



ASSOCIATION OF CALIFORNIA AIRPORTS

BOARD MEETING MINUTES
Zoom Meeting
11:00 am, Wednesday, March 10, 2021

BOARD MEMBERS PRESENT:

Rayvon Williams, President
Brendan O'Reilly, Past President
Andy Swanson, Vice President
Mary Hansen, Secretary/Treasurer
Jeff Crechriou, Board Director
Cody Roggatz, Board Director
Ashley Whitmore, Board Director
Kevin Edwards, Board Director
Richard Smith, Board Director
Benny Stuth, Board Director
Charlie Broadbent, Board Director
Sarah Lujan, Board Director
Carol Ford, Board Director
John Pfeifer, Board Director
Gary Gosliga, Board Director
Justin Castagna, Board Director
Kelly Moulton, Board Director

BOARD MEMBERS ABSENT:

None

Guests:

Mark Bautista, Member
Melissa McCaffrey, Member
Gill Wright, Member
Doug McNeeley, Member

The meeting was called to order at 11:03 am by President Rayvon Williams.

Confirmation of Quartum

A quorum was confirmed.

Approval of Agenda

Andy Swanson had received a letter related to City of Escondido and flights over the city and asked to have a few minutes to discuss at the end of the regular meeting. A motion to approve the minutes was made by Richard Smith and seconded by Charlie Broadbent. The agenda was approved.

Approval of Minutes

There were a few corrections to the minutes of February 10, 2021. On page 2, under Legislative Committee, change "unable" to "able"; on page 2, Leadership Development Committee, correct name spelling from "Shan" to "Sean"; and page 3, first sentence, change "approved" to "approval." fA motion to approve the minutes as corrected was made by John Pfeifer and seconded by Charlie Broadbent.. The minutes were approved.

Treasurer's Report

The ACA regular account has a balance of \$29,686 and the Aviation Day account balance is \$14,603. The total ACA is \$44,289.

Reports

b. 2020 Conference/Webinar Committee

Benny went over an email he had generated prior to the meeting that provided options for the Board to consider. The conference format will be discussed in April as the health orders have been changing quicker than expected. However, there is still concern about who can and cannot travel as each city/county area has varying requirements. The email text is at the end of these minutes and made a part.

c. Legislative Update

The legislative report is at the end of these minutes and made a part. John and Carol went over some of the area of interest, including the fuel tax revenue policy and California is still in noncompliance with the Federal Aviation Administration.

d. Emerging Technologies Committee

The committee continues to work on a podcast covering UAM updates and activities in the industry. They are unable to get the speaker from Joby for the first podcast, so the intent is to do an overall "what is happening in communities" session. Gill will provide an update at the next Board meeting.

e. Leadership Development Committee

With the retirement of Gary Engel, Gary Gosliga has stepped in to assist the committee. The committee is working on how it can link the tool box to other areas as possibly link in with other podcasts to continue to grow the tool box.

Unfinished Business

a. Discuss ACA Board meeting day/time

Rayvon had sent out a poll for the Board members to select the best day/time for Board meetings. Although, the 3 pm time period seemed to meet everyone's schedules, a suggestion to keep the same day at 11:30 was proposed and the Board agreed.

b. Webinar/Podcast Plan

The podcast plan is starting to come together with at least four (4) in the planning process that will cover regulations, leadership development (tool box), emerging technologies, and legislative.

A motion was made by Cody Roggatz and seconded by Richard Smith to enter into a contract with Resonate for a series of podcast for one year. The motion was approved.

New Business

a. Discussion of District 6 Board Director Appointment Procedure

Information has been previously sent to the Board related to the open district position that was recently vacated by Dave Decoteau. Although the current Bylaws gives the President the authority to appoint the director and have the full Board confirm the appointment, there are two individuals that meet the qualifications and are interested in the position. It was therefore determined to do a Special Election by the board for the selection.

The election is scheduled to begin at 4pm, Wednesday, March 10, 2021, and end at 4 pm, Thursday, March 11, 2021. Each Board member will get a ballot link in their email to complete their selection and submit.

At the February 2021 meeting, Gretchen Kelly was invited to the Board meeting as a potential candidate. Doug McNeeley, the second candidate, was invited to this meeting and was given a few minutes to describe his qualifications and interest.

b. Letter to Airports from the City of Escalon

Andy Swanson has asked to add the discussion of a letter he received from the City of Escolan. A few others had also received it, but not all, and Rayvon agreed to send a copy to the Board. The letter will be discussed at the next meeting in April.

Announcements

There were no announcements other than to remind the Board that there would be a product demonstration in April on the Tradewing software platform. The next meeting is scheduled for Wednesday, April 14, 2021. The meeting was adjourned at approximately 12:10 pm.

