

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Board Members

Johanna Schiavoni
Chair

Catherine Blakespear
Gil Cabrera
Mary Casillas Salas
Robert T. Lloyd
Paul McNamara
Paul Robinson
Nora E. Vargas
Marni von Wilpert

BOARD MEETING **AGENDA**

Thursday, March 4, 2021
9:00 A.M.

San Diego International Airport
SDCRAA Administration Building
3225 N. Harbor Drive
San Diego, California 92101

Ex-Officio Board Members

Gustavo Dallarda
Col. Charles B. Dockery
Gayle Miller

President / CEO

Kimberly J. Becker

This meeting of the Board of the San Diego County Regional Airport Authority Board will be conducted pursuant to the provisions of California Executive Order N-29-20 which suspends certain requirements of the Ralph M. Brown Act. During the current State of Emergency and in the interest of public health, all Board members will be participating in the meeting electronically. In accordance with the Executive Order, there will be no members of the public in attendance at the Board Meeting. We are providing alternatives to in-person attendance for viewing and participating in the meeting. In lieu of in-person attendance, members of the public may submit their comments in the following manner.

Comment on Non-Agenda Items

Public comments on non-agenda items must be submitted to the Authority Clerk at clerk@san.org, no later than 4:00 p.m. the day prior to the posted meeting in order to be eligible to be read into the record. The Authority Clerk will read the first 30 comments received by 4:00 p.m. the day prior to the meeting into the record. The maximum number of comments to be read into the record on a single issue will be 16. All other comments submitted, including those received after 4:00 p.m. the day prior and before 8:00 a.m. the day of the meeting, will be provided to the Authority Board and submitted into the written record for the meeting.

Comment on Agenda Items

Public comments on agenda items received no later than 8:00 a.m. on the day of the meeting will be distributed to the Board and included in the record.

If you'd like to speak to the Board live during the meeting, please follow these steps to request to speak:

- **Step 1:** Fill out the online [Request to Speak Form](#) to speak during the meeting via teleconference. The form must be submitted by 4 p.m. the day before the meeting or by 4:00 p.m. the Friday before a Monday meeting. After completing the form, you'll get instructions on how to call in to the meeting.
- **Step 2:** Watch the meeting via the Webcast located at the following link, <https://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board?EntryId=13942>

- **Step 3:** When the Board begins to discuss the agenda item you want to comment on, call in to the conference line, you will be placed in a waiting area. ***Please do not call until the item you want to comment on is being discussed.***
- **Step 4:** When it is time for public comments on the item you want to comment on, Authority Clerk staff will invite you into the meeting and unmute your phone. Please mute the webcast to avoid any feedback. Staff will then ask you to state your name and begin your comments.

You may also view the meeting online at the following link: <https://www.san.org/Airport-Authority/Meetings-Agendas/Authority-Board?EntryId=13942>

REQUESTS FOR ACCESSIBILITY MODIFICATIONS OR ACCOMMODATIONS

As required by the Americans with Disabilities Act (ADA), requests for agenda information to be made available in alternative formats, and any requests for disability-related modifications or accommodations required to facilitate meeting participation, including requests for alternatives to observing meetings and offering public comment as noted above, may be made by contacting the Authority Clerk at (619) 400-2550 or <mailto:clerk@san.org>. The Authority is committed to resolving accessibility requests swiftly in order to maximize accessibility.

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

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

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

CALL TO ORDER:

ROLL CALL:

PRESENTATIONS:

A. DISCUSSION REGARDING THE PARAMETERS FOR FISCAL YEAR 2022 AND FISCAL YEAR 2023 OPERATING BUDGETS:

Presented by Scott Brickner, Vice President, Treasurer/CFO and John Dillon, Director, Finance and Risk Management.

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

- **AUDIT COMMITTEE:**
Committee Members: Blakespear, Casillas Salas, Lloyd, Vann (Chair), Van Sambeek, Vargas, Wong Nickerson
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**
Committee Members: Blakespear, Cabrera, McNamara (Chair), Schiavoni, von Wilpert
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Committee Members: McNamara, Robinson (Chair), Schiavoni, Vargas
- **FINANCE COMMITTEE:**
Committee Members: Cabrera, Casillas Salas, Lloyd (Chair), Vargas, von Wilpert

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Liaison: Casillas Salas (Primary), Robinson
- **ARTS ADVISORY COMMITTEE:**
Committee Member: Robert H. Gleason

LIAISONS

- **CALTRANS:**
Liaison: Dallarda
- **INTER-GOVERNMENTAL AFFAIRS:**
Liaison: Cabrera
- **MILITARY AFFAIRS:**
Liaison: Dockery
- **PORT:**
Liaisons: Robinson, Schiavoni (Primary), Vargas

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

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:**
Representative: Robinson, Schiavoni (Primary)
- **SANDAG TRANSPORTATION COMMITTEE:**
Representatives: Cabrera (Primary), Lloyd

CHAIR'S REPORT:

PRESIDENT/CEO'S REPORT:

NON-AGENDA PUBLIC COMMENT:

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

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

CONSENT AGENDA (Items 1 - 10):

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

1. **APPROVAL OF MINUTES:**
RECOMMENDATION: Approve the minutes of the January 25, 2021 Special and the February 4, 2021 regular Board meetings.
2. **ACCEPTANCE OF BOARD AND COMMITTEE MEMBERS WRITTEN REPORTS ON THEIR ATTENDANCE AT APPROVED MEETINGS AND PRE-APPROVAL OF ATTENDANCE AT OTHER MEETINGS NOT COVERED BY THE CURRENT RESOLUTION:**
RECOMMENDATION: Accept the reports and pre-approve Board Member attendance at other meetings, trainings and events not covered by the current resolution.
(Board Services: Tony R. Russell, Director/Authority Clerk)

- 3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JANUARY 11, 2021 THROUGH FEBRUARY 7, 2021 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 11, 2021 THROUGH FEBRUARY 7, 2021:**
RECOMMENDATION: Receive the report.
(Procurement: Jana Vargas, Director)
- 4. MARCH 2021 LEGISLATIVE REPORT:**
RECOMMENDATION: Adopt Resolution No. 2021-0021, approving the March 2021 Legislative Report.
(Government Relations: Matt Harris, Director)
- 5. CONTINUE THE DECLARATION OF THE EXISTENCE OF A LOCAL EMERGENCY IN REPSONSE TO THE SERIOUS AND IMMINENT THREAT OF THE NOVEL CORONAVIRUS (COVID-19):**
RECOMMENDATION: Adopt Resolution No. 2021-0022, confirming the need to continue the Declaration of a Local Emergency in response to COVID-19.
(Legal: Amy Gonzalez, General Counsel)
- 6. APPOINTMENT OF AUTHORITY ADVISORY COMMITTEE MEMBERS:**
RECOMMENDATION: Adopt Resolution No. 2021-0023, appointing members to the Authority Advisory Committee.
(Board Services: Tony R. Russell, Director/Authority Clerk)

CLAIMS

COMMITTEE RECOMMENDATIONS

- 7. FISCAL YEAR 2021 SECOND QUARTER REPORT FROM THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board accept the report.
(Audit: Lee Parravano, Chief Auditor)
- 8. REVISION TO THE FISCAL YEAR 2021 AUDIT PLAN OF THE OFFICE OF THE CHIEF AUDITOR:**
RECOMMENDATION: The Audit Committee recommends that the Board Adopt Resolution No. 2021-0024, approving the revision to the Fiscal Year 2021 Audit Plan of the Office of the Chief Auditor.
(Audit: Lee Parravano, Chief Auditor)

CONTRACTS AND AGREEMENTS

9. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE ON-CALL INDUSTRIAL HYGIENE SERVICES AGREEMENT WITH TETRA TECH EM INC.:

RECOMMENDATION: Adopt Resolution No. 2021-0025, approving and authorizing the President/CEO to execute a Second Amendment to the On-call Industrial Hygiene Services Agreement with Tetra Tech EM Inc., increasing the amount payable by \$775,000 for a total not-to-exceed compensation amount of \$1,475,000.

(Airport Planning & Environmental: Brendan Reed, Director)

10. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AMENDMENT TO A REIMBURSABLE AGREEMENT BETWEEN THE FEDERAL AVIATION ADMINISTRATION (FAA) FOR THE RELOCATION OF TWO COMPONENTS OF AN FAA SYSTEM THAT CONFLICT WITH ADP PACKAGE 1: TERMINAL AND ROADWAYS:

RECOMMENDATION: Adopt Resolution No. 2021-0026, approving and authorizing the President/CEO to negotiate and execute an Amendment to a Reimbursable Agreement between the Federal Aviation Administration (FAA) and the San Diego County Regional Airport Authority for the relocation of two components of an FAA system.

(Airport Design and Construction: Bob Bolton, Director)

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

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

CLOSED SESSION:

11. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

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

Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.

San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL

12. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

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

Name of Case: Park Assist LLC v. San Diego County Regional Airport Authority, et al.

United States District Court Case No. 18 CV2068 LAB MDD

- 13. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Quiet Skies San Diego v. San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2020-00007998-CU-TT-CTL
- 14. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: In re Hertz Global Holdings, Inc., Case No. 20-11219-MFW
- 15. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: Elizabeth Stillwagon v. San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2020-00015509-CU-OE-CTL
- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: City of Coronado v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2020-00039394-CU-TT-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of case: In re Advantage Holdco, Inc., et al., Case No. 20-11259-JTD
- 18. 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: 2
- 19. 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
- 20. 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: 1

- 21. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Order No. WQ 2019-0005-DWQ by the State Water Resources Control Board pertaining to PFAS
Number of potential cases: 1
- 22. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
(Government Code §54956.8)
Property: 2554-2610 California Street, San Diego CA 92101
Agency negotiator: Hampton Brown, Eric Podnieks
Negotiating parties: Ryan King, Voit Estate Services
Under negotiation: Price and terms of payment
- 23. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
(Government Code §54956.8)
Property: Approximately 104,830 square feet of land area located at 2535 Pacific Highway in the City of San Diego, California; approximately 135,521 square feet of land area located at 3032 North Harbor Drive in the City of San Diego; approximately 60,958 square feet of land area on the east side of Harbor Island Drive near North Harbor Drive; and 261,130 square feet of land area located north-easterly of the neck of Harbor Island Drive and adjacent easterly to 1380 Harbor Island Drive in the City of San Diego, California
Agency negotiator: Hampton Brown, Eric Podnieks
Negotiating parties: Taylor Stack, Asset Manager, Real Estate-San Diego Unified Port District, Anette Dahl, Department Manager, Real Estate-San Diego Unified Port District
Under negotiation: Price and terms of payment
- 24. THREAT TO PUBLIC SERVICES OR FACILITIES:**
Consultation with: General Counsel and President/CEO

REPORT ON CLOSED SESSION:

GENERAL COUNSEL REPORT:

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

BOARD COMMENT:

ADJOURNMENT:

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

- 1) Persons wishing to address the Board, ALUC, and Committees shall submit an email to the Clerk at clerk@san.org prior to the initiation of the portion of the agenda containing the item to be addressed (e.g., Public Comment and General Items). Failure to submit an email shall not preclude testimony, if permission to address the Board is granted by the Chair.
- 2) The Public Comment Section at the beginning of the agenda is reserved for persons wishing to address the Board, ALUC, and Committees on any matter for which another opportunity to speak is not provided on the Agenda, and on matters that are within the jurisdiction of the Board.
- 3) Persons wishing to speak on specific items listed on the agenda will be afforded an opportunity to speak during the presentation of individual items. Persons wishing to speak on specific items should reserve their comments until the specific item is taken up by the Board, ALUC and Committees.
- 4) If many persons have indicated a desire to address the Board, ALUC and Committees on the same issue, then the Chair may suggest that these persons consolidate their respective testimonies. Testimony by members of the public on any item shall be limited to **three (3) minutes per individual speaker and five (5) minutes for applicants, groups and referring jurisdictions.**
- 5) Pursuant to Authority Policy 1.33 (8), recognized groups must register with the Authority Clerk prior to the meeting.
- 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 SDCRAA Building by using public transit via the San Diego MTS System, Route 992. For route and fare information, please call the San Diego MTS at (619) 233-3004 or 511.

Discussion Regarding the Parameters for the FY 2022 and FY 2023 Operating Budgets

Presented by:

Scott Brickner
Vice President & Chief Financial Officer
and
John Dillon
Director, Finance & Risk Management

March 4, 2021

San Diego County Regional Airport Authority

Agenda

- Strategic Plan
- Economic Update and Airports Outlook
- Authority Debt Profile
- Authority Financial Overview
- Budget Calendar





Strategic Plan

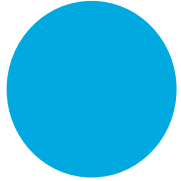
Strategic Plan Future State Description

In 2022, our integrated leadership team has continued to evolve the Authority into a passenger-focused, business-driven, community-centered enterprise. We have achieved our five-year strategic plan and are widely recognized for successfully managing our financial, social and environmental sustainability.

Our Brand Promise

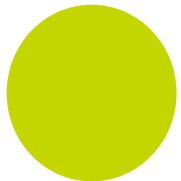
Good Feelings. Non-Stop.

Strategic Goals



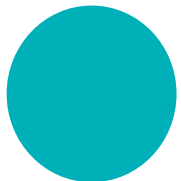
Community

Enhance community understanding of SAN as an economic engine and portal for prosperity.



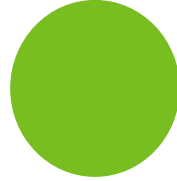
Customer

Exceed our customers' expectations by introducing innovative service and facility enhancements.



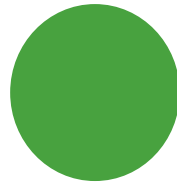
Employee

Develop leaders and a workforce aligned to the needs of our Strategic Plan that reflects the diversity of our community.



Financial

Execute a Plan of Finance that provides the financial resources necessary to achieve the FY 2022 Future State while maintaining the enterprise's strong financial position.



Operations

Grow and efficiently manage capacity, both landside and airside, including international facilities for future demand.

Focus Area

In an effort to successfully align and coordinate strategic plan initiatives that require integrated, cross-functional action plans, three over-arching focus areas were established to assure effective decision-making and resource-allocation:

- Advance the Airport Development Plan (ADP)
- Transforming the Customer Journey
- Optimize Ongoing Business

These focus areas are guiding department goal setting efforts and guiding our budgeting process for the upcoming fiscal cycle.

Top Three Priorities

- Continuing to navigate through the significant impacts that COVID-19 has had on our business and operations. Working through the uncertainty of ongoing impacts and how to regain passenger confidence.
- How to proceed with the ADP upon obtaining the Maximum Contract Price in mid-2021.
- Maintain employee safety, confidence and engagement.

Airport Development Program (ADP) Action Items


- Create a process to determine the agenda for the ADP Steering Committee meetings.
- Determine decision rights for ADP and how to best engage other teams impacted by ADP decisions.
- Create a staffing plan.
- Refine and present ADP plan of finance to airlines and then Board of Directors for approval.
- Advance coordination with FAA, Coastal Commission, and other agencies to adhere to requirements, maintain schedule, and provide funding opportunities.

Optimize Ongoing Business (OOB) Action Items

- Determine concession management model.
- Determine concession business terms.
- Develop parking management and revenue strategy.
- Restoring and increasing domestic and international air service destinations (including new incentive plan).

Transforming Customer Experience (TCE) Action Items

- Deliver a seamless, consistent airport experience that exceeds customer service needs during COVID-19.
- Create a customer journey experience that fulfills the airports brand promise.
- ADP communication plan and budget.

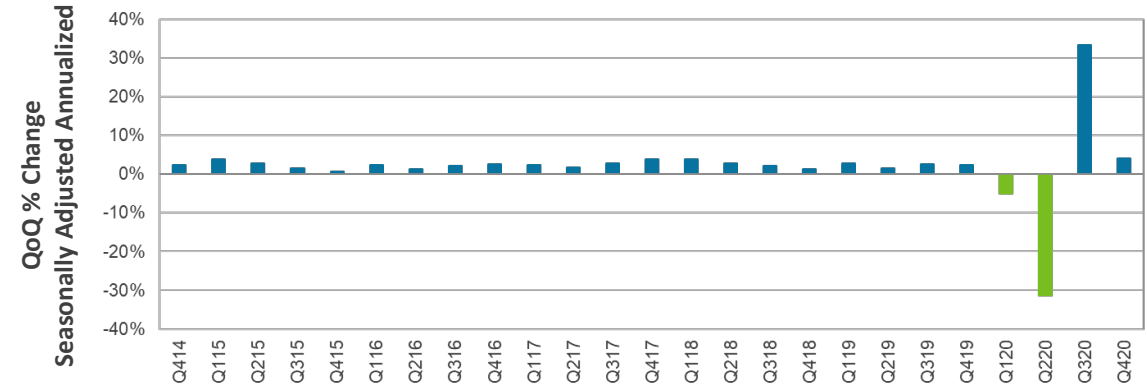


Economic Update and Airports Outlook

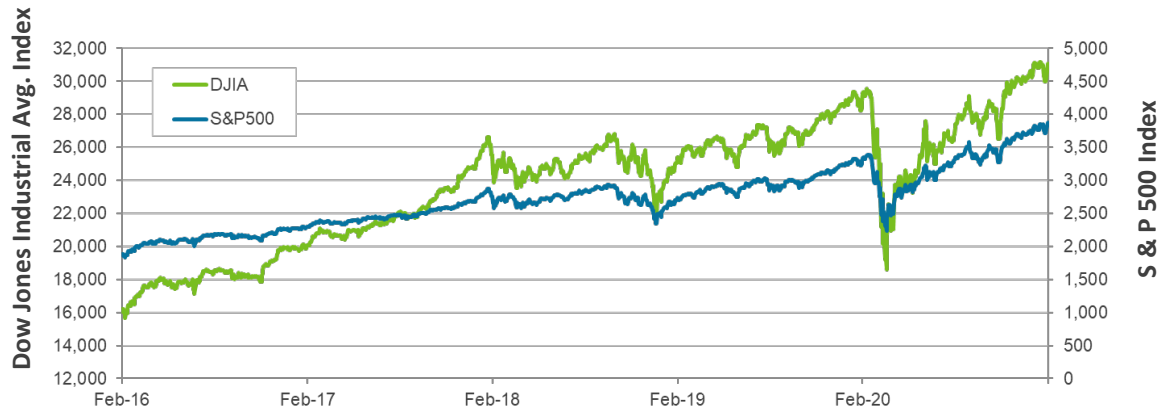
US Economy

- Main economic indicators:
 - 4th Quarter of 2020 U.S. GDP increased at an annual rate of 4.0%
 - As of January 2021, U.S. unemployment increased to 6.3% compared to 3.5% last year
 - San Diego unemployment is up at 8.0% for December 2020 from 2.8% last year
- Calendar 2020 equity markets rose:
 - DJIA: 7.3%
 - S&P 500: 16.3%

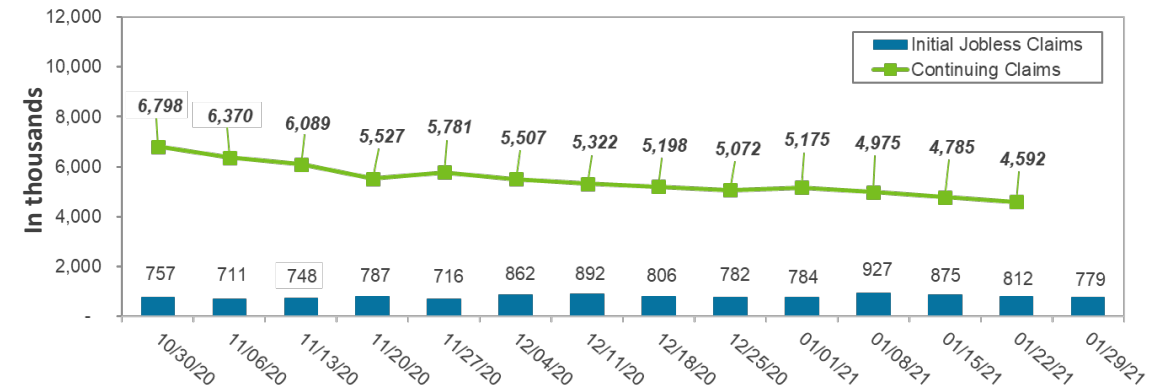
U.S. Gross Domestic Product



Dow Jones Industrial Avg. and S&P 500 Indices



U.S. Unemployment Rates

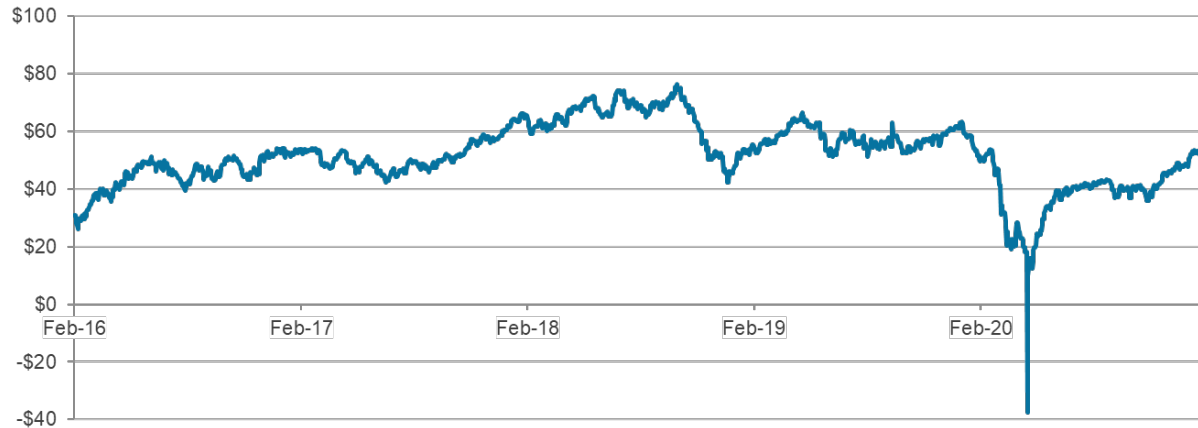


Source – Bloomberg

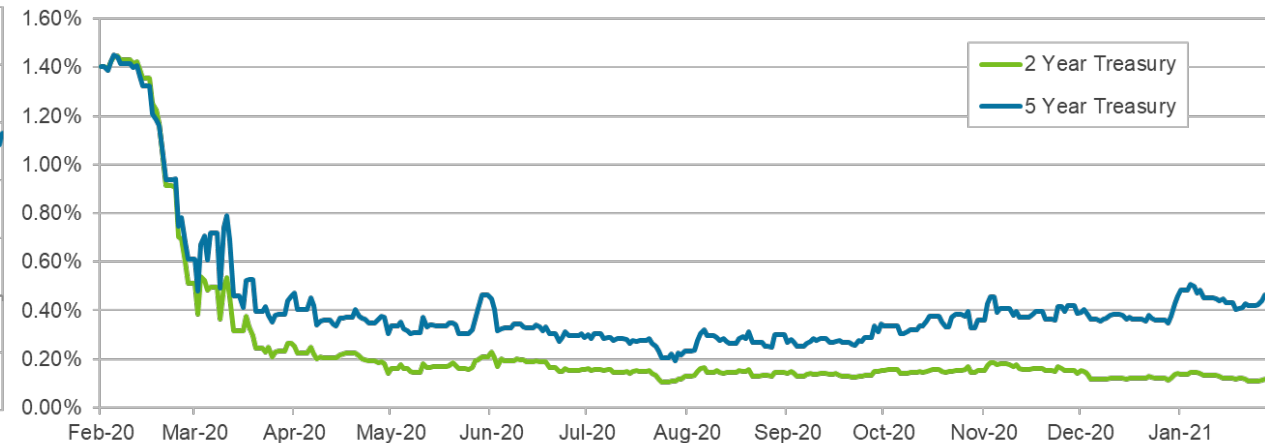
Oil Prices & Interest Rates

- Current oil price trades in the \$56.85+/- range per barrel, above its 12-month average of \$38.93
- In 2020, Treasury yields have declined 133 basis points on 5-year Treasuries and 145 basis points on 2-year Treasuries. The yield on 5-year Treasuries is now higher than the yield on 2-year Treasuries.

