

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

June 15, 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.

Should the Board implement the measures outlined in AB 361, members of the public may participate in 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 also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID. Members of the public who wish to provide comment on an item on the agenda may do so during the meeting prior to the item being considered by the Board, as outlined below.

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/ROLL CALL

Chair Miller called to order the regular meeting of the Board of Directors at 9:08 AM. Directors Leffel, Sabo and Pick were present. Chair Miller attended by Zoom videoconference. Director Sawhney was absent. The following staff were present: Acting Executive Director Morello, District Counsel Huber, Acting District Secretary Adams, and Deputy Executive Director Bergholz. Executive Director La Pier was absent.

Chair Miller asked Director Leffel to Chair the meeting since she was in the boardroom and the Chair Pro Temp was absent.

B. PLEDGE OF ALLEGIANCE

Director Pick led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Acting Executive Director Morello reminded Directors the California Rodeo Salinas & Monterey Regional Airport Chamber Mixer is Thursday, June 23rd, from 5:30 PM to 7:00 PM on the observation deck at the airport.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

None.

E. CONSENT AGENDA - ACTION ITEMS

- | | |
|---------|--|
| Approve | 1. Minutes of the Regular Board Meeting of May 18, 2022 |
| Approve | 2. Minutes of the Special Board Workshop Meeting of May 24, 2022 |
| Approve | 3. Minutes of the Special Board Meeting of May 24, 2022 |
| Approve | 4. Minutes of the Special Board Workshop Meeting of May 25, 2022 |
| Approve | 5. Minutes of the Special Board Meeting of June 1, 2022 |
| Approve | 6. Minutes of the Special Board Workshop Meeting of June 1, 2022 |
| Approve | 7. Minutes of the Special Board Workshop Meeting of June 2, 2022 |
| Approve | 8. Minutes of the Special Board Workshop Meeting of June 3, 2022 |
| Adopt | 9. Resolution No. 1816-5, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Making Findings and Determinations Pursuant to AB 361 or Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings |
| Adopt | 10. Resolution No. 1825, A Resolution Documenting the Appointment of Danial D. Pick to Board of Directors |

Director Sabo made a motion to approve Consent Agenda Items E.1 – E.10. Acting Chair Leffel seconded the motion. The motion passed by a roll call vote of 3-1 with Director Pick abstaining and Director Sawhney absent.

RESOLUTION NO. 1825

**A RESOLUTION OF THE MONTEREY PENINSULA AIRPORT DISTRICT
TO APPOINT A MEMBER OF THE BOARD OF DIRECTORS**

WHEREAS, there existed one vacancy on the Monterey Peninsula Airport District ("District") Board of Directors within the meaning of Government Code section 1780; and

WHEREAS, the District's Governing Board desired to make an appointment within 60 days of the vacancy in accordance within Government Code section 1780; and

WHEREAS, the Governing Board provided public notice of the existence of the vacancy and requested applications from interested qualified applicants; and

WHEREAS, the Governing Board received applications from many qualified applicants; and

WHEREAS, the Governing Board carefully considered the qualifications of the applicants; and

WHEREAS, on June 1, 2022, the Governing Board selected Danial D. Pick for appointment to fill the vacancy until the end of the term, and the oath of office was issued that same day.

NOW, THEREFORE, BE IT RESOLVED, that Danial D. Pick was appointed to fill the existing vacancy on the Board of Directors effective June 1, 2022, with a term to expire upon the successful election of a successor at the November 2022 General Election.

BE IT FURTHER RESOLVED THAT the Appointee is hereby conferred with all powers and duties of a Governing Board member.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 15th day of June 2022 by the following roll call vote:

AYES:	DIRECTORS:	Leffel, Sabo & Miller
NOES:	DIRECTORS:	None
ABSTAIN:	DIRECTORS:	Pick
ABSENT:	DIRECTORS:	Sawhney

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

None.

