

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

February 17, 2021 - 9:00 AM

SPECIAL AND URGENT NOTICE ELIMINATING IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

Due to the directives contained in the Governor's Declarations of Emergency for the State of California (Executive Orders N-25-20 and N-29-20), and the Governor's and County Public Health Officer's recent order related to public assemblies, the Board of Directors of the Monterey Peninsula Airport District is required to limit in-person attendance at the upcoming Board meeting. Members of the public may utilize alternative measures established by the Monterey Peninsula Airport District to listen to Board meeting and/or to communicate your opinions to the Board Members.

To participate in the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: 831 5980 6844. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID. Members of the public who wish to provide comment on an item on the agenda may do so during the meeting prior to the item being considered by the Board, as outlined below.

REMOTE PUBLIC COMMENTS To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. Include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments must be received by 8:00 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. The written comments will be read aloud into the record by District Counsel.
2. During the Meeting via Oral Comments: 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.

A. CALL TO ORDER/ROLL CALL

Chair Cursio called to order the Regular Meeting of the Board of Directors at 9:01 AM. Directors Leffel, Miller, Sabo and Sawhney were present. The following District Officers were present: Executive Director La Pier, District Counsel Huber, Acting District Secretary Auker, Deputy Executive Director Bergholz and Deputy Director Morello.

B. PLEDGE OF ALLEGIANCE

Chair Cursio requested a moment of silence in observance of the lives lost during the COVID-19 pandemic, in lieu of the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Director Sabo stated that he read about an additional two billion dollars of federal grant funding being made available to airports, for support due to the effects of the COVID-19 pandemic.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

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 January 20, 2021
- Approve 2. Minutes of the Committee Meeting of the Air Carrier Service, Marketing and Community Relations Committee of February 9, 2021
- Approve 3. Minutes of the Committee Meeting of the Airport Property Development and Leases Committee of February 9, 2021
- Approve 4. Minutes of the Committee Meeting of the Budget and Finance Committee of February 10, 2021

Director Sabo requested to pull Consent Agenda Item E.2.

Director Leffel moved to approve Items E.1, E.3 and E.4. Director Miller seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

Director Sabo requested that the following be added to the Minutes of the Air Carrier Service, Marketing and Community Relations Committee of February 9, 2021 (Item E.2):

“Due to scheduling constraints limiting the meeting time was the Committee was unable to discuss Passenger Comments, the status of passenger services/amenities in addition to possible modifications to future Committee Agendas.”

Director Leffel moved to approve Item E.2, with Director Sabo’s addition. Director Sawhney seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

G. REGULAR AGENDA - ACTION ITEMS

- Adopt 1. Resolution No. 1793, A Resolution of the Monterey Peninsula Airport District Amending Resolution Nos. 1774 and 1775, Related to CARES Act Relief for Tier 1 and Tier 2 Airport Tenants

Deputy Director Bergholz presented Item G.1. He began by reviewing the tenant rent abatements that had been approved previously. He reviewed TSA traveler throughput (2019 vs. 2020) and also reviewed the traveler throughput for only MRY (2019 vs. 2020). He then reviewed the proposed tenant rent abatements for March 2021 through May 2021.

Executive Director La Pier outlined the proposed tenant rent abatements.

No public comments.

The Board discussed Item G.1.

Directors Leffel and Sawhney stated that the proposed Resolution No. 1793 was reviewed extensively by Finance Committee and they recommend adoption by the Board.

Director Leffel moved to adopt Resolution No. 1793. Director Miller seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1793

**A RESOLUTION OF THE MONTEREY PENINSULA AIRPORT DISTRICT AMENDING
RESOLUTION NOS. 1774 AND 1775, RELATED TO CARES ACT RELIEF FOR TIER 1 AND TIER
2 AIRPORT TENANTS**

WHEREAS, the Monterey Peninsula Airport District operates the Monterey Regional Airport to provide aviation and transportation services to the general public; and

WHEREAS, on March 17, 2020, the County Public Health Officer issued a shelter in place order which defined certain activities as “essential businesses” and which required restaurants to cease and desist all dine-in restaurant services; and

WHEREAS, on March 21, 2020, the President issued a Federal Declaration of Emergency due to the Coronavirus (COVID-19) pandemic; and

WHEREAS, On March 27, 2020, the Congress passed the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”) and the President signed the CARES Act into law. The CARES Act provides grants for airports with commercial airline service, among other forms of relief for small businesses, which enables airports to postpone and abate rent for aviation related tenants in some circumstances; and

