REGULAR MEETING OF THE
MONTEREY PENINSULA AIRPORT DISTRICT
BOARD OF DIRECTORS

August 27, 2026 – 4:30 PM Pacific Time

Monterey Regional Airport
200 Fred Kane Drive, Suite 200
Monterey, CA 93940

The Monterey Peninsula Airport District holds regular meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment. In general, in person or emailed comments are preferred. Remote comments are allowed for Board meetings which take place in the Board Room, as outlined below.

The Monterey Peninsula Airport District will continue to broadcast the Board Meetings via Zoom video conference for viewing by the public. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **831 7098 4092.** If you do not have access to the internet, you may listen telephonically by calling (253) 215-8782 and entering the same Meeting ID.

Pursuant to Resolution 1862, members of the public may provide comments remotely for Board Meetings which are held in the Board Room. In the event that remote participation technology is unexpectedly not available, such as during an internet service outage, electrical outage, or other technological issue that prevents remote participation by the public, the meeting will not be continued or cancelled. Remote participation is provided as a courtesy and members of the public who rely upon remote participation to provide public comment do so at their own risk. When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9. The Secretary to the Board will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your oral comments, pursuant to Board policy.

Members of the public are encouraged to provide written public comment by sending an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 7:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.

A. CALL TO ORDER/ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

- Monterey Peninsula Chamber of Commerce Business Excellence Award
- Employee Recognitions

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Any person may address the Monterey Peninsula Airport District Board at this time on any item that is **NOT** on today's agenda and should be within the jurisdiction of the Monterey Peninsula Airport District Board. Comments concerning matters set forth on this agenda will be heard at the time the matter is considered.

E. CONSENT AGENDA - ACTION ITEMS

The Consent Agenda consists of those items which are routine and for which a staff recommendation has been prepared. A Board member, member of the audience, or staff may request that an item be placed on the deferred consent agenda for further discussion. One motion will cover all items on the Consent Agenda. The motion to approve will authorize the action or recommendation indicated.

Approve 1. Minutes of the Regular Meeting of the Monterey Peninsula Airport District Board of Directors of July 24, 2026

Approve 2. Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of the Monterey Peninsula Airport District Board of Directors of August 10, 2026

Approve 3. Minutes of the Budget & Finance Committee Meeting of the Monterey Peninsula Airport District Board of Directors of August 10, 2026

Approve 4. Minutes of the Airport Property Development & Lease Committee Meeting of the Monterey Peninsula Airport District Board of Directors of August 14, 2026

F. DEFERRED CONSENT AGENDA – ACTION ITEMS

G. REGULAR AGENDA - ACTION ITEMS

Adopt 1. Resolution No. 1937 a Resolution of the Board of Directors of the Monterey Peninsula Airport District Approving a Loan with the United States Department of Transportation and Approving the Execution and Delivery of Documents in Connection Therewith and Certain Other Matters

Adopt 2. Resolution No. 1938, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Approving a Public Hearing Relating to Its Airport Revenue and Refunding Bonds Payable From Airport Revenues, Authorizing the Issuance and Delivery of the Airport Revenue and Refunding Bonds and Approving the Execution and Delivery of Documents In Connection Therewith and Certain Other Matters

Approve 3. Professional Service Agreement between the Monterey Peninsula Airport District and Garver-USA, Inc. (Garver) for Planning Services Support

Approve 4. First Amendment to the Employment Agreement between the Monterey Peninsula Airport District and Christine Morello

Approve 5. Amendment to the Professional Services Agreement with PFM Financial Advisors, LLC to Provide Financial Analysis in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation Phase 6 Series 2026 GARBS

Approve 6. First Amendment to the Professional Services Agreement Between Monterey Peninsula District and Barnes & Thornburg LLP for Professional Services as Bond/Tax and Disclosure Counsel, dated as of August 27, 2026

H. BOARD REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

The Board receives Department Reports which do not require any action by the board.

Board Member questions (if any) for Standing Committees (Finance, Air Service, Lease)

Ad-Hoc Committee Reports:

Committee	Director
Local Jurisdiction Liaison	Directors Leffel & Pick

Liaison/Representatives Reports:

Agency Liaison/Representative	Director
Local Agency Formation Commission	Director Leffel
Regional Taxi Authority	Director Ahmadi
Transportation Agency for Monterey County	Director Pick / Miller Alternate
Special Districts Association Liaison	Director Leffel / Pick Alternate
Association of Monterey Bay Area Governments	Director Pick / Leffel Alternate

Board Member Reports on Conferences and Events attended at Monterey Peninsula Airport District Expense (if any) as Approved by the Board (per AB 1234 and the Finance & Accounting Policy Manual).

- Director Gaglioti's report of SWAAAE Annual Summer Conference, July 19-22, 2026

I. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- AMBAG Presentation on the 2050 Municipal Transportation Plan

J. DISCUSSION OF FUTURE AGENDAS

K. ADJOURNMENT

AGENDA DEADLINE

This is the final Agenda that has been posted on the bulletin board outside of the District Offices in the Terminal Building at the Monterey Regional Airport no less than 72 hours prior to the meeting.

All items submitted by the public for possible inclusion on the Board Agenda or in the Board packet must be received by 5:00 P.M. on the Friday before the first Wednesday of the month. This agenda is subject to revision and may be amended prior to the scheduled meeting.

Upon request and where feasible, the Monterey Peninsula Airport District will provide written agenda materials in appropriate alternate formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. To allow the District time within which to make appropriate arrangements, please submit a written request containing a brief description of the materials requested and preferred alternative format or auxiliary aid or service desired as far as possible in advance of the meeting. Requests should be sent to the District Secretary at 200 Fred Kane Drive, Suite 200, Monterey, California 93940.

MINUTES OF THE REGULAR MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

July 23, 2026 – 4:30 PM Pacific Time

The Monterey Peninsula Airport District holds regular meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment. In general, in person or emailed comments are preferred. Remote comments are allowed for Board meetings which take place in the Board Room, as outlined below.

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Members of the public are encouraged to provide written public comment by sending an email to info@montereyairport.com and include the following subject line: “Public Comment Item # (insert the agenda item number relevant to your comment).” Written comments should be received by 7:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.

A. CALL TO ORDER/ROLL CALL

Chair Pick called to order the Regular Meeting of the Monterey Peninsula Airport District Board of Directors at 4:30 PM. Directors Ahmadi, Gaglioti, Leffel, and Miller were present. The following staff were in attendance: Executive Director Morello, District Counsel Huber, Deputy Executive Director Robare, Controller Wilson, and Acting Board Secretary Adams.

B. PLEDGE OF ALLEGIANCE

Director Leffel led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

None.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

A Transportation Security Administration (TSA) Officer, representing the TSA workforce at the checkpoint at Monterey Regional Airport, expressed appreciation for the support of their Officers throughout the years from both the Board and MRY Staff, especially during the two most recent federal government shut downs. She briefed board members on the diverse strengths brought to the airport by the current TSA team, noted their below average absentee rate, and articulated the hope for continued trust in their team to keep the airport secure.

Marlana Brown, representing Naval Support Activity Monterey, stated the Naval Postgraduate School had alumni and distinguished visitors from over fifty countries in Monterey, CA for large events and expressed their appreciation for the partnership with the Monterey Jet Center and the airport with regard to coordination and logistics.

Chair Pick stated he will need to excuse himself from the meeting in approximately one hour and proposed moving agenda item "I. Closed Session" to be the next item on the agenda. He apologized to the presenters and members of the public in attendance. Director Leffel motioned to move "Item I. Closed Session" and "Item J. Reconvene to Open Session" to next on the agenda and to continue with "Item E. Consent Agenda" when Open Session resumed. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

I. CLOSED SESSION

1. **EMPLOYMENT.** Pursuant to Gov. Code section 54957(b), the Board will meet with District Counsel to consider the evaluation of performance related to the following position: Executive Director.

The Board entered Closed Session at 4:35 PM.

J. RECONVENE TO OPEN SESSION

The Board reconvened to Open Session at 5:41 PM. Counsel Huber stated there was no reportable action taken; Direction was given.

Chair Pick turned the Chair over to Director Leffel as Chair Pro Tem and excused himself from the meeting at 5:41 PM.

E. CONSENT AGENDA - ACTION ITEMS

Approve 1. Minutes of the Special Meeting of the Monterey Peninsula Airport District Board of Directors of June 25, 2026

Approve 2. Minutes of the Regular Meeting of the Monterey Peninsula Airport District Board of Directors of June 25, 2026

Approve 3. Minutes of the Airport Property Development & Lease Committee Meeting of the Monterey Peninsula Airport District Board of Directors of July 10, 2026

Approve 4. Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of the Monterey Peninsula Airport District Board of Directors of July 13, 2026

Approve 5. Minutes of the Budget & Finance Committee Meeting of the Monterey Peninsula Airport District Board of Directors of July 13, 2026

Adopt 6. Ordinance No. 936 (Second Reading), an Ordinance to Repeal Inactive Ordinances that Represent One-time Land and Easement Transactions Already on Record

Director Miller motioned to approve Items E.1 – E.5 and to adopt Item E.6. Director Gaglioti seconded the motion. The motion carried unanimously by a roll call vote of 4-0 with Chair Pick absent.

F. DEFERRED CONSENT AGENDA – ACTION ITEMS

None.

G. REGULAR AGENDA - ACTION ITEMS

Accept 1. Monterey Regional Airport Economic Benefit Analysis

Dave Fitz, from Coffman Associates, and the Economic Analysis team participated by videoconference.

Mr. Fitz introduced Dr. Lee McPheters and Sean Ewen of Arizona State University W.P. Carey School of Business.

Dr. McPheters explained the INPLAN model methodology used for this analysis and pointed out it was the same methodology as used for the 2015 Economic Benefit Analysis. He gave a presentation that reviewed the highlights of the written report entitled "Monterey Regional Airport Economic Benefit Analysis".

Matthew Wright, General Manager of the Monterey Fuel Company, made public comments regarding the economic benefit of general aviation cited in the report, and his belief that it is significantly understated. He gave examples and offered to share his written points with Staff.

There were no other public comments.

Dr. McPheters answered questions from Directors and received their comments.

Presentation 2. Hangar Accessibility for General Aviation Tenants

Executive Director Morello turned the floor over to Deputy Executive Director Robare who reviewed the Staff Report regarding Hangar Accessibility for General Aviation Tenants as it relates to gate access and TSA security requirements.

Matt Pasztalaniec, a member of the public speaking on behalf of NSSI hangar tenants, read a statement regarding the malfunction of the assigned security access gate that prevented NSSI tenants from being able to access their hangars. They requested security access to an alternative gate to use during a breakdown and easier access to Maintenance.

Matt Pasztalaniec read a statement from a northeast hangar tenant (who was not in attendance) that detailed suggestions for an alternate plan when the assigned security gate is inoperable.

Mark Merrill, a hangar tenant in the north, relayed an experience when he needed his plane and had no access; he asked for a contingency plan to be developed.

Martin McKendrick, a NE hangar tenant, reiterated the need to easily access Maintenance.

Stan, an NSSI hangar tenant for 30 years, asked for redundant access to the hangars.

Deputy Executive Director Robare and Executive Director Morello answered questions from Directors and made additional comments.

Accept 3. Revisions to the Employee Handbook Personnel Policy Manual June 2026

Executive Director Morello stated Section 4.03 and Section 5.02 have been edited. There were no questions.

Adopt 4. Resolution No. 1936, A Resolution Granting a Public Road Easement with the City of Monterey and Outlining Ongoing Obligations for the Roundabout at Olmsted and Garden Road

Executive Director Morello introduced Item G.4. She referred to the plat map and legal description of the relevant area and gave an overview of the division of responsibilities accomplished by granting this easement.

Paul Dyson, a member of the public, commented on the benefits of roundabouts.

Director Ahmadi announced that Lease Committee recommends adoption of Resolution No. 1936.

Executive Director Morello answered questions from Directors.

Director Miller motioned to adopt Resolution No. 1936, A Resolution Granting a Public Road Easement with the City of Monterey and Outlining Ongoing Obligations for the Roundabout at Olmsted and Garden Road. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 4-0 with Director Pick absent.

Discuss 5. Transportation Association of Monterey County (TAMC) Scenic Route 68 Corridor Improvement Project Update

There was a discussion about the fact that the TAMC board will meet on this subject at their August board meeting.

It was recommended the Executive Director write a letter to TAMC in support of the Scenic Route 68 Corridor Improvement Project roundabouts.

H. BOARD REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

The Board receives Department Reports which do not require any action by the Board.

Board Member questions (if any) for Standing Committees (Finance, Air Service, Lease)

Ad-Hoc Committee Reports:

Committee	Director
Local Jurisdiction Liaison	Directors Leffel & Pick

Liaison/Representatives Reports:

Agency Liaison/Representative	Director
Local Agency Formation Commission (LAFCO)	Director Leffel
Regional Taxi Authority (RTA)	Director Ahmadi
Transportation Agency for Monterey County (TAMC)	Director Pick / Miller Alternate
Special Districts Association Liaison	Director Leffel / Pick Alternate
Association of Monterey Bay Area Governments (AMBAG)	Director Pick / Leffel Alternate

Board Member Reports on Conferences and Events attended at Monterey Peninsula Airport District Expense (if any) as Approved by the Board (per AB 1234 and the Finance & Accounting Policy Manual).

Director Leffel reported Local Jurisdiction had no meetings.

Director Leffel reported that LAFCO has no meetings in July.

Director Ahmadi reported on the annual Regional Taxi Authority meeting.

Director Miller reported TAMC had no meeting in July.

Director Leffel reported on the Special Districts Association quarterly meeting.

Director Leffel reported that AMBAG did not meet in July.

No Public Comment.

K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- AMBAG Presentation on the 2050 Municipal Transportation Plan

L. DISCUSSION OF FUTURE AGENDAS

There was discussion but no items added to future agendas.

No Public Comment.

M. ADJOURNMENT

The meeting adjourned at 7:42 PM.

Approved at the
Meeting of August 27, 2026

Danial Pick, Chair

A T T E S T

Christine Morello
District Secretary

MINUTES OF THE AIR CARRIER SERVICE - MARKETING - COMMUNITY RELATIONS COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

August 10, 2026 – 10:30 AM

Due to the expiration of the COVID-19 California State of Emergency, the Monterey Peninsula Airport District will return to holding meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Committee Meeting in person and request to speak to the Committee Members when the Chair calls for public comment.

Alternatively, members of the public who desire to provide input as to any item can send an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Committee Members for consideration and will be compiled as part of the record.

A. CALL TO ORDER

The meeting of the Air Carrier Service – Marketing – Community Relations Committee of the Monterey Peninsula Airport District Board of Directors was called to order at 10:30 AM. Directors Gaglioti and Miller, Executive Director Morello, Deputy Executive Director Robare, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Executive Director Morello reminded everyone it was "Car Week" which also means there will be increased general aviation air traffic this week.

Director Miller reported that his and Director Pick's board seats are both unopposed and there will be no need for the District to pay for an election to be held.

C. REGULAR AGENDA – ACTION ITEMS

Discuss 1. Noise Report

Deputy Executive Director Robare reported July Noise Comments were down 76% year over year.

Deputy Executive Director Robare responded to a public comment email regarding an SFGate.com article that seemed to indicate the Federal Aviation Administration (FAA) had recently made an adjustment to the departure procedure at the Charles M. Schulz-Sonoma County Airport (STS) that reduced noise complaints. She stated that the departure procedure being used during the event the article referred to was not temporary and it was not new; it was an existing departure procedure that Air Traffic Control utilized for safety reasons during high traffic.

Executive Director Morello explained that the Federal Aviation Administration (FAA) creates "plates" for multiple departure procedures for each airport; Monterey (MRY) has them also. She answered questions from members of the public in attendance.

Discuss 2. Air Carrier Service & Development Update

Executive Director Morello reported enplanements are up 11% in June 2026 over June 2025, which indicates that as the airlines have started to utilize larger aircraft the extra seats have been filled.

Executive Director Morello gave an update on the performance of the Chicago flight and indicated further discussions with United Airlines regarding next season will occur once complete data is available for this seasonal service.

Discuss 3. Local Marketing and Digital Outreach Update

Executive Director Morello highlighted that Visit Carmel is the top referral to the website and explained that the cooperative with Visit Carmel for Mountain Connected TV, which provides access to streaming networks across fly markets, is a contributing factor.

There was a discussion about a board member's suggestion to conduct monthly promotional sweepstakes and after review and discussion of the staff and legal counsel's analysis both Directors agreed that this wasn't something that staff should pursue any further.

Discuss 4. Passenger Comments, Services and Amenities Update

Deputy Executive Director Robare stated the two comments rated "poor" were investigated in real time. The parking gate issue had already been resolved when it was researched, and the Operations team has ordered new buckles for the changing tables.

It was determined the September Air Service Committee meeting will be held on September 21, 2026 at 10:30 AM in order to accommodate Director Miller's travel schedule.

D. ADJOURNMENT

The meeting adjourned at 11:15 AM.

Approved at the
Meeting of August 27, 2026

Danial Pick, Chair

A T T E S T

Christine Morello
District Secretary

MINUTES OF THE BUDGET & FINANCE COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

August 10, 2026 – 3:30 PM

Due to the expiration of the COVID-19 California State of Emergency, the Monterey Peninsula Airport District will return to holding meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Committee Meeting in person and request to speak to the Committee Members when the Chair calls for public comment.

Alternatively, members of the public who desire to provide input as to any item can send an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Committee Members for consideration and will be compiled as part of the record.

A. CALL TO ORDER

The meeting of the Budget & Finance Committee of the Monterey Peninsula Airport District Board of Directors was called to order at 3:30 PM. Directors Pick and Leffel, Executive Director Morello, Controller Wilson, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

Executive Director Morello announced Directors Pick and Miller are both unopposed and will not be required to run for re-election on the Monterey County Elections Department General Election ballot on November 3, 2026.

C. REGULAR AGENDA – ACTION ITEMS

Review 1. Review TIFIA and GARB Financing Documents

Controller Wilson gave an update on the TIFIA loan application process and the conditions of closing. He explained the role of the California Municipal Finance Authority (CMFA) and the reason for the two types of bonds being issued.

Controller Wilson advised that the drafts of the Preliminary Official Statement Dated September 2026 and of the TIFIA Loan Agreement reviewed by the Finance Committee will continue to be updated with the most recent data prior to the August Regular Board meeting.

Executive Director Morello and Controller Wilson answered questions from Directors. Executive Director Morello explained that the requisition construction reimbursement procedures for the TIFIA loan are comparable to the AIP Grant Reimbursement procedure and a similar process is already in place. In addition, many of the required reports are already being produced to satisfy AIP grant requirements.

Review 2. Professional Service Agreement with Garver for Planning Support

Executive Director Morello explained the need for professional planning support services. She highlighted the expected deliverables, which are on a time and materials basis, and assured the committee the cost will not exceed the vacant Deputy Executive Director of Planning budget line item.

Executive Director Morello answered questions from Directors.

The Finance Committee recommends approval of the Professional Services Agreement with Garver for Planning Support.

Receive 3. Update on Monterey Regional Airport Economic Benefit Analysis

Mark Wilson reported that the Economic Benefit Analysis team is considering comments received and if any updates to the report are warranted.

Review 4. FYTD Financial Statements, June 2026

Controller Wilson stated there was nothing unusual to report in the June 2026 Financial Statements. Executive Director Morello highlighted that revenue enplanements are up 13.4% over June 2025.

There was no discussion.

D. ADJOURNMENT

The meeting adjourned at 4:33 PM.

Approved at the
Meeting of August 27, 2026

Danial Pick, Chair

A T T E S T

Christine Morello
District Secretary

MINUTES OF THE AIRPORT PROPERTY DEVELOPMENT & LEASE COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

August 14, 2026, at 12:00 Noon

Due to the expiration of the COVID-19 California State of Emergency, the Monterey Peninsula Airport District will return to holding meetings at the Airport Board Room, with in-person attendance. Members of the public may attend the Committee Meeting in person and request to speak to the Committee Members when the Chair calls for public comment.

Alternatively, members of the public who desire to provide input as to any item can send an email to info@montereyairport.com and include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Committee Members for consideration and will be compiled as part of the record.

A. CALL TO ORDER

The meeting of the Airport Property Development & Lease Committee of the Monterey Peninsula Airport District Board of Directors was called to order at 12:06 PM. Directors Pick and Ahmadi, Executive Director Morello, Controller Wilson, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. REGULAR AGENDA – ACTION ITEMS

Discuss 1. Leasing Activity Review

Controller Wilson reported Joby Aviation has signed a one-year lease for the Airport Corporate Hangar to begin September 1, 2026.

Controller Wilson and Executive Director Morello answered questions from Directors.

Executive Director Morello gave an update on discussions with Fenton & Kellor for 2801 Monterey Salinas Highway; their lease renewal is due in the summer of 2027.

Controller Wilson stated that the Tarpy's lease extension is also in discussion.

Controller Wilson and Executive Director Morello answered questions from Directors.

D. ADJOURNMENT

The meeting adjourned at 12:23 PM.

Approved at the
Meeting of August 27, 2026

Danial Pick, Chair

A T T E S T

Christine Morello
District Secretary

ITEM G-1

Resolution No. 1937

A Resolution of the Board of Directors of the Monterey Peninsula Airport District Approving a Loan with the United States Department of Transportation and Approving the Execution and Delivery of Documents in Connection Therewith and Certain Other Matters

Can be found in the supplemental binder posted on the MPAD website.

ITEM G-2

Resolution No. 1938

A Resolution of the Board of Directors of the Monterey Peninsula Airport District Approving a Public Hearing Relating to Its Airport Revenue and Refunding Bonds Payable From Airport Revenues, Authorizing the Issuance and Delivery of the Airport Revenue and Refunding Bonds and Approving the Execution and Delivery of Documents In Connection Therewith and Certain Other Matters

Can be found in the supplemental binder posted on the MPAD website.

AGENDA ITEM: G-3
DATE: August 27, 2026

TO: Monterey Peninsula Airport District Board of Directors
FROM: Christine Morello, Executive Director
SUBJ: Approve a Professional Service Agreement between the Monterey Peninsula Airport District and Garver-USA, Inc. (Garver) for Planning Services Support

DISCUSSION. A primary priority is the successful completion and activation of the replacement terminal, ensuring the project is delivered on schedule, within budget, and fully prepared for operational use. At this time, it is necessary to provide Planning Support services to augment and support the planning department. The attached scope of services and summary contains a list of services that are anticipated under this proposal based on conversations with Garver staff but is not exhaustive.

The proposal assumes an average of 16 hours per week for six months, with the ability to extend the agreement if necessary, and assumes one staff member being on site every other week for two days at a time. The anticipated fee would be hourly with a not-to-exceed of $99,948.00, and will provide the team access to a variety of Garver staff to allow for flexibility in the application of the contract. If during this period staffing changes, we will cancel the contract.

In addition, there is a scope of work defined for Garver to complete a review of the current MPAD staffing model identifying any proposed job functions needed for the future, related to the opening of the replacement passenger terminal. This would be carried out at a later date after further discussions with the Executive Director. That fee would be a lump-sum cost of $54,800.00.

SOURCE OF FUNDS. The costs associated with this work are included in the FY27 budget for Planning staff and would be reallocated to professional services.

SCHEDULE. The proposed service agreement anticipates a schedule to begin as soon as an agreement is approved.

IMPACT ON OPERATIONS. There will be no impacts on operations.

RECOMMENDATION. Approve a Professional Service Agreement between the Monterey Peninsula Airport District and Garver for Planning Services Support.

ATTACHMENT.
Garver Agreement For Planning Services

APPENDIX A.1
SCOPE OF SERVICES
MONTEREY PENINSULA AIRPORT DISTRICT
BUSINESS AND ADVISORY SERVICES 2026-27 + STAFFING ANALYSIS

GENERAL/BACKGROUND

This scope of services details business and advisory services (Project) for the Monterey Peninsula Owner District (MPAD) of Monterey, CA hereinafter referred to as “Owner” or “MPAD”, with an option to include an organization staffing analysis.