G. REGULAR AGENDA - ACTION ITEMS

Adopt 1. Resolution No. 1821, A Resolution Authorizing and Approving the Rates and Charges at the Monterey Regional Airport for Fiscal Year 2023

Acting Executive Director Morello introduced items G.1 – G.4 stating there were no changes made after the Budget Workshops, where these items were presented.

No public comment.

Director Sabo read the following statement for the record:

“Today I believe it is my fiduciary responsibility to reluctantly depart from my colleagues and our staff by proposing alternatives to the budget plans presented on our agenda. I will be doing so because I believe we must preserve our cash resources now, in order to have the funding for the extremely capital-intensive airport terminal building program we have established for our future. We are also entering a period of great economic uncertainty, including a possible recession that may affect our ability to provide these needed financial resources in the next two years.

In my view, in a time of uncertainty as we are now experiencing, we need to increase our revenues, preserve our grant money, and decrease our current spending to further build our cash reserves for our Terminal, Parking Lot and Hangar projects until we know more about FAA intentions regarding discretionary funding grants, and the impact of the economy on our airline partners. Later we can amend our Operating and Capital Budgets upward once we see what FAA grant funding is offered and what the economy is doing to our forecasts in Q1 and Q2.

These are the circumstances that confront us today and have influenced my decision:

1. *The award of generous FAA infrastructure grants to Monterey is very uncertain due to the intense competition from other airports across the country.*
2. *With rapidly increasing interest rates, future borrowing for an airport our size will be increasingly difficult.*
3. *Air Carrier flights and enplanements are uncertain in Q2, 3 and 4. Fuel prices are increasing ticket prices, advance passenger bookings are already beginning to deteriorate, inflation is increasing leisure travel costs for hotels, rental cars, and restaurants, pilot shortages are increasing cancellations and limiting additional flight frequencies, inflation is adversely affecting consumer confidence, limiting discretionary purchases, and business travel is slow to get started.*

If FY 23 budgeted revenue falls short of expectations the proposed operating and capital expenditures will reduce our liquidity (cash and CARES). The current proposed budget is projecting a decrease in our district cash position of nearly \$1,000,000. This is in addition to the \$4 million in District cash already authorized for reducing our CalPERS unfunded liability. If FAA comes up short with terminal, hangar, and parking grant funding, MRY will need to use all available liquidity to reduce the debt burden required to fund the difference for construction. We have very limited debt capacity. The air carriers will be reluctant to accept higher costs per enplanement required to fund new terminal construction. It is unlikely that district taxpayers will look kindly on a parcel tax for airport purposes.

In FY 23 we need to hold our operating expenses at near FY 22 levels until we have a clearer view of FAA grant funding intentions, and we can see what impact the economy is having on air carrier operations and customer enplanements. Further, we need to fund FY 23 expenditures from available CARES funds to the maximum extent possible to further build our district cash balances.”

Director Sabo further stated he disagreed with not raising rates and charges and made a motion to increase commercial aviation usage charges and all other terminal space related rental charges for terminal usage by the 4.2% CPI and raise hangar rental rates by the 4.2% CPI. The motion failed for lack of a second.

Director Pick made a motion to adopt Resolution No. 1821, A Resolution Authorizing and Approving the Rates and Charges at the Monterey Regional Airport for Fiscal Year 2023 (FY23). Chair Miller seconded the motion. Director Pick asked staff to state their reasons for not raising rates in FY 23. Acting Executive Director Morello answered it is being looked at for FY 24. Deputy Executive Director Bergholz added our leases are dated so this is part of a longer-term strategy that includes entirely new lease agreements.

The motion passed by a roll call vote of 3-1 with Director Sabo voting no and Director Sawhney absent.

RESOLUTION NO. 1821

A RESOLUTION AUTHORIZING AND APPROVING THE RATES AND CHARGES AT THE MONTEREY REGIONAL AIRPORT FOR FISCAL YEAR 2023

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. These rates and fees are collected 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 set its airside rates in accordance with the airfield residual cost recovery methodology, and

WHEREAS, the District has set its terminal area rental rates in accordance with the terminal compensatory cost recovery methodology,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, the following rate and fee schedule (SEE ANNEX A) shall be implemented effective July 1, 2022.

