

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

**December 10, 2014 10:00 AM  
Board Room, Terminal Building - Monterey Regional Airport**

(Unless you are a public safety official, please turn off your cell phone or place it on vibrate mode during the meeting. Thank you for your compliance.)

**A. CALL TO ORDER/ROLL CALL**

**B. PLEDGE OF ALLEGIANCE**

**C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS**

**D. DECLARATION OF ELECTION RESULTS**

Adopt 1. Resolution No. 1630, A Resolution Acknowledging the Results of the Monterey Peninsula Airport District General Election held on November 4, 2014.

**E. ADMINISTER OATH OF OFFICE FOR ELECTED OFFICIALS**

**F. PUBLIC COMMENTS**

Any person may address the Monterey Peninsula Airport District Board at this time. Presentations should not exceed three (3) minutes, should be directed to an item **NOT** on today's agenda, and should be within the jurisdiction of the Monterey Peninsula Airport District Board. Though not required, the Monterey Peninsula Airport District Board appreciates your cooperation in completing a speaker request form available on the staff table. Please give the completed form to the Monterey Peninsula Airport District Secretary. Comments concerning matters set forth on this agenda will be heard at the time the matter is considered.)

**G. CONSENT AGENDA – ACTION ITEMS**

(10:30AM – 10:40AM Estimated)

(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 Adjourned Meeting of November 19, 2014

Accept 2. Monterey Peninsula Airport District Audited Financials for Fiscal Year 2014

**H. DEFERRED CONSENT AGENDA - ACTION ITEMS**

**I. REGULAR AGENDA – ACTION ITEMS**

(10:40AM-12:30PM Estimated)

- Presentation 1. Industry overview and review of MRY Air Service - Looking to 2015 and Beyond, by Joseph Pickering, Manager, Air Service Development, Mead & Hunt, Inc.
- Presentation 2. Update on the Runway Safety Area (RSA) Project by Kimley-Horn and Associates.
- Adopt 3. Resolution No. 1631, a Resolution Approving Submission of FY 2016-20 Airport Capital Improvement Plan (ACIP); Approve Submittal to FAA; Authorize General Manager to Execute All Supporting Documents.
- Adopt 4. Resolution No.1627, a Resolution adopting the Conflict of Interest Code of the Monterey Peninsula Airport District.
- Approve 5. Retainer Agreement for Special Counsel between Monterey Peninsula Airport District and David A. Prentice, Prentice & Epperson LLP.
- Adopt 6. Resolution No. 1632, a Resolution Requesting authorization from the Monterey County EMS Agency for the City of Monterey to provide Paramedic First Responder Services to the Monterey Peninsula Airport District.
- Approve 7. Board Member attendance at the upcoming SWAAAE's 55<sup>th</sup> Annual Airport Management Short Course Conference January 25 – 28, 2015, Monterey, CA.
- Approve 8. Legal Services Agreement for District Counsel with Cota Cole, LLP.

LUNCH BREAK (12:30PM – 1:30PM Estimated)

**J. ACCEPTANCE OF DEPARTMENT REPORTS**

(1:30PM – 1:45PM Estimated)

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

**K. BOARD COMMITTEE REPORTS**

(1:45PM –2:00PM Estimated)

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

a. Standing Committees:

- i. Air Carrier Service/Marketing/Community Relations Directors Nelson & Leffel

iii. Local Jurisdiction Liaison

Directors Miller & Searle

b. Ad-Hoc Committees:

i. Personnel

Directors Miller & Nelson

c. Liaison/Representatives:

i. Local Agency Formation Commission

Directors Leffel & Searle

ii. Transportation Agency for Monterey County

Directors Sabo/Nelson (alt)

iii. Water Management District (Policy Advisory)

Directors Leffel/Searle (alt)

iiii. Regional Taxi Authority

Director Leffel/GM Greer (alt)

**L. CLOSED SESSION**

(2:00PM – 2:45PM Estimated)

1. **CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION** (Pursuant to Government Code section 54956.9(b), the Board of Directors will meet with District Counsel, General Manager, Deputy General Manager/Designee, Planning & Development and District Consultants regarding potential litigation – one case
2. **CONFERENCE WITH LABOR NEGOTIATORS** (Pursuant to Government Code Section 54957.6) Police Officers Association (POA)

Agency designated representatives: David Prentice, Prentice and Epperson, LLP. and Tonja Posey

**M. RECONVENE TO OPEN SESSION**

**N. 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.)

**O. ADJOURNMENT**

**AGENDA DEADLINE**

All items submitted by the public for possible inclusion on the Board Agenda or in the Board packet must be received by 5:00 P.M. on the Monday before the first Wednesday of the month. This agenda is subject to revision and may be amended prior to the scheduled meeting. A final Agenda will be posted outside the District Offices in the Terminal Building at the Monterey Regional Airport 72 hours prior to the meeting.

Upon request and where feasible, the Monterey Peninsula Airport District will provide written agenda materials in appropriate alternate formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. In order to allow the District time within which to make appropriate arrangements, please submit a written request containing a brief description of the materials requested and preferred alternative format or auxiliary aid or service desired as far as possible in advance of the meeting. Requests should be sent to the District Secretary at 200 Fred Kane Drive, Suite 200, Monterey, California 93940.

**RESOLUTION NO. 1630**

**A RESOLUTION DECLARING THE RESULTS OF  
THE MONTEREY PENINSULA AIRPORT GENERAL DISTRICT ELECTION  
HELD NOVEMBER 4, 2014**

**WHEREAS**, a General District Election was held on November 4, 2014 in the County of Monterey, State of California, in accordance with the Monterey Peninsula Airport District Act as amended for the election of two (2) members of the Board of Directors of said District for the full term of four (4) years until each of their successors has been elected and has qualified for such office; and

**WHEREAS**, the official results of said election are detailed in that "Certification of the Registrar of Voters to the Statement of Votes Cast", executed on November 24, 2014 by Claudio Valenzuela, Registrar of Voters, County of Monterey, State of California, attached hereto as Exhibit "A" and incorporated herein by this reference;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT** that the District Secretary is hereby authorized and directed to enter upon the records of the District a statement of the results of said election as follows: Matthew Nelson and Carl Miller, as listed by name and order on the ballot, each being duly qualified persons and having duly filed Nomination Papers, have received the highest number of votes cast at the November 4, 2014 General District Election for membership on the Board of Directors for a full term of four (4) years each, and each said person hereinabove declared elected shall be given the Certified Oath of Office to be administered by the District Secretary.

**ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 10th day of December 2014 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>
<b>NOES:</b>	<b>DIRECTORS:</b>
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>
<b>ABSENT:</b>	<b>DIRECTORS:</b>

Signed this 10<sup>th</sup> day of December, 2014

Carl M. Miller, Chair

**ATTEST**

Tonja Posey  
District Secretary

# MONTEREY COUNTY ELECTIONS



PO Box 4400  
Salinas, CA 93912

1370-B South Main Street  
Salinas, CA 93901

831-796-1499 Phone  
831-755-5485 Fax

[www.MontereyCountyElections.us](http://www.MontereyCountyElections.us)

[elections@co.monterey.ca.us](mailto:elections@co.monterey.ca.us)

**Claudio Valenzuela**  
Registrar of Voters

**Gina Martinez**  
Assistant Registrar of Voters

November 24, 2014

**Monterey Peninsula Airport District**  
200 Fred Kane Drive, Suite 200  
Monterey, CA 93940

Subject: Certificate of the Registrar of Voters for the **Monterey Peninsula Airport District**.

Attached hereto is the Certificate of the Registrar of Voters in connection with the November 4, 2014 Election.

Sincerely,

Claudio Valenzuela  
Registrar of Voters

Enclosures



CERTIFICATE OF THE REGISTRAR OF VOTERS

In the Matter of the CANVASS OF VOTE CAST )  
at the Monterey Peninsula Airport District )  
November 4, 2014 Election )

I, Claudio Valenzuela, Registrar of Voters of the County of Monterey, State of California hereby certify:

THAT an election was held within the boundaries of the Monterey Peninsula Airport District, on November 4, 2014 for the purpose of electing two Directors to the Monterey Peninsula Airport District, and; I caused to have processed and recorded the votes from the canvass of all ballots cast at said election within the boundaries of the Monterey Peninsula Airport District.

I HEREBY FURTHER CERTIFY that the record of votes cast at said election are set forth in Exhibit "A" attached hereto and incorporated herein by reference as though fully set forth at length.

IN WITNESS WHEREOF, I hereunto affix my hand and seal this Monday, November 24, 2014 and file this date with the Monterey Peninsula Airport District.



Claudio Valenzuela  
Registrar of Voters



# Certificate of Election and Oath of Office

STATE OF CALIFORNIA }  
COUNTY OF MONTEREY } ss.

I, *Claudio Valenzuela*, Registrar of Voters, in and for the County of Monterey, do hereby certify that at the November 4, 2014 Election, **Matthew E. Nelson** was elected to the office of **Monterey Peninsula Airport District** for a term of 4 years as appears by the official returns of said election, and the Official Statement of Votes cast now on file in my office.



In Witness Whereof, I have hereunto affixed my hand and official seal this Monday, November 24, 2014.

*Claudio Valenzuela*,  
Monterey County Registrar of Voters

By

STATE OF CALIFORNIA }  
COUNTY OF MONTEREY } ss.

I, **Matthew E. Nelson**, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California, that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

\_\_\_\_\_  
(Signature)

Subscribed and sworn to before me, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Signature of Person Administering Oath)

\_\_\_\_\_  
(Title)

# Certificate of Election and Oath of Office

STATE OF CALIFORNIA }  
COUNTY OF MONTEREY } ss.

I, *Claudio Valenzuela*, Registrar of Voters, in and for the County of Monterey, do hereby certify that at the November 4, 2014 Election, *Carl M. Miller* was elected to the office of *Monterey Peninsula Airport District* for a term of 4 years as appears by the official returns of said election, and the Official Statement of Votes cast now on file in my office.



In Witness Whereof, I have hereunto affixed my hand and official seal this Monday, November 24, 2014.

*Claudio Valenzuela*,  
Monterey County Registrar of Voters

By

STATE OF CALIFORNIA }  
COUNTY OF MONTEREY } ss.

I, *Carl M. Miller*, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States and the Constitution of the State of California against all enemies, foreign and domestic; that I will bear true faith and allegiance to the Constitution of the United States and the Constitution of the State of California, that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

\_\_\_\_\_  
(Signature)

Subscribed and sworn to before me, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
(Signature of Person Administering Oath)

\_\_\_\_\_  
(Title)



MONTEREY PENINSULA AIRPORT DIST., DIR.													
	Registration	Ballots Cast	Turnout (%)		DAN PRESSED	MATTHEW E. NELSON	CARL W. MILLER						
4064 - 4064	1090	200	18.35		67	77	109						
4064 - VBM	1090	402	36.88		133	216	216						
4065 - 4065	1138	133	11.71		45	61	71						
4065 - VBM	1138	449	39.52		109	240	257						
4067 - 4067	1306	174	12.48		65	80	78						
4067 - VBM	1306	477	34.17		100	227	247						
4068 - 4068	1202	122	10.15		52	53	70						
4068 - VBM	1202	473	39.35		169	251	277						
4069 - 4069	1085	109	10.23		33	45	47						
4069 - VBM	1085	284	26.67		85	134	145						
4070 - 4070	1345	88	7.29		31	37	52						
4070 - VBM	1345	403	29.89		164	180	217						
4071 - 4071	1412	145	10.27		60	54	60						
4071 - VBM	1412	503	35.55		174	238	281						
4072 - 4072	749	72	9.61		27	31	30						
4072 - VBM	749	221	29.51		89	101	108						
4073 - 4073	1227	143	11.65		45	55	80						
4073 - VBM	1227	430	35.04		160	204	225						
5091 - 5091	1374	198	12.88		65	70	97						
5091 - VBM	1374	512	37.26		229	230	268						
5092 - 5092	1403	187	13.33		60	69	90						
5092 - VBM	1403	419	29.86		166	182	205						
5093 - 5093	1677	236	14.07		73	83	106						
5093 - VBM	1677	600	35.78		240	239	286						
5094 - 5094	1275	180	14.12		67	79	85						
5094 - VBM	1275	444	34.82		156	182	259						
5095 - 5095	1275	162	12.71		56	60	79						
5095 - VBM	1275	491	31.45		148	185	214						
5096 - 5096	806	106	11.83		45	52	52						
5096 - VBM	806	476	52.95		162	206	273						
5097 - 5097	1119	171	15.29		65	80	96						
5097 - VBM	1119	537	47.10		202	286	294						
5098 - 5098	1173	156	13.30		43	67	93						
5098 - VBM	1173	549	46.04		187	249	291						
5099 - 5099	1190	167	14.03		66	79	75						
5099 - VBM	1190	572	48.07		226	283	301						
5100 - 5100	1789	216	12.28		90	90	97						
5100 - VBM	1789	700	39.80		229	357	412						
5101 - 5101	1421	169	11.91		43	76	74						
5101 - VBM	1421	716	50.39		235	341	418						
5102 - 5102	1381	217	15.71		59	110	117						
5102 - VBM	1381	644	46.63		237	324	373						
5103 - 5103	1389	260	18.00		100	106	115						
5103 - VBM	1389	631	45.43		225	326	333						
5104 - 5104	1211	214	17.67		57	76	121						
5104 - VBM	1211	511	42.20		181	230	280						
5105 - 5105	1283	216	16.89		57	100	128						
5105 - VBM	1283	615	47.93		280	300	340						
5106 - 5106	1295	192	14.83		48	79	114						
5106 - VBM	1295	573	44.29		196	288	330						
5107 - 5107	1233	229	18.57		70	105	123						
5107 - VBM	1233	591	43.07		183	253	267						
5108 - 5108	1812	267	14.18		79	137	144						
5108 - VBM	1812	844	52.10		263	354	579						
5109 - 5109	1299	171	13.19		38	62	77						
5109 - VBM	1299	547	49.21		181	370	363						
5110 - 5110	1336	204	15.24		72	76	80						
5110 - VBM	1336	516	38.59		148	246	263						
5111 - 5111	1236	215	17.39		61	79	85						
5111 - VBM	1236	512	41.42		141	267	293						
5112 - 5112	1142	150	13.13		38	72	84						

MONTEREY PENINSULA AIRPORT DIST., DIR.												
	Registration	Ballots Cast	Turnout (%)	DAN PRISSEI	MATTHEW E. NELSON	CARL R. MILLER						
5112 - VBM	1443	545	45.10	166	246	287						
5113 - 5113	1830	253	15.44	88	102	128						
5113 - VBM	1895	897	47.52	222	362	368						
5114 - 5114	1212	188	12.87	50	59	73						
5114 - VBM	1212	583	45.00	199	297	298						
9448 - MBP	0	0	0.00	0	0	0						
9448 - VBM	0	0	0.00	0	0	0						
9448 - MBP	00	32	48.48	0	0	0						
9449 - VBM	88	0	0.00	0	0	0						
9450 - MBP	148	81	54.73	37	32	44						
9450 - VBM	148	0	0.00	0	0	0						
9593 - MBP	119	28	24.14	8	19	15						
9593 - VBM	119	0	0.00	0	0	0						
9554 - MBP	454	277	61.01	89	139	189						
9554 - VBM	454	0	0.00	0	0	0						
9555 - MBP	293	189	65.50	66	61	101						
9555 - VBM	293	0	0.00	0	0	0						
9558 - MBP	431	282	68.47	72	122	130						
9558 - VBM	431	1	0.23									
9557 - MBP	687	408	61.30	95	236	244						
9557 - VBM	687	0	0.00	0	0	0						
Precinct Totals	42855	5890	13.71	1905	2403	2959						
MBP Totals	2175	1271	58.44	364	631	712						
VBM Totals	44830	17470	38.07	6061	8534	9576						
Grand Totals	42855	24591	57.65	8330	11618	13247						
CALIFORNIA	42855	24591	57.65	8330	11618	13247						
20th CONGRESS	42855	24591	57.65	8330	11618	13247						
17th SENATORIAL DISTRICT	42855	24591	57.65	8330	11618	13247						
29th ASSEMBLY DISTRICT	42855	24591	57.65	8330	11618	13247						
2nd DIST. BOARD OF EQUALIZA	42855	24591	57.65	8330	11618	13247						
8th APPELLATE COURT	42855	24591	57.65	8330	11618	13247						
4th SUPERVISORIAL DISTRICT	10822	4949	46.59	1825	2285	2624						
6th SUPERVISORIAL DISTRICT	32033	19642	61.32	6605	9333	10623						
CARMEL-BY-THE-SEA	2675	1449	56.27	422	658	748						
DEL REY OAKS	1090	609	55.23	200	292	321						
MONTEREY	13141	8990	63.19	2578	3128	3895						
PACIFIC GROVE	9213	5700	61.87	1911	2726	3141						
SAND CITY	0	81	0.00	37	32	44						
SEASIDE	9532	4234	44.42	1589	1941	2259						
UNINCORPORATED COUNTY A	7104	5530	77.81	1684	2833	3041						

Insufficient Turnout to Protect Voter Privacy

MINUTES OF THE ADJOURNED MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT  
BOARD OF DIRECTORS  
November 19, 2014 10:00AM, BOARD ROOM

**A. CALL TO ORDER/ROLL CALL**

*Director Sabo called to order the Adjourned Meeting of the Board of Directors. Directors Searle, Nelson, and Leffel were present. The following District officers were present: General Manager Greer, Board Secretary Posey, Auditor Merritt and District Counsel Huber. Chair Miller arrived at 10:03am.*

**B. PLEDGE OF ALLEGIANCE**

*Director Nelson Led the Pledge of Allegiance*

**C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS**

*General Manager Greer announced that the Board had been given invitations to Charlie's Retirement Luncheon on December 5, 2014.*

**D. PUBLIC COMMENTS**

*Bob Buck, Del Monte Aviation announced the retirement of Charlie Brown and introduced the new General Manager of Del Monte Aviation, Russell Lockwood.*

**E. CONSENT AGENDA - ACTION ITEMS**

(10:20AM – 10:30AM Estimated)

(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 Regular Meeting of October 8, 2014

Approve 2. Insurance Package (for year 11/01/2014 – 11/01/2015)

*Director Leffel moved to approve Items E.1 & E.2. Director Sabo seconded the motion. The motion passed unanimously.*

**F. DEFERRED CONSENT AGENDA - ACTION ITEMS**

*None*

G. REGULAR AGENDA – ACTION ITEMS

(10:30AM-12:00PM Estimated)

Presentation 1. Airport Master Plan Update by Coffman & Associates.

