

SAN FRANCISCO AIRPORT COMMISSION



MINUTES

May 17, 2016

9:00 A.M.

**Room 400 - City Hall
#1 Dr. Carlton B. Goodlett Place
(400 Van Ness Avenue)
City and County of San Francisco**

EDWIN M. LEE, MAYOR

COMMISSIONERS

LARRY MAZZOLA

President

LINDA S. CRAYTON

Vice President

ELEANOR JOHNS

RICHARD J. GUGGENHIME

PETER A. STERN

JOHN L. MARTIN

Airport Director

**SAN FRANCISCO INTERNATIONAL AIRPORT
SAN FRANCISCO, CALIFORNIA 94128**

Minutes of the Airport Commission Meeting of
May 17, 2016

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AIRPORT COMMISSION MEETING MINUTES
May 17, 2016

A. CALL TO ORDER:

The regular meeting of the Airport Commission was called to order at 9:00 AM in Room 400, City Hall, San Francisco, CA.

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B. ROLL CALL:

Present: Hon. Larry Mazzola, President
Hon. Linda S. Crayton, Vice President
Hon. Eleanor Johns
Hon. Richard J. Guggenlime
Hon. Peter A. Stern

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C. ADOPTION OF MINUTES:

The minutes of the regular meeting of May 3, 2016 were adopted unanimously.

No. 16-0138

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D. ITEMS INITIATED BY COMMISSIONERS:

There were no items initiated by Commissioners.

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E. ITEMS RELATING TO ADMINISTRATION, OPERATIONS & MAINTENANCE:

Item No. 1 was moved by Commissioner Crayton and seconded by Commissioner Guggenlime. The vote to approve was unanimous.

1. Authorization to Accept Proposals for the Terminal 3 Retail Marketplace Lease

No. 16-0139	Resolution approving the revised lease specifications and proposal requirements, and authorizing staff to accept proposals for the Terminal 3 Retail Marketplace lease.
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Ms. Cheryl Nashir, Revenue Development and Management, said in February you granted authorization to issue an RFP for the Terminal 3, Boarding Area F Retail Marketplace lease. I'm here today seeking authorization to accept proposals for this lease. The premises will be approximately 5,200 square feet. Our vision for this business opportunity is the new interpretation of the newsstand. The Napa Farms market concept in Terminal 2 has been met with such enthusiasm and we wanted to challenge the industry to develop something similar and just as enticing on the retail side. Today the space is a newsstand, a clothing store, a sunglass store, and an accessories store. We're requiring a minimum of four concepts or distinct product zones within this retail marketplace that reflects the Bay Area and

of course, we are strongly encouraging small and local business in this proposal. An informational conference was held and feedback collected on our RFP and our lease documents. Three questions, which are contained in your memorandum, that were brought up during this collection of feedback are:

1) Can one of those distinct product zones for candy be prohibited as a category for one of those distinct product zones?

The recommendation is to allow candy to be permitted. There is candy in the Terminal and in the area of this newsstand but it's a product line that sells really well for us and there's so much differentiation ... it could be artisan candy, bulk candy, etc. It could be quite different than what we already have

2) Could one of the distinct product zones be for wine?

We recommend against this. We see a large presentation of wine more appropriate in a wine bar or a food and beverage marketplace. There will be a smaller presentation of wine allowed in this space but we didn't want 25% of the space or an entire product zone dedicated to it

3) Will the airport consider lowering the minimum annual guarantee or the minimum bid amount from \$1.5 million?

We recommend lowering it from \$1.5 million to \$1,350,000 based on a lot of feedback from the industry and in reflection of the base building renovation we have coming along in Terminal 3. We don't know exactly how it will affect the marketplace while construction is underway. Current rent earned in the space is \$930,000.

Commissioner Crayton ... wonderful proposal. You said you don't want it completely wine but you also said that they might include wine within a store. Many people travel and they want to get very good wine and have it packed for shipping or take it on the plane. What was your rationale regarding wine?

Ms. Nashir ... we are allowing up to 65 square feet for wine and we feel that's still a pretty good amount. We also have a wine store further down the hall in Terminal 3 and we will probably eventually have a food and beverage marketplace in Terminal 3 not far from this retail marketplace, something like a Napa Farms that may well include a wine bar with a large selection of wines.

Commissioner Guggenhime ... are you talking about open or closed ?

Ms. Nashir ... closed bottles for retail.