WTI Crude Oil Price (Per Barrel)



U.S. Treasury Yields



Rating Agencies Airport Outlook

Moody's, Fitch and S&P – “Negative” Outlook

Key drivers:

- Reduced traffic activity pressuring revenues and debt service coverage
- Second outbreak or renewed lockdowns
- Airline capacity and profitability
- Passenger behavior
- Government actions

SDCRAA Credit

Fitch: AA- Senior and A+ Subordinate ratings with a negative outlook

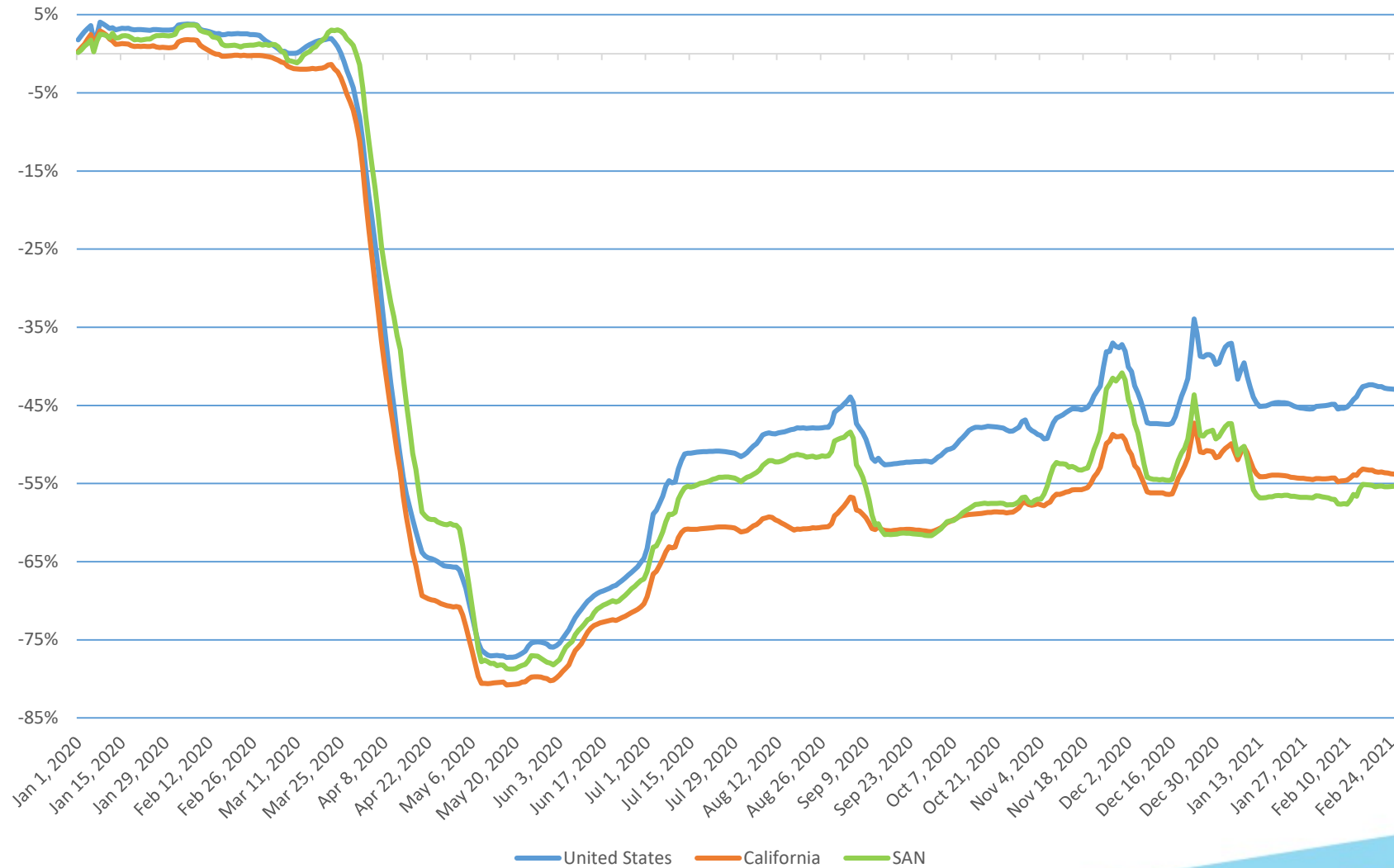
S&P: A and A- Subordinate ratings with a negative outlook; BBB+ rating for special facility bonds with a negative outlook

Moody's*: A1 Senior, A2 Subordinate ratings and A3 rating for special facility bonds with a stable outlook

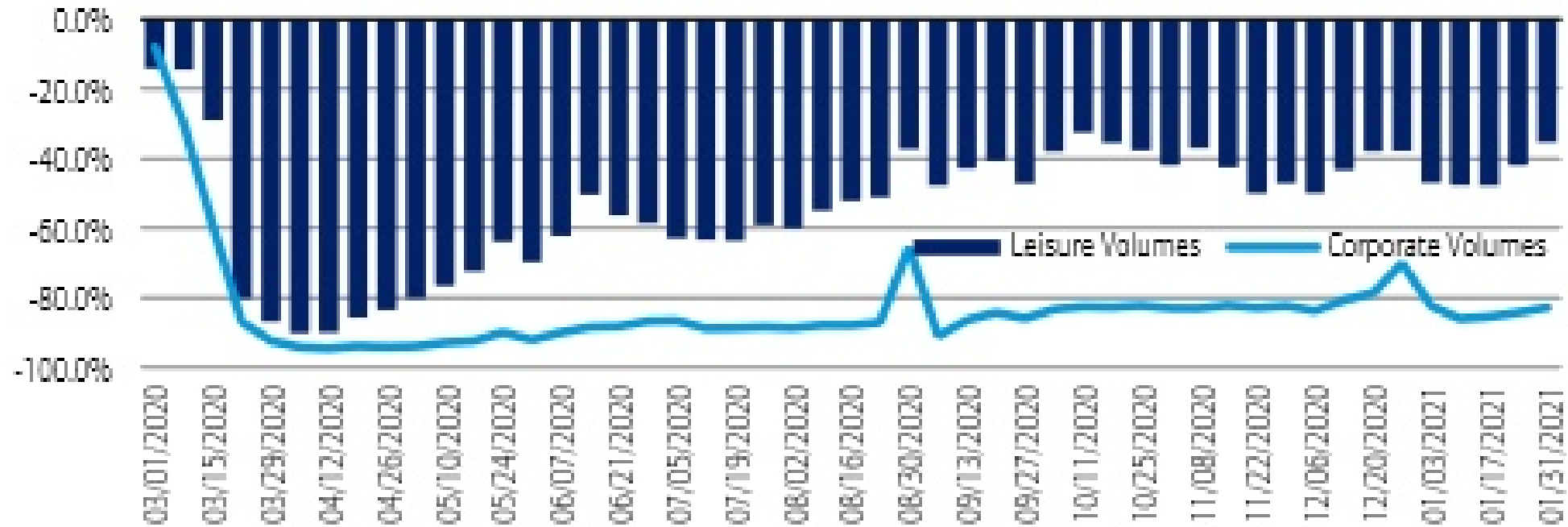
* Moody's does not rate the 2019 Bonds

Seats Capacity Change- Nationwide and SAN

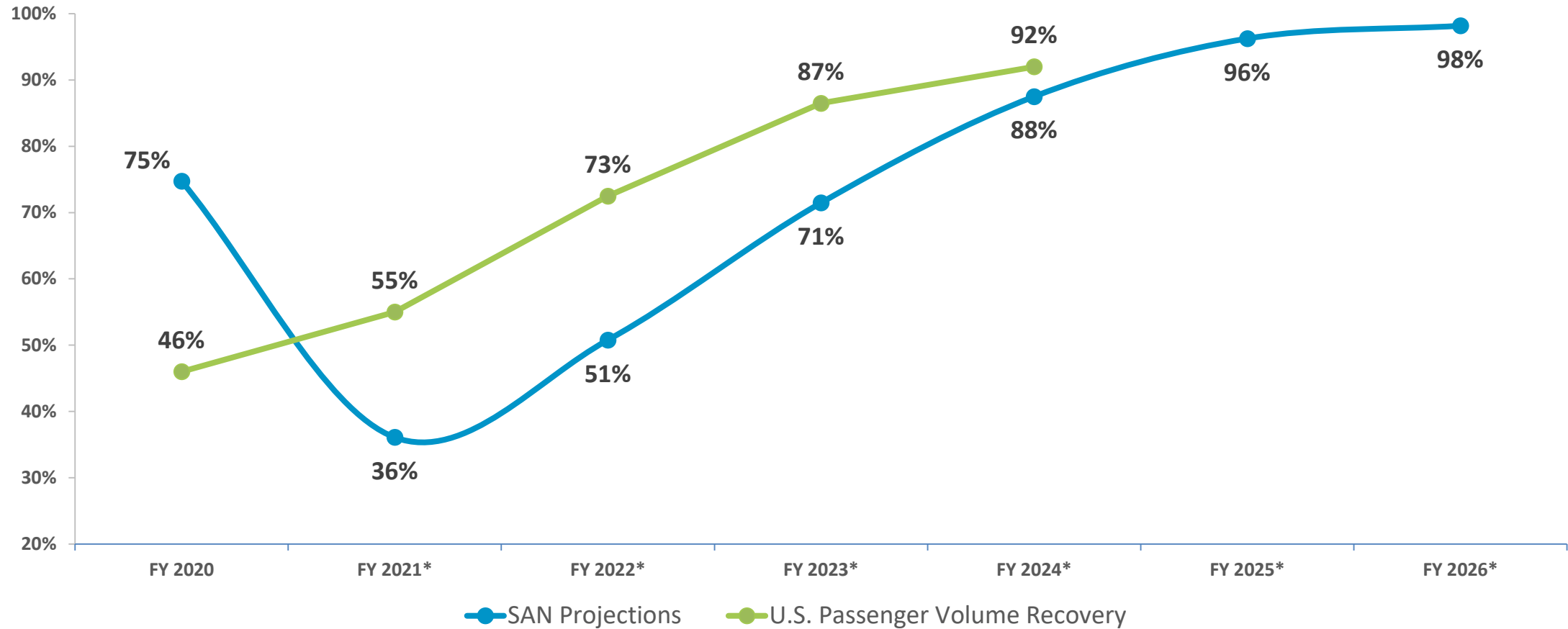
YOY 7 Day Rolling Seats



U.S. Market Corporate vs. Leisure domestic ticket volume growth



U.S. Passenger Volume Recovery Predictions [^] and SAN Projections (as % of 2019 Levels)



[^] Average of multiple rating agencies

*Projected FY 2021 – FY 2026



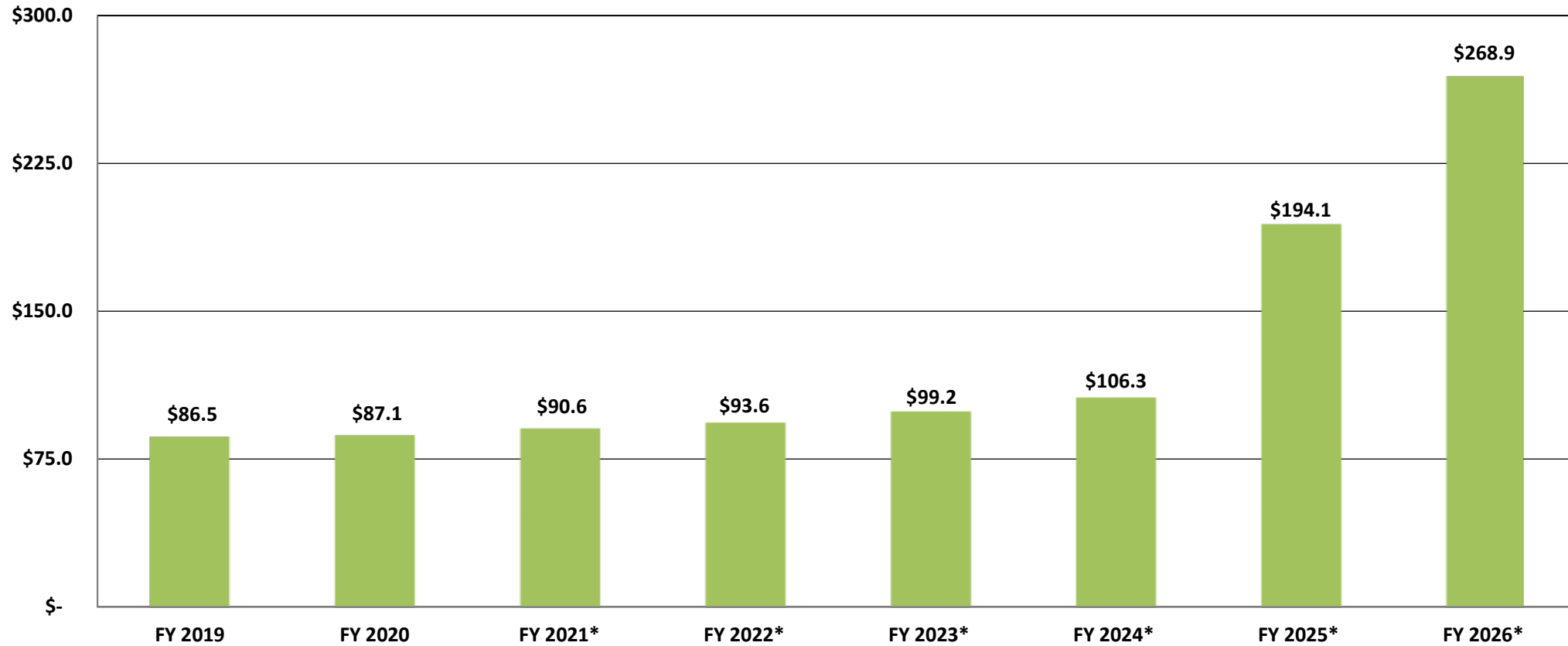
Authority Debt Profile

General Airport Revenue Bonds

Series	Lien	Principal Outstanding (Millions)	Maturity	Major Funded Projects
2013 Bonds	Senior	\$361	2021 - 2043	Green Build, expansion of T2E, concessions infrastructure, construct new 12kV electrical distribution system, Washington Street parking lot and access improvements, north side utilities infrastructure
2017 Bonds	Subordinate	\$277	2021 - 2047	T2W Parking Plaza and T2W FIS
2019 Bonds	Subordinate	\$462	2021-2049	Includes refunded 2010C bonds and New Money for Airport Support Facilities, Stormwater management, ADP programmatic documents, Taxiway A and Baggage Handling upgrades
2020 Bonds	Subordinate	\$241	2021-2049	Includes refunded 2010A/B bonds. 2010 bonds funded Green Build, expansion of T2E, concessions infrastructure.
Total Current Debt		\$1,341		
Airport Development Plan (ADP)	TBA	\$3,000 - \$3,500	2025-2060	T1 replacement – 30 gates
Total Anticipated Debt		\$4,341-4,841		

General Airport Revenue Bond (GARB) and Variable Debt Service

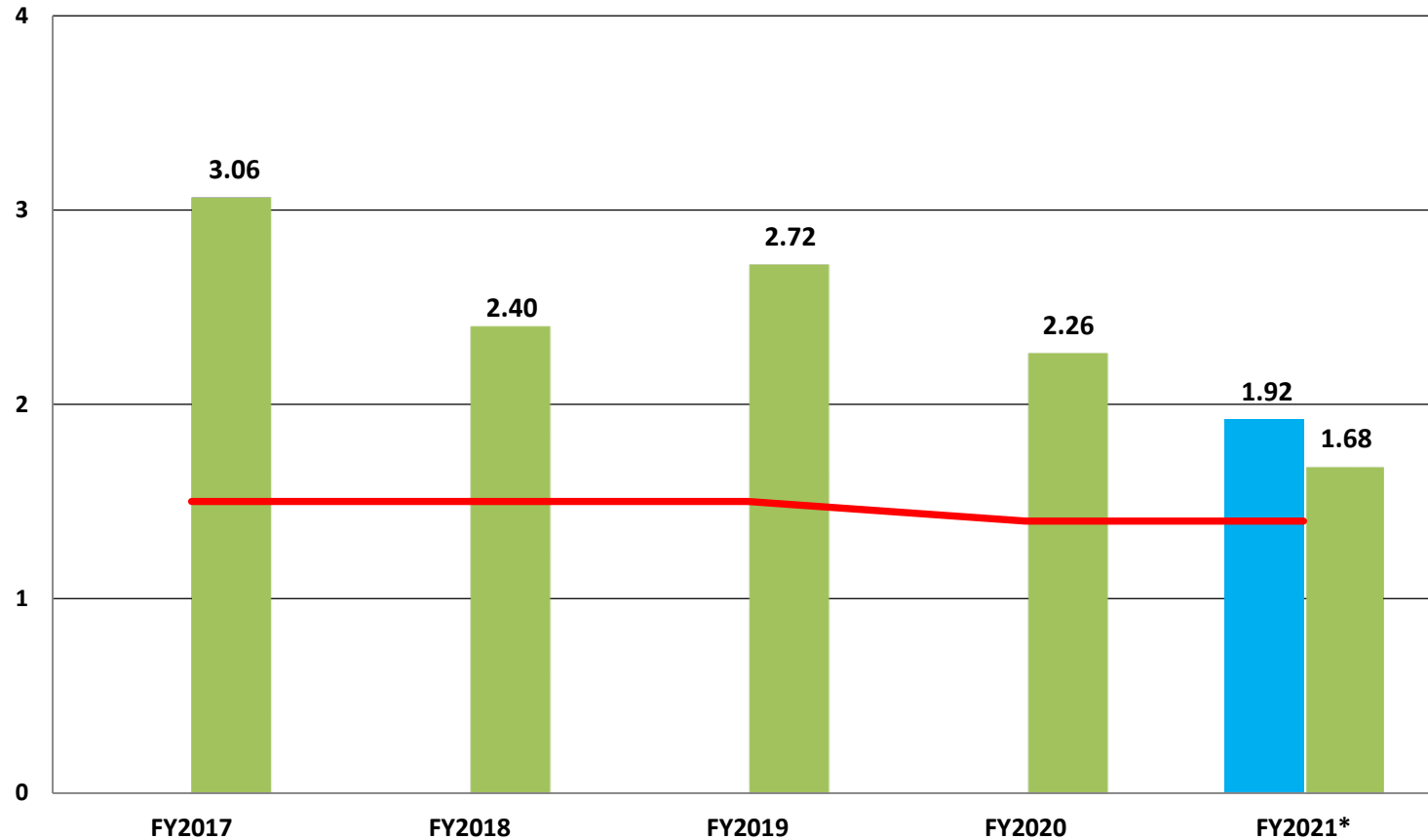
(in millions)



*Projected FY 2021 - FY 2026
Assumes initial ADP bonds issuance in FY 2022

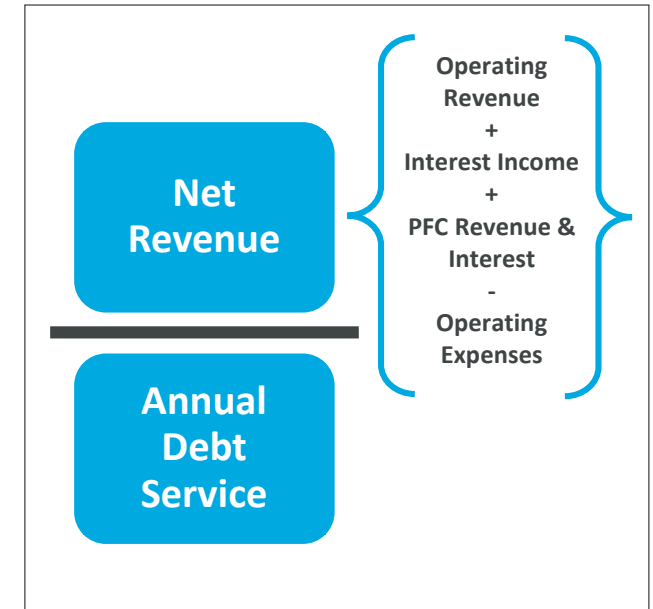
GARB Debt Service Coverage

(Ratio of Net Revenue over Debt Service)



■ Budget ■ Actuals/Forecast

Board
Min.
Target



Special Facilities Bond Debt

Series	Lien	Principal Outstanding (Millions)	Maturity	Major Funded Projects
2014 Bonds	Senior	\$288	2018 - 2043	Rental Car Center (RCC)
Total		\$288		

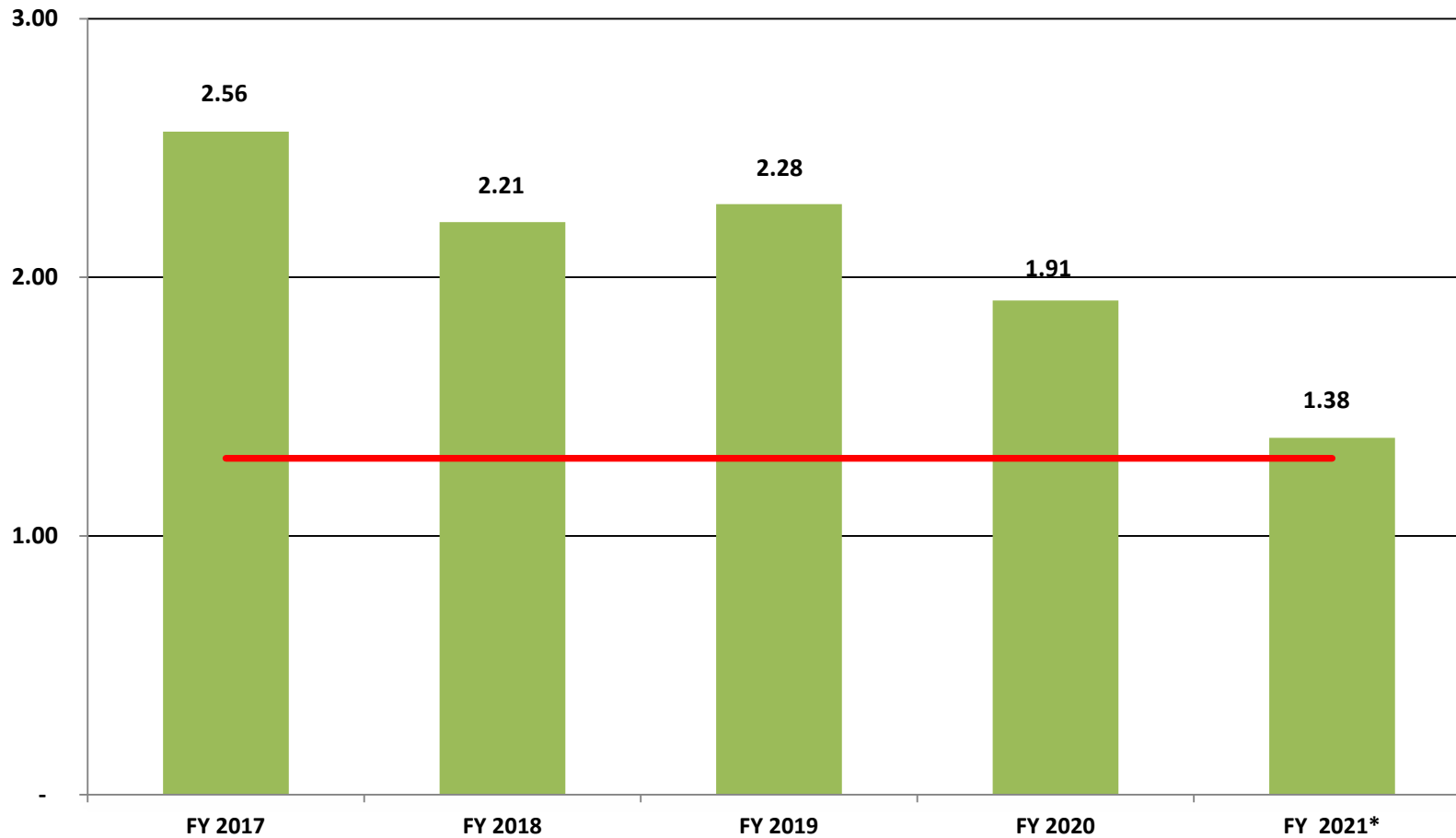
Special Facilities Debt Service for RCC

(in millions)



Special Facilities Debt Service Coverage

(Ratio of CFC Revenue over Debt Service)



Authority Financial Overview

Connecting the world safely

We're raising the bar to bring you a safe and clean travel experience. Here's how you can join us:



Practice social distancing:
Help out by spreading out



Wear face coverings:
See a United representative if you need one



Use the United app:
For a more touchless airport experience and up-to-date information

