

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

May 17, 2023 - 9:00 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD 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: **831 7098 4092**. If you do not have access to the internet, you may listen telephonically by calling (253) 215-8782 and entering the same Meeting ID.

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/ROLL CALL

Chair Sawhney called to order the regular meeting of the Monterey Peninsula Airport District Board of Directors at 9:06 AM. Directors Leffel and Sabo were present, and a quorum was established. Directors Pick and Miller were excused. The following staff were present: Executive Director La Pier, District Counsel Huber, Acting Board Secretary Adams, Deputy Executive Director Morello, and Controller Wilson.

B. PLEDGE OF ALLEGIANCE

Director Leffel led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Director Leffel announced she attended CSDA Legislative Days yesterday. Senator John Laird was honored as Legislator of the Year as recognition for authoring Senate Bill 418, creating the Pajaro Valley Healthcare District by urgency order within three weeks, preserving access to healthcare service for Pajaro Valley residents and allowing the return to public ownership of the Watsonville Community Hospital.

Director Leffel announced ACI has a new report titled Airport Insight Report which she asked to be shared with the board.

Director Sabo moved to add a discussion item to the agenda of the May 17, 2023 regular meeting about the ILS system issues and the impact on aircraft landings and takeoffs as this came to the attention of the Airport subsequent to posting the agenda, and under Government Code 54954.2 he asked the board to take action to amend the agenda to add Item G.0. Discussion - ILS System Issues and the

Impact on Aircraft Landings and Takeoffs. Chair Sawhney seconded the motion. The motion passed by a unanimous roll call vote of 3-0 with Directors Pick and Miller absent.

Chair Sawhney announced there were pending agenda items that have been identified and she intended to ask the board to add some of these to the next meeting agenda. The board discussed pending agenda items. Executive Director La Pier commented that some pending agenda items would be more appropriate with the full board in attendance.

The board discussed a pending consideration to revise the Board Governance Manual to stipulate the Chair review agendas prior to posting and in what ways the Governance Manual is tied to the Executive Director's employment contract. District Counsel Huber later clarified that nothing that changes the Executive Director's relationship with the board can be modified during the contract period.

Director Leffel motioned to add the pending agenda item Six Month and Two-Year SEP Plan to the May 31, 2023 Special Meeting Agenda. Director Sabo seconded the motion. The motion passed unanimously by a roll call vote of 3-0 with Directors Pick and Miller absent.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Jean Rasch, a member of the public, an attorney, and District 3 resident read a prepared statement urging the board to reconsider hearing remote public comments.

E. CONSENT AGENDA - ACTION ITEMS

- Approve 1. Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of March 08, 2023
- Approve 2. Minutes of the Regular Board Meeting of April 27, 2023
- Approve 3. Minutes of the Budget & Finance Committee Meeting of May 2, 2023
- Approve 4. Minutes of the Adjourned Regular Board Meeting of May 3, 2023
- Approve 5. Minutes of the Budget & Finance Committee Meeting of May 9, 2023
- Approve 6. Director Sawhney's Request to Attend the AAAE Annual Conference & Exposition June 3 - 5, 2023 in Denver, CO (FY 2023)
- Approve 7. Director Miller's Request to Attend the CSDA Annual Conference & Exhibitor Showcase, August 28 – 31, 2023 in Monterey, CA
- Approve 8. Director Miller's Request to Attend ACI-NA Conference & Exhibition September 30 - Oct. 3, 2023 in Long Beach, CA
- Approve 9. Director Leffel's Request to Attend the CSDA Annual Conference & Exhibitor Showcase, August 28 – 31, 2023 in Monterey, CA
- Approve 10. Director Leffel's Request to Attend the ACI-NA Conference & Exhibition September 30 - Oct. 3, 2023 in Long Beach, CA
- Approve 11. Director Sabo's Request to Attend the ACI-NA Conference & Exhibition September 30 – Oct. 3, 2023 in Long Beach, CA

Chair Sawhney pulled Consent Agenda items E.1 – E.5. Director Sabo motioned to approve Consent Agenda Items E.6 – E.11. Director Leffel seconded the motion. The motion passed unanimously by a roll call vote of 3-0 with Directors Pick and Miller absent.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

