

# SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY

## REGULAR MEETING AGENDA

**WEDNESDAY, MAY 24, 2023**

**3:00 P.M. (Closed Session (if any), immediately followed by Open Session)**

MAIN AUDITORIUM – Norton Regional Event Center – 1601 East Third Street, San Bernardino, CA



A regional joint powers authority dedicated to the reuse of Norton Air Force Base for the economic benefit of the East Valley

**Frank J. Navarro, President**

*Mayor, City of Colton*

**Rhodes Rigsby, Vice President**

*Councilmember, City of Loma Linda*

**Penny Lilburn, Secretary**

*Mayor Pro Tem, City of Highland*

### COMMISSION MEMBERS:

**Dawn Rowe**

*Supervisor, County of San Bernardino*

**Helen Tran**

*Mayor, City of San Bernardino*

**Theodore Sanchez**

*Councilmember, City of San Bernardino*

### ALTERNATE COMMISSION MEMBERS:

**Phillip Dupper**

*Mayor, City of Loma Linda*

**Joe Baca, Jr.**

*Supervisor, County of San Bernardino*

**Larry McCallon**

*Mayor, City of Highland*

**Fred Shorett**

*Mayor Pro Tem, City of San Bernardino*

**John Echevarria**

*Councilmember, City of Colton*

- Full agenda packets are available at the SBIAA office, 1601 East Third Street, San Bernardino, California, will be provided at the meeting, and are posted in the Public Meetings/Agenda section of our website at [www.sbiaa.org](http://www.sbiaa.org). Office hours are 7:30 a.m. to 5:30 p.m., Monday through Thursday, 8:00 a.m. to 5:00 p.m., Friday.
- Recordings of the SBIAA Commission meetings are available in the Public Meetings/Agenda section of our website at [www.sbiaa.org](http://www.sbiaa.org).
- In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SBIAA office at (909) 382-4100. Notification 48 hours prior to the meeting will enable SBIAA staff to make reasonable arrangements to ensure accessibility to this meeting.
- Anyone who wishes to speak during public comment or on a particular item will be requested to fill out a speaker slip. Prior to speaking, speaker slips should be turned in to the Clerk of the Board.
- Public comments for agenda items that are not public hearings will be limited to three minutes.
- Public comments for items that are not on the agenda will be limited to three minutes.
- The three-minute limitation shall apply to each member of the public and cannot be shared.
- An additional three minutes will be allotted to those who require translation services.

**ORDER OF BUSINESS – CLOSED SESSION**

This meeting of the governing Commission of the San Bernardino International Airport Authority will begin with Closed Session Public Comment and Closed Session, immediately followed by the Open Session portion of the meeting.

- **CALL TO ORDER**
- **CLOSED SESSION PUBLIC COMMENT**
- **LEGAL COUNSEL RECITES CLOSED SESSION ITEMS**
- **RECESS TO CLOSED SESSION**

A. **CALL TO ORDER / ROLL CALL**

B. **CLOSED SESSION PUBLIC COMMENT**

The Closed Session Public Comment portion of the San Bernardino International Airport Authority Commission meeting is limited to a maximum of three minutes for each speaker and comments will be limited to matters appearing on the Closed Session portion of the agenda. An additional three minutes will be allotted to those who require translation services. Additional opportunities for further Public Comment will be given during and at the end of the meeting.

C. **CLOSED SESSION**

An announcement is typically made prior to closed session discussions as to the potential for a reportable action at the conclusion of closed session.

- a. Conference with Labor Negotiators Pursuant to Government Code Section 54957.6.

The SBIAA Commission will meet with its duly designated representative to discuss salaries, salary schedules and compensation, and fringe benefits payable to the following non-represented positions specified by title.

Negotiating for SBIAA: President Frank Navarro

Position Title: Chief Executive Officer

D. **REPORT ON CLOSED SESSION**

Public announcement(s) will be made following closed session if there are any reportable actions taken during closed session.

**ORDER OF BUSINESS – OPEN SESSION**

- **CALL TO ORDER OPEN SESSION**
- **PLEDGE OF ALLEGIANCE**

**E. ITEMS TO BE ADDED OR DELETED**

Pursuant to Government Code Section 54954.2, items may be added on which there is a need to take immediate action, and the need for action came to the attention of the San Bernardino International Airport Authority subsequent to the posting of the agenda.

**F. CONFLICT OF INTEREST DISCLOSURE**

1. Members shall note agenda item contractors and subcontractors which may require member abstentions due to possible conflicts of interest.

**[PRESENTER: Jennifer Farris; PAGE#: 007]**

**G. INFORMATIONAL ITEMS**

It is intended that the following subject matters and their attachments are submitted to the Commission members for informational purposes only. No action is required with regard to these items in the form of a receive-and-file motion or otherwise. Members may inquire of staff as to any questions or seek clarifications, but no discussion may ensue other than to place an item on a subsequent agenda for further consideration. In such situations where permissible levels of discussion are conducted, members are reminded that staff has not presented the related contractor and interested parties conflicts of interest disclosures that are typically provided for agenda items for which action is intended to occur. Additionally, questions may arise as to negotiation strategies or other legal issues which are more appropriately addressed in a closed session discussion.

2. Informational Items
  - a. Chief Executive Officer's Report; **[PRESENTER: Michael Burrows; PAGE#: 020]**
  - b. Report on International Trade Initiatives **[PRESENTER: Michael Burrows; PAGE#: 021]**
  - c. Report on annual Technical Advisory Committee meeting **[PRESENTER: Michael Burrows; PAGE#: 022]**
  - d. Report on Airport marketing efforts **[PRESENTER: Mark Gibbs; PAGE#: 023]**

H. <b><u>COMMISSION CONSENT ITEMS</u></b>
---

The following consent items are expected to be routine and non-controversial and will be acted upon by the Commission at one time under unless the Commission directs that an item be held for further discussion.

3. Register of Demands – May 24, 2023  
**[PRESENTER: Mark Cousineau; PAGE#: 024]**
4. Receive and file Treasurer's Report for March 31, 2023 for the San Bernardino International Airport Authority (SBIAA)  
**[PRESENTER: Mark Cousineau; PAGE#: 033]**
5. Approve the filing of a Notice of Completion for the construction contract with Jergensen Construction, Inc. and authorize the release of retained funds  
**[PRESENTER: Jeff Barrow; PAGE#: 036]**
6. Approve Amendment No. 3 to the agreement with Allison Mechanical, Inc. for additional Heating, Ventilation, and Air Conditioning (HVAC) repairs in the amount of \$5,000 for a total contract amount not to exceed \$56,000  
**[PRESENTER: Wendy McConaughey; PAGE#: 042]**
7. Approve the purchase of two (2) 48V Electric Drive Cushman Haulers from Prestige Golf Carts in an amount not to exceed \$36,101.52  
**[PRESENTER: Wendy McConaughey; PAGE#: 044]**
8. Authorize staff to advertise construction plans and specifications for the AOA Vehicle Access Road Project at the SBD International Airport  
**[PRESENTER: Mark Gibbs; PAGE#: 047]**
9. Approve Meeting Minutes: April 26, 2023  
**[PRESENTER: Jennifer Farris; PAGE#: 050]**



I. <b><u>COMMISSION ACTION ITEMS</u></b>
--

Anyone who wishes to speak on a particular item will be requested to fill out a speaker slip. Prior to speaking, speaker slips should be turned in to the Clerk of the Board. Public comments for agenda items that are not public hearings will be limited to three minutes. An additional three minutes will be allotted to those who require translation services.

10. Receive and file the annual independent financial audit report of the San Bernardino International Airport Authority (SBIAA) for the Fiscal Year ending June 30, 2022  
**[PRESENTER: Mark Cousineau; PAGE#: 057]**
11. Consider and adopt proposed budget adjustments for Fiscal Year 2022-2023  
**[PRESENTER: Mark Cousineau; PAGE#: 110]**
12. Approve Amendment No. 1 to the service agreement with Sysco Riverside, Inc., in an amount not to exceed \$25,000 for a total contract amount not to exceed \$95,000  
**[PRESENTER: Wendy McConaughey; PAGE#:113]**
13. Approve Amendment No. 4 to the professional services agreement with LSA Associates, Inc. in an amount not to exceed \$30,000, for a total not to exceed contract amount of \$230,000 for Airport Wildlife Biologist Services  
**[PRESENTER: Jonathan Galvan; PAGE#: 115]**
14. Approve a professional services agreement with the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) and Wildlife Services (WS) for Wildlife Biologist Services during Fiscal Year 2023-24 in an amount not to exceed \$77,712.21  
**[PRESENTER: Jonathan Galvan; PAGE#: 117]**
15. Approve Change Order No. 1 with Brightview Landscape Services, Inc. in an amount not to exceed \$2,122.97 for the Luxivair SBD Landscaping Project; approve the filing of a Notice of Completion and authorize the release of retained funds  
**[PRESENTER: Jeff Barrow; PAGE#: 128]**
16. Award a construction contract to Bodell Construction Company in an amount not to exceed \$485,300.00 for the Fuel Farm Internal Floating Roof Project  
**[PRESENTER: Jeff Barrow; PAGE#: 133]**

17. Review Status of the Action Plan for the San Bernardino International Airport Authority (SBIAA) through June 30, 2023

[PRESENTER: Michael Burrows; PAGE#: 167]

J. **ADDED AND DEFERRED ITEMS**

Deferred Items and Items which have been added pursuant to Government Code Section 54954.2 as noted above in Section E.

K. **OPEN SESSION PUBLIC COMMENT**


Anyone who wishes to speak during Open Session Public Comment will be requested to fill out a speaker slip. Prior to speaking, speaker slips should be given to the Clerk of the Board. Public comments for items that are not on the agenda will be limited to three minutes. The three-minute limitation shall apply to each member of the public and cannot be shared with other members of the public. An additional three minutes will be allotted to those who require translation services.

L. **COMMISSION MEMBER COMMENT**

Commission members may make announcements or give brief reports on activities or matters not appearing on the agenda, as well as provide direction to staff relating to matters which may be addressed at this time.

M. **ADJOURNMENT**

Unless otherwise noted, this meeting will be adjourned to the next meeting of the San Bernardino International Airport Authority Commission on Wednesday, June 28, 2023.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 1</b></p> <p><b>PRESENTER: Jennifer Farris, Assistant Secretary of the Commission</b></p>
---	---

**SUBJECT: POSSIBLE CONFLICT OF INTEREST ISSUES FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) COMMISSION MEETING OF MAY 24, 2023**

### **SUMMARY**

This agenda contains recommendations for action relative to certain contractors/principals and their respective subcontractors. Care should be taken by each Commission member to review and consider the information provided herein to ensure they are in compliance with applicable conflict of interest laws.

### **RECOMMENDED ACTION(S)**

Receive for information and consideration in accordance with applicable conflict of interest laws.

### **FISCAL IMPACT**

None.

PREPARED BY:	Jennifer Farris
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

The potential conflicts information provided in this report is intended to be used as a means for each voting member to verify campaign contributions from their individual campaign records. The following information is considered to be complete only to the best knowledge that has been disclosed to staff by the following listed contractors and in many instances may not be complete as of the date of publication of the agenda. Staff will endeavor to provide updates and supplements to the disclosure information to the extent additional contractor disclosure information becomes known to staff at or prior to each particular meeting time.

In addition to other provisions of law which prohibit San Bernardino International Airport Authority (SBIAA) Commission members from having financial interests in the contracts of public agencies, the provisions of California Government Code Section 84308 prohibit individual SBIAA Commission members from participating in any Commission proceeding involving a license, permit, or other entitlement for use pending before the Commission, if the individual member has received a contribution of more than two hundred fifty dollars (\$250.00) within the preceding twelve (12) months or for three (3) months following any such Commission proceeding, from any person, company or entity who is the subject of the proceeding, including parent-subsidary and certain otherwise related business entities as defined in the California Code of Regulations, Title 2, Division 6, Section 18438.5, or from any person who actively supports or opposes a particular decision in the proceeding and who has a financial interest in such decision, as defined in California Government Code Section 87103.

The restrictions of Government Code Section 84308 do not apply if the individual member returns the contribution within thirty (30) days from the time they know, or should have known, about the contribution and the proceeding.

This agenda contains recommendations for action relative to the following contractors/principals and their respective subcontractors (as informed to SBIAA staff by the Principals):

<b><u>Agenda Item No.</u></b>	<b><u>Contractors/Tenants</u></b>	<b><u>Subcontractors/Subtenants</u></b>
5.	<u>Jergensen Construction, Inc.</u> Todd Jergensen, President Shirley Jergensen, Secretary Kyle Jergensen, Vice-President	None.
6.	<u>Allison Mechanical, Inc.</u> Donald Allison, President Mark Allison, Vice-President John Allison, CFO Giovanni Torrero, Project Engineer	None.
7.	<u>IPC Industries, Inc. dba Prestige Golf Carts</u> Mike Highsmith, President Doug Highsmith, Vice-President	None.
10.	<u>Eide Bailly, LLP</u> See attached list.	None.

- |     |  |       |
|-----|--|-------|
| 12. | <u>Sysco Riverside, Inc.</u><br>Saul Adelsberg, President<br>Joey Joy, CFO<br>Kevin Rosamilia, Vice President, Sales<br>Mario Sanchez, District Manager<br>Sal Carmona, Marketing Associate              | None. |
| 13. | <u>LSA Associates, Inc.</u><br>Mike Trotta, CEO<br>Ben Reynolds, CFO<br>Tony Petros, COO<br>Amy Fisher, Executive Vice President<br>Blake Selna, Principal in Charge<br>Eric Lichtwardt, Project Manager | None. |
| 15. | <u>BrightView Landscape Services, Inc.</u><br>Rene Rivera, V.P. General Manager<br>Daniel Crayne, Branch Manager   | None. |
| 16. | <u>Bodell Construction Company</u><br>Michael J. Bodell, Sr., CEO<br>Michael J. Bodell II, President<br>Michael Holland, Project Director<br>Nate Young, Project Manager                                 | None. |

**Attachments:**

1. California Government Code §§ 84308 and 87103
2. California Code of Regulations, Title 2, Division 6, §18438
3. Eide Bailly, LLP Company Information Sheet

CALIFORNIA CODES  
GOVERNMENT CODE  
SECTION 84308

**84308.** (a) The definitions set forth in this subdivision shall govern the interpretation of this section.

(1) "Party" means any person who files an application for, or is the subject of, a proceeding involving a license, permit, or other entitlement for use.

(2) "Participant" means any person who is not a party but who actively supports or opposes a particular decision in a proceeding involving a license, permit, or other entitlement for use and who has a financial interest in the decision, as described in Article 1 (commencing with Section 87100) of Chapter 7. A person actively supports or opposes a particular decision in a proceeding if he or she lobbies in person the officers or employees of the agency, testifies in person before the agency, or otherwise acts to influence officers of the agency.

(3) "Agency" means an agency as defined in Section 82003 except that it does not include the courts or any agency in the judicial branch of **government**, local governmental agencies whose members are directly elected by the voters, the Legislature, the Board of Equalization, or constitutional officers. However, this section applies to any person who is a member of an exempted agency but is acting as a voting member of another agency.

(4) "Officer" means any elected or appointed officer of an agency, any alternate to an elected or appointed officer of an agency, and any candidate for elective office in an agency.

(5) "License, permit, or other entitlement for use" means all business, professional, trade and land use licenses and permits and all other entitlements for use, including all entitlements for land use, all contracts (other than competitively bid, labor, or personal employment contracts), and all franchises.

(6) "Contribution" includes contributions to candidates and committees in federal, state, or local elections.

(b) No officer of an agency shall accept, solicit, or direct a contribution of more than two hundred fifty dollars (\$250) from any party, or his or her agent, or from any participant, or his or her agent, while a proceeding involving a license, permit, or other entitlement for use is pending before the agency and for three months following the date a final decision is rendered in the proceeding if the officer knows or has reason to know that the participant has a financial interest, as that term is used in Article 1 (commencing with Section 87100) of Chapter 7. This prohibition shall apply regardless of whether the officer accepts, solicits, or directs the contribution for himself or herself, or on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.

(c) Prior to rendering any decision in a proceeding involving a license, permit or other entitlement for use pending before an agency, each officer of the agency who received a contribution within the preceding 12 months in an amount of more than two hundred fifty dollars (\$250) from a party or from any participant shall disclose that fact on the record of the proceeding. No officer of an agency shall make, participate in making, or in any way attempt to use his



or her official position to influence the decision in a proceeding involving a license, permit, or other entitlement for use pending before the agency if the officer has willfully or knowingly received a contribution in an amount of more than two hundred fifty dollars (\$250) within the preceding 12 months from a party or his or her agent, or from any participant, or his or her agent if the officer knows or has reason to know that the participant has a financial interest in the decision, as that term is described with respect to public officials in Article 1 (commencing with Section 87100) of Chapter 7.

If an officer receives a contribution which would otherwise require disqualification under this section, returns the contribution within 30 days from the time he or she knows, or should have known, about the contribution and the proceeding involving a license, permit, or other entitlement for use, he or she shall be permitted to participate in the proceeding.

(d) A party to a proceeding before an agency involving a license, permit, or other entitlement for use shall disclose on the record of the proceeding any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party, or his or her agent, to any officer of the agency. No party, or his or her agent, to a proceeding involving a license, permit, or other entitlement for use pending before any agency and no participant, or his or her agent, in the proceeding shall make a contribution of more than two hundred fifty dollars (\$250) to any officer of that agency during the proceeding and for three months following the date a final decision is rendered by the agency in the proceeding. When a closed corporation is a party to, or a participant in, a proceeding involving a license, permit, or other entitlement for use pending before an agency, the majority shareholder is subject to the disclosure and prohibition requirements specified in subdivisions (b), (c), and this subdivision.

(e) Nothing in this section shall be construed to imply that any contribution subject to being reported under this title shall not be so reported.

CALIFORNIA CODES  
GOVERNMENT CODE  
SECTION 87103

**87103.** A public official has a financial interest in a decision within the meaning of Section 87100 if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on the official, a member of his or her immediate family, or on any of the following:

(a) Any business entity in which the public official has a direct or indirect investment worth two thousand dollars (\$2,000) or more.

(b) Any real property in which the public official has a direct or indirect interest worth two thousand dollars (\$2,000) or more.

(c) Any source of income, except gifts or loans by a commercial lending institution made in the regular course of business on terms available to the public without regard to official status, aggregating five hundred dollars (\$500) or more in value provided or promised to, received by, the public official within 12 months prior to the time when the decision is made.

(d) Any business entity in which the public official is a director, officer, partner, trustee, employee, or holds any position of management.

(e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the public official within 12 months prior to the time when the decision is made. The amount of the value of gifts specified by this subdivision shall be adjusted biennially by the commission to equal the same amount determined by the commission pursuant to subdivision (f) of Section 89503.

For purposes of this section, indirect investment or interest means any investment or interest owned by the spouse or dependent child of a public official, by an agent on behalf of a public official, or by a business entity or trust in which the official, the official's agents, spouse, and dependent children own directly, indirectly, or beneficially a 10-percent interest or greater.



(Regulations of the Fair Political Practices Commission, Title 2, Division 6, California Code of Regulations.)

**§ 18438.5. Aggregated Contributions Under Section 84308.**

For purposes of Section 84308:

(a) Notwithstanding the provisions of Regulation 18215.1, to determine whether a contribution of more than \$250 has been made by any party to a proceeding, contributions made by a party's parent, subsidiary, or otherwise related business entity, (as those relationships are defined in subdivision (b) below), shall be aggregated and treated as if received from the party for purposes of the limitations and disclosure provisions of Section 84308.

(b) Parent, Subsidiary, Otherwise Related Business entity, defined.

(1) Parent-subsidiary. A parent-subsidiary relationship exists when one corporation has more than 50 percent of the voting power of another corporation.

(2) Otherwise related business entity. Business entities, including corporations, partnerships, joint ventures and any other organizations and enterprises operated for profit, which do not have a parent-subsidiary relationship are otherwise related if any one of the following three tests is met:

(A) One business entity has a controlling ownership interest in the other business entity.

(B) There is shared management and control between the entities. In determining whether there is shared management and control, consideration should be given to the following factors:

(i) The same person or substantially the same person owns and manages the two entities;

(ii) There are common or commingled funds or assets;

(iii) The business entities share the use of the same offices or employees, or otherwise share activities, resources or personnel on a regular basis;

1 (iv) There is otherwise a regular and close working relationship between the entities; or

2 (C) A controlling owner (50% or greater interest as a shareholder or as a general partner)

3 in one entity also is a controlling owner in the other entity.

4 Note: Authority cited: Section 83112, Government Code. Reference: Section 84308,

5 Government Code.

6 HISTORY

7 1. New section filed 5-26-2006; operative 6-25-2006. Submitted to OAL for filing pursuant to

8 *Fair Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924,

9 California Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992

10 (FPPC regulations only subject to 1974 Administrative Procedure Act rulemaking requirements

11 and not subject to procedural or substantive review by OAL) (Register 2006, No. 21). For prior

12 history of section 18438.5, see Register 85, No. 8.

13 2. Amendment filed 8-12-2014; operative 9-11-2014 pursuant to title 2, section 18312(e)(1) of

14 the California Code of Regulations. Submitted to OAL for filing and printing pursuant to *Fair*

15 *Political Practices Commission v. Office of Administrative Law*, 3 Civil C010924, California

16 Court of Appeal, Third Appellate District, nonpublished decision, April 27, 1992 (FPPC

17 regulations only subject to 1974 Administrative Procedure Act rulemaking requirements and not

18 subject to procedural or substantive review by OAL) (Register 2014, No. 33).


**b. Company Information Sheet (Exhibit A)**

**EXHIBIT "A"**  
**RFP 22-004: PROFESSIONAL AUDIT SERVICES**

**COMPANY INFORMATION SHEET**  
**DECLARATION**

I declare under penalty of perjury under the laws of the State of California I have completed this Company Information Sheet and that the information contained herein is factual and accurate as of the date completed.

Completed and executed this 25 day of March, 2022, in Rancho Cucamonga, CA.  
[day] [Month] [City] [State]

  
Print Name: David Showalter  
Print Title: Partner

LEGAL NAME OF  
COMPANY: Eide Bailly LLP

ADDRESS: 10681 Foothill Blvd., Ste. 300 | Rancho Cucamonga, CA 91730

TELEPHONE: 909.755.2711 FAX: 909.466.4431

WEBSITE: www.eidebailly.com EMAIL: dshowalter@eidebailly.com

**TYPE OF BUSINESS (Check One):**

- |  |  |
|--|--|
| <input type="checkbox"/> CORPORATION                                 | <input type="checkbox"/> LIMITED LIABILITY COMPANY |
| <input checked="" type="checkbox"/> PARTNERSHIP                      | <input type="checkbox"/> JOINT VENTURE             |
| <input type="checkbox"/> INDIVIDUAL                                  |  |
| <input type="checkbox"/> INDIVIDUAL DOING BUSINESS UNDER A FIRM NAME |  |
| <input type="checkbox"/> OTHER _____                                 |  |

**STATE OF INCORPORATION OR FORMATION:** Minnesota

**PRINCIPALS/OFFICERS/PARTNERS/OWNERS OF COMPANY**

(List All Principals/Officers/Partners [including Joint Venture Partners, Managing Partner], as well as investors/investment companies):

Name	Title
<u>David Showalter</u>	<u>Partner</u>
<u>Roger Alfaro</u>	<u>Consulting Partner</u>
<u>Dave Stende</u>	<u>Managing Partner</u>
<u>See following page for full listing</u>	



SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY

Eide Bailly Partner Listing			
Barb Aasen	Derek Flanagan	Joe Kristan	Rudy Rudolph
Joe Aguilar	Chad Flanagan	Sara Kurtz	LeAnn Rudolph
Thomas Ahrens	Dan Flowers	Amy Lai	Brian Ruff
Linda Albrecht	Tom Fogarty	Brian Laib	Tonya Rule
Rick Alexander	Janie Fogg	Travis Lance	Peggy Runcorn
Roger Alfaro	Brooke Forstner	Renee Langworthy	David Rygh
Nate Allphin	Steve France	Scott LaPlant	Jordan Salo
Rick Alonzo	David Frank	Caroline Larson	Wade Sandy
Jessica Andersen	Teri Gage	Derrick Larson	Joe Sawatske
Jay Anderson	Dan Gahler	Bobby Lawrence	Kurt Schlicker
Ava Archibald	Dennen Gamradt	Tim LeClair	Keith Schmidt
Sheila Ashrafi	Bill Garcia	Brenda Leibfried	Jim Schmidt
Mike Astrup	Kirk Gardner	Shannon Lemmon	Jill Schneider
Troy Atkinson	Bruce Garfield	Susan Levinstein	Maria Schwingler
Jon Ault	Ahmad Gharaibeh	Kirk Lindemann	Rebekah Scott
Steve Bandler	Dave Glennon	Darrell Lingle	Jeri Self-Merritt
Rick Basterrechea	Ann Glenz	Carolyn Linkov	Ryan Shirley
Michelle Beaty	Tom Goekeler	Ralph Llewellyn	David Showalter
Jeremy Bendewald	Shilo Gorospe	Dustin Long	Brett Simpson
Brad Berls	Kelley Grace	D.C. Lucas	Paul Sirek
Eric Berman	Chris Gracey	Thomas Madison	Scott Sisel
Tyler Bernier	Renee Gravalin	Heather Maire	Paul Skeen
TJ Bert	Jake Gregory	Ross Manson	Gary Smith
Brian Bertsch	Xiupin Guillaume	Dan Martin	Kevin Smith (BOI)
Ryan Beste	John Gupta	Donny Matteson	Jennifer Snow
Jan Bjork	Scott Gustafsson	Nathan McMurtrey	Jeff Sorensen
Mike Blazei	Russell Guthrie	Joe Melson	Kinnaly Soukhaseum
Brian Bluhm	Mark Guy	Norman Mendoza	Mike Soza
Brenda Blunt	Scott Haberman	Terry Merfeld	Cindy Spence
Ashley Brandt-Duda	Mark Hale	Michael Michelsen	Andy Spillum
Danny Bresnahan	Sean Hales	Lealan Miller	Joe Splinter
Shannon Breuer	Brian Haley	Alex Miller	Laura Srsich
Marilyn Brindle	Kayce Halley	Dan Milne	Brian Stavenger
Kelly Bryson	Edie Hanson	Tamara Miramontes	Dave Stende
Eric Budreau	Susie Hanson	Terri Montgomery	Chantal Stennerson
Dale Bunn	Brandon Harrison	Joe Monty	Jeromy Stephens
Travis Burgess	Laura Hartwig	Patti Morgan	Joe Stoddard
Cindy Byerrum	Jeremy Hauk	Gwen Moser	Dave Studebaker
Brett Call	Ryan Havick	Andrea Mouw	Mandy Sutton
Brian Callahan	Julie Hawkins	Lauren Murro	Ryan Svoboda
Curtis Campbell	Joshua Hayes	Dan Neale	Leonard Sweet
Kathy Cantu	Toby Hazen	Scott Nelson	Adam Sweet
Glenn Carniello	Ron Hecht	John Nelson	Michael Tao
Jennifer Carpenter	Jared Heim	Deb Nelson	Luke Taylor
Lisa Chaffee	David Helm	Stacey Nelson	Greg Taylor
Pam Chamberlain	Rhea Hemish	Aaron Ness	Amy Tepp

SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY

Eide Bailly Partner Listing			
Brian Cheese	Hans Hendershot	Jason Neumann	Diane Terrell
Greg Clausen	Kimberley Higgins	Cory Nielson	Bradley Theisen (MPL)
Aaron Clayton	Ted Hill	Al Nolte	Heather Thielges
Kristin Cornell	Angie Hillestad	Eric Nuttall	Stuart Tholen
Alex Corrigan	KayLynn Hilton	Craig Nyhus	Duane Thompson
Nick Crank	Jeff Hipshman	Alexis Odden	Rachael Thomsen
Mike Criddle	David Hirschhorn	Jason Oelrich	Brian Tims
Blake Crow	Elliot Hitt	SuAnn Olson	Royce Townsend
Jeff Cullison	Roger Huebner	Jason Olson	Denise Tripp
Brett Dagley	Kim Hunwarden	Kyle Orwick	Steve Troyer
Mark Dale	Jenni Huotari	Edd Painter	Amber Tyler
Jodi Daugherty	Caesar Ibarra	Andrew Park	Brian Unsen
Brad DeJong	John Jacobsen	Zach Parker	Cory Van Maanen
Jason Delles	Aaron Jaqua	Bobby Patel	Grant Vande Kamp
Sarah DeVries	Jim Jarding	Ben Peeler	Travis VanDyke
Kristin Diggs	Julie Jeffrey	Karen Perkins	Mike Verville
Ryan Donahue	Jeremy Jennings	Joyce Peters	Erin Villafana
Jim Donovan	Ken Jeppesen	Clint Peterson	Adam Vonachen
Ryan Doyle	Ken Johnson	Brian Peterson	Andrew Wagner
Brittany Dunn	Eric Johnson	Scot Phillips	Audra Wagner
Vanessa Dutton	Luke Johnson	Shane Pickett	Nic Waldenmayer
Shelley Earsley	Brett Johnson	Brad Poll	Brad Wallace
Nathan Edelman	Ramona Johnson	Ksenia Popke	Clay Waller
Jeff Edison	Chuck Johnson	Debbie Potter	Don Watson
Pam Eggert	Jared Johnson	Tom Pruner	Melissa Webb
Blake Ellefson	Greg Jones	Kevin Pulliam	Tracey Welcher
Ben Ellingson	Kara Jones	Eric Pulse	Mark Wenig
Holly Engelhart	Julie Kafka	Aric Radmacher	Donald Westenhaver
Corey Enger	Elise Kainz	James Ramsey	Kevin Whitaker
Tara Engquist	Don Kainz	David Randel	Phillip White
Stacy Erdmann	Andy Kaiser	Mitch Rasmussen	Jay Wikum
Dana Ereth	Paul Kane	Bill Rauch Jr	Janice Wilburn
Anders Erickson	Patrick Kautzman	Gerald Reid	Chris Wilcox
Matt Everroad	Janel Keenan	Justin Reilly	Steve Williams
Beth Farley	Brad Kelley	Mackenzie Rentschler	Bill Williams
Jamie Fay	Will Kerns	Rachel Rico	Tiffany Williamson
Joy Feige	Jeremy Kiecker	Jodi Ristrom	Chad Wilsie
Todd Ferguson	Craig King	Kelli Roberts	John Wodzinski
Amber Ferrie	Mike Klaich	Bradford Rockabrand	Jesse Wutkee
Beth Feuchtenberger	Geoff Knobloch	Ann Rockswold	Ronald Yates
John Fischer	Amy Knust	Brent Roeder	James Yee
Kent Fisher	Scott Kost	Mark Rogers (MPL)	Scott Zeligson
Kevin Fite	Carmen Krantz	Josh Rowley	Cameron Zent

**[PLEASE ATTACH ADDITIONAL SHEETS AS NECESSARY IN ORDER TO PROVIDE ALL REQUESTED INFORMATION.]**

**IDENTIFICATION OF PRINCIPAL(S)/OFFICER(S)/REPRESENTATIVE(S) OF COMPANY —**

**Execution of Legal Documents:**

The Company has authorized and hereby designates the following individual(s) to execute legal documents on behalf of Company, including but not limited to contract documents, Proposals and related documents:

<b>Name</b>	<b>Title</b>
David Showalter	Partner
Roger Alfaro	Consulting Partner

**IDENTIFICATION OF PRINCIPAL(S)/OFFICER(S)/REPRESENTATIVE(S) OF COMPANY —**

**Representative and/or Management Capacity:**

The Company has authorized and hereby designates the following individual(s) to serve in a representative and/or management capacity on behalf of Company relating to the concerned project, contract document, lease document, development document, or any other legal document or agreement, including but not limited to manager, project manager, site manager, etc.