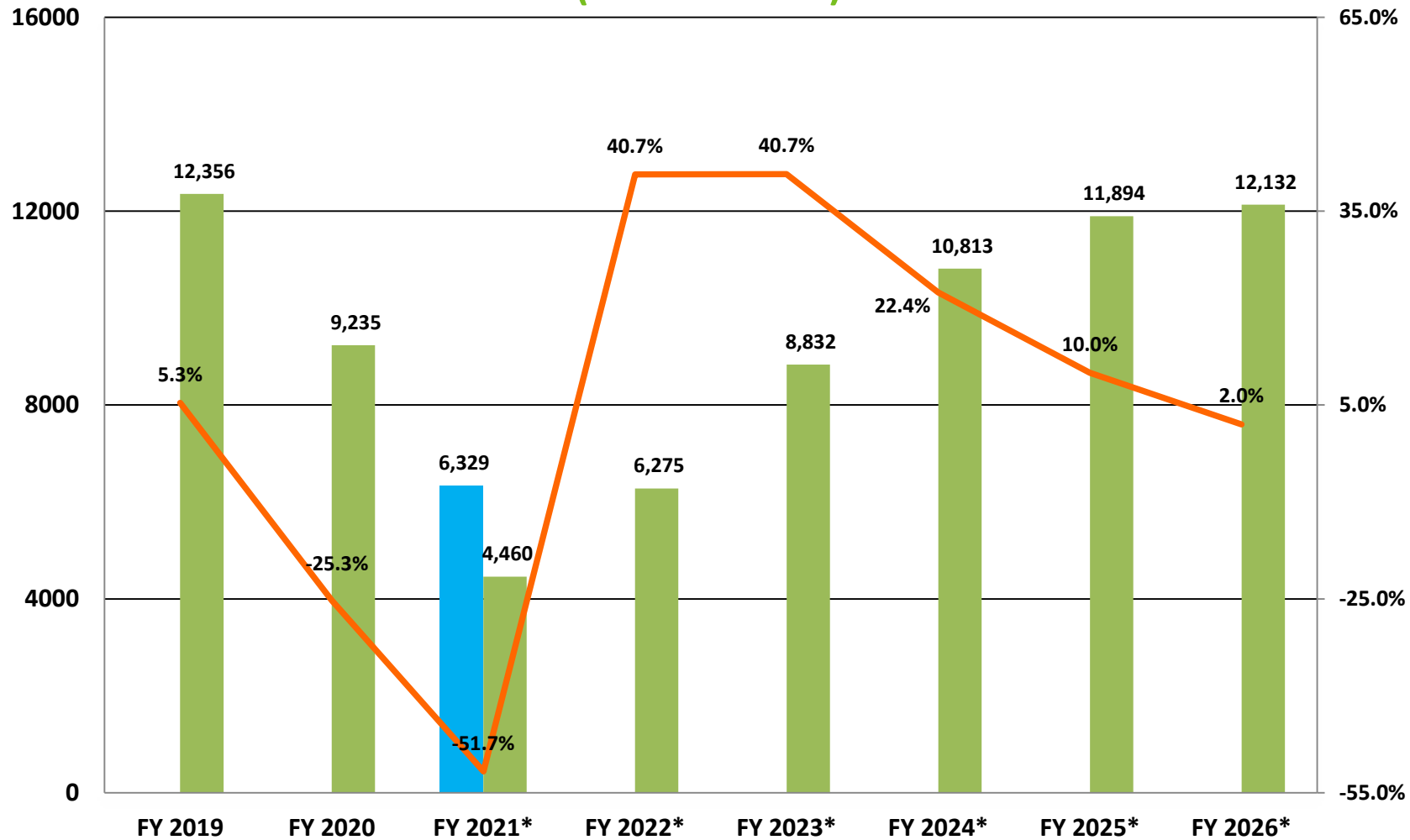
Learn more about our United CleanPlus commitment at [united.com/cleanplus](https://www.united.com/cleanplus)

Developed in conjunction with
 Cleveland Clinic

A STAR ALLIANCE MEMBER 

Enplanements

(in thousands)

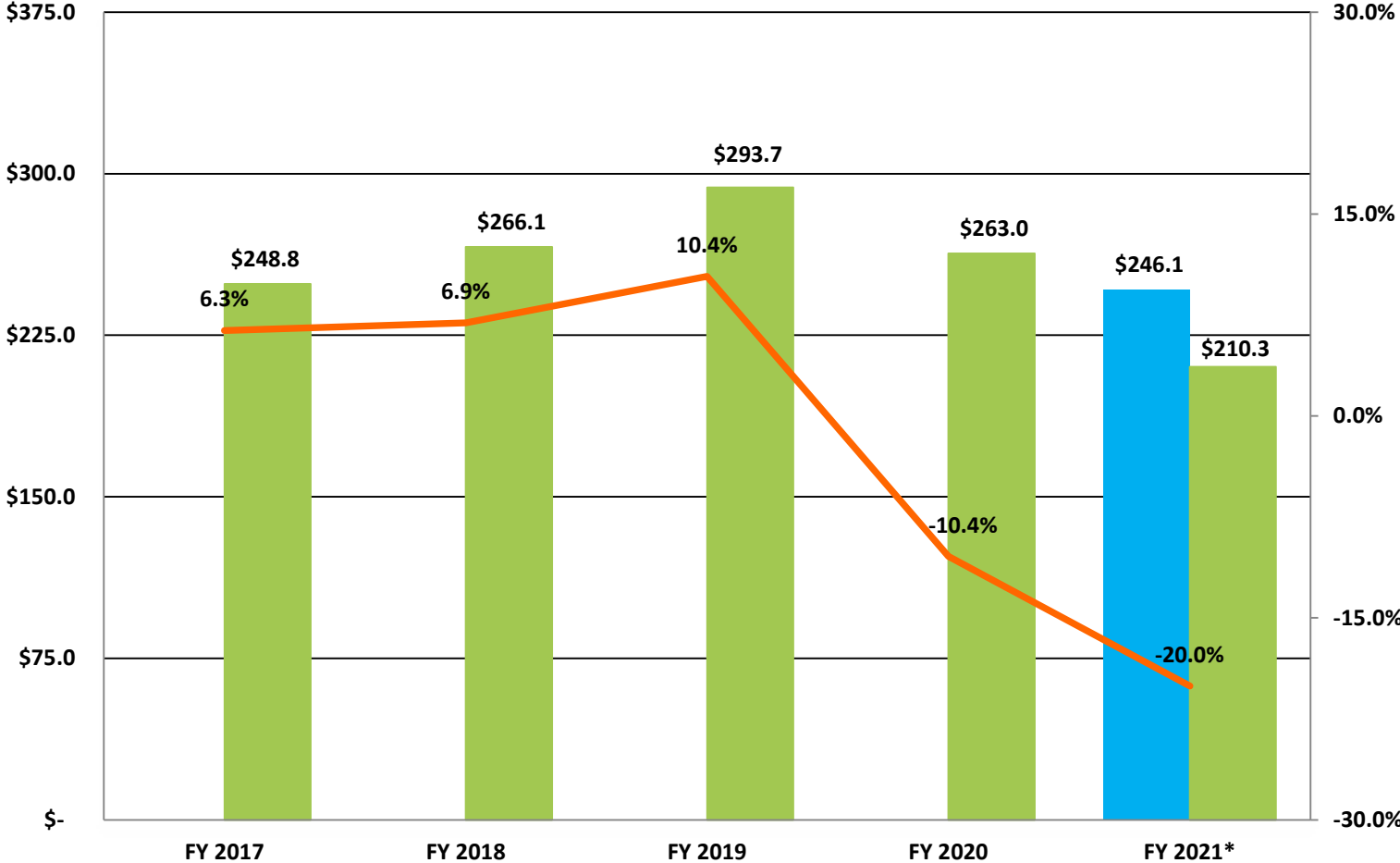


*Projected FY 2021 – FY 2026

Legend: Budget (Blue Bar), YoY Change (Orange Line)

Total Operating Revenue

(in millions)



*Projected FY 2021

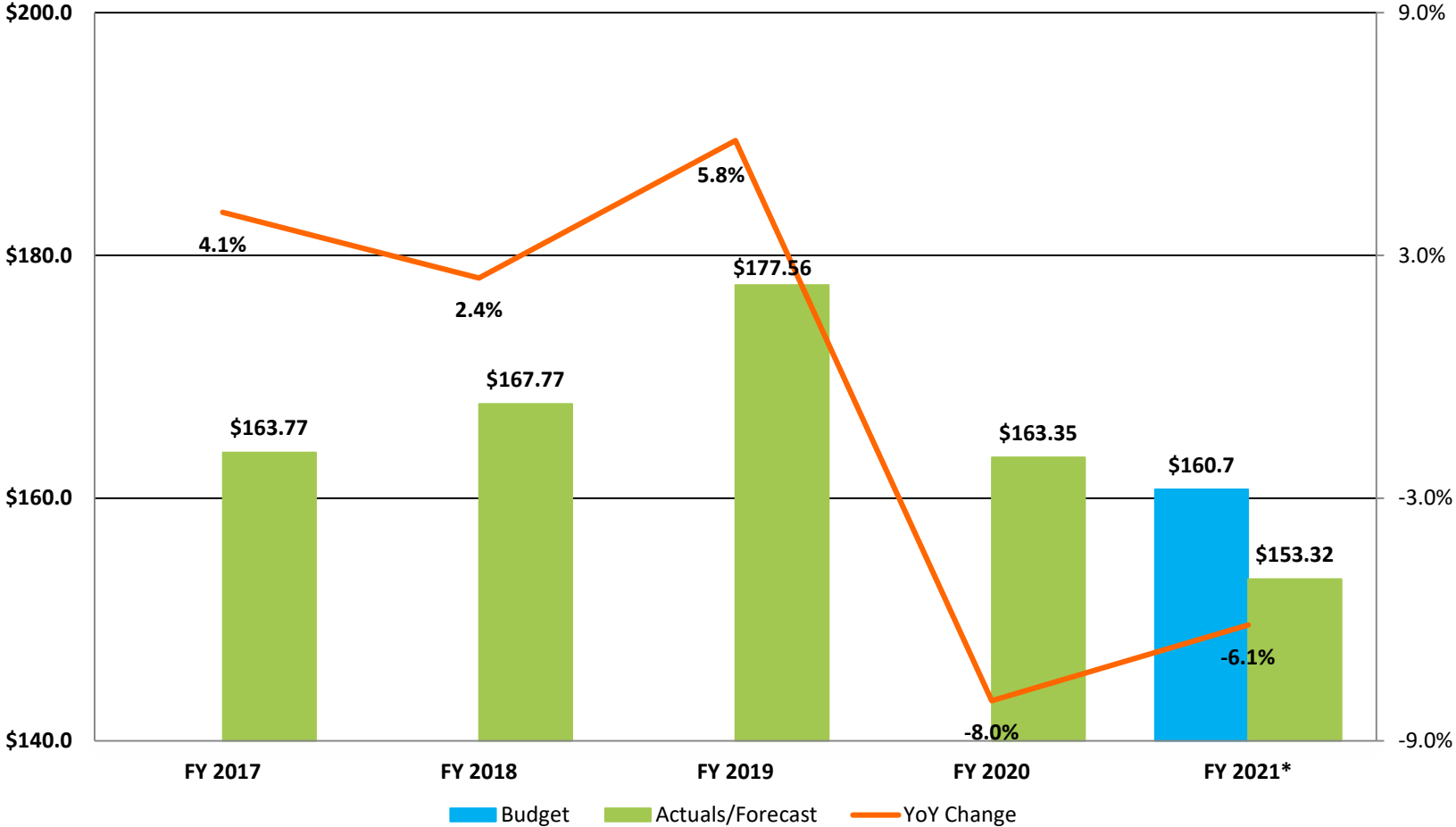
■ Budget — YoY Change

Revenue Budget Parameters

- Adjust revenue forecast based on the current trends and contractual terms
- Increase revenue with the growth of enplanements
- Airline Support Building Opening July 2021
- Beginning of Fuel Farm's projects cost recovery
- Parking
 - T1 Surface Lot closure due to anticipated ADP construction at the end of CY 2021
 - Valet re-opening once T1 Surface Lot closes to mitigate for the parking spaces decrease
- No additional extraordinary federal relief
- Airline revenue
 - deferral of Major Maintenance Fund (MMF)
 - minimizing airlines costs by limiting expenses

Total Operating Expenses¹ & Equipment Outlay

(in millions)



¹ excluding GASB68 entry (unfunded actuarial liability)
*Projected FY 2021

Expense Budget Parameters

Personnel

- Continuing with financial resilience plan measures
 - Hiring freeze – all recruitments approved by CEO
 - No pay for performance in FY 2022 for non-represented employees
- Union agreement negotiations
- Considering market trends for employee benefits
- Retirement Benefits
 - FY 2022 actuarial rate of 18.41%
 - FY 2023 actuarial rate of 19.45%
 - FY 2022 – FY 2023: Per Board policy, additional contribution of 1% of Actuarial Liability until the funded ratio in the valuation is greater than or equal to 95%
- Accommodate staffing due to anticipated start of ADP construction

Expense Budget Parameters

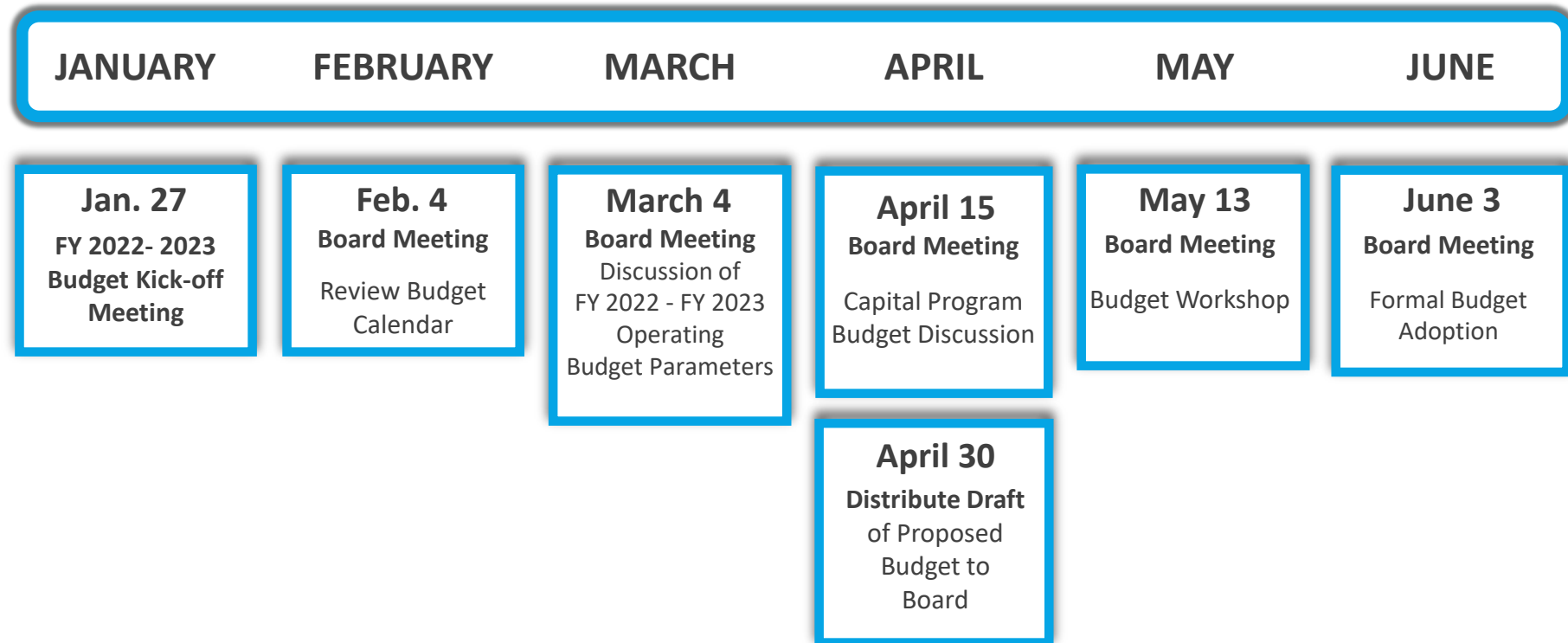
Non-Personnel

- Continue with essential spending only:
 - Ensure all activities are aligned with the Airport Authority's Strategic Plan, focus areas and top three priorities
 - Agreements renegotiations
 - Considering alternative methods and solutions to meet the needs of the Airport Authority
- Maintenance cost evaluation in light of the future capital development and the reduction in passengers
- Safety and security costs increases
 - Port District law enforcement - Harbor Police Department (HPD)
 - Guard Services
- Utilities increases
- Anticipated increase in expenses due to anticipated start of ADP construction



Budget Calendar

Budget – Timeline of Key Dates





Questions?

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SPECIAL BOARD
AND EXECUTIVE-FINANCE COMMITTEE MEETING MINUTES
MONDAY, JANUARY 25, 2021
BOARD ROOM

CALL TO ORDER: Chair Schiavoni called the special Board and regular Executive and Finance Committee meeting to order at 9:02 a.m., on Monday, January 25, 2021, electronically and via teleconference pursuant to Executive Order N-29-20, at the San Diego International Airport, Administration Building, 3225 N. Harbor Drive, San Diego, CA 92101.

ROLL CALL:

Board

Present: Blakespear, Cabrera, Lloyd, McNamara, Robinson, Schiavoni (Chair), von Wilpert

Absent: Dallarda (Ex Officio), Dockery (Ex Officio), Miller (Ex Officio), Vargas, West

Executive Committee

Present: Committee Members: Lloyd, Robinson, Schiavoni (Chair)

Absent: Committee Members: None

Finance Committee

Present: Committee Members: Blakespear, Cabrera, McNamara, Schiavoni (Vice Chair)

Absent: Committee Members: None

Also Present: Kim Becker, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Board Services/Authority Clerk; Linda Gehlken, Assistant Authority Clerk I

NON-AGENDA PUBLIC COMMENT: None

NEW BUSINESS:

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the December 21, 2020 regular meeting.

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

FINANCE COMMITTEE NEW BUSINESS:

2. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2020:

Scott Brickner, Vice President/CFO, provided a presentation on the Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2020 that included Enplanements, Gross Landing Weight Units, Operating Revenues, Operating Expenses, Net Operating Income Summary, Nonoperating Revenues & Expenses and Statements of Net Position.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

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

3. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2020:

Geoff Bryant, Manager, Airport Finance, provided a presentation on the Investment Report that included Portfolio Characteristics, Sector Distribution, Quality and Maturity Distribution, Investment Performance and Bond Proceeds.

RECOMMENDATION: Forward to the Board with a recommendation for acceptance.

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

EXECUTIVE COMMITTEE NEW BUSINESS:

4. PRE-APPROVAL OF TRAVEL REQUESTS AND APPROVAL OF BUSINESS AND TRAVEL EXPENSE REIMBURSEMENT REQUESTS FOR BOARD MEMBERS, THE PRESIDENT/CEO, THE CHIEF AUDITOR AND GENERAL COUNSEL:

Tony R. Russell, Authority Clerk, reported that there were no requests submitted for approval.

RECOMMENDATION: Pre-approve travel requests, and approve business and travel expense reimbursement requests.

ACTION: No action taken.

REVIEW OF FUTURE AGENDAS:

5. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 4, 2021 BOARD MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the February 4, 2021 draft Board Agenda.

Chair Schiavoni requested that as part of the information provided for the awarding of the Arts projects contracts, Items 7 through 12, links to the reports and presentations provided to the the Arts Advisory Committee at its January 19th meeting be sent to the Board in advance of the meeting.

6. REVIEW OF THE DRAFT AGENDA FOR THE FEBRUARY 4, 2021 AIRPORT LAND USE COMMISSION MEETING:

Kimberly J. Becker, President/CEO, provided an overview of the February 4, 2021 draft Airport Land Use Commission meeting agenda.

BOARD:

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

Chair Schiavoni provided an overview of the staff report and action.

RECOMMENDATION: Adopt Resolution No. 2021-0008, ratifying the emergency appointment of Johanna Schiavoni as the primary advisory member to the SANDAG Board of Directors.

ACTION: Moved by Board Member Blakespear and seconded by Board Member Robinson to approve staff's recommendation. Motion carried by the following votes: YES – Blakespear, Cabrera, Lloyd, McNamara, Robinson, Schiavoni, von Wilpert; NO – None; ABSENT – Vargas, West (Weighted Vote Points: YES – 80; NO – 0; ABSENT – 20)

COMMITTEE MEMBER COMMENTS:

ADJOURNMENT: The meeting adjourned at 9:50 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY BOARD THIS 4th DAY OF MARCH, 2021.

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

DRAFT
SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, FEBRUARY 4, 2021
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM

CALL TO ORDER: Chair Schiavoni called the meeting of the San Diego County Regional Airport Authority Board to order at 9:02 a.m. on Thursday, February 4, 2021, electronically and via teleconference pursuant to Executive Order N-29-20 at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

ROLL CALL:

PRESENT: Board Members: Blakespear, Cabrera, Casillas Salas, Dallarda (Ex-Officio), Lloyd, McNamara, Robinson, Schiavoni, Vargas, von Wilpert

ABSENT: Board Members: Dockery (Ex-Officio), Miller (Ex-Officio)

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

Chair Schiavoni welcomed the new Board Members.

PRESENTATIONS:

A. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2020:

Scott Brickner, Chief Financial Officer, provided a presentation on the Review of the Unaudited Financial Statements for the Six Months Ended December 31, 2020 that included Operating Revenues, Operating Expenses, Non-operating Revenue & Expenses, Financial Summary, Statement of Net Position, and Budget Timeline.

B. PART 150 NOISE COMPATIBILITY STUDY UPDATE:

Sjohnna Knack, Program Manager, Planning & Environmental Affairs, provided an update on the Part 150 Noise Compatibility Study that included Background, Flight Procedure Analysis, FAR Part 150 Noise Compatibility Study, Community and Stakeholder Involvement, Purpose of the Part 150 Study Update, Current Efforts, and Project Schedule.

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

- **AUDIT COMMITTEE:** None.

- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** Board Member Robinson reported that the Committee met on January 14 and received presentations on the Capital Improvement Program, Airport Development Program, Capital Program Financials, and SAN's Sustainability Plan.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:** Chair Schiavoni reported that the Committee met on January 21 to perform the midyear evaluation of the President/CEO, General Counsel and Chief Auditor.
- **FINANCE COMMITTEE:** Chair Schiavoni reported that the Committee met on January 25 to review the Unaudited Financial Statements for the Six Months Ended December 31, 2020 as well as the Investment Report as of December 31, 2020.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:** Board Member Robinson reported that the Committee received updates on SAN's Capital Program, Airport Development Program, Sustainability Plan, Air Service, and External Relations. He reported that at the Chair's request, each member shared the direction of each of their organizations plans and goals with the desire to understand how they align with SAN's efforts.
- **ART ADVISORY COMMITTEE:** Chris Chalupsky, Senior Manager, Art & Community Partnership, reported that the Committee met on January 19 and approved six artists for the Airport Development Program related public art projects. He reported that on January 28 a Call for Submissions was released for a new artist mentorship program called Under the Wing; and that the program is targeted to emerging artists who will be paired with a mentor artist from the ADP Vertical Ticketing public art project.

LIAISONS

- **CALTRANS:** Board Member reported that as the pandemic continues, traffic volume on highways remain at about 15 to 20% below normal; and speeds continue to be higher with fatalities increasing by about 5%. He reported that safety will be a top priority for 2021, along with equity and climate action. He reported that on January 25, a major paving rehabilitation project was started in Escondido on State Route 78; and that on January 27, a public scoping meeting was held for the State Route 67 project between Ramona and Lakeside. He also reported that last week Caltrans unveiled their SHOP (State Highway Operations and Protection) project book which allows the public to see what projects Caltrans is expected to do in the next 10 years. He reported that on February 11 Caltrans will be hosting two meetings; the CA Border Master Plan update meeting and the Bicycle and Pedestrian Advisory Committee meeting.
- **MILITARY AFFAIRS:** None.

- **PORT:** None.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG BOARD OF DIRECTORS:** Chair Schiavoni reported that the Board received an update on COVID-19 and vaccine distribution plans from the County of San Diego, as well as an overview of SANDAG's priority projects for 2021. She reported that the Board elected San Diego Mayor Todd Gloria as Vice Chair for the next two years; and that the Board received a presentation on a draft Commitment to Equity Statement. She also reported that the Board adopted a resolution to support increased broadband internet access throughout the region by directing staff to develop a Digital Equity Strategy and Action Plan that brings regional stakeholders together to close the "digital divide" in the San Diego region.
- **SANDAG TRANSPORTATION COMMITTEE:** Chair Schiavoni reported that the Committee received updates on the TransNet program bond reissuance and short-term notes refunding; the Central Mobility Hub and Connections Comprehensive Multimodal Corridor Plan; and the Mid-Coast Corridor Transit Project. She reported that the Committee also heard presentations on the 2019 Cross Border Travel Behavior Survey and iCommute Telework Pilot Assistance Program for Employers.

ADVISORY COMMITTEES (Continued)

- **INTER-GOVERNMENTAL AFFAIRS:** Matt Harris, Director, Government Relations, reported that President Biden signed an executive order that requires all air travelers to wear facial coverings while aboard an airplane and while inside the airport. He reported that the President also released his proposal for \$1.9 trillion in additional COVID-19 relief funding. He reported that Authority staff is working with our federal consultants and industry partners to advocate for additional airport funding in this relief package. He reported that while Californians are able to travel, the state has issued a travel advisory advising residents to avoid non-essential travel outside 120 miles from a personal residence; and also reduces the recommended quarantine period from 14 days to 10. He reported that California's Public Health Department recently announced planned changes to the state's vaccine distribution system, and a partnership with the Biden Administration to facilitate vaccine distribution. He reported that Authority staff, along with the California Airports Council and our state legislative consultants, are in regular communication with the Governor's Office to determine any impacts these changes have to the operation of the airport and the safety of our employees and passengers. He reported that staff is currently working with our consultants and partners at the California Airports Council to review and analyze bills for impact to the Airport Authority and San Diego International Airport. He also reported that staff is continuing outreach to the

region's elected officials and their staff, and key stakeholder organizations for briefings with updates on COVID-19 impacts and the Airport Development Program.

CHAIR'S REPORT: Chair Schiavoni reported that on January 20, the Rental Car Center celebrated its fifth anniversary.