Chair Sawhney referred to Item E.1 Minutes of the Air Carrier Service – Marketing – Community Relations Committee meeting of March 08, 2023 and asked that they be amended to strike the first instance of Director Leffel's name from the first paragraph of page 2. Director Sabo motioned to approve the Minutes of the Air Carrier Service – Marketing – Community Relations Committee meeting of March 08, 2023 with the amendment requested by Chair Sawhney. The board discussed the change. Chair Sawhney asked to amend the motion to also replace the phrase "look and feel" with the word "branding". Director Sabo amended his motion to include this revision to the minutes. Director Leffel seconded the amended motion. The motion passed unanimously by a roll call vote of 3-0 with Directors Pick and Miller absent.

Chair Sawhney referred to Items E.2 and E.4 and asked District Counsel Huber to confirm her recusal is correctly reflected. District Counsel Huber confirmed it was.

Chair Sawhney referred to Items E.3 and E.5 and asked clarifying questions about Rates and Charges and Capital Improvement Projects.

Director Sabo made a motion to approve Consent Agenda items E.2 – E.5. Director Leffel seconded. The motion passed unanimously by a roll call vote of 3-0 with Directors Pick and Miller absent.

G. REGULAR AGENDA - ACTION ITEMS

Discuss 0. ILS System Issues and the Impact on Aircraft Landings and Takeoffs

Executive Director La Pier reported the FAA broadcast antenna was declared out of service late Friday, May 12th, which would not have created diversions if it weren't for the dense fog. Staff reported on the number of flights that were diverted, what FAA has done to fix the problem, and the community outreach through television interviews and a travel advisory banner on the Airport website.

Directors discussed social media posts that occurred over the weekend relative to the flight diversions and the need for board members and the public to be notified earlier when there is the possibility of a travel advisory for MRY.

Approve 1. Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management Services in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Design Management Services Terminal Design

Deputy Executive Director Morello introduced Item G.1. Executive Director La Pier reported the Finance Committee reviewed this item and supported it.

Director Sabo motioned to approve the Amendment to the Professional Services Agreement with Kimley-Horn and Associates, Inc. to Provide Project Management Services in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation – Design Management Services Terminal Design. Director Leffel seconded the motion. Staff answered questions from Chair Sawhney about some of the infrastructure elements of the project. The motion passed unanimously by a roll call vote of 3-0 with Directors Pick and Miller absent.

- Approve 2. Amendment to the Professional Services Agreement with PFM Financial Advisors, LLC to Provide Financial Analysis in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation Phase 4

Executive Director La Pier introduced Brian Galluci with PFM, who attended remotely through Zoom videoconference to answer any questions.

Controller Wilson reviewed the history of the Professional Services Agreement with PFM Financial Advisors, LLC with regard to the SEP economic analysis and their initial Plan of Finance to determine financial feasibility. Controller Wilson reviewed the Elements of Work expected in Phase 4 including updating the Plan of Finance with current costs and projections and preparing for the issuance of long-term debt to finance major components of the Program.

Mr. Galluci reviewed legal expertise that would need to be engaged as part of the Financial Team.

Director Leffel supported approval and reported Finance Committee was divided on their recommendation.

Director Sabo opposed approval because the Scope of Work in the Agreement did not have enough detail and asked for more information about the Financial Team that would be assembled. Mr. Galluci reviewed the roles of the team members and what guidance PFM would provide.

Chair Sawhney asked how many phases were expected to be necessary. Mr. Galluci answered the next phase is execution (go to market) and he would expect that to be the final phase unless there is some future financing or pivoting.

No Public Comment.

Director Leffel motioned to approve Item G.2 Amendment to the Professional Services Agreement with PFM Financial Advisors, LLC to Provide Financial Analysis in Support of the Safety Enhancement Program (SEP) Taxiway A Relocation Phase 4 in a total not to exceed \$80,250.00. The motion failed for lack of a second.

Chair Sawhney motioned to continue this item during the special meeting scheduled for May 31, 2023 when all board members are expected to be present. Counsel Huber established concurrence by all board members.