*Jim Harris, Coffman & Associates and Christine Eberhard, CommuniQuest, updated the Board on the status of the Master Plan.*

Public Comment

*Larry Daniels, Pilot, asked the Board to consider improving/modifying the instrument landing approach from the east.*

Presentation 2. Update on the Runway Safety Area (RSA) Project by Kimley-Horn and Associates.

*Chris Morello, Project Manager and Kevin Flynn, Kimley-Horn and Associates updated the Board on the status of the RSA project.*

Presentation 3. Noise Mitigation Procedures

*Ken Griggs, Operations Manager, gave a presentation on the historical evolution of federal noise regulations and the Airport District's concurrent noise abatement/mitigation policies and procedures.*

*Director Sabo also provided a presentation of real examples in which he compared the same flights (take-off and landings), on different days, with several different noise results. It showed that several flights flew over the "noise sensitive" areas. He indicated that the District should work more closely with the local FAA, air traffic control, airlines and our neighbors to formulate more consistent guidelines in hopes of mitigating most of the noise issues.*

*The Board discussed creating a Noise Mitigation ad-hoc committee during the appointment of committees at the January 2015 meeting. Director Sabo and Director Leffel agreed to sit on the committee.*

Public Comment

*Howard Fosler, NMNA- Chairman of the Airport Liaison Committee, indicated that as the Chairman he receives all the noise complaints from his community. He thanked General Manager Tom Greer, Operations Manager Ken Griggs and Operations Officer Neil Gabrielson for their patience. He spoke about an article which Leon Panetta wrote in 2006. Mr. Fosler said the community requests two things, 1) the Airport District work more closely with NorCal and the tower in an effort to change the procedures, and 2) always require right turn departures.*

*Mike Brassfield, CONA- Airport Representative, complimented General Manager Greer for participating in the neighborhood meetings and addressing some of the public's concerns. He said the community is concerned about the noise level, and most of their complaints never reach the District because he relays the information directly to the District. He asked the Board to work with those involved and come up with more enforceable rules and procedures. Mr. Brassfield indicated that he believes the rules are voluntary which allows the pilots to make the decision of which way to turn, rather than follow MRY procedures.*

Mike Dowson, indicated that he has met with the tower many times and one time he was told that once the plane reaches 1,000ft the airport does not have anything to do with it. Mr. Dowson said the Board should have a policy. He said if the pilot requests a left turn on departure the tower will approve it. Mr. Dowson said the Board should come up with the procedures, and let the community handle the outreach.

Larry Daniels, Pilot, complimented Director Sabo on the way he explained the issue. Mr. Daniels suggested the District, NorCal and the tower meet and come up with a resolution and a policy. He indicated that the Airport has some power to work with the FAA and to fix the problem.

Presentation      4. Annual Process for Approval of the Airport Capital Improvement Plan  
(final approval will occur at the December 2014 BOD meeting).

*Chris Morello, Project Manager presented this item. She indicated the Airport Capital Improvement Plan will be brought back to the Board in December for final approval.*

Adopt              5. Resolution No. 1628, a Resolution upon the retirement of Charles R. Hayes acknowledging him for more than ten years of distinguished and dedicated service.

*The Board commended Charlie Hayes for his hard work and dedication and wished him well in his retirement.*

*Director Sabo moved to approve Item G. 5. Director Leffel seconded the motion. The motion passed by a roll call vote of 5-0.*

#### **RESOLUTION NO. 1628**

#### **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT UPON THE RETIREMENT OF CHARLES R. HAYES ACKNOWLEDGING HIM FOR MORE THAN TEN YEARS OF DISTINGUISHED AND DEDICATED SERVICE TO THE DISTRICT**

**WHEREAS**, Charles R. Hayes (Charlie) has faithfully served as Senior Deputy General Manager-Finance & Administration of the Monterey Peninsula Airport District since July 1, 2004, providing leadership to the district for more than ten years; and

**WHEREAS**, during that time Charlie has been instrumental in developing, organizing, and creating a sound, functional Finance and Administration Department including Marketing, Air Service Development, Accounting, Community/Public Relations and Human Resources; and

**WHEREAS**, Charlie served as Secretary to the Board of Directors from 2004 to 2012; and has faithfully and competently served, on many occasions, as acting General Manager; and

**WHEREAS**, Charlie has represented the District by serving on the Boards of Directors of both the Monterey County Convention and Visitors Bureau and the Monterey County Hospitality Association; and

**WHEREAS**, Charlie's dedication and commitment to the success of the Airport District has been noticed throughout the airport industry;

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Monterey Peninsula Airport District commend Charles R. Hayes for his ten plus years of dedicated service to the District;

BE IT FURTHER RESOLVED, that the valuable services of Charles R. Hayes be memorialized by resolution on the occasion of his retirement from the Monterey Peninsula Airport District on December 30, 2014.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 19th day of November, 2014 by the following roll call vote:

AYES: DIRECTORS: Leffel, Nelson, Searle, Sabo, Miller  
NOES: DIRECTORS:  
ABSTAIN: DIRECTORS:  
ABSENT: DIRECTORS:

Adopt 6. Resolution No. 1629, a Resolution Approving Participation in the EV Replacement Incentive Program of the Monterey Bay Unified Air Pollution Control District (FY15 AB 2766 Emission Reduction Grant Program).

*The board complimented Chris Morello, Project Manager, for her diligence in obtaining grants, working with the FAA and her support of making the Airport "Green".*

*Director Leffel moved to approve Item G. 6. Director Sabo seconded the motion. The motion passed by a roll call vote of 5-0.*

#### RESOLUTION NO. 1629

**A RESOLUTION APPROVING PARTICIPATION IN THE  
ELECTRIC VEHICLE REPLACEMENT INCENTIVE PROGRAM  
OF THE  
MONTEREY BAY UNIFIED AIR POLLUTION CONTROL DISTRICT  
AND  
DIRECTING THE GENERAL MANAGER TO SUBMIT ALL APPROPRIATE DOCUMENTS**

**WHEREAS**, the Monterey Bay Unified Air Pollution Control District (MBUAPCD) has previously notified the Monterey Peninsula Airport District (MPAD) of the grant application process for the Electric Vehicle (EV) Replacement Incentive Program; and

**WHEREAS**, MPAD has submitted an application to MBUAPCD for consideration; and

**WHEREAS**, MBUAPCD has notified MPAD of MBUAPCD's intention to award two (2) vouchers to MPAD, in the amount of \$27,000 per voucher, in order to replace two (2) existing MPAD vehicles;

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT THAT:** the General Manager of the District, or his designee, is authorized and directed, for and on behalf of the Monterey Peninsula Airport District, to participate in the EV Replacement Incentive Program and to execute and submit all future documents necessary to implement such participation, including grant agreements and any amendments thereto, and that the District Secretary or Acting District Secretary is authorized to affix thereto the official seal of said District. Such grant agreements and amendments executed by the General Manager are hereby approved, as though set forth in full.

**ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 19th day of November, 2014 by the following roll call vote:

**AYES:** DIRECTORS: Leffel, Nelson, Searle, Sabo, Miller  
**NOES:** DIRECTORS:  
**ABSTAIN:** DIRECTORS:  
**ABSENT:** DIRECTORS:

Approve 7. Approval of Agreement for Executive Search Services.

*District Counsel Huber presented this item to the Board.*

*District Counsel Huber indicated that the district received three proposals; TPO, Aviation Career Services and ADK Executive Search. After review of each proposal the Personnel Committee recommended ADK Executive Search.*

*Director Leffel indicated that the cost in the ADK contract and the staff report does not match. The way the contract is presented appears that the cost is over \$40,000. After some discussion, the Board directed staff to revise the ADK contract amount not to exceed \$33,000 (\$28,000 and \$5,000 for travel) and to clearly note what amount will be paid this fiscal year and next fiscal year.*

*Director Leffel moved to approve Item G. 7. with the cost modifications to the contract. Director Sabo seconded the motion. The motion passed by a roll call vote of 5-0.*

**LUNCH BREAK (12:00PM – 1:00PM Estimated)**

**H. ACCEPTANCE OF DEPARTMENT REPORTS** (1:00PM – 1:30PM Estimated)

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

**I. BOARD COMMITTEE REPORTS** (1:30PM – 2:00PM Estimated)

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

**a. Standing Committees:**

- i. Air Carrier Service/Marketing/Community Relations Directors Nelson & Leffel
- ii. Finance Directors Miller & Sabo
- iii. Local Jurisdiction Liaison Directors Miller & Searle

**b. Ad-Hoc Committees:**

- i. Personnel Directors Miller & Nelson

**c. Liaison/Representatives:**

- i. Local Agency Formation Commission Directors Leffel & Searle
- ii. Transportation Agency for Monterey County Directors Sabo/Nelson (alt)

- iii. Water Management District (Policy Advisory)
- iiii. Regional Taxi Authority

Directors Leffel/Searle (alt)  
Director Leffel/GM Greer (alt)

**J. CLOSED SESSION**

(2:00PM – 2:30PM Estimated)

1. **CONFERENCE WITH LEGAL COUNSEL - POTENTIAL LITIGATION** (Pursuant to Government Code section 54956.9(b), the Board of Directors will meet with District Counsel, General Manager, Deputy General Manager/Designee, Planning & Development and District Consultants regarding potential litigation – one case

**K. RECONVENE TO OPEN SESSION**

*The closed session item was canceled.*

**L. DISCUSSION OF FUTURE AGENDAS**

- *Audited Financials FY14*
- *Certification of Elections*
- *Conflict of Interest Code*
- *In- house Elections*
- *David Prentice Contract*
- *Cota Cole Contract*

**M. ADJOURNMENT**

*The meeting was adjourned at 4:30pm.*



**TO:** Board of Directors, Monterey Peninsula Airport District  
**FROM:** Thomas E. Greer, General Manager,  
**SUBJ:** Accept "Annual Financial and Compliance Report for the Years Ended June 30, 2014 and 2013", audited by Macias Gini & O'Connell LLP, Certified Public Accountants

**BACKGROUND.** Macias Gini & O'Connell LLP, Certified Public Accountants (MGO), per contractual arrangement and in accordance with Generally Accepted Auditing Standards (GAAS), conducted a full audit of the District's regulatory compliance and financial reporting for Fiscal Year 2014 (July 1, 2013 – June 30, 2014) and has prepared the audited financial statement report. Staff reviewed the work of the auditors and prepared the Management Discussion and Analysis (MD&A) that appears as pages 3 – 16 in the audited financial statements.

**STAFF ANALYSIS.** MGO has issued an "unmodified" auditors report (p. 51), indicating it provides its opinion without any modifications/qualifications. An unmodified report is the strongest auditing opinion that a CPA firm can render.

The Finance Committee and staff met with MGO on October 29, 2014, reviewed the draft final audited report, and recommend the Board accept the final audited report. The audited financial statements are provided for acceptance by the Board of Directors.

**SOURCE OF FUNDS.** None.

**IMPACT ON REVENUES.** None

**IMPACT ON OPERATIONS.** None

**CONTINGENCY.** None

**RECOMMENDATION.** Accept the Annual Financial and Compliance Report for the Years Ended June 30, 2014 and 2013, audited by Macias Gini & O'Connell LLP, Certified Public Accountants.

Appendix A to Staff Report "Accept Annual Financial and Compliance Report for the Years Ended June 30, 2014 and 2013, audited by Macias Gini & O'Connell LLP, Certified Public Accountants"

<b>Operating Revenues</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Commercial Aviation - Fees	\$ 784,302	\$ 691,938	\$ (92,364)
General Aviation - Fees	252,365	270,288	17,923
Terminal Concessions and Leases	3,797,009	3,780,275	(16,734)
Heavy General Aviation	913,789	911,844	(1,945)
Light General & Other Aviation Tenants	480,273	450,589	(29,684)
Non-Aviation Tenants	1,459,295	1,524,922	65,627
Other Operating Revenue	284,508	307,855	23,347
<b>Total Operating Revenue</b>	<b>\$ 7,971,541</b>	<b>\$ 7,937,711</b>	<b>\$ (33,830)</b>
<b>Operating Expenses</b>	<b>Budget</b>	<b>Actual</b>	<b>Variance</b>
Finance & Administration	\$ 2,069,236	\$ 2,101,150	\$ (31,914)
Planning & Development	503,483	480,206	23,277
Maintenance & Custodial Services	1,358,913	1,319,428	39,485
Airport Operations	533,117	516,573	16,544
Police Department	1,166,371	1,166,898	(527)
Fire Department	1,869,636	1,921,509	(51,873)
Board of Directors	123,755	115,245	8,510
<b>Total Operating Expenses</b>	<b>\$ 7,624,511</b>	<b>\$ 7,621,009</b>	<b>\$ 3,502</b>
<b>Operating Income / (Loss) before Depreciation</b>	<b>347,030</b>	<b>316,702</b>	<b>(30,328)</b>
<b>Depreciation &amp; Amortization Expense</b>	<b>5,445,672</b>	<b>5,453,461</b>	<b>(7,789)</b>
<b>Net Operating Income / (Loss)</b>	<b>(5,098,642)</b>	<b>(5,136,759)</b>	<b>(38,117)</b>
<b>Other Revenues (Expenses)</b>	<b>\$ 15,513,678</b>	<b>\$ 3,949,071</b>	<b>\$ (11,564,608)</b>
<b>Change in Net Position</b>	<b>\$ 10,415,036</b>	<b>\$ (1,187,689)</b>	<b>\$ (11,602,725)</b>

AGENDA ITEM: I-1  
DATE: December 10, 2014

**TO:** MPAD, Board of Directors  
**FROM:** Charles R. Hayes, Senior Deputy General Manager  
**DATE:** December 3, 2014  
**SUBJ:** Review of MRY Air Service – Looking to 2015 and Beyond

Joseph Pickering, Manager of the Air Service Development consulting practice of Mead and Hunt, Inc. (M&H) will present an overview of the airline industry and review air service at MRY, looking to next year and beyond. We have benefitted greatly from and enjoy our relationship with him and the nationwide air service consulting staff at M&H.

M&H has provided market analyses for MRY since 2007. Its work includes providing *True Market Analyses* (reflect top 20 markets from MRY, passenger diversions, and related market information) in 2008, 2011 (before our presentation to Alaska Airlines in July 2011), and 2014. At our direction, M&H has prepared quarterly performance reviews, most recently for the second quarter 2014 (refer to the MRY Quarterly Performance Report – Year Ended 2Q 2014, attached); airfare comparisons between MRYSJC and MRYSFO; the business survey now being conducted; and other analyses.

When SkyWest Airlines in July 2012, flying the LAXMRYLAX route “prorate”, requested that we examine the route to determine how it could improve its load factors and profitability, we turned to Joseph. One of M&H’s recommendations was that SkyWest/United delay its 7:00 am LAXMRY departure by 1.5 hours. Joseph, Tom and I presented M&H’s recommendations to SkyWest at its headquarters in St George, UT in September 2012. I presented the information to United in Chicago the following month. When United implemented the recommendation in early July 2013, its load factor jumped 10 points and has remained strong ever since.

Joseph directed the preparation and led our team in our presentation to Alaska Airlines in July 2012 that resulted in new service to San Diego in June 2013. M&H prepares the materials for my meetings with airlines at the annual Jumpstart Conferences, most recently in June 2014, and other venues.

**TO:** MPAD, Board of Directors  
**FROM:** Mark Bautista, Deputy General Manager, Planning & Development  
**DATE:** December 1, 2014  
**SUBJ:** Proposed FY 2016 Airport Capital Improvement Plan (list of projects)

**BACKGROUND.** The Federal Aviation Administration (FAA) requires Airport Sponsors, such as the District, to annually prepare a list of public improvements deemed necessary or desirable to be undertaken during the coming five fiscal years. This list of projects, or ACIP, typically includes eligible projects that may be funded up to 90% by grant monies awarded by the FAA. In order to qualify for such grant funding, the District must submit an ACIP to the FAA no later than mid-January 2015, together with related applications. The proposed FY 2016 ACIP is primarily based upon last year's ACIP, a recent meeting with FAA representatives, recent Board planning workshops, and on-going needs analysis accomplished by Staff.