PRESIDENT/CEO'S REPORT: Kim Becker, President/CEO, reported that on January 26, the CDC implemented a new negative testing requirement for anyone entering the United States from another country. She reported that in addition to the Executive Order requiring face masks in airports, on airplanes, and other various modes of transportation, the CDC has issued an order that requires face masks to be worn by all travelers while on public transportation including airports effective February 2. She reported that also on February 2, the TSA issued a Security Directive that requires individuals to wear a mask at airport screening checkpoints and throughout the commercial and public transportation systems that will remain effective until May 11. She reported that SAN's facial mask requirement has been in place since May 1, 2020, when the County's public health order went into effect, but the focus has been on education rather than enforcement. She reported that in accordance with federal mandate, the Airport Authority is now required to remove anyone that is not complying; and that law enforcement will be engaged, as necessary. She reported that there were fewer passengers traveling through the airport in January than the holidays, ending the month at 74 percent down over last year. She also reported that on January 13 the Airport Authority conducted a modified Aircraft Accident Exercise (AIREX) to comply with FAA regulations for airport certification and to improve and enhance the Airport Authority's Emergency Preparedness Program. She reported that employee engagement continues to be a top priority for the Authority senior staff; and that last week, the Executive Leadership Team participated in our quarterly SAN Live all-hands event where staff listen to updates from each of the division heads and ask questions.

NON-AGENDA PUBLIC COMMENT: None.

CONSENT AGENDA (Items 1-14):

Board Member McNamara noted an error in his name on the Attachment to Item 4 regarding the Committee Appointments.

ACTION: Moved by Board Member Robinson and seconded by Board Member Cabrera to approve the Consent Agenda. Motion carried by the following votes: YES – Blakespear, Cabrera, Casillas Salas, Lloyd, McNamara, Robinson, Schiavoni, Vargas, von Wilpert; NO – None; ABSENT – None; (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the January 7, 2021 regular Board meeting.

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

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

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM DECEMBER 7, 2020 THROUGH JANUARY 10, 2021 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM DECEMBER 7, 2020 THROUGH JANUARY 10, 2021:

RECOMMENDATION: Receive the report.

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

RECOMMENDATION: Adopt Resolution No. 2021-0009, making appointments to Board committees, liaison and representative positions, the Authority Advisory Committee, the Art Advisory Committee, and the World Trade Center Board.

CLAIMS

COMMITTEE RECOMMENDATIONS

5. ACCEPT THE UNAUDITED FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED DECEMBER 31, 2020:

RECOMMENDATION: The Finance Committee recommends that the Board accept the information.

6. ACCEPT THE AUTHORITY'S INVESTMENT REPORT AS OF DECEMBER 31, 2020:

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

CONTRACTS AND AGREEMENTS

7. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH HOOD DESIGN STUDIO TO DESIGN, FABRICATE, TRANSPORT, DELIVER AND CONSULT DURING INSTALLATION OF AN INTEGRATED ARTWORK FOR THE AIRPORT TERMINAL AND ROADWAYS GATEWAY PUBLIC ART PROJECT:

RECOMMENDATION: Adopt Resolution No. 2021-0010, awarding and authorizing the President/CEO to execute a contract with Hood Design Studio to Design, Fabricate, Transport, Deliver and Consult During Installation of an Integrated Artwork for the Airport Terminal and Roadways Gateway Public Art Project in an amount not-to-exceed \$2,100,000.

8. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH NOVA JIANG TO DESIGN, FABRICATE, TRANSPORT, DELIVER AND CONSULT DURING INSTALLATION OF AN INTEGRATED ARTWORK FOR THE AIRPORT TERMINAL AND ROADWAYS VERTICAL TICKETING PUBLIC ART PROJECT:

RECOMMENDATION: Adopt Resolution No. 2021-0011, awarding and authorizing the President/CEO to execute a contract with Nova Jiang to Design, Fabricate, Transport, Deliver and Consult During Installation of an Integrated Artwork for the Airport Terminal and Roadways Vertical Ticketing Public Art Project in an amount not-to-exceed \$640,000.

9. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH MATTHEW MAZZOTTA TO DESIGN, FABRICATE, TRANSPORT, DELIVER AND CONSULT DURING INSTALLATION OF AN INTEGRATED ARTWORK FOR THE AIRPORT TERMINAL AND ROADWAYS OUTDOOR PLAZA PUBLIC ART PROJECT:

RECOMMENDATION: Adopt Resolution No. 2021-0012, awarding and authorizing the President/CEO to execute a contract with Matthew Mazzotta to Design, Fabricate, Transport, Deliver and Consult During Installation of an Integrated Artwork for the Airport Terminal and Roadways Outdoor Plaza Public Art Project in an amount not-to-exceed \$520,000.

10. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH AMY ELLINGSON TO DESIGN, FABRICATE, TRANSPORT, DELIVER AND CONSULT DURING INSTALLATION OF AN INTEGRATED ARTWORK FOR THE AIRPORT TERMINAL AND ROADWAYS RECOMPOSURE AREA PUBLIC ART PROJECT:

RECOMMENDATION: Adopt Resolution No. 2021-0013, awarding and authorizing the President/CEO to execute a contract with Amy Ellingson to Design, Fabricate, Transport, Deliver and Consult During Installation of an Integrated Artwork for the Airport Terminal and Roadways Recomposure Area Public Art Project in an amount not-to-exceed \$376,000.

11. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH ERWIN REDL TO DESIGN, FABRICATE, TRANSPORT, DELIVER AND CONSULT DURING INSTALLATION OF AN INTEGRATED ARTWORK FOR THE AIRPORT TERMINAL AND ROADWAYS FOOD HALL INTERACTIVE PUBLIC ART PROJECT:

RECOMMENDATION: Adopt Resolution No. 2021-0014, awarding and authorizing the President/CEO to execute a contract with Erwin Redl to Design, Fabricate, Transport, Deliver and Consult During Installation of an Integrated Artwork for the Airport Terminal and Roadways Food Hall Interactive Public Art Project in an amount not-to-exceed \$580,000.

12. AWARD AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A CONTRACT WITH DONALD LIPSKI TO DESIGN, FABRICATE, TRANSPORT, DELIVER AND CONSULT DURING INSTALLATION OF AN INTEGRATED ARTWORK FOR THE AIRPORT TERMINAL AND ROADWAYS FAMILY PLAY AREA PUBLIC ART PROJECT:

RECOMMENDATION: Adopt Resolution No. 2021-0015, awarding and authorizing the President/CEO to execute a contract with Donald Lipski to Design, Fabricate, Transport, Deliver and Consult During Installation of an Integrated Artwork for the Airport Terminal and Roadways Family Play Area Public Art Project in an amount not-to-exceed \$385,000.

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

13. AWARD A CONTRACT TO G&G SPECIALTY CONTRACTORS, INC. FOR QUIETER HOME PROGRAM PHASE 10, GROUP 11, PROJECT NO. 381011, SIXTY (60) SINGLE-FAMILY AND MULTI-FAMILY UNITS ON FORTY-SEVEN (47) NON-HISTORIC RESIDENTIAL PROPERTIES LOCATED EAST AND WEST OF THE SAN DIEGO INTERNATIONAL AIRPORT:

RECOMMENDATION: Adopt Resolution No. 2021-0016, awarding a contract to G&G Specialty Contractors, Inc. in the amount of \$1,134,468.80 for Phase 10, Group 11, Project No. 381011, of the San Diego County Regional Airport Authority's Quieter Home Program.

14. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AGREEMENT FOR AIRPORT LAND USE COMPATIBILITY ON-CALL TECHNICAL SUPPORT:

RECOMMENDATION: Adopt Resolution No. 2021-0017, approving and authorizing the President/CEO to negotiate and execute an agreement for Airport Land Use Compatibility On-Call Technical Support with Ricondo & Associates, Inc. for a term of three years, with the option for two one-year extensions, in a maximum total amount not-to-exceed \$2,500,000 in support of numerous airport land use compatibility planning efforts.

PUBLIC HEARINGS:

OLD BUSINESS:

NEW BUSINESS:

15. FEBRUARY 2021 LEGISLATIVE REPORT AND 2021 LEGISLATIVE AGENDA:

Matt Harris, Director, Government Relations; Sam Whitehorn, Elevate Government Affairs; Steven Cruz and Joseph Cruz, Cruz Strategies, provided a presentation on the February 2021 Legislative Report and 2021 Legislative Agenda that included Legislative Advocacy Program, Federal Legislative Consultant, State Legislative Consultant, Federal Update – Elevate Government Affairs, 2020 Review, COVID-19 Relief for Airports and Air Carriers, Aviation

Safety, 2021 State of Play, 2021 Engagement, State Update – Cruz Strategies, 2020 Year in Perspective, 2020 Legislation, 2021 State Political Landscape, 2021-2022 Governor’s Budget Proposal, and 2021 State Legislative Priorities.

RECOMMENDATION: Adopt Resolution No. 2021-0018, approving the February 2021 Legislative Report and 2021 Legislative Agenda.

ACTION: Moved by Board Member Cabrera and seconded by Board Member Robinson to approve the staff’s recommendation. Motion carried by the following votes: YES – Blakespear, Cabrera, Casillas Salas, Lloyd, McNamara, Robinson, Schiavoni, Vargas, von Wilpert; NO – None; ABSENT – None; (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)

The Board recessed at 10:41 a.m. and reconvened at 10:44 a.m.

CLOSED SESSION: The Board recessed into Closed Session at 10:45 a.m. to discuss Items 20 and 21.

- 16. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Future DB International, Inc. v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2018-00001531-CU-CR-CTL
- 17. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Park Assist LLC v. San Diego County Regional Airport Authority, et al.
United States District Court Case No. 18 CV2068 LAB MDD
- 18. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: Quiet Skies San Diego v. San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2020-00007998-CU-TT-CTL
- 19. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: In re Hertz Global Holdings, Inc., Case No. 20-11219-MFW
- 20. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Section 54956.9)
Name of case: Elizabeth Stillwagon v. San Diego County Regional Airport Authority
San Diego Superior Court Case No. 37-2020-00015509-CU-OE-CTL

- 21. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of Case: City of Coronado v. San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2020-00039394-CU-TT-CTL
- 22. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:**
(Paragraph (1) of subdivision (d) of Cal. Gov. Code §54956.9)
Name of case: In re Advantage Holdco, Inc., et al., Case No. 20-11259-JTD
- 23. 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: 2
- 24. 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
- 25. 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: 1
- 26. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Cal. Gov. Code §54956.9)
Order No. WQ 2019-0005-DWQ by the State Water Resources Control Board pertaining to PFAS
Number of potential cases: 1
- 27. CONFERENCE WITH REAL PROPERTY NEGOTIATORS:**
(Government Code §54956.8)
Property: 2554-2610 California Street, San Diego CA 92101
Agency negotiator: Hampton Brown, Eric Podnieks
Negotiating parties: Ryan King, Voit Estate Services
Under negotiation: Price and terms of payment
- 28. THREAT TO PUBLIC SERVICES OR FACILITIES:**
Consultation with: General Counsel and President/CEO

REPORT ON CLOSED SESSION: The Board adjourned out of Closed Session at 11:30 a.m. Amy Gonzalez, General Counsel, reported that, in regards to Item 20, the Board had authorized the General Counsel to negotiate and execute a settlement agreement with Stillwagon for payment in the amount of \$63,462, which was approved 8-0-1 on November 5, 2020 with Board Members Blakespear, Boling, Cox, Kersey, McNamara, Robinson, Schiavoni, and West voting YES, noting Board Member Lloyd as ABSENT.

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: None.

BOARD COMMENT: None.

ADJOURNMENT: The meeting adjourned at 11:30 a.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 4TH DAY OF MARCH, 2021.

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **MARCH 4, 2021**

Subject:

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

Recommendation:

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

Background/Justification:

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

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

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

Fiscal Impact:

Board and Committee Member Compensation is included in the FY 2021 Budget

Authority Strategies/Focus Areas:

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

Strategies

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

Focus Areas

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

Environmental Review:

- A. 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.
- C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES/AUTHORITY CLERK



BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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

Period Covered:	February 2021	
Board Member Name:	Catherine Blakespear	
Date:	2/23/21	
Type of Meeting		
	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 4, 2021 9:00 AM-12:00 PM Microsoft Teams	Board/ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 22, 2021 9:00 AM-11:00 AM Microsoft Teams	Special Board and Executive-Finance Committee Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Catherine Blakespear Digitally signed by Catherine Blakespear
Date: 2021.02.23 13:45:38 -08'00'

SAN DIEGO
COUNTY
REGIONAL
AIRPORT
AUTHORITY

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered:		January 1 through January 31, 2021
Board Member Name:		Gil Cabrera
Date:		2/4/21
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	January 7, 2021, 9am-11am, Zoom	Board of Directors/ALUC Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	January 14, 2021, 11am-1pm, Zoom	Capital Improvement Program Oversight Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	January 21, 2021, 9am-11am, Zoom	Executive Personnel and Compensation Committee Meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	January 25, 2021, 9am-11am, Zoom	Executive Finance Committee Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	January 28, 2021, 1pm-2pm	SAN Security Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: 

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered:	February 2021	
Board Member Name:	Mary Casillas Salas	
Date:	2/24/21	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 3, 2021 1:00 -5:00 pm Virtual Training	Board Orientation - Session 1
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 4, 2021 9:00-11:00am Virtual Meeting	Board Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 8, 2021 10:00-11:00am Virtual Meeting	Audit Committee Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 22, 2021 9:00-11:00am Virtual Meeting	Special Board and Executive-Finance Committee Meeting
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 24, 2021 2:00-5:00pm Virtual Meeting	Board Orientation - Session 2
<input type="checkbox"/> Brown Act <input checked="" type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	February 3, 2021 9:00-10:00am Virtual Meeting	Advisory Committee
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: _____

Mary H Salas

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered: Feb 2021		
Board Member Name: Bob Lloyd		
Date: 2/23/21		
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	Aluc / Board Meeting Feb 4th 2021	Monthly Reports
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	Audit Committee Meeting 2/08/2021	Audit reviews and recommendations
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	Executive / Finance Committee	Review unaudited financial reports w/update of current investments
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: 

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered: February 2021		
Board Member Name: Paul McNamara		
Date: 2/24/21		
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/4/2021/0900/Zoom/Meeting	Board Meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Paul McNamara Digitally signed by Paul McNamara
Date: 2021.02.24 09:25:49 -08'00'

SAN DIEGO
 COUNTY
 REGIONAL
 AIRPORT
 AUTHORITY

BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered:		
Board Member Name:		Robinson
Date:		2/1/21
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/3 9:00 am Microsoft	Advisory Comm Mtg.
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/4 9:00 a.m Microsoft	SDCRAA Bd ALUC Mtgs.
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: FRD



BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered:	1/26/2021-2/26/2021	
Board Member Name:	Johanna S. Schiavoni	
Date:	2/26/21	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	1/29/2021, 10:00am, Video conference	Meet with Chula Vista Mayor Mayor Casillas Salas
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	2/8/2021, 1:15pm, Video conference	Meet with Chief Internal Auditor L. Parravano
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/2/2021, 9:00am, Video conference	SANDAG Board orientation
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/3/2021, 9:00am, Video conference	SDCRAA Authority Advisory Committee
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/4/2021, 9:00am, Video conference	SDCRAA Board meeting
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/12/2021, 9:00am, Video conference	SANDAG Board meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input checked="" type="checkbox"/> Res. 2019-0074	2/16/2021, 4:00pm, Video conference	Meet with CEO K. Becker and General Counsel A. Gonzalez
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/22/2021, 9:00am, Video conference	SDCRAA Executive Committee/Finance Committee

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

Signature:



BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered:	1/26/2021-2/26/2021	
Board Member Name:	Johanna S. Schiavoni	
Date:	2/26/21	
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2/26/2021, 9:00am, Video conference	SANDAG Board meeting
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature:



BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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

Period Covered:		
Board Member Name:		VAN SAMBECK, JACK
Date:		Feb 8 2021
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input checked="" type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074	2-8-21 Bd meeting RA	Audit Comm. Public member
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Jack VanSambek



BOARD MEMBER EVENT/MEETING/TRAINING REPORT SUMMARY

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Period Covered:		
Board Member Name:		
Date:		
Type of Meeting	Date/Time/Location of Event/Meeting/Training	Summary and Description of the Event/Meeting/Training
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
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<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		
<input type="checkbox"/> Brown Act <input type="checkbox"/> Pre-approved <input type="checkbox"/> Res. 2019-0074		

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

Signature: Marni von Wilpert

STAFF REPORT

Meeting Date: **MARCH 4 2021**

Subject:

Awarded Contracts, Approved Change Orders from January 11, 2021 through February 7, 2021 and Real Property Agreements Granted and Accepted from January 11, 2021 through February 7, 2021

Recommendation:

Receive the Report.

Background/Justification:

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

Fiscal Impact:

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

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

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

Authority Strategies/Focus Areas:

This item supports one or more of the following:

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

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

Prepared by:

JANA VARGAS
DIRECTOR, PROCUREMENT

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 11, 2021 to February 7, 2021

New Contracts

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
1/15/2021		Telelanguage, Inc.	The Contractor will provide Language Interpretation Services for the San Diego County Regional Airport Authority.	Informal RFP	Airside & Terminal Operations	\$49,000.00	12/13/2023
1/27/2021		Parron Hall	The Contractor is the local authorized dealer for National Office Furniture providing office furniture to the San Diego County Regional Airport Authority.	RFP	Airport Planning & Environmental Affairs	\$200,000.00	4/30/2023

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 11, 2021 to February 7, 2021

New Contracts Approved by the Board

Date Signed	CIP #	Company	Description	Solicitation Method	Owner	Contract Value	End Date
1/21/2021	104249A & 104274A	Granite Construction Company	The Contract was approved by the Board at the November 5, 2020 Board Meeting. The Contractor will provide the Construction of the West Refueler Loading Facility and the West Solid Waste Facility at the San Diego International Airport.	RFB	Airport Design & Construction	\$16,208,208.00	1/25/2022

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 11, 2021 to February 7, 2021

Amendments and Change Orders

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value (%) (+ / -)	New Contract Value	New End Date
1/27/2021		CPM LTD dba Manpower	The 1st Amendment extends the termination date by thirty (30) days. There is no change in total compensation. The Contractor provides health screening services for the San Diego County Regional Airport Authority.	Talent, Culture & Capability	\$200,000.00	\$0.00	0%	\$200,000.00	2/11/2021

Attachment "A"

AWARDED CONTRACTS AND CHANGE ORDERS SIGNED BETWEEN January 11, 2021 to February 7, 2021

Amendments and Change Orders Approved by the Board

Date Signed	CIP #	Company	Description of Change	Owner	Previous Contract Amount	Change Order Value (+ / -)	Change Order Value (%) (+ / -)	New Contract Value	New End Date
			NO AWARDED AMENDMENTS APPROVED BY THE BOARD						

Attachment "B"

REAL PROPERTY AGREEMENTS EXECUTED FROM January 11, 2021 through February 7, 2021

Real Property Agreements

Begin/End Dates	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments

Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
10/1/2020	LE-0744	Avis Budget Car Rental, LLC	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0745	Avis Budget Car Rental, LLC	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0760	Avis Budget Car Rental, LLC (Budget Brand)	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0761	Avis Budget Car Rental, LLC (Budget Brand)	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0880	Certified Folder Display Services, In.	Temporary Rent Forbearance & Abatement Extension 1 Amendment	All Terminals, Information Desks	Operation of Brochure Rack Advertising Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0752	Enterprise Rent a Car	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
10/1/2020	LE-0753	Enterprise Rent a Car	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0750	Fox Rent a Car	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0751	Fox Rent a Car	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0756	Hertz Rent a Car	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0757	Hertz Rent a Car	Temporary Rent Forbearance & Abatement Extension 1 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0782	Smarte Carte, Inc.	Temporary Rent Forbearance & Abatement Extension 1 Amendment	All Terminals	Operation of a Luggage Cart Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
10/1/2020	LE-0660	New Zoom	Temporary Rent Forbearance & Abatement Extension 1 Amendment	All Terminals	Operation of a Retail Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Oct - Dec 2020 period
1/1/2021	LE-0799	AC Holdings, Inc. (CNN)	Temporary Rent Forbearance & Abatement Extension 2 Amendment	All Terminals, Hold Rooms	Operation of Airport Television Services	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0744	Avis Budget Car Rental, LLC	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
1/1/2021	LE-0745	Avis Budget Car Rental, LLC	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0760	Avis Budget Car Rental, LLC (Budget Brand)	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0761	Avis Budget Car Rental, LLC (Budget Brand)	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0880	Certified Folder Display Services, In.	Temporary Rent Forbearance & Abatement Extension 2 Amendment	All Terminals, Information Desks	Operation of Brochure Rack Advertising Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0752	Enterprise Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0753	Enterprise Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0750	Fox Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0751	Fox Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0756	Hertz Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
1/1/2021	LE-0757	Hertz Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0746	Nevada Lease & Rentals dba Payless Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Non-Exclusive On-Airport Rental Car Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0747	Nevada Lease & Rentals dba Payless Rent a Car	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Rental Car Center	Rental Car Center Lease Agreement	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0782	Smarte Carte, Inc.	Temporary Rent Forbearance & Abatement Extension 2 Amendment	All Terminals	Operation of a Luggage Cart Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0933	Denise Pullen dba The Classic Shine	Temporary Rent Forbearance & Abatement Extension 2 Amendment	Post-Security, All Terminals	Operation of Shoeshine Services	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0647	Paradies	Temporary Rent Forbearance & Abatement Agreement Ext. 2	Terminals 1 & 2	Operation of a Retail Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0671	Hudson	Temporary Rent Forbearance & Abatement Agreement Ext 2	Terminals 1 & 2	Operation of a Retail Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0670	Hudson	Temporary Rent Forbearance & Abatement Agreement Ext 2	Terminals 1 & 2	Operation of a Retail Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
1/1/2021	LE-0659	Spa Didacus	Temporary Rent Forbearance & Abatement Agreement Ext 2	Terminal 2	Operation of a Retail Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period



Real Property Agreement Amendments and Assignments

Effective Date	Authority Doc. #	Tenant/Company	Agreement Type	Property Location	Use	Property Area (s.f)	Consideration	Comments
1/1/2021	LE-0648	Stellar	Temporary Rent Forebearance & Abatement Agreement Ext 2	Terminals 1 & 2	Operation of a Retail Concession	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
2/2/2021	LE-0649	High Flying Foods San Diego Partnership	Temporary Rent Forebearance & Abatement Extension 2 Amendment	Terminals 1 & 2	Food/Beverage Operations	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
2/3/2021	LE-0650	High Flying Foods San Diego Partnership	Temporary Rent Forebearance & Abatement Extension 2 Amendment	Terminals 1 & 3	Food/Beverage Operations	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
2/3/2021	LE-0651	Mission Yogurt, Inc.	Temporary Rent Forebearance & Abatement Extension 2 Amendment	Terminals 1 & 1	Food/Beverage Operations	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period
2/4/2021	LE-0726	Swissport Lounge, LLC	Temporary Rent Forebearance & Abatement Extension 2 Amendment	Terminal 2	Operation of a Common Use Lounge	N/A	N/A	Extends special program in response to COVID 19 Pandemic for Jan - Mar 2021 period

STAFF REPORT

Meeting Date: **MARCH 4, 2021**

Subject:

March 2021 Legislative Report

Recommendation:

Adopt Resolution No. 2021-0021, approving the March 2021 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 March 2021 Legislative Report updates Board members on legislative activities that have taken place since the previous Board meeting. In directing staff, the Authority Board may take a position on pending or proposed legislation that has been determined to have a potential impact on the Authority's operations and functions.

Federal Legislative Action

At this time, staff recommends that the Board adopt a WATCH position on S. 303 (Blumenthal), which would codify the Executive Order mandating face mask usage in airports, on airplanes, as well as on other forms of public transportation for the duration of the COVID-19 pandemic.

In February, the U.S. Department of Transportation announced the allocation of the recently enacted \$2 billion grant program to provide further COVID-19 relief for airports. San Diego International Airport received \$22.9 million in funding, which includes \$2.7 million in relief for concessionaires. These grants were approved by the 116th Congress in December 2020 and will be distributed in the coming weeks.

Recently, the House of Representatives unveiled a new \$1.9 trillion COVID-relief proposal that includes an additional \$8 billion in emergency grants for airports. The proposal is aimed at helping airports offset financial losses through the end of September 2021. The funding includes \$6.5 billion to commercial airports; \$100 million to general aviation airports; \$608 million to meet local match requirements for fiscal year 2020 and 2021 Airport Improvement Program (AIP) grants; \$800 million to airports for providing additional concessions relief, including \$640 million for small concession companies and \$160 million for large concession companies.

The proposal includes extending the workforce retention requirement for airport operators until September 30, 2021, matching a workforce retention requirement for airlines that is attached to an additional \$15 billion in payroll support. The Authority's Government Relations staff is closely monitoring this legislation as it is crafted in the

committee process and working with our federal consultants, trade associations and industry stakeholders to urge support and continued inclusion of the airport funding package.

The U.S. Senate confirmed Pete Buttigieg to be Secretary of Transportation and Alejandro Mayorkas to be Secretary of Homeland Security. The Airport Authority's Government Relations staff and Federal legislative consultants continue to be in regular contact with federal agency staff to advocate on behalf of San Diego International Airport.

State Legislative Action

The deadline to introduce new legislation in the first year of the 2021-22 legislative session was February 19. Legislative staff and the Authority's state legislative consultants continue to review the newly introduced legislative proposals to determine those that impact the Airport Authority or San Diego International Airport.

At this time, staff recommends that the Board adopt a WATCH position on each of the following bills: AB 302 (Ward); AB 513 (Bigelow); AB 538 (Muratsuchi).

