

SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY

Item No.
8

STAFF REPORT

Meeting Date: **MARCH 2, 2017**

Subject:

Presentation and Request to Provide Direction to Continue ADP Programmatic Planning and Environmental Analysis, Based on the Amended Preferred Airport Development Plan Concept

Recommendation:

Adopt Resolution No. 2017-0013, directing staff to continue ADP programmatic planning and environmental analysis, based on the amended preferred alternative identified in this staff report and Board presentation.

Adopt Resolution No. 2017-0021, directing the President/CEO to work with the Board Chair to implement a multi-agency policy level group to address off-airport roadway access.

Background/Justification:

On February 2, 2017, the Board requested that staff address an airport access roadway as part of the amended preferred airport development plan prior to providing direction to continue ADP programmatic planning and environmental analysis based on the revised concept.

History

The Airport Development Plan (ADP) is the Airport Authority's planning effort to determine the future needs and plans of San Diego International Airport (SDIA) through the year 2035. Under direction from the Board, the effort began in 2012 with a consultant team led by LeighFisher.

The team began by defining the effort's Goals and Objectives, which were approved by the Board in September 2012. After that Board action, SDIA's forecast of international and domestic aviation activity was prepared. Although the overall ADP effort plans to the year 2035, the aviation forecast was prepared to the year 2050, to correspond to SANDAG's regional plans. The activity forecast was completed in 2012 and approved by the Federal Aviation Administration (FAA) in 2013.

Using the aviation forecasts as a basis, the airport facility requirements for the year 2035 were then prepared in 2013. Examples of facilities for which requirements were developed included: aircraft gates, square footage of terminal space, amount of concessions space, number of parking stalls, amount of cargo space, number of international gates with access to Federal Inspection Services (FIS) facilities, and number of Remain Overnight (RON) aircraft parking spaces.

Page 2 of 13**Terminal Alternatives**

Using this information, various alternatives were developed in 2014 and 2015 that could accommodate the facility requirements in different ways and to varying degrees. Using information obtained during extensive public outreach, Authority Advisory Committee and Technical Advisory Committee meetings, technical workshops and stakeholder briefings, the alternatives were refined. All the alternatives ultimately incorporate 61 total aircraft gates, as that corresponds to the operations capacity of the airport's single runway (SDIA currently has 51 gates). The alternatives not only replace the 19 gates in existing Terminal 1 (T1), but also address many other future needs, such as an expanded FIS facility, more auto parking stalls, and additional RON spaces.

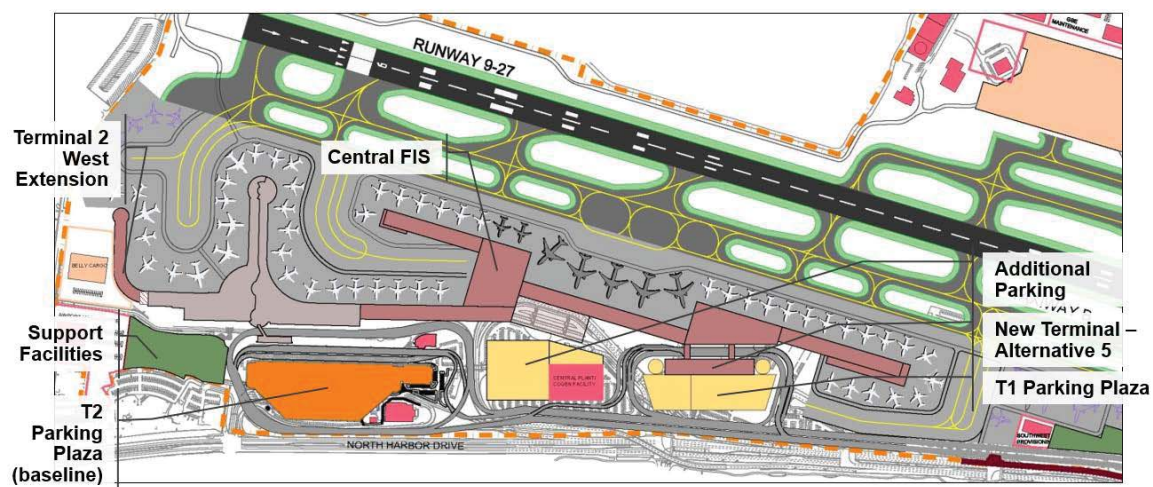
Alternatives 1 – 4 were presented to the Board in January 2015. At that meeting, direction was provided by the Board to focus future attention on Alternatives 1 and 4, but not eliminate any alternative.

In early 2015, Alternative 5 was added in response to stakeholder input in late 2014 and early 2015, and to address two specific needs:

1. Replace existing T1's 19 gates as quickly and cost-effectively as possible
2. Ensure that the terminal plan could seamlessly accommodate the potential use of Taxiway B as a temporary runway, if needed, for future runway reconstruction.

Preferred Alternative

In November 2015, the Board selected Alternative 5 as the preferred alternative and directed staff to continue the ADP process by refining the financial feasibility plan, performing the environmental analysis, and developing a regionally-accepted Airport Access Road concept. [Board Resolution 2015-0125]

Alternative 5 - Ultimate Configuration

Page 3 of 13

Concept Refinements

Since November 2015, the ADP team has been developing the environmental analysis and phasing and implementation plans necessary to move forward. That process has resulted in the following proposed refinements.

1. **Avoiding the California Least Tern Habitat.** The California least tern is a federal and state endangered coastal bird species. Nesting habitat for the California least tern is designated in four ovals adjacent to Runway 9-27, Taxiways B and D at SAN. A Biological Opinion (BO) prepared by the U.S. Fish and Wildlife Service (USFWS) in 1993 requires measures for protecting nesting terns and habitat at SAN. The 1993 BO specifies avoidance and minimization measures to be implemented to ensure that airport projects (e.g., construction projects) do not directly or indirectly impact the California least tern and the designated nesting areas.

In future airfield configurations, Taxiway Bravo is proposed to be realigned to increase the separation to 400 feet which is the standard separation between the runway and the taxiway. However, to avoid impacts to the California least tern nesting sites in the ovals, Taxiway Bravo is proposed to remain in its existing configuration in the east portion of the airfield avoiding an effect on the nesting habitat. In addition, proposed Taxiway Alpha has been truncated to avoid impacts to the California least tern nesting habitat, and the proposed airport facilities on the eastern edge of the airport redesigned to avoid the nesting habitat.

Plan Avoids California Least Tern



Page 4 of 13

2. **Change in Construction Limitations.** The original Alternative 5 was designed to ensure that Taxiway Bravo could be used as a temporary runway if necessary for runway reconstruction. As shown in the inset below, in order to clear the Object Free Area (hatched area in inset), gates north of the the new T1 would need to be moved to the next planned phase of T1. This extension to the new T1 would be built and used during runway reconstruction for Group III aircraft such as Boeing 737s. After the runway was reconstructed, the gates north of the new T1 would re-open and the new T1 extension would be available to serve larger Group V aircraft in conjunction with the central FIS.

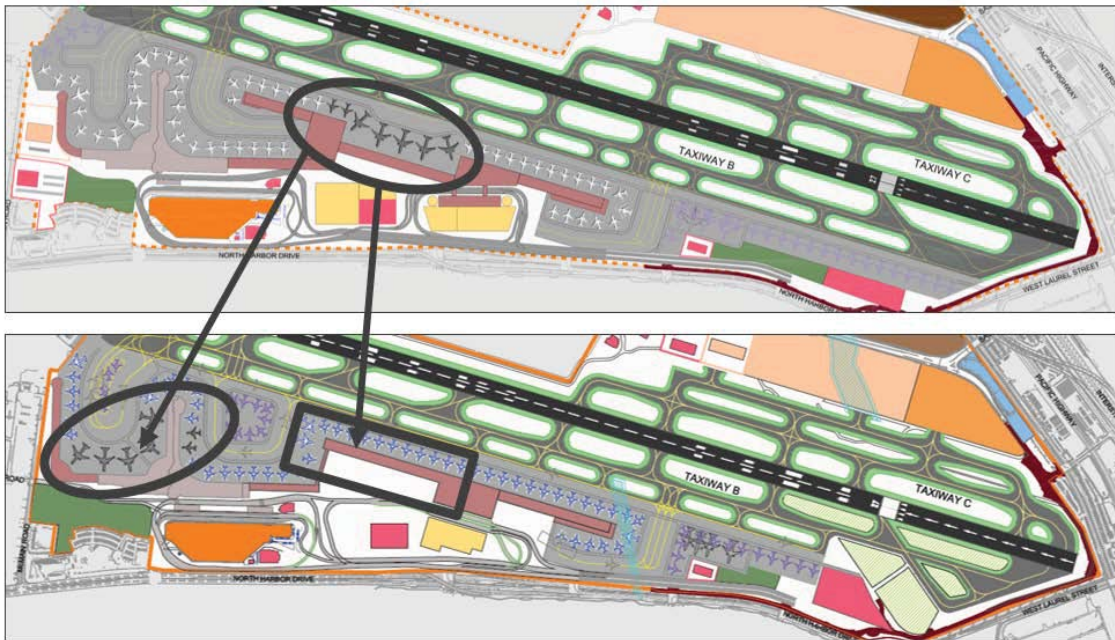
A runway reconstruction study completed in 2015 determined that SAN's single runway can be rehabilitated in place over a number of years, and that Taxiway Bravo is not needed as a temporary runway during construction. As a result, the flightline no longer needs to be offset to allow Taxiway Bravo to be used as a temporary runway.

Runway Reconstruction



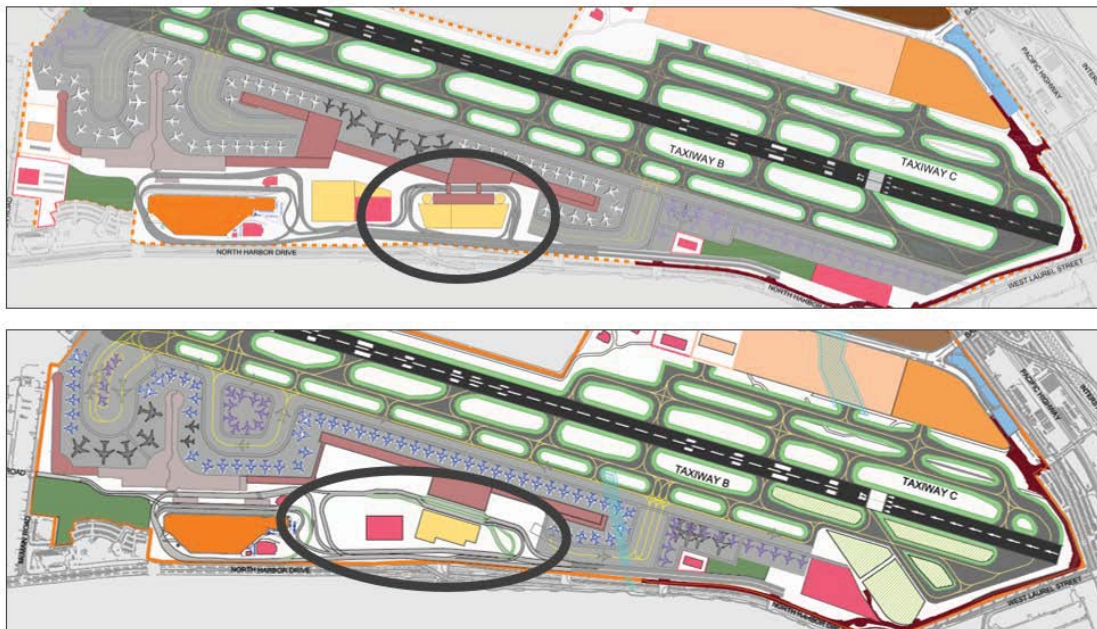
3. Federal Inspection Service (FIS) Relocated. Alternative 5 featured a central FIS; however, that facility was not planned for implementation until approximately 2035. International arrivals have grown dramatically and are anticipated to continue to do so. The existing FIS facility can process 350 people per hour; however, more than 650 people are expected in the peak hour in June 2017. Consequently, there is an immediate need for a larger FIS that cannot be accommodated in the original design until 2035, and the Board will consider moving the FIS to Terminal 2 West (T2 West) in March 2017 in order to best serve our passengers. The relocation of the FIS provides the opportunity to straighten the flightline, which provides significant operational efficiencies, a cleaner design, and avoids the creation of taxiway alleyways.