**SCOPE OF WORK.** The proposed ACIP includes conceptual projects needed during the next five years and for the current Federal Fiscal Year 2015. The specific scope of work for each project is refined during the "application for funds" process, and ultimately determined during the project's design phase.

**BUDGET EFFECT.** None. Approval of the ACIP does not commit the District to the expenditure of funds. Rather, grant agreements and contracts with construction and/or professional design services contractors establish the commitments to expend District funds. Projects contained in the proposed ACIP are typically funded by a combination of FAA funds and Passenger Facility Charges (PFCs). These projects are routinely included in each budget annually adopted by the MPAD Board.

**SOURCE OF FUNDS.** FAA AIP funds and PFC monies.

**IMPACT ON REVENUES.** None.

**SCHEDULE.** Annually, the FAA requires submission of the ACIP in January. The ACIP proposed by Staff is being presented to the Board for approval in December, in anticipation of meeting this FAA deadline.

**IMPACT ON OPERATIONS.** n/a

**STRATEGIC PLAN.** Annually reviewing and submitting an ACIP to the FAA implements Strategic Element No. 2 in the 2011 Strategic Plan, and more specifically, it implements Strategic Goal 2.1, by maintaining and implementing key capital improvement programs and plans.

**RECOMMENDATION.** That the Board adopts draft Resolution No. 1631, approving the FY 2016 ACIP, approving submission of same to the FAA, and authorization of the General Manager to execute all documents in support of the ACIP.

**RESOLUTION NO. 1631**

**A RESOLUTION APPROVING SUBMISSION OF THE FY 2016 AIRPORT CAPITAL IMPROVEMENT PLAN TO THE FAA, DIRECTING THE GENERAL MANAGER TO SUBMIT ALL APPROPRIATE DOCUMENTS**

**WHEREAS**, the Monterey Peninsula Airport District owns and operates the Monterey Peninsula Airport; and

**WHEREAS**, the District has held many strategic planning meetings, including review of current and future Monterey Regional Airport projects and the priorities for same; and

**WHEREAS**, the Monterey Peninsula Airport District has compiled a list of capital improvement projects in the Airport Capital Improvement Plan (ACIP) that will best serve current and future airport users while maintaining airport pavement and other improvements; and

**WHEREAS**, the Federal Aviation Administration (FAA) and the California Department of Transportation may provide grant funds for qualified ACIP projects;

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT THAT:** the General Manager of the District, or his designee, is authorized and directed, for and on behalf of the Monterey Peninsula Airport District, to submit the attached FY 2016 ACIP to the FAA and application(s) in support thereof, and to execute and submit all future documents necessary to implement such ACIP and application(s), including grant agreements and any amendments thereto, and that the District Secretary or Acting District Secretary is authorized to affix thereto the official seal of said District. Such grant agreements and amendments executed by the General Manager are hereby approved, as though set forth in full.

**ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 10th day of December, 2014 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>
<b>NOES:</b>	<b>DIRECTORS:</b>
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>
<b>ABSENT:</b>	<b>DIRECTORS:</b>

Signed this 10<sup>th</sup> day of December, 2014

Carl Miller, Chairman

**ATTEST**

Tonja Posey  
District Secretary

PROJECT	FUNDING SOURCE(S)			
	FAA FY	Full project funding	95% AIP	PFC
Runway Safety Area Construction Phase 2 Multi-Year Grant	2015	\$1,019,694.00	\$971,137.00	\$48,557.00
Runway Safety Area Design Necessitated by the Settlement Agreement Terms and Conditions	2015	\$509,604.00	\$458,644.00*	\$50,960.00*
	<b>FAA FY</b>	<b>Full project funding</b>	<b>90% AIP</b>	<b>PFC</b>
Infield Safety Area Rehabilitation Part A (WHMP requirement)	2016	\$3,543,750.00	\$3,189,375.00	\$354,375.00
Terminal and ARFF Environmental	2016	\$1,400,435.00	\$1,260,391.50	\$140,043.50
Infield Safety Area Rehabilitation Part B (WHMP requirement)	2017	\$4,515,000.00	\$4,063,500.00	\$451,500.00
Airport Perimeter Fence (WHMP requirement)	2017	\$812,000.00	\$730,800.00	\$81,200.00
Infield Safety Area Rehabilitation Part C (WHMP requirement)	2018	\$2,966,250.00	\$2,669,625.00	\$296,625.00
Terminal and ARFF Design	2018	\$3,433,278.00	\$3,089,950.20	\$343,327.80
Replacement ARFF Vehicle	2019	\$548,625.00	\$493,762.50	\$54,862.50
Terminal and ARFF Construction	2019	\$44,104,000.00	\$39,693,600.00	\$4,410,400.00
10L-28R Overlay and improvements	2020	\$2,100,000.00	\$1,890,000.00	\$210,000.00

\* This grant will be at a 90% AIP and 10% local match.

Item I.4

# MONTEREY COUNTY OFFICE OF THE CLERK OF THE BOARD



166 W. Alisal St, 1<sup>st</sup> Floor, Salinas, CA 93901 831-755-5006 (fax) 831-755-5000

## MEMORANDUM

DATE: July 1, 2014

TO: Local Government Agencies

FROM: Gail T. Borkowski, Clerk of the Board of Supervisors

SUBJECT: How to Amend a Conflict of Interest Code

The California Political Reform Act requires local government agencies to prepare and amend conflict-of-interest codes "under procedures which guarantee to officers, employees, members, and consultants of the agency and to residents of the jurisdiction adequate notice and a fair opportunity to present their views." (Government Code section 87311.) The agency may choose any amendment procedure which fulfills this requirement. As guidance, we recommend that the amendment process include the following components, tailored as befits the particular agency and its manner of conducting business:

- ✓ 1. Prepare the proposed amendment using strikeout/underline format to indicate the proposed changes.
- ✓ 2. Provide advance notice to the officers and other designated positions of the agency and the public that the agency will be considering adopting the amended code. The notice should include the date, time, and place where the agency decision-makers will consider adopting the amended code. For example, if the agency is subject to the Brown Act, consideration of the amendments to the code could be an item on the meeting agenda of the agency's governing body.
- ✓ 3. Have the proposed amended code available for public inspection and provide copies upon request (a fee not to exceed the direct costs of duplication may be charged for copies).
4. Provide an opportunity for comment by agency officers, employees, consultants, and members of the public prior to adoption of the amended code. If the agency is subject to the Brown Act, the agency would take public comment on the agenda item before taking action.
5. Vote on the amended code. Record the vote in the same manner the agency uses to record actions of the agency (e.g., resolution or order of the governing body).
6. Submit the amended code and record of the vote to the Board of Supervisors of the County of Monterey, as code reviewing body, within 90 days of the determination by the agency that amendments to the code were necessary.

## APPENDIX B: DISCLOSURE CATEGORIES

### General Provisions Applicable to All Categories

When an individual who holds a designated position is required to disclose investments and sources of income, he or she shall disclose investments in business entities and sources of income which do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it owns real property within the jurisdiction.

When an individual who holds a designated position is required to disclose sources of income, he or she shall include gifts received from donors located inside as well as outside the jurisdiction.

When an individual who holds a designated position is required to disclose interests in real property, he or she shall disclose the type of real property described below if it is located within the jurisdiction, or not more than two miles outside the boundaries of the jurisdiction, or within two miles of any land owned or used by Agency.

When an individual who holds a designated position is required to disclose business position, he or she shall disclose positions in business entities that do business in the jurisdiction, plan to do business in the jurisdiction, or have done business in the jurisdiction within the past two years.

For purposes of this Conflict of Interest Code, the jurisdiction of the [NAME OF AGENCY] is [FILL IN JURISDICTION].

### Category 1<sup>3</sup>

A designated position in this category must report all investments, business positions, interests in real property, and sources of income, including gifts, loans, and travel payments.

### Category 2

A designated position in this category must report all investments, business positions, and sources of income, including gifts, loans, and travel payments.

### Category 3

A designated position in this category must report all interests in real property.

<sup>3</sup> [INSTRUCTION: THESE CATEGORIES ARE EXAMPLES. CATEGORY 1 REQUIRES THE BROADEST DISCLOSURE. THE AGENCY CODE NEED CONTAIN ONLY THOSE CATEGORIES AS ARE APPLICABLE TO THE AGENCY]





Technical  
Assistance  
Division

## Should You Amend Your Agency's Conflict of Interest Code?

---

A conflict of interest code tells public officials, governmental employees, and consultants what financial interests they must disclose on their Statement of Economic Interests (Form 700). It is the basis for the transparency that California's Political Reform Act requires of public officials. But how do you know if your agency's code is what it should be? And how do you go about amending it? The information below may help you with these issues.

### THINGS TO THINK ABOUT ...

- Is your current code more than five years old?
- Have there been any substantial changes to your agency's organizational structure since the last code was approved?
- Have any positions been eliminated or re-named since the last code was approved?
- Have any new positions been added to your agency since the last code was approved?
- Have there been any substantial changes in duties or responsibilities for any positions since the last code was approved?

If you answered yes to any of these questions, your agency's conflict of interest code will likely need to be amended. Each agency must complete the enclosed Biennial Notice and return it to their code reviewing body no later than October 1, 2014. The code reviewing body will provide further instructions on the code amendment and approval process.

If you have any questions, or you are still not sure if you should amend your agency's conflict of interest code, please consider participating in a free webinar or a seminar at the FPPC. For more information, visit <http://www.fppc.ca.gov/index.php?id=359>.

**RESOLUTION NO. 1627**

**A RESOLUTION ADOPTING THE CONFLICT OF INTEREST CODE  
OF THE MONTEREY PENINSULA AIRPORT DISTRICT**

**WHEREAS**, The Political Reform Act of 1974 (Government Code sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code; and

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT**, the General Manager of the District, or his designee, will submit to the Monterey County Board of Supervisors the adopted code.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT**: This 10th day of December, 2014 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>
<b>NOES:</b>	<b>DIRECTORS:</b>
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>
<b>ABSENT:</b>	<b>DIRECTORS:</b>

Signed this 10<sup>th</sup> day of December, 2014

Carl M. Miller, Chair

**ATTEST**

Tonja Posey, Secretary

**CONFLICT OF INTEREST CODE  
OF THE  
MONTEREY PENINSULA AIRPORT DISTRICT**

The Political Reform Act of 1974 (Government Code sections 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, section 18730 of Title 2 of the California Code of Regulations, which contains the terms of a standard conflict of interest code that can be incorporated by reference in an agency's code. After public notice and hearing, the Fair Political Practices Commission may amend the standard code to conform to the amendments of the Political Reform Act. Therefore, the term of section 18730 of Title 2 of the California Code of Regulations and any amendments to it duly adopted by the Fair Political Practices Commission together with the attached Appendices designating positions and establishing disclosure categories are hereby incorporated by reference and together constitute the Conflict of Interest Code of the Monterey Peninsula Airport District (hereafter "District").

Individuals holding designated positions shall file their statement of economic interests with the Monterey Peninsula Airport District, which will make the statements available for public inspection and reproduction pursuant to Government Code section 81008. Upon receipt of the statements for *Monterey Peninsula Airport District's Board of Directors (Elected Officials), District Council, District Secretary, District Auditor, General Manager, Senior Deputy General Manager, DGM of Planning & Development and Police Chief, the District* shall make and retain copies of the statements and forward the original statements to the Board of Supervisors of the County of Monterey ("the code reviewing body").

**Personal Financial Gain**

A. Laws Prohibiting Bribery (Pen. Code § 68)

Any employee, elected official or appointee is prohibited from accepting a bribe. Doing so may constitute a felony and is punishable by prison time and fines.

B. Conflicts of Interest Under the Political Reform Act  
(Gov. Code § § 87100, 87103)

Gov. Code § 87100: No government employee, official or appointee shall make, or in any way attempt to use, his/her official position to influence a governmental decision in which he/she knows or has reason to know that he/she has any financial interest.

Gov. Code § 87103: No employee, official or appointee shall make a decision with a financial interest if it is reasonably foreseeable that the decision will have a material financial effect on the official, a member of his/her immediate family.

C. Contractual Conflicts of Interest (Gov. Code § 1090)

No government employee, official or appointee may be financially interested in any contract created by them in their official capacity. Neither will they be purchasers or vendors at any sale made in their official capacity.

D. Conflicts of Interest and Campaign Contributions (Gov. Code § 84308)

Employees of a government agency shall not receive contributions in excess of \$250 during the time that any permit or license is pending approval by said agency.

E. Conflicts of Interest When Leaving Office (Gov. Code §§ 87406.3, 87407)

Gov. Code § 87406.3: For a period of one year after leaving office or employment, no elected official who formerly worked for a government agency shall make an appearance for another person in front of that agency.

Gov. Code § 87407: No public official shall make, participate in making or use their official position to influence any governmental decision that directly relating to any person with whom he/she is negotiating, or has any arrangements concerning prospective employment.

### Limitations on Accepting Contributions

A. Gov. Code § 86203: Lobbyists are prohibited from making any gift worth upward of \$10 in any given month.

B. Gov. Code § 89503: No elected official shall accept gifts totaling over \$250 from a single source in one calendar year.

C. Gov. Code § 89506: Payment from agencies for travel and lodging and food expenses are not considered a gift under Gov. Code §§ 86203 and 89503.

D. Honoraria Ban (Gov. Code § 89502)

No government official shall accept any honorarium.

E. Misuse of Public Funds (Pen. Code § 424; Gov. Code § 8314; *Fair Political Practices Commission v. Sutt* (1979) 90 Cal.App.3d 125; *Stanson v. Mott* (1976) 17 Cal.3d 206)

Use of public funds for personal benefit or for the benefit of friends or families is punishable by imprisonment. The official will be disqualified from holding public office in the state.

F. Prohibitions Against Gifts of Public Funds (Cal. Const., art. XVI, § 6)

The legislature body will not have the authority or power to give or lend public funds to any person except for a public purpose

G. Mass Mailing Restrictions (Gov. Code § 89001)

No newsletter or mass mailing shall be sent at public expense.

H. Prohibition against acceptance of free transportation by transportation companies (Cal. Const., art. XII, § 7)

A transportation company may not offer free transportation to any person holding office in California. The acceptance of free transportation will be deemed a forfeiture of office.

### Government Transparency Laws

A. Economic interest disclosure under the Political Reform Act (Gov. Code § 87200)

Candidates for government office must file a statement disclosing financial and real property interests. Also a statement of income for the prior 12 months is required.

B. Brown Act (Gov. Code § 54950 et seq.)

Public agencies exist to serve the people and should conduct their meetings openly.

C. Public Records Act (Gov. Code § 6250)

Information relating to the conduct of people's business as produced by any government agency is the people's right to know.

### Fair Process Laws

A. Common Law bias provisions

A decision maker who stands to gain or lose from a decision is disqualified from acting as a decision maker.

*Breakzone Billiards v. City of Torrance*, 81 Cal.App.4th 1205(2000)

B. Due Process Requirement

A hearing officer whose potential future income derives from work that an agency might give based on his or her performance in a hearing at hand is not giving due process.

*Haas v. County of San Bernardino* 27 Cal.4th 1017 (2002)

C. Doctrine of Incompatible Offices (Gov. Code § 1099)

A government officer may not hold two offices in government that are incompatible.

D. Competitive Bidding Requirements for Public Contracts.

In projects in excess of \$5,000 the district may award the project to the lowest bidder. District may reject any and all bids and re-advertise in an effort to get new bids. The District may by a four-fifths (4/5) vote turn the project over to a governmental agency.

[AB1234 requires that a Director receive ethics training every two years.]

**AGENDA ITEM: I-5**  
**DATE: December 10, 2014**

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Thomas E. Greer, General Manager  
Tonja Posey, Human Resources/Risk Manager  
**SUBJ:** Retainer Agreement with Special Counsel, David A. Prentice, Prentice & Epperson  
LLP

**BACKGROUND.** David Prentice, formerly a partner of Cota Cole, has worked with the district as labor attorney and lead labor negotiator since March 2011. As of December 1, 2014, David Prentice is no longer a member of Cota Cole, LLP, having opted to form a new law firm, Prentice & Epperson. As a formality, staff asked David Prentice to provide an agreement under for the new firm to provide labor related services, including negotiation matters. The district has used special counsel for these services in the past and staff believes continuing with Mr. Prentice is best for the district.

The agreement provided includes the same services and charges which were previously provided by David Prentice under the Cota Cole agreement.

**SOURCE OF FUNDS.** The primary source of funding for labor legal services provided under the proposed contract is the MPAD Operating Budget for Fiscal Year 2015 and following fiscal years.

