

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Robert H. Gleason
Jim Janney
Mark Kersey
Paul Robinson
Michael Schumacher
Mary Sessom

BOARD AGENDA

Thursday, October 5, 2017
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building – Third Floor
Board Room
3225 N. Harbor Drive
San Diego, California 92101

Ex-Officio Board Members

Laurie Berman
Eraina Ortega
Col. Jason Woodworth

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 Corporate & Information Governance and are available for public inspection.

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

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

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

CALL TO ORDER:

PLEDGE OF ALLEGIANCE:

ROLL CALL:

CLOSED SESSION:

1. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al., San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
2. **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. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
3. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al., San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
4. **CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al. San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL
5. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.
Number of potential cases: 1
6. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Navy Boat Channel Environmental Remediation
Number of potential cases: 1
7. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 2

8. **CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
In re Seaport Airlines, Inc., U.S. Bankruptcy Court Case No. 16-30406-rld7
Number of potential cases: 1
9. **CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 1
10. **CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
The Receipt of a Government Claim from David Freund and Request for Defense and Indemnity from the San Diego Unified Port District regarding the Claim
11. **CONFERENCE WITH LABOR NEGOTIATOR:**
Labor negotiations pursuant to Cal. Gov. Code §54957.6
Authority Designated Negotiators: Kimberly Becker, President & CEO and Kurt Gering, Director Talent, Culture & Capability
Employee Organization: Teamsters 911
12. **PUBLIC EMPLOYEE APPOINTMENT:**
Cal. Gov. Code §54957
Title: Chief Auditor

REPORT ON CLOSED SESSION:

PRESENTATIONS:

- A. **OVERVIEW OF SAN SUSTAINABILITY MANAGEMENT PROGRAM**
Presented by Brendan Reed, Director of Planning & Environmental Affairs

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Committee Members: Gleason, Hollingworth, Robinson (Chair), Schumacher, Sessom, Tartre, Van Sambeek
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Gleason, Janney(Chair), Kersey, Robinson

- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: Boling, Cox, Desmond (Chair), Kersey, Schumacher
- **FINANCE COMMITTEE:**
Committee Members: Boling (Chair), Cox, Janney, Sessom

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Robinson (Primary), Boling
- **ART ADVISORY COMMITTEE:**
Committee Member: Gleason

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
Liaison: Janney
- **CALTRANS:**
Liaison: Berman

INTER-GOVERNMENTAL AFFAIRS:

- Liaison: Cox
- **MILITARY AFFAIRS:**
Liaison: Woodworth
- **PORT:**
Liaisons: Boling, Cox, Gleason (Primary), Robinson
- **WORLD TRADE CENTER:**
Representatives: Gleason (Primary)

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Boling (Alternate), Janney (Primary)

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

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

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

CONSENT AGENDA (Items 13 – 27):

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.

13. APPROVAL OF MINUTES:

The Board is requested to approve minutes of prior meetings.

RECOMMENDATION: Approve the minutes of the September 7, 2017, regular meeting.

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

The Board is requested to accept the reports.

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

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

15. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM AUGUST 14, 2017, THROUGH SEPTEMBER 10, 2017, AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM AUGUST 14, 2017, THROUGH SEPTEMBER 10, 2017:

The Board is requested to receive the report.

RECOMMENDATION: Receive the report.

(Procurement: Jana Vargas, Director)

16. OCTOBER 2017 LEGISLATIVE REPORT:

The Board is requested to approve the report.

RECOMMENDATION: Adopt Resolution No. 2017-0085, approving the October 2017 Legislative Report.

(Inter-Governmental Relations: Michael Kulis, Director)

17. AUTHORIZE THE PRESIDENT/CEO (OR DESIGNEE) TO SIGN THE AIRPORTS SUSTAINABILITY DECLARATION AT THE 2017 AIRPORTS GOING GREEN CONFERENCE:

The Board is requested to authorize the President/CEO to sign the declaration.

RECOMMENDATION: Adopt Resolution No. 2017-0086 authorizing the President/CEO (or Designee) to sign the Airports Sustainability Declaration at the 2017 Airports Going Green Conference.

(Planning & Environmental Affairs: Brendan Reed, Director)

18. RATIFY TAXICAB TRIP FEE FOR FY 2018

The Board is requested to ratify the taxicab trip fee.

RECOMMENDATION: Adopt Resolution No. 2017-0096 ratifying the taxicab trip fee for FY 2018 at \$2.90 for alternative fuel taxicabs.

(Ground Transportation, Marc Nichols, Director)

CLAIMS

19. REJECT CLAIM OF K.S.A.N. L.L.C.:

The Board is requested to reject a claim.

RECOMMENDATION: Adopt resolution No. 2017-0095 rejecting the claim of K.S.A.N. L.L.C.

(General Counsel, Amy Gonzalez)

COMMITTEE RECOMMENDATIONS

20. FISCAL YEAR 2017 ANNUAL REPORT FROM THE AUDIT COMMITTEE:

The Board is requested to accept the report.

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

(Audit: Mark A. Burchyett, Chief Auditor)

21. FISCAL YEAR 2017 ANNUAL AUDIT ACTIVITIES REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:

The Board is requested to accept the report.

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

(Audit: Mark A. Burchyett, Chief Auditor)

CONTRACTS AND AGREEMENTS

22. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LETTER OF AGREEMENT WITH GOOGLE, INC.:

The Board is requested to approve the agreement.

RECOMMENDATION: Adopt Resolution No. 2017-0087, approving and authorizing the President/CEO to execute a Letter of Agreement with Google, Inc., permitting use of the Airport's public map information.

(Innovation and Small Business Development: Rick Belioti, Director)

23. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC. FOR QUIETER HOME PROGRAM PHASE 9, GROUP 1, PROJECT NO. 380901 (THIRTY FIVE (35) HISTORIC MULTI-FAMILY UNITS ON SEVEN (7) RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE AIRPORT):

The Board is requested to award the contract.

RECOMMENDATION: Adopt Resolution No. 2017-0088, awarding a contract to G&G Specialty Contractors, Inc., in the amount of \$852,318, for Phase 9, Group 1, Project No. 380901, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.

(Planning & Environmental Affairs: Brendan Reed, Director)

24. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH BARICH, INC:

The Board is requested to approve an amendment.

RECOMMENDATION: Adopt Resolution No. 2017-0089, approving and authorizing the President/CEO to execute a first amendment to the agreement with Barich, Inc., increasing the compensation amount by \$118,000 for a total not-to-exceed amount of \$368,000.

(Innovation and Small Business Development: Rick Belliotti, Director)

25. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH WILLIS INSURANCE SERVICES OF CALIFORNIA, INC:

The Board is requested to approve an amendment.

RECOMMENDATION: Adopt Resolution No. 2017-0090, approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Willis Insurance Services of California, Inc. increasing the compensation amount by \$137,000 for a total not-to-exceed amount of \$750,000.

(Talent, Culture & Capability: Kurt Gering, Director)

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

26. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AN ON-CALL STORM WATER PROGRAM MANAGEMENT SERVICE AGREEMENT WITH AMEC FOSTER WHEELER ENVIRONMENT & INFRASTRUTURE, INCORPORATED:

The Board is requested to approve the agreement.

RECOMMENDATION: Adopt Resolution No. 2017-0091, approving and authorizing the President/CEO to execute an On-Call Storm Water Program Management Service Agreement with Amec Foster Wheeler Environment & Infrastructure, Incorporated, for a term of three years, with the option for two one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$8,500,000.

(Planning & Environmental Affairs: Brendan Reed, Director)

27. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AGREEMENTS FOR TEMPORARY STAFFING SERVICES:

The Board is requested to approve agreements.

RECOMMENDATION: Adopt Resolution No. 2017-0092, approving and authorizing the President/CEO to negotiate and execute an Agreement with CPM LTD dba Manpower Temporary Services for temporary staffing services for a term of three years with two one-year options to renew for a maximum amount payable of \$3,000,000; and

Adopt Resolution No. 2017-0093, approving and authorizing the President/CEO to negotiate and execute an Agreement with ACT 1 Government Solutions, Inc. for temporary staffing services for a term of three years with two one-year options to renew for a maximum amount payable of \$3,000,000.

(Talent, Culture & Capability: Stephanie Alexander, Manager Talent & Rewards)

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

28. AWARD AN AGREEMENT TO BRADFORD AIRPORT LOGISTICS (BAL), LTD. TO PROVIDE CENTRALIZED RECEIVING AND DISTRIBUTION CENTER (CRDC) OPERATIONAL SERVICES AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE THE AGREEMENT:

The Board is requested to award the agreement.

RECOMMENDATION: Adopt Resolution No. 2017-0094, authorizing the President/CEO to execute an agreement with Bradford Airport Logistics, Ltd for Central Receiving and Distribution Center operational services in an amount not to exceed \$12,900,000 over a five (5) year term with an option for 2 one-year extensions.

(Terminals & Tenants: Jeff Rasor, Director)

GENERAL COUNSEL REPORT:

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

BOARD COMMENT:

ADJOURNMENT:

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

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

Additional Meeting Information

NOTE: This information is available in alternative formats upon request. To request an Agenda in an alternative format, or to request a sign language or oral interpreter, or an Assistive Listening Device (ALD) for the meeting, please telephone the Authority Clerk's Office at (619) 400-2400 at least three (3) working days prior to the meeting to ensure availability.

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

For those planning to attend the Board meeting, parking is available in the public parking lot located directly in front of the Administration Building. Bring your ticket to the third floor receptionist for validation.

You may also reach the Administration Building by using public transit via the San Diego Metropolitan Transit System, Route 992. The MTS bus stop at Terminal 1 is a very short walking distance from the Administration Building. ADA paratransit operations will continue to serve the Administration Building as required by Federal regulation. For MTS route, fare and paratransit information, please call the San Diego MTS at (619) 233-3004 or 511. For other Airport related ground transportation questions, please call (619) 400- 2685.

UPCOMING MEETING SCHEDULE

<i>Date</i>	<i>Day</i>	<i>Time</i>	<i>Meeting Type</i>	<i>Location</i>
11/2/2017	Thursday	9:00 am	Regular	Board Room

Item A



SAN DIEGO
INTERNATIONAL AIRPORT

LET'S **GO.**

Overview of SAN Sustainability Mgmt. Program

October 5, 2017

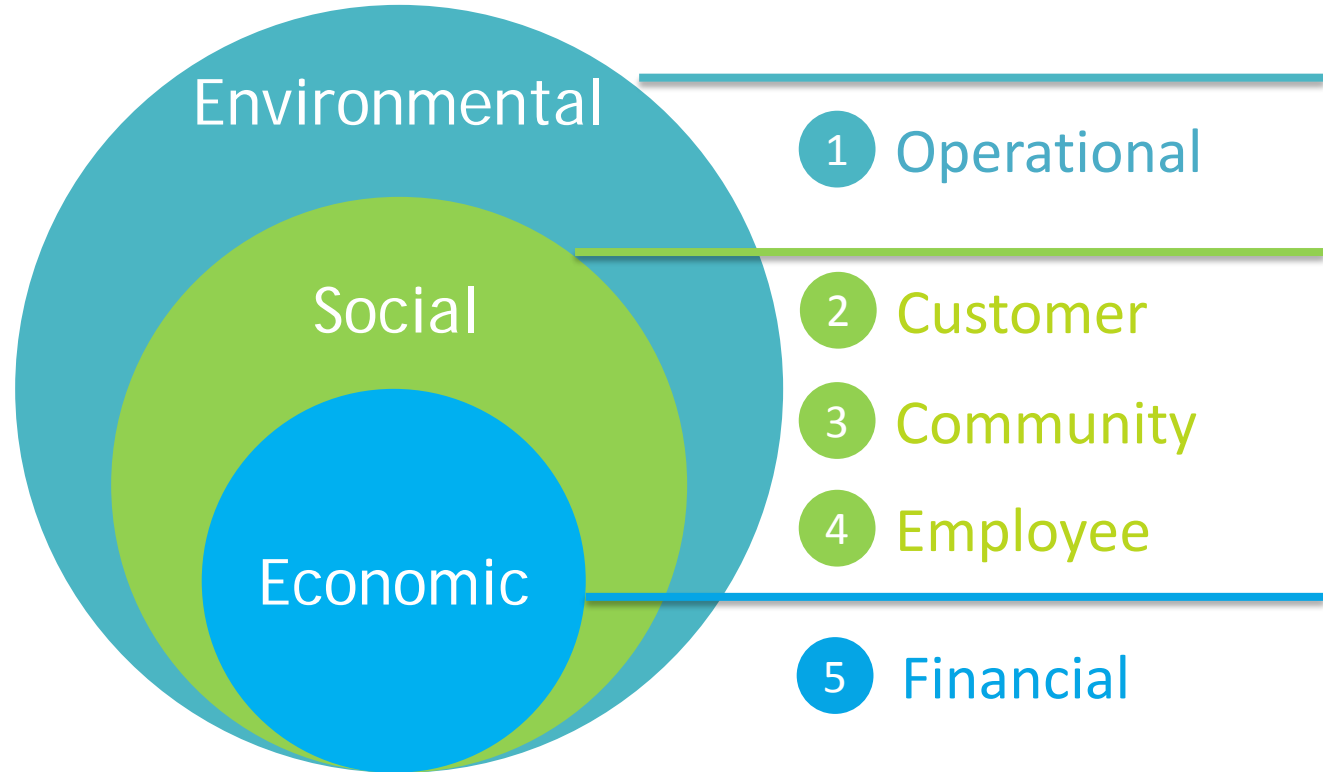
Presented by:

Brendan Reed

Director of Planning & Environmental Affairs

Sustainability Alignment with Mission & Strategies

“Operate the airport in manner that promotes the region's **prosperity** & protects its **quality of life**”



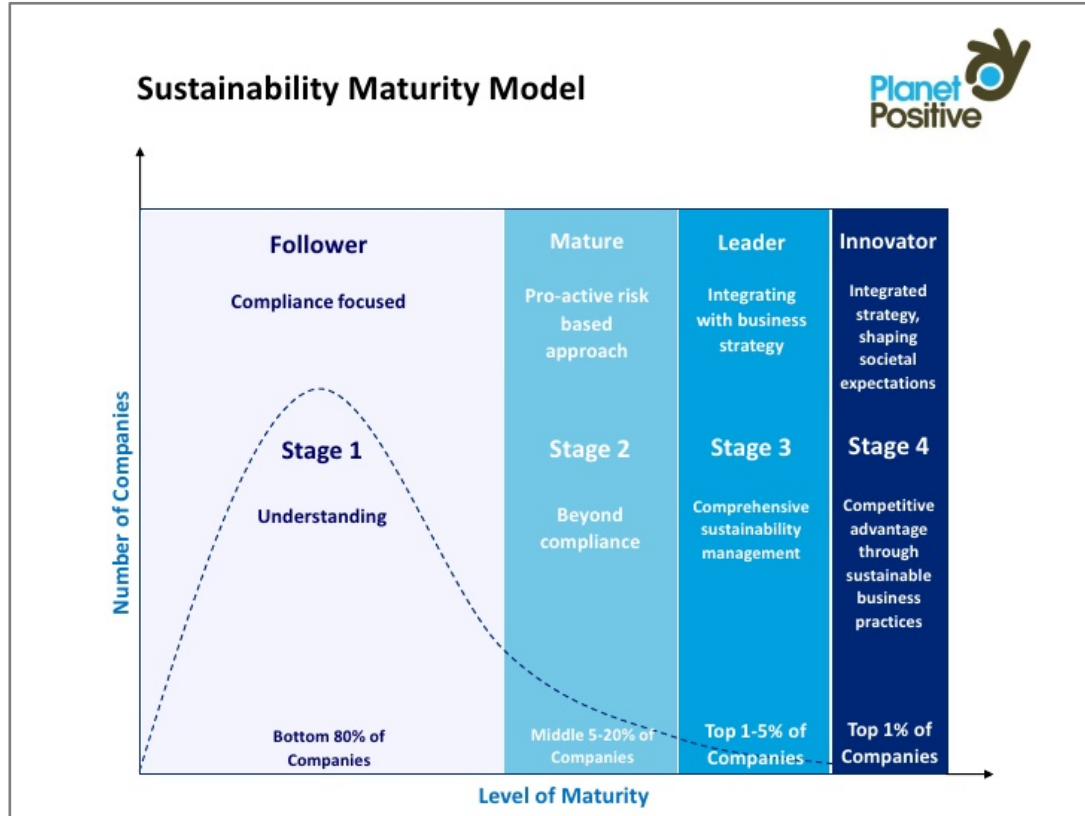
Why focus on Sustainability?

“Companies with their eye on their 'triple-bottom-line' outperform their less fastidious peers on the stock market” - *The Economist*

“Corporate social responsibility is a hard-edged business decision ... it is good for our business.”
- *Niall FitzGerald, Former CEO, Unilever*

“It is about creating opportunities, generating improved performance, making money and leaving the risks far behind.” - *Sunil Misser, Head of Sustainability, PwC*

The Sustainability Journey



SAN's Definition of Sustainability

“Plan and build an enduring and resilient customer-focused enterprise by effectively managing our financial; social; and environmental risks, obligations and opportunities.”

Sustainability Commitments

Sustainability Policy (2008)

- Economic Viability
- Operational Excellence
- Natural Resource Conservation
- Social Responsibility

Attorney General MOU (2008)

- CO₂ Emissions Reduction Measures
- LEED Certification ≥ Silver
- GT Vehicle Conversion Incentive
- GSE Electrification
- Landside Power & Pre-Conditioned Air Units

Global Reporting Initiative (2011)

- Sustainability Performance Tracking
- Transparency & Reporting

Airport Carbon Accreditation (2016)

- Annual GHG Emission Inventories
- 'Reduction' (Level 2) Certification

Airport Sustainability Management Planning (Ongoing)

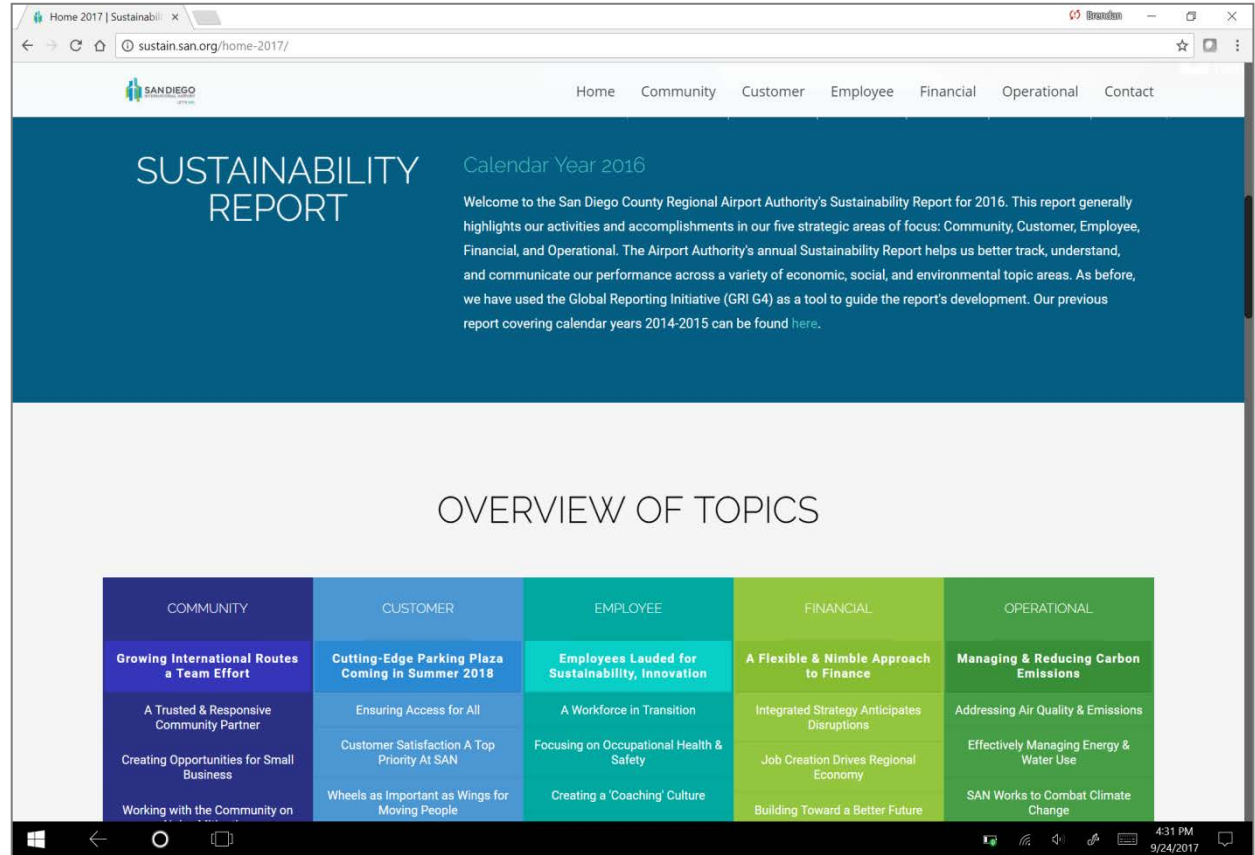
- Strategic Energy Plan
- Water Stewardship Plan
- 5 Other Components (In Progress)
- 5 & 20-Year CIP

Dynamic Aspects of SMP

Recent Accomplishments

Track &
Communicate Over
30 Key Performance
Indicators –

Economic,
Environmental, &
Social Topics



Home 2017 | Sustainability | x

sustain.san.org/home-2017/

Home Community Customer Employee Financial Operational Contact

SUSTAINABILITY REPORT

Calendar Year 2016

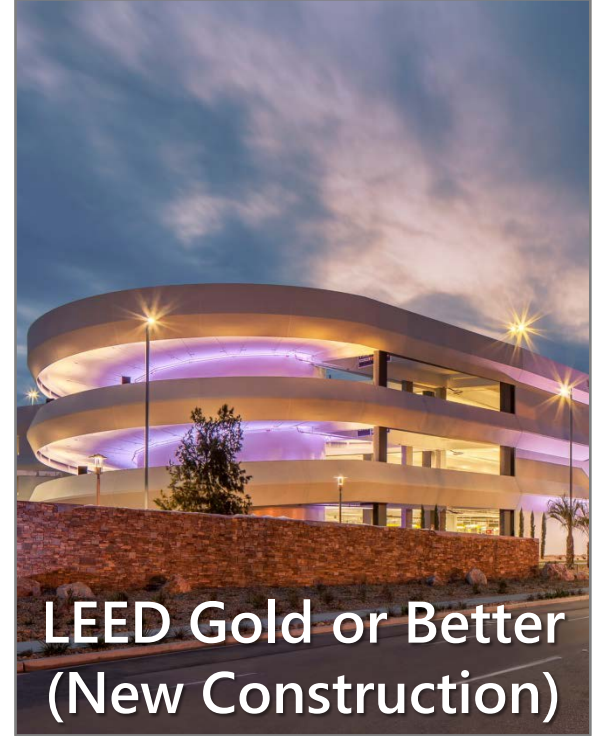
Welcome to the San Diego County Regional Airport Authority's Sustainability Report for 2016. This report generally highlights our activities and accomplishments in our five strategic areas of focus: Community, Customer, Employee, Financial, and Operational. The Airport Authority's annual Sustainability Report helps us better track, understand, and communicate our performance across a variety of economic, social, and environmental topic areas. As before, we have used the Global Reporting Initiative (GRI G4) as a tool to guide the report's development. Our previous report covering calendar years 2014-2015 can be found [here](#).

OVERVIEW OF TOPICS

COMMUNITY	CUSTOMER	EMPLOYEE	FINANCIAL	OPERATIONAL
Growing International Routes a Team Effort	Cutting-Edge Parking Plaza Coming in Summer 2018	Employees Lauded for Sustainability, Innovation	A Flexible & Nimble Approach to Finance	Managing & Reducing Carbon Emissions
A Trusted & Responsive Community Partner	Ensuring Access for All	A Workforce in Transition	Integrated Strategy Anticipates Disruptions	Addressing Air Quality & Emissions
Creating Opportunities for Small Business	Customer Satisfaction A Top Priority At SAN	Focusing on Occupational Health & Safety	Job Creation Drives Regional Economy	Effectively Managing Energy & Water Use
Working with the Community on	Wheels as Important as Wings for Moving People	Creating a 'Coaching' Culture	Building Toward a Better Future	SAN Works to Combat Climate Change

4:31 PM
9/24/2017

Recent Accomplishments



Recent Accomplishments



Looking into the Future...



Transportation
Electrification



'Zero Net'
Energy, Water, &
Waste



Carbon
Neutrality &
CORSA



WELL Building
Design

Questions?

sustain.san.org



SAN DIEGO
INTERNATIONAL AIRPORT
LET'S GO.

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, SEPTEMBER 7, 2017
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:03 a.m. on Thursday, September 7, 2017, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Woodworth (Ex Officio) led the Pledge of Allegiance.

ROLL CALL:

PRESENT: Board Members: Boling (Chairman), Desmond, Janney, Kersey, Robinson, Schumacher, Sessom, Woodworth (Ex-Officio)

ABSENT: Board Members: Berman (Ex-Officio), Cox, Gleason, Ortega (Ex Officio)

ALSO PRESENT: Kimberly J. Becker, CEO/President; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Stephanie Heying, Assistant Authority Clerk II

Chairman Boling announced that the Board would hear Items 11 and 12 followed by the presentation for Item A.

NEW BUSINESS:

11. ACCEPTANCE OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE TWELVE MONTHS ENDED JUNE 30, 2017:

Kathy Keifer, Senior Director, Finance and Asset Management provided a presentation on the Unaudited Financial Statements for the Twelve Months Ended June 30, 2017, which included the Gross Landing Weight Units; Enplanements; Car Rental License Fees; Food and Beverage Concessions Revenue; Retail Concessions Revenue; Total Terminal Concessions; Parking Revenue; Operating Revenues; Financial Summary; Nonoperating Revenues and Expenses; and Statements of Net Position.

RECOMMENDATION: Accept the report.

ACTION: Motion by Board Member Janney and seconded by Board Member Kersey to accept the report. Motion carried by the following votes: YES – Boling, Desmond, Janney, Kersey, Robinson, Schumacher, Sessom; NO – None; ABSENT – Cox, Gleason; (Weighted Vote Points: YES – 78; NO – 0; ABSENT – 22).

Board Member Sessom left the dais.

12. ACCEPTANCE OF THE AUTHORITY'S INVESTMENT REPORT FOR THE TWELVE MONTHS ENDED JUNE 30, 2017:

Geoff Bryant, Manager, Airport Finance; and John Dillon, Director, Financial Management and Planning provided a presentation on the Authority's Investment Report for the Twelve Months Ended June 30, 2017, which included the Total Portfolio Summary; Portfolio Composition by Security Type; Portfolio Composition by Credit Rating; Portfolio Composition by Maturity; Benchmark Comparison; Detail of Security Holdings; Portfolio Investment Transactions; Bond Proceeds Summary; Bond Proceeds Investment Transactions; Portfolio Strategy Update; Characteristics of PFM Managed Portfolio; Change to Duration Target; and Change to Duration Target Yield and Liquidity.

RECOMMENDATION: Accept the report.

ACTION: Motion by Board Member Schumacher and seconded by Board Member Kersey to accept the report. Motion carried by the following votes; YES – Boling, Desmond, Janney, Kersey, Robinson, Schumacher; NO – None; ABSENT – Cox, Gleason, Sessom; (Weighted Vote Points: YES – 70; NO – 0; ABSENT – 30).

Board Member Sessom returned to the dais.

PRESENTATIONS:

A. SERIES 2017 BOND SALE BRIEFING:

Scott Brickner, Vice President, Finance & Asset Management/Treasurer provided a presentation on the Series 2017 Bond Sale, which included the Authority Bond Financing Requirements; 2017 Bonds Financing Team; Preparation of Bond Documents, Feasibility Report and Preliminary Official Statement (POS); Rating Agency Presentations & Credit Ratings; Marketing and Investor Outreach; Pricing; and Results.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:** None.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member Janney reported that CIPOC met on July 31, 2017, and received updates on the Parking Plaza, the Federal Inspection Station (FIS), Small Business; Finance; and the Harbor Drive Mobility Committee.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Board Member Desmond reported that the Committee met on August 28, 2017, to review the recommendation for the renewal of the health and welfare benefits program for 2018. He reported that the Committee met in closed session with the President/CEO regarding her performance and the Committee met with the Teamsters Local 911, regarding contracts that are set to expire on October 1, 2017.
- **FINANCE COMMITTEE:** Chairman Boling reported that the Committee met on August 28, 2017, but did not have a quorum.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** None.

- **ART ADVISORY COMMITTEE:** Diana Lucero, Director, Vision, Voice and Engagement reported that the review panel for the 2018 Temporary Exhibition, *Figure of Speech*, met on August 31 to review 55 submissions, and staff are in the process of determining the exhibition locations for the selected finalist. She reported that the weekly small ensemble concerts continue in Sunset Cover on Fridays and transcDANCE will perform post-security in Terminal 2 on September 14. She reported that the airport will host a private reception on behalf of transcDANCE on October 18; the event theme is Creative Youth Development, which will focus on the emerging national approach of using arts as a vehicle to empower youth to break barriers and be models for positive change in their communities. She reported that Uberall International, *Dazzle*, is running 15+ unique animations in sequence and that a Dazzle dedication event is scheduled for September 13. She reported that the ad hoc artist selection panel's recommendations that painter Eva Struble and photographer Adriene Hughes, both San Diego-based, receive commissions, was approved by the Art Advisory Committee on August 24. She reported that the Arts Master Plan consultant team was onsite from August 23 to August 25 to facilitate interviews with external stakeholders, including cultural arts departments throughout the region as well as focused art groups from NTC Liberty Station and that the consultants and Arts Program staff presented an update on the Master Plan project at the August 24 Committee meeting and facilitated an August 25 ADP stakeholder workshop.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:** None.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:** Mike Kulis, Director, Inter-Governmental Relations reported that Authority Staff provided the California Legislature's Aviation Caucus a presentation on the Federal Aviation Administration (FAA) Reauthorization legislation being considered by Congress and the Authority Board and staff representatives provided San Diego City Councilmember Loire Zapf and Congressman Scott Peters an update on San Diego International Airport issues. He reported that Authority staff participated in a Chamber of Commerce meeting with U.S. Senator Dianne Feinstein, expressing appreciation for the Senator's support of the Passenger Facility Charge increase included in the Senate's FY 2018 Transportation Appropriations Bill. He reported that the State Legislature reconvened on August 21st, and has until September 15th to pass legislation this session; and Congress reconvened on September 5th, following its summer recess.
- **MILITARY AFFAIRS:** Board Member Woodworth (Ex Officio) referenced a July news article whereby Admiral Lindsey's reported an increase in military personnel in the region from roughly 110,000 to 125,000 by 2025.

- **PORT:** Chairman Boling reported that she, Board Members Gleason and Robinson met with members of the Port Leadership and discussed the Harbor Drive Mobility Plan and joint staffing.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:** None.

CHAIR'S REPORT: Chairman Boling reported that the Harbor Drive Mobility Committee is moving forward and includes a Policy Committee and Working Group Committee; its purpose is to ensure that the cumulative impacts of all future developments affecting Harbor Drive are considered openly and in close coordination with all of the agencies. She reported that the Working Group met twice and provided information to the Policy Committee; and the Port has agreed to commission and fund a mobility study to identify potential traffic impacts from planned projects on Port tidelands over the next 10+ years. She reported that JetBlue launched its Mint Service August 14; the service, which includes lie-flat seats, will be available on JetBlue's flight between San Diego and New York (JFK). She reported that the Airport Noise Advisory Committee (ANAC) met on August 16 where she addressed the Committee regarding concerns about some of their constituents' interaction with airport staff. She reported that airport staff is being subjected to threats and profanity, and the purpose of her discussion with ANAC was to let them know if they are involved in email chains or they hear or see things, as ANAC members it is incumbent upon them to speak up to ask that this does not continue, and to try and stop some of the behavior. She reported that the Airport has commissioned a noise study and has received some preliminary information, and that two more locations were added to ensure the information is correct before issuing a statement regarding the results. She reported that the study will be complete for the October 25 ANAC meeting.