Based on Garver’s discussions with the Owner, the business and advisory services will have certain focuses, detailed further in this scope, with additional capacity to provide flexibility for other as-needed support services. The scope of this Project may include, but is not limited to, analysis and support for the following:

- Environmental clearances oversight/coordination (documentation to be completed by another consultant unless otherwise requested by Owner)
- RFP/Q development*
- Evaluation of SOQs in response to RFP/Q issuances*
- Lease development, evaluation, or analysis
- Financial analysis and documentation, such as rates & charges updates and concessionaire coordination
- Planning and analysis related to legacy terminal reuse, which may include:
  - Building infrastructure analysis
  - Feasibility analysis
  - Public engagement
  - Reuse/lease proposal evaluation
- General planning services and support
- Program management support
- Airline and tenant coordination (outside of ORAT work covered under a separate project)
- Garver will participate in meetings related to specific assignments or at the request of the Owner

*Garver will not submit an SOQ for any RFP/Q with which it is involved in development and/or evaluation.

It is expected that deliverables will vary depending on MRY’s specific assignment needs. Deliverables may include:

- Exhibits prepared in AutoCAD or GIS formats
- Technical memorandums (typically 2-3 pages)
- Draft lease agreements
- Draft RFP/Qs

- Updated MPAD documents
- Other deliverable methods, as necessary, and identified prior to start of assignments.

These assignments and deliverables are expected to be supported by a combination of remote/virtual and in-person support, that will average approximately 16 hours per week. In general, a member of the Garver team is anticipated to be on site at the Owner once every other week for meetings, site visits, etc., for a period of two (2) consecutive business days. It is expected that the days of the week for these visits (e.g. Tuesdays and Wednesdays) will be established at the start of this Project and remain generally consistent throughout the Project. This approach will remain flexible to the needs of the Owner and Project budget and will be adjusted as necessary during the term of the Project.

The estimated initial term of these services will be six (6) months, with an option to extend for additional periods at the discretion of the MPAD. The level of support needed for extensions of these services will also be re-evaluated and adjusted as needed. This scope of services will be performed under a not-to-exceed contract amount of $99,948.

OPTIONAL ADD-ON

ORGANIZATION STAFFING ANALYSIS

As an additional service to those described above, Garver will provide the following:

Generally, this Project will provide a review of MPAD's current staffing model, identify any existing gaps in staffing, and determine future needed staffing changes related to the opening of the replacement terminal and other anticipated organizational changes and impacts.

ELEMENT 1 – PROJECT COORDINATION

Task 1.1 – Project Administration and Project Kickoff Meeting

This element includes project administration for the life of the Project and a thirty (30) minute virtual kickoff meeting with the MPAD Executive Director. The kickoff meeting will review this scope of services and provide an opportunity to discuss any specific considerations for the analysis.

ELEMENT 2 – STAFFING ANALYSIS

Task 2.1 – Review of Current Staffing Model

Garver will complete a review of the current MPAD staffing model. This task will include a review of the MPAD organizational chart and published job descriptions with salary ranges. Garver will also conduct up to fifteen (15) interviews with MPAD staff to understand current job responsibilities including:

1. Listing current job functions and the estimated number of hours in a week allocated to each function.
2. Identifying any proposed job functions for the future related to the opening of the replacement passenger terminal.

Where applicable, contractual responsibilities of vendors and other contractors will also be identified and discussed during these interviews. To the extent possible, MPAD will also provide Garver with electronic copies of current vendor contracts. Interviewees are expected to be executive, manager, or supervisor-level staff representing each job function area (Finance, Maintenance, Janitorial, Operations, etc). These interviews will take place on site at the Airport over a period of two and a half (2.5) business days and will be attended by two (2) Garver staff. Each interview is expected to last approximately one (1) hour.

At the conclusion of this interview process, Garver will meet with the MPAD Executive Director to share key findings from the interview process. If possible, this meeting will take place in person immediately following the conclusion of the interviews. If needed, the meeting will take place virtually after the completion of the visit. Any additional feedback from the Executive Director will be incorporated into the remaining components of this scope of services.

Task 2.2 – Staffing Benchmarking Analysis

Garver will leverage existing connections at up to three (3) similarly-sized non-hub airports to obtain and review organizational charts for incorporation into the analysis discussed in Task 2.3. The goal of this benchmarking will be to understand staff size, division of labor, and general organizational structure. This task also includes up to six (6) hours of as-needed follow-up with each benchmark airport to obtain further clarification on roles and organizational dependencies.

Task 2.3 – Gap Analysis/Future-State Staffing Analysis

Using the findings of Task 2.1 and an understanding of anticipated additional job responsibilities associated with the replacement passenger terminal obtained through the *ORAT Assessment* project (completed under a separate scope of services), Garver will complete a staffing gap analysis, identifying known and anticipated staffing gaps. If completed at the time of this staffing analysis, Garver will also utilize any additional findings from the ORAT process related to operations and maintenance responsibilities in the replacement terminal.

This analysis will also specifically include considerations for potential reuse of the legacy terminal, and the potential for parking services/management to brought in-house by MPAD. This analysis will also specifically consider the division of responsibilities among the Executive Director and deputy director(s), and make recommendations for future position and/or responsibility adjustments, if warranted. At the conclusion of this analysis, Garver will facilitate a one (1) hour virtual meeting with the Executive Director to discuss the results of this analysis. Feedback collected during this meeting will inform the the final deliverable in Task 2.4.

Task 2.4 – Staffing Analysis Report

Using the results of the preceding tasks, Garver will compile a report capturing the results of Task 2.1, 2.2, and 2.3. The report is expected to be fifteen to twenty (15-20) pages in length.

Extra Work:

For clarification purposes, the proposed scope of services for this Project specifically does not include any of the following items/tasks stated below:

- Staffing analysis for tenants or other entities not specifically identified in this scope of services
- Writing/rewriting of job descriptions
- Salary benchmarking
- Cost of living analysis
- Job shadowing/observation to build detailed job responsibility and time allocation inventories
- Documentation or other deliverables not specified in this scope of services
- Survey work
- Geotechnical investigation/testing
- Utility and drainage location investigation or research
- Aerial photography
- Legal representation
- Design or conceptual design work

GARVER

AMENDMENT TO AGREEMENT FOR PROFESSIONAL SERVICES
MONTEREY PENINSULA AIRPORT DISTRICT
Project No. 2601503

CONTRACT AMENDMENT NO. 1

This Contract Amendment No. 1 (“Amendment”), effective on the date last written below, shall amend the original contract between the Monterey Peninsula Airport District (“Owner”) and Garver-USA, Inc. (“Garver”), dated August 5, 2026, referred to in the following paragraphs as the “Agreement.”

This Amendment adds professional services for the business and advisory services for the Monterey Peninsula Airport District.

The Agreement is hereby modified as follows:

EXHIBIT A – SCOPE OF SEVICES

1. The attached hereto Appendix A.1 is to be included, in its entirety, as a part of Exhibit A of the Agreement.

2. The language of Exhibit B of the Agreement is here by deleted and replaced with the following:

“*The table below presents a summary of the fee amounts and fee types for this Agreement.*

WORK DESCRIPTION	*FEE AMOUNT*	*FEE TYPE*
Business And Advisory Services 2026-2027	*$99,948.00*	*RATE SCHEDULE*
Organization Staffing Analysis	*$54,800.00*	*LUMP SUM*
TOTAL	*$154,748.00*	

The Owner will pay Garver for Services rendered at the agreed upon rates for each classification of Garver’s personnel (may include contract staff classified at Garver’s discretion) plus reimbursable expenses including but not limited to printing, courier service, reproduction, and travel. The total amount paid to Garver under this Agreement shall not exceed $154,748.00 without a written Amendment executed by both Parties. For informational purposes, a breakdown of Garver’s estimated cost is included in this Exhibit B with approximate current hourly rates for each employee classification. The agreed upon rates will be increased annually with the first increase effective on or about July 1, 2027. Notwithstanding the foregoing, Garver shall be entitled, in its sole discretion, to substitute a more qualified person (e.g., C-4) with a less qualified person (e.g., C-1); provided however, in such event Garver shall only be entitled to payment at the lesser rate.

Expenses other than salary costs that are directly attributable to performance of our Services will be billed as follows:

1. Direct cost for travel, long distance and wireless communications, outside reproduction and presentation material preparation, and mail/courier expenses.
2. Direct cost-plus five percent (5%) for subcontract/subconsultant fees.
3. Charges similar to commercial rates for reports, plan sheets, presentation materials, etc.
4. The amount allowed by the federal government for mileage with an additional $0.05 for survey trucks/vans.

Garver shall provide Owner notice when Garver is within ten percent (10%) of the not-to-exceed amount. In which event, Owner may direct Garver to proceed with the Services up to the not-to-exceed budgetary threshold before ceasing performance of the Services or increase the not-to-exceed amount with notice to Garver. Underruns in any phase may be used to offset overruns in another phase as long as the overall Agreement amount is not exceeded. In no event shall the not-to-exceed amount be interpreted as a guarantee the Services can be performed for the not-to-exceed budgetary threshold."

Terms and conditions of the Agreement not modified herein remain unchanged and in full force and effect.

This Amendment may be executed in two (2) or more counterparts each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Owner and Garver have executed this Amendment effective as of the date last written below.

MONTEREY PENINSULA AIRPORT DISTRICT	GARVER-USA, INC.
By: ______________ *Signature*	By: ______________ *Signature*
Name: ______________ *Printed Name*	Name: Nathaniel R. Polsgrove *Printed Name*
Title: ______________	Title: Planning Director
Date: ______________	Date: 8-14-2026
Attest: ______________	Attest: ______________

AGENDA ITEM: G-4
DATE: Aug. 27, 2026

TO: Monterey Peninsula Airport District Board of Directors
FROM: Scott E. Huber, District Counsel
SUBJ: Amendment to Employment Agreement of Christine Morello

BACKGROUND AND DISCUSSION. Christine Morello has served as the Executive Director of the Monterey Peninsula Airport District ("District") since 2025. Following a positive evaluation, the Board of Directors offered Morello an adjustment to the compensation in her employment agreement.

The Board offered Morello a three percent adjustment to the base salary pursuant to Section 4 of the Employment Agreement. In addition, the Board offered Morello a one-time incentive payment of $5,000, pursuant to Section 5 of the Employment Agreement. The Board directed District Counsel to prepare this agenda item and amended agreement for consideration at this regular meeting to memorialize the modification.

The Board will consider the amendment to the Employment Agreement for Morello in her capacity as the Executive Director.

FISCAL IMPACT. Additional 2026-2027 general fund impact of approximately $16,110.92.

RECOMMENDATION. Approve First Amendment to Employment Agreement of Christine Morello.

ATTACHMENTS.
First Amendment to Employment Agreement
Exhibit "A"

FIRST AMENDMENT TO THE EMPLOYMENT AGREEMENT BETWEEN MONTEREY PENINSULA AIRPORT DISTRICT AND CHRISTINE MORELLO

This Amendment dated August 27, 2026, is to the Employment Agreement between the Monterey Peninsula Airport District ("MPAD") and Christine Morello ("Morello").

A copy of the Employment Agreement is attached as Exhibit "A".

In consideration of the terms and conditions herein, MPAD and Morello agree that the employment agreement shall be amended as follows:

1. Pursuant to Section 4 of the Employment Agreement, the Board authorizes a three percent cost of living salary adjustment, effective July 1, 2026.
2. Pursuant to Section 5 of the Employment Agreement, the Board authorizes a one-time incentive payment to Morello in the amount of $5,000 to be allocated at the direction of Morello.
3. Conflicts between this First Amendment and the Employment Agreement shall be controlled by this First Amendment. All other provisions within the Employment Agreement not modified by this First Amendment shall remain in full force and effect.

Approved by the Board of Directors of the Monterey Peninsula Airport District at its regular meeting held August 27, 2026.

MONTEREY PENINSULA AIRPORT DISTRICT

____
Danial Pick, Chair

CHRISTINE MORELLO

____
Christine Morello

APPROVED AS TO FORM:

____
Scott E. Huber, District Counsel

Exhibit "A"

EMPLOYMENT AGREEMENT BETWEEN THE MONTEREY PENINSULA AIRPORT DISTRICT AND CHRISTINE MORELLO

This agreement, is made and entered into on the 11th day of December, 2025, by and between the Monterey Peninsula Airport District ("District"), and Christine Morello, both of whom understand as follows:

WHEREAS, District desires to employ the services of Morello as its Executive Director; and

WHEREAS, it is the desire of the Board of Directors of the District ("Board"), to provide certain benefits, to establish certain conditions of employment and to set working conditions for Morello; and

WHEREAS, Morello desires to accept employment as the Executive Director of District.

Now therefore, in consideration of the mutual covenants herein contained, the parties agree as follows:

Section 1. Duties:

District hereby agrees to the employment of Morello as Executive Director of District to perform the functions and duties specified for the position in the job description, as established by the Board, the District's Enabling Act, Ordinance 909, the Governance Manual, and such other legally permissible and proper duties and functions as the Board shall from time to time assign to her. Morello shall have the authority to perform the functions of the Executive Director as outlined and authorized by Ordinance 909 and Governance Manual, inclusive of any subsequent amendments.

Section 2. Term; Termination; Severance Compensation:

A. Morello agrees to remain in the exclusive employ of District as Executive Director from December 1, 2025, until January 5, 2029 ("Expiration Date") and neither to accept other employment nor to become employed by any other employer until the expiration date of this agreement, subject to the provisions of Subsection 2. B. At or near the end of the second year of this Agreement, Morello and the District shall discuss whether to mutually agree to enter into negotiations for a two-year extension of this Agreement. Upon mutual agreement of the Parties, the term of this Agreement may be extended or modified. Future extensions and/or modifications of this Agreement may be incorporated by mutual agreement of the Parties.

B. If Morello resigns her position as Executive Director before the Expiration Date of the initial or any extended term of this agreement, then Morello shall give District no less than 60 days written notice in advance. In that event, Morello shall not be entitled to the severance compensation provided for in Section 2. C.

C. As an "at will" employee serving at the pleasure of the Board, Morello's appointment may be terminated by the Board without cause, as determined by the Board in its sole discretion. In the event that Morello is terminated by the District before the expiration of the term of this agreement, other than as specified in subsection (D) herein, the District agrees to pay Morello a lump sum cash payment of six (6) months aggregate salary and continuation of the medical and dental plan in effect at the time of termination for six (6) months, or such other payout as may be mutually agreed upon. In addition, Morello shall be compensated for all vested accrued leave time, which is currently defined as all accumulated and unused vacation leave and administrative leave.

D. Morello may be terminated by the Board at any time for misfeasance, malfeasance or nonfeasance in office, or for a conviction of a crime. In the event of such removal, the District shall have no obligation to pay the aggregate severance pay referenced above.

E. Six months prior to expiration of this Agreement, Morello shall give written notice to District if she wishes to extend this agreement on the same terms and conditions for an additional period of time to be negotiated between the parties. Thereafter the Board shall determine, within 60 days, whether or not it wishes to extend the agreement and shall give written notice to Morello of its decision. If the Board approves such extension, the parties shall enter into a new, or amended, agreement. If the Board disapproves such extension, this agreement shall terminate on the Expiration Date and Morello shall not be entitled to any compensation except for any vested accrued leave time.

F. Upon commencement of this Agreement, the Interim Executive Director Agreement between Morello and the District shall terminate.

Section 3. Non-Industrial Injury/Illness:

If Morello is permanently disabled or is otherwise unable to perform her duties because of sickness, accident, injury, mental incapacity or health for a period of four successive weeks beyond any accrued leave, District shall have the option to terminate the agreement, subject to the severance pay provisions of Section 2. C.

Section 4. Salary and Compensation:

Morello shall receive an initial salary of $265,000 per year.

Employee's salary will be reviewed annually beginning June 1, 2026 and a cost of living adjustment may be made as determined by the District based on her performance, economic conditions, or other factors as may be determined by the District.

Section 5. Performance Evaluation:

A. The Board shall review and evaluate the performance of Morello annually beginning June 1, 2026 after the commencement of this agreement, with annual evaluations to occur at or near the end of the fiscal year. At least 30 days in advance before each anniversary date of the commencement of this agreement, or at a mutually agreed upon time, and annually thereafter, the Board shall determine if Morello will receive any salary increment adjustment in addition to the cost of living adjustment, as outlined in Section 4. Upon a positive performance evaluation, the District Board may, but is not required to, provide Morello with a one-time incentive payment, in addition to any salary adjustments. Morello may ask, and the Board may consider, to include the one-time payment as part of Morello's salary for the next year. Should Morello retire prior to the full payout of any one-time payment, the remaining balance shall be paid upon separation. Such review and evaluation shall be in accordance with specific criteria developed jointly by Board and Morello. Such criteria may be added to or deleted from, as the Board may from time to time determine, in consultation with Morello. Further, the Chair shall provide Morello with a summary written statement of the evaluation of the Board and provide an adequate opportunity for Morello to discuss the evaluation with the Board.

B. The Board and Morello shall define the criteria that they determine necessary for the proper operation of the District and the reasonable attainment of the Board's goals and objectives and shall further establish a relative priority among them. All such goals and objectives shall be reduced to writing. The goals and objectives shall be reasonably attainable within the time and budgetary resources allocated to Morello to achieve them.

Section 6. Hours of Work:

Morello shall be employed on a full-time basis and for optimal customer service, should generally perform such work during District's normal business hours. However, it is recognized that Morello shall be required to devote a great deal of time outside of normal office hours on business of District, and to that end she shall be allowed to establish an appropriate work schedule to meet the requirements of the position.

Section 7. Bereavement Leave:

When compelled to be absent from work by reason of death of an immediate family member or where death appears imminent, Morello shall be entitled to receive up to five (5) days Bereavement Leave, which shall not be charged against any other leave acquired by Morello. If Morello desires such leave, she shall notify, in writing, the Board of the time of absence needed and the expected date of return to work.

The immediate family is defined as spouse; natural, step or legal child; parent; brother; sister; grandparent; grandchild; mother-in-law or father-in-law.

Section 8. Automobile and Technology Allowance:

Morello waives any claim to an automobile allowance. Morello may not operate a District vehicle off District Property without express approval of the Board of Directors. If the District requires Morello to travel outside a 50-mile radius of the Monterey Airport, Morello is authorized to rent a vehicle at the expense of the District.

Morello waives any claim to a technology allowance. The District will provide Morello with a District issued mobile phone.

Section 9. Vacation and Sick Leave:

Morello shall accumulate Sick Leave at the rate of 160 hours per year during the term of this Agreement. Morello shall be permitted to accumulate an unlimited amount of sick leave.

Morello shall accumulate Vacation Leave at the rate of 160 hours per year during the term of this Agreement. Morello shall be permitted to accumulate a maximum of 300 hours of Vacation Leave.

Section 10. Medical, Dental, Vision, Insurance and Other Benefits:

Employee and dependent coverage is available from CalPERS at 80% employer cost and 20% employee cost. The District shall pay $100 per month to Morello's Health Savings Account and/or Flexible Spending Account.. Dental coverage for employee and dependents is available at the employer's cost. Vision coverage for employee is available at employer cost. Vision coverage for dependents is available at the employee's cost. Morello shall be eligible for in-lieu payment should she have coverage through another qualifying insurance policy and if she does not enroll in the District's medical insurance. The District shall provide life insurance to Morello equal in face value (no cash-value) to one year of Morello's base salary during the time this Agreement is in effect.

Section 11. Holidays: Morello is authorized to celebrate the following holidays:

1. New Year's Day
2. Martin Luther King Day or Cesar Chavez Day
3. President's Day
4. Memorial Day
5. Independence Day
6. Juneteenth Nat'l. Independence Day
7. Labor Day
8. Veteran's Day
9. Thanksgiving Day
10. The Day after Thanksgiving Day
11. The Day before Christmas Day
12. Christmas Day

Should any other legal holidays be added as approved holidays for employees of the District, Morello is authorized to celebrate those additional holidays.

Section 12. Retirement:

The District shall pay the employer's required PERS contribution, and Morello shall pay the employee contribution as set forth in California statute. The District shall provide for optimal conversion of accrued Sick Leave for Service Credit upon retirement, if available, subject to PERS regulations.

Section 13. Deferred Compensation Plan:

The District shall provide a Deferred Compensation Plan. The District shall not be required to make a contribution to any of Morello's Deferred Compensation Plan.

Section 14. Outside Employment:

During the term of the agreement and any extensions thereof, Morello shall not accept any outside employment of any kind or character without having first obtained the prior approval of the Board.

Section 15. Dues and Subscriptions:

District agrees to budget for and to pay for professional dues and subscriptions of Morello necessary for her continuation and full participation in national, regional, state and local associations and organizations as are desirable for her continued professional participation, growth, and advancement, and for the good of the District; provided, however, the amount of such dues and subscriptions shall not exceed the amount appropriated therefore in the annual budget.

Section 16. Professional Development:

A. District agrees to pay for travel and subsistence expenses of Morello for professional and official travel, meetings, and occasions adequate to continue the professional development of Morello and to adequately pursue necessary official functions for District, and such other national, regional, state and local governmental groups and committees thereof which Morello serves as a member; provided, however, the amount of such travel and subsistence shall not exceed the amount appropriated therefore in the annual budget. Morello shall not accept a leadership, executive, or other officer position in an aviation related industry or trade group without the advanced consent of the District.

B. District also agrees to pay for travel and subsistence expenses of Morello for short courses, institutes and seminars that are necessary for her professional development and for the good of the District; provided, however, the amount of such travel and subsistence shall not exceed the amount appropriated therefore in the annual budget.

Section 17. General Expenses:

District recognizes that certain expenses of a non-personal and generally job-affiliated nature shall be incurred by Morello, and hereby agrees to reimburse or to pay such general expenses up to an amount not to exceed the amount provided for such purposes in the Executive Directors' portion of the annual District budget. Reimbursements shall be made pursuant to the District's "accountable" plan. The Finance Department is hereby authorized to disburse such monies in accordance with adopted District expense reimbursement policies.

Section 18. Civic Club Membership:

District recognizes the desirability of representation in and before local civic and other organizations, and Morello is authorized to become a member of such civic clubs or organizations. During the term of the agreement, District, at its sole discretion, may elect to pay some or all of Morello's civic club membership expenses.

Section 19. Indemnification:

In addition to the requirements of state and local law, District shall defend, save harmless, and indemnify Morello against any tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Morello's duties as Executive Director, except for any civil action or proceeding brought against Morello for actual fraud, corruption or actual malice. District, at its sole discretion, shall retain counsel of its choice, and compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon.

Section 20. Bonding:

District shall bear the full cost of any fidelity or other bonds required of Morello under any law or ordinance.

Section 21. Other Terms and Conditions Employment:

A. The Board may fix other terms and conditions of employment, as it may determine from time to time relating to the performance of Morello, following consultations with her, provided such terms and conditions are not inconsistent with or in conflict with the provisions of the agreement, the Ordinances of the District, the District's enabling act or any other law.

B. It is understood and agreed by District and Morello that Morello is an "at will" employee of the District, appointed by the Board, under the provisions of the District's enabling act. As such, Morello serves at the pleasure of District and is not subject to the provisions of the District's Personnel Rules and Regulations.

Section 22. Notices:

Notices pursuant to the agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

A. TO DISTRICT: Chair of the Board, Monterey Peninsula Airport District, 200 Fred Kane Dr., Suite 200, Monterey, CA 93940.
B. TO Morello: Christine Morello, at her permanent residence address on record with the District.

Alternatively, notices required pursuant to the agreement may be personally served to the same persons as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the United States Postal Service.

Section 23. General Provisions:

A. The text herein shall constitute the entire agreement between the parties.
B. The agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Morello.
C. The agreement shall not be assigned by Morello or District.
D. The agreement shall not be modified without the written consent of Morello and District.
E. The agreement shall become effective commencing December 1, 2025, or earlier upon agreement of the Parties.
F. Morello shall only be entitled to those benefits outlined in this Agreement.
G. If any provision, or any portion thereof, contained in the agreement is held unconstitutional, invalid or unenforceable, the remainder of the agreement or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

Approved by the Board of Directors of the Monterey Peninsula Airport District at its meeting held December 11, 2025.