1.0 Aviation & Aviation Related Rates and Fees.

1.1 Landing Fees.

1.1.1 Air Carriers. Provided a signed agreement between an air carrier and the District exists and except as exempted from landing fees by the provisions of Section 1.1.5 of this Resolution, there shall be paid to the District a landing fee for all air carrier operations (including unscheduled charter operations) landing at the Airport (SEE ANNEX A). The landing fee is assessed per thousand pounds of certificated gross landing weight. Air carriers operating without a signed agreement will pay a landing fee equal to two (2) times the established rate.

1.1.2 Freight Forwarding/Cargo Carriers. Except as exempted from landing fees by the provisions of Section 1.1.5 of this Resolution, there shall be paid to the District a landing fee for all freight forwarding/cargo carrier operations (including unscheduled charter operations) landing at the Airport (SEE ANNEX A). The landing fee is assessed per thousand pounds of certificated gross landing weight or per landing.

1.1.3 General Aviation Aircraft. Except as exempted from landing fees by the provisions of Sections 1.1.3.1 and 1.1.5 of this Resolution, there shall be paid to the District a landing fee for all general aviation aircraft operations involving aircraft having a certificated gross landing weight of six thousand pounds (6,000 lbs.) or greater landing at the Airport (SEE ANNEX A). The landing fee is assessed per thousand pounds of certificated gross landing weight.

1.1.3.1 Based Aircraft Exemption. All general aviation aircraft based at the Monterey Regional Airport shall be exempt from the landing fees set forth in Section 1.1.3 of this Resolution. General aviation aircraft based at the Airport shall be deemed to include general aviation aircraft for which monthly hangar rentals or tie-down fees are being paid to the District or to a fixed base operator holding a valid lease or rental agreement with the District for the conduct of fixed base operations at the Airport. In addition, general aviation aircraft owned or leased by such a fixed base operator shall be deemed to be general aviation aircraft based at the Airport.

1.1.4 Helicopters. Except as exempted from landing fees by the provisions of Sections 1.1.4.1 or 1.1.5 of this Resolution, there shall be paid to the District a landing fee for all helicopter operations landing at the Airport (SEE ANNEX A). The landing fee for helicopters is assessed per landing.

1.1.4.1 Based Helicopter Exemption. All helicopters based at the Monterey Regional Airport shall be exempt from the landing fees set forth in Section 1.1.4 of this Resolution. Helicopters based at the Airport shall be deemed to include helicopters for which monthly hangar rentals or tie-down fees are being paid to the District or to a fixed base operator holding a valid lease or rental agreement with the District for the conduct of fixed base operations at the Airport. In addition, helicopters owned or leased by such a fixed base operator shall be deemed to be helicopters based at the Airport.

1.1.5 General Exemptions. Aircraft landing at the Airport due to mechanical failure or other in-flight emergency shall be exempt from the landing fees set forth in this Resolution. Military aircraft or aircraft operated by the state or federal government shall be exempt from the landing fees set forth in this Resolution. Medical emergency/medical evacuation aircraft shall be exempt from the landing fees set forth in this Resolution.

1.2 Remain-Over-Night (RON) Fee.

1.2.1 Air Carriers. Provided a signed agreement between an air carrier and the District exists, there shall be paid to the District a RON fee for all air carrier aircraft (including unscheduled charter aircraft) that remain over night at the Airport (SEE ANNEX A). The RON fee is assessed per thousand pounds of certificated gross landing weight.

1.2.2 Freight Forwarding / Cargo Carriers. There shall be paid to the District a RON fee for all freight forwarding/cargo carrier aircraft (including unscheduled charter aircraft) that remain overnight at the Airport (SEE ANNEX A). The RON fee is assessed per thousand pounds of certificated gross landing weight.