PRESIDENT/CEO'S REPORT: Kimberly Becker, President/CEO, reported that the airport's procurement team received the 2017 Achievement of Excellence in Procurement award from the National Procurement Institute; the award is earned by public and non-public organizations for recognition of innovation, professionalism, e-procurement practices, productivity, and leadership in the area of procurement. She reported that the Airport has received this prestigious award for eight consecutive years. She reported that the Airport Authority received an Airport Improvement Program (AIP) grant award for nearly \$16.77 million from the FAA for rehabilitation of the runway. She reported that the project will include the rehabilitation of the airfield asphalt pavement, adjustment of electrical runway lights and fixtures, striping, marking and related work. She reported that the runway project will take place between midnight and 5 a.m. beginning November 2017 and ending October 2018. She reported that the Airport will host its second airport-wide Oktoberfest event from September 16 – October 3, featuring live entertainment, special promotional giveaways, festive décor throughout the terminals and beer gardens in the terminal food courts. She reported that she, along with several members of the Executive Team, toured the Cross Border Xpress (CBX) in Otay Mesa. She reported that the representatives from CBX will also tour our airport and are interested in making a presentation to the Board.

NON-AGENDA PUBLIC COMMENT:

ADRIAN KWIATKOWSKI, SAN DIEGO, spoke in opposition of moving TNCs to the transportation islands.

CARELYN REYNOLDS, SAN DIEGO, spoke in opposition of moving TNCs to the commercial transportation plaza.

TONY HUESO, SAN DIEGO, spoke in opposition of moving TNCs to the transportation islands.

RICHARD ABDALA, SAN DIEGO, spoke in opposition of moving TNCs to the transportation islands.

KAMRAN HAMIDI, SAN DIEGO, provided a hand-out to the Board and a presentation on the Authorized Airport Taxi Stickers and spoke regarding taxi fees.

NAZAR MARAHI, SAN DIEGO, spoke in opposition of moving TNCs to the transportation islands.

EZEQUIEL BARAZA, SAN YSIDRO, requested that additional taxis be allowed to operate at the airport.

Board Member Desmond requested that the President/CEO send a memo to the Board regarding the issuance of taxi permits.

CONSENT AGENDA (Items 1-8):

ACTION; Moved by Board Member Janney and seconded by Board Member Kersey to approve the Consent Agenda. Motion carried by the following votes: YES – Boling, Desmond, Janney, Kersey, Robinson, Schumacher, Sessom; NO – None; ABSENT – Cox, Gleason; (Weighted Vote Points: YES – 78; NO – 0; ABSENT – 22).

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the July 6, 2017, 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, APPROVED CHANGE ORDERS FROM JUNE 12, 2017 THROUGH AUGUST 13, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JUNE 12, 2017 THROUGH AUGUST 13, 2017:

RECOMMENDATION: Receive the report.

4. SEPTEMBER 2017 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2017-0070, approving the September 2017 Legislative Report.

5. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS

RECOMMENDATION: Adopt Resolution No. 2017-0071, approving appointments to the Authority Advisory Committee.

CLAIMS

COMMITTEE RECOMMENDATIONS

CONTRACTS AND AGREEMENTS

6. APPROVE AMENDMENTS TO THE AMENDED AND RESTATED SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY RETIREMENT PLAN AND TRUST OF 2013:

RECOMMENDATION: Adopt Resolution No. 2017-0072, approving Amendment No. 4 to the Amended and Restated Retirement Plan and Trust of 2013; and

Adopt Resolution No. 2017-0073, approving Amendment No. 5 to the Amended and Restated Retirement Plan and Trust of 2013.

7. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE AGREEMENTS FOR OUTSIDE LEGAL COUNSEL SERVICES:

RECOMMENDATION: Adopt Resolution No. 2017-0074, approving and authorizing the President/CEO to negotiate and execute an Agreement with Best Best & Krieger LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000; and

Adopt Resolution No. 2017-0075, approving and authorizing the President/CEO to negotiate and execute an Agreement with Gatzke Dillon & Balance LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000; and

Adopt Resolution No. 2017-0076, approving and authorizing the President/CEO to negotiate and execute an Agreement with Kaplan Kirsch & Rockwell LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000; and

Adopt Resolution No. 2017-0077, approving and authorizing the President/CEO to negotiate and execute an Agreement with Morrison & Foerster LLP for legal services for a term of three years with two one-year options to renew for a maximum amount payable of \$500,000.

8. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A LICENSING AGREEMENT WITH THE ROCKY MOUNTAIN INSTITUTE FOR THE ADMINISTRATION OF 'THE GOOD TRAVELER' CARBON OFFSET PROGRAM AND THE SUPPLY OF CARBON OFFSETS:

RECOMMENDATION: Adopt Resolution No. 2017-0078, approving and authorizing the President/CEO to execute a licensing agreement with the Rocky Mountain Institute for the administration of 'The Good Traveler' program and the supply of carbon offsets.

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

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS (Continued):

9. **RENEWAL OF THE HEALTH AND WELFARE BENEFITS PROGRAM FOR 2018:** Kurt Gering, Director, Talent, Culture & Capability and Heather Hill, Assistant Vice President, Willis Towers Watson provided a presentation on the Renewal of the Health and Welfare Benefits Program for 2018, which included Medical Plan Enrollment; Program Renewal Summary; Authority Paid Program Costs; Medical Renewal Analysis – Active Employees; Medical Marketing Considerations; Medical Renewal Summary; Health Care Reform Fees & Taxes; Medical Cost Share Analysis (Active); Employee Wellness; Disability Renewal Analysis; Medical Renewal Analysis (Medicare Retirees); 5 Year Review % Health Benefit Renewal Increase vs. Trend; Medical Cost Benchmarks – Total Cost per Covered Employee per Year; Renewal Recommendation Summary; Employee & Retiree Benefits Task Forces (June & July); Mandatory Medical Plan Changes; Dental Renewal Analysis; and Medical Renewal Analysis – Pre-Medicare Retirees.

In response to Board Member Sessom regarding why employees who choose not to participate in the wellness plan pay more than those who do participate, for the same coverage, if there is little impact on the short term medical claims cost; Kurt Gering, Director, Talent, Culture & Capability responded that the average employee stays with the Authority for ten years so the purpose of a wellness program is to incentive sustained behavior change, which takes time. He said the goal of the program is to provide incentives today that will impact long term health care and future health care cost.

Board Member Sessom requested to have age categories added to the January update of the employees who are not participating in the wellness program. She also requested that the costs associated with the wellness program be presented in January.

In response to Board Member Desmond regarding how much the Authority saves by having the wellness program in place, Heather Hill, Assistant Vice President, Willis Towers Watson stated there is not a set percentage but the claims experience will have an impact on the renewal costs.

RECOMMENDATION: Adopt Resolution No. 2017-0079, approving the renewal of the Health and Welfare Benefits Program for 2018.

ACTION: Moved by Board Member Desmond and seconded by Board Member Janney to approve the staff's recommendation. Motion carried by the following votes: YES – Boling, Desmond, Janney, Kersey, Robinson, Schumacher; NO – Sessom; ABSENT – Cox, Gleason; (Weighted Vote Points: YES – 70; NO – 8; ABSENT – 22).

10. AUTHORIZE A WAIVER OF SEASONAL AIR SERVICE INCENTIVE PROGRAM REQUIREMENTS FOR EDELWEISS AIR:

Hampton Brown, Senior Director, Air Service Development provided a presentation to Authorize a Waiver of Seasonal Air Service Incentive Program Requirements for Edelweiss Air, which included the Edelweiss Timeline; Edelweiss Air Requested a Waiver of Seasonal International Air Service Incentive Program (SIASIP) Requirements; Plan to Compensate for the Frequency Deficit by Scheduling 58-64 Frequencies in Summer 2018; Maintenance and Fleet Issues Impacted Edelweiss Air's Ability to Schedule the Required Number of Frequencies in the Summer 2017; Edelweiss Service to San Diego Impact – Stimulating San Diego – Zurich and San Diego – Switzerland Market; Resolution of Frequency Deficit; and Recommendation.

In response to Board Member Desmond regarding if the 40 flights a year were based on a calendar year or if it is a seasonal calendar, Hampton Brown, Senior Director, Air Service Development stated it is the seasonal calendar which began June 2017 through the end of September 2017.

In response to Board Member Desmond's concern that this could happen again, Mr. Brown explained that Edelweiss experienced a mechanical issue with one of the four planes that is able to fly from Zurich to San Diego, which is why they did not meet the 40 flights.

Kimberly Becker, President/CEO, added that there are strict requirements for the airline to adhere to and this was an exception due to the extenuating circumstance that warranted a waiver of the Seasonal International Air Service Incentive Program (SIASIP) requirements.

RECOMMENDATION: Adopt Resolution No. 2017-0080, authorizing a waiver of Seasonal Air Service Incentive Program Requirements for Edelweiss Air.

ACTION: Moved by Board Member Desmond and seconded by Board Member Sessom to approve staff's recommendation. Motion carried by the following vote: YES – Boling, Desmond, Janney, Kersey, Robinson, Schumacher, Sessom; NO – None; ABSENT – Cox, Gleason (Weighted Vote Points: Yes – 78; NO – 0; ABSENT – 22).

The Board recessed at 10:57 a.m. and reconvened at 11:08 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 11:09 a.m. to discuss Items 13, 16, 17, 19, 21, and 22.

KAMRAN HAMIDI, SAN DIEGO, provided a hand-out to the Board and spoke on Item 16 regarding his claim and taxi trip fees.

- 13. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: GGTW LLC v San Diego County Regional Airport Authority, et al.,
San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL
- 14. 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. American Car Rental, Inc., San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL
- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al., San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC
- 16. CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: K.S.A.N. L.L.C v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2017-00024982-CU-NP-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Administrative Draft Investigative Order No. R9-2017-0079 by the California Regional Water Quality Control Board pertaining to an investigation of sediment pollutants in the Laurel Hawthorne Central Embayment of San Diego Bay, San Diego, California
Number of Cases: 1
- 18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Navy Boat Channel Environmental Remediation
Number of potential cases: 1
- 19. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of potential cases: 2
- 20. CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
In re Seaport Airlines, Inc., U.S. Bankruptcy Court Case No. 16-30406-rld7
Number of potential cases: 1

- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION**
(Initiation of litigation pursuant to paragraph (4) of subdivision (d) of Cal. Gov. Code §54956.9)
Number of cases: 1

- 22. CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
The Receipt of a Government Claim from David Freund and Request for Defense and Indemnity from the San Diego Unified Port District regarding the Claim

- 23. CONFERENCE WITH LABOR NEGOTIATOR:**
Labor negotiations pursuant to Cal. Gov. Code §54957.6
Authority Designated Negotiators: Kimberly Becker, President & CEO and Kurt Gering, Director Talent, Culture & Capability
Employee Organization: Teamsters 911

- 24. PUBLIC EMPLOYEE PERFORMANCE EVALUATION:**
Cal. Gov. Code §54957
Title: President/Chief Executive Officer

REPORT ON CLOSED SESSION: The Board reconvened into Open Session at 11:59 a.m. Amy Gonzalez, General Counsel, reported that there was no reportable action on Item 13. She reported that in regards to Item 16, the Board rejected the settlement offer, 7-0-2, noting Board Members Cox and Gleason as ABSENT; Item 19 the Board authorized settlement for Midway Rental Car (Midway) under the following terms and conditions: pay the Airport Authority \$150,000; waive any and all rights to any credits or reimbursements related to operations at the Rental Car Center (RCC); Midway shall vacate the RCC between June 30, 2017, and July 15, 2017, and return the premises to the same condition with the exception of common area signage as of the beginning of the occupancy of the RCC, ordinary wear and tear excepted; refrain from a period of time from June 30, 2017, to July 15, 2022, the moratorium period from soliciting, promoting, conducting, or transacting rental car business at the Airport or with any person or persons using the Airport within a 12-hour period immediately prior to such transaction; if Midway violates the previous provision they are required to pay the entire amount of the audit finding less the settlement amount paid, the audit finding amount is \$435,783; during the moratorium period for all rental car transactions occurring from any Midway rental car location in San Diego County, require all customers to initial the statement indicating they did not utilize San Diego International Airport or its roadways in the past 12 hours; during the moratorium period refrain from licensing its name or brand to any existing or future RCC tenants and/or off-airport rental car operators; submit its June 17, 2017, activity report and pay all associated fees by July 20, 2017; the Authority shall waive its claims to any sums owed by it to Midway pursuant to the audit finding except as otherwise provided in the settlement agreement; and Midway provides an unconditional and complete release to the Airport Authority. She reported that the Board gave direction regarding Item 21; and the Board accepted the San Diego Port District's request for defense and indemnity in a claim filed by David Freund pursuant to the terms of the lease between the Airport Authority and the Port District under Item 22.

GENERAL COUNSEL REPORT: None.

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

BOARD COMMENT: None

ADJOURNMENT: The meeting was adjourned at 12:02 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 5th DAY OF OCTOBER, 2017.

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL



STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

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

Recommendation:

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

Background/Justification:

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

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

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

The Board is also being requested to pre-approve Board Member attendance at meetings of the multi-agency policy group addressing off-airport roadway access.

Fiscal Impact:

Board and Committee Member Compensation is included in the FY 2018 Budget.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

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

APRIL BOLING

SDCRAA
SEP 27 2017

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY Corporate & Information Governance
Board Member Event/Meeting/Training Report Summary

Period Covered: September 2017

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

BOARD MEMBER NAME:		DATE:
C. APRIL BOLING		9/30/17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: September 7, 2017 Time: 9:00 am Location: Airport	ALUC Board Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: September 19, 2017 Time: 2:00 pm Location: Mayor's Office	Quarterly Meeting with Mayor
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: September 25, 2017 Time: 9:00 am Location: Airport	Exec./Finance Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: September 28, 2017 Time: 10:00 am Location: Airport	Authority Advisory Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

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

Signature: 

ROBERT H. GLEASON

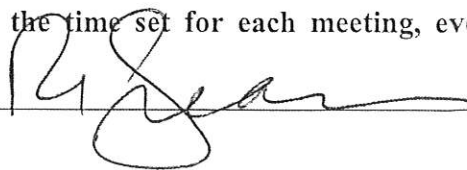
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary
 Period Covered: SEPTEMBER 2017

SDCRAA SEP 26 2017 Corporate & Information Governance

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
ROBERT H. GLEASON		September 19, 2017
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 11, 2017 Time: 10:00 am Location: SDCRAA offices	Audit Committee meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 13, 2017 Time: 10:00 am Location: Rental Car Center	DAZZLE public art dedication event; spoke on behalf of the Airport Authority
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 25, 2017 Time: 9:00 am Location: SDCRAA offices	Executive / Finance Committee meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: September 28, 2017 Time: 1:00 pm Location: Port offices	World Trade Center Board of Directors meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

**ANDREW
HOLLINGWORTH**

Corporate & Information Governance

SEP 11 2017
SDCRAA

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

Period Covered: Quarterly Meeting Sep 2017

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
<i>Andrew Hollingworth</i>		<i>9/11/2017</i>
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: <i>9/11/2017</i> Time: <i>10:00 - 12:00</i> Location: <i>Airport Board Room</i>	<i>Audit committee meeting (Quarterly)</i>
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: *Andrew Hollingworth*

JIM JANNEY

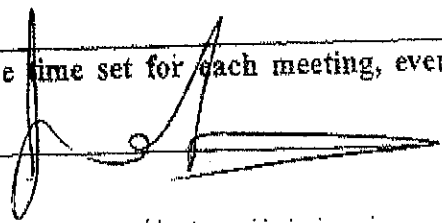
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Period Covered: Sept 2017

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

BOARD MEMBER NAME (Please print)		DATE OF THIS REPORT
James Jannay		Sept 28
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
Brown Act Pre-approved Res. 2009-0149R	Date: 9-1 Time: 0900 Location: San Diego	Sunday Transportation
Brown Act Pre-approved Res. 2009-0149R	Date: 9-15 Time: 0900 Location: San Diego	Sunday Transportation
Brown Act Pre-approved Res. 2009-0149R	Date: 9-7 Time: 0900 Location: SDCRAA	Board & PLUC
Brown Act Pre-approved Res. 2009-0149R	Date: 9-25 Time: 0900 Location: SDCLIAA	Exec & Finance
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	
Brown Act Pre-approved Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

MARK KERSEY

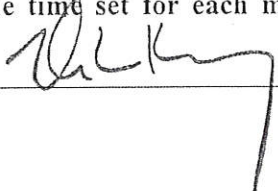
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Period Covered: September 2017

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

BOARD MEMBER NAME:		DATE:
Mark Kersey		9/8/17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: September 7, 2017 Time: 9:00 am Location: 3225 N. Harbor Drive	Board and ALUC Meetings
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

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

Signature: 

PAUL ROBINSON

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

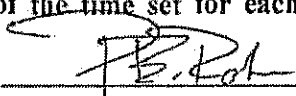
Period Covered: 9/30/17

SDCRAA SEP 28 2017 Corporate & Information Governance

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

BOARD MEMBER NAME:		DATE:
PAUL ROBINSON		9-28-17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/7/17 Time: 9:00 - 1:00 pm Location: SDCRAA Bd Rm	SDCRAA Bd ALV Mtg
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/11/17 Time: 9:00 am - 11:30 am Location: SDCRAA Bd Rm	Audit Comm. Mtg
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/24/17 Time: 7:00 pm - 10:00 pm Location: Washington DC	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/25/17 Time: 8:00 am - 10:00 pm Location: Wash. DC	Chamber Trip
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/26/17 Time: 8:00 am - 10:00 pm Location: Wash DC.	Chamber Trip
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: 9/28/17 Time: 10:00 - 12:00 pm Location: SDCRAA Mtg Rm	SDCRAA Advisory Comm Mtg.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

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

Signature: 

M. SCHUMACHER

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

Period Covered: Sept 1-30, 2017

SDCRAA
SEP 29 2017
Corporate & Information Governance

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BOARD MEMBER NAME:		DATE:
Michael Schumacher		9/30/17
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.2009-0149R	Date: September 7, 2017 Time: 9:00 am Location: SDCRAA Office	Board meeting/ALUC
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre - approved <input type="checkbox"/> Res.2009-0149R	Date: Time: Location:	

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

Signature: Michael Schumacher Digitally signed by Michael Schumacher
Date: 2017.03.29 08:32:08 -0700

MARY SESSOM

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary
 Period Covered: September, 2017

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

BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
MARY SESSOM		9-27-17
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-7-17 Time: 9:00 AM Location: SDCRAA	Board/ALUC MEETINGS
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-11-17 Time: 10:00 AM Location: SDCRAA	AUDIT COMMITTEE MEETING
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9-25-17 Time: 9:00 AM Location: SDCRAA	EXECUTIVE/FINANCE COMMITTEE MEETING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: Mary Sessom

DON TARTRE

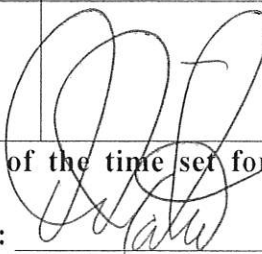
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
Board Member Event/Meeting/Training Report Summary

Period Covered: _____

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BOARD MEMBER NAME: (Please print)		DATE OF THIS REPORT:
Don Tantra		9/11-2017
TYPE OF MEETING	DATE/TIME/LOCATION OF EVENT/MEETING/TRAINING	SUMMARY AND DESCRIPTION OF THE EVENT/MEETING/TRAINING
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: 9/11-2017 Time: 10AM Location: Bob's Room	AC Mtg
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2009-0149R	Date: Time: Location:	

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

Signature: 

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Awarded Contracts, Approved Change Orders from August 14, 2017 through September 10, 2017 and Real Property Agreements Granted and Accepted from August 14, 2017 through September 10, 2017

Recommendation:

Receive the Report:

Background/Justification:

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

Fiscal Impact:

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

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

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

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

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

Prepared by:

JANA VARGAS
DIRECTOR, PROCUREMENT

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN August 14, 2017 - September 10, 2017

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
8/24/2017		Bear Communications	The Contractor will provide a two-way radio service for use by the Authority contract service provider at San Diego International Airport.	Informal RFP	Aviation Security & Law Enforcement	\$40,000.00	8/31/2020
9/1/2017		Siemens Industry, Inc.	The Contractor will provide equipment and services to upgrade the fire alarm network at San Diego International Airport (SDIA). SDIA currently has a Siemens MXL Fire Alarm Control Network, a proprietary system maintained by Siemens Industry, Inc., The MXL product line is being phased out and replaced with the XLS product line. XLS migration will provide SDIA with updated technology that will reduce false alarms, maintenance costs and provide a more robust life safety system overall. Siemens Industry maintains the proprietary fire alarm license to the SDIA network that enables them to make functional changes to the fire alarm network program and the migration will support the equipment being installed in the FIS.	Sole Source	Facilities Management	\$994,800.00	7/16/2018
9/6/2017		Adriene Hughes	The Artist will provide a detailed presentation of a proposed design, fabrication and installation of a public artwork for the Admiral Boland Way Mural Project for San Diego International Airport.	RFQ	Vision, Voice & Engagement	\$500.00	8/22/2017
9/6/2017		Dave Forbes	The Artist will provide a detailed presentation of a proposed design, fabrication and installation of a public artwork for the Admiral Boland Way Mural Project for San Diego International Airport.	RFQ	Vision, Voice & Engagement	\$500.00	8/22/2017
9/6/2017		Matthew Higgins	The Artist will provide a detailed presentation of a proposed design, fabrication and installation of a public artwork for the Admiral Boland Way Mural Project for San Diego International Airport.	RFQ	Vision, Voice & Engagement	\$500.00	8/22/2017

New Contracts Approved by the Board

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
8/15/2017		Ferrellgas, LP	The contract was approved by the Board at the April 4, 2017 Board Meeting. The Contractor will provide on-site delivery and dispensing of liquid propane fuel to the Authority's parking and employee shuttle fleet etc.	RFP	Ground Transportation	\$3,300,000.00	7/31/2020
8/31/2017		Granite Construction Company	The contract was approved by the Board at the March 28, 2017 Board Meeting. The Contractor will complete project #104129 Clear OFA Taxiway B at San Diego International Airport.	RFB	Facilities Development	\$5,598,909.00	5/4/2018

Attachment "B"

REAL PROPERTY AGREEMENTS EXECUTED FROM AUGUST 14, 2017 through SEPTEMBER 10, 2017



Real Property Agreements

Begin/End Dates	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
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No Real Property Agreements to Report



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
5.1.17	LE-0678	JCDecaux	3rd Amendment to Rental Agreement	T2W	Storage Space	163 SF	\$740.44 monthly rent	N/A

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

October 2017 Legislative Report

Recommendation:

Adopt Resolution No. 2017-0085, approving the October 2017 Legislative Report.

Background/Justification:

The Authority's Legislative Advocacy Program Policy requires that staff present the Board with monthly reports concerning the status of legislation with potential impact to the Authority. The Authority Board provides direction to staff on legislative issues by adoption of a monthly Legislative Report (Attachment A). The October 2017 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.

State Legislative Action

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

On September 11th, AB 805 (Gonzalez Fletcher), legislation which would alter the governance structure and financing authority of the San Diego Association of Governments, the Metropolitan Transit System, and the North County Transit District, was approved by the State Legislature. The bill, opposed by the Airport Authority, now awaits action by the Governor who has until October 15th to veto or sign into law legislation approved this session by the State Legislature.

The State Legislature concluded its regular legislative session on September 15th.

Federal Legislative Action

The Authority's legislative team does not recommend that the Authority Board adopt any new positions on federal legislation.

On September 8th, President Trump signed into law H.R. 601, which continues current funding levels for federal programs through December 8th – ten weeks beyond the end of Fiscal Year 2017. This legislation also provides \$15.25 billion to fund hurricane-related disaster response and assistance activities and temporarily suspends the nation's statutory debt limit through December 8, 2017.

On September 14th, the House of Representatives approved a package of twelve separate Fiscal Year 2018 appropriations measures. This omnibus spending bill includes funding for Federal Aviation Administration, Transportation Security

Page 2 of 2

Administration, and Customs and Boarder Protection operations and programs and will serve as the basis for Fiscal Year 2018 funding negotiations with the Senate.

Congress is also considering a measure to extend existing Federal Aviation Administration program, tax and fee authorizations beyond September 30, 2017, the date by which they are set to expire.

Fiscal Impact:

Not applicable.

Authority Strategies:

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

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

MICHAEL KULIS
DIRECTOR, INTER-GOVERNMENTAL RELATIONS

RESOLUTION NO. 2017-0085

A RESOLUTION OF THE BOARD OF THE SAN DIEGO
COUNTY REGIONAL AIRPORT AUTHORITY APPROVING
THE OCTOBER 2017 LEGISLATIVE REPORT

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

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the October 2017 Legislative Report (“Attachment A”); and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY RUSSELL
DIRECTOR, CORPORATE
& INFORMATION GOVERNANCE/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

October 2017 Legislative Report

Local Legislation

Legislation/Topic

City of San Diego Drone Ordinance

Background/Summary

The purpose of this proposed ordinance is to address the potential hazard of unmanned aircraft systems (UAS), commonly referred to as drones, to other aircraft in flight, persons on the ground, and critical infrastructure. Specifically, this proposed ordinance codifies on a local level regulations similar to those of the Federal Aviation Administration. This ordinance makes it unlawful within the City of San Diego to operate a UAS in the air, on the ground or on the water:

- In a careless or reckless manner that endangers the life or property of another
- In violation of any flight restriction, temporary or permanent, issued by the Federal Aviation Administration (FAA)
- In violation of any restriction issued by the FAA applicable to UAS; or
- In a manner that interferes with law enforcement, firefighting, or any government emergency operations

Violations of this ordinance may be prosecuted as misdemeanors.

Anticipated Impact/Discussion

This ordinance could benefit San Diego International Airport (SDIA) by providing local law enforcement officials with the enforcement authority to deter unsafe UAS operations within the City of San Diego.

Status: 4/10/17 – Unanimously passed by City Council

Position: Support (4/21/16)

**Shaded text represents new or updated legislative information*

State Legislation

New Assembly Bills

There are no new Assembly Bills to report.

Assembly Bills from Previous Report

Legislation/Topic

AB 1 (Frazier) – Transportation Funding

Background/Summary

AB 1 would create the Road Maintenance and Rehabilitation Program and a corresponding account in the State Transportation Fund to address deferred maintenance on state highways and local roadways. Revenues for this new program would be generated from increases in motor vehicle fuel sales and excise taxes and increases in vehicle registration fees, including a new \$165 annual fee for zero-emission motor vehicles. The increases in sales and excise taxes would be adjusted for inflation every three years based on the California Consumer Price Index. This bill would also create an independent Office of the Transportation Inspector General to ensure that all state agencies expending transportation funds operate efficiently and comply with federal and state laws. In addition, AB 1 would expand the list of projects eligible for funding under the Trade Corridors Improvement Fund to include freight access improvements to airports.

Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could provide additional funding opportunities for highway and roadway improvements in close proximity to SDIA.

Status: 12/5/16 – Introduced in Assembly and Referred to Assembly Committee on Transportation and Assembly Committee on Natural Resources.
No additional action will be taken on this bill this year.

Position: Watch (1/5/17)

Legislation/Topic

AB 5 (Gonzalez) – Employers: Opportunity to Work Act

Background/Summary

AB 5 would create the Opportunity to Work Act, requiring an employer with 10 or more employees to offer additional hours of work to an existing nonexempt employee before the employer hires an additional employee or subcontractor, except as specified. Employers would not be required to offer an employee additional work hours if it would require the employer to pay overtime compensation. AB 5 also would require an employer to post a notice of employee rights, and would require the employer to

**Shaded text represents new or updated legislative information*

maintain certain employment documentation. The bill would authorize an employee to file a complaint for violation of these provisions, and/or bring a civil action for remedies under the act.

Anticipated Impact/Discussion

Because all Airport Authority employees are hired as full-time employees, and this bill would not require employers to offer additional hours if it would result in overtime pay, AB 5 would have no practical effect on the Authority.

Status: 4/20/17 – Passed in Assembly Committee on Labor and Employment on a vote of 5 to 2 and Re-referred to Assembly Committee on Appropriations. **No additional action will be taken on this bill this year.**

Position: Watch (2/2/17)

Legislation/Topic

AB 92 (Bonta) – Public contracts: payment

Background/Summary

Under current law, public entities are authorized to withhold retention proceeds in excess of five percent for projects considered substantially complex. This authority is set to expire on January 1, 2018. AB 92 would extend this authority for five years, establishing a new expiration date of January 1, 2023.

Anticipated Impact/Discussion

This bill will continue the Airport Authority’s ability to withhold retention proceeds in excess of five percent for substantially complex projects should it choose to do so.

Status: 7/10/17 – Signed into law by the Governor and Chaptered

Position: Watch (2/2/17)

Legislation/Topic

AB 218 (Bonta) – Local Agencies: airports: customer facility charges

Background/Summary

Current law specifies that the authorization for an airport to impose a customer facility charge (CFC) becomes inoperative when the bonds used for financing a vehicle rental facility are paid off. This bill, until January 1, 2023, would delete the requirement that the authorization for an airport to impose a customer facility charge become inoperative when the bonds are retired. AB 218 would also allow per contract CFCs to be assessed at a level less than the current \$10 per contract fee and would prohibit the collection of more than one CFC in connection with a single vehicle rental.

**Shaded text represents new or updated legislative information*

Anticipated Impact/Discussion

This legislation was introduced to allow Oakland International Airport to impose CFCs without having to incur debt for a rental car facility. However, AB 218 would also allow all other California airports to require the collection of CFCs regardless of whether or not bonds used to finance the construction of a rental car center or improvements to a rental car center are retired.

Status: 9/5/17 – Approved by Assembly on a vote of 77 to 0 and sent to the Governor for signature

Position: Support (3/2/17)

Legislation/Topic

AB 302 (Gipson) – South Coast Air Quality Management District: fleets

Background/Summary

AB 302 would authorize the governing board of the South Coast Air Quality Management District (SCAQMD) to adopt rules and regulations that require specified operators of public and commercial fleet vehicles consisting of one or more vehicles to purchase zero emission and near-zero emission vehicles, and further require that those zero-emission and near-zero emission vehicles to be operated to the fullest extent possible in the south coast district.

Anticipated Impact/Discussion

San Diego International Airport (SDIA), is not within the jurisdiction of the SCAQMD, therefore this bill would not directly impact our operations. However, the Authority's legislative team is concerned that if enacted, AB 302 could create difficult and costly requirements for fleet operators because there are no zero or near-zero emission versions for some airport off-road equipment.

Status: 5/8/17 – Re-referred to Assembly Committee on Transportation. **No additional action will be taken on this bill this year.**

Position: Watch (6/1/17)

Legislation/Topic

AB 483 (Bocanegra) – Airports: pollution

Background/Summary

AB 483, would require that the following actions be taken at certain noncommercial general aviation airports located within California Environmental Protection Agency designated disadvantaged communities:

**Shaded text represents new or updated legislative information*

- The Department of Toxic Substances Control (DTSC) will conduct soil sample testing to determine the presence of hazardous waste
- The DTSC will coordinate with the State Water Resources Control Board and other appropriate local agencies to determine if an airport poses a threat to the groundwater basin based on the soil testing results
- The DTSC will report testing findings to the Legislature and post the report on the department's website.
- The Air Resources Board (ARB), in coordination with local districts will require airports to test the air quality to determine the airport's impact on air pollution and climate policy targets
- Airports are also required to collect their air quality testing data in real time and submit a quarterly report to ARB and the appropriate district.
- ARB and the local districts will compile the air quality testing data in an annual public report that details the public health impacts of the pollutants

Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport (SDIA), its passage would create an unfunded mandate for certain general aviation airports to test air quality impacts, and require the State to conduct soil testing at these airports. Staff plans to monitor this bill to ensure that this mandate is not expanded to commercial airports.