MONTEREY PENINSULA AIRPORT DISTRICT	**CHRISTINE MORELLO**
Carl M. Miller	Christine Morello
Carl Miller, Chair	Christine Morello

APPROVED AS TO FORM:

Scott E. Huber, District Counsel

AGENDA ITEM: G-5
DATE: August 27, 2026

TO: Monterey Peninsula Airport District Board of Directors
FROM: Christine Morello, Executive Director
SUBJ: Amendment to the Professional Services Agreement with PFM Financial Advisors, LLC to Provide Financial Analysis in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation Phase 6 Series 2026 GARBS

BACKGROUND. November 26, 2018, the Board of Directors (BOD) of the Monterey Peninsula Airport District (MPAD) approved Resolution No. 1730 certifying Final Environmental Impact Report (FEIR) (SCH 2015121105), and Resolution No. 1731, approving Alternative 1 as the Airport Master Plan Project for Monterey Regional Airport (MRY).

April 20, 2022, the BOD approved Resolution No. 1819 and certified the Revised Addendum to FEIR for the Minor Project Modifications and approved Resolution No. 1820 the Minor Project Modifications to the MRY Airport Master Plan.

March 1, 2019 the District provided notice of solicitation requesting Statements of Qualifications (SOQs) from qualified firms (or Project Team of Firms) interested in providing professional Program Management Services (PM) for the 2018 Airport Master Plan Short Term Improvement Projects and other capital projects that may arise (hereafter Program) at the Monterey Regional Airport.

September 11, 2019 the Board adopted Resolution No. 1762, Authorizing a Professional Services Agreement with PFM Financial Advisors LLC to Provide Financial Services Related to the Development of Airport Capital Improvement Projects and specifically the Safety Enhancement Program (SEP), financed by the Airport District. The work completed to date includes:

> Phase 1 Economic Analysis identified the specific financial data and information necessary to provide adequate financial evaluations and funding scenarios for the proposed development of the SEP. An analysis of alternative financing strategies that are available for implementing the proposed Program was included to determine feasibility of the Relocated Terminal Complex.
>
> Phase 2 work focused on identifying and analyzing alternative financing approaches and potential supplemental revenue opportunities for the Airport as they relate to the financing of the Terminal Building.
>
> Phase 3 work focused on the Plan of Finance for the Terminal Building.
>
> Phase 4 Financial Analysis in support of the Safety Enhancement Program (SEP) Taxiway A Relocation with the development of the Plan of Finance Model
>
> Phase 5 Debt Transactions and TIFIA Financing document and application support

SCOPE OF WORK. This Amendment to the Agreement - Phase 6 related to Series 2026 GARBS

- Assist and advise the Client in negotiations with investment banking groups regarding fees, pricing of the bonds and final terms of any security offering, and make recommendations regarding a proposed offering to obtain the most favorable financial terms based on existing market conditions.

The cost for the scope of the proposed contract amendment for Phase 6 Series 2026 GARBS Transaction work is $125,000 Fixed Fee.

IMPACT ON FY 2027 BUDGET. The fees associated with the Series 2026 GARB Financing will be expensed upon loan closing. Fees will be expensed as Debt Issuance Costs (as required under GASB 62, as amended by GASB 54, and codified in GASB IV, Section I30m, Paragraph 115).

SOURCE OF FUNDS. District.

IMPACT ON OPERATIONS. There will be no impact on operations occasioned by the Plan of Finance.

SCHEDULE. PFM will continue its work with the Financing Team/MPAD Staff.

RECOMMENDATION. Approve the Amendment to the Professional Services Agreement with PFM Financial Advisors, LLC to Provide Financial Analysis in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation Phase 6 Series 2026 GARBS.

ATTACHMENTS.

PFM Financial Advisors, LLC Phase 6 Contract Amendment

AMENDMENT TO THE PROFESSIONAL SERVICES AGREEMENT WITH PFM FINANCIAL ADVISORS, LLC TO PROVIDE FINANCIAL ANALYSIS IN SUPPORT OF THE SAFETY ENHANCEMENT PROGRAM (SEP) TAXIWAY A RELOCATION PHASE 6 SERIES 2026 GARBS

September 11, 2019 the Board adopted Resolution No. 1762, Authorizing a Professional Services Agreement with PFM Financial Advisors LLC to Provide Financial Services Related to the Development of Airport Capital Improvement Projects and specifically the Safety Enhancement Program (SEP), financed by the Airport District.

In consideration of terms and conditions herein, District and PFM agree that the Professional Services Agreement shall be amended as follows:

Contract Amendment will provide:

This Amendment to the Agreement - Phase 6 Series 2026 GARBS will engage PFM to provide financial expertise and guidance to work with the Financial Team to complete the following financial objectives:

1. Services Related to Debt Transactions:
   - Analyze financial and economic factors to determine if the issuance of bonds is appropriate.
   - Develop a financing plan in concert with Client's staff which would include recommendations as to the timing and number of series of bonds to be issued.
   - Advise as to the various financing alternatives available to the Client.
   - Develop alternatives related to debt transaction including evaluation of revenues available, maturity schedule and cash flow requirements.
   - Evaluate benefits of bond insurance and/or security insurance for debt reserve fund.
   - If appropriate, develop credit rating presentation and coordinate with the Client the overall presentation to rating agencies.
   - Review underwriter's proposals and submit a written analysis of same to the Client.
   - Assist the Client in the procurement of other services relating to debt issuance such as printing, paying agent, registrar, etc.
   - Identify key bond covenant features and advise as to the financial consequences of provisions to be included in bond indentures, resolutions or other governing documents regarding security, creation of reserve funds, flow of funds, redemption provisions, additional parity debt tests, etc.; review and comment on successive drafts of bond governing documents.
   - Review the requirements and submit analysis to bond insurers, rating agencies and other professionals as they pertain to the Client's obligation.
   - Review the terms, conditions and structure of any proposed debt offering undertaken by the Client and provide suggestions, modifications and enhancements where appropriate and necessary to reflect the constraints or current financial policy and fiscal capability.
   - Coordinate with Client's staff and other advisors as respects the furnishing of data for offering documents, it being specifically understood that PFM is not responsible

for the inclusion or omission of any material in published offering documents. In accordance with federal securities law regulations (Office of Municipal Securities), Client is responsible for the information included in the offering documents. Subject to Section VII above, PFM shall have no liability regarding such information's accuracy.

- As applicable, advise the Client on the condition of the bond market at the time of sale, including volume, timing considerations, competing offerings, and general economic considerations.
- Assist and advise the Client in negotiations with investment banking groups regarding fees, pricing of the bonds and final terms of any security offering, and make recommendations regarding a proposed offering to obtain the most favorable financial terms based on existing market conditions.
- Arrange for the closing of the transaction including, but not limited to, bond printing, signing and final delivery of the bonds.

The cost for the scope of the proposed contract amendment for Phase 6 Series 2026 GARBS Transaction work is $125,000 Fixed Fee.

MONTEREY PENINSULA .
AIRPORT DISTRICT

Christine Morello Executive Director	Brian Gallucci PFM Financial Advisors

AGENDA ITEM: G-6
DATE: August 27, 2026

TO: Board of Directors, Monterey Peninsula Airport District
FROM: Chris Morello, Executive Director
SUBJ: Approve a Contract Amendment with Barnes & Thornburg LLP to Provide Additional Bond/Tax Counsel Services

BACKGROUND. On February 26, 2026 the Board of Directors of Monterey Peninsula Airport (MPAD) approved Resolution No. 1922, A Resolution Authorizing a Professional Services Agreement with Barnes & Thornburg LLP for Bond/Tax and Disclosure Counsel Services.

The Scope of Work in that Agreement covered only Phase III work (the TIFIA Loan) in the not-to-exceed amount of $60,000 and the Phase IV work of Disclosure Counsel, in the not-to-exceed amount of $50,000.

SCOPE OF WORK. This Amendment to the Agreement will engage Barnes & Thornburg to provide legal expertise and guidance to work with the Finance Team to complete the following financial objectives:

1. Issuance of General Airport Revenue Bonds.

The scope of the proposed contract amendment is a not-to-exceed arrangement in the amount of $85,000.

SCHEDULE. Upon execution of the Professional Services Agreement with Barnes & Thornburg the services will begin immediately.

IMPACT ON OPERATIONS. None.

IMPACT ON FY 2027 BUDGET. None. These additional fees are within the overall estimated GARBs issuance costs incorporated in the FY2027 budget and will be paid at the completion of the GARB issuance. The fees will be expensed as Bond Issuance Costs.

RECOMMENDATION. Approve a Contract Amendment with Barnes & Thornburg LLP for Bond/Tax Counsel Services, not to exceed $85,000.

ATTACHMENT.

First Amendment to the Professional Services Agreement Between Monterey Peninsula District and Barnes & Thornburg LLP for Professional Services as Bond/Tax and Disclosure Counsel, dated as of August 27, 2026.

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FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT BETWEEN MONTEREY PENINSULA AIRPORT DISTRICT AND BARNES & THORNBURG LLP

This First Amendment ("Amendment"), dated as of August 27, 2026 ("Amendment Effective Date"), is to that Certain Professional Services Agreement Between Monterey Peninsula Airport District and Barnes & Thornburg LLP for Professional Services as Bond/Tax And Disclosure Counsel, by and between the Monterey Peninsula Airport District ("MPAD") And Barnes & Thornburg LLP ("Firm"), dated as of February 26, 2026 ("Original Agreement," and as supplemented and amended by this Amendment, the "Agreement").

R E C I T A L S

WHEREAS, MPAD and Firm entered into that certain Original Agreement, dated February 26, 2026, for bond/tax and disclosure counsel services relating to MPAD's financing of a replacement terminal; and

WHEREAS, MPAD and Firm desire to amend the Original Agreement in order to add to Firm's scope of services.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

A G R E E M E N T

As of the Amendment Effective Date, the Original Agreement shall be deemed to be amended in the following manner:

1. The last sentence of the first paragraph of Section 2 of the Original Agreement entitled "Compensation", is hereby deleted in its entirety and replaced with the following language:

Total compensation for all services shall not exceed $195,000.

2. The following paragraph shall be added as "Scope of Work – Phase V" in Exhibit A to the Original Agreement with the following language:

SCOPE OF WORK – PHASE V

Bond/Tax Counsel: The scope of work for bond/tax counsel may include, but not be limited to, the following:

1. Work with the District, the District's Airport Feasibility Consultant and PFM Municipal Advisors ("PFM") to continue to determine the following key elements of the financing transaction (the "GARBs Transaction") and to draft the legal documents for the issuance of the general airport revenue bonds ("GARBs").

    a. Legal Authorization

    b. Type of Debt being Issued

c. Security for the GARBs

d. Pledged Revenues, Revenues Available for Bond Debt Service, and other sources of funding:

i. Airport Revenues

ii. Passenger Facility Charges

iii. Customer Facility Charges

e. Determine the appropriate bond covenants, warranties, and representations.

f. Other financing sources to be used in conjunction with, or in lieu of the issuances of the GARBs, including but not limited to Bank financing, Certificates of Participation and/or TIFIA financing.

g. Timing of sale of the GARBs

2. Rendering the bond counsel opinion regarding the validity and binding and binding effect of the GARBs, the source of payment and security for the GARBs, and the excludability of interest on the GARBs from gross income for federal income tax purposes and/or State income tax purposes as applicable;

3. Rendering a supplemental bond counsel opinion regarding the Preliminary Official Statement and the Official Statement in so far as such statements expressly summarize certain provisions of the GARBs are accurate in all material respects;

4. Examining applicable laws, preparing authorizing documents, consulting with parties to the transactions, reviewing proceedings, and performing additional duties as necessary to render the opinion(s);

5. Providing advice or opinions as requested regarding any tax covenants or provisions to assure that interest on the GARBs will be excluded from gross income for federal income tax purposes;

6. Preparing and reviewing of documents necessary or appropriate to the authorization, issuance, sale and delivery of the GARBs, coordinating the authorization, review, and execution of these documents, and where appropriate, drafting enabling legislation;

7. Assisting the District in seeking from other governmental authorities any approvals, permissions, and exemptions necessary or appropriate in connection with the authorization, issuance, sale, and delivery of the GARBs;

8. Reviewing legal and tax issues relating to the structure of the GARBs or projects being financed by the GARBs;

9. Reviewing or preparing the applicable sections of the offering document to be disseminated in connection with the sale of the GARBs that relate to the description of the GARBs, financing documents, bond counsel opinion, and tax matters;

10. Participating, when requested, in activities associated with presenting information to rating agencies and/or credit enhancement providers relating to legal issues affecting the issuance of the GARBs;

11. Reviewing or preparing the notice of sale or bond (if applicable) or note purchase contract for the GARBs, as requested;

12. Providing continuing legal advice, as requested, on issues related to the sale and the administration of District obligations;

13. Provide guidance on issue price;

14. Providing other (normal industry-standard bond counsel) legal opinions as required;

15. Participating in meetings, as requested, relating to the issuance or administration of bonds or notes;

16. Preparing the final transcript for the GARBs;

17. Keeping the District informed of rulings issued by federal and State regulatory agencies including, but not limited to, the U.S. Securities Exchange Commission, Internal Revenue Service and Municipal Securities Rulemaking Board, which impact the issuance of the bonds and/or administration of the bond program (during the course of the GARBs Transaction);

18. Any additional duties required for specific bond programs (during the course of the GARBs Transaction).

Phase V **(GARBS)**	**Estimated Not to Exceed Fee** **of** **$85,000**

Please note that our pricing proposal for Phase V assumes that the District's typical outside counsel will deliver any necessary legal opinions regarding normal District organization and Airport operation matters. For example, we have assumed for purposes of this pricing proposal that the District's counsel will deliver any legal opinions, if necessary, with respect to compliance with FAA requirements.

IN WITNESS WHEREOF, MPAD and Firm have executed this Amendment as of the date first above written.

MONTEREY PENINSULA
AIRPORT DISTRICT

By ________________________________
DANIAL PICK
CHAIR

BARNES & THORNBURG LLP

By ________________________________
BENJAMIN W. JOHNSON

ATTEST:

____
CHRISTINE MORELLO
DISTRICT SECRETARY

APPROVED AS TO FORM AND
CONTENT:

____
SCOTT E. HUBER
DISTRICT COUNSEL

AGENDA ITEM: H
DATE: August 27, 2026

TO: Chris Morello, Executive Director, Monterey Regional Airport
FROM: Department Heads
SUBJECT: Monthly Department Reports

FINANCE AND ADMINISTRATION.

Terminal Comment Card Log by Administration
Financial Summary by Mark Wilson, Controller

FIRE.

Monthly Fire Report by Monterey Fire Department

OPERATIONS.

Operations Report by Whitney Robare, Deputy Executive Director Operations and Maintenance

PLANNING AND DEVELOPMENT.

Planning and Environmental Monthly Project Report by Chris Morello, Executive Director

POLICE.

Police Activity Report by Del Rey Oaks Police Department

RATING	DATE OF VISIT	TIME OF VISIT	PURPOSE	FLIGHT	AIRLINE	COMMENT	CITY	STATE
POOR	7/11/2026	2:00 PM	Greeting or Dropping Off			The ticket machine in the parking lot was not working	Salinas	CA
EXCELLENT	7/18/2026	4:10 PM	Departing		United	My flight was delayed and I was going to miss my connecting flight. Maria Cruz with United Ground Express went above and beyond to get me home. I am diabetic and was supposed to get home tonight and didn't have enough medication to wait to get home until late tomorrow night. She very literally saved my life.	New Carlisle	OH
EXCELLENT	7/18/2026	6:45 PM	Departing		United	My husband and I were fortunate to be assisted by Lizette Smith and Marie Cruz, two outstanding customer service representatives at United. Our flight was canceled during a very challenging travel period in the Northeast, and there were no seats available on alternate flights. Through their persistence, professionalism, and genuine concern, Lizette and Marie were able to secure flights home for us when it seemed impossible. Their willingness to go above and beyond turned an incredibly stressful situation into one with a positive outcome. We are sincerely grateful for their exceptional customer service and the kindness they showed us throughout the process. Please extend our heartfelt appreciation to both Lizette and Marie. They are true ambassadors for United Airlines and a credit to your organization. Sincerely, E*** M********* and R***** K****** United Airline Members	Cutchogue	NY

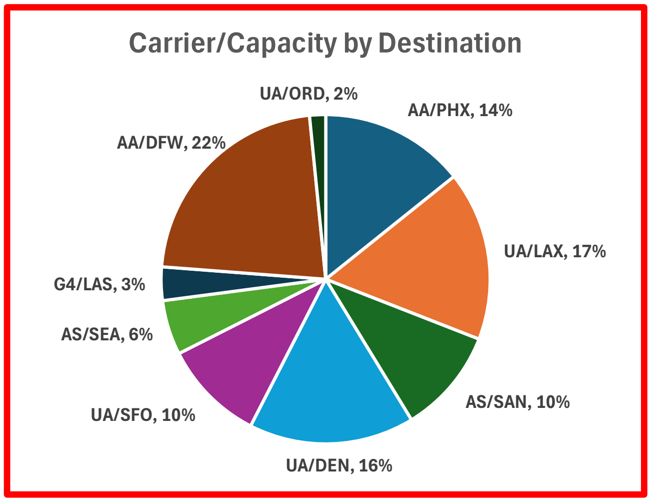
POOR	7/26/2026	3:10 PM	Departing	American	You guys need better changing tables. There are none in the women's room by the flight check in and the one in the restroom by gate 1/2/3 has no buckle. The bathroom is narrow and dark. If anyone had tried to come in while I was trying to change my son, they would have had to wait for me to finish before going to the stalls because there wasn't room to get through.	Omaha	NE

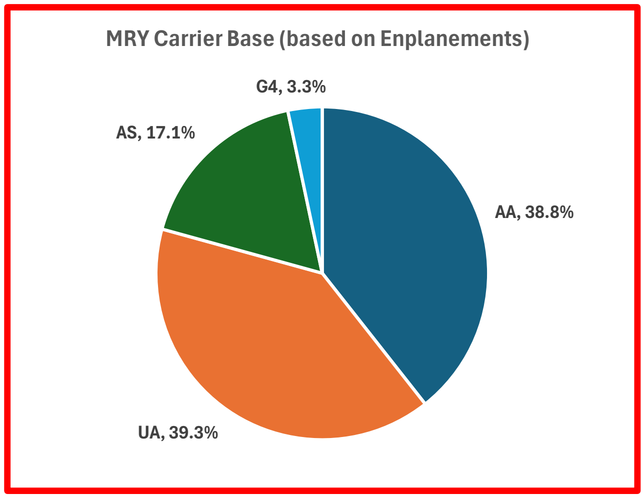
AGENDA ITEM: H-2
DATE: August 27, 2026

TO: Chris Morello, Executive Director, Monterey Regional Airport
FROM: Mark Wilson, Controller
SUBJECT: Discussion and Analysis of the June 30, 2026 Financial Statements

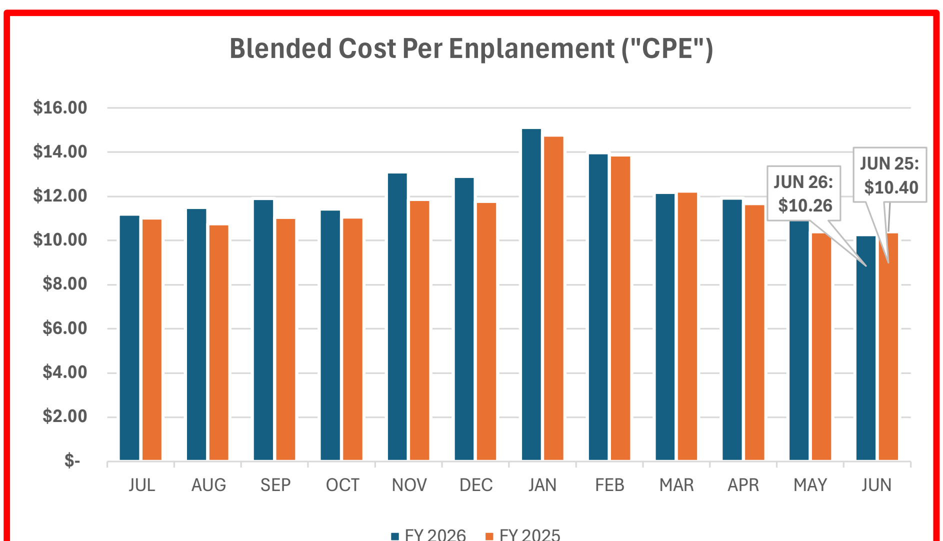
KEY OPERATING STATISTICS. FY26 June revenue enplanements were 33,581 (vs. 27,254 budgeted) up 13.4% from the 29,602 in the same period in FY25. June commercial airline landings were greater than budgeted (465 actual vs. 427 budgeted) and landed weights were greater than budgeted (40,505K vs. 33,906K). Total Passengers for the month of June were 66,982, up 11.1% from 60,289 in the same period in FY25. Total aircraft operations for June were 4,719, up from 4,492 in the same period in FY25 (this includes 1,866 Commercial, 2,772 Private and 81 Military aircraft), and Vehicle exit counts in the parking lots were 10,174, down 10.7% from the exit counts in June of FY25.

In June 2026, United, American and Alaska Airlines accounted for 39.3%, 38.8%, and 17.1%, respectively, of the passenger enplanements. Monterey Regional Airport's enplaning passenger carrying capacity for June was 43,475 seats, with an overall Passenger Load Factor of 77.2%.





In June, the Airport's blended CPE was $10.26, compared to $10.40 in the same period in FY25. The $0.14 decrease reflects the impact of the increased Rates & Charges implemented in FY26 (+$0.72), offset by the effects on CPE of 4,884K higher landed weights (+$0.37) and 3,979 higher enplanements (-$1.23).



LIQUIDITY AND CAPITAL RESOURCES. As of June 30, 2026 the Airport had unrestricted cash and investments of $14.7M.

As of June 30, 2026 the Airport had Restricted Interim Notes Proceeds of $48.924M and CFC and PFC cash and investments of $807.4K and $115.0K, respectively.

The Current Ratio of unrestricted current assets to current liabilities is a very healthy 8.75X. This compares favorably to an overall Airport Industry Benchmark* of 5.41X. Days Cash on Hand (based on FY26 budgeted Operating Expenses), was 440 which is 28.8% lower than the overall Airport Industry Benchmark of 618 Days.

NET OPERATING INCOME/NET INCOME. The Airport's higher than budgeted operating revenues and higher than budgeted operating expenses in June resulted in a net operating income of $150.3K, which is an unfavorable variance of $18.9K to June's budgeted net operating income of $169.2K. Net interest expense of $9.5K was $42.9K higher than budget due to the unbudgeted $50M Interim Notes, Series 2026 transaction.

NET OPERATING INCOME/NET INCOME

	June 2026 ACTUAL	June 2026 BUDGET	VARIANCE Favorable (Unfavorable) $	%
Operating Revenues	$ 1,277,070	$ 1,239,034	$ 38,035	3%
Operating Expenses	(1,126,746)	(1,069,831)	(56,914)	5%
Net Operating Income	150,324	169,203	(18,879)	-11%
Interest Income	181,535	48,130	133,405	277%
Interest Expense	(191,016)	(14,674)	(176,341)	1202%
Net Interest Inc (Exp)	(9,481)	33,455	(42,936)	-128%
Net Income	**$ 140,843**	**$ 202,659**	**$ (61,815)**	**-30.5%**

REVENUES. June 2026 Operating Revenues were $1,277.1K, which was $38.0K/3.1% higher than the budget of $1,239.0K. Interest income was favorable primarily due to higher Interest Income earned on Interim Notes, Series 2026 Proceeds ($143.3K).

	June 2026 ACTUAL	June 2026 BUDGET	VARIANCE Favorable (Unfavorable) $	%
Terminal Revenues	$ 802,054	$ 808,528	$ (6,474)	-1%
General Aviation	223,064	196,339	26,726	14%
Non-Aviation	228,465	205,298	23,167	11%
Other Operating	23,487	28,870	(5,384)	-19%
Operating Revenues	1,277,070	1,239,034	38,035	3%
Interest Income	181,535	48,130	133,405	277%
Total Revenues	**$ 1,458,604**	**$ 1,287,164**	**$ 171,440**	**13.3%**

TERMINAL REVENUES:

Commercial Aviation fees ($207.6K) for June were higher than budget ($180.9K) by ($26.7K/14.7%) due primarily to higher landing, RON, apron and fuel flowage fees from United ($20.2K) and Alaska ($4.5K), partially offset by lower landing, RON, apron and fuel flowage fees from American ($2.2K). Del Monte Aviation ("DMA") reported commercial fuel sales of 291,199 gallons to the airlines for the month (38% to American, 40% to United, and 20% to Alaska).

