

**MINUTES OF THE ADJOURNED REGULAR MEETING OF THE MONTEREY PENINSULA AIRPORT
DISTRICT BOARD OF DIRECTORS** **BOARD ROOM March 9, 2017 10:00 AM**

A. CALL TO ORDER/ROLL CALL

Chair Nelson called to order the adjourned Regular Meeting at 10:00am. Directors Leffel, Miller, Sabo and Searle were present. The following District Officers were present: Executive Director La Pier, District Counsel Huber, Acting Board Secretary Porter and Deputy Executive Director Bergholz.

B. PLEDGE OF ALLEGIANCE

Director Leffel led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

None.

D. PUBLIC COMMENTS

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 Special Meeting of the Airport Property Development and Leases Committee of February 6, 2017
- Approve 2. Minutes of the Special Meeting of the Budget and Finance Committee of February 7, 2017
- Approve 3. Minutes of the Regular Meeting of February 8, 2017

Director Miller moved to approve Items E.1, E.2 and E.3. Director Leffel seconded the motion. The motion passed unanimously.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

G. REGULAR AGENDA – ACTION ITEMS

- Presentation 1. Air Traffic Control Privatization by Stacy Howard, National Business Aviation Association

Stacy Howard, National Business Aviation Association, presented Item G.1, delivering to the Board the NBAA analysis of the impact of the privatization of air traffic control.

Adopt 2. Resolution No. 1678, A Resolution Finding and Determining that the Anticipated Cost of Energy Conservation Measures will be Less than the Anticipated Marginal Cost to the District of Energy that would have been Consumed in the Absence of Those Purchases, Authorizing Execution of an Energy Services Contract with OpTerra Energy Services

Chris Morello, Senior Planning Manager, introduced Item G.2 and gave the Board a status update and a summary of the work that had been done up to that point in time. Emily Douglas, OpTerra Energy Services, along with her colleagues David Baldwin, Tamra Cihla and Mark Dure-Smith, presented an overview to the Board of the services OpTerra provides and the work they have been doing on the project thus far.

Chair Nelson opened the public hearing for comments.

Public Comment: Mike Dawson, member of the public, asked the following questions: Which tier would the Airport solar panel system fall under and is there a base charge? Is OpTerra's guarantee based on them doing the maintenance on the system or is that something that the Airport's Maintenance Department could take over?

Emily Douglas answered by stating that commercial rates for solar are more complicated and varied than the residential "teir" rates. Therefore, the system will not be targeted towards a specific teir but it is engineered based on the commercial rates. She stated that the Airport will own the system so there will not be a base charge. On whether the Maintenance Department could take over the maintenance of the system, Emily mentioned that during the guarantee period OpTerra prefers to do the maintenance work themselves, but after that period they are indifferent towards who would provide the upkeep. In response, Deputy Executive Director Bergholz clarified that there were tasks to be performed to maintain the field that the Airport Maintenance workers are not qualified to do.

Director Miller moved to adopt Resolution No. 1678. Director Leffel seconded the motion. The motion passed by a roll call vote of 5-0.

RESOLUTION NO. 1678

A Resolution Finding and Determining that the Anticipated Cost of Energy Conservation Measures will be Less than the Anticipated Marginal Cost to the District of Energy that would have been Consumed in the Absence of Those Purchases, Authorizing Execution of an Energy Services Contract with OpTerra Energy Services

WHEREAS, OpTerra Energy Services ("OpTerra") has represented to the Monterey Peninsula Airport District (District) that OpTerra has developed certain procedures for the design and installation of energy conservation measures as defined in Government Code section 4217.11 ("Energy Conservation Measures") for the Monterey Regional Airport ("Airport"); and

WHEREAS, OpTerra has analyzed the energy needs of the Airport and has represented that OpTerra's provision of Energy Conservation Measures and energy conservation facilities to the Airport will result in a reduction in energy consumption or demand from utilities that will result in net cost savings to the District; and

WHEREAS, OpTerra proposes to enter into an Energy Services Contract with the District for the provision of certain electrical or thermal energy or conservation services and other Energy Conservation Measures to the District from an energy conservation facility on the terms and conditions specified in the proposed Energy Services Contract presented to the Board on this date, March 9, 2017 and

WHEREAS, based upon the energy analysis and presentation by staff and OpTerra, the anticipated cost to the Airport for thermal or electrical energy or conservation services to be provided by the energy conservation facility and improvements specified in the Energy Services Contract will be less than the anticipated marginal cost to the Airport of thermal, electrical, or other energy that would have been consumed by the Airport in the absence of the Energy Conservation Measures and the energy conservation facilities to be provided by OpTerra under the Energy Services Contract; and

WHEREAS, Government Code section 4217.12 (a)(1) authorizes a public agency to enter into an energy service agreement with respect to such Energy Conservation Measures and energy conservation facilities if the District's Board finds that the anticipated cost to the Airport for such measures provided by the energy conservation facilities will be less than the anticipated marginal costs to the Airport of thermal, electrical or other energy that would have been consumed by the Airport in the absence of such purchases; and

WHEREAS, on this date, pursuant to Government Code section 4217.10 et seq., the Board of the District held a public hearing with respect to the District entering into the Energy Services Contract with OpTerra, notice of which was given at least two weeks in advance; and

WHEREAS, the District desires to retain OpTerra to provide, install, and maintain the Energy Conservation Measures and energy conservation facilities pursuant to the terms and conditions of the Energy Services Contract.