AB 302 (Ward) would expand to any city within the County of San Diego the authority of the San Diego Metropolitan Transit Development Board to enter into contracts to license or regulate transportation services and to regulate vehicle safety and driver qualifications for passenger jitney service.

AB 513 (Bigelow) would authorize an employee working from home to receive legally required notices and postings electronically and sign certain documents electronically. The bill would also require that a working from home employee's wages due at the time of separation of employment be deemed to have been paid on the date that the wages are mailed to the employee.

AB 538 (Muratsuchi) would establish the California Aerospace Commission to serve as the central point of contact for businesses engaged in the aerospace industry and to support the health and competitiveness of the industry in California.

Fiscal Impact:

Not applicable.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

MATT HARRIS
DIRECTOR, GOVERNMENT RELATIONS

RESOLUTION NO. 2021-0021

A RESOLUTION OF THE BOARD OF THE SAN DIEGO
COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING
THE MARCH 2021 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 March 2021 Legislative Report (“Attachment A”); and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of March 2021, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY RUSSELL
DIRECTOR, BOARD SERVICES/
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

March 2021 Legislative Report

State Legislation

New Assembly Bills

Legislation/Topic

AB 302 (Ward) San Diego Metropolitan Transit Development Board: regulation of transportation and passenger jitney services.

Background/Summary

AB 302 would expand to any city within the County of San Diego the authority of the board to enter into contracts to license or regulate transportation services and to regulate vehicle safety and driver qualifications for passenger jitney service.

Anticipated Impact/Discussion

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

Status: 2/12/21 – This bill was referred to the Assembly Local Government Committee.

Position: Watch (3/4/21)

*Shaded text represents new or updated legislative information

Legislation/Topic

AB 513 (Bigelow) Employment: telecommuting employees.

Background/Summary

AB 513 would authorize an employee working from home to receive legally required notices and postings electronically and sign certain documents electronically. The bill would also require that a working from home employee's wages due at the time of separation of employment be deemed to have been paid on the date that the wages are mailed to the employee.

Anticipated Impact/Discussion

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

Status: 2/09/21 – Introduced.

Position: Watch (3/4/21)

*Shaded text represents new or updated legislative information

Legislation/Topic

AB 538 (Muratsuchi) California Aerospace Commission: establishment.

Background/Summary

AB 538 would establish, within the office, the California Aerospace Commission consisting of 15 members, as specified, to serve as a central point of contact for businesses engaged in the aerospace industry and to support the health and competitiveness of this industry in California. The bill would require the commission to make recommendations on legislative and administrative action that may be necessary or helpful to maintain or improve the state's aerospace industry and would authorize the commission to engage in various other activities in undertaking its mission and responsibilities, as specified.

Anticipated Impact/Discussion

Although this legislation is not expected to have any significant impact on the Airport Authority or San Diego International Airport (SDIA), if the bill were enacted, the Airport Authority's legislative team would work with the California Airports Council to identify any potential opportunities to engage with the Commission on actions that could impact California airports.

Status: 2/10/21 – Introduced.

Position: Watch (3/4/21)

*Shaded text represents new or updated legislative information

Assembly Bills from Previous Report

Legislation/Topic

AB 55 (Boerner Horvath) Employment: telecommuting.

Background/Summary

AB 55 is a placeholder (spot bill) This bill would declare the intent of the Legislature to enact future legislation to ensure certain rights and benefits for telecommuting employees.

Anticipated Impact/Discussion

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

Status: 12/7/20 – Introduced.

Position: Watch (1/7/21)

*Shaded text represents new or updated legislative information

Legislation/Topic

AB 72 (Petrie-Norris) Environmental protection: Natural Resources Agency: coastal adaptation projects: sea level rise: regulator permitting: report.

Background/Summary

Existing law establishes the Natural Resources Agency. Existing law requires the agency, by July 1, 2017, and every 3 years thereafter, to update the state's climate adaptation strategy to identify vulnerabilities to climate change by sectors and priority actions needed to reduce the risks in those sectors. This bill would enact the Coastal Adaptation Permitting Act of 2021 and would require the agency to explore, and authorize it to implement, options within the agency's jurisdiction to establish a more coordinated and efficient regulatory review and permitting process for coastal adaptation projects, as defined. The bill would require the agency to submit, by July 1, 2023, a report to the Legislature with suggestions and recommendations for improving and expediting the regulatory review and permitting process for coastal adaptation projects.

Anticipated Impact/Discussion

If enacted, the Airport Authority's legislative team would work with the California Airports Council to identify any potential opportunities to engage with the agency on actions and recommendations that could impact California airports.

Status: 1/11/21 – This bill is in the Assembly Natural Resources Committee.

Position: Watch (1/7/21)

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

SB 1 (Atkins) Coastal resources: sea level rise.

Background/Summary

This bill would also include, as part of the procedures that the California Coastal Commission is required to adopt, recommendations and guidelines for the identification, assessment, minimization, and mitigation of sea level rise within each local coastal program, as provided. The bill would delete the timeframe specified above by which the commission is required to adopt these procedures. The bill would require the commission to take into account the effects of sea level rise in coastal resource planning and management policies and activities, as provided. In addition, the bill would require state and regional agencies to identify, assess, and, to the extent feasible and consistent with their statutory authorities, minimize and mitigate the impacts of sea level rise. To the extent that a regional agency is a local public agency, this bill would impose a state-mandated local program.

This bill would create within state government the California Sea Level Rise State and Regional Support Collaborative and would require the collaborative to provide state and regional information to the public and support to local, regional, and other state agencies for the identification, assessment, and, where feasible, the mitigation of sea level rise. The bill would require, upon appropriation in the annual Budget Act, the collaborative to expend no more than \$100,000,000 annually from appropriate bond funds and other sources for the purpose of making grants to local governments to update local and regional land use plans to take into account sea level rise and for directly related investments to implement those plans, as provided. Existing law authorizes the Secretary for Environmental Protection to expend up to \$1,500,000 per year for the Environmental Justice Small Grant Program. This bill would instead authorize the secretary to expend up to \$2,000,000 per year for purposes of the grant program and would require up to \$500,000 of that money to be expended by the secretary for grants to organizations working to address and mitigate the effects of sea level rise in disadvantaged communities, as defined, impacted by sea level rise.

Anticipated Impact/Discussion

If enacted, bonds and other sources of funding for the purposes of making grants to local governments could be used to help implement the Authority's goals and efforts to implement the Climate Resilience Plan and airport development plan mitigation efforts. The Authority's legislative team will closely monitor the development of this bill language for any impact on San Diego International Airport (SDIA) and the Airport Authority.

Status: 1/28/21 – This bill is in the Senate Natural Resources and Water Committee.

Position: Watch (1/7/21)

*Shaded text represents new or updated legislative information

Legislation/Topic

SB 37 (Cortese) Contaminated sites: the Dominic Cortese “Cortese List” Act of 2021.

Background/Summary

Existing law requires the Department of Toxic Substances Control to compile a list of specified information, including, but not limited to, hazardous waste facilities where the department took, or contracted for the taking of, corrective action to remedy or prevent, for example, an imminent substantial danger to public health. Existing law requires the State Department of Health Care Services to compile a list of all public drinking water wells that contain detectable levels of organic contaminants and that are subject to water analysis by local health officers.

This bill would enact the Dominic Cortese “Cortese List” Act of 2021 and would recodify the above-described provisions with certain revisions. The bill would require the Department of Toxic Substances Control to also list hazardous waste facilities where the department issued an order for corrective action after determining that there is or has been a release of hazardous waste or constituents into the environment from a facility. The bill would require the State Water Resources Control Board, instead of the State Department of Health Care Services, to compile and update a list of all public drinking water wells that contain detectable levels of organic contaminants and that are subject to water analysis by local health officers. The bill would require the Secretary for Environmental Protection to post the information on the California Environmental Protection Agency’s internet website.

Anticipated Impact/Discussion

SB 37 could have an impact on San Diego International Airport (SDIA) as airports are federally mandated to store certain chemicals, including perfluoroalkyl and polyfluoroalkyl (PFAS) for firefighting purposes. The Airport Authority’s legislative team will work with the California Airports Council (CAC) to determine an industry wide position, if applicable, and will closely monitor the development of this bill language for any impact on San Diego International Airport (SDIA) and the Airport Authority.

Status: 12/7/20 – Introduced.

Position: Watch (1/7/21)

*Shaded text represents new or updated legislative information

Legislation/Topic

SB 46 (Stern) Employment: contact tracing and safety policies: COVID-19.

Background/Summary

This bill would state the intent of the Legislature to enact legislation that would require an employer to develop and implement contact tracing and safety policies for its employees, including requiring notice to the employer when an employee receives a positive COVID-19 test.

Anticipated Impact/Discussion

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

Status: 12/7/20 – Introduced.

Position: Watch (1/7/21)

*Shaded text represents new or updated legislative information

Federal Legislation

New House Bills

There are no new House Bills to report.

*Shaded text represents new or updated legislative information

New Senate Bills

Legislation/Topic

S. 303 (Blumenthal) Essential Transportation Employee Safety Act of 2021.

Background/Summary

This bill would require the Secretary of Transportation to work with the Centers for Disease Control and Prevention (CDC) and the Federal Emergency Management Agency (FEMA) to support the efforts of state and local governments to provide for priority testing of transportation workers. The bill would also implement personal protective equipment and cleaning, disinfection, and sanitization requirements for owners and operators of equipment or facilities used by certain transportation employers, including airports. The bill would also codify the mask mandate Executive Order requiring face mask usage in airports, on airplanes, as well as on other forms of public transportation for the duration of the pandemic.

Anticipated Impact/Discussion

As critical infrastructure to the San Diego Region, airport employees have continuously served travelers throughout the COVID-19 pandemic. This bill would ensure basic health safety measures, such as mask wearing, would continue through the duration of the pandemic.

Status: 2/8/21 – Introduced.

Position: Watch (3/4/21)

*Shaded text represents new or updated legislative information

STAFF REPORT

Meeting Date: **MARCH 4, 2021**

Subject:

Continue the Declaration of the Existence of a Local Emergency in Response to the Serious and Imminent Threat of the Novel Coronavirus (COVID-19)

Recommendation:

Adopt Resolution No. 2021-0022, confirming the need to continue the Declaration of a Local Emergency in response to COVID-19

Background/Justification:

On April 16, 2020 the Board adopted Resolution No. 2020-0044 declaring the existence of a state of local emergency as a result of the outbreak of the novel coronavirus. The Resolution required the Authority Board review the need to continue the declaration of a local emergency after sixty (60) days. On June 4, 2020, the Board adopted Resolution No. 2020-0061 confirming the need to continue the Declaration of a Local Emergency and extending the President/CEO's emergency powers for an additional ninety (90) days. On September 5, 2020, the Board adopted Resolution No. 2020-0083 extending the President/CEO's emergency powers for an additional one hundred twenty (120) days. That Resolution requires the Authority Board review the need to continue the declaration after 120 days. Resolution Nos. 2020-0044, 2020-0061 and 2020-0083 empower the President/CEO to do the following:

- (1) promulgate written orders and regulations necessary to provide for the protection of passengers, employees, and operators at SAN, and related property, as affected by such emergency;
- (2) promulgate written orders and regulations relating to the requirements, recommendations and guidelines issued by the CDC, CDPH, SDCDPH and the City of San Diego that are applicable to essential services and infrastructure such as SAN, or to operations related to air travel in general, regarding preventing and addressing the spread of COVID-19;
- (3) obtain vital supplies, equipment, and such other properties found lacking and needed for the protection of life and property and to bind the Authority for the fair value thereto;
- (4) require emergency services of any Authority officer or employee;
- (5) requisition necessary personnel or material of any Authority departments;
- (6) execute all ordinary powers, all special powers conferred by the adopted Resolution and all other powers conferred by statute, agreement approved by the Authority Board, or by any other lawful authority;

(7) modify or approve contracts as necessary to provide for the protection of passengers, employees and operators at SAN and related property and Authority finances as affected by such emergency;

(8) waive any and all policies or other requirements to the extent such waiver is prudent in the course of responding to COVID-19; and

(9) represent the Authority in all dealings with public or private agencies on matters pertaining to this declared local emergency.

The outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus has been declared a Public Health Emergency of International Concern by the World Health Organization and is having adverse effect on domestic and international travel-related industries. The U.S. Centers for Disease Control (CDC) has identified the potential public health threat posed by COVID-19 and has advised that person-to-person contact of COVID-19 will continue to spread. Federal, state and local governments have issued declarations of emergency to enable and empower governments to coordinate responses to the spread of COVID-19. Federal, state and local governments, as well as other nations and private businesses, have issued restrictions on non-essential movement, gatherings, air travel (domestic and international) and other activities. Governor Newsom issued Executive Orders and Public Health Orders directing all Californians to stay home except to go to an essential job or to shop for essential needs. On January 25, 2021, Governor Newsom lifted the stay at home order however the County of San Diego remains in Tier 1 or the purple tier which indicates that the coronavirus is widespread and prevents many non-essential businesses from opening and imposes restrictions on other businesses.

The threat of COVID-19 infection continues and businesses that are permitted to open must take all steps possible to reduce the risk of spreading the infection. As an "essential business," the Authority must continue to operate and ensure that it is following all applicable health orders which include additional cleaning and sanitizing, use of personal protective equipment (PPE), social distancing and employee screening. For the foregoing reasons, staff recommends that the Board extend the Declaration of a Local Emergency adopted pursuant to Resolution Nos. 2020-0444, 2020-0061 and 2020-0083 for an additional one hundred and twenty (120) days.

Fiscal Impact:

Adequate funding for this agreement is included in the adopted FY 2020 and conceptually approved FY 2021 Operating Expense Budgets within the Contractual Services line item.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable.

Prepared by:

AMY GONZALEZ
GENERAL COUNSEL

RESOLUTION NO. 2021-0022

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY
REGIONAL AIRPORT AUTHORITY, CONFIRMING THE NEED TO
CONTINUE THE DECLARATION OF A LOCAL EMERGENCY IN
RESPONSE TO COVID-19

WHEREAS, on April 16, 2020 the Board adopted Resolution No. 2020-0044 declaring the existence of a state of local emergency as a result of the outbreak of the novel coronavirus; and

WHEREAS, the Declaration of a Local Emergency related to COVID-19 enables the Authority, including its President/CEO under delegated power, to issue written orders and regulations necessary to provide for the protection of passengers, employees and operators at San Diego International Airport (SAN), and related property, as affected by such emergency; and

WHEREAS, on June 4, 2020, the Board adopted Resolution No. 2020-0061 confirming the need to continue the Declaration of a Local Emergency for an additional ninety (90) days; and

WHEREAS, on September 3, 2020, the Board adopted Resolution No. 2020-0083 confirming the need to continue the Declaration of a Local Emergency for an additional one hundred twenty (120) days; and

WHEREAS, the outbreak of COVID-19, a respiratory disease caused by a new strain of coronavirus has been declared a Public Health Emergency of International Concern by the World Health Organization and is having adverse effect on domestic and international travel-related industries; and

WHEREAS, the U.S. Centers for Disease Control (CDC) has identified the potential public health threat posed by COVID-19 and has advised that person to-person contact of COVID-19 will continue to spread; and

WHEREAS, Federal, State and local governments have issued declarations of emergency to enable and empower governments to coordinate responses to the spread of COVID-19; and

WHEREAS, Federal, State and local governments, as well as other nations and private businesses, have issued restrictions on non-essential movement, gatherings, air travel (domestic and international) and other activities; and

WHEREAS, Governor Newsom issued Executive Orders and Public Health Orders directing all Californians to stay home except to go to an essential job or to shop for essential needs; and

WHEREAS, on January 25, 2021, Governor Newsom lifted the stay at home order however the County of San Diego remains in Tier 1 or the purple tier which indicates that the coronavirus is widespread and prevents many non-essential businesses from opening and imposes restrictions on other businesses; and

WHEREAS, the threat of COVID-19 infection continues and businesses that are permitted to open must take all steps possible to reduce the risk of spreading the infection; and

WHEREAS, the Authority is as an “essential business” and must continue to operate and ensure that it is following all applicable health orders which include additional cleaning and sanitizing, use of personal protective equipment (PPE), social distancing and employee screening; and

WHEREAS, the Board finds that it is in the best interest of the Authority to extend the Declaration of a Local Emergency adopted pursuant to Resolution No. 2020-0444 and extended pursuant to Resolution Nos. 2020-0061 and 2020-0083 for an additional one hundred twenty (120) days.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby confirms the need to continue the Declaration of a Local Emergency in response to COVID19 adopted pursuant to Resolution Nos. 2020-044, 2020-0061 and 2020-0083; 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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of March, 2021, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **MARCH 4, 2021**

Subject:

Appointment of Authority Advisory Committee Members

Recommendation:

Adopt Resolution No. 2021-0023, appointing members to the Authority Advisory Committee.

Background/Justification:

The Authority's Advisory Committee was established to facilitate input from community stakeholders and subject matter experts regarding Authority planning and development activities. The 20-member Committee is governed by the provisions of Authority Policy 1.21. While the Board is responsible for approving the appointments of all members of the Committee, nominations are received from various sources as follows:

(Seats 1 – 7) The President/CEO shall nominate individuals to fill seats representing each of the following categories:

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

(Seats 8 – 15) The Presidents of the organizations listed below may each nominate one individual. As shown below, in some cases, the nominating organization rotates among different organizations at the conclusion of each two-year term.

- (8) San Diego Regional Economic Development Corporation
- (9) Rotation among:
 - a. San Diego North Economic Development Council
 - b. East County Economic Development Council
 - c. South County Economic Development Council
- (10) San Diego Regional Chamber of Commerce
- (11) Rotation among:
 - a. Cleantech San Diego
 - b. Biocom
 - c. CONNECT
- (12) Metropolitan Transit System
- (13) North County Transit District

- (14) San Diego County Taxpayers Association
- (15) San Diego Tourism Authority

(Seat 16) The Deputy Trustee of the San Diego and Imperial Counties Labor Council or his/her designee may nominate one individual to serve in this seat.

(Seat 17) The District Director of the California Department of Transportation for the San Diego Region or his/her designee serves in this seat.

(Seat 18) The representative of the United States Department of Defense currently serving on the Board or his/her designee serves in this seat.

(Seats 19 – 20) Two seats are reserved for members of the general public. Whenever a vacancy occurs in one of these seats, a notice is issued by the Authority. The Chief Auditor and Vice President of Development jointly review and nominate individuals to serve in these two seats.

NOMINATIONS TO FILL OPEN SEATS

The Authority was informed that Jo Marie Diamond has resigned as the President/CEO of the East County Economic Development Council (EDC) which has left a vacancy on the Authority Advisory Committee. The new President/CEO of the East County EDC, **James Sly**, has nominated himself to fill the vacancy for the remainder of the term, which expires September 2021.

Seat 9: JAMES SLY (appointment) – James Sly is responsible for defining and implementing the East County EDC's ambitious project portfolio, which cuts across education, industry, workforce, and government. Additionally, Sly leads many of the organization's strategic partnership and business development efforts, working to make the EDC a focus of economic activity in San Diego.

Sly joined the East County EDC in 2012, initially as a Program Manager tasked with helping the Department of Defense (DoD) and Defense Logistics Agency (DLA) fine-tune their procurement systems to make government solicitations more attractive to American manufacturers. After leading the development of a new supply chain software solution, he expanded his attention to include the EDC's other flagship projects: "Aerotropolis," the Advanced Manufacturing Workforce Pipeline, and the "Connectory" SAAS platform.

Prior to joining the East County EDC, Sly worked as a management consultant, servicing startup and mid-size businesses throughout San Diego's private sector, and as a sought-after workforce expert for the One-Stop Career Center Network and San Diego's CalWORKS Welfare-to-Work and Refugee Resettlement programs. He has been able to leverage this multifaceted skillset to the EDC's benefit, coordinating resources from across the spectrum to drive the organization's mission and support stakeholders throughout East County and the larger San Diego region.

Sly was born and raised in Santee, California. He has a Bachelor's degree in Business Management from San Diego State University, a Lean Six Sigma Black Belt certification from the University of California, San Diego, and various leadership certifications. He has one daughter, Autumn. (Category: Regional Economic Development: Nominated by: James Sly, President/CEO, East County Economic Development Council.)

Staff recommends that the board appoint the individual listed above to the Authority Advisory Committee.

Fiscal Impact:

Not applicable.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

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

C. NEPA: This Board action is not a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, no formal review under the National Environmental Policy Act ("NEPA") is required.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES/AUTHORITY CLERK

RESOLUTION NO. 2021-0023

A RESOLUTION OF THE BOARD OF THE SAN
DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY, APPOINTING MEMBERS TO THE
AUTHORITY ADVISORY COMMITTEE

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

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

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

WHEREAS, the President/CEO of the East County Economic Development Council, James Sly, has nominated himself as their agency representative to the Advisory Committee, to fill the vacancy caused by the resignation of Jo Marie Diamond for the remainder of her term, pursuant to Authority Policy 1.21.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves the appointment to the Advisory Committee as indicated on “Attachment A” for the term stated; and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of March, 2021, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

San Diego County Regional Airport Authority Advisory Committee

Name	Seat	Term Start	Term Ends
AIRPORT MANAGEMENT			
Oris Dunham	1	October 2020	September 2022
PASSENGER AND FREIGHT AIR TRANSPORTATION OPERATIONS AND ECONOMICS			
Michael DiGirolamo	2	October 2019	September 2021
GENERAL AVIATION			
Cameron "Cam" Humphres County of San Diego Airports	3	October 2020	September 2021
THE NATURAL ENVIRONMENT			
Emily Young - University of San Diego		October 2019	September 2021
LOCAL GOVERNMENT			
Deanna Spehn - Senator Toni Atkins	5	October 2019	September 2021
THE CAMPUSES OF THE UNIVERSITY OF CALIFORNIA AND THE CALIFORNIA STATE UNIVERSITIES			
Jeffrey Gattas - UCSD	6	October 2019	September 2021
ORGANIZED LABOR			
Brigette Browning - UNITE HERE	7	October 2019	September 2021
SAN DIEGO REGIONAL ECONOMIC DEVELOPMENT CORPORATION			
Nikia Clarke	8	October 2020	September 2022
REGIONAL ECONOMIC DEVELOPMENT (Rotation)			
James Sly – East County EDC	9	March 2021	September 2021
SAN DIEGO REGIONAL CHAMBER OF COMMERCE			
Jaymie Bradford	10	October 2020	September 2022
BUSINESS, INCLUDING THE TECHNOLOGY SECTOR OF THE ECONOMY (Rotation)			
Melanie Cohn - Biocom	11	October 2019	September 2021
METROPOLITAN TRANSIT SYSTEM			
Bill Sandke	12	October 2020	September 2022
NORTH COUNTY TRANSIT DISTRICT			
Robert Calix	13	December 2020	September 2021
SAN DIEGO COUNTY TAXPAYERS ASSOCIATION			
Haney Hong	14	October 2020	September 2022
SAN DIEGO TOURISM AUTHORITY			
Kerri Kapich	15	October 2020	September 2022
SAN DIEGO AND IMPERIAL COUNTIES LABOR COUNCIL			
Keith Maddox	16	October 2019	September 2021
THE DEPARTMENT OF TRANSPORTATION			
Ann Fox	17	October 2020	September 2022
THE UNITED STATES DEPARTMENT OF DEFENSE			
Col. Carl Huenefeld II (Ret.)	18	October 2020	September 2022
MEMBERS OF THE GENERAL PUBLIC SAN DIEGO COUNTY			
Frederick Ladit - Ladit Consulting	19	October 2019	September 2021
John Ohanian - 211 San Diego	20	October 2019	September 2021

STAFF REPORT

Meeting Date: MARCH 4, 2021

Subject:

Fiscal Year 2021 Second Quarter Report from the Office of the Chief Auditor

Recommendation:

The Audit Committee recommends that the Board accept the report.

Background/Justification:

The Charter for the Office of the Chief Auditor (OCA), as approved by the San Diego County Regional Airport Authority Board, establishes the roles, responsibilities, and working relationship of the Chief Auditor with the Audit Committee and with Authority management. The Charter directs the OCA to periodically communicate to the Audit Committee on its activities, which includes audits completed, audit findings, recommendations to management, and management's response addressing steps taken to resolve the noted issue.

The Fiscal Year 2021 Second Quarter Report (Attachment A) summarizes the undertakings and accomplishments of the OCA from October 1, 2020, through December 31, 2020. A presentation on these activities was provided to the Audit Committee during its February 8, 2021, meeting. The Committee subsequently voted to accept the report and to forward it to the Board for acceptance.