**IMPACT ON REVENUES.** None.

**SCHEDULE.** The proposed contract for professional services anticipates commencement of services by December 1, 2014.

**IMPACT ON OPERATIONS.** N/A

**CONTINGENCY.** N/A

**RECOMMENDATION.** Approve the Retainer Agreement with Special Counsel, David A Prentice, Prentice & Epperson LLP.

**MONTEREY PENINSULA AIRPORT DISTRICT**  
**RETAINER AGREEMENT FOR SPECIAL COUNSEL**

THIS AGREEMENT IS ENTERED INTO on the 1st day of December, 2014 between MONTEREY PENINSULA AIRPORT DISTRICT (herein called "District") and PRENTICE & EPPERSON LLP (herein called "Special Counsel").

WHEREAS, District seeks to employ Special Counsel to provide legal services for District as its Labor Counsel.

NOW THEREFORE, in consideration of the above referenced recitals which are incorporated herein by reference and the mutual promises, covenants and terms set forth herein, District and Special Counsel agree as follows:

**1. Duties of Special Counsel**

The District retains Special Counsel to advise and represent the District as its Special Counsel for labor issues and negotiations, including routine labor advice and human resource assistance on request and to act as the District's labor negotiator.

**2. Special Counsel Independent Contractor**

The parties agree that Special Counsel shall be an independent contractor in performing the services provided by this Agreement. District is interested only in the results to be achieved, and the conduct and control of his/her work will lie solely with Special Counsel. Special Counsel, his/her agents, officers and employees, if any, are not considered employees of the District and are not entitled to any of the benefits that District provides for its employees, including workers' compensation insurance.

**3. Time of Performance**

Performance of the services hereunder by Special Counsel will be for a period not to exceed three (3) years, commencing on December 01, 2014, and ending on December 01, 2017. The rates for services shall be fixed until the end of this three (3) year period.

**4. Compensation**

**a. General Special Counsel Services**

District shall compensate Special Counsel for all general Special Counsel legal services to be provided by Special Counsel under this Agreement at the hourly rate of \$165.00. District shall not compensate Special Counsel for the time to travel from Special Counsel's place of business to provide the legal services contemplated by this Agreement.

**b. Litigation Services**

Litigation Services shall include services on any matter filed in state or federal courts or filed, or anticipated to be filed, with any administrative agency, in anticipation of hearing,



arbitration, mediation, or trial within the employment/labor practice unless assigned to other counsel, at District's sole option. Such litigation matters shall be billed at the rate of \$200.00 per hour.

5. Materials and Documents

Except as otherwise specified in this Agreement, Special Counsel will bear the cost and expense of all facilities, materials, supplies, photocopies, and publications used or needed by Special Counsel in the performance of his/her services and development of the work products to be delivered to District. District shall be the owner of all documents produced by Special Counsel on District's behalf. Ownership shall commence upon submission of any document in final draft form for consideration by District's Board of Directors at any regular, adjourned regular, or special meeting, whether in open or closed session. Letters and other writings produced by Special Counsel on behalf of District not requiring Board action shall become the property of District when Special Counsel affixes his signature thereto. Special Counsel may retain copies of the original documents for his files. Preliminary drafts and other work papers are the property of Special Counsel.

6. Assignment

This Agreement or any interest herein shall not be assigned by either party hereto.

7. Termination

This Agreement may be terminated by either party upon receipt of written notice not less than 60 days in advance of such termination. The parties specifically agree that nothing contained herein constitutes or implies the conferring or expectation of a property interest and that no cause need be shown for termination of this Agreement by District.

8. Insurance

- |                                   |  |
|-----------------------------------|--|
| a. Automobile Liability           | maintain state limits on auto coverage for autos used during District services |
| Workers' Compensation             | maintain as required by State statutes   |
| Professional Errors and Omissions | \$500,000 per occurrence (no more than \$50,000 deductible)                    |

*(Special Counsel shall not disclaim responsibility or avoid liability for the acts or omissions of its assignees, subcontractors, or other professional consultants. The retroactive date of the policy must be shown and must be before the date of the Agreement.)*

- b. All insurance companies affording coverage to Special Counsel shall be insurance organizations authorized by the Insurance Commissioner to transact the business of insurance in the State of California.
- c. All insurance companies affording coverage shall provide thirty (30) days written notice by certified or registered mail to the Monterey Peninsula Airport District should the policy be canceled or reduced in coverage before the expiration date. For the purposes of this notice requirement, any material change prior to expiration shall be considered cancellation.
- d. Special Counsel shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the Risk Manager, upon request. The insurance certificate shall also state the unpaid limits of the policy.
- e. Special Counsel shall provide a substitute certificate of insurance no later than thirty (30) days prior to the policy expiration date, and at annual renewal. Failure by Special Counsel to provide such a substitution and extend the policy expiration date shall be considered a default by Special Counsel.
- f. Maintenance of insurance by Special Counsel as specified in the Agreement shall in no way be interpreted as relieving Special Counsel of any responsibility whatever, and Special Counsel may carry, at its own expense, such additional insurance as it deems necessary.

**9. District's Designated Representative**

District designates the General Manager and the "Human Resource Manager" as its designated representative." The designated representative is authorized to review the services of Special Counsel and to authorize all services required of Special Counsel pursuant to this Agreement.

**10. Certificate of Special Counsel**

Special Counsel agrees to complete, execute, and deliver to District upon execution of this Agreement a certificate in the form and content of Exhibit "A" attached hereto and incorporated herein. Special Counsel agrees to comply with the conditions and provisions of the certificate.

**11. Notices**

Notices pursuant to this Agreement shall be given by United States mail, postage prepaid, addressed to the parties hereto as follows:

- a. District: Human Resource Manager  
Monterey Peninsula Airport District  
200 Fred Kane Drive, Suite 200  
Monterey, CA 93940

b.

Special Counsel: David A. Prentice  
Prentice & Epperson LLP  
5424 N. Palm Ave. Suite 108  
Fresno, CA 93704

**12. Nondiscrimination**

During the performance of this Agreement, Special Counsel shall not discriminate against any employee or applicant because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability. Special Counsel shall take affirmative action to ensure that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability, veteran status, gender identity, genetic information and any other class protected by state and federal law.

**13. Conflict of Interest**

Notwithstanding Paragraph 12, above, Special Counsel warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any applicable state, local, or federal law. Special Counsel further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereafter arise, Special Counsel shall promptly notify the District of the existence of such conflict of interest so that District may determine whether to terminate this Agreement. Special Counsel further warrants its compliance with the Political Reform Act (Government Code section 81000 *et seq.*) and performance of the work or services pursuant to the terms of this Agreement.

In addition to the proscriptions regarding conflict of interest imposed on Prentice & Epperson LLP by the Business and Professions Code and by the California Rules of Professional Conduct, particularly California Rule 3-310, Prentice & Epperson LLP represents that no attorney of Prentice & Epperson LLP shall, after the termination of Prentice & Epperson LLP's service or employment with District, appear before any board, committee, or agency of District in relation to any case, proceeding, or application, or contract in which it participated during the period of its service or employment, or which was under its active consideration, for a period of six (6) months from the date of termination of Prentice & Epperson LLP's engagement as District Special Counsel.

**14. Headings**

The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Agreement.

15. Extent of Agreement

This Agreement represents the entire integrated agreement between District and Special Counsel and supersedes all prior negotiations, representations, understandings, or agreements between the parties either written or oral.

16. Integration and Amendment

This Agreement may not be modified or altered except by amendment in writing signed by both parties.

17. Jurisdiction

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in the State of California in the County of Monterey.

18. Severability

If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

19. Exhibits Incorporated

All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of the Agreement and any of the terms of any exhibit to the Agreement, the terms of the Agreement shall control the respective duties and liabilities of the parties.

20. Compliance with Laws, Rules, and Regulations

Services performed by Special Counsel pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and District laws and any rules or regulations promulgated thereunder.

///

///

///

21. Acceptance of Work Not a Release

Acceptance by the District of the work performed under this Agreement does not operate as a release of Special Counsel from professional responsibility for the work performed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be fully executed.

Special Counsel:

PRENTICE & EPPERSON LLP

By \_\_\_\_\_

David A. Prentice

District:

By \_\_\_\_\_

Chair

By \_\_\_\_\_

Secretary

APPROVED AS TO FORM:

\_\_\_\_\_

**CERTIFICATE OF SPECIAL COUNSEL**

I hereby certify that I am an active member of the State Bar of the State of California and that I am the holder of a Juris Doctorate degree in Law, or equivalent, issued by a college or university duly accredited by the American Bar Association to issue such a degree at the time I received it.

I am authorized to practice before all courts in the State of California, and the Federal Courts that serve Monterey County.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(name of attorney)

Attorney at Law

State Bar No. \_\_\_\_\_

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Gaudenz Panholzer, Fire Chief  
**SUBJ:** Paramedic Services

**BACKGROUND.** Under the State of California Health and Safety Code (Chapter 4, Article 1, section 1797.201), a public agency has the obligation to continue to provide Emergency Medical Services (EMS) unless it asks the county specifically to provide such services. The Monterey Peninsula Airport District has provided EMS first responder services to the District property through its own Fire Department and since January 2014, through a contract with the Monterey Fire Department. This service has been at the Basic Life Support (EMT) level.

The City of Monterey is in the process of applying to the Monterey County EMS Agency to provide EMS First Responder services at the Advanced Life Support (Paramedic) level. When Monterey does upgrade, then the service at the Monterey Peninsula Airport District will also be upgraded. Because there will be a change in the level of service at the Airport, the Airport must request that the Monterey County EMS Agency approve the change as MPAD is the public entity having the responsibility to provide the service.

**IMPACT ON OPERATING REVENUE.** None

**IMPACT ON OPERATING EXPENSE.** None

**IMPACT ON OPERATIONS.** None

**STRATEGIC PLAN.**

**RECOMMENDATION.** The Monterey Peninsula Airport District Board of Directors approve Resolution 1632 to request authorization from the Monterey County EMS Agency for the City of Monterey to provide paramedic first responder services to the Monterey Peninsula Airport District.

**RESOLUTION NO. 1632**

**A RESOLUTION TO REQUEST AUTHORIZATION FROM THE MONTEREY COUNTY EMS AGENCY FOR THE CITY OF MONTEREY TO PROVIDE PARAMEDIC FIRST RESPONDER SERVICES TO THE MONTEREY PENINSULA AIRPORT DISTRICT PROPERTY**

**WHEREAS**, The Monterey Peninsula Airport District wishes to continue to provide first responder Emergency Medical Services (EMS) to the Monterey Peninsula Airport District property based on its obligations under the California Health and Safety Code (Chapter 4, Article 1, section 1797.201); and

**WHEREAS**, The Monterey Peninsula Airport District provides EMS services through a contract with the City of Monterey; and

**WHEREAS**, The City of Monterey is applying with the Monterey County Emergency Medical Services Agency to become a Advanced Life Support (ALS) first responder agency; and therefore

**BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT**: requests that the Monterey County Emergency Medical Services Agency authorizes the City of Monterey to provide Advanced Life Support within the boundaries of the Monterey Peninsula Airport District property.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT**: This 10th day of December, 2014 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>
<b>NOES:</b>	<b>DIRECTORS:</b>
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>
<b>ABSENT:</b>	<b>DIRECTORS:</b>

Signed this 10<sup>th</sup> day of December, 2014

Carl M. Miller, Chair

**ATTEST**

Tonja Posey  
District Secretary



# Honoring the Past – Shaping the Future

## SWAAAE 55<sup>th</sup> Airport Management Short Course

### January 24—28, 2015 | DRAFT AGENDA



#### Saturday—January 24, 2015

**8:30 am—4:30 pm**  
Accreditation Final Interview Workshop

**8:30 am—4:30 pm**  
Airport Attorney Workshop

**6:00 pm—9:00 pm**  
Board and Conference Committee Dinner  
(Invitation Only)

#### Sunday—January 25, 2015

**1:00 pm—6:00 pm**  
Exhibitor Set-Up

**1:00 pm—6:00 pm**  
Registration

**8:30 am—11:00 am**  
SWAAAE Board Meeting

**11:00 am—5:30 pm**  
Past President's Golf Tournament (*Poppy Hills*)

**7:00 pm—9:00 pm**  
Welcome Reception

#### Monday - January 26, 2015

**7:30 am—8:30 am**  
Hot Breakfast with Exhibitors—Learning/Networking Opportunity

**8:30 am—9:30 am**  
Opening Ceremonies  
Keynote Speaker: Clay Lacey, Founder and CEO,  
Clay Lacey Aviation

**9:30 am—10:30 am**  
Session #1: SWAAAE History – Honoring the Past,  
Shaping the Future

**10:30 am—11:00 am**  
Break with Exhibitors – Learning/Networking Opportunity

**11:00 am—12:00 pm**  
Session #2: FAA Western Pacific Region/  
State Agencies update

**12:00 pm—1:30 pm**  
Lunch on your own  
Corporate Member Lunch – Location TBD

**1:30 pm—3:00 pm**  
Session #3: Disaster Recovery – Planning and Action

**3:00 pm—3:30 pm**  
Break with Exhibitors – Learning/Networking Opportunity

**3:30 pm—5:00 pm**  
Session #4: How Recent Changes to FAA Guidance Affect  
You: AIP Handbook and Consultant Selection

**6:00 pm—9:00 pm**  
Cannery Row Adventure

#### Tuesday – January 27, 2015

**7:30 am—8:30 am**  
Hot Breakfast with Exhibitors – Learning/Networking Opportunity

**8:30 am—9:30 am**  
Session #5: Perimeter Security: Secure That and Use This

**9:30 am—10:30 am**  
Session #6: Preparing for Transportation Network  
Companies at Your Airport

**10:30 am—11:00 am**  
Break with Exhibitors – Learning/Networking Opportunity

**11:00 am—12:00 pm**  
Session #7: Yours, Mine, and Ours: Rethinking Your  
Entitlements

**12:00 pm—1:30 pm**  
Lunch on your own  
Student Lunch (by invitation only) – Location TBD

**1:30 pm—2:30 pm**  
Session #8: Reversion of Facilities

**2:30 pm—3:00 pm**  
Break with Exhibitors – Learning/Networking Opportunity

**3:00 pm—4:00 pm**  
Session #9: Student Presentations

**4:00 pm—4:15 pm**  
Conference Wrap Up

**6:00 pm—7:00 pm**  
Cocktail Reception

**7:00 pm—10:00 pm**  
President's Banquet

#### Wednesday – January 28, 2015

**8:30 am to 10:30 am**  
Breakfast & General Membership Meeting and AAEE  
Update

**10:30 am to 11:00 am**  
Summer Conference Committee Planning Meeting

# "Honoring the Past, Shaping the Future"

MONTEREY - CALIFORNIA

January 25, 2015 - January 28, 2015

	Before December 12	After December 12
Full Registration Member (includes banquet)	\$395.00	\$495.00
Full Registration Non-Member (includes banquet)	\$495.00	\$595.00
One Day Registration Member (banquet NOT included)	\$195.00	\$195.00
One Day Registration Non-Member (banquet NOT included)	\$295.00	\$295.00
Student Registration (banquet NOT included)	\$80.00	\$80.00
Non-Member Student Registration (banquet NOT included)	\$100.00	\$100.00
Student Group Registration - For 5 Students (banquet NOT included)	\$350.00	\$350.00
Executive Emeritus Full Registration (includes banquet)	\$198.00	\$198.00
Role of the Airport Attorney Workshop	\$190.00	\$190.00
Final Interview Workshop	\$100.00	\$100.00
Golf Tournament	\$135.00	\$135.00
Banquet Tickets	\$90.00	\$90.00
Welcome Reception Tickets	\$20.00	\$20.00

**Cancellation Policy:** Participants are eligible for a full refund if the registration is canceled more than 21 days in advance of the start date of the event. Cancellations made 21 days or less than the start date of the event are eligible for a refund less 30% of all fees paid, not to exceed \$150 administrative processing fee. Cancellation notification should be sent to [info@swaaae.org](mailto:info@swaaae.org). Refunds will be processed no more than 30 days following a request.

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Thomas E. Greer, General Manager  
Lori Ballance, Special Counsel  
**SUBJ:** Legal Services Agreement with Cota Cole LLP

**BACKGROUND.** Cota Cole, LLP has provided legal services for the Monterey Peninsula Airport District since March, 2011. Scott Huber has served as General Counsel since April, 2013. The original Agreement provided a fixed rate for legal services for a 3-year term, with a 3-year option to extend. Inadvertently, the Legal Services agreement was not extended, however, Cota Cole, LLP has continued to provide legal services to the District along the same terms and the same rate. Upon discovering this fact, Cota Cole, LLP has offered to renew the legal services agreement along the same general terms. To comply with Government Code 1090, this matter has been reviewed by Lori Ballance, of Gatzke Dillon & Ballance LLP, special counsel to MPAD.

In addition to the proposed legal services agreement, Cota Cole, LLP is pleased to announce that it recently obtained a lease and has opened an office in Monterey, approximately 3 miles from the Airport.

**SOURCE OF FUNDS.** The primary source of funding for legal services provided under the proposed agreement is the MPAD Operating Budget for Fiscal Year 2015 and following fiscal years.

