

**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD  
MINUTES  
THURSDAY, JUNE 23, 2016  
SAN DIEGO INTERNATIONAL AIRPORT  
BOARD ROOM**

**CALL TO ORDER:** Chair Gleason called the regular meeting of the San Diego County Regional Airport Authority to order at 9:05 a.m. on Thursday, June 23, 2016, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

**PLEDGE OF ALLEGIANCE:** Amy Gonzalez, General Counsel, led the Pledge of Allegiance.

**ROLL CALL:**

PRESENT: Board Members: Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom, Col. Woodworth (Ex Officio)

ABSENT: Board Members Berman (Ex Officio), Ortega (Ex Officio)

ALSO PRESENT: Thella F. Bowens, President/CEO; Amy Gonzalez, General Counsel; Tony R. Russell, Director, Corporate and Information Governance/Authority Clerk; Dawn D'Acquisto, Assistant Authority Clerk I

Chair Gleason announced that Non-Agenda Public Comment would be heard first.

**PRESENTATIONS:** None

**NON-AGENDA PUBLIC COMMENT:**

KAMRAN HAMIDI, SAN DIEGO, stated that he submitted his application to serve on the Airport Advisory Committee and that he would like a response from the Authority.

CHRIS MORSE, SAN DIEGO, spoke regarding taxi operations at the airport.

ALAN ZEBIB, SAN DIEGO, expressed concern regarding not being allowed to pick up customers at the Rental Car Center as a city taxi driver.

Chair Gleason requested that staff respond to the issue regarding taxis at the Rental Car Center in the future Ground Transportation update to the Board.

KIDANE WELDEMICHAEL, SAN DIEGO, expressed concern regarding non-airport permitted taxis not being allowed to pick up customers at the Rental Car Center.

SANDY VALONE, SAN DIEGO, submitted a letter to the Board and expressed concerns regarding noise in her Point Loma neighborhood and the accuracy of flights reported on web tracker.

Chair Gleason requested that staff respond to Ms. Valone regarding the flight tracker.

RICK KREITER, SAN DIEGO, representing SB Plus Corporation, spoke in support of staff's recommendation on Item 12.

**CONSENT AGENDA (Items 1-11):**

**ACTION: Moved by Board Member Sessom and seconded by Board Member Janney to approve the Consent Agenda. Motion carried by the following vote: YES – Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)**

**1. APPROVAL OF MINUTES:**

RECOMMENDATION: Approve the minutes of the April 21, 2016 regular meeting and the May 19, 2016 regular meeting.

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

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

**3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM APRIL 25, 2016 THROUGH MAY 26, 2016 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM APRIL 25, 2016 THROUGH MAY 26, 2016:**

RECOMMENDATION: Receive the report.

**4. JUNE 2016 LEGISLATIVE REPORT:**

RECOMMENDATION: Adopt Resolution No. 2016-0051, approving the June 2016 Legislative Report.

**5. APPOINTMENT OF PUBLIC MEMBER TO THE AUDIT COMMITTEE:**

RECOMMENDATION: Adopt Resolution No. 2016-0056, appointing Andrew Hollingworth to a new term as a Public Member to the Audit Committee.

**6. APPOINTMENT OF MEMBER TO THE ART ADVISORY COMMITTEE:**

RECOMMENDATION: Adopt Resolution No. 2016-0057, approving the appointment of Indra Gardiner and Michael Soriano to a new term on the Art Advisory Committee.

## **CLAIMS**

### **COMMITTEE RECOMMENDATIONS**

- 7. REVIEW OF THE UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2016:**  
RECOMMENDATION: Accept the report.
- 8. REVIEW OF THE AUTHORITY'S INVESTMENT REPORT AS OF MARCH 31, 2016:**  
RECOMMENDATION: Accept the report.