Submitted by

Mary A. Hansen
Secretary

Approved: _____

Date: _____

Email Text Related to Conference Status from Andy Swanson

Since the last meeting I had been looking into the viability of being able to hold the ACA Conference in person this September. And, if you had asked me the day after last months Board meeting I would have told you it wasn't going to happen given the states current prohibition on large gatherings. However, as it turns out in this highly fluid situation, there might be a glimmer of hope which we will be discussing today.

The CDC recently published new rules that allow for gatherings of people assuming they are vaccinated against Covid 19. Given this new rule, the question came up, could we hold the conference in person this year provided we require attendees to have been vaccinated. Or, could we do a hybrid assuming we put in place an action plan to prevent the transmission and spread of Covid 19.

To facilitate, I had some high level discussion with our local Pub Health Office to see what the likelihood would be. Also, this assumes everyone will have permission to travel outside their respective areas for work purposes, (As some of us are currently prohibited from doing) and the state has ether relaxed restrictions, or we have buy in from the Public Health office in Tahoe.

We have three potential options.

Option 1: No Conference/Online Mtg Only

Option 2: Hybrid w/Plan

Option 3: Require Vaccination for Attendance

Option 1 above is self explanatory. It would mirror what was done last year and would rely on the podcasts to continue to get value out to our membership.

Option 2 would allow for an in person conference provided attendees are either vaccinated or have a recent negative covid test. We would still have to have a plan for social distancing, reduce the number of attendees, and require mask usage at a minimum. We would also potentially have to consider making the conference self containing by requiring attendees stay on site and have all meals provided at the conference.

Option 3, as indicated by my local public health office, is most likely the likeliest option to get public health buy off. It would allow the conference to continue while requiring all attendees to have been vaccinated and provide proof of that vaccination. This option also would not require social distancing at the conference, but would likely still require mask usage.

As a caveat, the public health office did say that the state still has a prohibition on large gathering even with the new CDC guidance out. However, they did say the situation is extremely fluid and that they are currently considering a change in rules given the availability of the vaccine.

Given this, I think it may be prudent to hold off making a decision holding the conference until sometime in April. I think it would also be beneficial in that time to engage with state and local health officials to inquire about our options given the later September date of out conference as well as ask our membership if they would even be able to attend if we are able to provide an in person event.

California Legislation: The Legislature convened the 2021-2022 session on December 7 for organizational meetings and then adjourned until January 11.

The only issue of airports concerns that we are aware of at this time involve **AB 1486** regarding the use of surplus land (Surplus Land Act). AB 1486 passed in 2019 and took effect January 1, 2020. The bill expands existing surplus land requirements for local agencies and requires local government agencies to include requirements for surplus lands in their local housing elements.

- The California Department of Housing and Community Development issued draft guidelines for implementation of AB 1486 and requested comments by December 31.
- The guidelines include requirements for disposal and leasing of surplus lands. The guidelines are 31 pages and draft code changes an additional 30 pages.
- In a letter dated December 4, 2020, fourteen (14) agencies jointly objected to the draft guidelines, based on multiple concerns.
- In a letter dated December 7, the City of San Diego provided 14 pages of comments and requested revisions to the draft.
- Some airports have expressed concern that the SLA might impact airport lease requirements. This concern may have some validity if an airport declares land surplus to airport needs. However, many factors would need to be considered in each specific case. As examples: what is the designation of the property on the approved airport layout plan? Is the land federally obligated by grant or federal surplus property restrictions? Would the lease be revenue producing for the airport? If it is revenue producing, why declare it surplus?
- ACA, and SWAAAE, may want to survey members to determine how much concern there is over this issue. If it becomes a major concern to airports, then seeking a legal opinion would be advised.

No new information.

Bills

- **AB 538 (Muratsuchi): California Aerospace Commission: establishment:** This bill is a reintroduction of AB 427 reported in 2018 and AB 245 reported in 2019. The bill would establish a California Aerospace Commission to foster the development of aerospace activities and industry in the state. The original bill only included aerospace activities. ACA and other aviation organizations worked successfully with the author to have aviation included in the bill. The bill passed but was vetoed by the Governor, who stated that the goals of the bill can be handled under current law by the Governor's Office of Business and Economic Development. The bill was reintroduced in the 2019-2020 session as AB 245 and died in committee. Legislative Committee recommends a neutral position.

- **SB 9: Housing development: approvals (Atkins with six co-authors) and SB 10: Planning and zoning: housing development: density (Atkins with three co-authors):** These bills are the return of SB 902 and SB 1120 from the 2019-2020 session. Those bills died in committee on the last day of session. They are part of the Senate's complex package of bills aimed at addressing California's housing shortage. ACA analyzed the bills last year, thought there was little or no impact on airports, and recommended that rather than oppose a crusade for affordable housing we should stay neutral. We continue in that opinion, especially since some of the co-authors are airports and aviation supporters.

