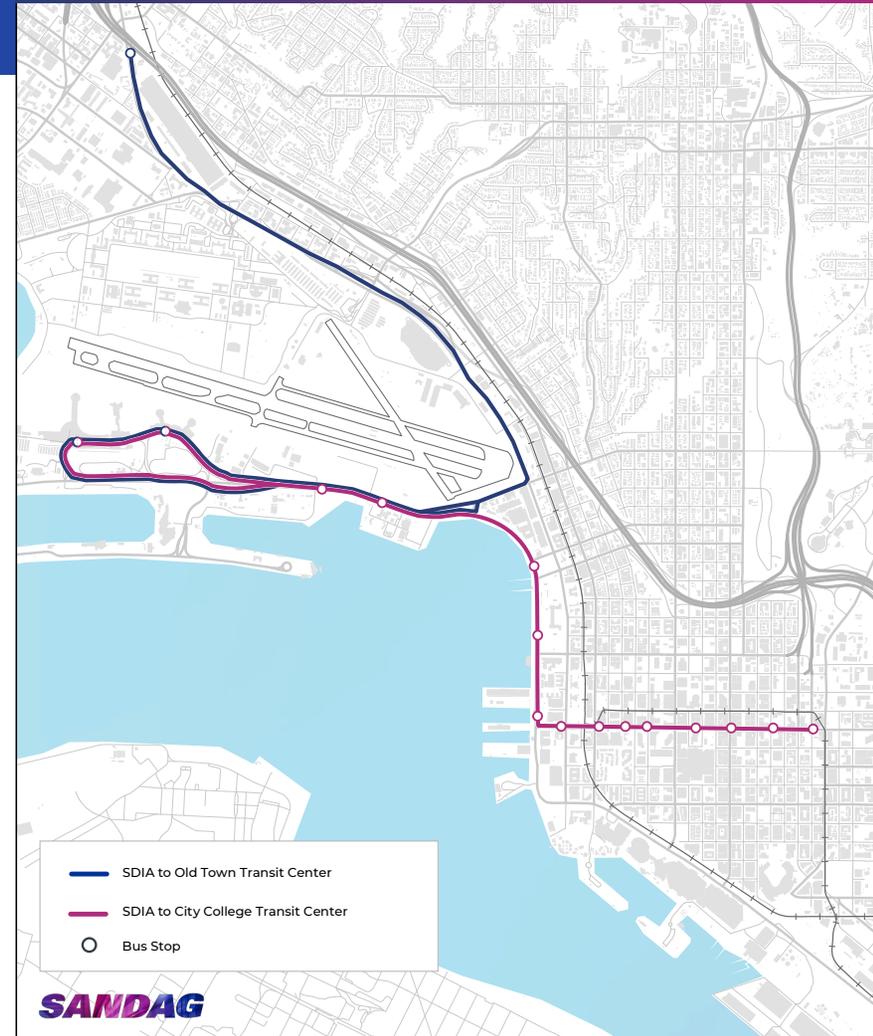
- **Near-Term**

- Terminal 1-Phase 1A opening
- Work with MTS and SDCRAA to increase Route 992 and San Diego Flyer frequency

- **Mid-Term**

- Terminal 1-Phase 1B opening
- Implement bus priority solutions between airport, Downtown, and Old Town
- Interim strategy prior to ATC rail connection

AIRPORT TRANSIT CONNECTION Concept 7: Enhanced Bus Service



Airport Transit Connection Concepts

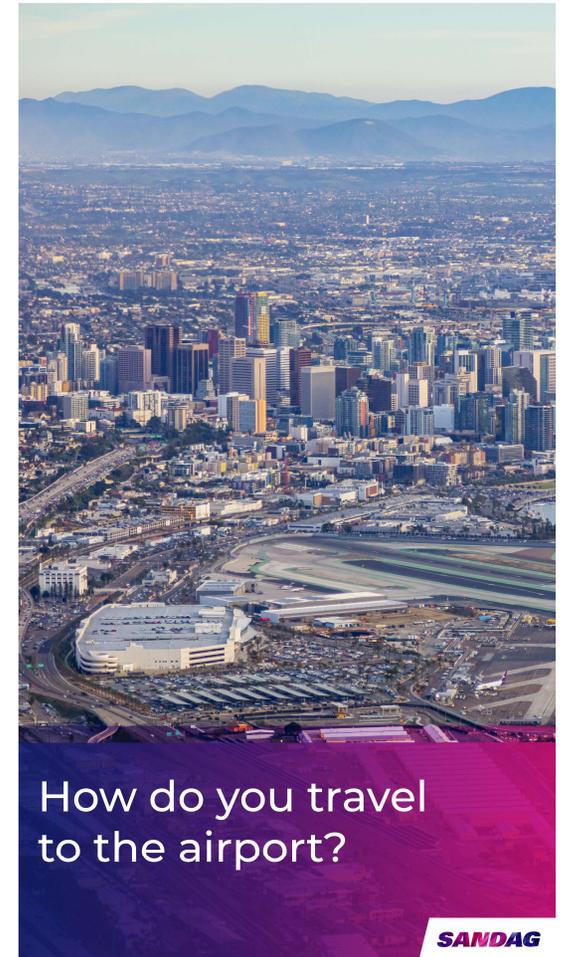
Proposed Pare Down Approach for Rail

- Eliminate two people mover concept variations that require either new heavy rail platform or direct access ramp in Middletown
- Evaluate 13 remaining ATC rail concept variations based on a variety of termini and station access metrics including airport travel survey results
- Assess south-leg only people mover options, consider infrastructure requirements for all variations, and update costs to 2024 dollars
- Reduce to a smaller, refined set of concepts that advance to environmental review

Airport Travel Survey

Fall 2024

- Collecting post-pandemic data on how residents, visitors, and employees travel to/from the airport.
 - Intercept/face to face interviews
 - Online, self-administered survey
- ~4,500 survey responses are being collected at SDIA terminals and onboard shuttles/buses
- Survey data will update the SANDAG transportation model and inform the ATC planning process



How do you travel
to the airport?

Intercept Survey

Preliminary Insights*

Survey Period

October 4-
October 18

Survey Responses

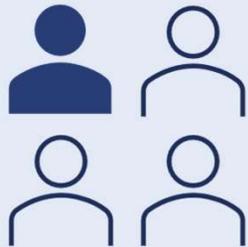


Collected
3,900



Goal
3,450

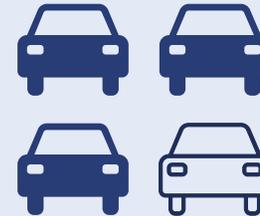
Survey Respondents: Residents, Employees, Visitors



~1 in 4 were
interested in the
optional survey



**~60% visitor &
40%** San Diego
County **resident**



Nearly **75% drove
themselves** or
were dropped off
by someone or a
taxi/TNC



**99% of sampling
goal** for San Diego
Flyer and MTS route
992 riders achieved

Approximate Breakdown of Trip Purposes



~70% Non-Business/Personal



~30% Business/Work-Related

**All results are provisional and subject to change*

Stakeholder Engagement Outlook

Fall 2024–Fall 2025

Continued collaboration with partner agencies

- Regular project planning and public affairs touchpoints
- Joint partner agency workshop
- Partner agency board updates

Public outreach

- Regional and urban core perspectives
- Stakeholder meetings
- In-person and online activities
- Environmental public scoping meetings



ATC Near-Term Activities

Fall–Winter 2024

- Complete airport travel survey and analyze data
- Trolley concept refinements
- ATC concept variation pare down
- Near-term enhanced bus assessment
- Update Board, Transportation Committee, Working Groups

Spring–Summer 2025

- Publish airport travel survey report
- Update model with airport travel survey data
- Partner agency pare down workshop
- Public input: regional & urban core perspectives
- Start mid-term enhanced bus assessment

Fall–Winter 2025

- Release notice of preparation (NOP) and begin CEQA process
- Hold public scoping meeting(s)
- Implement near-term enhanced bus service
- Continue mid-term enhanced bus assessment

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SANDAG

**DRAFT - SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD AND EXECUTIVE & FINANCE COMMITTEES MEETING MINUTES
MONDAY, NOVEMBER 25, 2024
BOARD ROOM**

CALL TO ORDER: Vice Chair Sly called the special meeting of the Board and Executive & Finance Committees to order at 9:03 a.m. on Monday, November 25, 2024, in the Board Room of the San Diego County Regional Airport Authority, Administration Building, 2417 McCain Road, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Vice Chair Sly led the Pledge of Allegiance.

ROLL CALL:

Executive Committee:

Present: Committee Members: Perez, Sly

Absent: Committee Members: Cabrera

Finance Committee:

Present: Committee Members: Martinez, Sly (Chair), von Wilpert

Absent: Committee Member: None

Also Present: Kimberly Becker, President/CEO; Amy Gonzalez, General Counsel;
Annette Fagan Ortiz, Authority Clerk; Sonja Banks, Assistant Authority
Clerk I

NON-AGENDA PUBLIC COMMENT: None.

EXECUTIVE COMMITTEE:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the October 28, 2024, regular meeting.

ACTION: Moved by Board Member Perez and seconded by Board Member Sly to approve staff's recommendation. Motion carried unanimously.

FINANCE COMMITTEE NEW BUSINESS:

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE FOUR MONTHS ENDED OCTOBER 31, 2024:

Scott Brickner, Vice President/CFO, and John Dillon, Director, Finance and Risk Management, provided a presentation on the Unaudited Financial Statements for the four months ended October 31, 2024, that included Enplanements; Landed Weights; Operating Revenue and Expenses; Nonoperating Revenue and Expenses; Summary of Change in Net Position; and Statements of Net Position.

Board Member von Wilpert arrived at 9:06 a.m.

Board Member Montgomery Steppe requested a briefing on the Quieter Home Program.

3. REVIEW OF THE AUTHORITY INVESTMENT REPORT AS OF OCTOBER 31, 2024:

Geoff Bryant, Manager, Airport Finance, provided a presentation on the Investment Report as of October 31, 2024, that included Portfolio Characteristics; U.S. Treasury Yield Curve; Sector Distribution; Quality and Maturity Distribution; Investment Performance; and Bond Proceeds.

EXECUTIVE COMMITTEE NEW BUSINESS:

REVIEW OF FUTURE AGENDAS:

4. REVIEW OF THE DRAFT AGENDA FOR THE DECEMBER 5, 2024, BOARD MEETING:

Kimberly Becker, President/CEO, provided an overview of the December 5, 2024, draft Board meeting agenda.

5. REVIEW OF THE DRAFT AGENDA FOR THE DECEMBER 5, 2024, AIRPORT LAND USE COMMISSION MEETING:

Kimberly Becker, President/CEO, provided an overview of the December 5, 2024, draft ALUC meeting agenda.

Amy Gonzalez, General Counsel stated that the closed session will cover items 20,21 and 22. She also added a case that involves Advantage Holdco, Inc.

BOARD NEW BUSINESS:

6. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A LEASE WITH CLEAR CHANNEL AIRPORTS TO SUPERSEDE THE PREVIOUS LEASE, FOR EXTENSION OF TERM AND WAIVE POLICY:

Deanna Zachrisson, Director of Revenue Generation & Partnership Development provided a presentation that included Terminal Advertising Sales Program Restructuring Proposal; Terminal Advertising Sales; Current Advertiser; New Terminal 1 Advertising Program; and New Terminal 1, Digital and Parking Plaza Locations.

RECOMMENDATION: Adopt Resolution No. 2024-0096, authorizing the President/CEO to execute a lease with Clear Channel Airports to supersede the previous lease, for extension of term and waive policy.