Status: 4/4/17 – Passed by Assembly Committee on Natural Resources on a vote of 7 to 1 and Re-referred to Assembly Committee on Environmental Safety and Toxic Materials. **No additional action will be taken on this bill this year.**

Position: Watch (5/4/17)

Legislation/Topic

AB 496 (Fong) – Transportation Funding

Background/Summary

AB 496 would create the Traffic Relief and Road Improvement Program and a corresponding account in the State Transportation Fund to provide funding for the maintenance and rehabilitation of state highways and local roadways.

Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could provide additional funding opportunities for highway and roadway improvements in close proximity to SDIA.

**Shaded text represents new or updated legislative information*

Status: 3/1/17 – Amended and re-referred to Assembly Committee on Transportation. No additional action will be taken on this bill this year.

Position: Watch (4/6/17)

Legislation/Topic
AB 805 (Gonzalez Fletcher)

Background/Summary

AB 805 would alter the governance structures and financing authority of the San Diego Association of Governments (SANDAG), the Metropolitan Transit System (MTS), and the North County Transit District (NCTD). Specific changes would affect board membership and leadership, and board voting processes for these agencies. In addition, this bill would create a five-member SANDAG audit committee and require new SANDAG reporting and planning actions. AB 805 would also authorize MTS and NCTD to impose transactions and use taxes and authorize the issuance of bonds backed by those tax revenues to fund transportation projects within their respective jurisdictions.

Anticipated Impact/Discussion

The Authority Board adopted an Oppose Unless Amended position on AB 805, indicating that this bill would adversely impact other regional transportation agencies, such as the Airport Authority, in addition to the bill's impact to SANDAG, MTS, and NCTD governance and operations. The Board expressed its desire for the following two changes to this bill: 1) that the current voting procedures for SANDAG, MTS, and NCTD remain the same; and 2) that the boards of SANDAG, MTS, and NCTD retain the authority to select their own board chairs.

Status: 9/11/17 – Approved by Assembly on a vote of 46 to 28 and sent to the Governor for signature

Position: Oppose Unless Amended (6/1/17)

Legislation/Topic
AB 1069 (Low) – Local Government: taxicab transportation services

Background/Summary

AB 1069 would authorize changes to be implemented by local governments in their regulation of taxicab transportation services. Specific changes include:

- Repeals existing law requiring both cities and counties to regulate taxicab transportation services and instead only require counties to regulate these services

**Shaded text represents new or updated legislative information*

- Authorizes a county to enter into an agreement with the most populated city in a county that regulates taxicabs to perform the taxicab-related responsibilities of the county
- Requires a county to provide that taxicab drivers pass a criminal background check using a live scan fingerprint provider
- Prohibits a county from limiting or prohibiting a licensed taxicab transportation service from setting rates or fares or charging a flat rate
- Requires a county to ensure that any charge imposed on a taxicab transportation service does not exceed the reasonable regulatory cost of administering and enforcing a taxicab program established by the county
- Authorizes a licensed taxicab company to use any device or technology approved by the state to calculate fares
- Requires a licensed taxicab company to disclose fares, fees, or rates to customers before the customer accepts a ride and to post rates for walkup rides and street hails in the vehicle
- Requires a city or county to issue inspection stickers to compliant taxicabs and issue a photo permit to taxicab drivers
- Authorizes a county to accept a taxi permit issued by another county as valid
- Prohibits the operation of a taxicab without a valid certificate, license, or permit

Anticipated Impact/Discussion

Following the Board’s adoption of a Support If Amended position on AB 1069, Authority staff was successful in adding language to this bill clarifying that airport operators shall have ultimate authority to regulate and set access fees for taxicab operations at the airport.

Status: 9/15/17 – Approved by Assembly on a vote of 75 to 0 and sent to the Governor for signature

Position: Support if Amended (5/4/17)

Legislation/Topic

AB 1286 (Friedman) – Airports: alternative customer facility charges

Background/Summary

AB 1286 would eliminate the current requirement that airports interested in collecting an alternative (daily) customer facility charge initiate a process to obtain collection authority by January 1, 2018 and extends that deadline to January 1, 2025.

Anticipated Impact/Discussion

This bill would not impact San Diego International Airport (SDIA) as the Airport Authority has already commenced the collection of the alternative (daily) customer facility charge (CFCs).

**Shaded text represents new or updated legislative information*

Status: 9/5/17 – Approved by Assembly on a vote of 75 to 1 and sent to the Governor for signature

Position: Watch (4/6/17)

Legislation/Topic

AB 1333 (Dababneh) – Political Reform Act of 1974: local government agency notices

Background/Summary

AB 1333 would require every local government agency that maintains an internet web site to prominently post on its site, a notice of any upcoming election in which voters will vote on a tax measure or proposed bond issuance of the agency. The bill would also require every local government agency that publishes an electronic newsletter to include such notices in their electronic newsletter.

Anticipated Impact/Discussion

This bill would not directly impact San Diego International Airport (SDIA), as the Airport Authority issues revenue bonds that do not require voter approval.

Status: 4/20/17 – Passed in Assembly Committee on Appropriations by a vote of 6 to 2 and Re-referred to the Committee on Appropriations. No additional action will be taken on this bill this year.

Position: Watch (4/6/17)

Legislation/Topic

AB 1581 (Oberholte) – Charter-party carriers: transportation of passengers for compensation

Background/Summary

AB 1581 is a placeholder (spot bill) that would make changes to the Passenger Charter-party Carriers' Act.

Anticipated Impact/Discussion

The Authority's legislative team will closely monitor the development of this bill language for any potential impact to San Diego International Airport (SDIA).

Status: 2/17/17 – Introduced in Assembly. No additional action will be taken on this bill this year.

Position: Watch (4/6/17)

**Shaded text represents new or updated legislative information*

New Senate Bills

There are no new Senate bills to report.

Senate Bills from Previous Report

Legislation/Topic

SB 1 (Beall) – Transportation Funding

Background/Summary

SB 1 creates the Road Maintenance and Rehabilitation Program and a corresponding account in the State Transportation Fund to address deferred maintenance on state highways and local roadways. Revenues for this new program will be generated from increases in motor vehicle fuel sales and excise taxes and increases in vehicle registration fees, including a new \$100 annual fee for zero-emission motor vehicles. The increases in sales and excise taxes will be adjusted for inflation every three years based on the California Consumer Price Index. This bill also creates an independent Office of the Transportation Inspector General to ensure that all state agencies expending transportation funds operate efficiently and comply with federal and state laws. In addition, SB 1 expands the list of projects eligible for funding under the Trade Corridors Improvement Fund to include freight access improvements to airports.

Anticipated Impact/Discussion

Although this bill will not directly impact San Diego International Airport (SDIA), its enactment may provide additional funding opportunities for highway and roadway improvements in close proximity to SDIA.

Status: 4/28/17 – Signed into law by the Governor and Chaptered

Position: Watch (1/5/17)

Legislation/Topic

SB 21 (Hill) – Law Enforcement Agencies: surveillance: policies

Background/Summary

SB 21 would require that beginning July 1, 2018, public agencies must submit to their governing bodies at a public meeting, a proposed plan for the use of each type of surveillance technology used and type of information collected for law enforcement purposes.

Anticipated Impact/Discussion

The Authority's legislative team will closely work with the Authority's security staff to identify any potential impact to San Diego International Airport.

**Shaded text represents new or updated legislative information*

Status: 7/11/17 – Passed by Assembly Committee on Privacy and Consumer Protection on a vote of 6 to 3 and Referred to Assembly Committee on Appropriations. **No additional action will be taken on this bill this year.**

Position: Watch (5/4/17)

Legislation/Topic

SB 31 (Lara) – California Religious Freedom Act: state agencies: disclosure of religious affiliation information

Background/Summary

Current law prohibits a state agency from including a question regarding an applicant's race, sex, marital status, or religion in any application form for employment. This bill

would prohibit a state or local agency or a public employee acting under color of law from providing or disclosing to the federal government personally identifiable information regarding a person's religious beliefs, practices, or affiliation, as specified, when the information is sought for compiling a database of individuals based on religious belief, practice or affiliation, national origin, or ethnicity for law enforcement or immigration purposes.

Anticipated Impact/Discussion

SB 31 would not directly impact San Diego International Airport (SDIA), as the Authority's Talent, Culture and Capability department does not currently share these categories of protected information with external agencies.

Status: 9/15/17 – Approved by Senate on a vote of 36 to 0 and sent to Governor for signature

Position: Watch (3/2/17)

Legislation/Topic

SB 54 (De Leon) – Law enforcement: sharing data

Background/Summary

Current law provides that when there is reason to believe that a person arrested for a violation of specified controlled substance provisions may not be a citizen of the United States, the arresting agency shall notify the appropriate agency of the United States having charge of deportation matters. This bill would repeal those provisions. This bill would also prohibit state and local law enforcement officials from detaining individuals for suspected immigration violations.

**Shaded text represents new or updated legislative information*

Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could impact the operations of Harbor Police or other law enforcement agencies operating at SDIA.

Status: 9/16/17 – Approved by Senate on a vote of Assembly on a vote of 27 to 11 and sent to the Governor for signature

Position: Watch (3/2/17)

Legislation/Topic

SB 450 (Hertzberg) – Public Bodies: bonds: public notice

Background/Summary

SB 450 would require that prior to authorizing the issuance of bonds with terms greater than 13 months, the governing bodies of public agencies must hold a public meeting to disclose specified information. The bill would require that the information be obtained as a good faith estimate from an underwriter, financial advisor, private lender or third party borrower.

Anticipated Impact/Discussion

The Authority Board holds public meetings disclosing information about authorized bond issuances. Prior to the recent amendments to the bill, its passage could have created a requirement that the Authority Board disclose information that is not known prior to authorized bonds reaching the market.

Status: 9/14/17 – Approved by Senate on a vote of 40 to 0 and sent to the Governor for signature

Position: Watch (4/6/17)

Legislation/Topic

SB 686 (Wilk) – Public Contracts: claim resolution

Background/Summary

SB 686 would require that a public entity conduct a “meet and confer” conference within 30 days of receipt of demand from a claimant for resolution of a dispute related to public works projects.

Anticipated Impact/Discussion

This bill isn't expected to have an impact on San Diego International Airport's (SDIA) prevailing wage processes. Implementation of progress payment withholding for non-compliance, is performed per established regulations. Because SDIA is not a certified compliance agency, unresolved contractors claims are forwarded to the Department of

**Shaded text represents new or updated legislative information*

Labor Standards Enforcement who will impose applicable fines and penalties specific to the violation(s).

Status: 3/9/17 – Referred to Senate Committee on Judiciary. No additional action will be taken on this bill this year.

Position: Watch (4/6/17)

Legislation/Topic

**SB 775 (Wieckowski) – California Global Warming Solutions Act of 2006:
greenhouse gas emissions reduction**

Background/Summary

SB 775 would add local agencies to the list of entities that the State Air Resources Board has to consult with in order to identify the most effective strategies and methods to reduce greenhouse gases, manage greenhouse gas control programs, and facilitate the development of integrated and cost-effective regional, national, and international greenhouse gas reduction programs.

Anticipated Impact/Discussion

Although this bill would not directly impact San Diego International Airport (SDIA), its passage could provide additional opportunities for SDIA to play a greater role in shaping regional, national and international environmental policy.

Status: 3/9/17 – Referred to Senate Committee on Environmental Quality. No additional action will be taken on this bill this year.

Position: Watch (4/6/17)

**Shaded text represents new or updated legislative information*

Federal Legislation

New House Bills

There are no new House bills to report.

House Bills from Previous Report

Legislation/Topic

H.R. 598 (Lynch) – Airplane Impacts Mitigation Act of 2017

Background/Summary

H.R. 598, the “Airplane Impacts Mitigation Act of 2017”, would require the Federal Aviation Administration (FAA) to enter into an agreement with an eligible institution of higher education to conduct a study of the health impacts of airplane flights on residents exposed to a range of noise and air pollution levels from flights. The study is directed to:

- Focus on residents in Boston, Chicago, New York, the northern California Metroplex, Phoenix, and not more than three additional metropolitan areas each containing an international airport.
- Consider the health impacts on residents living partly, or entirely within the land underneath the flight paths most frequently used by aircraft flying below 10,000 feet.
- Consider only the health impacts that manifest during the physical implementation of the NextGen program on flights departing from or arriving to an international airport located in one of the designated metropolitan areas.

Anticipated Impact/Discussion

Although this bill is not expected to directly impact operations at San Diego International Airport (SDIA), the information collected by the study may be useful in helping the Authority accurately describe any environmental and health impacts of the FAA’s recently implemented NextGen program.

Status: 1/20/17 – Introduced in the House and referred to the House Committee on Transportation and Infrastructure

Position: Support (3/2/17)

Legislation/Topic

H.R. 665 (Keating) – Airport Perimeter and Access Control Security Act of 2017

Background/Summary

H.R. 665, the “Airport Perimeter and Access Control Security Act of 2017,” would direct the Transportation Security Administration (TSA) to update:

- The Transportation Sector Security Risk Assessment for the aviation sector

**Shaded text represents new or updated legislative information*

- The Comprehensive Risk Assessment of Perimeter and Access Control Security for airports (as well as conduct a system-wide assessment of airport access control points and airport perimeter security)
- The 2012 National Strategy for Airport Perimeter and Access Control Security

Anticipated Impact/Discussion

Although this bill is not expected to impact operations at San Diego International Airport (SDIA), the updating of assessments by the TSA may lead to the future implementation of new security requirements. The Authority’s legislative team will identify any unfunded mandates resulting from these proposed actions.

Status: 1/31/17 – Approved by the House on a voice vote and Referred to the Senate Committee on Commerce, Science and Transportation

Position: Watch (3/2/17)

Legislation/Topic

H.R. 678 (McSally) – Department of Homeland Security Support to Fusion Centers Act of 2017

Background/Summary

Fusion centers were created to promote information sharing at the federal level between agencies such as the Central Intelligence Agency, the U.S. Department of Justice, the U.S. military and state and local governments. H.R. 678, the “Department of Homeland Security Support to Fusion Centers Act of 2017” would:

- Direct the Comptroller General to conduct an assessment of Department of Homeland Security (DHS) personnel assigned to fusion centers
- Direct the Under Secretary of Intelligence and Analysis of the Department of Homeland Security to provide eligibility for access to information classified as Top Secret for analysts at fusion centers, and submit a report to the Committee on Homeland Security, Permanent House Select Committee on Intelligence, Committee on Homeland Security and Government Affairs and Senate Select Committee on Intelligence
- Direct the Chief Information officer of the Department of Homeland Security to conduct an assessment of information systems used to share homeland security information between fusion centers and the Department.

Anticipated Impact/Discussion

Although this bill is not expected to impact operations at San Diego International Airport (SDIA), it will be monitored closely for any potential impact to Department of Homeland Security or Customs and Border Protection procedures.

**Shaded text represents new or updated legislative information*

Status: 1/31/17 – Approved by the House on a voice vote and Referred to Senate Committee on Homeland Security and Governmental Affairs

Position: Watch (3/2/17)

Legislation/Topic

H.R. 1265 (DeFazio) – Investing in America: Rebuilding America’s Airport Infrastructure Act

Background/Summary

H.R. 1265, the “Investing in America: Rebuilding America’s Airport Infrastructure Act”, would provide airports the Authority to establish a passenger facility charge (PFC) of their choosing by eliminating the current \$4.50 Congressionally-set PFC limit. This bill would also reduce Airport Improvement Program (AIP) funding by \$400 million annually and eliminate large hub airports’ entitlement to AIP grants if those airports collect PFCs greater than \$4.50.

Anticipated Impact/Discussion

H.R. 1265 would provide the Airport Authority with the ability to establish a PFC based on San Diego International Airport funding needs rather than relying on the current PFC limit of \$4.50 per passenger established by Congress in 2000.

Status: 3/2/17 – Referred to House Committee on Transportation and Infrastructure

Position: Support (4/6/17)

Legislation/Topic

H.R. 2800 (DeFazio) – Aviation Funding Stability Act

Background/Summary

This legislation would take the Airport and Airway Trust Fund off budget in an effort to protect Trust Fund revenue from sequestration and potential budget cuts. This bill would also require the Federal Aviation Administration (FAA) to develop a streamlined procurement system for the acquisition of NextGen technology and update its personnel management system. In addition, H.R. 2800 would elevate the role of the Management Advisory Council and authorize funds to rebuild and modernize U.S. air traffic control facilities.

Anticipated Impact/Discussion

Enactment of H.R. 2800 might benefit the Airport Authority by insulating the Airport and Airway Trust fund from potential reductions in funding for FAA-related operations. In addition, this legislation could expedite the modernization of the national air traffic control system.

**Shaded text represents new or updated legislative information*

Status: 6/7/17 – Introduced and Referred to the House Committees on Transportation and Infrastructure, Armed Services, the Budget, and Appropriations

Position: Watch (7/6/17)

Legislation/Topic

H.R. 2997 (Shuster) – 21st Century Aviation Innovation, Reform, & Reauthorization Act

Background/Summary

This legislation would authorize FAA operations and related programs for the next six years. Specifically, this bill would:

- Transfer air traffic control functions from the FAA to a new not-for-profit corporation
- Include one airport representative to serve on the 13-member board of directors for the new ATC corporation
- Increase annual Airport Improvement Program (AIP) funding to a level of \$3.8 billion in Fiscal Year 2023
- Retain the current \$4.50 Passenger Facility Charge (PFC) cap
- Streamline and expedite the PFC reporting and review process
- Eliminate the PFC significant contribution test for large and medium hub airports

Anticipated Impact/Discussion

Although San Diego International Airport (SDIA) might potentially benefit from the AIP increases included in H.R. 2997, this bill does not include any adjustment to the current \$4.50 PFC limit established by Congress in 2000. As a result, this legislation would essentially maintain the status quo for the financing of airport infrastructure projects instead of providing new funding opportunities for SDIA improvement projects. In addition, this bill does not include any provision that could position SDIA to compete for nonstop service to Ronald Reagan Washington National Airport.

Status: 6/27/17 – Approved by House Transportation and Infrastructure Committee by a vote of 32 to 25

Position: Oppose Unless Amended (7/6/17)

New Senate Bills

There are no new Senate bills to report.

**Shaded text represents new or updated legislative information*

Senate Bills from Previous Report

Legislation/Topic

S. 271 (Fischer) – Build USA Infrastructure Act

Background/Summary

S. 271, the “Build USA Infrastructure Act” would divert \$21.4 billion annually in Customs and Border Protection (CBP) passenger and freight user fees to the Highway Trust Fund. This funding would be diverted for a five-year period, beginning October 1, 2020.

Anticipated Impact/Discussion

Airports Council International – North America (ACI-NA) strongly opposes this bill. User fees should be applied for their intended use, not diverted to subsidize other programs, especially as CBP continues to face significant staffing shortfalls and technological challenges. As San Diego International Airport (SDIA) continues to expand international air service, this bill could have a negative impact on CBP’s ability to effectively process international passengers.

Status: 2/1/17 – Introduced and Referred to Senate Committee on Homeland Security and Governmental Affairs

Position: Oppose (3/2/17)

Legislation/Topic

S. 1405 (Thune) – Federal Aviation Administration Reauthorization Act of 2017

Background/Summary

This legislation would authorize FAA operations and related programs for the next four years. Specifically, this bill would:

- Increase annual Airport Improvement Program (AIP) funding to a level of \$3.75 billion in Fiscal Years 2019-2021
- Retain the current \$4.50 Passenger Facility Charge (PFC) cap
- Streamline and expedite the PFC reporting and review process
- Eliminate the PFC significant contribution test for large and medium hub airports
- Require the Department of Transportation to hire an independent organization to conduct a study on upgrading and restoring the nation’s airport infrastructure

Anticipated Impact/Discussion

Although San Diego International Airport (SDIA) might potentially benefit from the AIP increases included in S. 1405, this bill does not include any adjustment to the current \$4.50 PFC limit established by Congress in 2000. As a result, this legislation would essentially maintain the status quo for the financing of airport infrastructure projects instead of providing new funding opportunities for SDIA improvement projects. In addition, this bill does not include any provision that could position SDIA to compete for nonstop service to Ronald Reagan Washington National Airport.

**Shaded text represents new or updated legislative information*

Status: 6/29/17 – Approved by Senate Committee on Commerce, Science and Transportation by voice vote

Position: Oppose Unless Amended (7/6/17)

Legislation/Topic

S. 1655 (Collins) – Fiscal Year 2018 Transportation and Housing and Development Appropriations Act

Background/Summary

This bill would provide annual funding for federal transportation programs including Federal Aviation Administration activities and programs. The bill would increase the Passenger Facility Charge (PFC) limit from the current level of \$4.50 to a new level of \$8.50 for originating passengers. This bill would also increase Airport Improvement Program (AIP) funding by \$250 million to a new level of \$3.6 billion in FY 2018.

Anticipated Impact/Discussion

Passage of an annual spending bill would provide airports certainty concerning the annual funding levels for FAA and its programs. While the proposed increase in the AIP could result in some additional revenue to the Airport Authority, the proposed \$4 increase in the PFC limit could result in a significant increase in revenue for San Diego International Airport improvement projects, including funding for the Airport Development Program.

Status: 7/27/17 – Approved by Senate Committee on Appropriations on a vote of 31 to 0

Position: Support (9/7/17)

Legislation/Topic

S. 1757 (Cornyn) – Building America’s Trust Act

Background/Summary

S. 1757 would authorize approximately \$15 billion over four years for border security and enforcement activities. Specific actions include:

- Requires the deployment of multi-layered tactical infrastructure across the southern U.S. border which, at the Secretary of DHS’s discretion, could include a wall system, fencing. Levees, technology, or other physical barriers
- Increases the number of Border Patrol agents, Customs and Border Protection (CBP) Officers at ports, agricultural inspectors, Immigration and Customs Enforcement officers, immigration judges and federal prosecutors
- Streamline the CBP hiring process for military veterans and law enforcement personnel

**Shaded text represents new or updated legislative information*

- Requires CBP to deploy a biometric entry system at fifteen U.S. airports within 18 months and at all U.S. airports within five years

Anticipated Impact/Discussion

While several provisions in S. 1757 could provide additional CBP staffing resources at CBP's San Diego port, some elements of this bill may be considered by community leaders to be a deterrent to the cross-border trade and tourism that currently benefits the regional economy.

Status: 8/3/17 – Introduced in the Senate

Position: Watch (9/7/17)

Legislation/Topic

S. 1733 (Van Hollen) – Customers Not Cargo Act

Background/Summary

This proposed legislation would prohibit airlines from forcibly removing passengers after they have already boarded the plane due to overbooking or airline staff seeking to fly as passengers. It would also require the establishment of standards to resolve oversales once an aircraft has been boarded.

Anticipated Impact/Discussion

This bill is not expected to directly impact operations at San Diego International Airport (SDIA).

Status: 4/12/17 – Introduced and Referred to Senate Committee on Commerce, Science and Transportation

Position: Watch (5/4/17)

**Shaded text represents new or updated legislative information*

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Authorize the President/CEO (or Designee) to Sign the Airports Sustainability Declaration at the 2017 Airports Going Green Conference

Recommendation:

Adopt Resolution No. 2017-0086 authorizing the President/CEO (or Designee) to sign the Airports Sustainability Declaration at the 2017 Airports Going Green Conference.

Background/Justification:

Many organizations have realized that their long-term viability can be strengthened by incorporating “sustainability” into their culture and operations. Thus, by working to improve their economic, environmental, and social performance, organizations have been able to reduce costs and risks, improve stakeholder relations, and foster innovation and a competitive edge. Airports have similarly embraced sustainability principles to support their own success, but also to support their important role in growing regional economies and connecting communities around the world. In 2008, SAN was the first major airport in the nation to adopt a formal sustainability policy, pledging to be a role model for sustainability in the aviation industry.

The Airports Going Green Conference is an annual event organized by the American Association of Airport Executives (AAAE) and the Chicago Department of Aviation. Over the past 10 years, the conference has become the industry's premier sustainability event that translates relevant trends in economic viability, natural resource protection, operational efficiency, and social responsibility for the aviation sector. The conference was held for the first time outside of the United States last year at Amsterdam Airport Schiphol. To commemorate this milestone, conference organizers drafted an “Airports Sustainability Declaration” (Attachment 1) as a means to highlight the important leadership of airports.

The Airports Sustainability Declaration, which is voluntary and non-binding, calls for airports to develop, implement, and expand initiatives that improve the sustainability and resilience of airports and their surrounding communities. To help achieve this outcome, the Declaration promotes four key principles – collaboration, transparency, innovation, and engagement – and encourages partnerships between airports on a worldwide scale. The Declaration is also aligned with the 17 action areas of the United Nations Sustainable Development Goals (Attachment 2), which were adopted by the United States and over 190 other countries in 2015.

To date, almost twenty airports have signed the Airports Sustainability Declaration, including San Francisco International Airport, Dallas-Fort Worth International Airport, Minneapolis-St. Paul International Airport, London Heathrow Airport, and Aéroports de Montréal. There is another signing ceremony planned at the upcoming Airports Going

Green Conference in Dallas in mid-November. As such, Authority staff recommends that the Board authorizes the CEO/President (or Designee) to sign the Airports Sustainability Declaration at the conference.

The San Diego International Airport is already implementing a portfolio of policies and projects that support the Airports Sustainability Declaration and its main principles. An example for each principle is outlined below:

Collaboration

- Airport Authority staff serve in leadership roles in many industry and regional forums such as the ACI-NA Environmental Affairs Committee, Airports Going Green Conference Planning Committee, California Airports Council Environmental Affairs Committee, SANDAG Energy Working Group and Regional Planning Technical Committee, and San Diego Regional Climate Collaborative.

Transparency

- A multi-departmental staff team tracks and communicates the organization's sustainability performance in over 30 economic, environmental, and social metrics to stakeholders and the general public through the publication of an annual sustainability report (<http://sustain.san.org>).

Innovation

- The Authority has installed solar photovoltaic arrays connected through a micro-grid system, incentivized taxi, shuttle, and ridesharing vehicles' transition to alternative fuels, launched the award-winning Good Traveler carbon offset program, established post-consumer food waste collection and composting, and created an Innovation Lab to serve as an incubator for private-public partnerships.

Engagement

- Employees throughout the organization are encouraged to identify and adopt new sustainable best practices through an annual online training, a lunchtime education series, airport-wide sustainability fairs, and the Sustainability Champion of the Year recognition award.

Therefore, staff believes that the Airports Sustainability Declaration provides a unique opportunity to demonstrate the accomplishments of SAN's existing sustainability management program and to showcase the entire aviation industry's important contributions to global sustainability initiatives.

Fiscal Impact:

There are no anticipated impacts to operating or capital expenses as a result of the San Diego International Airport signing the Airport Sustainability Declaration. As previously mentioned, SAN has an active, mature sustainability management program that already fully meets the intent of the voluntary, non-binding Airport Sustainability Declaration.

Authority Strategies:

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

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not Applicable

Prepared by:

BRENDAN REED
PLANNING & ENVIRONMENTAL AFFAIRS

Airports Sustainability Declaration



Our ambition is to strengthen a system of sustainable and resilient airports, worldwide, through collaboration, transparency, innovation, and engagement. Together, we will ambitiously work towards our vision of airports voluntarily working together in a worldwide network to be socially, environmentally and economically prosperous and to be adaptable in the face of change.

We support and work to align our efforts with the United Nations Sustainable Development Goals and other key partners in the aviation sector. The Sustainable Development Goals will guide our sustainability ambitions with priority for our respective regional challenges.

Whereas, aviation provides significant global and local social and economic benefits, enabling real connections of people, goods and services that serve to improve our shared understanding of one another while at the same time having a notable environmental footprint.

Whereas, aviation is a global industry requiring a systematic approach to ensure broad adoption of sustainable best practices.

Whereas, airports play a significant role within the transition towards a more sustainable aviation industry.

Whereas, airports carry a significant social responsibility to provide safe, secure environments that facilitate interpersonal connections, stimulate the economy, circularity and boost employment and promote connectivity while reducing impact on air quality, climate change, water and natural resources.

Whereas, the signatories of this Airports Sustainability Declaration hereby commit to collaborate voluntarily on a worldwide scale on the development, implementation, and expansion of initiatives that improve the sustainability and resilience of airports and our communities.

Therefore, be it hereby declared:

By signing this declaration, we commit to transforming our ambitions to build a system of sustainable and resilient airports and communities into reality through the following constructive actions and decisions:

Collaboration

- Increasing collaboration among airports by sharing best practices and developing new cross-airport initiatives,
- Openly sharing successes, failures and challenges in an ever changing world in order to learn as a sector,
- Expanding our collaboration with stakeholders and partners in our value chain,
- Focussing on initiatives that deliver measurable results.

Transparency

- Adopting Key Performance Indicators to ensure transparent communication on initiatives and results;
- Openly sharing Key Performance Indicators and results;
- Supporting the application of existing and future airport benchmarks, such as the ACI Airport Carbon Accreditation, that address social and environmental topics.

Innovation

- Taking disruptive initiatives and new technologies into consideration and if possible use them as a means to achieve our goals;
- Supporting the stimulation of sustainable start-ups to kick-start innovative developments;
- Giving due consideration to new sustainable business models;
- Striving for business cases in which social, economic, and environmental co-benefits are equally taken into account, as exemplified through the International Integrated Reporting Council's six 'Capitals' approach.

Engagement

- Providing a healthy, safe, and secure environment for employees, travellers and communities;
- Committing to lead by example and consider sustainability in management decisions and long term commitments;
- Educating our employees to raise their awareness to create a culture of sustainability driving the urgency of achieving our goals;
- Engaging our business partners and others to actively contribute to the achievement of our goals;
- Continuing to explore active, respectful and constructive forms of engagement with local communities;
- Striving to listen and understand to our stakeholders before we strive to be heard and be understood.

Signatories

Each year during the Airports Going Green conference we will strive to share what we have achieved and learned in order to become sustainable and resilient airports. In realizing the Sustainable Development Goals, we contribute to a better world.

Airports Going Green Conference, Amsterdam Airport Schiphol, October 2016

Aeroporti di Roma

Aéroports de Montréal

Amsterdam Airport Schiphol

Brisbane Airport Corporation

Carbon War Room

Centennial Airport

Chicago Department of Aviation

Dallas Fort Worth International Airport

Eindhoven Airport

Flughafen München

Lithuanian Airports

London Gatwick Airport

London Heathrow Airport

Minneapolis-St. Paul International Airport

New York JFKIAT

Port of Portland

San Francisco International Airport

Wayne County Airport Authority



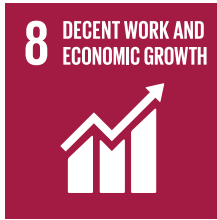


*Empowered lives.
Resilient nations.*



SUSTAINABLE DEVELOPMENT GOALS





IN 2000, 189 COUNTRIES OF THE WORLD CAME TOGETHER TO FACE THE FUTURE.

And what they saw was daunting. Famines. Drought. Wars. Plagues. Poverty. The perennial problems of the world. Not just in some faraway place, but in their own cities and towns and villages.

They knew things didn't have to be this way. They knew we had enough food to feed the world, but that it wasn't getting shared. They knew there were medicines for HIV and other diseases, but that they cost a lot. They knew that earthquakes and floods were inevitable, but that the high death tolls were not.

They also knew that billions of people worldwide shared their hope for a better future.

So leaders from these countries created a plan called the Millennium Development Goals (MDGs). This set of 8 goals imagined a future just 15 years off that would be rid of poverty and hunger. It was an ambitious plan.

The United Nations Development Programme (UNDP) has been one of the leading organizations working to achieve the MDGs. Present in more than 170 countries and territories, we funded projects that helped fulfil the Goals. We championed the Goals so that people everywhere would know how to do their part. And we acted as "scorekeeper," helping countries track their progress.

