



ASSOCIATION OF CALIFORNIA AIRPORTS

BOARD MEETING MINUTES
Conference Call Meeting
11:00 am, Wednesday, January 13, 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
David Decoteau, Board Director
Sarah Lujan, Board Director
Carol Ford, Board Director
John Pfeifer, Board Director
Gary Gosliga, Board Director
Kelly Moulton, Board Director

Guests:

Melissa McCaffrey, Member
Gill Wright, Member
Mark Bautista, Member
Kevin Edwards, Member

BOARD MEMBERS ABSENT:

Benny Stuth, Board Director
Richard Smith, Board Director
Justin Castagna, Board Director
Charlie Broadbent, Board Director

The meeting was called to order at 11:05 am by President Rayvon Williams. The meeting was held by Zoom. Rayvon introduced Kevin Edwards, Nevada County Airport Manager. With the retirement of Gary Engel, District 1, the Board has an opening and Kevin is interested in taking it on.

Confirmation of Quorum

A quorum was confirmed.

Approval of Agenda

Carol Ford asked to update the Board related to the PAC. The discussion was added under reports. There were no other changes to the agenda. The agenda was approved by unanimous consent.

Approval of Minutes

There were no corrections or changes to the minutes of November 4, 2020. The minutes were approved by unanimous consent.

Treasurer's Report

The ACA regular account has a balance of \$29,716. Aviation Day account balance is \$14,603. The total ACA is \$44,319.

Reports

- a. PAC (Political Action Committee jointly with CalPilots)
Carol reported that the ACA open seats for the PAC have now been filled. Sarah Lujan will take over for Rayvon. Mark Bautista had previously agreed.
- b. 2020 Conference/Webinar Committee
There were no updates at this time. Benny was unable to participate in the meeting. Also no additional info on the podcasts. Rayvon will connect with Benny to see what he has put together to date or look to get others involved, if needed. A lot of information has been collected and ideas generated.
- c. Legislative Update
The legislative report follows these minutes. John reported that there would not be an Aviation Day at this time as there is no access to the capitol and virtual is still the only means of communication. Melissa, Rayvon, and Ross will continue to discuss ideas on how to move forward.
- d. Emerging Technologies Committee
Gill provided a brief industry update. UAM is moving fast. It was suggested that information be developed to help airports understand what they need to do to be prepared at their airports. Rayvon provided an example at his airport where they are looking at being ready for the electric aircraft and what infrastructure he needs.
- e. Leadership Development Committee
With Gary's retirement, a new person will be needed to take on this committee and continue where Gary left off. He has a great start and will continue to assist others.

Unfinished Business

- a. There were no updates related to the webinar and podcast plans. Rayvon will get together with Benny and provide an update separately.

New Business

- a. None

Announcements

There were no announcements. The next meeting is scheduled for Wednesday, February 10, 2021. The meeting was adjourned at approximately 11:55 am.

Submitted by

Mary A. Hansen
Secretary

Approved: _____

Date: _____

Legislative Update - January 13, 2021

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.

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.

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.

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.

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."