Terminal Rents ($216.3K) for June were higher than budget ($212.9K) by($3.4K/2%). This favorable variance was due primarily to unbudgeted Allegiant common space usage ($2.5K).

TNC Permits, Trip Fees & Peer-to-Peer Rentals ($38.2K) for June were higher than budget ($21.3K) by ($16.9K/79%). This favorable variance was due primarily to higher than budgeted TNC Trip Fees from Uber ($9.5K) and Lyft ($5.3K).

Terminal Concessions ($33.1K) for June were higher than budget ($26.5K), by ($6.6K), due primarily to higher than budgeted results from Woody's ($2.8K).

Rental Car Concessions ($142.7K) for June were lower than budget ($203.8K) by ($61.1K) due primarily to the annual trueup of actual payments vs. Minimum Annual Guaranteed payments for AvisBudgetGroup (-$23.6K), Enterprise Holdings (-$38.5K) and Hertz (-$7.5K).

Parking Concessions ($161.4K) for June were higher than the budget ($159.5K) by ($1.9K/1%). Parking Concession revenues for June were budgeted at 11,387 exiting cars with an average exit ticket of $13.74 net to MPAD per exiting car. In June the number of exiting cars was lower than budgeted at 10,174, with a higher average exit ticket of $15.86 net to MPAD per car, resulting in the favorable variance.

GENERAL AVIATION REVENUES:

Heavy General Aviation revenues, including landing fees ($180.6K) for June were higher than budget ($152.5K) by ($28.1K/18%) due primarily to higher landing fees ($19.0K) and higher fuel flowage fees ($9.1K). Monterey Jet Center ("MJC") and DMA reported general aviation fuel sales of 183,325 and 186,006 gallons of Jet A, respectively, for the month. MJC and DMA reported 401 and 423 revenue landings, respectively, for the month.

Light General Aviation revenues ($42.5K) for June were materially on budget ($43.9K).

NON-AVIATION REVENUES:

Non-Aviation revenues ($228.5K) for June were higher than budget ($205.3K) due primarily to higher rents achieved at 2801 MSH ($14.0K).

OTHER OPERATING REVENUES:

Other Operating revenues ($23.5K) for June were materially on budget ($28.9K).

INTEREST INCOME:

Interest Income ($181.5K) for June was higher than budget ($48.1K) by ($133.4K) due primarily to interest income earned on the Interim Notes, Series 2026 Proceeds ($143.3K).

EXPENSES. Total Expenses ($1,317.8K) for June were higher than the budget ($1,084.5K) by ($233.3K)/22%. See the following detailed analysis of significant variances:

	June 2026 ACTUAL	June 2026 BUDGET	VARIANCE Favorable (Unfavorable) $	%
	EXPENSES - BY MAJOR CATEGORY TYPE			
Salaries & Employer Taxes	$ 229,139	$ 254,445	$ 25,306	10%
Employee Benefits	164,409	168,026	3,617	2%
Recruitment & Training	4,225	3,518	(708)	-20%
Business Expenses	69,829	65,669	(4,160)	-6%
Supplies & Materials	15,632	11,903	(3,729)	-31%
Repairs & Maintenance	82,441	31,807	(50,634)	-159%
Outside Services	313,619	298,781	(14,839)	-5%
Professional Services	171,142	146,402	(24,740)	-17%
Marketing, PR	32,462	45,352	12,889	28%
Utilities	43,847	43,929	82	0%
Total Operating Expenses	1,126,746	1,069,831	(56,914)	-5%
Interest Expense	191,016	14,674	(176,341)	-1202%
Total Expenses	**$ 1,317,761**	**$ 1,084,505**	**$ (233,256)**	**-22%**

	June 2026 ACTUAL	June 2026 BUDGET	VARIANCE Favorable (Unfavorable) $	%
	EXPENSES - BY DEPARTMENT			
Admin & Finance	$ 320,914	$ 319,521	$ (1,393)	0%
Planning & Marketing	100,902	113,667	12,765	11%
Maintenance	189,169	153,139	(36,031)	-24%
Operations	95,933	86,056	(9,877)	-11%
Police	151,694	150,796	(898)	-1%
Fire	228,832	217,375	(11,457)	-5%
Board of Directors	22,201	21,351	(851)	-4%
Rental Properties	17,099	7,926	(9,173)	-116%
Interest Expense	191,016	14,674	(176,341)	-1202%
Total Expenses	**$ 1,317,761**	**$ 1,084,505**	**$ (233,256)**	**-22%**

Salary & Employer Taxes ($229.1K) for June were lower than budget ($254.4K) due primarily to unfilled Finance and Planning positions.

Employee Benefit Expenses ($164.4K) for June were lower than budget ($168.0K) by ($3.6K)/2.2% . This favorable variance was due primarily to unfilled positions.

Personnel Recruitment, Training & Pre-Employment and Related Expenses ($4.2K) for June were higher than budget ($3.5K) by ($0.7K/20%). This unfavorable variance was due primarily to the timing of budgeted Seminars & Conferences and Dues & Subscriptions.

Business Expenses ($69.8K) for June were higher than budget ($65.7K) by ($4.2K/6%), primarily due to Business Travel & Entertainment.

Supplies & Materials expenses ($15.6K) for June were higher than budget ($11.9K) by ($3.7K/31%). This unfavorable variance was due primarily to the timing of Custodial Supplies & Materials purchases.

Repair & Maintenance Expenses ($82.4K) for June were higher than budget ($31.8K) by ($50.6K/159%). This unfavorable variance was due primarily to exterior lighting repairs, terminal roof repairs, EV Chargers maintenance, and installation of locks, alarms and panic door hardware at the ARFF facility.

Outside Services Expenses ($313.6K) for June were higher than budget ($298.8K) due primarily to extra contracted parking spaces at Garden Road during terminal construction.

Professional Services Expenses ($171.1K) for June were higher than budget ($146.4K) by ($24.7K/17%). This unfavorable variance was due primarily to higher Human Resources services ($10.2K).

Marketing and Public Relations expenses ($32.5K) for June were lower than budget ($45.4K) by ($12.9K/28%). This favorable variance was due primarily to the timing of Marketing/Social Media spends.

Utilities expenses, combined ($43.8K) for June were materially on budget ($43.9K).

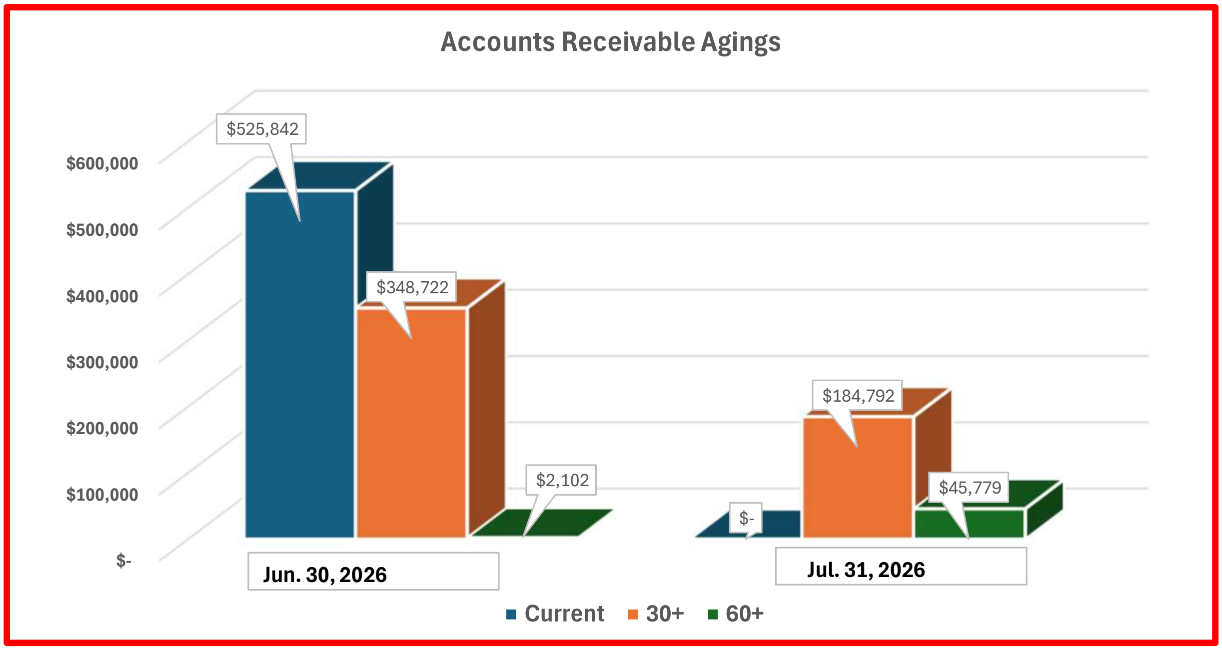
Interest expense ($191.0K) for June was higher than budget ($14.7K) reflecting the interest expense on the Interim Notes, Series 2026 that were issued in February of 2026.

SELECTED BALANCE SHEET ANALYSES:

ACCOUNTS RECEIVABLE. The accounts receivable balance on June 30, 2026 was $876.7K. This balance is $98.9K or 12.7% greater than the May 31, 2026 balance of $777.7K, and $38.3K/4% lower than the $915.0K balance on June 30, 2025. The accounts receivable balance over 60 days on June 30, 2026 had a balance of $2.1K. AR past due amounts are due to timing of collections.

Chart 2 below graphically presents the aging of accounts receivable (1) as of June 30, 2026 and (2) prior to the next billing cycle (July 31, 2026).

Chart 2



Total accounts receivable of $876.7K as of June 30, 2026 was comprised primarily of $351.2K/40.1% from Commercial Airlines, $154.1K/17.6% from Parking, $161.4K/18.4% from FBOs, $37.5K/4.3% from the Monterey Hi-Way Self Storage and $25.3K/2.9% from TNCs.

The District carries a $10K allowance for doubtful accounts. Prepaid accounts receivable as of June 30, 2026 of $132,226 have been reclassified to deferred revenue.

Chart 3 below graphically presents the composition of accounts receivable by major customer/concessionaire/tenant.

Chart 3

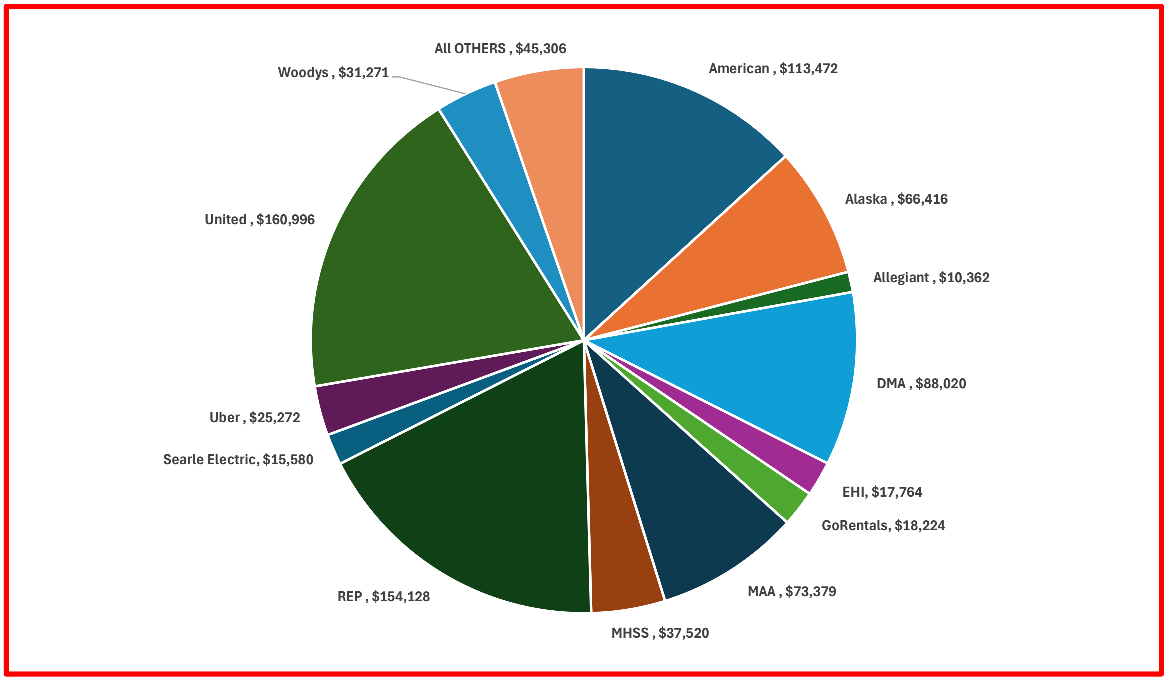
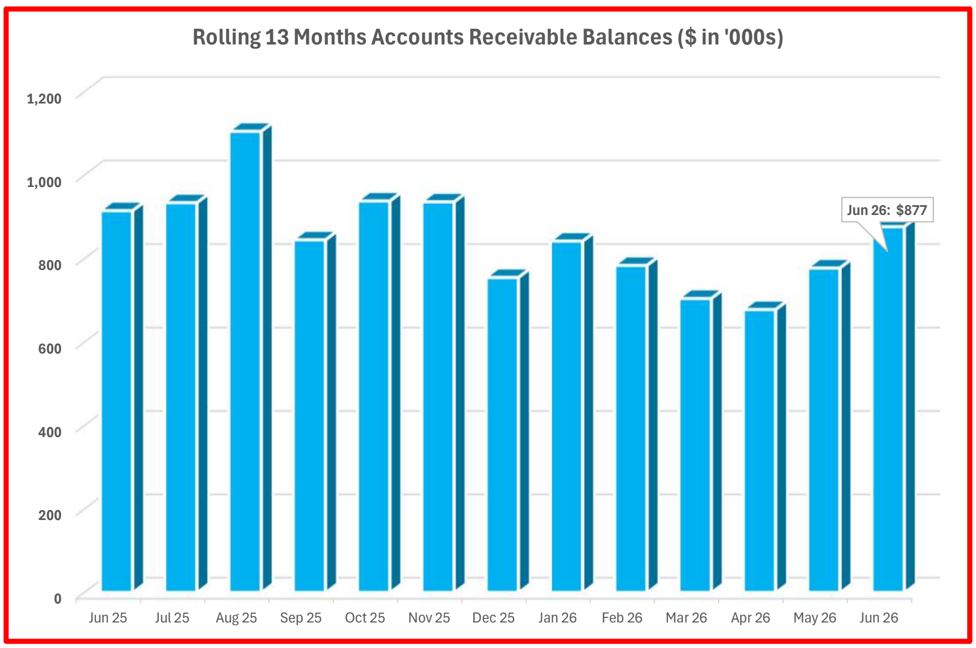


Chart 4 below depicts the total accounts receivable balances for the 13 months from June 2025 to June 2026.

Chart 4



The balance of accounts receivable at month-end aligns with operating revenues in that month. On June 30, 2026 accounts receivable is 69% of revenues and the rolling thirteen-month average is 66.9%.

UNRESTRICTED CASH AND INVESTMENTS. The unrestricted cash and investments balance on June 30, 2026 was $14.67M and the unrestricted cash and investments balance on May 31, 2026 was $15.02M, a decrease of $0.35M, due primarily to the timing of District reimbursement of previous funding of Capital Expenditures.

DISTRICT TEMPORARY CAPEX FUNDING. The District is temporarily funding the following CapEx related item: 1. PFC eligible matching funds where the FAA match is outpacing our current PFC generations ($1,283.7K).

GRANTS AVAILABLE FOR ONGOING CAPEX. The following is a summary of FAA Grants awarded and the remaining balances available for ongoing CapEx as of June 30, 2026:

	Award	Remaining
AIP 84 (Apron)	$ 16,788,053	$ 506,746
AIP 86 (Circulation)	16,744,657	11,216,105
AIP 87 (Terminal)	14,200,000	1,556,456
AIP 88 (Parking)	5,353,204	4,154,965
AIP 89 (Terminal)	25,130,846	16,980,703
Totals	**$ 78,216,760**	**$ 34,414,975**

INTERIM NOTES. On February 4, 2026, the California Municipal Finance Authority issued $50,000,000 of Interim Notes, with MPAD as the Borrower. These Notes have a maturity date of February 15, 2029 and are subject to an initial Mandatory Tender Date of March 4, 2027. Proceeds of the Interim Notes will be used to pay for construction costs for the Replacement Terminal. The Notes bear interest based on the weekly SIFMA Rate, plus a spread of 1.75%. Construction Fund proceeds will remain invested by the Trustee until Replacement Terminal construction draws are made.

	Market Value	Yield
Interim Notes Proceeds - Construction Fund:		
JPMorgan 100% U.S. Treasury Securities Money Market Fund - Capital	$ 48,781,871	3.57%
plus: Accrued Interest Income	141,899	
	$ 48,923,770	

Interim Notes Proceeds - Issuance Costs Fund:		
JPMorgan 100% U.S. Treasury Securities Money Market Fund - Capital	$ 47,400	3.57%
plus: Accrued Interest Income	138	
	$ 47,538	

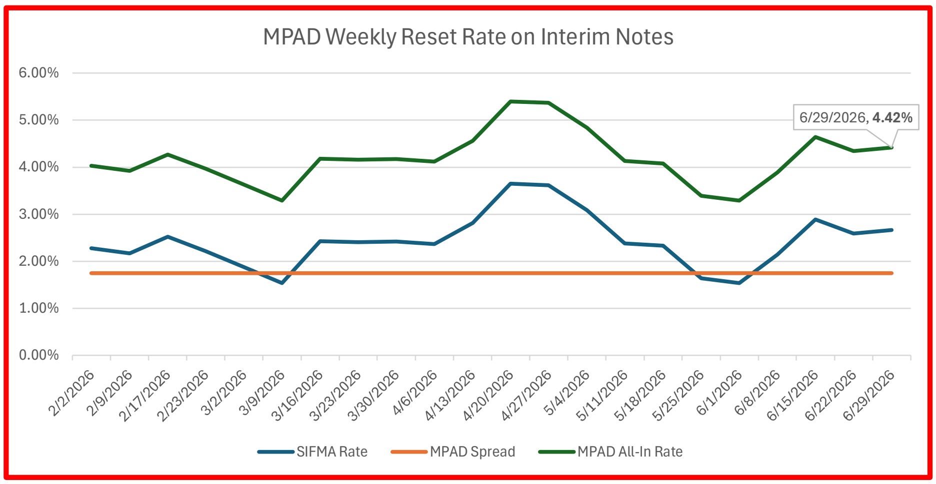
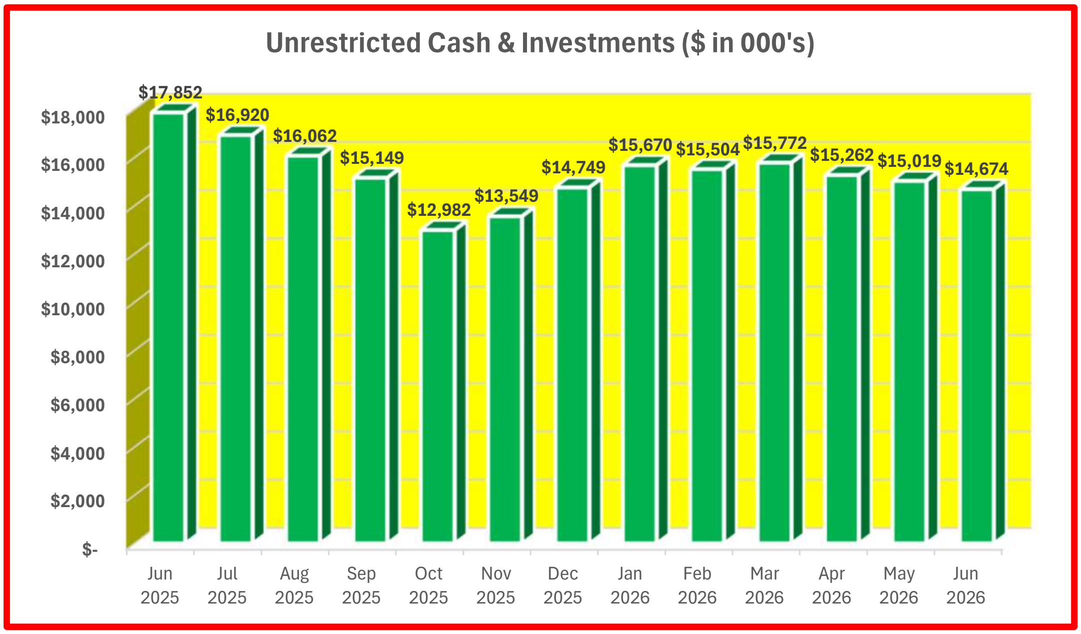


Chart 6 graphically presents the monthly balances of unrestricted cash and investments.

Chart 6



SELECTED OPERATING STATISTICS:

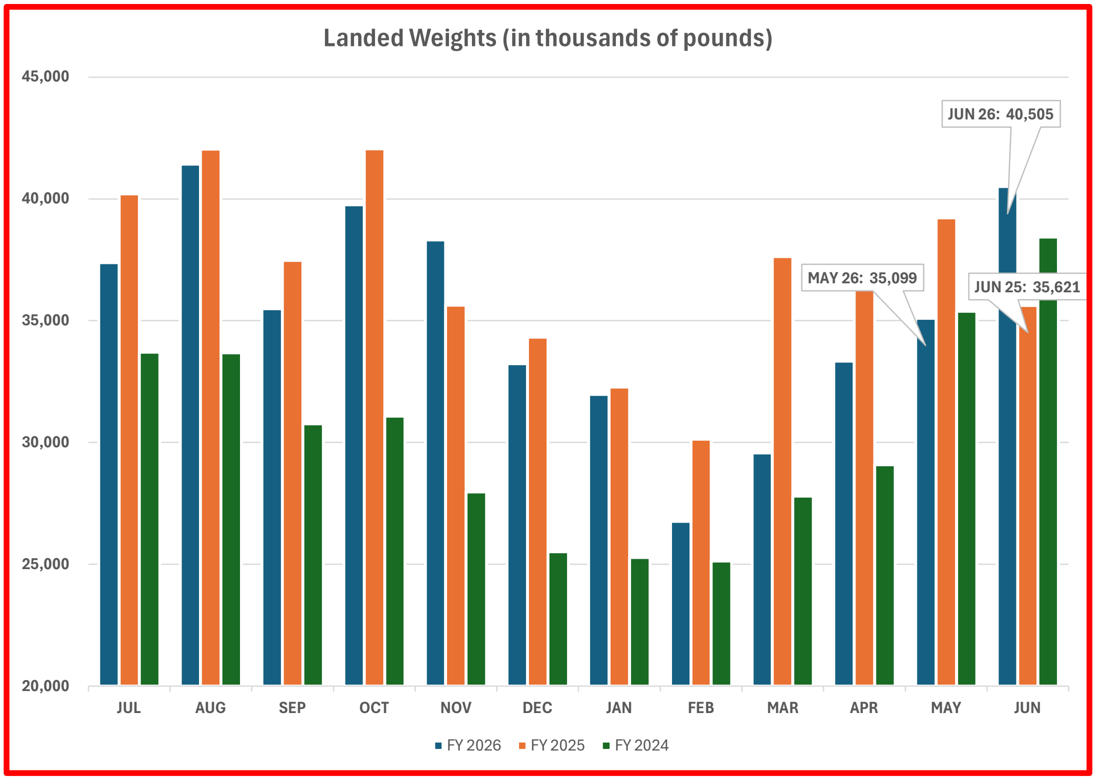
ENPLANEMENTS AND LOAD FACTORS. The table below presents simple load factors for fiscal years 2021 to 2026. Load factors indicate the customer utilization of available airline seat capacity which generally correlates to customer use of TCP, Taxi and TNC services, parking, and other support services. Simple load factors do not include non-revenue enplanements. Historically, annual load factors range from approximately 70% to 77%; FY21 load factors reflect the impact of COVID-19. Commercial Airline aircraft types have a direct impact on capacity and potential changes in enplanements. As the mix of aircraft and destinations change, the goal is to have load factors sustained or increased, which indicates that customers are willing to use the services offered by the Airlines.