Fiscal Impact:

None

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

Not applicable

Prepared by:

LEE M. PARRAVANO
CHIEF AUDITOR

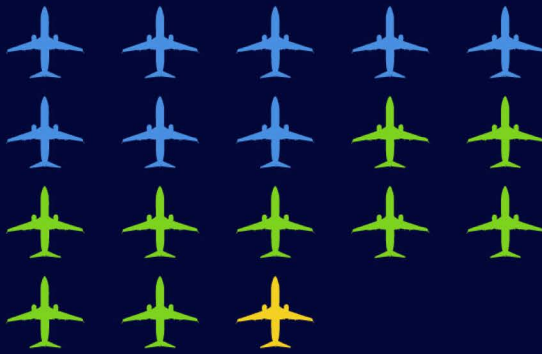
Office of the Chief Auditor Fiscal Year 2021 Second Quarter Report

ATTACHMENT A

SAN DIEGO
COUNTY
REGIONAL
AIRPORT
AUTHORITY

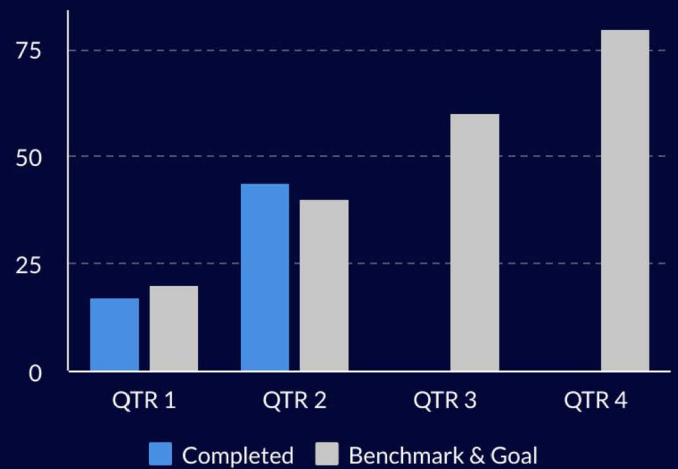


Audit and Consulting Engagement Progress



■ Completed (44.44%)
 ■ In Progress (50%)
 ■ Not Started (5.56%)

Audit and Consulting Engagements Completed vs. Benchmark & Goal



FY 2021 - By the Numbers

12

Recommendations Issued

4.7

Customer Satisfaction Rating (Out of 5)

100%

Audit and Consulting Engagements Completed within Budget

68%

Auditor Utilization Percentage

100%

Recommendations Accepted by Management

powered by



Office of the Chief Auditor Fiscal Year 2021 Second Quarter Report

February 8, 2021

SAN DIEGO
COUNTY
REGIONAL
AIRPORT
AUTHORITY

Second Quarter Summary

The Office of the Chief Auditor’s (OCA) Fiscal Year 2021 Audit Plan is comprised of 16 audit engagements, 2 consulting engagements, 8 general audit activities, and administrative activities that are to be completed in the Fiscal Year. The OCA tracks its progress relative to the Audit Plan and several key performance measures to gauge the success of the office. Each performance measure is detailed below along with supplemented explanation.

Performance Measures

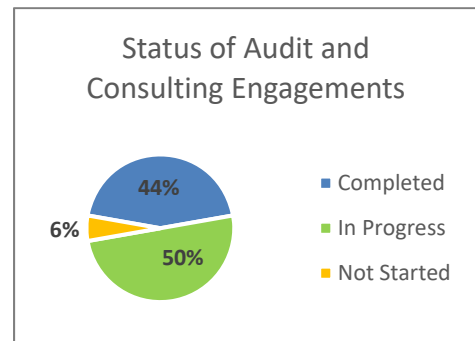
There are six major performance measures to evaluate the OCA¹ in Fiscal Year 2021. The OCAs performance against the selected performance measures is displayed in Figure 1 below.

Figure 1: Status of Performance Measures as of December 31, 2020

#	Performance Measure	Goal	Actual	Benchmark
1	Percentage of audits and consulting engagements completed	40%	44%	40%
2	Number of recommendations	13	12	13
3	Percentage of staff time spent on audit and consulting engagements and general audit activities	70%	68%	70%
4	Percentage of audits and consulting engagements completed within budgeted time	80%	100%	75%
5	Percentage of recommendations accepted	95%	100%	83%
6	Customer satisfaction rating	4.0	4.7	4.0

Percentage of Audits and Consulting Engagements Completed:

As of the second quarter, the OCA completed 7 audit engagements and 1 consulting engagement, or 44%, of the Audit Plan that constitutes these activities (8/18=44%). In addition to the 8 engagements completed, the OCA had 9 engagements in progress as of the end of the second quarter. The engagements completed in the second quarter are summarized in the next section titled *Audits and Consulting Engagements*.



An alternative way to calculate this performance measure is to acknowledge the hours spent on audits and consulting engagements completed and engagements that are in progress, but not yet completed. This calculation results in a completion percentage of 51%. The OCA has spent 3,103 hours on audit and consulting engagements and estimates 6,036 total hours will be needed to complete all Fiscal Year 2021 audit and consulting engagements (3,103/6,036=51%).

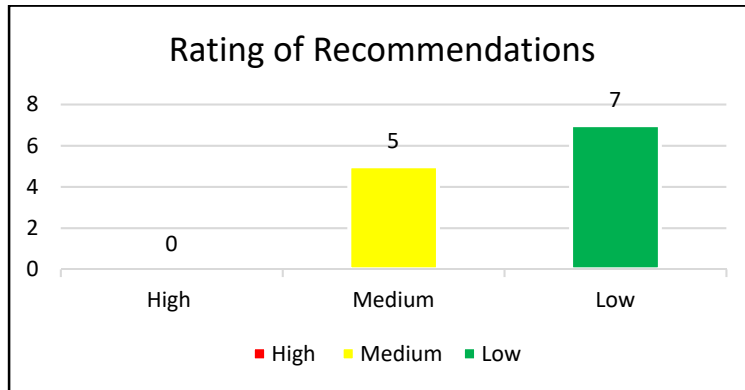
The status of all activities in the Fiscal Year 2021 Audit Plan is included in Appendix A.

¹ The OCA tracks additional performance measures that are not shown above. Their results are compiled and shared with the Audit Committee annually.

Number of Recommendations:

One of the OCAs primary objectives is to identify risks that could pose a threat to the Authority and to provide recommendations to remediate those risks. As of December 31, 2020, the OCA has provided 12 recommendations to management to remediate a risk identified or improve a process. Each of the recommendations are rated based on a qualitative level of risk, identified as Low, Medium, or High. A summary of the ratings are shown in Figure 2 below:

Figure 2: Rating of Recommendations Provided in Fiscal Year 2021



Percentage of Staff Time Spent on Audit and Consulting Engagements and General Audit Activities:

This measure helps track the time that audit staff spent on audit engagements, consulting engagements, and general audit activities.² The OCAs goal for Fiscal Year 2021 is 70%. As of December 31, 2020, the OCA staff spent 68% of time on audit and consulting and general audit activities (66% including the Chief Auditor’s time).

Percentage of Audit and Consulting Engagements Completed within Budgeted Time:

This category monitors the efficiency of audit staff in performing audit and consulting engagements. Every engagement has an internally prepared budget that staff is held accountable to uphold. However, we recognize that budgets may need adjustment(s) as additional facts become known during an engagement. In Fiscal Year 2021, the OCA completed 8 out of 8 engagements under budget, or 100%, within budgeted time.

Percentage of Recommendations Accepted:

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. As of the end of the second quarter, management accepted 100% of all audit recommendations.

Customer Satisfaction Rating:

After the completion of an audit or consulting engagement surveys are sent to management to obtain customer satisfaction data. The OCAs goal for customer satisfaction is 4.0, on a 1 to 5 scale (with 1 being very dissatisfied and 5 being very satisfied). To date this Fiscal Year we have achieved a score of 4.7.

² Appendix A details all planned activities in these categories for Fiscal Year 2021.

Audits & Consulting Engagements

Issued

The Office of the Chief Auditor (OCA) completed a total of 5 audits during the second quarter. Below are highlights from these engagements.

Turner – PCL, A Joint Venture: The objective of this audit was to determine if the agreement with Turner-PCL was administered and monitored appropriately. The audit concluded that the Airport Design & Construction Department (ADC) properly administered and monitored the agreement for Phase II of the Federal Inspection Station (FIS) facility. There were no recommendations issued as a result of this audit.

Formal Bidding/Contracting Process: The objectives of this audit were to determine if the formal bidding procedures (i.e., contracts over \$100,000) align with best practices and/or Authority needs, and if bidding procedures are being administered effectively and efficiently. The audit concluded that operational practices regarding formal bidding/contracting are compatible with best practices and that procedures are being administered effectively and efficiently. However, the audit identified two recommendations related to updating Authority Policies and the Procurement Manual.

Small Business Development: The objectives of this audit were to evaluate the processes within Small Business Development (SBD) being used to ensure compliance to requirements, and to determine if the information reported to the Authority Board and the public is accurate. The audit concluded that SBD has created a program that generally complies with Federal Aviation Administration (FAA) requirements, is consistent with Authority policy, and that the information presented to the Board and public regarding SBD activities was accurate. However, the audit identified two recommendations related to developing procedures, to validate information prior to providing it to the Board and to examine the cost benefit of expanding its monitoring system.

GateKeeper: The objectives of this audit were to determine if the software tool, GateKeeper, used to monitor, track, control, and record commercial vehicle operations is adequate, accurate, and managed effectively and efficiently. The audit concluded that GateKeeper is accurately tracking vehicles, is adequate to meet the demands of the Authority, and is being managed effectively and efficiently. However, the audit did identify three recommendations related to documenting overdue balances and modifications to the accounts receivable aging report.

Arts Program Administration: The objective of this audit was to determine if the Arts Program is administered appropriately. The audit concluded that generally the Arts Program is administered appropriately. However, the audit did identify three recommendations to improve processes and procedures for Public Art Conservation and Collections Management.

In Progress

At the close of the second quarter there were 9 audits or consulting engagements in progress, representing 50% of the audit and consulting engagements on the Fiscal Year 2021 Audit Plan.

General Audit Activities

In addition to performing audits and consulting engagements, the OCA is involved in other audit activities that do not result in a formal audit report/opinion being issued. The OCA is either required³ to perform these activities or believes completion of these activities to be in the best interest of the Authority. A summary of the *General Audit Activities* performed, by category, is presented in this section.

Construction

Construction audit activity for the second quarter of Fiscal Year 2021 consisted of attending meetings regarding the airport support facilities and the Airport Development Program (ADP). Additionally, a request for qualifications (RFQ) for construction audit services for the ADP project was developed. The outside audit services will assist the OCA staff in assessing risks and developing audit programs for the ADP projects. The RFQ is currently under review by the Procurement Department. The OCA remains involved with issues identified by the Airport Design & Construction team and Authority management, providing assistance and attending meetings specific to the aspects of the Authority's construction activities.

Development of Data Analytics

The OCAs development of a data analytics program for rental car concessions and potentially for in-terminal concessions is in the planning stage. A successful data analytics program would provide relative real-time insight regarding rental car company and in-terminal concession activity at the San Diego International Airport. The OCA would utilize this information to identify possible risks early on and to determine if an audit should be initiated. This audit approach would allow the OCA to objectively select audits. Additionally, some data analytic information could be shared with Authority management for their reference and use.

As of the end of the second quarter, the OCA continues to collaborate with the Revenue Generation & Partnership Development Department, Information & Technology Services, Data Analytics team, and other Authority staff. A draft data analytics dashboard has been created and is being examined and discussed with other departments for input. We are optimistic about the success of the data analytics program.

Ethics Program

The OCA continues to run the Authority's Ethics Program that includes a confidential reporting hotline. As of December 31, 2020, four tips/reports were received. One required a preliminary investigation that ended with the complaint being withdrawn. Tips/reports that are not investigated by the OCA are forwarded to management, as appropriate. Beginning July 1, 2020, the OCA began categorizing the tips/reports received into specific standardized categories. Tracking tips/reports by standardized categories can reveal both success and gaps in our program and will allow the OCA to benchmark against other organizations. The OCA is utilizing the NAVEX Global⁴ Risk and Compliance Hotline reports as a benchmark. The categories are as follows:

- Accounting, Auditing, and Financial Reporting
- Business Integrity
- Human Resources, Diversity, and Workplace Respect
- Environment, Health, and Safety
- Misuse and Misappropriation of Assets

³ Requirements are dictated by the Charter for the Office of the Chief Auditor, the Charter of the Audit Committee, or the International Standards for the Professional Practice of Internal Auditing (*Standards*).

⁴ NAVEX Global is a recognized worldwide leader in integrated risk and compliance management software and services.

A summary of the tips/reports received through the second quarter of Fiscal Year 2021 is shown in Figure 3 below, with the applicable standardized categories listed.

Figure 3: Ethics Hotline Tips/Reports Received in Fiscal Year 2021 Second Quarter

	Number of Tips / Reports Received	Preliminary Investigation Required	Full Investigation Initiated	Investigation Results Supported Code Violation (Ethics or Workplace)*	Response (email or phone to non-anonymous reports)
Category					
Human Resource, Diversity, and Workplace Respect	2	-	-	-	-
Environment, Health and Safety – Noise	2	1	-	-	1
Total	4	1	-	-	1

*As required by the Charter for the Office of the Chief Auditor, any fraud or illegal acts that the Chief Auditor becomes aware of are communicated to the Chair of the Audit Committee, General Counsel, and the President/CEO.

Information Technology Meeting Attendance

Information technology activity for Fiscal Year 2021 consisted of attending meetings and providing updates to the Audit Committee and Authority management when appropriate regarding information technology risk assessments and the National Institute of Standards and Technology (NIST) cybersecurity framework.

Quality Assurance & Improvement Program

The International Standards for the Professional Practice of Internal Auditing (*Standards*) require the OCA to maintain a Quality Assurance and Improvement Program that includes internal (self) assessments, on-going monitoring, and external assessments (required every 5 years). The objective of ongoing monitoring is to provide assurance that the OCAs processes, as currently in place, are working effectively to ensure that quality is derived on an audit-by-audit basis.

During the first quarter of Fiscal Year 2021, the OCA completed on-going monitoring of its activities and operations performed during Fiscal Year 2020, with results presented in the Fiscal Year 2020 OCA Annual Report. During the second quarter, the OCA continued to monitor activities and operations in order to improve efficiencies and to ensure that quality is delivered.

Recommendation Follow-up

The OCA tracks the status of its recommendations on an on-going basis in order to verify the completion of their implementation. The progress is provided by management when requested by the OCA. Appendix B contains a detailed list of each recommendation and its status as of December 31, 2020.

Figure 4 shows the status of recommendations that were *Completed* or *In Progress* during the second quarter of Fiscal Year 2021. The estimated/actual implementation timeframes are based on the audit report issue date.

Figure 4: Recommendations with Estimated/Actual Implementation Timeframe

Recommendations	Zero to 7 Months	7 Months to 1 Year	Over 1 Year	Total
Completed	4	-	1	5
In Progress	7	11	3	21

Completed: This designation is used for recommendations that the OCA determined to be adequately implemented or for recommendations where alternate action is taken that adequately addresses the risk identified. Of the Completed recommendations, three or 60%, were completed within the initial timeframe identified when the recommendations were issued.

In Progress: These recommendations have been partially addressed or partial corrective action has been taken. This category also includes recommendations from newly issued audit reports, when there has not been adequate time between report issuance and follow-up. Of the In Progress recommendations, 15 recommendations were still within the initial timeframe identified for implementation.

The non-completion of the In Progress recommendations should not have a material adverse effect on the Authority, and adequate progress is being made toward implementation of all the tracked recommendations.

Risk Assessment & Audit Plan

The Risk Assessment & Audit Plan is a comprehensive document that is presented in May of each year to the Audit Committee that includes the proposed audit and consulting engagements to be completed for the coming fiscal year. It is the culminating result of data gathering, management discussions, surveys, and data analysis that is conducted over the course of several months prior to its submission to the Audit Committee. As of the second quarter, the Risk Assessment & Audit Plan are in the planning stages.

Administrative Activities

Tracking Budget and Expenses

The OCA expenses totaled approximately \$598,000 through the end of the second quarter, which represents 49% of the Fiscal Year 2021 budget. No unexpected or large outlays occurred within the department during the first or second quarter of Fiscal Year 2021. The OCA expects to remain on budget through the fiscal year-end.

Continuing Professional Development

OCA staff continues to obtain Continuing Professional Education credits as required by their various certifications. As of the second quarter, all applicable staff met or exceeded the education credits required for the Certified Internal Auditor designation and OCA requirements. During the second quarter staff attended training on topics that included information systems, risk in the public sector, engagement with stakeholders, ethics, and data analytics.

Procedural/Supervisory

One Audit Committee Meeting took place during the second quarter on November 16, 2020. The meeting contained all of the regularly scheduled November agenda items and one closed session item, of which the OCA assisted in coordination with the Committee Chair and Board Services.

COVID-19

All OCA staff have been working remotely since March 2020. The OCA currently has an Audit Intern position budgeted; however, a remote working arrangement is not ideally suited to facilitate the work and supervision of an Intern position. For this reason, the OCA does not anticipate filling the Audit Intern position until normal operations return at the Authority.

In November 2020, the Audit Committee accepted and the Authority Board subsequently approved an amendment to the Fiscal Year 2021 Audit Plan to eliminate Intern hours originally included in the Audit Plan.

Appendix A - Fiscal Year 2021 Audit Plan Progress

#	Activity	Status as of 12/31/20	Over/Under Budget	No. of Recom.
Audit Engagement				
1	Business and Real Estate Agreements – RCC Land Lease	Completed	Under	2
2	Contractor Monitoring – Turner	Completed	Under	-
3	Small Business Development Management	Completed	Under	2
4	Internal Controls in Place While Staff is Working Remotely	Completed	Under	-
5	Formal Bidding and Contracting	Completed	Under	2
6	System Security – Information Security Policy	In Progress		
7	System Security – Penetration Testing	In Progress		
8	Harbor Police Contract Management	In Progress		
9	Emergency & Single Source Purchases	In Progress		
10	Traffic Control, Vehicle Insp., Code Comp., Citations & Notice of Violation Admin.	In Progress		
11	Commercial Vehicle Licensing, Permitting, & Revenue Collection – GateKeeper system	Completed	Under	3
12	Contractor Monitoring – Sundt	In Progress		
13	Accounts Payable	In Progress		
14	Employee Benefits	Not Started		
15	Art Program Administration	Completed	Under	3
16	Enterprise Content Management System (ECMS)	In Progress		
Consulting Engagement				
17	COVID -19 – Grant Support	Completed	Under	
18	Calculation and Reconciliation of Concession Rents and Fees	In Progress		
General Audit				
19	Construction Meeting Attendance & External Service Provider Procurement and Coordination	In Progress		
20	Development of Data Analytics	In Progress		
21	Ethics Hotline ⁵	In Progress		
22	Information Technology Meeting Attendance	In Progress		
23	Peer Review Participation	Not Started		
24	Quality Assurance & Improvement Program ⁵	In Progress		
25	Recommendation Follow-up ⁵	In Progress		
26	Risk Assessment and Audit Plan ⁵	In Progress		
Administrative				
27	Attendance at Staff/Board/Committee Meetings; Continuing Professional Development; Budget tracking; Supervisory	In Progress		
28	Vacation, Holiday Time, and Other Leave/Time Off	In Progress		

⁵ Required activity in the Charter for the Office of the Chief Auditor.

Appendix B - Status of Recommendations

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
Completed						
20-03	Audit Report 19023 Issued: August 22, 2019 Title: Automated License Plate Recognition (ALPR) System - Ace Parking Department: GROUND TRANSPORTATION	Medium	ALPR data should be retained for the length of time indicated on the Authority's Data Retention Schedule.	10/31/2019	10/1/2020	On 10/1/20 the Authority Board approved adjusting the retention schedule.
21-07	Audit Report 21007 Issued: December 10, 2020 Title: GateKeeper Department: GROUND TRANSPORTATION	Medium	GT should notify Taxi Operator #1 that the overdue amount of \$2,329 must be paid. If payment is not received timely, GT should deactivate all transponders registered to Taxi Operator #1. In addition, GT should attempt to collect \$119 from Taxi Operator #2. Update on Recommendation #1: During our audit, we discussed the above Finding and Recommendation with GT. GT took immediate action and collected a payment of \$119 from Taxi Operator #2 on September 28, 2020. In addition, Finance approved a payment plan for Taxi Operator #1 for the balance due for March 2020 that will result in payment in full by December 15, 2020, that is being collected and monitored by GT.	12/31/2020	12/15/2020	On 10/28/2020 - Taxi Operator #1 uploaded email documentation into GateKeeper relating to payment plan. Account is paid in full as of December 2020 trip fee AR report. Taxi Operator #2's account was paid in full on September 28, 2020.

Appendix B - Status of Recommendations

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
Completed						
21-08	Audit Report 21007 Issued: December 10, 2020 Title: GateKeeper Department: GROUND TRANSPORTATION	Medium	GT should enforce its procedures or retain documentation in the GateKeeper file if deviations from procedures occur.	12/31/2020	10/28/2020	On 10/28/2020 - GT implemented documentation process to include email communications under account relating to trip fee billing.
20-23	Audit Report 20009 Issued: March 30, 2020 Title: Nevada Lease and Rentals Inc. dba Payless Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	Low	The Revenue Generation & Partnership Development Department should consider requesting that the Accounting Department invoice Nevada, in the amount of \$500, for each non-compliance with Article 4.2.2 regarding the annual reports for 2018 and 2019.	5/1/2020	10/19/2020	RG&PD issued a memo to Payless on 10/19/20 documenting waiver of penalties as the reports were accepted at time of delivery and advising Payless that no further waivers would be issued.
21-09	Audit Report 21007 Issued: December 10, 2020 Title: GateKeeper Department: GROUND TRANSPORTATION	Low	GT should add a category to the accounts receivable aging report for receivables that are 90+ days overdue. Additionally, GT should reprogram the system to properly classify accounts receivable balances to ensure accuracy and proper presentation of data.	12/31/2020	12/17/2020	On 12/17/2020 - Additional category 90+ overdue has been added to the aging report.

Appendix B - Status of Recommendations

Fiscal Year 2021 Second Quarter Report

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
20-25	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD should develop and publish a set of universal procedures for lease administration and management, and take active measures to ensure that the manual is updated to remain current.	11/30/20	3/31/2021	RG&PD will develop and publish a set of universal procedures for lease administration and management. RG&PD will implement an annual process to update the procedures. RG&PD will investigate utilizing E1 for lease administration and the possible implementation of a new or supplemental Real Estate Property Management software.
20-26	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD staff should continue to evaluate the property management software vendors, first by examining the Authority's Real Estate Management Property Management module already in E1, to implement a desired solution.	3/31/22	3/30/2022	RG&PD will investigate utilizing the existing E1 software and determine if other software is needed to more efficiently monitor, maintain, and manage the many tenant lease agreements, which the department is responsible for.
20-27	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD, in cooperation with the Finance & Risk Management Department, should analyze the current security deposits on hand, determine if the security deposits on hand are sufficient to cover the risk to the Authority, make adjustments, and document any exceptions to security deposits, as needed.	3/31/22	3/30/2022	RG&PD will work to implement the recommendations with input from Accounting, Finance and Risk Management Departments.

Appendix B - Status of Recommendations

Fiscal Year 2021 Second Quarter Report

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
20-28	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD, in cooperation with the Finance & Risk Management Department, should examine the insurance coverage of RG&PD leases, verify if they comply with the insurance requirements, and require the tenants, if needed, to update their insurance to cover the risk to the Authority.	12/31/2020	2/28/2021	RG&PD working with input from the Finance and Risk Management Departments to develop a plan to implement recommendations.
20-29	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD, in cooperation with the Accounting Department, should create a system to track and adjust rent amounts that are subject to a Consumer Price Index (CPI) adjustment.	12/31/2020	3/31/2021	RG&PD will work to implement the recommendations with input from Accounting Department.
20-30	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD should create a system to track the submission of reports required and follow up in a timely manner with any tenant who has not submitted the required reports.	12/31/2020	3/31/2021	RG&PD will work to implement the recommendations with input from Accounting, Finance and Risk Management Departments.

Appendix B - Status of Recommendations

Fiscal Year 2021 Second Quarter Report

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
20-31	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD should create a system to timely issue holdover letters. Additionally, RG&PD should confirm the lease status in E1, ensuring all leases assigned to them are accurate and up to date.	3/31/2021	3/30/2021	RG&PD will work to implement the recommendations with input from Accounting, Finance and Risk Management Departments.
20-32	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD, in cooperation with the Accounting Department, should review the Minimum Annual Guarantee (MAG) requirements of their leases and adjust the MAG, as applicable.	9/30/2020	2/1/2021	RG&PD will work to implement the recommendations with input from Accounting and Finance Departments.

Appendix B - Status of Recommendations

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
20-33	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	RG&PD should perform periodic analysis of revenues reported and billed to ensure that revenues remitted and rates used to calculate revenues are accurate, complete, and comply with the lease. Additionally, RG&PD should consider performing annual reconciliations for prior fiscal years, and as a result of these reconciliations, remit overpayments and bill underpayments as needed. Lastly, RG&PD should perform annual reconciliations going forward; and, as a result of these reconciliations, remit overpayments or bill underpayments, as needed.	3/31/2021	3/30/2021	RG&PD will work to implement the recommendations with input from Accounting and Finance Departments.
20-37	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	High	Authority Management should review the staff assignments for lease administration duties and ensure that separation of staff duties is sufficient. A review of the staff's system access and authorizations currently held should also be performed to identify possible conflicts and to make adjustments to these as necessary.	11/30/2020	2/28/2021	RG&PD will work to implement the recommendations with input from Accounting, Finance and Risk Management Departments.

