

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

June 2, 2022 – 10:00 AM

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

Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Should the Board implement the measures outlined in AB 361, members of the public may participate in the Board meeting via Zoom video conference. Please visit www.zoom.us/join and enter the following Meeting ID: **824 2789 0370**. 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 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.
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.

Public comments may also be made in person. 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.

A. CALL TO ORDER/ROLL CALL

Chair Miller called to order the Special Meeting of the Monterey Peninsula Airport District Board of Directors at 10:02 AM. Directors Sawhney, Leffel, Sabo and Pick were present. Director Sawhney and Director Pick attended via Zoom videoconference. The following staff were present: Executive Director La Pier, District Counsel Huber, Acting District Secretary Adams, Deputy Executive Director Bergholz, and Deputy Director Morello. District Counsel Huber participated by Zoom videoconference.

B. PLEDGE OF ALLEGIANCE

Director Sabo led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Chair Miller announced one Director has a hard stop at 3:30 PM.

Chair Miller asked for concurrence to appoint Director Pick to the Air Service Committee. All Directors concurred.

There was no Public Comment.

D. REGULAR AGENDA - ACTION ITEMS

Presentation 1. Plan of Finance for Safety Enhancement Program (SEP) by Brian Galluci, PFM

Executive Director La Pier reviewed the key components of yesterday's SEP Plan of Finance Workshop and stated today would concentrate on the finance side. He introduced Brian Galluci, with PFM who stated the objective is to have a viable plan of finance using conservative assumptions.

Mr. Galluci reviewed the key assumptions. He reviewed the district's cash position as well as it's assets in long term leases, which Executive Director La Pier noted had CPI increases included.

Directors discussed some of the assumptions including the cost of the terminal building stated in the presentation. Executive Director La Pier stated that number is a product of assumptions and is not refined; there will be more detail and a more definitive number in the future. Mr. Galluci stated this is an exercise to determine if a new terminal building is feasible with committed funds from the FAA, and assumptions about additional funding over the next five years.

Mr. Galluci reviewed the strength of the financial position and key market and operational credit considerations. He stated the determination was that with the FAA committed funds the project is feasible.

Chair Miller announced a break for lunch at 12:30 PM.

Chair Miller reconvened the meeting at 1:15 PM.

Presentation 2. Review Rates and Charges Model by Matthew Ruffra and Dan Benzon, Landrum & Brown

Executive Director La Pier introduced Matthew Ruffra and Dan Benzon, with Landrum & Brown, who stated the laws relating to rates and charges for airports are unique. They reviewed the assumptions for growth and the premise for non-airline revenue, noting more than half of our revenue is not dependent on enplanements or customer facility charges.

Mr. Ruffra and Mr. Benzon reviewed alternate methodologies for calculating rates and charges and their recommendations regarding smoothing out any potential increases. Executive Director La Pier stated there is not an increase in rates and charges proposed in the FY 23 Operating Budget because of fuel increases and staying close to other markets, but there will be a consideration for FY 24.

Direction 3. Give Direction on Next Steps

Executive Director La Pier stated the next step is to engage an architect so we can be more "shovel ready" when the Bi-Partisan Infrastructure Law (BIL) funds become available. Staff will issue an RFQ and shortlist that to three candidates to have the board interview. Deputy Director Morello added they will also team with the engineer for road and other landside designs.

Directors Leffel, Sabo, and Miller all concurred with moving forward towards engaging an architect. Director Sawhney had excused herself at 3:00 PM.

E. ADJOURNMENT

The meeting was adjourned at 3:30 PM.

Approved at the
Meeting of June 15, 2022


Carl M. Miller, Chair

ATTEST



Michael La Pier, AAE
District Secretary