ACTION: Moved by Board Member von Wilpert and seconded by Board Member Martinez to approve staff's recommendation. Motion carried unanimously. Noting Board Member Cabrera and Sanchez as Absent.

COMMITTEE MEMBER COMMENTS:

CLOSED SESSION:

ADJOURNMENT: The meeting adjourned at 9:45 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
THIS 9th DAY OF JANUARY

ATTEST:

ANNETTE FAGAN ORTIZ
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

**DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, DECEMBER 5, 2024
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 9:19 a.m. on Thursday, December 5, 2024, 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 (Chair), Fox (Ex-Officio), Herrmann (Ex-Officio), Martinez, Montgomery Steppe, Sly (Vice Chair), von Wilpert

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

ALSO PRESENT: Kimberly J. Becker, President/CEO; Lee Kaminetz, Assistant General Counsel; Annette Fagan Ortiz, Authority Clerk; Patricia Willis, Assistant Authority Clerk I

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

PRESENTATIONS:

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

- **AUDIT COMMITTEE:** Chair Newsom reported that the committee met in November 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 the Fiscal Year ended June 30, 2024, and a revision to the Office of the Chief Auditor’s Audit Plan for Fiscal Year 2025. She also reported excellent results on the financial statements, and the external auditor’s opinion was a clean/unmodified opinion, which is the best opinion the Authority can receive. She reported that the next Audit Committee meeting is scheduled for Monday, February 10, 2025.

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member von Wilpert reported that the committee met on November 25, 2024, and at the meeting, the committee received an update on the New Terminal 1 Construction and Logistics, along with a budget and contingency status on the project. She also reported that the project remains on schedule with no logistical moves before the holidays, but at least one major traffic switch is expected next year. She reported that tenant concession spaces in Terminal 1 are scheduled to be turned over by the end of December. She also reported that the Authority staff is hosting regional executives from Southwest Airlines who are in town to tour the building today. She reported that the CIPOC meeting is scheduled for January 16, 2025.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Cabrera reported that the committee did not meet last month, and there are no scheduled meetings for the rest of the year.
- **FINANCE COMMITTEE:** Board Member Martinez reported that the committee met on November 25, 2024. She reported that at that meeting, the committee reviewed the Unaudited Financial Statements for the four months ended October 31, 2024, and the Authority Investment Report as of October 31, 2024. She reported that the next meeting is scheduled for December 19, 2024.

ADVISORY COMMITTEES:

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Martinez reported that the committee met on November 21, 2024, and received an update on the New Terminal 1 Airside Improvement Project, which included information about the New Terminal 1 traffic switches and logistics and updates on the Small Business Development programs. No further meetings are scheduled in 2024, the 2025 schedule is currently being developed, and the next meeting is planned for early 2025.
- **ARTS ADVISORY COMMITTEE:** Board Member Martinez reported that on December 4, 2024, Malashock Dance launched its three-month Airport Performing Arts Residency, You Are Here. She reported that the program invites audiences to experience dance inspired by oral history interviews with airport passengers and county residents, and that these personal stories serve as the soundtrack for new choreography, bringing the community and visitor narratives to life. She also reported that the next scheduled committee meeting will be on December 12, 2024, from 2:00 p.m. to 4:00 p.m.

LIAISONS:

- **CALTRANS:** Board Member Fox reported that there is a planned event at Balboa Park, Holiday of Lights, this weekend. She reported that there would be a lot of visitors and there will be slow traffic around downtown San Diego. She reported that Caltrans will have additional signs out to alert drivers of the slower traffic. She also reported that Caltrans continues to perform enhanced letter embankments on Interstate 5 and SR-163 in the downtown San Diego area and on the ramps to and from the airport. She reported that Caltrans continues to relocate the unsheltered encampments to more appropriate shelters in coordination with homeless service providers.
- **INTER-GOVERNMENTAL AFFAIRS:** Chair Cabrera reported that the federal government continues to operate under a continuing resolution which keeps federal agencies funded at Fiscal Year 2024 levels through December 20, 2024. He reported that Congress will likely use another continuing resolution to delay more permanent funding decisions until the new Administration and Senate majority take over in January. He also reported that in Sacramento, the legislature returned on December 6, 2024, for the swearing-in of 29 newly elected Senators and Assembly members and began the special session called by Governor Newsom to respond to potential actions taken by the incoming federal administration. He reported that the Legislature will reconvene on January 6, 2025, for the new two-year legislative session, and in the weeks ahead, the Governor has a statutory deadline of January 10, 2025, to present his Fiscal Year 2025-2026 state budget proposal outlining his policy and spending priorities.
- **MILITARY AFFAIRS:** Board Member Herrmann reported that the Secretary of the Navy, Honorable Carlos Del Toro, arrived at Marine Corps Air Station Miramar on December 3, 2024, to spend the day with the Marines and on the USS Boxer. He reported that construction projects continue, with the completion of the taxiway coming up next month and the large F35 hangar completion in December 2025. He reported that Honoring Our Fallen, Laura Herzog, Founder, worked with Authority Airport staff, security, and the airport to do the Dignified Transfer of one of Miramar's Marines. He also reported that in January 2025, there is a planned meeting with the Air Station Commanding Officers at Camp Pendleton and North Island to work on the common course rules and instructions for all military fliers in the area, and by February 2025 meeting, this will be signed off.
- **PORT:** None.
- **WORLD TRADE CENTER:** None

BOARD REPRESENTATIVES (EXTERNAL):

- **SANDAG BOARD OF DIRECTORS:** Chair Cabrera reported that the SANDAG Board of Directors has met twice since the last Board meeting. He reported that at the first meeting, staff presented updates on major corridor projects, and at the second meeting, staff provided an update on the Otay Mesa East Port of Entry Project, including the toll revenue legal and financial parameters. He reported that the next scheduled meeting is on December 6, 2024.
- **SANDAG TRANSPORTATION COMMITTEE:** Chair Cabrera reported that the committee met once since the last Board meeting. He reported that at the meeting, the committee received an update on regional safety efforts in developing the Regional Vision Zero Action Plan and an update on Advanced Planning and Outreach for the Airport Transit Connection project. He reported that the next original meeting was canceled and has been rescheduled to a special meeting on December 20, 2024.

CHAIR REPORT: Chair Cabrera reported that Board Members Lidia Martinez, James Sly, and CEO Kimberly Becker were named to the San Diego Business Journal's SD 500 list, which represents the most influential members of the San Diego business and civic sectors who have shaped how the region has grown over the years. He reported that Scott Chadwick is the newly appointed CEO of the San Diego Unified Port District. He also reported that this year has been a special year at the Airport Authority with the progress on New Terminal 1, the opening of the New T1 Parking Plaza, and the work in the community that the Authority has done.

PRESIDENT/CEO REPORT: Kim Becker, CEO/President, reported that during the travel week, Tuesday, November 26, 2024, through Sunday, December 1, 2024, nearly half a million travelers passed through the airport, averaging 76 thousand travelers per day. She reported a 4% to 6% increase over the same period last year and will continue with the December holiday travel increase of 3% to 5% over the same period last year. She reported that KLM announced air service to Europe from three Alliances: Star Alliance, Lufthansa, and One World, which will give the community more options. She reported that Porter Airlines will have flights between San Diego and Toronto, Canada, four times a week starting December 4, 2024. She reported that on December 3, 2024, the Airport Authority staff involved in negotiating and signing the Navy Lease joined Capt. Laurie Scott and his staff to celebrate. She also reported that today, December 5, 2024, is the ribbon-cutting ceremony for the opening of the Chase Sapphire Lounge in Terminal 2.

NON-AGENDA PUBLIC COMMENT: None

CONSENT AGENDA (ITEMS 1 - 18):

ACTION: Moved by Board Member Martinez and seconded by Board Member von Wilpert to approve the Consent Agenda. Motion carried by the following votes: YES – Cabrera, Martinez, Montgomery Steppe, Sly, von Wilpert; NO – None; ABSENT – Benzian, Perez, Sanchez, Vaus (Weighted Vote Points: YES – 56; NO – 0; ABSENT - 44)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the November 7, 2024, regular meeting.

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

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

3. AWARDED CONTRACTS AND APPROVED CHANGE ORDERS FROM OCTOBER 7, 2024, THROUGH NOVEMBER 7, 2024, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM OCTOBER 7, 2024, THROUGH NOVEMBER 7, 2024:

RECOMMENDATION: Receive the report.

4. DECEMBER 2024 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0097, approving the December 2024 Legislative Report.

5. BIENNIAL REVIEW AND AMENDMENT OF AUTHORITY CODE SECTION 2.30 – CONFLICT OF INTEREST CODE:

RECOMMENDATION: Adopt Resolution No. 2024-0098, amending Authority Code Section 2.30 – Conflict of Interest Code.

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

6. APPROVE AND AUTHORIZE A REVISED AIR SERVICE INCENTIVE PROGRAM (ASIP25) AT SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0099, approving and authorizing a revised Air Service Incentive Program (ASIP25) at San Diego International Airport to promote new air service and replace the existing air service incentive program authorized by resolution 2022-0098.

CLAIMS:

- 7. REJECT THE CLAIM OF VASILE RADULESCU:**
RECOMMENDATION: Adopt Resolution No. 2024-0100, rejecting the claim of Vasile Radulesch.
- 8. REJECT THE CLAIM OF IBOLYA RADULESCU:**
RECOMMENDATION: Adopt Resolution No. 2024-0101, rejecting the claim of Ibolya Radulesch.
- 9. REJECT THE CLAIM OF MICHELE AVERY:**
RECOMMENDATION: Adopt Resolution No. 2024-0102, rejecting the claim of Michele Avery.
- 10. REJECT THE CLAIM OF JODY MYERS:**
RECOMMENDATION: Adopt Resolution No. 2024-0103, rejecting the claim of Jody Myers.

COMMITTEE RECOMMENDATIONS:

- 11. EXTERNAL AUDITOR'S REPORTS FOR FISCAL YEAR ENDED JUNE 30, 2024: 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 the Board accept the reports.
- 12. REVIEW OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR THE YEAR ENDED JUNE 30, 2024:**
The Board is requested to accept the report.
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
- 13. FISCAL YEAR 2025 FIRST QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
- 14. REVISION TO THE FISCAL YEAR 2025 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board adopt Resolution No. 2024-0104, approving the revision to the Fiscal Year 2025 Audit Plan of the Office of the Chief Auditor.

15. DISPOSITION OF SURPLUS PROPERTY:

RECOMMENDATION: Adopt Resolution No. 2024-0105 authorizing the disposition of surplus property (materials and/or equipment) by: (1) sale to highest bidder; (2) donation; and, (3) recycling and disposing of unwanted items as scrap in accordance with Policy 8.21.

CONTRACTS AND AGREEMENTS:

16. GRANT PUBLIC ROADWAY EASEMENTS TO THE CITY OF SAN DIEGO:

RECOMMENDATION: Adopt Resolution No. 2024-0106, authorizing the President/CEO to negotiate and grant public roadway easements to the City of San Diego in support of the NewT1 Project.

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

17. AWARD A CONTRACT TO S&L SPECIALTY CONSTRUCTION, INC. FOR QUIETER HOME PROGRAM PHASE 13, GROUP 10, PROJECT NO. 381310 TWENTY-TWO (22) NON-HISTORIC SINGLE-FAMILY AND MULTI-FAMILY UNITS ON SIXTEEN (16) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2024-0107, awarding a contract to S&L Specialty Construction, Inc. in the amount of \$1,078,200 for Phase 13, Group 10, Project No. 381310, 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.

18. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRE ALARM AND RELATED SYSTEMS MAINTENANCE SERVICE AGREEMENT WITH SYGNAL SYSTEMS:

RECOMMENDATION: Adopt Resolution No. 2024-0108, approving and authorizing the President/CEO to execute a Fire Alarm and Related Systems Maintenance Service Agreement with Sygnal Systems, for a term of three years, with the option for two (2) one-year extensions exercisable at the discretion of the President/CEO, for a total not-to-exceed compensation amount of \$2,100,000, to provide fire alarm and related systems maintenance services, at San Diego International Airport ("SDIA").

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

19. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE A NON-EXCLUSIVE CONCESSION LEASE WITH CAVU EXPERIENCES (AMER), LLC TO DESIGN, BUILD, FINANCE, OPERATE, AND MAINTAIN A COMMON-USE AIRPORT LOUNGE WITHIN THE NEW TERMINAL 1:

Deanna Zachrisson, Director, Revenue Generation & Partnership Development, provided a presentation on the New Terminal 1 Common Use Airport Lounge, Escape Lounges that included New Terminal 1 Lounge Location, Selection Process, About CAVU, Your Airport, Our Inspiration, Spaces for Relaxation & Play, Plan Overview, Escape Lounge Proposal Summary, Small Business Inclusion, and Project Schedule.

RECOMMENDATION: Adopt Resolution No. 2024-0109, approving and authorizing the President/CEO to negotiate and execute a non-exclusive concession lease with CAVU EXPERIENCES (AMER), LLC to design, build, finance, operate, and maintain a common-use airport lounge within the New Terminal 1 at San Diego International Airport for a term not to exceed a fifteen-year operating term and additional term for the design and construction period and authorizing the President/CEO to take all necessary actions to execute the concession lease.

ACTION: Moved by Board Member von Wilpert and seconded by Board Member Montgomery Steppe to approve the recommendation. Motion carried by the following votes: YES – Cabrera, Martinez, Montgomery Steppe, Sly, von Wilpert; NO – None; ABSENT – Benzian, Perez, Sanchez, Vaus (Weighted Vote Points: YES – 56; NO – 0; ABSENT - 44)

The Board recessed at 9:50 a.m. and reconvened at 9:52 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 9:53 a.m. to hear items 20 through 23.

20. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION:

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

Name of Case: San Diego County Regional Airport Authority v. AQ US SW Holding Co., et al., San Diego Superior Court Case No. 37-2023-00032124-CU-BC- CTL

21. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:

Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Section 54956.9

Number of potential Cases: 2

22. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION:

Significant exposure of litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9

Number of potential Cases: 1

23. CONFERENCE WITH LEGAL COUNSEL- EXISTING LITIGATION:

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

Name of Case: *In re Advantage Holdco, Inc., et al.*, United States Bankruptcy Court
for the District of Delaware Case No, 20-11259

REPORT ON CLOSED SESSION: The Board reconvened out of Closed Session at 11:10 a.m. Lee Kamenetz, Assistant General Counsel, reported that the Board gave direction on item 22 on the delay damage claim asserted by AD Partnership.

GENERAL COUNSEL REPORT:

BOARD COMMENT:

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

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
BOARD THIS 9th DAY OF JANUARY 2025.

ATTEST:

ANNETTE FAGAN ORTIZ
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 9, 2025

Subject:

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

Recommendation:

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

Background/Justification:

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

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

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

Fiscal Impact:

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

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is not a project 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:

Annette Fagan Ortiz
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	
Board Member Name:	Gil Cabrera	
Date:	12/19/24	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	12/3/2024 - 4pm-6pm - SD Convention Center	35 Year Anniversary of Convention Center Celebration
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/5/2024 - 9:00am - 11:00am - SDCRAA Board Room	SDCRAA Board of Directors and ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/6/2024 - 10:00 a.m. - 12:00 pm - SANDAG Board Room	SANDAG Board of Directors Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	12/11/2024 - 5:30pm-7:30pm - Bahia Resort	SAN Volunteer Appreciation Event
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/13/2024 - 9:00am-12:00pm - 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	12/19/2024 - 9:00am-10:00am - SDCRAA Board Room	SDCRAA Executive and Finance Committee Meetings
<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		

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: 2024.12.19 16:35:58 -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 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: 11/18/2024		
Board Member Name: Claudia Huerta		
Date: 12/9/24		
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/18/2024 at 10am, SD Airport Board Chambers Audit Committee Meeting	Regular Audit Committee meeting with both an open and closed session.
<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: OCTOBER/NOVEMBER 2024		
Board Member Name: Lidia S Martinez		
Date: 12/30/24		
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	10/21/24 Mexico City	SD Regional Chamber of Commerce Delegation Trip to CDMX
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	10/22/24 Mexico City	SD Regional Chamber of Commerce Delegation Trip to CDMX
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	10/23/24 Mexico City	SD Regional Chamber of Commerce Delegation Trip to CDMX
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/7/24 9am AA Administration Building	Board/ALUC Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/13/24 3:30-7:30pm Jacobs Music Center	San Diego Tourism Authority 70th Annual Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	11/25/24 9am AA Administration Building	Executive-Finance Committee Meeting/CIPOC Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Lidia S Martinez

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 2024		
Board Member Name: Lidia S Martinez		
Date: 12/30/24		
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	12/5/24 9am AA Administration Building	Board/ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/12/24 4:00pm - A A Administration Building	Art Advisory Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/19/24 9:00am - A A Administration Building	Executive-Finance Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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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		
<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: Lidia S Martinez



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:	15 November 2024 - 31 December, 2024	
Board Member Name:	Monica Montgomery Steppe	
Date:	12/30/24	
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	11/25/2024, 9am-10:30am, SDCRAA Offices	Airport Special Board and Executive & Finance Committee Meetings
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	12/5/2024, 9am - 12pm, SDCRAA Offices	San Diego County Airport Authority Board Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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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:

Staff Report

Meeting Date: January 9, 2025

Subject:

Awarded Contracts and Approved Change Orders from November 08, 2024, through December 08, 2024, and Real Property Agreements Granted and Accepted from November 08, 2024, through December 08, 2024

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 08, 2024 THROUGH December 08, 2024

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
11/19/2024		Bidtellect LLC	The contractor will provide native display advertising for the New T1 paid advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$30,000.00	6/1/2025
11/19/2024		Simplifi Holdings, Inc.	The Contractor will provide social display advertising for the New T1 paid advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$20,319.00	6/30/2025
11/19/2024		Crimtan	The Contractor will provide digital display advertising for the New T1 paid advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$45,000.00	6/30/2025
11/19/2024		Univision	The Contractor will provide audio advertising for the New T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$30,000.43	6/30/2025
11/19/2024		KPBS	The Contractor will provide audio advertising for the New T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$34,701.00	6/30/2025
11/19/2024		California Marketing and Sales	The Contractor will provide plumbing supplies for the San Diego International Airport.	Quote	Facilities Management	\$8,878.01	12/24/2024
11/22/2024		Local Media San Diego LLC	The Contractor will provide audio advertising for the New T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$34,701.00	6/30/2025
11/22/2024		iHeart Media	The Contractor will provide audio advertising for the New T1 advertising campaign for the San Diego County Regional Airport Authority.	Informal RFP	Marketing, Arts, & Air Service Development	\$49,980.00	6/30/2025
11/27/2024		Mossy Ford	The Contractor will provide a hybrid maintenance truck for the San Diego County Regional Airport Authority.	Informal RFB	Facilities Management	\$39,461.85	1/17/2025
12/3/2024		Hawthorne Machinery Co	The Contractor will provide a scissor lift for the San Diego County Regional Airport Authority.	Consortium RFP	Facilities Management	\$17,619.15	10/2/2026

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN November 08, 2024 THROUGH December 08, 2024

New Contracts Approved by the Board

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
11/22/2024	381307	S&L Specialty Construction, Inc. (QHP 13.08)	The Agreement was approved by the Board at the September 5, 2024 Board Meeting. The Contractor will provide sound attenuation treatments to residences surrounding the San Diego International Airport.	RFB	Planning & Environmental Affairs	\$1,366,600.00	9/12/2025

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN November 08, 2024 THROUGH December 08, 2024

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
11/14/2024		Amy Ellingson Studio, LLC	The Second Amendment increases scope of work and the total compensation for integrated artwork, RECOMPOSURE Public Art Project at the San Diego International Airport.	Marketing and Air Service	\$376,000.00	\$23,400.00	6.2%	\$399,400.00	2/17/2026
12/3/2024		California Strategies and Advocacy, LLC	The First Amendment extends the term by 90 days for the agreement. The Contractor will provide On-call Coastal Consulting Services for the San Diego County Regional Airport Authority.	Airport Planning, Noise, and Environment	\$400,000.00	\$0.00	0.0%	\$400,000.00	1/29/2025
12/3/2024		Culbertson, Adams, & Associates	The First Amendment extends the term by 90 days for the agreement. The Contractor will provide On-call Coastal Consulting Services for the San Diego County Regional Airport Authority.	Airport Planning, Noise, and Environment	\$400,000.00	\$0.00	0.0%	\$400,000.00	1/29/2025
12/4/2024		Landrum & Brown, Inc.	The Second Amendment adds a subcontractor to Exhibit B – Compensation and Payments Schedule, there is no increase in the total compensation. The contractor will support efforts related to traffic counts for the San Diego County Regional Airport Authority.	Airport Planning, Noise, and Environment	\$7,000,000.00	\$0.00	0.0%	\$7,000,000.00	4/30/2026

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN November 08, 2024 THROUGH December 08, 2024

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
11/8/2024		Best Best & Krieger	The First Amendment was approved by the Board at the September 5, 2024 board meeting. The amendment increases the maximum compensation by \$650,000 for representation in ongoing legal matters. The Contractor provides professional Legal Services to San Diego County Regional Airport Authority	General Counsel	\$650,000.00	\$650,000.00	100.0%	\$1,300,000.00	12/29/2025
11/19/2024		Bradford Airport Logistics, LTD	The Third Amendment was approved by the Board at the May 2, 2024 board meeting. The amendment extends the agreement's term to December 31, 2028, and adds funds in the amount of Nine Million Dollars (\$9,000,000) to allow for continued service. The Contractor will provide Operation of the Centralized Receiving and Distribution Center.	Revenue Generation and Partnership Development	\$12,900,000.00	\$9,000,000.00	58.9%	\$21,900,000.00	12/31/2028

Staff Report

Meeting Date: January 9, 2025

Subject:

Reject the Claim of Dinah Ambeau-Scott

Recommendation:

Adopt Resolution No. 2025-0001 rejecting the claim of Dinah Ambeau-Scott.

Background/Justification:

On November 20, 2024, Dinah Ambeau-Scott filed a claim ("Attachment A") with the San Diego County Regional Airport Authority ("Authority"). Specifically, Ambeau-Scott alleges that on October 31, 2024, she was injured when her foot became stuck, and she fell on an escalator in at the Rental Car Center at San Diego International Airport. Ambeau-Scott claims damages in an unknown amount exceeding \$10,000 to include bodily injury.

As described above, Ambeau-Scott alleges that on October 31, 2024, she stepped on an escalator when her foot became stuck. She claims she fell halfway with her suitcase on top of her until she reached the top where others had to help her to her feet.