### **CONTRACTS AND AGREEMENTS**

- 9. AWARD A CONTRACT TO UNIVERSAL COATINGS, INC. FOR AIR FREIGHT BUILDING ROOF REPLACEMENT AT SAN DIEGO INTERNATIONAL AIRPORT:**  
RECOMMENDATION: Adopt Resolution No. 2016-0055, awarding a contract to Universal Coatings, Inc., in the amount of \$312,700 for Project No. 104191, Air Freight Building Roof Replacement at San Diego International Airport.
- 10. AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A MEMORANDUM OF UNDERSTANDING FOR THE COLLECTION OF RETIREE HEALTH BENEFITS PREMIUMS WITH THE SAN DIEGO CITY EMPLOYEE RETIREMENT SYSTEM (SDCERS):**  
RECOMMENDATION: Adopt Resolution 2016-0049, Authorizing the President/CEO to execute the Memorandum of Understanding and perform any and all other actions necessary to establish the collection of retiree health benefits premiums with SDCERS.
- 11. APPROVE A TASK AUTHORIZATION TO DENOVO VENTURES, LLC, UTILIZING ON-CALL PROFESSIONAL AND TECHNICAL E1 SUPPORT SERVICES AGREEMENT:**  
RECOMMENDATION: Adopt Resolution No. 2016-0050, approving a Task Authorization to Denovo Ventures, LLC utilizing On-Call Professional & Technical E1 Support Services Agreement for an Amount not-to-exceed \$450,000 for Implementation and Configuration of the JD Edwards EnterpriseOne (E1) Capital Asset Management Services.

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

**PUBLIC HEARINGS:** None

**NEW BUSINESS:**

**13. TRANSPORTATION NETWORK COMPANY (TNC) PILOT PROGRAM UPDATE:**

Chair Gleason reported ex parte communication with Kimberly Miller.

Board Member Robinson reported ex parte communication with Kimberly Miller.

Board Member Kersey reported ex parte communication with Kimberly Miller.

David Boenitz, Director, Ground Transportation, provided a presentation on the Transportation Network Company (TNC) Pilot Program Update which included Key Dates, Cost Recover Fees, Driver and Vehicle Safety, Permit Compliance, TNC Staging Area, TNC Pick Up Area, GHG Emissions and Vehicle Conversions, and California Legislation and Regulations.

BRIAN HUGHES, SANTA MONICA, representing Uber Technologies, expressed support of a permanent TNC program and stated they will continue to work with staff on the current permit issues.

JESSE MILLS, SAN DIEGO, expressed concern about taxis not receiving equal treatment as TNC's.

KAMRAN HAMIDID, SAN DIEGO, suggested a month-to-month permit and expressed opposition to a permanent TNC program and concerns regarding unequal regulations for taxis vs TNC's.

MIKAIL HUSSAIN, SAN DIEGO, expressed concerns with the different requirements for taxis vs TNC's.

TAREK AFIFI, SAN DIEGO, expressed concerns that TNC's are not being held to the same standards and regulations as taxi drivers. He stated that he would seek a court injunction from the excessive requirements for taxis.

BAKARI BROCK, SAN FRANCISCO, representing Lyft, expressed support for a permanent TNC program and stated that he believes that current issues will be resolved in the next week.

MICHAEL GABRIEL, SAN DIEGO, expressed concerns regarding fair and equal opportunities for taxis.

SEAN KARAFIN, SAN DIEGO, representing the San Diego Regional Chamber of Commerce, spoke in support of a permanent TNC program.

TONY HUESO, SAN DIEGO, representing the San Diego Transportation, expressed concerns that taxis are not being treated equally and spoke in opposition to staff's recommendation.

ADRIAN KWAITKOWSKI, SAN DIEGO, representing the Transportation Alliance Group, spoke in regards to the taxi industry in San Diego and stated that he looks forward to greater dialogue on all the issues.

Board Member Desmond expressed concern regarding TNC's lack of reporting on alternative fuel vehicles and compliance with the Attorney General MOU.

Mr. Boenitz reported that the TNC's have stated that they are not able to provide information on what type of vehicle is servicing the airport. He also reported that the outstanding issues include, 1) that only one Trade Dress be allowed and its location on the vehicle; 2) the two mile non-staging area radius; and 3) the purpose of the parking lot coordinator.

In response to Board Member Boling's concerns with a TNC's ability to pick up passengers while driving down Harbor in front of a driver in the staging area, Brian Hughes, Uber Technologizes, stated that there are technology solutions to accommodate these issues.

Also in response to Board Member Boling, Bakari Brock, Lyft, stated that this can be addressed by using First in First Out (FIFO) technology which is utilized at other airports.

Board Member Kersey recommended that staff work with MTS to get specific data on the effects of the deregulation of taxis in the City of San Diego and analyze the impacts.

