

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

April 10, 2019 - 10:00 AM - Board Room

A. CALL TO ORDER/ROLL CALL

Chair Sabo called to order the Regular Meeting of the Board of Directors at 10:01 AM. Directors Cursio and Miller were present. Director Leffel arrived at 10:04 AM. The following District Officers were present: Executive Director La Pier, District Counsel Huber and Acting District Secretary Auker. Deputy Executive Director Bergholz was absent.

B. PLEDGE OF ALLEGIANCE

Director Cursio led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Director Sabo stated that as someone who sits on the Airport Land Use Commission (ALUC), wanted to inform the Board that the Land Use Commission recently adopted a Land Use Plan for the Monterey Regional Airport and in his opinion, it is a bit more liberal in its allowances for more flights and considerations of safety and noise in comparison to the plan that was previously adopted in 1987. He noted that implications of this plan, from the standpoint of the District, are such that now decisions regarding new construction projects in the area of influence of the airport are now contained in and determined by that plan.

He stated that given the number of projects that the City of Monterey will be considering for Fremont Street, it is worth members of the Board and staff to look at this Land Use Plan from the standpoint of what it would allow and knowing that when objections or concerns are raised about restrictions on new development in the area surrounding the Airport, it is the land use plan, and the ALUC and ultimately the City and the adoption of that plan that governs whether or not the construction can move forward. He finished by stating that the Airport can always comment on that plan.

Director Miller asked for an update on the status of the vacant Board of Directors seat in regards to postings and applications.

D. PUBLIC COMMENTS

Marlana Brown, Community Planning Liaison Officer, Naval Support Activity Monterey, introduced the new General Manager of the Navy Flying Club, John Vitalich.

John Vitalich, General Manager, Navy Flying Club, stated that he is excited for his role as General Manager and looks forward to moving the Navy Flying Club forward in a positive Direction.

E. REGULAR AGENDA - ACTION ITEMS

Adopt 1. Resolution No. 1747, A Resolution Acknowledging Director Matthew E. Nelson's Service to the Monterey Peninsula Airport District

Chair Sabo stated that Matt Nelson was not able to attend the meeting and tabled the adoption of Resolution No. 1747 to a future Board meeting where he would be present.

F. 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 Committee Meeting of the Budget and Finance Committee of March 11, 2019
- Approve 2. Minutes of the Committee Meeting of the Air Carrier Service, Marketing and Community Relations Committee of March 11, 2019
- Approve 3. Minutes of the Committee Meeting of the Airport Property Development and Leases Committee of March 11, 2019
- Approve 4. Minutes of the Regular Meeting of March 13, 2019

Director Leffel moved to approve Consent Agenda Items F-1 through F-4. Director Miller seconded the motion. The motion passed unanimously by a roll call vote of 4-0.

G. DEFERRED CONSENT AGENDA - ACTION ITEMS

None.

H. REGULAR AGENDA - ACTION ITEMS

- Discussion 1. Establishing the Agenda Item Action Procedure

Chair Sabo described his intentions with reordering the pre-existing Agenda Item Action Procedure, specifically referring to the order of Public Comments. He stated that it was based on findings in Rosenberg's Rules of Order. He stated that moving forward, he will stay with the pre-existing procedure to alleviate any concerns of his fellow Board members. No further discussion and no action was taken.

- Adopt 2. Resolution No. 1745, A Resolution Authorizing a Professional Services Agreement with Tartaglia Engineering to Prepare Bid Specifications for Infield Safety Area Rehabilitation Part A and Taxiway Reconfiguration

Chris Morello, Deputy Director of Strategy and Development, presented Item H.2, giving background information on the Infield Safety Area Rehabilitation Part A and Taxiway Reconfiguration project and also explained details of what the project would entail. She stated that airport staff solicited for Statements of Qualifications (SOQs) from qualified firms interested in providing on-call professional Consulting Services of one or more qualified firms and/or individuals for a three-year period and Tartaglia Engineering was determined to be the most suited Engineering Firm to prepare the Bid Specifications for this Project. She noted that the construction work will only be during the night.