	June 30, 2026				FYTD			
Fiscal Year	Load Factors	Revenue Enplanements	Capacity/ Available Seats	Flights	Load Factors	Revenue Enplanements	Capacity/ Available Seats	Flights
2026	77.2%	33,581	43,475	465	76.9%	328,965	427,544	5,268
2025	78.5%	29,602	35,120	450	74.0%	322,887	436,314	5,355
2024	78.3%	28,934	36,932	433	75.1%	272,816	363,225	4,350
2023	81.8%	24,765	30,262	373	76.4%	239,644	313,604	4,230
2022	72.5%	21,933	30,270	419	74.5%	228,763	306,880	4,549
2021	83.8%	18,083	21,580	286	53.1%	103,309	194,568	2,641

LANDED WEIGHTS. Chart 7 compares the Airport's landed weights for FY26, FY25 and FY24.

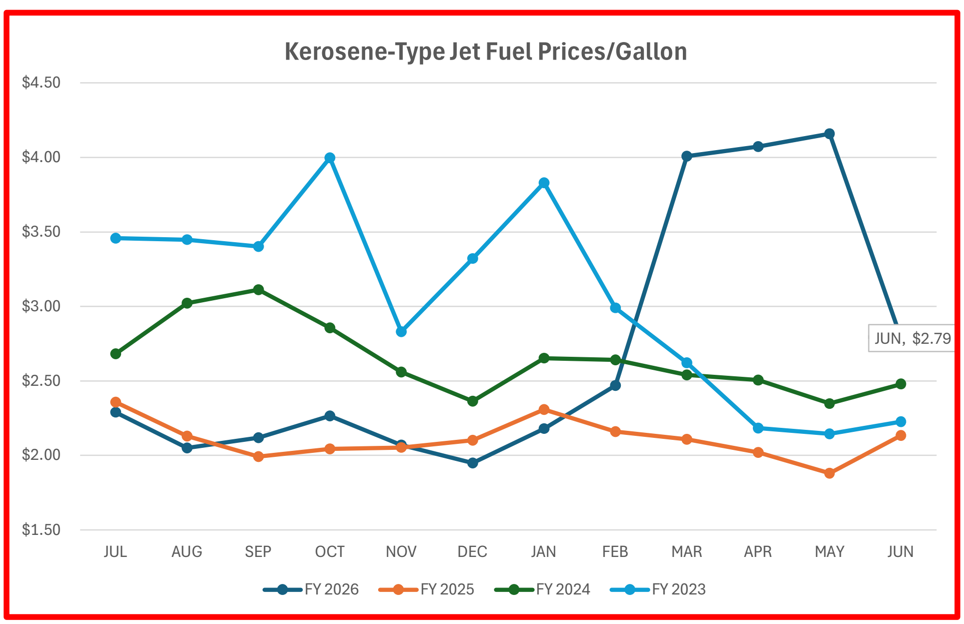
Total landed weights for June 2026 were 40,505K pounds,an increase of 4,884K pounds over the 35,621K pounds landed in the comparable period in FY25, and an increase of 5,407K pounds over the 35,099K pounds landed in May 2026.

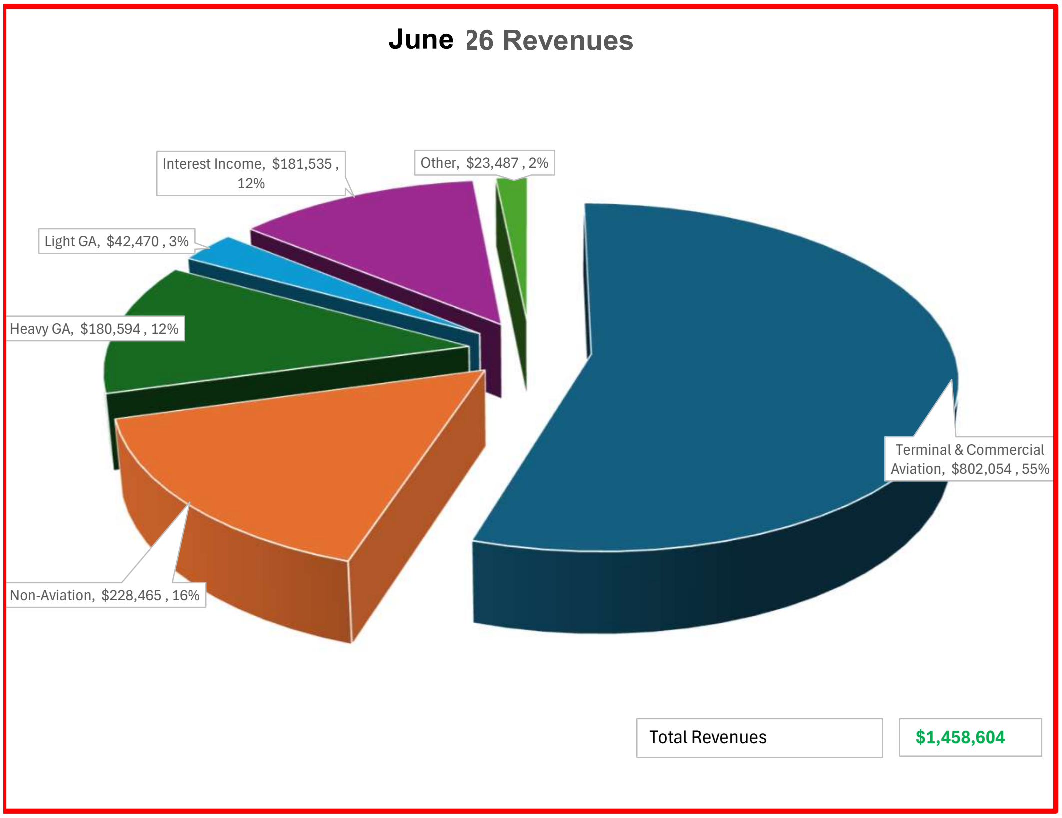
Chart 7

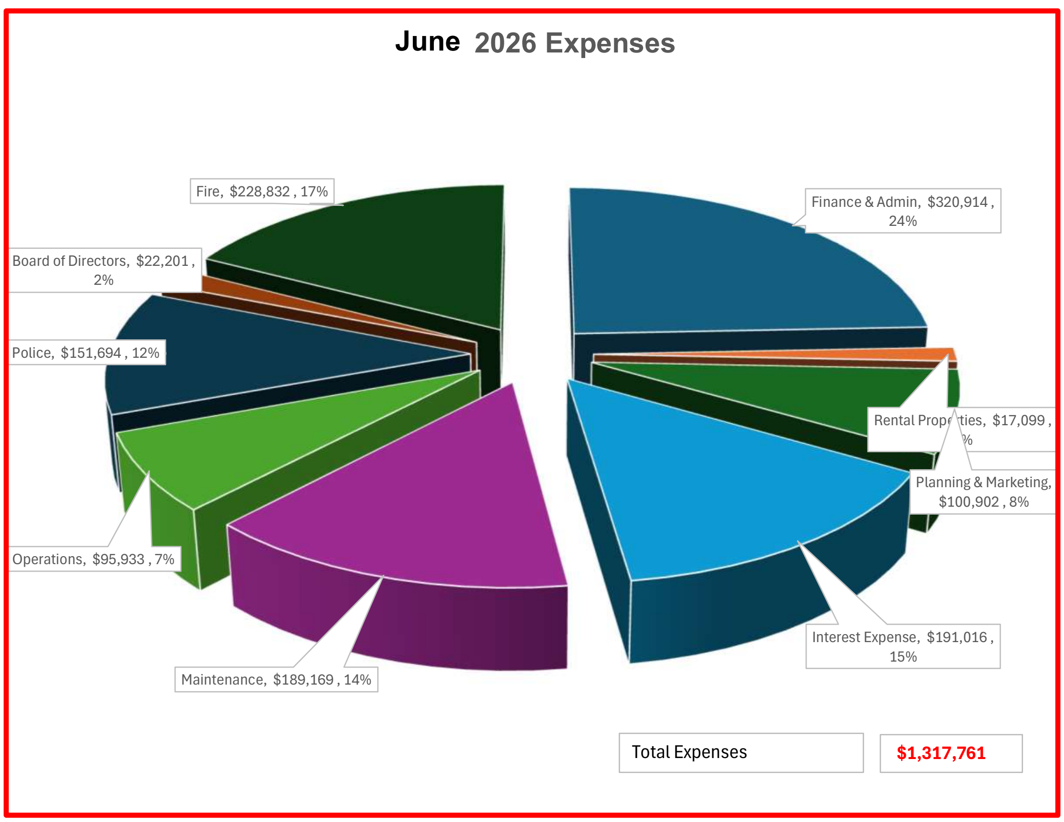


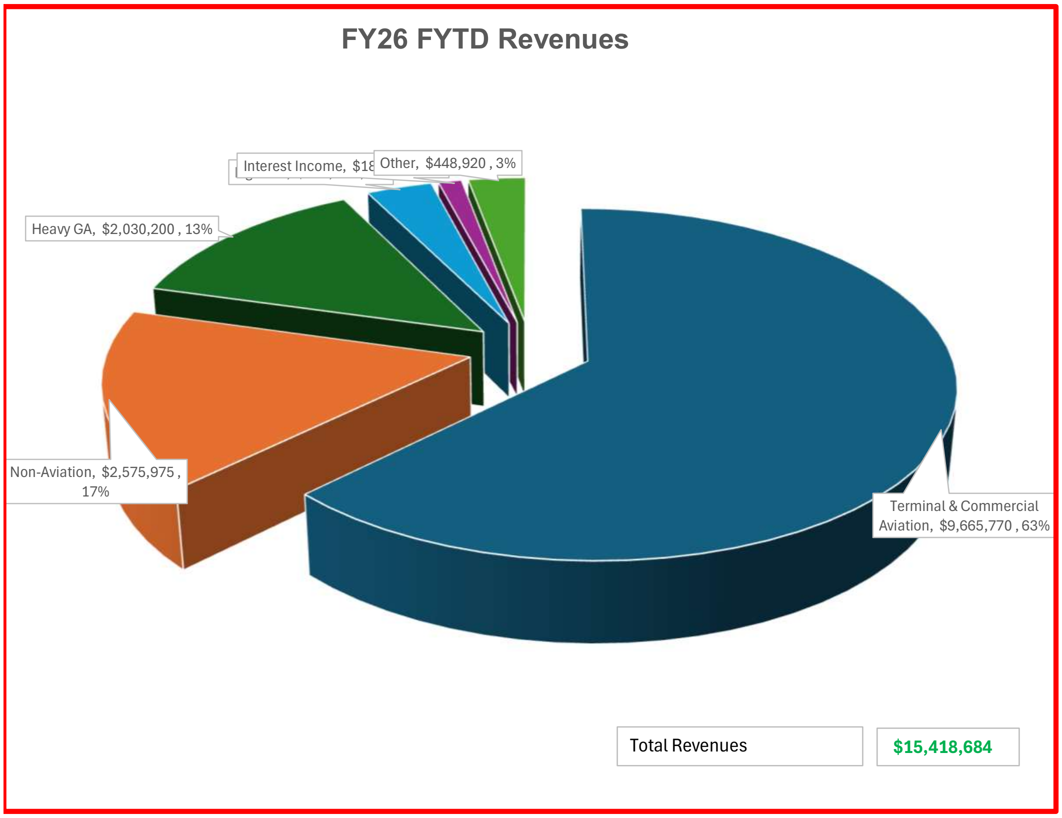
JET FUEL PRICES. Fuel (after crew costs) is an airline's largest operating cost, comprising as much as 29% of operating expenses. Rising fuel costs may put negative pressure on air carrier profitability, and as such it is an important macro indicator. Jet Fuel Prices are 100% correlated to fluctuations in crude oil spot prices, plus fluctuations in the Crack Spread (the Refinery's margin). **Chart 8** tracks the historical wholesale prices over the last 4 fiscal years.

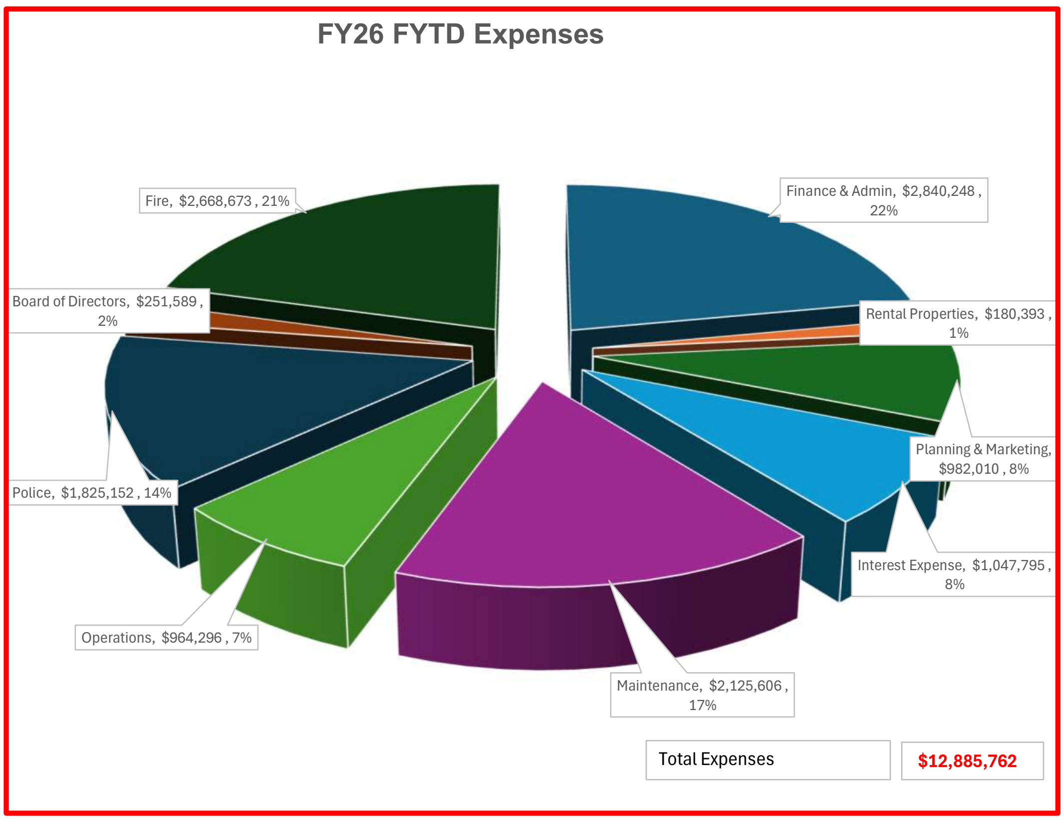
Chart 8




June 26 Revenues
Interest Income, $181,535 , 12%
Other, $23,487 , 2%
Light GA, $42,470 , 3%
Heavy GA, $180,594 , 12%
Terminal & Commercial Aviation, $802,054 , 55%
Non-Aviation, $228,465 , 16%
Total Revenues
$1,458,604


June 2026 Expenses
Fire, $228,832 , 17%
Finance & Admin, $320,914 , 24%
Board of Directors, $22,201 , 2%
Police, $151,694 , 12%
Rental Prop ties, $17,099 ,
Planning & Marketing, $100,902 , 8%
Operations, $95,933 , 7%
Interest Expense, $191,016 , 15%
Maintenance, $189,169 , 14%
Total Expenses
$1,317,761


FY26 FYTD Revenues
Interest Income, $18
Other, $448,920 , 3%
Heavy GA, $2,030,200 , 13%
Non-Aviation, $2,575,975 , 17%
Terminal & Commercial Aviation, $9,665,770 , 63%
Total Revenues
$15,418,684


FY26 FYTD Expenses
Fire, $2,668,673 , 21%
Finance & Admin, $2,840,248 , 22%
Board of Directors, $251,589 , 2%
Rental Properties, $180,393 , 1%
Planning & Marketing, $982,010 , 8%
Police, $1,825,152 , 14%
Interest Expense, $1,047,795 , 8%
Operations, $964,296 , 7%
Maintenance, $2,125,606 , 17%
Total Expenses
$12,885,762

AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

June 2026

OPERATING STATISTICS	June 2026	Budget	%	June 2025	YTD FY 26	Budget	%	YTD FY 25
AIRPORT ACTIVITY								
Air Carrier Landings[1]	465	427	9%	450	4,803	5,068	-5%	5,251
Landed Weight (in thousands of pounds)	40,505	33,906	19%	35,621	409,200	415,630	-2%	443,946
Enplanements (revenue+non-revenue)	34,453	27,254	26%	32,088	336,063	329,955	2%	331,646
Passengers (enp/dep)	66,982			60,289	601,334			659,720
Total Cargo (in pounds)	40,789			39,932	583,376			543,371
Commercial	1,866			1,670	19,954			19,095
General Aviation	2,772			2,775	33,127			35,454
Military	81			47	1,307			1,816
TOTAL AIRCRAFT OPERATIONS	**4,719**			**4,492**	**54,388**			**56,365**
VEHICLE EXIT COUNT								
Long Term (1) Lot	1,020	1,854	-45%	1,854	19,012	22,733	-16%	22,346
Upper Short Term (2) Lot	3,338	3,145	6%	3,145	36,956	35,692	4%	36,332
Lower Short Term (3) Premium Lot	5,816	6,388	-9%	6,388	60,596	69,629	-13%	70,849
TOTAL VEHICLE EXIT COUNT	**10,174**	**11,387**	-11%	**11,387**	**116,564**	**128,054**	-9%	**129,527**

	June 2026 ACTUAL	June 2026 Budget	$▲Favorable $▼Unfavorable	June 2025 ACTUAL	YTD FY 26 ACTUAL	Budget	$▲Favorable $▼Unfavorable	YTD FY 25 ACTUAL
OPERATING REVENUE								
TERMINAL								
CA Landing, RON, Apron, and Fuel Flowage Fees	$ 207,572	$ 180,896	$26,676 ▲	$ 174,934	$ 2,298,612	$ 2,263,966	$34,646 ▲	$ 2,152,915
Rents	216,276	212,900	3,376 ▲	208,023	2,594,146	2,554,797	39,349 ▲	2,499,311
TCP, Taxi & TNC Operator Permits	(192)	503	(694)▼	669	7,520	8,498	(978)▼	8,665
Taxi Trip Fees	2,973	3,108	(135)▼	2,657	23,613	33,541	(9,928)▼	32,205
TNC Trip Fees and Peer-to-Peer Rentals	38,188	21,315	16,873 ▲	30,321	408,462	335,322	73,140 ▲	352,625
Concessions	33,122	26,508	6,614 ▲	32,866	343,949	314,710	29,239 ▲	318,595
Rental Car	142,737	203,788	(61,051)▼	207,630	2,191,667	2,155,287	36,380 ▲	2,119,050
Parking	161,378	159,510	1,867 ▲	163,101	1,797,802	1,947,416	(149,614)▼	1,851,561
HEAVY GENERAL AVIATION								
GA Landing and Special Event Fees	59,444	40,424	19,020 ▲	53,290	671,791	600,459	71,332 ▲	586,410
FBO Rent	56,890	56,887	3 ▲	56,156	682,685	682,644	41 ▲	673,876
Fuel Flowage Fees	64,259	55,157	9,102 ▲	51,605	675,724	598,411	77,313 ▲	573,572
LIGHT GENERAL AVIATION	42,470	43,871	(1,400)▼	41,094	516,284	526,449	(10,165)▼	480,928
NON-AVIATION	228,465	205,298	23,167 ▲	218,463	2,575,975	2,446,239	129,736 ▲	2,407,499
OTHER OPERATING REVENUE	23,487	28,870	(5,384)▼	41,365	448,920	493,909	(44,989)▼	520,941
INTEREST INCOME	181,535	48,130	133,405 ▲	60,601	181,535	48,130	133,405 ▲	761,303
TOTAL OPERATING REVENUE	**$ 1,458,604**	**$ 1,287,164**	**$171,440 ▲**	**$ 1,342,777**	**$ 15,418,684**	**$ 15,009,777**	**$408,907 ▲**	**$ 15,339,455**
OPERATING EXPENSE								
Finance & Administration	$ 320,914	$ 319,521	($1,393)▼	$ 236,825	$ 2,840,248	$ 2,783,279	($56,969)▼	$ 2,629,954
Planning & Marketing	100,902	113,667	12,765 ▲	126,033	982,010	1,424,848	442,839 ▲	1,400,964
Maintenance & Custodial Services	189,169	153,139	(36,031)▼	166,863	2,125,606	2,053,723	(71,882)▼	2,020,854
Airport Operations	95,933	86,056	(9,877)▼	75,048	964,296	1,018,448	54,151 ▲	916,523
Police Services	151,694	150,796	(898)▼	137,397	1,825,152	1,809,546	(15,606)▼	1,648,039
ARFF/Fire Services	228,832	217,375	(11,457)▼	217,131	2,668,673	2,623,995	(44,677)▼	2,509,783
Board of Directors	22,201	21,351	(851)▼	20,568	251,589	276,093	24,504 ▲	301,536
Office Rentals	17,099	7,926	(9,173)▼	8,658	180,393	167,081	(13,312)▼	142,111
Interest Expense	191,016	14,674	(176,341)▼	16,021	1,047,795	191,906	(855,889)▼	201,264
TOTAL OPERATING EXPENSE	**$ 1,317,761**	**$ 1,084,505**	**($233,256)▼**	**$ 1,004,543**	**$ 12,885,762**	**$ 12,348,920**	**($536,841)▼**	**$ 11,771,029**
OPERATING INCOME	**$ 140,843**	**$ 202,659**	**($61,815)▼**	**$ 338,233**	**$ 2,532,922**	**$ 2,660,856**	**($127,934)▼**	**$ 3,568,426**
DISTRICT ONLY CAPITAL EXPENDITURES (See Page 20)	**$ (294,303)**	**$ (28,854)**	**($265,449)▼**	**$ (240,358)**	**$ (5,090,112)**	**$ (28,854)**	**($5,061,257)▼**	**$ (1,230,979)**
DEBT SERVICE - PRINCIPAL ONLY	**$ (375)**			**$ (80,140)**	**$ (320,123)**			**$ (322,683)**

MONTEREY PENINSULA AIRPORT DISTRICT
Statements of Net Position

	June 30, 2026 (Unaudited)	June 30, 2025 (Audited)
ASSETS:		
Current assets:		
Unrestricted:		
Cash	$ 170,987	$ 372,238
Investments - L.A.I.F.	14,502,620	176,934
Investments - T-Bills	-	17,302,738
Accounts receivable, net of $10,000 allowance	866,666	904,869
Accrued Interest receivable	150,869	162,233
Leases receivable (GASB 87), current portion (1)	1,318,801	1,318,801
FAA Grant Reimbursements Receivable	4,050,418	2,344,847
Prepaid and other assets	201,312	138,261
	21,261,674	22,720,921
Restricted:		
Cash	935,262	222,859
Investments - T-Bills (CalTrans & Security Deposits)	862,544	813,205
Trustee Held Proceeds - U.S. Treasury MM Fund	48,971,739	-
CFC Receivable	183,310	-
PFC Receivable	112,926	222,490
Total restricted current assets	51,065,781	1,258,555
Total Current Assets	**72,327,455**	**23,979,476**
Noncurrent assets:		
Leases receivable (GASB 87), net of current portion (1)	8,836,689	8,836,689
Tenant receivable, net of current portion	-	9,273
Capital assets:		
Construction-in-Process	43,822,810	40,783,934
Non-depreciable land	4,206,755	4,206,755
Depreciable capital assets, net	137,514,711	91,401,671
Total Capital assets:	185,544,275	136,392,359
Total Noncurrent assets:	**194,380,964**	**145,238,322**
Total Current and Noncurrent assets:	**266,708,419**	**169,217,798**
DEFERRED OUTFLOWS OF RESOURCES:		
Actuarial valuation of deferred outflows related to pensions (2)	3,592,768	3,592,768
Actuarial valuation of deferred outflows related to OPEB (4)	235,722	212,504
	3,828,490	**3,805,272**
LIABILITIES:		
Current liabilities:		
Accounts Payable - Operating Expenses	351,674	234,983
Accounts Payable - Capital Expenditures	9,777,354	3,474,239
Checks in Excess of Cash Balance - Capital Expenditures	4,045,918	-
Capital Improvements - Retentions Payable	1,900,955	1,781,872
Accrued liabilities	336,392	226,557
Accrued Interest	33,460	35,052
Unearned revenues, current portion	279,133	246,245
Loans payable, current portion	329,811	320,123
Funds held in trust (CFCs)	1,045,678	127,564
Accrued compensated absences, current portion	53,552	44,055
Total Current Liabilities	**18,153,928**	**6,490,691**
Long-term liabilities:		
Security deposits	448,394	432,473
Unearned revenues, net of current portion	194,537	203,413
Accrued compensated absences, net of current portion	166,499	145,053
Actuarial valuation of net pension liability(6)	8,103,169	8,103,169
Actuarial valuation of OPEB liability(7)	1,325,881	1,444,275
Interim Notes, Series 2026	50,000,000	-
Loans payable, net of current portion	4,663,706	4,993,517
Total Long-Term Liabilities	**64,902,185**	**15,321,900**
Total Liabilities	**83,056,113**	**21,812,592**
DEFERRED INFLOWS OF RESOURCES:		
Actuarial valuation of deferred inflows related to pensions(3)	2,104,793	2,104,793
Actuarial valuation of deferred inflows related to OPEB(5)	478,987	500,460
Deferred inflows related to leases (GASB 87)(1)	8,321,459	8,321,459
Total Deferred Inflows of Resources	**10,905,239**	**10,926,712**
NET POSITION:		
Net investment in capital assets	178,649,803	127,604,483
Restricted - unspent Passenger Facilities Charges	115,049	-
Restricted - Cash Assets	807,434	1,032,419
Unrestricted	(2,996,728)	11,646,864
	$ 176,575,558	**$ 140,283,766**

See Notes to Statement of Net Position.