And the progress in those 15 years has been tremendous. Hunger has been cut in half. Extreme poverty is down nearly by half. More kids are going to school and fewer are dying.

Now these countries want to build on the many successes of the past 15 years, and go further. The new set of goals, the Sustainable Development Goals (SDGs), aims to end poverty and hunger by 2030. World leaders, recognizing the connection between people and planet, have set goals for the land, the oceans and the waterways. The world is also better connected now than it was in 2000, and is building a consensus about the future we want.

That future is one where everybody has enough food, and can work, and where living on less than \$1.25 a day is a thing of the past.

UNDP is proud to continue as a leader in this global movement.

Introducing the new Sustainable Development Goals. What's your Goal?

1 NO POVERTY



END POVERTY IN ALL ITS FORMS EVERYWHERE

End extreme poverty in all forms by 2030. Yes, it's an ambitious goal—but we believe it can be done. In 2000, the world committed to cutting the number of people living in extreme poverty by half in 15 years and we met this goal. However, more than 800 million people around the world still live on less than \$1.25 a day—that's about the equivalent of the entire population of Europe living in extreme poverty. Now it's time to build on what we learned and end poverty altogether.

2 ZERO HUNGER



END HUNGER, ACHIEVE FOOD SECURITY AND IMPROVED NUTRITION AND PROMOTE SUSTAINABLE AGRICULTURE

In the past 20 years, hunger has dropped by almost half. Many countries that used to suffer from famine and hunger can now meet the nutritional needs of their most vulnerable people. It's an incredible accomplishment. Now we can go further and end hunger and malnutrition once and for all. That means doing things such as promoting sustainable agriculture and supporting small farmers. It's a tall order. But for the sake of the nearly 1 out of every 9 people on earth who go to bed hungry every night, we've got to try. Imagine a world where everyone has access to sufficient and nutritious food all year round. Together, we can make that a reality by 2030.

3 GOOD HEALTH AND WELL-BEING



ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

We all know how important it is to be in good health. Our health affects everything from how much we enjoy life to what work we can perform. That's why there's a Goal to make sure everyone has health coverage and access to safe and effective medicines and vaccines. Since 1990, we've made big strides—preventable child deaths are down by more than half, and maternal mortality is down by almost as much. And yet some other numbers remain tragically high, like the fact that every year 6 million children die before their fifth birthday, or that AIDS is the leading cause of death for adolescents in sub-Saharan Africa. We have the means to turn that around and make good health more than just a wish.

4 QUALITY EDUCATION



ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFE-LONG LEARNING OPPORTUNITIES FOR ALL

First, the bad news on education. Poverty, armed conflict and other emergencies keep many, many kids around the world out of school. In fact, in developing regions, kids from the poorest households are four times more likely to be out of school than those of the richest households. Now for some good news. Since 2000, there has been enormous progress on the goal to provide primary education to all children worldwide. The primary school enrolment rate in developing regions reached 91%. By measures in any school, that's a good grade. Now, let's get an even better grade for all kids and achieve the goal of universal primary and secondary education, affordable vocational training, access to higher education and more.

5

GENDER EQUALITY



ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS

The great progress the world has made in becoming more prosperous and fair is worth celebrating. And yet, in just about every way, women and girls lag behind. There are still gross inequalities in work and wages, lots of unpaid “women’s work” such as child care and domestic work and discrimination in public decision-making. But there are grounds for hope. More girls are in school now compared to in 2000. Most regions have reached gender parity in primary education. The percentage of women getting paid for their work is on the rise. The Sustainable Development Goals aim to build on these achievements to ensure that there is an end to discrimination against women and girls everywhere. It’s a basic human right.

6 CLEAN WATER AND SANITATION



ENSURE AVAILABILITY AND SUSTAINABLE MANAGEMENT OF WATER AND SANITATION FOR ALL

Everyone on earth should have access to safe and affordable drinking water. That's the goal for 2030. While many people around the world take clean drinking water and sanitation for granted, many others don't. Water scarcity affects more than 40 percent of people around the world, and that number is projected to go even higher as a result of climate change. If we continue the path we're on, by 2050 at least one in four people are likely to be affected by recurring water shortages. But we can take a new path—more international cooperation, protecting wetlands and rivers, sharing water-treatment technologies and more—that leads to accomplishing this Goal.

7 AFFORDABLE AND CLEAN ENERGY



ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE AND MODERN ENERGY FOR ALL

Between 1990 and 2010, the number of people with access to electricity increased by 1.7 billion. That's progress to be proud of. And yet, as the world's population continues to rise, still more people will need cheap energy to light their homes and streets, use phones and computers and do their everyday business. The way we get that energy is at issue; fossil fuels and greenhouse gas emissions are making drastic changes in the climate, leading to big problems on every continent. Instead, we can become more energy-efficient and invest in clean energy sources such as solar and wind. That way we'll meet electricity needs and protect the environment. How's that for a balancing act?

8 DECENT WORK AND ECONOMIC GROWTH



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

An important part of economic growth is that people have jobs that pay enough to support themselves and their families. The good news is that the middle class is growing worldwide—almost tripling in size in developing countries in the last 25 years, to more than a third of the population. But in 2015, we also have widening inequalities, and job growth is not keeping pace with the growing labour force—over 200 million people don't have jobs. That's the equivalent of the entire population of Brazil. Things don't have to be that way. We can promote policies that encourage entrepreneurship and job creation. We can eradicate forced labour, slavery and human trafficking. And in the end we can achieve the goal of decent work for all women and men by 2030.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALIZATION AND FOSTER INNOVATION

Technological progress helps us address big global challenges such as creating jobs and becoming more energy efficient. The world is becoming ever more interconnected and prosperous thanks to the internet. The more connected we are, the more we can all benefit from the wisdom and contributions of people everywhere on earth. And yet four billion people have no way of getting online, the vast majority of them in developing countries. The more we invest in innovation and infrastructure, the better off we'll all be. Bridging the digital divide, promoting sustainable industries, and investing in scientific research and innovation are all important ways to facilitate sustainable development.

10 REDUCED INEQUALITIES



REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

It's an old story: the rich get richer, and the poor get poorer. The divide has never been starker. We can and must adopt policies that create opportunity for everyone, regardless of who they are or where they come from. Income inequality is a global problem that requires global solutions. That means improving the regulation of financial markets and institutions, sending development aid where it is most needed and helping people migrate safely so they can pursue opportunities. We've made so much progress on poverty in the last 15 years, and now we can change the direction of the old story of inequality.

11 SUSTAINABLE CITIES AND COMMUNITIES



MAKE CITIES AND HUMAN SETTLEMENTS INCLUSIVE, SAFE, RESILIENT AND SUSTAINABLE

If you're like most people, you live in a city. More than half the world's population now lives in cities, and that figure will go to about two-thirds of humanity by the year 2050. Cities are getting bigger. In 1990 there were ten "mega-cities" with 10 million inhabitants or more. In 2014, there were 28 mega-cities, home to 453 million people. Incredible, huh? A lot of people love cities; they're centers of culture and business and life. The thing is, they're also often centers of extreme poverty. To make cities sustainable for all, we can create good, affordable public housing. We can upgrade slum settlements. We can invest in public transport, create green spaces and get a broader range of people involved in urban planning decisions. That way, we can keep the things we love about cities and change the things we don't.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

Some people use a lot of stuff, and some people use very little—in fact, a big share of the world population is consuming too little to meet even their basic needs. It doesn't have to be this way. We can have a world where everybody gets what they need to survive and thrive. And we can consume in a way that preserves our natural resources so that our children can enjoy them, and their children and their children after that. The hard part is how to achieve that goal. We can manage our natural resources more efficiently and dispose of toxic waste better. Cut per capita food waste in half globally. Get businesses and consumers to reduce and recycle waste. And help countries that have typically not consumed a lot to move towards more responsible consumption patterns.

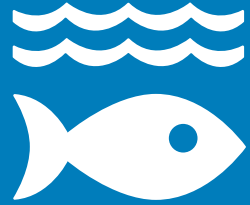
13 CLIMATE ACTION



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

Every country in the world is seeing the drastic effects of climate change, some more than others. On average, the annual losses just from earthquakes, tsunamis, tropical cyclones and flooding count in the hundreds of billions of dollars. We can reduce the loss of life and property by helping more vulnerable regions—such as land-locked countries and island states—become more resilient. The impact of global warming is getting worse. We're seeing more storms, more droughts and more extremes than ever before. It is still possible, with political will and technological measures, to limit the increase in global mean temperature to two degrees Celsius above pre-industrial levels—and thus avoid the worst effects of climate change. The Sustainable Development Goals lay out a way for countries to work together to meet this urgent challenge.

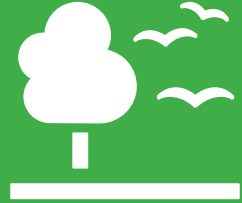
14 LIFE BELOW WATER



CONSERVE AND SUSTAINABLY USE THE OCEANS, SEAS AND MARINE RESOURCES FOR SUSTAINABLE DEVELOPMENT

The oceans make human life possible. Their temperature, their chemistry, their currents, their life forms. For one thing, more than 3 billion people depend on marine and coastal diversity for their livelihoods. But today we are seeing nearly a third of the world's fish stocks overexploited. That's not a sustainable way of life. Even people who live nowhere near the ocean can't live without it. Oceans absorb about 30 percent of the carbon dioxide that humans produce; but we're producing more carbon dioxide than ever before and that makes the oceans more acidic—26% more, since the start of the industrial revolution. Our trash doesn't help either—13,000 pieces of plastic litter on every square kilometer of ocean. Sounds bad, right? Don't despair! The Sustainable Development Goals indicate targets for managing and protecting life below water.

15 LIFE ON LAND



PROTECT, RESTORE AND PROMOTE SUSTAINABLE USE OF TERRESTRIAL ECOSYSTEMS, SUSTAINABLY MANAGE FORESTS, COMBAT DESERTIFICATION, AND HALT AND REVERSE LAND DEGRADATION AND HALT BIODIVERSITY LOSS

Humans and other animals rely on other forms of life on land for food, clean air, clean water, and as a means of combatting climate change. Plant life makes up 80% of the human diet. Forests, which cover 30% of the Earth's surface, help keep the air and water clean and the Earth's climate in balance. That's not to mention they're home to millions of animal species. But the land and life on it are in trouble. Arable land is disappearing 30 to 35 times faster than it has historically. Deserts are spreading. Animal breeds are going extinct. We can turn these trends around. Fortunately, the Sustainable Development Goals aim to conserve and restore the use of terrestrial ecosystems such as forests, wetlands, drylands and mountains by 2020.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



PROMOTE PEACEFUL AND INCLUSIVE SOCIETIES FOR SUSTAINABLE DEVELOPMENT, PROVIDE ACCESS TO JUSTICE FOR ALL AND BUILD EFFECTIVE, ACCOUNTABLE AND INCLUSIVE INSTITUTIONS AT ALL LEVELS

How can a country develop—how can people eat and teach and learn and work and raise families—without peace? And how can a country have peace without justice, without human rights, without government based on the rule of law? Some regions of the world enjoy relative peace and justice, and may come to take it for granted. Other regions seem to be plagued by armed conflict, crime, torture and exploitation, all of which hinders their development. The goal of peace and justice is one for all countries to strive towards. The Sustainable Development Goals aim to reduce all forms of violence and propose that governments and communities find lasting solutions to conflict and insecurity. That means strengthening the rule of law, reducing the flow of illicit arms and bringing developing countries more into the center of institutions of global governance.

17 PARTNERSHIPS FOR THE GOALS



STRENGTHEN THE MEANS OF IMPLEMENTATION AND REVITALIZE THE GLOBAL PARTNERSHIP FOR SUSTAINABLE DEVELOPMENT

The Sustainable Development Goals are pretty big to-do list, don't you think? In fact, it's so big, you may just want to throw your hands up in the air. "Forget it! Can't be done! Why even try!" But we've got a lot going for us. The world is more interconnected today than ever before, thanks to the internet, travel and global institutions. There's a growing consensus about the need to work together to stop climate change. And the Sustainable Development Goals are no small matter either. 193 countries agreed on these Goals. Pretty incredible, isn't it? 193 countries agreeing on anything? The final Goal lays out a way for nations to work together to achieve all the other Goals.



*Empowered lives.
Resilient nations.*



RESOLUTION NO. 2017-0086

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY AUTHORIZING THE PRESIDENT/CEO
(OR DESIGNEE) TO SIGN THE AIRPORTS
SUSTAINABILITY DECLARATION AT THE 2017
AIRPORTS GOING GREEN CONFERENCE

WHEREAS, many organizations have realized that their long-term viability can be strengthened by incorporating “sustainability” into their culture and operations; and

WHEREAS, by working to improve their economic, environmental, and social performance, organizations have been able to reduce costs and risks, improve stakeholder relations, and foster innovation and a competitive edge; and

WHEREAS, San Diego International Airport was the first major airport in the nation to adopt a formal sustainability policy in 2008, pledging to be a role model for sustainability in the aviation industry; and

WHEREAS, the Airports Going Green conference has become the industry's premier sustainability event for the aviation sector over the last 10 years; and

WHEREAS, conference organizers drafted a voluntary, non-binding “Airports Sustainability Declaration” last year as a means to highlight the important leadership of airports in improving the sustainability and resilience of their communities; and

WHEREAS, the Declaration promotes four key principles (collaboration, transparency, innovation, and engagement), encourages partnerships between airports on a worldwide scale, and is aligned with the United Nations Sustainable Development Goals; and

WHEREAS, the San Diego International Airport has been invited to sign the Airports Sustainability Declaration at the upcoming Airports Going Green Conference in Dallas; and

WHEREAS, the Authority is already implementing a portfolio of policies and projects at SAN that supports the Airports Sustainability Declaration's main principles; and

WHEREAS, the Airports Sustainability Declaration provides a unique opportunity to demonstrate the accomplishments of SAN's existing sustainability management program and to showcase the entire aviation industry's important contributions to global sustainability initiatives; and

NOW, THEREFORE, BE IT RESOLVED that the Board adopts Resolution No. 2017-0086 authorizing the President/CEO (or Designee) to sign the Airports Sustainability Declaration at the 2017 Airports Going Green Conference;

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 is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Ratify Taxicab Trip Fee for FY 2018

Recommendation:

Adopt Resolution No. 2017-0096 ratifying the taxicab trip fee for FY 2018 at \$2.90 for alternative fuel taxicabs

Background/Justification:

On June 23, 2016, the Board approved and adopted the annual operating budget for Fiscal Year 2017 and conceptually approved the annual operating budget for Fiscal Year (FY) 2018. The presentation provided to the Board at the budget workshop on June 13, 2016 identified trip fees by mode—i.e., taxicab, TNC, off-airport parking, hotel/motel shuttles, etc. The taxicab trip fees presented to the Board and included in the FY 2017 approved budget for alternative fuel vehicles was \$2.90. The taxicab trip fees presented to the Board and included in the conceptually approved FY 2018 budget for alternative fuel vehicles was \$2.89.

Board Code section 9.12 states, “[t]rip fees or any other fees and charges for a ground transportation service provider shall be set by resolution of the Board.”

The Authority is a party to three separate Memoranda of Agreement with companies that operate taxicabs at the Airport. The MOAs provide a framework for the Authority and taxicab operators (hereinafter collectively the “Taxi Associations”) to address issues related to taxicab operations at the Airport. On June 21, 2017, the Ground Transportation Department met with the Taxi Associations to review the FY 2018 trip fees. In the meeting, the Taxi Associations requested that the AFV taxicab trip fee remain unchanged at \$2.90. The Taxi Associations raised concern with the amount of time and money required to change the taxicab trip fee on the meter from \$2.90 to \$2.89 – a difference of one cent. The Taxi Association maintains that the meter change would be burdensome to the industry. In order to change the trip fee on the meter, the Taxi Associations, for each vehicle, must: complete a MTS Rate Change Form, undergo a meter inspection by MTS, obtain a Weights and Measures Meter Inspection Seal, obtain a new SDCRAA window rate sticker.

The following chart provides a break-down of the estimated costs and activities required to change the meter:

Meter Change Activity and Expense:	Count	Fee	Total
MTS Rate Change Form	366	\$ 25	\$ 9,150
MTS Meter Inspection	366	No Fee	\$ -
Private Company Meter Change	366	\$ 25	\$ 9,150
Weights and Measure Meter Inspection and Seal	366	No Fee	\$ -
SDCRAA Window Rate Sticker & Meter Rate Sticker	366	\$ 8	\$ 2,919
Total:		\$ 58	\$ 21,219

This process typically takes 2 months to implement. Finally, if the trip fee is changed, the Authority must provide new stickers indicating the changed trip fee to all taxicabs which costs the Authority approximately \$3,000.

The FY 2018 taxicab trip fee was developed in early 2016 and based on an estimated 841,000 taxicab trips. The number of actual taxicab trips since the beginning of FY 2018 [July 1, 2017] through August, 2017 is 98,342 and staff currently estimate that annual taxicab trips in FY 2018 will be approximately 600,000. This overestimation of taxicab trips in the FY 2018 budget results in fewer actual trip fees paid to the Authority for FY 2018 if the trend continues. The taxicab trip fee rate of \$2.89 or \$2.90 does not cover the Authority's costs related to facilities used by taxicabs at the Airport.

Staff recommends that the taxicab trip fee for alternative fuel vehicles for FY 2018 remain at \$2.90 for the reasons set forth in this staff report.

Fiscal Impact:

The estimated impact of the one cent change in the taxicab trip fee is \$6,000 over the entire FY 2018 fiscal year and does not materially change the FY 2018 budget expectations.

Authority Strategies:

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

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

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

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

MARC NICHOLS
DIRECTOR, GROUND TRANSPORTATION

RESOLUTION NO. 2017-0096

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY RATIFYING THE TAXICAB TRIP FEE
FOR FY 2018 AT \$2.90 FOR ALTERNATIVE FUEL
VEHICLES

WHEREAS, on June 23, 2016, the Board approved and adopted the annual operating budget for Fiscal Year 2017 and conceptually approved the annual operating budget for Fiscal Year (FY) 2018; and

WHEREAS, the taxicab trip fees presented to the Board and included in the FY 2017 approved budget for alternative fuel vehicles was \$2.90; and

WHEREAS, the taxicab trip fees presented to the Board and included in the conceptually approved FY 2018 budget for alternative fuel vehicles was \$2.89; and

WHEREAS, Authority Code section 9.12 states, “[t]rip fees or any other fees and charges for a ground transportation service provider shall be set by resolution of the Board”; and

WHEREAS, the Authority is a party to three separate Memoranda of Agreement with companies that operate taxicabs at the Airport; and

WHEREAS, the MOAs provide a framework for the Authority and taxicab operators to address issues related to taxicab operations at the Airport; and

WHEREAS, in addition to the MOAs, the Authority and taxicab operators are parties to negotiated written agreements that govern the parties rights and responsibilities for operating at the Airport, the terms of which include the trip fee; and

WHEREAS, the taxicab operators raised concern with the amount of time and money required to change the taxicab trip fee on the meter from \$2.90 to \$2.89 and requested that the trip fee remain at \$2.90 for FY 2018; and

WHEREAS, in response to the concerns raised by the members of the MOAs, the Authority has continued to maintain the trip fee at \$2.90 for FY 2018; and

WHEREAS, the Board finds that taxicab operators will incur significant time and expense to change the trip fee on the meter from \$2.90 to \$2.89; and

WHEREAS, the Board finds that the Authority will incur expense in obtaining stickers for all taxicabs reflecting the one cent change in the trip fee; and

WHEREAS, when the FY 2018 taxicab trip fee was developed in early 2016, the number of taxicab trips was estimated at 841,000; and

WHEREAS, the number of actual taxicab trips since the beginning of FY 2018 [July 1, 2017] through August, 2017 is 98,000-- less than expected which results in fewer fees collected in FY 2018 than estimated if the trend continues; and

WHEREAS, a taxicab trip fee of \$2.89 or \$2.90 does not cover the Authority's costs related to facilities used by the taxicabs at the Airport; and

WHEREAS, the Authority, acting through its Board, has plenary power to operate, regulate, oversee, and charge for the use of the Airport, including but not limited to the exercise of powers: (1) to govern the Authority [Cal. Pub. Util. Code §170013]; (2) to adopt and enforce rules and regulations for the administration, maintenance, operation, and use of its facilities and services [Cal. Pub. Util. Code §170016]; (3) to "assume all revenue stream revenues to fund its activities, operations, and investments consistent with its purposes" ... [which] ... may include, but are not limited to, imposing fees, rents, or other charges for facilities, services, the repayment of bonded indebtedness, and other expenditures consistent with the purposes of the authority". [Cal. Pub. Util. Code §170064(b)]; (4) "to maximize the revenues generated from enterprises located on the property of the authority". [Cal. Pub. Util. Code §170064 (c)]; (5) to "hold, enjoy, lease, ... real and personal property within or outside its area of jurisdiction in order to further its purposes". [Cal. Pub. Util. Code §170038]; and

WHEREAS, under California Public Utilities Codes section 21690.5-21690.10, the state Legislature has determined that the proper operation of the state's publicly owned airports is essential to the welfare of the people of California; the operation of such airports is a governmental function to be discharged in the furtherance of the policy of securing the benefits of tourism and commerce for the state and its people; and that in managing its operation, publicly owned airports shall promote the development of commerce and tourism by doing the following: "(a) securing a diversity of airport services; (b) avoiding wasteful duplication of such services; (c) securing to the users of airports, safe, courteous, and quality service; (d) limiting or prohibiting business competition which is destructive of the ends of promoting commerce and tourism in the state; (e) allocating limited airport resources to promote such ends; and (f) fostering California's image as a commercial and tourist center"; and

WHEREAS, the Authority is required by Federal Grant Assurance 24 to maintain a fee and rental structure making the airport as self-sustaining as possible; and

WHEREAS, as consideration for the right to use Airport property for the operation of their businesses, taxicabs are required to pay a trip fee for each taxicab that enters onto and picks up a fare on Airport property.

NOW THEREFORE BE IT FURTHER RESOLVED THAT, the foregoing recitals are true and correct and are findings and determinations of the Board; and

BE IT FURTHER RESOLVED THAT pursuant to Authority Code 9.12 the Board hereby ratifies the taxicab trip fee for alternative fuel vehicles in the amount of \$2.90 for Fiscal Year 2018, including ratifying all such \$2.90 trip fees that have been charged or paid to date in FY 2018;

BE IT FURTHER RESOLVED THAT pursuant to Authority Code 9.12 the Board amends and sets the taxicab trip fee for alternative fuel vehicles to be the amount of \$2.90 for the remainder of FY 2018; and

BE IT FURTHER RESOLVED THAT the trip fee supports the federal requirement that the Airport maintain a fee structure making the Airport as self-sustaining as possible; and

BE IT FURTHER RESOLVED THAT the trip fee is a fee to allow taxicabs to use airport property to operate their business; 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 is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

COMMUNICATION FROM THE PUBLIC

San Diego Taxi Association

September 29, 2017

Dear Mr. Marc Nichols,

In reply to the proposed Taxi AFV Trip fee decrease from \$2.90 down to \$2.89 that was presented at the Taxi operation meeting on June 21st, 2017. Our association is opposed to the decrease because of the burdensome process to implement.

A trip change would require a private company to change airport rate an meter, an inspection from M.T.S. of Meter, an inspection from weight and measures and new rate stickers. These cost add up to thousands of dollars in expenses to the Taxi Industry.

In brief, we request the \$2.89 rate change not be implemented and we would like to stay with the \$2.90 rate.

Cordially,

A handwritten signature in black ink, appearing to read "Nasser A. Tehrani", with a stylized flourish at the end.

Nasser A. Tehrani

San Diego Taxi Association

Mr. Marc Nichols

RECEIVED

OCT 02 2017

GROUND TRANSPORTATION

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Reject Claim of K.S.A.N. L.L.C.

Recommendation:

Adopt Resolution No. 2017-0095 rejecting the Claim of K.S.A.N. L.L.C

Background/Justification:

On September 7, 2017, K.S.A.N. L.L.C. ("KSAN") filed a claim ("Attachment A") with the San Diego County Regional Airport Authority ("Authority"). The claim alleges that the trip fees charged by taxicabs serving the airport in Fiscal Year 2018 (beginning July 1, 2017) violated Authority Code section 9.12(b)(1). The claim also alleges: "the \$3.86 base fee, and \$7.70 premium amount of '100%' evidences violation of SDCRAA Code 9.12(b)(1), because 100% of \$3.86 is \$7.72, not \$7.70. Thus, SDCRAA Staff miscalculated the trip fees and imposed them in contravention of the trip fees set by the SDCRAA Board." The claim also alleges that the taxicab trip fees and fees to other modes "are all in violation of the California Constitution because they were imposed without a two-thirds vote of the electorate." KSAN seeks: "(1) immediate suspension of the SDCRAA staff's practice of illegal taxing and charging excess fees, (2) refund of illegal trip taxes and excess fees, (3) reduction of Ground Transportation charges, and (4) attorney's fees and costs."

The General Counsel has reviewed the claim and recommends its rejection.

Violation of Authority Code 9.12: Authority Code 9.12(b)(1) states: "Trip fees or any other fees and charges for a ground transportation service provider shall be set by resolution of the Board." In FY 2016, the Board adopted an annual operating budget and conceptually approved the FY 2018 conceptual budget. [Resolution No. 2016-0052]. The Board may ratify the \$2.90 trip fee for alternative fuel taxicabs for FY 2018 based on a finding that requiring the one cent trip fee change will result in additional cost to the taxicab operators. In addition, the change in the trip fee by one cent does not result in a material increase of fees to the taxicab operators or the Authority. Neither a \$2.90 fee nor a \$2.89 fee results in the Authority recovering its costs associated with ground transportation facilities at the Airport. The current fees charged to other modes are consistent with the Board's action in June, 2016 and no further action is required.

Illegal Tax: A review of the facts and actions taken by the Board and Authority staff reflect that the ground transportation fees were legally adopted both procedurally and substantively.

The Authority, acting through its Board, has plenary power to operate, regulate, oversee, and charge for the use of the Airport, including but not limited to the exercise of powers: (1) to govern the Authority [Cal. Pub. Util. Code §170013]; (2) to adopt and enforce rules and regulations for the administration, maintenance, operation, and use of its facilities and services [Cal. Pub. Util. Code §170016]; (3) to "assume all revenue stream revenues to fund its activities, operations, and investments consistent with its purposes" ... [which] ... may include, but are not limited to, imposing fees, rents, or other charges for facilities, services, the repayment of bonded indebtedness, and other expenditures consistent with the purposes of the authority". [Cal. Pub. Util. Code §170064(b)]; (4) "to maximize the revenues generated from enterprises located on the property of the authority". [Cal. Pub. Util. Code §170064 (c)]; (5) to "hold, enjoy, lease ... real and personal property within or outside its area of jurisdiction in order to further its purposes". [Cal. Pub. Util. Code §170038].

Under California Public Utilities Codes §§ 21690.5-21690.10 the state legislature has determined that: the proper operation of the state's publicly owned airports is essential to the welfare of the people of California; the operation of such airports is a governmental function to be discharged in the furtherance of the policy of securing the benefits of tourism and commerce for the state and its people. The statute further states that in managing its operation, publicly owned airports shall promote the development of commerce and tourism by doing the following:

"(a) securing a diversity of airport services; (b) avoiding wasteful duplication of such services; (c) securing to the users of airports, safe, courteous, and quality service; (d) limiting or prohibiting business competition which is destructive of the ends of promoting commerce and tourism in the state; (e) allocating limited airport resources to promote such ends; and (f) fostering California's image as a commercial and tourist center".

The Authority, under federal law and applicable grant assurances, is obligated to "maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible . . ."

Fiscal Impact:

Not applicable.

Authority Strategies:

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

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

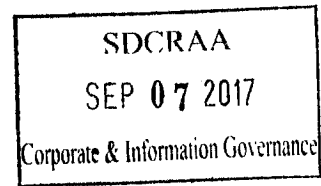
AMY GONZALEZ
GENERAL COUNSEL

MEMORANDUM

Date: September 7, 2017
To: Amy Gonzalez, General Counsel
cc: Mark Burchyett, Chief Auditor
Michael Schaefer, Manager, Insurance & Construction Risk
Vice Presidents
From: Ariel Levy Mayer, Assistant Authority Clerk I/Corporate & Information Governance
Subject: Claim CL-288 – Kamran Hamidi, K.S.A.N. L.L.C.

Attached please find the above referenced claim which was received by our office today, Thursday, September 07, 2017. We are forwarding it to you for further action.

If you have any questions, please telephone me at ext. 2550.



September 7, 2017

VIA HAND DELIVERY TO SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY CLERK

San Diego County Regional Airport Authority
3225 North Harbor Drive
Commuter Terminal, Third Floor
San Diego, California 92101

RE: K.S.A.N. L.L.C. vs. SDCRAA - FY 18 Claim - Illegal Trip Tax

Dear San Diego County Regional Airport Authority,

In order to obtain or exhaust administrative remedies in accordance with Cal. Gov. Code § 910 et seq., I would like to make the following claim for damages incurred by K.S.A.N. L.L.C. due to the violations of law by San Diego County Regional Airport Authority (SDCRAA) Ground Transportation management. This claim is presented in the format required in Cal. Gov. Code § 910 as follows:

- A. Cal. Gov. Code § 910(a): K.S.A.N. L.L.C. and as a class claim on behalf of all similarly situated radio service organizations, permit holders, & passengers, with whom K.S.A.N. L.L.C. (1) has a close relationship and (2) whom have difficulty asserting their own rights; P.O. Box 26221, San Diego, CA 92196;
- B. Cal. Gov. Code § 910(b): P.O. Box 26221, San Diego, CA 92196;
- C. Cal. Gov. Code § 910(c): Fiscal Year 2018: The circumstances occurred and are ongoing during the current SDCRAA 2018 Fiscal Year which began on July 1, 2017, and ends on June 30, 2018. K.S.A.N. L.L.C., at the directive of SDCRAA, sets the common rates of fare, which includes the SDCRAA trip fee, that SDCRAA permit holders collect from passengers and remit to SDCRAA. The circumstances occurred within the six month limitations period described in Cal. Gov. Code § 911.2.
- D. Cal. Gov. Code § 910(d): See Attachment.
- E. Cal. Gov. Code § 910(e): Ms. Kimberly Becker, Ms. Angela Shafer-Payne, Mr. Scott Brickner, Mr. Marc Nichols, Ms. Amy Gonzalez, Ms. Thella Bowens; Mr. Scott Brickner, SDCRAA Board, and public employees of SDCRAA involved in Ground Transportation management.
- F. Cal. Gov. Code § 910(f): Unlimited Civil Case.

June 30, 2017

SDATA L.L.C. vs. SDCRAA - Claim # 1 - FY 17 Illegal Trip Tax & Illegal Gift of Public Airport Revenues

Page 2 of 2

In order to mitigate damages and ensure a speedy resolution, I welcome outreach by the newly-appointed Chief Executive Officer, Ms. Kimberly J. Becker, and General Counsel, Ms. Amy S. Gonzalez, in order to settle this claim and resolve the many extreme errors in SDCRAA Ground Transportation management, for the benefit of the traveling public.

Thank you,

A handwritten signature in black ink, appearing to read "Kamran Hamidi". The signature is fluid and cursive, with the first name "Kamran" being larger and more prominent than the last name "Hamidi".

Kamran Hamidi

K.S.A.N. L.L.C.

khsd6920@gmail.com

(858) 692-6920

Attachment: Cal. Gov. Code § 910(d) Attachment: - Obligation & Damages Incurred

Attachment: Cal. Gov. Code § 910(d) Attachment: - Obligation & Damages Incurred

Section 9.12(b)(1) of the SDCRAA Code states: "Trip fees or any other fees and charges for a ground transportation service provider shall be set by resolution of the Board."

On June 13, 2016, the SDCRAA Board set two years of fees, which included the FY 2018 taxicab trip fee at \$2.89 per trip.

