



# ASSOCIATION OF CALIFORNIA AIRPORTS

BOARD MEETING MINUTES  
Zoom Meeting  
11:30 am, Wednesday, April 14, 2021

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## BOARD MEMBERS PRESENT:

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  
Sarah Lujan, Board Director  
Carol Ford, Board Director  
Charlie Broadbent, Board Director  
John Pfeifer, Board Director  
Gary Gosliga, Board Director  
Doug McNeeley, Board Director  
Kelly Moulton, Board Director

## BOARD MEMBERS ABSENT:

Justin Castagna, Board Director  
Rayvon Williams, President

## Guests:

Mark Bautista, Member  
Melissa McCaffrey, Member  
Gill Wright, Member  
Chris Hastert, Member  
Jared Knowles, Tradewing

The meeting was called to order at 11:32 am by Vice President Andy Swanson. President Rayvon Williams was unable to join the meeting. Andy introduced Chris Hastert, General Manager, Santa Maria Public Airport District. Chris is interested in joining the Board to represent District 7 that is being vacated by Richard Smith.

## Confirmation of Quorum

A quorum was confirmed.

## Approval of Agenda

*There were no changes to the agenda. Carol Ford made a motion to approve the agenda. Ashley Whitmore seconded. The motion was approved.*

### Approval of Minutes

*There were no changes to the minutes. A motion was made by Doug McNeeley to approve the minutes of March 10, 2021. John Pfeifer seconded the motion. The motion was approved.*

### Treasurer's Report

The ACA regular account has a balance of \$29,386 and the Aviation Day account balance is \$14,603. The total ACA is \$43,989.

### Unfinished Business

a. ACA Annual Conference 2021 Discussion

There were a number of comments concerning the 2021 conference. The intent of this meeting was to determine the direction for the Board with three options: (1) No Conference, (2) go virtual, or (3) hybrid. After hearing both reasons for and against, there was no deciding vote. Benny did indicate that the hotel needs to know by July 15. With that understanding, many did not want to make a firm decision. Many were in favor of doing a hybrid.

b. Webinar/Podcast Plan Update

Ashley reviewed the podcasts that about completed. She continues to work with Resonate to finalize each podcast.

### New Business

a. District 7 Board Director Resignation & Discussion

Richard Smith, ACA Board Director, District 7, had submitted his resignation earlier and took a few minutes to talk to the Board. His new position will not be in airports, so he is stepping down. Rayvon is considering a number of members in District 7 that may have interest in the position, along with Chris Hastert that joined this meeting.

### Product Demonstration - Tradewing

Jared Knowles, representing Tradewing, gave the Board an online presentation of a business platform that could assist the association in connecting with its members. The Board will take this under consideration. Mary Hansen and Ashley Whitmore have been looking into the program to see if it would benefit ACA.

Announcements

There were no announcements. The next meeting is scheduled for Wednesday, May 12, 2021. The meeting was adjourned at approximately 12:59 pm.

Submitted by

Mary A. Hansen  
Secretary

Approved: \_\_\_\_\_

Date: \_\_\_\_\_

## Legislative Update - April 14, 2021

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

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. *The bill has been referred to the Assembly Committee on Jobs, Economic Development & The Economy. No hearing date set as of April 12.*

- **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. *SB 9 has been referred to the Senate Committees on Housing, Governance & Finance, and Environmental Quality. It was re-referred to the Committee on Environmental Quality only because of limitations placed on hearings due to health and safety risks. Hearing set for April 15. AB 10 referred to the same committees. It passed the Committee on Housing on March 18 and is now in Governance and Finance. No hearing date set as of April 12.*

#### 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.”