1.3 Apron Fee.

1.3.1 Air Carriers. Provided a signed agreement between an air carrier and the District exists, there shall be paid to the District an apron fee for all air carrier aircraft (including unscheduled charter aircraft) that park on the terminal ramp at the Airport (SEE ANNEX A). The apron fee is assessed per thousand pounds of certificated gross landing weight. Air carriers operating without a signed agreement will pay a landing fee equal to two (2) times the established rate.

1.3.2 Freight Forwarding / Cargo Carriers. There shall be paid to the District an apron fee for all freight forwarding/cargo carrier aircraft (including unscheduled charter aircraft) that park on the terminal ramp at the Airport (SEE ANNEX A). The apron fee is assessed per thousand pounds of certificated gross landing weight.

1.4 Gate Fee. Provided a signed agreement between an air carrier and the District exists, there shall be paid to the District a gate fee for non-scheduled (including charter) air carrier aircraft that use the Airport terminal facilities (SEE ANNEX A). The gate fee is assessed per thousand pounds of certificated gross landing weight. Air carriers operating without a signed agreement will pay a landing fee equal to two (2) times the established rate.

1.5 Security Fee. There shall be paid to the District a security fee for all air carrier aircraft (including unscheduled charter aircraft) that use the Airport terminal facilities (SEE ANNEX A). The security fee is assessed per enplaned passenger.

1.6 Hangar Rentals. There shall be paid to the District rents for District owned and maintained aircraft hangars (SEE ANNEX A). The hangar rent is assessed by type and location of hangar, except as may otherwise be provided in a contractual agreement between the District (lessor) and a lessee.

1.7 Aircraft Tie-downs. There shall be paid to the District rents for District owned and maintained aircraft tie-down spaces (SEE ANNEX A). The tie-down rent is assessed by aircraft type and location of tie-down, except as may otherwise be provided in a contractual agreement between the District (lessor) and a lessee.

1.8 Fuel Dispensing / Fuel Flowage Fees. There shall be paid to the District a fuel dispensing or fuel flowage fee for each gallon of fuel dispensed at the Airport (SEE ANNEX A). The fuel dispensing or flowage fee is assessed by number of gallons dispensed and by type of fuel.

2.0 Terminal Area Rents.

2.1 Terminal Building and Adjacent Area Rentals. There shall be paid to the District rents for space in and around the Airport terminal (SEE ANNEX A). These rents are paid by square foot (sq. ft.) or space basis (per month) except as may otherwise be provided in a contractual agreement between the District (lessor) and a lessee.

2.2 Concessionaires. There shall be paid to the District fees for the use of space and the conduct of business in and around the Airport terminal. These fees may be assessed by square foot (sq. ft.) or space basis (per month) or may be assessed as a percentage of gross receipts, or a combination provided in a contractual agreement between the District (lessor) and a lessee or concessionaire.

3.0 Non-Aviation Rents. There shall be paid to the District rents for non-aviation space and facilities on the Airport (SEE ANNEX A). These rents are assessed on a square foot (sq. ft.) or space basis (per month) except as may otherwise be provided in a contractual agreement between the District (lessor) and a lessee.

4.0 Other Fees.

4.1 Miscellaneous Fees. There shall be paid to the District fees for AOA badges, parking permits, SIDA badges, law enforcement activities (reports, incidents and services). These fees are assessed on each activity or service provided by the District to a tenant, tenant-employee, and lessee.

4.2 Tenant Event Support / Tenant Repair & Maintenance Fees. There shall be paid to the District fees for law enforcement support or tenant repair, maintenance services and event fees. These fees will be charged on a per hour rate and due at the completion of law enforcement support or tenant repair & maintenance services, and event fees.

4.3 Airport Events / Filming / Photography - Basic Use Fees. There shall be paid to the District fees for special on property events, motion picture filming or television recording and photography events. These fees will be charged on a per day rate and due in advance when the Facilities Use and License Agreement is executed, and before special on property events, motion picture filming or television recording and photography events occur.