Vehicles Mode Trip Fee – FY 2018

Mode	FY 2018 Base User Fee	25% Incentive Plan Reduced User Fee	100% Incentive Plan Increased User Fee
Recoverable Modes			
Taxicabs	\$ 3.85	\$ 2.89	\$ 7.70
TNC ¹	2.25	1.68	4.49
Off-airport parking	1.89	1.41	3.77
Hotel / Motel shuttles ²	4,602	3,451	9,204
Limosines	1.89	n/a	n/a
Vehicles for hire	3.07	2.30	6.14

¹TNCs are not reporting converted vehicles and are paying premium user fees

²User fee based on permit fee; estimated vehicles in this mode total 71 vehicles



35

Nevertheless, since July 1, 2017, SDCRAA Staff has been and is still currently collecting \$2.90 per trip.

**Ground Transportation
Schedule of Fees
Fiscal Year 2018
July 1, 2017 - June 30, 2018**

Mode	BASE FEE	AFV 25% Incentive	Non-AFV - 100% Premium
CHARTER / LIMOUSINE ¹	\$180.00	N/A	N/A
COURTESY / HOTEL-MOTEL	\$1.89	\$1.41	\$3.77
OFF-AIRPORT PARKING	\$1.89	\$1.41	\$3.77
OFF-AIRPORT RENT-A-CAR ²	\$200.00	\$150.00	\$400.00
TAXICAB	\$3.86	\$2.90	\$7.70
TRANSPORTATION NETWORK COMPANY (TNC)	\$3.85	N/A	N/A
VEHICLE-FOR-HIRE	\$3.07	\$2.30	\$6.14

¹ Off-Airport Rent-A-Car and Charter/Limousine will remain with annual Permit Fee

² Charter/Limousine Permit Fees effective January 1, 2017 - December 31, 2017

³ TNC permit period effective February 1, 2017 - December 31, 2017

⁴ Must be an approved CAV/AFV

⁵ Subject to change



September 7, 2017

K.S.A.N. L.L.C. vs. SDCRAA - FY 18 Claim - **Attachment - Obligation and Damages Incurred**

Page 2 of 2

Thus, the current \$2.90 trip fee is in violation of SDCRAA Code Section 9.12(b)(1).

Additionally, the \$3.86 base fee, and \$7.70 "100% Premium" are in violation of SDCRAA Code Section 9.12(b)(1). Notably, the stated \$7.70 premium amount of "100%" evidences the violation of SDCRAA Code 9.12(b)(1), because 100% of 3.86 is \$7.72, not \$7.70. Thus, SDCRAA Staff miscalculated the trip fees and imposed them in contravention of the trip fees set by the SDCRAA Board.

Violations of California Constitution

Article 13C, Section 2(d) of the California Constitution states, "No local government may impose, extend, or increase any special tax unless and until that tax is submitted to the electorate and approved by a two-thirds vote." Article 13A, Section 4 states, "Cities, Counties and special districts, by a two-thirds vote of the qualified electors of such district, may impose special taxes on such district, except ad valorem taxes on real property or a transaction tax or sales tax on the sale of real property within such City, County or special district."

The current 2.90 taxicab trip fee, the \$3.86 taxicab base fee, and 7.70 taxicab "Non-AFV - 100% Premium," and the fees to other modes, such as the TNC fees which are tied the taxicab fees, are all in violation of the California Constitution because they were imposed without a two-thirds vote of the electorate.

Thus, the damages incurred are the excess trip fees and illegal taxes. The following relief is requested for damages incurred: (1) immediate suspension of SDCRAA staff's practice of illegal taxing and charging excess fees, (2) refund of illegal trip taxes and excess fees, (3) reduction in Ground Transportation charges, and (4) attorney's fees and costs.

RESOLUTION NO. 2017-0095

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY REJECTING THE CLAIM OF K.S.A.N.
L.L.C.

WHEREAS, on September 7, 2017, K.S.A.N. L.L.C. (“KSAN”) filed a claim with the San Diego County Regional Airport Authority (“Authority) alleging that: (1) the trip fees charged by taxicabs serving the airport in Fiscal Year 2018 (beginning July 1, 2017) violated Authority Code section 9.12(b)(1); (2) “the \$3.86 base fee, and \$7.70 premium amount of ‘100%’ evidences violation of SDCRAA Code 9.12(b)(1) , because 100% of \$3.86 is \$7.72, not \$7.70. Thus, SDCRAA Staff miscalculated the trip fees and imposed them in contravention of the trip fees set by the SDCRAA Board”; and (3) the taxicab trip fees and fees to other modes “are all in violation of the California Constitution because they were imposed without a two-thirds vote of the electorate”; and

WHEREAS, KSAN seeks: “(1) immediate suspension of the SDCRAA staff’s practice of illegal taxing and charging excess fees, (2) refund of illegal trip taxes and excess fees, (3) reduction of Ground Transportation charges, and (4) attorney’s fees and costs”; and

WHEREAS, the General Counsel has reviewed the claim and recommends its rejection; and

WHEREAS, on June 23, 2016, the Board approved and adopted the annual operating budget for Fiscal Year 2017 and conceptually approved the annual operating budget for Fiscal Year (FY) 2018; and

WHEREAS, the taxicab trip fees presented to the Board and included in the FY 2017 approved budget for alternative fuel vehicles was \$2.90; and

WHEREAS, the taxicab trip fees presented to the Board and included in the conceptually approved FY 2018 budget for alternative fuel vehicles was \$2.89; and

WHEREAS, Authority Code section 9.12 states, “[t]rip fees or any other fees and charges for a ground transportation service provider shall be set by resolution of the Board”; and

WHEREAS, the Authority is a party to three separate Memoranda of Agreement with companies that operate taxicabs at the Airport; and

WHEREAS, the MOAs provide a framework for the Authority and taxicab operators to address issues related to taxicab operations at the Airport; and

WHEREAS, in addition to the MOAs, the Authority and taxicab operators are parties to negotiated written agreements that govern the parties rights and responsibilities for operating at the Airport, the terms of which include the trip fee; and

WHEREAS, the taxicab operators raised concern with the amount of time and money required to change the taxicab trip fee on the meter from \$2.90 to \$2.89 and requested that the trip fee remain at \$2.90 for FY 2018; and

WHEREAS, in response to the concerns raised by the members of the MOAs, the Authority has continued to maintain the trip fee at \$2.90 for FY 2018; and

WHEREAS, the Board finds that taxicab operators will incur significant time and expense to change the trip fee on the meter from \$2.90 to \$2.89; and

WHEREAS, the Board finds that the Authority will incur expense in obtaining stickers for all taxicabs reflecting the one cent change in the trip fee; and

WHEREAS, when the FY 2018 taxicab trip fee was developed in early 2016, the number of taxicab trips was estimated at 841,000; and

WHEREAS, the number of actual taxicab trips since the beginning of FY 2018 [July 1, 2017] through August, 2017 is 98,000-- less than expected which results in fewer fees collected in FY 2018 than estimated if the trend continues; and

WHEREAS, a taxicab trip fee of \$2.89 or \$2.90 does not cover the Authority's costs related to facilities used by the taxicabs at the Airport; and

WHEREAS, the Authority, acting through its Board, has plenary power to operate, regulate, oversee, and charge for the use of the Airport, including but not limited to the exercise of powers: (1) to govern the Authority [Cal. Pub. Util. Code §170013]; (2) to adopt and enforce rules and regulations for the administration, maintenance, operation, and use of its facilities and services [Cal. Pub. Util. Code §170016]; (3) to "assume all revenue stream revenues to fund its activities, operations, and investments consistent with its purposes" ... [which] ... may include, but are not limited to, imposing fees, rents, or other charges for facilities, services, the repayment of bonded indebtedness, and other expenditures consistent with the purposes of the authority". [Cal. Pub. Util. Code §170064(b)]; (4) "to maximize the revenues generated from enterprises located on the property of the authority". [Cal. Pub. Util. Code §170064 (c)]; (5) to "hold, enjoy, lease, ... real and personal property within or outside its area of jurisdiction in order to further its purposes". [Cal. Pub. Util. Code §170038]; and

WHEREAS, under California Public Utilities Codes section 21690.5-21690.10, the state Legislature has determined that the proper operation of the state's publicly owned airports is essential to the welfare of the people of California; the operation of such airports is a governmental function to be discharged in the furtherance of the policy of securing the benefits of tourism and commerce for the state and its people; and that in managing its operation, publicly owned airports shall promote the development of commerce and tourism by doing the following: "(a) securing a diversity of airport services; (b) avoiding wasteful duplication of such services; (c) securing to the users of airports, safe, courteous, and quality service; (d) limiting or prohibiting business competition which is destructive of the ends of promoting commerce and tourism in the state; (e) allocating limited airport resources to promote such ends; and (f) fostering California's image as a commercial and tourist center"; and

WHEREAS, the Authority is required by Federal Grant Assurance 24 to maintain a fee and rental structure making the airport as self-sustaining as possible; and

WHEREAS, as consideration for the right to use Airport property for the operation of their businesses, taxicabs are required to pay a trip fee for each taxicab that enters onto and picks up a fare on Airport property; and

WHEREAS, the Board finds that the actions taken by the Board and Authority staff reflect that the ground transportation fees were legally adopted both procedurally and substantively;

WHEREAS, at its regular meeting on October 5, 2017, the Board considered the claim filed by K.S.A.N. L.L.C. and the report submitted to the Board, and found that the claim should be rejected.

NOW, THEREFORE, BE IT RESOLVED that the Board ~~REJECTS~~ REJECTS the claim of K.S.A.N. L.L.C.; and

BE IT FURTHER RESOLVED 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 is not a "development" as defined by the California Coastal Act (California Public Resources Code § 30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at its regular meeting this 5TH day of October, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Fiscal Year 2017 Annual Report from the Audit Committee

Recommendation:

The Audit Committee recommends that the Board accept the report.

Background/Justification:

The San Diego County Regional Airport Authority Act states that the board of directors shall appoint a seven member audit committee consisting of four members of the board of directors and three public members. Authority Policy Section 1.50 (5)(c)(ii) outlines the Audit Committee's composition, roles, responsibilities, and oversight practices.

The Board approved the Charter of the Audit Committee (initially titled *Audit and Performance Monitoring Committee*) on October 2, 2003. In accordance with the section of the Audit Committee Charter entitled "Authorities and Responsibilities", the Audit Committee shall annually provide a report to the Board covering how it discharged its duties and met its oversight responsibilities during the previous year.

The Audit Committee Annual Report for the period July 1, 2016, through June 30, 2017, is presented as Attachment A. The Audit Committee reviewed the report during the September 11, 2017, Audit Committee meeting and voted unanimously to forward it to the Board.

Fiscal Impact:

Adequate funding for the Office of the Chief Auditor is included in the adopted Fiscal Year 2018 and the conceptually approved Fiscal Year 2019 Operating Expense Budgets.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not Applicable

Prepared by:

MARK A. BURCHYETT
CHIEF AUDITOR

Board Members

C. April Boling
Chairman

Greg Cox
Jim Desmond
Robert H. Gleason
Jim Janney
Mark Kersey
Paul Robinson
Michael Schumacher
Mary Sessom

September 11, 2017

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

Dear. Ms. Boling:

The annual report from the Audit Committee for Fiscal Year 2017 is respectfully provided to the San Diego County Regional Airport Authority Board.

The Audit Committee convened four times during Fiscal Year 2017 on the meeting dates listed below. The meeting minutes for these public sessions are on file with the Clerk of the Board and can also be found on the San Diego International Airport website www.san.org.

- September 6, 2016 – *Regular Meeting*
- November 21, 2016 – *Canceled Due to Lack of Quorum*
- December 5, 2016 – *Special Meeting*
- February 13, 2017 – *Regular Meeting*
- May 15, 2017 – *Regular Meeting*

During Fiscal Year 2017, the Authority's financial records were audited by BKD, LLP, for a second year. As part of the Audit Committee's financial oversight, the Committee Chair met with a BKD partner, as requested, when the firm's management inquiries were conducted. The Audit Committee reviewed and approved the Fiscal Year Ended June 30, 2016, audited financials during its December 5, 2016, special meeting, which included the following reports:

- Audited Financial Statements
- Compliance (single audit) Report
- Passenger Facility Charge (PFC) Compliance Report
- Customer Facility Charge (CFC) Compliance Report
- Report to the Audit Committee
- 2016 Comprehensive Annual Financial Report (CAFR)

The Audit Committee continued to monitor the performance of the San Diego County Regional Airport Authority, in part, by informational reports provided by the Office of the Chief Auditor (OCA). The Audit Committee reviewed, approved, or received as information,

RE: Annual Report
from the Audit
Committee

Page 2 of 2

the following reports and presentations submitted by the OCA during Fiscal Year 2017:

- Fiscal Year 2016 Annual Report of the Office of the Chief Auditor
- Fiscal Year 2017 Quarterly Reports and corresponding audit recommendations
- Audit Reports issued during Fiscal Year 2017, totaling 35
- Recommendations issued during Fiscal Year 2017, totaling 17
- Fiscal Year 2018 Audit Plan and Proposed Budget for the Office of the Chief Auditor
- Construction Audit Updates
- Ethics Program and Confidential Hotline Updates
- Public Employee Performance Evaluation Goal Setting for the Chief Auditor

The Board Members and the three Public Members who comprise the Audit Committee have a demonstrated expertise that continues to provide monitoring, scrutiny, and care, in performing the responsibilities they hold.

Sincerely,



Paul Robinson
Audit Committee Chair

PR/MAB/sro

cc: SDCRAA Board Members
SDCRAA Audit Committee Members
Kimberly J. Becker, President/CEO

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Fiscal Year 2017 Annual Audit Activities Report from the Office of the Chief Auditor

Recommendation:

The Audit Committee recommends that the Board accept the report.

Background/Justification:

The Charter of the Office of the Chief Auditor was instituted by Board approval on October 2, 2003, establishing the role and the requirements of the Office of the Chief Auditor (OCA). The Charter outlines the working relationship and responsibilities of the Chief Auditor to the Audit Committee and to Authority management.

As directed in the Charter, the Chief Auditor shall annually report to the Board pertaining to audits completed, findings, corrective actions, and the implementation status on recommendations. The Fiscal Year 2017 Annual Report was submitted to the Audit Committee by the Office of the Chief Auditor during a regular meeting of the Audit Committee on September 11, 2017.

The annual report provides an account of OCA activities and accomplishments for Fiscal Year 2017, features comprehensive details on all recommendations issued and completed, provides the status on recommendations that are still pending, and furnishes a projection of the audits planned for Fiscal Year 2018.

During its September 11 meeting, following discussion of several auditing activities, the Audit Committee voted unanimously to forward the Office of the Chief Auditor's Fiscal Year 2017 Annual Report (Attachment A) to the Board for acceptance.

Fiscal Impact:

Adequate funding for the Office of the Chief Auditor is included in the adopted Fiscal Year 2018 and the conceptually approved Fiscal Year 2019 Operating Expense Budgets.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not Applicable

Prepared by:

MARK A. BURCHYETT
CHIEF AUDITOR

FISCAL YEAR 2017 ANNUAL REPORT



August 28, 2017

Fiscal Year 2017 Annual Report

Paul Robinson, Chair
Audit Committee
San Diego County Regional Airport Authority
P.O. Box 82776
San Diego, California 92138-2776

Dear Mr. Robinson:

The Office of the Chief Auditor (OCA) presents our Annual Report for Fiscal Year 2017. The report details the audit and administrative activities of the Office, the resolution of past audit findings, and highlights the Fiscal Year 2018 Audit Plan.

Fiscal Year 2017 was another productive year for the OCA that included:

- Issuance of 35 audit reports
- Continued construction audit activities
- Supervision of the Ethics Program

In all, the Office of the Chief Auditor continues to aspire to be an effective, diligent, contributor to the optimization of the San Diego County Regional Airport Authority.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Mark A. Burchyett". The signature is fluid and cursive, with a long horizontal stroke at the end.

Mark A. Burchyett
Chief Auditor

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Audit Activities

The Office of the Chief Auditor's (OCA) Fiscal Year 2017 internal audit plan had three (3) categories of audits: 1) Business Process Audits, 2) Expense Contract Audits, and 3) Revenue Contract Audits. Additionally, there are specific annual ongoing audits and support duties that are apportioned within the audit plan. The Annual Audit Plan for Fiscal Year 2017 (see Appendix A) included 36 planned audits. Also incorporated within the Fiscal Year 2017 plan were six (6) audits carried over from the Fiscal Year 2016 audit plan that were not completed during that fiscal year.

In total during FY17, the OCA issued 35 final audit reports, including twelve (12) during the fourth quarter. Additionally, the OCA had numerous audits that were nearing completion at the end of the 4th quarter, including six (6) draft audit reports that had been sent to the affected departments for review and comment or had completed field work and were in the report writing stage. From the completed audit reports, we issued a total of 17 recommendations. (See Page 3, Table 2: Status of Recommendations Issued in Fiscal Year 2017).

Table 1: Total Reports Issued by the Office of the Chief Auditor in Fiscal Year 2017

Quarter	Audits Issued	Recommendations Issued
1 st	11	5
2 nd	6	5
3 rd	6	4
4 th	12	3
Total	35	17

Below are highlights from the OCA audits completed during the fiscal year.

Business Process Audits

The OCA issued nine (9) business process audit reports during this fiscal year. This category included audits where the OCA reviews the operations of an entire Authority department, as well as conducts reviews of selected processes or projects that may span multiple Authority functions. Significant projects within this category included our annual audit of the Procurement Card Program, a review of controls within the Airport Development & Construction Department, and an audit of the San Diego International Airport's Lost and Found. Each of these audits identified potential improvements to the Authority's processes to mitigate certain identified risks.

Expenditure Contract Audits

Included within this category are audits of consulting, service, and construction contracts. During Fiscal Year 2017 the OCA completed 13 expenditure contract audits. In these audits the OCA ensures that the contracts adhere to Authority policies, follow industry best practices, and that internal controls have been established and are working properly. Generally, these audits review the procurement process for the contracts, contract monitoring, and expenditures resulting from the contracted activities. Of note, the OCA completed audits of Austin/Sundt and AMEC Environmental and Infrastructure Inc. Additionally, the annual audits of the Port District Billings and Aircraft Rescue and Fire Fighting Expense Billings are included within this category.

Revenue Contract Audits

This category includes audits of entities that provide some form of revenue to the Authority, with the OCA completing a total of 13 revenue audits for the fiscal year. Revenue audits include reviews of airline landing fees, airline services, car rental agencies, and concessions. Audits completed this fiscal year included Enterprise Rent-A-Car Company of Los Angeles, LLC, High Flying Foods, and Duty Free Americas San Diego LLC.

In Progress Audits

In Fiscal Year 2017, the OCA tried to maintain a steady pace of activity, yet did not fully complete all planned audits for the year. Specifically, as of June 30, 2017, the following audits had been sent to the audited departments as Draft audit reports:

- Ace Parking Management, Inc.
- Host International Inc. (FSP 1)
- Paradies - San Diego LLC (RP1)
- Property and Inventory Management
- Telecommunications Services and Billing
- The Hertz Corporation

Each of the above audits should be completed within the 1st Quarter of Fiscal Year 2018.

Audit Follow-Up

The OCA tracks the number of recommendations issued in audit reports and their implementation status. Tracking the status of recommendations was completed through regular inquiries made to the audited departments or to the owners of specific recommendations. These inquiries allow the OCA to determine how many recommendations have been completed, as well as to obtain the status of the recommendations in progress.

In Fiscal Year 2017, the OCA issued a total of 17 recommendations, of which 13 are fully implemented. Table 2 below gives an overview of recommendations issued by the OCA during the fiscal year. Detailed descriptions of the recommendations unresolved as of June 30, 2017, are provided in Appendix B; and, Appendix C details all recommendations completed in Fiscal Year 2017.

Table 2: Status of Recommendations Issued in Fiscal Year 2017

Quarter	Recommendations				
	Issued	Completed ¹	In-Progress ²	Open ³	Not Accepted
1 st	5	4	1	0	0
2 nd	5	4	1	0	0
3 rd	4	3	1	0	0
4 th	3	2	1	0	0
Total	17	13	4	0	0

In addition to the recommendations issued in Fiscal Year 2017, the OCA continued to track the status of recommendations issued in prior fiscal years. In total, the OCA tracked nine (9) recommendations issued prior to this fiscal year and not fully complete as of June 30, 2016. As of June 30, 2017, eight (8) of those recommendations have been implemented and only one (1) was in process.

Table 3 below shows the status of recommendations outstanding in Fiscal Year 2017 along with the expected completion timeframe.

Table 3: Status of Recommendations with Estimated Implementation Timeframe

Estimated Completion Timeframe	Completed Within Estimate	Completed Outside Estimate	Outstanding	Total
Zero to 6 Months	13	1	1	15
6 Months to 1 Year	5	0	3	8
Over 1 Year	1	1	1	3
Total	19	2	5	26

¹ Includes recommendations that the OCA had determined to be completed.

² Includes recommendations that are not fully completed but action has been taken.

³ Includes recommendations where corrective action has not yet begun.

Non-Audit Activities

The OCA had numerous non-audit activities during Fiscal Year 2017, which are described below. For Fiscal Year 2018, the OCA will continue its activities in support of the Authority and the Board.

Training

The OCA informally complies with the continuing professional education (CPE) requirements issued by The Institute of Internal Auditors' "red book" and the U.S. General Accounting Office's "yellow book". Additionally, staff must meet the CPE requirements of the various professional certifications they may hold. During the fiscal year staff completed numerous training courses including:

- Attendance at The Institute of Internal Auditors (IIA) Fraud Seminar
- Attendance at an IDEA software training course regarding data mining, sponsored by Audimation Services, Inc.
- Attendance at the Association of Airport Internal Auditors (AAIA) 28th Annual Conference

Additionally, staff completed or attended webinars and self-study courses in order to meet their minimum CPE requirements; while doing so in a cost efficient manner and to limit travel costs and time.

Audit Committee Support

During Fiscal Year 2017, the Audit Committee met four (4) times, which occurred on:

- September 6, 2016
- December 5, 2016
- February 13, 2017
- May 15, 2017

Before each regular meeting of the Audit Committee the OCA coordinated all activities relating to agenda preparation and materials required.

Staffing

During the fiscal year the OCA continued to use graduate level interns to augment staff following a previous auditor's exit. Two new interns were hired in January, have been trained, and are currently contributing to the department.

Performance Measures

Each fiscal year the OCA develops and tracks performance measures to gauge the progress and success of the office. For Fiscal Year 2017, the OCA developed five (5) separate measures that could be used to evaluate OCA performance. Table 4 below outlines the OCAs performance against the selected measures.

Table 4: Status of Performance Measures as of June 30, 2017

Performance Measure	Goal	Progress as of June 30, 2017
Percentage of the audit plan completed annually	100%	83%
Additional revenue/cost savings identified through audits	n/a	\$1,025,573
Percentage of staff time spent on audit activities	80%	84%
Percentage of audits completed within budgeted time	80%	86%
Implementation of Recommendations	90%	81%

The measures are detailed below along with further explanation of the OCAs performance for the fiscal year:

Percentage of the audit plan completed annually: This measure provides information on the number of audits accomplished of those planned for the year. For the year, the OCA completed 83% of the Fiscal Year 2017 audit plan. Specifically, 35 out of 42 audits were finalized as issued audit reports. Additionally, there were six (6) audits that were either draft reports that were awaiting review and comment from the audited departments or in the report writing process. If these reports are included in the completed audits total, progress on the Fiscal Year 2017 audit plan is 98%.

Additional revenue/cost savings identified through audits: While the value of an audit cannot be adequately assessed by this performance measure, it does provide quantifiable values for completed audits. More important is probably whether the amount of identified additional revenue and cost savings is realized by the Authority. While that total is also tracked and monitored by the OCA, it is highly dependent on circumstances outside the control of the OCA, and therefore, it does not make a good measure of the efficiency and effectiveness of the department. For the year, the OCA identified over \$1,025,573 in new revenue, as shown in Table 5 below.

Table 5: Schedule of Additional Revenue and Cost Savings Identified through Audit Activity

Audit Report Number	Title	Amount Identified	Amount Collected
17035	San Diego Unified Port District Billing	\$643,757 ⁴	\$0
17019	Fox Rent A Car, Inc.	193,283	0
17017	Avis Budget Car Rental, LLC	\$86,905	86,905
17029	Aircraft Rescue and Fire Fighting (ARFF) Expense Billings – Fiscal Year 2016	55,122	55,122
16028	Duty Free Americas San Diego, LLC	39,592	39,592
17023	Gate Gourmet	3,710	3,710
17008	SP Plus Corporation	3,204	3,204
Total		\$1,025,573	\$188,533

Percentage of staff time spent on audit activities: This measure helps ensure that the OCA spends an adequate amount of time on audit activities rather than administrative activities. For Fiscal Year 2017, the OCA was well over our goal of 80% percent. This goal is the cumulative percentage of the target utilization for all audit staff.

Percentage of audits completed within budgeted time: This category monitors how efficient audit staff is in performing their audits. Specifically, audit staff is held accountable to the internally prepared audit budgets for each project. However, it does recognize that budgets may need adjustment(s) as additional facts become known during an audit. In Fiscal Year 2017, the OCA completed 86 percent of its audits within the budgeted time.

Implementation of Audit Recommendations: This category helps to evaluate the quality of the findings and recommendations issued by the OCA. Additionally, it helps hold the OCA accountable for the quality of the recommendations issued. For the year, 81% of the recommendations have been implemented, which is under our goal. However, as shown by Table 6, the recommendations are consistently completed as time proceeds.

⁴ The amount included here represents the reduction in amount owed the Port for FY16 under billings that was identified through the audit. The Authority has not yet reimbursed the Port District.

Table 6: *Percentage of Recommendations Completed*

Recommendation Origination	Recommendation				
	Tracked	Completed	Not Accepted	Outstanding	% Completed
Carryover	9	8	0	1	89%
1 st Quarter	5	4	0	1	80%
2 nd Quarter	5	4	0	1	80%
3 rd Quarter	4	3	0	1	75%
4 th Quarter	3	2	0	1	66%
Total	26	21	0	5	81%

See Appendix F for a detailed listing of the OCA performance measures for the past five (5) Fiscal Years.

Construction Audit Activities

Throughout Fiscal Year 2017, the OCA continued its Construction Audit activity separate from its Annual Audit Plan. The OCA Construction Auditor completed the audit of Process Control – Airport Development & Construction Department (ADC) as part of the Fiscal Year 2017 OCA Audit Plan. Working closely with the ADC staff to review their procedures and the controls surrounding their processes is beneficial to both the OCA and ADC team.

To gain an understanding of the pre- and post-GMP processes and internal controls over payments for the Parking Plaza and the Federal Inspection Services (FIS) Facility, the OCA Construction Auditor attended payment application meetings with Swinerton Builders and Turner-PCL, a Joint Venture, as part of the Construction Audit Activity during Fiscal Year 2017. The knowledge and understanding of the internal controls in place over the construction activities and the payment approval processes gained at these meetings will assist the OCA team in the future audit of these construction contracts. The OCA Construction Auditor is currently in the final phase of auditing the close out of the Green Build project and the related contracts with the two joint ventures, Turner/PCL/Flatiron and Kiewit/Sundt.

Through attendance at the Capital Improvement Committee meetings, Development Program meetings, various stakeholders meetings, and other construction planning related meetings; and working closely with members of the Accounting and Business & Financial Management Departments, the OCA Construction Auditor continues to provide assistance in ensuring that the Authority is meeting compliance requirements for ongoing and planned projects. Additionally, the OCA Construction Auditor remains involved with issues identified by the Airport Design and Construction team, Facilities Development team, and Authority Management, providing assistance and attending meetings specific to the aspects of the Authority's construction activity.

Ethics Program Activities

The OCA continues to run the Authority Ethics Program and confidential hotline system. During Fiscal Year 2017, four reported items warranted further investigation into potential Code of Ethics violations. Three issues were resolved without a finding; the fourth is still under investigation. The Ethics Officer continues to receive, and respond to, numerous employee-related concerns as well. The two areas that continue to surface are workplace practices and equitability; perceived inequities between departments and within departments. See Appendix E, Ethics Hotline Call Summary, for a complete summation of calls received during Fiscal Year 2017.

During the Fiscal Year, the Senior Auditor in charge of the Ethics Compliance Program developed a new ethics training program and presented it to all departments of the Authority from October 2016 through May 2017. A total of 388 employees received this training. Following the training roll-out, there was an increase in both reports and requests for clarification from Authority personnel. Additionally, the ethics training program provided to new Authority employees, through the Learning Management System, was updated to ensure compliance with the Ethics Codes and to reflect the training program presented to all employees.

Fiscal Year 2018 Projection

The Audit Committee approved the Fiscal Year 2018 Audit Plan during its May 15, 2017, meeting. Before commencing work on the Fiscal Year 2018 Audit Plan (Appendix D), the OCA will complete the outstanding audits from Fiscal Year 2017. Specifically, in the 1st Quarter of Fiscal Year 2018, the OCA plans to complete the following 14 audits, which includes the rollover audits from the previous fiscal year.

- Ace Parking Management, Inc.
- Agreements with Expenditures Limits < \$100,000
- Board Member and Executive Business Expenses
- BW-Budget-SDA, LLC
- Environmental Compliance
- Host International Inc. (FSP 1)
- Mission Yogurt, Inc. (FSP 4)
- Network Security Electronics, Inc.
- Paradies - San Diego LLC (RP1)
- Property and Inventory Management
- Smarte Carte, Inc.
- Swinerton Builders
- Telecommunications Services and Billing
- The Hertz Corporation

Completion of the above audits will result in 32% of the Fiscal Year 2018 audit plan accomplished. Throughout Fiscal Year 2018, the OCA will continue conducting audits from the audit plan, including any special requests that may be approved by the Audit Committee.

Appendix A – Fiscal Year 2017 Audit Plan

San Diego County Regional Airport Authority Office of the Chief Auditor Fiscal Year 2017 Audit Plan

BUSINESS PROCESS AUDITS

- 1 Telecommunications Services and Billing
- 2 Process Control - Airport Development & Construction
- 3 Property and Inventory Management
- 4 Airport Lost and Found
- 5 Environmental Compliance

EXPENSE CONTRACT AUDITS

- 6 Austin/Sundt
- 7 AECOM Technical Services, Inc.
- 8 AMEC Environmental and Infrastructure, Inc.
- 9 Orion Construction Corporation
- 10 Jones Payne Group
- 11 Hearne Corporation
- 12 Bradford Airport Logistics
- 13 HSS, Inc.
- 14 SP Plus Corporation

REVENUE CONTRACT AUDITS

- 15 Enterprise Rent A Car Company (Enterprise, Alamo, National)
- 16 ~~Coronado Transportation System~~ (Revised 9/6/16)
- 17 Avis Rent A Car Systems LLC
- 18 The Hertz Corporation
- 19 Fox Rent A Car
- 20 Ace Parking
- 21 Airline & Others (Ogden Aviation)
- 22 JCDecaux, Inc.
- 23 Gate Gourmet Inc.
- 24 High Flying Foods San Diego (FSP 8)
- 25 Host International Inc. (FSP 1)
- 26 Swissport Lounge LLC
- 27 Spa Didacus Inc. (RP 5)
- 28 High Flying Foods San Diego (FSP 7)
- 29 Paradies - San Diego LLC (RP1)

ANNUAL ONGOING AUDITS AND SUPPORT

- 30 Aircraft Rescue and Fire Fighting (ARRF)
- 31 Board Member and Executive Business Expenses
- 32 Rental Car Center Fund
- 33 Procurement Card Program
- 34 Agreements with Expenditure Limits Not to Exceed \$100,000
- 35 Transportation Network Company Reviews and Assistance
- 36 Emergency Medical Technician & Paramedic Services
- 37 San Diego Unified Port District Billing
- 38 Special Request Audits
 - Pneuma dba Ace Rent A Car
- 39 ETHICS PROGRAM ACTIVITY
- 40 CONSTRUCTION AUDIT AND MONITORING ACTIVITY

Appendix B – Status of OCA Recommendations

The following recommendation implementation report contains the status of recommendations from OCA audits that remained unresolved as of the 4th Quarter of Fiscal Year 2017. In general, the OCA is satisfied with the progress that Authority departments are currently making with the implementation, as based upon our inquiries during the tracking process.