NOW, THEREFORE, IT IS FOUND, DETERMINED AND RESOLVED by the Board of the District as follows:

1. Based upon reports and analysis of staff, reviewed and considered by the Board in connection herewith, and pursuant to Government Code section 4217.12, the Board finds and determines that the anticipated cost to the Airport for thermal or electrical energy or conservation services provided by the energy conservation facility under the proposed contract with OpTerra Energy Services will be less than the anticipated marginal cost to the Airport of thermal, electrical, or other energy that would have been consumed by the Airport in the absence of those purchases.
2. That the District's Executive Director is authorized to negotiate and execute an Energy Services Contract with OpTerra Energy Services in an amount not to exceed \$2,865,826.00 to provide energy saving measures.

ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 9th day of March 2017 by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Miller, Sabo, Searle, Chair Nelson
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Adopt 3. Resolution No. 1679, A Resolution Approving the Installation of a Solar Photovoltaic Electric Generating System and Authorizing and Approving Acceptance of an Energy Conservation Assistance Act (ECAA) Program Loan.

Director Miller moved to adopt Resolution No. 1679. Director Leffel seconded the motion. The motion passed by a roll call vote of 5-0.

RESOLUTION NO. 1679

A RESOLUTION APPROVING THE INSTALLATION OF A SOLAR PHOTOVOLTAIC ELECTRIC GENERATING SYSTEM AND AUTHORIZING ACCEPTANCE OF AN ENERGY CONSERVATION ASSISTANCE ACT (ECAA) PROGRAM LOAN

WHEREAS, the California Energy Commission provides loans to schools, hospitals, local governments, special districts, and public care institutions to finance energy efficiency improvements;

WHEREAS, the District engages in facilities improvements for the purposes of improving sustainability and reducing energy costs;

WHEREAS, that the Governing Board of the Monterey Peninsula Airport District hereby finds, determines, declares, orders and resolved to apply for energy efficiency loan at 1% interest from the California Energy Commission to implement energy efficiency measures on December 1, 2016.

WHEREAS, that in compliance with the California Environmental Quality Act (CEQA), the Board finds that the activity funded by the loan is a project and that a mitigated negative declaration document was approved; and

WHEREAS, on January 11, 2017 Resolution 1676, a Resolution Certifying the Mitigated Negative Declaration for Installation of a Three-Acre Solar Photovoltaic (PV) Electric Generating System and Adopting Related Findings and Project Mitigation Measures was adopted; and

WHEREAS, on January 11, 2017 the Mitigated Negative Declaration was Filed and Recorded by the Clerk of Monterey County; and

WHEREAS, that if recommended for funding by the California Energy Commission, the Board authorizes the Monterey Peninsula Airport District to accept a loan up to \$3,000,000.

WHEREAS, the amount of the loan will be paid in full, plus interest, under the terms and conditions of the Loan Agreement, Promissory Note and Tax Certificate of the California Energy Commission.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: that the Executive Director is hereby authorized and empowered to execute in the name of Monterey Peninsula Airport District all necessary documents to implement and carry out the purpose of this resolution, and to undertake all actions necessary to secure funding to complete the energy efficiency projects.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 9th day of March 2017, by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Miller, Sabo, Searle, Chair Nelson
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Presentation 4. Mid-Year Budget Review Recap by Michael La Pier

Michael La Pier, Executive Director, presented Item G.4, reviewing the budget, and explained the proposed amendments in Item G.5.

Adopt 5. Resolution No. 1680, A Resolution Amending the District-Only Funded Capital Acquisitions Budget of the Monterey Peninsula Airport District for Fiscal Year Ending 2017

Director Leffel moved to adopt Resolution No. 1680. Director Miller seconded the motion. The motion passed by a roll call vote of 4-1.