Federal Inspection Services (FIS)



4. Terminal Roadways Realigned. Alternative 5 featured a clockwise roadway system that was necessary due to site geometry. With the FIS and associated widebody aircraft shifted to T2 West, the T1 processor was able to shift to the west providing the opportunity to realign the roadway in a more conventional layout.

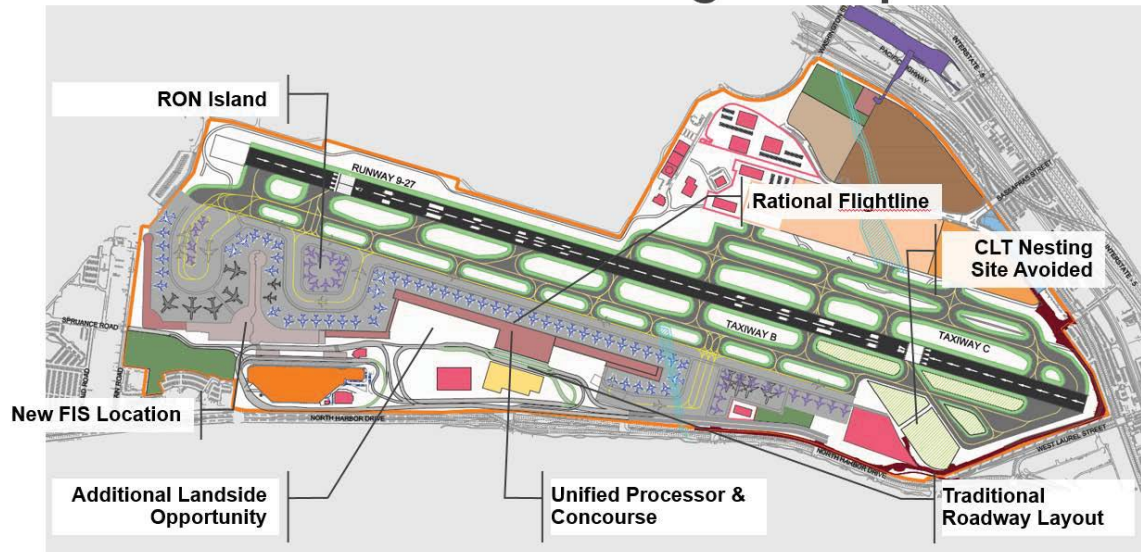
Terminal Roadway



The result of these proposed revisions is the preferred planning concept. This refined concept has the following benefits:

- Avoids the California Least Tern Habitat, respecting a federally protected endangered species and simplifying necessary environmental analysis
- Offers the potential for non-airline revenue producing commercial development
- Features a more efficient flightline, and avoids taxiway alleyways
- Simplifies the roadway layout
- Provides near-term FIS expansion
- Provides additional Remain Overnight aircraft parking spots

Preferred Planning Concept



Program Definition

Refinement of the preferred alternative continues through the program definition process. During this phase the entire program is validated and implementation planning begins. This process has resulted in further proposed refinements as staff work with U.S. Customs and Border Protection and other agencies to define exactly how the new terminal will operate. Terminal and roadway refinements also continue.

Airport Access Roadway

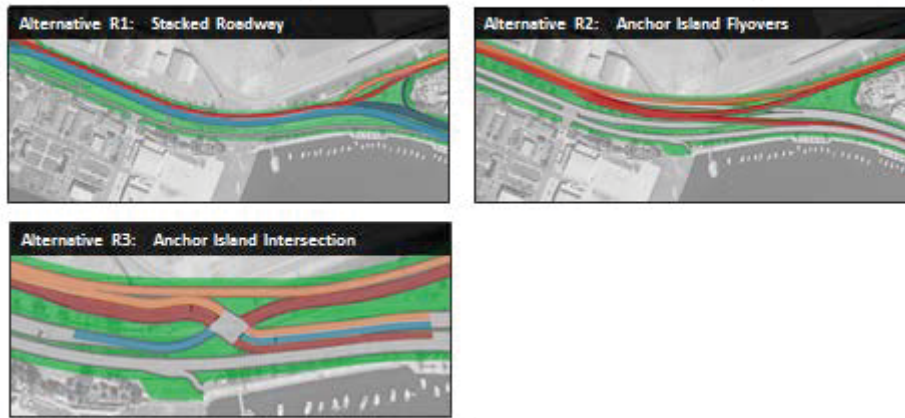
The primary objective of the Airport Access Roadway is to remove airport traffic from North Harbor Drive. Secondary objectives include:

- Creating no new problems on surrounding roads
- Avoiding impacts to views
- Maintaining access for Point Loma and Harbor Island
- Avoiding impacts to airfield operations and California Least Tern habitat
- Alignment with SANDAGs regional transportation plan

More than 15 concepts were initially developed with the goal of removing all airport traffic from North Harbor Drive. Three alternatives were presented to the Board in September 2015 following analysis and coordination with:

- City of San Diego
- San Diego Unified Port District
- U.S. Coast Guard
- Solar Turbines
- SANDAG

Roadway Alternatives Summary



This coordination provided valuable input regarding the potential impacts the roadway could have on each entity and revealed that **each potential alternative that could remove all airport traffic from North Harbor Drive would have significant impacts outside airport property and would require coordination at a policy level with multiple agencies to determine the optimal long-term solution.** Primary concerns that require coordination include:

Access/parking (Solar Turbines and U.S. Coast Guard) – most of the identified solutions have a negative impact on Solar Turbines parking or the access to their facility

California Least Terns (Coastal Commission) – several of the options require impact to the Least Tern habitat

Changes in local traffic patterns (City of San Diego) – changes in the traffic pattern on North Harbor Drive may impact city streets including Laurel, Grape, and Hawthorn.

Coastal access to Harbor Island and the North Embarcadero (Coastal Commission and Unified Port District) – removing airport traffic from North Harbor Drive limits the potential flow of traffic to and from the airport to Harbor Island and the North Embarcadero (between US Coast Guard and Star of India).

Views towards coastal resources/San Diego Bay (community and Coastal Commission) – several of the alternatives include stacked or grade separated roadways which could have view shed impacts

Alignment with regional transportation plan (SANDAG) – any identified solution should be compatible with regional traffic objectives

Restrictions on revenue use – each roadway solution capable of removing all airport traffic from North Harbor Drive would include changes to roadways outside the airport boundary. The Airport Authority can use airport revenue for the capital and operating expense of the airport but may not use it for off-airport improvements.

Page 9 of 13

Recommendation

Until such time as a multi-agency group can be formed to coordinate and address the concerns identified above, staff recommends that the Airport Development Plan include an Airport Access Road contained within airport boundaries. A proposed process for evaluating the efficiency of accessibility to SDIA is attached to this staff report.

Study Objective

To remove Airport traffic from North Harbor Drive, between the Terminal 2 Entrance and the Coast Guard Intersection



Staff Recommendation 1: staff requests Board direction to continue ADP programmatic planning and environmental analysis, based on the amended preferred alternative, which includes an Airport Access Roadway as an initial step in the long-term process of coordinating and implementing a regional multi-agency solution.

Amended Preferred ADP Concept



Page 10 of 13

Staff Recommendation 2: staff requests Board direction to direct the President/CEO to work with the Board Chair to implement a multi-agency policy level group to address off-airport roadway access.

Environmental and Coastal Review

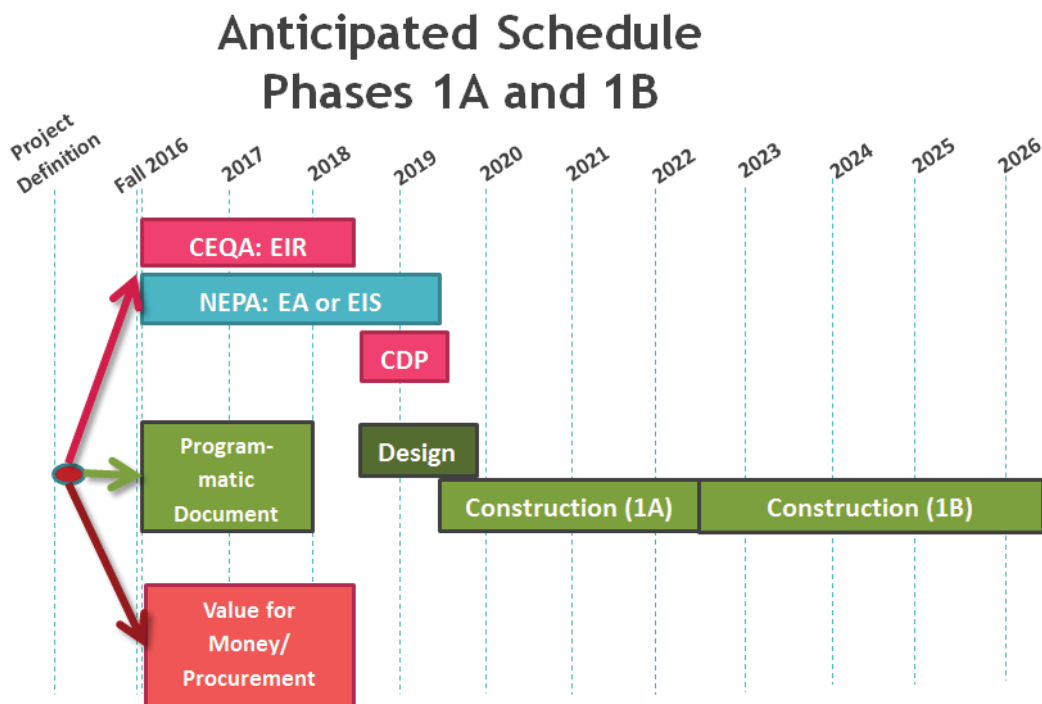
State Environmental/California Environmental Quality Act (CEQA) - Preparation of a Draft Environmental Impact Report (EIR) is underway and a Notice of Preparation (NOP) is available. Public scoping meetings are scheduled for Tuesday, January 31 and Wednesday, February 1 from 3:00 pm to 7:00 pm in the SDCRAA Board room.

Federal Environmental/National Environmental Policy Act (NEPA) – With the development of the project description, the SDCRAA is beginning coordination with the FAA. The DCRAA anticipates that avoiding direct impacts to the California least tern nesting habitat will allow the FAA to prepare an Environmental Assessment.

California Coastal Commission – After a Final EIR is certified, an application for a coastal development permit will be submitted.

