

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

July 17, 2024 - 8:00 AM

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

Chair Leffel called to order the Regular Meeting of the Monterey Peninsula Airport District Board of Directors at 8:02 AM. Directors Chorbajian, Gaglioti, Pick and Miller were present. The following staff were present: Executive Director La Pier, District Counsel Huber, Deputy Executive Director Morello, Controller Wilson, and Acting Board Secretary Adams. Controller Wilson attended by videoconference.

B. PLEDGE OF ALLEGIANCE

Chair Leffel led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Executive Director La Pier introduced Mark Curtis, Superintendent of Field Operations, and recognized his team, as well as the team at REEF Parking, for a job well done assisting customers during the transition to the new long term parking lot. The board members echoed his comments.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

E. CONSENT AGENDA - ACTION ITEMS

- | | |
|---------|--|
| Approve | 1. Minutes of the Regular Meeting of the Monterey Peninsula Airport District Board of Directors of June 20, 2024 |
| Approve | 2. Minutes of the Budget & Finance Committee Meeting of the Monterey Peninsula Airport District Board of Directors of July 8, 2024 |

- Approve 3. Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of the Monterey Peninsula Airport District of July 9, 2024
- Approve 4. Minutes of the Airport Property Development & Leases Committee Meeting of the Monterey Peninsula Airport District of July 10, 2024

No Public Comment.

Director Miller motioned to approve Consent Agenda Items E.1 – E.4. Director Pick seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

None.

G. REGULAR AGENDA - ACTION ITEMS

- Adopt 1. Public Hearing on Proposed Issuance by the Monterey Peninsula Airport District of Airport Revenue Obligations and Adoption of Resolution No. 1883, A Resolution Approving Public Hearing Held by the Monterey Peninsula Airport District Relating to Its Airport Revenue Obligations that are Payable from Airport Revenues

Executive Director La Pier introduced Item G.1 stating it is associated with debt related to the replacement terminal. Michael Charlebois from Ballard Spahr, the approved Bond and Disclosure Counsel, joined the meeting by videoconference.

Controller Wilson stated there are certain notices that must be provided to the public prior to any issuance of tax-exempt bonds and that Mr. Charlebois would provide further details and answer any questions.

Mr. Charlebois explained that under Federal law the Internal Revenue Service requires non-profit borrowers that intend to issue tax exempt debt to hold a TEFRA (Tax Equity and Fiscal Responsibility Act) Hearing, which is a public inquiry. He explained this does not approve the debt but does allow up to \$50,000,000 to be approved and issued in the next 12 months. Mr. Charlebois noted the dollar amount is higher than the expected need but provides room for any contingencies.

Chair Leffel opened the Public Hearing at 8:13 AM. She informed the Board that the Finance Committee reviewed this item and supports it.

Controller Wilson explained how the “not to exceed” dollar amount was arrived at, reiterating that it is a conservative number that gives considerable room for any unforeseen circumstances. Mr. Charlebois further explained there are three years to issue debt after this hearing, but the first issuance needs to be within 12 months.

Jean Rasch, a member of the public, asked if the Monterey Peninsula Airport District taxpayer would be liable if bond payments are not timely met. Executive Director La Pier explained that the Monterey Peninsula Airport District collects no taxes and receives no taxes, except for approximately \$135k per year that Monterey County gives the Monterey Peninsula Airport District to cover the cost to hold the election of Board members. The Airport earns revenues through rates and charges and any Airport debt will be paid through revenues generated. If there is a default on the debt, the obligation belongs to the bond buyer. There is no opportunity for the debt to become an obligation of the taxpayer.

Chair Leffel and Controller Wilson explained the difference between a revenue bond and a general taxpayer obligation bond and gave examples of how the Airport earns revenue. Controller Wilson answered questions from Directors regarding tax exempt bonds.

The Public Hearing was closed at 8:29 AM.