<b>Name</b>	<b>Title</b>
David Showalter	Partner
Roger Alfaro	Consulting Partner

**[PLEASE ATTACH ADDITIONAL SHEETS AS NECESSARY IN ORDER TO PROVIDE ALL REQUESTED INFORMATION]**



**c. Company Information Sheet (Exhibit A) for Subcontractor (Not Applicable)**

This page intentionally left blank as subcontractors will not be utilized for this engagement.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 2a</b></p> <p><b>PRESENTER: Michael Burrows, Chief Executive Officer</b></p>
---	--

**SUBJECT: INFORMATIONAL ITEMS – CHIEF EXECUTIVE OFFICER'S REPORT**

## **SUMMARY**

An oral report will be provided at the time of the meeting.

PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows


## **BACKGROUND INFORMATION**

None.

## **Attachments:**

1. None.



	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 2b</b></p> <p><b>PRESENTER: Michael Burrows, Chief Executive Officer</b></p>
---	--

**SUBJECT: INFORMATIONAL ITEMS – REPORT ON INTERNATIONAL TRADE INITIATIVES**

## **SUMMARY**

An oral report will be provided at the time of the meeting.


PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

None.

## **Attachments:**

1. None.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 2c</b></p> <p><b>PRESENTER: Michael Burrows, Chief Executive Officer</b></p>
---	--

**SUBJECT: INFORMATIONAL ITEMS – REPORT ON ANNUAL TECHNICAL ADVISORY COMMITTEE MEETING**

## **SUMMARY**

An oral report will be provided at the time of the meeting.


PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

None.

## **Attachments:**

1. None.

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 2d</b></p> <p><b>PRESENTER: Mark Gibbs, Director of Aviation</b></p>
---	--

**SUBJECT: INFORMATIONAL ITEMS – REPORT ON AIRPORT MARKETING EFFORTS**

## **SUMMARY**

An oral report will be provided at the time of the meeting.

PREPARED BY:	Michelle Casey
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

## **BACKGROUND INFORMATION**

None.

## **Attachments:**

1. None.



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 3**

**PRESENTER: Mark Cousineau, Director of Finance**

**SUBJECT: REGISTER OF DEMANDS FOR MAY 24, 2023**

### **SUMMARY**

SBIAA's Register of Demands for April 2023.

### **RECOMMENDED ACTION(S)**

Receive for information.

### **FISCAL IMPACT**

Various accounts as shown.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	N/A
FINAL APPROVAL:	Michael Burrows

### **BACKGROUND INFORMATION**

The attached Register of Demands corresponds to checks issued in the month of April 2023. The total of the register is \$8,454,452.71.

**Fuel:** Titan Aviation Fuels was paid \$6,458,142.58 for aviation fuel to resell at the Luxivair-SBD. Merit Oil Co. was paid \$24,539.34 to operate SBIAA vehicles and for resale at Luxivair-SBD.

**Employee Benefits:** Kaiser Foundation Health Plan Inc., Legal Shield Services Inc. were paid a total of \$51,718.84.

**Utilities:** Burrtec Waste Industries Inc., City of San Bernardino Water Department, East Valley Water District, Frontier Communications Corporation, Granite Telecommunications, Edison, The Gas Company, Underground Service Alert of Southern Cal, Utility Telecom Group LLC, and Verizon were paid a total of \$161,743.86.

**Capital Projects Cost:** AEC Moreno Corp., Aviation Striping, Inc., CJMC Holdings LLC, Frostbyte Consulting Inc., Goss Construction Company Inc., Griffith Company, San Bernardino Municipal Water, and T&G Construction Services Inc. were paid a total of \$486,007.49.

**Professional Services:** Allawos & Company; Boston Fox Tigue International LLC.; Coffman Engineers Inc.; Cole Huber LLP; Eide Bailly LLP; Hernandez, Kroone & Associates Inc.; Imagine Systems Inc.; Innovative Federal Strategies LLC.; Joseph E. Bonadiman & Associates Inc.; Los Angeles Engineering Inc.; LSA Associates Inc.; Mead & Hunt Inc.; Mirau, Edwards, Cannon, Lewin & Tooke LLP.; and Right Energy Group were paid a total of \$172,325.66.

### **Attachments:**

1. Register of Demands for the May 24, 2023 Commission Meeting.
2. VISA breakdown - April 2023.

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**5/24/2023**

Line	Company Name	Description	AP Register
1	A/C Mechanical Inc.	HVAC system maintenance and repairs	4,863.27
2	ADT LLC	Burglar and fire alarm monitoring	1,369.47
3	AEC Moreno Corp.	Terminal concessions health department improvements	20,379.95
4	Allawos & Company	Professional consulting services-solar and green energy services	25,031.25
5	Alliant Insurance Services Inc.	Insurance premiums	640.05
6	Allison Mechanical Inc.	HVAC maintenance and repairs	6,304.06
7	Amazon Capital Services Inc.	Purchases of supplies and goods	1,386.91
8	Amerigas Propane LP	Propane refill services and other gases	67.55
9	Apple Valley Communications Inc.	Replace fire alarm panel	3,353.96
10	Aviation Striping Inc.	Leland Norton speed bumps/ striping project and Fuel Farm striping	25,876.10
11	Aviatrix Communications LLC	Professional services marketing and advertising and Good Neighbor program	42,458.25
12	Babcock Laboratories Inc.	Stormwater analysis testing	422.00
13	Bianca Gonzalez	Travel 04/2023 Miami FL X-1FBO Per Diem	586.58
14	Boston Fox Tigue International LLC	Marketing services	20,101.37
15	Burrtec Waste Industries Inc.	Trash removal services	5,655.18
16	C & A Janitorial Services	Janitorial services	8,844.00
17	CDW Government LLC	IT equipment	2,140.67
18	CED-Consolidated Electrical Distributor	Electrical repairs and supplies	949.77
19	Cintas Uniforms	Uniform and rug services	5,050.92
20	City of San Bernardino Water Department	Water and sewer services	13,193.82
21	CJMC Holdings LLC	Professional services - capital project management services	3,750.00
22	Coffman Engineers Inc.	Professional services-airport planning and environmental assessment	34,488.75
23	Cole Huber LLP	Professional services agreement-legal	4,514.25
24	Dans Lawnmower Center	Small equipment repairs and landscape supplies	551.08
25	Dennis Houser	Reimburse training expenses 02/2023 Ontario Police Department	343.97
26	Derrick Burroughs	Reimburse training expenses transportation fees 03/2023 Commercial and Industrial Chiller	262.58
27	Donald Platten	Travel 05/2023 ADB Safegate maintenance training Columbus OH. Per Diem	471.00
28	DoorTech	Door repair on-call services	1,468.50
29	East Valley Water District	Water service	81.06
30	Eide Bailly LLP	Professional audit services	2,200.00
31	Encore Lighting Inc.	Light bulb and ballast replacements	577.52
32	Environmental Management Technologies	Disposal of Hazardous & non-hazardous waste	14,601.31
33	Ernie's Auto Interior	Upholstery repairs & service-fuel trucks fleet equipment	245.00
34	Ewing Irrigation Products Inc.	Commercial irrigation supplies and repairs parts	1,449.40
35	Express Quality Car Wash	Security department fleet vehicle car washes	169.93
36	Fire Master	Semi-annual inspection fees	750.00
37	Ford Credit Company	Monthly lease payments for Luxivair-SBD courtesy vehicles	1,943.44
38	Franks Fence & Supply Co. Inc.	Chain link fence materials	261.00
39	Frontier Communications Corporation	Telephone services	3,502.81
40	Frostbyte Consulting Inc.	Consulting services agreement- green energy grant	9,120.00
41	Gerred Snyder	Reimburse training expenses 02/2023 Ontario Police Department	359.61
42	GMSTEK LLC	Monthly subscription fee for point of sale system	1,485.72
43	Goldencrest Global LLC	County International Trade & Investment Mission South Korea & Japan	900.00
44	Goss Construction Company Inc.	Runway joint & spall repair project	390,704.20
45	Grainger	Parts and supplies for building repairs	2,129.03
46	Granite Telecommunications	Telephone services	4,475.31
47	Greater Riverside Chambers of Commerce	Annual membership fees	525.00
48	Griffith Company	Taxiway shoulder improvement project	45,980.67

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**5/24/2023**

Line	Company Name	Description	AP Register
49	Gwendolyn Valdez	Shoe reimbursement	71.76
50	Hernandez, Kroone & Associates Inc.	Professional engineering - on call surveying services	6,617.04
51	Imagine Systems Inc.	Professional consulting services	4,111.19
52	Inland Empire Economic Partnership	Silver sponsorship eCommerce & Logistics Summit airport marketing	1,500.00
53	Inland Empire Tourism Council	The Regional Summit Sponsorship	5,000.00
54	Inland Valley Development Agency	Related party (SBIAA) transactions through 02/28/2023	646,384.46
55	Innovative Federal Strategies LLC	Professional service agreement-federal legislative advocacy services	2,000.00
56	J B Hunt Transportation Inc.	Security deposit refund	804.48
57	JCB Southern California LLC DBA	Heated rear window screen for JCB front end loader	1,757.23
58	Joseph E. Bonadiman & Associates Inc.	Fuel Farm surveying	3,645.00
59	Justin Huegel	Travel 05/2023 ADB Safegate maintenance training Columbus OH. Per Diem	471.00
60	Juventino Garcia	Boot reimbursement	152.24
61	K&L Hardware and Plumbing Supply Inc.	Maintenance tools and supplies	239.04
62	Kaiser Foundation Health Plan, Inc.	Employee medical benefits	50,891.54
63	Ken Grody Ford Redlands LLC	Fleet vehicle parts and services	5.03
64	LA Area Chamber of Commerce	2023 World Trade Week Sponsorship	1,000.00
65	Legal Shield Services Inc.	Employee legal group benefits	827.30
66	Los Angeles Engineering Inc.	Emergency work-sinkhole at Leland Norton Way & Webster Dr.	24,761.63
67	LSA Associates Inc.	Professional Wildlife Biologist services	28,498.63
68	Mackinac Software LLC	AWOS weather reporting system service	89.00
69	Marlin Martinez	Travel reimbursement for return flight from Schedulers & Dispatchers Conference	329.99
70	Mead & Hunt Inc.	Professional consulting service agreement-providing air services development and airport development	7,514.26
71	Merit Oil Company	Fuel inventory for fleet operations	25,539.34
72	Michael Burrows	Travel County Trade Mission project 04/2023 Tokyo Japan Per Diem	300.00
73	Michael Saldana	Travel 04/2023 Miami FL X-1FBO Per Diem	531.60
74	Mirau Edwards Cannon Lewin & Tooke LLP	Professional legal services agreement	2,342.29
75	Mitch Dattilo	Travel reimbursement ISC West Conference 03/2023 Las Vegas NV. And Airport Planning, Design & Construction Symposium Anaheim Ca.	702.77
76	Myles Fowles	Reimburse expenses for airport police security training	140.52
77	National Auto Fleet Group	2022 Ford Utility Hybrid	38,570.36
78	National Equipment Leasing LLC	Monthly lease payment for 7k, 10k, and 15k refuelers	28,396.20
79	Parts Authority Metro LLC	Vehicle parts and service supplies	4,160.63
80	Patton Sales Corp.	Square tube - landfill	115.82
81	Pete's Road Service Inc.	Vehicle repairs and parts	1,861.78
82	Petty Cash - Reshma Rajan	Petty cash custodian reimbursement for miscellaneous supplies and employee reimbursements	792.97
83	Pitney Bowes Global Financial Services	Leasing fees- postage machine	225.70
84	PlaneNoise Inc.	Noise complaint program	1,287.50
85	Pristine Uniforms	Security uniforms	573.91
86	Redlands Chamber of Commerce	2023 Legislative Forum Gold Sponsor	750.00
87	Right Energy Group	Professional agreement for Green Energy Programs	6,500.00
88	Robert Calderon	Annual boot reimbursement	160.00
89	San Bernardino County Fire Protection	ARFF vehicle tire replacement	1,326.30
90	San Bernardino Municipal Water	Permits for tenant improvements-Leland's Coffee Shop	530.00
91	San Bernardino Paint	Paint and painting supplies-673	86.46
92	SITA Information Networking Computing USA	Network equipment to upgrade hardware, software & platform for CUTE systems	101,372.43
93	SKIDATA Inc.	Install and configure card readers for west parking lot	3,112.00

**San Bernardino International Airport Authority**  
**Register of Demands for Commission Meeting**  
**5/24/2023**

Line	Company Name	Description	AP Register
94	South Coast AQMD	Generator and storage permit fees	371.11
95	Southern California Edison	Annual fire inspection fees	123,199.00
96	Southern Computer Warehouse Inc.	APC auto transfer switch power network equipment	2,102.48
97	Staples Contract & Commercial LLC	Office supplies	2,582.95
98	Sunwest Printing Inc.	Printing-business cards, posters, brochures, printing projects, etc.	126.15
99	SWRCB	Storm water permit fees	1,876.00
100	Sysco Riverside Inc.	Hospitality bar supplies - Luxivair-SBD	1,216.95
101	T&G Construction Services Inc.	Luxivair flooring project and broken tile project	2,826.92
102	TELOS ID	TSA background checks and fingerprinting processing	1,556.25
103	The Gas Company	Gas services	4,638.04
104	The Pitney Bowes Reserve Account	Postage fees	172.71
105	Titan Aviation Fuels	Jet A and Avgas fuel inventory purchases	6,458,142.58
106	Trilogy Medwaste West LLC	Waste disposal service for international flights	587.16
107	Uline Inc.	PPE & safety supplies	175.27
108	Underground Service Alert Of Southern Cal	Notification system for underground utilities	45.00
109	UniFirst	First aid kit refills and replace AED units	213.21
110	United Rentals Inc.	5 Gallon trailer water tank & service maintenance grounds truck	7,393.75
111	United Site Services	Fence rental Bldg. 759 parking lot	846.74
112	US Custom & Border Protection	Customs contract and inspection fees	2,641.70
113	US Customs & Border Protection	Customs quarterly service fees for airport program	51,177.84
114	US Fueling Solutions	Fuel truck repairs and maintenance	6,595.01
115	Utility Telecom Group LLC	Data Ethernet & phone service-bandwidth & telephone services	4,428.68
116	Verizon Wireless	Wireless phone services	2,524.96
117	VFS Fire & Security Services	Recurring / unplanned maintenance, repairs & inspections-pump house	3,120.00
118	VISA	Office supplies, airport supplies and services, and Luxivair SBD supplies, services, and incidentals	40,351.72
119	Vortex Industries Inc.	Preventative maintenance program for GA hangars and repair doors	2,524.00
120	West Coast Lights and Sirens Inc.	Diagnostic repairs and maintenance-security vehicles	831.39
121	Western Exterminator Company	Pest control services	437.00
122	Wintrust Specialty Finance	Monthly lease payment	6,613.09
123	XGraphix LLC		3,099.38
	Total		\$ 8,454,452.71



**Visa Breakdown  
April 2023  
SBIAA**

Line	Description	Vendor	Dept.	Amount
1	Office 365 licensing-Basic	www.office.com	COB	510.00
2	Office 365 licensing-Premium	www.office.com	COB	220.00
3	Office 365 licensing-Standard	www.office.com	COB	687.50
4	Web domain renewals	www.networksolutions.com	COB	399.90
5	Data storage annual fee	www.zoom.com	COB	161.52
6	Web design tool - fraudulent transaction to be credited	SquareSpace Inc.	OPS	276.00
7	Satellite TV for Customs Office	Dish Network	HR	100.70
8	Employee appreciation lunch	Jose's Mexican Food	HR	339.21
9	Background employee screening	Checkr	HR	139.98
10	Employee drug screening	Exam Professionals	HR	100.00
11	Lunch for interview panel	Jersey Mike's	HR	37.15
12	Shelving unit for terminal storage room	Global Equipment Company Inc.	Develop	1,989.57
13	Floor drain / add on faucet	Webstaurant Store	Develop	426.86
14	Landscaping plants -Bldg. 601	Sunshine Growers	Maint	410.53
15	Landscaping plants -Bldg. 601	Sunshine Growers	Maint	129.30
16	Decomposed granite landscaping Bldg.601	La Cadena Masonry	Maint	474.10
17	Gopher bait	K&L Hardware	Maint	204.69
18	Tool & Trimmer line rack accessories	Amazon	Maint	99.62
19	Power tool rack accessories landscaping trailer	Amazon	Maint	128.06
20	Stencils for repainting parking spaces	My Parking Signs	Maint	93.74
21	Tools for maintenance truck	Home Depot	Maint	446.29
22	Meal in lieu of meal break to repair Admin vehicle	El Burrito	Maint	35.51
23	Running boards /mats Fleet Truck #50	RealTruck.com	Maint	977.29
24	Fleet Truck #50 tools	Home Depot	Maint	83.70
25	Credit for parts out of stock	RealTruck.com	Maint	(259.90)
26	Floor mats for new Chevy Colorado's	Weathertech	Maint	655.53
27	Fleet Truck tools	Home Depot	Maint	105.11
28	Fleet Truck tools	Home Depot	Maint	731.13
29	Adjustable anti-fatigue trigger gun pressure washer	Geyser Equipment LLC	Maint	1,224.06
30	Spray in bedliners for two Colorado Trucks	Wolf Bedliners Inc.	Maint	1,212.15
31	Light bar for Fleet Truck #50	RoughCountry.com	Maint	326.20
32	Fuel truck repairs and maintenance-3k fuel truck parts-FBO	Westrux International	Maint	129.04
33	Trailer hitch for New Colorado	Hatfield Buick GMC	Maint	402.38
34	Fleet truck #50 bedliner	Wolf Bedliners Inc.	Maint	946.80
35	Remodel supplies restroom Bldg. 730	Lowes	Maint	58.14
36	Sealant for boiler room repair-Bldg. 673	Home Depot	Maint	31.47
37	Supplies for grounds-blades	Home Depot	Maint	16.28
38	IAF holding cell plumbing	Grainger	Maint	745.23
39	Restroom remode supplie - Bldg. 730 supplies	Home Depot	Maint	195.25
40	Silicone needed for Sheriff H199	Home Depot	Maint	67.79
41	Shop tools-grease gun	Home Depot	Maint	65.21
42	Supplies-silicone	Home Depot	Maint	172.56
43	Tarps-terminal chemical storage	Harbor Freight	Maint	52.70
44	Restroom remodel tools - Bldg. 730 tools	Lowes	Maint	365.74
45	Supplies-plumbing kits	Ferguson	Maint	181.36
46	Supplies-plumbing kits	Ferguson	Maint	65.66
47	Material restroom remodel-Bldg. 730	Lowes	Maint	182.98
48	Electrical wire for the airfield	Home Depot	Maint	349.03
49	Large bin cart-to transport luggage	WRH Industries	OPS	231.34
50	Dog grooming for airport wildlife dog	Angel Paws	OPS	47.00
51	Signs for baggage claim	Zazzle	OPS	58.87
52	Emergency evacuation stair chair for escalator stairs	LINE2design, Inc	OPS	2,153.14
53	Baggage handling training J. Wagner, M. Merry, and G. Chavez	Royal Industries	OPS	1,500.00

**Visa Breakdown**  
**April 2023**  
**SBIAA**

Line	Description	Vendor	Dept.	Amount
54	Uniforms-supervisor jackets	Triple Crown	FBO	537.32
55	Hospitality for FBO Thankful Thursday promo events	Stater Bros.	FBO	44.52
56	CBP meeting on 3/10/2023 floral arrangements	Flower Shop Network	FBO	73.37
57	Cable TV - Satellite subscription-FBO	Dish Network	FBO	147.59
58	Miscellaneous hospitality services and supplies for charter flights-FBO	Target	FBO	64.12
59	Uniforms for new CSR	Amazon	FBO	234.84
60	Training material for line service-aircraft fueling manuals	Sandpiper Media	FBO	203.89
61	Hospitality for CBP meeting 3/10/2023	Chef Dave's Cafe	FBO	827.76
62	Fuel to be used for crew cars-FBO	Chevron	FBO	45.57
63	Fuel to be used for crew cars-FBO	Chevron	FBO	51.84
64	Hospitality for FBO Thankful Thursday promo events	Stater Bros.	FBO	42.04
65	Cable TV - FBO annual movie subscription for theater	Netflix	FBO	19.99
66	Annual employee recognition day food & beverage	Jose's Mexican Food	HR	339.21
67	Employee recognition event	Ontario Reign	HR	100.00
68	Hospitality meeting with Consul General of El Salvador	Corner Bakery	Admin	105.00
69	Shock absorbing lanyard	Grainger	Maint	56.82
70	Shock absorbing lanyard	Grainger	Maint	56.82
71	Replacement for vehicles - First Aid Kit	Grainger	Maint	89.39
72	UN1993 Dot Decal	Grainger	Maint	2.67
73	Restroom renovation-Bldg. 730 solder ball	Lowe's	Maint	65.47
74	Over the glasses safety glasses	Lowe's	Maint	63.62
75	Hazmat asbestos bags	Home Depot	Maint	48.07
76	Restroom renovation ball valve	Lowe's	Maint	27.03
77	Full body harness fall protection equipment	Grainger	Maint	55.88
78	Wet floor signage	Home Depot	Maint	46.75
79	Shock absorbing lanyard	Grainger	Maint	56.82
80	Parking revenue transaction processing - credit card processor	Windcave	IT	295.00
81	Cloud server agencies website usage charges	DigitalOcean	IT	64.30
82	Website management software license	CPanel	IT	39.99
83	TV content for concourse streaming service	Sling TV	IT	48.49
84	Monitoring of environmental aspects of IT rooms	Avtech software	IT	274.95
85	Laser printer maintenance -toner collection unit FBO	HP.com	IT	23.91
86	Wired magazine-tech magazine subscription	Wired	IT	10.00
87	Hosted IT communication software	Slack	IT	43.75
88	Terminal background music streaming service	Soundtrack Your Brand	IT	49.00
89	Promo items for spring event	Ink'd Promo & Apparel	FBO	278.00
90	Uniforms returned	Cintas	FBO	(107.63)
91	Staff polos-OPS/Badging	E Custom Wear Inc.	OPS	144.86
92	Staff polos-OPS/Badging	E Custom Wear Inc.	OPS	271.75
93	Credit for BestBuy.com fraud charged 2/13/2023	BestBuy.com	FBO	(2,722.66)
94	Credit for BestBuy.com fraud charged 2/13/2023	BestBuy.com	FBO	(2,722.66)
95	FBO promotions gift cards	Smart & Final	FBO	75.00
96	Floral centerpieces for 05/03/2023 event	Bouquet Florist	FBO	200.00
97	Floral centerpieces for 5/11/2023 event	Bouquet Florist	FBO	200.00
98	Annual promotional items Luxivair SBD-lip balm	AnyPromo.com	FBO	1,403.31
99	Front loader new window JCB parts	JCB Southern California LLC DBA	Mktg	1,757.23
100	Promotional items Luxivair SBD-stainless steel travel mugs	AnyPromo.com	Mktg	2,074.44
101	Registration fees for cargo meetings & mixers	Los Angeles Air Cargo Association, Inc.	Mktg	1,175.00
102	Promotional items SBD airport- airplane pens	AnyPromo.com	Mktg	630.13
103	Stock imagery for graphic design purposes	Adobe Stock	Mktg	49.99
104	Travel Breeze Conference 02/2023 M. Burrows-hospitality	White Horse Bar & Grill	Admin	50.25
105	Travel Breeze Conference 02/2023 M. Burrows-flight	Breeze Air	Admin	50.00
106	Travel Breeze Conference 02/2023 M. Burrows-lodging	Sheraton Hotel	Admin	577.08

**Visa Breakdown  
April 2023  
SBIAA**

<b>Line</b>	<b>Description</b>	<b>Vendor</b>	<b>Dept.</b>	<b>Amount</b>
107	Travel Inland Action Legislative Meetings Washington DC 03/2023-transportation M. Burrows	Ztrip Taxi	Admin	87.52
108	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows parking fees	The Parking Spot	Admin	149.07
109	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	12.71
110	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	12.71
111	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	12.99
112	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	5.75
113	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	18.93
114	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	13.98
115	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	21.91
116	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows transportation	Uber	Admin	29.94
117	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows lodging	Thompson DC the Yards	Admin	355.20
118	Travel Inland Action Legislative Meetings Washington DC 03/2023 M. Burrows Hospitality	Fairway Café	Admin	143.60
119	Travel Hillwood Meeting 03/2023 M Burrows-flight	United Airlines	Admin	429.20
120	Travel County Trade Mission project San Bdn County 04/2023 Tokyo Japan- M. Burrows-flight	United Airlines	Admin	1,887.95
121	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs transportation	Taxi	Maint	126.00
122	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs transportation	Uber	Maint	39.91
123	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs transportation	Uber	Maint	9.97
124	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs-flight	American Airlines	Maint	70.00
125	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs transportation	Uber Eats	Maint	2.00
126	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs-meals	Uber Eats	Maint	11.03
127	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs-meals	Doordash	Maint	21.53
128	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs-meals	Taco Bell	Maint	8.47
129	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs transportation	Taxi	Maint	105.37
130	Travel Commercial and Industrial Chiller Training-ChillCo. 03/2023 Lacombe LA -D. Burroughs-flight	American Airlines	Maint	70.00
131	Travel AAAE Airport Planning, Design & Construction Symposium 02/28-03/03/2023 Anaheim Ca. M. Dattilo-lodging	Cortona Inn & Suites	Security	162.63
132	Travel AAAE Airport Planning, Design & Construction Symposium 02/28-03/03/2023 Anaheim Ca. A. Zapata-lodging	Cortona Inn & Suites	OPS	162.63

**Visa Breakdown  
April 2023  
SBIAA**

<b>Line</b>	<b>Description</b>	<b>Vendor</b>	<b>Dept.</b>	<b>Amount</b>
133	Travel AAAE Airport Planning, Design & Construction Symposium 02/28-03/03/2023 Anaheim Ca. K. Vejar-registration fees	AAAE	Develop	1,000.00
134	Travel AAAE Airport Planning, Design & Construction Symposium 02/28-03/03/2023 Anaheim Ca. M. Dattilo-registration fees	AAAE	Security	1,000.00
135	Travel AAAE Airport Planning, Design & Construction Symposium 02/28-03/03/2023 Anaheim Ca. A. Zapata-registration fees	AAAE	OPS	800.00
136	Travel AAAE Airport Planning, Design & Construction Symposium 02/28-03/03/2023 Anaheim Ca. M. Dattilo-lodging	Cortona Inn & Suites	Security	368.55
137	Travel AAAE Airport Planning, Design & Construction Symposium 02/28-03/03/2023 Anaheim Ca. A. Zapata-lodging	Cortona Inn & Suites	OPS	368.55
138	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 IT M. Dennis-registration	ISC West Conference	IT	825.00
139	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 M. Dattilo-lodging	Treasure Island	Security	126.94
140	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 IT M Dennis-Lodging	Treasure Island	IT	126.94
141	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 T. Bowie-Lodging	Treasure Island	OPS	126.94
142	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 T. Bowie-	ISC West Conference	OPS	825.00
143	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 M. Dattilo-registration	ISC West Conference	Security	825.00
144	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 IT M Dennis-Flight	Breeze Airways	IT	128.00
145	Travel ISC West Conference Las Vegas NV 03/26/-03/30/2023 T. Bowie-Flight	Breeze Airways	OPS	130.00
146	Travel Breeze Conference M. Gibbs 03/2023 -parking fees	SBD International Airport	Admin	15.00
147	Travel Breeze Conference M. Gibbs 03/2023 fuel	Chevron	Admin	36.25
148	JumpStart Air Service Development Program - Air service conference M, Gibbs 06/2023 Milwaukee WI.	Airports Council International	Admin	1,200.00
149	Travel Inland Action Legislative Meetings Washington DC 03/2023- M. Burrows lodging (error to be credited next month)	Thompson DC the Yards	Admin	355.20
				\$ 40,351.72
	VISA Statement Balance			\$ 40,351.72
	Date Prepared: 05/04/2023			



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24 , 2023**

**ITEM NO: 4**

**PRESENTER: Mark Cousineau, Director of Finance**

**SUBJECT: RECEIVE AND FILE TREASURER'S REPORT FOR MARCH 31, 2023 FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA)**

**SUMMARY**

SBIAA's monthly Treasurer's Report that reconciles cash.

**RECOMMENDED ACTION(S)**

Receive and file Treasurer's Report for March 31, 2023 for the San Bernardino International Airport Authority (SBIAA).

**FISCAL IMPACT**

None.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	N/A
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

Attached is the Treasurer's Report for March 31, 2023 for the San Bernardino International Airport Authority. The total book value of cash accounts is \$15,027,838.67 on March 31, 2023. Bank statements reflect \$15,017,876.78. The difference between the two numbers is related to the outstanding checks, the deposits in transit, and other items March 31, 2023.

If you have any questions about this report, please contact me at (909) 382-4100 x141.

**Attachments:**

1. Treasurer's Report for March 31, 2023.

**SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**

**Treasurer Report**

**March 31, 2023**

<u>Cash</u>	Balance 02/28/23	Activities	Balance 03/31/23
<i>Checking Account - Wells Fargo Bank</i>	\$ 6,190,360.87	\$ (871,925.30)	\$ 5,318,435.57
Deposits In Transit:			
Beginning	513,809.09	(513,809.09)	-
Ending		5,864,483.02	5,864,483.02
Outstanding Checks:			
Beginning	(331,216.41)	331,216.41	-
Ending		(5,854,521.13)	(5,854,521.13)
 <i>Premium Money Market Account - Wells Fargo Bank</i>	 7,835,307.34	 5,557.46	 7,840,864.80
Deposits In Transit:			
Beginning			
Ending			
 <i>Payroll Account - Wells Fargo Bank</i>	 596.73	 1.10	 597.83
Deposits In Transit:			
Beginning	-	-	-
Ending	-	-	-
Outstanding Checks:			
Beginning	-	-	-
Ending	-	-	-
 Subtotal	 14,208,857.62	 (1,038,997.53)	 13,169,860.09
 <u>Investments</u>			
<i>Local Agency Investment Funds</i>	322,591.05	-	322,591.05
Deposits In Transit:			
Beginning			
Ending			
 Subtotal	 322,591.05	 -	 322,591.05
 <u>Investments Held With Fiscal Agent</u>			
Debt Service Fund-US Bank-2021A series	686,689.36	15,150.11	701,839.47
Reserve Fund- US Bank 2021A series	523,479.12	1,619.68	525,098.80
Cost Of Issuance Fund- US Bank 2021A series	1,023.43	3.17	1,026.60
Refunding Fund-US Bank 2021A series	-	-	-
Debt Service Fund-US Bank-2021B series	40,892.88	200,085.90	240,978.78
Debt Service Reserve Fund -US Bank-2021B series	66,203.41	204.84	66,408.25
Construction Fund- US Bank 2021B series	35.52	0.11	35.63
 Subtotal	 1,318,323.72	 217,063.81	 1,535,387.53
 Total Cash and Investments	 <u>\$ 15,849,772.39</u>	 <u>(821,933.72)</u>	 <u>\$ 15,027,838.67</u>

I certify that this report accurately reflects all cash and investments for the above period and all the investment is in compliance with San Bernardino International Airport Authority's Investment policy. San Bernardino International Airport Authority shall be able to meet it's expenditure requirement for next six month, anticipating operational fund receipts from IVDA.

  
Mark Cousineau, Treasurer



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 5**

**PRESENTER: Jeff Barrow, Director of Development**

**SUBJECT: APPROVE THE FILING OF A NOTICE OF COMPLETION FOR THE CONSTRUCTION CONTRACT WITH JERGENSEN CONSTRUCTION, INC. AND AUTHORIZE THE RELEASE OF RETAINED FUNDS**

### **SUMMARY**

The City Creek Bypass Channel Maintenance and Repair Phase 1 Project is now complete.

### **RECOMMENDED ACTION(S)**

Approve the filing of a Notice of Completion with Jergensen Construction, Inc. for the City Creek Bypass Channel Maintenance and Repair Phase 1 Project, release of retained funds; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. Funding for this project was included in the adjusted San Bernardino International Airport Authority (SBIAA) Fiscal Year 2022-2023 Budget in the Capital Projects Fund, Account 52563 - Channel Repair in the amount of \$100,000, of which \$96,335.20 was allocated to this contract.