Within this report, the recommendations are classified in four ways:

1. **Completed:** This designation is used for recommendations that the OCA has determined to be adequately completed.
2. **In Progress:** These recommendations have been partially addressed or partial corrective action has been taken.
3. **Open:** This category of recommendations have not yet been addressed. Often, this designation is used when there has not been adequate time between report issuance and recommendation follow-up.
4. **Not Accepted by Auditee:** This designation is used for recommendations that an auditee does not accept and, therefore, will not implement. This category can represent a failing on the part of the OCA, as all recommendations should be workable and acceptable to the affected departments. The OCA will strive to ensure that only workable and acceptable recommendations are issued in future audits.

Rec. No.	Department Name	Audit Report Description	Risk Score	Risk	Recommendation	Status as of June 30, 2017	OCA's Assessment	Estimated Completion Date
16-07	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 16020, dated June 14, 2016, Midway Rent A Car, Inc.	18	Impact: 9 Probability: 9	The Business and Financial Management Department should request that the Accounting Department issue an invoice to Midway in the amount of \$435,783, for the underpayment of license fees due to the reclassification of non-airport revenue to airport revenue.	Following a meeting with Authority staff an agreement with Midway was reached and a payment of \$150,000 received.	Completed	N/A
17-17	ACCOUNTING DEPARTMENT	Audit Report 17035, dated June 14, 2017, San Diego Unified Port District Billings - Fiscal Year 2016	18	Impact: 10 Probability: 8	We recommend that the Accounting Department notify Port staff concerning the Fiscal Year 2016 under-billing for Harbor Police Department services, and determine the most appropriate method for the Authority to remit the additional \$887,148 owed to the Port. In addition, the Port should frequently analyze all actual and estimated billings, especially overhead and allocated burden, and update the Accounting and the Aviation Security & Public Safety Departments of any notable expense variance, to avoid significant year-end adjustments.	The Accounting Department has notified the Port of the underpayment and Port staff are currently preparing an invoice to be issued to the Airport Authority.	In Progress	September 30, 2017
17-16	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17018, dated May 30, 2017, Fox Rent A Car, Inc.	16	Impact: 9 Probability: 7	We recommend that the Business and Financial Management Department request that the Accounting department issue an invoice to Fox in the amount of \$193,283 for the net underpayment of concession fees.	Fox has been invoiced and payment is expected by end of August.	Completed	N/A
17-11	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17027, dated February 7, 2017, Spa Didacus, Inc.	15	Impact: 7 Probability: 8	The Business and Financial Management Department should develop a control to ensure that the completed Certification of Capital Investment, the related depreciation schedule, and proper supporting documentation, are received from every concessionaire as required by the Lease.	We are working on an improved process with FDD to address the findings.	In Progress	2nd Quarter FY18
16-08	PROCUREMENT DEPARTMENT/ AUTHORITY MANAGEMENT	Audit Report 16001, dated June 21, 2016, Contract Management	11	Impact: 6 Probability: 5	Authority Management should ensure that a complete formal contract management procedure manual is in place in all departments to ensure compliance with Board policies, consistent practices, and proper internal controls. Manuals should be reviewed and updated as needed, on a regular basis, preferably at least every two years.	Internal training on "Procurement and Contract Management" took place on April 13, 2017. A draft of the new manual should be ready for review by September 2017.	In Progress	October 2017

NOTE: Risk Score is based upon the combined scores of Impact and Probability. Both Impact and Probability are ranked on a scale of 1-10, with maximum possible scores (highest risk) of 10, and a maximum possible combined score of 20.

Rec. No.	Department Name	Audit Report Description	Risk Score	Risk	Recommendation	Status as of June 30, 2017	OCA's Assessment	Estimated Completion Date
17-10	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17017, dated November 17, 2016, Avis Budget Car Rental, LLC	11	Impact: 6 Probability: 5	We recommend that the Business and Financial Management Department develop a process to ensure that the Use & Occupancy Permit fixed rent is adjusted every July 1 of each calendar year using the Consumer Price Index, and determine if the underpayment of \$1,475 should be collected retroactively.	Progress is on-going. Continuing efforts to verify, capture, and automate critical dates with Accounting.	In Progress	2nd Quarter FY18
17-14	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17023, dated March 28, 2017, Gate Gourmet, Inc.	11	Impact: 6 Probability: 5	We recommend that the Business and Financial Management Department notify Gate Gourmet that discounts should not be deducted from monthly gross revenues, unless the discounts are given to the airlines during the same month.	Gate Gourmet was notified via written correspondence in April 2017.	Completed	N/A
17-13	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17023, dated March 28, 2017, Gate Gourmet, Inc.	10	Impact: 5 Probability: 5	We recommend that the Business and Financial Management Department request the Accounting Department to issue an invoice to Gate Gourmet in the amount of \$3,710 for the underpayment of license fees.	Payment in full received in May 2017.	Completed	N/A
17-15	AVIATION SECURITY & PUBLIC SAFETY DEPARTMENT	Audit Report 17034, dated May 16, 2017, Emergency Medical Technician-Paramedic Services Expense for Fiscal Year 2016	10	Impact: 5 Probability: 5	The Aviation Security & Public Safety Department should confer with the City of San Diego to identify the best method to remit the \$26,571 underpayment.	The amount due the City was paid at the end of May.	Completed	N/A
17-01	ACCOUNTING DEPARTMENT	Audit Report 15004, dated July 11, 2016, Business and Travel Expenses	9	Impact: 5 Probability: 4	The Accounting Department should continue with their current review activities, but, consider reminding employees of the need for President/CEO approval of in-town meals with contractors, proper use of P-cards when holding hotel room reservations, and of the requirement for submitting reimbursement of unused travel advances.	The recommendations have been integrated in to the 2017 Annual Employee Business and Travel Expense training in LMS, which is currently in final review and will be submitted to the Office of the Chief Auditor prior to being released.	In Progress	August 31, 2017

NOTE: Risk Score is based upon the combined scores of Impact and Probability. Both Impact and Probability are ranked on a scale of 1-10, with maximum possible scores (highest risk) of 10, and a maximum possible combined score of 20.

Appendix C – Recommendations Completed in Fiscal Year 2017

The following report provides a detailed list of all recommendations that were completed during Fiscal Year 2017.

Rec. No.	Department Name	Audit Report Description	Risk Score	Risk	Recommendation	Date Completed
17-02	RISK MANAGEMENT DEPARTMENT	Audit Report 16021, dated July 11, 2016, Airport Terminal Services, Inc.	16	Impact: 8 Probability: 8	The Risk Management Department should request ATS to provide a current certificate of insurance, and verify that the insurance limits comply with all requirements set forth within the License Agreement with the San Diego County Regional Airport Authority.	September 30, 2016
15-19	PROCUREMENT DEPARTMENT	Audit Report 15037, dated May 18, 2015, Procurement Card Program	15	Impact: 8 Probability: 7	Procurement should ensure that a fully trained backup is performing the full duties and responsibilities of the P-Card Program Analyst during extended absences. A formal training manual should be created and updated annually to address any new procedures or issues noted in the preceding year. The manual can then be used by the backup person to provide the annual training if the P-Card Analyst is not available.	September 30, 2016
17-04	AVIATION SECURITY & PUBLIC SAFETY DEPARTMENT	Audit Report 17011, dated August 26, 2016, HSS, Inc.	14	Impact: 7 Probability: 7	The Aviation Security & Public Safety Department should ensure that contract management and monitoring procedures include requiring HSS to submit a "schedule of billing details" with each invoice detailing the names, positions, date of work, hours worked, work performed (posts), compensation requested and the basis of calculation (rate), as required by the Agreements and to support the amounts billed. AVSEC/PS should perform verification between the information on the "schedule of billing details" and on the invoice to ascertain their consistency, and if any variance arises, require HSS to provide a description or an explanation of the variance, and make the necessary corrections on the invoice. A random verification of names, positions, and posts, should also be completed by AVSEC/PS to ensure that names, positions, and posts of the HSS employees invoiced are accurate.	September 30, 2016
16-06	AVIATION SECURITY & PUBLIC SAFETY DEPARTMENT	Audit Report 16039, dated June 7, 2016, Emergency Medical Technician-Paramedic Services - Expense for FY15	12	Impact: 6 Probability: 6	The Aviation Security & Public Safety Department should confer with the City of San Diego to identify the best method to remit the \$37,946 underpayment.	September 30, 2016

Rec. No.	Department Name	Audit Report Description	Risk Score	Risk	Recommendation	Date Completed
17-03	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 16028, dated August 24, 2016, Duty Free Americas San Diego, LLC	11	Impact: 6 Probability: 5	The Business & Financial Management Department (BFM) should request that the Accounting Department generate an invoice for Duty Free Americas for the \$39,592 underpayment. Additionally, BFM should calculate and invoice Duty Free Americas for any underpaid rent due to the incorrect MAG during the months following the audit period.	September 30, 2016
17-05	AVIATION SECURITY & PUBLIC SAFETY DEPARTMENT	Audit Report 17011, dated August 26, 2016, HSS, Inc.	10	Impact: 6 Probability: 4	Aviation Security and Public Safety (AVSEC/PS) should ensure that their contract management and monitoring procedures include a requirement for HSS to revise their invoice to include the certification declaration and signature block at the end of the billing statement or invoice.	September 30, 2016
16-03	INFORMATION & TECHNOLOGY SERVICES DEPARTMENT	Audit Report 16005, dated February 29, 2016, Information Technology Monitoring and Evaluation	12	Impact: 6 Probability: 6	Information & Technology Services Department should take immediate measures to identify and protect data and systems by implementing comprehensive IT Cybersecurity policy.	December 31, 2016
17-06	GROUND TRANSPORTATION DEPARTMENT	Audit Report 17008, dated October 14, 2016, SP Plus Corporation	9	Impact: 5 Probability: 4	Ground Transportation (GT) should request that the Accounting Department bill SP Plus \$3,204 for reimbursement of administrative fees not allowed by the contract. Additionally, GT should take steps to ensure that disallowed fees and expenses are not included in future payments to SP Plus.	December 31, 2016
17-07	GROUND TRANSPORTATION DEPARTMENT	Audit Report 17008, dated October 14, 2016, SP Plus Corporation	8	Impact: 5 Probability: 3	For future Additional Services requests, Ground Transportation should require SP Plus to provide a detailed work-plan with a not-to-exceed budget for review and approval by the Authority. In addition, Ground Transportation should ensure that a Notice to Proceed is issued to SP Plus before any additional services are performed or provided.	December 31, 2016

Rec. No.	Department Name	Audit Report Description	Risk Score	Risk	Recommendation	Date Completed																																				
17-08	GROUND TRANSPORTATION DEPARTMENT	Audit Report 17008, dated October 14, 2016, SP Plus Corporation		Impact: Probability:	Ground Transportation should ensure that their contract management and monitoring procedures include a requirement to review and confirm that the monthly odometer readings are accurate by matching the prior month-ending odometer readings to the current month-starting odometer readings. To further check the accuracy of the odometer readings, Ground Transportation should randomly, on a monthly or quarterly basis, check and note the actual end of the month-ending odometer readings of the shuttle vehicles to ascertain the accuracy of the readings submitted by SP Plus. In addition to this, Ground Transportation should also require SP Plus to include in their invoices the deadhead miles per shuttle vehicle to properly account for the difference between elapsed miles, or the total miles less in-service miles.	December 31, 2016																																				
16-04	INFORMATION & TECHNOLOGY SERVICES DEPARTMENT	Audit Report 16005, dated February 29, 2016, Information Technology Monitoring and Evaluation	17	Impact: 9 Probability: 8	Information & Technology Services Department should implement a proactive and systematic program for evaluating and monitoring compliance to IT cybersecurity policies.	March 31, 2017																																				
15-31	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 16018, dated December 23, 2015, DTG Operations, Inc., dba Thrifty and Dollar	14	Impact: 7 Probability: 7	<p>Business and Financial Management should request that Accounting generate an invoice to DTG in the amount of \$35,847, as detailed below:</p> <table border="1"> <thead> <tr> <th colspan="4"><i>License Fee and CFC Recalculation</i></th> </tr> <tr> <th></th> <th>Dollar</th> <th>Thrifty</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Finding 1</td> <td></td> <td></td> <td></td> </tr> <tr> <td>License Fees</td> <td><\$12,383></td> <td><\$4,449></td> <td><\$16,832></td> </tr> <tr> <td>Finding 2</td> <td></td> <td></td> <td></td> </tr> <tr> <td>CFC</td> <td><2,052></td> <td>18,011</td> <td>15,959</td> </tr> <tr> <td>Finding 3</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Non-Airport</td> <td><u>27,476</u></td> <td><u>9,244</u></td> <td><u>36,720</u></td> </tr> <tr> <td>Total</td> <td>\$13,041</td> <td>\$22,806</td> <td>\$35,847</td> </tr> </tbody> </table>	<i>License Fee and CFC Recalculation</i>					Dollar	Thrifty	Total	Finding 1				License Fees	<\$12,383>	<\$4,449>	<\$16,832>	Finding 2				CFC	<2,052>	18,011	15,959	Finding 3				Non-Airport	<u>27,476</u>	<u>9,244</u>	<u>36,720</u>	Total	\$13,041	\$22,806	\$35,847	March 31, 2017
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Total	\$13,041	\$22,806	\$35,847																																							

Rec. No.	Department Name	Audit Report Description	Risk Score	Risk	Recommendation	Date Completed
17-09	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17017, dated November 17, 2016, Avis Budget Car Rental, LLC	14	Impact: 7 Probability: 7	In order to address the above issues, we recommend that the Business and Financial Management Department request that the Accounting Department issue an invoice to Avis in the amount of \$85,430 for the net underpayment of concession fees.	March 31, 2017
17-12	AIRSIDE OPERATIONS DEPARTMENT	Audit Report 17029, dated February 22, 2017, Aircraft Rescue and Fire Fighting Expense Billings - Fiscal Year 2016	13	Impact: 7 Probability: 6	We recommend that the Airside Operations Department notify the Accounting Department to issue an invoice to the City of San Diego for the overbilling of \$55,122 for personnel expenses. The adjustments to fire fighter fringe rates, Fair Labor Standards Act overtime expenses, and the Tele Staff Desk credit, should be included in the final calculation of the amount due from the City for Fiscal Year 2016 ARFF services.	March 31, 2017
15-29	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 16030, dated December 8, 2015, NewZoom, Inc. dba ZoomSystems	11	Impact: 5 Probability: 6	Monitoring of requirements of each concessionaire lease agreement needs to be strengthened and well documented. Differences in processes used by concessionaires should be analyzed for adequacy to determine if they provide the outcome that the Authority is actually seeking. The pricing and product processes used by ZoomSystems appear to be reasonable and ones that can be easily monitored by the Authority, but the lease should be changed to reflect the processes used.	March 31, 2017
16-05	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 16004, dated March 30, 2016, Grant & Non-Airline Revenue Management	9	Impact: 5 Probability: 4	The Business and Financial Management Department (BFM) should expand and enhance documentation pertaining to the grant management program. In addition, the current grant manual should be updated and reviewed and formal training should be conducted periodically, to ensure consistent knowledge of procedures and regulations and to provide guidance for employee(s), including required documents needed by the employee(s) to complete their job duties, as well as the assignment of responsibility for tasks and actions.	March 31, 2017

Rec. No.	Department Name	Audit Report Description	Risk Score	Risk	Recommendation	Date Completed
16-07	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 16020, dated June 14, 2016, Midway Rent A Car, Inc.	18	Impact: 9 Probability: 9	The Business and Financial Management Department should request that the Accounting Department issue an invoice to Midway in the amount of \$435,783, for the underpayment of license fees due to the reclassification of non-airport revenue to airport revenue.	June 30, 2017
17-16	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17019, dated May 30, 2017, Fox Rent A Car, Inc.	16	Impact: 9 Probability: 7	We recommend that the Business and Financial Management Department request that the Accounting department issue an invoice to Fox in the amount of \$193,283 for the net underpayment of concession fees.	June 30, 2017
17-14	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17023, dated March 28, 2017, Gate Gourmet, Inc.	11	Impact: 6 Probability: 5	We recommend that the Business and Financial Management Department notify Gate Gourmet that discounts should not be deducted from monthly gross revenues, unless the discounts are given to the airlines during the same month.	June 30, 2017
17-13	BUSINESS AND FINANCIAL MANAGEMENT DEPARTMENT	Audit Report 17023, dated March 28, 2017, Gate Gourmet, Inc.	10	Impact: 5 Probability: 5	We recommend that the Business and Financial Management Department request the Accounting Department to issue an invoice to Gate Gourmet in the amount of \$3,710 for the underpayment of license fees.	June 30, 2017
17-15	AVIATION SECURITY & PUBLIC SAFETY DEPARTMENT	Audit Report 17034, dated May 16, 2017, Emergency Medical Technician-Paramedic Services Expense for Fiscal Year 2016	10	Impact: 5 Probability: 5	The Aviation Security & Public Safety Department should confer with the City of San Diego to identify the best method to remit the \$26,571 underpayment.	June 30, 2017

Appendix D – Fiscal Year 2018 Audit Plan

San Diego County Regional Airport Authority Office of the Chief Auditor Fiscal Year 2018 Audit Plan

BUSINESS PROCESS AUDITS

- 1 Business and Travel Expenses
- 2 Concession Cost Recovery
- 3 Information Technology Monitoring and Evaluation
- 4 Small Business Development Management
- 5 Vehicle Fleet Management
- 6 Asset Management

EXPENSE CONTRACT AUDITS

- 7 Swinerton Builders
- 8 Haley and Aldrich, Inc.
- 9 Pacific Rim Mechanical
- 10 Ace Parking Management, Inc.
- 11 Network Security Electronics, Inc.
- 12 Dynamic Contracting Services, Inc.
- 13 Chula Vista Electric Company
- 14 Sign Age Identity Systems Inc.
- 15 Leigh Fisher & Associates

REVENUE CONTRACT AUDITS

- 16 BW - Budget - SDA, LLC
- 17 Nevada Lease and Rental Inc. dba Payless Car Rental System
- 18 Simply Wheelz LLC dba Advantage Rent-A-Car
- 19 EZ Rent A Car
- 20 Signature Flight Support
- 21 Smarte Carte Inc.
- 22 GAT Airline Ground Support Inc.
- 23 Stellar Partners Inc. (RP 4)
- 24 Hudson Group - CV - Epicure - Martinez San Diego (RP 2)
- 25 Pacific Gateway Concessions and Procurement Concepts San Diego LLC (RP 3)
- 26 SSP America Inc. (FSP 5)
- 27 Mission Yogurt Inc. (FSP 4)

ANNUAL ONGOING AUDITS AND SUPPORT

- 28 Aircraft Rescue and Fire Fighting (ARRF) Billing
- 29 Board Member and Executive Business Expenses
- 30 Rental Car Center Fund Review
- 31 Procurement Card Program
- 32 Agreements with Expenditure Limits Not to Exceed \$100,000
- 33 Biennial Airline Landing Fees
- 34 Transportation Network Company (TNC) Reviews and Assistance
- 35 Emergency Medical Technician-Paramedic Services
- 36 Automated License Plate Reader (ALPR) System - Ace Parking
- 37 San Diego Unified Port District Billing
- 38 Special Request Audits
- 39 Ethics Program Activity
- 40 Construction Audit and Monitoring Activity

Appendix E – Ethics Hotline Call Summary

	Number of Reports Received	Number Received Anonymously	Details Support Potential Code Violation (Ethics or Workplace)	Investigation of Concern	Response (email or phone to non-anonymous reports)
Code of Ethics Concerns					
Potential Misuse of Resources					
<i>General Misuse of Resources</i>	2	2	0	n/a	0
Potential Conflict of Interest	3	3	1	Y (1)	0
Employee Misconduct	2	2	0	n/a	0
Non Ethics Related Concerns					
ATO Practices and Behavior	2	0	2	n/a	2
RCC Operations	1	1	0	n/a	0
General Workplace Concerns					
Workplace Equitability	3	3	0	n/a	0
Workplace Practices/Behavior	5	5	1	n/a	0

(1) One issue currently being investigated.

Appendix F – Performance Measures Historical Data

Performance Measure	Fiscal Year				
	2013	2014	2015	2016	2017
Percentage of the audit plan completed annually	81%	88%	86%	84%	83%
Additional revenue/cost savings identified through audits	\$628,835	\$1,110,651	\$271,755	\$466,845	\$1,025,573
Percentage of staff time spent on audit activities	91%	86%	86%	82%	84%
Percentage of audits completed within budgeted time	82%	81%	81%	83%	86%
Implementation of Recommendations	74%	52%	64%	72%	81%

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Approve and Authorize the President/CEO to Execute a Letter of Agreement with Google, Inc.

Recommendation:

Adopt Resolution No. 2017-0087, approving and authorizing the President/CEO to execute a Letter of Agreement with Google, Inc., permitting use of the Airport's public map Information.

Background/Justification:

Mobile device and application companies are increasingly looking to add indoor location aware information into their existing location aware software. These companies are approaching public venues, including stadiums, convention centers, airports, and others, to request accurate public-space floor plans so that they can include this data in their product offerings. In order for these companies to utilize the data collected going forward, they request approval to perform surveys through the use of a proprietary monitoring/survey application.

Google is requesting a Letter of Agreement for the use of the Airport's public map information for the San Diego International Airport, free-of-charge. Google will include this information in Google products. The Airport Dataset requested includes map files, architectural drawings, point of interest data, address points, and event information, etc. These files will be only of the public spaces, and no security or back office information will be provided.

Staff is requesting approval to allow Google (including Google's related companies) to use the Airport Dataset on a worldwide and non-exclusive basis. Google will display, use, modify, reproduce, publish, distribute, and make derivative works of the Airport Dataset for use by Google in or in conjunction with current and future Google products and/or services. Additionally, survey work may be required for Google's use of the Airport Data, and authorizes Google (either directly or indirectly) to perform such surveys.

In addition, Staff requests approval to grant Google a limited license to use only those trademarks or logos of the Airport specifically for use with the Airport Dataset. This limited license permits Google to use the Trademarks solely in connection with the Airport Dataset in Google products.

Fiscal Impact:

The proposed Letter of Agreement with Google does not provide incremental revenue or expense to the Authority.

Authority Strategies:

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

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

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

Application of Inclusionary Policies:

Not Applicable

Prepared by:

RICK BELLIOTTI
DIRECTOR, INNOVATION & SMALL BUSINESS DEVELOPMENT

RESOLUTION NO. 2017-0087

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY APPROVING AND AUTHORIZING THE
PRESIDENT/CEO TO EXECUTE A LETTER OF
AGREEMENT WITH GOOGLE, INC., PERMITTING
USE OF THE AIRPORT'S PUBLIC MAP
INFORMATION

WHEREAS, the Authority has received a request from Google, Inc. for approval to perform surveys through the use of a proprietary monitoring/survey application for the Airport's public map information (Dataset); and

WHEREAS, Google Inc.'s request is free-of-charge and in return Google will include this information in Google products; and

WHEREAS, Google Inc.'s request for Airport Dataset includes map files, architectural drawings, point of interest data, address points, and event information; and

WHEREAS, Google Inc.'s request to use these files will be only of public spaces, and no security, or back office information will be provided; and

WHEREAS, staff has determined Google, Inc. to be qualified to use the Airport Dataset on a worldwide and non-exclusive basis.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute a Letter of Agreement with Google, Inc. permitting use of the Airport's Dataset information; and

BE IT FURTHER RESOLVED that the Board authorizes Google, Inc. to use only those trademarks or logos of the Airport specifically for the use the Airport Dataset; and

BE IT FURTHER RESOLVED that the Authority's President/CEO or designee hereby is authorized to execute and deliver such agreement to Google, Inc.; and

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Award a Contract to G&G Specialty Contractors, Inc. for Quieter Home Program Phase 9, Group 1, Project No. 380901 (thirty five (35) Historic Multi-Family Units on seven (7) Residential Properties located East and West of the Airport).

Recommendation:

Adopt Resolution No. 2017- 0088, awarding a contract to G&G Specialty Contractors, Inc., in the amount of \$ 852,318, for Phase 9, Group 1, Project No. 380901, of the San Diego County Regional Airport Authority's ("Authority's") Quieter Home Program.

Background/Justification:

The Authority's Quieter Home Program ("Program") provides sound attenuation treatment to residences within the highest noise-impacted neighborhoods surrounding San Diego International Airport ("SDIA"). This contract for Phase 9, Group 1, Project number 380901 includes installation of new acoustical windows, doors, and ventilation improvements to reduce aircraft-related noise levels and provide sound attenuation to thirty five (35) non-historic multi-family units on seven (7) residential properties located east and west of the airport (refer to Attachment A).

To date, the Program has completed 3,453 residences, of which 827 are historic and 2,626 are non-historic. 2,174 residences are located west of SDIA and 1,279 are located east of SDIA.

Project No. 380901 was advertised on August 1, 2017, and bids were opened on September 5, 2017. The following bids were received (refer to Attachment B):

Company	Total Bid
G&G Specialty Contractors, Inc.	\$852,318.00
S&L Specialty Construction, Inc.	\$888,000.00

The Engineer's estimate is \$831,507.00.

The low bid of \$852,318, is considered responsive, and G&G Specialty Contractors, Inc. is considered responsible. Award to G&G Specialty Contractors, Inc. is, therefore, recommended in the amount of \$852,318.

Fiscal Impact:

Adequate funds for the contract with G&G Specialty Contractors, Inc. are included in the adopted FY 2017 and FY 2018 Operating Expense Budgets with in the Quieter Home Program budget line item. Sources of funding include Federal Airport Improvement Program grants and Passenger Facility Charges.

Authority Strategies:

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

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

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

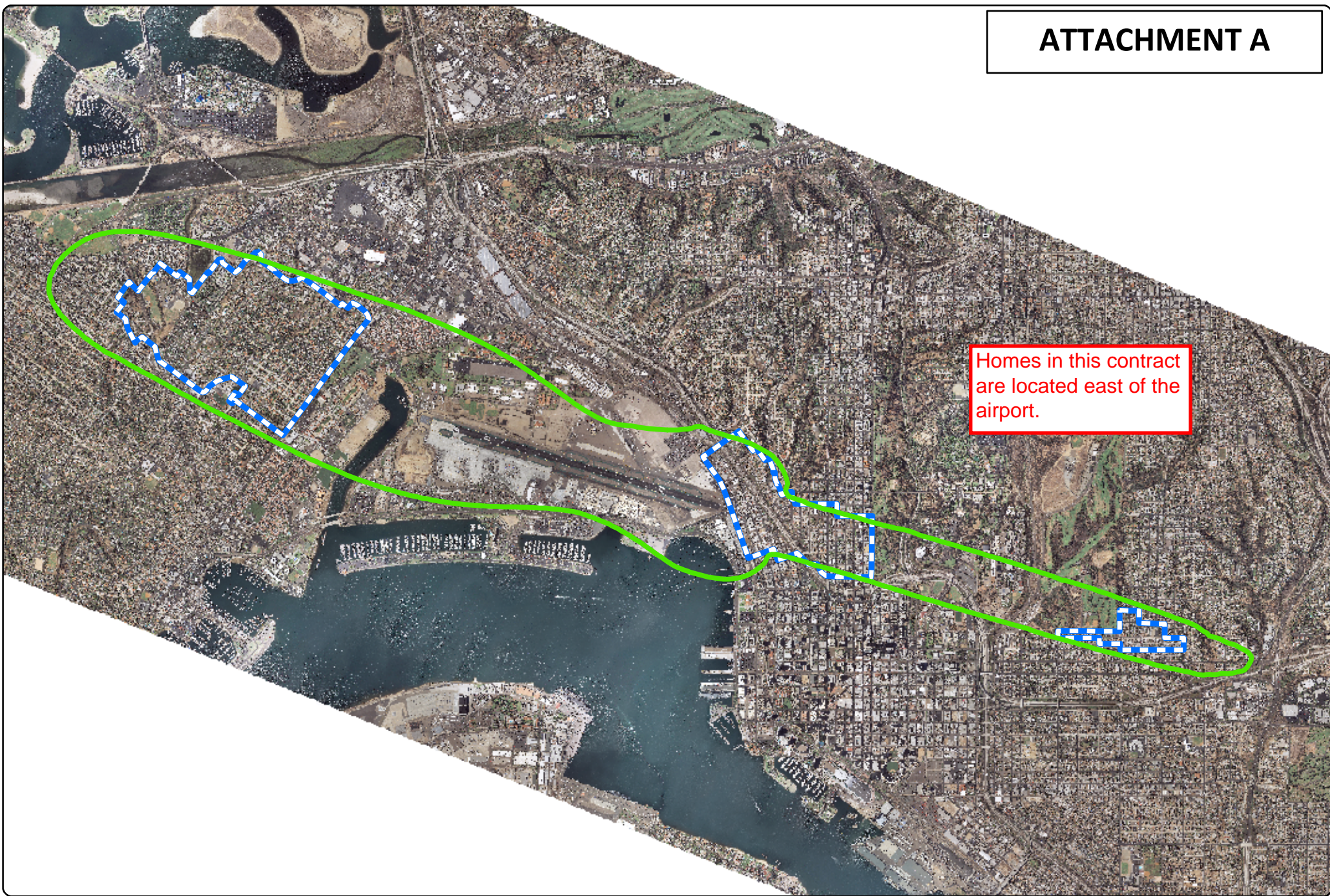
The Authority's DBE Program, as required by the U.S. Department of Transportation, 49 Code of Federal Regulations (CFR) Part 26, calls for the Authority to submit a triennial overall goal for DBE participation on all federally funded projects. When federal funds are utilized, the Authority is prohibited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

This project utilizes federal funds; therefore, it will be applied toward the Authority's overall DBE goal. G&G Specialty Contractors, Inc., proposed 0.8% DBE participation on QHP Phase 9, Group 1.

Prepared by:

BRENDAN J. REED
DIRECTOR, PLANNING & ENVIRONMENTAL AFFAIRS

ATTACHMENT A



Homes in this contract are located east of the airport.