Appendix B - Status of Recommendations

Fiscal Year 2021 Second Quarter Report

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
20-34	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	Medium	RG&PD should update the lease information contained in E1 to reflect current information and, in addition, through the coordination of necessary Authority departments, develop a methodology to allow cross-referencing of the different naming conventions in use at the Authority.	2/28/2021	2/28/2021	RG&PD will work to implement the recommendations with input from Accounting, Finance and Risk Management Departments.
20-35	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	Medium	RG&PD should develop a list of requirements (certificates of insurance, MAGs, security deposits, etc.) that they need from ancillary departments and coordinate with these departments on how to have access to these requirements in the most efficient way.	3/31/2021	3/30/2021	RG&PD will work to implement the recommendations with input from Accounting, Finance and Risk Management Departments.
20-36	Audit Report 20001 Issued: June 25, 2020 Title: Tenant Lease Administration and Management Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	Medium	The Authority Credit and Collections team should create a collections process that allows RG&PD asset managers to see efforts taken to collect from their lessee(s).	1/31/2021	1/31/2021	RG&PD will work to implement the recommendations with input from Accounting and Finance Departments.

Appendix B - Status of Recommendations

Fiscal Year 2021 Second Quarter Report

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
21-10	Audit Report 21011 Issued: December 11, 2020 Title: Arts Program Administration Department: ART PROGRAM	Medium	The Arts Staff should include documentation in the Collection Management Plan of the decisions regarding the conservation and maintenance of artwork, to comply with the Art Program Policy.	4/30/2021	4/30/2021	Staff have completed a preliminary outline of proposed conservation projects for the coming year and will finalize and document this plan based on budget allocations.
21-11	Audit Report 21011 Issued: December 11, 2020 Title: Arts Program Administration Department: ART PROGRAM	Medium	The Arts Staff should review all artwork currently on airport property based on the procedures outlined in the Art Program Policy, and provide recommendations if the artwork should be included in the art collection.	4/30/2021	4/30/2021	Staff have verified that the three works in question were purchased by an interior designer/ consultant for the Airport's office renovation in 2002, and did not follow the required protocol for artwork acquisition detailed in Policy 8.50. Staff is preparing a detailed outline based on Policy 8.50 to address the process by which an artwork may be added to the Public Art Collection.
21-12	Audit Report 21011 Issued: December 11, 2020 Title: Arts Program Administration Department: ART PROGRAM	Medium	The Arts Staff should develop a methodology for maintaining a current listing with the appraisal value of all Public Art, and document the value in the Collection Management Plan. The methodology should also include a formal process for documenting artwork that has been deaccessioned.	4/30/2021	4/30/2021	Staff have updated Artworks Archive records to include appraisal values and are developing a detailed document based on Policy 8.50 for the formal process by which artwork from the Public Art Collection may be deaccessioned.

Appendix B - Status of Recommendations

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
21-02	Audit Report 20016 Issued: July 6, 2020 Title: Rental Car Center Lease Agreements Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	Low	RG&PD should perform the reallocation evaluations for the exclusive use areas of each operator within the RCC, as outlined in the Lease. Documentation of all reallocation evaluations should be maintained, and any reallocations made should be reflected in changes to the Lease Exhibits.	1/29/2021	1/29/2021	A Memo to File will be added to all Rental Car tenant files prior to the conclusion of the current review period on 11/30/2020. The memo will document previous decisions and actions related to reallocation. All future reallocations will be documented in tenant files as well.
21-03	Audit Report 20004 Issued October 28, 2020 Title: Formal Bidding/Contracting Process Department: PROCUREMENT	Low	We recommend that Authority Management evaluate and update Authority Policies 5.01 and 5.02 where necessary.	10/15/2021	10/15/2021	Procurement is working in collaboration with Corporate Governance, Development and the General Counsel's office to review and recommend changes to the policies.
21-04	Audit Report 20004 Issued: October 28, 2020 Title: Formal Bidding/Contracting Process Department: PROCUREMENT	Low	Procurement should include the three best practice attributes identified from the National State Auditors Association in their next revised version of the Procurement Manual (i.e., 1. Inspection and audit provisions, 2. Provisions for contract termination, and 3. Provisions to protect the integrity of subcontract bids to ensure that such bids are competitive).	1/15/2021	2/5/2021	Procurement is finalizing changes to the Procurement Manual and have incorporated the recommended best practices in addition to updates that reflect electronic processes, signatures and new work flow charts.

Appendix B - Status of Recommendations

Fiscal Year 2021 Second Quarter Report

Rec. No.	Audit Report Description	Priority Rating	Recommendation	Initial Estimated Completion Date	Revised / Current Estimated Completion Date	Status as of December 31, 2020
In Progress						
21-05	Audit Report 18004 Issued: December 8, 2020 Title: Small Business Development Department: REVENUE GENERATION & PARTNERSHIP DEVELOPMENT	Low	Small Business Development should establish procedures to validate information received from Authority contractors, with the Authority's records or personnel, prior to providing that information to the Authority Board.	6/30/2021	6/30/2021	SBD is investigating options to validate information received.
21-06	Audit Report 18004 Issued: December 8, 2020 Title: Small Business Development Department: SMALL BUSINESS DEVELOPMENT	Low	Small Business Development should examine the cost/benefit of expanding its current software system that monitors DBE and SBE requirements to include LBE, VOSB, and SDVOSB.	6/30/2021	6/30/2021	SBD is researching options and costs for each option.

STAFF REPORT

Meeting Date: **MARCH 4, 2021**

Subject:

Revision to the Fiscal Year 2021 Audit Plan of the Office of the Chief Auditor

Recommendation:

The Audit Committee recommends that the Board Adopt Resolution No. 2021-0024, approving the revision to the Fiscal Year 2021 Audit Plan of the Office of the Chief Auditor.

Background/Justification:

The Charter for the Office of the Chief Auditor, instituted by Board Resolution No. 2003-062 on October 2, 2003, and most recently amended on October 1, 2020, per Board Resolution No. 2020-0098, defines the role and requirements of the Office of the Chief Auditor (OCA).

As directed in the Charter, the Chief Auditor shall submit, at least annually, a risk-based Audit Plan to the Audit Committee and to Authority executive management, and shall review and adjust the Audit Plan, as necessary, responding to changes in business risks, operations, special requests, programs, systems, and controls. All changes to an Audit Plan shall be communicated to the Audit Committee prior to being submitted to the Board for approval.

Additionally, International Standards for the Professional Practice of Internal Auditing require that the Chief Auditor review and adjust the Audit Plan, as necessary.

The OCAs initial Audit Plan for Fiscal Year 2021 was approved by the Audit Committee during its May 14, 2020, meeting, and was subsequently approved on June 4, 2020, by Board Resolution No. 2020-0066.

During the first quarter of Fiscal Year 2021 a review of the Audit Plan was undertaken by the OCA. A revision to adjust the allocation of audit hours to reflect the OCAs operational requirements, including to add consulting engagements related to COVID-19, was requested and accepted during the September 10, 2020, Audit Committee Meeting. The revision was subsequently approved on October 1, 2020, by Board Resolution No. 2020-0093.

During the second quarter of Fiscal Year 2021 a revision to the Audit Plan was requested during the November 16, 2020, Audit Committee Meeting to remove intern hours due to a staffing vacancy and to replace a planned audit with a new audit. The changes were also necessitated due to the continuing reduced passenger volumes at San Diego International Airport caused by the COVID-19 pandemic and allowed for a better utilization of staff resources. The revision was subsequently approved on December 3, 2020, by Board Resolution No. 2020-0118.

At this time a revision to the Fiscal Year 2021 Audit Plan is requested. The proposed changes were presented to the Audit Committee on February 8, 2021, and include:

- 1) Remove 180 General Audit Hours designated for Peer Review Participation.
- 2) Add 180 Audit Engagement Hours for a discretionary contingent audit.

Due to COVID-19 precautions the OCA does not anticipate traveling to provide reciprocal audit services, to perform an agency's Quality Assurance Review, during this fiscal year. Therefore, these hours are being reclassified as To Be Determined on the Audit Plan for utilization at the discretion of the Chief Auditor. Our Peer Review Participation was anticipated this fiscal year as part of a reciprocal requirement that the OCA has with the Association of Local Government Auditors. The OCA will volunteer two audit staff to serve on a Quality Assurance Review for another organization at a future date.

Additionally, during the course of the Second Quarter the OCA identified a potential audit engagement related to the Fiscal Year 2020 Harbor Police expenses that are charged to the Authority as part of the annual "True-up". Therefore, this audit has been included as a Contingent Audit on this proposed revision to the Fiscal Year 2021 Audit Plan. The OCA determined this audit could provide value added to the organization, and could be initiated as audit resources and documentation become available.

The proposed revision to the Fiscal Year 2021 Audit Plan is provided as Attachment A.

During a regular meeting of the Audit Committee, on February 8, 2021, the Committee voted to accept the revision to the Fiscal Year 2021 Audit Plan and to forward it to the Board for approval.

Fiscal Impact:

There is adequate funding within the Chief Auditor Department's adopted Operating Expense Budget for Fiscal Year 2021 and conceptually approved budget for Fiscal Year 2022 to meet the allotted budget requirements for the proposed revision to the Fiscal Year 2021 Audit Plan.

Authority Strategies/Focus Areas:

This item supports one or more of the following:

Strategies

- Community Strategy
 Customer Strategy
 Employee Strategy
 Financial Strategy
 Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

Not Applicable

Prepared by:

LEE M. PARRAVANO
CHIEF AUDITOR

RESOLUTION NO. 2021-0024

A RESOLUTION OF THE BOARD OF THE SAN
DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY, APPROVING THE REVISION TO THE
FISCAL YEAR 2021 AUDIT PLAN OF THE OFFICE
OF THE CHIEF AUDITOR

WHEREAS, California Public Utilities Code §170018 specifies the membership (consisting of board members and public members), the terms, and the responsibilities of the Audit Committee; and

WHEREAS, §170018(g) of the California Public Utilities Code and the Authority Charter of the Office of the Chief Auditor require the Audit Committee to approve the annual internal and external audits, including the auditor's annual audit plan for each fiscal year, and submit the same to the Board for approval; and

WHEREAS, at its regular meeting on May 14, 2020, the Audit Committee was presented with the Fiscal Year 2021 Proposed Audit Plan and voted to accept the plan and forward it to the Board for approval, and it was adopted by Board Resolution No. 2020-0066 on June 4, 2020; and

WHEREAS, on September 10, 2020, during a regular meeting of the Audit Committee, the Committee unanimously agreed to revise the Fiscal Year 2021 Audit Plan to adjust the allocation of audit hours to reflect the Office of the Chief Auditor's current operational requirements, and to add consulting engagements related to COVID-19 and the Calculation and Reconciliation of Concession Rents and Fees; and

WHEREAS, on November 16, 2020, during a regular meeting of the Audit Committee, the Committee unanimously agreed to revise the Fiscal Year 2021 Audit Plan to remove Intern hours due to a staffing vacancy, and to remove the audit on Rental Car Shuttle Service Administration due to the continuing reduced passenger volumes at San Diego International Airport caused by the COVID-19 pandemic, and to add the audit of the Enterprise Content Management System, allowing a better utilization of staff resources.

WHEREAS, on February 8, 2021, during a regular meeting of the Audit Committee, the Committee unanimously agreed to revise the Fiscal Year 2021 Audit Plan to Remove General Audit Hours designated for staff's Peer Review Participation that will not be performed due to COVID-19 considerations, and to add Audit Engagement Hours for a discretionary contingent audit.

NOW, THEREFORE, BE IT RESOLVED that the Board approves the Revised Fiscal Year 2021 Audit Plan of the Office of the Chief Auditor (Attachment A); and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of March, 2021, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Office of the Chief Auditor
Fiscal Year 2021 Audit Plan
Revised February 8, 2021

ATTACHMENT A

Key Work Activity	Objective ¹	Hours
Audit Engagement Hours		
Business and Real Estate Agreements ²	To determine if the RCC land lease is administered appropriately.	20
Contractor Monitoring ²	To determine if the contract with Turner is administered appropriately.	75
Small Business Development Management ²	Review controls, compliance, and performance related to Small Business Development management.	100
Internal Controls in Place While Staff is Working Remotely	To determine if the key internal controls in place are adequate or appropriate when staff is working remotely.	235
Formal Bidding and Contracting ²	To determine if bidding procedures align with best practices and/or Authority needs and if bidding procedures are being administered effectively and efficiently.	400
System Security	To determine the level of compliance with the Authority's information security policies.	495
System Security	To evaluate the Authority's security posture by performing penetration testing.	250
Harbor Police Contract Management ²	To determine if Harbor Police costs and services are appropriate and equitable.	500
Emergency & Single Source Purchases	To determine if purchases made during an emergency or from sole sources are appropriate and reasonable.	425
Traffic Control, Vehicle Insp., Code Comp., Citations & Notice of Violation Admin.	To determine if the processes and controls in place for automobile citations are adequate and appropriate.	450
Commercial Vehicle Licensing, Permitting, & Revenue Collection	To determine the adequacy and accuracy of the Gate Keeper system.	450
Contractor Monitoring	To determine if the contract with Sundt is administered appropriately.	500
Accounts Payable	To determine if the internal controls in the procurement to pay cycle are adequate and appropriate.	475
Employee Benefits	To determine if the processes and controls in place for employee benefit payments are adequate and appropriate.	450
Arts Program Administration	To determine if the Authority's Arts Program is administered appropriately.	475
Enterprise Content Management System (ECMS)	To determine if access rights in ECMS are appropriate.	450
To Be Determined	To initiate audit(s)/consulting engagements based on risk identified at the discretion of the Chief Auditor.	180
Total Audit Engagement Hours		5,930
Consulting Engagement Hours		
COVID-19	To provide assistance to management related to COVID-19. Assistance may include, but is not limited to, counsel, advice, facilitation, and training.	60

¹ Objective may change based on the preliminary survey performed by the OCA.

² Audit Activity has been carried forward from Fiscal Year 2020.

Office of the Chief Auditor
Fiscal Year 2021 Audit Plan
Revised February 8, 2021

ATTACHMENT A

Key Work Activity	Objective ¹	Hours
Calculation and Reconciliation of Concession Rents and Fees	To provide assistance to management related to the calculation and reconciliation of the rents and fees of Airport Food and Beverage and Retail Concessionaires for Fiscal Year 2020. Assistance may include, but is not limited to, counsel, advice, facilitation, and training.	300
	Total Consulting Engagement Hours	360
General Audit Hours		
Construction Meeting Attendance & External Service Provider Procurement and Coordination	Attend various construction meetings and incorporate knowledge into ongoing risk assessments, and initiate audits if needed. Additionally, evaluate OCA construction auditing expertise needed for Airport Development Plan. Procure services as needed.	380
Development of Data Analytics	Develop a data analytics program for rental car concessions and potentially in-terminal concessions.	593
Ethics Hotline ³	To review ethics policies, provide training, and investigate reported incidents.	330
Information Technology Meeting Attendance	Attend various Information Technology meetings, incorporate knowledge into ongoing risk assessments, and initiate audits if needed.	130
Quality Assurance & Improvement Program ³	To assess OCAs conformance with the <i>Standards</i> , whether internal auditors apply the Code of Ethics, and to allow for the identification of improvement opportunities.	300
Recommendation Follow-up ³	To verify that internal and external audit recommendations have been implemented as intended.	140
Risk Assessment and Audit Plan	To conduct a Risk Assessment that will identify the high risk activities to be considered when preparing the annual Audit Plan.	221
	Total General Audit Hours	2,094
Administrative Hours		
Administrative - Indirect	Attendance at Staff/Board/Committee Meetings, Continuing Professional Development, and Other.	2,088
Administrative - Benefit	Vacation, Holiday Time, and Other Leave/Time Off.	2,008
	Total Administrative Hours	4,096
	Total Hours	12,480

³ Required activity in the Charter for the Office of the Chief Auditor.

Office of the Chief Auditor
 Fiscal Year 2021 Contingent Audit Activities
 Revised February 8, 2021

ATTACHMENT A

Key Work Activity	Objective	Hours
Contingent Audit Hours		
Manage the Business Continuity Plan	To determine if the Business Continuity Plan adequately addresses risks and contains an adequate response plan.	450
TNC Contract Administration & Revenue Collection	To determine if the Transportation Network Company (TNC) Contract is administered appropriately.	475
Advertising	To determine if the marketing program for concessions is administered appropriately.	425
Pension Funding	To determine if the census data sent to SDCERS is accurate and if the retirement plan is administered appropriately by the Authority.	500
Accounts Receivable / Collections	To evaluate the deferral of revenues related to the COVID-19 pandemic.	400
Management of ALUC, Board, and Standing Board Committee Meetings	To determine if the processes and technology utilized for Board, Airport Land Use Commission (ALUC), and Committee meetings are efficient and appropriate.	400
Maintenance Service Contracts Oversight	To determine if the processes and controls in place for labor compliance are adequate and appropriate.	450
Account Provisioning /De-Provisioning	To determine if account provisioning and de-provisioning are performed timely.	375
Rental Car Shuttle Service Contract Administration	To determine if the Rental Car Shuttle Service operations are administered appropriately.	450
Harbor Police Contract Management	To determine if the expenses included in the Fiscal Year 2020 Harbor Police True-up are accurate and adhere to the agreements between the Authority and the Port of San Diego.	400
	Total Contingent Audit Hours	4,325

STAFF REPORT

Meeting Date: **MARCH 4, 2021**

Subject:

Approve and Authorize the President/CEO to Execute a Second Amendment to the On-call Industrial Hygiene Services Agreement with Tetra Tech EM Inc.

Recommendation:

Adopt Resolution No. 2021-0025, approving and authorizing the President/CEO to execute a Second Amendment to the On-call Industrial Hygiene Services Agreement with Tetra Tech EM Inc., increasing the amount payable by \$775,000 for a total not-to-exceed compensation amount of \$1,475,000.

Background/Justification:

On November 2, 2017, the Board adopted Resolution 2017-0101 awarding an agreement to Tetra Tech EM, Inc. ("Tetra Tech") for on-call industrial hygiene services at San Diego County Regional Airport Authority ("Authority") properties. The agreement is for an initial 3-year term, expiring November January 29, 2021, with an option for two (2) one-year extensions to be exercised at the discretion of the President/CEO, for a total not-to exceed compensation of \$700,000. This Agreement is one of the primary means for properly managing potential public and employee health and safety hazards related to asbestos, lead-based paint, mold, noise, and other potential chemical, biological, or physical hazards throughout Authority properties.

On March 28, 2018, the President/CEO authorized the First Amendment to the Agreement. The purpose of this First Amendment was to revise Attachment B of Exhibit B to add Threshold Enviro, as an approved sub-consultant under the Agreement and to establish its hourly compensation rates.

On September 10, 2020, the President/CEO exercised the first option to extend the Agreement's term for a one-year period. The new termination date is January 29, 2022. The Agreement's original total amount payable remained at \$700,000.

Authority staff is now recommending a Second Amendment to the agreement with Tetra Tech EM, Inc. to ensure uninterrupted on-call services. To date, Agreement expenses covering industrial hygiene services amount to approximately \$654,500. The Airport Authority has recently identified the need to perform environmental investigations at several off-airport properties, which are being considered for construction contractor offices and employee parking to advance the Airport Development Program. Similarly, the Authority is considering off-airport properties to store and charge its new all-electric shuttle fleet. These off-airport environmental investigations, which are being now being pursued for real estate due diligence reasons, were not anticipated at the time that the Agreement was initially executed. Staff estimates that these offsite environmental investigations could cost up to approximately \$775,000 to fully complete. As such, the

proposed Second Amendment will increase the amount payable by \$775,000 for a total not-to-exceed compensation amount of \$1,475,000.

Fiscal Impact:

Adequate funding for on-call industrial hygiene service is included in the Planning & Environmental Affairs Department's adopted FY 2021 and conceptually-approved FY 2022 Operating Expense Budgets within the Professional Services line item. Expenses for FY 2023 will be included in future year budget requests. Some of the services provided under this contract may be used on Capital Improvement Projects and those costs will be included in those project budgets. The source of funds for these projects are Airport Cash and General Airport Revenue Bonds.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

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

Application of Inclusionary Policies:

{This language will be provided by the Small Business Development Department.}
 Application of Inclusionary Policies: The Authority has the following inclusionary programs/policy: a Disadvantaged Business Enterprise (DBE) Program, an Airport Concession Disadvantaged Business Enterprise (ACDBE) Program and Policy 5.12. 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 provided 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 Tetra Tech EM, Inc. did not receive small business preference.

Prepared by:

BRENDAN REED
DIRECTOR, PLANNING & ENVIRONMENTAL AFFAIRS

RESOLUTION NO. 2021-0025

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO EXECUTE A SECOND AMENDMENT TO THE ON-CALL INDUSTRIAL HYGIENE SERVICES AGREEMENT WITH TETRA TECH EM INC., INCREASING THE AMOUNT PAYABLE BY \$775,000 FOR A TOTAL NOT-TO-EXCEED COMPENSATION AMOUNT OF \$1,475,000.

WHEREAS, on November 2, 2017, the Board adopted Resolution 2017-0101 awarding an agreement to Tetra Tech EM, Inc. ("Tetra Tech") for on-call industrial hygiene services at San Diego County Regional Airport Authority ("Authority") properties; and

WHEREAS, the agreement is for an initial 3-year term, expiring November January 29, 2021, with an option for two (2) one-year extensions to be exercised at the discretion of the President/CEO, for a total not-to exceed compensation of \$700,000; and

WHEREAS, on March 28, 2018, the President/CEO authorized the First Amendment to the Agreement to revise Attachment B of Exhibit B to add Threshold Enviro, as an approved sub-consultant under the Agreement and to establish its hourly compensation rates; and

WHEREAS, on September 10, 2020, the President/CEO exercised the first option to extend the Agreement's term for a one-year period to January 29, 2022; and

WHEREAS, to date, Agreement expenses covering industrial hygiene services amount to approximately \$654,500; and

WHEREAS, the Authority has recently identified the need to perform environmental investigations at several off-airport properties as part of its real estate due diligence efforts; and

WHEREAS, this need was not anticipated at the time the Agreement was initially executed and Authority staff estimates that these environmental investigations could cost up to approximately \$775,000 to fully complete; and

WHEREAS, increasing the total not-to-exceed compensation amount of the Agreement to \$1,475,000 will help ensure proper, uninterrupted management of potential public and employee health and safety hazards related to asbestos, lead-based paint, mold, noise, and other potential chemical, biological, or physical hazards throughout Authority properties.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to execute a Second Amendment to the On-call Industrial Hygiene Services Agreement with Tetra Tech EM Inc., increasing the amount payable by \$775,000 for a total not-to-exceed compensation amount of \$1,475,000; and

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

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

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

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of March, 2021, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

STAFF REPORT

Meeting Date: **MARCH 4, 2021**

Subject:

Approve and Authorize the President/CEO to Negotiate and Execute an Amendment to a Reimbursable Agreement between the Federal Aviation Administration (FAA) for the Relocation of two Components of an FAA System That Conflict with ADP Package 1: Terminal and Roadways

Recommendation:

Adopt Resolution No. 2021-2026, approving and authorizing the President/CEO to negotiate and execute an Amendment to a Reimbursable Agreement between the Federal Aviation Administration (FAA) and the San Diego County Regional Airport Authority for the relocation of two components of an FAA system.

Background/Justification:

Airport Development Program (ADP) Package 1: Terminal and Roadways requires that two key components of a Department of Transportation Federal Aviation Administration (FAA) system (ASDE-X's RU5 and RefTran#2) be relocated as their current location conflicts with the location of the new terminal. This FAA equipment is part of a surface surveillance system that provides air traffic controllers in the tower a clear and accurate presentation of both moving and stationary aircraft and other vehicles on the runway, taxiways, and aprons.

On May 7, 2020, the San Diego County Regional Airport Authority ("Authority") Board ("Board") approved Resolution No. 2020-0051, authorizing the President/CEO to execute a Reimbursable Agreement in the amount of \$97,181.58 between the FAA and the Authority for the FAA to perform preliminary planning, feasibility assessments, scope definition, and project design for the relocation of the FAA system.

Since the Board resolution, Authority staff and consultants have coordinated with the FAA and determined that the equipment and antennas associated with the system will be installed at the Airline Support Building at the southeast end of San Diego International Airport. With the project design now complete, the existing Reimbursable Agreement between the FAA and the Authority will need to be amended to fund the additional FAA costs required for the build out of the site and installation of the system.

Staff requests that the Board approve and authorize the President/CEO to negotiate and execute an amendment in the amount of \$411,245.13 to the Reimbursable Agreement between the FAA and the Authority. After the amendment, the total amount of the Reimbursable Agreement would be \$508,426.71.

Fiscal Impact:

This amendment to the original Reimbursable Agreement will provide reimbursement of an additional \$411,245.13, for a total of \$508,426.71, to fund FAA services required for the build out of the site and installation of the FAA system, included in the Board approved FY2021-FY2025 Capital Program Budget within Project No. 413001, ADP Terminal and Roadways. Source of funds for this project included Airport Revenue Bonds, Passenger Facility Charges, and Airport Cash.