PREPARED BY:	Issa Massou
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows



## **BACKGROUND INFORMATION**

The City Creek Bypass channel is located north of the SBD International Airport. It runs parallel to 3<sup>rd</sup> Street between Victoria and Sterling Avenues. The channel conveys stormwater runoff from the Cities of San Bernardino and Highland and excess flows from City Creek. The water flows through County Flood Channels, through the SBIAA owned City Creek Bypass Channel and ultimately discharges into the Santa Ana River. The Channel was originally constructed in the 1950's by the Air Force to prevent flooding onto the then Leland Norton Air Force Base. Over these many decades, the channel construction is now failing in sections and requires yearly maintenance and repair to keep the channel working as intended. Location Map is attached. Recent storms have caused major damage to several of the concrete side wall structures. Before and after construction completion photos are attached.

Staff prepared construction drawings addressing eight (8) areas comprised of the most damaged locations. A budget was developed using the previous project costs for removal and replacement of concrete and removal of trash and excess soil. The original estimate used a multiplier of 70% from the previously known costs due to the recent inflation of costs for materials. The actual quotes came in at 100% over the estimate. Funds are not available to complete the entire project. Staff modified the scope and reissued the bid documents for bidding purposes. The available funding is \$100,000. This modified project does address the most critical items which includes removal and replacement of three (3) side panels, clearing of grub throughout the channel from plants and debris, and weed abatement at construction joints for entire channel.

The Clerk of the Board received construction bids for the modified project on February 9, 2023. The San Bernardino International Airport Authority Commission approved this construction contract with Jergensen Construction, Inc. at the regular meeting on February 22, 2023. The work began on March 10<sup>th</sup> and was completed on April 15<sup>th</sup>. Construction was interrupted several times due to heavy rains. Work could not progress when there was any type of flow in the channel due to safety and regulatory concerns.

The contract amount was \$96,335.20. There were no change orders related to this work.

Staff recommends the Commission approve the above recommended actions.

### **Attachments:**

1. Location Map.
2. Photo.





**City Creek Bypass Channel - 1 mile east to west**





CITY CREEK BYPASS CHANNEL PRE AND POST REPLACEMENT (ATTACHMENT 2)



CITY CREEK BYPASS CHANNEL, WALL FAILURE AND UNDERMINE, AREA 1, PRE AND POST REPLACEMENT



CITY CREEK BYPASS CHANNEL PRE AND POST REPLACEMENT (ATTACHMENT 2)



CITY CREEK BYPASS CHANNEL, WALL FAILURE AND CRACKING, AREA 2 PRE AND POST REPLACEMENT





CITY CREEK BYPASS CHANNEL PRE AND POST REPLACEMENT (ATTACHMENT 2)



CITY CREEK BYPASS CHANNEL, WALL FAILURE AND CRACKING, AREA 4 PRE AND POST REPLACEMENT





**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 6**

**PRESENTER: Wendy McConaughey, FBO Manager**

**SUBJECT: APPROVE AMENDMENT NO. 3 TO THE AGREEMENT WITH ALLISON MECHANICAL, INC. FOR ADDITIONAL HEATING, VENTILATION, AND AIR CONDITIONING (HVAC) REPAIRS IN THE AMOUNT OF \$5,000 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$56,000**

### **SUMMARY**

Amendment No. 3 to the agreement with Allison Mechanical, Inc. is necessary due to additional parts and labor identified during routine maintenance of the HVAC system located at Luxivair SBD. The current agreement with Allison Mechanical, Inc. for routine maintenance service is in an amount not to exceed \$51,000.

### **RECOMMENDED ACTION(S)**

Approve Amendment No. 3 to the agreement with Allison Mechanical, Inc. for additional Heating, Ventilation, and Air Conditioning (HVAC) repairs in the amount of \$5,000 for a total contract amount not to exceed \$56,000; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. Funding for Amendment No. 3 to the Allison Mechanical, Inc. contract is included in the adjusted San Bernardino International Airport Authority Fiscal Year 2022-2023 Budget in the Luxivair SBD (FBO) fund, Account 50418 - HVAC, in the amount of \$56,000, of which \$5,000 is available to fund Amendment No. 3.

PREPARED BY:	Monette Mendoza
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

In February, 2022, the San Bernardino International Airport Authority (SBIAA) entered into an agreement with Allison Mechanical, Inc. to perform routine HVAC maintenance at the FBO in an amount not to exceed \$24,000. Contract Amendments No. 1 and No. 2 followed in 2022, collectively increasing the contract to an amount not to exceed \$51,000 for additional parts and labor.

Staff is requesting approval to increase the agreement with Allison Mechanical, Inc. in an amount not to exceed \$56,000 consistent with the San Bernardino International Airport Authority (SBIAA) purchasing policies and procedures.

Staff recommends the Commission approve the above recommended action.

**Attachments:**

1. None.



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 7**

**PRESENTER: Wendy McConaughey, FBO Manager**

**SUBJECT: APPROVE THE PURCHASE OF TWO (2) 48V ELECTRIC DRIVE CUSHMAN HAULERS FROM PRESTIGE GOLF CARTS IN AN AMOUNT NOT TO EXCEED \$36,101.52**

### **SUMMARY**

Approval of this item would authorize the purchase of two (2) 48V Electric Drive Cushman Haulers from Prestige Golf Carts in an amount not to exceed \$36,101.52, necessary to replace two (2) existing golf carts.

### **RECOMMENDED ACTION(S)**

Approve the purchase of two (2) 48V Electric Drive Cushman Haulers from Prestige Golf Cart in an amount not to exceed \$36,101.52; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. Funding for this equipment acquisition is included in the adjusted San Bernardino International Airport Authority (SBIAA) Fiscal Year 2022-2023 Budget in the Luxivair-SBD (FBO) fund, Account 50284 - FBO-Equipment Purchase in the amount of \$235,500, of which \$235,500 is available to fund this capital outlay.

PREPARED BY:	Monette Mendoza
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows



**BACKGROUND INFORMATION**

The replacement of two existing Gem Golf Carts is needed as the current equipment in use is antiquated with replacement parts no longer in production. The purchase of two (2) new 48V Electric Drive Cushman Haulers enables both Line Service Technicians and Guest Service Associates to traverse the AOA and the Fixed-Base Operator (FBO) Ramp areas.

Staff obtained three (3) competitive quotes and determined Prestige Golf Cart to offer the lowest responsive quote. Tax and delivery charges are included in the quoted price.

Staff recommends the Commission approve the above recommended action.

**Attachments:**

1. Summary of Respondent Quotes.

Inland Valley Development Agency  
1601 East Third Street  
San Bernardino, CA 92408-0131



San Bernardino Int'l Airport Authority  
1601 East Third Street  
San Bernardino, CA 92408-0131

**QUOTE SUMMARY SHEET**

Requestor Name: Monette Mendoza

Date: 05/15/23

Requesting Agency: ☐ SBIAA ☒ FBO ☐ IVDA Requesting Division: FBO

Attachments (List): 3 quotes for Cushman Haulers

General description of items/services requested and reasons:	
2023 Cushman Hauler Pro X Two Passenger	

Item #	Date Quote Rec'd	Vendor Name	Address	Contact Person	Phone # / Email	Price Quoted
1	05/12/23	Prestige Golf Cars	26525 Jefferson Ave Murrieta Ca 92532	Tyson Mrosek	951-695-2720	\$36,101.52
2	05/12/23	Mars Cars	7261 Mars Dr Huntington Beach CA	Sales Dept	714-847-7673	\$40,000.00
3	05/12/23	Grainer	On Line	On Line		\$39,175.26

Notes: <u>Replacement Haulers for FBO Line Service and Guest Service Associates</u>



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 8**

**PRESENTER: Mark Gibbs, Director of Aviation**

**SUBJECT: AUTHORIZE STAFF TO ADVERTISE CONSTRUCTION PLANS AND SPECIFICATIONS FOR THE AOA VEHICLE ACCESS ROAD PROJECT AT THE SBD INTERNATIONAL AIRPORT**

### **SUMMARY**

Approval of this item will allow Staff to advertise construction plans and specifications for the AOA Vehicle Access Road Project at the SBD International Airport. Staff will publicly advertise and contact local firms known to provide requisite construction services. The majority of funding for this work is compensable from grant funding through Bipartisan Infrastructure Law (BIL) funding and administered by the Federal Aviation Administration (FAA).

### **RECOMMENDED ACTION(S)**

Authorize Staff to advertise construction plans and specifications for the AOA Vehicle Access Road Project in accordance with Federal Aviation Administration (FAA) requirements and San Bernardino International Airport Authority (SBIAA) purchasing policies and procedures.

### **FISCAL IMPACT**

None. Responsive bids will be brought back to the SBIAA Commission for consideration and approval at a future date.

PREPARED BY:	Mark Gibbs
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

On February 22, 2023, the SBIAA Commission awarded design of the AOA Vehicle Access Road Project to Aecom Technical Services, Inc. Engineered plans and specifications are nearing completion, and Staff has been working closely with the FAA to ensure conformance with federal requirements. This airport infrastructure project is eligible for grant funding through BIL funds administered by the FAA in accordance with the Airport's capital improvement program. Notices of availability would be published in local newspapers of general circulation, the Airport's website, and by contacting companies known to be familiar with this type of work.

The AOA Vehicle Access Road Project includes the removal of an existing gravel road, excavation, compaction, grading, and asphalt paving of an approximately 2,150' long airfield service road in accordance with FAA requirements. The road provides a vehicle path between the southern and northern portions of the airfield. Due to the commencement of commercial passenger service, use of the existing gravel road has greatly increased over the past year. The AOA Vehicle Access Road Project would enhance the safety and efficiency of vehicles and equipment traversing the airfield during routine trips by commercial tenants and authorized personnel.

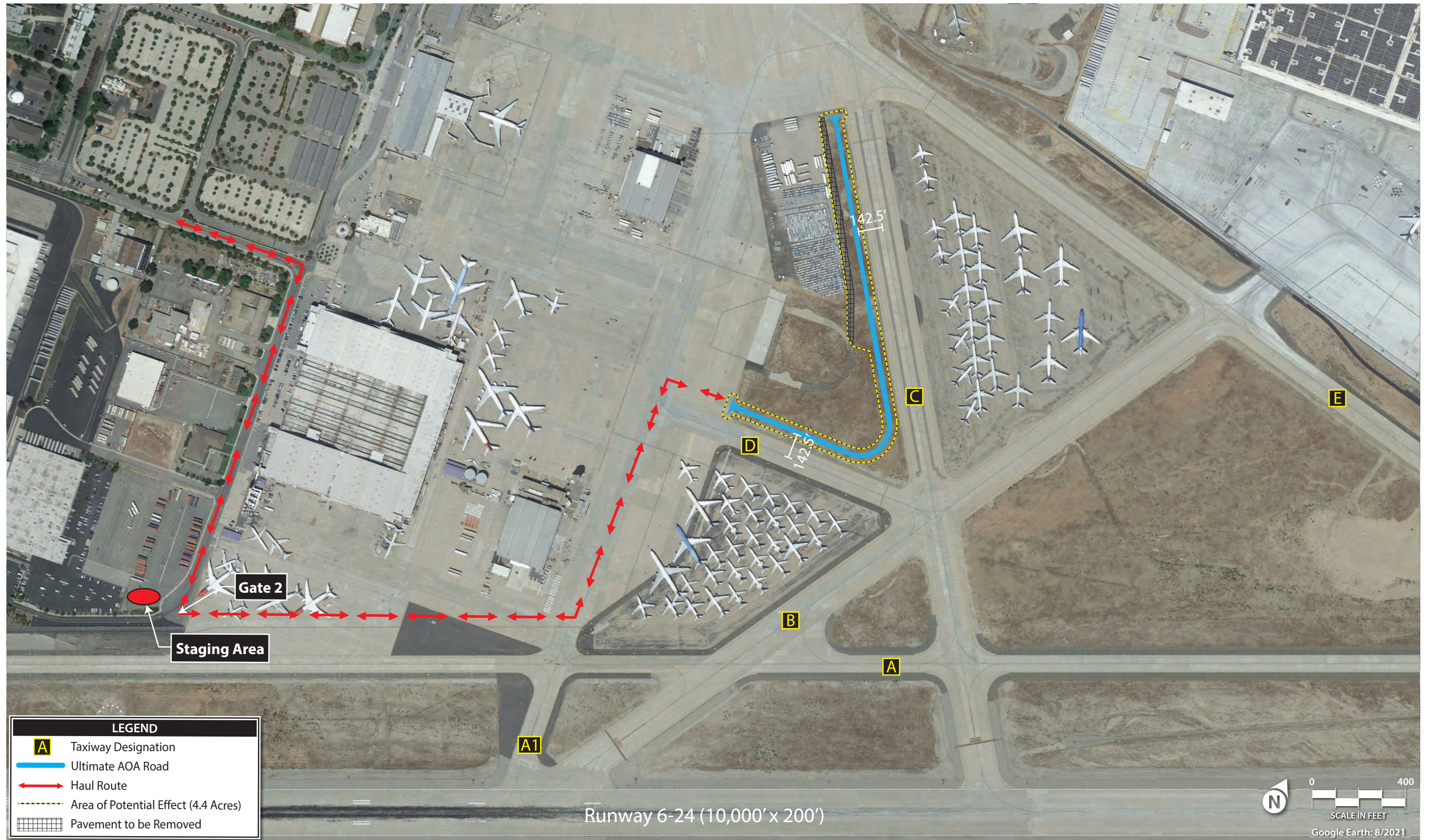
Resulting bids from the most competitive construction firm will be presented to the SBIAA Commission for consideration at a future meeting. This item is for approval to advertise construction plans and specifications only.

Staff recommends the Commission approve the above recommended action.


**Attachments:**

1. AOA Access Road Map.







	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 9</b></p> <p><b>PRESENTER: Jennifer Farris, Assistant Secretary of the Commission</b></p>
---	---

**SUBJECT: APPROVE MEETING MINUTES: APRIL 26, 2023**

**SUMMARY**

Submitted for consideration and approval by the San Bernardino International Airport Authority (SBIAA) Commission: Meeting minutes of the regular meeting held Wednesday, April 26, 2023.

**RECOMMENDED ACTION(S)**

Approve meeting minutes of the regular meeting held April 26, 2023.

**FISCAL IMPACT**

None.

PREPARED BY:	Jennifer Rodriguez
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

None.

**Attachments:**

1. April 26, 2023 meeting minutes.

# SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY

## REGULAR MEETING COMMISSION ACTIONS

WEDNESDAY, APRIL 26, 2023

3:00 P.M. (Closed Session, immediately followed by Open Session)

MAIN AUDITORIUM – Norton Regional Event Center 1601 East Third Street, San Bernardino, CA



A regional joint powers authority dedicated to the reuse of Norton Air Force Base  
for the economic benefit of the East Valley

### Commission Members

#### City of Colton

Mayor Frank J. Navarro, President	Present
Councilmember John Echevarria (alt)	Present (in audience)

#### City of Loma Linda

Councilmember Rhodes Rigsby	Present
Mayor Phillip Dupper (alt)	Absent

#### County of San Bernardino

Supervisor Dawn Rowe	Present
Supervisor Joe Baca, Jr. (alt)	Absent

#### City of San Bernardino

Mayor Helen Tran	Present
Councilmember Theodore Sanchez	Present
Mayor Pro Tem Fred Shorett (alt)	Present (in audience)

#### City of Highland

Mayor Pro Tem Penny Lilburn	Present
Mayor Larry McCallon (alt)	Absent

#### Staff Members and Others Present

Michael Burrows, Chief Executive Officer	Michael Lewin, Legal Counsel, Mirau, Edwards, Cannon, Lewin, & Tooke, LLP
Mark Gibbs, Director of Aviation	Catherine Pritchett, Director of Administration
Mark Cousineau, Director of Finance	Jeff Barrow, Director of Development
Jonathan Galvan, Airport Manager	Jennifer Farris, Assistant Secretary of Commission
Andres Zapata, Airport Operations Manager	

The Regular Meeting of the San Bernardino International Airport Authority was called to order by President Frank Navarro at approximately 3:03 p.m. on Wednesday, April 26, 2023.

A. **CALL TO ORDER / ROLL CALL**

Roll call was duly noted and recorded by voice.

Members of the Commission and staff joined Councilmember Theodore Sanchez in the Pledge of Allegiance.

B. **CLOSED SESSION PUBLIC COMMENT**

There was no closed session public comment.

C. **CLOSED SESSION**

President Frank Navarro recessed to closed session at 3:07 p.m. Mr. Michael Lewin, Legal Counsel, Mirau, Edwards, Cannon, Lewin, & Tooke, LLP, read the closed session items as posted on the Agenda.

- a. Conference with Real Property Negotiator Pursuant to Government Code Section 54956.8

Property: 255 S. Leland Norton Way, Hangar Bay 3

Negotiating Parties: Michael Burrows, SBIAA Chief Executive Officer, Scott Huber, SBIAA Legal Counsel, and other parties to be determined.

Under negotiations: Instructions will be given to the SBIAA negotiator concerning availability of property, terms and price.

D. **REPORT ON CLOSED SESSION**

President Frank Navarro reconvened the meeting at 3:51 p.m. President Navarro asked Mr. Michael Lewin, Legal Counsel, Mirau, Edwards, Cannon, Lewin, & Tooke, LLP, if there were any reportable items. Mr. Lewin reported that there were none.

E. **ITEMS TO BE ADDED OR DELETED**

There were no items to be added or deleted.

F. **CONFLICT OF INTEREST DISCLOSURE**

1. President Frank Navarro stated Commission members should note the item(s) listed which might require member abstentions.

There were no conflicts noted.



G. **INFORMATIONAL ITEMS**

Mr. Michael Burrows, Chief Executive Officer, presented the following informational items:

2. Informational Items
  - a. Chief Executive Officer's Report
  - b. Report on Grant Programs
  - c. Report on Annual Audit
- 2b. Mr. Michael Burrows, Chief Executive Officer, provided a brief report on current grant funding opportunities being pursued.
- 2c. Mr. Mark Cousineau, Director of Finance, provided a brief report on Agenda Item No. 2c. Mr. Michael Burrows thanked the Finance and Budget Committee Members for their time.

H. **COMMISSION CONSENT ITEMS**

Let the record reflect that all votes were done by roll call with each Commissioner's name and vote stated by voice.

3. Register of Demands – April 26, 2023
4. Receive and file Treasurer's Report for February 28, 2023, for the San Bernardino International Airport Authority (SBIAA)
5. Approve the filing of a Notice of Completion for the construction contract with Griffith Company and authorize the release of retained funds.
6. Approve Meeting Minutes: March 22, 2023

**ACTION:** Approve Agenda Item Nos. 3-6

RESULT:	<b>ADOPTED [UNANIMOUSLY]</b>
MOTION/SECOND:	Lilburn / Tran
AYES:	Lilburn, Navarro, Rigsby, Rowe, Sanchez, and Tran.
NAYS:	None.
ABSTENTIONS:	None.
ABSENT:	None.

I. **COMMISSION ACTION ITEMS**

Let the record reflect that all votes were done by roll call with each Commissioner's name and vote stated by voice.

7. Consider and adopt proposed budget adjustments for Fiscal Year 2022-2023

Mr. Mark Cousineau, Director of Finance, referenced the "Proposed Budget Adjustments Table" found on page 040 of the Agenda Packet and provided a brief report.

**ACTION:** Consider and adopt budget adjustment reflected in the "Proposed Budget Adjustments Table" for Fiscal Year 2022-2023.

RESULT: **ADOPTED [UNANIMOUSLY]**  
MOTION/SECOND: Rowe / Lilburn  
AYES: Lilburn, Navarro, Rigsby, Rowe, Sanchez, and Tran.  
NAYS: None.  
ABSTENTIONS: None.  
ABSENT: None.

8. Approve a Professional Services Agreement with Tetra Tech AMT (Tetra Tech) in an amount not to exceed \$205,568.51 for development and implementation of a Safety Management System (SMS) as required by the Federal Aviation Administration (FAA)

Mr. Andres Zapata, Airport Operations Manager, provided a brief report on Agenda Item No. 8.

**ACTION:** Approve a professional services agreement with Tetra Tech AMT for development and implementation of an airport Safety Management System (SMS) as required by the Federal Aviation Administration (FAA), in an amount not to exceed \$205,568.51 beginning July 1, 2023; and authorize the Chief Executive Officer to execute all related documents.

RESULT: **ADOPTED [UNANIMOUSLY]**  
MOTION/SECOND: Tran /Rowe  
AYES: Lilburn, Navarro, Rigsby, Rowe, Sanchez, and Tran.  
NAYS: None.  
ABSTENTIONS: None.  
ABSENT: None.

9. Approve Change Order No. 4 with Goss Construction Company, Inc. in an amount not to exceed \$36,124.39 for the Runway 6/24 Joint and Spall Repair Project; approve the filing of a Notice of Completion for this contract and authorize the release of retained funds

Mr. Jeff Barrow, Director of Development, referenced an overhead map and provided a brief report on Agenda Item No. 9.

**ACTION:** Approve Change Order No. 4 with Goss Construction Company, Inc. in an amount not to exceed \$36,124.39 for the Runway 6/24 Joint and Spall Repair Project; and approve the filing of a Notice of Completion and release of retained funds for this contract; and authorize the Chief Executive Officer to execute all related documents.

**RESULT:** **ADOPTED [UNANIMOUSLY]**  
**MOTION/SECOND:** Lilburn / Sanchez  
**AYES:** Lilburn, Navarro, Rigsby, Rowe, Sanchez, and Tran.  
**NAYS:** None.  
**ABSTENTIONS:** None.  
**ABSENT:** None.

10. Consider and discuss the SBD Good Neighbor Program First Quarter 2023 Report

Mr. Mark Gibbs, Director of Aviation, introduced Ms. Rosemary Barnes, Aviatrix Communications. Ms. Barnes referenced a PowerPoint presentation entitled "San Bernardino International Airport, Quarterly Report: April 2023" (as contained on pages 060-085 in the Agenda Packet) and provided a brief report on Agenda Item No. 10.

This item was for discussion purposes only; no formal action was taken.

**ACTION:** Consider and discuss the SBD Good Neighbor Program quarterly report.

11. Review Status of the Action Plan for the San Bernardino International Airport Authority (SBIAA) through June 30, 2023

Mr. Michael Burrows, Chief Executive Officer, referenced a PowerPoint presentation entitled "June 30, 2023 – Airport Focal Areas" (as contained on pages 088-090 in the Agenda Packet) and provided a brief report on Agenda Item No. 11.

This item was for discussion purposes only; no formal action was taken.

**ACTION:** Review the Action Plan for the San Bernardino International Airport Authority through June 30, 2023.

J. **ADDED AND DEFERRED ITEMS**

There were no items to be added or deferred.

K. **OPEN SESSION PUBLIC COMMENT**

A City of Highland resident expressed their concerns to the Commission regarding aircraft noise levels and thanked staff for making SBIAA meetings available on the Authority website, via live stream.

L. **COMMISSION MEMBER COMMENT**

Secretary Penny Lilburn thanked Mr. Mark Gibbs, Director of Aviation, for presenting an update of the Airport at the Highland Senior Center.

Councilmember Theodore Sanchez requested a marketing update presentation from Aviatrix Communications. Mr. Burrows, Chief Executive Officer, relayed that Staff will work with counsel and the firm on a future presentation.

M. **ADJOURNMENT**

There being no further business before the Commission, President Frank Navarro declared the meeting adjourned at 4:18 p.m.

**Approved at a Regular Meeting of the San Bernardino International Airport Authority on Wednesday, May 24, 2023.**

---

Jennifer Farris  
Assistant Secretary of the Commission



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 10**

**PRESENTER: Mark Cousineau, Director of Finance**

**SUBJECT: RECEIVE AND FILE THE ANNUAL INDEPENDENT FINANCIAL AUDIT REPORT OF THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) FOR THE FISCAL YEAR ENDING JUNE 30, 2022**

### **SUMMARY**

The San Bernardino International Airport Authority (SBIAA) Annual Audit Report for Fiscal Year ending June 30, 2022, has been completed by Eide Bailly, LLP, an independent certified public accounting audit firm.

### **RECOMMENDED ACTION(S)**

Receive and file the Annual Independent Audit Report of the San Bernardino International Airport Authority (SBIAA) for the Fiscal Year ending June 30, 2022; and approve the submission of these reports to the appropriate agencies.

### **FISCAL IMPACT**

None. The Fiscal Year 2022-23, General Fund, 50520 - Auditing account's approved budget of \$48,200 is sufficient to pay for the audit services.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	N/A
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

The San Bernardino International Airport Authority (SBIAA) annual independent financial audit for Fiscal Year ended June 30, 2022, has been completed by Eide Bailly, LLP, an independent audit and business consulting firm. Auditing standards, generally accepted in the United States, require the independent auditor to communicate significant audit findings or difficulties encountered, if any, to SBIAA's Commission. Eide Bailly, LLP will make a brief presentation at the time of the meeting.

For the Fiscal Year ended June 30, 2022, SBIAA received an unmodified opinion, otherwise known as a "clean audit opinion" that provides the greatest level of assurance on the preparation and fair presentation of SBIAA's financial statements.

If you have any questions about this report please contact me at (909) 382-4100 extension 141.

**Attachments:**

1. SBIAA Financial Statements and Independent Auditor's Report for the Fiscal Year Ended June 30, 2021.
2. Required Auditor's Communication With Those Charged with Governance (AICPA Audit Standards - Clarified, Section 260).
3. Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.



Financial Statements  
June 30, 2022

## San Bernardino International Airport Authority

Independent Auditor's Report.....	1
Management's Discussion and Analysis .....	4
Financial Statements	
Statement of Net Position .....	14
Statement of Revenues, Expenses and Changes in Net Position.....	15
Statements of Cash Flows .....	16
Notes to Financial Statements .....	18
Supplementary Information	
Schedule of General and Administrative Expenses .....	39
Schedule of Maintenance and Operations Expenses .....	40





## Independent Auditor's Report

Board of Commissioners  
San Bernardino International Airport Authority  
San Bernardino, California

### Report on the Audit of the Financial Statements

#### ***Opinion***

We have audited the financial statements of the business-type activities of the San Bernardino International Airport Authority (the Authority), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2022, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### ***Adoption of New Accounting Standard***

As discussed in Note 11 to the financial statements, the Authority has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Accordingly, a restatement has been made to net position as of July 1, 2021, to restate beginning net position. Our opinion is not modified with respect to this matter.

#### ***Correction of an Error***

As discussed in Note 11 to the financial statements, errors resulting in an understatement or overstatement of amounts previously reported for capital assets, accumulated depreciation, loans payable, revenues and expenses as of June 30, 2021, were discovered by management of the Authority during the current year. Accordingly, a restatement has been made to net position as of June 30, 2021, to correct the error. Our opinion is not modified with respect to that matter.

### ***Responsibilities of Management for the Financial Statements***

The Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

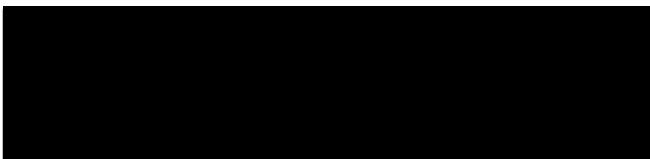
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Authority's basic financial statements. The schedule of general and administrative expenses and schedule of maintenance and operations expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of general and administrative expenses and schedule of maintenance and operations expenses are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated May 12, 2023 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.



May 12, 2023

## Executive Summary

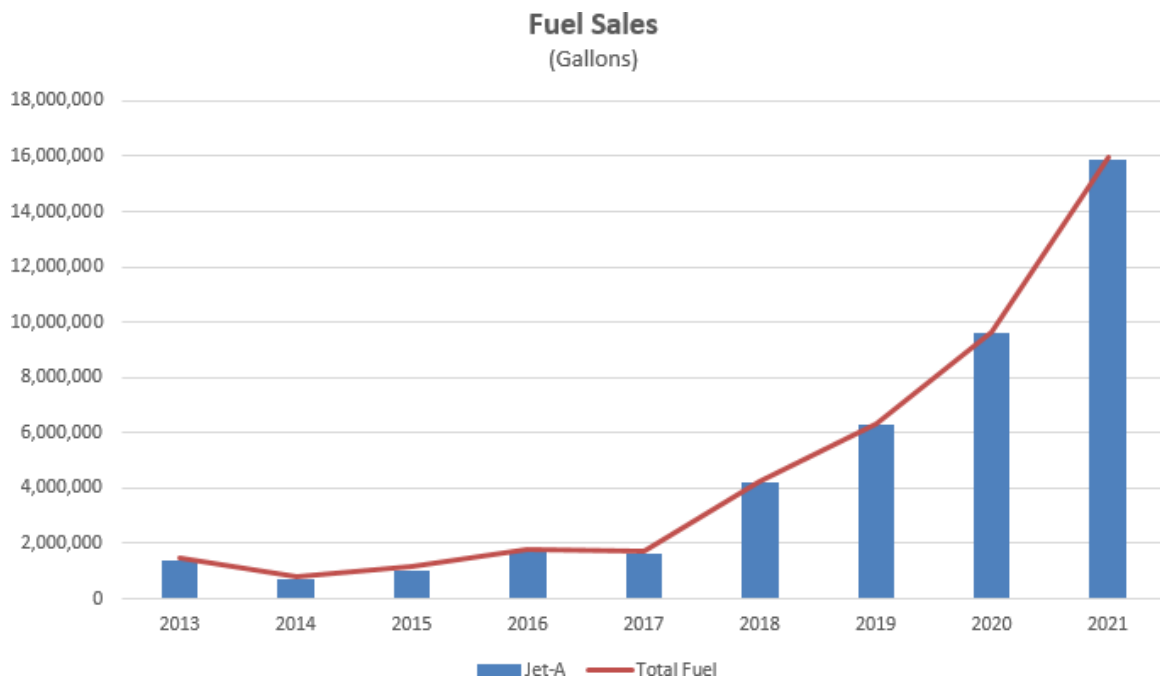
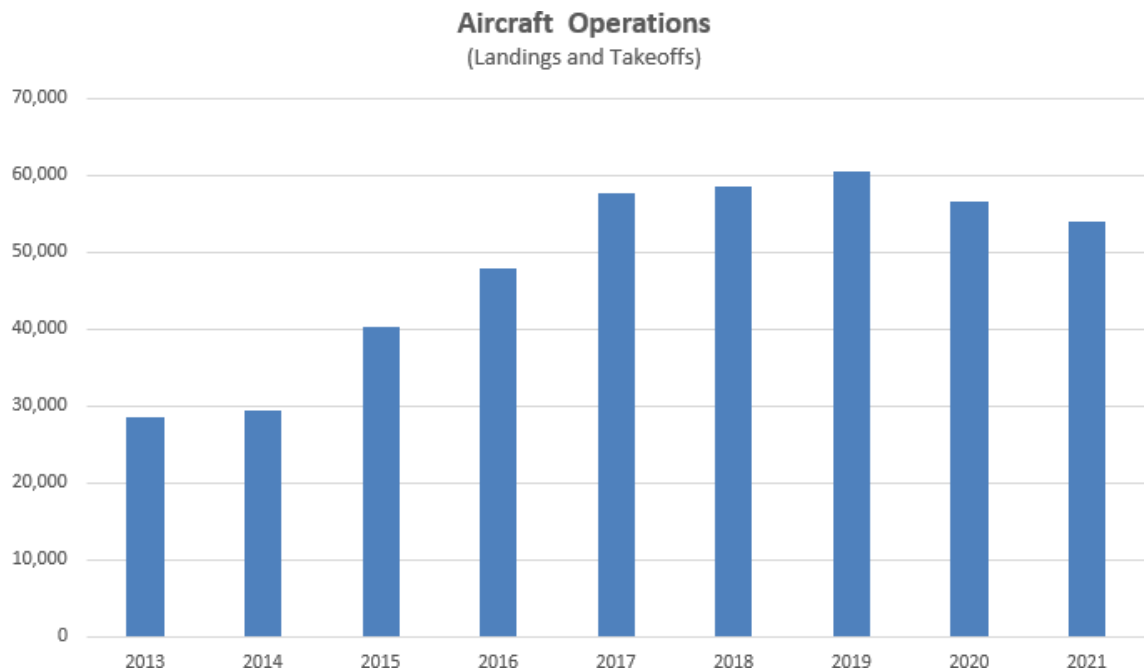
The San Bernardino International Airport Authority's ("SBIAA") Management Discussion and Analysis ("Analysis") provides an overview of SBIAA's financial activities for the fiscal year ended June 30, 2022. Since this information is designed to focus on the year's activities, resulting changes and currently known facts, it should be read in conjunction with SBIAA's financial statements.