Mr. John Martin, Airport Director ... if we were to allow a large wine component here I would be very concerned about the viability of the existing wine store that's just two gates away from this location. Rilla Ginsberg has a wine bar where she sells large numbers of bottles of wine.

Commissioner Crayton ... I didn't know. That's justified. I'm assuming all of these are high end stores and there's nowhere else they can get a newspaper?

Ms. Nashir ... among those four boutiques within this retail marketplace we fully expect one of them will carry newsstand merchandise. That's a really important product line for us.

Commissioner Crayton ... don't we already have such a store.

Ms. Nashir ... we have two other newsstands out in Terminal 3 beyond this retail marketplace, but today we have three newsstands in the same area. This type of product can be replicated every four or five gates, it's that popular.

Commissioner Guggenhime ... if somebody wanted to sell high end wines from Spain, Italy, Portugal, California, you're saying there is a store in which you can buy high end wines in the Terminal?

Ms. Nashir ... It's called SF UnCork'd. It's a wine bar but it also has a very large selection of retail bottles for sale.

Commissioner Guggenhime ... of high end wines? I happen to think that if you have the opportunity to buy really top notch, high end wines that's a big draw.

Mr. Martin ... If you want a good \$150 bottle of wine, you can find it there.

Commissioner Johns ... I'm getting that this is a smaller marketplace. You're applying limits because of the other retail spaces nearby. You don't want duplication.

Ms. Nashir ... it's actually a large space at 1,500 to 2,000 square feet, but you're right, there are plenty of other stores in the area, so we're limiting the produce line. You can't have a big selection of electronics because we've got that nearby. Likewise with the wine, a spa or a bookstore because we've got those covered.

Commissioner Johns ... you don't want duplication within the area.

Ms. Nashir ... correct. We'll be renovating in Terminal 3, piece by piece, as you know. Next up is the Plaza which is just past the security checkpoint, the T3 West Gates and the connector that goes out to the Hub, so there will likely be some concession space added to the connector and that's an area that passengers will pass before they get to this retail marketplace. Because we're just starting that process we don't know yet how much square footage we will have for concessions in the connector so we're kind of uncertain of the impact it might have downstream in Terminal 3.

Commissioner Johns ... is this marketplace a long term lease?

Ms. Nashir ... it's a seven year lease and it's arguably the best real estate we have in Terminal 3. It's a fantastic space and it's a big investment.

Commissioner Crayton ... you get off the plane and it's American?

Ms. Nashir ... it's United.

Commissioner Crayton ... and you're going to immediately run into this retail space?

Ms. Nashir ... it depends on the gate. This is in the Hub across from the food court. Today, there's a Mango store (women's clothing) in that location.

Commissioner Crayton ... I'm concerned about the traffic flow. It seems like you have to walk through something in order to get there. Is there something there now that's going to be removed? If it's a high end store there's going to be lots of traffic.

Ms. Nashir ... yes, there's plenty of traffic out there. It's probably our best real estate in Terminal 3, if not on the airport. It's United, our busiest Terminal. So, when you come through the United checkpoint you can peel off to Boarding Area E, but the majority of the passengers are walking out that long connector with the moving sidewalks to the United gates and past this space.

Item No. 2 was moved by Commissioner Crayton and seconded by Commissioner Guggenlime. The vote to approve was unanimous.

2. Reject All Proposals for Contract No. 50000R - Develop a Zero Waste Waste Management Plan for the Airport

No. 16-0140 Resolution authorizing the Director to reject all proposals for Contract No. 50000R, to develop a zero waste management plan for the Airport.

Ms. Julian Potter, Chief, Administration & Policy Officer ... we're asking that you reject all proposals submitted in response to the RFP to develop a Zero Waste Management plan. This is the second time that we've asked you to reject the proposals. The first time we only received one proposal. So, staff rewrote the scope of work, they met with the Department of the Environment, they did outreach and we received four proposals. We were pleased. When the panel, which consisted of the Department of the Environment and SFO staff, evaluated the proposals, there was one that ranked very high, and we sat down and to negotiate. In those conversations, trying to pull the cost down to the second ranked proposer, we realized that it was not feasible. With the budget and fees that this firm was charging, we were unable to reach an agreement that we felt would provide the Airport with what we needed. But in this process, and having met with the Department of the Environment, we decided to put together an in-house team. We realized that we have the expertise. We are going to assure you reach the Mayor's goal of getting to zero waste by 2020 but we've decided to do it in-house. Given our unique terminal needs and all the different partners we're going to have to meet with, it's really something that we want Airport Staff to do so we will not be awarding this bid.