Notes to Statement of Net Position
As of June 30, 2026

1.	**Lease Receivable (GASB 87)**	**Lease Receivable**	**Lease Interest**	**Total Lease Payments**
	Current:			
	FY 2026	$ 1,318,801	$ 220,638	$ 1,539,439
	Noncurrent:			
	FY 2027	1,339,901	194,969	1,534,870
	FY 2028	996,537	170,661	1,167,198
	FY 2029	795,407	152,770	948,177
	FY 2030	663,456	138,172	801,628
	FY 2031-FY2035	1,796,458	551,830	2,348,288
	FY 2036-FY2040	987,981	403,187	1,391,168
	FY 2041-FY2045	1,139,858	251,310	1,391,168
	FY 2046-FY2050	832,188	99,570	931,758
	FY 2051-FY2053	284,903	14,646	299,549
		8,836,689	1,977,115	10,813,804
		$ 10,155,490	$ 2,197,753	$ 12,353,243

The District recognizes lease revenues by category and three categories were impacted by the implementation of GASB 87; General Aviation, Terminal Concessions and Non-Aviation revenue categories.

GASB 87 specifically excludes Regulated leases for which the District is the lessor. Terminal space, aircraft hangars, and recreational vehicle parking space future lease revenue are excluded.

2.	**Deferred Outflows of Resources related to Pensions**	**Combined**	**Miscellaneous**	**Safety**
	Pension contributions subsequent to measurement date	$ 912,171	$ 194,541	$ 717,630
	Changes of Assumptions	202,213	62,016	140,197
	Differences between expected and actual experience	672,993	208,616	464,377
	Net Difference between Projected and Actual Earnings	413,949	138,907	275,042
	Adjustments due to differences in proportions	702,460	58,266	644,194
	Difference in actual to proportionate share contribution	689,040	159,876	529,164
		$ 3,592,826	**$ 822,222**	**$ 2,770,604**

3.	**Deferred Inflows of Resources related to Pensions**	**Combined**	**Miscellaneous**	**Safety**
	Differences between expected and actual experience	$ 23,239	$ 8,140	$ 15,099
	Adjustments due to differences in proportions	1,180,554	256,995	923,559
	Differences between actual contributions and the proportionate share of contributions	900,998	355,776	545,222
		$ 2,104,791	**$ 620,911**	**$ 1,483,880**

The District's proportion of the net pension liability was based on the District's share of the actuarial accrued liability of the cost-sharing plan, less the District's share of the fiduciary net position.

4.	**Deferred Outflows of Resources related to OPEB**	
	Changes in assumptions	$ 40,496
	Placeholder delta	
	Differences between expected and actual experience	116,381
	Contributions made subsequent to the Measurement Date	78,845
		$ 235,722

5.	**Deferred Inflows of Resources related to OPEB**	
	Changes in assumptions	$ 298,577
	Differences between expected and actual experience	180,410
		$ 478,987

6.	**Net Pension Liability**	
	CalPERS - Miscellaneous Plan (6/30/2023 Measurement Date)	$ 2,412,889
	CalPERS - Safety Plan (6/30/2023 Measurement Date)	5,690,280
		$ 8,103,169

7.	**Total OPEB Liability**	
	Police	$ 580,068
	Fire	283,011
	Miscellaneous Plan	462,802
		$ 1,325,881

MONTEREY PENINSULA AIRPORT DISTRICT

Statement of Cash Flows

	June 2026 (Unaudited)	FYTD 2026 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	$ 1,241,930	$ 15,178,976
Payments to vendors for goods and services	(1,111,627)	(6,814,417)
Payments for employees pension and OPEB benefits	(105,172)	(1,248,258)
Payments to employees for services	(304,615)	(3,499,487)
Net cash provided (used) by operating activities	**(279,485)**	**3,616,814**
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Proceeds from FAA Grants and Passenger Facilities Charges	349,027	39,162,345
Proceeds from Customer Facilities Charges	183,310	1,159,284
Proceeds from Interim Notes	-	50,000,000
Acquisition and construction of capital assets	(298,995)	(46,246,978)
Interest paid on loans	(175,792)	(1,049,387)
Principal paid on loans	(375)	(320,123)
Debt issuance costs	(329,066)	(1,083,166)
Net cash provided (used) by capital and related financing activities	**(271,892)**	**41,621,976**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income received	127,262	1,316,387
Investments matured (purchased)	520,008	(46,044,023)
Net cash (used) by investing activities	**647,270**	**(44,727,637)**
CASH FLOWS FROM NON-OPERATING ACTIVITIES:		
CalPERS UAL Prepayment	85,460	-
Net Change in Cash and Cash equivalents	181,354	511,153
Cash and Cash Equivalents at Beginning of Period	924,895	595,097
Cash and Cash Equivalents at End of Period	**$ 1,106,250**	**$ 1,106,250**
STATEMENT OF NET POSITION		
CLASSIFICATION OF CASH AND CASH EQUIVALENTS:		
Unrestricted	$ 170,987	170,987
Restricted	935,262	935,262
Total cash and cash equivalents	**$ 1,106,250**	**$ 1,106,250**
Reconciliation of operating loss to net cash provided (used) by operating activities:		
Operating Loss after Depreciation and Amortization	$ (464,604)	$ (4,039,693)
Adjustments to reconcile operating loss to net cash provided by operating activities:		
Depreciation and amortization	614,928	7,444,097
(Increase) decrease in:		
Accounts receivable	(112,763)	(87,403)
Prepaid and other current assets	(116,599)	(116,670)
Increase (decrease) in:		
Accounts payable	(441,966)	235,776
Accrued liabilities	158,985	112,237
Security deposits	450	16,521
Deferred revenue	77,624	24,010
Accrued compensated absences	4,461	28,537
Total adjustments	185,119	7,657,104
Net cash provided (used) by operating activities	**$ (279,485)**	**$ 3,617,411**
Non-cash capital and related financing activities:		
Acquisition of capital assets in accounts payable	**$ 9,777,354**	**$ 9,777,354**
Accrued interest on CEC and CalTrans loans	**$ 33,460**	**$ 33,460**

MONTEREY PENINSULA AIRPORT DISTRICT
FINANCIAL STATEMENTS UNAUDITED

	FY 2026 June ACTUAL	FY 2026 YEAR-TO-DATE ACTUAL
SOURCES AND USES OF CASH -- OPERATIONS		
SOURCES OF CASH:		
CASH RECEIVED - OPERATING REVENUE	$ 1,277,070	$ 15,237,149
CASH RECEIVED - INTEREST INCOME	181,535	1,305,021
CASH RECEIVED	1,458,604	16,542,170
USES OF CASH -- OPERATIONS:		
CASH (DISBURSED) - OPERATING EXPENSE	(1,126,746)	(11,837,966)
CASH (DISBURSED) - DEBT SERVICE (INTEREST EXPENSE)	(191,016)	(1,047,795)
CASH (DISBURSED) - DEBT SERVICE (PRINCIPAL REDUCTION)	(375)	(320,123)
CASH (DISBURSED)	(1,318,136)	(13,205,885)
CHANGE IN CASH POSITION FROM OPERATIONS & DEBT SERVICE	140,468	3,336,285
SOURCES (USES) OF CASH -- CAPITAL PROGRAM:		
PROCEEDS FROM INTERIM NOTES, SERIES 2026	-	50,000,000
CASH (DISBURSED) - ALL CAPITAL PROJECTS (See Page 20)	(5,415,135)	(55,135,481)
CASH REIMBURSED - FAA - CAPITAL PROJECTS (See Page 21)	120,769	37,750,485
PFCs APPLIED - CAPITAL PROJECTS (See Page 21)	19,638	3,112,794
CHANGE IN CASH POSITION FROM CAPITAL PROGRAM	(5,274,728)	35,727,798
CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL & DEBT SERVICE	**$ (5,134,260)**	**$ 39,064,083**

FISCAL YEAR 2026

FINANCIAL STATEMENTS UNAUDITED

Construction-In-Progress

June 30, 2026

Project Number/AIP #	Project Name	Balance at June 30, 2025	FYTD Additions	FYTD Placed in Service	Balance at June 30, 2026	Costs Incurred Subject to 5% Retainage	Remaining AIP Grant Dollars[1]	Total Project Budget	Percentage Complete
District Only Funded:									
2025-06	2801 MSH Bldg. C Property Repairs	$ 292,648	$ 694,583	$ (987,231)	$ -			$ 1,000,000	0%
2025-09	HP Constr. Office Rental (from MPAD)	-	137,500		137,500			300,000	46%
2026-01	AFFF Foam Transition[2]	-	174,015		174,015			200,000	87%
2026-02	Rental Car Ready Return Lot	-	155,126		155,126			3,895,470	4%
2026-03	Skypark Drive Improvements		54,615		54,615			995,000	5%
2026-04	Parking Shuttles & Service		33,919		33,919			250,000	14%
2023-03	Commercial Apron - Redesign Credit	-	(9,584)	9,584	-			-	n/a
-various-	MPAD Project Managers Capitalized Costs	-	298,615		298,615			346,008	86%
		292,648	1,538,789	(977,647)	853,790	-	-	6,986,478	
CFC Only Funded:									
2019-03	Water Distribution System - Retention	-	110,286	(110,286)	-	-	-	-	#DIV/0!
FAA/PFC/District Funded:									
2023-01/AIP 82	SEP Phase D1 - Terminal Design	3,738,694	(12,115)	(3,726,579)	-	-	-	3,865,969	0%
2023-02/AIP 83	Runway 28L-10R Treatmnt-2.17M	1,657,183	1,457,571	(3,114,754)	-	-	-	3,105,891	0%
2023-03/AIP 80	Commercial Apron - AIP 80	23,636,301	1,753,074	(25,389,375)	-	-	-	45,050,651	0%
2025-07/AIP 84	Commercial Apron - Phase 2B - AIP 84	9,672,022	9,973,763	(19,645,785)	-	-	506,746	*(included above)*	
2024-1A/AIP 81	SEP Phase D1 - Terminal Design (BIL ATP)	63,362	80,697	(144,059)	-	-	-	-	
2025-01/AIP 86	Landside Improvement Project	720,674	8,552,677		9,273,351	491,534	11,216,105	18,469,730	50%
2025-02/AIP 85	Purchase Primary ARFF Vehicle	-	1,084,465	(1,084,465)	-	-	-	1,056,997	0%
2025-08/AIP 88	Short Term Lot Reconfiguration	24,855	2,351,868		2,376,723	8,165	4,154,965	8,182,929	29%
2025-09/AIP 87	Replacement Terminal - Hard Costs	861,899	13,848,351		14,710,251	1,401,257	1,556,456	99,902,710	15%
2025-9A/AIP 89	Replacement Terminal - Hard Costs	-	13,615,945		13,615,945		16,980,703		
2025-9B	Replacement Terminal - Soft Costs	116,296	2,876,452		2,992,748	-	-	7,000,000	43%
		40,491,287	55,582,749	(53,105,017)	42,969,018	1,900,955	34,414,975	186,634,877	
		$ 40,783,935	**$ 57,231,824**	**$ (54,192,950)**	**$ 43,822,808.51**	**$ 1,900,955**	**$ 34,414,975**	**$ 193,621,355**	

[1] On May 19, 2026 MPAD was awarded $1.5M under the FAA's Airport Terminal Program to help fund the acquisition and installation of passenger boarding bridges. This amount is not included herein.

2 This project is eligible for 100% reimbursement by FAA under an AIP Grant yet to be applied for.

FISCAL YEAR 2026

Airport Capital Improvements / Capital Expenditures

FINANCIAL STATEMENTS UNAUDITED

June 30, 2026

Airport Improvement Programs	**Actual FY 2026 Current Period**		**Actual FY 2026 Year-To-Date**	
District Only Expenditures	**$ 26,236.38**	0%	**$ 1,216,312.71**	2%
AIP -- FAA Funded Expenditures	4,735,014.00	87%	46,385,493.01	84%
AIP -- PFC Funded Expenditures	306,684.28	6%	3,504,750.69	6%
CFC Funded Expenditures	79,134.17	1%	155,125.70	0%
District	268,066.44	5%	3,873,798.89	7%
subtotal - FAA/PFC/District	**5,388,898.89**	100%	**53,919,168.29**	98%
Total Capital Improvement Expenditures	**$ 5,415,135.27**	100%	**$ 55,135,481.00**	100%

FY 2026 District Capital Expenses/Budget:	**June 2026**	**June Budget**	**Actual FYTD**	**FY 2026 Budget**	**Actual ITD**
District Only Funded:					
2025-06 2801 MSH Property Repairs $0.29M	-	-	694,582.99	272,710.00	-
2026-01 AFFF Foam Transition	-		174,015.31	200,000.00	174,015.31
MPAD Project Managers Capitalized Costs	26,236.38	28,854.25	298,615.98	346,008.00	298,615.98
	26,236.38	**28,854.25**	**1,167,214.28**	**818,718.00**	**472,631.29**
CFC Funded:					
2026-02 Rental Car Ready Return Lot Improvements	79,134.17	-	155,125.70	1,561,127.00	155,125.70
FAA/PFC/District Funded:					
2023-01 SEP Phase D1 Terminal Design	-	-	(12,115.00)	187,406.00	3,726,579.00
2023-02 Runway 28L-10R Treatmnt-2.17M	-	-	1,525,567.54	1,516,749.00	-
2023-03 Commercial Apron - AIP 80		-	2,668,608.18	16,859,866.00	25,389,375.00
2025-07 Commercial Apron - AIP 84	-	4,700.00	9,007,451.65	*Included above*	-
2024-1A Terminal Design (BIL ATP)	-	-	80,697.00	-	-
2025-01 Landside Improvement Project - AIP 86	1,258,035.95	1,061,790.00	8,085,071.25	12,875,488.00	8,781,817.29
2025-02 Purchase Primary ARFF Vehicle	-	-	1,084,465.19	1,056,997.00	1,084,465.19
2025-08 Short Term Lot Reconfiguration	624,630.74	-	2,345,369.62	3,117,925.00	2,368,558.92
2025-09 Terminal Replacement - Hard Costs	-	3,000,000.00	12,447,094.71	35,600,000.00	13,308,994.09
2025-9A Terminal Replacement - Hard Costs	3,159,031.59	-	13,615,945.15	-	13,615,945.15
2025-9B Terminal Replacement - Soft Costs	268,066.44	450,000.00	2,876,451.61	5,200,000.00	2,992,747.75
2026-03 Skypark Drive Road Improvements	-	-	54,615.00	415,000.00	54,615.00
2026-04 Shuttle Vehicles & Service	-		33,919.12	-	33,919.12
	5,309,764.72	**4,516,490.00**	**53,813,141.02**	**76,829,431.00**	**71,357,016.51**
	$ 5,415,135.27	**$ 4,545,344.25**	**$ 55,135,481.00**	**$ 79,209,276.00**	**$ 71,984,773.50**

FISCAL YEAR 2026
FINANCIAL STATEMENTS UNAUDITED
Funding and Reimbursements of Construction-In-Progress
June 30, 2026

Project Number/AIP #	Project Name	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Totals
Reimbursements & Tranfers from Restricted Cash														
FAA Reimbursed:														
2023-03/AIP 80	SEP Phase 2B - Apron - AIP 80						2,207,717	-		632,204				2,839,921
2023-01/AIP 81	Terminal Design						110,162	-						110,162
2023-02/AIP 83	Runway 28L-10R Treatmnt-2.17M	-	-	-	1,039,136		54,045	161,093					120,769	1,375,043
2025-07/AIP 84	SEP Phase 2B - Apron - AIP 84	-	-	6,927,458	-	-	-	1,172,059	-	-	-	-	-	8,099,517
2025-02/AIP 85	Purchase Primary ARFF Vehicle	-	-	-	856,737	101,537								958,274
2025-01/AIP 86	SEP Landside Improv $18.5M	-	-	184,045	355,496	-	1,175,658	558,678	-	865,684	602,073	318,474	-	4,060,108
2025-09/AIP 87	Replacement Terminal	-	-	1,402,112	-	-	2,052,555	1,690,502	-	3,963,470	-	1,556,511	-	10,665,150
2025-08/AIP 88	Relocated Parking						1,439	26,423		397,003	272,617	119,006	-	816,488
2025-09/AIP 89	Replacement Terminal - Hard Costs						-	-		-	-	6,480,975	-	6,480,975
		$ -	$ -	$ 8,513,615	$ 2,251,369	$ 101,537	$ 5,601,576	$ 3,608,755	$ -	$ 5,858,361	$ 874,690	$ 8,474,966	$ 120,769	$ 35,405,638
PFCs Eligibility Matching:														
2023-03/AIP 80	SEP Phase 2B - Apron - AIP 80						251,658	-						251,658
2023-01/AIP 81	Terminal Design						18,621	-						18,621
2023-02/AIP 83	Runway 28L-10R Treatmnt-2.17M	-	-	-	107,055		128,592	5,106					19,638	260,391
2025-07/AIP 84	SEP Phase 2B - Apron - AIP 84	-	-	764,088	-	-	-	70,341						834,429
2025-02/AIP 85	Purchase Primary ARFF Vehicle	-	-	-	88,263	10,460								98,723
2025-01/AIP 86	SEP Landside Improv $18.5M	-	-	22,182	36,623	-	70,614	57,555	-	89,185	62,027	32,810	-	370,996
2025-09/AIP 87	Replacement Terminal	-	-	73,795	-	-	108,029	88,975		208,604	-	81,922	-	561,323
2025-08/AIP 88	Relocated Parking						75	1,390		20,895	14,348	12,260	-	48,969
2025-09/AIP 89	Replacement Terminal - Hard Costs									-		667,685	-	667,685
		$ -	$ -	$ 860,064	$ 231,941	$ 10,460	$ 577,589	$ 223,367	$ -	$ 318,684	$ 76,374	$ 794,677	$ 19,638	$ 3,112,794
	Collected PFCs Available for Funding			218,400	-		220,000	81,300	-	110,080	76,374	607,546	19,638	1,333,339
	Draw on Interim Notes Held Proceeds									208,604		187,131	-	395,734
	District Temporary Funding			641,664	231,941	10,460	357,589	142,067					-	1,383,721
		$ -	$ -	$ 860,064	$ 231,941	$ 10,460	$ 577,589	$ 223,367	$ -	$ 318,684	$ 76,374	$ 794,677	$ 19,638	$ 3,112,794

FISCAL YEAR 2026

Schedule Of Cash and Investments

FINANCIAL STATEMENTS UNAUDITED

	Par Value	Acq. Date	Maturity Date	Value At June 30, 2026	Yield/ Interest Rate
UNRESTRICTED:					
Pooled Money Investment Account - MPAD					
State of California - Local Agency Investment Fund		Various	Daily	14,518,992.28	**3.83%**
General Accounts - MPAD					
JP Morgan Chase - various checking accounts				170,914.96	
MPAD Cash and Investments - Unrestricted				14,689,907.24	
Plus: L.A.I.F. June 30, 2026 Fair Value Adjustment				(16,371.88)	
Unrestricted Cash and Investments				**$ 14,673,535.36**	
Unrestricted Cash				**$ 170,914.96**	
Unrestricted Investments				**14,502,620.40**	
				$ 14,673,535.36	

FISCAL YEAR 2026

Schedule Of Cash and Investments

FINANCIAL STATEMENTS UNAUDITED

	Par Value	Purchase Date	Maturity Date	Value At June 30, 2026	Yield/ Interest Rate
RESTRICTED:					
Tenant's Security Deposits - RESTRICTED:					
U.S. Treasury Bills - MPAD (JP Morgan custodian):					
U.S. Treasury Bill - $497,000 - 6 Month	$ 497,000.00	3/19/26	9/17/26	**$ 488,251.09**	3.59%
Tenant's Security Deposits - RESTRICTED:					
Chase Bank - Money Market Account				**$ 12,643.17**	0.01%
Passenger Facility Charges (PFCs) - RESTRICTED:					
Chase Bank - Passenger Facility Charges (PFCs)				**$ 115,049.10**	0.01%
Customer Facility Charges (CFCs) - RESTRICTED:					
Chase Bank - Customer Facility Charges (CFCs)				**$ 807,433.61**	0.01%
Airport Improvement Program - RESTRICTED:					
Chase Bank - AIP Checking Account				**$ -**	
CalTrans Annual Debt Service - RESTRICTED:					
U.S. Treasury Bill - $381,000 - 6 Month	$ 381,000.00	3/19/26	9/17/26	$ 374,293.09	3.59%
Chase Bank - Checking Account				136.41	
				$ 374,429.50	
Restricted Cash				$ 935,262.29	
Restricted Investments				862,544.18	
				$ 1,797,806.47	

TO: Monterey Peninsula Airport District Board of Directors
FROM: Christine Morello, Executive Director
SUBJ: Updated Economic Impact Report

BACKGROUND. On July 23, 2026, the Board of Directors (BOD) of the Monterey Peninsula Airport District (MPAD) received the Monterey Regional Airport Economic Benefit Analysis prepared by Coffman Associates and the A.S.U. Seidman Research Institute's Dr. Lee McPheters (collectively "Coffman"). The Analysis indicated that in 2025, the airport-related activity generated $485.6 million in total economic benefits for the Monterey County economy.

During and after Coffman Associates and Dr. Lee McPheters' presentation of the results of their study, comments were received from both members of the public and members of the Board, and the Board asked that the Coffman/McPheters team consider the potential impact of those comments and to return an updated Report, if warranted.

The revised estimate of the airport's total economic benefit is $596.9 million, up $111.3 million from the initial draft total benefit of $485.6 million. Almost all of the changes were due to adjustment of the initial visitor spending numbers to match real hotel rates, restaurant prices, and other actual costs in Monterey. The original estimates based on the national Longwoods survey were too low and were corrected.

Also, expanding the data to include a full year of flight records (not a sample) found more general aviation aircraft stay overnight than originally counted — 6,303, not 4,405. In addition, the revised draft adds airline and general aviation flight crews who stay overnight, and passengers dropped off by private jets that fly out and come back later to pick them up. Together, these visitor-spending corrections add up to more than $100 million.

The updated Report indicates that in 2025 the airport-related activity generated **$596.9** million in total economic benefits for the Monterey County economy.

ATTACHMENT.

Monterey Regional Airport Economic Benefit Analysis Highlights

Monterey Regional Airport: Connecting People, Visitors, Jobs, and the Regional Economy

Monterey Regional Airport is more than a place where aircraft arrive and depart. It is a regional economic asset that connects Monterey County to visitors, businesses, major events, aviation employers, commercial tenants, and long-term infrastructure investment. The airport supports the local economy through on-airport activity, visitor spending, supplier purchases, worker income, and public tax revenues.