Director Pick moved to adopt Resolution No. 1883, A Resolution Approving Public Hearing Held by the Monterey Peninsula Airport District Relating to Its Airport Revenue Obligations that are Payable from Airport Revenues. Director Miller seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1883

A RESOLUTION APPROVING PUBLIC HEARING HELD BY THE MONTEREY PENINSULA AIRPORT DISTRICT RELATING TO ITS AIRPORT REVENUE OBLIGATIONS THAT ARE PAYABLE FROM AIRPORT REVENUES

WHEREAS, the Monterey Peninsula Airport District (the "District") is a public airport district duly organized and existing under the Constitution and laws of the State of California (the "State") for purposes of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, pursuant to the laws of the State of California, particularly the Monterey Peninsula Airport District Act (Chapter 52 of the Statutes of 1941), as amended (the "Act"), the District is authorized to carry out the public purposes described therein and contemplated thereby by issuing revenue notes, bonds or other obligations to provide funds for various airport related purposes; and

WHEREAS, the Board of Directors of the District (the "Board") held a public hearing on July 17, 2024 (the "Public Hearing") regarding the issuance by the District of its airport revenue bonds, lease revenue bonds, a lease-purchase agreement, certificates of participation, TIFIA Loan or other obligations in one or more series pursuant to a plan of finance (the "Obligations") for the purposes of: (i) financing the acquisition, construction, expansion, remodeling, renovation, improvement, furnishing and/or equipping of an approximately 65,000 square foot replacement passenger airport terminal complex at the District's Monterey Regional Airport in Monterey, California, including related roads, parking and circulation elements (collectively, the "Project"); (ii) funding necessary reserves, if any; (iii) funding capitalized interest, if any; and (iv) paying costs of issuance of the Obligations; and

WHEREAS, the District anticipates issuing and selling Obligations in an aggregate principal amount not to exceed \$50,000,000; and

WHEREAS, pursuant to the requirements of Section 147(f) of the Code with respect to the Obligations, a public notice of the Public Hearing was posted on the District's website on July 9, 2024, which date was no fewer than seven (7) days prior to the July 17, 2024 Public Hearing as required by Section 147(f) of the Code; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, MONTEREY COUNTY, CALIFORNIA, AS FOLLOWS:

Section 1. The Board hereby (i) approves the Public Hearing and (ii) as the elected legislative body of the District, solely to comply with the requirements of Section 147(f) of the Code, in order for the District to issue the Obligations as tax-exempt obligations, approve the issuance of the Obligations to finance costs set forth above in the recitals of this resolution, including the Project.

Section 2. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 17th day of July 2024 by the following roll call vote:

AYES: DIRECTORS: Chorbajian, Gaglioti, Pick, Miller, Leffel
NOES: DIRECTORS: None
ABSTAIN: DIRECTORS: None
ABSENT: DIRECTORS: None

Approve 2. Contract Extension to the Parking Operations Agreement for Operation at the Monterey Regional Airport

There was no Public Comment.

Executive Director La Pier answered Directors' questions about the possibility of managing parking in-house once the replacement terminal project is complete. District Counsel Huber answered a question regarding the contract remedies for non-performance of the current agreement.

Executive Director La Pier provided an overview of operational protocols and procedures that have been put in place to mitigate the inconvenience to customers if wi-fi issues cause a temporary malfunction of the exit gates.

Director Miller motioned to approve the contract extension to the Parking Operations Agreement for Operation at the Monterey Regional Airport. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

Adopt 3. Resolution No. 1884, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and Monterey Environmental Solutions and Services

Executive Director La Pier introduced Brian Roth, Project Manager, who gave an overview of the additional hazard abatement needed at 2801 Monterey Salinas Highway, Building C.

There was no Public Comment.

Director Pick reported Resolution No. 1884 was reviewed by the Lease Committee and they support it.

Director Gaglioti reported Resolution No. 1884 was reviewed by the Finance Committee and they support it.

There were no questions.