Ambeau-Scott's claim should be denied. An investigation into the incident revealed no dangerous condition and no notice of a dangerous condition, nor was an allegation of a dangerous condition made. The escalator was in working order without issues. The claimant stepped on to the escalator while maneuvering a large, wheeled suitcase with another duffel-style bag on top with one hand and carrying a large tote with the other. The large suitcase begins to roll back towards and fall on her when the stairs separate in elevation as all four wheels were not completely on one step. As the suitcase pushes her backwards, she reaches to grab a handrail, but the weight and momentum cause her to tumble with the suitcase ultimately falling on top of her. Her husband, directly behind her, is unable to steady her as he hangs on to another two suitcases. The General Counsel has reviewed the claim and recommends rejection.

Fiscal Impact:

Not applicable.

Meeting Date: January 9, 2025

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:

Amy Gonzalez
General Counsel

SAN DIEGO
COUNTY
REGIONAL
AIRPORT
AUTHORITY

ACCIDENT OR DAMAGE

CLAIM FORM

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

FOR AUTHORITY USE ONLY

Document No.: _____

Filed: _____

1) Claimant Name: <u>Dinah Ambeau-Scott</u>	
2) Address to which correspondence regarding this claim should be sent: <u>1936 S. Edward Avenue</u> <u>Gonzales, Louisiana 70737</u>	
Telephone No.: <u>225-910-1167</u>	Date: <u>November 15, 2024</u>
3) Date and time of incident:	
4) Location of incident:	
5) Description of incident resulting in claim: <u>3) October 31, 2024</u> <u>4) San Diego County Regional Airport</u> <u>5) My foot got stuck on the escalator I fell half way with my suitcase lying on top of me I couldn't get up until the top of escalator it took 2 people to help me up and the other person took the luggage off of me.</u>	
6) Name(s) of the Authority employee(s) causing the injury, damage or loss, if known:	
7) Persons having firsthand knowledge of incident:	
Witness (es)	Physician(s):
Name: <u>Karl L. Scott</u>	Name: <u>David Cokolou, M.D.</u>
Address: <u>1936 S Edward Ave</u> <u>Gonzales, LA 70737</u>	Address: <u>2524 S. Philippe Ave.</u> <u>Gonzales, LA 70737</u>
Phone: <u>(225) 910-1167</u>	Phone: <u>(225) 644-1990</u>

8) Describe property damage or personal injury claimed:

My foot got stuck on the escalator I fell with my suitcase landing on top of me I had to stay down until I got to the top. My injured My right shoulder, right leg and butt.

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

Dinah Ambreau Scott
1936 S Edward Avenue
Bon Zales, Louisiana 70737

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

Not certain injury may exceed \$10,000.00

Dated: November 15, 2024

Claimant:


(Original Signature)

Notice to Claimant:

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

You or your representative are required to sign this form (G.C. §910.2). Presentation of a false claim with intent to defraud is a felony (Penal Code §72).

Mail completed original form to:

OR

Deliver completed original form in person to:

Claims
San Diego County Regional Airport Authority
P.O. Box 82776
San Diego, CA 92138-2776

San Diego County Regional Airport Authority
Administration Reception Desk
2417 McCain Rd.
San Diego, CA 92101

RESOLUTION NO. 2025-0001

A RESOLUTION OF THE BOARD OF THE SAN DIEGO
COUNTY REGIONAL AIRPORT AUTHORITY,
REJECTING THE CLAIM OF DINAH AMBEAU-SCOTT

WHEREAS, on November 20, 2024, Dinah Ambeau-Scott filed a claim with the San Diego County Regional Airport Authority (“Authority”) for losses she claims were the result of falling on an escalator at the Rental Car Center at San Diego International Airport; and

WHEREAS, at its regular meeting on January 9, 2025, the Board considered the claim filed by Dinah Ambeau-Scott and the report submitted to the Board and found that the claim should be rejected.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby rejects the claim of Dinah Ambeau-Scott; 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 9th day of January 2025, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

ANNETTE FAGAN ORTIZ
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 9, 2025

Subject:

Approve and Authorize the President/CEO to Award an Agreement for an AtlasIED Paging System Upgrade

Recommendation: Adopt Resolution No. 2025-0002, approving and authorizing the President/CEO to award an Agreement to Audio Associates of San Diego dba Audio Associates for a one-year term, in an amount not-to-exceed one million four hundred twenty-seven thousand eight hundred seventy-four dollars and fifty-seven cents (\$1,427,874.57) for the purchase and installation of AtlasIED microphone stations and Dante network infrastructure.

Background/Justification:

On October 10, 2024, the Authority issued the above subject Request for Bids (RFB) for the purchase and installation of AtlasIED (“IED”) paging equipment. The airport terminals use paging technology to deliver important messages to passengers and broadcast critical announcements. This project aims to modernize the communication infrastructure by replacing outdated microphone stations with advanced models and upgrading the backend system from CobraNet to the more robust and scalable Dante platform. Notice of the RFB was advertised in the San Diego Daily Transcript and on the Authority’s Website. 1,789 vendors were notified via the Authority’s database.

Small Business Preference: Policy 5.12 was applied to this solicitation. In accordance with Policy 5.12, Audio Associates received a small and veteran business preference, and Direct AV received small business preference, though this did not affect the outcome of the bid.

Business Type Participation – Prospective Firms: Twenty-Seven (27) firms viewed the opportunity. The business types are as follows: 1 LBC, 1 ACDBE, 1 DVB, 2 DBE, 1 MIC, 3 OSB, 2 SBE, 3 MBE, 5 CADIR, 1 SDVSB, 0 VOSB, 1 WBE, and 4 Local.

Meeting Date: January 9, 2025

Submitted Bids: The Authority received three (3) bids on November 13, 2024. The Bid tabulation is presented below:

Firms	Total Bid Amount
Audio Associate of San Diego dba Audio Associates	\$1,427,874.57
Ford Audio-Video Systems, LLC	\$1,495,372.00
Direct AV	\$2,246,508.00

Staff requests the Board approve and authorize the President/CEO to award an Agreement to Audio Associates of San Diego dba Audio Associates for a one-year term, in an amount not-to-exceed one million four hundred twenty-seven thousand eight hundred seventy-four dollars and fifty-seven cents (\$1,427,874.57) for the purchase and installation of AtlasIED microphone stations and Dante network infrastructure.

Fiscal Impact:

Adequate funding for this Agreement with Audio Associates of San Diego dba Audio Associates is included in the ACSEC Network Redesign (104254) CIP project. The expense for this contract that will impact budget years not yet adopted or approved by the Board will be included in future year budget requests.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

A. CEQA: This Board action is not a project 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:

This contract does not utilize federal funds and provides opportunities for sub-contractor participation; therefore, at the option of the Authority, Policy 5.12 was applied. Policy 5.12 establishes separate goals for the participation of: (1) small businesses; (2) local businesses; and (3) service disabled/veteran owned small businesses (VOSB). The maximum preference applied under Policy 5.12 is seven percent (7%): three percent (3%) for small business participation; two percent (2%) for local business participation; and two percent (2%) for VOSB participation. 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 shall be the amount set forth in the original bid. In accordance with Policy 5.12, the recommended firm Audio Associates of San Diego dba Audio Associates received 3% small business preference, 2% service disabled/veteran owned small business preference, and did not receive local business preference.

Prepared by:

Jessica Bishop
Director, Information & Technology Services

RESOLUTION NO. 2025-0002

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO AWARD AN AGREEMENT TO AUDIO ASSOCIATES OF SAN DIEGO DBA AUDIO ASSOCIATES FOR A ONE-YEAR TERM, IN AN AMOUNT NOT-TO-EXCEED ONE MILLION FOUR HUNDRED TWENTY-SEVEN THOUSAND EIGHT HUNDRED SEVENTY-FOUR DOLLARS AND FIFTY-SEVEN CENTS (\$1,427,874.57) FOR THE PURCHASE AND INSTALLATION OF ATLASIED MICROPHONE STATIONS AND DANTE NETWORK INFRASTRUCTURE.

WHEREAS, the Authority has the need for the purchase and installation of AtlasIED microphone stations and Dante network infrastructure; and

WHEREAS, on October 10, 2024, the Authority issued a Request for Bids (RFB) for the purchase and installation of AtlasIED ("IED") Microphone Stations at San Diego International Airport that will replace current equipment and upgrade the system from CobraNet to Dante system; and

WHEREAS, notice of the RFB was advertised in the *San Diego Daily Transcript* and on the Authority's Website; and

WHEREAS, the Authority received 3 responses to the RFB, of which all were responsive; and

WHEREAS, Audio Associates of San Diego dba Audio Associates provided the lowest price for the requested AtlasIED microphone stations and Dante network infrastructure; and

WHEREAS, staff requests the Board approve and authorize the President/CEO to award an Agreement to Audio Associates of San Diego dba Audio Associates for a one-year term, in an amount not-to-exceed one million four hundred twenty-seven thousand eight hundred seventy-four dollars and fifty-seven cents (\$1,427,874.57) for the purchase and installation of AtlasIED microphone stations and Dante network infrastructure.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the award of an Agreement to Audio Associates of San Diego dba Audio Associates for a one-year term, in an amount not-to-exceed one million four hundred twenty-seven thousand eight hundred seventy-four dollars and fifty-seven cents (\$1,427,874.57) for the purchase and installation of AtlasIED microphone stations and Dante network infrastructure; and

BE IT FURTHER RESOLVED that the Board authorizes the President/CEO or her designee to execute an Agreement to Audio Associates of San Diego dba Audio Associates for a one-year term, in an amount not-to-exceed one million four hundred twenty-seven thousand eight hundred seventy-four dollars and fifty-seven cents (\$1,427,874.57) for the purchase and installation of AtlasIED microphone stations and Dante network infrastructure; and

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

BE IT FURTHER RESOLVED that the Board finds that this action is a “project” as defined by the California Environmental Quality Act (“CEQA”) (Cal. Pub. Res. Code §21065), and the Board finds that this project is Categorical Exempt from CEQA under the CEQA Guidelines as part of Class 1, interior alteration of existing public facilities, 14 Cal. Code Regs §§15301 and 15061(b)(3); and

BE IT FURTHER RESOLVED that the Board finds that this action is not a “development” as defined by the California Coastal Act (Cal. Pub. Res. 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 9th day of January 2025, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

ANNETTE FAGAN ORTIZ
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Staff Report

Meeting Date: January 9, 2025

Subject:

January 2025 Legislative Report and 2025 Legislative Agenda

Recommendation:

Adopt Resolution No. 2025-0003, approving the January 2025 Legislative Report and 2025 Legislative Agenda.

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 2025 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.

The 2025 Legislative Agenda (Attachment B) includes general legislative guidelines and specific goals and actions that the Authority's legislative team recommends the Board approve for the upcoming year. Following Board approval, staff will work with the Authority's legislative consultants to closely monitor and implement Board direction in the policy areas included in the 2025 Legislative Agenda.

Federal Legislative Action

The 118th Congress concluded on January 3, 2025. As Congress did not reach an agreement on Fiscal Year 2025 federal agency funding, a continuing resolution (CR) was passed, which continues government funding through March 2025. As the 119th Congress begins, Republicans will assume full control of both houses of Congress and the White House. Initial steps will be taken to implement the agenda of President-elect Donald Trump, with an anticipated focus on immigration policies as part of a large Reconciliation package. This complex process allows the Republicans to pass legislation without needing Democratic votes in either the House or Senate. Action is expected on tax cuts, reducing federal spending, and a wide range of other issues. Nomination hearings for Cabinet

Secretaries and other key officials will begin when Congress convenes in early January. Organizing resolutions in both chambers will outline Committee assignments, which are expected to occur in early January as well. Of note, current Chairman of the House Transportation and Infrastructure Committee, Representative Sam Graves (R-MO), was granted a waiver and will be able to continue serving as the committee leader in the 119th Congress.