$596.9 Million in Total Economic Benefits

In 2025, airport-related activity generated $596.9 million in total economic benefits for the Monterey County economy. This activity supported 3,325 jobs and produced $255.3 million in income for workers and business owners. These benefits include direct activity at the airport and throughout the visitor economy, as well as secondary benefits that occur when businesses buy supplies and workers spend their earnings in the region.

On-Airport Businesses and Jobs

Monterey Regional Airport is an employment center as well as a transportation facility. Aviation employers include airlines, fixed base operators, charter and maintenance firms, passenger services, airport administration, air traffic control, TSA, police, fire, and other government functions. Non-aviation businesses located on airport property include restaurants, retail, auto repair, storage, construction-related firms, facility services, and other commercial tenants. Collectively, on-airport activity generated **$293.2 million in total economic benefits** and supported **1,460 jobs**. Every day, 24 hours daily, the airport contributes to the economy through aviation operations, public services, private businesses, capital improvements, and commercial activity located on airport property.

Air Visitors Bring Outside Dollars Into Monterey County

Air visitors are one of the airport's most important sources of regional economic benefit. Visitors arriving by commercial airline and general aviation aircraft spend money on lodging, restaurants, ground transportation, retail purchases, recreation, and local services. This spending brings outside income into Monterey County and supports the region's tourism and hospitality economy. In this way, tourism is an "export" industry supported by the airport.

Commercial airline visitors spent **$129.7 million** in the region during their stays. General aviation visitors added another **$75.9 million** in direct visitor spending. When secondary effects are included, airline and general aviation visitors generated **$303.7 million in total economic benefits** and supported **1,865 jobs.** Major events, such as Monterey Car Week and the AT&T Pebble Beach Pro-Am, are especially important because they are associated with peaks in commercial airline and general aviation activity and visitor spending.

Benefits to Monterey County Residents and Businesses

Monterey Regional Airport provides important qualitative benefits to residents and businesses offering convenient access to destinations across the country and abroad. The airport helps residents maintain personal and professional connections, supporting visits to family and friends, attendance at importantevents, and access to education, employment, and services that are not locally available.

For business, the airport creates catalytic benefits that support economic growth and investment while providing more efficient connections to customers, suppliers, and markets, which are especially valuable to Monterey County's agricultural, tourism, and hospitality sectors. MRY also delivers vital public and social benefits, supporting emergency response, disaster relief, search and rescue, and other services that strengthen community safety and quality of life.

Public Revenue Benefits

Airport-related activity also contributes to the public revenue base. In 2025, Monterey Regional Airport generated an estimated **$98.4 million in federal, state, county, and local tax revenues.** Of this total, **$42.2 million** went to state and local governments. These revenues are generated through airport operations, visitor spending, business activity, payroll, supplier purchases, and worker spending.

Investing in the Future: MRY Metamorphosis

The airport is making a major investment in future service and safety through the MRY Metamorphosis project. This multi-year program includes a replacement passenger terminal, commercial apron improvements, paving, site work, and related infrastructure. The project is expected to improve safety, efficiency, accessibility, and the passenger experience while strengthening the airport's long-term role in the regional economy.

The Metamorphosis project is estimated to generate **$263.5 million in total economic benefits** over the project period, including **1,304 person-year jobs** and **$109.2 million in income.** These are temporary construction-period benefits that are separate from the airport's ongoing annual economic contribution.

Bottom Line

Monterey Regional Airport connects the region to the national air transportation system and helps power the local economy. Its benefits are felt through aviation activity, visitor spending, on-airport businesses, public services, construction investment, supplier networks, worker income, and tax revenues. The airport is both a transportation gateway and a long-term economic asset for Monterey County.

MONTEREY FIRE DEPARTMENT

Report to Airport Board of Directors

July 2026

1. **Incident Responses**

Engine assigned to Fire Station 16 (Airport) responded to a total of 44 incidents during the month as follows:

- MPAD property – 8
- City of Monterey – 28
- Other Cities in Monterey Fire Jurisdiction – 2
- Auto / Mutual Aid – 6

Engine 16 responded to 6 incidents from the Airport Fire Station, four (4) outside of the airport property & two (2) within airport property between the hours of 20:00 and 07:59. The four (4) incidents were Auto-Aid responses; two (2) responses to Monterey County Regional and two (2) responses to City of Marina. 38 incidents were responded from the South side between the hours of 08:00 and 19:59 hours.

2. **Training**

Personnel completed a total of 71 hours of Airport-related training during the month. Currently the following numbers of personnel are qualified in the ARFF training program:

- Awareness (familiar with operations at the Airport): 82
- Operational (qualified to work at Airport, but live fire training not current): 42
- Technician (fully qualified to be the designated ARFF fire engineer): 12

3. **Other**

4. **Incident List –** on Airport property incidents

Alarm Date / Time	Response Time	Location	Incident Type
7/2/2026 8:53 AM	0:04:38	300 Sky Park DR	Lift assist
7/6/2026 9:40 PM	0:04:31	200 Fred Kane DR	Sick case
7/8/2026 12:45 PM	0:00:02	200 Fred Kane DR	Chest pain (non trauma)
7/12/2026 9:09 PM	0:05:58	200 Fred Kane DR	Chest pain (non trauma)
7/14/2026 1:12 PM	0:02:43	200 Fred Kane DR	Aviation standby
7/19/2026 5:45 PM	0:03:45	200 Fred Kane DR	Fuel spill / fuel odor
7/19/2026 7:18 PM	0:00:00	190 Sky Park DR	Fuel spill / fuel odor
7/29/2026 12:24 PM	0:00:00	200 Fred Kane DR	Motor vehicle collision

AGENDA ITEM: H-4
DATE: August 27, 2026

TO: Chris Morello Executive Director
FROM: Operations Department
DATE: August 3, 2026
SUBJ: Operations Report

The following is a summary of activity of general Airport Operations for July 2026 and planned airline activities for August 2026.

1 The following reports are attached:
- July 2026 Noise Comment Report
- Operating and Expense Reports for the Taxi (through July 2026) and TNC ground transportation systems (through June 2026)
- Commercial Flight Cancellations & Delays Report for July 2026
- Commercial Flight Schedule for August 2026.

2 Below is the summary of scheduled airline activity for August 2026:

Alaska Air operated by SkyWest / Horizon
- SAN Continues to use the Embraer E175 twice a day.
- SEA operates once a day using the E175.
- Scheduled to operate a monthly total of 186 flights (Arrivals and Departures)

Allegiant Air
- Continues to use the Airbus 319/320 series to LAS on Mondays and Fridays
- Scheduled to operate a total of 18 flights (Arrivals and Departures)

United operated by SkyWest / United
- SFO operates between three and four flights a day using CRJ200's.
- LAX operates two flights a day using the E175 / B738.
- DEN continues twice a day with the E175 / B738
- ORD continues once a week with the B738
- Scheduled to operate a monthly total of 461 flights (Arrivals and Departures)

American Eagle operated by Envoy / American.
- PHX operates between three and four flights a day using a mix of A319 / E175 / CRJ700 / CRJ900 aircraft.
- DFW flies once a day using the B738.
- Scheduled to operate a monthly total of 264 flights (Arrivals and Departures)

Cumulatively speaking, flights have increased by 68 (931 vs. 863) compared to August 2025, a increase of 7%. The number of available seats has decreased by approximately 1% (76,948 vs. 77,814).

MRY AIRPORT NOISE COMMENT LOG
JULY 2026

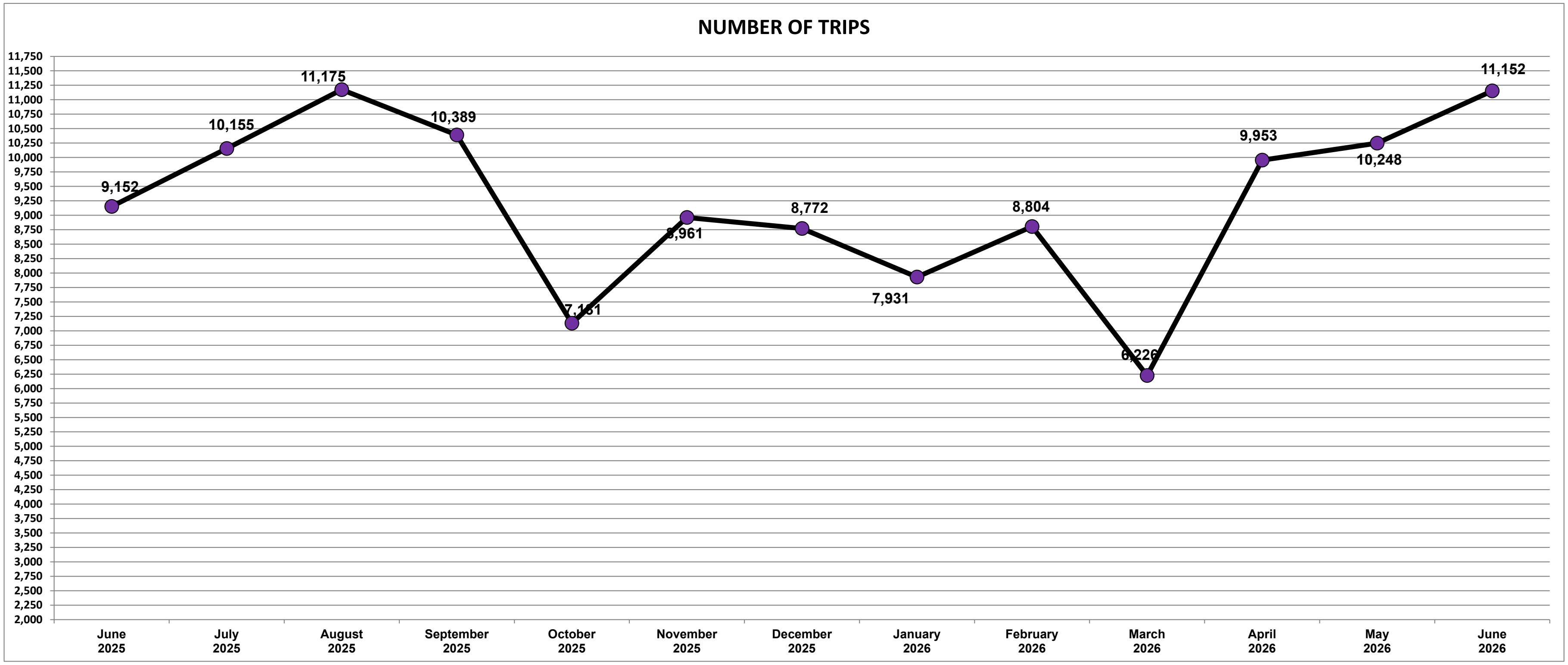
	Initials	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken
AIR OPERATIONS CENTERED AT MONTEREY AIRPORT									
1	CA	Corral Del Tierra	7/2/2026	N/A	N/A	28L ARR	My wife and I live on Corral de Tierra in Salinas. We love the tranquility and have understood that at times aircraft will be flying over our home. What we have noticed in the past 18 months is an increase in quantity but more importantly a higher percentage of the planes are flying at a lower altitude. The flight path takes them directly over our house, 537 Corral de Tierra. I understand there may be alternatives north of 68 which would be greatly appreciated and at the very least monitoring the altitude of the planes.	KC	Explained that no approach keeps aircraft north of Highway 68 and that the FAA, not the Airport, is responsible for aircraft altitudes. Directed him to report his concerns to the FAA.
2	DH	N/A	7/2/2026	N/A	N/A	28L ARR	All day everyday over my house in San Benancio, my patio is black with jet fuel, enough! Stop the noise pollution!!!!!! Enough, the people will sue!	DW	Comments logged
3	BC	San Benancio Canyon	7/2/2026	N/A	N/A	28L ARR	I am writing as a concerned resident regarding the aircraft flight patterns associated with Monterey Regional Airport following the runway extension. Before the runway was extended, our neighborhood experienced occasional flights from small private aircraft that were relatively quiet and infrequent. Since the runway extension, however, the airport has accommodated larger commercial aircraft and private jets. The current arrival patterns appear to direct a significant amount of this traffic over the same (San Benancio Canyon and Highway 68) residential neighborhoods, resulting in a noticeable increase in aircraft noise and disruption throughout the day and evenings. I understand that Monterey Regional Airport plays an important role in serving our community and supporting the local economy. I also recognize that aircraft must follow safe and efficient procedures. However, it seems that one area is bearing a disproportionate share of the noise impacts while other possible flight paths may be available. I respectfully ask the airport to review its current flight patterns and consider whether arrivals can be distributed more equitably among different routes whenever safety, weather, and air traffic conditions allow. Rotating or diversifying flight paths could help reduce the burden placed on any one neighborhood and improve the quality of life for many residents. I would also appreciate information regarding: How current flight paths are determined. Whether alternative routes have been evaluated. What opportunities exist for public input regarding aircraft noise and flight procedures. I hope the airport will consider the concerns of the residents who have experienced this dramatic change since the runway expansion. I believe it is possible to balance the needs of aviation with the quality of life of the surrounding community. Thank you for your time and consideration. I look forward to your response.	KC	Explained that the runway was not extended but shortened in 2015. The Airport, in consultation with the FAA, has explored other approach options; however, due to the surrounding terrain, no other approaches were feasible. The FAA has an ombudsman for public outreach. The Board reviews all noise comments at its monthly meetings, which are open to the public.
4	KH	San Benancio Canyon	7/7/2026	N/A	N/A	28L ARR	I'm writing to complain and request that the airplane noise be reduced over lower San Benancio Road, where I live. Flights seem constant between 6am and midnight. I understand that pilots are supposed to fly north of Highway 68 unless weather conditions prohibit. They are clearly not following those rules	KC	Explained that no approach keeps aircraft north of Highway 68. Weather is only one of several factors that determine which approach is used, including traffic volume, pilot discretion, and air traffic demands. Asked him to use the noise comment form on our website to report future noise concerns.
AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT									
AIR OPERATIONS OF UNKNOWN ORIGIN									

MONTHLY TOTALS and COMPARISONS

	Jul-26	Jul-25	% Change	Other Airport	Unknown Origin
Number of Complaints:	4	17	-76%		
Number of Operations:	4902	5,620	-13%		
			% Change		
Annual Total	31	64	-52%	0	0

13-MONTH ROLLING COMPARISON

Transportation Network Companies (TNCs)



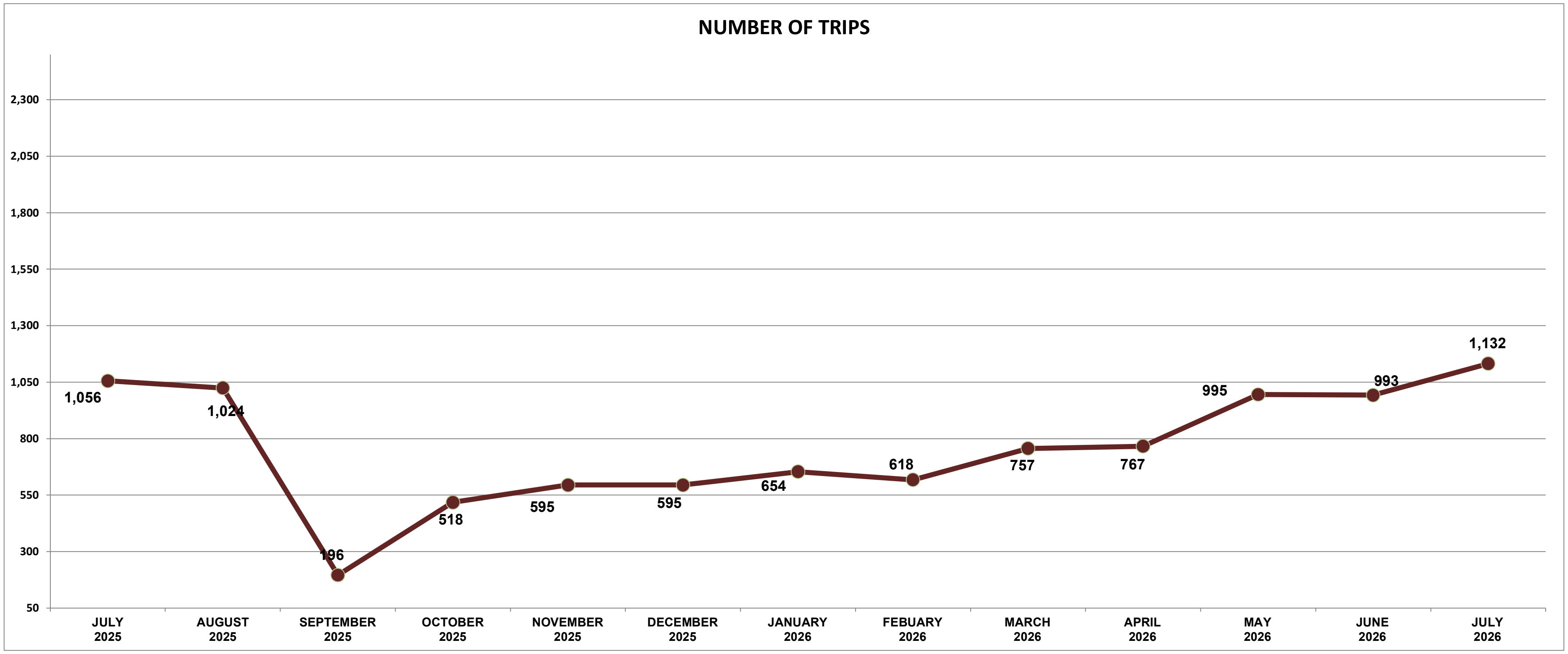
	2025 June	2025 July	2025 August	2025 September	2025 October	2025 November	2025 December	2026 January	2026 February	2026 March	2026 April	2026 May	2026 June
NUMBER OF TRIPS	9,152	10,155	11,175	10,389	7,131	8,961	8,772	7,931	8,804	6,226	9,953	10,248	11,152
NUMBER OF TNCs	2	2	2	2	2	2	2	2	2	2	2	2	2
TNC TRIP FEES	$ 27,456	$ 30,465	$ 33,525	$ 31,167	$ 21,393	$ 26,883	$ 26,316	$ 23,793	$ 26,412	$ 18,678	$ 29,859	$ 30,744	$ 33,456
TNC PAYMENT PENALTIES	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TNC - TOTAL REVENUE	$ 27,456	$ 30,465	$ 33,525	$ 31,167	$ 21,393	$ 26,883	$ 26,316	$ 23,793	$ 26,412	$ 18,678	$ 29,859	$ 30,744	$ 33,456

Cumulative 12-Month Operating Income: $ 332,691

Fiscal Year To Date Operating Income: $ 332,691

13-MONTH ROLLING COMPARISON

Taxis

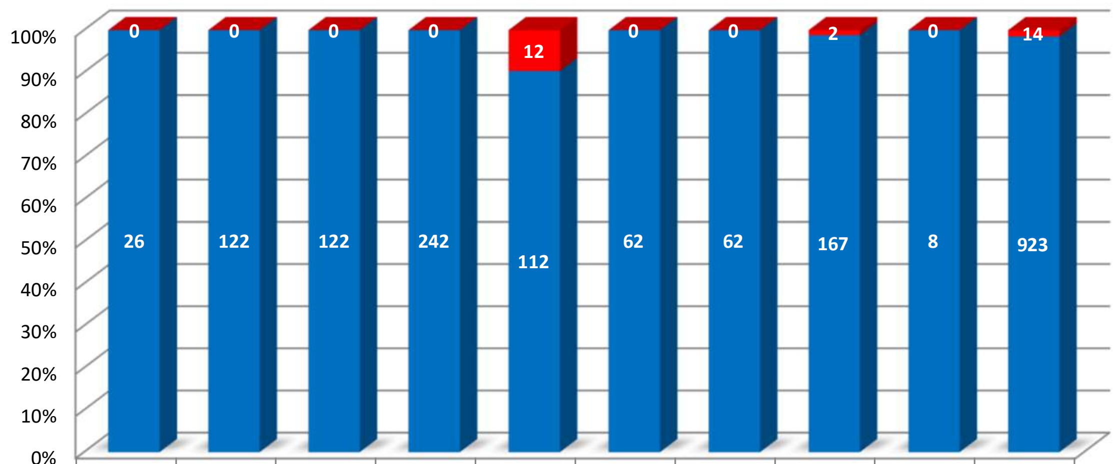


	2025 JULY	2025 AUGUST	2025 SEPTEMBER	2025 OCTOBER	2025 NOVEMBER	2025 DECEMBER	2026 JANUARY	2026 FEBUARY	2026 MARCH	2026 APRIL	2026 MAY	2026 JUNE	2026 JULY
NUMBER OF TRIPS	1,056	1,024	196	518	595	595	654	618	757	767	995	993	1132
PERMITS SOLD	17	1	0	0	0	0	0	0	0	1	1	12	3
TAXI TRIP FEES	$ 3,168	$ 3,072	$ 588	$ 1,554	$ 1,785	$ 1,785	$ 1,962	$ 1,854	$ 2,271	$ 2,301	$ 2,985	$ 2,979	$ 3,396
TAXI PERMIT FEES	$1,700	$100	$0	$0	$0	$0	$0	$0	$0	$100	$100	$1,200	$300
TAXI - TOTAL REVENUE	$ 4,868	$ 3,172	$ 588	$ 1,554	$ 1,785	$ 1,785	$ 1,962	$ 1,854	$ 2,271	$ 2,401	$ 3,085	$ 4,179	$ 3,696
CURB MGMT CONTRACT													
OBD LICENSING	$ 3,004	$ 3,004	$ 3,004	$ 3,004	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,004	$ 3,004	$ 3,004
TAXI - TOTAL EXPENSE	$ 3,004	$ 3,004	$ 3,004	$ 3,004	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,004	$ 3,004	$ 3,004
OPERATING INCOME / (LOSS)	$ 1,864	$ 168	$ (2,416)	$ (1,450)	$ 1,785	$ 1,785	$ 1,962	$ 1,854	$ 2,271	$ 2,401	$ 81	$ 1,175	$ 692
FYTD 2027 (July 2026) OPERATING INCOME / (LOSS)***													$ 692
CUMULATIVE (12-MONTH) OPERATING INCOME / (LOSS)													$ 10,308

***Decline in Taxi trips (Sept.-Jan.) is due to manual reporting. We experienced an outage with our automatic reporting. Software provider suspended fees for months of outage.