This is different from the waste hauling contract. That's a separate contract that's been in front of you over the last several months. That contract was also reissued

and I'm happy to say we received several bids and we'll be back on June 7th to award it. That contract moves the garbage off the property.

Commissioner Johns ... you're saying the project approach changed .

Ms. Potter ... yes. It changed in that we decided that the outside consultants couldn't provide enough.

Commissioner Johns ... what do you mean when you say we're going to do it in-house?

Ms. Potter ... it might be a Reaching for Number 1 team. We'll put together teams from across all the disciplines at the Airport. We'll pull together custodians, airline people, marketing people, communications people and develop a plan to reduce our waste stream. We believe that we can do this in-house. It's not technical or scientific.

Commissioner Johns ... we were looking for someone to put together the plan, not to do the work.

Commissioner Mazzola ... how long will it take your team to come up with a plan?

Ms. Potter ... we can get the plan done in six to eight months. Erin Cook, our Sustainability Director started this week and she will be leading this effort.

Mr. Martin ... said I'm really happy with this direction because it saves us a lot of money and then staff takes full ownership of coming up with the plan and delivering it. I'm always one to prefer work be done in-house rather than hiring consultants. Especially with the new person that was just hired.

Commissioner Guggenhime ... this was just a plan.

Commissioner Crayton ... What took so long for everyone to decide that you had the capability and the intelligence in-house to put together the plan?

Ms. Potter ... I think it was revealed through the process. You always think you can hire outside expertise and consultants that are going to know more, that they will bring something to the table. What we realized in reviewing these plans and working with the Department of the Environment was that SFO is actually a leader in the environment. Right now we recycle 80%.

Commissioner Crayton ... what will the Sustainability Director do? Is that person going to oversee the project with the principles that you guys have put together?

Ms. Potter ... yes. The Sustainability Director is a new position at the Airport. All of our environmental initiatives are in different divisions. This person will pull together people from different divisions and set up these types of teams to do our implementation. She was the former Sustainability Director for the City of Cupertino and she worked with Public Works, the Department of Planning and the Department of Health to put together different projects. She is experienced.

Commissioner Crayton ... the City doesn't have a Sustainability Director or an Environmental Director with those skills?

Ms. Potter ... we have an entire department, about a 100 people, and those people were pulled in to sit on this panel. They too suggest that we do it in-house.

Commissioner Johns ... whatever plan this in-house group comes up with, I hope they will keep the requirements in mind that they need to address and think down the line to our end result.

Ms. Potter ... we will. They would be on our team. We would also have input from our hauler.

Item No. 3 was moved by Commissioner Crayton and seconded by Commissioner Johns. The vote to approve was unanimous.

3. Bid Call - Contract No. 9330 - Construction Services for the Museum Video Screening Room Project

No. 16-0141 Resolution approving the scope, budget, and schedule for Contract No. 9330, Construction Services for the Museum Video Screening Room Project, and authorizing the Director to call for bids.

Mr. Blake Summers, Director and Chief Curator, SFO Museums ... this item seeks approval for the scope, budget, and schedule of Contract 9330, the construction services for the Fly and Explore Video Arts Program. The Museum has been working with Design & Construction architects as well as ITT to program the screening room where we'll show short video features, animation, documentary films, stop motion, fine art videos. We plan on having about four running at any given time and the visitors would be able to come up and make their selections.

Commissioner Johns ... is this pre or post security?

Mr. Summers ... it's pre security.

Commissioner Stern ... is it in the International Terminal?

Mr. Summers ... it's more towards the center of the building, near the InMotion store and behind the display cases.

Commissioner Johns ... people can't enjoy the exhibits because most of them are post security and it's very hard to get in without a ticket. In this facility we could at least show videos of what we are doing. Maybe a small school group could even go through.

Mr. Summers ... yes.

Commissioner Crayton ... how many people will it hold?

Mr. Summers ... probably about 15 comfortably. There are six so it's a very small footprint.

Commissioner Johns ... how will we determine which videos we will run?
Mr. Summers ... the Museum's Curators are working with professionals, amateurs, and students so we've reached out to different universities.

Commissioner Johns ... SF State has a great department.

Mr. Summers ... there's a lot of great video work being done in the Bay Area.