Anticipated Schedule

The ADP team is concurrently working on the environmental analysis, programmatic documentation, and a value for money assessment. After completion of all environmental analysis, construction is anticipated to begin in mid 2019 with the first 15-18 gates of the new T1 open in 2022 and an additional 12 gates (for a total of 30 gates in T1) open in 2026.



Page 11 of 13**Authority Strategies:**

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

☒ Community Strategy ☒ Customer Strategy ☐ Employee Strategy ☒ Financial Strategy ☒ Operations Strategy

Fiscal Impact:

Staff is currently determining project costs relating to the Preferred ADP Concept. A value for money (VFM) analysis is underway, which will help staff determine the best procurement method to recommend for delivery of the program. It is expected to be completed by the end of Fiscal Year 2017 or the first quarter of Fiscal 2018. In addition, staff continues to work closely with the airlines in advancing terms of a new Airline Operating Agreement (AOA). An ADP plan of finance will be developed that will encompass delivery method, updated AOA terms, and impact to Authority metrics. It is expected that the ADP plan of finance will be brought to the Board for discussion by the end of Calendar Year 2017 or the first quarter of Fiscal 2018.

Environmental Review:

- A. State Environmental Review: The proposed Airport Development Plan will be evaluated in accordance with the California Environmental Quality Act ("CEQA"), as amended. A Notice of Preparation for an Environmental Impact Report has been made available for public review and comment. A Draft EIR will be prepared analyzing the components of the proposed Airport Development Plan.
- B. California Coastal Act Review: After the completion of the state environmental review, an application for a coastal development permit will be prepared and submitted to the California Coastal Commission.

Application of Inclusionary Policies:

Not applicable.

Prepared by:

ANGELA JAMISON
ACTING DIRECTOR, AIRPORT PLANNING & NOISE MITIGATION

Proposed Process for Evaluating the Efficiency of Accessibility to SDIA

Overview:

The existing road system surrounding SDIA experiences vehicle congestion that reduces efficient and timely travel on City streets. North Harbor Drive is the only vehicle access to the airport passenger terminals. Over 70 percent of the total vehicle traffic on North Harbor Drive is airport-related. During peak times of the day, vehicle traffic can result in delays along North Harbor Drive, Laurel Street, Grape Street, and Hawthorn Street reaching Levels of Service "F" on some street segments and intersections.

North Harbor Drive and the connecting streets to the airport are City-dedicated roads. The airport does not have planning jurisdiction for these and must coordinate ground transportation improvements with the City of San Diego, SANDAG, Port of San Diego, and Caltrans. Further, the airport is limited by federal restrictions on the use of airport funds for off-airport improvements to the regional ground transportation systems. The airport would like to work with transportation agencies and community partners to improve traffic flow and reduce congestion in the area surrounding SDIA. In that vein, it is recommended to establish a process by which: a) data gathered and alternatives evaluated; and b) solutions and recommendations are presented to decision makers. The collaborative process will vet proposed solutions that may be implemented to the benefit of all participating stakeholders.

Organization:

- Establish a cadre of stakeholders to evaluate and recommend transit alternatives to remedy traffic and accessibility concerns around SDIA.
- Stakeholders should include a working group of entities directly impacted by traffic around SDIA and those that have a regional responsibility for transit.
- Direction will be provided by policy level decision makers who will evaluate the technical analysis and provide policy level recommendations for implementation and execution among all of the impacted entities.
- Overall coordination of stakeholder involvement will rest with SDIA.

Working Group:

- Stakeholders will have one representative each on a working group
- The working group will hold regular meetings to generate broad based thoughts, ideas and alternatives based on comprehensive and thorough research and technical analysis.
- The working group will hold periodic meetings with the policy group to review and discuss analysis, concepts and alternatives.
- The working group will coordinate with SDIA staff to establish a schedule with milestones to be achieved, timelines for accomplishment, and deadlines for completion.
- Overall coordination of stakeholder involvement will rest with SDIA.
- Recommended working group membership
 - San Diego County Regional Airport Authority
 - San Diego Association of Governments
 - San Diego Unified Port District
 - Caltrans
 - Metropolitan Transit System
 - City of San Diego
 - Solar Turbines

Policy Group:

- The policy group will consist of one representative each from the Airport, the Unified Port District and the City of San Diego
 - SDCRAA Board Chair
 - SDUPD Board Chair
 - Office of the Mayor of San Diego Representative
- San Diego Association of Governments will have two representatives due to their role as the regional metropolitan planning agency for traffic and transit.
 - SANDAG Board Chair
 - SANDAG Transportation Committee Chair

RESOLUTION NO. 2017-0013

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY, DIRECTING STAFF TO CONTINUE
ADP PROGRAMMATIC PLANNING AND
ENVIRONMENTAL ANALYSIS, BASED ON THE
PREFERRED ALTERNATIVE IDENTIFIED IN THE
STAFF REPORT AND BOARD PRESENTATION

WHEREAS, the Airport Development Plan (ADP) is the master planning effort of Authority staff and the consulting firm of LeighFisher to determine the future needs and plans of San Diego International Airport (SDIA) through 2035; and

WHEREAS, Goals and Objectives of the ADP were approved by the Board in September 2012; and

WHEREAS, requirements for airport facilities were prepared in 2013 based upon forecasts of domestic and international aviation activity for 2035 and extrapolated to 2050 to correspond with SANDAG's Regional Transportation Plan; and

WHEREAS, the Board selected Alternative 5 in November 2015 as the preferred alternative concept [Board Resolution 2015-0125]; and

WHEREAS, additional information and stakeholder input since the Board's selection of Alternative 5 as the preferred alternative concept has made necessary refinements to the concept design as originally presented; and

WHEREAS, these refinements would avoid impacts to nesting sites of the California least tern; recognize Runway 9/27 rehabilitation can take place without need of Taxiway Bravo as a temporary runway during construction; relocate the Federal Inspection Service (FIS) facility to better serve passenger demand; and realign Terminal 1 and its associated roadway to allow a standard counter-clockwise configuration; and

WHEREAS, an on-airport Airport Access Roadway is included as an initial step in the long-term process of coordinating and implementing a regional multi-agency solution to traffic congestion in the vicinity of the airport; and

WHEREAS, the validation and implementation process of program definition continues to refine planned construction phasing and terminal operations.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby directs staff to continue the ADP process to include the aforesaid refinements to the amended preferred ADP Concept as the preferred Alternative; and

BE IT FURTHER RESOLVED that the Board hereby directs staff to continue the ADP process by continuing to refine the planning, programmatic and environmental analysis, based on the amended preferred ADP Concept; and

BE IT FURTHER RESOLVED that the San Diego County Regional Airport Authority and its officers, employees, and agents are hereby authorized, empowered, and directed to do and perform such acts as may be necessary or appropriate to continue the ADP process, including the necessary CEQA and NEPA process; and

BE IT FURTHER RESOLVED the Board finds that the proposed ADP will be evaluated in accordance with the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and an application for a coastal development permit will be prepared and submitted to the California Coastal Commission to review the proposed project consistent with the California Coastal Act.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2nd day of March 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

RESOLUTION NO. 2017-0021

A RESOLUTION OF THE BOARD OF THE
SAN DIEGO COUNTY REGIONAL AIRPORT
AUTHORITY, DIRECTING THE PRESIDENT/CEO
TO WORK WITH THE BOARD CHAIR TO
IMPLEMENT A MULTI-AGENCY POLICY LEVEL
GROUP TO ADDRESS OFF-AIRPORT ROADWAY
ACCESS

WHEREAS, the Airport Development Plan (ADP) is the master planning effort of Authority staff and the consulting firm of LeighFisher to determine the future needs and plans of San Diego International Airport (SDIA) through 2035; and

WHEREAS, an on-airport Airport Access Roadway is included as an initial step in the long-term process of coordinating and implementing a regional multi-agency solution to traffic congestion in the vicinity of the airport; and

WHEREAS, the validation and implementation process of program definition continues to refine planned construction phasing and terminal operations; and

WHEREAS, more than 15 roadway concepts were initially developed with the goal of removing all airport traffic from North Harbor Drive; and

WHEREAS, three alternatives were presented to the Board in September 2015 following analysis and coordination with the City of San Diego, the San Diego Unified Port District, the U.S. Coast Guard, Solar Turbines, and SANDAG; and

WHEREAS, the Board presentation and coordination with external stakeholders resulted in the identification of numerous items that require coordination at a policy level, including access and parking for Solar Turbines and the U.S. Coast Guard, impacts to the California Least Tern habitat, changes in local traffic patterns, coastal access to Harbor Island and the North Embarcadero, views towards coastal resources, alignment with SANDAGs Regional Transportation Plan, and restrictions on airport revenues.

NOW, THEREFORE, BE IT RESOLVED that the Board hereby directs the President/CEO to work with the Board Chair to implement a multi-agency policy level group to address off-airport roadway access; and

BE IT FURTHER RESOLVED the Board finds that the proposed ADP will be evaluated in accordance with the California Environmental Quality Act ("CEQA") (California Public Resources Code §21065); and an application for a coastal development permit will be prepared and submitted to the California Coastal Commission to review the proposed project consistent with the California Coastal Act.

PASSED, ADOPTED, AND APPROVED by the Board of the San Diego County Regional Airport Authority at a regular meeting this 2nd day of March 2017, by the following vote:

AYES: Board Members:

NOES: Board Members:

ABSENT: Board Members:

ATTEST:

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

APPROVED AS TO FORM:

AMY GONZALEZ
GENERAL COUNSEL

Item 8

Presentation and Request to Provide Direction to Continue Programmatic Planning and Environmental Analysis Based on the Amended Preferred Airport Development Plan Concept

March 2, 2017

Presented by:

Angela Jamison

Acting Director, Airport Planning & Noise Mitigation



Staff Request

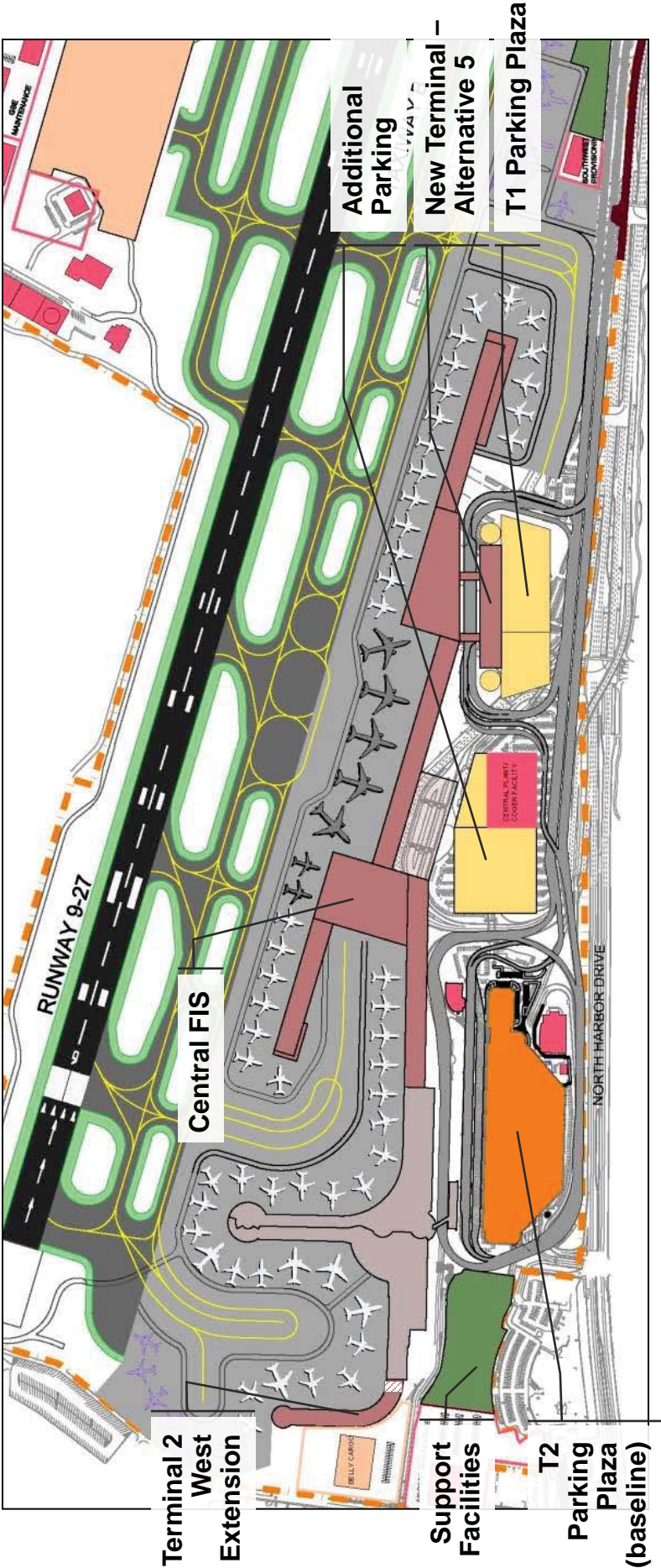
1. Provide direction to continue ADP programmatic planning and environmental analysis, based on the amended preferred alternative.
2. Direct the President/CEO to work with the Board Chair to implement a multi-agency policy level group to address off-airport roadway access.



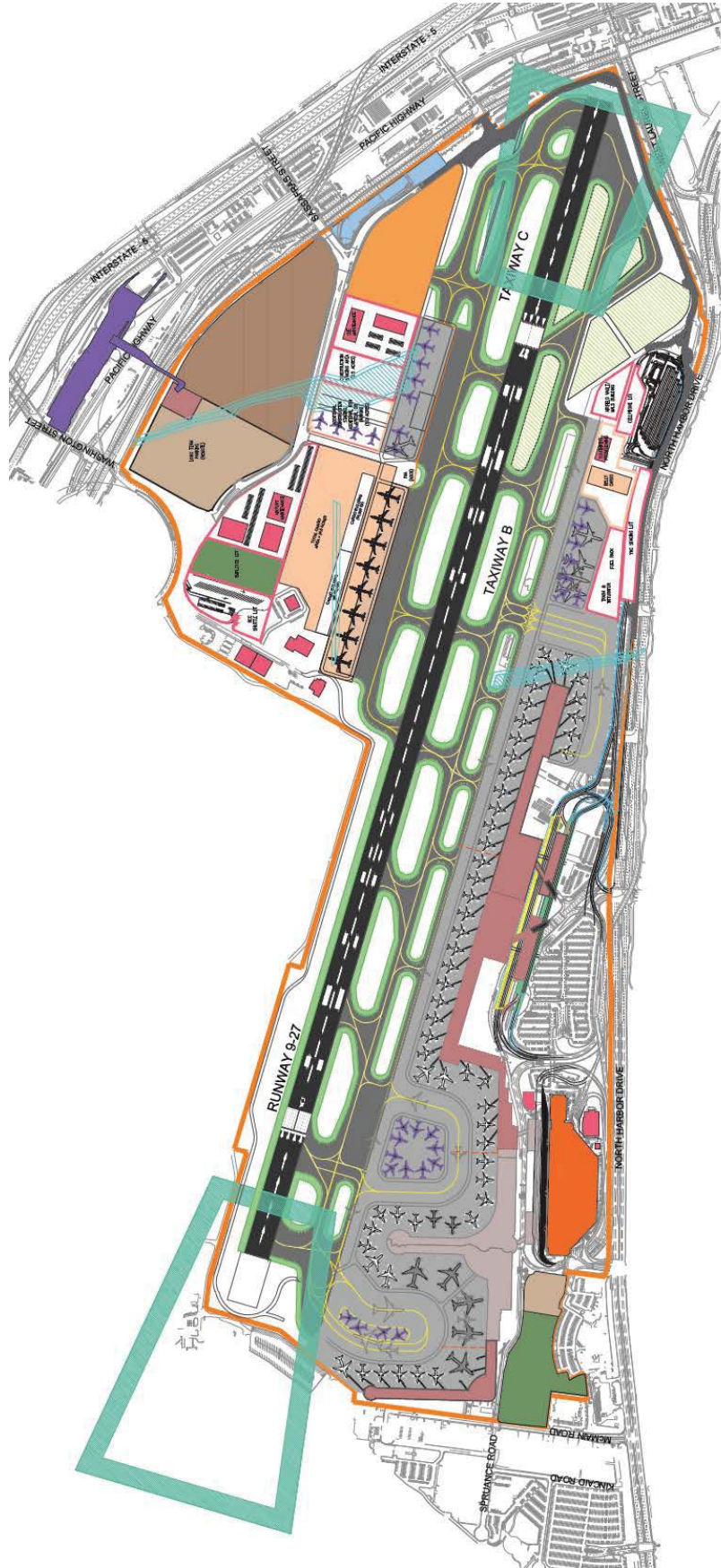
February 2nd Board Presentation Summary



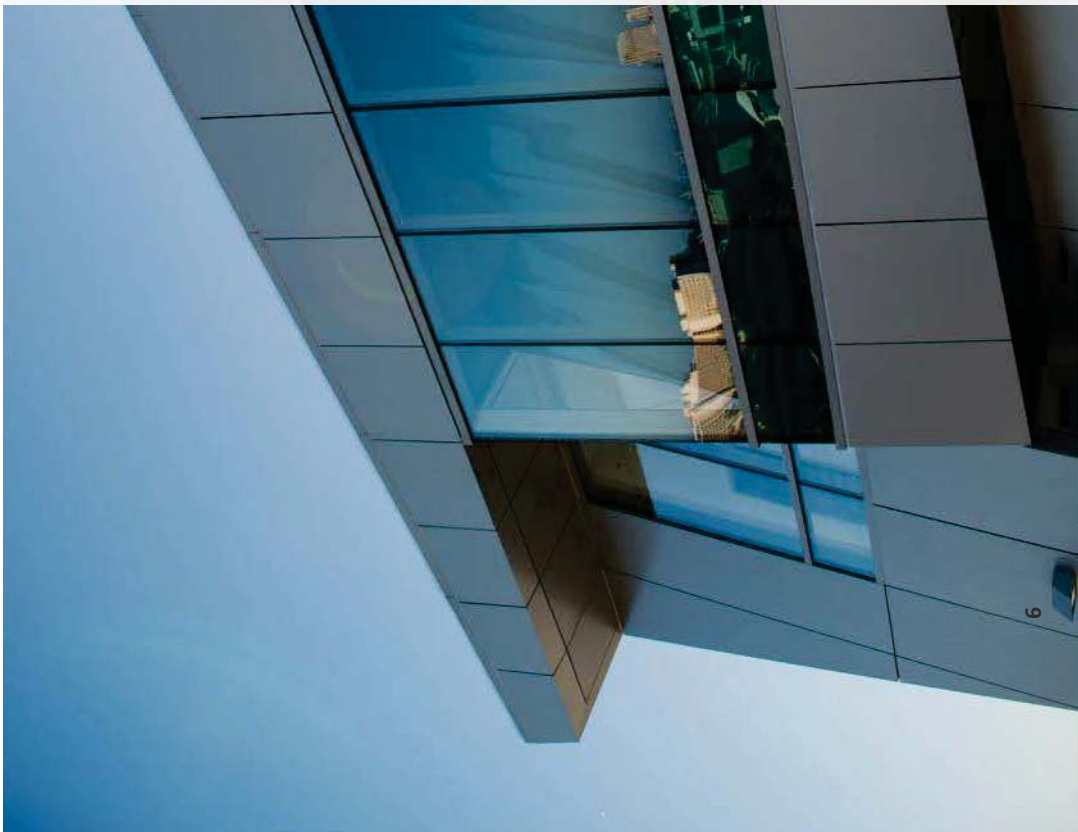
Alternative 5 - Ultimate Configuration



Amended Preferred ADP Concept



Airport Access Roadway



Study Objective

To remove Airport traffic from North Harbor Drive, between the Terminal 2 Entrance and the Coast Guard Intersection



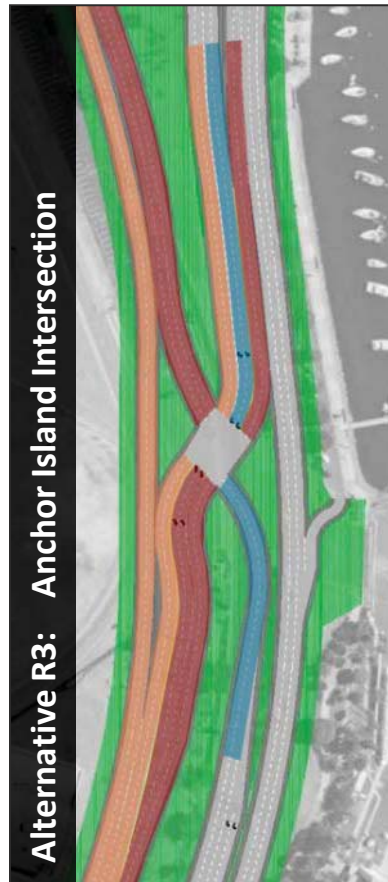
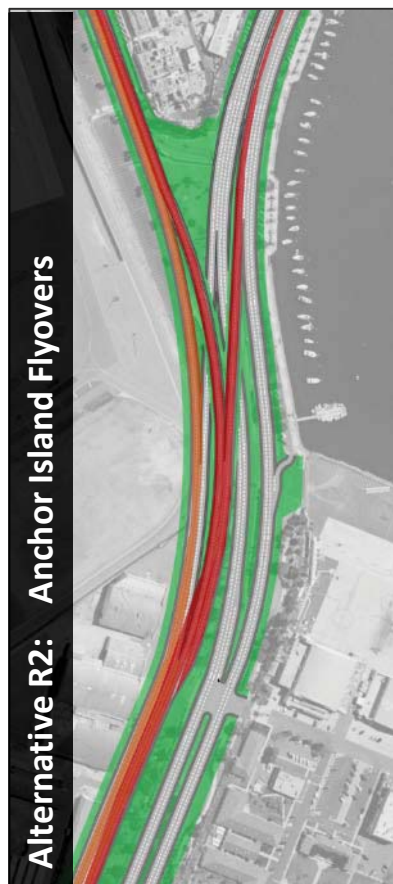
Secondary Study Objectives

- Create no new problems on surrounding roads
- Avoid impacts to views
- Maintain access for Point Loma and Harbor Island
- Avoid impacts to airfield operations and California Least Tern habitat
- Align with regional transportation plan (SANDAG)

Concept Development Process

- More than 15 access roadway concepts were initially developed
- High level analysis was conducted and an initial shortlist for refinement and further study was prepared
- Three Alternatives at Anchor Island (seen on following Slide) were presented to the board September 2015