Director Pick motioned to adopt Resolution No. 1884, A Resolution Authorizing and Approving the Service Agreement between the Monterey Peninsula Airport District and Monterey Environmental Solutions and Services. Director Gaglioti seconded. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1884

A RESOLUTION AUTHORIZING AND APPROVING THE SERVICE AGREEMENT BETWEEN THE MONTEREY PENINSULA AIRPORT DISTRICT AND MONTEREY ENVIRONMENTAL SOLUTIONS AND SERVICES

WHEREAS, the Monterey Peninsula Airport District (MPAD) owns and operates the Monterey Regional Airport; and

WHEREAS, MPAD purchased the property of 2801 Monterey Salinas Highway on July 3, 2019 and upon purchase Building C was vacant; and

WHEREAS, Building C of 2801 Monterey Salinas Highway is known to contain Hazardous Materials; and

WHEREAS, the removal of hazardous materials must be performed by a contractor certified by the California Contractors' State License Board to conduct asbestos-related work and registered with the California Division of Occupational Safety and Health (DOSH) to perform abatement-related work; and

WHEREAS, contractors must be compliant with the requirements of the California Occupational Safety and Health (Cal/OSHA) for Asbestos (Title 8 CCR 1529) and Lead (Title 8 CCR 1532.1) during construction activities; and

WHEREAS, other State and Federal regulation and policy requirements must be met when dealing with the handling and disposal of hazardous materials.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That MPAD contract with the firm Monterey Environmental Solutions and Services for a total amount not-to-exceed \$61,160.00 and the Executive Director, or his designee, is authorized and directed, for and on behalf of the District, to execute all documents necessary to comply with all regulations and controls for phase two of the additional abatement of 2801 Monterey Salinas Highway Building C, including agreements and any amendments thereto. Such agreements and amendments executed by the Executive Director are hereby approved, as though set forth in full.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 17th day of July 2024 by the following roll call vote:

AYES:	DIRECTORS: Chorbajian, Gaglioti, Pick, Miller, Leffel
NOES:	DIRECTORS: None
ABSTAIN:	DIRECTORS: None
ABSENT:	DIRECTORS: None

Approve 4. Amendment #2 to the Professional Services Agreement with C&S Engineers Inc. to Provide Design Support Services for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase B2 Commercial Apron Envision Certification

Deputy Executive Director Morello introduced Item G.4 and explained the amendment to the Professional Services Agreement with C&S Engineers, Inc. is for documentation, reports, and administration services related to the pursuit of Envision Silver sustainability certification for the Commercial Apron Project.

There was no Public Comment.

Director Pick motioned to approve Amendment #2 to the Professional Services Agreement with C&S Engineers Inc. to Provide Design Support Services for the Safety Enhancement Program (SEP) Taxiway A Relocation – Phase B2 Commercial Apron Envision Certification. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

A break was taken from 8:58 AM – 9:01 AM.

Approve 5. Responses to Grand Jury Report

District Counsel Huber reported there are two separate draft responses provided. One refers to the Grand Jury report entitled “Monterey Fire Department: Overdue for Overhaul” and portions of that report relate to the Airport because of the contract for fire services at the Airport with the City of Monterey. The second report related to the Airport is entitled “Monterey Regional Airport: Understanding Noise”.

Directors considered the response letter relating to the Fire Services first.

There were no Public Comments.

Director Chorbajian made a motion to approve the Monterey Peninsula Airport District’s Response to 2023-2024 Monterey County Civil Grand Jury Report – “Monterey Fire Department: Overdue for Overhaul”. Director Pick seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

District Counsel Huber gave a detailed report on the history of rules and regulations related to noise curfews and abatement procedures at United States airports, the obsolescence of some of the noise ratings, and the authority of the Federal Aviation Administration (FAA) in regulating aircraft.