4.4 Late Payment and Credit Card Payment Fees. There shall be paid to the District fees for late tenant or lessee and credit cards payments. These fees will be charged on a percentage of tenant or lessee invoices and are due upon contract terms with the District.

4.5 Notice of Violation Fees. There shall be paid to the District for Rules and Regulations Violations as described in Article 9 and 10. These fees will be assessed on a per incident basis and will escalate from continued or reoccurring violations.

4.6 Business License Fees. There shall be paid to the District a Business License fee for all tenants operating a business on District property. The Business License fee shall be assessed annually on January 1 of each calendar year and prorated for new businesses if implemented after January 1.

5.0 Future Rate Adjustments. The District may implement changes in rates and charges from time-to-time through the adoption of future rates and charges resolutions. During the period following the adoption of this Resolution and until the effective date of a subsequent rates and charges resolution, District leases and rental agreements may provide for adjustments to rates and charges based on changes in consumer price or other indices.

6.0 Severability. If any provision, clause, sentence or paragraph of this Resolution or the application thereof to any person or circumstance shall be held invalid, such invalidity shall not affect the other provisions of this Resolution which can be given effect without the invalid provision or application and to this end, the provisions of this Resolution are declared severable.

7.0 Effective Date. This Resolution shall take effect on July 1, 2022.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 15th day of June 2022, by the following roll call vote:

AYES:	DIRECTORS:	Pick, Leffel, Miller
NOES:	DIRECTORS:	Sabo
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	Sawhney

Adopt 2. Resolution No. 1822, A Resolution Authorizing and Approving the Fiscal Year 2023 Salary Schedule, Listing Salary Ranges for the Monterey Peninsula Airport District

No Public comment.

Director Sabo made a motion to delay adding all new positions until Q3 budget review.

Director Pick asked for a Staff response before considering a second. Acting Executive Director Morello stated three of the positions were eliminated or deferred during COVID. Existing staff were able to

cover those positions when airport activity was very light. Airport activity is now up and is over 2019 levels and management believe additional staff are warranted. In addition, two of the new proposed positions are at the recommendation of the Board. Director Sabo asked for the total cost of the salary and benefits for the positions being added to the Salary Schedule. Deputy Executive Director Bergholz answered approximately \$350k.

The motion failed due to lack of a second.

Director Pick made a motion to adopt Resolution No. 1822, A Resolution Authorizing and Approving the Fiscal Year 2023 Salary Schedule, Listing Salary Ranges for the Monterey Peninsula Airport District. Chair Miller seconded the motion. The motion passed by a roll call vote of 3-1 with Director Sabo voting no and Director Sawhney absent.

RESOLUTION NO. 1822

A RESOLUTION AUTHORIZING AND APPROVING THE FISCAL YEAR 2023 SALARY SCHEDULE LISTING SALARY RANGES FOR THE MONTEREY PENINSULA AIRPORT DISTRICT

WHEREAS, on April 15, 2022 the Monterey Peninsula Airport District (District) recognized continued improvement in commercial airlines, general aviation and other tenant operations as COVID-19 travel restrictions decreased and travel related consumer confidence improved.

WHEREAS, the District recognizes the need to add a Public Relations Specialist and Social Media Specialist positions to support changes in business requirements and increased business activity. The District also recognizes the need to fill a vacant Operations, Strategy, and Development Executive Assistant position left unfilled during the pandemic and to add a Maintenance Worker position to meet current maintenance demands over weekends and holidays.

WHEREAS, for Fiscal Year 2023 the previously approved salary ranges are adequate to meet currently approved positions therefore no changes are recommended. For the Public Relations Specialist and Social Media Specialist positions the salary ranges have been added to the FY 2023 Salary Schedule.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: That the compensation of all employees of the Monterey Peninsula Airport District as set forth and prescribed in the FY 2023 Salary Schedule Listing Salary Ranges is hereby approved and adopted. A copy of said schedule is attached hereto and made a part of by reference as though the same were set forth in full herein.