Commissioner Johns it will be videos of some of our previous collections?

Mr. Summers ... no. These are new pieces of art.

Mr. Martin ... video art.

Commissioner Johns ... will we ever be able to show videos of collections that we've shown?

Mr. Summers ... that's actually an idea for a future project.

Commissioner Crayton ... that's what I thought it was that also.

Mr. Summers ... but to answer your question about people having access, we're working on a program with the Security Access Office to allow people to sign up to go past security.

Commissioner Johns ... that's good to hear. Would you mind considering having videos of some of the displays in the Airport in other areas?

Mr. Summers ... yes. We can talk about that. We have other options as well. We have the two video screens on either end. We could show things beyond security as well.

Commissioner Crayton asked so you're the Curator for this particular museum, Director rather. But for the museum the Aviation Museum is that what you were referring to earlier?

Mr. Martin said Blake's got it all. All of the exhibits to the airport, the museum. Blake is in charge.

Commissioner Crayton ... I love it. I like it. Thank you.

Item No. 4 was moved by Commissioner Crayton and seconded by Commissioner Guggenime. The vote to approve was unanimous.

4. Adoption of Fiscal Year 2016/17 Airport Rates and Charges

Mr. Mike Nakornkhet, Business and Finance ... in Fiscal Year 2016/17 the Airport proposes an increase in the landing fee rate of 2.5% to \$4.99 per 1,000 lbs. of aircraft landed weight and an increase in the effective average terminal rental rate also by 2.5% to \$161.16 per sq. ft. annually. These increases are projected to result in \$449 million of airline revenue in FY 2016/17 an increase of 6.8% from the prior year budget. The airline revenue combined with a proposed Passenger Facility Charge designation of \$44.9 million, prior year aviation surplus of \$35.9 million, and non airline revenues of approximately \$480 million results in a balanced operating budget for the Airport totaling \$1 billion. Rates and charges have been reviewed with the Airport's Financial Advisory Committee and our signatory airlines and both parties agree with the proposal. The resulting unit cost to airlines that operate at SFO, or the cost per enplaned passenger which we refer to as the CPE, is projected to decline by 2.3% from a budgeted amount of \$17.26 in the current fiscal year to \$16.86 in FY2016/17. The CPE declines because the increase in airline revenue of 6.8% is less than the projected budgeted passenger increase of 9.3%. The Airport has experienced strong passenger growth which we've factored into the rate making process. SFO's CPE remains relatively comparable with other large international gateways including LAX, Chicago O'Hare, JFK, Newark, Washington Dulles, and Miami. Furthermore SFO's domestic only CPE remains comparable to the overall CPE's at other bay area airports, Oakland and San Jose International.

Commissioner Guggenheimer ... Newark, JFK, Washington Dulles, Miami, and Chicago, and LAX are all more expensive?

Mr. Nakornkhet ... correct.

Commissioner Guggenheimer ... we are the lowest of all the major airports.

Mr. Nakornkhet ... correct. We are currently lower than those comparable airports who are international gateways who see a lot of traffic like we do. We expect to remain comparable in the future as well. We are projected to decrease next year, although in the following years after next year we are going to increase as well other international gateways. Seattle, for example, has published in the news that they are undertaking a \$10 billion 20-year development plan which has not yet been factored into their CPE projections, but once that makes it into the capital plan it will likely increase their CPEs as well.

Mr. Mark Gruberg, SF Taxi Workers Alliance ... I want to comment on the taxi lot fees, which is part of the fee structure that you are about to approve in this Item. Last year you raised the taxi lot fee to drivers from \$4 to \$5 and that increase is reflected in the current fees. You also started charging drivers for short fares. Right now, the driver has to get to the Airport within a ½ hour. That short fare was previously free on the first short and now you're charging the full amount to driver. This is a real sore point with drivers. The amount that the passenger pays to the driver has also gone up. So the driver, in theory, is being compensated for this but what is actually happening on these short fares, if somebody takes a \$15, or

an \$18 ride and then they're going to have \$4 tacked on to that, in many instances this is coming off the driver's tip. So the driver's actually are losing out under this new fares structure and it really is a sore point. I would ask you to review this when the new short system, which is a Geofence system, a distance space system, goes into effect because that should substantially reduce the number of shorts. Drivers are simply not going to be able make the shorts that they are currently making under this new system and I think you should look at taking away that charge for the short. It could possibly be done in a revenue neutral way, but if not, in any event you should take a look at that. Thank you.