District Counsel Huber referred to the Monterey County Civil Grand Jury recommendations related to communication and stated the Air Carrier Service – Marketing – Community Relations Committee meets every month, is a “noticed” meeting subject to the Brown Act and is open to the public. The response indicates the Airport will utilize this as a vehicle to engage with the public about noise.

Uwe Grobecker, as Chair of the Monterey Fly Safe Coalition, made a Public Comment. He read a statement that urged the Airport to consider a citizen’s committee to collaborate on recommendations to the board and to table this item to a future date.

Joyce Hofferan, a member of the public, referred to comments she made during the last regular board meeting and urged the board to consider a separate committee to receive community input for noise-related issues.

Ken Underwood, a member of the public, commented on the desire to have a citizens committee, so that recommendations can be formulated and sent to the FAA.

Directors considered the response letter related to airport noise. It was noted the draft letter would be amended to correct the date and it was agreed that the letter would also reference the full name of the

Air Carrier Service – Marketing – Community Relations Committee, instead of just “Air Service Committee”.

Carol Chorbajian motioned to approve the Monterey Peninsula Airport District’s Response to 2023-2024 Monterey County Civil Grand Jury Report – “Monterey Regional Airport: Understanding Noise” with the amendments noted above. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

Approve 6. Response to Fly Safe Coalition

District Counsel Huber distributed a draft response letter to the Fly Safe Coalition to Board members and members of the public that were in the boardroom.

District Counsel Huber recounted the many voluntary procedures that have been recommended to pilots and the FAA by the Monterey Regional Airport (MRY) regarding noise abatement. He referred to the “MRY 5” departure procedure that was approved by the FAA and noted that it usually happens, but the Airport has no authority to mandate it. District Counsel Huber reported on his research regarding the use of the MRY5 departure procedure and the noise ratings of flights by the aircraft tail number.

Howard Fosler, a member of the public, made Public Comments that differed from Counsel Huber’s research.

Joyce Hoffman, a member of the public, distributed printed screen shots of flights that did not utilize the MRY5 departure. District Counsel Huber asked for more details on the dates of the screen shots distributed so additional research could occur.

Uwe Grobecker, Chair of the Monterey Fly Safe Coalition, thanked the board for their formal response.

District Counsel Huber and Executive Director La Pier answered questions from Directors.

Director Pick motioned to approve the response to the Fly Safe Coalition. Director Gaglioti seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

A break was taken from 10:40 AM – 10:50 AM.

H. BOARD REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

- a. The Board receives Department Reports which do not require any action by the board.
- b. Board Member questions (if any) for Standing Committees.
- c. Ad-Hoc Committee Reports:
 - i. Local Jurisdiction Liaison Director Leffel & Miller
- d. Liaison/Representatives Reports:
 - i. Local Agency Formation Commission Director Leffel
 - ii. Regional Taxi Authority Director Pick
 - iii. Transportation Agency for Monterey County Director Miller
 - iv. Special Districts Association Liaison Director Gaglioti
 - v. Association of Monterey Bay Area Governments Director Leffel

- e. Board Member reports for conferences and events approved to attend at Monterey Peninsula Airport District expense (per AB 1234 and the Director Remuneration & Business Expense Reimbursement Policy).

No Public Comment.

No questions for Standing Committees.

Chair Leffel reported on her attendance at the Oak Grove neighborhood association meeting.

Chair Leffel gave a report on the LAFCO meeting.

Director Pick reported on the annual Regional Taxi Authority meeting.

Director Miller reported on the recent TAMC meeting.

Director Gaglioti reported on the Special Districts Association meeting.

Chair Leffel reported the July AMBAG meeting is tonight.

I. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- Consider Actions Necessary for the Board of Director Meeting Stipend to Remain Stable in FY 2025

J. DISCUSSION OF FUTURE AGENDAS

- Property De-annexation Update

K. ADJOURNMENT

The meeting adjourned at 11:25 AM.

Approved at the
Meeting of August 21, 2024



Mary Ann Leffel, Chair

ATTEST



Michael La Pier
District Secretary