Chair Sawhney gave an opportunity for Public Comment on Item G.0 and Item G.1. There was none.

A break was taken from 11:19 AM to 11:25 AM.

Presentation 3. Drone and Balloon Update

Chair Sawhney asked that Closed Session be held prior to Item G.3, Drone and Balloon Update, and Item H., Board Committee Reports and Acceptance of Department Reports, due to the potential loss of a quorum. The board concurred.

I. CLOSED SESSION ITEM

1. Pursuant to Gov. Code 54957.6(b)(2), the Board will meet with the Executive Director and General Counsel related to potential exposure to litigation: one case.

No Public Comment.

The board entered Closed Session at 11:28 AM.

J. RETURN TO OPEN SESSION

The board returned to Open Session at 12:16 PM. District Counsel Huber announced no reportable action was taken and the document handed out during Closed Session is related to aviation hangars inside the Airport and is not confidential; it will be shared with those who are involved and is public information.

K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- Receive Report on Emergency Procedures and Preparedness
- Review of Six Month and Two-Year SEP Plan
- Consider Revision to Board Governance Manual – Board Chair Review of Agendas Prior to Posting
- Consider Revision to District Contracting Procedures – RFPs to Stipulate that Propriety Cost Data is to be Submitted Separately from the Main Proposal Document
- Consider Revision to Board Governance Manual – All RFPs for Services or Capital Projects to be Posted Prominently on the Website and Remain Posted until Awarded or Withdrawn
- Schedule Strategy Session & Board Retreat
- Review the Current Police Services Contract
- Consider Revisions to Governance Documents to Approve Items that Contribute to More Efficient Meetings as discussed May 3, 2023
- Approve Revised Mission and Vision Statement

L. DISCUSSION OF FUTURE AGENDAS

Chair Sawhney suggested an Ad Hoc Committee be formed to review the Governance Manual. Executive Director La Pier reminded the board that the Governance Manual and Ordinance 909 are referenced in his employment contract. District Counsel Huber added the contract stipulates there be no modifications during the contract term unless it is an item that doesn't modify the relationship of the Executive Director with the Board of Directors.

Chair Sawhney asked that the following items be added to the June regular meeting agenda: Introduce the New Chief of Police to the Board and Discuss the Police Services contract.

It was determined the Executive Director Quarterly Goal Review would be a Closed Session item in June.

H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

Standing Committees:

- | | |
|---|----------------------------|
| i. Budget and Finance | Directors Sabo & Leffel |
| ii. Air Service, Marketing, Community Relations | Directors Sawhney & Pick |
| iii. Airport Property Development and Leases | Directors Sawhney & Miller |

b. Ad-Hoc Committees:

- | | |
|-------------------------------|---------------------------|
| i. Local Jurisdiction Liaison | Directors Sawney & Leffel |
|-------------------------------|---------------------------|

c. Liaison/Representatives:

- | | |
|---|------------------|
| i. Local Agency Formation Commission | Director Leffel |
| ii. Regional Taxi Authority | Director Pick |
| iii. Transportation Agency for Monterey County | Director Sabo |
| iv. Special Districts Association Liaison | Director Sawhney |
| v. Association of Monterey Bay Area Governments | Director Miller |

Director Sabo commented on Department Reports. He expressed interest in the Cancellations and Delays report citing the reason for cancellations and for the board to preview public relations videos.

Staff answered questions from Director Sabo about the number of maintenance trucks owned by the Airport and the community feedback on the Chamber of Commerce public relations presentations.

Chair Sawhney asked about the timing of a Commercial Ramp Construction bid coming to the board. Deputy Director Morello answered it will be brought to the board after the grant announcement.

G. REGULAR AGENDA - ACTION ITEMS

Presentation 3. Drone and Balloon Update

Directors concurred to continue Item G.3 to the June Regular Board Meeting.

M. ADJOURNMENT

The meeting adjourned at 12:33 PM.

*Approved at the
Meeting of June 21, 2023*



William Sabo, Chair Pro Tem

ATTEST



*Michael La Pier, AAE
District Secretary*