WHEREAS, On April 15, 2020, the Board of Directors approved Resolution No. 1772, which authorized the Airport to receive designated funds from the CARES Act for utilization by the Airport pursuant to FAA authorized purposes; and

WHEREAS, On April 4, 2020, the FAA released an informational document titled *Information for Airport Sponsors Considering COVID-19 Restrictions or Accommodations*, which specifically addresses the potential for rent postponement and abatement for aviation-related users at commercial airports; and

WHEREAS, based upon the FAA guidance, the abatement of certain rent is appropriate for Tier 1 and Tier 2 Airport tenants, which are those tenants who provide services directly to commercial airport customers, including airlines, rental car companies, air terminal tenants, and restaurant/gift shop tenants; and

WHEREAS, on May 13, 2020 the Board of Directors approved Resolution No. 1774 for rent abatements to Tier 1 Aviation Related Tenants from May 1, 2020 through October 31, 2020 and for restaurant related Tier 1 tenants, the rent abatement eligibility from April 1, 2020 through October 31, 2020, based upon current economic conditions; and

WHEREAS, on May 28, 2020 the Board of Directors approved Resolution No. 1775 for rent abatements to Tier 2 FBO Tenants from May 1, 2020 through October 31, 2020; and

WHEREAS, on October 14, 2020 the Board of Directors approved an extension of rent abatements for Tier 1 and Tier 2 Tenants beginning November 1, 2020 and ending February 28, 2021 with some modifications.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT that the Executive Director, or a designee, is authorized to abate rent for Tier 1 and Tier 2 aviation related tenants from March 1, 2021 through May 31, 2021. In the event that the economic conditions materially improve, the Executive Director is authorized to discontinue prior to May 31, 2021 the abatement of rent.

ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 17th day of May 2021 by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Miller, Sabo, Sawhney, Chair Cursio
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Adopt 2. Resolution No. 1794, A Resolution Authorizing and Approving an Amendment to Resolution No. 1777, the Fiscal Year 2021 Salary Schedule, Listing Salary Ranges for the Monterey Peninsula Airport District

Executive Director La Pier presented Item G.2. He stated that the proposed resolution would approve the salary schedule that reflects the addition of the Superintendent of Field Operations position that was approved by the Board at the January meeting.

No public comments.

The Board discussed Item G.2.

Director Leffel stated that the proposed Resolution No. 1794 was reviewed by Finance Committee and they recommend adoption by the Board. She added clarification on the "Operating Budget/Fiscal Impact" section of the staff report, noting that in the future she would like for that section to include a more inclusive dollar amount for the full scope of the fiscal impact.

Director Leffel moved to adopt Resolution No. 1794. Director Sabo seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1794

A RESOLUTION AUTHORIZING AND APPROVING AN AMENDMENT TO RESOLUTION NO. 1777, THE FISCAL YEAR 2021 SALARY SCHEDULE, LISTING SALARY RANGES FOR THE MONTEREY PENINSULA AIRPORT DISTRICT

WHEREAS, the Monterey Peninsula Airport District approved the addition of the Superintendent of Field Operations position on December 16, 2020; and

WHEREAS, the District wishes to Amend FY 2021 Salary Schedule to reflect the salary range commensurate with the Superintendent of Field Operations position.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That the compensation of all employees of the Monterey Peninsula Airport District as set forth and prescribed in the Amended 2021 Salary Schedule, Listing Salary Ranges is hereby approved and adopted. A copy of said schedule is attached hereto and made a part of by reference as though the same were set forth in full herein.

AND BE IT FURTHER RESOLVED: That there be filed in the office of said District, said Salary Schedule in accordance with and designated "Monterey Peninsula Airport District Fiscal Year 2021 Salary Schedule" listing salary ranges.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 17th day of February 2021 by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Miller, Sabo, Sawhney, Chair Cursio
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Adopt 3. Resolution No. 1795, A Resolution Amending Resolution No. 1778 and Approving the Amended Operating Budget of the Monterey Peninsula Airport District for Fiscal Year Ending 2021

Executive Director La Pier introduced Item G.3 and Deputy Director Bergholz presented. He outlined the major changes of the budget, which were categorized as: tenant rent abatements, marketing expenses, SWRCB (PFAS) analysis project, and staff changes.

No public comments.

The Board discussed Item G.3.

Directors Leffel and Sawhney stated that the proposed Resolution No. 1795 was reviewed by Finance Committee and they recommend adoption by the Board.