**IMPACT ON REVENUES.** None.

**IMPACT ON OPERATIONS.** None.

**CONTINGENCY.** None.

**RECOMMENDATION.** Approve the Legal Services Agreement with Cota Cole, LLP.

**MONTEREY PENINSULA AIRPORT DISTRICT**  
**RETAINER AGREEMENT FOR DISTRICT COUNSEL**

THIS AGREEMENT IS ENTERED INTO this 10th day of December, 2014 between MONTEREY PENINSULA AIRPORT DISTRICT (herein called "District") and COTA COLE LLP (herein called "Counsel").

WHEREAS, District seeks to employ Counsel to provide legal services for District as its District Counsel, as described in Ordinance 909, and more specifically described in Exhibit "A" and Exhibit "B," subject to the following terms, conditions and provisions.

NOW THEREFORE, in consideration of the above referenced recitals which are incorporated herein by reference and the mutual promises, covenants and terms set forth herein, District and Counsel agree as follows:

**1. Duties of Counsel**

The District retains Counsel to advise, counsel, and represent the District as its Counsel and to provide routine legal advice, consultation, and opinions to the Board of Directors and District Staff; to assist in the preparation and review of ordinances, agreements, contracts and related documents; to attend regular Board meetings and other meetings as may be considered necessary; to maintain regularly scheduled office hours in the District's administration offices or at an agreed-upon location, and time; to monitor existing and pending legislation and case law that may affect the District; to monitor existing and pending litigation in which the District is a party or otherwise interested; to periodically report on the status of such litigation; to maintain a knowledge of current criminal law and criminal procedure as well as California Codes and regulations and applicable federal codes and regulations; and to represent the District in litigation and appeals in which the District is a party. The duties and responsibilities of Counsel are specifically set forth in Exhibits A and B. While Counsel can use paralegals to assist in its work, both District and Counsel understand and agree that the duties identified herein, and the compensation paid hereunder, will be provided by and are intended for, individuals licensed to practice law in the State of California.

**2. Counsel Independent Contractor**

The parties agree that Counsel shall be an independent contractor in performing the services provided by this Agreement. District is interested only in the results to be achieved, and the conduct and control of his/her work will lie solely with Counsel. Except to the extent specifically authorized by District pursuant to its Ordinance 909/Governance Manual, and any updates thereto, Counsel is not to be considered an agent of District for any other purpose. Counsel, his/her agents, officers and employees, if any, are not considered employees of the District and are not entitled to any of the benefits that District provides for its employees, including workers' compensation insurance.

**3. Time of Performance**

Performance of the services hereunder by Counsel will be for a period not to exceed three (3) years, commencing upon execution, and ending on December 31, 2017. The retainer and rates for services shall be fixed until the end of this three (3) year period. District may exercise one (1) three-year extension to this Agreement, if notice of the intent to do so is received in writing by Counsel no earlier than 90 days prior to the expiration of the first three (3) year period. The retainer and rates for services shall be subject to modification for the second 3-year period, at terms and conditions mutually agreed by the parties, but thereafter shall be fixed until the end of the second three (3) year period. No modification to the retainer and rates for services shall be approved retroactively.

**4. Compensation**

**a. General Counsel Services**

District shall compensate Counsel for all general counsel (non-litigation) legal services to be provided by Counsel under this Agreement according to a fixed monthly fee or retainer in the amount of \$6,000.00 (based on an estimated average of 36 hours per month; the amount paid monthly for the retainer will remain the same, even though some months Counsel will provide more than 36 hours, some months less than 36 hours).

Additional services shall be billed at an hourly rate. All compensation shall be in accordance with the terms and conditions of Exhibit "B" attached hereto and made a part hereof.

**b. Litigation Services**

Litigation Services shall include services on any matter filed, or anticipated to be filed, with state or federal courts or filed, or anticipated to be filed, with any administrative agency, in anticipation of hearing, arbitration, mediation, or trial. Such litigation matters shall be billed as provided in the attached Exhibit "B," and shall be billed separately and in addition to the General Counsel Services defined in paragraph 4.a above.

**5. Materials and Documents**

Except as otherwise specified in this Agreement, Counsel will bear the cost and expense of all facilities, materials, supplies, and publications used or needed by Counsel in the performance of his/her services and development of the work products to be delivered to District. District shall be the owner of all documents produced by Counsel on District's behalf. Ownership shall commence upon submission of any document in final draft form for consideration by District's Board of Directors at any regular, adjourned regular, or special meeting, whether in open or closed session. Letters and other writings produced by Counsel on behalf of District not requiring Board action shall become the property of District when Counsel affixes his signature thereto. Counsel may retain copies of the original documents for his files. Preliminary drafts and other work papers are the property of Counsel.

**6. Assignment**

This Agreement or any interest herein shall not be assigned by either party hereto.

7. Termination

This Agreement may be terminated by either party upon receipt of written notice not less than 60 days in advance of such termination. The parties specifically agree that nothing contained herein constitutes or implies the conferring or expectation of a property interest and that no cause need be shown for termination of this Agreement by District.

8. Insurance

- |                                   |  |
|-----------------------------------|--|
| a. Automobile Liability           | maintain state limits on auto coverage for autos used during District services |
| Workers' Compensation             | maintain as required by State statutes   |
| Professional Errors and Omissions | \$1 million per occurrence (no more than \$50,000 deductible)                  |

*(Counsel shall not disclaim responsibility or avoid liability for the acts or omissions of its assignees, subcontractors, or other professional consultants. The retroactive date of the policy must be shown and must be before the date of the Agreement.)*

- b. All insurance companies, with the exception of workers' compensation and professional errors and omissions, affording coverage to Counsel shall be required to add the Monterey Peninsula Airport District, its officers, employees, agents, and volunteers as additional "insureds" by endorsement under the insurance policy. So long as such stipulation will not result in an increase in the rates or premiums paid by the insured, Counsel shall seek from and obtain a stipulation that such insurance policy will operate as primary insurance coverage for the work performed and that no other insurance affected by the District or other named insured will be called upon to contribute to a loss covered thereunder. The policy shall contain no special limitations on the scope of protections afforded to District, its officers, employees, agents, or volunteers.
- c. All insurance companies affording coverage to Counsel shall be insurance organizations authorized by the Insurance Commissioner to transact the business of insurance in the State of California.
- d. All insurance companies affording coverage shall provide thirty (30) days written notice by certified or registered mail to the Monterey Peninsula Airport District should the policy be canceled or reduced in coverage before the expiration date. For the purposes of this notice requirement, any material change prior to expiration shall be considered cancellation.
- e. Counsel shall provide evidence of compliance with the insurance requirements listed above by providing a certificate of insurance, in a form satisfactory to the

Risk Manager, concurrently with the submittal of this Agreement. A statement on the insurance certificate which states that the insurance company will endeavor to notify the certificate holder, "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives" does not satisfy the requirements of subsection (e) herein. The insurance certificate shall also state the unpaid limits of the policy.

- f. Counsel shall provide a substitute certificate of insurance no later than thirty (30) days prior to the policy expiration date, and at annual renewal. Failure by Counsel to provide such a substitution and extend the policy expiration date shall be considered a default by Counsel.
- g. Maintenance of insurance by Counsel as specified in the Agreement shall in no way be interpreted as relieving Counsel of any responsibility whatever, and Counsel may carry, at its own expense, such additional insurance as it deems necessary.

**9. District's Designated Representative**

District designates the General Manager as its "designated representative." The designated representative is authorized to review the services of Counsel and to authorize all services required of Counsel pursuant to this Agreement.

**10. Certificate of Counsel**

Counsel agrees to complete, execute, and deliver to District upon execution of this Agreement a certificate in the form and content of Exhibit "C" attached hereto and incorporated herein. Counsel agrees to comply with the conditions and provisions of the certificate.

**11. Notices**

Notices pursuant to this Agreement shall be given by United States mail, postage prepaid, addressed to the parties hereto as follows:

a. District: General Manager  
Monterey Peninsula Airport District  
200 Fred Kane Drive, Suite 200  
Monterey, CA 93940

b. Counsel: Scott E. Huber  
Cota Cole LLP  
19 Upper Ragsdale Dr., Suite 200  
Monterey, CA 93940

**12. Nondiscrimination**

During the performance of this Agreement, Counsel shall not discriminate against any employee or applicant because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years), or disability. Counsel shall take

affirmative action to ensure that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age (over 40 years) or disability, veteran status, gender identity, genetic information and any other class protected by state and federal law.

**13. Conflict of Interest**

Notwithstanding Paragraph 12, above, Counsel warrants and declares that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any applicable state, local, or federal law. Counsel further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed. In the event that any conflict of interest should nevertheless hereafter arise, Counsel shall promptly notify the District of the existence of such conflict of interest so that District may determine whether to terminate this Agreement. Counsel further warrants its compliance with the Political Reform Act (Government Code section 81000 *et seq.*) and performance of the work or services pursuant to the terms of this Agreement.

In addition to the proscriptions regarding conflict of interest imposed on Cota Cole LLP by the Business and Professions Code and by the California Rules of Professional Conduct, particularly California Rule 3-310, Cota Cole LLP represents that no attorney of Cota Cole LLP shall, after the termination of Cota Cole LLP's service or employment with District, appear before any board, committee, or agency of District in relation to any case, proceeding, or application, or contract in which it participated during the period of its service or employment, or which was under its active consideration, for a period of six (6) months from the date of termination of Cota Cole LLP's engagement as District Counsel. Both parties note there are pending State Bar Ethical Rules that may go into effect that may impact the last portion of this paragraph and agree to abide by any changes to the State Bar Ethical Rules.

**14. Headings**

The section headings appearing herein shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning, or intent of the provisions of this Agreement.

**15. Extent of Agreement**

This Agreement represents the entire integrated agreement between District and Counsel and supersedes all prior negotiations, representations, understandings, or agreements between the parties either written or oral.

**16. Integration and Amendment**

This Agreement may not be modified or altered except by amendment in writing signed by both parties.



17. Jurisdiction

This Agreement shall be administered and interpreted under the laws of the State of California. Jurisdiction of litigation arising from this Agreement shall be in the State of California in the County of Monterey.

18. Severability

If any part of this Agreement is found to be in conflict with applicable laws, such part shall be inoperative, null and void insofar as it is in conflict with said laws, but the remainder of the Agreement shall continue to be in full force and effect.

19. Exhibits Incorporated

All exhibits referred to in this Agreement and attached to it are hereby incorporated in it by this reference. In the event there is a conflict between any of the terms of the Agreement and any of the terms of any exhibit to the Agreement, the terms of the Agreement shall control the respective duties and liabilities of the parties.

20. Compliance with Laws, Rules, and Regulations

Services performed by Counsel pursuant to this Agreement shall be performed in accordance and full compliance with all applicable federal, state, and District laws and any rules or regulations promulgated thereunder.

21. Acceptance of Work Not a Release

Acceptance by the District of the work performed under this Agreement does not operate as a release of Counsel from professional responsibility for the work performed.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be fully executed.

Counsel:

COTA COLE LLP

By \_\_\_\_\_  
Attorney at Law

District:

By \_\_\_\_\_  
Chair

By \_\_\_\_\_  
Secretary

APPROVED AS TO FORM:

\_\_\_\_\_

## EXHIBIT "A"

### DUTIES OF THE DISTRICT COUNSEL

#### 1. General

Counsel shall be the chief legal officer of the District. Counsel shall be appointed by the Board of Directors, shall serve at its pleasure and shall be directly responsible to the Board. Counsel must be an active member of the State Bar of the State of California and be well qualified by reason of education and experience to perform legal functions for the District.

#### 2. Preparation of Resolutions, Ordinances, Contracts, etc.

Counsel shall prepare all resolutions, ordinances, contracts, leases and other documents of legal nature required for the conduct of the affairs of the District, as from time to time directed to do so by District Staff and/or the Board of Directors. When particular contracts and leases have been prepared by him/her, he/she shall approve them as to form in writing and submit them to District Staff for consideration.

#### 3. Attendance at Meetings

Unless excused by the Chairman or a majority of the Board of Directors sitting in a duly noticed public meeting, Counsel shall attend all regular, adjourned regular, and special meetings of District's Board of Directors. Counsel or the Assistant District Counsel will also attend other meetings, as the General Manager determines necessary (see Exhibit B).

#### 4. Legal Assistance to the Board of Directors and District Staff

Counsel shall render legal assistance to District's Board of Directors, its Chairperson, General Manager, Deputy General Managers, and other employees authorized by the General Manager and/or Deputy General Managers, as is required in the performance of said employees' duties. Counsel shall maintain a presence at District's administrative offices of at least 4 hours per week on any week day, Monday through Friday, to facilitate interaction with Directors and Staff.

#### 5. Bonds

All labor and material, faithful performance and other bonds running in favor of the District shall be approved as to form by Counsel.

#### 6. Litigation

Except to the extent of participation prohibited by law in small claims court actions, Counsel shall conduct all litigation in which the District is from time to time engaged. Counsel shall make recommendations to the Board of Directors concerning the advisability of commencing litigation and the compromise or settlement of potential or existing litigation. Court actions commenced by District must be authorized by the Board of Directors, except the

General Manager may, with the concurrent written notification to the members of the Board of Directors of the filing of the action, without the prior approval of the Board of Directors, authorize and direct actions be brought for recovery of rent owed to the District by tenants and former tenants of the District, including an unlawful detainer action for forfeiture of a lease of a tenant who is in default in the payment of rent and for recovery of possession of the leased premises after noncompliance by the tenant with a notice to pay rent or quit the premises. Such actions authorized by the General Manager, if appropriate, may be filed and prosecuted in the small claims court. All litigation services by Counsel shall be compensated at the rate and terms specified in the Retainer Agreement at paragraph 4 (attached).

**7. Other**

Other legal services shall be provided, including but not limited to, the following areas: writing memoranda; oral and written presentations to the Board; preparation of opinions/documents related to procurement of services, goods and construction; RFP and RFQ preparation and process for airport projects; preparation of risk management analysis; oversight of outside or additional counsel performing legal services for or on behalf of the District, preparation of opinions/documents concerning criminal law and criminal procedures, California Codes and regulations and applicable federal codes and regulations, land use, zoning, labor and personnel, Brown Act, conflict of interest (FPPC), real property (including easements, leasing, and purchase and sale agreements), public entity funding, construction law (public works) and public contracts, federal contracts, disabled access, CEQA/NEPA, and environmental and hazardous materials.

**8. Additional Counsel**

Whenever, in Counsel's opinion, the Board of Directors should consider the employment of outside counsel as to a particular matter, pursuant to California Assembly Bill 2650, Chapter 359 of the Statutes of 2006 (Monterey Peninsula Airport District Act), Counsel shall promptly advise the Board of Directors of this fact.

**9. Legislation**

Counsel shall advise the Board of Directors of any legislation the District might consider sponsoring to aid it in conducting its affairs. Counsel shall further advise the Board of Directors of prospective legislation sponsored by others and how it would affect the District.

**10. Administrative Bodies**

Whenever required by the Board of Directors or General Manager to do so, Counsel shall appear before various administrative divisions and agencies of the state, administrative, and legislative bodies of the United States Government concerning affairs of the District.

**11. Additional Duties**

Counsel shall perform such additional duties as are required by the General Manager and/or the Board of Directors or applicable law.

## EXHIBIT "B"

### COMPENSATION OF COUNSEL

#### 1. Basic Services

The services provided under the retainer include those legal services generally understood within the field of municipal law to fall within the category of "general counsel" including the following:

- Attendance at all meetings of the Board of Directors (regularly on the second Wednesday of the month, occasionally a second meeting during a calendar month is held) and other meetings as needed.
- Review and/or preparation of ordinances, resolutions, orders, agreements, contracts, forms, notices, declarations, certificates, deeds, leases, letters, memorandums, emails or other forms of electronic transmittal of information, and other documents required by the District.
- Consultation with Board Members, General Manager, Deputy General Managers, and Staff as needed.
- Weekly availability for consultation at MPAD administration offices located at the Monterey Peninsula Airport Terminal, 200 Fred Kane Drive, Suite 200, Monterey, California, at mutually agreed upon times, to allow for a minimum monthly average of four (4) hours per week of direct interaction with the General Manager and Deputy General Managers, or other Staff as directed by the General Manager and/or Deputy General Managers.
- Coordination of the work of outside legal counsel as needed and directed by the Board of Directors or the General Manager.
- Legal work pertaining to planning, property acquisition, property disposal, public improvements, public rights-of-way and easements, and matters relating to public utilities.
- Preparation of opinions/documents related to: aviation law; criminal law and criminal procedure; FAA airport rules/regulations; federal contracts; procurement of services, goods and construction; California Codes and regulations and applicable federal codes and regulations; land use; zoning; labor and personnel; Brown Act; conflict of interest (FPPC); real property (including easements, leasing, and purchase and sale agreements); public entity funding and construction law (public works), public contracts; disabled access; and CEQA/NEPA, environmental and hazardous materials.
- Preparation of RFPs and RFQs and assisting in conducting process for airport projects.
- Perform risk management analysis.

The retainer for provision of basic services includes all expenses associated with the provision of said services (e.g., mileage, except as otherwise allowed herein; reproduction of documents; travel expenses; conference registrations, if any; etc.). Counsel will not charge for travel time as part of Counsel's monthly fees set forth above. Counsel shall invoice District for retainer services. Such invoices shall include: a brief description of services performed; the date the services were performed; and the number of hours spent and by whom.