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F. CONSENT CALENDAR OF ROUTINE ADMINISTRATIVE MATTERS:

The Consent Calendar, Item Nos. 5 through 22, was moved by Commissioner Crayton and seconded by Commissioner Guggenlime. The vote to approve was unanimous.

5. Designation of up to \$44,938,000 of Passenger Facility Charge (PFC) Funds as Revenues for Payment of Debt Service in Fiscal Year 2016/17 and Authorization to Apply Such Amount to Airline Rates and Charges, As Needed

No. 16-0143 Resolution designating up to \$44,938,000 of Passenger Facility Charge funds as revenues for payment of debt service in FY 2016/17 and authorizing such amount to be applied to airline rates and charges, as needed.

6. Authorization to Submit a Seventh Passenger Facility Charge Application

No. 16-0144 Resolution authorizing the submittal of a seventh Passenger Facility Charge (PFC) application to the FAA to continue collection of PFCs in an amount up to \$4.50 per enplaning passenger and to use PFC revenue for eligible costs associated with the Airtrain Extension project.

7. Authorization to Execute Three Letter of Credit and Reimbursement Agreements: (1) Amended and Restated Agreement with Wells Fargo Bank, N.A. to Secure Up to \$100 Million Amount of Airport Subordinate Commercial Paper Notes for a New Term of Three Years; (2) New Agreement with Wells Fargo Bank, N.A. to Secure \$100 Million Principal Amount of Airport Variable Rate Bonds for Two Years, and (3) New Agreement with Bank of America, N.A. to Secure \$212.5 Million Principal Amount of Airport Variable Rate Bonds for Four Years; and Approval of Related Actions

Three Resolutions authorizing the execution of the following three Letter of Credit and Reimbursement Agreements:

- No. 16-0145 (1) An amended and restated agreement with Wells Fargo Bank, N.A. to secure up to \$100 million principal amount of airport commercial paper notes for a new term of three years;
- No. 16-0146 (2) A new agreement with Wells Fargo Bank, N.A. to secure \$100 million principal amount of airport variable rate bonds for two years; and
- No. 16-0147 (3) A new agreement with Bank of America, N.A. to secure \$212.5 million principal amount of airport variable rate bonds for four years; and approval of related actions.

Commissioner Johns ... we're not authorizing money, we're just re-authorizing who we're going to get these letters of credit from.

Mr. Leo Fermin, Chief Business & Finance Officer ... yes. We're basically getting new letters of credit to replace expiring ones.

Commissioner Johns ... you felt this was competitive to go back with Wells Fargo and B of A?

Mr. Fermin ... yes. We did get competitive responses.

8. Authorization to Increase the Approved Accept and Expend Amount of Federal Aviation Administration Grant Funds for an Airfield Improvement Project by \$13,600,000 from \$7,440,132 to \$21,040,132

No. 16-0164 Resolution increasing the approved accept and expend amount of Federal Aviation Administration Grant Funds for an Airfield Improvement project by \$13,600,000 from \$7,440,132 to \$21,040,132.

9. Authorization to Accept and Expend Federal Aviation Administration Grant Funds in the Amounts of:

- (1) \$3,750,000 for an Airfield Signage Project;
 (2) \$15,200,000 for a Voluntary Airport Low Emissions (VALE) Project; and
 (3) \$1,800,000 for the Continuation of the Noise Insulation Program

Three Resolutions authorizing the acceptance and expenditure of Federal Aviation Administration grant funds in the amounts of:

- No. 16-0148 (1) 3,750,000 for an Airfield Signage Project;
 No. 16-0149 (2) \$15,200,000 for a Voluntary Airport Low Emissions (VALE) project; and
 No. 16-0150 (3) \$1,800,000 for a the continuation of the Noise Insulation project and any additional amounts up to 15% of the original grant offer(s).

10. Modification No. 3 to Contract No. 10050.71 - Construction Manager/General Contractor Services for the Fire House No. 3 and South Field Checkpoint Relocation Project - Overaa & Co. - \$6,145,328

No. 16-0151 Resolution approving Modification No. 3 to Contract No. 10050.71, Construction Manager/General Contractor Services for the Fire House No. 3 and South Field Checkpoint Relocation Project with C. Overaa & Co., in an amount of \$6,145,328 for a new not-to-exceed contract amount of \$29,002,600 and with a total contract duration of 715 days, and with a corresponding amount in contingency authorization.

