

MINUTES OF THE BUDGET & FINANCE COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

September 16, 2022 - 9:00 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.

Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **864 1332 7515**. The password for this meeting is: **20220916**. 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 and password.

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

The Budget and Finance Committee Meeting of the Monterey Peninsula Board of Directors was called to order at 9:05 AM. Director Sabo and Director Leffel, Executive Director La Pier, District Counsel Huber, Deputy Director of Strategy/Development Morello, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

- Review
1. A Resolution Authorizing and Approving the Creation of the Position of Controller and Amending the Fiscal Year 2023 Salary Schedule as Approved June 15, 2022 by Resolution No. 1822, Listing Salary Ranges for the Monterey Peninsula Airport District

Executive Director La Pier asked that we review Item 2 prior to Item 1 in order that Deputy Director Morello could present that item and then excuse herself.

Review 2. An Amendment to the Professional Service Agreement with Granite Drilling Company, Inc.

Deputy Director Morello gave an overview of the Staff Report, reminding Directors the capacity testing requirements for each of the recently drilled wells are required and scheduled by the County. The amendment to the Professional Service Agreement with Granite Drilling is to conduct the capacity testing at both locations: 2801 Monterey Salinas Highway (Fenton & Keller Building) and 2999 Monterey Salinas Highway (Tarpy's). Deputy Director Morello noted this is usually done with temporary pumps. However, the 2801 location provided more water than anticipated during construction and there is adequate electrical in place to install a permanent pump, which is what is recommended and quoted. At the 2999 location there is not adequate power for a permanent pump, so a temporary pump is proposed. The quoted prices for each location reflect these differences.

Director Leffel asked if the capacity is sufficient at Tarpy's will we also install a permanent pump there. Deputy Director Morello answered yes, and that would require a transformer. The pump and transformer would be included in the scope of work for the water distribution system that would be brought to the Board probably in October. Director Leffel stated she supported the proposal.

Director Sabo asked if it was always our intention to test twice. Deputy Director Morello answered yes, we expected to add this to the agreement once we knew we had water at all. This capacity testing is necessary to get approval on how much we can pump. After a few additional questions, Director Sabo stated he supported the amendment and asked that Deputy Director Morello provide a refresher to the full Board including the original project total cost estimate.

There were no further questions and Deputy Director Morello was excused from the meeting.

Review 1. A Resolution Authorizing and Approving the Creation of the Position of Controller and Amending the Fiscal Year 2023 Salary Schedule as Approved June 15, 2022 by Resolution No. 1822, Listing Salary Ranges for the Monterey Peninsula Airport District

Executive Director La Pier stated the usual process is to create a position prior to posting it, but with the compressed timeline of the Deputy Executive Director's retirement, we posted a draft job description stating it was subject to job creation. There have been some applicants but only one interview, although another is scheduled for today.

Executive Director La Pier reviewed the reasoning for a change in position from a Deputy Executive Director to a Controller. He noted the job description for the Deputy Executive Director contemplated duties outside of finance and accounting, such as properties, which were not assigned and would not be assigned in the future. Therefore, the recommendation is to eliminate the position of Deputy Executive Director and replace it with a Controller, who would oversee finance and accounting and manage the HR Services Agreement, pending its approval. This position would also perform more financial analysis for the SEP plan of finance.

Director Leffel stated she has no problem with the recommendation.

Director Sabo had multiple concerns about the proposed new position. He named several different skillsets he thought were important including financial analysis, financing, and bank lending. Executive Director La Pier concurred with all the skills Director Sabo mentioned and stated the Controller would

work hand in hand with him and the professional team but would have a lead role in financing. He pointed to various parts of the job description.

Director Leffel stated she preferred that in-depth financing analysis come from a third party knowledgeable about the project, as has been done in the past. She also suggested, if the right person came along, they could grow into a new position. She agrees with the Controller position for now. Director Sabo stated he recommends we recruit for a Finance Director and that the new position be an Officer.

District Counsel Huber stated the Enabling Act, in Section 7, names the Officers of the District. In the past the Auditor, who is an Officer, was originally called a Controller and would function as an Officer. There was no recommendation on this suggestion.

Discuss 2. Strategic Planning Consulting Services Proposal

Executive Director La Pier stated the first phase is to approve the facilitators proposal and while the contract is within his dollar signing authority, he sent the proposal to each Director for their feedback on the scope.

There was a discussion about the proposal with Director Leffel supporting it and Director Sabo questioning the need for a new strategic plan, stating he would prefer an operational plan. Executive Director La Pier explained that is Staff's role and will come out of the strategic plan. The strategic plan discussion is a 30K foot view. Director Leffel gave examples of strategic opportunities that she believes should be reviewed as it relates to the future of the airport and supported the opportunity for an exchange of ideas.

Discuss 3. General Discussion

Director Sabo brought up the Peer-to-Peer Ride Share agreement that was reviewed at the last Finance Committee meeting. He asked if legal counsel had made changes to the agreement. Executive Director La Pier answered that he had, and the Lease Committee had reviewed the updated version and agreed with the changes.

E. ADJOURNMENT

The meeting adjourned at 10:37 AM.

Approved at the
Meeting of September 27, 2022


Carl M. Miller, Chair

ATTEST



Michael La Pier, AAE
District Secretary