2. Extraordinary and Litigation Services

Counsel shall be compensated for the services rendered in accordance with this Agreement as set forth below. All such assignments for additional services must be in writing.

a. Hourly Fees:

1. Extraordinary Services:

Attorneys	\$165 per hour
Paralegals	\$90 per hour

2. Litigation Services:

Lead Attorneys	\$200 per hour
Associate Attorneys	\$175 per hour
Paralegals	\$125 per hour

b. Reimbursable Expenses:

1. Mileage will be paid at the IRS rate currently in existence at the time incurred, round trip, based upon official road mileages of the Automobile Club of Southern California. Counsel will only charge for mileage to and from the District offices from Counsel's principal office and will not charge for travel time as part of Counsel's hourly fees set forth above.
2. Lodging: Reimbursed at actual cost, subject to District's normal per diem reimbursement policies, in the same manner as such expenses are paid for Board Members.
3. Meals: Reimbursed at actual cost, subject to District's normal per diem reimbursement policies, in the same manner as such expenses are paid for Board Members.
4. Court fees, filing fees, deposition transcript fees, expert witness fees, process servers, etc.: Reimbursed at actual cost.
5. Computerized Legal Research (Lexis-Nexis): Counsel will not charge for computerized legal research (Lexis-Nexis) unless extraordinary computerized

legal research is necessary for District projects involving access to legal research databases that are not part of Counsel's law library or available on the firm's legal research database. Any such extraordinary computerized research shall be subject to the prior approval and authorization of the General Manager.

6. Commercial Carrier Air Travel: Reimbursed at actual cost. Counsel will use best efforts to obtain economy rates.
7. Other out-of-pocket expenses: Reimbursed at actual cost.

c. Invoices for Additional Services:

1. For additional services, Counsel shall submit to District an itemized invoice, prepared in a form satisfactory to District, describing its services and costs for the period covered by the invoice. Except as specifically authorized by District, Counsel shall not bill District for duplicate services performed by more than one person. Counsel's bills shall include the following information to which such services or costs pertain:
  - a brief description of services performed;
  - MPAD representative specifically authorizing the services;
  - the date the services were performed;
  - the number of hours spent and by whom;
  - a brief description of any costs incurred;
  - Counsel's signature; and
  - Copy of written authorization for the additional services given by MPAD representative authorizing the services. No invoice shall be paid by District, unless accompanied by a copy of said authorization.
2. All such invoices shall be in full accord with any and all applicable provisions of this Agreement.
3. District shall make payment on each such invoice within forty-five (45) days of receipt, provided, however, that if Counsel submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, District shall not be obligated to process any payment to Counsel until forty-five (45) days after a correct and complying invoice has been submitted by Counsel.

d. Counsel's Records:

Full and complete records of Counsel's time and reimbursable travel expenses will be maintained by Counsel and submitted to District for reimbursement on a monthly basis in accordance with the billing practices of Cota Cole LLP following the month for which the claim is made. Documents and receipts submitted in support of claims for reimbursement or additional compensation shall be retained by District until completion and acceptance by District for its annual audit. Any claims paid and subsequently disallowed shall be promptly refunded to District upon demand.

e. Audit and Examination of Accounts.

1. Counsel shall keep and will cause any assignee or subcontractor under this Agreement to keep accurate books of record in account, in accordance with sound accounting principles, which records pertain to services to be performed under this Agreement.
2. Any audit conducted of books, records, and accounts shall be in accordance with generally accepted professional standards and guidelines for auditing.
3. Counsel hereby agrees to disclose and make available any and all accounting information, reports, or books of records or accounts pertaining to this Agreement to District and any state or federal government entity which provides support funding for District projects.
4. Counsel hereby agrees to include the requirements of subsection (b) above in any and all contracts with assignees, subcontractors, or consultants under this Agreement.
5. All records provided for in this section are to be maintained and made available throughout the performance of this Agreement and for a period of not less than three (3) years after full completion of services hereunder, except that any and all such records which pertain to actual disputes, litigation, appeals, or claims shall be maintained and made available for a period of not less than three (3) years after final resolution of such disputes, litigation, appeals, or claims.

EXHIBIT "C"

CERTIFICATE OF COUNSEL

I hereby certify that I am an active member of the State Bar of the State of California and that I am the holder of a Juris Doctorate degree in Law, or equivalent, issued by a college or university duly accredited by the American Bar Association to issue such a degree at the time I received it.

I am authorized to practice before all courts in the State of California, and the Federal Courts that serve Monterey County.

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
Scott E. Huber

Attorney at Law  
State Bar No. 227196



**AGENDA ITEM: J**  
**DATE: December 10, 2014**

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Thomas E. Greer, General Manager  
**DATE:** December 3, 2014  
**SUBJ:** Monthly Report

1. Met with the Manager of Kern County Airports, Richard Strickland, regarding our practices and procedures as compared to that of his county.
2. Met with James Seadler, American Airlines, J.R. Berke, Envoy, Charlie Hayes and Jerry Merritt to discuss the real estate changes as a result of the AA/USAir merger.
3. Met with Scott Huber, General Council.
4. Attended both the Air Service and Finance Committee meetings.
5. Due to the short interval since the November meeting and the Thanksgiving holiday, there was not that much activity on which to report.

AGENDA ITEM: J  
DATE: December 10, 2014

**TO:** Thomas E. Greer, General Manager  
**FROM:** Police Chief Jeff Hoyne  
**DATE:** December 3, 2014  
**SUBJECT:** Police Activity Report for November 2014

---

The following is a summary of significant activity in the Police Department during November 2014:

### Highlights

- MRY PD responded to 142 door and gate alarms.
- MRY PD officers responded to five outside agency assists in November. The department assisted AMR for air ambulance transport coordination on two occasions. MRY PD also assisted Del Rey Oaks on two traffic related arrests and the District Attorney's Investigators on a stolen vehicle incident at 1174 Airport Lane.
- Officers worked a total of **4.5 hours of overtime**
- MRY PD Officers conducted more than 183 business and area checks over the course of November. This included the continuation of a special project for traffic enforcement on the airport roadways started in October regarding traffic violations by Rental Car Company employees.

### Training

- All MRY PD officers completed monthly Lexipol Daily Training Bulletins.
- All MRY PD Officers completed Post DVD training on first response to critical incidents.
- MRY PD officers conducted yearly Taser requalification.

### Calls for Service

1. 11/2 @ 2145 Officer Shean located a large oil spill in front of the terminal building. He followed the oil trail to Hwy 68 and Olmstead Rd where he located a BMW leaking a large amount of oil on the side of the road. The driver stated that he did not know what happened, and he pulled over when his dashboard flashed a message that stated "**Stop Driving Now!**" Vehicle was removed by owner, and Monterey Fire responded to terminal for oil spill clean-up.
2. 11/4 @1113 MRY PD officers contacted a suspicious male in the parking lot who had no business at the airport. Filed interview conducted and the subject was escorted off the airport property.

3. 11/13 @ 1804 MRY officers were called down to the checkpoint to check on an intoxicated female. Female did not meet the criteria for being intoxicated in public and was allowed to go on her way. No further action.
4. 11/15 @ 1135. MRY PD officers assisted MCSO on a cooperative investigation. MCSO recovered a truck stolen from an airport leasehold in Pebble Beach after a theft/burglary incident was interrupted on Pebble Beach property. The investigation is continuing between MCSO and MRY PD.
5. 11/24 @ 0815 MRY PD responded to lot #2 on a report of a female involved in a verbal disturbance with parking lot employees. The incident was mediated and no further action was taken.
6. 11/ 26 1730 MRY PD responded to a report of an individual who was found to have a single .22 caliber round in their carry-on luggage. Item was seized for destruction and TSR report completed.
7. 11/28 1419 MRY PD officers responded to Airport Storage for a civil stand-by between the storage management and a tenant. Issue resolved. No further action.



## MONTEREY FIRE DEPARTMENT

### Report to Airport Board of Directors

November 2014

#### 1. Incident Responses

Engine assigned to Fire Station 6 (Airport) responded to a total of 20 incidents during the month as follows (see attached for breakdown of types of incidents):

- MPAD property – 3
- City of Monterey – 16
- Auto / Mutual Aid – 1

#### 2. Training

Personnel completed 52 hours of Airport related training during the month.

Currently the following numbers of personnel are qualified in the ARFF training program:

- Awareness (familiar with operations at the Airport): 71
- Operational (qualified to work at Airport, but no live fire training): 31
- Technician (fully qualified to be the designated ARFF fire engineer): 13

#### 3. Other

- Remodel work for station privacy has been completed under budget
- The City of Monterey will be applying to the Monterey County EMS Agency to become a paramedic provider (first responder only, not transport); this will improve the level of EMS service at the Airport; a separate agenda item will address support from the Airport Board of Directors on this

Monterey Fire Department

Incident Type Report (Summary)

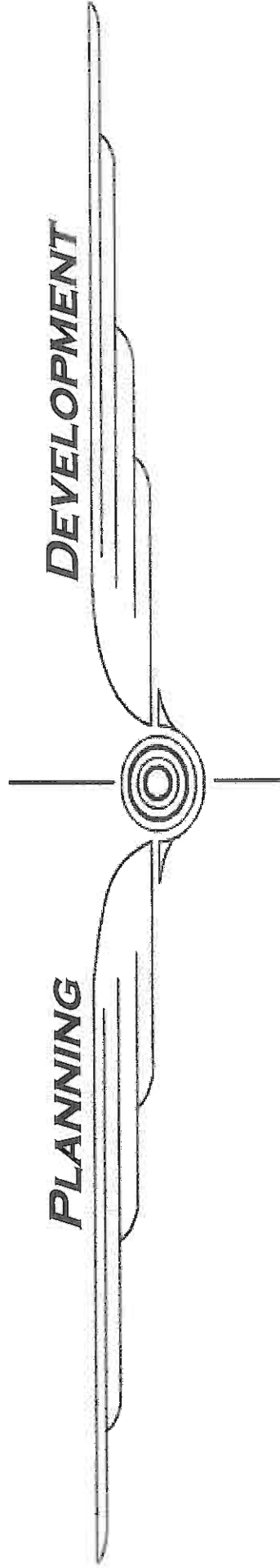
Alarm Date Between {11/01/2014} And {11/30/2014}  
and Station = "6 "

Incident Type	Count	Pct of Incidents	Total Est Loss	Pct of Losses
<b>1 Fire</b>				
111 Building fire	1	5.00%	\$1,601,000	100.00%
	<u>1</u>	<u>5.00%</u>	<u>\$1,601,000</u>	<u>100.00%</u>
<b>3 Rescue &amp; Emergency Medical Service Incident</b>				
3111 Medical Call No Aid Given	3	15.00%	\$0	0.00%
321 EMS call, excluding vehicle accident with	10	50.00%	\$0	0.00%
324 Motor Vehicle Accident with no injuries	2	10.00%	\$0	0.00%
	<u>15</u>	<u>75.00%</u>	<u>\$0</u>	<u>0.00%</u>
<b>4 Hazardous Condition (No Fire)</b>				
422 Chemical spill or leak	1	5.00%	\$0	0.00%
	<u>1</u>	<u>5.00%</u>	<u>\$0</u>	<u>0.00%</u>
<b>6 Good Intent Call</b>				
622 No Incident found on arrival at dispatch	1	5.00%	\$0	0.00%
661 EMS call, party transported by non-fire	1	5.00%	\$0	0.00%
	<u>2</u>	<u>10.00%</u>	<u>\$0</u>	<u>0.00%</u>
<b>7 False Alarm &amp; False Call</b>				
745 Alarm system activation, no fire -	1	5.00%	\$0	0.00%
	<u>1</u>	<u>5.00%</u>	<u>\$0</u>	<u>0.00%</u>

Total Incident Count: 20

Total Est Loss: \$1,601,000

**Monthly Capital Project Report  
December 2014**



**Monterey Peninsula Airport District**

AGENDA ITEM: J  
DATE: December 10, 2014

TO: Thomas E. Greer, General Manager  
FROM: Mark Bautista, Deputy General Manager, Planning & Development  
DATE: December 1, 2014  
SUBJ: Planning & Development Monthly Project Report

---

Attached is the current monthly Project Report for the Planning and Development Department. Highlights for November 2014 include:

- Work directed toward implementation of the Runway Safety Area (RSA) Project during the reporting period, included:
  - ❖ Completed production of blocks of EMAS for the East runway end for the RSA project.
  - ❖ Continued construction of retaining walls.
  - ❖ Continued earthwork between Hwy 68 and the east end of Rwy 10R/28L.
  - ❖ Completed archeological work.
  - ❖ Continued construction of soil nail walls for the vehicle service road near the east end of Rwy 10R/28L.
  - ❖ Commencement of the storm water drainage improvements near Hwy 68 and Tarp's.
  - ❖ Maintenance of the project web site on the Internet.
  
- Work directed toward the Airport Master Plan (AMP), included:
  - ❖ Planning Advisory Committee (PAC) meeting held on November 18, 2014 to present the draft Alternatives and Environmental elements.
  - ❖ Public Workshop held on November 18, 2014 to present the draft Alternatives and Environmental Overview sections of the AMP.
  - ❖ Update by Coffman Associates at the November 19, 2014 meeting of the Board of Directors regarding the draft Alternatives and Environmental Overview sections of the AMP.
  - ❖ Maintenance of the project website on the Internet.
  - ❖ Preparation of review materials for the Compatibility Policies and Criteria - Appendix F Section 4.
  
- Receipt of proposals responding to the Request for Proposals (RFP) for analysis of future use of the five (5) wells on the Airport formerly used by the Corps. Proposals are now under review by Staff. Selection of a proposer is anticipated to be presented to the BOD at its January 2015 meeting. This will then result in a grant agreement with the Monterey Peninsula Water Management District for the contract to complete the analysis work.

Staff will make a presentation at the Board Meeting on any items that arise subsequent to the publishing of the Agenda.

PROJECT#	FUNDING		BUDGETING				EXPENDITURES			STATUS			
	AIP #	PFC	Prior FY Budget	FY 2015 Budget	Post FY Budget	Total Project Budget	Spent in Prior Fiscal Years	FY 2015 Expenditures to Date	11/30/2014	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
<b>ACTIVE FEDERALLY FUNDED PROJECTS:</b>													
1	2012-01 and 2014-01	10-15-C-00-MRY 11-17-C-00-MRY 13-18-C-00-MRY	\$31,371,402	\$29,223,954	\$15,638,832	\$46,461,506	\$6,847,008	\$11,447,149	\$18,294,157	65%	RSA Runway 10R/28L - Construction; Phase 1 and 2	The contract has been fully executed with Graniterock; the first Notice To Proceed (NTP) has been issued. Keyway excavation, drainage system construction and structural geogrid construction for the first retaining wall is completed.	Construction of retaining walls remains underway. Punchlist tasks for Schedule I is on-going, Schedule II is underway.
2	2013-02	13-18-C-00-MRY	\$690,000	\$632,008	\$162,236	\$1,094,980	\$402,727	\$191,018	\$593,745	70%	Airport Master Plan	All current working papers have been distributed to BOD; and available at MPAD website home page link (see Airport Master Plan Website). FAA has approved forecasts reviewed with the BOD.	Consultants will commence work on the recommended master plan concept and financial plan, including cost estimates.
3	2015-03	Unk.	\$0	\$1,094,980	\$0	\$1,094,980	\$0	\$0	\$0	0%	Airport Infield Reconstruction Design	Funding anticipated to be available only during last quarter of FY 15.	No action anticipated within 4-week look ahead.
<b>ACTIVE DISTRICT FUNDED PROJECTS:</b>													
4	2015-01	N/A	\$0	\$42,000	\$0	\$42,000	\$4,000	\$0	\$6,698	98%	ARFF Station Remodel Improvements	Construction almost complete.	Completed.
5	N/A	N/A	\$14,148	\$17,045	\$10,307	\$99,000	\$85,436	\$0	\$85,436	95%	FWSS Mitigation Land Restoration	Preparation and planting is complete at the off-airport site. Signage delineating status as habitat area has been installed.	Monitoring will continue through FY 2015, and into FY 2016.



TO: Thomas E. Greer, General Manager  
FROM: Operations Manager Griggs  
DATE: December 3, 2014  
SUBJ: Operations Report

---

The following is a summary of significant activity in the Operations Department for November 2014.