Board Member Cox stated that there is advantage to the Airport to try to encourage the use of alternative fuel vehicles.

The Board expressed concerns with TNC's not providing information regarding alternative fuel vehicles and the ability for passengers to select an alternative fuel vehicle.

In response to the Boards concern, Bakari Brock stated that there is currently no technology available that would allow them to dispatch based on the vehicle type.

Board Member Desmond requested that staff bring back to the Board information regarding impacts of allowing unlimited taxis to service the airport.

**RECOMMENDATION:** Adopt Resolution No. 2016-0054, to approve a permanent Transportation Network Company (TNC) Program at San Diego International Airport.

**ACTION: Moved by Board Member Sessom and seconded by Board Member Desmond to extend the pilot program for an additional six months and continue to work with the TNC's on the outstanding issues and the concerns raised by the Board, which includes the ability to identify and report on the use of alternative fuel vehicles for the Authority and how the compliance fees are passed on to passengers of TNC's; the use of the pickup attendant and the trade dress requirements; and to approve the balance of staff recommendations outlined in the Staff Report. Motion carried by the following vote: YES – Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)**

*The Board recessed at 11:07 a.m. and reconvened at 11:17 a.m.*

**OLD BUSINESS:**

**17. UPDATE ON NOISE ISSUES AND AMENDMENT OF AUTHORITY POLICY 9.20 – SAN DIEGO INTERNATIONAL AIRPORT NOISE ADVISORY COMMITTEE:**

RUSSELL VALONE, SAN DIEGO, expressed concerns with the validity of web tracker and the actual flight paths, and requested additional information on departing flights.

RECOMMENDATION: Adopt Resolution No. 2016-0045, accepting the update on noise issues and the amendment of Authority Policy 9.20 – San Diego International Airport Noise Advisory Committee.

Chair Gleason requested that the policy be amended to state that a subcommittee "will" be formed and to include in the resolution that it is the Boards desire that the committee meet bi-monthly and that if the meeting schedule changes, that the Board is notified.

**ACTION: Moved by Board Member Cox and seconded by Board Member Janney to approve staff's recommendation, and directed staff to include in the resolution language stating that the current schedule of bi-monthly meetings shall be maintained and that the Board will be notified of any changes to the meeting schedule and to amend SUBCOMMITTEE Section 1 in the policy to state that "A subcommittee will be created...". Motion carried by the following vote: YES – Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)**

**NEW BUSINESS CONTINUED:**

**12. DISCUSSION AND POSSIBLE ACTION REGARDING THE AIRPORT PARKING MANAGEMENT AND PARKING SHUTTLE AGREEMENTS TO INCLUDE ISSUANCE OF A REQUEST FOR PROPOSAL OR AMENDMENTS TO EXISTING AGREEMENTS:**

KEITH JONES, SAN DIEGO, representing Ace Parking, distributed a letter and requested that the contracts be extended and expressed Ace Parking's commitment to providing service with minimal disruptions to the airport during construction of the parking structure.

HERMAN COLLINS, SAN DIEGO, distributed a letter and spoke in support of staff's recommendation to proceed with Request for Proposals for parking and shuttle services.

KRIS MICHELL, SAN DIEGO, representing Downtown San Diego Partnership, encouraged the Board to extend the contracts with Ace Parking through the completion of the construction of the parking plaza.

KAMRAN HAMIDI, SAN DIEGO, spoke in support of extending the parking and shuttle contracts until the completion of the parking plaza.

*Board Member Desmond moved, that based on the findings that the Public Utilities Code 170040 states that the Authority may contract with any department or agency of the United States, any state or local government agency and with any person upon those terms and conditions the Authority finds are in its best interest; that Authority Policy 5.01 provides that any amendment to the parking or shuttle contract to increase the term by more than 90 days and increase the contract amount in excess of 12% requires Board approval; that the statutory construction allows the Airport Authority great discretion on how it determines how to contract; that the Airport Authority is in the process of building a parking plaza, and Ace Parking is the Authority's current parking and shuttle service provider, and has been for over 4 years; Ace Parking is extremely familiar with the parking and shuttle operations at the airport; during the construction of the parking plaza, the parking lots and roadways will be impacted and disrupted; in order to minimize the disruption of the parking and shuttle service to provide better customer service; that the Board find that it is in the best interest of the traveling public to maintain the current parking and shuttle service provider during the construction of the parking plaza; that the Board finds that minimizing the disruption to airport operations is consistent with the customer service strategy, that the FAA has advised that an action to extend the parking management agreement beyond 5 years under the fact that for the limit construction time period would not constitute noncompliance with federal regulations and that once the construction of the parking plaza is completed, the Authority is to conduct a competitive process for parking and shuttle services; and that the Authority Audit Department completed an audit of Ace Parking for calendar year 2015 and they had no findings and no recommendations; that the*