Roadway Alternatives Summary



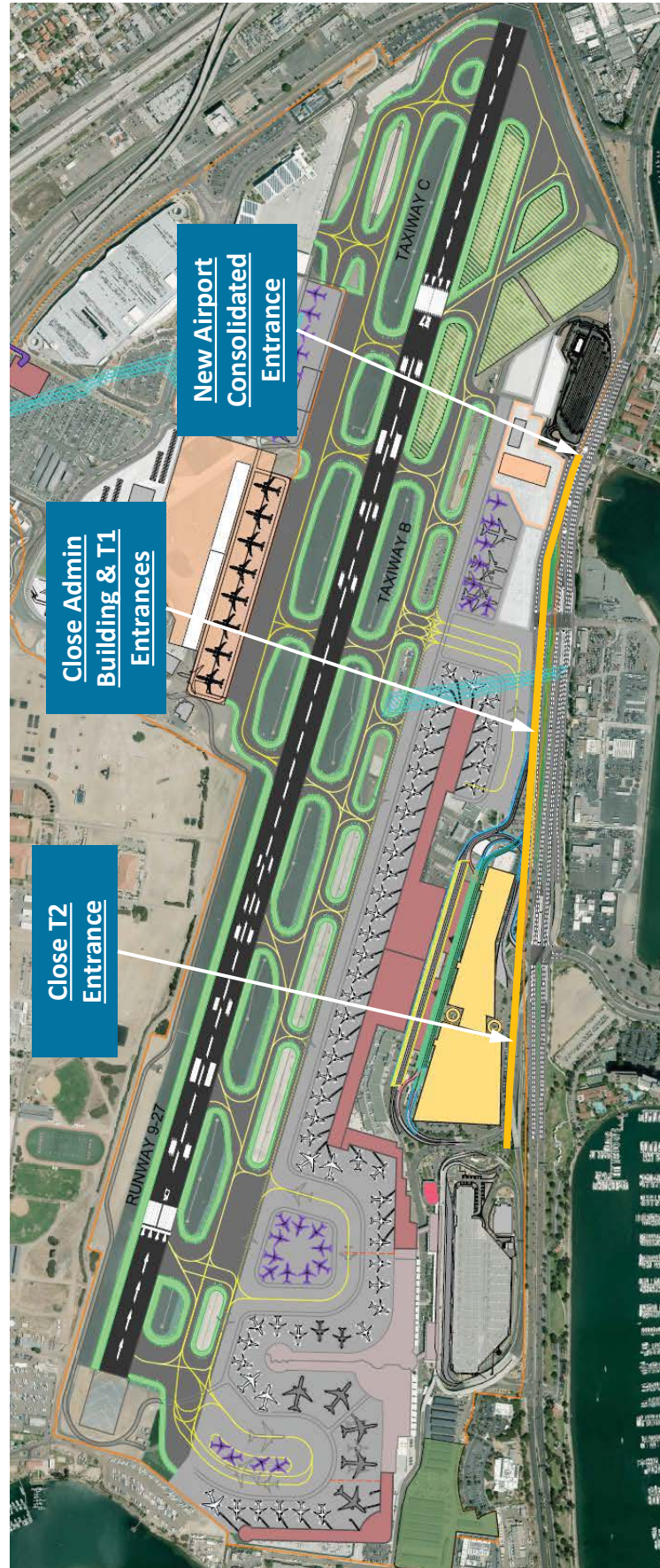
Additional Concept Requirements

- After presentations to various stakeholder partners, and the Board, it was determined that:
 - Access to Laurel Street from North Harbor Drive must remain
 - Intersections at Laurel, Grape and Hawthorn Streets require a multi-agency approach (SDIA, City of San Diego, SANDAG, Caltrans, Unified Port of San Diego, and Solar Turbines)
- New Airport Access Roadway concept has been developed to remove Airport traffic from North Harbor Drive only within airport boundaries

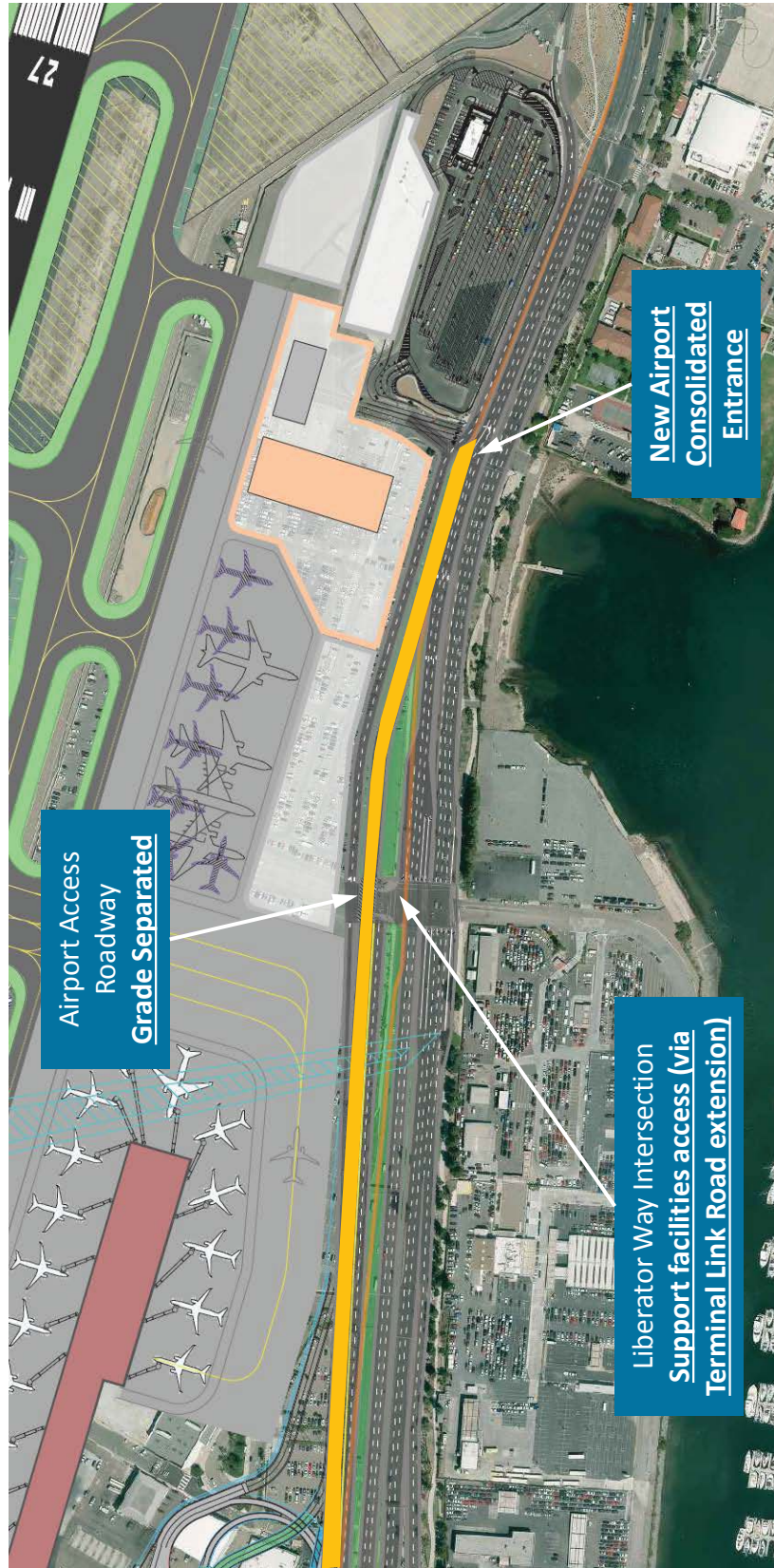
Potential Impacts for Multi-Agency Coordination and Discussion

- Access/parking (Solar Turbines and U.S. Coast Guard)
- California Least Terns (Coastal Commission)
- Changes in local traffic patterns (City of San Diego)
- Coastal access to Harbor Island and the North Embarcadero -between US Coast Guard and Grape Street (Coastal Commission and Unified Port District)
- Views towards coastal resources/San Diego Bay (community and Coastal Commission)
- Alignment with regional transportation plan (SANDAG)
- Restrictions on revenue use

Staff Recommended Option



Staff Recommended Option (zoom)