1. Investigated a safety incident pertaining to a commercial American Eagle CRJ 200 aircraft powering out of the commercial ramp onto taxiway Alpha using significant thrust causing a parallel parked US Airways CRJ 200 to sustain minor damage, thereby canceling the flight. No injuries were sustained; however several passengers expressed dissatisfaction on the experience. It was determined the SkyWest pilot operating the AE CRJ did not use proper ramp safety practices. The SkyWest Flight Operations Department has launched their own internal investigation.
2. Attended the RSA Schedule 2 Meeting.
3. Commenced airfield familiarization training with Kimley-Horn Associates and GraniteRock prior to Schedule 3 in January 2015. This schedule will require contractors to become familiar with Air Traffic Control Tower communications phraseology including closing and re-opening the main runway.
4. Attached is the Noise Comment Report.
5. Attached is the Operating and Expense Report for the Taxi Open-Entry System.
6. Attached is the Commercial Flight Cancellations & Delay Report. In November there were a total of 112 delays and 23 cancellations.
7. Attached is the Commercial Flight Schedule for December 2014.
8. Below is the summary of scheduled airline activity for December 2014:

Alaska Air

- No changes from November
- Continuing to operate one daily departure to San Diego
- Scheduled to operate a total of 62 flights (Arrivals and Departures)

Allegiant Air

- No changes from November
- Continuing to operate two weekly departures on Sundays and Thursdays.
- Scheduled to operate a total of 16 flights (Arrivals and Departures)

American Eagle/SkyWest

- No changes from November
- Will operate two daily departures, one on Saturdays and December 24<sup>th</sup> & 25<sup>th</sup>.
- Scheduled to operate a total of 112 flights (Arrivals and Departures)

#### United/SkyWest

- No major changes until December 18<sup>th</sup>, where SFO drops down from four to three daily departures. Continuing to operate three daily departures to LAX.
- Will operate only two SFO flights on Christmas Eve and New Year's Eve.
- Will operate only two LAX flights on Christmas Day.
- Scheduled to operate a total of 396 flights (Arrivals and Departures)

#### US Airways/SkyWest

- No major changes from November.
- Continuing to operate three daily departures, two on Tuesdays & Saturdays and selected Mondays. The CRJ900 continues to operate daily.
- Scheduled to operate a total of 170 flights (Arrivals and Departures)

Cumulatively speaking the airlines have scheduled 116 fewer flights (756 vs. 872) as compared to last November. This is primarily due to the United Express service reduction to/from San Francisco, the elimination of the Denver flight and seasonal reduction from three to two daily LAX flights flown by American Eagle.

**MRY AIRPORT NOISE COMMENT LOG  
NOVEMBER 2014**

Name	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken	Notes	
<b>AIR OPERATIONS CENTERED AT MONTEREY AIRPORT</b>										
1 Alan Haifa (via Tom Greef)	Skyline Forest	11/1/2014	2:30pm	Stationair	orbiting	Small white plane loud and low. More than ten passes.	NG	ATCT advised a law enforcement aircraft was performing an unknown police matter in the area.		
2 Nira Bady	Skyline Forest	11/1/2014	2:30pm	Stationair	orbiting	Small white plane loud and low. More than ten passes.	KG	ATCT advised a law enforcement aircraft was performing an unknown police matter in the area.		
3 Robert Savukinas	Presidio	11/7/2014	ongoing	ongoing	departing RWYs 28	Observing acft departing to the west not following flight paths indicated in Pilot Guide - not making right turn after departure	NG	Left VM for complainant for follow-up	Also sent email explaining reasons pilots may deviate from guide	
4 Greg	Carmel Hills	11/8/2014	10:55am	Helicopter	orbiting	Low flying helicopter circling in the area for approximately five minutes	KG	ATCT advised the operations was related to a special event at the Carmel High School.		
5 Sarah Carswell	Seaside (Northeast Quadrant)	11/14/2014	ongoing	General	General	Appears to notice an increase of operations over her area	KG	Explained there are no published patterns in her area, yet VFR operations have no restrictions.	Sarah has a newborn and admitted her sensitivity has increased based on her daughter's reaction to ambient noise.	
6 Howard Fosler	New Monterey	11/14/2014	2:08pm	commercial	departing RWYs 28	Wondering why the aircraft continued RWY heading after departure instead of right turn	NG	ATCT advised high level of traffic in the area at that time		
7 Howard Fosler	New Monterey	11/16/2014	2:46pm	Jet	departing RWYs 28	Wondering why the aircraft continued RWY heading after departure instead of right turn	KG	ATCT advised high level of traffic in the area at that time		
8 Howard Fosler	New Monterey	11/18/2014	12:45pm	commercial	departing RWYs 28	Wondering why the aircraft continued RWY heading after departure instead of right turn	KG	ATCT advised high level of traffic in the area at that time		
9 Mark Watson	CONA	11/29/2014	1pm	SE	Pattern	Single-Engine Plane flying at an unsafe altitude over my house.	KG	ATCT advised the aircraft ascended to the appropriate altitude requirements and maintained the traffic pattern per noise abatement guidelines.	Spoke to a member of his household.	
0 **NONE**										
0 **NONE**										
<b>AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT</b>										
<b>AIR OPERATIONS OF UNKNOWN ORIGIN</b>										
<b>MONTHLY TOTALS and COMPARISONS</b>										
		<b>Nov-14</b>	<b>Nov-13</b>	% Change						<b>UNKNOWN ORIGINS</b>
		9	5	80%						0
		4,641	4,374	6%						0
		70	36	94%						0

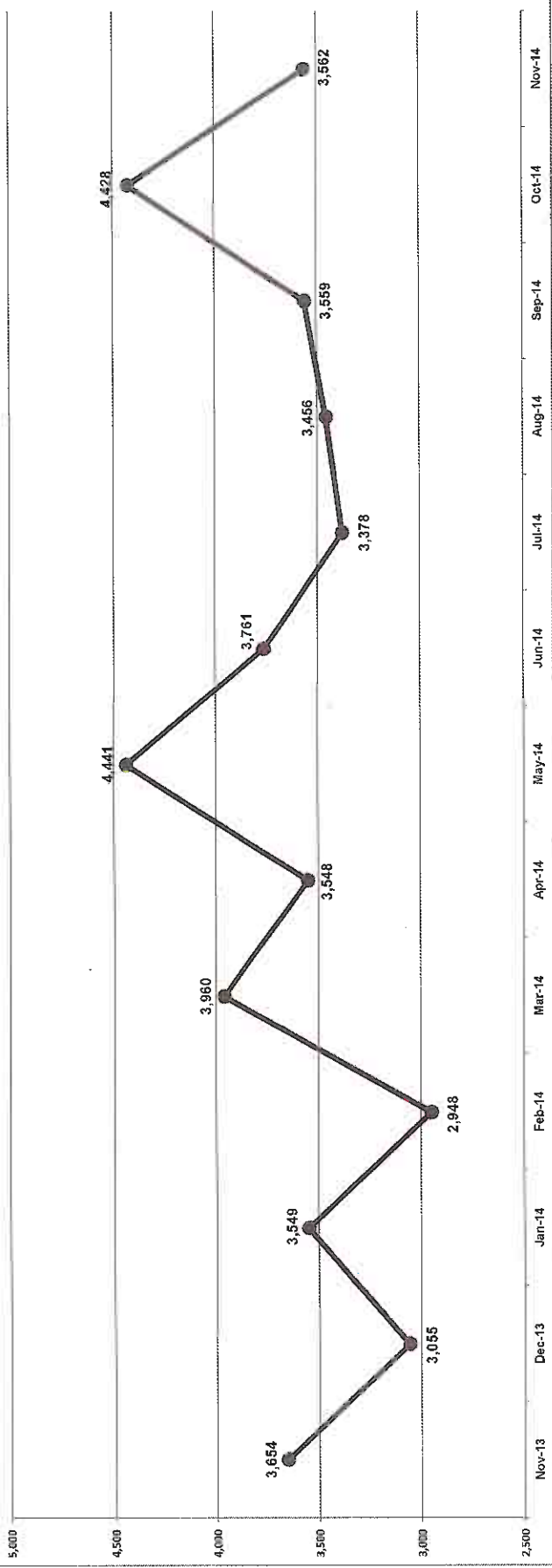
Number of Complaints: 9  
 Number of Operations: 4,641  
 Annual Total: 70

Other Airport: 0  
 UNKNOWN ORIGINS: 0

13-MONTH ROLLING COMPARISON

MONTHLY TOTAL TRIPS	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14
	3,654	3,055	3,549	2,948	3,960	3,548	4,441	3,761	3,378	3,456	3,559	4,428	3,562

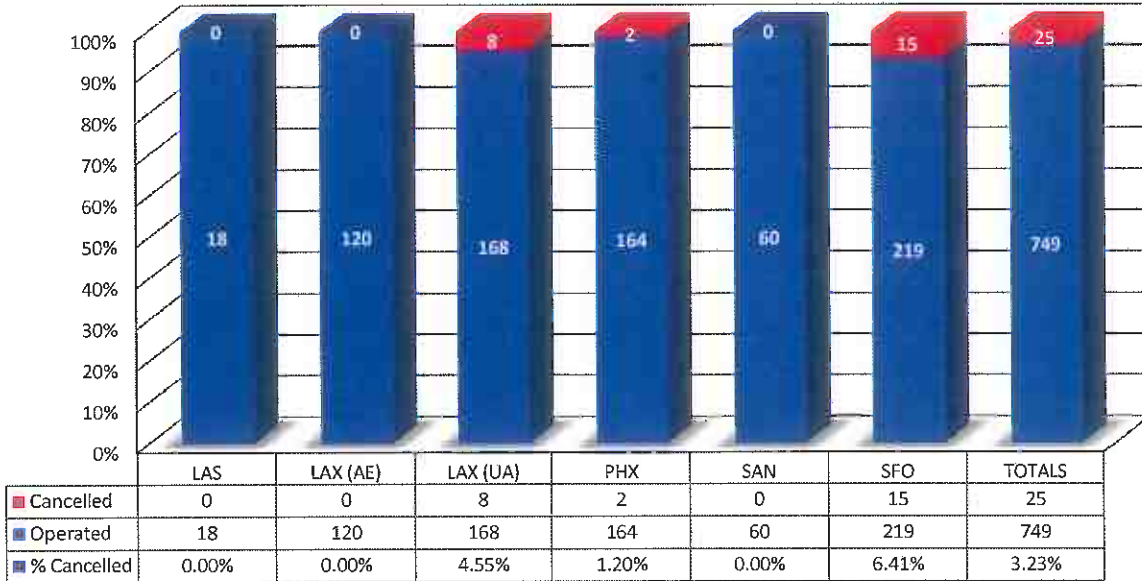
MONTHLY TOTAL TRIPS



	NOVEMBER 2013	DECEMBER 2013	JANUARY 2014	FEBRUARY 2014	MARCH 2014	APRIL 2014	MAY 2014	JUNE 2014	JULY 2014	AUGUST 2014	SEPTEMBER 2014	OCTOBER 2014	NOVEMBER 2014
NUMBER OF TRIPS	3,654	3,055	3,549	2,948	3,960	3,548	4,441	3,761	3,378	3,456	3,559	4,428	3,562
NUMBER OF CABS	134	134	135	135	137	138	139	142	106	113	114	117	119
TAXI TRIP FEES	\$ 10,962	\$ 9,165	\$ 10,647	\$ 8,944	\$ 11,860	\$ 10,644	\$ 13,323	\$ 11,283	\$ 10,134	\$ 10,368	\$ 10,677	\$ 13,284	\$ 10,866
TAXI MEDALLION FEES <sup>1</sup>	\$ 3,104	\$ 2,479	\$ 2,604	\$ 2,479	\$ 2,729	\$ 2,542	\$ 2,542	\$ 2,667	\$ 2,203	\$ 3,958	\$ 2,458	\$ 3,846	\$ 2,583
TAXI - TOTAL REVENUE	\$ 14,066	\$ 11,644	\$ 13,251	\$ 11,323	\$ 14,609	\$ 13,186	\$ 15,865	\$ 13,950	\$ 12,342	\$ 14,326	\$ 13,135	\$ 16,930	\$ 13,269
CURB MGMT CONTRACT	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,327	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897
EQUIPMENT DEPRECIATION	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600
SOFTWARE LICENSE / HOSTING	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175
EXPENDABLE SUPPLIES	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,672	\$ 14,672	\$ 14,672	\$ 14,672	\$ 14,672
TAXI - TOTAL EXPENSE	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,102	\$ 14,672	\$ 14,672	\$ 14,672	\$ 14,672	\$ 14,672
OPERATING INCOME / (LOSS)	\$ (36)	\$ (2,458)	\$ (851)	\$ (2,779)	\$ 507	\$ (916)	\$ 1,763	\$ (152)	\$ (2,330)	\$ (346)	\$ (1,537)	\$ 2,258	\$ (1,403)
CUMULATIVE (13-MONTH) OPERATING INCOME / (LOSS)													\$ (8,279)

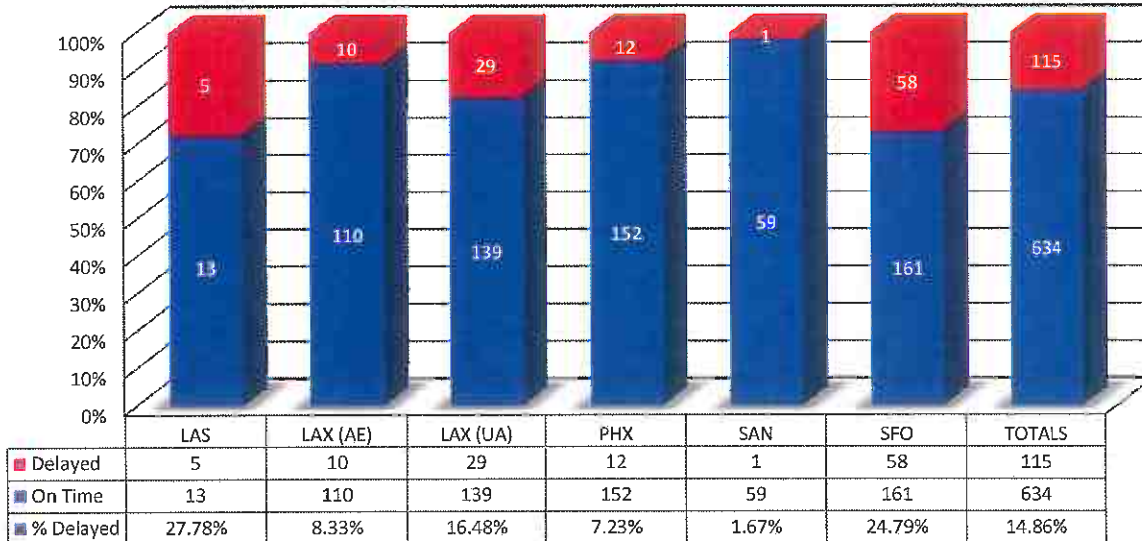
# NOVEMBER 2014

## November Commercial Flights Operated vs. Cancelled












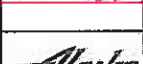


















**TOTAL CANCELED FLIGHTS: 23**

## November Commercial Flights On Time vs. Delayed



**TOTAL DELAYED FLIGHTS: 112**

## Monterey Regional Airport December 2014 Flight Schedule

ARRIVALS					DEPARTURES				
FROM	AIRLINE	FLIGHT	TIME	SCHD	TO	AIRLINE	FLIGHT	TIME	SCHD
CRJ200 (50)	LAX	 5403	10:22 AM 9:05 AM	DAILY 12/20 & 12/27	SFO	 6346	6:00 AM	DAILY	EMB (27)
EMB (27)	SFO	 5503	11:29 AM 10:54 AM	DEC 1-17 DEC 18-31	PHX	 6573	6:15 AM	DAILY	CRJ200 (50)
CRJ900 (76)	PHX	 5532	11:50 AM	DAILY	LAX	 5316	6:20 AM 7:15 AM	DEC 1-17 DEC 18-31	CRJ200 (50)
MD80 (166)	LAS	 540	1:05 PM 3:21 PM 10:30 AM 9:06 AM 7:52 PM	12/4 & 12/11 12/7 & 12/14 12/18 & 12/21 12/25 12/28	LAX	 2616	7:40 AM	DAILY	CRJ200 (50)
EMB (27)	SFO	 6359	2:14 PM	DAILY EXC SA, 12/24	SAN	 2437	8:00 AM	DAILY	Q400 (76)
CRJ200 (50)	PHX	 6601	3:30 PM	DAILY EXC 12/6 & 12/13	LAX	 5439	10:52 AM 9:38 AM	DAILY 12/20 & 12/27	CRJ200 (50)
EMB (27)	SFO	 6374/5239/ 6374	5:02 PM	DEC 1-17 ONLY	SFO	 5160	12:00 PM 11:19 AM	DEC 1-17 DEC 18-31	EMB (27)
CRJ200 (50)	LAX	 2589	5:20 PM	DAILY	PHX	 5455	12:20 PM	DAILY	CRJ900 (76)
CRJ200 (50)	LAX	 5338	5:35 PM	DAILY	LAS	 541	2:00 PM 4:06 PM 11:15 AM 9:51 AM 8:37 PM	12/4 & 12/11 12/7 & 12/14 12/18 & 12/21 12/25 12/28	MD80 (166)
Q400 (76)	SAN	 2436	7:45 PM	DAILY	SFO	 6359	2:45 PM	DAILY EXC SA, 12/24	EMB (27)
CRJ200 (50)	PHX	 6614	9:54 PM	DAILY EXC 12/2, 12/6, 12/8- 9, 12/13, 12/15-16	PHX	 6562	4:05 PM	DAILY EXC 12/2, 12/6, 12/8- 9, 12/13, 12/15-16	CRJ200 (50)
CRJ200 (50)	LAX	 2595	10:00 PM	DAILY EXC SA, 12/24-25	SFO	 5609	5:30 PM	DEC 1-17 ONLY	EMB (27)
CRJ200 (50)	LAX	 5420	9:09 PM	DAILY	LAX	 2589	5:45 PM	DAILY EXC SA, 12/24-25	CRJ200 (50)
EMB (27)	SFO	 6376	11:18 PM	DAILY	LAX	 5391	6:15 PM	DAILY	CRJ200 (50)

\*Flight Schedule is general information and subject to change. Schedules are updated monthly and can change daily. Please contact your airline for further information.