AND BE IT FURTHER RESOLVED: That there be filed in the office of said District, said Salary Schedule in accordance with and designated "Monterey Peninsula Airport District Fiscal Year 2023 Salary Schedule" listing salary ranges.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 15th day of June 2022 by the following roll call vote:

AYES:	DIRECTORS:	Pick, Leffel, Miller
NOES:	DIRECTORS:	Sabo
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	Sawhney

Adopt 3. Resolution No. 1823, A Resolution Authorizing and Approving the Operating Budget of the Monterey Peninsula Airport District for Fiscal Year 2023

No Public comment.

Director Pick stated he appreciated Director Sabo's comments regarding the economy and asked if any of the assumptions the FY 23 budget is based on, had changed. Acting Executive Director Morello and Deputy Executive Director Bergholz both answered no.

Director Sabo stated he believes Q1 and Q2 enplanement assumptions should change. Acting Chair Leffel reported she and Chair Miller just attended AAAE in Seattle and heard from experts that the secondary leisure market experience, such as Monterey, CA, is in high demand.

Director Pick made a motion to adopt Resolution No. 1823, A Resolution Authorizing and Approving the Operating Budget of the Monterey Peninsula Airport District for Fiscal Year 2023. Acting Chair Leffel seconded the motion.

Director Sabo made an alternate motion to delay the PR Specialist and Social Media Specialist positions until Q3 FY 23, hold PR expense to FY 22 levels, reduce the Social Media Marketing expense to \$15k, hold Air Service Development expenses constant with FY 22, delay operations staffing increase until Q3, and do not add the new maintenance position. The motion failed for lack of a second.

The original motion passed by a roll call vote of 3-1 with Director Sabo voting no and Director Sawhney absent.

RESOLUTION NO. 1823

A RESOLUTION AUTHORIZING AND APPROVING THE OPERATING BUDGET OF THE MONTEREY PENINSULA AIRPORT DISTRICT FOR FISCAL YEAR 2023

WHEREAS, the estimates submitted to the Board of Directors of the Monterey Peninsula Airport District entitled "Monterey Peninsula Airport District, County of Monterey, State of California, Budget - Fiscal Year 2023," and now on file in the offices of the District, are hereby approved and adopted as the budget of the District for the Fiscal Year 2023, and

WHEREAS, the District's Fiscal Year 2023 revenues are projected to be sufficient to fund expenses, capital expenditures and debt service, and

WHEREAS, the available revenues of the District for the Fiscal Year 2023 are hereby appropriated as set forth and segregated in the operating and capital budgets, and

WHEREAS, all annual salaries, compensations, allowances and operating expenses for the Fiscal Year 2023 as set forth in the operating 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, all debt service expenditures, interest, and principal for the Fiscal Year 2023 are identified and shall be payable in such time, form and manner as prescribed by contract or covenant, are hereby approved, and

WHEREAS, all motions and resolutions and parts of motions and resolutions insofar as they are in conflict with this resolution are hereby repealed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, the Operating Plan presented is the Budget for Fiscal Year 2023 are hereby established and designated as in the Budget and shall take effect on July 1, 2022.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 15th day of June 2022 by the following roll call vote:

AYES:	DIRECTORS:	Pick, Leffel, Miller
NOES:	DIRECTORS:	Sabo
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	Sawhney

Adopt 4. Resolution No. 1824, A Resolution Authorizing and Approving the Capital Budget of the Monterey Peninsula Airport District for Fiscal Year 2023

No Public comment.

Director Sabo made a motion to delay the Northwest Building Abatement and the 2801 Property Repair until the Q3 budget review, the Removal of Building 1105 to FY 24, and to fund the Terminal Exterior Painting only if we don't build a new terminal building. The motion failed for lack of a second.