*Board extend the current parking contract through August 31, 2018 and shuttle contract through May 31, 2018 (as outlined in the staff report) or at the completion of the construction of the parking plaza and to include in the extensions the items in the Staff Report that are in agreement between the Authority and Ace Parking, and that the completion of the project will be determined to be when the Authority receives the Certificate of Occupancy.*

Board Member Sessom reported ex parte communication with Richard Ledford.

Board Member Robinson reported ex parte communication with Keith Jones.

Board Member Kersey reported ex parte communication with Keith Jones.

Chair Gleason reported ex parte communication with Keith Jones.

Board Member Janney reported ex parte communication with Keith Jones.

Board Member Desmond reported ex parte communications with Keith Jones and Richard Ledford.

Board Member Boling reported ex parte communication with Keith Jones.

Board Member Hubbs reported ex parte communications with Richard Ledford and Keith Jones.

RECOMMENDATION: Adopt Resolution No. 2016-0055, authorizing the President/CEO to proceed with issuance of Requests for Proposals ("RFP") for provision of Airport Parking Management and Airport Parking Shuttle Services. Selection and implementation of the Airport Parking Management and Airport Parking Shuttle agreements shall coincide with the termination of the existing agreements.

**ACTION: Moved by Board Member Desmond and seconded by Board Member Cox to accept the findings above and approve the extension of the Parking contract with Ace Parking to expire August 31, 2018 and extension of the Shuttle contract with Ace Parking to expire May 31, 2018 or until a Certificate of Occupancy is issued for the Parking Plaza and to include those items identified within the staff report that are in agreement between the Authority and Ace Parking. Motion carried by the following vote: YES – Boling, Cox, Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom; NO – None; ABSENT – None. (Weighted Vote Points: YES – 100; NO – 0; ABSENT – 0)**



**CLOSED SESSION:** The Board recessed into Closed Session at 11:55 a.m. to hear items 18 and 24.

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

(Cal. Gov. Code § 54956.9(a) and (d)(1).)

Diego Concession Group, Inc. v. San Diego County Regional Airport Authority,  
San Diego Superior Court Case No. 37-2012-00088083-CU-BT-CTL

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

(Cal. Gov. Code § 54956.9(a) and (d)(1).)

Dryden Oaks, LLC v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court, North County, Case No. 37-2014-00004077-CU-EI-NC

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

(Cal. Gov. Code § 54956.9(a)):

Maria Paula Bermudez v. San Diego County Regional Airport Authority,  
American Airlines, Inc., et al.  
San Diego Superior Court Case No. 37-2015-00022911-CU-PO-CTL

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

(Cal. Gov. Code §54956.9(a) and (d)(1))

Stanley Moore v. San Diego County Regional Airport Authority, et al.,  
San Diego Superior Court Case No. 37-2015-00030676-CU-OE-CTL

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

Cal. Gov. Code § 54956.9(a) and (d).

In the matter of the Petition of San Diego County Regional Airport Authority for Review of Action by the California Regional Water Quality Control Board in Issuing Order No. R9-2013-0001, as amended by Orders Nos. R9-2015-0001 and R9-2015-0100 (NPDES NO. CAS0109266) [Water Code §§ 13320(a) and 13321(a)]

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

(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9 (b) and 54954.5.)

Re: Investigative Order No. R9-2012-0009 by the California Regional Water Quality Control Board regarding submission of technical reports pertaining to an investigation of bay sediments at the Downtown Anchorage Area in San Diego.  
Number of potential cases: 1

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

(Initiation of litigation pursuant to Cal. Government Code § 54956.9(d).)

