

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

April 14, 2023 – 9:00 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: **880 7937 6246**. The password for this meeting is: **20230414**. 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 9:05 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

Phillip Bezouska, a member of the public and V.P. IAFF Local 3707 read a statement regarding fire and emergency services and his opinion they would be downgraded if the Airport were to choose a private firm over Monterey Fire Services.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. Revised Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement

Executive Director La Pier reviewed the history of rental car operator agreements and reminded Directors they approved a new agreement in October 2022 to serve as a basis for negotiating with the rental car operators. He reviewed the points of negotiation and the changes being proposed to the October 2022 agreement.

Directors discussed the Agreement. Director Sawhney asked about the cost of auditing the operator's reports. Controller Wilson referred to section 11.3 of the agreement which states the Airport pays the audit costs unless there is a +/- 3% discrepancy.

Director Miller suggested the board might like to see a redline version of the changes to the Agreement if one was available. He asked if the Finance Committee had already reviewed the agreement and Executive Director La Pier answered they had.

Discuss 2. FY 2024 Rates and Charges

Controller Wilson reported the rates and charges provided are for discussion purposes only in the context of budgeting. The proposed rate changes are based on the PFM Plan of Finance for the assumed costs of the Safety Enhancement Plan including the new terminal building. Executive Director La Pier reminded Directors of the two-day workshop held last year where the plan of finance was presented. Controller Wilson added that some suggested rate increases are because the market rates have increased. The Airport has not increased rates and charges since 2016.

Director Sawhney asked about comparisons to other airports. Executive Director La Pier answered that in 2016 our rates were well above our comp airports; the market is now above us. Controller Wilson shared information on current comps.

There was a discussion about growth plans, current airline activities as it relates to increased seat availability, and the assumptions about enplanements used in the plan of finance.

Directors discussed the idea of phasing in the N.E. Box Hangar rent increases over three years. Director Sawhney suggested there be a four-year phase in and the first year be raised less than proposed, so the rate increases would be more similar each year. Executive Director La Pier reminded Directors there is also an obligation for some consistency of rates across the Airport. Director Miller asked if we could treat new tenants differently than the current tenants. Executive Director La Pier answered no; we are required to be "fair and consistent" with rents.

Directors discussed the hangar market, the airport's hangar inventory, and that some hangars were owned by the airport and some by companies that had ground leases.

E. ADJOURNMENT

The meeting adjourned at 10:44 AM.

Approved at the
Meeting of April 27, 2022



William Sabo, Chair Pro Tem

ATTEST



Michael La Pier, AAE
District Secretary