John Smith, Principal, Tartaglia Engineering, was introduced.

Director Miller highly encouraged community outreach regarding the project construction work.

Director Miller moved to adopt Resolution No. 1745. Director Cursio seconded the motion. Director Leffel stated that there was an error in the Resolution, on the third "WHEREAS", the word submit needed to be changed to submitted. Directors Miller and Cursio amended their motion and second to accept this change. The motion passed unanimously by a roll call vote of 4-0.

RESOLUTION NO. 1745

A RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH TARTAGLIA ENGINEERING TO PREPARE BID SPECIFICATIONS FOR INFIELD SAFETY AREA REHABILITATION PART A AND TAXIWAY RECONFIGURATION

WHEREAS, the Monterey Peninsula Airport District (MPAD) has previously submitted an Airport Capital Improvement Program (ACIP) for FY 2019 - 2024; and

WHEREAS, representatives of the Federal Aviation Administration (FAA) have indicated a willingness to fund the Infield Safety Area Rehabilitation Part A and Taxiway Reconfiguration, based on actual bids in Federal Fiscal Year 2019; and

WHEREAS, bids are anticipated to be received no later than July 30, 2019 and a subsequent grant application will be submitted soon thereafter to the FAA; and

WHEREAS in order to provide such documentation to the FAA, bid documents and preliminary engineering must occur;

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That MPAD contract with the firm of Tartaglia Engineering for preliminary engineering and design of the Infield Safety Area Rehabilitation Part A and Taxiway Reconfiguration, including development of plans, specifications and working details in an amount not-to-exceed \$1,056,142.00.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 10th day of April 2019, by the following roll call vote:

| | | |
|-----------------|-------------------|------------------------------------|
| AYES: | DIRECTORS: | Cursio, Leffel, Miller, Chair Sabo |
| NOES: | DIRECTORS: | None |
| ABSTAIN: | DIRECTORS: | None |
| ABSENT: | DIRECTORS: | None |

Adopt 3. Resolution No. 1746, A Resolution Authorizing a Contract with LSL, CPAs and Advisors, LLP for Professional Auditing Services

Executive Director La Pier introduced Item H.3, noting that it is a product of an RFP search. He stated that the contract was previously reviewed by the Finance Committee.

Director Leffel stated that the Finance Committee was very thorough in reviewing the nine (9) proposals that were received. They specifically looked at geographic proximity, qualifications (including past airport experience), ability to meet timelines (especially those of FAA) and technology (paperless review process, flow of work, compatibility with staff software). She also mentioned that background checks were completed along with reviews of complaints of past work.

Chair Sabo seconded the comments that Director Leffel made and strongly recommended their consideration as the District's auditors.

Director Leffel moved to adopt Resolution No. 1746. Director Miller seconded the motion.

He noted a few minor corrections in the contract that would need to be amended, including:

In Section 3.5, Subcontracts, the firm "may use the services of independent contractors to perform a portion of its obligations as long as the airport agrees" changed to "may not use the services of independent contractors without prior approval of Monterey Peninsula Airport District".

In Section 3.9, Standard of Performance, "described in the firm's proposal" be added to the firm "shall perform all services required pursuant to this Agreement in the manner [described in the firm's proposal]" so the proposal that was received is an inherent part of the contract.

In Exhibit A, "we will submit such letters" changed to "the firm will submit such letters".

Directors Leffel and Miller amended their motion and second to accept the changes outlined by Chair Sabo. The motion passed unanimously by a roll call vote of 4-0.