Number of cases: 2

**REPORT ON CLOSED SESSION:** The Board reconvened into open session at 12:50 p.m. There was no reportable action.

*Board Member Cox left the meeting at 12:50 p.m.*

*The Board recessed at 12:51 p.m. and reconvened at 12:53 p.m.*

**15. APPROVAL AND ADOPTION OF THE OPERATING BUDGET FOR FISCAL YEAR 2017, THE CAPITAL PROGRAM FOR FISCAL YEARS 2017-2021, AND CONCEPTUAL APPROVAL OF THE OPERATING BUDGET FOR FISCAL YEAR 2018:**

Scott Brickner, Vice President, Finance and Asset Management/Treasurer, provided a presentation on the San Diego County Regional Airport Authority FY 2017 Proposed Budget and FY 2018 Proposed Conceptual Budget which included, Budget Overview, Expense Budget Overview, Headcount, Proposed Conceptual Budget Expense Summary, Capital Program Budget, and Plan of Finance.

KAMRAN HAMIDI, SAN DIEGO, expressed concerns that the cost recovery fee is illegal and requested that the Board suspend the fee.

Board Member Boling expressed her continued concerns with the increase in headcount. She stated that she is not sure she is comfortable with the additional headcount in the FY 2018 conceptual budget. She suggested removing the positions from the FY 2018 budget so that they could be justified. She stated that when you look at the history where the headcount has gone, it seems to her, it's a troubling trend.

In response to Board Member Boling's concern, Ms. Bowens stated that the conceptual budget is not set in stone and that the requested positions are not given, staff look at the environment for the budget year and totally redo the budget. She stated we have tightened up the process for filling vacancies and analyzing whether the positions are really needed. She also stated that as enplanements, operations, and capital needs grow, so does the need for staff. She stated that every year staff look of ways to improve cost management of this organization.

RECOMMENDATION: Adopt Resolution No. 2016-0052, approving and adopting the Authority's Annual Operating Budget for Fiscal Year 2017, the Capital Program for Fiscal Years 2017-2021, and conceptually approving the Operating Budget for Fiscal Year 2018.

**ACTION: Moved by Board Member Robinson and seconded by Board Member Sessom to approve staff's recommendation. Motion carried by the following vote: YES – Desmond, Gleason, Hubbs, Janney, Kersey, Robinson, Sessom; NO – Boling; ABSENT – Cox. (Weighted Vote Points: YES – 79; NO – 13; ABSENT – 8)**

**14. UPDATE ON THE SAN DIEGO INTERNATIONAL AIRPORT TRANSIT PLAN:**

Ted Anasis, Manager, Airport Planning, and Steve Boland, Transit Consultant with Nelson Nygaard Consulting Associates, provided a presentation on the San Diego International Airport Transit Plan which included Background, Limitations of Use of Airport Funds, Airport Transit Plan Recommendations, Recommended Transit Programs Implementation, Marketing Implementation, Trolley to Terminal Implementation, MTS Route 992 to Rapid Bus Service Implementation, Old Town Transit Center, and Next Steps.

Chair Gleason expressed concerns that the Middletown trolley stop has not been designated as an Airport stop. He requested staff to send another letter to MTS requesting to change the name of the trolley stop.

Board Member Janney suggested that a few Authority Board members should meet with a few MTS designated Board Members to discuss this issue.

Board Member Hubbs stated that he is skeptical about the Old Town connection because he doesn't think a lot of people will use it.

Board Member Sessom questioned the amount of time staff is currently spending on this issue. She stated that the Authority will learn whether or not there will be funding after the election.

Chair Gleason stated the need to figure out a way to get the policy groups together to discuss this issue.

*Board Member Desmond left the dais at 1:50 p.m.*

RECOMMENDATION: Accept the update.

**ACTION: No action taken.**

*Board Member Janney left the dais at 2:03 p.m.*

**16. GRANT A 5-YEAR CONCESSION LEASE TO SFS BEAUTY CA, LLC TO DESIGN, BUILD AND OPERATE A TOP RANKED PRESTIGE COSMETICS RETAIL MODULAR UNIT WITHIN TERMINAL 2 WEST:**

Eric Podnieks, Program Manager, Real Estate and Concessions, provided a presentation on the Top Ranked Prestige Cosmetics Retail Modular which included Proposals, Selection, and Proposed Business Terms.

RECOMMENDATION: Adopt Resolution No. 2016-0053, awarding a five-year concession lease to SFS Beauty CA, LLC to Design, Build and Operate a Top Ranked Prestige Cosmetics Retail Modular Unit within Terminal 2 West at San Diego International Airport and authorizing the President/CEO to take all necessary actions to execute the concession lease.