Director Pick made a motion to adopt Resolution No. 1824, A Resolution Authorizing and Approving the Capital Budget of the Monterey Peninsula Airport District for Fiscal Year 2023. Chair Miller seconded the motion. The motion passed by a roll call vote of 3-1 with Director Sabo voting no and Director Sawhney absent.

RESOLUTION NO. 1824

A RESOLUTION AUTHORIZING AND APPROVING THE CAPITAL BUDGET OF THE MONTEREY PENINSULA AIRPORT DISTRICT FOR FISCAL YEAR 2023

WHEREAS, the estimates submitted to the Board of Directors of the Monterey Peninsula Airport District entitled "Monterey Peninsula Airport District, County of Monterey, State of California, Budget - Fiscal Year 2023" and now on file in the offices of the District are hereby approved and adopted as the capital budget of the District for the Fiscal Year 2023, and

WHEREAS, it is the desire of the Board of Directors to adopt the "Fiscal Year 2023 Capital Budget" to include capital expenditures identified impacting the Capital Improvement Program (CIP) Budget; and

WHEREAS, The Districts Fiscal Year 2023 revenues or cash reserves are projected to be sufficient to fund capital expenditures: and

WHEREAS, the available revenues of the District for the Fiscal Year 2023 are hereby appropriated as set forth and segregated in the operating budget and may fund the capital budget, and

WHEREAS, all capital expenditures for the Fiscal Year 2023 as set forth in the District Capital 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.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT, that the Capital Plan for the Fiscal Year 2023 District Capital Budget are hereby established and designated as in the Capital Budget and shall take effect on July 1, 2022.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 15th day of June 2022 by the following roll call vote:

AYES:	DIRECTORS:	Pick, Leffel, Miller
NOES:	DIRECTORS:	Sabo
ABSTAIN:	DIRECTORS:	None
ABSENT:	DIRECTORS:	Sawhney

Adopt 5. Resolution No. 1826, A Resolution Ordering an Election, Requesting the Monterey County Elections Department to Conduct the Election, Requesting Consolidation of the Election and Stating the Determination of the Board of Directors of the Monterey Peninsula Airport District with Respect to Candidates' Statements of Qualifications

District Counsel Huber introduced Item G.5 stating Directors have staggered four-year terms so every 2 years we need to hold an election; this year it is District 4 and District 5. The District can run that election itself or consolidate with the County and the general election and pay it's proportional share of the costs. District Counsel Huber reviewed the cost assumptions including that the candidates pay for their own candidate statements, which would be capped at 200 words.

Director Pick made a motion to adopt Resolution No. 1826, A Resolution Ordering an Election, Requesting the Monterey County Elections Department to Conduct the Election, Requesting Consolidation of the Election and Stating the Determination of the Board of Directors of the Monterey Peninsula Airport District with Respect to Candidates' Statements of Qualifications. Director Sabo seconded the motion. The motion passed with a roll call vote of 4-0 with Director Sawhney absent.

Action 6. Review and Availability of Compensation and Benefits to Board Members

Acting Chair Leffel stated this item was at Director Sawhney's request.

District Counsel Huber introduced Item G.6 stating he and Deputy Executive Director Bergholz did research on the subject. The Director compensation is governed by Public Utilities Code section 224047 and is already paid at the maximum. Directors are not eligible for a pension, but could be eligible to participate in medical, dental, vision and life insurance. Monterey Peninsula Airport District has never passed a resolution to allow that, but it is possible. It would also require a second separate resolution to amend the contract with CalPERS. Should Directors pass those resolutions, the total maximum impact to the budget would be \$186k.

There was no Public comment.

Director Sabo asked staff to determine what the probable expense would be in FY 23. Directors discussed the fact that suppositions could change depending on the makeup of the Board of Directors and that cost has many variables and is based on the selections each Director makes. Some of the Directors thought staff should not spend time on that request. Staff offered to provide Director Sabo with the coverage manuals that employees receive when they select coverage.