JULY 2026

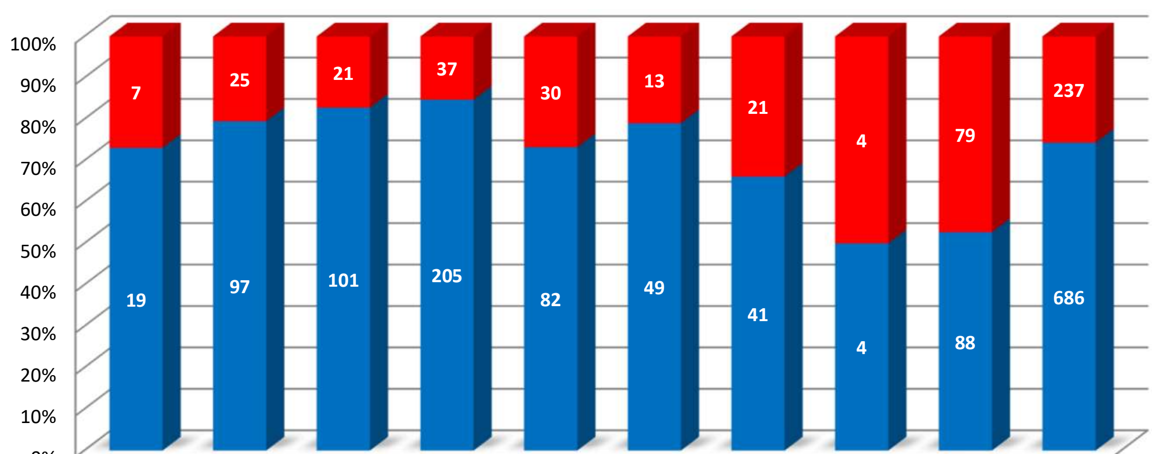
July Commercial Flights
Operated vs. Canceled



	LAS	DEN	LAX	PHX	SAN	DFW	SEA	SFO	ORD	TOTALS
Canceled	0	0	0	0	12	0	0	2	0	14
Operated	26	122	122	242	112	62	62	167	8	923

TOTAL CANCELLATIONS: 14

July Commercial Flights
On Time vs. Delayed



	LAS	DEN	LAX	PHX	SAN	DFW	SEA	ORD	SFO	TOTALS
Delayed	7	25	21	37	30	13	21	4	79	237
On Time	19	97	101	205	82	49	41	4	88	686

TOTAL DELAYED FLIGHTS: 237

Monterey Regional Airport
AUGUST 2026 Flight Schedule

Arrivals						Departures					
Aircraft Type (Seats)	From	Airline	Flight #	Time	Schd.	To	Airline	Flight #	Time	Schd.	Aircraft Type (Seats)
CR2 (50)	SFO	UNITED	5479	10:15AM 11:10 AM	13-31 EX TUE/SAT 1-12 EX 11,19,26	DEN	UNITED	2754 4713	5:00 AM 12:30 PM	DAILY DAILY	738 (166) E175 (76)
E175 (76)	LAX	UNITED	5241	10:40 AM 11:45 AM	26 DAILY EX 19 26	PHX	American Airlines	6375	6:00 AM	DAILY	CR7 (66)
738 (172)	DFW	American Airlines	2879	11:50 AM	DAILY	SAN	Alaska Airlines	3384	6:00 AM	DAILY	E175 (76)
E175 (76)	PHX	American Airlines	3720	12:05 PM	DAILY	LAX	UNITED	2655 1068	7:00 AM 8:00 AM 1:50PM	1-10 11-31 EX 18 18	738 (166)
738 (166)	ORD	UNITED	785	12:49 PM	1,8,15	SFO	UNITED	5502	8:00 AM 8:30 AM	2-10 EX 8 12-31 EX TUE/SAT	CR2 (50)
E175(76) 738(166)	DEN	UNITED	5438 1363	1:10 PM 9:10 PM	DAILY	SFO	UNITED	5557	12:00 PM	DAILY EX TUE	CR2 (50)
E175 (76)	SAN	Alaska Airlines	3346	2:06 PM	DAILY	SFO	UNITED	5502 5752	10:30 AM 2:30 PM	11,18,25 11,18,25	CR2 (50)
CR2 (50)	SFO	UNITED	5920 5738	1:10 PM 2:55 PM	11,18,25 DAILY EX 2,9 TUE	PHX	American Airlines	3347	12:35 PM	DAILY	E175 (76)
CR9 (76)	PHX	American Airlines	4974	3:38 PM	DAILY	DFW	American Airlines	2879	12:35 PM	DAILY	738 (172)
E175 (76)	SEA	Alaska Airlines	2129	5:42 PM	DAILY	LAX	UNITED	5523	2:00 PM	DAILY	E175 (76)
CR7 (66)	PHX	American Airlines	6297	6:25 PM	DAILY	ORD	UNITED	704	2:05 PM	1,8,15	738 (166)
738 (166)	LAX	UNITED	1363	6:00 PM 8:36 PM	11-31 1-10	SAN	Alaska Airlines	3386	3:05 PM	DAILY	E175 (76)
CR2 (50)	SFO	UNITED	5627 5670	5:15 PM 9:50 PM	11-31 8 11-31	SFO	UNITED	5752 4633	3:30 PM 6:45 PM	DAILY EX 2,9,TUE 11-31	CR2 (50)
CR7 (66)	PHX	American Airlines	6374	10:35 PM	THURS 1,3,4	PHX	American Airlines	4974	4:15 PM	DAILY	CR9 (76)
CR2 (50)	SFO	UNITED	5670	11:47 PM	1-6,9,10	SEA	Alaska Airlines	2128	6:20 PM	DAILY	E175 (76)
E175 (76)	SAN	Alaska Airlines	3005	11:59 PM	DAILY	PHX	American Airlines	2104	7:10 PM	THURS 1,3,4	A319 (128)
A319 (156)	LAS	allegiant	69	9:10 PM	MON,FRI EX 21,24,28,31	LAS	allegiant	71	10:00PM	MON,FRI EX 21,24,28,31	A319 (156)

***Flight Schedule is general information and subject to change. Schedules are updated monthly and can change daily.**
Please contact your airline for further information.

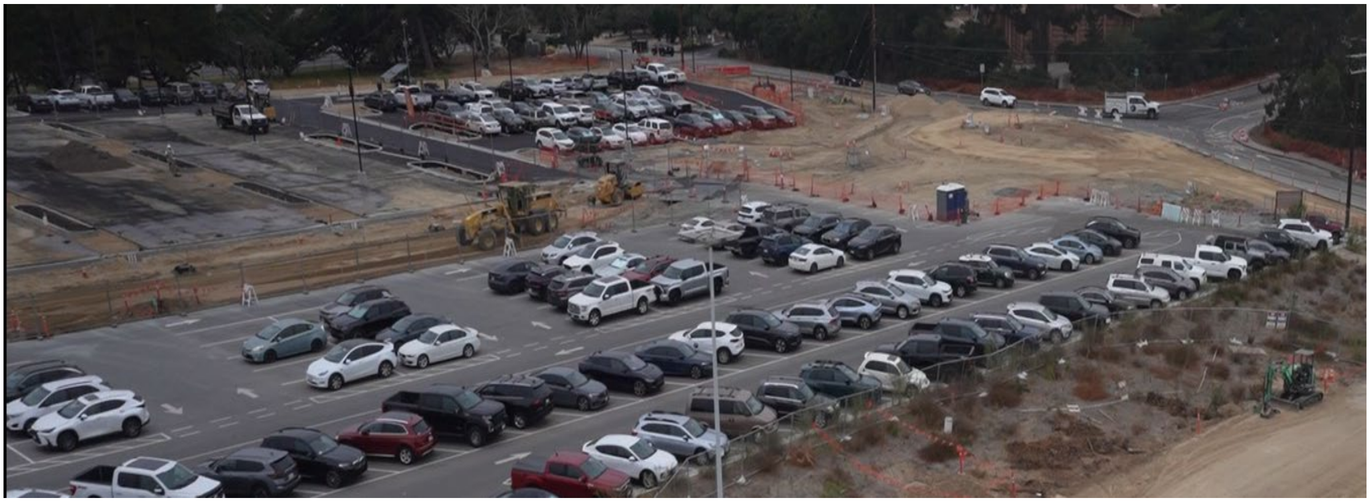
AGENDA ITEM: H-5
DATE: August 27, 2026

TO: Monterey Peninsula Airport District Board of Directors
FROM: Chris Morello, Executive Director
DATE: August 1, 2026
SUBJ: Planning/Marketing and Capital Projects Monthly Report

Attached is the current monthly Project Report for the Planning and Marketing Departments with the following highlights for July 2026:

- CONSTRUCTION UPDATES

Mass Timber installation completed end of July 2026



Phase 2 parking and roundabout began in July 2026

	FUNDING				EXPENDITURES			STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2027 Expenditures to Date	7/31/2026	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
ACTIVE FEDERALLY-FUNDED PROJECTS:											
1	2025-01	86	18-22-C-00-MRY	$18,469,730	$8,778,817	$0	$8,778,817	45%	**SEP Phase D3 Landside cirulation**	The construction costs based on a Guaranteed Maximum Price that was provided by OTTO Construction was approved at the August board meeting. OTTO continues to work with HOK to review the plans and discuss value engineering options.	The second phase of construction has begun and will be open for parking on August 21, 2026. Once all cars vacate the former long term lot, phase 3 will commence. The round about construction will began in July and the first phase of paving will occur at the end of August.
2	2025-08	88	25-26-C-00-MRY	$8,182,929	$2,368,559	($0)	$2,368,559	45%	**SEP Phase D3 Relocated parking**	Otto submitted a GMP for the parking in December.	The second phase of construction has begun and will be open for parking on August 21, 2026. Once all cars vacate the former long term lot, phase 3 will commence. The round about construction will began in July and the first phase of paving will occur at the end of August.
3	2025-09 2025-9A	87-89-90	25-26-C-00-MRY	$106,902,710	$28,953,561	$981,695	$29,935,256	35%	**SEP Phase D2 Replacement Terminal Construction**	The final GMP was completed and all costs have been identified. Footings and foundations, and steel erection was completed by May 29, 2026.	The mass timber installation was completed at the end of July 2026. The contractor has begun on the work to enclose the structure and that should be completed by the end of September.
4	2027-01		25-26-C-00-MRY	$500,000				100%	**TAXIWAY A RELOCATION - DESIGN**		C&S has begun the work on the design.
OUTSIDE FUNDED PROJECTS:											
5	2026-02	N/A	N/A	$9,274,360	$155,126	$109,410	$264,536	10%	**RENTAL CAR READY RETURN LOT EXISTING/FUTURE IMPROVEMENTS**		The preliminary design for this project by Otto Construction has been completed. Airport contract engineers are reviewing the design documents and these will be published for BIDS in September. Staff continue to work with and are communicating with the rental car companies.

	FUNDING				EXPENDITURES			STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2027 Expenditures to Date	7/31/2026	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
DISTRICT ONLY FUNDED PROJECTS											
6	2026-03	N/A	N/A	$995,000	$54,615	$0	$54,615	0%	**SKYPARK DRIVE IMPROVEMENTS**		Engineering has provided plans. We are looking to find a date to begin solicitation that coincides with the optimal time for construction.
7	2026-04	N/A	N/A	$500,000	$33,919	$0	$33,919	0%	**RENTAL CAR SHUTTLE SERVICE**		Staff have purchased the two EV carts and executed the contract with Republic Parking. The shuttle service began on June 15, 2026.
8	2027-02	N/A	N/A	$100,000		$0	$0	0%	**2801 MSH BUILDING C FACADE RESTORATION WORK**		Ausonio will be providing a bid for this façade work and a contract amendment will be brought for BOD consideration to the September meeting.
9	2027-03	N/A	N/A	$100,000	$36,917	$0	$36,917	0%	**ROSENBAUER TURRET REPLACEMENT**		Replacment parts have been ordered.

POLICE
DEL REY OAKS

MONTHLY POLICE ACTIVITY REPORT

July 2026

TO: Executive Director, Chris Morello
FROM: Commander Roger Guzman
DATE: August 5th, 2026
SUBJECT: Police Activity Report for July 2026

The following is a summary of significant activity in the Police Department in July 2026:

Highlights

Del Rey Oaks Police Officers responded to approximately 44 door and gate alarms in July. Daily Sterile Area Prohibited Items Search conducted with TSA Personnel, no discrepancies observed. Daily testing of the Law Enforcement paging system conducted without error. DRO PD Officers conducted the Weekly Duress Alarm testing with TSA Personnel, all test alarms performing as required.

Officers responded to 2 Elevator Alarm during the course of the month.

Officers responded to 2 calls for service for gate malfunctions

Training

Officer Dowson provided updated training regarding MRY OPS. Met with Airport Operations throughout the month to ensure proper Airport protocols were being followed. DRO PD conducted Drivers Training for the AOA, all officers completed Digicast video training.

Calls for Service

1. 07/01/2026 04:05 AM Ofcr Garcia
   Southside: Parking Issue
   Parking citation issued for on Sky Park Dr

2. 07/02/2026 03:11 PM Ofcr Tang
   Southside: Arrest
   DUI in the Stone Creek Parking Lot.

3. 07/03/2026 11:09 AM Ofcr Tang
   Southside: Traffic Control
   Traffic stop on red Volkswagen utility. Verbal warning issued for expired registration at highway 68 and Olmsted.

4. 07/03/2026 01:13 PM Ofcr Tang
   Southside: Traffic Control
   Traffic stop and citation issued to a white Toyota Sienna Van for driver with no license. Stone creek Parking Lot

5. 07/03/2026 03:20 PM Ofcr Tang
   AOA: Vehicle Inspection
   AA vehicle inspection for tug repair.

6. 07/06/2026 01:12 PM Ofcr Dowson
   Northside: Suspicious Vehicle
   Northside businesses/two vehicles contacted along North Rd, doing a “photo shoot” for motorlux vehicle.

7. 07/07/2026 07:51 AM Ofcr Bough
   Southside: Lost Property Report
   Took a phone report from an individual who thinks he left some jewelry in a rental car, but was unable to recover it. He needed a report for his insurance only.

8. 07/07/2026 11:18 AM Ofcr Bough
   AOA: Vehicle Inspection
   Escorted delivery to United Airlines onto AOA by forklift driven by Maintenance.

9. 07/08/2026 08:00 AM Ofcr Bough
   AOA: Vehicle Inspection
   Escorted a tractor trailer rig onto the AOA to pick up a piece of equipment for American Airlines.

10. 07/08/2026 12:42 PM Ofcr Bough/Dowson
    AOA: Medical
    Female passenger, age 48, started feeling sick as her American Eagle airplane taxied away from the gate, headed for Dallas. The plane returned to the gate, and she was checked by fire personnel, then transported by AMR with paramedics.

11. 07/09/2026 11:15 AM Ofcr Garcia
    Northside: Equipment Malfunction
    Hose connection to fire hydrant leaking. Contacted Ecological Concerns on the northern perimeter. The foreman presented proper identification. Notified foreman about the leak.

12. 07/09/2026 02:40 PM Ofcr Garcia
    Terminal: Lost and Found
    Airport Ops located abandoned property by a trash can near the terminal entrance (ticket counter). Property was scanned through TSA and placed in lost and found.

13. 07/09/2026 11:49 PM Ofcr Gomez
    Terminal: Door Alarm
    Gate 2 door forced. Inspected door- was secured. Reviewed video surveillance. Negative forced door.

14. 07/10/2026 10:37 AM Ofcr Garcia
    Terminal: Lost Badge Report
    Airport Ops reported a lost SIDA badge. A report was made (CR26-190)

15. 07/10/2026 11:52 AM Ofcr Garcia
    AOA: Inspection
    Airport Ops requested an inspection of barriers entering the secured area. Barriers inspected.

16. 07/11/2026 03:15 PM Ofcr Garcia

Terminal: Gate Alarm
United employee reported to dispatch that the emergency door at Gate 5 was opened by a child. Spoke with airline employees and a witness. No one walked through, in or out. Door was secured immediately. No alarm alert came through the phone. Airport Ops notified. (FI 1461)

17. 07/11/2026 04:47 PM Ofcr Garcia
TSA: Prohibited Item
TSA supervisor reported a surrendered bullet necklace at the Check Point. I collected the bullet and took photographs of it. (FI 1460)

18. 07/11/2026 07:12 PM Ofcr Garcia
Terminal: Lost and Found
AA reported an individual in distress. Subject was contacted and advised she was not in need of any assistance.

19. 07/13/2026 04:27 AM Ofcr Moore
AOA: FOD
FOD inspection conducted. 2 reflective birthday balloons found in south west safety area of 28R and TWY N.

20. 07/14/2026 03:35 AM Ofcr Moore
AOA: Gate Alarm
Multiple expired card activations at Gates V-6, V-7, V-8, and V-11. Area checked twice over for anyone in the area. No persons located.

21. 07/15/2026 03:18 PM Ofcr Garcia
AOA: Gate Alarm
V-18/P-14L false alarms. Area checked. Airport OPS notified.

22. 07/15/2026 03:29 PM Ofcr Garcia
Terminal: Gate Alarm
P-8 door forced (1519 hours). Reviewed CCTV with Airport Ops. No violations.

23. 07/17/2026 12:14 PM Ofcr Garcia
Terminal: Elevator Alarm
Alm. Co. advised the east terminal elevator had gotten stuck with people inside of it. The subjects got out safely.

24. 07/17/2026 06:15 PM Ofcr Tang
Terminal: Stand-By for Intoxicated Passenger
Alaska Airlines requested a standby for refusal of an intoxicated subject. Subject was rebooked and moved along.

25. 07/18/2026 12:00 PM Ofcr Garcia
Southside: Traffic Control
During the midday rush, traffic control was conducted on the front loading curb. Three (3) separate citations were issued for unattended vehicles on the curb.

26. 07/20/2026 01:10 PM Ofcr Garcia
Southside: Parking Issue
One citation issued for exp. registration (3+ months) in the short term lot.

27. 07/20/2026 05:51 PM Ofcr Garcia

Terminal: Elevator Alarm
9-11 hang up near the east elevator. No signs of distress.

28. 07/22/2026 11:50 PM Ofcr Moore
Terminal: Gate Malfunction
Boarding gate 2 door randomly no securing when closed. Reported by American Airline employees, who stood by for PD response.

29. 07/23/2026 08:00 PM Ofcr Tang
Terminal: Intoxicated
Woody's reported an intoxicated subject refusing to leave the business. Subject was escorted out and subsequently arrested for public intoxication. DRO CASE #26-207

30. 07/25/2026 03:36 PM Ofcr Bough
Terminal: Lost Badge
Badge Holder called me to report that she lost her SIDA badge. She thinks it fell off in the cargo hold of the Chicago flight on United. It was immediately deactivated by OPS and she will contact United in Chicago to have them check for it. It was reported on case number 26–209 Del Rey Oaks PD.

31. 07/26/2026 07:30 AM Ofcr Dowson
Southside: Parking Issue
Parking lots/Front Curb - 3 citations issued.

32. 07/26/2026 03:10 PM Ofcr Dowson
Terminal: Gate Alarm
Responded with Operations to multiple alarms at the baggage claim Ped Door. MPAD Employee presented a badge with a non-expired date. She stated it was fixed yesterday, Saturday 07/25/2026. Badge was not functioning properly. On duty staff was able to correct errors today.

33. 07/27/2026 10:45 AM Ofcr Dowson
AOA: Inspection
Inspection for snack vendor, AA staff took over escort.

34. 07/27/2026 08:21 PM Ofcr O'Neill
AOA: Gate Malfunction
Gate V7 not operating at the mechanical box. Gate manually closed and secured.

35. 07/28/2026 12:21 PM Ofcr Garcia
Southside: Arrest
Non-injury accident at the stop sign below the FAA Tower (2475 Henderson Way). At-fault-party collided into a MST bus and was arrested on scene for active warrants. The suspect vehicle was towed. DRO CR26-214.

36. 07/30/2026 07:45 AM Ofcr Garcia
AOA: Gate Alarm
Multiple alerts for NSSI V-22/IT-Room "invalid card." Airport Ops notified. No issues reported.

37. 07/31/2026 11:28 AM Ofcr Garcia

AOA: Incident on Aircraft
American Airline employee was informed that a passenger on an arriving flight was smoking marijuana on the aircraft. The employee advised they could not pin point the passenger who did. I advised them if they are not sure who did it, we will not able to provide assistance.

38. 07/31/2026 01:13 PM Ofcr Garcia
TSA: Gate Alarm
P-8 gate multiple alert Employee SIDA badge expired. No one at gate. Update: Airport Ops found the subject, a United employee.

End of Report.

Notes from 80th annual SWAAAE summer conference, 7/20-7/21

John Gaglioti attended

7/20/2026

- It's hot
- Gladis Brown - Yuma airport director opened the conference with the Star-Spangled Banner on her sax
- AAAE update on DC efforts – Todd Haupti CEO of AAAE
  - At the start of Q3 no appropriations have been passed into the federal budget this year and are not likely to be so because Congress is solely focused on approving another continuing resolution in December.
  - A key appropriation passed the House but held up in the Senate is the ATC Modernization bill. The sticking points are implementation requirements and use of the data.
    - Senate describes ADS B and instrument solution and needs to be hardwired into aircraft. The House defines it as a protocol that can be flexible and aptly used via devices (society has gotten used to this modality). AAAE supports the House version because reduces cost to implement and its flexibility to grow with changing industry.
    - The House version also allows airports to exact fees from ADS B data and Senate, w/AOPA, are staunchly against that. When the Obama administration initially authorized ADS B 2016 it was adopted through Congress with an explicit restriction for safety uses only. Any commercial use is defined as a "misuse". Big fight.
  - TSA Gold + program has been launched. It allows third party contractors to conduct airport screening – Which we did pre 9/11. There were no details on differences from the past
  - Permanent TSA director to pass senate confirmation David Cummins – hope to bring calm and consistency to agency
- Various Board & Committee appointments were voted on.
- Whitney was acknowledged for her mentorship and encouragement of Erica Ledsma for her award of her CAE. Thank you, Whitney.

State of the Airline Industry: Working in a Dynamic Environment

Panel was made up of two airport staff (ONT and Mesa), an aviation consultant and the West Coast Hubs representative for United Airlines (corporate – Armando Hernadez).

Key takeaways:

- United is prioritizing investments in growth markets and strengthening relationships with target airport (MRY was not mentioned explicitly but described).
- The current and foreseeable (10-15 years) traveler is affluent and seeking premium products and services. United and Delta are aggressively moving to deliver offerings and destinations to capture and build loyalty with those customers. United is placing orders for new aircraft for 2028-2030 delivery (all Starlink equipped).
- ONT and Mesa agree with the industry outlook and trying to adapt their airports to meet premium demand. Mesa is struggling to compete with air service offerings because they've focused on being an Alligent "hub". ULCCs across the industry are consolidating our closing business due to shift in demand. ONT is raving about getting better concessions like Chick-fil-a.

AAM Integration

Many of the same team from LIFT conference; Ravon (Watsonville), AJ Lawson (Marina), Joe Block (Beta), and Tuna Fields (FAA – AAM & UAS integration)

Key takeaways:

- The discussion was much more high level than LIFT summit. The audience was a fraction of the previous session – I read that as interest in the topic.
- I sense SWAAAE is not prepared or looking ahead to support AAM. Joe Block tried to convey some urgency for preparation because the first aircraft will be completing a 10-year certification process by the end of 2027 – the first aircraft will be manned and utilize the existing NAS.
- Rayvon and AJ both listed long lead time tasks that need to be started now, e.g. ALP review, utility infrastructure coordination, stakeholder outreach and buy in, financing.
- Use Case study parameters:
    - Number of current flights within 300 NM or 300 SM (could include destinations from airport)

    - Who are making those fights; customers and providers
    - Identify new and future charging utilization (FedEX and UPS are using electric vans for airport runs)
- CAAMCI (MBEC) airport; Marina, Salinas, Watsonville, Hollister. Can MRY participate?
- Initial AAM air service in CA will be focused on premium traveler (Uber Black). Moving customers between 300 mile, congested or hard to reach destinations, Examples:
    - MRY to Big Sur or Bay Area
    - SOCAL complex
- FAA new parts:
    - EB 105 – vertiport design
    - 108 - Beyond Line Of Sight (BLOS) Drone Operation. Airports are beginning to incorporate drones in their operations.
    - 146 - UTM (Unpiloted Traffic Management) systems integration
- One of the SWAAAE board members suggested the formation of an ad hoc committee to begin prep. I believe this is needed and overdue.

7/21/2026

Joe Block and I made a quick trip to VCV to meet Million Air general manager Gil Thomas. I wanted to see firsthand an initial site walk for a future vertiport. They make the best $1 breakfast burrito in the Mojave Desert.

Airport Construction: Collaboration for Project Success

Very good panel. Senior account manager from Swinerton moderated (very experienced). Senior executives from Redding, Reno, and Palm Springs airports

Key takeaways:

- Redding was a $30M runway rebuilding that required a 30-day shuttering of the airport. Lots of necessary coordination with airlines. Took the advantage of the down time to repave parking lot
- PSP $93M baggage system rebuild. Replaced a 5-year-old system (went from 463 bph to 1307 bph).
- RNO $1B expansion to be completed 2029:
    - Two new concourses
    - Parking structure

    - New administration building
    - New ticket hall
    - Ramp expansion
- Best Practices
    - Weekly 1 hour coordinating meeting
    - All had issues with AS BUILT documentation (RNO broke three water mains)
    - "Sharing is Caring" and creating an environment to safely disclose issues early.
    - Clear disruption response:
        - How to address it
        - How to convey changes to schedule due to disruption
    - Institution of handshake authority (onsite calls) with End Of Day re-documentation.
    - Team integration. RNO and MRY are similar in that much of their staff have only been at one airport and for decades. Town halls on status and future expectation, just for team members, helped temper the natural fear of change.
    - Getting ahead of misinformation is key; team, stakeholders, media, and community.
    - New taxiway naming conventions implemented as much as a year before project start helped transition tower and pilots