**ACTION:** Moved by Board Member Sessom and seconded by Board Member Boling to approve staff's recommendation. Motion carried by the following vote: YES – Boling, Gleason, Hubbs, Robinson, Sessom; NO – None; ABSENT – Cox, Desmond, Janney (Weighted Vote Points: YES – 68; NO – 0; ABSENT – 32)

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

***STANDING BOARD COMMITTEES***

- **AUDIT COMMITTEE:**  
None
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:**  
None
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**  
Chair Gleason report that in July the committee will discuss annual reviews for direct reports and review their goals for the upcoming fiscal year.
- **FINANCE COMMITTEE:**  
None

***ADVISORY COMMITTEES***

- **AUTHORITY ADVISORY COMMITTEE:**  
None
- **ART ADVISORY COMMITTEE:**  
Chair Gleason reported that there is a current call for the 2017 temporary exhibitions which closes June 4, 2016.

***LIAISONS***

- **AIRPORT LAND USE COMPATIBILITY PLAN:**  
None
- **CALTRANS:**  
None

- **INTER-GOVERNMENTAL AFFAIRS:**

Mike Kullis, Director, Inter-Governmental Relations, reported that on June 14th, Congress approved an additional \$28 million in funding for the Transportation Security Administration (TSA) to reduce passenger screening wait times. He reported that this funding will enable TSA to hire 600 additional Transportation Security Officers (TSOs) and convert 2,284 TSOs from part time to full time. He reported that the State Legislature approved a budget for Fiscal Year 2016-17, totaling \$122.5 billion by the required June 15th deadline. He also reported that on June 20th, Airport Authority staff provided an Airport Land Use Compatibility Plan briefing to San Diego Councilmember Chris Cate. He reported the Federal Aviation Administration released a new rule concerning the operation and certification of Small Unmanned Aircraft Systems on June 21st. He also reported that the House Appropriations Committee approved its version of the Fiscal Year Department of Homeland Security Appropriations Bill; this bill includes a provision mandating that TSA continue to staff exit lanes at airports, a measure supported by the airport industry. He reported that Florida Congressman David Jolly introduced a bill (H.R. 5563) that would remove the cap on Passenger Facility Charges, allowing airports to set their own PFC rate based on project costs, in exchange for that authority, Airport Improvement Program entitlement funds would be eliminated for large hub airports, the bill would also reduce ticket taxes from the current level of 7.5% to 7%. He also reported that Congress continues to discuss how to move forward to extend current aviation program authorizations beyond the July 15th expiration of these authorizations.

- **MILITARY AFFAIRS:**

None

- **PORT:**

None

- **WORLD TRADE CENTER:**

None

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

- **SANDAG TRANSPORTATION COMMITTEE:**

None

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

Thella F. Bowens, President/CEO, reported that Condor will offer seasonal service to Frankfurt Germany starting in May 2017 and Edelweiss will offer seasonal service to Zurich Switzerland starting June 2017. She stated that she met with Harbor Police and the Federal Security Director to discuss the summer season and they agreed that we are in a very positive position so far and have done well, with only having a 30 minute wait on one day. She also reported that the Authority has instituted summer interns that will assist TSA.

**CHAIR'S REPORT:**

Chair Gleason asked that any Board Members who would like to attend Chamber Delegation trip to Washington let Ms. Boling know. He acknowledged Ms. Bowens appointment to the U.S. Secretary of Commerce Penny Pritzker's Travel and Tourism Advisory Board. He announced that he accepted the Golden Watch Dog award on behalf of the Airport Authority from the San Diego County Tax Payers Association for the Rental Car Center. He also announced that this is his last Board meeting as Chair and Board Member Boling will be taking over as Chair starting July 1<sup>st</sup>. He thanked the Board and staff for their work and dedication to the organization.

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


**GENERAL COUNSEL REPORT:** None.

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

**BOARD COMMENT:** None.

**ADJOURNMENT:** The meeting was adjourned at 2:20 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 21<sup>ST</sup> DAY OF JULY, 2016.

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

APPROVED AS TO FORM:

  
\_\_\_\_\_  
AMY GONZALEZ  
GENERAL COUNSEL