On December 17, 2024, the U.S. Department of Transportation (DOT) awarded five new beyond perimeter slot pairs at Ronald Reagan Washington National Airport (DCA) under H.R. 3935, the Federal Aviation Administration Reauthorization Act of 2024. One of the awards includes slots for a new Alaska Airlines non-stop route between DCA and San Diego International Airport. This exciting outcome represents the successful conclusion of over a decade of work by Airport Authority staff and the Authority's legislative team.

The Authority's legislative team continues to actively review 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 the new two-year session on January 6th. Both Speaker Robert Rivas and Pro Tem Mike McGuire called out their commitment to reducing the costs of living in California. They also announced a new rule to significantly reduce the number of bills members could introduce during each two-year session, in order to give members more bandwidth to focus on their legislative efforts.

Ahead of Governor Newsom's January 2025-26 budget proposal, the Legislative Analyst's Office estimated that the state faces a \$2 billion deficit despite revenues flowing in above projections. This budget concern is further compounded by significant structural deficits in future years, primarily driven by rising costs of providing safety net services. The Governor's budget is expected to include proposals for the approved state climate bond revenues and tax incentives for various sectors.

Ahead of the incoming federal administration, the Governor has opened a special session to allow for quicker legislative responses to impending federal actions. However, it remains unclear how this stance will impact the state and its local governments.

The Authority's legislative team is monitoring the introduction of new state legislative proposals for impacts to airport operations. The Authority's legislative team continues to monitor the state budget for future funding opportunities for climate, infrastructure, and transportation-related priorities.

The Authority's legislative team does not recommend that the Board adopt any new positions on state legislation at this time.

Fiscal Impact:

Not applicable.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is not a project 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. 2025-0003

A RESOLUTION OF THE BOARD OF THE SAN DIEGO
COUNTY REGIONAL AIRPORT AUTHORITY
APPROVING THE JANUARY 2025 LEGISLATIVE
REPORT AND 2025 LEGISLATIVE AGENDA

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 2025 Legislative Report (“Attachment A”); and the 2025 Legislative Agenda (“Attachment B”).

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 9th day of January 2025, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

ANNETTE FAGAN ORTIZ
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

January 2025 Legislative Report

State Legislation

- 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.3394 (Thompson): Fund the Transportation Security Administration (TSA) Act

Background/Summary

This bill would end the diversion of September 11th Security Fees away from TSA, increase the fee to \$7.60 per one-way trip, index the fee for inflation, and set aside an additional \$250 million of the fee collections for a new checkpoint technology fund.

Anticipated Impact/Discussion

This bill would end the diversion of September 11th Security Fees, ensuring that all collected fees are used directly for TSA purposes. The bill would increase the fee to \$7.60 per one-way trip and control for inflation, which would provide a stable and growing revenue stream for ongoing security measure enhancements. The bill sets aside an additional \$250 million from existing September 11th Security Fees to establish a new checkpoint technology fund, enabling the TSA to invest in advanced screening technologies. This investment would potentially reduce wait times and improve the effectiveness of threat detection at airports.

Status: 05/17/2024 – Referred to the Subcommittee on Transportation and Maritime Security

Position: Watch (09/05/2024)

*Shaded text represents new or updated legislative information

Legislation/Topic

H.R.8752 (Amodei): Department of Homeland Security Appropriations Act, 2025

Background/Summary

The bill provides Fiscal Year (FY) 2025 appropriations for the Department of Homeland Security (DHS).

Anticipated Impact/Discussion

In support of an industry request, the Airport Authority submitted a programmatic appropriations request of \$34,100,000 through Representative Juan Vargas for the Transportation Security Administration's (TSA) Canine Law Enforcement Officer Other Transaction Agreements under the FY 2025 Department of Homeland Security (DHS) appropriations bill. The requested funding was included in the bill's report language. The bill additionally provides appropriations for Security, Enforcement, and Investigations, including U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, the Transportation Security Administration, the U.S. Coast Guard, and the U.S. Secret Service.

Status: 06/28/2024 – Passed the House of Representatives

Position: Watch (09/05/2024)

*Shaded text represents new or updated legislative information

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

New Senate Bills

None

*Shaded text represents new or updated legislative information

Senate Bills from Previous Report

Legislation/Topic

S.2548 (Cardin) / H.R.3061 (LaLota): Aviation Security Checkpoint Technology Fund Act

Background/Summary

This bill establishes the Aviation Security Checkpoint Technology Fund within the Transportation Security Administration (TSA) to fund the procurement, test, deployment, and post-deployment enhancements of aviation security checkpoint technology. The TSA must fund this program using airport passenger security fees that are currently collected by the TSA.

Anticipated Impact/Discussion

This bill would create a dedicated fund within the TSA to specifically enhance aviation security through improved checkpoint technology through a \$250 million set aside from existing September 11th Security Fees. The bill ensures a continuous financial source for the procurement, deployment, and maintenance of advanced security technologies. This would likely result in upgraded screening equipment at airports, leading to more efficient security processes, enhanced detection capabilities, and an overall improvement in passenger safety and experience at checkpoints.

Status: 07/26/2023 – Read twice and referred to the Committee on Commerce, Science, and Transportation

Position: Support (09/05/2024)

*Shaded text represents new or updated legislative information

Legislation/Topic

S.4906 (Markey): Funding for Aviation Screeners and Threat Elimination Restoration (FASTER) Act

Background/Summary

This bill would eliminate the diversion of September 11th Security Fees away from the Transportation Security Administration (TSA) and provide TSA access to fee revenue to pay Transportation Security Officers (TSOs) in the event of a government shutdown.

Anticipated Impact/Discussion

This bill would strengthen the TSA by ensuring that the September 11th Security Fees are fully allocated to TSA operations rather than diverted to unrelated spending. This would improve the agency's capacity to maintain security measures and respond to threats more effectively. The bill also provides TSA access to fee revenues during a government shutdown, providing continuity of operations and financial stability for TSOs.

Status: 07/31/2024 – Read twice and referred to the Committee on Commerce, Science, and Transportation

Position: Support (09/05/2024)

*Shaded text represents new or updated legislative information

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

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2025 Legislative Agenda**

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AIRPORT FUNDING

Airport Connectivity Funding

SANDAG's 2023 Regional Transportation Improvement Plan (RTIP) covers five years and begins implementation of San Diego Forward: The Regional Plan (RTP), which was adopted in late 2021. The RTP includes a Sustainable Communities Strategy that integrates how the region utilizes land, develops housing, and plans for future transportation needs, including a central mobility hub station that would connect Amtrak as well as other transit modes directly to the airport. The RTIP includes funding for environmental analysis and preliminary engineering for a Central Mobility Hub and Airport Transit Connection.

SANDAG staff presented airport transit connection concepts that would link to a future Central Mobility Hub to the SANDAG Board of Directors in July 2023 as an informational item and gathered feedback from its Board. SANDAG staff then provided the same presentation to the Airport Authority Board of Directors in September 2023 and gathered feedback. In October 2023, the SANDAG Board voted to dedicate roughly \$32 million to the planning and environmental process for the airport transit connection project over the next 5 years. The item returned to the SANDAG Board in February 2024 where the board voted to revisit the data-collection process to better understand ridership and regional travel patterns to and from the airport. This included gathering updated data on post-pandemic trends, along with a new analysis to pare down the alternative airport transit connection options before entering the environmental review process. Between September 2024 and December 2024, SANDAG staff conducted a survey to gather input from passengers and employees on their travel to and from the airport. More outreach, evaluation, and discussions are expected to continue in 2025, with the environmental process expected to begin in the Fall of 2025.

The Airport Authority continues to remain engaged in the planning and design of the project to ensure the best operational use of the proposed transit infrastructure.

Additionally, the Airport Authority has worked closely with SANDAG, the Metropolitan Transit System (MTS), other partner agencies, and with San Diego's elected officials to support efforts to identify and advocate for funding necessary to build key infrastructure projects. Opportunities for funding from the federal infrastructure legislation may yield significant benefits for the development of transit connectivity to the airport.

Action: Continue to coordinate with SANDAG, MTS, the U.S. Department of Transportation, California Department of Transportation (Caltrans), Airport Authority legislative consultants, and other regional partners and stakeholders to identify and advocate for funding necessary to advance the Regional Transportation Plan.

Federal Aviation Administration (FAA) Reauthorization

FAA Reauthorization is a periodic authorization of authorities for the Federal Aviation Administration (FAA). The FAA Reauthorization Act of 2024 was signed into law on May 16, 2024 and extended the FAA's authorities through Fiscal Year 2028. The 2024 legislation authorized various FAA policies and initiatives, such as raising authorized funding levels for the Airport Improvement Program (AIP) to \$4 billion a year, requiring 10 additional beyond-perimeter slot exemptions at Ronald Reagan Washington International Airport (DCA), a reimbursement program for airport sponsors to transition to non-fluorinated firefighting agents, and raising air traffic controller hiring targets.

The focus now shifts to the implementation of the various provisions of the law. The U.S. Department of Transportation (USDOT) recently concluded the process to award the new beyond-perimeter slot exemptions at DCA (including an award to Alaska Airlines for one round-trip between DCA and San Diego International Airport (SDIA)) and the FAA will be awarding funding under the AIP and other grant programs, presenting an opportunity to obtain funding for airport programs and projects.

Actions: Continue to work with the Airport Authority's legislative consultants and others to track FAA Reauthorization implementation and identify opportunities to advance SDIA priorities. Continue to identify and pursue available federal funding for SDIA programs and capital improvement projects, such as the New Terminal 1 project.

Federal Grants / Infrastructure Funding

On November 15, 2021, President Biden signed the \$1.25 trillion Infrastructure Investment and Jobs Act, now commonly referred to as the Bipartisan Infrastructure Law (BIL). The legislation runs through the end of Fiscal Year (FY) 2026.

The BIL includes \$15 billion in formula funding for airports via the Airport Improvement Program (AIP), \$5 billion for a new Airport Terminal Program (ATP) to fund terminals, concessions, and multimodal transportation, and an additional \$5 billion for Air Traffic Control infrastructure. The bill also includes significant funding for "green" infrastructure, like electric vehicle charging stations. The Airport Authority has been awarded \$87.1 million in ATP grant funding and \$94.6 million in Airport Infrastructure Grant (AIG) formula funding through FY 2025. Looking ahead, through FY 2026, the Authority is slated to receive approximately \$22.8 million more in AIG formula funding from BIL and is well-positioned to compete for additional funding through the ATP.

With the incoming federal administration and anticipated shift in policies, there may be efforts to rescind or cancel funding opportunities related to electric charging infrastructure or sustainability. Airport Authority staff and legislative consultants will be monitoring shifts in policies to identify viable funding opportunities.

As BIL funding programs are further rolled out by the new administration, the Airport Authority will work with the USDOT, FAA, and other executive agencies and departments, as well as Congress, to ensure that maximum funding is available for Airport Authority projects, including the New Terminal 1 (New T1), projects related to sustainability, and other elements of the capital program, while limiting any adverse impacts from regulatory requirements.

Actions: Continue to identify and pursue available federal funding for Authority programs and capital improvement projects, such as the New Terminal 1 project, including funds to be made available from the BIL and associated modifications to federal infrastructure funding programs, such as eligibility under the Transportation Infrastructure Finance and Innovation Act (TIFIA) for transit linkages to airports. In addition, as funding provided in recent infrastructure legislation is disbursed, work with champions in Congress, and representatives of key agencies, to ensure maximum value is achieved and regulatory impacts are minimized.