Commissioner Johns ... I would like to know what this interior layout change was in the Firehouse project.

Ms. Mosqueda, Design and Construction ... our project management and design staff had been working with the Fire Department to develop this new firehouse and the original design direction in working with the Fire department was to develop a series of separate rooms that housed two to three beds with a single bathroom per room. During the design process there was a change in direction coming from the Fire Department after the local Fire staff person that we were dealing with on the project consulted with Fire Department.

Mr. Martin ... basically the Fire Chief indicated she wanted us to follow the same standards used at City firehouses which is dormitories. We had earlier gotten direction on private rooms for each firefighter.

Commissioner Johns ... that's like a \$6 million difference as I understand it.

Ms. Mosqueda ... there are a few design modifications within this agenda item. The project also includes modifications to the South Field Checkpoint as well as the development of a Firehouse. There are some changes to the Firehouse to make it net zero ready. The Airport has an aspiration to be net zero in the future so that added some scope and cost to the project. The South Field Checkpoint had some technology and utility changes necessary for the development of it and that's included, and they encountered contaminated soil when they were doing their excavation and there's been some additional dollars for that as well.

11. Modification No. 2 to Professional Services Contract No. 10400.50 - As-Needed Project Management Support Services - Hill International, Inc. - \$750,000

No. 16-0152 Resolution approving Modification No. 2 to Professional Services Contract No. 10400.50, As-Needed Project Management Support Services, with Hill International, Inc. in an amount not to exceed \$750,000 for a new contract amount not to exceed \$2,250,000 with no change in contract duration.

12. Modification No. 3 to Professional Services Contract No. 10051.41 - Project Management Support Services for the South Field Tenant Relocations Project - PMA Consultants, LLC - \$978,040

No. 16-0153 Resolution approving Modification No. 3 to Professional Services Contract 10051.41, Project Management Support Services for the South Field Tenant Relocations Project, with PMA Consultants, LLC, in an amount not to exceed \$978,040 for a new contract amount not to exceed \$2,412,109 and a new contract duration of 36 months for services through September 30, 2017.

13. Modification No. 2 to Professional Services Contract No. 10051.43 - Architecture and Engineering Design Services for the South Field Tenant Relocation Project - Joseph Chow & Associates, Inc. - \$841,674

No. 16-0154 Resolution approving Modification No. 2 to Professional Services Contract No. 10051.43, Architecture and Engineering Design Services for the South Field Tenant Relocation Project, with Joseph Chow & Assoc., Inc., in an amount of \$841,674 for a new contract amount of \$2,701,274 and a new contract duration of 30 months for services thru July 31, 2017.

14. Modification No. 1 to Professional Services Contract No. 10052.41 - Project Management Support Services for the South Field Abatement, Demolition, and Hazmat Project - J + A Aviation, a Joint Venture - \$650,000

No. 16-0155 Resolution approving Modification No. 1 to Professional Services Contract 10052.41, Project Management Support Services for the South Field Abatement, Demolition, and Hazmat Project, with J + A Aviation, a J.V., in an amount not to exceed \$650,000 for a new contract amount not to exceed \$1,233,355 and a new contract duration of 24 months.

15. Modification No. 4 to Contract No. 8994 - Curbside Management Contract Five Star Parking/Pacific Park Management - \$401,000 monthly

No. 16-0156 Resolution approving Modification No. 4 for a month-to-month extension of Contract No. 8994, Curbside Management Contract, in an amount not to exceed \$401,000 monthly, for a new total contract amount not to exceed \$23,306,000 for the period effective

July 1, 2016 thru December 31, 2016.

Commissioner Johns ... we're removing shared ride services from Curbside Management so we're just asking for an extra six months. Is that it?

Mr. Martin ... yes. We're starting the RFP for a new contract.

Commissioner Johns ... and then it will go out for a new RFP?

Mr. Martin ... we're starting it now.

16. Authorization to Issue a Request for Qualifications/Proposals for Two Professional Services Contracts, Nos. 11190.50 and 11190.51 - As-Needed Structural Engineering Support Services

No. 16-0157 Resolution authorizing the Director to issue a RFQ/P for two Professional Services Contract No. 11190.50 and 11190.51, As-Needed Structural Engineering Support Services.

