

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

March 10, 2023 – 10:00 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD AND COMMITTEE MEETINGS

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 Board Meeting in person and request to speak to the Board when the Chair calls for public comment. In general, remote comments will not be allowed, except as outlined in the limited circumstances 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: **819 1131 8005**. The password for this meeting is: **20220310**. If you do not have access to the internet, you may listen telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

In the event that a Board Member utilizes the procedure outlined in AB 2449 to attend a meeting, only then will remote public comments be allowed. Under those circumstances, 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 who desire to make a public comment 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 Board for consideration and will be compiled as part of the record.

A. CALL TO ORDER

The meeting of the Airport Property Development & Leases Committee Meeting was called to order at 10:30 AM. Director Sawhney, Director Miller, Executive Director La Pier, District Counsel Huber, Controller Wilson, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. Leasing Activity Review

Executive Director La Pier stated the Car Rental Agreement will come back to the Board. He gave an update on the changes requested by rental car companies to date. They include a reduction in the minimum guarantee in the event of a severe downturn in our passenger traffic, a change to the amount of the violations penalty from \$1,000 to \$500, and the hours of operation starting with first arrival instead of first departure. They all have key drops now for departures; that is pretty standard in the industry.

Director Miller asked if the Hertz Group agreement would be different than Enterprise's. Executive Director La Pier answered the Hertz agreement will be one brand. The Avis agreement will cover their Budget brand, and the Enterprise agreement will cover their National and Alamo brands. It will be an

equal and consistent agreement but there will be slight language changes to accommodate the multiple brands, each with their own Minimum Guarantee.

Director Sawhney asked who was authoring the changes. Executive Director answered District Counsel Huber took their comments and is drafting modifications to the document.

No Public Comment.

Executive Director La Pier gave an update on the Hangar Project. Director Sawhney expressed her desire for written updates in the future. Director Miller did not agree that was necessary since nothing in these committee updates require committee action.

Controller Wilson gave a recap on the hangar loan. He stated the loan amount, term, and the rate are all the same as previously approved. The only item not previously discussed was that they will require a reserve of the equivalent of one year Principal and Interest (P&I). The agreement went to District Counsel Huber, and he has approved it.

Director Miller asked if the hangar project was still on track for completion by October. Executive Director La Pier answered it will be a challenge.

District Counsel Huber updated the committee on some complaints he received about non-aviation use of hangars and stated he is following up. Director Sawhney asked how someone would go about filing a complaint. District Counsel Huber stated they can give us the information however they want: email, mail, phone, come into the office, or fill out an online message to info@montereyairport.com from the website.

Director Sawhney asked if Executive Director La Pier had a meeting with the hangar tenants. Executive Director La Pier answered yes and there was a sharing of information and a suggestion that is being looked into.

Director Sawhney asked why our current rates are so much less than the local rent analysis done in 2021. Executive Director La Pier answered the Board of Directors wanted to support General Aviation to the best of our ability. So, we did not increase with market rates. Director Miller added some of the hangars weren't in the best of shape either.

For the benefit of Director Sawhney, who had been absent from the meeting where it was authorized, there was a recap of the major points of the hangar project.

Matt Pasztalaniec, a member of the public and an Airport hangar tenant, commented the rules for non-aviation use of hangars are very clear that it is only allowed when there is no aviation need. There is a wait list for hangars, so there is a need. He is aware there are three hangars filled with cars and some others with fire trucks in them. District Counsel Huber asked that Mr. Pasztalaniec give him the specifics so we can inspect immediately. Mr. Pasztalaniec reported there are 6-8 hangar tenants that are coming to the regular board meeting to make comments. District Counsel Huber gave Mr. Pasztalaniec his email so he could send him details of the non-aviation use he has observed.

There was a discussion about the annual hangar inspection process and the fact that we have the right to immediately inspect when we get a complaint and to cancel a commercial lease if we need the hangar for aviation use. Director Sawhney asked how many hangars on Airport property. Executive Director La Pier gave approximate numbers noting NSSI and Del Monte Aviation own and manage some of them.

Review 2. Car Rental Agreement Update

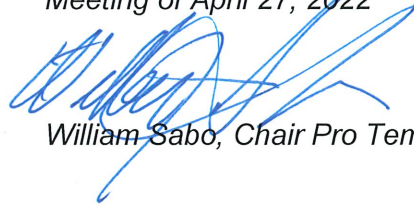
This item was reviewed prior to Item 1.

There was a discussion about scheduling a standard day and time for the Lease Committee meetings in 2023. It was determined the second Wednesday of the month at 10:00 AM for two hours would be calendared.

E. ADJOURNMENT

The meeting adjourned at 12:15 PM.

Approved at the
Meeting of April 27, 2022



William Sabo, Chair Pro Tem

ATTEST



Michael La Pier, AAE
District Secretary