SBIAA is a joint powers authority created in 1992. It was created for the purpose of acquiring, operating, repairing, maintaining, and administering the aviation-related activities of the former Norton Air Force Base. SBIAA owns and operates the San Bernardino International Airport ("SBD"). SBIAA operates under a public utility business model. It constantly seeks to increase aviation activity, fuel sales, and airport services. Our vision is to maximize opportunities for the flying public while achieving fair, non-discriminatory, and equitable returns to support the airport utility over the long run. To accomplish this, SBIAA creates an airport business environment that supports dynamic leadership, sound capital investment, and long-term employment opportunities for the benefit of the airport, its customers, stakeholders, the region, and the National Air Transportation System.

SBIAA also seeks to ensure that inter-governmental and community support to SBD is provided as appropriate. SBIAA should consistently deliver quality airport planning, infrastructure development, community development, and environmental programs, projects, and initiatives.

Finally, SBIAA seeks to realize its potential to provide high quality, higher wage employment opportunities for its member agencies and the communities they serve. Overall business attraction and retention across market segments: Air Cargo, Commercial Air Passenger, General Aviation, Corporate Aviation, and Maintenance and Repair Operations. The following charts on the next page provide an overview of SBD's aircraft operations and fuel sales:

SBD Annual Operations 2013 - 2021



*Annual Airport Operations statistics are based on calendar year information.*

From the full calendar year 2009 until 2012, aircraft operations were essentially flat at approximately 25,000 operations per year. However, in calendar year 2013 aircraft operations began a trend of successive increases. During calendar years 2013 through 2019, the Aircraft Operations chart shows aircraft operations experienced year over year increases of 17%, 3%, 37%, 19%, 21%, 1% and 4% respectively, each successive calendar year. Beginning in the calendar year 2020, the Airport experienced a decrease in aircraft operations of 7% or 3,975 fewer aircraft operations primarily from a decrease in general aviation activity. General aviation activity decreased in the short-term due to the negative impacts of the COVID-19 coronavirus pandemic on the general aviation community. The increasing operations of Amazon's Air Regional Hub at SBD, as well as increases in air cargo operations at the SBD's FedEx and United Parcel Services gateways, and by other air cargo operators continued that trend with a decrease in aircraft operations for calendar year 2021 of 5% or 2,533 fewer small aircraft operations. This trend is expected to continue for several years as large aircraft operations supplant general aviation aircraft activity related to aviation practice and training activity.

The calendar year compounded annual growth rate from 2009 to 2021 was 6.5%. Measured on a fiscal year basis, aircraft operations increased as well. This increase in air cargo operations subsequently supported increased jet fuel sales/services and lease revenues by \$47,057,241 for the fiscal year and is reflected on the "Operating Revenue and Expenses" chart shown later in the Analysis.

Fuel sale activity is measured in gallons sold to enhance comparability by removing fuel cost volatility. As discussed above, aircraft operations support aviation fuel sales. The Fuel Sales chart displays gallons sold for calendar years 2013 through 2021. Total Fuel includes both Jet A fuel, displayed on the chart, and AV gas. Beginning in calendar year 2018, the ongoing expansion of air cargo operations increased both the frequency and size of aircraft using SBD. SBD's compounded annual growth rate for gallons of aviation sold for calendar years 2013 to 2021 is 34.4%.

On July 9, 2021, SBIAA issued \$8,999,077 of direct placement taxable Airport Revenue Bonds at a rate of 3.74% to refund certain SBIAA obligations incurred to construct or improve commercial and general aviation hangars, as well as other SBD aviation facilities. Lease and other revenues related to these certain hangars and facilities are the primary source of funds to repay these bonds, which reach final maturity in fiscal year 2032.

To support increasing aviation activity, SBIAA issued \$4,850,565 of direct placement tax-exempt Airport Revenue Bonds at a tax-exempt rate of 3.37% on August 12, 2021, to fund the expansion of the SBD fuel farm. The fuel farm expansion project expanded capacity by constructing a 375,000-gallon tank and adding another fueling station or rack for a total capacity of 500,000 gallons. These bonds reach final maturity in the fiscal year 2036. The fuel farm expansion was completed and placed into operation in March 2022.

On March 8, 2022, SBIAA and Breeze Airways announced the initiation of regularly scheduled commercial air passenger service at SBD beginning August 2022. To prepare for the initiation of commercial air passenger service, SBIAA incurred expenses and made capital outlays for the domestic terminal, parking lots, rental car facility, and air operations area to update information, communication, mechanical, security, and command and control systems, as well as improvements to land and building and structures to increase airport passenger safety, ease of use, aesthetics, new hospitality facilities.

## **San Bernardino International Airport Authority**

SBIAA is a joint powers authority created in 1992. It was created for the purpose of acquiring, operating, repairing, maintaining, and administering the aviation-related activities of the former Norton Air Force Base.

SBIAA members are the City of Colton, City of Loma Linda, City of Highland, City of San Bernardino, and the County of San Bernardino in California.

The "Financial Statements Summary" and the "Operating Revenue and Expenses" charts reflect the continued capital investments in the Airport's infrastructure coupled with a sharp increase in aircraft operations over successive fiscal years since 2013, including increased fuel sales. As a result, the Airport continues to gain awareness amongst pilots and travelers in the Southern California market. During fiscal year 2014 the Airport contracted with a marketing firm to rebrand the Airport and its fixed based operator, Luxivair SBD. Improving financial results are attributable to innovative marketing campaigns, key management changes, and clear goals focused on achieving the Commission and management's vision for growth.

In fiscal year 2022, fuel sales and associated fuel revenues increased over fiscal year 2021 as the fleet mix of aircraft using the airport continued to trend toward larger jet and commercial size aircraft.

## **Financial Statements**

SBIAA is considered a special-purpose governmental joint powers authority engaged in activities that supports the entity through user charges. Accordingly, the accompanying financial statements are presented in the format prescribed for proprietary funds by the Governmental Accounting Standards Board. SBIAA's fiscal year ends June 30.

These financial statements consist of three interrelated statements designed to provide the reader with relevant, understandable information about SBIAA's financial condition and operating results. They are the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. The statements are presented in a fiscal year format for the year ended June 30, 2022.

The *Statement of Net Position* presents SBIAA's assets, liabilities, deferred inflows of resources and the difference, or net position, between what is owned and what is owed as of the last day of the SBIAA's fiscal year.

The *Statement of Revenues, Expenses and Changes in Net Position* describes the financial results of SBIAA's operations for the years reported. These results, or Changes in Net Position, are the increases or decreases to the bottom line of the Statement of Net Position.

The *Statement of Cash Flows* conveys how SBIAA managed cash resources during the fiscal year. This statement converts the Change in Net Position presented on the Statement of Revenues, Expenses and Changes in Net Position into cash provided by or used for operations. The Statement of Cash Flows also details how SBIAA obtains cash through financing and investing activities, and, conversely, how cash is spent.

## Financial Statements Summary and Charts

The following Financial Statements Summary provides highlights of the financial activity for fiscal years 2021 and 2022. Also provided are explanations as to the differences in amounts between the two fiscal years.

### FINANCIAL STATEMENTS SUMMARY (in thousands)

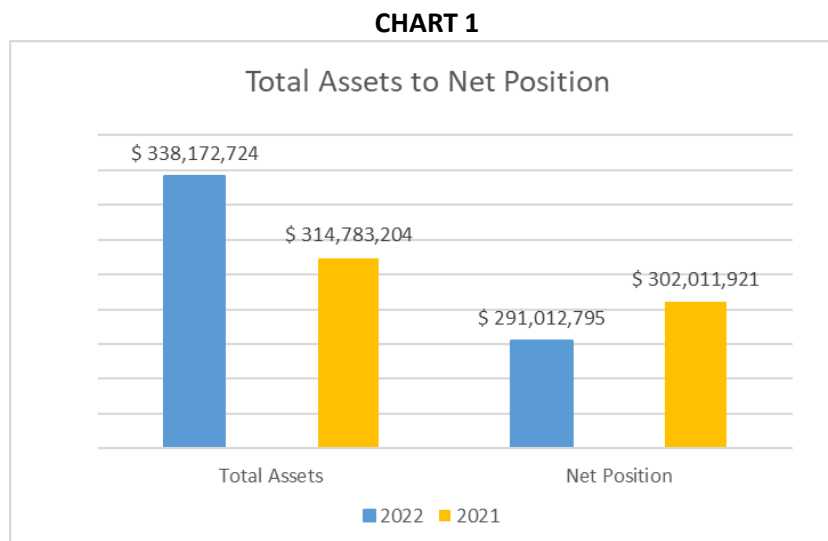
	June 30, 2022	June 30, 2021	Variance	Ref No.
Current assets	\$ 18,782	\$ 8,031	\$ 10,751	1
Noncurrent assets				
Lease receivable	3,252	-	3,252	2
Restricted cash and cash equivalents	1,209	50	1,159	3
Capital assets, not being depreciated	38,512	39,128	(616)	4
Capital assets, net of accumulated depreciation	276,418	267,574	8,844	5
Total assets	338,173	314,783	23,390	
Current liabilities	19,280	8,489	10,791	6
Noncurrent liabilities	14,227	4,282	9,945	7
Total liabilities	33,507	12,771	20,736	
Deferred inflows of resources	13,653	-	13,653	
Net investment in capital assets	299,689	303,318	(3,629)	8
Restricted for capital projects	581	581	-	9
Unrestricted (deficit)	(9,257)	(1,887)	(7,370)	10
Total net position	\$ 291,013	\$ 302,012	\$ (10,999)	
Operating revenues	\$ 84,406	\$ 34,095	\$ 50,311	11
Operating expenses	(95,800)	(46,403)	(49,397)	12
Nonoperating revenues	26	58	(32)	
Nonoperating expenses	(487)	(193)	(294)	
Other	(429)	(1,036)	607	
Income (loss) before contributions	(12,284)	(13,479)	1,195	
Capital contributions	873	6,056	(5,183)	13
Change in net position	(11,411)	(7,423)	(3,988)	
Net Position - Beginning, as restated	302,423	309,435	(9,171)	
Net Position - Ending	\$ 291,013	\$ 302,012	\$ (3,988)	



Explanation of Variances

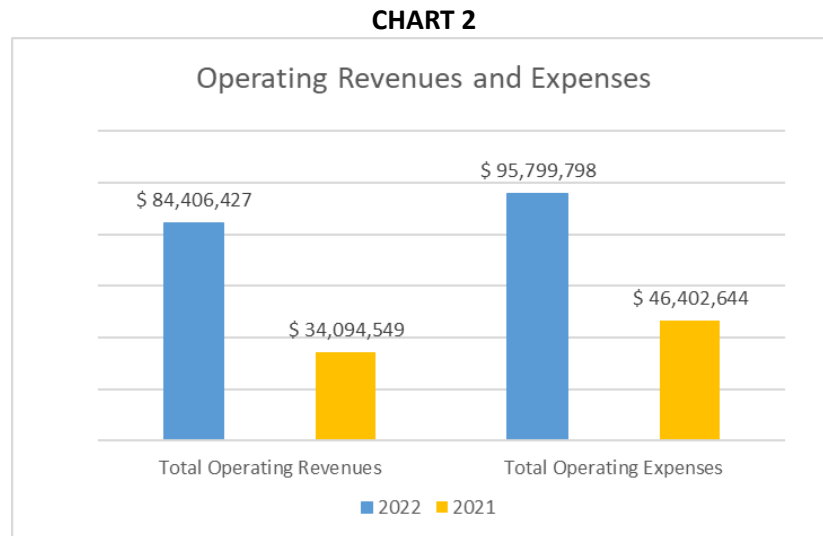
1. Current assets increased due to increased cash balance and increased fuel inventory at fiscal year-end.
2. The increase in Lease receivable is due to the restatement of Lease receivable to implement GASB 87.
3. Restricted cash balance increased because of the cash balance with the fiscal agent for 2021 Bond series A and B.
4. Decrease in the balance of Construction in Progress due to completed construction projects placed into service during the fiscal year.
5. Net effect of current year's additions and depreciation/amortization expense for the year being accumulated.
6. The increase in the balance is a result of an increase in accounts payable related to fuel purchases.
7. The increase in the balance is a result of the issuance of 2021 Bond series A and B.
8. Net effect of current year's addition and depreciation/amortization expense for the year being accumulated.
9. No change from prior year, same restrictions from prior year apply.
10. Total net position decreased. The overall decrease is principally due to depreciation/amortization expense (a non-cash expense). Increase in revenues due primarily to increased fuel sales volume and increase in fuel prices as a result of changes to larger cargo aircraft in the fleet mix of aircraft using the airport for operations.
11. Associated increase in expenses due to increased fuel sales volume and increase in cost of fuel, as well as increased large aircraft airport activity due to continued air cargo growth.
12. Decrease due to the recording of land purchased for the Authority by IVDA and transferred to the Authority by the IVDA Successor Agency in prior year.

The following Chart 1 describes total assets and net position as of June 30, 2021, and 2022.



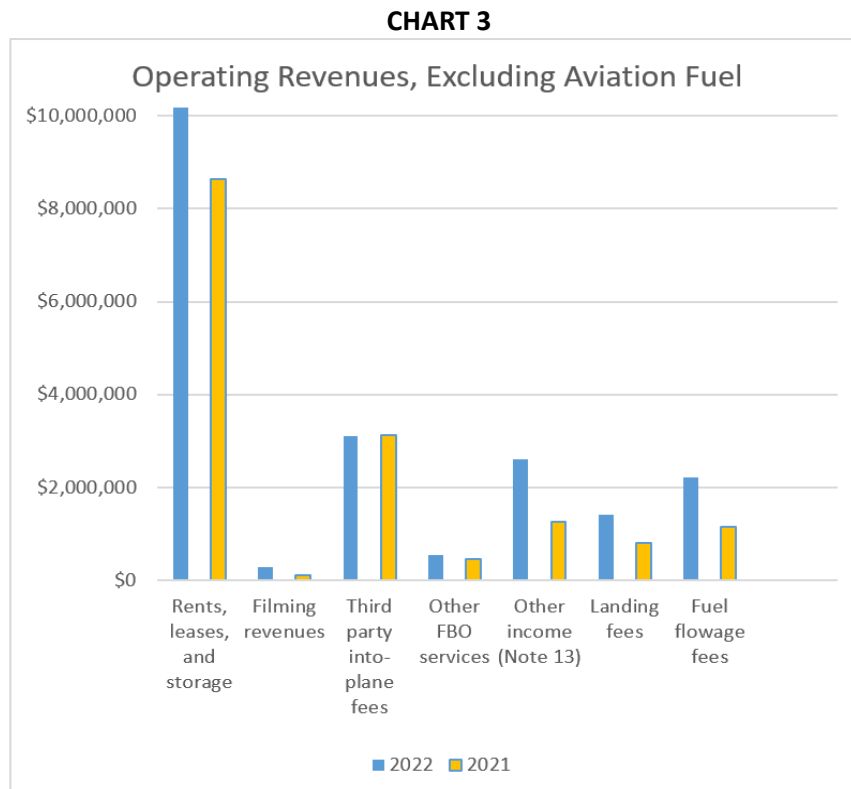
The increase in total assets due to correction of error (understatement of capital assets in prior year) and decrease in net position was primarily due to depreciation/amortization expense incurred during the fiscal year.

The following Chart 2 describes total operating revenues and expenses for fiscal years June 30, 2020, and 2021.



Total operating revenues increased by 148% with an associated increase in total operating expenses of 106% year-over-year. Total operating revenues increased due to increased fuel sales/services, fuel price increases, leases and rents, and aircraft landing fees in the fiscal year 2022.

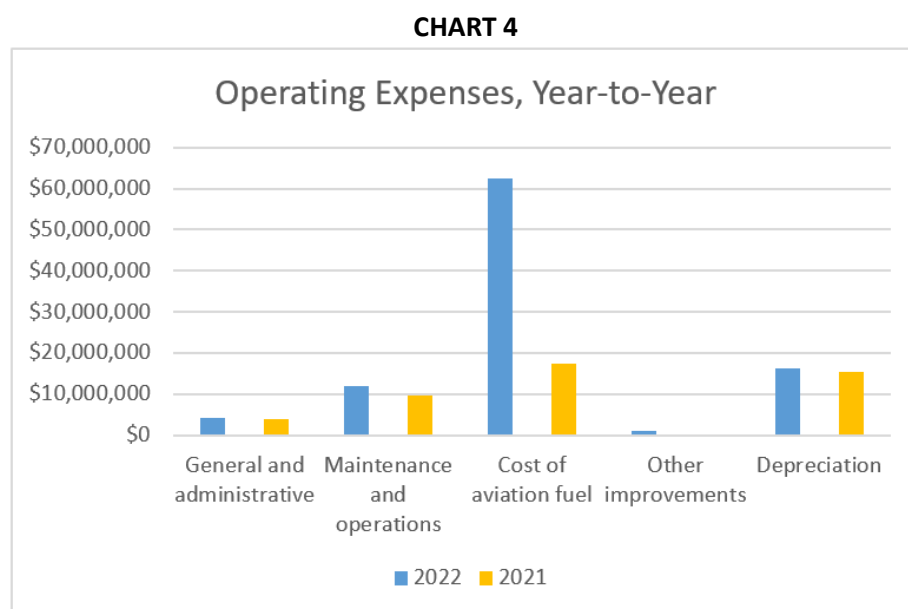
The following Chart 3 breaks down the categories of revenue year-over-year.



Rents, leases, and storage operating revenues increased by \$1,543,914 or 17.9% year-over-year. \$1,543,914 increase in rent, lease and storage is due to increased lease activities.

Aviation fuel sales were excluded in the above chart. Aviation fuel sales for fiscal years 2020-21 and 2021-22 were \$17,443,063 and \$62,539,790, respectively. The \$45,096,727 increase was a combination of increased fuel cost and a 90% increase in gallons sold due to changes discussed previously. The fuel sales reported in "Other income" increased for the same reason.

The following Chart 4 breaks down the four main operating expenses year-over-year.



Net income (net loss) for the airport includes \$16.2 million in depreciation expense, that does not affect the cash flow.

### Categories of Net Position

SBIAA is required to present its net position in three categories: net investment in capital assets, restricted, and unrestricted.

#### *Net Investment in Capital Assets*

At June 30, 2022, net investment in capital assets was \$299.7 million.

*Restricted*

At June 30, 2022, SBIAA had \$581 thousand in restricted net position primarily for airport infrastructure.

*Unrestricted*

At June 30, 2022, SBIAA had an unrestricted deficit net position of \$9.26 million.

**Capital Assets**

*Capital Asset Additions*

\$8.4 million dollars were added to capital assets during the fiscal year June 30, 2022, which included completion of projects from construction in process in the amount of \$6.8 million.

*Construction in Progress*

The following projects were capitalized during the fiscal year from construction in process:

- Completion of Gate Improvements
- Completion of New Fuel Farm project
- Completion of purchase of certain large electric equipment

**Long-term Debt**

During 2004-05 fiscal year, SBIAA acquired two loans in total amount of \$5.2 million from the Inland Valley Development Agency. During the 2014 fiscal year, SBIAA consolidated both loans into one and entered into a restated loan agreement for the balance of \$3.9M from the above loans. During the fiscal year, the loan was paid in full in the amount of \$1,128,337.

During 2015-16 fiscal year, SBIAA also has entered into an agreement with IVDA to finance the construction of General Aviation hangars which was funded by IVDA in the amount of \$3.9 million with installment payments to be paid to IVDA annually. The principal balance in the amount of \$3.9 million was paid during the fiscal year towards the agreement. The balance as of June 30, 2022, for this agreement is \$11,197.

During 2017-18 fiscal year, IVDA funded certain improvements on Hangar 795. SBIAA has entered into a loan agreement with IVDA for the above funds in the amount of \$3.4 million with an interest rate of 2% for a 10-year term. During the fiscal year, the loan was paid in full in the amount of \$3,385,081.

During the fiscal year, SBIAA issued Airport Revenue Refunding Bonds, Series 2021A and 2021B in the amount of \$8,999,077 and \$4,850,564, respectively. Principal and interest are due semiannually for these bonds. The outstanding balance on these bonds is \$8,230,360 and \$4,850,565, respectively.

**Currently Known Facts, Decisions, Conditions**

As noted previously, on March 8, 2022, SBIAA and Breeze Airways announced the initiation of regularly scheduled commercial air passenger service beginning August 2022. To prepare for the initiation of commercial air passenger service, SBIAA incurred and will continue to incur expenses and make capital outlays for the domestic terminal, parking lots, rental car facility, and air operations area to update information, communication, mechanical, security, and command and control systems, as well as improvements to land and building and structures to increase airport passenger safety, ease of use, aesthetics, new hospitality facilities.

San Bernardino International Airport Authority  
Statement of Net Position  
June 30, 2022

	<u>2022</u>
Assets	
Current Assets	
Cash and cash equivalents	\$ 13,721,203
Accounts receivable, net	2,574,332
Lease receivable	1,197,468
Due from related party	747,872
Interest receivable	2,308
Prepaid expenses	21,473
Fuel inventory	1,714,684
Total current assets	<u>19,979,340</u>
Noncurrent Assets	
Lease receivable	2,054,155
Restricted cash and cash equivalents	1,209,227
Capital assets, not being depreciated	
Land	38,157,796
Construction in progress	354,256
Capital assets, net of accumulated depreciation/amortization	276,417,950
Total noncurrent assets	<u>318,193,384</u>
Total assets	<u>338,172,724</u>
Liabilities	
Current Liabilities	
Accounts payable	11,096,220
Other accrued liabilities	368,837
Deposits payable	660,718
Due to related party	5,568,601
Accrued interest payable - related parties	265,632
Compensated absences, current portion	153,315
Long-term debt, current portion	1,166,504
Total current liabilities	<u>19,279,827</u>
Noncurrent Liabilities	
Compensated absences, noncurrent portion	153,315
Long-term debt, noncurrent portion	14,074,069
Total noncurrent liabilities	<u>14,227,384</u>
Total liabilities	<u>33,507,211</u>
Deferred Inflows of Resources	
Deferred inflows related to leases	13,652,718
Net Position	
Net investment in capital assets	299,689,429
Restricted for capital projects	580,536
Unrestricted	(9,257,170)
Total net position	<u>\$ 291,012,795</u>

San Bernardino International Airport Authority  
Statement of Revenues, Expenses and Changes in Net Position  
Year Ended June 30, 2022

Operating Revenues	
Rents, leases, and storage	\$ 10,180,876
Fuel sales	64,024,669
Filming revenues	289,795
Third party into-planes fees	3,106,668
Other FBO services	560,161
Other income	2,618,858
Landing fees	1,411,743
Fuel flowage fees	2,213,657
	<u>84,406,427</u>
Total operating revenues	
Operating Expenses	
General and administrative	4,170,592
Maintenance and operations	11,952,062
Cost of aviation fuel	62,539,790
Other improvements	982,987
Depreciation and amortization	16,154,367
	<u>95,799,798</u>
Total operating expenses	
Operating Loss	<u>(11,393,371)</u>
Nonoperating Revenues (Expenses)	
Interest income	26,054
Interest expense	(486,849)
Other expenses	(428,737)
	<u>(889,532)</u>
Total nonoperating revenues (expenses)	
Income (loss) before contributions	<u>(12,282,903)</u>
Contributions	
Capital grants	<u>872,539</u>
Total contributions	<u>872,539</u>
Change in Net Position	(11,410,364)
Net Position, Beginning of Year, as restated	<u>302,423,159</u>
Net Position, End of Year	<u><u>\$ 291,012,795</u></u>



# San Bernardino International Airport Authority

## Statements of Cash Flows

Year Ended June 30, 2022

Operating Activities	
Receipts from customers	\$ 84,676,901
Payments from employees	(6,332,111)
Payments to suppliers	(64,956,734)
Net Cash Provided By Operating Activities	<u>13,388,056</u>
Capital and Capital Related Financing Activities	
Acquisition and construction of capital assets	(9,285,099)
Principal payments on leases	(305,453)
Issuance of bonds	13,849,642
Principal payments	(9,173,239)
Interest paid	(486,849)
Cash received on lease receivables	1,193,073
Receipts from capital grants	872,539
Net Cash used for Capital and Capital Related Financing Activities	<u>(3,335,386)</u>
Investing Activities	
Interest income received	24,006
Net Cash Provided By Investing Activities	<u>24,006</u>
Net Change in Cash and Cash Equivalents	10,076,676
Cash and Cash Equivalents, Beginning of Year	<u>4,853,754</u>
Cash and Cash Equivalents, End of Year	<u>\$ 14,930,430</u>
Reconciliation of Cash and Cash Equivalents to the	
Cash and cash equivalents	\$ 13,721,203
Restricted cash and cash equivalents	<u>1,209,227</u>
Total Cash and Cash Equivalents	<u>\$ 14,930,430</u>

# San Bernardino International Airport Authority

Statements of Cash Flows

Year Ended June 30, 2022

Reconciliation of Operating Loss to	
Net Cash provided by Operating Activities	
Operating loss	\$ (11,393,371)
Depreciation/amortization	16,154,367
Other non-operating revenue (expenses)	(428,737)
Changes in Assets and Liabilities	
(Increase) decrease in accounts receivable, net	(328,587)
(Increase) decrease in due from related party	(115,086)
(Increase) decrease in prepaid expenses	(21,473)
(Increase) decrease in fuel inventory	(1,366,732)
Increase (decrease) in accounts payable	7,973,228
Increase (decrease) in other accrued liabilities	242,694
Increase (decrease) in unearned revenues	(121,375)
Increase (decrease) in deposits payable	7,622
Increase (decrease) in due to related party	1,906,202
Increase (decrease) in deferred inflows related to leases	835,522
Increase (decrease) in compensated absences	43,782
	<u>                    </u>
Net Cash Used by Operating Activities	<u>\$ 13,388,056</u>
Schedule of Non Cash Financing	
and Investing Activities:	
Lease liability for the right to use leased assets	<u>\$ 1,210,937</u>

**Note 1 - Reporting Entity and Summary of Significant Accounting Policies**

The financial statements of the San Bernardino International Airport Authority (Authority) have been prepared in accordance with generally accepted accounting principles in the United States of America. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting and reporting policies and practices used by the Authority are described below.

**Reporting Entity**

The Authority is a joint powers authority created on May 12, 1992, primarily for the purpose of acquiring, operating, repairing, maintaining, and administering the aviation related portions of the former Norton Air Force Base property located in San Bernardino, California. The following are members of the Authority:

- County of San Bernardino
- City of San Bernardino
- City of Colton
- City of Highland
- City of Loma Linda

Under the terms of an Authority agreement, each member agreed to be responsible for its respective percentage of all annual expenses of the Authority. Any party who fails to pay its respective share of such expenses for a 12-month period will be automatically expelled from the Authority with remaining members then responsible for the expelled members' share of expenses. In the event of the Authority's termination, the assets of the Authority together with debts owed at that time will be transferred to the Inland Valley Development Agency (IVDA), or such other entity as may be determined pursuant to Federal and State laws then in effect.

On December 17, 1999, the Authority filed a quit claim deed, reservations, and grants of easements, and CERCLA Section 120(h) notice (Deed) issued by the U.S. Department of the Air Force, for certain real property formerly a part of Norton Air Force Base for a consideration of one dollar. Included in the Deed are certain government-owned real properties which may not be sold, transferred, donated, or otherwise disposed of by the Authority, nor may they be removed from the premises for use by the Authority elsewhere. The Authority has begun and intends to sub-lease facilities to various airport users including, but not limited to scheduled airlines, airplane mechanical services, and aircraft support services.

Under the Deed, the Authority received approximately 1,345 acres of land together with major hangar buildings, terminal facilities, runways, tower and equipment, and other buildings and facilities needed to operate the Airport. During the 2003-04 fiscal year, the land, infrastructure, land improvements, and buildings and structures acquired from the Air Force were appraised based upon fair market value at date of acquisition. These appraised properties are included in the financial statements.

Effective July 1, 1998, the U.S. Air Force and the IVDA entered into an agreement (Economic Development Conveyance #2) to transfer an additional 104 acres of property at no cost to the Authority. This is part of the public benefit transfer. All income and related expenses derived from these properties effective July 1, 1998, were transferred to the Authority.

For financial reporting purposes, the Authority has included all funds, organizations, agencies, boards, commissions, and authorities. The Authority has also considered all potential component units for which it is financially accountable and other organizations for which the nature and significance of their relationship with the Authority are such that the exclusion would cause the Authority's financial situation to be misleading or incomplete. The GASB has set forth criteria to be considered in determining financial accountability. These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the Authority to impose its will on that organization or (2) the potential for the organization to provide specific benefits to or impose specific financial burdens on the Authority.

### **Blended Component Unit**

The San Bernardino International Airport, Inc. (SBIA, Inc.) is a California nonprofit public benefit corporation and has been recognized by the Internal Revenue Service as exempt from federal income taxes under Internal Revenue Code Section 501(c)(3). SBIA, Inc. was created for the purpose of lessening governmental burdens, by aiding the San Bernardino International Airport Authority in its efforts to promote economic development at the former Norton Air Force Base. Although the Authority doesn't appoint a voting majority of SBIA, Inc.'s governing body, SBIA, Inc. is fiscally dependent on the Authority, and a financial benefit/burden exists as defined by applicable GASB pronouncements. In addition, SBIA, Inc. provides services entirely, or almost entirely, to the Authority or otherwise exclusively, or almost exclusively, benefits the Authority even though it may not provide services directly to it. As a result, SBIAA, Inc. is included as a blended component unit of the Authority. The financial statements include only the financial activity of the Authority and the SBIAA, Inc., collectively referred to as the Authority. Separate financial statements of the SBIAA, Inc. are not available.

### **Measurement Focus and Basis of Accounting**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**Basis of Presentation**

The statement of net position displays the Authority's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Net position is reported in the following categories/components:

*Net investment in capital assets* consists of net capital assets reduced by the outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or the related debt and lease obligations and increased by balances of deferred outflows of resources related to those assets or debt and lease obligations.

*Restricted net position:*

*Restricted - expendable net position* results when constraints placed on net position use are either externally imposed or imposed through enabling legislation.

*Restricted – nonexpendable net position* is subject to externally imposed stipulations which require them to be maintained permanently by the Authority.

*Unrestricted net position* consists of net position not meeting the definition of the preceding categories. Unrestricted net position often has constraints on resources imposed by management which can be removed or modified.

When an expense is incurred that can be paid using either restricted or unrestricted resources (net position), the Authority's policy is to first apply the expense toward the most restrictive resources and then toward unrestricted resources.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Cash and Cash Equivalents**

Cash and cash equivalents include highly liquid investments with an original maturity of three months or less, excluding internally designated or restricted cash and investments. For purposes of the statement of cash flows, the Authority considers all cash and investments with an original maturity of three months or less as cash and cash equivalents.

**Restricted Cash and Investments**

Restricted cash and investments consist primarily of money market mutual funds and include a \$50,000 endowment from the County of San Bernardino Flood Control Authority. This endowment is to provide long-term conservation management over certain County property which was conveyed to the Authority in 2013. Restricted cash and investments also included assets held with fiscal agents and restricted for debt service reserve and capital projects. Investments are measured at fair value.