17. Authorization to Issue a Request for Qualifications/Proposals for Contract No. 9322.66 - Design-Build Services for the Renovation of Cargo Buildings 900 and 944 Project

No. 16-0158 Resolution authorizing the Director to issue a RFQ/P for Contract 9322.66, Design-Build Services for the Renovation of Cargo Buildings 900 and 944 Project.

18. Authorization to Issue a Request for Qualifications for Selection of Consultant for Support in Administration and Management of the Noise Insulation Program

No. 16-0159 Resolution authorizing the Airport Director to prepare and issue a RFQ for selection of a qualified consultant to support the Airport in administration and management of the Noise Insulation program.

19. Modification No. 3 to Professional Services Contract No. 10009.41 - Project Management Support Services for the Security Access Office and Customs Badge Seal Office Relocation Project - Cambridge CM, Inc. - \$75,000

No. 16-0160 Resolution approving Modification No. 3 to Professional Services Contract No.10009.41, Project Management Support Services for the Security Access Office and Customs Badge Seal Office Relocation Project, in an amount not to exceed \$75,000 for a new contract amount not to exceed

\$814,575 and a new contract duration of 767 consecutive calendar days thru Sept. 2, 2016.

20. Deny Grant Award from the Bay Area Air Quality Management District for High Speed Electric Vehicle Charges

No. 16-0161 Resolution denying award of \$272,000 in grant funding from the Bay Area Air Quality Management District for acquisition and installation of four high-speed 480V electric vehicle chargers primarily serving private motorists due to the extraordinary high cost of installation and evolving construction plans.

Commissioner Johns ... we have to think long term and get everybody involved at the front end. The Airport is a huge entity and we're coordinating with other departments within the City, but I feel compelled to say that we really need to look into this on the front end so that we don't end up with this type of thing as we move forward. It's a little frustrating and it's a waste of staff time.

Commissioner Crayton ... we to look at everything before we make a long term decision. I'm fine with your explanation.

21. Modification No. 6 to Contract No. 9075 - Information Booth Program - Polaris Research and Development, Inc. - \$1,198,072

No. 16-0162 Resolution approving Modification No. 6 to Contract 9075 with Polaris Research and Development, Inc. to extend the contract term by six months for the period July 1, 2016, through December 31, 2016, in the amount of \$1,198,072 for a new total contract amount not to exceed \$10,795,274.

22. Modification No. 1 to Contract 9351 - Veterinary Services for the San Francisco Police Department Airport Bureau K9 Unit - San Bruno Pet Hospital - \$90,000

No. 16-0163 Resolution approving Modification No. 1 to Contract No. 9351 to exercise the first of two one-year options with San Bruno Pet Hospital for veterinary services effective July 1, 2016 through June 30, 2017, in the amount of \$90,000 for a new total contract amount not to exceed \$315,000.

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G. NEW BUSINESS:

Discussion only. This is the "Public Comment" section of the calendar. Individuals may address the Commission on any topic within the jurisdiction of the Airport Commission for a period of up to two (2) minutes. Please fill out a "Request to Speak" form located on the table next to the speaker's microphone and submit it to the Commission Secretary.

Mr. Mark Gruberg ... thank you, again. The public must be highly satisfied with your work because there are very few of us up here. I wanted to talk about the taxi lot. Last year the Airport added an additional taxi lot for drivers, which was greatly appreciated. It helped to relieve severe congestion on the roadways and now we understand that you are considering taking this extra lot away, which will bring back the congestion, bring back vehicle emissions, and be very hurtful to cab drivers who are heavily dependent on the Airport for their livelihood. When there isn't enough room in the taxi lot, which was previously the situation, drivers would get into the lot kind of by lottery. They'd circle around and around and around and the lot would open and a certain number would be get in and then the others would have to continue to circle purely by chance. These problems are the result of the appearance of TNCs ... Uber and Lyft. I know that the Airport understands that we're facing unfair competition. I read all the comments that the City and Airport have submitted to the CPUC on this issue but you also have the right to regulate these forms of transportation but you refuse to exercise that right. The very least you can do is to create conditions at the Airport where drivers have a fair chance to earn a living and serve the Airport in a fair and orderly manner. Thank you.

Commissioner Mazzola ... why is the additional lot going away?

Mr. Martin ... we're running out of parking. We're going to lose Parking Lot D due to construction. It's awhile before this happens but we've developed an app that the drivers can access from their phones to know the length of the line for available space. We think that providing that information to drivers will eliminate the need for the additional lot. Drivers wait hours and hours for a ride and we just can't afford the space for that to happen. The app will provide current information on the length of the line.