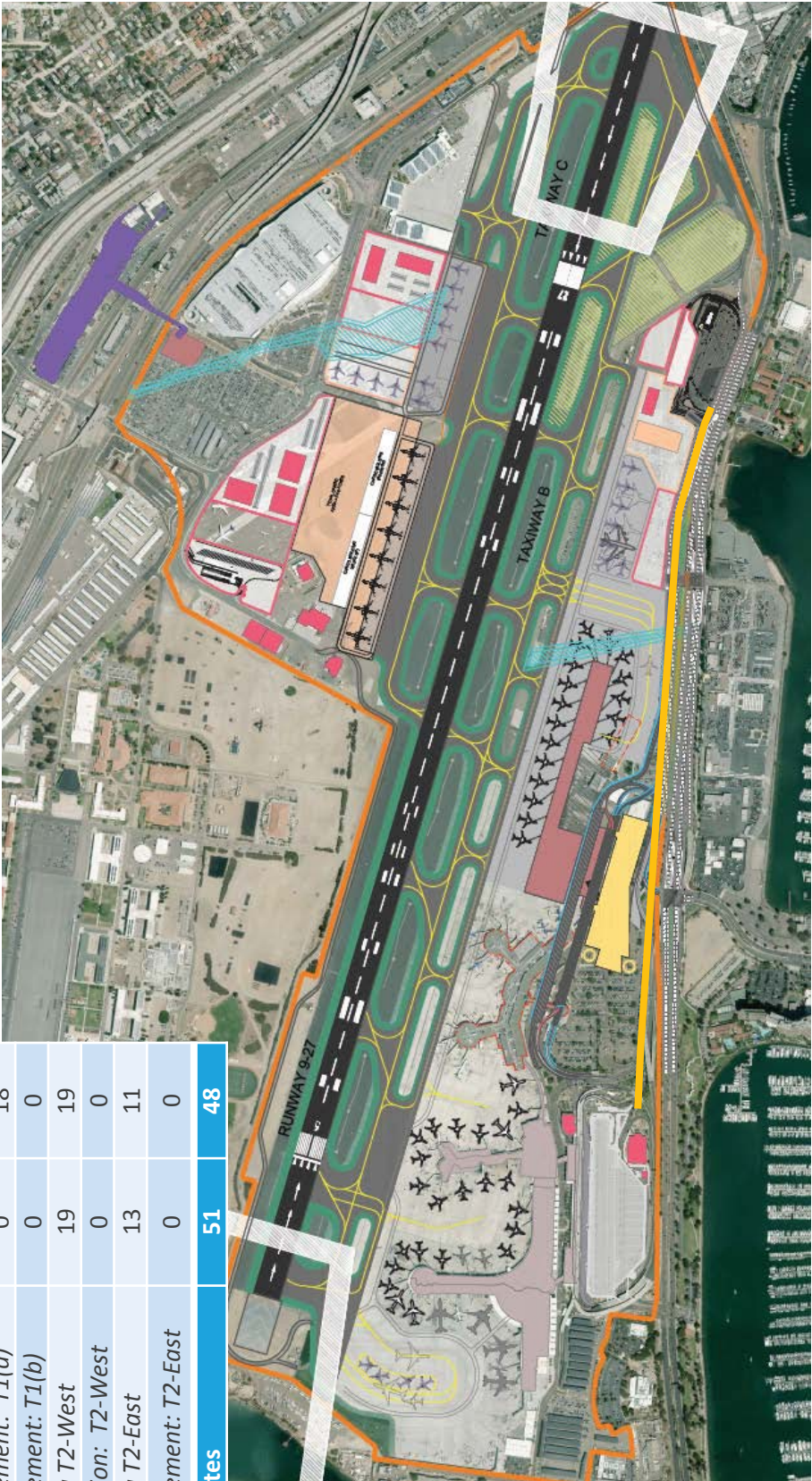


Amended Preferred ADP Concept



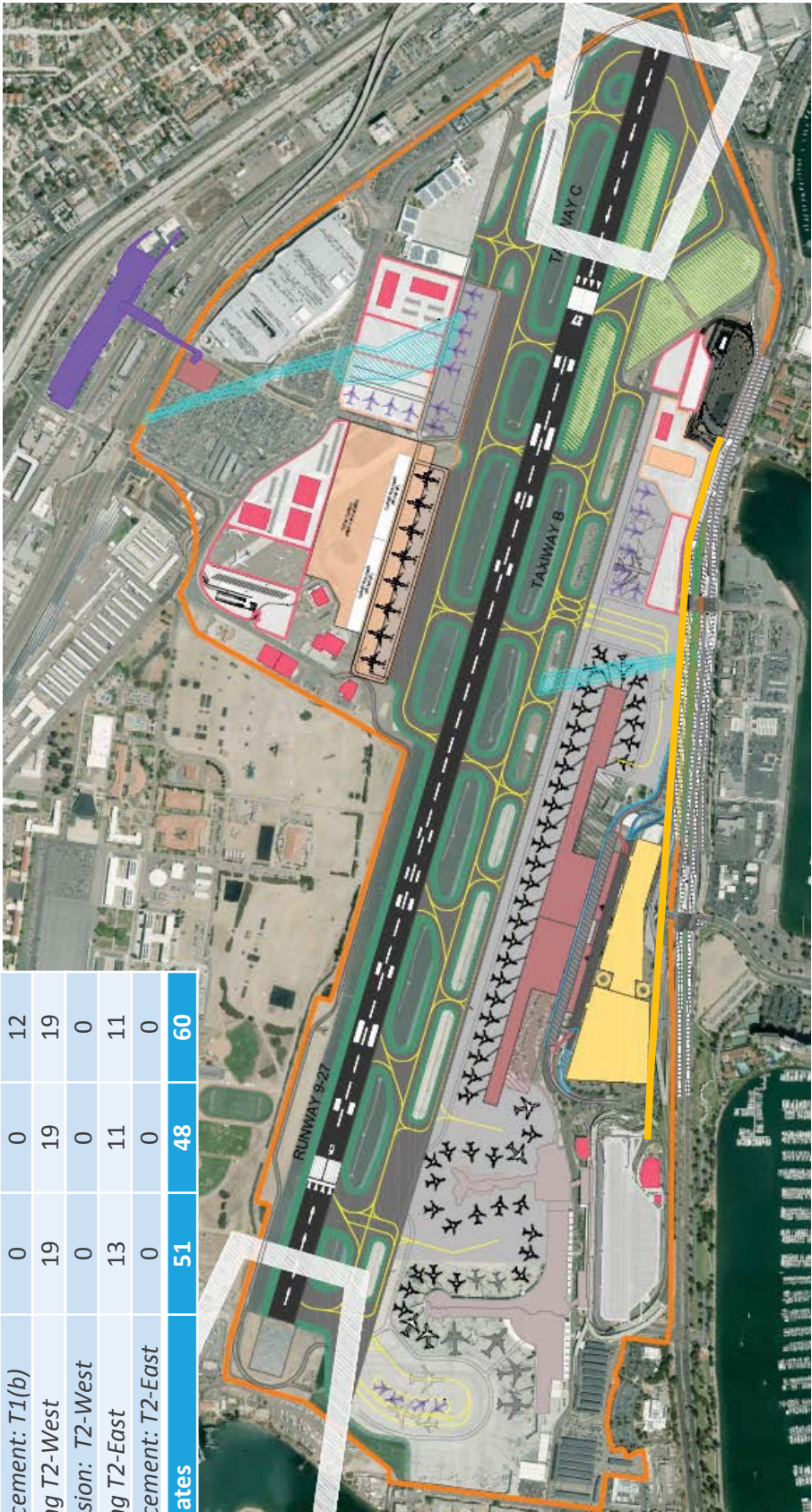
Phase 1a

Terminal	Existing	Phase 1a
Existing T1	19	0
Replacement: T1(a)	0	18
Replacement: T1(b)	0	0
Existing T2-West	19	19
Expansion: T2-West	0	0
Existing T2-East	13	11
Replacement: T2-East	0	0
Total Gates	51	48



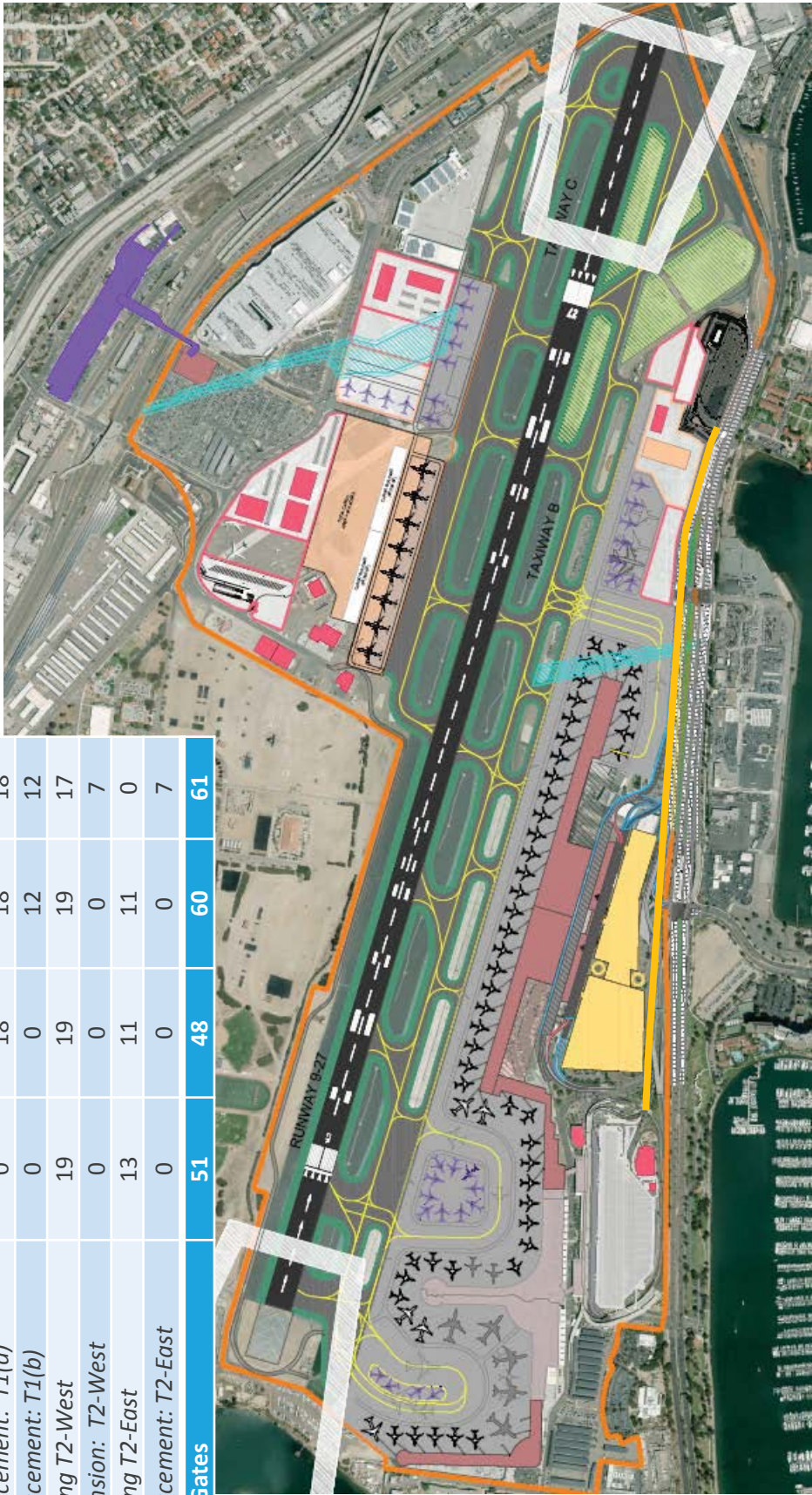
Phase 1b

Terminal	Existing	Phase 1a	Phase 1b
Existing T1	19	0	0
Replacement: T1(a)	0	18	18
Replacement: T1(b)	0	0	12
Existing T2-West	19	19	19
Expansion: T2-West	0	0	0
Existing T2-East	13	11	11
Replacement: T2-East	0	0	0
Total Gates	51	48	60



Phase 2

Terminal	Existing	Phase 1a	Phase 1b	Phase 2
Existing T1	19	0	0	0
Replacement: T1(a)	0	18	18	18
Replacement: T1(b)	0	0	12	12
Existing T2-West	19	19	19	17
Expansion: T2-West	0	0	0	7
Existing T2-East	13	11	11	0
Replacement: T2-East	0	0	0	7
Total Gates	51	48	60	61



Staff Request

1. Provide direction to continue ADP programmatic planning and environmental analysis, based on the amended preferred alternative.
2. Direct the President/CEO to work with the Board Chair to implement a multi-agency policy level group to address off-airport roadway access.