**Inventory**

Inventory is stated at lower of cost (first-in, first-out) or market and are expensed when used.

**Fair Value Measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A three-tier hierarchy prioritizes the inputs used in measuring fair value. These tiers include Level 1, defined as quoted market prices in active markets for identical assets or liabilities; Level 2, defined as inputs other than quoted market prices in active markets that are either directly or indirectly observable; and Level 3, defined as significant unobservable inputs therefore, requiring an entity to develop its own assumptions. The asset's or liability's fair value measurement within the hierarchy is based on techniques that maximize the use of relevant observable inputs and minimizes the use of unobservable inputs.

Assets or liabilities measured and reported at fair value are classified and disclosed in one of the three following categories:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Authority has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs, other than quoted prices, those are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified contractual term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

**Investment Income**

Interest, dividends, gains, and losses, both realized and unrealized, on investments and deposits are included in nonoperating revenues when earned.

**Capital Assets**

Capital assets are capitalized at historical cost or estimated historical cost for assets where actual historic cost is not available. Donated capital assets are recorded at acquisition value at the date of donation. Acquisition value is the price that would have been paid to acquire an asset with equivalent service potential on the date of the donation. The Authority maintains a threshold level of \$10,000 or more for capitalizing capital assets. Federally funded assets maintain a threshold of \$5,000 or more for capitalizing capital assets. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Land and construction in progress are not depreciated. The other tangible and intangible property, plant, equipment, the right to use leased assets, and infrastructure of the Authority are depreciated/amortized using the straight-line method over the following estimated useful lives:

Assets	Years
Infrastructure	40-75 years
Land improvements	5-20 years
Buildings and structures	10-50 years
Furniture and fixtures	5-7 years
Machinery and equipment	5-20 years
Vehicles	5-10 years
Right to use leased assets	2-10 years

Right to use leased assets are recognized at the lease commencement date and represent the Authority's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful live of the underlying asset using the straight-line method. The amortization period varies from 3 to 7 years.

**Lease Receivables**

Lease receivables are recorded by the Authority as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on the interest rate the Authority charges the lessee.



**Long-Term Obligations**

The Authority reports long-term debt and other long-term obligations in the statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses when incurred.

Lease Liabilities represent the Authority's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments is discounted based on a borrowing rate determined by the Authority.

**Compensated Absences**

In accordance with generally accepted accounting principles, an employee benefits payable liability is recorded for unused vacation and similar compensatory leave balances, with maximum unused balance caps for varying lengths of service with the Authority. The employee's entitlements to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

**Revenues and Expenses**

Revenues and expenses are distinguished between operating and non-operating items. Operating revenues generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenues of the Authority are charges for rent, leases and storage, and fuel sales.

Operating expenses include administrative, maintenance, and operations costs of the Authority's facilities, along with depreciation of capital assets. All revenue and expenses not meeting these definitions are reported as non-operating revenues and expenses.

**Grants and Contributions**

The Authority receives grants and contributions from governmental and private entities. Grants and contributions may be restricted for either specific operating purposes or for capital purposes. Amounts that are unrestricted or that are restricted to a specific operating purpose are reported as nonoperating revenue. Amounts restricted for capital acquisitions are reported after nonoperating revenues and expenses

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net assets that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The Authority currently has no items that qualify for reporting in this category.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority has one type of items that qualify for reporting in this category. Deferred inflows related to leases where the Authority is the lessor and is reported in the statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on the straight-line basis over the term of the lease.

### **Effect of New Governmental Accounting Standards Board (GASB) Pronouncements**

#### **Effective in Current Fiscal Year**

**GASB Statement No. 87** – As of July 1, 2021, the Authority adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. The effect of the implementation of this standard on beginning net position is disclosed in Note 11 and the additional disclosures required by this standard are included in Notes 3 and 5.

**GASB Statement No. 89** – In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement is to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and to simplify accounting for interest cost incurred before the end of a construction period. The Statement is effective for reporting periods beginning after December 15, 2020. The Authority has determined the statement did not have an impact on the financial statements.

**GASB Statement No. 92** – In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. The objectives of this Statement are to enhance comparability in accounting and financial reporting to improve the consistency of authoritative literature by addressing practices issues that have been identified during implementation and application of certain GASB Statements. The Statement is effective for reporting periods beginning after June 15, 2021. The Authority has determined the statement did not have an impact on the financial statements.

**GASB Statement No. 93** – In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objective of this Statement is to address the accounting and financial reporting implications that result from the replacement of an IBOR. The Statement is effective for reporting periods beginning after June 15, 2021. The Authority has determined the statement did not have an impact on the financial statements.

**GASB Statement No. 97** – In June 2020, the GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*. The objective of this Statement are to increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The Statement is effective for reporting periods beginning after June 15, 2021. The Authority has determined the statement did not have an impact on the financial statements.

#### Effective in Future Fiscal Years

The GASB has issued the following pronouncements that have effective dates which may impact future financial statement presentation. The Authority has not determined the effect of the following Statements:

GASB Statement No. 91 – *Conduit Debt Obligations*

GASB Statement No. 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

GASB Statement No. 96 – *Subscription-Based Information Technology Arrangements*

GASB Statement No. 99 – *Omnibus 2022*

GASB Statement No. 100 – *Accounting Changes and Error Corrections*

GASB Statement No. 101 – *Compensated Absences*

## Note 2 - Cash and Investments

Cash and investments as of June 30, 2022 are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and cash equivalents	\$ 13,721,203
Restricted cash and cash equivalents	1,209,227
	<hr/>
Total cash and investments	\$ 14,930,430
	<hr/>

Cash and investments as of June 30, 2022 consist of the following:

Deposits with financial institutions	\$ 13,450,974
Cash on hand	1,000
Investments in LAIF	319,229
Investments held with fiscal agent	1,159,227
	<hr/>
Total cash and investments	\$ 14,930,430
	<hr/>

**Investments Authorized by the California Government Code and the Authority's Investment Policy**

The table below identifies the investment types that are authorized for the Authority by the California Government Code (or the Authority's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the Authority's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the Authority, rather than the general provisions of the California Government Code or the Authority's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage	Maximum Investment in One Issuer
Local agency bonds	5 years	None	None
U.S. Treasury obligations	5 years	None	None
U.S. agency securities	5 years	None	None
Banker's acceptances	180 days	40%	30%
State Bonds or Other Indebtedness	270 days	25%	10%
Commercial paper	5 years	30%	None
Negotiable certificates of deposit	1 year	None	None
Repurchase agreements	92 days	20% of base value	None
Reverse repurchase agreements	5 years	30%	None
Medium-term notes	N/A	20%	10%
Mutual funds	N/A	20%	10%
Money market mutual funds	5 years	20%	None
Mortgage pass-through securities	N/A	None	None
County pooled investment funds	N/A	None	\$75M per account
Local agency investment fund (LAIF)	N/A	None	None
JPA pools (other investment pools)	N/A	None	None

**Investments Authorized by Debt Agreements**

Investment of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Entity's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

Authorized investment type	Maximum Maturity	Maximum Percentage	Maximum Investment in One Issuer
U.S. Treasury obligations	None	None	None
U.S. agency securities	None	None	None
Banker's acceptances	180 days	None	None
Commercial paper	270 days	None	None
Money market mutual funds	N/A	None	None
Investment contracts	30 years	None	None
Local agency investment fund (LAIF)	N/A	None	\$75M per account

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market rates. One of the ways that the Authority manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturing evenly over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the Authority's investments to market interest rate fluctuations is provided by the following table that shows the distribution of investments by maturity as of June 30, 2022:

Investment Type	Carrying Amount	Rating	Investment Maturities (in Years)	
			Less Than 1	1 - 5
Money Market Mutual Funds	\$ 1,159,227	AAAm	\$ 1,159,227	\$ -
Local Agency Investment Fund	319,229	Not Rated	319,229	-
Total	<u>\$ 1,478,456</u>		<u>\$ 1,478,456</u>	<u>\$ -</u>

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The CGC limits the minimum rating required for each investment type. The LAIF is not rated.

**Custodial Credit Risk**

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code and the Authority's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

As of June 30, 2022, the Authority had deposits with bank balances of \$13,918,043. Up to \$500,000 of the Authority's deposits were covered by federal deposit insurance, and \$13,418,646 was collateralized (i.e., collateralized with securities held by the pledging financial institutions of at least 110% of the Authority's cash deposits, in accordance with the Code). The collateralized securities are not held in the Authority's name.

**Investment in State Investment Pool**

The Authority is a voluntary participant in the State of California Local Agency Investment Fund (LAIF), which is a part of the Pooled Money Investment Account that is regulated by the California Government Code under the oversight of the State Treasurer, Director of Finance, and State Controller. The Authority's investment in this pool is reported in the accompanying financial statements at cost, which approximates fair value at amounts based upon the Authority's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Investments in LAIF are highly liquid, as deposits can be converted to cash within 24 hours without loss of interest. All investments with LAIF are secured by the full faith and credit of the State of California. Separate LAIF financial statements are available from the California State Treasurer's Office on the Internet at [www.treasurer.ca.gov](http://www.treasurer.ca.gov).

**Fair Value Measurements**

Assets measured at fair value on a recurring basis and the related fair value of these assets as of June 30, 2022, are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value				
Held with fiscal agent:				
Money Market Mutual Funds	\$ 1,159,227	<u>\$ 1,159,227</u>	<u>\$ -</u>	<u>\$ -</u>
Investments not measured at fair value or subject to fair value hierarchy				
Local Agency Investment Fund	<u>319,229</u>			
Total Investments	<u>\$ 1,478,456</u>			

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments in the Local Agency Investment Fund are not subject to the fair value hierarchy but are reported at the amortized cost.

The value of publicly-traded assets, which would be listed as Level 1, are based on unaffiliated industry sources believed to be reliable. Values for non-publicly traded assets, listed as Level 2, may be determined from other unaffiliated sources. Assets for which a current value is unavailable, which would be listed as Level 3, may be reflected at the last reported price or at par, using the best information available in the circumstances.

The Authority's investments in money market mutual funds, are based on quoted market prices for identical investments in an inactive market or similar investments in markets that are either active or inactive.

Deposits and withdrawals in governmental investment pools, such as LAIF are made on the basis of \$1 and not fair value. Accordingly, the Authority's proportionate share in these types of investments is an uncategorized input not defined as a Level 1, Level 2, or Level 3 input.

### Note 3 - Receivables

#### Accounts Receivable

Accounts receivable consist of fuel sales and short-term and regulated lease revenues and are reported net of uncollectible amounts. Accounts receivable reported for the Authority in the Statement of Net Position as of June 30, 2022, are net of an allowance for doubtful accounts of \$520,009.

#### Lease Receivable

Lease receivable activity for the year ended June 30, 2022 was as follows:

	Beginning Balance As Restated	Additions	Reductions	Ending Balance	Due Within One Year
Lease Receivable	\$ 4,444,696	\$ -	\$ (1,193,073)	\$ 3,251,623	\$ 1,214,963
Total	<u>\$ 4,444,696</u>	<u>\$ -</u>	<u>\$ (1,193,073)</u>	<u>\$ 3,251,623</u>	<u>\$ 1,214,963</u>

The Authority has accrued a receivable for 2 land leases and 3 building leases. The remaining receivable for these leases was \$3,251,623 for the year ended June 30, 2022. Deferred inflows related to these leases were \$3,236,965 as of June 30, 2022. Interest revenue recognized on these leases was \$21,838 for the year ended June 30, 2022. Principal receipts of \$1,193,073 were recognized during the fiscal year. The interest rate on the leases ranged from .308% - .687%. Final receipt is expected in fiscal year 2026.

Deferred inflows related to leases that were prepaid by lessees were \$10,415,753 as of June 30, 2022.

The future lease payments expected to be collected are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,197,468	\$ 17,495	\$ 1,214,963
2024	827,184	11,336	838,520
2025	781,798	5,930	787,728
2026	445,173	1,020	446,193
Total	<u>\$ 3,251,623</u>	<u>\$ 35,781</u>	<u>\$ 3,287,404</u>



# San Bernardino International Airport Authority

Notes to Financial Statements

June 30, 2022

For certain lease agreements for airport gates, aprons, buildings and structures designated for aeronautical use, specific terms are regulated by the Federal Aviation Administration (FAA). The Authority entered into various lease agreements for the right to use these airport gates, aprons, buildings and structures designated for aeronautical use to third parties in accordance with these provisions set by the FAA. Specified regulated terms include limits on lease rates, consistency of lease rates for all lessees, and leasing opportunities made available to any potential lessees if the facilities are vacant. The lease revenue related to these regulated agreements amounted to \$5,257,427 for the year end June 30, 2022.

Expected future minimum payments under these agreements are as follows:

<u>Year Ending June 30,</u>	<u>Future Minimum Expected Receipts</u>
2023	\$ 4,381,385
2024	4,143,737
2025	3,859,923
2026	3,750,925
2027	3,810,899
2028 - 2032	16,172,791
2033 - 2037	18,465,737
2038 - 2042	21,066,429
2043 - 2047	24,056,459
2048 - 2052	27,470,874
2053 - 2056	22,574,290
	<u>\$ 149,753,449</u>

# San Bernardino International Airport Authority

## Notes to Financial Statements

June 30, 2022

### Note 4 - Capital Assets

Capital assets activity for the year ended June 30, 2022 is presented as follows:

	Beginning Balance As Restated *	Increases	Decreases	Ending Balance
<b>Capital Assets, Not Being Depreciated</b>				
Land	\$ 38,157,796	\$ -	\$ -	\$ 38,157,796
Construction in progress	970,638	6,252,430	(6,868,812)	354,256
<b>Total capital assets, not being depreciated/amortized</b>	<b>39,128,434</b>	<b>6,252,430</b>	<b>(6,868,812)</b>	<b>38,512,052</b>
<b>Capital Assets, Being Depreciated/Amortized</b>				
Infrastructure	130,792,342	6,263,811	-	137,056,153
Land improvements	63,251,338	136,450	-	63,387,788
Building and structures	378,132,519	273,863	-	378,406,382
Furniture and fixtures	89,524	14,884	-	104,408
Machinery and equipment	8,447,270	716,071	-	9,163,341
Vehicles	2,060,894	89,455	-	2,150,349
Right to use leased land	198,448	-	-	198,448
Right to use leased vehicles	1,044,519	1,529,732	-	2,574,251
<b>Total capital assets, being depreciated/amortized</b>	<b>584,016,854</b>	<b>9,024,266</b>	<b>-</b>	<b>593,041,120</b>
<b>Less Accumulated Depreciation/Amortization</b>				
Infrastructure	(104,697,728)	(2,730,818)	-	(107,428,546)
Land improvements	(54,440,240)	(971,016)	-	(55,411,256)
Buildings and structures	(133,656,288)	(11,542,993)	-	(145,199,281)
Furniture and fixtures	(62,796)	(14,109)	-	(76,905)
Machinery and equipment	(5,725,649)	(527,890)	-	(6,253,539)
Vehicles	(1,886,102)	(83,025)	-	(1,969,127)
Right to use leased land	-	(49,612)	-	(49,612)
Right to use leased vehicles	-	(234,904)	-	(234,904)
<b>Total accumulated depreciation/amortization</b>	<b>(300,468,803)</b>	<b>(16,154,367)</b>	<b>-</b>	<b>(316,623,170)</b>
<b>Total capital assets being depreciated/amortized, net</b>	<b>283,548,051</b>	<b>(7,130,101)</b>	<b>-</b>	<b>276,417,950</b>
<b>Total capital assets, net</b>	<b>\$ 322,676,485</b>	<b>\$ (877,671)</b>	<b>\$ (6,868,812)</b>	<b>\$ 314,930,002</b>

\* The restatement is an addition of right to use leased assets valued at \$1,242,967 in accordance with GASB 87 and the addition of buildings and structures not previously reported valued at \$17,124,224, net of accumulated depreciation of \$2,393,413. See Note 11 for additional details.

Depreciation/amortization expense for the year ended June 30, 2022 was \$16,154,367.

**Note 5 - Long-Term Debt**

Long-term debt activity for the year ended June 30, 2022 was as follows:

	Beginning Balance As Restated	Additions	Reductions	Ending Balance	Due Within One Year
Notes from Direct Borrowings					
IVDA Member Agency Loan	\$ 1,128,337	\$ -	\$ (1,128,337)	\$ -	\$ -
Hangar 795 Improvements Loan	3,385,081	-	(3,385,081)	-	-
IVDA - GA Hangar Loan	3,902,301	-	(3,891,104)	11,197	11,197
2021A Airport Refunding Revenue Bonds	-	8,999,077	(768,717)	8,230,360	729,702
2021B Airport Revenue Bonds	-	4,850,565	-	4,850,565	-
Leases	1,242,967	1,210,937	(305,453)	2,148,451	425,605
Total	<u>\$ 9,658,686</u>	<u>\$ 15,060,579</u>	<u>\$ (9,478,692)</u>	<u>\$ 15,240,573</u>	<u>\$ 1,166,504</u>

**Direct Borrowings****IVDA Loans**

On both July 29, 2004 and February 23, 2005, the Inland Valley Development Agency (IVDA) loaned the Authority \$2,600,000. The proceeds were used to repay Member Agency Loans. The loans were to be repaid in ten years, fully amortized, at an interest rate of two percent or at the rate designated by LAIF, whichever is higher. The interest was to be paid annually. Minimum principal payments were required throughout the term of the agreements. At June 30, 2015, the amount outstanding was \$4,200,000.

In December 2014, the Authority entered into an agreement with IVDA to consolidate, restate and amend the above loans. The consolidated loan extension is in the principal amount of \$3,900,000, which amount is to be paid by the Authority to IVDA over a term of seven years, at two percent (2%) interest or at the rate designated by the Local Agency Investment Fund (LAIF), whichever is greater, compounded annually.

In May, the loan was restated and amended for a principal amount of \$1,836,090 to be paid semi-annually over a term of seven years at two percent (2%) interest per annum or at the rate designated by LAIF, whichever is greater, compounded semi-annually. Principal and interest payments of \$93,081 are payable semi-annually beginning April 1, 2021. Semi-annual loan payments include principal and interest without any balloon payments for repayment over the term of the loan. Pursuant to the terms of the loan agreement, the Authority is required to pledge as collateral certain revenues from the former landfill site and future proceeds from the Rialto Airport.

On July 1, 2015, the Authority entered into an agreement with IVDA to finance the construction of general aviation hangers (GA Hangers) in the principal amount of \$3,902,301, which amount is to be paid by the Authority to IVDA annually.

During the year ended June 30, 2022, the Authority paid the full amount outstanding of \$1,128,337 for the IVDA Member Agency Loan, and paid \$3,891,104 of the amount outstanding for the IVDA GA Hanger Loan. The loan balance remaining as of June 30, 2022 is \$11,197.

**Hangar 795 Improvements**

On April 17, 2018, the IVDA loaned the Authority \$3,000,000 and amended on September 12, 2018, for an amount not to exceed \$3,500,000, with actual liability recorded of \$3,385,081. The proceeds were used for construction of cargo handling improvements. The loan is to be paid off over 10 years, fully amortized, at an interest rate of 2% or at the rate designated by the Local Agency Investment Fund (LAIF), whichever is higher, compounded annually. SBIAA shall make semi-annual payments of principal and interest in the amount of \$120,000 commencing on November 1, 2019, with a final balloon payment of \$1,748,385 due and payable on November 1, 2028.

During the year ended June 30, 2022, the Authority paid the full amount outstanding of \$3,385,081.

**Taxable Airport Revenue Refunding Bonds, Series 2021A**

On July 9, 2021, the Authority issued \$8,999,077 in Airport Revenue Refunding Bonds, Series 2021A, to provide funds to refund, on a current basis, the Authority's outstanding IVDA, Hangar 795 Improvement and GA Hangar loans due to IVDA, fund the Series 2021A reserve account, pay costs of issuance of the Series 2021A bonds.

Interest on the Airport Revenue Refunding Bonds, Series 2021A is payable semiannually on December 1 and June 1 at a rate of 3.74%. Mandatory sinking fund deposits to retire the bonds on their term maturity dates, ranging from \$589,840 to \$978,878, are due annually commencing June 1, 2022 through June 1, 2032.

The Authority has pledged its gross revenue as security for the Airport Revenue Refunding Bonds, Series 2021A and these obligations contain a provision that in an event of default, the outstanding amounts become immediately due if the Authority is unable to make a payment.

**Airport Revenue Bonds, Series 2021B**

On August 12, 2021, the Authority issued \$4,850,565 in Airport Revenue Bonds, Series 2021B, to provide funds to pay the costs of the acquisition, installation, and construction of certain public capital improvements consisting of planned improvements to its existing fuel farm, including a new 375,000 gallon Jet A fuel tank, new fuel delivery island, and related controls and equipment improvements, thereby expanding existing facilities from 150,000 gallon storage with one refuel station to 500,000 gallon storage with two refuel stations, to support increased volume of aircraft fueling, fund the Series 2021B reserve account and pay costs of issuance of the Series 2021B bonds.

Interest on the Airport Revenue Bonds, Series 2021B is payable semiannually on December 1 and June 1 at a rate of 3.37%. Mandatory sinking fund deposits to retire the bonds on their term maturity dates, ranging from \$425,617 to \$1,161,828, are due annually commencing June 1, 2032, through June 1, 2036.

The Authority has pledged its gross revenue as security for the Airport Revenue Bonds, Series 2021B and these obligations contain a provision that in an event of default, the outstanding amounts become immediately due if the Authority is unable to make a payment.

# San Bernardino International Airport Authority

Notes to Financial Statements

June 30, 2022

Scheduled debt service requirements for the Authority's bonds (and notes/loans) payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 740,899	\$ 471,279	\$ 1,212,178
2024	756,993	443,989	1,200,982
2025	785,304	415,677	1,200,981
2026	814,675	386,307	1,200,982
2027	845,144	355,838	1,200,982
2028-2032	4,724,160	1,280,748	6,004,908
2033-2037	4,424,947	378,978	4,803,925
Total	<u>\$ 13,092,122</u>	<u>\$ 3,732,816</u>	<u>\$ 16,824,938</u>

## Leases

During the current year, the Authority entered into two lease agreements as lessee for the use of refueler trucks. As of June 30, 2022, the value of the lease liability was \$1,168,770. The Authority is required to make monthly principal and interest payments of \$15,658 through April 2029. The leases have an interest rate of 2.427%, based on the Authority's incremental borrowing rate at the inception of the leases.

In prior years, the Authority entered into six lease agreements as lessee for the use of land and vehicles. As of June 30, 2022, the value of the lease liability was \$979,681. The Authority is required to make monthly principal and interest payments ranging from \$743 to \$6,152 through April 2029. The lease liability was valued using discount rates between 0.411% and 0.815% based on the Authority's incremental borrowing rate at the inception of the leases.

Remaining principal and interest payments on leases are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 425,605	\$ 32,290	\$ 457,895
2024	425,872	26,662	452,534
2025	415,466	20,984	436,450
2026	316,105	15,455	331,560
2027	235,196	10,451	245,647
2028-2029	330,207	7,212	337,419
Total	<u>\$ 2,148,451</u>	<u>\$ 113,054</u>	<u>\$ 2,261,505</u>

**Compensated Absences**

Accumulated vacation, holiday, sick pay, and compensatory times are recorded as an expense and liability as these benefits are earned. The compensated absences liability is considered noncurrent and is included in noncurrent liabilities. Compensated absences activity for the year ended June 30, 2022 is as follows:

Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
\$ 262,848	\$ 270,683	\$ (226,901)	\$ 306,630	\$ 153,315

**Note 6 - Net Position****Restricted Net Position**

The Authority received capital grant contributions from the Inland Valley Development Agency during the years ended June 30, 2008 through 2011. The capital grant contributions were received with restrictions for Building No. 56, Mt. View Street, and Solar Power capital projects. In addition, the Authority holds a \$50,000 expendable endowment from the County of San Bernardino Flood Control Authority as restricted cash. This expendable endowment is to provide long-term conservation management over certain County property which was conveyed to the Authority in 2013. As the Authority recognizes expenses related to these capital projects, restricted net position is reduced. Net position restricted as of June 30, 2022 is as follows:

Net Position Restricted for Capital Projects	Amount at June 30, 2022
Endowment (Note 2)	\$ 50,000
Building No. 56	425,000
Mt. View - Right of Way	105,536
Total restricted net position	\$ 580,536

**Note 7 - Condensed Combining Information**

The following summarizes combining information for the Authority and SBIAA, Inc., which has been presented as a blended component unit, as of and for the year ended June 30, 2022.

Statement of net position as of June 30, 2022:

	Authority	SBIAA, Inc.	Total
Assets			
Total assets	<u>\$ 338,137,579</u>	<u>\$ 35,145</u>	<u>\$ 338,172,724</u>
Liabilities			
Total liabilities	<u>33,500,694</u>	<u>6,517</u>	<u>33,507,211</u>
Deferred Inflows of Resources	<u>13,652,718</u>	<u>-</u>	<u>13,652,718</u>
Net Position			
Net investment in capital assets	299,689,429	-	299,689,429
Restricted for capital projects	580,536	-	580,536
Unrestricted	<u>(9,285,798)</u>	<u>28,628</u>	<u>(9,257,170)</u>
Total net position	<u><u>\$ 290,984,167</u></u>	<u><u>\$ 28,628</u></u>	<u><u>\$ 291,012,795</u></u>

Operating results and changes in net position for the year ended June 30, 2022:

	Authority	SBIAA, Inc.	Total
Operating Revenue	<u>\$ 84,389,427</u>	<u>\$ 17,000</u>	<u>\$ 84,406,427</u>
Operating Expenses	<u>95,765,539</u>	<u>34,259</u>	<u>95,799,798</u>
Operating loss	<u>(11,376,112)</u>	<u>(17,259)</u>	<u>(11,393,371)</u>
Net nonoperating revenues	<u>(889,532)</u>	<u>-</u>	<u>(889,532)</u>
Income (loss) before contributions	<u>(12,265,644)</u>	<u>(17,259)</u>	<u>(12,282,903)</u>
Contributions	<u>872,539</u>	<u>-</u>	<u>872,539</u>
Change in net position	<u>(11,393,105)</u>	<u>(17,259)</u>	<u>(11,410,364)</u>
Net position, beginning of year, as restated	<u>302,377,272</u>	<u>45,887</u>	<u>302,423,159</u>
Net position, end of year	<u><u>\$ 290,984,167</u></u>	<u><u>\$ 28,628</u></u>	<u><u>\$ 291,012,795</u></u>



Cash flows for the year ended June 30, 2022:

	Authority	SBIAA, Inc.	Total
Net cash from (used for) operating activities	\$ 13,405,315	\$ (17,259)	\$ 13,388,056
Net cash (used for) capital and capital	(3,335,386)	-	(3,335,386)
Net cash from investing activities	24,006	-	24,006
Net change in cash and cash equivalents	10,093,935	(17,259)	10,076,676
Cash and cash equivalents, beginning of year	4,807,867	45,887	4,853,754
Cash and cash equivalents, end of year	\$ 14,901,802	\$ 28,628	\$ 14,930,430

#### Note 8 - Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Authority carries commercial insurance. Premiums are paid annually by the Authority. Claims liabilities are reported when it is probable that a loss has occurred, and the amount of the loss can be reasonably estimated. As of June 30, 2022, there were no such liabilities to be reported.

#### Note 9 - Related Party Transactions

The Authority shares certain common expenses with the Inland Valley Development Agency (IVDA), a related party by virtue of common control. These expenses, which include salaries, benefits, services, and supplies, are appropriately allocated between the two governments. The Authority's allocable share of the expenses paid by the IVDA are reported as due to related party and the IVDA's allocable share of the expenses paid by the Authority are reported as due from related party and are essentially short-term advances of working capital. The advances are non-interest bearing and due on demand. The amount due from IVDA at June 30, 2022 was \$747,872. The amount due to IVDA at June 30, 2022 was \$5,568,601.

#### Note 10 - Commitments and Contingencies

##### Construction Commitments

The Authority has active construction projects as of June 30, 2022. At year-end, the Authority's outstanding construction commitments for these projects amounted to \$315,350.

**Note 11 - Adoption of New Standard and Correction of Errors**

As of July 1, 2021, the Authority adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. Beginning net position was restated to retroactively adopt the provisions of GASB Statement No. 87. Beginning net position has also been restated for errors discovered by management resulting in an understatement or overstatement of amounts previously reported for capital assets, accumulated depreciation, loans payable, revenues and expenses as of June 30, 2021.

Net Position at July 1, 2021, as previously reported	<u>\$ 302,011,921</u>
Correction of error - unrecorded capital assets (GA Hangers)	3,902,301
Correction of error - unrecorded accumulated depreciation (GA Hangers)	(520,307)
Correction of error - unrecorded loan payable (GA Hangers)	(3,902,301)
Correction of error - unrecorded capital assets (Sheriff Hanger)	13,221,923
Correction of error - unrecorded accumulated depreciation (Sheriff Hanger)	(1,873,106)
Correction of error - unrecorded lease deposit	20,833
Correction of error - unrecorded interest expense	(275,658)
Correction of error - unrecorded deduction to revenues	(49,709)
Correction of error - reduction of GA Hanger loan	448,512
Recognition of deferred inflows from leases - (Sheriff Hanger)	(10,561,250)
Recognition of right to use leased asset	1,044,519
Recognition of lease receivables	4,444,696
Recognition of lease liability	(1,044,519)
Recognition of deferred inflows from leases	<u>(4,444,696)</u>
Net Position at July 1, 2021, as adjusted	<u><u>\$ 302,423,159</u></u>

**Note 12 - Subsequent Events**

Beginning August 4, 2022, SBIAA will began offering nonstop passenger air service from San Bernardino International Airport through an agreement with Breeze Airways. Scheduled destinations include San Francisco, Las Vegas, Provo, Utah, and Hartford, Connecticut.



Supplementary Information  
June 30, 2022

## San Bernardino International Airport Authority

San Bernardino International Airport Authority  
Supplemental Information  
Schedule of General and Administrative Expenses  
Year Ended June 30, 2022

---

General and Administrative	
Salaries and wages	\$ 1,121,358
Airport management salaries and wages	949,525
U.S. Customs	268,110
Director's fees	18,150
Travel expenses	40,539
Meeting and conferences	60,008
Dues and subscriptions	27,255
Office expense	35,352
Advertising and marketing	375,927
Professional services:	
Legal	110,260
Accounting	38,700
Other	641,152
Telephone	117,091
Software	109,652
Other expenses	257,513
	<hr/>
Total	\$ 4,170,592
	<hr/> <hr/>

San Bernardino International Airport Authority  
Supplemental Information  
Schedule of Maintenance and Operations Expenses  
Year Ended June 30, 2022

---

Maintenance and Operations	
Salaries and benefits	\$ 4,573,304
Security	681,231
Storm water monitoring	1,294
Hazardous waste removal	35,251
Janitorial	272,637
Utilities/maintenance fees	1,207,366
Control tower	71,844
Communications	156,150
Fees	157,446
Gas/Diesel/Fuel	529,820
Other expenses	1,700,858
Advertising	177,848
Parts/supplies	229,946
Maintenance and repairs	2,007,309
Special event expenses	18,889
Airline support	68,454
Lease expense	47,045
SBIA, Inc. expense	15,370
	<hr/>
Total	<u><u>\$ 11,952,062</u></u>



May 12, 2023

To the Board of Directors  
San Bernardino International Airport Authority  
San Bernardino, California

We have audited the financial statements of the San Bernardino International Airport Authority (Authority) as of and for the year ended June 30, 2022, and have issued our report thereon dated May 12, 2023. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and *Government Auditing Standards***

As communicated in our letter dated September 12, 2022, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Authority solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our comments regarding internal controls during our audit in our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 12, 2023.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

## **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Authority is included in Note 1 to the financial statements. As described in Note 1, the Authority changed accounting policies related to accounting for leases to adopt the provisions of GASB Statement No. 87, *Leases*. Accordingly, the accounting change has been retrospectively applied to the financial statements beginning July 1, 2021. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. No such significant accounting estimates were identified.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Authority's financial statements relate to:

As disclosed in Note 1 and Note 11 to the financial statements, the Authority has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, which has resulted in restatements of the net position as of July 1, 2021.