Map Notes:
Staff Report Attachment A

1 inch = 3,898 feet

Land Use - SanGIS 2/07

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

- QHP Completed
- QHP Ineligible
- County Parcel

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

San Diego County Regional Airport Authority
Quieter Home Program
Project 380901

TABULATION OF BIDS

TITLE: QUIETER HOME PROGRAM PROJECT NO. 380901
 BIDS OPENED: September 5, 2017 at 2:00 p.m.
 ENGINEER'S ESTIMATE: \$ 831,507.00

Attachment B

CONTRACTOR:				G&G Specialty Contractors, Inc.				S&L Specialty Construction, Inc.					
ADDRESS:				1221 N. Mondel Drive, Gilbert, AZ 85233				315 S. Franklin Street, Syracuse, NY 13202					
GUARANTEE OF GOOD FAITH:				Hartford Casualty Insurance Company				Liberty Mutual Insurance Company					
Res No.	Bid Item Number - Name/Address		Dwelling Units	Unit of Measure	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)	General Construction (In Figures)	Ventilation Construction (In Figures)	Electrical Construction (In Figures)	TOTAL (In Figures)	
380902.05	Sirkis	126 Hawthorn St	1	Lump Sum	27,542.00	0.00	0.00	27,542.00	31,000.00			31,000.00	
380902.05	Sirkis	128 Hawthorn St	1	Lump Sum	28,549.00	0.00	0.00	28,549.00	33,000.00			33,000.00	
380902.05	Sirkis	130 Hawthorn St	1	Lump Sum	28,594.00	0.00	0.00	28,594.00	33,000.00			33,000.00	
380902.05	Sirkis	132 Hawthorn St	1	Lump Sum	27,049.00	0.00	0.00	27,049.00	31,000.00			31,000.00	
380902.06	Travis Metzger, Metzger Investments, LP	1937 5th Ave	1	Lump Sum	26,332.00	0.00	0.00	26,332.00	28,000.00			28,000.00	
380902.06	Travis Metzger, Metzger Investments, LP	1939 5th Ave	1	Lump Sum	26,720.00	0.00	0.00	26,720.00	29,000.00			29,000.00	
380902.06	Travis Metzger, Metzger Investments, LP	1941 5th Ave	1	Lump Sum	26,834.00	0.00	0.00	26,834.00	29,000.00			29,000.00	
380902.06	Travis Metzger, Metzger Investments, LP	1943 5th Ave	1	Lump Sum	27,158.00	0.00	0.00	27,158.00	29,000.00			29,000.00	
380902.06	Travis Metzger, Metzger Investments, LP	1945 5th Ave	1	Lump Sum	26,906.00	0.00	0.00	26,906.00	29,000.00			29,000.00	
380902.06	Travis Metzger, Metzger Investments, LP	1947 5th Ave	1	Lump Sum	25,865.00	0.00	0.00	25,865.00	29,000.00			29,000.00	
380902.07	Travis Metzger, Metzger	1949 5th Ave	1	Lump Sum	18,483.00	0.00	0.00	18,483.00	19,000.00			19,000.00	
380902.07	Travis Metzger, Metzger	1949 1/2 5th Ave	1	Lump Sum	18,101.00	0.00	0.00	18,101.00	16,000.00			16,000.00	
380902.07	Travis Metzger, Metzger	1951 5th Ave	1	Lump Sum	18,276.00	0.00	0.00	18,276.00	16,000.00			16,000.00	
380902.07	Travis Metzger, Metzger	1955 5th Ave	1	Lump Sum	18,486.00	0.00	0.00	18,486.00	17,000.00			17,000.00	
380902.07	Travis Metzger, Metzger	1955 1/2 5th Ave	1	Lump Sum	18,109.00	0.00	0.00	18,109.00	17,000.00			17,000.00	
380902.07	Travis Metzger, Metzger	1957 5th Ave	1	Lump Sum	18,592.00	0.00	0.00	18,592.00	19,000.00			19,000.00	
380902.08	Metzger Investments, LP	1938 6th Ave	1	Lump Sum	21,858.00	0.00	0.00	21,858.00	20,000.00			20,000.00	
380902.08	Metzger Investments, LP	1940 6th Ave	1	Lump Sum	21,858.00	0.00	0.00	21,858.00	20,000.00			20,000.00	
380902.08	Metzger Investments, LP	1942 6th Ave	1	Lump Sum	21,893.00	0.00	0.00	21,893.00	20,000.00			20,000.00	
380902.08	Metzger Investments, LP	1944 6th Ave	1	Lump Sum	21,890.00	0.00	0.00	21,890.00	20,000.00			20,000.00	
380902.08	Metzger Investments, LP	1946 6th Ave	1	Lump Sum	23,109.00	0.00	0.00	23,109.00	21,000.00			21,000.00	
380902.08	Metzger Investments, LP	1948 6th Ave	1	Lump Sum	23,128.00	0.00	0.00	23,128.00	21,000.00			21,000.00	
380902.09	Metzger Investments, LP	1950 6th Ave	1	Lump Sum	32,173.00	0.00	0.00	32,173.00	39,000.00			39,000.00	
380902.09	Metzger Investments, LP	1951 1/2 5th Ave	1	Lump Sum	17,899.00	0.00	0.00	17,899.00	16,000.00			16,000.00	
380902.09	Metzger Investments, LP	1953 1/2 5th Ave	1	Lump Sum	18,366.00	0.00	0.00	18,366.00	16,000.00			16,000.00	
380902.09	Metzger Investments, LP	1952 6th Ave	1	Lump Sum	29,364.00	0.00	0.00	29,364.00	37,000.00			37,000.00	
380902.09	Metzger Investments, LP	1954 6th Ave	1	Lump Sum	34,835.00	0.00	0.00	34,835.00	44,000.00			44,000.00	
380904.08	Bankers Hill Property 5, LP	2131 Albatross St. #1	1	Lump Sum	21,474.00	4,625.00	1,400.00	27,499.00	23,000.00	4,000.00	1,000.00	28,000.00	
380904.08	Bankers Hill Property 5, LP	2131 Albatross St. #2	1	Lump Sum	13,164.00	4,625.00	700.00	18,489.00	10,000.00	4,000.00	1,000.00	15,000.00	
380904.08	Bankers Hill Property 5, LP	2131 Albatross St. #3	1	Lump Sum	14,802.00	4,625.00	800.00	20,227.00	12,000.00	4,000.00	1,000.00	17,000.00	
380904.08	Bankers Hill Property 5, LP	2131 Albatross St. #4	1	Lump Sum	21,195.00	4,625.00	1,000.00	26,820.00	23,000.00	4,000.00	1,000.00	28,000.00	
380904.08	Bankers Hill Property 5, LP	2131 Albatross St. #5	1	Lump Sum	29,726.00	4,625.00	800.00	35,151.00	38,000.00	4,000.00	1,000.00	43,000.00	
380904.09	Timmons	2119 Albatross St	1	Lump Sum	17,764.00	4,625.00	700.00	23,089.00	17,000.00	4,000.00	1,000.00	22,000.00	
380904.09	Timmons	2121 Albatross St	1	Lump Sum	19,665.00	4,625.00	700.00	24,990.00	18,000.00	4,000.00	1,000.00	23,000.00	
380904.09	Timmons	2123 Albatross St	1	Lump Sum	22,759.00	4,625.00	700.00	28,084.00	28,000.00	4,000.00	1,000.00	33,000.00	
								Subtotal	\$852,318.00			Subtotal	\$888,000.00
								TOTAL BID	\$852,318.00			TOTAL BID	\$888,000.00

RESOLUTION NO. 2017-0088

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, AWARDING A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC., IN THE AMOUNT OF \$852,318.00, FOR PHASE 9, GROUP 1, PROJECT NO. 380901, OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY'S QUIETER HOME PROGRAM

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

WHEREAS, Phase 9, Group 1, of the Program will include installation of new acoustical windows, doors, and ventilation improvements to reduce aircraft-related noise levels inside the homes; and

WHEREAS, Phase 9, Group 1, of the Program provides sound attenuation to thirty five (35) non-historic multi-family units on seven (7) residential properties located east and west of the Airport; and

WHEREAS, the Authority issued a Bid Solicitation Package for Phase 9, Group 1, on August 1, 2017; and

WHEREAS, on September 5, 2017, the Authority opened sealed bids received in response to the Bid Solicitation Package; and

WHEREAS, the apparent low bidder G&G Specialty Contractors, Inc., submitted a bid of \$852,318.00 and the Authority's staff has duly considered the bid and has determined G&G Specialty Contractors, Inc., is responsible and that its bid is responsive in all material respects; and

WHEREAS, the San Diego County Regional Airport Authority Board ("Board") believes that it is in the best interest of the Authority and the public that it serves to award G&G Specialty Contractors, Inc., the lowest bidder, the contract for Phase 9, Group 1, upon the terms and conditions set forth in the Bid Solicitation Package.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby awards a contract to G&G Specialty Contractors, Inc., in the amount of \$852,318.00 for Phase 9, Group 1, Project No. 380901, of the San Diego County Regional Airport Authority's Quieter Home Program; and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Approve and Authorize the President/CEO to Execute a First Amendment to the Agreement with Barich, Inc.

Recommendation:

Adopt Resolution No. 2017-0089, approving and authorizing the President/CEO to execute a first amendment to the agreement with Barich, Inc., increasing the compensation amount by \$118,000 for a total not-to-exceed amount of \$368,000.

Background/Justification:

On February 11, 2016, the Authority issued a Request for Proposal (“RFP”) to update the Information Technology (“IT”) Master Plan. Notice of the RFP was advertised in the San Diego Daily Transcript and on the Authority’s website.

Small Business Preference: In accordance with Policy 5.12, the following recommended firms received a small business preference: None.

Submitted Proposals: The Authority received three (3) proposals on March 15, 2016. All three (3) proposals received were found responsive. The bids received were from the following entities:

1. Avasant
2. Barich Inc.
3. The JW Group

The Respondents were invited to interview on June 8, 2016 and were asked to provide responses to a specific list of questions, prepared by the evaluation panel, which targeted the evaluation criteria presented in the solicitation. The panelist’s final rankings are presented below:

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Rank
Avasant	1	2	2	1	6	1
Barich, Inc.	2	1	1	2	6	1
The JW Group	3	3	3	3	12	3

Combined Scores	SB Preference	Cost/Fees	Project Manager	Project Team	Individual/Firm Experience	Proposed Work Plan	Total
Avasant	200	240	850	875	340	825	3330
Barich, Inc.	0	600	825	825	330	800	3380
The JW Group	0	420	500	625	270	650	2465

The IT Steering Committee has identified two areas requiring additional detail – budgetary costs of the recommendations in the IT master plan and data collection for future Business Intelligence (BI) support. The detail requested is implementation, cost, timeline, priority and ROI for each recommendation in the IT Master Plan. In order to develop the requested level of detail, additional funding and time is required.

Staff requests Board approval of this First Amendment increasing the maximum amount payable to Agreement 209999OS with Barich, Inc., to \$368,000.

Fiscal Impact:

Adequate funding for this First Amendment is included within FY2018-2022 Capital Improvement Program budget in the Facilities Development Department's project 104207 – Update IT Master Plan. The source of funding for this project is Airport cash.

Authority Strategies:

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

- Community Strategy
- Customer Strategy
- Employee Strategy
- Financial Strategy
- Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

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

Prepared by:

RICK BELLIOTTI
DIRECTOR, INNOVATION AND SMALL BUSINESS DEVELOPMENT

RESOLUTION NO. 2017-0089

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH BARICH, INC., INCREASING THE COMPENSATION BY \$118,000 FOR A TOTAL NOT-TO-EXCEED AMOUNT OF \$368,000.

WHEREAS, the Authority has the need to amend the agreement increasing the compensation by \$118,000 for a new total amount not-to-exceed \$368,000; and

WHEREAS, on February 11, 2016, the Authority issued a Request for Proposal ("RFP") to update the Information Technology ("IT") Master Plan; and

WHEREAS, the RFP sought pricing for such professional services to Update the IT Master Plan; and

WHEREAS, the Authority received three (3) proposals on March 15, 2016. All three (3) proposals received were found responsive; and

WHEREAS, after evaluation of all bids received, staff determined Barich, Inc. to be qualified to provide services; and

WHEREAS, the Authority entered into an agreement with Barich, Inc. for a term of 2 years and a not to exceed compensation amount of \$250,000; and

WHEREAS, the IT Steering Committee has identified two areas requiring additional detail - budgetary and future Business Intelligence (BI) support; and

WHEREAS, in order to develop the requested level of detail, additional funding and time is required. Should funding and added schedule not be available, the requested level of detail (within the Master Plan) cannot be developed; and

WHEREAS, Staff requests Board approval of First Amendment increasing the maximum amount payable by \$118,000 for a not to exceed amount of \$368,000.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute a first amendment to the agreement with Barich, Inc., increasing the compensation amount by \$118,000 for a total not-to-exceed amount of \$368,000; and

BE IT FURTHER RESOLVED that the Authority's President/CEO or designee hereby is authorized to execute and deliver such agreement to Barich, Inc.; and

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Approve and Authorize the President/CEO to Execute a First Amendment to the Agreement with Willis Insurance Services of California, Inc.

Recommendation:

Adopt Resolution No. 2017-0090 approving and authorizing the President/CEO to execute a First Amendment to the Agreement with Willis Insurance Services of California, Inc., increasing the compensation amount by \$137,000 for a total not-to-exceed amount of \$750,000.

Background/Justification:

On April 10, 2015, the Authority issued a Request for Proposals for Insurance Broker Services related to the Authority's Benefits Program. On May 8, 2015, the Authority received 5 proposals. After a review of the proposals and interviews with the highest ranked proposers, the panel recommended award to Willis Insurance Services of California, Inc. ("Willis"). Willis and the Authority are parties to a consulting agreement for Professional Insurance Broker and Consulting Services ("Agreement"). The Agreement began on March 1, 2016 and has a term of three years with two one-year options to renew and a not to exceed compensation amount of \$613,000.

Under this contract, Willis has assisted the Talent, Culture & Capability Department in the assessment, marketing and implementation of the Authority's Health & Welfare Benefits Program for both eligible employees and First Generation retirees. On January 5, 2016 a merger between Willis and Towers Watson & Co. occurred. While Willis continues to operate in California as the legal entity Willis Insurance Services of California, the merger provided access to Towers Watson & Co.'s global professional services, including human resources consulting expertise in the area of employee engagement and engagement surveys.

In its Five-Year Strategic Plan, the Authority identified a need to measure and sustain a high level of employee engagement in its Employee Goal. Therefore, the Authority is seeking consulting and survey expertise in the area of employee engagement. Board Policy 5.01 requires consulting services to be procured following a competitive process. The value of the employee engagement services desired is estimated to be in excess of \$100,000 which would require a formal RFP process under Board Policy 5.01. After assessing available options, staff believes it is in the best interest of the Authority to engage Willis to perform these additional services rather than issuing a Request for Proposals for employee engagement services. Willis has the requisite experience and knowledge to provide these services. This First Amendment would add to the scope of work the employee engagement surveys and increase the compensation by \$137,000 for a total not-to-exceed amount of \$750,000.

Fiscal Impact:

Adequate funding for this agreement is included in the adopted FY 2018 and conceptually approved FY 2019 Operating Expense Budgets within the Contractual Services line item.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

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

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Willis Insurance Services of California, Inc. did not receive the small business preference.

Prepared by:

KURT GERING
DIRECTOR, TALENT, CULTURE & CAPABILITY

RESOLUTION NO. 2017- 0090

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A FIRST AMENDMENT TO THE AGREEMENT WITH WILLIS INSURANCE SERVICES OF CALIFORNIA, INC. INCREASING THE COMPENSATION AMOUNT BY \$137,000 FOR A TOTAL NOT TO EXCEED COMPENSATION AMOUNT OF \$750,000

WHEREAS, on April 10, 2015, the Authority issued a Request for Proposals for Insurance Broker Services related to the Authority's Benefits Program; and

WHEREAS, on May 8, 2015, the Authority received 5 proposals and after a review of the proposals and interviews with the highest ranked proposers, the panel recommended award to Willis Insurance Services of California, Inc. ("Willis"); and

WHEREAS, Willis and the Authority are parties to an agreement for Professional Insurance Broker and Consulting Services ("Agreement"); and

WHEREAS, the Agreement began on March 1, 2016 and has a term of three years with two one-year options to renew and a not to exceed compensation amount of \$613,000; and

WHEREAS, under the Agreement, Willis has assisted the Talent, Culture & Capability Department in the assessment, marketing and implementation of the Authority's Health & Welfare Benefits Program for both eligible employees and First Generation retirees; and

WHEREAS, on January 5, 2016 a merger between Willis and Towers Watson & Co. occurred. While Willis continues to operate in California as the legal entity Willis Insurance Services of California, the merger provided access to Towers Watson & Co.'s global professional services, including human resources consulting expertise in the area of employee engagement and engagement surveys; and

WHEREAS, in its Five-Year Strategic Plan, the Authority identified a need to measure and sustain a high level of employee engagement in its Employee Goal. Therefore, the Authority is seeking consulting and survey expertise in the area of employee engagement; and

WHEREAS, the value of the consulting services for employee engagement surveys exceeds \$100,000; and

WHEREAS, Board Policy 5.01(1)(c) requires consulting services valued in excess of \$100,000 to be procured following a formal competitive process; and

WHEREAS, after assessing available options, staff believes it is in the best interest of the Authority to engage Willis to perform these additional services rather than issuing a Request for Proposals for employee engagement services; and

WHEREAS, the Board finds that it is in the best interest of the Authority to waive Policy 5.01(1)(c) to amend the Agreement to allow Willis to provide employee engagement services because Willis has the requisite knowledge and experience.

NOW THEREFORE BE IT RESOLVED that the Authority waives Policy 5.01(1)(c) to allow an amendment to the Agreement to add employee engagement surveys; and

BE IT FURTHER RESOLVED THAT that the Board hereby approves and authorizes the President/CEO to execute a First Amendment to the Agreement with Willis adding employee engagement consulting and survey services to the scope of work and increasing the compensation by \$137,000 for a total not-to-exceed amount of \$750,000; and

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Approve and Authorize the President/CEO to Execute an On-Call Storm Water Program Management Service Agreement with Amec Foster Wheeler Environment & Infrastructure, Incorporated.

Recommendation:

Adopt Resolution No. 2017-0091, approving and authorizing the President/CEO to execute an On-Call Storm Water Program Management Service Agreement with Amec Foster Wheeler Environment & Infrastructure, Incorporated for a term of three years, with the option for two one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$8,500,000.

Background/Justification:

The Authority is required by statute and regulation to properly manage potential storm water pollutants in rainfall runoff within the jurisdiction of the Authority at San Diego International Airport. Professional storm water program management services are required to ensure compliance with the National Pollution Discharge Elimination System (NPDES) Industrial General Permit No. CAS000001, NPDES Construction General Permit No. CAS000002, and NPDES Municipal Storm Water Permit No. CAS0109266.

Recent changes to the Municipal Storm Water Permit and to the Industrial General Permit have resulted in the need to expand the scope of the required professional services to assist with the development and implementation of the San Diego Bay Watershed Water Quality Improvement Plan (WQIP) and Exceedance Response Action Plans (ERAs) for copper and zinc. Professional storm water program management services are required to:

- assist in the development, implementation, and maintenance of storm water pollution prevention plans to address airport operations and construction activities;
- review and expand the scope and frequency of storm water runoff monitoring to validate the effectiveness of current program elements;
- collect samples of storm water runoff during rain events;
- investigate and sample sources of water found in the airport storm drain system during the summer months;
- inspect all areas of the airport for compliance with the permits;
- audit tenant activities for compliance with the permits;
- assist in the preparation of annual compliance reports submitted to the State for each of the permits;
- assist with the development and review of structural and non-structural storm water pollution control mechanisms for existing airport operations and for proposed future site improvements;

- assist in engagement with regulatory agencies on potential new permit developments; and
- conduct other tasks as necessary to prevent, reduce, and eliminate the potential for storm water runoff pollution from airport operation and construction activities draining to San Diego Bay.

In FY17, the Authority expended approximately \$1.2M for professional storm water program management services. The need for professional storm water program management services is long-term and on-going. The severity of penalties and fines potentially resulting from a lack of such adequate professional services is significant. All 3 of the NPDES Permits noted above are expected to be revised and renewed over the next 3 years and likely lead to requirements to further expand and improve our storm water pollution prevention activities. In light of the anticipated changes to the permits, each of the projected annual budgets for FY18 and FY19 are approximately \$1.475M for storm water program management services, with additional increases anticipated in the future. The total not-to-exceed amount of this Agreement is \$8.5M.

On July 17, 2017, the Authority published a Request for Proposals (RFP) to provide professional on-call storm water program management services.

On August 16, 2017, the Authority received proposals from the following five entities, with all respondents being deemed as responsive: Amec Foster Wheeler Environment & Infrastructure, Incorporated; D-Max Engineering, Incorporated; Michael Baker International; NV5; and Whitson Contracting & Management, Incorporated.

The evaluation criteria used to evaluate the firms was a weighted criteria of five factors: prior company experience and skill; prior experience of the company's primary staff; a work plan; sustainability; proposed fees; and small business preference under Authority Policy 5.12. The Authority's Evaluation Panel ("Panel"), which was comprised of two representatives from Environmental Affairs, two from Facilities Development, and one from Facilities Management conducted a thorough review of all proposals. Three of the firms were invited to interview on September 19, 2017, after which the firms were ranked as follows

1. Amec Foster Wheeler Environment & Infrastructure, Incorporated
2. Michael Baker International
3. D-Max Engineering, Incorporated

The final ranking matrix is as follows:

Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Panelist 5	Total	Final Rank
Amec	1	1	1	1	1	5	1
D-Max	3	3	3	2	3	14	3
Michael Baker	2	2	2	3	2	11	2

The final combined scoring matrix is as follows:

Firms	Experience and Skill of Company	Experience of Primary Staff	Work Plan	Sustainability	Fees	Small Business Preference	Total
Amec	1750	940	920	440	675		4725
D-Max	1155	600	600	300	750	250	3655
Michael Baker	1295	860	860	400	600		4015

A brief background of the top ranked firm is provided:

Amec Foster Wheeler Environment & Infrastructure, Incorporated

Created from the merger of Amec and Foster Wheeler in 2014, Amec Foster Wheeler Environment & Infrastructure, Incorporated has offices and facilities in San Diego and around the world. They provide professional environmental and storm water program management services to public and private entities, including John Wayne Airport, Burbank Airport, Long Beach Airport, San Diego County Airports, the City of San Diego, Caltrans, California State Parks, and the U.S. Department of Defense.

Staff recommends that the Board approve and authorize the President/CEO to execute an On-Call Storm Water Program Management Service Agreement with the top ranked firm, Amec Foster Wheeler Environment & Infrastructure, Incorporated, for a term of three years, with the option for two one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$8,500,000.

Fiscal Impact:

Adequate funding for on-call storm water program management service is included in the adopted FY 2018 and conceptually approved FY 2019 Operating Expense Budgets within the Professional Services item. Expenses for FY 2020 through FY 2022 will be included in future year budget requests.

Authority Strategies:

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

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm, AMEC Foster Wheelers, did not receive the small business preference.

Prepared by:

BRENDAN REED
PLANNING & ENVIRONMENTAL AFFAIRS, DIRECTOR

RESOLUTION NO. 2017- 0091

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN ON-CALL STORM WATER PROGRAM MANAGEMENT SERVICE AGREEMENT WITH AMEC FOSTER WHEELER ENVIRONMENT & INFRASTRUCTURE, INCORPORATED, FOR A TERM OF THREE YEARS, WITH THE OPTION FOR TWO ONE-YEAR EXTENSIONS EXERCISABLE AT THE SOLE DISCRETION OF THE PRESIDENT/CEO, IN AN AMOUNT NOT-TO-EXCEED \$8,500,000.

WHEREAS, the Authority is required by statute and regulation to properly manage potential storm water pollutants in rainfall runoff within the jurisdiction of the Authority at San Diego International Airport in accordance with federal and state laws, regulations, and permits, and professional services are required to ensure compliance with the National Pollution Discharge Elimination System (NPDES) Industrial General Permit No. CAS000001, NPDES Construction General Permit No. CAS000002, and NPDES Municipal Storm Water Permit No. CAS0109266; and

WHEREAS, recent changes to the Municipal Storm Water Permit and to the Industrial General Permit have resulted in the need to expand the scope of the required professional services to assist with the development and implementation of the San Diego Bay Watershed Water Quality Improvement Plan (WQIP) and Exceedance Response Action Plans (ERAs) for copper and zinc; and

WHEREAS, the need for professional storm water program management services is long-term and on-going, since all 3 of the NPDES Permits noted above are expected to be revised and renewed over the next 3 years and likely lead to requirements to further expand and improve our storm water pollution prevention activities; and

WHEREAS, the severity of penalties and fines potentially resulting from a lack of such adequate professional services is significant; and

WHEREAS, in FY17, the Authority expended approximately \$1.2M for professional storm water program management services and given that each of the projected annual budgets for FY18 and FY19 are approximately \$1.475M for storm water program management services, with additional increases anticipated in the future, staff recommends that the total not-to-exceed amount of this Agreement for a 5-year period be \$8.5M; and

WHEREAS, on July 17, 2017, the Authority published a Request for Proposals to provide professional on-call storm water program management services and received proposals Amec Foster Wheeler Environment & Infrastructure, Incorporated; D-Max Engineering, Incorporated; Michael Baker International; NV5; and Whitson Contracting & Management, Incorporated; and

WHEREAS, on September 19, 2017, at the conclusion of the evaluation process, the Authority's Evaluation Panel ranked Amec Foster Wheeler Environment & Infrastructure, Incorporated first.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute an On-Call Storm Water Management Service Agreement with Amec Foster Wheeler Environment & Infrastructure, Incorporated, for a term of three years, with the option for two one-year extensions exercisable at the sole discretion of the President/CEO, in an amount not-to-exceed \$8,500,000; and

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Approve and Authorize the President/CEO to Execute Agreements for Temporary Staffing Services

Recommendation:

Adopt Resolution No. 2017-0092, approving and authorizing the President/CEO to negotiate and execute an Agreement with CPM LTD. dba Manpower Temporary Services for temporary staffing services for a term of three years with two one-year options to renew for a maximum amount payable of \$3,000,000.

Adopt Resolution No. 2017-0093, approving and authorizing the President/CEO to negotiate and execute an Agreement with ACT 1 Government Solutions, Inc. for temporary staffing services for a term of three years with two one-year options to renew for a maximum amount payable of \$3,000,000.

Background/Justification:

On May 1, 2017, the Authority released a Request for Proposals ("RFP") to obtain the services of one or more qualified staffing agencies to provide on call temporary staffing placement services. Over the past 4 years, the Authority's annual expense for temporary staffing services ranged from \$400,000 up to \$525,000. With a significant number of ADP and capital program projects in the next five years, low unemployment and continued retirements, it is expected that temporary needs will be equal to or exceed those from the past four years. As a result, the proposed contract amount is a not-to-exceed \$3,000,000 in aggregate.

Responses to the RFP were due on June 2, 2017. Fifteen temporary staffing agencies submitted timely proposals in response to the RFP. One (1) proposal was found to be non-responsive. They were:

- 22nd Century Technologies, Inc.
- 360 IT Professionals, Inc.
- CathyJon Enterprises, Inc.
- CPM Ltd. d/b/a/ Manpower
- ACT 1 Government Solutions, Inc.
- Amerit Consulting, Inc.
- Amtec Human Capital Inc.
- Construction Service Workers Funding LLC
- Global Solutions Group, Inc.
- Insight Global, LLC
- LanceSoft
- RADgov, Inc.

- Vigilant Technologies
- WMBE Payrolling

A five member panel of Authority staff reviewed and evaluated the proposals based on the following criteria: Organizational Structure and Prior Experience, Project Team Credentials, Proposed Approach, Diversity & Inclusion, Small Business Preference, Cost/Fees, and Sustainability. Following an evaluation of the proposals, the following five firms were shortlisted and invited to interview with the panel: 22nd Century Technologies, Inc., 360 IT Professionals, Inc., CathyJon Enterprises, Inc., CPM Ltd. d/b/a Manpower, and ACT 1 Government Solutions, Inc.

On July 17, 2017 the evaluation panel, with a representative from the Procurement Department in attendance to facilitate, interviewed representatives from the five agencies. At the conclusion of the interviews, the evaluation panel scored the agencies and concluded that CPM Ltd., and ACT 1 Government Solutions, Inc. best meet the Authority's future needs.

Therefore, staff is recommending the award of new temporary staffing services agreements to CPM Ltd. d/b/a Manpower and ACT 1 Government Solutions, Inc. It is requested that the Board authorize the President/CEO to execute agreements with CPM Ltd. d/b/a Manpower, and ACT 1 Government Solutions, Inc. upon approval as to legal form by the General Counsel.

The matrix below reflects the evaluation of the panel members:

Final Rank	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Rank
CPM Ltd. d/b/a Manpower	1	1	1	1	4	1
ACT 1 Government Solutions, Inc.	3	2	2	2	9	2
CathyJon Enterprises, Inc.	2	3	3	3	11	3
360 IT Professionals, Inc.	4	4	4	4	16	4
22 nd Century Technologies, Inc.	5	5	5	5	20	5

Fiscal Impact:

Adequate funding for CPM Ltd. d/b/a Manpower and ACT 1 Government Solutions Contracts is included in the adopted FY 2018 and conceptually approved FY 2019 Operating Expense Budgets within the Contract Services expense line item. Expenses for FY 2020 through FY 2022 will be included in future year budget requests.

Authority Strategies:

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

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firms CPM Ltd. d/b/a Manpower and ACT 1 Government Solutions, Inc. did not receive the small business preference.

Prepared by:

STEPHANIE B. ALEXANDER
MANAGER, TALENT & REWARDS

RESOLUTION NO. 2017-0092

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH CPM LTD dba MANPOWER TEMPORARY SERVICES FOR TEMPORARY STAFFING SERVICES FOR A TERM OF THREE YEARS WITH TWO ONE-YEAR OPTIONS TO RENEW FOR A MAXIMUM AMOUNT PAYABLE OF \$3,000,000.

WHEREAS, the Authority has a continuing need for temporary staffing placement services throughout the organization; and

WHEREAS, on May 1, 2017, the Authority released a Request for Proposals ("RFP) to obtain the services of one or more qualified staffing agencies to provide on call temporary staffing placement services; and

WHEREAS, the RFP specified that the Authority intended to enter an agreement with one or more staffing agencies where said agreement would have a term of three (3) years with two (2) options, exercisable at the discretion of the President/CEO, with a maximum amount payable under the agreement of three million dollars (\$3,000,000) in aggregate; and

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

WHEREAS, the Authority's evaluation panel shortlisted five agencies and invited them to interview; and

WHEREAS, after reviewing the proposals and interviewing five of the short-listed temporary staffing agencies, the panel recommended awarding an agreement to CPM LTD dba Manpower Temporary Services; and

WHEREAS, the Board determines that awarding an agreement to CPM LTD dba Manpower Temporary Services is in the best interest of the Authority.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and authorizes the President/CEO to negotiate and execute an agreement with CPM LTD dba Manpower Temporary Services for a term of three years with two one-year options to renew at the discretion of the President/CEO for a maximum amount payable of \$3,000,000; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a “project” as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a “development” as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 5th day of October, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

TONY R. RUSSELL
DIRECTOR, CORPORATE
SERVICES/ AUTHORITY
CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

RESOLUTION NO. 2017-0093

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT WITH ACT 1 GOVERNMENT SOLUTIONS, INC. FOR TEMPORARY STAFFING SERVICES FOR A TERM OF THREE YEARS WITH TWO ONE-YEAR OPTIONS TO RENEW FOR A MAXIMUM AMOUNT PAYABLE OF \$3,000,000.

WHEREAS, the Authority has a continuing need for temporary staffing placement services throughout the organization; and

WHEREAS, on May 1, 2017, the Authority released a Request for Proposals ("RFP") to obtain the services of one or more qualified staffing agencies to provide on call temporary staffing placement services; and

WHEREAS, the RFP specified that the Authority intended to enter an agreement with one or more staffing agencies where said agreement would have a term of three (3) years with two (2) one-year options, exercisable at the discretion of the President/CEO, with a maximum amount payable under the agreement of three million dollars (\$3,000,000) in aggregate; and

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

WHEREAS, the Authority's evaluation panel shortlisted five temporary staffing agencies and invited them to interview; and

WHEREAS, after reviewing the proposals and interviewing five of the short-listed temporary staffing agencies, the panel recommended awarding an agreement to Act 1 Government Solutions, Inc.; and

WHEREAS, the Board determines that awarding an agreement to Act 1 Government Solutions, Inc. is in the best interest of the Authority.

NOW THEREFORE BE IT RESOLVED, that the Board hereby approves and authorizes the President/CEO to negotiate and execute an agreement with Act 1 Government Solutions, Inc. for a term of three years with two one-year options to renew at the discretion of the President/CEO for a maximum amount payable of \$3,000,000; and

BE IT FURTHER RESOLVED that the Board of the San Diego County Regional Airport Authority finds that this Board action is not a “project” as defined by the California Environmental Quality Control Act (CEQA) Pub. Res. Code Section 21065; and is not a “development” as defined by the California Coastal Act Pub. Res. Code Section 30106.