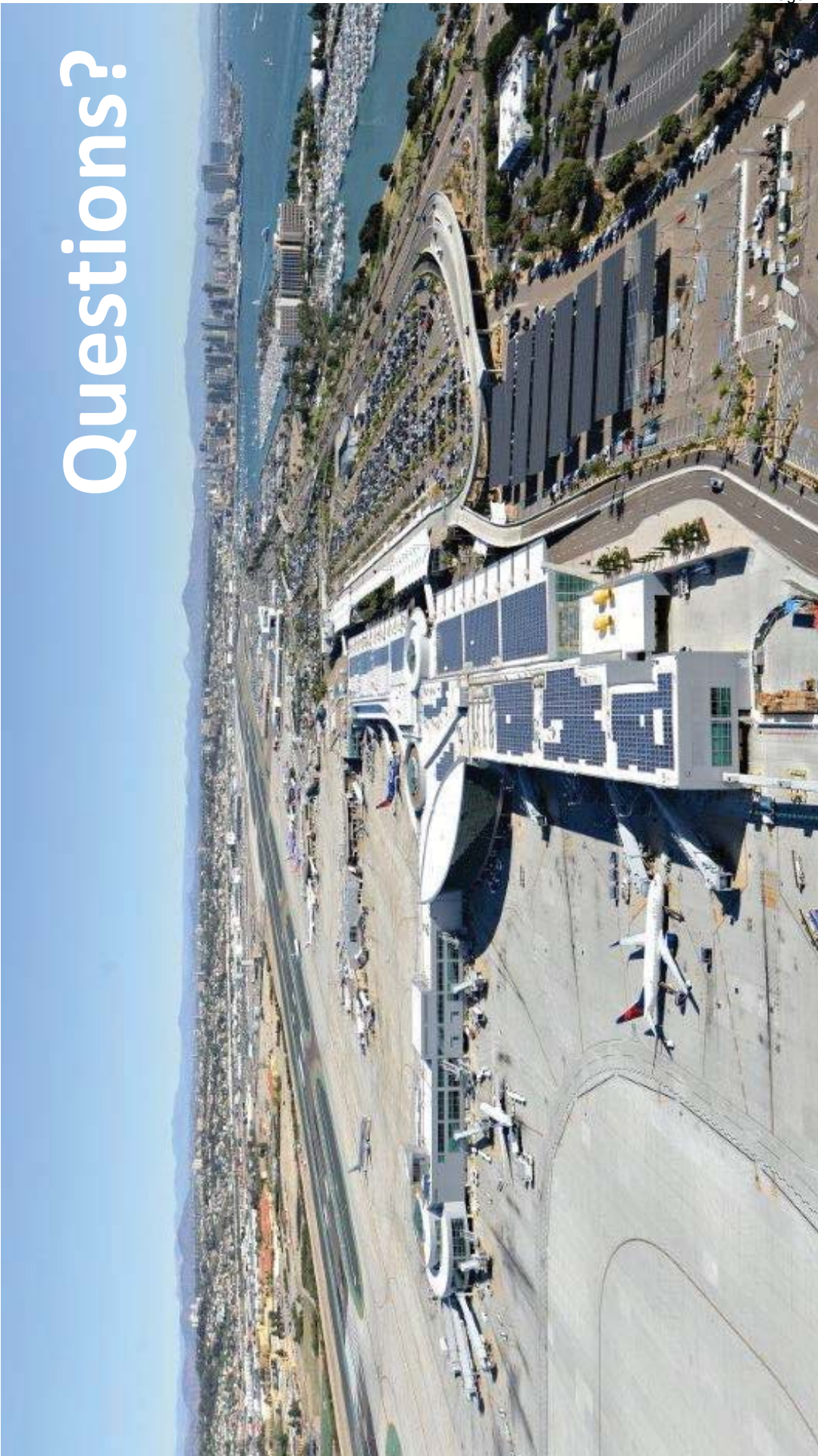
Amended Preferred ADP Concept



Next Steps

- Continue programmatic planning
- Continue environmental analysis
- Begin working with multi-agency Working Group and refine/develop alternatives if needed
- Determine cost estimate

Questions?



**SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD
MINUTES
THURSDAY, MARCH 2, 2017
SAN DIEGO INTERNATIONAL AIRPORT
BOARD ROOM**

CALL TO ORDER: Chairman Boling called the regular meeting of the San Diego County Regional Airport Authority to order at 9:02 a.m. on Thursday, March 2, 2017, in the Board Room at the San Diego International Airport, Administration Building, 3225 North Harbor Drive, San Diego, CA 92101.

PLEDGE OF ALLEGIANCE: Board Member Schumacher led the Pledge of Allegiance.

ROLL CALL:

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

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

ALSO PRESENT: Thella F. Bowens, President/CEO; Amy Gonzalez, General
Counsel; Tony R. Russell, Director, Corporate and Information
Governance/Authority Clerk; Ariel Levy-Mayer, Assistant Authority
Clerk I

Board Member Sessom arrived during the course of the meeting.

Chairman Boling announced that Items 8 and 9 would be heard first followed by Public Comment.

OLD BUSINESS:

**8. PRESENTATION AND APPROVAL OF THE AMENDED PREFERRED
AIRPORT DEVELOPMENT PLAN CONCEPT (CONTINUED FROM THE
FEBRUARY 2, 2017 BOARD MEETING):**

Angela Jamison, Acting Director, Airport Planning & Noise Mitigation provided a presentation on the Request to Provide Direction to Continue Programmatic Planning and Environmental Analysis Based on the Amended Preferred Airport Development Plan Concept which included Alternative 5 Ultimate Configuration, Amended Preferred ADP Concept, Airport Access Roadway Study Objective and Secondary Study Objectives, Concept Development Process, Roadway Alternatives Summary, Additional Concept Requirements, Potential Impacts for Multi-Agency Coordination and Discussion, Option, Amended Preferred ADP Concept Phase 1a, 1b, Phase 2, and Next Steps.

Board Member Sessom arrived at 9:09 a.m.

Board Member Desmond questioned if the City of San Diego is on board with the recommended entrance of the roadway to Harbor Dr. and requested that the conversation with other agencies occur before including the Airport Roadway Access concept recommended by staff in the Environmental Impact Report (EIR).

In response to Chairman Boling regarding what is and what is not included in the EIR, Amy Gonzalez, General Counsel stated that off-airport improvements are not included in the EIR.

Board Member Desmond expressed concerns with the impacts of the roadway and stated that the Authority needs to insure that it is a viable option before we spend any money.

Board Member Janney expressed support for the implementation of a multi-agency policy level group to address off-airport roadway access.

RECOMMENDATION: Adopt Resolution No. 2017-0013, directing staff to continue ADP programmatic planning and environmental analysis, based on the amended preferred alternative identified in this staff report and Board presentation.

Adopt Resolution No. 2017-0021, directing the President/CEO to work with the Board Chair to implement a multi-agency policy level group to address off-airport roadway access.

ACTION: Moved by Board Member Robinson and seconded by Board Member Desmond to approve staff's recommendation. Motion carried by the following Vote: YES – Boling, Desmond, Janney, Kersey, Robinson, Schumacher, Sessom; NO – None; ABSENT – Cox, Gleason (Weighted Vote Points: YES – 79; NO – 0; ABSENT – 21).

NEW BUSINESS:

9. **APPROVE AND ADOPT A MID-YEAR ADJUSTMENT OF THE CAPITAL PROGRAM BUDGET FOR FISCAL YEARS 2017-2021 TO FUND THE TERMINAL 2 WEST FEDERAL INSPECTION SERVICES PROJECT; AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE A DESIGN-BUILD AGREEMENT WITH TURNER-PCL FOR DESIGN AND CONSTRUCTION OF THE TERMINAL 2 WEST FEDERAL INSPECTION SERVICES FACILITY:**
Jeffrey Woodson, VP, Development; and Hampton Brown, Director, Air Service Development provided a presentation on the Approval and Adoption of a Mid-year Adjustment of the Capital Program Budget for Fiscal Years 2017-2021 to fund the Terminal 2 West Federal Inspection Services Project; and Authorize the President/CEO to Execute a Design-Build Agreement with Turner-PCL, a Joint Venture for Design and Construction of Terminal 2 West Federal Inspection Services Project, which included FIS Background and Demand, FIS Scope of

Work, Environmental & Coastal Review Status, Procurement Process and Results, Proposed Schedule/Budget/Finance, and Recommendations.

In response to Chairman Boling regarding the cost of the Federal Inspection Services (FIS) facility project in the Green Build project and why it was removed, Thella Bowens, President/CEO stated that the removal of the FIS project from the Green Build project reduced the Green Build cost by \$78 Million and that in discussions with airlines, their preference was to wait to build the FIS facility, as they did not agree it was an urgent need.

Board Member Schumacher questioned if there is a risk that the seat charge won't be achievable. Scott Brickner, VP, Finance and Asset Management/Treasurer stated that there is a risk and that it would have to be negotiated with the airlines.

Board Member Kersey expressed concern regarding the increase in costs between the Green Build and the current project. In response, Mr. Woodson stated that the Green Build was constructed during a recessionary period and that the expedited construction timeline has affected cost. Ms. Bowens also stated that during the Green Build the construction team was already mobilized.

Board Member Kersey expressed concern with the waiver of Policy 5.02(4)(b)(iii) and suggested an amendment to the motion that the Chair of the Board or the Chair of the Capital Improvement Oversight Committee be included as a secondary signatory to the President/CEO for any change order that results in an increase in the contract price in excess of four percent (4%).

In response to Board Member Sessom regarding what the impact would be if we just say no to additional international flights, Hampton Brown, Director, Air Service Development stated that this is a policy decision but that it transcends the Authority and that it would impact the mission of many other agencies in San Diego as well as cause international flights to go through LAX.

Ms. Bowens stated that international passengers spend more money than domestic passengers in the local community.

PAOLA AVILA, SAN DIEGO, VP of International Business Affairs & Leadership Development for San Diego Regional Chamber of Commerce, spoke in support of the staff's recommendation.

KERRI KAPICH, SAN DIEGO, COO of the San Diego Tourism Authority spoke in support of staff's recommendation.

RICHARD LEDFORD, SAN DIEGO, spoke in support of staff's recommendation.

NATE TURNBELL, SAN DIEGO, VP of Public Policy at CONNECT spoke in support of staff's recommendation.

DEBORAH PORTER, SAN DIEGO, spoke against more flights at the airport and stated that it's not good public policy to waive policy.

MARGO TANGUAY, SAN DIEGO, spoke in support of staff's recommendation.

LILA SCHMIDT, SAN DIEGO, expressed concern with the procurement process and an increase in flights.

Board Member Desmond made a motion to approve staff's recommendation. Board Member Robinson seconded the action.

Board Member Sessom expressed concern regarding the acceleration of the FIS project, its economic impact, and the waiver of Policy 5.02(4)(b)(iii).

Board Member Kersey stated that he wishes this project had been done 6-8 years ago. He stated that he is not completely satisfied with why this project is much more expensive and requested additional information regarding the cost difference in the FIS project included in the Green Build project and the current staff recommendation. He also requested a friendly amendment to the motion to include the Chairman of the Board as a signatory to change orders above 4%.

Board Member Schumacher stated that he is not enthusiastic about the costs but the Authority needs to be able to accommodate international flights.

Board Member Robinson stated that the Board has a fiduciary duty to address the FIS needs.

Chairman Boling stated that the Authority has a responsibility to San Diego County to provide service to where people want to go.

RECOMMENDATION: Adopt Resolution No. 2017-0019, approving and adopting a mid-year adjustment to the Fiscal Year 2017-2021 Capital Program Budget to fund the Terminal 2 West Federal Inspection Services project for a project budget of \$229,474,214.00.

Adopt Resolution No. 2017-0020, approving and authorizing the President/CEO to: 1) negotiate and execute a Design-Build Agreement with Turner-PCL, for design and construction of the Terminal 2 West Federal Inspection Services Facility for a Guaranteed Maximum Price (GMP) not-to-exceed \$186,625,485.00; and 2) negotiate and execute future change orders using uncommitted funds within the project budget of \$229,474,214.00.

ACTION: Moved by Board Member Desmond and seconded by Board Member Robinson to approve staff's recommendation as amended to include the Chairman of the Board as a secondary signatory for any change orders over 4% of the contract value. Motion carried by the following Vote: YES – Boling, Desmond, Janney, Kersey, Robinson, Schumacher; NO – Sessom; ABSENT – Cox, Gleason (Weighted Vote Points: YES – 71; NO – 8; ABSENT – 21).

The Board recessed at 11:07 a.m. and reconvened at 11:20 a.m.

NON-AGENDA PUBLIC COMMENT:

JOHN DADIAN, SANTEE, representing SSP America requested that staff review the recommendations made by SSP America in John Clark's letter to the Authority and requested a response within 30 days.

Board Member Desmond requested a report from staff regarding the SSP America issue.