Passenger Facility Charge (PFC)

Congress has not increased the current maximum \$4.50 Passenger Facility Charge (PFC) level in 24 years. A PFC increase would provide the Airport Authority with additional resources for airport improvements including the implementation of the Airport Authority Capital Improvement Program and New Terminal 1 project. In 2018, H.R. 302, the enacted FAA Reauthorization Act of 2018, did not raise the current

\$4.50 cap on PFCs. The FAA Reauthorization Act of 2024 also did not raise the \$4.50 cap.

Section 713 of the FAA Reauthorization Act of 2024 reduced the amount of Airport Improvement Program (AIP) apportionment funding that large and medium hub airports (SDIA is a large hub airport) must return when imposing a \$4.50 PFC, lowering it from 75 percent to 60 percent. This change increases the amount of AIP apportionment funding available to these airports. Section 775 allows additional permitted uses of PFC revenue such as noise barriers at small hub airports and the replacement of workspace elements related to the relocation of a federal agency on airport grounds due to terminal development. Additionally, Section 776 simplifies the PFC authorization process by enabling airports to file a notice of intent to impose a PFC, eliminating the need for a formal application under a pilot program.

Action: With the enactment of 2024 FAA Reauthorization, seeking an increase in PFCs will be difficult, as the main vehicle for increasing PFCs has passed without such an increase. Airport Authority Government Relations staff will continue to advocate for a PFC increase and work with the Authority's legislative consultants and airport industry associations to lay the groundwork for an increase in the future.

Customer Facility Charge (CFC)

The State of California has not increased the current maximum \$10 customer facility charge (CFC) in over 20 years, nor has it updated the authorized "Alternative CFC" (which is collected at SDIA) since 2010. The CFC is a critical funding source for airports to modernize connected terminals and transportation systems (e.g. shuttles, trains, and rideshares) to rental car facilities. However, because the charge is not indexed for inflation, it has not kept pace with rising costs, and major maintenance expenses which are necessary for aging rental car facilities, are not an allowable expense. Modernizing the CFC statute would establish a more sustainable funding source for California airports and advance various state and local priorities.

Action: Airport Authority Government Relations staff will work with the Airport Authority's legislative consultants, the California Airports Council, and others to formulate a strategy and develop potential legislation to modernize the CFC statute.

State Grants

Government Relations staff will continue to work with the Airport Authority's legislative consultants and others to identify and apply for any applicable state grant funding, including grants for the New T1 and its various elements, the Airport Capital Improvement Program, security, environmental/sustainability initiatives, arts and education programs, airport transit connectivity, planning, and energy-related programs.

Action: Continue to identify and pursue all available state funding for the New T1, the Capital Improvement Program, and other eligible Airport Authority programs and projects and submit strategic comments on draft funding guidelines when necessary.

Electric Vehicle Supply Equipment (EVSE) Incentive Program Support

The California Electric Vehicle Infrastructure Project (CALeVIP), funded by the California Energy Commission, provides funding for local governments and organizations to develop and implement EVSE incentive programs that help meet regional needs for Level 2 and DC fast chargers. CALeVIP evaluates proposed EVSE incentive programs and solicits input from stakeholders to guide the development and

implementation of the programs. The San Diego Association of Governments (SANDAG) and San Diego County Air Pollution Control District (SDAPCD) partnered to launch the “San Diego County Incentive Project” under CALeVIP. According to the program, new incentives will be made available in 2025.

Action: Continue to work with the Airport Authority’s legislative consultants, the California Airports Council, and others to identify and pursue additional funding from the California Electric Vehicle Infrastructure Project to support the local incentive program.

Natural Resources Funding

Over the past few years, the Governor’s Administration and the California State Legislature have made significant investments that further the state’s overall climate goals. However, due to recent multi-year budget deficits, enacted budgets have included cutbacks in various climate, water, and natural resource initiatives. The Fiscal Year (FY) 2024-2025 budget reflects a \$4.8 billion reduction in multiyear funding for these priorities compared to the revised 2023-2024 totals. Despite this adjustment, the state has committed \$29 billion in resource funding from FY 2021-2029.

In August 2022, the California Air Resources Board (CARB) approved a rule requiring 100 percent of new car sales in California be zero-emission vehicles (ZEVs) by 2035. Supported by Governor Newsom, this initiative includes a \$10 billion investment in infrastructure to transition to ZEVs. Specifically, the current FY 2025 budget maintains a multi-year \$9.2 billion allocation for ZEVs including \$726 million for ZEV fueling infrastructure grants. The state is also relying heavily on federal allocations and bond funds following the passage of Proposition 4 on the November 2024 ballot. Proposition 4 authorizes a \$10 billion general obligation bond to support several core programs including sea level rise mitigation, flood protection, and renewable energy infrastructure. Airport Authority staff will continue to strategically identify potential Authority/SDIA projects and programs that would be eligible for Cap-and-Trade funding, ZEV charging infrastructure funding, natural resources program funding, and any other funds that become available.

Authority staff and consultants will continue to monitor the state agency grant solicitation process and seek opportunities for the Airport Authority to receive funding for projects that support airport operations and surrounding climate resiliency efforts, including funding for per-and polyfluoroalkyl (PFAS) remediation and flood protection.

Action: Continue to work with the Airport Authority’s legislative consultants, the California Airports Council, and others to identify and pursue available funding for ZEV charging infrastructure and additional projects from emission reduction programs and climate resiliency investments to fund eligible Airport Authority programs and projects and submit strategic comments on draft funding guidelines when necessary.

Aviation Fuel Tax

The State of California charges sales tax on aviation fuel sold at California airports, and the revenue from that tax is deposited into the state’s general fund, yet there is no restriction on the use of the revenue for aviation-related projects and programs. In 2015, the Federal Aviation Administration (FAA) notified California of a federal policy clarification requiring state and local governments to redirect certain general sales tax revenues derived from aviation fuel to airport capital and operating costs in accordance with federal law. State and local governments were required to implement compliance plans by December 8, 2017. In May 2019, the FAA rejected the rationale used by the California State Department of Finance and further compelled the State to comply with policy and procedures concerning the use taxes on aviation fuel (79 Federal Register 66282).

The State of California responded to the FAA in August 2019 and declared that state expenditures on airport capital and operating costs exceed the estimated state general sales tax revenues derived from aviation fuel and that the State is, therefore, in compliance with federal law. To estimate the potential impact of this policy change, SB 988 (McGuire) was introduced in 2020 to require the state tax department to calculate and report the amount of tax revenue attributable to the various pieces of sales tax; however, this measure and similar efforts have since stalled. Furthermore, discussions on the matter between the state and the FAA have slowed during the Biden Administration.

Action: Continue to work with the Airport Authority’s legislative consultants, the California Airports Council, members of the Legislature, other airports, and local and state governments to formulate a strategy and develop any necessary legislation to ensure the State of California’s compliance with FAA policy and that airports receive their fair share of fuel tax dollars.

AIRPORT OPERATIONS

Expanded Onsite Consumption Area

To expand onsite alcohol consumption during the COVID-19 pandemic, the Governor — by Executive Order due to the state of emergency — permitted airport customers of legal age to purchase alcoholic beverages and move about the terminal. Airports, in conjunction with local governments, local Alcohol and Beverage Control (ABC) officials and local law enforcement, allowed passengers to purchase and consume alcoholic beverages anywhere in the airport terminal and flight gate area. Given the prolonged amount of time the Executive Order was in place, airport customers became accustomed to this amenity. In fact, 38 airports across 23 states in the nation have codified this practice. However, once the Executive Order was rescinded, California Airports were required to return to pre-pandemic practices.

In response, in 2023, the California Airports Council (CAC) sponsored AB 929, by Assemblymember Tina McKinnor (D-Los Angeles), which attempted to codify the regulations that permitted airports to continue to have safe and regulated expanded onsite consumption areas within an airport terminal. However, AB 929 was made a two-year bill and ultimately stalled. Assemblymember McKinnor, as well as CAC, are committed to addressing this issue in the 2025-2026 legislative session.

Actions: Work with Airport Authority legislative consultants, the California Airports Council, and others to advance policy that grants SDIA the option of working with its local officials to safely permit Expanded Onsite Alcohol Consumption Sites in the terminals.

Airport Concessionaires

On September 28, 2023, the Governor signed legislation that would increase California’s minimum wage for the state’s fast-food workers to \$20 per hour. The legislation, AB 1228 by Assemblymember Holden (D-Pasadena), authorizes the established Fast Food Council to increase the wage annually, however, the annual wage is capped at the lesser of 3.5% or the annual increase in the US-CPI for Urban Wage Earners and Clerical Workers.

The author submitted a letter to the Clerk of the Assembly stating that it was not his intent to include airport concessions under AB 1228. Subsequently, in the 2024 legislative session, Assemblymember Holden clarified that the measure does not apply to fast-food restaurants located within airports with the passage of AB 610 (Holden; Ch 4, 2024).

In October 2024, the Governor signed SB 478 (Dodd) to reduce “junk fees” by making it an unlawful business practice to advertise, display, or offer a price for a good or service that does not include all mandatory fees or charges other than taxes or fees. Notably, the legislation applied to mandatory fees or charges that may be included at an airport concession to offset rising employee healthcare costs.

The Authority’s staff and legislative consultants, in coordination with the California Airports Council, worked to protect the treatment of these fees in SB 1524 (Dodd) by allowing them to continue to be displayed to customers in a clear and conspicuous manner. The bill was signed by the Governor in June 2024.

Actions: Work with Airport Authority legislative consultants, the California Airports Council, airport advocates, and others to ensure that SDIA and other airports remain exempted from AB 1228 (Holden) and the protections installed by SB 1524 (Dodd) remain intact.

Transportation Security Administration (TSA) Staffing

The Fiscal Year (FY) 2024 Homeland Security Appropriations bill, signed into law on March 23, 2024 as part of H.R.2882, the Further Consolidated Appropriations Act of 2024, allocates \$10.6 billion for the Transportation Security Administration (TSA), marking a \$1.3 billion increase from FY 2023 levels. This funding includes an additional \$856 million to support higher pay for Transportation Security Officers (TSOs), to improve retention and address staffing shortages as air travel continues to recover post-pandemic.

In proposed FY 2025 appropriations, the House Homeland Security bill, H.R. 8752, would provide \$111 million to continue TSA staffing at exit lanes, \$45.9 million for the Law Enforcement Officer (LEO) Reimbursement Program, and \$34.1 million for the Canine LEO Reimbursement Program. The Senate’s version of the bill would provide \$98.5 million to continue exit lane staffing, \$45.9 million for the LEO Reimbursement Program, and \$17 million for the Canine LEO Reimbursement Program.

Negotiations are ongoing regarding FY 2025 appropriations, but in the meantime, Congress passed a continuing resolution extending current year funding into March 2025.

Looking ahead, it is unclear what the President’s Budget Request for TSA will entail but it is anticipated that investments in cybersecurity and insider threat programs to bolster national security within the transportation sector will continue.

Actions: Work with Airport Authority legislative consultants, airport advocates, and others to ensure appropriate TSA staffing levels, guide proposed changes to current security policies and procedures, and work with TSA and other SDIA security personnel to implement the required changes.

Customs and Border Protection (CBP) Staffing and Operations

In Fiscal Year (FY) 2024 appropriations, Congress provided U.S. Customs and Border Patrol Protection (CBP) with \$19.62 billion, marking an increase of \$2.94 billion over the FY 2023 level and \$3.04 billion above the President’s request.