As discussed in Note 11 to the financial statements, errors resulting in an understatement or overstatement of amounts previously reported for capital assets, accumulated depreciation, loans payable, revenues and expenses as of June 30, 2021, were discovered by management of the Authority during the current year. Accordingly, a restatement has been made to net position as of June 30, 2021, to correct the errors.

## **Significant Unusual Transactions**

For purposes of this communication, professional standards require us to communicate to you, significant unusual transactions identified during our audit. There were not any significant unusual transactions identified.



## **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

## **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

## **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Authority's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

## **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report.

As described in Notes 1 and 11 to the financial statements, due to the adoption of GASB Statement 87, *Leases*, the Authority restated opening balances as of July 1, 2021. We have included an emphasis of matter in our report regarding this restatement.

As discussed in Note 11 to the financial statements, errors resulting in an understatement or overstatement of amounts previously reported for capital assets, accumulated depreciation, loans payable, revenues and expenses as of June 30, 2021, were discovered by management of the Authority during the current year. Accordingly, a restatement has been made to net position as of June 30, 2021, to correct the errors. We have included an emphasis of matter in our report regarding this restatement.

## **Representations Requested from Management**

We have requested certain written representations from management which are included in the management representation letter dated May 12, 2023.

## **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

## **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Authority, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Authority's auditors.

## **Existence of a Material Misstatement that Affects the Financial Statements of a Prior Period in Which There Was a Predecessor Auditor**

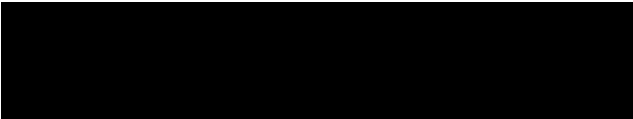
We have identified the existence of a material misstatement that affects the prior period financial statements on which the predecessor auditor had previously reported without modification.

As discussed in Note 11 to the financial statements, errors resulting in an understatement or overstatement of amounts previously reported for capital assets, accumulated depreciation, loans payable, revenues and expenses as of June 30, 2021, were discovered by management of the Authority during the current year. Accordingly, a restatement has been made to net position as of June 30, 2021, to correct the errors.

## **Group Audit**

The basic financial statements include the financial statements of the Authority and the San Bernardino International Airport, Inc. (SBIA, Inc.), a blended component unit of the Authority. For the purposes of our audit, we consider the Authority to be a significant component of the basic financial statements; however, we do not consider SBIA, Inc. to be a significant component of the basic financial statements. Consistent with the audit of the basic financial statements as a whole, our audit included obtaining an understanding of the Authority and SBIAA, Inc. and their environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements of the Authority and SBIAA, Inc. and completion of further audit procedures.

This report is intended solely for the information and use of the Board of Directors and management of the Authority and is not intended to be, and should not be, used by anyone other than these specified parties.



Rancho Cucamonga, California



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards**

To the Board of Directors  
San Bernardino International Airport Authority  
San Bernardino, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the San Bernardino International Airport Authority's (Authority), as of and for the year then ended June 30, 2022, and the related notes to the financial statements, which comprise the Authority's basic financial statements and have issued our report thereon dated May 12, 2023. Our report includes an emphasis-of-matter regarding the Authority's adoption of Governmental Auditing Standards Board Statement No. 87, *Leases*, effective July 1, 2021, and a prior period adjustment was recorded to correct errors resulting in an understatement or overstatement of amounts previously reported for capital assets, accumulated depreciation, loans payable, revenues and expenses as of June 30, 2021, discovered by management of the Authority during the current year.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Authority's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of Authority's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Responses as item 2022-001 that we consider to be a material weakness.

## **Report on Compliance and Other Matters**

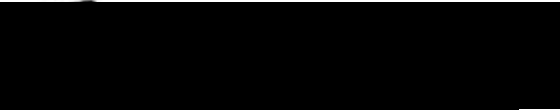
As part of obtaining reasonable assurance about whether Authority's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Authority's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on Authority's responses to the findings identified in our audit and described in the accompanying Schedule of Findings and Responses. The Authority's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Rancho Cucamonga, California  
May 12, 2023

**2022-001 Financial Reporting**

**Type of Finding: Material Weakness in Internal Control over Financial Reporting**

*Criteria:*

Management is responsible for the basic financial statements and all accompanying information as well as all representations contained therein and for the fair presentation of the financial statements in conformity with U.S. Generally Accepted Accounting Principles (GAAP). This requires management to work through the financial reporting process to accumulate, reconcile, and summarize information for inclusion in the annual financial statements. A good system of internal control contemplates an adequate system for recording and processing adjusting journal entries significant to the financial statements.

*Condition:*

During the audit, we noted management identified adjustments to beginning net position for the understatement and overstatement of capital assets, accumulated depreciation, loans payable, interest expenses and revenues reported in the prior year.

*Cause:*

Joint misapplication of generally accepted accounting principles by management and the Authority's previous financial auditors upon completion of a project recorded in the Construction in Progress account.

*Effect:*

Information used by management and external users lacked decision usefulness that could have impaired operational and strategic decisions.

*Recommendation:*

We recommend that the Authority monitor its procedures to ensure capital assets, loans payable, revenues and expenses are properly recorded in the proper period. We also recommend all of the Authority's accounting professionals obtain continuing education in governmental accounting to ensure that they maintain and grow their knowledge, skills, and abilities, as well as understand their professional obligations in exercising independent judgment as it relates to accounting matters.

*Views of Responsible Officials:*

Management agrees with the finding.


San Bernardino International Airport Authority (SBIAA)

Summary Schedule of Prior Audit Findings

Year Ended June 30, 2022

---

None noted

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 11</b></p> <p><b>PRESENTER: Mark Cousineau, Director of Finance</b></p>
---	---

**SUBJECT: CONSIDER AND ADOPT PROPOSED BUDGET ADJUSTMENTS FOR FISCAL YEAR 2022-2023**

### **SUMMARY**

The proposed adjustments to the Fiscal Year 2022-2023 San Bernardino International Airport Authority's (SBIAA) budget are to fund the increase in various expenses related to improvements, repairs and replacement work required to initiate and expand passenger air service and airport operations. This proposed adjustment for Fiscal Year 2022-2023 is detailed in the "Proposed Budget Adjustments Table".

### **RECOMMENDED ACTION(S)**

Consider and adopt budget adjustment reflected in the "Proposed Budget Adjustments Table" for Fiscal Year 2022-2023.

### **FISCAL IMPACT**

The composition for the requested adjustments are detailed in the "Proposed Budget Adjustments Table". The combined net effect on the San Bernardino International Airport Authority's Fiscal Year 2022-2023 Budget, if approved, would be a decrease in budgetary net income of \$500,000. SBIAA has sufficient revenues in the current adopted budget, cash on hand, and other resources to cover the net effect for this budget adjustment.

PREPARED BY:	Mark Cousineau
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows



## **BACKGROUND INFORMATION**

On May 16, 2022, the Commission conducted a budget workshop to receive information and provide direction on proposed expenditures and capital projects totaling \$2,492,233 to prepare for the initiation of new passenger service. The SBIAA Executive Ad Hoc Committee previously reviewed this portfolio of proposed expenditures. It was anticipated that the proposed expenditures would bridge Fiscal Years 2021-2022 and 2022-2023, affecting both fiscal years based on the work performed in each fiscal year.

On June 22, 2022, the San Bernardino International Airport Authority (SBIAA) Commission adopted the SBIAA Budget for Fiscal Year 2022-2023. SBIAA staff determined the following adjustments are necessary based on changes since the budget was approved.

The net effect of the proposed budget adjustments is a decrease of budgetary net income of \$500,000. The total increase in the proposed capital outlay is \$500,000. This increase in capital outlays arises from regulatory requirement to further control emissions from the SBIAA fuel farm through the construction of a floating lid in the 350,000 gallon tank No. 4 before the highest demand period of fire season. Proceeds of \$7,316,682 received from the December 2022 liquidation of the former Rialto Airport landholdings by the City of Rialto, which are held in the Capital Projects fund, are eligible to fund this capital outlay.

Inter-project transfers with a net effect of zero dollars is necessary to allocate Federal Aviation Administration (FAA) required construction management service costs equally to the FAA – Taxiway Shoulder Project and the Runway Seal Project.

### **PROPOSED BUDGET ADJUSTMENTS TABLE**

<b>Proposed Adjustments</b>			<b>Approved Budget</b>	<b>Proposed Adjustments</b>	<b>Adjusted Budget</b>
<i>Expenditures &amp; Transfers Out</i>					
<b>A</b>	Capital Project Fund	52270 - FAA-Taxiway Shoulder Project	\$ 4,369,770	\$ (114,500)	4,255,270
<b>A</b>	Capital Project Fund	52603 - Runway Joint Seal Project	4,220,512	114,500	4,335,012
<b>B</b>	Capital Project Fund	53477 - Fuel Farm Construction	-	500,000	500,000
Increase (Decrease) in expenditures & transfers out				500,000	
<i>Revenues &amp; Transfers In</i>					
Increase (Decrease) in revenues & transfers in				-	
Net Budget Adjustment, Expenses in Excess of Revenues				\$ 500,000	

**Notes:**

- A:** Offsetting inter-project transfers of \$114,500 to allow 50-50 cost allocation of FAA required construction management services.
- B:** Increase of \$500,000 to construct a floating lid in fuel farm tank No. 4 to meet air quality regulations.

Staff recommends the Commission approve the proposed budget adjustments.

**Attachments:**

1. None.



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 12**

**PRESENTER: Wendy McConaughy, FBO Manager**

**SUBJECT: APPROVE AMENDMENT NO. 1 TO THE SERVICE AGREEMENT WITH SYSCO RIVERSIDE, INC., IN AN AMOUNT NOT TO EXCEED \$25,000 FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$95,000**

### **SUMMARY**

On September 28, 2022, the San Bernardino International Airport Authority (SBIAA) entered into an agreement with Sysco Riverside, Inc. to provide a wide range of food, supply, beverage and delivery services for Luxivair SBD in an amount not to exceed \$70,000. With increasing flight activity, cost of goods and supply chain issues at the FBO, an increase of \$25,000 is necessary to continue to provide services through the end of Fiscal Year 2022-2023. The total contract amount would not exceed \$95,000.

### **RECOMMENDED ACTION(S)**

Approve Amendment No. 1 to the Service Agreement with Sysco Riverside, Inc. to provide food, supply, beverage and delivery services for Luxivair SBD in an amount not to exceed \$25,000; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. Funding for these goods and services was included in the adjusted SBIAA Fiscal Year 2022-2023 Budget Luxivair-SBD (FBO) fund, Account 50322 - Supplies in the amount of \$144,500 of which \$49,508 will be allocated to these purchases.

PREPARED BY:	Monette Mendoza
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

As Southern California's Premier Fixed-Base Operator (FBO), Luxivair SBD offers complimentary snacks and beverage amenities to its customers, consistent with FBO industry standards, as well as supporting Airport promotional events. Sysco Riverside, Inc. is Luxivair SBD's current supply vendor, offering a wide range of food, supply, beverage, and delivery services.

Staff recommends the Commission approve the above recommended action.

**Attachments:**

1. None.



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 13**

**PRESENTER: Jonathan Galvan, Airport Manager**

**SUBJECT: APPROVE AMENDMENT NO. 4 TO THE PROFESSIONAL SERVICES AGREEMENT WITH LSA ASSOCIATES, INC. IN AN AMOUNT NOT TO EXCEED \$30,000, FOR A TOTAL NOT TO EXCEED CONTRACT AMOUNT OF \$230,000 FOR AIRPORT WILDLIFE BIOLOGIST SERVICES**

### **SUMMARY**

The San Bernardino International Airport Authority (SBIAA) contracts with LSA Associates, Inc. (LSA) to provide a certified airport wildlife biologist, as required by the Federal Aviation Administration (FAA), for commercial service airports. Wildlife activity occurring at SBD this fiscal year has required additional services from LSA to analyze and track wildlife activity on and in the vicinity of the airport in accordance with FAA requirements. The additional required services were not anticipated during FY2022-2023.

### **RECOMMENDED ACTION(S)**

Approve Amendment No. 4 with LSA Associates, Inc. in the amount of \$30,000 for a total not to exceed contract amount of \$230,000 for airport wildlife biologist services; restate previous San Bernardino International Airport Authority (SBIAA) Commission action taken February 22, 2023 as approval of LSA contract "Amendment No. 3"; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. Funding for these services was included in the adjusted SBIAA Fiscal Year 2022-2023 Budget in the General Fund, Account 50439 - Wildlife Management in the amount of \$216,005 of which \$114,638 is available to fund Amendment No. 4 of this professional services agreement.

PREPARED BY:	Jonathan Galvan
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

**BACKGROUND INFORMATION**

Aircraft activity at SBD International Airport (SBD) has continued to increase in recent years. Balancing growth and mitigating wildlife events through implementation of the Airport's FAA approved Wildlife Hazard Management Plan is required to minimize hazards to aircraft. Over the last year, SBD has experienced an increase in wildlife activity which produced a triggering event for a Wildlife Hazard Assessment described in FAR Part 139.337 b (3) as: An air carrier aircraft experiences an engine ingestion of wildlife. This event occurred, and staff engaged LSA Associates, Inc. to undertake this required 12-month wildlife study.

As the study comes to a close, additional funding to complete the assessment is needed. The FAA will be included in the assessment approval process to ensure compliance with FAA standards as well as to ensure it produces actionable items that can be implemented to further the objective of airfield safety for all tenants' users.

On February 22, 2023, Staff presented an action item to the SBIAA Commission that incorrectly stated the LSA contract amendment as "Amendment No. 1." The corrective action would identify the previous amendment to the LSA contract as "Amendment No. 3."

Staff recommends the Commission approve the above recommended action.

**Attachments:**

1. None.



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 14**

**PRESENTER: Jonathan Galvan, Airport Manager**

**SUBJECT: APPROVE A PROFESSIONAL SERVICES AGREEMENT WITH THE UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS) AND WILDLIFE SERVICES (WS) FOR WILDLIFE BIOLOGIST SERVICES DURING FISCAL YEAR 2023-24 IN AN AMOUNT NOT TO EXCEED \$77,712.21**

### **SUMMARY**

The San Bernardino International Airport Authority (SBIAA) is required by the Federal Aviation Administration (FAA) to maintain a Wildlife Hazard Management Plan (WHMP) and contract with a certified Wildlife Biologist to assist maintaining the program. Approval of this item will allow USDA certified Wildlife Biologist to provide SBIAA further assistance, tools, and resources needed to minimize and mitigate wildlife hazards on the airfield for the safety of the flying public as well as compliance with the FAA.

### **RECOMMENDED ACTION(S)**

Approve a Professional Services Agreement with the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) and Wildlife Services (WS) for a total not to exceed contract amount of \$77,712.21; and authorize the Chief Executive Officer to execute all related documents; subject to technical and conforming changes as approved by legal counsel.

### **FISCAL IMPACT**

None for Fiscal Year 2022-2023. Funding for these services will be included in the San Bernardino International Airport Authority (SBIAA) Fiscal Year 2023-2024 Budget in the General Fund, Account 50439 - Wildlife Management in the amount of \$156,000.

PREPARED BY:	Jonathan Galvan
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows



**BACKGROUND INFORMATION**

Aircraft activity at SBD International Airport (SBD) has continued to increase in recent years. Balancing growth and mitigating wildlife events through implementation of the Airport's FAA approved Wildlife Hazard Management Plan is required to minimize hazards to aircraft.

Earlier this year, USDA personnel contacted SBIAA inquiring about a cost-share opportunity with another local airport for wildlife biologist services. The cost-share would reduce SBD's annual cost of a wildlife biologist, while providing the Airport with more hours of dedicated wildlife contract services.

After further research, it was determined that the USDA would provide better value through cost savings, hours of service, and consistency to assist Staff in minimizing wildlife hazards on the airfield. In addition, it is noteworthy, USDA may not compete with the private sector for an awarded professional services agreement for Wildlife Biologist Services.

Following approval of this item, staff will make notifications to terminate current Professional Services Agreement (PSA) with Wildlife Biologist service provider, LSA Associates, Inc., by June 30, 2023 and begin a new PSA with USDA effective July 1, 2023, under FY 2023-24.

Staff recommends the Commission approve the above recommended action.

**Attachments:**

1. USDA Cooperative Services Agreement.

**COOPERATIVE SERVICE AGREEMENT**  
**between**  
**San Bernardino International Airport (COOPERATOR)**  
**and**  
**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**ANIMAL AND PLANT HEALTH INSPECTION SERVICE (APHIS)**  
**WILDLIFE SERVICES (WS)**

**ARTICLE 1 – PURPOSE**

The purpose of this Cooperative Service Agreement (agreement) is to reduce and minimize threats posed by wildlife to aircraft and human health and safety at San Bernardino International Airport. This work is to be completed by the United States Department of Agriculture Animal and Plant Health Inspection Services Wildlife Services (APHIS-WS) under the agreement with San Bernardino International Airport.

**ARTICLE 2 – AUTHORITY**

APHIS-WS has statutory authority under the Acts of March 2, 1931, 46 Stat. 1468-69, 7 U.S.C. §§ 8351-8352, as amended, and December 22, 1987, Public Law No. 100-202, § 101(k), 101 Stat. 1329-331, 7 U.S.C. § 8353, to cooperate with States, local jurisdictions, individuals, public and private agencies, organizations, and institutions while conducting a program of wildlife services involving mammal and bird species that are reservoirs for zoonotic diseases, or animal species that are injurious and/or a nuisance to, among other things, agriculture, horticulture, forestry, animal husbandry, wildlife, and human health and safety.

**ARTICLE 3 - MUTUAL RESPONSIBILITIES**

The cooperating parties mutually understand and agree to/that:

1. APHIS-WS shall perform services set forth in the Work Plan, which is attached hereto and made a part hereof. The parties may mutually agree in writing, at any time during the term of this agreement, to amend, modify, add, or delete services from the Work Plan.
2. The Cooperator certifies that APHIS-WS has advised the Cooperator there may be private sector service providers available to provide wildlife damage management (WDM) services that the Cooperator is seeking from APHIS-WS.
3. There will be no equipment with a procurement price of \$5,000 or more per unit purchased directly with funds from the cooperator for use on this project. All other equipment purchased for the program is and will remain the property of APHIS-WS.

4. The cooperating parties agree to coordinate with each other before responding to media requests on work associated with this project.

#### **ARTICLE 4 - COOPERATOR RESPONSIBILITIES**

Cooperator agrees:

1. To designate the following as the authorized representative who shall be responsible for collaboratively administering the activities conducted in this agreement;

Cooperator Name, Address, Phone Number, Email

Jonathan Galvan  
Airport Manager  
1601 E. 3<sup>rd</sup> Street  
San Bernardino, CA 92408  
(909) 382-0011  
jgalvan@sbdairport.com

2. To authorize APHIS-WS to conduct direct control activities as defined in the Work Plan. APHIS-WS will be considered an invitee on the lands controlled by the Cooperator. Cooperator will be required to exercise reasonable care to warn APHIS-WS as to dangerous conditions or activities in the project areas.
3. To reimburse APHIS-WS for costs, not to exceed the annually approved amount specified in the Financial Plan. If costs are projected to exceed the amount reflected in the Financial Plan, the agreement with amended Work Plan and Financial Plan shall be formally revised and signed by both parties before services resulting in additional costs are performed. The Cooperator agrees to pay all costs of services submitted via an invoice from APHIS-WS within 30 days of the date of the submitted invoice(s). Late payments are subject to interest, penalties, and administrative charges and costs as set forth under the Debt Collection Improvement Act of 1996.
4. To provide a Tax Identification Number or Social Security Number in compliance with the Debt Collection Improvement Act of 1996.
5. As a condition of this agreement, the Cooperator ensures and certifies that it is not currently debarred or suspended and is free of delinquent Federal debt.
6. To notify APHIS-WS verbally or in writing as far in advance as practical of the date and time of any proposed meeting related to the program.
7. The Cooperator acknowledges that APHIS-WS shall be responsible for administration of APHIS-WS activities and supervision of APHIS-WS personnel.

8. To obtain the appropriate permits for removal activities for species listed in the Work Plan and list USDA, APHIS, Wildlife Services as subpermitees.
9. To provide an indoor working space to complete necessary paperwork.
10. The Cooperator will not be connected to the USDA APHIS computer network(s).

## **ARTICLE 5 – APHIS-WS RESPONSIBILITIES**

### **APHIS-WS Agrees:**

1. To designate the following as the APHIS-WS authorized representative who shall be responsible for collaboratively administering the activities conducted in this agreement.

Dennis Orthmeyer  
California State Director  
USDA-APHIS-WS-California  
3419A Arden Way  
Sacramento, CA 95825  
916-201-2504  
Dennis.l.orthmeyer@usda.gov

2. To conduct activities at sites designated by Cooperator as described in the Work and Financial Plans. APHIS-WS will provide qualified personnel and other resources necessary to implement the approved WDM activities delineated in the Work Plan and Financial Plan of this agreement.
3. That the performance of wildlife damage management actions by APHIS-WS under this agreement is contingent upon a determination by APHIS-WS that such actions are in compliance with the National Environmental Policy Act, Endangered Species Act, and any other applicable federal statutes. APHIS-WS will not make a final decision to conduct requested wildlife damage management actions until it has made the determination of such compliance.
4. To invoice Cooperator quarterly for actual costs incurred by APHIS-WS during the performance of services agreed upon and specified in the Work Plan. Authorized auditing representatives of the Cooperator shall be accorded reasonable opportunity to inspect the

accounts and records of APHIS-WS pertaining to such claims for reimbursement to the extent permitted by Federal law and regulations.

#### **ARTICLE 6 – CONTINGENCY STATEMENT**

This agreement is contingent upon the passage by Congress of an appropriation from which expenditures may be legally met and shall not obligate APHIS-WS upon failure of Congress to so appropriate. This agreement may also be reduced or terminated if Congress only provides APHIS-WS funds for a finite period under a Continuing Resolution.

#### **ARTICLE 7 – NON-EXCLUSIVE SERVICE CLAUSE**

Nothing in this agreement shall prevent APHIS-WS from entering into separate agreements with any other organization or individual for the purpose of providing wildlife damage management services exclusive of those provided for under this agreement.

#### **ARTICLE 8 – CONGRESSIONAL RESTRICTIONS**

Pursuant to Section 22, Title 41, United States Code, no member of or delegate to Congress shall be admitted to any share or part of this agreement or to any benefit to arise therefrom.

#### **ARTICLE 9 – LAWS AND REGULATIONS**

This agreement is not a procurement contract (31 U.S.C. 6303), nor is it considered a grant (31 U.S.C. 6304). In this agreement, APHIS-WS provides goods or services on a cost recovery basis to nonfederal recipients, in accordance with all applicable laws, regulations and policies.

#### **ARTICLE 10 – LIABILITY**

APHIS-WS assumes no liability for any actions or activities conducted under this agreement except to the extent that recourse or remedies are provided by Congress under the Federal Tort Claims Act (28 U.S.C. 1346(b), 2401(b), and 2671-2680).

#### **ARTICLE 11 – NON-DISCRIMINATION CLAUSE**

The United States Department of Agriculture prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. Not all prohibited bases apply to all programs.

## **ARTICLE 12 - DURATION, REVISIONS, EXTENSIONS, AND TERMINATIONS**

This agreement shall become effective on 01 July 2023 and shall continue through 30 June 2028, not to exceed five years. This Cooperative Service Agreement may be amended by mutual agreement of the parties in writing. The Cooperator must submit a written request to extend the end date at least 10 days prior to expiration of the agreement. Also, this agreement may be terminated at any time by mutual agreement of the parties in writing, or by one party provided that party notifies the other in writing at least 60 days prior to effecting such action. Further, in the event the Cooperator does not provide necessary funds, APHIS-WS is relieved of the obligation to provide services under this agreement.

In accordance with the Debt Collection Improvement Act of 1996, the Department of Treasury requires a Taxpayer Identification Number for individuals or businesses conducting business with the agency.

Cooperator's Tax ID No.: \_\_\_\_\_

APHIS-WS's Tax ID: 41-0696271

Cooperator:

\_\_\_\_\_  
Jonathan Galvan, Airport Manager

\_\_\_\_\_  
Date

1601 E. 3rd Street  
San Bernardino, CA 92408  
(909) 382-0011  
jgalvan@sbdairport.com

**UNITED STATES DEPARTMENT OF AGRICULTURE  
ANIMAL AND PLANT HEALTH INSPECTION SERVICE  
WILDLIFE SERVICES**

\_\_\_\_\_  
Dennis Orthmeyer, State Director

\_\_\_\_\_  
Date

USDA, APHIS, WS  
3419A Arden Way  
Sacramento, CA 95825

\_\_\_\_\_  
John E. Steuber, Acting Western Regional Director

\_\_\_\_\_  
Date

2150 Centre Avenue  
Bldg. B, Mail Stop 3W9  
Fort Collins, CO 80526

Prepared by: Coady W. Lundy – Assistant Airport District Supervisor



## WORK PLAN

**Cooperator:** San Bernardino International Airport

**Contact:** Mr. Jonathan Galvan; (909) 382-0011

**Cooperative Service Agreement Number:** < TBD >

**WBS Element:** < TBD >

**FMMI Shorthand Code:** < TBD >

**Location:** San Bernardino International Airport

**Dates:** 01 July 2023 – 30 June 2024

In accordance with the Cooperative Service Agreement between San Bernardino International Airport and the United States Department of Agriculture (USDA), Animal and Plant Health Inspection Service (APHIS), Wildlife Services (WS), this Work Plan sets forth the objectives, activities and budget of this project during the period of this agreement.

### **Program Objective**

The purpose of this agreement is to minimize and reduce the threats posed by wildlife to aircraft and human health and safety at San Bernardino International Airport. This work is to be completed by the United States Department of Agriculture Wildlife Services (WS) under the agreement with San Bernardino International Airport.

### **Plan of Action**

Work under this agreement will include a wildlife biologist:

1. To provide recommendations to San Bernardino International Airport on mitigating wildlife hazards to aircraft, including insect management strategies.
2. To conduct operational wildlife damage management at San Bernardino International Airport to reduce wildlife hazards to aircraft.
3. To provide training to airport personnel in identifying and managing wildlife hazards to aircraft at San Bernardino International Airport. Length and frequency of trainings will be in compliance with the FAA and in coordination with the cooperator.
4. To review landscape plans and assist in wildlife monitoring during construction projects.
5. To provide assistance in maintaining the Wildlife Hazard/Strike Database and provide operations personnel with training to identify and manage wildlife hazards at the airport.
6. To annually assist with reviewing the migratory bird depredation permits, and ensure all activities conducted at San Bernardino International Airport are in compliance with all provisions applicable permits, as well as federal, state, and local laws.
7. To provide a combined monthly report to San Bernardino International Airport.
8. To provide all equipment (except badges and airfield communication equipment) necessary for wildlife control at the airport, including vehicles, pyrotechnic supplies, ammunition, firearms, and trapping equipment.
9. To respond to wildlife strike incidents during work hours while onsite and provide removal services and document the strike report in accordance with applicable regulatory requirements.
10. To provide a combined, average of 20 hours of aforementioned services per week.

## FINANCIAL PLAN

**07/01/2023-06/30/2024**

Cost Element		Full Cost
Personnel Compensation		\$47,021.53
Travel		\$1,815.00
Vehicles		\$5,532.00
Other Services		\$1,750.00
Supplies and Materials		\$2,500.00
Equipment		\$2,500.00
Subtotal (Direct Charges)		\$61,118.53
Pooled Job Costs [for non-Over-the Counter projects]	11.00%	\$6,723.04
Indirect Costs	16.15%	\$9,870.64
Aviation Flat Rate Collection		0.00
Agreement Total		\$77,712.21
The distribution of the budget from this Financial Plan may vary as necessary to accomplish the purpose of this agreement, but may not exceed: \$77,712.21		

Financial Point of Contact:

Cooperator Name, Address, Phone Number, Email

Jonathan Galvan  
 Airport Manager  
 1601 E. 3rd Street  
 San Bernardino, CA 92408  
 (909) 382-0011  
 jgalvan@sbdairport.com

APHIS-WS State Office Name, Address, Phone Number, Email

Dennis Orthmeyer  
 State Director  
 USDA-APHIS-WS-California  
 3419A Arden Way  
 Sacramento, CA 95825  
 916-201-2504  
 Dennis.l.orthmeyer@usda.gov



**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 15**

**PRESENTER: Jeff Barrow, Director of Development**

**SUBJECT: APPROVE CHANGE ORDER NO. 1 WITH BRIGHTVIEW LANDSCAPE SERVICES, INC. IN AN AMOUNT NOT TO EXCEED \$2,122.97 FOR THE LUXIVAIR SBD LANDSCAPING PROJECT; APPROVE THE FILING OF A NOTICE OF COMPLETION AND AUTHORIZE THE RELEASE OF RETAINED FUNDS**

### **SUMMARY**

Change Order No. 1 includes: installation of new irrigation lines at areas where new plants were located per construction drawings but had no existing irrigation lines, discrepancy in plant count, and the planting of a new tree due to deviation of plant callout on construction drawings.

### **RECOMMENDED ACTION(S)**

Approve Change Order No. 1 with Brightview Landscape Services, Inc. in an amount not to exceed \$2,122.97 for the Luxivair SBD Landscaping Project; approve the filing of a Notice of Completion and authorize the release of retained funds for this contract; and authorize the Chief Executive Officer to execute all related documents.

### **FISCAL IMPACT**

None. In the event Change Order No. 1 is approved, the new contract amount would be \$86,397.27, which would not require an adjustment to the approved San Bernardino International Airport Authority (SBIAA) Fiscal Year 2022-2023 budget in the Luxivair-SBD (FBO) fund, Account 50422 Landscape Maintenance in the amount of \$112,000 of which \$22,274 is available to fund Change Order No. 1.

PREPARED BY:	Kevin Vejar
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows

### **BACKGROUND INFORMATION**

The Luxivair SBD landscape was designed and constructed in 2009. This design went on to win the American Society of Landscape Architects (ASLA) Merit award in 2010. Unfortunately, in a 13-year span, the landscape has suffered through extreme heat, as well as new lows in recent months. On top of the rough climate, gophers have affected the hardscape, as well as the irrigation system. To provide a first-class experience at Luxivair SBD, staff determined that addressing the front door to our executive FBO was a critical component. Brightview Landscape Services, Inc. used the same design to restore the landscape, using drought tolerant plants, water efficient drip systems and drought decomposed granite.

During the course of construction, there were unforeseen events that increased the amount of the contract. Below is the breakdown:

- |                                |                    |
|--------------------------------|--------------------|
| • Original Contract Amount:    | \$ 84,274.30       |
| • Proposed Change Order No. 1: | <u>\$ 2,122.97</u> |
| • Final Contract Amount:       | \$ 86,397.27       |

Pending approval of Change Order No. 1, the construction contract will be complete. Staff recommends the Commission approve the above recommended action.