Authority Strategies/Focus Areas:

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

Strategies

- Community Strategy Customer Strategy Employee Strategy Financial Strategy Operations Strategy

Focus Areas

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

Environmental Review:

- A. CEQA: This Board action is a “project” subject to the California Environmental Quality Act (“CEQA”), Pub. Res. Code §21065. This project is consistent with a class of projects that are categorically exempt under CEQA Sections §15301 – “Existing Facilities” - Class 1; and §15302 – “Replacement or Reconstruction” - Class 2. A Notice of Exemption will be prepared and filed with the County of San Diego after the Board’s approval of the project.
- B. California Coastal Act Review: This Board action is a project that is a "development" as defined by the California Coastal Act. An application for a coastal development permit will be submitted to the California Coastal Commission for review and consideration, prior to the commencement of any related site preparation or construction activities.
- C: NEPA: This Board action is a project that involves additional approvals or actions by the Federal Aviation Administration (“FAA”) and, therefore, also requires review under the National Environmental Policy Act (“NEPA”) for its potential environmental impacts. The FAA’s NEPA environmental review process (a Categorical Exclusion) will be completed prior to the commencement of any related site preparation or construction activities.

Application of Inclusionary Policies:

Not Applicable.

Prepared by:

BOB BOLTON
DIRECTOR, AIRPORT DESIGN & CONSTRUCTION

RESOLUTION NO. 2021-0026

A RESOLUTION OF THE BOARD OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY, APPROVING AND AUTHORIZING THE PRESIDENT/CEO TO NEGOTIATE AND EXECUTE AN AMENDMENT TO A REIMBURSABLE AGREEMENT BETWEEN THE FEDERAL AVIATION ADMINISTRATION (FAA) AND THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY FOR THE RELOCATOIN OF TWO COMPONENTS OF AN FAA SYSTEM

WHEREAS, Airport Development Program (ADP) Package 1: Terminal and Roadways requires that two key components of a Department of Transportation Federal Aviation Administration (FAA) system (ASDE-X RU5 and RefTran#2) be relocated as their current location conflicts with the location of the new terminal; and

WHEREAS, this FAA equipment is part of a surface surveillance system that provides air traffic controllers in the tower a clear and accurate presentation of both moving and stationary aircraft and other vehicles on the runway, taxiways, and aprons; and

WHEREAS, on May 7, 2020, the San Diego County Regional Airport Authority ("Authority") Board ("Board") approved Resolution No. 2020-0051, authorizing the President/CEO to execute a Reimbursable Agreement in the amount of \$97,181.58 between the FAA and the Authority for the FAA to perform preliminary planning, feasibility assessments, scope definition, and project design for the relocation of the FAA system; and

WHEREAS, since the Board resolution, Authority staff and consultants have coordinated with the FAA and determined that the equipment and antennas associated with the system will be installed at the Airline Support Building at the southeast end of San Diego International Airport; and

WHEREAS, with the project design now complete, the existing Reimbursable Agreement between the FAA and the Authority will need to be amended to fund the additional FAA costs required for the build out of the site and installation of the system; and

WHEREAS, staff requests that the Board approve and authorize the President/CEO to negotiate and execute an amendment in the amount of \$411,245.13 to the Reimbursable Agreement between the FAA and the Authority; and

WHEREAS, after the amendment, the total amount of the Reimbursable Agreement would be \$508,426.71.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby approves and authorizes the President/CEO to negotiate and execute an amendment ("Attachment A") to a Reimbursable Agreement between the Federal Aviation Administration (FAA) and the San Diego County Regional Airport Authority for the relocation of two components of an FAA system; and

BE IT FURTHER RESOLVED that this Board action is a "project" subject to the California Environmental Quality Act ("CEQA"), Pub. Res. Code §21065 and the project is consistent with a class of projects that are categorically exempt under CEQA Sections §15301 – "Existing Facilities" - Class 1; and §15302 – "Replacement or Reconstruction" - Class 2. A Notice of Exemption will be prepared and filed with the County of San Diego after the Board's approval of the project; and

BE IT FURTHER RESOLVED that this Board action is a project that is a "development" as defined by the California Coastal Act. An application for a coastal development permit will be submitted to the California Coastal Commission for review and consideration, prior to the commencement of any related site preparation or construction activities; and

BE IT FURTHER RESOLVED that this Board action is a project that involves additional approvals or actions by the Federal Aviation Administration ("FAA") and, therefore, also requires review under the National Environmental Policy Act ("NEPA") for its potential environmental impacts. The FAA's NEPA environmental review process (a Categorical Exclusion) will be completed prior to the commencement of any related site preparation or construction activities.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 4th day of March, 2021, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

TONY R. RUSSELL
DIRECTOR, BOARD SERVICES /
AUTHORITY CLERK

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Agreement Number
AJW-FN-WSA-19-WP-003276-A1

AMENDMENT A1

NON-FEDERAL REIMBURSABLE AGREEMENT

BETWEEN

**DEPARTMENT OF TRANSPORTATION
FEDERAL AVIATION ADMINISTRATION**

AND

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY
SAN DIEGO INTERNATIONAL AIRPORT
SAN DIEGO, CALIFORNIA**

WHEREAS, the Federal Aviation Administration (FAA) can furnish directly or by contract, material, supplies, equipment, and services which the **San Diego County Regional Airport Authority** (Sponsor) requires, has funds available for, and has determined should be obtained from the FAA;

WHEREAS, it has been determined that competition with the private sector for provision of such material, supplies, equipment, and services is minimal; the proposed activity will advance the FAA's mission; and the FAA has a unique capability that will be of benefit to the Sponsor while helping to advance the FAA's mission;

WHEREAS, the authority for the FAA to furnish material, supplies, equipment, and services to the Sponsor upon a reimbursable payment basis is found in 49 U.S.C. § 106(l)(6) on such terms and conditions as the Administrator may consider necessary;

NOW THEREFORE, the FAA and the Sponsor mutually agree amend the original Agreement dated June 18, 2020 as follows: amend scope and responsibilities (AMEND: Article 3 – Section A; ADD: Article 3 – Section B, items 5-9 and Section C, items 6-15), add full language for property transfer (Article 6), and amend the estimated cost table in Article 7. Along with these changes are administrative changes to FAA Points of Contact (Article 4 – Section A, paragraph 1) and the FAA payment remittance address (Article 9 – Section C).

ARTICLE 1. Parties

The Parties to this Agreement are the FAA and **San Diego County Regional Airport Authority**.

ARTICLE 2. Type of Agreement

This Agreement is an "other transaction" authorized under 49 U.S.C. § 106(l)(6). It is not intended to be, nor will it be construed as, a partnership, corporation, joint venture or other business organization.

ARTICLE 3. Scope

Change From:

- A. The purpose of this Agreement between the FAA and the Sponsor is to provide funding for FAA services, including travel and expenses, required to perform preliminary planning and project design as a result of the Sponsor's airport improvement project to relocate ASDE-X RU5 and RefTran#2. This agreement may be amended in the future to include additional support of the Sponsor's project.

Therefore, this Agreement is titled:

San Diego, CA (SAN) Preliminary Design for ASDE-X RU#5 & RefTran #2 Relocation

- B. The FAA will perform the following activities:
1. FAA preliminary planning activities including, but is not limited to; technical consultation, engineering, design review, site visits, feasibility assessments, project planning, scope definition, development of costs estimate(s), development of design packages, and travel in support of these activities.
 2. Reimbursable agreement program management travel as needed in support of the Sponsors relocation project.
 3. Procurement of long lead items, if required.
 4. Provide to the Sponsor any requirements and/or recommendations related to FAA facilities impacted by the sponsor's project.
- C. The Sponsor will perform the following activities:
1. Provide a full set of plans, including scaled electronic drawings showing the proposed work in a mutually agreed upon format.
 2. Provide a full schedule for the work to be accomplished, including construction activities related to FAA facilities and equipment.
 3. Incorporate requirements and recommendations made by the FAA into the design drawings and specifications impacting FAA-owned systems.

4. Provide survey information and/or documentation to verify the clearance of critical areas and obstruction surfaces relating to FAA facilities.
5. Provide the FAA with access to the project site, including any airport-specific security briefs or driving requirements, for the purposes of site surveys, construction inspection, and other activities.

D. This agreement is in whole or in part funded with funding from an AIP grant Yes No. If Yes, the grant date is: _____ and the grant number is:

If the grant information is not available at the time of agreement execution, the Sponsor will provide the grant information to the FAA when it becomes available.

Change To:

- A. The purpose of this Agreement between the FAA and the Sponsor is to provide funding for FAA services, including travel and expenses, required to perform preliminary planning and project design. In addition to the scope of the original agreement, the FAA will procure FTI and perform engineering, oversight, and relocation of the ASDE-X RU5 and RefTran#2. This Agreement may be amended in the future to include additional support of the Sponsor's project. This Agreement provides funding for the FAA to establish these services. Therefore, this Agreement is titled:

San Diego, CA (SAN) Relocation of ASDE-X RU #5 and RefTran #2

- B. The FAA will perform the following activities:
1. FAA preliminary planning activities including, but is not limited to; technical consultation, engineering, design review, site visits, feasibility assessments, project planning, scope definition, development of costs estimate(s), development of design packages, and travel in support of the these activities.
 2. Reimbursable agreement program management travel as needed in support of the Sponsors relocation project.
 3. Procurement of long lead items, if required.
 4. Provide to the Sponsor any requirements and/or recommendations related to FAA facilities impacted by the sponsor's project.
 5. The FAA will relocate the SAN ASDE-X Remote Unit (RU) #5 and RefTran #2.
 6. Procure and manage the acquisition of an FTI line for the ASDE-X RU #5 and FTI non-recurring circuit costs as well as the first two years of service.
 7. Provide FAA technician for occasional progress inspection to ascertain compliance with our FAA standards.

8. Provide FAA technician for a Joint Acceptance Inspection (JAI).
9. Provide additional services on a case-by-case basis (e.g., cable location support for FAA-owned facilities) deemed necessary and supportable by the FAA and the Sponsor with approval from the respective FAA District Technical Operations Manager (TOM) and System Support Center (SSC) Manager.

C. The Sponsor will perform the following activities:

1. Provide a full set of plans, including scaled electronic drawings showing the proposed work in a mutually agreed upon format.
2. Provide a full schedule for the work to be accomplished, including construction activities related to FAA facilities and equipment.
3. Incorporate requirements and recommendations made by the FAA into the design drawings and specifications impacting FAA-owned systems.
4. Provide survey information and/or documentation to verify the clearance of critical areas and obstruction surfaces relating to FAA facilities.
5. Provide the FAA with access to the project site, including any airport-specific security briefs or driving requirements, for the purposes of site surveys, construction inspection, and other activities.
6. Provide FAA funding for ASDE-X RU #5 and RefTran #2 relocation.
7. Provide building infrastructure for the ASDE-X RU #5 and RefTran #2.
8. Provide funding to the FAA for the acquisition of ASDE-X RU #5 FTI circuit costs.
9. Conduct necessary preparation activities with FAA SSC and engineering oversight. Provide an acceptable electronic ground plane for FTI telecommunications, and establish power connections as defined in the site survey.
10. Allow the FAA and its contractors access to the SAN Airport Support Building and any associated locations (cable chases, equipment rooms, etc.) to oversee ASDE-X RU #5 and reference transmitter installation activities.
11. Participate in a JAI with all necessary parties, including the San Diego SSC personnel, in order to clear all exceptions.
12. Complete property transfer documentation, in accordance with Article 6, for SAN ASDE-X ownership to the FAA upon system certification.

13. Submit project schedules after the projects have been awarded and provide timely revisions and updates as necessary.
 14. Provide FAA with all as-built drawings upon completion.
 15. Submit FAA Form 6000-26 *Airport Sponsor Strategic Event Submission Form* no less than 45 days prior to the start of construction that will impact NAS facilities, result in a full or partial runway closure, or result in a significant taxiway closure. This form is available on the OE/AAA website. This form may also be used to notify the FAA of any changes to the project schedule.
- D. This agreement is in whole or in part funded with funding from an AIP grant [] Yes [X] No. If Yes, the grant date is: _____ and the grant number is: _____ . If the grant information is not available at the time of agreement execution, the Sponsor will provide the grant information to the FAA when it becomes available.

ARTICLE 4. Points of Contact

Change From:

A. FAA:

1. The **Western Service Area NAS Planning and Integration** will provide administrative oversight of this Agreement. **Ken Urquhart** is the **Lead Planner** and liaison with the Sponsor and can be reached at **206-231-2856** or via email at **kenneth.urquhart@faa.gov**. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

Change To:

ARTICLE 4. Points of Contact

A. FAA:

1. The **Western Service Area NAS Planning and Integration** will provide administrative oversight of this Agreement. **Matthew Josal** is the **Planning Specialist** and liaison with the Sponsor and can be reached at **(206) 231-2966** or via email at **matthew.josal@faa.gov**. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes which affect the estimated cost, period of performance, or other terms and conditions of this Agreement.

ARTICLE 6. Property Transfer

Change From:

ARTICLE 6. Property Transfer – Reserved

Change To:

ARTICLE 6. Property Transfer

- A. To the extent that the Sponsor provides any material associated with the Project, and to the extent that performance of the requirements of this Project results in the creation of assets constructed, emplaced, or installed by the Sponsor, all such material (buildings, equipment, systems, components, cable enclosures, etc.) and assets will be transferred to and become the property of the FAA upon project completion. For purposes of this Article 6, "project completion" means that FAA has inspected the specific equipment or construction, and has accepted it as substantially complete and ready for use. The creation of an additional agreement will not be required, unless such other agreement is required by the laws of the state in which the subject property is located. The Sponsor and FAA acknowledge by execution of this agreement the FAA will accept the fundamental responsibilities of ownership by assuming all operations and maintenance requirements for all property transferred to the FAA. The transfer of asset(s) will occur on the date the asset(s) is placed in service. It has been determined the subject transfer(s) to FAA is in the best interest of both the Sponsor and FAA.
- B. In order to ensure that the assets and materials subject to this Article remain fully accounted-for and operational, the Sponsor will provide the FAA any additional documents and publications that will enhance the FAA's ability to manage, maintain and track the assets being transferred. Examples may include, but are not limited to, operator manuals, maintenance publications, warranties, inspection reports, etc. These documents will be considered required hand-off items upon Project completion.

ARTICLE 7. Estimated Costs

Change From:

DESCRIPTION OF REIMBURSABLE ITEM	ESTIMATED COST
Labor	
WB4020 & WB4030 Engineering Labor	\$77,966.00
Labor Subtotal	\$77,966.00
Labor Overhead	\$12,344.62
Total Labor	\$90,310.62
Non-Labor	
WB4010, WB4020, WB4030 Travel	\$6,362.00
Non-Labor Subtotal	\$6,362.00
Non-Labor Overhead	\$508.96
Total Non-Labor	\$6,870.96
TOTAL ESTIMATED COST	\$97,181.58

Change To:

The estimated FAA costs associated with this Agreement are as follows:

DESCRIPTION OF REIMBURSABLE ITEM	ORIGINAL AGREEMENT	AMENDMENT A1	TOTAL ESTIMATED COST
Labor			
WB4020, WB4030 – Engineering Support	\$77,966.00	\$15,320.00	\$93,286.00
WB4050 – Construction		\$28,217.00	\$28,217.00
WB4060 – Site Preparation, Installation, Test, & Checkout		\$57,140.00	\$57,140.00
WB4070 – JAI/Commissioning/Closeout		\$13,168.00	\$13,168.00
WB4080 - Telecommunications		\$941.00	\$941.00
Labor Subtotal	\$77,966.00	\$114,786.00	\$192,752.00
Labor Overhead	\$12,344.62	\$18,174.45	\$30,519.07
Total Labor	\$90,310.62	\$132,960.45	\$223,271.07
Non-Labor			
WB4010, WB4020, WB4030, WB4050, WB4060, WB4070 – Travel	\$6,362.00	\$13,742.00	\$20,104.00
WB4050 – Construction		\$196,829.00	\$196,829.00
WB4080 – Telecommunications		\$47,100.00	\$47,100.00
Non-Labor Subtotal	\$6,362.00	\$257,671.00	\$264,033.00
Non-Labor Overhead	\$508.96	\$20,613.68	\$21,122.64
Total Non-Labor	\$6,870.96	\$278,284.68	\$285,155.64
TOTAL ESTIMATED COST	\$97,181.58	\$411,245.13	\$508,426.71

ARTICLE 9. Reimbursement and Accounting Arrangements

Change From:

- C. The Reimbursable Receipts team is identified by the FAA as the billing office for this Agreement. The preferred method of payment for this agreement is via Pay.Gov. The sponsor can use a check or credit card to provide funding in this manner and receipt-processing time is typically within 3 working days. Alternatively, the sponsor can mail the payment to the address shown below. When submitting funding by mail, the Sponsor must include a copy of the executed Agreement and the full advance payment. All payments mailed to the FAA must include the Agreement number, Agreement name, Sponsor name, and project location. Payments submitted by mail are subject to receipt-processing delay of up to 10 working days.

FAA payment remittance address using USPS or overnight method is:

Federal Aviation Administration
Reimbursable Receipts Team
800 Independence Ave S.W.
Attn: Rm 612
Washington D.C. 20591
Telephone: (202) 267-1307

The Sponsor hereby identifies the office to which the FAA will render bills for the project costs incurred as:

San Diego County Regional Airport Authority
Mr. Eugene Budnik
P.O. Box 82776
San Diego, CA 92138
Phone – 619-400-2467
Email – ebudnik@san.org

Change To:

- D. The Reimbursable Receipts team is identified by the FAA as the billing office for this Agreement. The preferred method of payment for this agreement is via Pay.Gov. The sponsor can use a check or credit card to provide funding in this manner and receipt-processing time is typically within 3 working days. Alternatively, the sponsor can mail the payment to the address shown below. When submitting funding by mail, the Sponsor must include a copy of the executed Agreement and the full advance payment. All payments mailed to the FAA must include the Agreement number, Agreement name, Sponsor name, and project location. Payments submitted by mail are subject to receipt-processing delay of up to 10 working days.

FAA payment remittance address using USPS or overnight method is:

Federal Aviation Administration
Reimbursable Receipts Team
800 Independence Ave S.W.
Attn: Rm 612A
Washington D.C. 20591
Telephone: (202) 267-1307

The Sponsor hereby identifies the office to which the FAA will render bills for the project costs incurred as:

San Diego County Regional Airport Authority
Mr. Eugene Budnik
P.O. Box 82776
San Diego, CA 92138
Phone – 619-400-2467
Email – ebudnik@san.org

Except as specified above, all other terms and conditions of the original agreement shall remain the same. These changes are effective on the date of the last signature below.

AGREED:

**FEDERAL AVIATION
ADMINISTRATION**

**SAN DIEGO COUNTY REGIONAL
AIRPORT AUTHORITY**

SIGNATURE _____

SIGNATURE _____

NAME Bradley K. Logan

NAME Kimberly J. Becker

TITLE Contracting Officer

TITLE President/CEO

DATE _____

DATE _____

Board Communication

Date: March 4, 2021
To: Board Members
From: Tony R. Russell, Director, Board Services/ Authority Clerk
Subject: Business and Travel Expense Reimbursement Reports for Board Members, President/CEO, Chief Auditor and General Counsel When Attending Conferences, Meetings, and Training at the Expense of the Authority

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

On August 24, 2020, the Executive Committee pre-approved set dollar amounts for routine, in-town business expenses to be used during Fiscal Year 2021 for the President/CEO, General Counsel and Chief Auditor as authorized in Policy 3.30(3)(b)(i)(C).

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

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

GENERAL INSTRUCTIONS:

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

TRAVELER INFORMATION:

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

DATE OF REQUEST: 02/01/21 DATE OF DEPARTURE/RETURN: 04/13/2021 / 04/16/2021

DESTINATION / BUSINESS PURPOSE:

Destination: Orlando, FL Business Purpose: ACI – CEO Forum

PROJECTED OUT-OF-TOWN TRAVEL EXPENSES:

A. Transportation Costs:	
• Airfare <input checked="" type="checkbox"/> <i>check box for business class or equivalent (international only)</i>	\$ 300.00
• Rental Car	\$
• Other Transportation (Taxi, TNC, Train, Bus)	\$ 100.00
• Auto (Gas, Parking/Tolls, Mileage)	\$
B. Lodging	\$ 750.00
C. Meals and Incidental Expenses (<i>Per Diem</i>)	\$ 250.00
D. Seminar and Conference Fees	\$ 845.00
E. Entertainment	\$
TOTAL PROJECTED TRAVEL EXPENSES	\$ 2245.00

CERTIFICATION BY TRAVELER

By my signature below, I certify the following:

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

Travelers Signature: Kimberly J. Becker Date: 2/1/21

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

By my signature below, I certify the following:

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

Administrator's Signature: _____ Date: _____

AUTHORITY CLERK CERTIFICATION ON BEHALF OF EXECUTIVE COMMITTEE

I, _____, certify that this document was approved
 (Name of Clerk)
 by the Executive Committee at its _____ meeting.
 (Meeting Date)

**2021
CEO
FORUM**

CEO Forum

April 14 - 16, 2021 // Orlando, FL





As of January 28, 2021.
Working agenda subject to change.

Tuesday, April 13, 2021

11:30 AM – 1:30 PM **Former ACI-NA Chairs Meeting** *Invite Only*

2:00 PM – 5:00 PM **Executive Committee Meeting** *Invite Only*

Wednesday, April 14, 2021

8:00 AM – 3:00 PM **Registration**

8:00 AM – 9:00 AM **Networking Breakfast**

8:00 AM – 11:00 AM **Canadian Small Airport Caucus Meeting** *Airports Only*

8:00 AM – 11:00 AM **Canadian Large Airport Caucus Meeting** *Airports Only*

8:00 AM – 11:00 AM **U.S. Small Airports Committee Meeting**

9:00 AM – 11:00 AM **U.S. Medium Hub Committee Meeting** *Airports Only*

✓ 9:00 AM – 11:00 AM **U.S. Large Hub Committee Meeting** *Airports Only*

11:30 AM – 2:30 PM **Lunch and Canadian Policy Council and Membership Meeting**

✓ 11:30 AM – 2:30 PM **Lunch and U.S. Policy Council Meeting**

2:45 PM – 3:15 PM **Joint Canadian and U.S. Policy Council Meeting**

3:30 PM – 4:45 PM **WBP/Associates Board of Directors Meeting**

5:45 PM – 7:00 PM **Welcome Networking Reception**



As of January 28, 2021.
Working agenda subject to change.

Thursday, April 15, 2021

7:00 AM – 3:00 PM

Registration

7:30 AM – 8:15 AM

Exec-to-Exec Meeting

ACI-NA and WBP/Associates Board Executive Committee Members Only

7:30 AM – 8:30 AM

Networking Breakfast

✓ 8:30 AM – 8:45 AM

Welcome and Introductions

Lew Bleiweis, *Chair, ACI-NA and Executive Director, The Greater Asheville Regional Airport Authority*
Kevin M. Burke, *President & CEO, ACI-NA*

✓ 8:45 AM – 9:00 AM

State of the Association

Kevin M. Burke, *President & CEO, ACI-NA*

✓ 9:00 AM – 10:00 AM

Industry Outlook and Recovery Perspectives

The past year has been arguably the most difficult and damaging period in modern commercial air travel. Hear from industry leaders about what is expected in 2021 and the opportunities that exist for airlines and airports.

10:00 AM – 10:30 AM

Morning Networking Break

✓ 10:30 AM – 11:30 AM

Consumer Expectations: Lessons Learned from the Pandemic

With the rollout of COVID-19 vaccinations, consumer confidence is improving and there is a strong desire to resume getting together with family and friends, dining indoors and traveling by air. However data also indicates that consumers may not return to their normal routines until late 2021 or beyond. Learn what other segments of the hospitality and travel industries are doing this year to adjust to changing consumer expectations.

✓ 11:30 AM – 12:15 PM

Touchless Travel: Accelerating the Future of Travel

The use of biometrics and other futuristic improvements to the travel experience have been slowly evolving over the past two decades. The onslaught of COVID has advanced the need and customers' acceptance of technologies to make the journey frictionless. What does this advancement mean for airports and what is on the horizon for these technologies?

12:15 PM – 1:15 PM

Networking Lunch



As of January 28, 2021.
Working agenda subject to change.

1:15 PM – 2:00 PM

Ground Transportation and the Pandemic

Prior to the pandemic, alternative airport access options were quickly taking share from traditional consumer options like taxis and rental cars. Shifting consumer sensitivity has turned this trend on its head for the moment – will it last?

2:00 PM – 2:45 PM

Reimagining Airport Concessions

2020 was a disaster for the travel business and no sector has been more impacted than airport concessionaires. The experience of airport operators and their business partners may redefine the future legal and financial structures between these groups – what comes next and what should airport operators be considering for future approaches?

2:45 PM

Networking Time

6:00 PM – 7:00 PM

Reception

Friday, April 16, 2021

7:30 AM – 8:15 AM

Networking Breakfast

8:15 AM – 9:30 AM

Three Topics Moderated Discussion *Airports Only*

9:45 AM – 10:15 AM

Evolving COVID Response and Preparing for Future Pandemics

10:15 AM – 11:15 AM

Engaging Employees During Turbulent Times

11:15 AM – 11:30 AM

ACI-NA Town Hall

Lew Bleiweis, *Chair, ACI-NA and Executive Director, The Greater Asheville Regional Airport Authority*
Kevin M. Burke, *President & CEO, ACI-NA*

11:30 AM

Wrap Up and Adjourn