For FY 2025, the proposed House Homeland Security Appropriations Act provides \$18.26 billion for CBP, which is \$1.36 billion below FY 2024 levels and \$1.75 billion above the President’s request. The House bill allocates funding for new border security technology, additional non-intrusive inspection technology, and overtime pay for Border Patrol agents. The proposed Senate FY 2025 bill would provide \$19.72 billion for CBP, which is \$100 million above FY 2024 levels and \$3.12 billion above the President’s request. In contrast with the House bill, the Senate bill reduces funding for border management

activities and shelter services.

Negotiations regarding FY 2025 appropriations are ongoing but, in the meantime, Congress passed a continuing resolution extending current year funding into March 2025 and subject to decision-making by the incoming federal administration.

In 2023, Senate Homeland Security and Governmental Affairs Committee Chairman Senator Gary Peters (D-MI) along with Senator John Cornyn (R-TX), introduced the Securing America's Ports of Entry Act, which would require CBP to hire 600 agents a year until staffing needs for the agency across airports, seaports, and land ports of entry are met. The bill passed out of Committee on July 19, 2023 but there has been no further action since then.

The Immigration Inspection User Fee (IIUF) is a fee collected from certain commercial aircraft passengers arriving to the United States from foreign countries, which helps fund CBP operations. Supporting an increase in these fees would compensate for fees lost due to the COVID-19 pandemic's impact on international travel into the United States and provide further funds to CBP.

Additionally, the One-Stop Pilot Program, authorized in the Fiscal Year 2023 National Defense Authorization Act, allows TSA and CBP to create a six-year pilot program that would enable passengers and their property arriving from six designated foreign airports to bypass domestic security screening before boarding a domestic flight.

Actions: Continue to closely coordinate with CBP officials, Congress, and other interested parties to ensure that an adequate level of CBP staffing will be provided for existing and new international service at SDIA and support any programs to improve CBP operations and international passenger facilitation. In addition, oppose any potential shifting of CBP revenue to pay for non-CBP programs and activities.

Unmanned Aircraft Systems

The use of unmanned aircraft systems (UAS or drones) by hobbyists and for commercial purposes continues to grow. The Federal Aviation Administration (FAA) Reauthorization bill of 2018 included several amendments to address the potential threat of drones to aviation activity including the concern of Congress about the safety risks caused by unauthorized operation of UAS in proximity to airports and the safety risks of potential collisions between UAS and manned aircraft. In recent years, incidents involving UAS threats to infrastructure and aircraft have only elevated the importance of action on the matter. The 2024 FAA Reauthorization bill included various provisions related to UAS, such as extending the authority for airport safety and airspace hazard mitigation enforcement and for the FAA to develop a plan for the use of UAS by public entities in wildfire response efforts including wildfire detection, mitigation, and suppression.

The FAA finalized initial steps toward minimizing UAS threats to safety by implementing the Remote ID final rule on April 21, 2021. The final rule imposed requirements for drone pilots to register their UAS and ensure their drones have Remote ID capabilities and meet certain broadcast requirements. The FAA announced on September 13, 2023, that it delayed enforcement of the rule until March 16, 2024. The rule has since come into effect, meaning operators who do not comply could face fines and suspension or revocation of their drone pilot certificates.

The FAA finalized its Operations of Unmanned Aircraft Systems Over People final rule, which establishes

four categories for operations over people, and operations at night, with shared characteristics. The rule also updated the Remote Pilot knowledge test to include Operation at Night standards, as well as to replace the in-person recurrent test every twenty-four calendar months with online recurrent training starting on April 6, 2021. Small UAS operators are also required to have their remote pilot certificate and personal identification on their persons when operating, and ready to present to authorities upon request.

The FAA is also working toward promulgating Beyond Visual Line of Sight (BVLoS) regulations as required by the FAA Reauthorization Act of 2024. Although the FAA was required to issue a notice of proposed rulemaking within four months of enactment, the agency did not meet that deadline. In November 2024, the FAA submitted a rule to the Office of Information and Regulatory Affairs (OIRA) for review.

In Congress, S. 307 (Warner), the Increasing Competitiveness for American Drones Act of 2023, was introduced and would establish a risk management assessment methodology for the authorization of BVLoS UAS operations, which would consider operations in proximity to airports. There has been no movement on the bill since the introduction.

In 2023, the state legislature contemplated setting new regulations (AB 740; Gabriel) on the use of data collected, transmitted, and stored by government drones and new rules on which drone technologies are allowed to be in use. The measure was stalled and did not proceed in 2024. The legislature also focused on preventing the unauthorized weaponization of drones (AB 2681; Weber); however, Governor Newsom vetoed the bill, citing concerns about unintended consequences for public safety operations. These discussions are expected to continue in the 2025-26 legislative session.

Work also continues on UAS Traffic Management (UTM) generally, which may ultimately act as an air traffic control system for drones and involve cooperation between drone operators and the FAA. The rollout of both Remote ID and UTM is critical for drone operations going forward and for San Diego International Airport (SDIA) to ensure that drones do not pose a significant safety risk to operations and the safety of the airspace.

Action: Continue to work closely with the Airport Authority's legislative consultants, the California Airports Council, Aviation Industry Associations, and others to advocate for the passage of legislation that would reduce the threat of drone impacts on airport operations and continue to monitor the Remote ID rulemaking process.

REAL ID / Satellite DMV Offices

The REAL ID Act of 2005 establishes federal standards for state-issued driver licenses and non-driver identification cards. To comply with this law, the Department of Homeland Security issued regulations requiring domestic air travelers, beginning on January 22, 2018, to either possess a state driver license that is compliant with the REAL ID Act or show an alternative form of identification acceptable to the Transportation Security Administration (TSA) to board their flight.

However, California petitioned for and obtained a waiver to allow its driver licenses to be used as an acceptable form of identification beyond DHS's January 22, 2018, compliance date. Because of this waiver, non-REAL ID compliant California driver licenses could be used to board a domestic flight until October 1, 2020. However, due to the COVID-19 pandemic, the deadline to obtain a REAL ID was extended to October 1, 2021, then extended to May 3, 2023, and in late 2022 was extended again to May 7, 2025.

In September 2024, TSA issued a notice of proposed rulemaking (NPRM) that would delay full REAL ID enforcement until May 2027. At the time, the Biden Administration said it intended to adopt a phased approach to implement the REAL ID requirements. The notice highlighted that REAL ID adoption is still in progress across states, and that the Biden Administration was seeking to prevent last-minute REAL ID application surges before the May 2025 deadline through the additional extension.

Because many air travelers, particularly those who travel infrequently, may not be aware of the federal requirements to obtain an enhanced REAL ID license to travel by air, airports have a direct interest in ensuring that travelers have a REAL ID driver license.

To assist the State of California Department of Motor Vehicles (DMV) in the issuance of REAL ID licenses, airports could coordinate with the California State Legislature and DMV to locate satellite DMV offices at airports to provide a convenient location for travelers to apply for REAL ID licenses.

Action: Support efforts by the California Airports Council to work with the California DMV and California Legislature to potentially establish satellite offices at airports to assist travelers in obtaining REAL ID driver's licenses by the potential May 7, 2027, compliance deadline.

AIRPORT SUSTAINABILITY

Sustainable Aviation Fuel

In line with the Authority's ongoing goal of environmental sustainability and reduction of greenhouse gas (GHG) emissions, the conversation around accessibility and increased utilization of Sustainable Aviation Fuel (SAF) has continued to grow. SAF is made from environmentally friendly feedstocks like woody biomass (forest debris), municipal waste garbage, as well as used oils, fats, and greases. At present, SAFs can be safely blended and used with traditional jet fuel and infrastructure and be used for commercial travel.

Currently, California is the largest consumer of jet fuel nationally, however, if properly incentivized by the state, California can reduce its GHG emissions by an estimated 50-80 percent on a lifecycle basis, totaling 10 million metric tons—simply by switching to five percent SAF by 2025. Airport Authority staff participate on a Sustainable Aviation Fuel workgroup, comprised of airports, airlines, SAF producers, and the California Airports Council (CAC), which continues to work with the state to find ways to incentivize the production and utilization of SAFs. In 2023, the SAF working group explored various policy and funding approaches to incentivize production and use of SAF.

In 2021, the SAF working group encouraged Assembly Member Rivas (D, Hollister) to introduce AB 1322. The measure would have required the State Air Resources Board, on or before July 1, 2024, to develop a plan, consistent with federal law, to reduce aviation GHG emissions and help the state reach its goal of net-zero GHG emissions by 2045, including a sustainable fuels target for the aviation sector of at least 20 percent by 2030.

While the measure easily moved through the Legislature, the bill was ultimately vetoed by Governor Newsom. In his veto message the Governor stated, "While my Administration appreciates the intent of this bill, there are existing opportunities for credit generation from sustainable aviation fuel production under the state's Low Carbon Fuel Standard."

Additionally, in 2023, Senator Henry Stern (D, Thousand Oaks) introduced SB 720 related to airport emissions reporting. The measure would have created a new reporting requirement for airports to report to the California Air Resources Board (CARB) on the use of SAF. Following opposition from CAC, the author proposed amendments to require GO-Biz to create a stakeholder group related to SAF production and infrastructure. The measure was ultimately made a two-year bill and further action can be taken in the 2025 legislative session. As an alternative, CAC is working with the legislature to advance policy that would encourage and incentivize SAF production and procurement.

In October 2024, Governor Newsom announced an agreement with Airlines for America (A4A) and CARB to set a goal of making 200 million gallons of SAF available in-state by 2035. The agreement formalizes a Sustainable Aviation Fuel Working Group and plans to establish a state website detailing available incentives and progress towards the SAF goal.

Action: Work with the Sustainable Aviation Fuel (SAF) Working Group and the California Airports Council to monitor state agency progress on adopting SAF incentives and use of the federal incentives and evaluate whether a legislative or budget vehicle is needed to further incentivize the production, distribution, and integration of SAF.

Sustainability & Energy Use Reduction

The Airport Authority continues to explore actions that can be taken to build on its efforts to become more sustainable and energy independent. Airport Authority staff continue to monitor and investigate funding opportunities for sustainable initiatives at San Diego International Airport (SDIA). Specific areas of investment are expected to include “greening” the power generation system, expanding energy capacity and resilience, transitioning to additional zero-emission ground support equipment and other airport vehicles, and installing additional electric vehicle charging infrastructure.

The Authority continues to meet the requirements of the United States Green Building Council’s Leadership in Energy and Environmental Design (LEED) regarding green building standards, design, and construction in the construction and design of the New Terminal 1 project.

In addition, Authority staff will continue to identify requirements and changes that could impede the Authority’s ability to utilize non-traditional and “green” energy supplies to power SDIA facilities and equipment as well as actions that could be taken to alter current public utility rules, regulations, and statutes.

Actions: Identify opportunities to obtain funding for airport projects that will reduce SDIA’s reliance on traditional utilities and allow for the implementation of sustainable resources. In addition, identify any regulatory and statutory impediments to potential projects and activities that would increase energy independence at SDIA and coordinate with other interested parties to remove any identified impediments.

AIRPORT GROUND TRANSPORTATION

Personal Vehicle Sharing Programs

In 2023, AB 893 (Papan) was passed by the Legislature and signed by Governor Newsom. AB 893 clarified the duties and obligations imposed upon personal vehicle-sharing platforms. This measure was supported by a diverse coalition of stakeholders, including the California Airports Council. Peer-to-peer car companies and other trade groups remained opposed to this measure throughout the year. While it is widely believed that this issue is now resolved in law, it will be important to remain vigilant in

ensuring that legislation is not introduced that would otherwise modify what has recently been enacted.