Director Sawhney moved to adopt Resolution No. 1795. Director Miller seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1795

A RESOLUTION AMENDING RESOLUTION NO. 1778 AND APPROVING THE AMENDED OPERATING BUDGET OF THE MONTEREY PENINSULA AIRPORT DISTRICT FOR FISCAL YEAR ENDING 2021

WHEREAS, Executive Staff recommends the FY21 Operating Budget be amended to reflect material financial changes in District expected operations; and

WHEREAS, it is the desire of the Board of Directors to amend the "Fiscal Year 2021 Operating Budget" and include expected changes in revenues and expenditures identified since the approval of Resolution No. 1778; and

WHEREAS, the revenues and expenditures of the District for the Fiscal Year 2021 are hereby appropriated as set forth and segregated in the amended Operating Budget; and

WHEREAS, all amended operating expenditures for the Fiscal Year 2021 as set forth in the District Amended Operating Budget shall be payable in such time, form and manner as is prescribed by the Monterey Peninsula Airport District Act and by Resolution No. 1424, a Resolution Establishing Fiscal Control Policies and Procedures for the Monterey Peninsula Airport District; and

WHEREAS, all debt service expenditures, interest and principal, for the Fiscal Year 2021 are identified and shall be payable in such time, form and manner as prescribed by contract or covenant, are hereby approved.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, that the Fiscal Year 2021 District Operating Budget is changed from a loss of \$2,744,444 to a loss of \$2,158,812 effective immediately.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 17th day of February 2021 by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Miller, Sabo, Sawhney, Chair Cursio
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Review 4. 2801 Monterey Salinas Highway Properties Acquisition

Deputy Director Bergholz presented Item G.4, giving a general information update on the 2801 Monterey Salinas Highway properties acquisition, as requested by Director Leffel. He reviewed a breakdown of the current tenants and the revenues and expenses associated with the properties.

No public comments.

The Board discussed Item G.4.

H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

Report on meetings attended by Board Members at Monterey Peninsula Airport District's expense - AB1234.

The board receives department reports which do not require any action by the board.

a. Standing Committees:

Discussions limited to 3 minutes on matters not covered in committee minutes.

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| i. Budget and Finance | Directors Leffel & Sawhney |
| ii. Air Service, Marketing, Community Relations | Directors Cursio & Sabo |
| iii. Airport Property Development and Leases | Directors Cursio & Miller |

b. Ad-Hoc Committees:

Discussions limited to 3 minutes.

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| i. Local Jurisdiction Liaison | Directors Leffel & Miller |
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c. Liaison/Representatives:

Discussions limited to 3 minutes.

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|---|-----------------|--------------|
| i. Local Agency Formation Commission | Director Leffel | Alt: Sawhney |
| ii. Regional Taxi Authority | Director Leffel | Alt: Sawhney |
| iii. Transportation Agency for Monterey County | Director Sabo | Alt: Cursio |
| iv. Special Districts Association Liaison | Director Miller | Alt: Leffel |
| v. Association of Monterey Bay Area Governments | E.D. La Pier | Alt: Sabo |

A break was taken from 11:07 AM until 11:12 AM.

I. CLOSED SESSION

The Board entered into Closed Session at 11:12 AM.

1. **EXISTING LITIGATION** [Government Code section 54956.9(a)]. The Board will meet with the Executive Director and District Counsel to discuss existing litigation: City of Monterey v. Monterey Peninsula Airport District, et al., Monterey County Superior Court, Case No. 20CV002445.
2. **POTENTIAL LITIGATION** [Government Code section 54956.9(d)(4)]. The Board will meet with the Executive Director and District Counsel to discuss potential initiation of litigation – two cases.

J. RECONVENE TO OPEN SESSION

The Board returned to Open Session at 11:59 AM.

Chair Cursio stated that no reportable action was taken during Closed Session.

K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

Executive Director La Pier stated that a special meeting of the Board was scheduled for the following week to discuss the terminal financing analysis.

Director Sabo requested that the Board receive the slides for the financial analysis presentation ahead of the meeting date.

L. DISCUSSION OF FUTURE AGENDAS

None.

M. ADJOURNMENT

The meeting adjourned at 12:02 PM.

Minutes Approved at the
Meeting of March 17, 2021



Gary Cursio, Chair

ATTEST

A handwritten signature in black ink, appearing to read "m. la pier". The signature is stylized with a long horizontal stroke at the beginning and a distinct "L" shape.

Michael La Pier, AAE
District Secretary