### **Attachments:**

1. Change Order No. 1.
2. Photos.
3. Site Map.



**Inland Valley Development Agency**  
**San Bernardino International Airport Authority**  
1601 E. 3<sup>rd</sup> Street  
San Bernardino, CA 92408  
Phone: (909) 382-4100 FAX: (909) 382-4106



**Change Order No. 01 to Luxivair Landscaping Project Contract:**, dated March 22, 2023 by Brightview Landscape Services Inc. and between: San Bernardino International Airport Authority (Agency), and (Contractor), the Contractor is hereby directed to make the following change in contract work:

ITEM	DESCRIPTION OF CHANGES	TYPE	AMOUNT
1.1	Planting of 5 New Agave Plants	LS	\$270.69
1.2	Planting of a 15-gallon Citrus Tree at Luxivair Entrance	LS	\$371.47
1.3	Additional irrigation required on South end of Luxivair	LS	\$1,480.81
	<b>Total Cost Change Order No. 1</b>		<b>\$2,122.97</b>

**Original Contract Amount: \$ 84,274.30**  
**Proposed Change Order No.1: \$ 2,122.97**

**Final Contract Amount: \$ 86,397.27**

**New Contract Amount:**

**ACCEPTANCE:**

Contractor accepts the terms and conditions stated above as full and final settlement of any and all claims arising from this Change Order and acknowledges that the compensation (time and cost) set forth in the Change Order comprises the total compensation due for the work or change defined in the Change Order, including all impact on any unchanged work. By signing the Change Order, the Contractor acknowledges and agrees that the stipulated compensation includes payment for all Work contained in the Change Order, plus all payment for the interruption of schedules, extended overhead costs, delay, and all impact, ripple effect or cumulative impact on all other Work under this Contract. The signing of the Change Order acknowledges full mutual accord and satisfaction for the change, and that the time and/or cost under the Change Order constitute the total equitable adjustment owed the Contractor as a result of the change. The Contractor agrees to waive all rights, without exception or reservation of any kind whatsoever, to file any further claim or request for equitable adjustment of any type, for any reasonably foreseeable cause that shall arise out of or as a result of this Change Order or the impact of this Change Order on the remainder of the Work under this contract. Contractor agrees to perform the above-described work in accordance with the above terms and in compliance with applicable Sections of the Contract Documents. This Change Order is hereby agreed to, accepted and approved, all in accordance with the General Conditions of the Contract Documents.

Accepted by Contractor \_\_\_\_\_

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

Approved by Agency \_\_\_\_\_

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









US Customs  
Border Protection





**TO: San Bernardino International Airport Authority Commission**

**DATE: May 24, 2023**

**ITEM NO: 16**

**PRESENTER: Jeff Barrow, Director of Development**

**SUBJECT: AWARD A CONSTRUCTION CONTRACT TO BODELL CONSTRUCTION COMPANY IN AN AMOUNT NOT TO EXCEED \$485,300.00 FOR THE FUEL FARM INTERNAL FLOATING ROOF PROJECT**

### **SUMMARY**

The award of this construction contract would authorize Bodell Construction Company to design-build a new Aluminum Internal Floating Roof (AIFR) in order to reduce evaporative loss of Jet-A fuel, which would result in the reduction of carbon emissions from the fuel storage tank.

### **RECOMMENDED ACTION(S)**

Award a construction contract to Bodell Construction Company in an amount not to exceed \$485,300.00 for the Fuel Farm Internal Floating Roof Project; and authorize the Chief Executive Officer to execute all related documents; subject to technical and conforming changes as approved by legal counsel.

### **FISCAL IMPACT**

\$500,000 increase in capital project outlays. In the event that the proposed budget adjustment is approved on today's agenda, funding for this project will be included in the then adjusted San Bernardino International Airport Authority (SBIAA) Fiscal Year 2022-2023 Budget in the Capital Projects Fund, Account 53477 - Fuel Farm Construction in the amount of \$500,000.

PREPARED BY:	Kevin Vejar
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	Michael Burrows



**BACKGROUND INFORMATION**

On May 26, 2021, staff received approval by the SBIAA Commission to award Bodell Construction Company a construction contract for the Fuel Farm Expansion Project. The Fuel Farm Expansion Project increased the storage facility from 150,000 gallons to 500,000 gallons. Monitoring equipment was included with the new storage facility to manage fuel inventory and ensure regulatory compliance. As fuel volumes continue to trend higher, Staff discussed best available technology options with the Design Engineer of Record to ensure continuing regulatory compliance for fuel storage facilities. As a best available technology solution, an Aluminum Internal Floating Roof (AIFR) eliminates 99% of carbon emissions, requires minimal ongoing maintenance, and provides an excellent solution in maintaining compliance while minimizing SBIAA's carbon footprint.

As the constructor and warranty holder of the new fuel storage facility, Bodell Construction Company is recommended as a single source vendor for this Project. The proposal submitted by Bodell Construction Company was verified by the Design Engineer of Record and found to be reasonable and appropriate in terms of cost and scope of work for recent comparable projects.

The AIFR project requires budgetary programming in FY 2022-23 to ensure the commitment of the constructor, completion of the project in FY 2023-24, before the highest demand period of the fire season, and to comply with the South Coast Air Quality Management District regulations.

Staff recommends the Commission approve the above recommended actions.

**Attachments:**

1. Proposal.
2. Form of Contract.



March 30, 2023

Jeff Barrow  
San Bernardino Airport  
1601 E. Third Street, Suite 100  
San Bernardino, CA 92408

**RE: San Bernardino Jet-A Tank Internal Floating Roof  
Bodell Proposal #23048 -REV02**

Dear Mr. Barrow:

We have reviewed your project requirements and have prepared this proposal to include all labor, material, equipment, subcontractors, taxes, and supervision necessary to complete the above referenced project. Our total lump sum price is: Four Hundred Eighty-Five Thousand, Three-Hundred Dollars (\$485,300.00).

**Bid Breakout\***

Tank cleaning & disposal of wash water	\$60,553.19
Demolition & Tank Repair	\$57,842.62
Supply & Installation of new Aluminum Internal Floating Roof	\$216,885.65
Supply & Installation of new Aluminum Floating Suction	\$87,592.56
Stilling Wells	\$26,754.00
Tank coatings repair	\$35,671.98
<b>TOTAL COST</b>	<b>\$485,300.00</b>

**The Scope of Work is as Follows:**

1. Clean tank and certification to gas free levels.
2. Transportation and disposal of approximately 4,200 gallons of Jet A residue & wash water.
3. Demolition & removal of exiting floating suction and stilling wells.
4. Cut access hole in tank roof for installation of new aluminum internal floating roof (AIFR)
5. Supply & Installation of new floating suction, AIFR, and stilling wells.
6. Repair access hole in tank roof
7. Repair tank coatings & touchup paint.
8. Bolt-up access hatches.

**Clarifications / Inclusions:**

1. We assume this work will be completed under a mutually agreeable contract.
2. We assume our standard insurance is adequate for this contract.
3. This proposal is based on a 50-hour work week.
4. We anticipate this project taking 5 weeks to complete.
5. Construction power and water is assumed to be available onsite and at no cost to Bodell Construction.
6. Performance and payment bonds.



**Exceptions / Exclusions:**

1. Tank draining and isolation.
2. Hydrotesting of tank.
3. Tank strapping
4. Controls or integration modifications
5. Certifications of, removal, and disposal of hazardous materials, other than noted above.
6. Builders Risk Insurance
7. Liquidated damages
8. Permits and fees

We appreciate the opportunity to present you with a proposal for this project. Please feel free to contact Jeff Covalt at (801) 892-8044 should you have any questions regarding this proposal. We look forward to working with you on this project.

Regards,

**Bodell Construction Company**

Jeff Covalt  
Estimating Manager

\* Bid breakout is for informational purposes only and are not standalone bid items. Bid is to be awarded in its entirety.

## **AGREEMENT BETWEEN AGENCY AND CONTRACTOR**

THIS AGREEMENT made in **three** (3) copies on this May 25, 2023 BY AND BETWEEN **SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**, San Bernardino County, California, hereinafter called the AGENCY or OWNER

and

**BODELL CONSTRUCTION COMPANY**, hereinafter called the CONTRACTOR. (CONTRACTOR's License No. 313949).

WITNESSETH: That the AGENCY and CONTRACTOR for the considerations hereinafter named agree as follows:

**ARTICLE 1 - SCOPE OF THE WORK:** CONTRACTOR shall perform within the time set forth in Article 2 of this Agreement and shall furnish all labor, materials, equipment, tools, utility services, and transportation and perform and complete all work required in connection with the construction as indicated on the drawings and as described in the Project Manual for the complete project at:

### **Fuel Farm Internal Floating Roof Project**

and shall do everything required by the Agreement, the General Conditions of the Contract for Construction, General Project Requirements, Technical Specification Sections and Drawings and Addenda, all of which are incorporated herein by reference and made a part of this Agreement.

**ARTICLE 2 - TIME FOR PROJECT COMPLETION:** All work under this Contract shall be completed within a period of **65 calendar days from the issuance of the Notice-to-Proceed** commencing with the Start Date indicated in the written Notice to Proceed received from the AGENCY and all work under this contract shall be performed in accordance with construction schedule and completed on or before completion date.

**ARTICLE 3 - THE AGREEMENT SUM:** The AGENCY shall pay the CONTRACTOR for the performance of this Contract, subject to the additions and deductions provided herein, the sum of:

**Four Hundred and Eighty-Five Thousand and Three Hundred Dollars**

**(\$485,300.00)**

**ARTICLE 4 - PROGRESS PAYMENTS:** Based upon Applications for Payment submitted to the Architect by the CONTRACTOR and Certificates for Payment issued by the Architect, the AGENCY shall make progress payments on account of the Agreement Sum to the CONTRACTOR as provided in Article 9 of the General Conditions and General Project Requirements.

**ARTICLE 5 - RETENTION OF SECURITIES:** Pursuant to Public Contract Code 7201 the retention amount withheld is five percent (5%) of the total value of the contract or work performed. Pursuant to Public Contract Code Section 22300, CONTRACTOR has the option to deposit securities with an escrow agent approved by the AGENCY as a substitute for retention earnings withheld by the AGENCY to ensure performance.

**ARTICLE 6 - HOLD HARMLESS AGREEMENT:** To the fullest extent permitted by law, the Contractor agrees to and does hereby indemnify, defend and hold harmless the AGENCY and each of their officers, agents, employees, and consultants (including the AGENCY's architects and engineers)

from every claim or demand made and every liability, loss, damage, or expense of any nature whatsoever (including, but not limited to attorneys' fees and costs including fees of consultants) which may be incurred by reason of:

- A. Liability for damage for death or bodily injury to persons or injury to property sustained by the Contractor or any other person, firm or corporation employed by the Contractor upon or in connection with the work called for in this agreement, except for liability for damages referred to above which result from the sole negligence or willful misconduct of the AGENCY, or each of their officers, agents or independent contractors who are directly employed by the AGENCY or for defects in design furnished by such persons.
- B. Any injury to or death of persons or damage, loss or theft of any property, sustained by any person, firm, or corporation, including the AGENCY, arising out of, or in any way connected with the work covered by this Agreement, whether said injury or damage occurs either on AGENCY property or not, except for liability for damages which result from the sole negligence or willful misconduct of the AGENCY, its officers, employees, agents or independent contractors who are directly employed by the AGENCY, or for defects in design furnished by such persons.
- C. Any dispute between CONTRACTOR and CONTRACTOR'S subcontractors, suppliers, sureties, including, but not limited to, any stop notice actions.

The Contractor, at its own expense, cost, and risk, shall defend any and all actions, suits, or other proceedings that may be brought or instituted against the AGENCY, and each of their officers, agents, employees or consultants on any such claim, demand or liability and shall pay or satisfy any judgment that may be rendered against the AGENCY, and each of their officers, agents or employees in any action, suit or other proceedings as a result thereof.

#### **ARTICLE 7 – PREVAILING WAGES**

- A. Wage rates for this project shall be in accordance with the "General Wage Determination Made by The Director of Industrial Relations Pursuant To California Labor Code, Part 7, Chapter 1, Article 2, Sections 1770, et seq., for San Bernardino County. Wage rates shall conform with those posted in the AGENCY Office.
- B. The following labor code sections are hereby referenced and made a part of this agreement and are set forth in detail in the General Conditions:
  - 1. Section 1735, Anti-Discrimination Requirements.
  - 2. Section 1775, Penalty for Failure to Comply with Prevailing Wage Rates.
  - 3. Section 1776, Payroll Records.
  - 4. Section 1777.5 and 1777.6, Apprenticeship Requirements.
  - 5. Section 1810 and 1811, Working Hour Restrictions.
  - 6. Section 1813, Penalty for Failure to Pay Overtime.
  - 7. Section 1815, Overtime Pay.

- C. Submission of Certified Payroll is a Condition Precedent to Receipt of Payment. CONTRACTOR agrees that submission of Certified Payroll Records as well as all related or subsequent requests for supporting documents made by the AGENCY shall be a condition precedent to receipt of progress, final, and or/retention payments on all Projects. The AGENCY shall withhold any portion of the progress and/or final payments up to and including the entire payment until the Certified Payroll Records requirements is met by the CONTRACTOR. If the CONTRACTOR is determined to have failed to pay workers in compliance with the applicable prevailing wage sections of the Labor Code the AGENCY shall continue to withhold progress, final, or retention payments until sufficient funds have been withheld for payment of wages to workers and all applicable penalties.
- D. Forfeiture for Failure to Comply with Written Record Request. The CONTRACTOR shall have ten (10) days in which to comply subsequent to receipt of a written notice requesting Certified Payroll Records or supporting documents. In the event that the CONTRACTOR fails to comply within the 10-day period, he or she shall, as a penalty to the AGENCY forfeit one hundred dollars (\$100) per day under Labor Code 1776 for each calendar day, or portion thereof, for each worker, until strict compliance is effectuated. Upon the request of the Division of Apprenticeship Standards ("DAS") or the Department of Labor Standards and Enforcement ("DLSE"), these penalties shall be withheld from progress payments then due. A CONTRACTOR is not subject to a penalty assessment pursuant to this section due to the failure of a Subcontractor to comply with this section.
- E. Mandatory Attendance at Pre-Job Conference: CONTRACTOR and Sub-contractors are required to attend the AGENCY's Pre-Job Conference. At the Pre-Job Conference, Labor Compliance requirements will be explained and reviewed. CONTRACTOR and Sub-contractors are required to sign the sign in sheet to verify attendance of the Pre-Job Conference.

**ARTICLE 8 - RECORD AUDIT:** In accordance with Government Code, Section 8546.7, records of both the AGENCY and the CONTRACTOR shall be subject to examination and audit by the Auditor General for a period of three (3) years after final payment.

**ARTICLE 9 - CERTIFICATIONS:**

- A. Certifications of compliance with requirements for Worker's Compensation (Attachment No. 1 to Agreement), Drug-Free Work Place (Attachment No. 2 to Agreement), and Prevailing Wage Certification (Attachment No. 3 to Agreement) are hereby made a part of this Agreement.

**ARTICLE 10 - FINAL PAYMENT:** Final payment, constituting the entire unpaid balance of the Agreement Sum together with all retentions shall be paid by the AGENCY to the CONTRACTOR in accordance with Article 9 of the General Conditions and will be paid within 60 days after completion of the Work as defined in California Public Contract Code § 7107.

**ARTICLE 11 – CONTRACTOR'S FAILURE TO PROCURE COMPLETION OF PROJECT:** In the event said CONTRACTOR fails to furnish tools, equipment, or labor in the necessary quantity or quality, or fails to prosecute the work or any part thereof contemplated by this Agreement in a diligent and workmanlike manner, and if the CONTRACTOR for a period of two (2) calendar days after receipt of written demand from AGENCY to do so, fails to furnish tools, equipment, or labor in the necessary quantity or quality, and to prosecute said work and all parts thereof in a diligent and workmanlike manner,

or after commencing to do so within said two (2) calendar days, fails to continue to do so, then the AGENCY may exclude the CONTRACTOR from the premises, or any portion thereof, and take possession of said premises or any portion thereof, together with all material and equipment thereon, and my complete the work contemplated by this Agreement or any portion of said work, either by furnishing the tools, equipment, labor or material necessary, or by letting the unfinished portion of said work, or the portion taken over by the AGENCY to another contractor, or by a combination of such methods. In any event, the procuring of the completion of said work, or the portion thereof taken over by the AGENCY, shall be a charge against the CONTRACTOR, and may be deducted from any money due or becoming due to CONTRACTOR from the AGENCY, or the CONTRACTOR shall pay the AGENCY the amount of said charge, or the portion thereof unsatisfied. The sureties, provided for under this Agreement shall become liable for payment should CONTRACTOR fail to pay in full any said cost incurred by the AGENCY.

**ARTICLE 12 – INSURANCE:** CONTRACTOR shall take out, prior to commencing the work, and maintain, during the life of this Agreement, insurance in accordance with Article 11 of the General Conditions and with the limits shown below. CONTRACTOR shall require all subcontractors, if any, whether primary or secondary, to take out and maintain insurance in accordance with the limits shown in General Conditions, Article 11.

General Liability Insurance for injuries including accidental death and property damage in an amount not less than \$5,000,000.00 per occurrence and \$10,000,000 in the aggregate.

Automobile liability insurance (owned, non-owned, hired) with limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and 1,000,000 property damage.

Worker's Compensation Insurance as required by applicable state law including employer's liability limits of not less than \$1,000,000.00

Umbrella Excess Liability Insurance with limits of not less than \$10,000,000 over primary insurance.

Insurance Covering Special Hazards: The following special hazards shall be covered by rider or riders to above-mentioned public liability insurance or property damage insurance policy or policies of insurance, or by special policies of insurance in amounts as follows:

- Automotive and truck where operated in amounts as above
- Material hoist where used in amounts as above

**ARTICLE 13 – CONTRACTOR'S LICENSE:** CONTRACTOR must possess a **CLASS "A"** Contractor's License, issued by the State of California, which is current and in good standing.

**ARTICLE 14 – CORPORATION IN GOOD STANDING:** If CONTRACTOR is a corporation or other legal entity, the undersigned hereby represents and warrants that such entity is duly formed in good standing, and authorized to conduct business in the State of California, and that \_\_\_\_\_ whose title is \_\_\_\_\_, is authorized to act for and bind the corporation.

**ARTICLE 15 – PROVISIONS REQUIRED BY LAW:** Each and every provision of law and clause required by law to be inserted in this Agreement shall be deemed to be inserted herein and the Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not currently inserted, then upon application of either party the Agreement shall forthwith be physically amended to make such insertion or correction.

**ARTICLE 16 - LIQUIDATED DAMAGES:** Pursuant to Government Code Section 53069.85, if Work is not completed within the Contract Time or in strict accordance with the Project Schedule, It is understood, acknowledged and agreed that the AGENCY will suffer damage. It is therefore agreed that the CONTRACTOR will pay the AGENCY the sum of **TWO THOUSAND (\$2,000.00) Dollars** for each and every calendar day of delay beyond the Contract Time, or beyond any completion schedule, construction schedule or Project milestones established in or pursuant to the Project Schedule, or beyond the time indicated in the PROJECT Schedule for any individual contract activity. Contractor expressly understands, acknowledges and agrees that such liquidated damages can and shall be imposed if the CONTRACTOR does not meet each and every aspect of any activity schedule, completion schedule, construction schedule or Project milestones established in or pursuant to the default by reason of delays, the acceptance of such work and/or payment(s) shall in no respect constitute a waiver or modification of any provisions regarding Contract Time, a completion schedule, the Project Schedule or liquidated damages. In the event the same is not paid, the CONTRACTOR further agrees that the AGENCY may deduct the amount thereof from any money due or that may become due the CONTRACTOR under the Agreement. This Article does not exclude recovery of damages under provisions of the Agreement Documents.

**ARTICLE 17 – COMPONENT PARTS OF THE AGREEMENT:** The Agreement entered into by this Agreement consists of the following Agreement Documents, all of which are component parts of the Agreement as if herein set out in full or attached hereto:

- Notice Inviting Bids
- All Bid Forms Submitted
- Pre-Bid Addenda
- Certification of Workers' Compensation and Insurances
- Certification of Drug Free Workplace
- Performance Bond
- Labor and Materials Payment bond
- Prevailing Wage Compliance Certification
- Guarantee
- General Conditions
- General Project Requirements
- Scope of Work Summary
- Plans and Specifications
- Change Orders
- Shop Drawing Transmittals

All of the above named Agreement Documents are intended to be complementary. Work required by one of the above named Agreement Documents and to by others shall be done as if required by all.

**ARTICLE 18 - BACKGROUND CHECK:** CONTRACTOR agrees to comply with a criminal background check of all employees upon request. CONTRACTOR shall conduct criminal background check of all employees and sub-contractor's employees. CONTRACTOR must provide the AGENCY with a list of all employees providing services pursuant to this Agreement, and designate to which sites they will be assigned. Failure to comply with this law may result in, at AGENCY's sole discretion, termination of this Agreement.

**ARTICLE 19 - DOCUMENT CONTROL PROGRAM:** CONTRACTOR may be required (if implemented on this project) to utilize the AGENCY'S established standard, centralized, Internet-based document control program to record, attach, track and manager Transmittals, Requests for Information (RFIs), Submittals, Daily Reports, Meeting Minutes, Punch Lists and other documents as required. Software and training for the Contractor's document coordinator and managers will be provided by the AGENCY at no charge to the CONTRACTOR.



**ARTICLE 20 - CONFLICT OF INTEREST – AGENCY REPRESENTATIVES.** CONTRACTOR acknowledges that the AGENCY uses ethical business practices in the selection of its CONTRACTORS and in its other contracting practices. CONTRACTOR certifies that neither it nor its employees or agents have, with an intent to establish or maintain a business relationship with the AGENCY or any department thereof, provided any gift or sponsorship having a value of more than a fifty and 00/100 dollar (\$50.00) value, in total or aggregated total, to: (i) any person working on behalf of the AGENCY involved in the negotiation of this Agreement; (ii) any member of any department of the AGENCY procuring items or services from the CONTRACTOR under this Agreement; and/or (iii) any person with authority to negotiate this or any other contract on behalf of the AGENCY. Further, CONTRACTOR certifies that neither it nor its employees or agents shall at any time in the future, with an intent to establish or maintain a business relationship with the AGENCY or any department thereof, provide any gift or sponsorship having more than a fifty and 00/100 dollar (\$50.00) value, in total or aggregated total, to: (i) any person working on behalf of the AGENCY involved in the negotiation of this Agreement; (ii) any member of any department of the AGENCY procuring items or services from the CONTRACTOR under this Agreement; and/or (iii) any person with authority to negotiate this or any other contract on behalf of the AGENCY.

The CONTRACTOR acknowledges the obligations as set forth in this Article by the initials of the agent signing on behalf of the CONTRACTOR appearing below:

\_\_\_\_\_  
(initial here)

**ARTICLE 21 - CONFLICT OF INTEREST – CAMPAIGN CONTRIBUTIONS:** The CONTRACTOR represents and warrants that it has reviewed and is familiar with the governing provisions of the California Government Code and the regulations promulgated there under by the Fair Political Practices Commission (“FPPC”) regarding campaign contributions to appointed members of the governing body of the AGENCY. The CONTRACTOR further represents and warrants that neither the CONTRACTOR, nor any number of individuals employed by the CONTRACTOR or other contractors and Subcontractors of the CONTRACTOR, or any others acting on behalf of or in concert with the CONTRACTOR, have contributed to: (i) any member of the governing body of the AGENCY, (ii) any election committee of any member of the governing body of the AGENCY, (iii) any “friends of” election committee of any member of the governing body of the AGENCY, or (iv) any political action committee (“PAC”) representing, acting with or on behalf of any member of the governing body of the AGENCY, an amount in the aggregate of more than Two Hundred Fifty and 00/100 Dollars (\$250.00) within the period commencing twelve (12) months prior to the date of the official action by the governing body of the AGENCY to approve this Agreement. The CONTRACTOR covenants and warrants that for the period of time commencing as of the date of the approval of this Agreement by the governing body of the AGENCY and for ninety (90) calendar days thereafter, similarly no such campaign and/or fund-raising contributions aggregating in excess of \$250.00 from the CONTRACTOR and other contractors and Subcontractors of the CONTRACTOR, or others action on behalf of or in concert with the CONTRACTOR, when aggregated with campaign contributions paid pursuant to the preceding sentence for the prior twelve (12) month period, shall be made to any member of the governing body who participated in the official action to approve this Agreement. Such \$250.00 limitation shall apply for the period of time commencing twelve (12) months prior to the date of the official action of the governing body of the AGENCY to approve this Agreement and for ninety (90) calendar days thereafter and all such campaign contributions within said fifteen (15) month period of time shall be aggregated for purposes of the FPPC rules and regulations. Any breach of this Article, whether intentional or unintentional, shall be deemed to be a material breach of this Agreement.

The CONTRACTOR acknowledges the obligations as set forth in this Article by the initials of the agent signing on behalf of the CONTRACTOR appearing below:

\_\_\_\_\_  
(initial here)

**ARTICLE 22 - FAIR POLITICAL PRACTICES COMMISSION FORMS AND FILINGS:** The provisions of this Article shall apply to the CONTRACTOR, its employees and/or agents providing or supervising the services to the AGENCY as set forth in this Agreement. The CONTRACTOR acknowledges and represents and warrants that the CONTRACTOR is aware of the requirements of the Fair Political Practices Commission ("FPPC") of the State of California, including the statutory requirements and the rules and regulations promulgated pursuant thereto, and the obligations and duties of third party contractors such as the CONTRACTOR to complete and timely submit the required FPPC reporting forms.

By the execution and acceptance of this Agreement with the AGENCY, the CONTRACTOR hereby agrees that no later than the first day of April (April 1) of each calendar year, or any other date as designated by AGENCY legal counsel or the Clerk of the Board, the CONTRACTOR shall submit, and/or cause its employees and/or agents providing or supervising the services to the AGENCY as set forth in this Agreement to submit, to the Clerk of the Board any reporting form or filing published and/or required by the FPPC which AGENCY legal counsel or the Clerk of the Board should deem appropriate and so request of the CONTRACTOR, properly and fully completed in accordance with the instructions of the FPPC, which instructions shall be provided to CONTRACTOR by the Clerk of the Board, identifying the appropriate and necessary economic disclosures of the CONTRACTOR, its employees and/or agents who perform services by, through or on behalf of the CONTRACTOR to the AGENCY pursuant to this Agreement.

Further, the CONTRACTOR recognizes that it is neither the duty nor the responsibility of the AGENCY, its staff and/or legal counsel to review or seek additional information from the CONTRACTOR as to any information submitted to the AGENCY in the required FPPC reporting forms. The CONTRACTOR further understands that the CONTRACTOR, its principals, shareholders, and certain employees and/or agents could be subjected to fines and civil penalties imposed by the FPPC in the event any documentation submitted by the CONTRACTOR is deemed to be inadequate either by the FPPC or any other State or local prosecutorial office. Under some circumstances, such inadequacies for failure to comply with the FPPC requirements may also involve criminal sanctions.

The CONTRACTOR shall further defend, indemnify and hold harmless the AGENCY, its officers, employees, representatives, and agents, for any and all violations by the CONTRACTOR regarding FPPC reporting compliance requirements that result in any liability or financial loss to the AGENCY, its officers, employees, representatives, and agents, by reason of the failure of the CONTRACTOR to comply with the provisions of this Article, including staff costs, attorney fees and any and all other costs as may be incurred by the AGENCY, its officers, employees, representatives, and agents due to any alleged violations of the FPPC reporting requirements by the CONTRACTOR.

The CONTRACTOR acknowledges the obligations as set forth in this Article by the initials of the agent signing on behalf of the CONTRACTOR appearing below:

\_\_\_\_\_  
(initial here)

**ARTICLE 23 - CONTRACTOR INTERESTS ADVERSE TO THE AGENCY:** CONTRACTOR hereby represents that it has no interests adverse to the AGENCY or its individual member entities, at the time of execution of this Agreement. CONTRACTOR hereby agrees that, during the Term of this Agreement, the CONTRACTOR shall not enter into any agreement or acquire any interests detrimental or adverse to the AGENCY or its individual member entities. Additionally, CONTRACTOR hereby represents and warrants to AGENCY that CONTRACTOR and any partnerships, individual persons or any other party or parties comprising CONTRACTOR, together with each subcontractor who may hereafter be designated to perform services pursuant to this Agreement, do not have and, during the Term of this Agreement, shall not acquire any property ownership interest, business interests, professional

employment relationships, contractual relationships of any nature or any other financial arrangements relating to the AGENCY, property over which the AGENCY has jurisdiction or any members or staff of the AGENCY that have not been previously disclosed in writing to AGENCY, and that any such property ownership interests, business interests, professional employment relationships, contractual relationships or any nature or any other financial arrangements will not adversely affect the ability of the CONTRACTOR to perform the services to the AGENCY as set forth in this Agreement.

**ARTICLE 24 - CONFIDENTIALITY OF MATERIALS AND INFORMATION:** The CONTRACTOR shall keep confidential all reports, survey notes and observations, information, and data acquired or generated in performance of the services set forth in the Scope of Services, which the AGENCY designates confidential. None of such designated confidential materials or information may be made available to any person or entity, public or private, without the prior written consent of the AGENCY. CONTRACTOR shall safeguard and not disclose confidential information of the AGENCY including any of the following: (a) patient, trademark or copyright information; (b) personnel information; (c) matters of a technical nature; (d) matters of a business nature; and, (e) other information of a similar nature which is not generally disclosed by the AGENCY, referred to collectively hereafter as "Confidential Information." CONTRACTOR further agrees not to use Confidential Information except as may be necessary to perform the services identified in this Agreement for the AGENCY. Upon termination or expiration of this Agreement, or otherwise as requested by the AGENCY, CONTRACTOR shall promptly deliver all Confidential Information to the AGENCY, if any, in whatever form, that may be in CONTRACTOR's possession or control.

#### **ARTICLE 25 – REQUIRED FEDERAL PROVISIONS**

(a) Access to Records and Reports. The Contractor must maintain an acceptable cost accounting system. The Contractor agrees to provide the Owner, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers and records of the Contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

(b) Breach of Contract. Any violation or breach of terms of this contract on the part of the Contractor or its subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. Owner will provide Contractor written notice that describes the nature of the breach and corrective actions the Contractor must undertake in order to avoid termination of the contract. Owner reserves the right to withhold payments to Contractor until such time the Contractor corrects the breach or the Owner elects to terminate the contract. The Owner's notice will identify a specific date by which the Contractor must correct the breach. Owner may proceed with termination of the contract if the Contractor fails to correct the breach by the deadline indicated in the Owner's notice. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

(c) Buy American Preference. The Contractor agrees to comply with 49 USC § 50101, which provides that Federal funds may not be obligated unless all steel and manufactured goods used in AIP funded projects are produced in the United States, unless the Federal Aviation Administration has issued a waiver for the product; the product is listed as an Excepted Article, Material Or Supply in Federal Acquisition Regulation subpart 25.108; or is included in the FAA Nationwide Buy American Waivers Issued list.

(d) General Civil Rights. The Contractor agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed,

color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

(e) Clean Air and Water Pollution Control. Contractor agrees to comply with all applicable standards, orders, and regulations issued pursuant to the Clean Air Act (42 USC § 740-7671q) and the Federal Water Pollution Control Act as amended (33 USC § 1251-1387). The Contractor agrees to report any violation to the Owner immediately upon discovery. The Owner assumes responsibility for notifying the Environmental Protection Agency (EPA) and the Federal Aviation Administration.

(f) Contract Workhours and Safety Standards Act Requirements.

1. Overtime Requirements.

No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic, including watchmen and guards, in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

2. Violation; Liability for Unpaid Wages; Liquidated Damages.

In the event of any violation of the clause set forth in paragraph (1) of this clause, the Contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1) of this clause.

3. Withholding for Unpaid Wages and Liquidated Damages.

The Federal Aviation Administration (FAA) or the Owner shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2) of this clause.

4. Subcontractors.

The Contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraphs (1) through (4) and also a clause requiring the subcontractor to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1) through (4) of this clause.

(g) Copeland "Anti-Kickback" Act. Contractor must comply with the requirements of the Copeland "Anti-Kickback" Act (18 USC 874 and 40 USC 3145), as supplemented by Department of

Labor regulation 29 CFR part 3. Contractor and subcontractors are prohibited from inducing, by any means, any person employed on the project to give up any part of the compensation to which the employee is entitled. The Contractor and each Subcontractor must submit to the Owner, a weekly statement on the wages paid to each employee performing on covered work during the prior week. Owner must report any violations of the Act to the Federal Aviation Administration.