Action: Work with the California Airports Council, the Authority's legislative consultants, and others to monitor litigation, personal vehicle sharing program legislation and regulations, their anticipated impact on SDIA, and state efforts to regulate personal vehicle sharing companies at airports.

Autonomous Vehicles

In 2023, Assemblymember Cecilia Aguiar-Curry (D, Winters) introduced AB 316 which, among various other provisions, would have prohibited the operation of an autonomous vehicle with a gross vehicle weight of 10,001 pounds or more on public roads for testing purposes, transporting goods, or transporting passengers without a human safety operator physically present in the autonomous vehicle at the time of operation. While the legislation advanced out of the Legislature, the measure was vetoed by Governor Newsom. In 2024, Assemblymember Curry authored AB 2286, a substantially similar measure to AB 316 and was again vetoed by the Governor. The Governor also vetoed a measure (AB 3061; Haney) that would have required autonomous vehicle manufacturers to report any collisions or traffic violations to the DMV. In contrast, the Governor signed a measure (AB 1777; Ting) that allows autonomous vehicles to be reported for non-compliance with traffic laws.

In August 2024, the DMV released draft regulations for comment that provide a pathway for the autonomous operation of specific heavy-duty vehicles on certain roads.

Actions: Work with the California Airports Council, the Airport Authority's legislative consultants, and others to monitor autonomous vehicle legislation and regulations, and their anticipated impact on SDIA. In addition, work to ensure that airports retain authority to regulate access to and operations of all ground transportation modes at their respective airports.

FEDERAL AND STATE REGULATIONS AND MANDATES

Per- and Polyfluoroalkyl Substances (PFAS)

Federal Actions

As part of the Federal Aviation Administration (FAA) Reauthorization Act of 2018, the FAA was provided three years to identify an alternative fire suppression foam without per-and polyfluoroalkyl substances (PFAS). In October 2021, the FAA released a "CertAlert" stating that the performance standards remain the same, but the military specification no longer requires fluorinated chemicals. In 2024, Congress did not pass any PFAS-specific standalone legislation, but larger legislation that was enacted did include provisions relating to PFAS. The 2024 National Defense Authorization Act (NDAA), signed into law by President Biden on December 22, 2023, includes provisions related to PFAS research, remediation, mitigation, and disposal.

The FAA Reauthorization Act of 2024 outlines priorities for aviation safety and modernization, and contains a new program designed to reimburse costs associated with acquiring PFAS-free firefighting foam alternatives. The law authorizes \$350 million for the program and requires that \$300 million of funds be distributed to airports that do not have the capability to produce fluorine-free foam and the remainder to airports that can produce the foam but need the materials to produce the foam. In FY 2025 appropriations, the House has proposed to provide \$5 million in funding for the program while the Senate has proposed to provide \$70 million in funding.

Federal legislation has been introduced to address the use of PFAS at airports and the liability related to the use of PFAS at airports. S.1433, the Airport Liability Protection Act (Lummis), aims to 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, as the EPA has designated PFAS as hazardous materials under CERCLA. H.R.5355, the Save Our Airports Reporting Act (Carbajal), would require the FAA to conduct and submit reports to Congress on the development and implementation of a national plan to transition to the use of fluorine-free firefighting foam. H.R. 5356, the Pollution Free Aviation Site Act (Carbajal), aims to enhance efforts to replace polyfluoroalkyl substances (PFAS) by requiring the Secretary of Transportation to establish a PFAS replacement program at certain airports.

On March 14, 2023, the Biden Administration announced that the EPA would enact a federal drinking water standard for PFAS. This government-wide initiative aims to address PFAS contamination throughout the nation. The effort, spearheaded by the EPA, was finalized in April 2024, when the Agency released the National Primary Drinking Water Regulation (NPDWR) for six PFAS chemicals, informed by over 120,000 public comments and extensive stakeholder engagement. The rule aims to protect around 100 million people from PFAS exposure in drinking water, prevent thousands of deaths, and reduce tens of thousands of serious illnesses over time.

Among the various actions to be undertaken across the breadth of the federal government are plans to have the FAA provide guidance to airports on reducing the use of firefighting foam containing PFAS and a transition plan to the use of fluorine-free and PFAS-free firefighting foam. Additionally, the FAA is pursuing the research and development of PFAS-free firefighting equipment and partnering with the Department of Defense on the specifications of PFAS-free firefighting foam alternatives.

State Actions

In 2019, the State Water Resources Control Board (SWRCB) ordered over 30 airports to begin testing for PFAS. In 2020, the Legislature passed, and the Governor signed, SB 1044 (Allen) that banned Class B firefighting foams used in California by September 2024 with an exemption for entities that are under a federal requirement.

On November 10, 2022, California Attorney General Rob Bonta announced litigation against PFAS manufacturers, citing data from the SWRCB showing that PFAS levels are especially high near airports, refineries, chrome plating facilities, military facilities, and landfills. The lawsuit seeks injunctive relief, damages, penalties, restitution, and abatement from PFAS manufacturers.

On September 13, 2023, the FAA announced to airports the availability of Fluorine Free Foam (F3) that can now be used in commercial airports. In July and August of 2024, the Authority completed its transition to F3 for all of its Aircraft Rescue and Fire Fighting vehicles.

Actions: Continue to advocate: (a) to require the federal government to take responsibility for PFAS-related remediation and disposal and to provide indemnity to airports for use of PFAS; (b) for funding for takeback of PFAS products and airport equipment and to replace Airport Fire Fighting Foam; (c) to direct and fund research for attribution of PFAS contamination; and (d) to ensure that airports are not held financially liable for PFAS contamination. In addition, continue to work with the California Airports Council on state funding to assist SDIA with testing associated with PFAS detection and explore options that will provide harmony with state and federal operational guidelines.

Implementing a Regulatory Framework for Hop-On Jet Service

The rise of public charters or on-demand jet services, such as JetSuiteX (JSX), poses a new set of questions for the Airport Authority. The model, which allows for private aircraft to be accessible for short-range passengers at commercial prices, has significant implications for the day-to-day operations of SDIA and airports around the nation. In September 2023, the FAA posted a notice of intent regarding transitioning scheduled public charters from operating under Part 135 to Part 121 and removing exceptions for Part 380 public charter operators. In June 2024, the FAA announced that it intended to initiate a rulemaking to implement those changes, but as of November 2024, no actions have been taken. The Airport Authority's stance, as expressed in our comment letter on the proposed FAA rulemaking, asserts that public charter operations "are not treated differently than air carrier operations under Part 121."

In 2024, H.R. 9268, the bipartisan Safer Skies Act (Langworthy) was introduced, aimed at closing security loopholes in airport operations. This legislation directly addresses the concerns raised by the rise of public charters and on-demand jet services like JetSuiteX (JSX). Specifically, the Safer Skies Act requires the Transportation Security Administration (TSA) to update security screening requirements for Part 135 and Part 380 operators that offer individual seats in advance, provide publicly available schedules, and operate passenger seat configurations of more than nine seats. The bill additionally ensures these operators are held to the same security standards as scheduled commercial airlines. Currently, the Safer Skies Act remains pending action, but has garnered support from major aviation industry groups, including the Airline Pilots Association, Allied Pilots Association, and the Association of Flight Attendants.

Action: Work with the FAA, the Airport Authority's legislative consultants, and the San Diego Congressional delegation to clarify the regulatory framework surrounding hop-on air service and scheduled public charters.

Remote Public Meetings

The COVID-19 public health crisis forced local agencies to become more flexible in conducting public meeting processes. In response, Governor Newsom signed AB 361 (Rivas), which became effective on September 30, 2021, and permits the continued utilization of remote participation without the posting of a local official's physical location so long as there is a state-issued State of Emergency. As a result, local agencies across the state have utilized virtual/remote public meetings to protect the public, agency staff as well as elected and appointed officials.

In 2022, the Legislature passed, and the Governor signed, AB 2449 (Rubio) that provides, under limited circumstances and for a limited time the ability for Brown Act bodies to conduct hybrid meetings. Given the significant caveats and limited duration that this statute provides, it is unlikely that a local legislative body will choose to use this measure in practice. In 2023, the Governor signed AB557 (Hart) into law, which allows local agencies to use the general provisions of AB 361 in a scenario where the Governor declares a state of emergency in one or more counties if the local agency is located within the specified county or counties. Moreover, in 2023, the Governor signed SB 544 (Laird) into law, which provides much more flexibility for state administrative and regulatory bodies to be fully remote with only one member of the body being physically present. That bill, however, sunsets January 1, 2026. Local government advocacy organizations including the California Airports Council (CAC) will continue to attempt to advance legislation that provides the same or similar flexibility that was granted to state bodies.

A bill that stalled in the previous session (AB 817; Pacheco) would have allowed subsidiary bodies of a local agency to teleconference meetings without having to notice and make publicly accessible each

teleconference location. In contrast, a measure that was signed by Governor Newsom (AB 2302; Addis) allows a member to count all the meetings attended remotely on the same day as a single use of the current exception.

Action: Work with the Airport Authority’s legislative consultants, the California Airports Council, Legislature, and other local government partners to continue to explore more permanent options that allow for continued flexibility in conducting meetings in a way that ensures public access, maintains transparency, and upholds the public’s trust.

State Mandates/Governmental Operations

Authority staff continues to collaborate with its legislative consultants and the California Airports Council to identify proposals that could impose unfunded state mandates and/or measures that would preempt the operational control of the Airport Authority or SDIA, thereby increasing Airport Authority expenses.

Action: Work with the California Airports Council, and other local government partners to monitor measures that would apply unfunded state mandates and limit operational autonomy and analyze their potential impact and cost to the Authority/SDIA.

California Air Resources Board Regulations

In June 2019, the California Air Resources Board (CARB) adopted a new regulation requiring airport shuttle operators to transition to 100 percent zero-emission vehicle (ZEV) technologies. Airport shuttle operators must begin adding zero-emission shuttles to their fleets in 2027 and complete the transition to ZEVs by the end of 2035. Previously, California Airports Council staff and member airports have met to discuss CARB’s implementation of this new zero-emission bus regulation, which would partially eliminate access by California airports to federal funding provided under the Voluntary Airport Low Emission (VALE) and Airport Zero Emissions Vehicle and Infrastructure Pilot Program grant programs.

In April 2023, CARB adopted the Advanced Clean Fleets (ACF) regulation which requires a 100 percent transition to ZEV technologies for all sectors, including state and local agencies, which must fully transition their fleets by 2035. State and local fleet requirements to ensure that 50 percent of their annual vehicle purchases are zero-emissions began in 2024. While CARB must obtain a federal preemption waiver from the U.S. EPA to apply ACF requirements to private fleets, it maintains that it has full authority to regulate state and local fleets without a federal waiver. A U.S. EPA decision on whether to grant a preemption waiver is expected in 2025.

It is important to note that vehicles subject to the Zero-Emission Airport Shuttle Regulation are exempt from the State and Local Government Agency Fleet requirements.

In July 2024, CARB, South Coast Air Quality Management District, and U.S. EPA announced a joint agreement outlining actions to reduce emissions from a variety of sources, including airports and aircraft. In this agreement, CARB stated intent to explore developing a Zero Emission Airport Ground Operations Regulation to require zero-emissions taxiing, zero-emissions ground support equipment, and zero-emissions gate operations.

Action: Continue to coordinate with the California Airports Council and others to dialogue with California Air Resources Board representatives about the impacts of new regulations, and to preserve access by California airports to the Voluntary Airport Low Emission (VALE) and Airport Zero Emissions Vehicle and Infrastructure Pilot Program (ZEV) grant programs.