FAA Fuel Tax Revenue Policy

Three years have passed since the deadline for state compliance with the FAA policy and the state remains in non-compliance. In a personal conversation during the 2020 California Aerospace and Aviation Days in February 2020 a FAA official stated that the agency would be taking legal action "soon" to bring California into compliance. As of now, no official action has been reported. The FAA had previously expressed concern of the Local Airport Loan Account as there was no repayment schedule. However, no action has been taken to date.

No new information.

State Airports Funding

It is expected that the 2021-2022 state airports funding will be similar to recent years, with full funding of the general aviation airport annual credits, partial funding of AIP matching grant requests, and little or no funds for Acquisition and Development grants.

No new information.

California Aerospace and Aviation Days

It is unlikely that ACA will sponsor California Aerospace and Aviation Days in Spring of 2021. With less than two months to the normal event timing, it would be unrealistic to try to organize the event. The Capitol grounds were off limits to individuals and groups as of last week. The Board of Directors is still discussing the possibility of moving the event to the Fall.

No new information.

Cares Act as of December 31, 2020

- The Federal Aviation Administration (FAA) announced the establishment of the "Airport Coronavirus Response Grant Program"
- "Airport Coronavirus Response Grant Program" will distribute \$2 billion in funds that Congress approved as part of the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA)
- **Commercial Service Airports:** Of the \$2 billion, \$1.75 billion would be reserved for commercial service and certain cargo airports. Airports would be allowed to use funds for "costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the threat of pathogens at the airport, and debt service payments."
- Funds would be distributed based on a modified AIP apportionment run. The cargo set-aside would remain intact, and there would be no maximum grant amount or PFC turnback. It would preserve doubled entitlements and retain the \$1 million minimum entitlement for smaller primary airports. Remaining funds – to the extent there are any -- would be distributed based on enplanements.

- **General Aviation Airports:** The bill includes up to \$45 million for nonprimary commercial service and general aviation airports. Of that amount, \$5 million would be divided equally among nonprimary airports that participate in the contract tower program to cover lawful expenses to support operations.
- **Concessionaires:** The measure provides \$200 million to primary airports based on enplanements “to provide relief from rents and minimum annual guarantees to on-airport car rental, on-airport parking, and in-terminal airport concessions.” Airports would be required to provide relief from the date of enactment until the sponsor has provided an amount equal to the grant amount “to the extent practicable and to the extent permissible under state laws, local laws, and applicable trust indentures.” The measure calls for airports to provide relief “to each eligible airport concession in an amount that reflects each eligible airport concession’s proportional share of the total amount of the rent and minimum annual guarantees of all the eligible airport concessions at such airport.”

The bill requires airports to “prioritize relief from rent and minimum annual guarantees to minority-owned business.” Only airport concessionaires that have certified they have not received a “second draw or assistance for a covered loan” under the Payroll Protection Program that has been applied toward rent or MAGs is eligible for relief. Additionally, concessionaires that received airport assistance are prohibited from applying for a covered PPP loan for rent or MAG costs. Airports would be allowed to keep up to two percent of these funds to administer the relief.

- **Federal Share:** Like the CARES Act, grants under this new proposal would not require a local match.
- **Eligibility:** Any airport that received more than four years of operating expenses under the CARES Act would be ineligible for these funds.
- **Workforce Retention:** The bill requires all airports except for nonhub or nonprimary airports that receive funding to “continue to employ, through February 15, 2021, at least 90 percent of the number of individuals employed (after making adjustments for retirements or voluntary employee separations) by the airport as of March 27, 2020.” Similar to the CARES Act, the workforce retention requirement may be waived by the Secretary of Transportation if a determination is made that the airport is “experiencing economic hardship as a direct result of the requirement, or the requirement reduces aviation safety or security.”

Top Stories for Monday, March 8, 2021

Airport Funds Remain In Coronavirus Relief Bill



After working through the night of March 5, the Senate passed the American Rescue Plan – a \$1.9 trillion coronavirus relief package that retains \$8 billion for airports and concessionaires.

Before passing the measure on a party-line vote, lawmakers rejected a long list of Republican amendments but did not vote on proposals to cut or eliminate airport funding.

The revised American Rescue Plan will now go back to the House where that chamber is expected to approve the Senate-passed measure. After the House finishes its work, Democratic leaders intend to send the coronavirus relief package to President Biden so he can sign it into law by March 14, when unemployment benefits are set to expire.

Aviation provisions in the American Rescue Plan include:

- \$8 billion to help airports and concessionaires “prevent, prepare for, and respond to coronavirus.”
- Of that \$8 billion, \$6.492 billion would be reserved for primary airports and certain cargo airports to use for “costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments.” The federal share would be 100 percent.
- The bill includes \$100 million for nonprimary commercial service and general aviation airports with a 100 percent federal share.
- The measure provides primary airports \$800 million “to provide relief from rents and minimum annual guarantees to airport concessions.” Of that amount, \$640 million would be reserved for “small” airport concessions and \$160 million for “large” airport concessions.