RESOLUTION NO. 1746

A RESOLUTION AUTHORIZING A CONTRACT WITH LSL, CPAs AND ADVISORS, LLP FOR PROFESSIONAL AUDITING SERVICES

WHEREAS, The Airport is required to conduct annual audits of its financial statements pursuant to Title 2, California Code of Regulations, section 1131.2. These financial audits are primarily concerned with providing reasonable assurance about whether the financial statements of the District are presented fairly in all material respects in accordance with Generally Accepted Accounting Principles and whether the District has complied with laws and regulations for those transactions and events that may have a material effect on the financial statements.

The California Code of Regulations incorporates the standards set forth in the American Institute of Certified Public Accountants' publication entitled "Audits of State and Local Governmental Units" which requires the annual independent audit be performed by the "County Auditor" or an "independent accounting firm". (2 C.C.R. § 1131.2(a).); and

WHEREAS, the District historically, has contracted with a private accounting firm to conduct the annual audit, which presents the results to the Board of Directors; and

WHEREAS, Pursuant to the Governance Manual, Board of Directors selects the independent accounting firm to prepare and submit the annual audit report. This report is presented to the Board of Directors at a regularly scheduled Board meeting; and

WHEREAS, Macias Gini and O'Connell LLP provided audit services for fiscal years 2014, to 2018 and the contract expired and no option to extend the contract was executed; and

WHEREAS, the District issued a Request for Proposal 2019-01 (RFP) for Professional Auditing Services on January 18, 2019; and

WHEREAS, the District received nine responses to Request for Proposal 2019-01 (RFP) for Professional Auditing Services by 4:00 p.m., P.S.T. on March 4, 2019; and

WHEREAS, each Professional Auditing Services firm's response was evaluated by the Finance Committee Directors and Staff and Directors Leffel and Directors Sabo selected three (3) firms for oral interviews.

WHEREAS, Director Leffel and Director Sabo recommend LSL, CPAs and Advisors, LLP for Professional Audit Services for fiscal year 2019, 2020 and 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: authorizes the Executive Director to enter into a Professional Audit Services for fiscal year 2019, 2020 and 2021.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 10th day of April 2019 by the following roll call vote:

| | | |
|-----------------|-------------------|------------------------------------|
| AYES: | DIRECTORS: | Cursio, Leffel, Miller, Chair Sabo |
| NOES: | DIRECTORS: | None |
| ABSTAIN: | DIRECTORS: | None |
| ABSENT: | DIRECTORS: | None |

Approval 4. Board Attendance at Future Conferences and Events

Executive Director La Pier introduced Item H.4. He stated that as part of the annual budget process, Board travel and attendance at future conferences and events would need to be approved. He clarified that each Director would just need to indicate which of the conferences listed in the Staff Report they would be interested in attending.

Public Comment: *Matthew Wright, General Manager, Monterey Fuel Company, suggested a few other conferences to add to the list. He recommended the following conferences:*

- *NBAA ABACE, April 16-19, 2019, Shanghai, China*
- *NBAA Business Aviation Convention and Exhibition, October 22-24, 2019, Las Vegas, NV*
- *NBAA Leadership Conference, February 24-26, 2020, Orlando, FL*
- *NBAA Schedulers and Dispatchers Conference, March 10-13, 2020, Charlotte, NC*
- *NATA Annual Conference*

He also encouraged the airport to look into NorCal Business Aviation Association conferences and to possibly join their organization, stating that they were operator oriented.

Matthew Wright stated that he was late to the meeting and missed the Public Comment portion of the meeting, so he asked for permission to speak off Agenda. Permission was granted.

He took the time to recognize airport Operations staff and Del Rey Oaks Police Department for their efforts in coordinating the visit of Vice President Pence, stating that it went seamlessly.

He also mentioned that a NASA Gulfstream was flying in and out over the course of a week and a half, using LIDAR technology to map ocean waves at low altitudes for meteorological forecasting. During this time, they had purchased large amounts of fuel.

He addressed some may notice that the Del Monte Aviation ramp has been full on the weekends and that this is due to lowered prices and fees to encourage more General Aviation travel for single-engine pilots.