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

STANDING BOARD COMMITTEES

- **AUDIT COMMITTEE:**
Board Member Robinson reported that the Audit Committee met on February 13, 2017 and forwarded one report to the Board.
- **CAPITAL IMPROVEMENT PROGRAM OVERSIGHT COMMITTEE:** None.
- **EXECUTIVE PERSONNEL AND COMPENSATION COMMITTEE:**
Board Member Desmond reported that the committee met on January 12, 2017 and received a presentation on the results of the 2017 employee health and welfare benefits enrollments. He reported that the Authority saved an estimated \$700,000 due to offering active employees health plans with BlueShield of California. He also reported that an estimated \$138,000 savings was made due to offering eligible retirees a medical advantage health plan with United Healthcare, and the Authority was able to achieve an average cost increase of only 3% over 5 years, well below the reported trend of 7%. He reported that mid-year performance reviews were conducted with the President/CEO, Chief Auditor and General Counsel. He also reported that the next meeting is scheduled for April 13, 2017.
- **FINANCE COMMITTEE:**
Chairman Boling reported that the selection of debt underwriters was forwarded to the Board from the February 21, 2017 meeting and recommended for approval today.

ADVISORY COMMITTEES

- **AUTHORITY ADVISORY COMMITTEE:**
Board Member Robinson reported that a meeting is planned to be scheduled for early May.
- **ART ADVISORY COMMITTEE:** None.

LIAISONS

- **AIRPORT LAND USE COMPATIBILITY PLAN:**
Board Member Janney reported that meetings with the NAS North Island ALUCP community working group will begin next week and brief updates to the format of the NAS North Island ALUCP made by staff and the City of Coronado will be shared.
- **CALTRANS:** None.
- **INTER-GOVERNMENTAL AFFAIRS:**
Mike Kulis, Director, Inter-Governmental Relations reported that staff provided an airport briefing and airfield tour to San Diego City Councilmember Barbara Bry on February 16th and to La Mesa Councilmember Colin Parent on February 22nd, and on February 21st Chairman Boling and staff provided an airport update and tour of the Rental Car Center to Congresswoman Susan Davis. He reported that staff also provided an airport briefing to San Diego Councilmember Georgette Gomez on February 22nd and met with State Senator Toni Atkins on February 24th. He also reported that Board Member Kersey and he participated this week in the San Diego Regional Chamber of Commerce's advocacy trip to Sacramento where discussions were made with several delegation members and Administration officials about airport issues. Lastly he reported that February 17th was the deadline for bills to be introduced in the State Legislature this year.

Board Member Janney requested that staff provide a digest of the aviation subcommittee hearing on PFC's.

Board Member Kersey thanked Mr. Kulis and stated that during the trip to Sacramento, Mr. Kulis spoke with the Governor's senior staff regarding the list of infrastructure projects submitted to the White House and requested that airport projects be considered for the future as there were currently none on the list. Mr. Kulis stated that the Governor's office asked that the Authority provide a list of shovel ready projects and that a follow up letter should be received from the Governor's office.

- **MILITARY AFFAIRS:** None.

- **PORT:**
Chairman Boling reported that the Port Authority and Airport Authority will be working together on transportation and it is a priority for discussion over the next year. She also reported that discussion regarding Custom and Border Protection, sharing of staff and additional staff needs were discussed at the last meeting.
- **WORLD TRADE CENTER:** None.

BOARD REPRESENTATIVES (EXTERNAL)

- **SANDAG TRANSPORTATION COMMITTEE:**
Board Member Robinson reported that he met with SANDAG and Supervisor Roberts and discussed the funding of a study for the placement of a gondola in Seaport Village and the San Diego Airport.

Board Member Desmond suggested that the Authority provide an informational presentation on the ADP off-airport roadway access to the SANDAG Transportation Committee.

CHAIR'S REPORT: Chairman Boling reported that Board Member Gleason has been reappointed for a three year term by the San Diego City Council. She also reported that the FAA hosted a Metroplex workshop on February 2, 2017 in Solana Beach. She reported that aircraft noise continues to be a concern for residents and that the Authority is continuing to work with airline partners and the FAA to address those concerns. She also reported that the next phase of the FAA SoCal Metroplex procedure is scheduled for implementation in early March. She reported that during her briefing with Congresswoman Susan Davis, Ms. Davis expressed concern regarding recent airport demonstrations and that she was briefed on the Rental Car Center, the lack of funding for the Airport Development Plan and updated on the FIS project. She also reported that staff and her attended a Public Private Partnership (P3) conference in Dallas and highly recommended that the Authority attend the next P3 conference specific to airport needs scheduled for July 2017 in San Diego. She reported that on February 9, 2017 she attended the Hotel Motel Association Board meeting where a presentation on the Airport Development Plan, options and opportunities related to funding were discussed.

PRESIDENT/CEO'S REPORT: Thella F. Bowens, President/CEO reported that the Parking Plaza project is on schedule despite rainy weather and that Environmental Affairs and Swinerton are pursuing a Parksmart Certification and if achieved that San Diego Airport (SAN) will be the first airport in the US recognized under the Green Parking Program. She reported that the Samsung Gear S2/S3 Smartwatches are being piloted with the intent to improve response time and promote efficient use of staff by alerting technicians to airport problems. She reported that SAN is the first airport in world to use this technology and if successful it will be implemented in other airports.

PRESENTATIONS:

A. DISCUSSION REGARDING THE PARAMETERS FOR THE FISCAL YEAR 2018 AND FISCAL YEAR 2019 OPERATING BUDGETS:

Scott Brickner, VP, Finance & Asset Management/Treasurer; and John Dillon, Director, Financial Management provided a presentation on the Discussion Regarding the Parameters for the FY 2018 and FY 2019 Operating Budgets which included Strategic Direction, Economic Update, Moody's Report, Budget Considerations, Authority Financial Snapshot, Budget Challenges, Budget Guidelines and Budget Calendar.

Board Member Kersey requested that two items be added to a future Board agenda regarding debt load comparison for airports of similar size, and utilization rates for the airport valet parking.

Board Member Sessom left the meeting at 12:05

Board Member Kersey left the meeting at 12:07 p.m.

Board Member Desmond expressed concern with the effect TNC's might have on Rental Car Center revenues.

CONSENT AGENDA (Items 1-7):

ACTION: Moved by Board Member Robinson and seconded by Board Member Janney to approve the Consent Agenda. Motion carried by the following Vote: YES – Boling, Desmond, Janney, Robinson, Schumacher; NO – None; ABSENT – Cox, Gleason, Kersey, Sessom (Weighted Vote Points: YES – 58; NO – 0; ABSENT – 42).

1. APPROVAL OF MINUTES:

RECOMMENDATION: Approve the minutes of the February 2, 2017 regular meeting. .

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

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

3. AWARDED CONTRACTS, APPROVED CHANGE ORDERS FROM JANUARY 9, 2017 THROUGH FEBRUARY 5, 2017 AND REAL PROPERTY AGREEMENTS GRANTED AND ACCEPTED FROM JANUARY 9, 2017 THROUGH FEBRUARY 5, 2017:

RECOMMENDATION: Receive the report.

4. MARCH 2017 LEGISLATIVE REPORT:

RECOMMENDATION: Adopt Resolution No. 2017-0015, approving the March 2017 Legislative Report.

CLAIMS

5. REJECT THE CLAIM OF JO-ANN MONTGOMERY:

RECOMMENDATION: Adopt Resolution No. 2017-0016, rejecting the claim of Jo-Ann Montgomery.

COMMITTEE RECOMMENDATIONS

6. SELECTION OF DEBT UNDERWRITERS FOR THE CAPITAL PROGRAM:

RECOMMENDATION: Adopt Resolution No. 2017-0017, approving the selection of debt underwriters for the Capital Program.

CONTRACTS AND AGREEMENTS

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

7. APPROVE AND AUTHORIZE THE PRESIDENT/CEO TO EXECUTE ON-CALL ELECTRICAL SERVICE AGREEMENTS WITH BAKER ELECTRIC, INC.; CHULA VISTA ELECTRIC CO.; GLOBAL POWER GROUP, INC.; M&K GENERAL CONTRACTORS, INC.; AND, NEAL ELECTRIC, INC.:

RECOMMENDATION: Adopt Resolution No. 2017-0018, approving and authorizing the President/CEO to execute on-call electrical service agreements with Baker Electric, Inc.; Chula Vista Electric Co.; Global Power Group, Inc.; M&K General Contractors, Inc.; and, Neal Electric, Inc., – each agreement, for a term of three years, with the option for two one-year extensions exercisable at the discretion of the President/CEO, for an aggregate total not-to-exceed amount of \$5,000,000 to provide on-call electrical services for San Diego International Airport's ("SDIA's") Capital Major Maintenance Program.

PUBLIC HEARINGS: None.

CLOSED SESSION: The Board recessed into Closed Session at 12:12 p.m. to discuss Items 18 and 20.

10. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code §54956.9(a))
GGTW LLC v San Diego County Regional Airport Authority, et al.
San Diego Superior Court Case No. 37-2016-00032646-CU-BC-CTL

11. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION:

(Cal. Gov. Code §54956.9(a))
San Diego County Regional Airport Authority v. American Car Rental, Inc.
San Diego Superior Court Case No. 37-2016-00024056-CL-BC-CTL

- 12. 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-EINC
- 13. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(d)(2))
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
- 14. CONFERENCE WITH REAL PROPERTY NEGOTIATORS AND WITH LEGAL
COUNSEL – ANTICIPATED LITIGATION:**
(Gov. Code §§54956.9(d)(e)(1) and 54954.5(b))
Property: Concession leases (food & beverage) with Host, High Flying Foods and SSP
Agency Negotiator: Scott Brickner, Kathy Kiefer and Eric Podnieks
Negotiating Parties: Host, High Flying Foods San Diego Partnership, SSP
America, Inc. and Stellar Partners, Inc.
Under negotiation: rent (price and terms of payment), closure/conversion of
locations, new concession buildout, ACDBE participation, lease compliance
issues, claim by Host and close outs/permits.
- 15. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to cal. Gov. Code §54956.9(e)(3))
The Receipt of a Government Claim from VIP Taxi Inc.
- 16. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code section
54956.9(e)(3))
The Receipt of a Government Claim from K.S.A.N. L.L.C.
- 17. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
(Significant exposure to litigation pursuant to Cal. Gov. Code §§ 54956.9(d)(2))
Re: Navy Boat Channel
Number of potential cases: 1
- 18. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION:**
Significant exposure to litigation pursuant to paragraph (2) of subdivision
(d) of Section 54956.9
Number of potential cases: 2
- 19. CONFERENCE WITH LEGAL COUNSEL –ANTICIPATED LITIGATION**
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of
Section 54956.9: 1 case
In re Seaport Airlines, Inc.
U.S. Bankruptcy Court Case No. 16-30406-rld7

20. PUBLIC EMPLOYEE APPOINTMENT:

Cal. Gov. Code §54957

Title: President/Chief Executive Officer

REPORT ON CLOSED SESSION: The Board adjourned from Closed Session at 12:55 p.m. There was no reportable action.

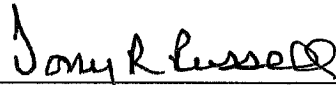
GENERAL COUNSEL REPORT: None.

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

BOARD COMMENT: None.

ADJOURNMENT: The meeting was adjourned at 12:55 p.m.

APPROVED BY A MOTION OF THE SAN DIEGO COUNTY REGIONAL AIRPORT AUTHORITY BOARD THIS 6th DAY OF APRIL, 2017.



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

APPROVED AS TO FORM:



AMY GONZALEZ
GENERAL COUNSEL