Commissioner Crayton ... where would they park?

Mr. Martin ... they won't. We want them back in the City and that's what the City wants. It's not a good thing for the City to have be parked for hours at the Airport. They should go back in the City.

Commissioner Johns ... when I went to that lot on Airport I was overwhelmed by those cars sitting there. It just seemed like such a waste to me. There must be some better way to manage this. It boggles the mind.

Mr. Martin ... it's going to come down to do we provide parking spaces for cabs to park for hours or do we ensure the public has parking spaces when they come to the Airport. If we don't do this, we could be at the point where the public is turned away, and that doesn't make sense. We're ensuring the cab drivers have better information through apps. We'll have staff provide a written report to you on how this is all being developed and how we are working with the MTA.

Commissioner Crayton ...how is it going to be communicated so that they know.

Mr. Martin ... they do know.

Commissioner Johns ... what lot?

Mr. Martin ... it's in the garage.

Commissioner Johns ... it's not where that Cell Phone Lot is?

Mr. Martin ... no, it's in the garage and it's not in the center of the garage where cab parking has been historically. This is actual parking spaces in the A, B area of the garage.

Commissioner Johns ... I also thought it was an air quality issue too. I know they're turning the engines on/off, moving forward.

Commissioner Crayton ... how many spaces are we talking about?

Ms. Eva Cheong, Operations & Security ... I believe we'd be eliminating approximately 100 taxi staging spaces and gaining 80-85 parking spaces back.

Commissioner Guggenime ... how many parking spaces are there for taxis?

Ms. Cheong ... 465.

Commissioner Guggenime ... so you're decreasing it by 80, by 100?

Ms. Cheong ... by 100.

Mr. Martin ... this was short term. We opened up these spaces for taxi staging about two years ago and we told the taxi industry it was temporary. We're going to need this back again. And now we need it back again. We're providing apps so taxi drivers have better information.

Commissioner Crayton ... you have 365 parking spaces. I don't think we need to have 365 spaces at this particular point in time. The industry is changing. I agree that taxis are part of what people look to but there's got to be a better way. I love the app idea. I think it works fine. Make sure that the taxicabs are aware of it. But we need it to move because we're really losing revenue.

Mr. Martin ... we will provide a report to you and give you a detailed briefing on the plan. There are times when conventions are in town and the number of cabs gets low. This app will let the drivers know that it's getting low. This whole idea provides better and more timely information.

Commissioner Crayton ... is there someone who is just managing the taxis?

Mr. Martin ... Eva's staff has probably more than one person and she devotes a fair amount of time herself. effectively.

Ms. Eva Cheong, Operations and Security ... yes, and the Five Star Contract manages

the physical cars in the lot. This is part of that contract. We are re-evaluating the entire Ground Transportation system to determine how we can make it better.

Commissioner Mazzola ... what I'm hearing is you want spaces back for parking for passengers. You also don't want as many cabs sitting idle, is that what you're saying?

Mr. Martin ... we want to give taxi drivers accurate information so they know how long the line is and if they choose to go into the holding lot, how long it is. If they choose to come to the Airport to look for fares, they know how long the ride is. We're trying to get better information to the cab drivers too.

Commissioner Mazzola ... okay. Thank you. Mark you heard the comments so you know what the plan is going to be.

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H. CORRESPONDENCE:

There was no discussion by the Commission.

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I. CLOSED SESSION:

There are no planned agenda items for a Closed Session for the current meeting.

In the event of any urgent matter requiring immediate action which has come to the attention of the Airport Commission after the agenda was issued and which is an item appropriately addressed in Closed Session, the Airport Commission may discuss and vote whether to conduct a Closed Session under Brown Act (California Government Code Sections 54954.2(b)(2) and 54954.5) and Sunshine Ordinance (San Francisco Administrative Code Section 67.11).

If the Airport Commission enters Closed Session under such circumstances, the Airport Commission will discuss and vote whether to disclose action taken or discussions held in Closed Session under the Brown Act (California Government Code Section 54957.1) and Sunshine Ordinance (San Francisco Administrative Code Section 67.12).

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J. ADJOURNMENT:

There being no further calendared business before the Commission the meeting adjourned at 9:48 AM.

(Original signed by: Jean Caramatti)
Jean Caramatti
Commission Secretary