Public Comment: *Marlana Brown, Community Planning Liaison Officer, Naval Support Activity Monterey, stated that she also had a suggested conference to add to the list. She recommended the following conference:*

- *Association for Defense Communities Sustaining Military Readiness Conference, Monterey, CA*

The Directors asked to receive an updated list prior to submitting their interests. Executive Director La Pier stated that an updated list, including the conferences suggested by Matthew Wright and Marlana Brown would be sent to each of them and requested that they get back to staff by the end of the following week.

Director Leffel asked for approval to attend CSDA's Special Districts Legislative Days on May 21, 2019 in Sacramento, CA. The Board approved. She also recommended adding next year's Special Districts Legislative Days to the list along with CSDA's Annual Conference and Exhibitor Showcase on September 25-28, 2019 in Anaheim, CA.

I. ACCEPTANCE OF DEPARTMENT REPORTS

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

J. BOARD COMMITTEE REPORTS

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

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

- b. Ad-Hoc Committees:
 - i. Local Jurisdiction Liaison Directors Leffel & Miller

- c. Liaison/Representatives:
 - i. Local Agency Formation Commission Director Leffel Alt: Sabo
 - ii. Regional Taxi Authority Director Leffel Alt: La Pier
 - iii. Transportation Agency for Monterey County Director Sabo Alt: Cursio
 - iv. Special Districts Association Liaison Director Miller Alt: Cursio
 - v. Association of Monterey Bay Area Governments Director Sabo Alt: Leffel

A break was taken from 11:42 AM until 11:55 AM.

K. CLOSED SESSION

The Board entered into Closed Session at 11:55 AM.

1. **REAL PROPERTY NEGOTIATIONS** (Government Code Section 54956.8) The Board will meet with Real Property Negotiators, Executive Director and District Counsel, regarding the properties identified as 2801 Monterey-Salinas Highway, Monterey, CA 93940.

2. **REAL PROPERTY NEGOTIATIONS** (Government Code Section 54956.8) The Board will meet with Real Property Negotiators, Executive Director and District Counsel, regarding the property identified as 200 Fred Kane Drive, Suite 201, Monterey, CA 93940.

L. RECONVENE TO OPEN SESSION

The Board returned to Open Session at 2:18 PM.

Chair Sabo stated that no reportable action was taken during Closed Session.

M. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- *Fort Ord Reuse Authority Presentation on the Eastside Parkway Project (tabled until completion of EIR)*
- *AMBAG Ex-Officio Representation (planned to be discussed at AMBAG's April Executive Committee Meeting, did not have a quorum to meet in March)*

N. DISCUSSION OF FUTURE AGENDAS

- *Letter to FORA and TAMC Regarding the Importance of a Connector Road Between the Salinas Valley and the Coastal Cities, Highlighting the Amount of Recent Accidents and Fatalities*
- *Resolution No 1747, A Resolution Acknowledging Director Matthew E. Nelson's Service to the Monterey Peninsula Airport District (tabled until Matthew Nelson can be present)*

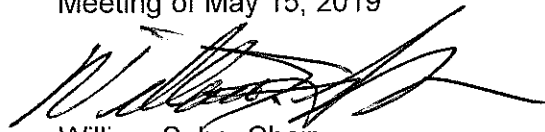
Chair Sabo also asked if staff has communicated to the auditing firms who responded to the RFP for Professional Auditing Services but were not selected. Staff responded that letters were already being drafted to send out to each of the firms.

District Counsel Huber noted that the May Board Meeting would be rescheduled, moving from the 8th to the 15th. A special meeting will be held at 9:00 AM on May 15th to interview and select a candidate for the vacant Board of Directors set, followed by the rescheduled Regular Meeting at 10:00 AM.

O. ADJOURNMENT

The meeting adjourned at 2:25 PM.

Minutes Approved at the
Meeting of May 15, 2019



William Sabo, Chair

ATTEST



Michael La Pier, AAE
District Secretary