(h) Debarment. Contractor certifies that neither it nor its principals are presently debarred or suspended by any Federal department or agency from participation in this transaction.

(i) Texting When Driving. In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving", (10/1/2009) and DOT Order 3902.10, "Text Messaging While Driving", (12/30/2009), the Federal Aviation Administration encourages recipients of Federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or subgrant. In support of this initiative, the Owner encourages the Contractor to promote policies and initiatives for its employees and other work personnel that decrease crashes by distracted drivers, including policies that ban text messaging while driving motor vehicles while performing work activities associated with the project. The Contractor must include the substance of this clause in all sub-tier contracts exceeding \$3,500 that involve driving a motor vehicle in performance of work activities associated with the project.

(j) Energy Conservation Requirements. Contractor and Subcontractor agree to comply with mandatory standards and policies relating to energy efficiency as contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (42 USC 6201et seq).

(k) Equal Opportunity. During the performance of this contract, the Contractor agrees as follows:

(1) The Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identify, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff, or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

(3) The Contractor will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the Contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(5) The Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the

Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The Contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency the Contractor may request the United States to enter into such litigation to protect the interests of the United States.

(l) Occupational Safety and Health Act of 1970. All contracts and subcontracts that result from this solicitation incorporate by reference the requirements of 29 CFR Part 1910 with the same force and effect as if given in full text. The employer must provide a work environment that is free from recognized hazards that may cause death or serious physical harm to the employee. The employer retains full responsibility to monitor its compliance and their subcontractor's compliance with the applicable requirements of the Occupational Safety and Health Act of 1970 (29 CFR Part 1910). The employer must address any claims or disputes that pertain to a referenced requirement directly with the U.S. Department of Labor – Occupational Safety and Health Administration.

(m) Procurement of Recovered Materials. Contractor and subcontractor agree to comply with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, and the regulatory provisions of 40 CFR Part 247. In the performance of this contract and to the extent practicable, the Contractor and subcontractors are to use products containing the highest percentage of recovered materials for items designated by the Environmental Protection Agency (EPA) under 40 CFR Part 247 whenever:

(1) The contract requires procurement of \$10,000 or more of a designated item during the fiscal year; or

(2) The contractor has procured \$10,000 or more of a designated item using Federal funding during the previous fiscal year. The list of EPA-designated items is available at [www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products](http://www.epa.gov/smm/comprehensive-procurement-guidelines-construction-products). Section 6002(c) establishes exceptions to the preference for recovery of EPA-designated products if the contractor can demonstrate the item is:

(a) Not reasonably available within a timeframe providing for compliance with the contract performance schedule;

(b) Fails to meet reasonable contract performance requirements; or

(c) Is only available at an unreasonable price.

(n) Seismic Safety. The Contractor agrees to ensure that all work performed under this contract, including work performed by subcontractors, conforms to a building code standard that provides a level of seismic safety substantially equivalent to standards established by the National Earthquake Hazards Reduction Program (NEHRP). Local building codes that model their code after the current version of the International Building Code (IBC) meet the NEHRP equivalency level for seismic safety.

(o) Termination for Convenience. The Owner may terminate this contract in whole or in part at any time by providing written notice to the Contractor. Such action may be without cause and without prejudice to any other right or remedy of Owner. Upon receipt of a written notice of termination, except as explicitly directed by the Owner, the Contractor shall immediately proceed with the following obligations regardless of any delay in determining or adjusting amounts due under this clause:

- (1.) Contractor must immediately discontinue work as specified in the written notice.
- (2.) Terminate all subcontracts to the extent they relate to the work terminated under the notice.
- (3.) Discontinue orders for materials and services except as directed by the written notice.
- (4.) Deliver to the Owner all fabricated and partially fabricated parts, completed and partially completed work, supplies, equipment and materials acquired prior to termination of the work, and as directed in the written notice.
- (5.) Complete performance of the work not terminated by the notice.
- (6.) Take action as directed by the Owner to protect and preserve property and work related to this contract that Owner will take possession.

Owner agrees to pay Contractor for:

- (1) completed and acceptable work executed in accordance with the contract documents prior to the effective date of termination;
- (2) documented expenses sustained prior to the effective date of termination in performing work and furnishing labor, materials, or equipment as required by the contract documents in connection with uncompleted work;
- (3) reasonable and substantiated claims, costs, and damages incurred in settlement of terminated contracts with Subcontractors and Suppliers; and
- (4) reasonable and substantiated expenses to the Contractor directly attributable to Owner's termination action.

Owner will not pay Contractor for loss of anticipated profits or revenue or other economic loss arising out of or resulting from the Owner's termination action. The rights and remedies this clause provides are in addition to any other rights and remedies provided by law or under this contract.

- (p) Trade Restriction Certification. The contractor certifies that it:
- (1) is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms as published by the Office of the United States Trade Representative (USTR);
  - (2) has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country included on the list of countries that discriminate against U.S. firms as published by the USTR; and
  - (3) has not entered into any subcontract for any product to be used on the Federal project that is produced in a foreign country included on the list of countries that discriminate against U.S. firms published by the USTR.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18 USC Section 1001. The Contractor must provide immediate written notice to the Owner if the Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The Contractor must require subcontractors provide immediate written notice to the Contractor if at any time it learns that its

certification was erroneous by reason of changed circumstances.

This certification is a material representation of fact upon which reliance was placed when making an award. If it is later determined that the Contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration (FAA) may direct through the Owner cancellation of the contract or subcontract for default at no cost to the Owner or the FAA.

(q) **Veteran's Preference.** In the employment of labor (excluding executive, administrative, and supervisory positions), the Contractor and all sub-tier contractors must give preference to covered veterans as defined within Title 49 United States Code Section 47112. Covered veterans include Vietnam-era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns (as defined by 15 USC 632) owned and controlled by disabled veterans. This preference only applies when there are covered veterans readily available and qualified to perform the work to which the employment relates.

**ARTICLE 26 – ENTIRE AGREEMENT:** The complete Agreement, including all documents referenced or incorporated by reference, constitutes the entire Agreement of the parties. No other agreements, oral or written, pertaining to the work to be performed, exists between the parties. This Agreement can be modified only by an amendment in writing, signed by both parties and pursuant to action of the Governing Board of the AGENCY.

_____ (CONTRACTOR)	<b>SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY</b> (AGENCY)
By: _____	By: _____ Michael Burrows
_____ Official Title	_____ Chief Executive Officer Official Title
Date: _____	Date: _____
Address  _____ _____	ATTEST::  By: _____ Jennifer Farris Clerk of the Board
_____ Official Seal	Approved as to form and legal content:  Cole Huber LLP  By: _____ Scott Huber



## **ATTACHMENT NO. 1 TO AGREEMENT**

### **CERTIFICATE REGARDING WORKERS' COMPENSATION**

Every employer, shall secure the payment of compensation in one or more of the following ways:

- A. By being insured against liability to pay compensation in one or more insurers duly authorized to write compensation insurance in the State of California.
- B. By securing from the Director of Industrial Relations, a certificate of consent to self-insure either as an individual employer, or as one employer in a group of employers, which may be given upon furnishing proof satisfactory to the Director of Industrial Relations of ability to self-insure and to pay any compensation that may become due to its employees.
- C. For all political subdivisions of the State, including each member of a pooling arrangement under a joint exercise of powers agreement (but not the State itself), by securing from the Director of Industrial Relations, a certificate of consent to self-insure against workers' compensation claims which certificate may be given upon furnishing proof satisfactory to the Director of ability to administer workers' compensation claims properly, and to pay workers' compensation claims that may become due to its employees. On or before May 31, 1979, a political subdivision of the State, which on December 31, 1978, was uninsured for its liability to pay compensation, shall file a properly completed and executed application for a certificate of consent to self-insure against workers' compensation claims. The certificate shall be issued and be subject to the provisions of Section 3702 of the Labor Code.

I am aware of the provisions of Section 3700 of the Labor Code, which require every employer, including subcontractors, to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of the code, and I will comply with such provisions before commencing the performance of the work of this Contract.

#### **CONTRACTOR**

---

Signature

---

Printed Name

---

Official Title

## **ATTACHMENT NO. 2 TO AGREEMENT**

### **DRUG-FREE WORKPLACE CERTIFICATION**

This Drug-Free Workplace Certification form is required from all successful bidders pursuant to the requirements mandated by Government Code, Section 8350 et. seq. the Drug-Free Workplace Act of 1990. The Drug-Free Workplace Act of 1990 requires that every person or organization awarded a contract or grant for the procurement of any property or service from any public agency must certify that it will provide a drug-free workplace by doing certain specified acts. In addition, the Act provides that each contractor or grant awarded by a public agency may be subject to suspension of payments or termination of the contract or grant and the contractor or grantee may be subject to debarment from future contracting, if the contracting agency determines that specified acts have occurred.

I acknowledge that I am aware of the provisions of Government Code Section 8350 et. seq. and hereby certify that I will adhere to the requirements of the Drug-Free Workplace Act of 1990. I also understand that if the AGENCY determines that I have either (A) made a false certification herein, or (B) violated this certification by failing to carry out the requirements of Section 8355, that the contract awarded herein is subject to termination, suspension of payments, or both. I further understand that, should I violate the terms of the Drug-Free Workplace Act of 1990, I may be subject to debarment in accordance with the requirements of Section 8350 et. seq.

#### **CONTRACTOR**

\_\_\_\_\_  
Contractor Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Official Title

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

**ATTACHMENT NO. 3 TO AGREEMENT**

**CONTRACTOR PREVAILING WAGE COMPLIANCE CERTIFICATION**

To: SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY  
1601 East Third Street, San Bernardino, CA 92408

I hereby certify that I will comply with the State of California Public Works Contract Requirements and Department of Industrial Relations Wage Orders regarding wages, benefits, on site audits with 48-hour notice, payroll records and apprentice and trainee employment requirements.

\_\_\_\_\_  
CONTRACTOR

\_\_\_\_\_  
CONTRACTOR'S PRINCIPAL'S SIGNATURE

\_\_\_\_\_  
DATED

## ATTACHMENT NO. 4 TO AGREEMENT

### FAITHFUL PERFORMANCE BOND FORM

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the **SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY** (hereinafter referred to as "AGENCY") has awarded to \_\_\_\_\_, hereinafter designated as the "CONTRACTOR/PRINCIPAL" an agreement for the work described as follows:

#### **Fuel Farm Internal Floating Roof Project**

(Hereinafter referred to as the "Public Work")

WHEREAS, the work to be performed by the CONTRACTOR/PRINCIPAL is more particularly set forth in that certain contract for the said Public Work dated \_\_\_\_\_, incorporated herein by this reference; and

WHEREAS, the CONTRACTOR/PRINCIPAL is required by said Contract to perform the terms thereof and to furnish a bond for the faithful performance of said contract.

NOW, THEREFORE, we, \_\_\_\_\_, the undersigned CONTRACTOR/PRINCIPAL and \_\_\_\_\_, Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the AGENCY in the sum of \_\_\_\_\_ DOLLARS (\$\_\_\_\_\_)

said sum being not less than one hundred percent (100%) of the total amount payable by the said AGENCY under the terms of the said Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the bounded CONTRACTOR/PRINCIPAL, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the said Contract and any alteration thereof made as therein provided, on his or its part, to be kept and performed at the time and in the manner therein specified and in all respects according to their intent and meaning; and shall faithfully fulfill the one-year guarantee of all materials and workmanship; and shall indemnify and save harmless the AGENCY, its officers and agents, as stipulated in said Contract, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect. In case suit is brought upon this bond, the said Surety will pay to AGENCY a reasonable attorney's fee to be fixed by the Court.

As a condition precedent to the satisfactory completion of the contract, the above obligation shall hold good for a period of one (1) year or longer if required by the Contract Documents after the acceptance of the work by AGENCY, during which time if CONTRACTOR/PRINCIPAL shall fail to make full, complete, and satisfactory repair and

replacements and totally protect the AGENCY from loss or damage made evident during this period from the date of completion of the work, and resulting from or caused by defective materials or faulty workmanship, the above obligation in penal sum thereof shall remain in full force and effect. The obligations of Surety hereunder shall continue so long as any obligation of CONTRACTOR/PRINCIPAL remains.

Whenever CONTRACTOR/PRINCIPAL shall be, and is declared by the AGENCY to be, in default under the contract, the AGENCY having performed the AGENCY's obligations thereunder, the Surety shall promptly remedy the default, or shall promptly, at the AGENCY's option:

1. Complete the contract in accordance with its terms and conditions; or
2. Obtain a bid or bids for completing the contract in accordance with its terms and conditions, and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a contract between such bidder and the AGENCY, and make available as work progresses sufficient funds to pay the cost of completion less the balance of the contract price, but not exceeding, including other costs and damages for which Surety may be liable hereunder, the amount set forth above. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to CONTRACTOR/PRINCIPAL by the AGENCY under the contract and any modifications thereto, less the amount previously properly paid by the AGENCY to the CONTRACTOR/ PRINCIPAL.

Surety expressly agrees that the AGENCY may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the CONTRACTOR/PRINCIPAL.

Surety shall not utilize CONTRACTOR/PRINCIPAL in completing the contract nor shall Surety accept a bid from CONTRACTOR/PRINCIPAL for completion of the work if the AGENCY, when declaring the CONTRACTOR/PRINCIPAL in default, notifies Surety of the AGENCY's objection to CONTRACTOR's/PRINCIPAL's further participation in the completion of the work.

No right of action shall accrue on this bond to or for the use of any person or corporation other than the AGENCY named herein or the successors or assigns of the AGENCY. Any suit under this bond must be instituted within the applicable statute of limitations period.

The said Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract or to the work to be performed thereunder or the Specifications accompanying the same shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract or to the work or to the Specifications.

No final settlement between the AGENCY and the CONTRACTOR/PRINCIPAL shall abridge the right of any beneficiary hereunder whose claim may be unsatisfied.

CONTRACTOR/PRINCIPAL and Surety agree that if the AGENCY is required to engage the services of any attorney in connection with the enforcement of this bond, each shall pay the AGENCY's reasonable attorney's fees incurred, with or without suit, in addition to the above sum.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

CONTRACTOR/PRINCIPAL:

\_\_\_\_\_  
Name

By: \_\_\_\_\_

Signature: \_\_\_\_\_

SURETY:

\_\_\_\_\_

Signature: \_\_\_\_\_

The rate of premium on this bond is \$\_\_\_\_\_ per thousand. The total amount of premium charges, \$\_\_\_\_\_.  
(The above must be filled in by corporate attorney.)

**IMPORTANT:** Surety companies executing Bonds must possess a certificate of authority from the California Insurance Commissioner authorizing them to write surety insurance defined in Section 105 of the California Insurance Code, and if the work or project is financed, in whole or in part, with federal grant or loan funds, must also appear on the Treasury Department's most current list (Circular 750 as amended).

THIS IS A REQUIRED FORM

Any claims under this bond may be addressed to:

(Name and Address of Surety)

---

---

(Name and Address of Agent or Representative for service of process in California, if different from above)

---

---

---

(Telephone number of Surety and Agent or Representative for service of process in California)

---

---

STATE OF CALIFORNIA

)

COUNTY OF

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 2021, before me, \_\_\_\_\_, a Notary Public in and for said state, personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the within instrument as the Attorney-In-Fact of the \_\_\_\_\_ (Surety) acknowledged to me that he subscribed the name of the \_\_\_\_\_ (Surety) thereto and his own name as Attorney-In-Fact.

\_\_\_\_\_  
Notary Public in and for said State

(SEAL)

Commission expires: \_\_\_\_\_

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto.

## ATTACHMENT NO. 5 TO AGREEMENT

### PAYMENT BOND FORM

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the **SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY** (hereinafter referred to as "AGENCY") has awarded to \_\_\_\_\_, hereinafter designated as the "CONTRACTOR/PRINCIPAL" an agreement for the work described as follows:

#### **Fuel Farm Internal Floating Roof Project**

(Hereinafter referred to as the "Contract")

WHEREAS, said Contractor is required to furnish a bond in connection with said Contract, pursuant to Section 9550 et seq. of the California Civil Code.

NOW, THEREFORE, we, \_\_\_\_\_, the undersigned CONTRACTOR/PRINCIPAL and \_\_\_\_\_, Surety, a corporation organized and existing under the laws of the State of California, and duly authorized to transact business under the laws of the State of California as Surety, are held and firmly bound unto the **SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY** and to any and all persons, companies or corporations entitled to file stop notices under Section 9100 of the California Civil Code in the sum of \_\_\_\_\_ **DOLLARS (\$\_\_\_\_\_)**, said sum being not less than one hundred percent (100%) of the total amount payable by the said AGENCY under the terms of the said Contract, for which payment well and truly to be made, we bind ourselves, our heirs, executors, successors, administrators and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH that if, said CONTRACTOR/PRINCIPAL, his/her or its heirs, executors, administrators, successors, or assigns, or a subcontractor, shall fail to pay any person or persons named in Civil Code Section 9100 or fail to pay for any materials, or other supplies, used in, upon, for, or about the performance of the work contracted to be done, or for any work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Code, with respect to work or labor thereon of any kind, or shall fail to deduct, withhold and pay over to the Employment Development Department, any amounts required to be deducted, withheld and paid over by Section 13020 of the Unemployment Insurance Code with respect to work and labor thereon of any kind, then said Surety will pay for the same, in or to an amount not exceeding the amount hereinabove set forth, and also will pay in case suit is brought upon this bond, such reasonable attorney's fees as shall be fixed by the court, awarded and taxed as provided in Division 4, Part VI, Title III, Chapter 5 (commencing at Section 9550) of the California Civil Code.

This bond shall inure to the benefit of any of the persons named in Section 9100 of the California Civil Code, so as to give a right of action to such person or their assigns in any suit brought upon this bond.



It is further stipulated and agreed that the Surety of this bond shall not be exonerated or released from the obligation of the bond by any change, extension of time for performance, addition, alteration or modification in, to, or of any contract, plans, specifications or agreement pertaining or relating to any scheme or work of improvement hereinabove described or pertaining or relating to the furnishing of labor, materials or equipment therefore, nor by any change or modification of any terms of payment or extension of the time for any payment pertaining or relating to any scheme or work of improvement hereinabove described, nor by any rescission or attempted rescission of the contract, agreement or bond, nor by any conditions precedent or subsequent in the bond attempting to limit the right of recovery of claimants otherwise entitled to recover under any such contract or agreement or under the bond, nor by any fraud practiced by any person other than the claimant seeking to recover on the bond and that this bond be construed most strongly against the Surety and in favor of all persons for whose benefit such bond is given, and under no circumstances shall Surety be released from liability to those for whose benefit such bond has been given, by reason of any breach of contract between the AGENCY and original CONTRACTOR/ PRINCIPAL or on the part of any obligee named in such bond, but the sole condition of recovery shall be that claimant is a person described in Section 9100 of the California Civil Code, and has not been paid the full amount of his/her or its claim and that Surety does hereby waive notice of any such change, extension of time, addition, alteration or modification herein mentioned.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CONTRACTOR/PRINCIPAL:

\_\_\_\_\_  
Name

By: \_\_\_\_\_

Signature \_\_\_\_\_

SURETY:

\_\_\_\_\_

By: \_\_\_\_\_  
Attorney-In-Fact

Signature: \_\_\_\_\_

**IMPORTANT:** Surety companies executing Bonds must possess a certification of authority from the California Insurance Commissioner authorizing them to write surety insurance defined in Section 105 of the California Insurance Code, and if the work or project is financed, in whole or in part, with federal grant or loan funds, must also appear on the Treasury Department's most current list (Circular 570 as amended).

THIS IS A REQUIRED FORM

(Name and Address of Surety)

\_\_\_\_\_  
\_\_\_\_\_

(Name and Address of Agent or Representative for service of process in California if different from above)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Telephone number of Surety and Agent or Representative for service of process in California)

\_\_\_\_\_  
\_\_\_\_\_

STATE OF CALIFORNIA

COUNTY OF \_\_\_\_\_

On this \_\_\_\_\_ day of \_\_\_\_\_, in the year 2021 before me, \_\_\_\_\_, a Notary Public in and for said state, personally appeared \_\_\_\_\_, known to me to be the person whose name is subscribed to the within instrument as the Attorney-In-Fact of the \_\_\_\_\_ (Surety) acknowledged to me that he subscribed the name of the \_\_\_\_\_ (Surety) thereto and his own name as Attorney-In-Fact.

\_\_\_\_\_  
Notary Public in and for said State

(SEAL)

Commission expires: \_\_\_\_\_

NOTE: A copy of the Power-of-Attorney to local representatives of the bonding company must be attached hereto

**ATTACHMENT NO. 6 TO AGREEMENT**

**COMPANY INFORMATION SHEET**

[Updated February, 2013]

**DECLARATION**

I declare under penalty of perjury under the laws of the State of California I have completed this Company Information Sheet and that the information contained herein is factual and accurate as of the date completed.

Completed and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2021, in \_\_\_\_\_, \_\_\_\_\_  
COUNTY STATE

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Print Title: \_\_\_\_\_

.....  
LEGAL NAME OF COMPANY: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

**TYPE OF BUSINESS (Check One):**

- |                          |   |                          |                           |
|--------------------------|---|--------------------------|---------------------------|
| <input type="checkbox"/> | CORPORATION                                 | <input type="checkbox"/> | LIMITED LIABILITY COMPANY |
| <input type="checkbox"/> | PARTNERSHIP                                 | <input type="checkbox"/> | JOINT VENTURE             |
| <input type="checkbox"/> | INDIVIDUAL                                  |                          |                           |
| <input type="checkbox"/> | INDIVIDUAL DOING BUSINESS UNDER A FIRM NAME |                          |                           |
| <input type="checkbox"/> | OTHER _____                                 |                          |                           |

**STATE OF INCORPORATION OR FORMATION:**

.....  
**PRINCIPALS/OFFICERS/PARTNERS/OWNERS OF COMPANY**

(List All Principals/Officers/Partners [including Joint Venture Partners, Managing Partner], as well as investors/investment companies):

Name	Title
_____	_____
_____	_____
_____	_____

.....  
**[PLEASE ATTACH ADDITIONAL SHEETS AS NECESSARY IN ORDER TO PROVIDE ALL REQUESTED INFORMATION.]**  
.....

.....  
**IDENTIFICATION OF PRINCIPAL(S)/OFFICER(S)/REPRESENTATIVE(S) OF COMPANY – Execution of Legal Documents:**

The Company has authorized and hereby designates the following individual(s) to execute legal documents on behalf of Company, including but not limited to contract documents, proposals and related documents:

<b>Name</b>	<b>Title</b>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**IDENTIFICATION OF PRINCIPAL(S)/OFFICER(S)/REPRESENTATIVE(S) OF COMPANY – Representative and/or Management Capacity:**

The Company has authorized and hereby designates the following individual(s) to serve in a representative and/or management capacity on behalf of Company relating to the concerned project, contract document, lease document, development document, or any other legal document or agreement, including but not limited to manager, project manager, site manager, etc.

<b>Name</b>	<b>Title</b>
_____	_____
_____	_____
_____	_____

.....  
**[PLEASE ATTACH ADDITIONAL SHEETS AS NECESSARY IN ORDER TO PROVIDE ALL REQUESTED INFORMATION.]**  
.....

# COMPANY INFORMATION SHEET

## SUBCONTACTOR/VENDOR

[One form must be submitted for each listed sub-contractor or vendor]

### DECLARATION

I declare under penalty of perjury under the laws of the State of California I have completed this Company Information Sheet and that the information contained herein is factual and accurate as of the date completed.

Completed and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2021, in \_\_\_\_\_ County \_\_\_\_\_ State

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Print Title: \_\_\_\_\_

LEGAL NAME OF COMPANY: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

TELEPHONE: \_\_\_\_\_ FAX: \_\_\_\_\_

#### TYPE OF BUSINESS (Check One):

- |                          |   |                          |                           |
|--------------------------|---|--------------------------|---------------------------|
| <input type="checkbox"/> | CORPORATION                                 | <input type="checkbox"/> | LIMITED LIABILITY COMPANY |
| <input type="checkbox"/> | PARTNERSHIP                                 | <input type="checkbox"/> | JOINT VENTURE             |
| <input type="checkbox"/> | INDIVIDUAL                                  |                          |                           |
| <input type="checkbox"/> | INDIVIDUAL DOING BUSINESS UNDER A FIRM NAME |                          |                           |
| <input type="checkbox"/> | OTHER _____                                 |                          |                           |

STATE OF INCORPORATION OR FORMATION: \_\_\_\_\_

CONTRACTORS LICENSE NUMBER: \_\_\_\_\_

DIR REGISTRATION NUMBER: \_\_\_\_\_

#### PRINCIPALS/OFFICERS/PARTNERS/OWNERS OF COMPANY

(List All Principals/Officers/Partners [including Joint Venture Partners, Managing Partner], as well as investors/investment companies):

Name	Title
_____	_____
_____	_____
_____	_____

**[PLEASE ATTACH ADDITIONAL SHEETS AS NECESSARY IN ORDER TO PROVIDE ALL REQUESTED INFORMATION.]**

.....

**IDENTIFICATION OF PRINCIPAL(S)/OFFICER(S)/REPRESENTATIVE(S) OF COMPANY – Execution of Legal Documents:**

The Company has authorized and hereby designates the following individual(s) to execute legal documents on behalf of Company, including but not limited to contract documents, proposals and related documents:

<b>Name</b>	<b>Title</b>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

**IDENTIFICATION OF PRINCIPAL(S)/OFFICER(S)/REPRESENTATIVE(S) OF COMPANY – Representative and/or Management Capacity:**

The Company has authorized and hereby designates the following individual(s) to serve in a representative and/or management capacity on behalf of Company relating to the concerned project, contract document, lease document, development document, or any other legal document or agreement, including but not limited to manager, project manager, site manager, etc.

<b>Name</b>	<b>Title</b>
_____	_____
_____	_____
_____	_____

.....

**[PLEASE ATTACH ADDITIONAL SHEETS AS NECESSARY IN ORDER TO PROVIDE ALL REQUESTED INFORMATION.]**

**ATTACHMENT NO. 7 TO AGREEMENT**  
**GENERAL CONTRACTOR PROJECT CONTACT INFORMATION**

Company Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Delivery Address, if different: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**COMPANY CONTACTS**

General Correspondence:	_____	Phone: _____
	Name & Title	Fax: _____

Billing & Pay Requests:	_____	Phone: _____
	Name & Title	Fax: _____

Field Issues/Coordination:	_____	Phone: _____
	Name & Title	Fax: _____

Proposal Requests & Change Order Pricing:	_____	Phone: _____
	Name & Title	Fax: _____
		Phone: _____

Submittals:	_____	Fax: _____
	Name & Title	Phone: _____

RFI's:	_____	Fax: _____
	Name & Title	Phone: _____

**24-Hour Emergency Contact**

---

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Pager #: \_\_\_\_\_

DRAFT



## ATTACHMENT NO. 08 TO AGREEMENT

### GUARANTEE

To: **SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY**

Project: **Fuel Farm Internal Floating Roof Project**

We hereby guarantee all the work we will perform, install or construct, both labor and materials, on the above Project (whether listed below or not) and guarantee that such work will be done in accordance with the Project Drawings, Specifications, and other Contract Documents, and that the Work as installed/constructed will fulfill the requirements included in the Contract Documents.

The undersigned agrees to repair or replace, at no cost to the AGENCY, any or all of such work, together with any other adjacent work which may be displaced/damaged in connection with such replacement, that may prove to be defective in workmanship or material within the Guarantee Period, ordinary wear and tear and unusual abuse or neglect excepted.


The Guarantee Period shall commence on the date of completion as specified in the Notice of Completion approved by the AGENCY Board and shall continue for the longer of: (a) a period of one (1) year; (b) a period in excess of one (1) year, as specified or required in any Section of the Contract Documents; (c) the duration of a manufacturer's guarantee extending beyond one (1) year.

In the event of the undersigned's failure to comply with the above mentioned conditions within a reasonable period of time, as determined by the AGENCY, but not later than ten (10) days after being notified in writing by the AGENCY of defects requiring correction pursuant to this guarantee, the undersigned authorizes the AGENCY to proceed to have said defects repaired/corrected and made good at the expense of the undersigned, which will pay all costs and charges therefore upon demand.

General Contractor or Subcontractor: \_\_\_\_\_

Name of Authorized Person to Sign for the above: \_\_\_\_\_

Signature of Authorized Person: \_\_\_\_\_

	<p><b>TO: San Bernardino International Airport Authority Commission</b></p> <p><b>DATE: May 24, 2023</b></p> <p><b>ITEM NO: 17</b></p> <p><b>PRESENTER: Michael Burrows, Chief Executive Officer</b></p>
---	--

**SUBJECT: REVIEW STATUS OF THE ACTION PLAN FOR THE SAN BERNARDINO INTERNATIONAL AIRPORT AUTHORITY (SBIAA) THROUGH JUNE 30, 2023**

### **SUMMARY**

On December 16, 2015, the SBIAA Commission adopted a Strategic Plan and in January 2020 updated its Business Plan and near term outlook. This helped identify key dates and deliverables in an effort to focus San Bernardino International Airport Authority (SBIAA) Staff and Resources to increase organizational, operational efficiencies and results.

### **RECOMMENDED ACTION(S)**

Review the Action Plan for the San Bernardino International Airport Authority through June 30, 2023.

### **FISCAL IMPACT**

None. The proposed plan identifies staff resources for which funding is included in the General Fund of the adopted San Bernardino International Airport Authority (SBIAA) Budget for Fiscal Year 2022/23.

PREPARED BY:	Michael Burrows
CERTIFIED AS TO AVAILABILITY OF FUNDS:	Mark Cousineau
APPROVED AS TO FORM AND LEGAL CONTENT:	Scott Huber
FINAL APPROVAL:	SBIAA Commission

**BACKGROUND INFORMATION**

The Action Plan identifies key dates and deliverables in effort to focus San Bernardino International Airport Authority (SBIAA) Staff and Resources to increase organizational and operational efficiencies.

This status is offered for consideration and review. Updates and adjustments should be made, as appropriate, at each monthly interval.

For review and discussion.

**Attachments:**

1. SBIAA Action Plan.

# June 30, 2023 – Airport Focal Areas



Ensure Operational & Financial Stability

Stabilize Revenue Streams & Sources

Good Neighbor Program

Airport Outreach:

Business Retention & Expansion

Solar Project

Runway Repair Project

Grant Programs & Initiatives

International Trade

San Manuel Development



# San Bernardino International Airport Authority

## Action Plan for SBIAA (6/30/23)

Month	Key Initiative	Key Resources	Completion Date
January, 2023	Airport Operations Update; FAA Reporting; Good Neighbor Report	SBIAA Commission, CEO, Director of Aviation, Airport Manager, Director of Finance	January, 2023
February , 2023	Mid-Year Budget Adjustments; Emergency Exercise	Director of Aviation, Airport Manager, Director of Finance, Director of Administration	February, 2023
March, 2023	Legislative Updates; Las Vegas service, Operational Updates	CEO, Director of Administration, Director of Aviation, Director of Finance	March, 2023
April, 2023	Audit Report, Grant Program & Initiatives; Grant application	Director of Finance, Director of Aviation, Project Manager	April, 2023
May, 2023	International Trade Initiatives; Draft Annual Budget Preparation and Review	SBIAA Commission & Committee, CEO, Director of Finance, Exec Staff	May, 2023
June, 2023	Adopt Annual Budget	SBIAA Commission & Committee, CEO, Aviation Director, Director of Finance, Exec Staff	June, 2023

- Critical Path for Commission Buy-In & Implementation; Aggressive Timeline May Impact Capital Plan

# SBIAA Near-Term Action Plan – Implementation



May, 2023

Sub-Initiative Status:



Incomplete

In Process

Completed

Stabilize Tenants & Infrastructure

Review Operational Plans

Runway & Taxiway Improvements

Implement New Operational Software

Complete 2022/23 Airport Marketing Efforts & Initiatives

Air Passenger Service

International Trade  
Legislative Program