RESOLUTION NO. 1680

A RESOLUTION AMENDING THE DISTRICT-ONLY FUNDED CAPITAL ACQUISITIONS BUDGET OF THE MONTEREY PENINSULA AIRPORT DISTRICT FOR FISCAL YEAR ENDING 2017

WHEREAS, all capital expenditures for the Fiscal Year 2017 as set forth in the District-Only Funded Capital Acquisitions 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, it is the desire of the Board of Directors to modify and increase the amount of the "FY 2017 Capital Budget – District-Only Funded Capital Acquisitions"

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, that capital expenditures in the "FY 2017 Capital Budget – District-Only Funded Capital Acquisitions" are increased by \$65,000, to a total amount of \$389,000 effective immediately.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 9th day of March, 2017 by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Miller, Searle, Chair Nelson
NOES:	DIRECTORS:	Sabo
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Adopt 6. Resolution No. 1681, A Resolution Amending the Rates and Charges at the Monterey Regional Airport for Fiscal Year 2017

Scott Huber, District Counsel, presented Item G.6.

Director Sabo moved to adopt Resolution No. 1681. Director Miller seconded the motion. The motion passed by a roll call vote of 5-0.

RESOLUTION NO. 1681

A RESOLUTION AMENDING THE RATES AND CHARGES AT THE MONTEREY REGIONAL AIRPORT FOR FISCAL YEAR 2017

WHEREAS, periodic adjustment of rates and fees is appropriate in order to achieve the District's goal of recovering the cost of operating and maintaining the Airport from rents, fees and charges paid by tenants and users of Airport facilities in fair proportion to their respective use, and

WHEREAS, the District has finalized negotiations with Transportation Network Company ("TNC") operators to eliminate the annual operating permit fees for TNC vehicle fleets and to establish the per-trip fee for all TNC passenger pick-ups and drop-offs; and

WHEREAS, Section 4.0 of Resolution 1663 authorized subsequent changes and adjustments to the rates and charges by resolution of the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, the rate and fee schedule implemented effective July 1, 2016 through Resolution 1663 shall be amended as follows:

1. The annual operating permit fees applicable to Transportation Network Company vehicle fleets are hereby eliminated.
2. The TNC Operator Drop-Off / Pick-Up Fee shall remain unchanged.
3. This Resolution shall retroactively take effect on March 1, 2017.
4. All other rates and charges contained in Resolution 1663 which are not amended by this Resolution shall remain in full force and effect.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: this 9th day of March, 2017, by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Miller, Sabo, Searle, Chair Nelson
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	None

Approve 7. Agreement for Transportation Network Companies to Provide Service to the Monterey Regional Airport

Scott Huber, District Counsel, presented Item G.7.

Director Miller moved to approve the Transportation Network Company Agreement. Director Leffel seconded the motion. The motion passed unanimously.

Approve 8. Macias, Gini & O'Connell, LLP Audit Services Extension for Fiscal Years 2017 and 2018

Michael La Pier, Executive Director, presented Item G.8.

Director Miller moved to approve the Macias, Gini & O'Connell, LLP Audit Services Extension for Fiscal Years 2017 and 2018. Director Sabo seconded the motion. The motion passed unanimously.

H. ACCEPTANCE OF DEPARTMENT REPORTS

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

I. BOARD COMMITTEE REPORTS

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

- a. Standing Committees:
 - i. Local Jurisdiction Liaison Directors Miller & Nelson
 - ii. Budget and Finance Directors Leffel & Sabo
 - iii. Air Service, Marketing, Community Relations Directors Miller & Nelson
 - iv. Airport Property Development & Leases Directors Leffel & Nelson

- b. Ad-Hoc Committees:
 - i. Community Affairs Directors Leffel & Miller
 - ii. Noise Mitigation Directors Nelson & Sabo

- c. Liaison/Representatives:
 - i. Local Agency Formation Commission Director Leffel Alt: Searle
 - ii. Regional Taxi Authority Director Leffel Alt: La Pier
 - iii. Transportation Agency for Monterey County Director Sabo Alt: Nelson
 - iv. Water Management District (Policy Advisory) Director Searle Alt: Leffel
 - v. Special Districts Association Liaison Director Miller Alt: Leffel

J. CLOSED SESSION

1. **LABOR NEGOTIATIONS** (Government Code section 54957.6) the Board will meet with the Executive Director and District Counsel to discuss labor negotiations for the following represented groups: All MPAD Employee Bargaining Units.

2. **ANTICIPATED LITIGATION** (Government Code section 54956.9(d)(2)) the Board will meet with the Executive Director and District Counsel regarding anticipated litigation – one cases.

K. RECONVENE TO OPEN SESSION

Chair Nelson reported that no action was taken during Closed Session.

L. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

M. DISCUSSION OF FUTURE AGENDAS

- *Draft Letter Regarding Air Traffic Control Privatization*

N. ADJOURNMENT

The meeting adjourned at 3:26pm.

Minutes approved at the Regular Meeting of April 12, 2017



Matthew Nelson, Chair

ATTEST



Michael La Pier, AAE
District Secretary