PASSED, ADOPTED AND APPROVED by the Board of the San Diego County Regional Airport Authority at a Board meeting this 5th day of October, 2017 by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

TONY R. RUSSELL
DIRECTOR, CORPORATE
SERVICES/ AUTHORITY
CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Award an Agreement to Bradford Airport Logistics, Ltd (BAL) to Provide Centralized Receiving and Distribution Center (CRDC) Operational Services and Authorize the President/CEO to Execute the Agreement

Recommendation:

Adopt Resolution No. 2017-0094, authorizing the President/CEO to execute an agreement with Bradford Airport Logistics, Ltd for Centralized Receiving and Distribution Center operational services in an amount not to exceed \$12,900,000 over a five (5) year term with an option for 2 one-year extensions.

Background/Justification:

The Centralized Receiving & Distribution Center (CRDC), located on the North side of the Airport, serves as SAN's central delivery location for food, beverage, retail, and other goods. A CRDC operator is necessary to manage the receipt, staging, and handling of all goods and supplies delivered to the CRDC and the distribution of the goods and supplies to the Authority's concessionaires, tenants, and procurement warehouse. Delivery volume throughput has steadily increased year over year, having over 2,627,000 cubic feet of product moved in CY 2016 alone. As a result, it is critical that a competent, highly technical, and adaptive logistics firm operates the CRDC. In 2011, the Board awarded an agreement to Bradford Airport Logistics, Ltd (BAL) for a five-year term, ending on November 18, 2017. Due to the upcoming agreement end date, a new solicitation was released to procure an operator of the CRDC in order to maintain its ongoing function.

On June 16, 2017, the Authority issued the referenced solicitation seeking a firm to provide operational services at the CRDC. Notice of the solicitation was advertised in the San Diego Daily Transcript and on the Authority's Website. The Authority received 2 proposals on July 14, 2017. An evaluation panel, comprised of staff from the Terminals & Tenants, Procurement, and Aviation Security & Public Safety Departments determined that both proposals were responsive and both proposers responsible.

Each firm was interviewed on August 11 & 15, 2017, respectively. The firms were asked to provide responses to a specific list of questions, prepared by the evaluation panel, which targeted the evaluation criteria presented in the solicitation. The panelist's final rankings and scoring are presented below:

Firm Rankings						
Firms	Panelist 1	Panelist 2	Panelist 3	Panelist 4	Total	Rank
ALM Services (Airport Logistics Management)	2	2	2	2	8	2
Bradford Airport Logistics	1	1	1	1	4	1

Firms	Evaluation Criteria					
	SB Preference	Cost / Fees	Qualifications & Experience	Management & Operations Plan	Sustainability	Total
ALM Services (Airport Logistics Management)	0	800	665	770	230	2465
Bradford Airport Logistics	0	560	1295	1295	320	3470

The evaluation panel selected BAL as the best qualified respondent because it provided a superior management and operations plan, and understands the nuances of operating at SAN having five years of experience with the airport’s concessionaires. BAL’s operational and logistical proficiencies far exceed the capabilities of the other respondent. It is BAL’s technical expertise in distribution management that best fits the airport’s needs as enplanements continue to rise, concession sales and levels of operation steadily increase, and terminal facility upgrades and developments are performed. Factors that attribute to the total cost include elements such as equipment and fleet improvements, Information Technology upgrades, labor cost increases, material handling equipment upgrades, and forecasted facility maintenance expenses. Subsequent negotiations resulted in a proposed agreement with BAL for CRDC operational services in an amount not to exceed \$12,900,000 over a five-year term with an option for 2 one-year extensions exercisable at the sole discretion of the President/CEO.

Fiscal Impact:

Adequate funding for Bradford Airport Logistics Contract is included in the adopted FY 2018 and conceptually approved FY 2019 Operating Expense Budgets within the Receiving and Distribution Center expense line item. Expenses for FY 2020 through FY 2024 will be included in the future year budget requests. Approximately 95% of these costs are recovered from the airport food, beverage, and retail concessionaires.

Authority Strategies:

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

Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

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

This contract does not utilize federal funds and provides limited opportunities for sub-contractor participation; therefore; at the option of the Authority, Policy 5.12 was applied to promote the participation of qualified small businesses. Policy 5.12 provides a preference of up to five percent (5%) to small businesses in the award of selected Authority contracts. When bid price is the primary selection criteria, the maximum amount of the preference cannot exceed \$200,000. The preference is only applied in measuring the bid. The final contract award is based on the amount of the original bid.

In accordance to Policy 5.12, the recommended firm Bradford Airport Logistics, Ltd did not receive the small business preference.

Prepared by:

JIM DECOCK
MANAGER, TERMINAL CONCESSIONS

RESOLUTION NO. 2017-0094

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY AUTHORIZING THE PRESIDENT/CEO TO EXECUTE AN AGREEMENT WITH BRADFORD AIRPORT LOGISTICS, LTD FOR CENTRALIZED RECEIVING AND DISTRIBUTION CENTER OPERATIONAL SERVICES IN AN AMOUNT NOT TO EXCEED \$12,900,000 OVER A FIVE (5) YEAR TERM WITH AN OPTION FOR 2 ONE-YEAR EXTENSIONS.

WHEREAS, the Authority has an ongoing need for Centralized Receiving and Distribution Center operational services; and

WHEREAS on June 16, 2017, the authority issued a Request for Proposals for CRDC operational services; and

WHEREAS, two proposals were received and interviews were conducted with both firms; and

WHEREAS, the firms were evaluated on cost of operations, management and operations plan, qualifications and experience of personnel, Board Policy 5.12 (Small Business Preference), and sustainability, and upon conclusion of the interviews, Bradford Airport Logistics Ltd was selected as the best qualified firm.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby authorizes the President/CEO to execute an agreement with Bradford Airport Logistics, Ltd for Centralized Receiving and Distribution Center operational services in an amount not to exceed \$12,900,000 over a five (5) year term with an option for 2 one-year extensions exercisable at the sole discretion of the President/CEO; 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 is not a "development" as defined by the California Coastal Act (California Public Resources Code §30106).

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 5th day of October, 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

STAFF REPORT

Meeting Date: **OCTOBER 5, 2017**

Subject:

Business and Travel Expense Reimbursement Reports for Board Members, President/CEO, Chief Auditor and General Counsel When Attending Conferences, Meetings, and Training at the Expense of the Authority

Recommendation:

For information only.

Background/Justification:

Authority Policy 3.30 (2)(b) and (4)(b) require that business expenses reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting. Authority Policy 3.40 (2)(b) and (3)(b) require that travel expense reimbursements of Board Members, the President/CEO, the Chief Auditor and the General Counsel be approved by the Executive Committee and presented to the Board for its information at its next regularly scheduled meeting.

The attached reports are being presented to comply with the requirements of policies 3.30 and 3.40

Fiscal Impact:

Funds for Business and Travel Expenses are included in the FY 2017-2018 Budget.

Authority Strategies:

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

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

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

TRAVEL REQUEST

KIMBERLY J BECKER

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

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 7/27/17 **PLANNED DATE OF DEPARTURE/RETURN:** 8/23/217 / 8/25/17

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: Panama City, Panama Purpose: Meeting with COPA Airlines
Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$	<u>3000.00</u>
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	<u>150.00</u>
B. LODGING	\$	<u>600.00</u>
C. MEALS	\$	<u>200.00</u>
D. SEMINAR AND CONFERENCE FEES	\$	
E. ENTERTAINMENT (If applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	<u>100.00</u>
TOTAL PROJECTED TRAVEL EXPENSE	\$	<u>4050.00</u>

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 7/27/17

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: [Signature] Date: 7/28/17

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

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

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 8/31/17 **PLANNED DATE OF DEPARTURE/RETURN:** 10/26/17 / 10/27/17

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: Pismo Beach, CA Purpose: Attend California Airports Council Board Meeting

Explanation: _____

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$ 400.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 75.00
B. LODGING	\$ 220.00
C. MEALS	\$ 100.00
D. SEMINAR AND CONFERENCE FEES	\$
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 50.00
TOTAL PROJECTED TRAVEL EXPENSE	\$ 845.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 8/30/17

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)

by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

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

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 9/13/17 PLANNED DATE OF DEPARTURE/RETURN: 5/7/18 / 5/10/18

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: Montgomery, AL Purpose: Attend National Security Forum

Explanation: This is an invitation-only event sponsored by the Air War College at Maxwell Air Force Base. Purpose is to share perspectives between key civic leaders, senior military officers and government civilians pertaining to strategic leadership, strategy, and national security and decision-making.

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$	<u>700.00</u>
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	<u> </u>
B. LODGING	\$	<u>200.00</u>
C. MEALS	\$	<u>300.00</u>
D. SEMINAR AND CONFERENCE FEES	\$	<u>175.00</u>
E. ENTERTAINMENT (if applicable)	\$	<u> </u>
F. OTHER INCIDENTAL EXPENSES	\$	<u>50.00</u>
TOTAL PROJECTED TRAVEL EXPENSE	\$	<u>1425.00</u>

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 9/13/17

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

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

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6
Position: Board Member President/CEO Gen. Counsel Chief Auditor
 All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 9/15/17 PLANNED DATE OF DEPARTURE/RETURN: 1/8/18 / 1/11/18

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip— continue on extra sheets of paper as necessary):
Destination: Kona, HI Purpose: Attend AAAE Aviation Issues Conference
Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$ 650.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$ 360.00
B. LODGING	\$ 1450.00
C. MEALS	\$ 400.00
D. SEMINAR AND CONFERENCE FEES	\$ 745.00
E. ENTERTAINMENT (If applicable)	\$
F. OTHER INCIDENTAL EXPENSES	\$ 100.00
TOTAL PROJECTED TRAVEL EXPENSE	\$ 3705.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 9/15/17

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and Intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

TRAVEL EXPENSE

KIMBERLY J BECKER

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
TRAVEL EXPENSE REPORT**

(To be completed within 30 days from travel return date)

TRAVELER: Kimberly J. Becker DEPT. NAME & NO. Executive Office/BU 6
 DEPARTURE DATE: 8/23/2017 RETURN DATE: 8/26/2017 REPORT DUE: 9/24/17
 DESTINATION: Panama City, Panama - Meeting with Copa Airlines

Please refer to the Authority Travel and Lodging Expense Reimbursement Policy, Article 3, Part 3.4, Section 3.40, outlining appropriate reimbursable expenses and approvals. Please attach all required supporting documentation. All receipts must be detailed, (credit card receipts do not provide sufficient detail). Any special items should be explained in the space provided below.

	Authority Expenses (Prepaid by Authority)	Employee Expenses							TOTALS													
		SUNDAY	MONDAY	TUESDAY	WEDNESDAY 8/23/17	THURSDAY 8/24/17	FRIDAY 8/25/17	SATURDAY														
Air Fares, Railroad, Bus (attach copy of Itinerary w/charges)	\$3,357.46								0.00													
Conference Fees (provide copy of flyers/registration expenses)									0.00													
Rental Car*									0.00													
Gas and Oil*									0.00													
Garage/Parking*									0.00													
Mileage - attach mileage form*									0.00													
Taxi and/or Shuttle Fares (include tips pd.)*					36.00	10.61			46.61													
Hotel*					222.39	222.39			444.78													
Telephone, Internet and Fax*									0.00													
Laundry*									0.00													
Tips - separately paid (maids, bellhop, other hotel svcs.)									0.00													
Meals (include tips pd.)					8.57		13.70		22.27													
Breakfast*																						
Lunch*							8.85		8.85													
Dinner*									0.00													
Other Meals*									0.00													
Alcohol is a non-reimbursable expense																						
Hospitality ¹						74.30			74.30													
Miscellaneous: Baggage Fee									0.00													
									0.00													
									0.00													
*Provide detailed receipts									0.00													
Total Expenses prepaid by Authority	\$ 3,357.46	0.00	0.00	0.00	266.96	307.30	22.55	0.00	596.81													
Explanation:	<table border="1"> <tr> <td>Total Expenses Prepaid by Authority</td> <td>3,357.46</td> </tr> <tr> <td>Total Expenses Incurred by Employee (Including cash advances)</td> <td>596.81</td> </tr> <tr> <td>Grand Trip Total</td> <td>3,954.27</td> </tr> <tr> <td>Less Cash Advance (attach copy of Authority ch)</td> <td></td> </tr> <tr> <td>Less Expenses Prepaid by Authority</td> <td>3,357.46</td> </tr> <tr> <td>Due Traveler (positive amount)²</td> <td></td> </tr> <tr> <td>Due Authority (negative amount)³</td> <td>596.81</td> </tr> </table>								Total Expenses Prepaid by Authority	3,357.46	Total Expenses Incurred by Employee (Including cash advances)	596.81	Grand Trip Total	3,954.27	Less Cash Advance (attach copy of Authority ch)		Less Expenses Prepaid by Authority	3,357.46	Due Traveler (positive amount) ²		Due Authority (negative amount) ³	596.81
Total Expenses Prepaid by Authority	3,357.46																					
Total Expenses Incurred by Employee (Including cash advances)	596.81																					
Grand Trip Total	3,954.27																					
Less Cash Advance (attach copy of Authority ch)																						
Less Expenses Prepaid by Authority	3,357.46																					
Due Traveler (positive amount) ²																						
Due Authority (negative amount) ³	596.81																					
Dinner 8/24: SDCRAA: K. Becker/H. Brown/J. Payne = \$74.30																						
¹ Give names and business affiliations of any persons whose meals were paid by traveler.																						
² Prepare Check Request																						
³ Attach personal check payable to SDCRAA																						
	<p align="center"><i>Note: Send this report to Accounting even if the amount is \$0.</i></p>																					

I as traveler or administrator acknowledge that I have read, understand and agree to Authority policies 3.40 - Travel and Lodging Expense Reimbursement Policy⁴ and 3.30 - Business Expense Reimbursement Policy⁵ and that any purchases/claims that are not allowed will be my responsibility. I further certify that this report of travel expenses were incurred in connection with official Authority business and is true and correct.

Prepared By: Kim Ayers Ext.: 2443
 Traveler Signature: [Signature] Date: 8/29/17
 Approved By: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE (To be certified if used by President/CEO, Gen. Counsel, or Chief Auditor)

I, _____ hereby certify that this document was approved by the Executive Committee at its _____ meeting.
 (Please leave blank. Whichever clerk's the meeting will insert their name and title.)
 (Leave blank and we will insert the meeting date.)

Failure to attach required documentation will result in the delay of processing reimbursement. If you have any questions, please see your department Administrative Assistant or call Accounting at ext. 2806.

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

GENERAL INSTRUCTIONS:

- A. All travel requests must conform to applicable provisions of Policies 3.30 and 3.40.
- B. Personnel traveling at Authority expense shall, consistent with the provisions of Policies 3.30 and 3.40, use the most economical means available to affect the travel.

1. TRAVELER:

Travelers Name: Kimberly J. Becker Dept: 6

Position: Board Member President/CEO Gen. Counsel Chief Auditor

All other Authority employees (does not require executive committee administrator approval)

2. DATE OF REQUEST: 7/27/17 PLANNED DATE OF DEPARTURE/RETURN: 8/23/17 / 8/25/17

3. DESTINATIONS/PURPOSE (Provide detailed explanation as to the purpose of the trip-- continue on extra sheets of paper as necessary):

Destination: Panama City, Panama Purpose: Meeting with COPA Airlines
Explanation:

4. PROJECTED OUT-OF-TOWN TRAVEL EXPENSES

A. TRANSPORTATION COSTS:

• AIRFARE	\$	3000.00
• OTHER TRANSPORTATION (Taxi, Train, Car Rental)	\$	150.00
B. LODGING	\$	600.00
C. MEALS	\$	200.00
D. SEMINAR AND CONFERENCE FEES	\$	
E. ENTERTAINMENT (if applicable)	\$	
F. OTHER INCIDENTAL EXPENSES	\$	100.00
TOTAL PROJECTED TRAVEL EXPENSE	\$	4050.00

CERTIFICATION BY TRAVELER By my signature below, I certify that the above listed out-of-town travel and associated expenses conform to the Authority's Policies 3.30 and 3.40 and are reasonable and directly related to the Authority's business.

Travelers Signature: Kimberly J. Becker Date: 7/27/17

CERTIFICATION BY ADMINISTRATOR (Where Administrator is the Executive Committee, the Authority Clerk's signature is required).

By my signature below, I certify the following:

1. I have conscientiously reviewed the above out-of-town travel request and the details provided on the reverse.
2. The concerned out-of-town travel and all identified expenses are necessary for the advancement of the Authority's business and reasonable in comparison to the anticipated benefit to the Authority.
3. The concerned out-of-town travel and all identified expenses conform to the requirements and intent of Authority's Policies 3.30 and 3.40.

Administrator's Signature: [Signature] Date: 7/28/17

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, hereby certify that this document was approved
(Please leave blank. Whoever clerk's the meeting will insert their name and title.)
by the Executive Committee at its _____ meeting.
(Leave blank and we will insert the meeting date.)

TRAVELTRUST

Traveltrust Corporation
374 North Coast Hwy 101, Suite F
Encinitas, CA 92024
Phone: (760) 635-1700



Friday, 28JUL 2017 06:51 PM EDT

Passengers: KIMBERLY JANE BECKER (06)

Agency Reference Number: NXCSPP

Click here to view your current Itinerary or ETicket receipt on-line: trifcase.com

United Airlines Confirmation OLFQC7

Copa Confirmation CWWQOW

Please review your Itinerary and report any discrepancies to Traveltrust within 24hrs of receipt
Be sure to visit www.traveltrust.com for additional travel information

TRAVELTRUST STRONGLY RECOMMENDS CHECKING IN
ONLINE WITH YOUR AIRLINE AT LEAST 24 HOURS PRIOR TO
EACH FLIGHT FOR THE MOST CURRENT TIMES AND ALERTS

FOR TRAVEL TO PANAMA A US CITIZEN
MUST HAVE A VALID PASSPORT OR VISA

YOU CANNOT TRAVEL OUT OF THE UNITED STATES IF YOUR US
PASSPORT EXPIRES WITHIN 6 MONTHS OF YOUR DEPARTURE DATE
YOUR INTERNATIONAL TRAVEL MAY REQUIRE VACCINATIONS
PLEASE CHECK WWW.CDC.GOV FOR LATEST REQUIREMENTS

CERTAIN FARES MAY REQUIRE REISSUANCE AT TIME OF
CANCELLATION. PLEASE CONTACT THE AIRLINE OR TRAVELTRUST

AIR	Wednesday, 23AUG 2017		
United Airlines	Flight Number: 1578	Class: W-Coach/Economy	
From: San Diego CA, USA	Depart: 06:16 AM		
To: Los Angeles CA, USA	Arrive: 07:25 AM		
Stops: Nonstop	Duration: 1 hour(s) 10 minute(s)		
Seats: 26D	Status: CONFIRMED	Miles: 93 / 157 KM	
Equipment: Boeing 737-900 Jet			
DEPARTS SAN TERMINAL 2 - ARRIVES LAX TERMINAL 7			
Frequent Flyer Number: XXXXXXXXXX			
AISLE SEAT CONFIRMED			
United Airlines Confirmation number is OLFQC7			

AIR	Wednesday, 23AUG 2017		
Copa	Flight Number: 0473	Class: J-Business	
From: Los Angeles CA, USA	Depart: 11:29 AM		
To: Panama City, Panama	Arrive: 08:11 PM		
Stops: Nonstop	Duration: 6 hour(s) 42 minute(s)		
Seats: 03E	Status: CONFIRMED	Miles: 3009 / 4814 KM	
Equipment: Boeing 737-800 Jet	MEAL: MEALS		
DEPARTS LAX TERMINAL TOM BRADLEY INTL TERM			

Frequent Flyer Number: [REDACTED]

AISLE SEAT CONFIRMED

Copa Confirmation number is CWVQOW

AIR Friday, 25 AUG 2017

Copa Flight Number: 0360 Class: J-Business
From: Panama City, Panama Depart: 07:50 AM
To: Los Angeles CA, USA Arrive: 12:45 PM
Stops: Nonstop Duration: 6 hour(s) 55 minute(s)
Seats: 02B Status: CONFIRMED Miles: 3009 / 4814 KM
Equipment: Boeing 737-800 Jet MEAL: MEALS
ARRIVES LAX TERMINAL TGM BRADLEY INTL TERM
Frequent Flyer Number: [REDACTED]
AISLE SEAT CONFIRMED
Copa Confirmation number is CWVQOW

AIR Friday, 25 AUG 2017

United Airlines Flight Number: 5944 Class: W-Coach/Economy
Operated By: /SKYWEST DBA UNITED EXPRESS
From: Los Angeles CA, USA Depart: 03:45 PM
To: San Diego CA, USA Arrive: 04:44 PM
Stops: Nonstop Duration: 0 hour(s) 59 minute(s)
Seats: 16C Status: CONFIRMED Miles: 98 / 157 KM
Equipment: E7W/AIR
DEPARTS LAX TERMINAL 7 - ARRIVES SAN TERMINAL 2
Frequent Flyer Number: [REDACTED]
AISLE SEAT CONFIRMED
United Airlines Confirmation number is OLFQC7

OTHER Saturday, 23 JUN 2018

THANK YOU FOR YOUR BUSINESS

THIS TICKET IS NON-REFUNDABLE AND MUST BE USED FOR THE FLIGHTS BOOKED. IF THE RESERVATION IS NOT USED OR CANCELLED BEFORE THE DEPARTURE OF YOUR FLIGHTS IT MAY HAVE NO VALUE. CONTACT TRAVELTRUST BEFORE YOUR OUTBOUND FLIGHT IF CHANGE IS NECESSARY. UNITED AIRLINES CONFIRMATION NUMBER - OLFQC7 COPA CONFIRMATION NUMBER - CWVQOW FOR EMERGENCY SERVICE FROM UNITED STATES - 888-221-6043 FOR EMERGENCY SERVICE FROM PANAMA - 001-800-369-7815

Ticket/Invoice Information

Ticket for: KIMBERLYJANE BECKER
Date issued: 7/28/2017 Invoice Nbr: 5432965
Ticket Nbr: UA8641834806 Electronic Tkt: Yes Amount: 228.40 USD
Base: 186.04 US Tax: 13.98 USD XT Tax: 28.40 USD
Charged to: AX [REDACTED]

Ticket for: KIMBERLY JANE BECKER
Ticket Nbr: CM8641880522 Electronic Tkt: No
Date issued: 7/28/2017 Amount: 3082.06 USD
Base: 2972.00 Tax: 117.06
Charged to: AX [REDACTED]

Service fee: KIMBERLY JANE BECKER
Date issued: 7/28/2017

Document Nbr: XD0707760662 **
Charged to: AX *****

Amount: 40.00

Total Tickets: 3317.46
Total Fees: 40.00
Total Amount: 3357.46

Click here 24 hours in advance to obtain boarding passes:

[UNITED](#)
[COPA AIRLINE](#)

Click here to review Baggage policies and guidelines:

[UNITED](#)
[COPA AIRLINE](#)

Check operating carrier website for any policies that may vary.

TSA Guidance- a government issued photo id is needed for checkin.
Please allow minimum 3 hour check-in for international flights and 2 hours for Domestic.
For Additional security information visit www.tsa.gov.

Thank you for choosing TravelTrust!
Our Business Hours are Sunday - Friday 10pm - 5:30pm Pacific
Saturday from 9am-1pm Pacific.
For EMERGENCY AFTERTHOUS assistance in the US, please call 888-221-8043 and use VIP Code SJE72.
You can also use the Direct Dial Number 622-233-1914 or the collect number 622-647-0081.
Each call is billable at a minimum \$25.00 per call/reservation

Ayers Kim

Subject: Meeting with Airlines
Start: Thu 8/24/2017 10:00 AM
End: Thu 8/24/2017 12:00 PM
Recurrence: (none)
Organizer: Becker Kimberly

THE WESTIN
PARAGUA

Mrs. Kimberly Becker
[REDACTED]

Room No. : 0708
Arrival : 23-08-17
Departure : 25-08-17
Page No. : 1 of 2
Folio No. : 89641
Conf. No. : 652181431
Cashier No. : 662
User ID : EPALACIOS

COPY OF INVOICE

Membership No. : [REDACTED]
AVR Number : [REDACTED]
Group Code : [REDACTED]
Company Name : [REDACTED]

Thank You For Staying With Us 25-08-17

Date	Text	Exchange Rate	Charges USD	Credits USD	Charges USD	Credits USD
23-08-17	Tx BAR1	1	202.17		202.17	0.00
23-08-17	Room Tax ITBMS	1	20.22		20.22	0.00
	Sub Total		222.39	0.00	222.39	0.00
24-08-17	Tx BAR1	1	202.17		202.17	0.00
24-08-17	Room Tax ITBMS	1	20.22		20.22	0.00
	Sub Total		222.39	0.00	222.39	0.00
25-08-17	Mastercard	1		444.78	0.00	444.78
	XXXXXXXXXXXXXX XX/XX					
	Sub Total		0.00	444.78	0.00	444.78
	Total		444.78	444.78	444.78	444.78

Balance	0.00 USD	0.00
Total Incl. vat	444.78 USD	444.78
Net Amount	404.34 USD	404.34
Room Tax ITBMS	40.44 USD	40.44
	0.00 USD	0.00
	0.00 USD	0.00
	0.00 USD	0.00
	0.00 USD	0.00
	0.00 USD	0.00
	0.00 USD	0.00
	0.00 USD	0.00
	0.00 USD	0.00
	0.00 USD	0.00

Merchant ID : [REDACTED] Credit Card # : XXXXXXXXXXXXXXXX
Transaction ID : 4255009 Credit Card Expiry : XX/XX
Approval Code : [REDACTED] Capture Method : Manual
Approval Amount : 444.78 Transaction Amount : 444.78

THE WESTIN
PANAMA

Mrs. Kimberly Becker
[REDACTED]
[REDACTED]

Room No. : 0708
Arrival : 23-08-17
Departure : 25-08-17
Page No. : 2 of 2
Folio No. : 89841
Conf. No. : 662181431
Cashier No. : 662
User ID : EPALACIOS

COPY OF INVOICE

Membership No. : [REDACTED]
A/R Number : [REDACTED]
Group Code : [REDACTED]
Company Name : [REDACTED]

Thank You For Staying With Us 25-08-17

Date	Text	Exchange Rate	Charges USD	Credits USD	Charges USD	Credits USD
------	------	---------------	-------------	-------------	-------------	-------------

1 USD = USD

TRAVEL EXPENSE RECEIPTS FOR KIMBERLY J. BECKER

Airline Meeting

Panama City, Panama

AUGUST 23-25, 2017

JOSÉ ACEVEDO

R.U.C. P-041846337
 Condado del Rey, Panamá
 e-mail: joscarief21@gmail.com
 Celular: (507) 6320-0867

TAXI

No. 0029

FECHA 23/08/17

NOMBRE: _____

DIRECCIÓN: _____

DESCRIPCIÓN	TOTAL
	30.00
Sonido Radio	
Almuerzo	
	30.00

Recibido por: *[Signature]*

36.00

OPERATED BY



STARBUCKS COFFEE
 SAN DIEGO AIRPORT

30021 Olivia

CHK 9520

AUG23'17 4:39AM

TO GO

1 CHAI LATTE G 4.70
 1 LBE LOAF PUMPKIN 3.25
 LaBoulange Loaf Pumpkin
 Cream Cheese

SUBTOTAL 7.95

TAX 0.52

AMOUNT PAID 8.57

XXXXXXXXXXXX

046329

Bal: 10.16

STBK CARD 8.57

---30021 Closed AUG23 04:39AM---

WE WANT TO HEAR YOUR FEEDBACK!
 PLEASE CONTACT 1-877-672-7467
 OR CUSTOMERSERVICE@HMSTO.COM
 TO SHARE YOUR EXPERIENCE.

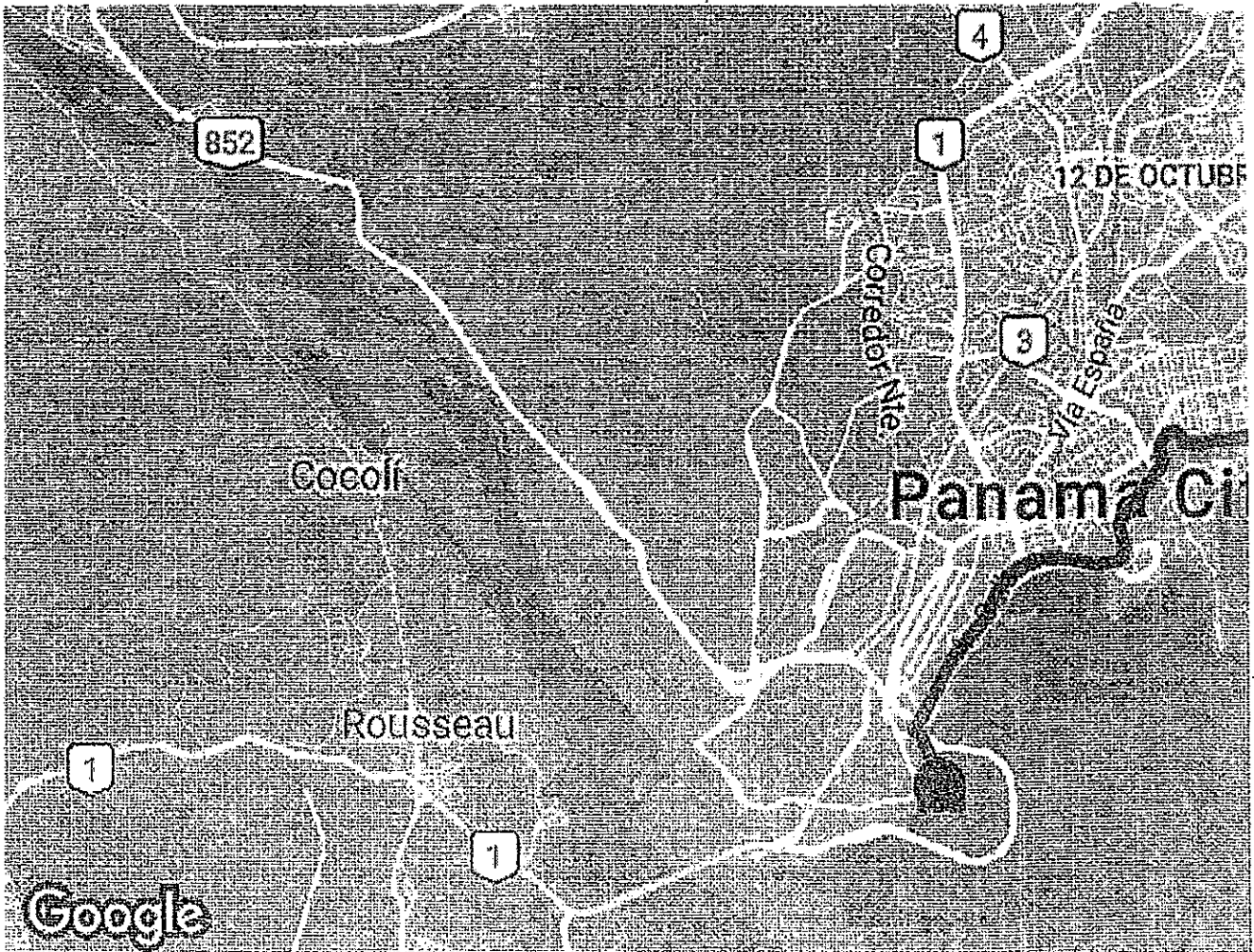
STOREID: SANSTA09

Ayers Kim

From: Kim Becker <kbeckers[REDACTED]>
Sent: Thursday, August 24, 2017 6:18 PM
To: Becker Kimberly
Subject: Fwd: Your Thursday evening trip with Uber

Begin forwarded message:

From: Uber Receipts <uber.panama@uber.com>
Date: August 24, 2017 at 6:31:38 PM EST
To: kbeckers[REDACTED]
Subject: Your Thursday evening trip with Uber





\$10.61

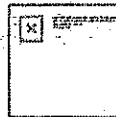
Thanks for choosing Uber, Kim

August 24, 2017 | uberX



05:34pm | Avenida de la Rotonda, Panamá,

06:31pm | Edificio 7-27, Calle 7a Este, Pañe



You rode with a1v1s

15.34

00:5

kilometers

Trip 1



BUSINESS EXPENSE

APRIL BOLING