Director Sabo moved to table Item G.6 to the next meeting. The motion failed for lack of a second.

Director Pick made a motion to do no further work on this subject at this time. Acting Chair Leffel seconded the motion. The motion passed by a roll call vote of 3-1 with Director Sabo voting no and Director Sawhney absent.

Approve 7. Fiscal Year 2023 Board Conferences and Events

Acting Chair Leffel stated our policy is to budget for Directors to go to two conferences per year in addition to the SWAAAE Annual Short Course held in Monterey, CA in January 2023.

CSDA Annual Conference & Exhibitor Showcase in Palm Desert, CA in August 2022

- Director Pick will attend.

ACI-NA Conference in Minneapolis, MN in September 2022

- Directors Leffel, Sabo and Miller will attend.

AAAE Annual Conference in Denver, CO in June 2023

- Directors Leffel, Miller, and Pick will attend.

ACI-NA/AAAE Board and Commissions Conference - TBD

- Director Sabo will attend.

Acting Chair Leffel stated she will also attend the CSDA Annual Conference in Palm Desert, but it will not be as a representative of the airport or at MRY Airport expense.

Chair Miller excused himself at 10:55 AM and Acting Chair Leffel recessed the meeting.

The meeting reconvened at 11:01 AM.

H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

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

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

Standing Committees:

- Budget and Finance
- Air Service, Marketing, Community Relations
- Airport Property Development and Leases

Directors Sabo & Leffel
Director Miller & Pick
Directors Sawhney & Miller

b. Ad-Hoc Committees:

i. Local Jurisdiction Liaison

Director Leffel and Miller

c. Liaison/Representatives:

i. Local Agency Formation Commission

Director Leffel

Alt: Sawhney

ii. Regional Taxi Authority

Director Leffel

Alt: Sawhney

iii. Transportation Agency for Monterey County

Director Sabo

Alt: Sawhney

iv. Special Districts Association Liaison

Director Leffel

Alt: Miller

v. Association of Monterey Bay Area Governments

Director Sawhney

Alt: Sabo

No comments on staff reports.

Director Sabo reported for Budget and Finance stating there were no action items or recommendations. Acting Chair Leffel asked that the written statement Director Sabo read at the beginning of the meeting be included in the minutes. She reported the Budget and Finance committee discussed the CARES grant and what balances can be used for. She noted the CARES grant balance will be reduced by \$4 million for the UAL payment that was approved. It will not appear on the end of the fiscal year reports because it will be sent late in June.

Director Sabo asked at what point is the budget amended if the line item is over budget. Acting Executive Director Morello stated we manage to department totals, not line items. But new items added to the budget are always discussed; the board was made aware of items of significance by the Executive Director La Pier.

No Air Service, Marketing, Community Relations committee this month.

Airport Property Development and Leases committee members were all absent.

Acting Chair Leffel reported LAFCO has no July meeting.

Director Sabo reported TAMC has moved most items to consent agenda; there was nothing of impact to the airport. The Highway 68 roundabouts have been pushed out another 12 months for design.

No Special Districts meeting until July.

No report for AMBHAG.

I. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- *Approve Update to Administrative and Personnel Policy Manual*
- *Updates to MPAD Governance Manual and Board Operating Rules and Procedures to Reflect Legal Counsel Review*

District Counsel Huber reported the update to the personnel manual is ready, but Chair Miller asked to defer it to the July agenda so Executive Director La Pier could be in attendance. Director Sabo suggested that any changes to the Personnel Policy Manual that will also affect the Governance Manual be flagged.

J. DISCUSSION OF FUTURE AGENDAS

Any Board member may request the Board of Directors to instruct staff to report back to the Board at a future meeting concerning any matter or place a matter of business on a future agenda. Approval of such requests will be made by motion.

None

K. ADJOURNMENT

The meeting adjourned at 11:24 AM.

Approved at the
Meeting of July 20, 2022



Carl M. Miller, Chair

ATTEST



Michael La Pier, AAE
District Secretary