TO: Tom Greer, General Manager, Monterey Peninsula Airport District  
 FROM: Jerry Merritt, District Auditor/Controller  
 SUBJ: Financial Summary for October 2014 & FYTD (FY 2015)

**BACKGROUND.** The Financial Summary for October 2014 (the fourth period of Fiscal Year 2015) is summarized by the following documents:

- **Graphic Comparisons – Actual Operating Revenue & Actual Operating Expense**
- **Airport District Operating Statistics & Financial Performance**
- **Sources / Uses of Cash**
- **Capital Expenditures**

**SUMMARY.** In October, operating revenue was above plan by \$24,351 (4%). Commercial aeronautical fees, taxi permits & trip fees, rental car concessions, GA landing fees, fuel flowage fees, non-aviation rents and other operating revenue were above plan; TCP permits, terminal concessions, parking concession, hangar rents and interest income were below plan for October. When reviewed on the FYTD basis, operating revenue was above plan by \$38,497 (1%). Partially due to phasing (planned but not executed), operating expense was below plan by \$21,199 (-3%); below plan by \$125,863 (-5%) FYTD. Net income for October was 85% above plan; FYTD net income was 99% above plan. The net change in cash position (for October) was a positive \$73,752; net change in cash position FYTD was a positive \$225,325.

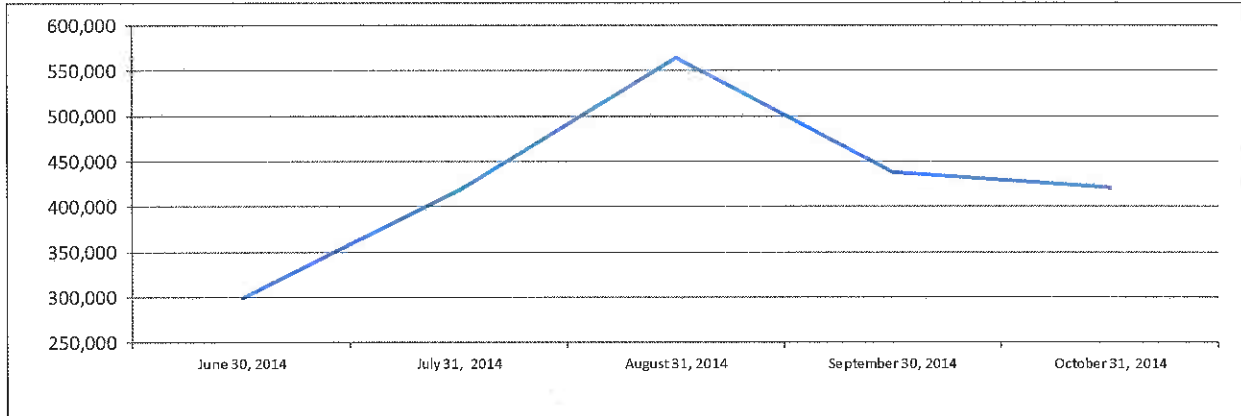
OPERATING REVENUE							
OCTOBER 2014 ACTUAL	OCTOBER 2014 PLAN	VARIANCE		FISCAL YTD 2014 ACTUAL	FISCAL YTD 2014 PLAN	VARIANCE	
		\$	%			\$	%
\$ 717,337	\$ 692,986	\$ 24,351	4%	\$ 2,879,131	\$ 2,840,634	\$ 38,497	1%

OPERATING EXPENSE							
OCTOBER 2014 ACTUAL	OCTOBER 2014 PLAN	VARIANCE		FISCAL YTD 2014 ACTUAL	FISCAL YTD 2014 PLAN	VARIANCE	
		\$	%			\$	%
\$ 618,400	\$ 639,599	\$ 21,199	-3%	\$ 2,548,461	\$ 2,674,324	\$ 125,863	-5%

OPERATING INCOME / (LOSS)							
OCTOBER 2014 ACTUAL	OCTOBER 2014 PLAN	VARIANCE		FISCAL YTD 2014 ACTUAL	FISCAL YTD 2014 PLAN	VARIANCE	
		\$	%			\$	%
\$ 98,937	\$ 53,387	\$ 45,550	85%	\$ 330,670	\$ 166,310	\$ 164,360	99%

**ACCOUNTS RECEIVABLE.** The accounts receivable balance on October 31, 2014, was \$421,764. This balance is 3.6% lower than the balance on September 30, 2014, and 40.3% higher than the balance on June 30, 2014. Of the accounts receivable balance, \$59,952 or 14.2% was over 60 days old. Chart 1 depicts the accounts receivable balances by month.

**Chart 1**



Under normal circumstances, the balance of accounts receivable at month-end will align with the dynamic (variable) operating revenue in that month, such as landing fees, fuel flowage fees, concession-based revenues, passenger facility charges (PFC). Typically, accounts receivable balances will span a range from \$300,000 to \$550,000, depending on the District's business cycle. We have a cyclic high in August; a cyclic low in January. Compared to September, October operating revenue increased 2.5%; compared to August, October operating revenue decreased 6.8%. Chart 2 graphically presents the monthly comparison of operating revenues to accounts receivable.

**Chart 2**

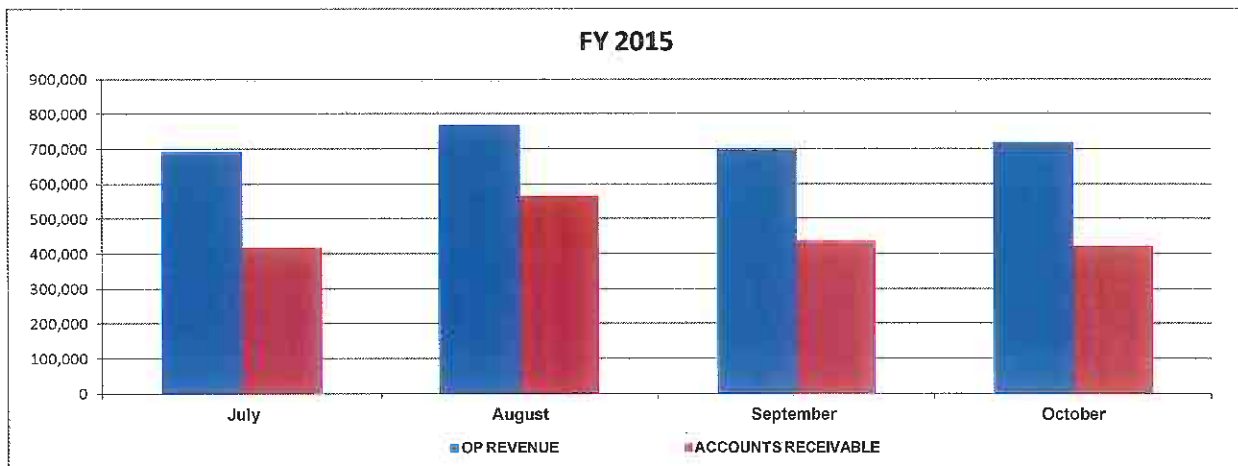
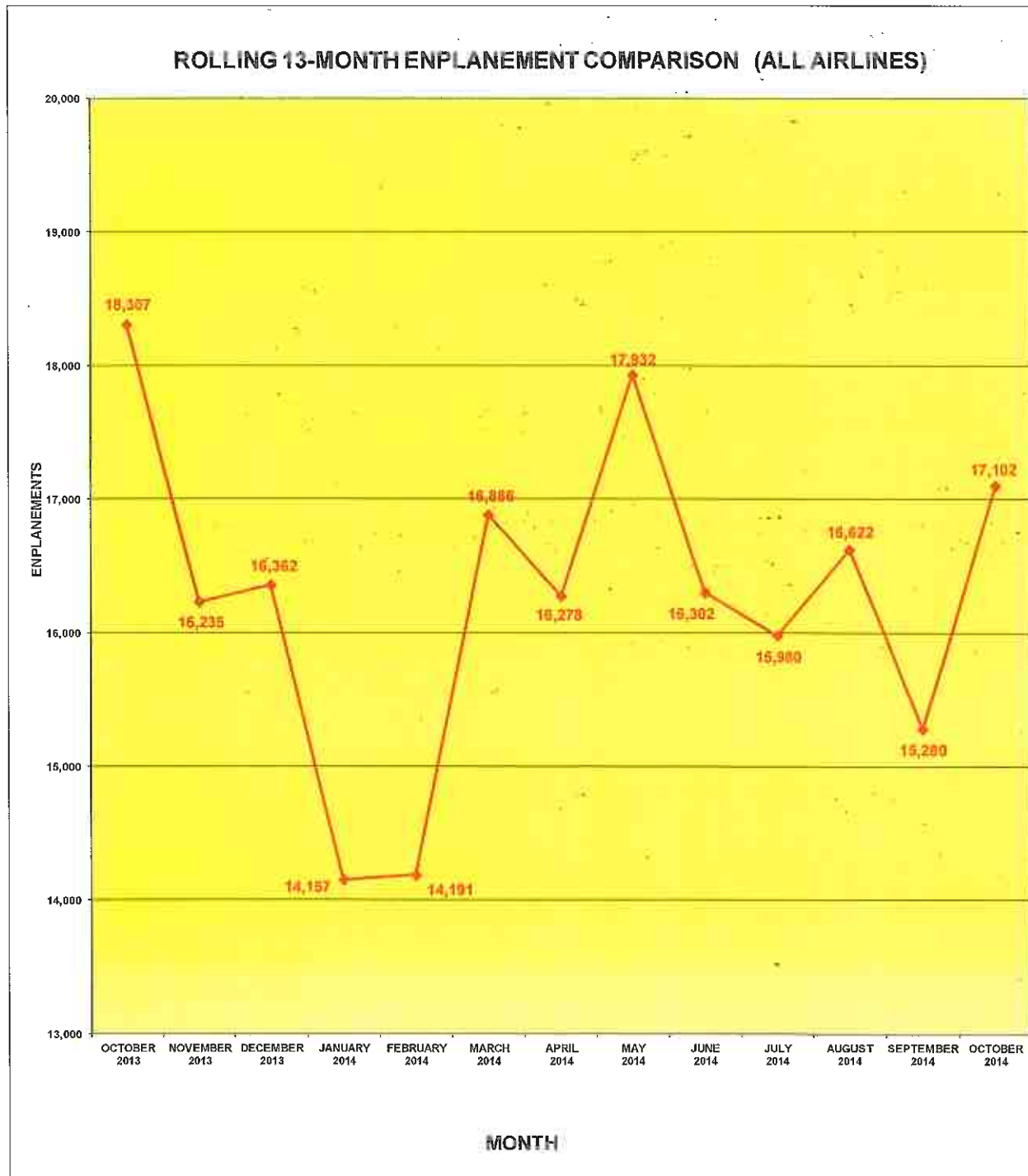


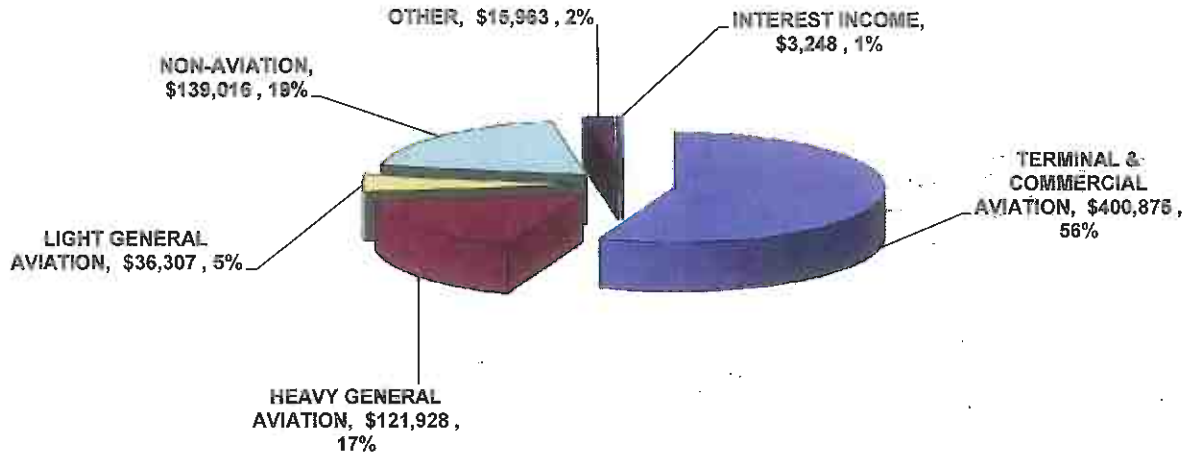


Chart 3 presents a rolling 13-month display of total enplanements which mimics the business cycle of the District. When compared to September 2014, October 2014 enplanements increased 11.9%. When compared to October 2013, October 2014 enplanements decreased 6.6%.

Chart 3

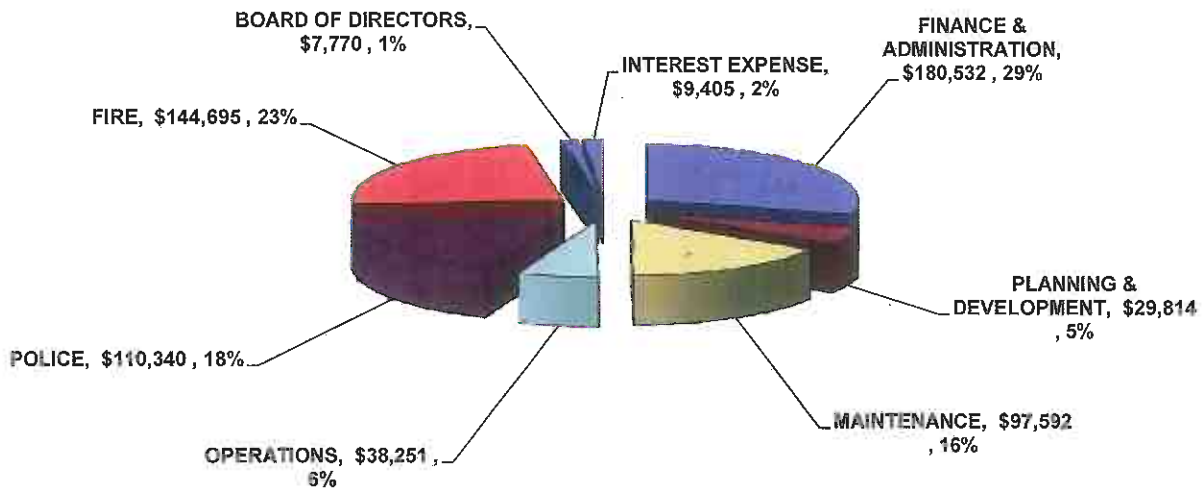


### OCTOBER 2014 OPERATING REVENUE



TOTAL OPERATING REVENUE: \$717,337

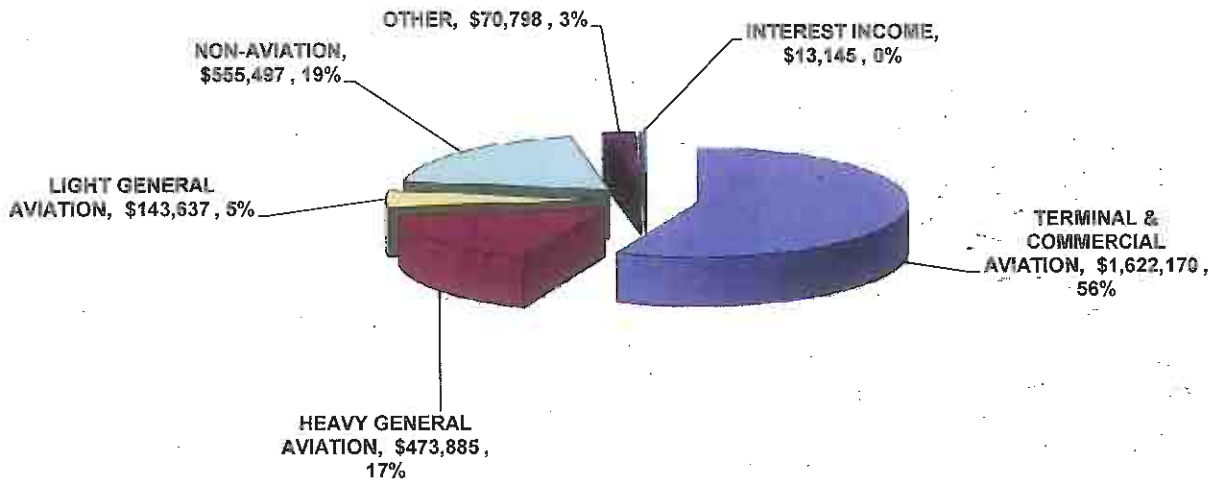
### OCTOBER 2014 OPERATING EXPENSE



TOTAL OPERATING EXPENSE: \$618,400

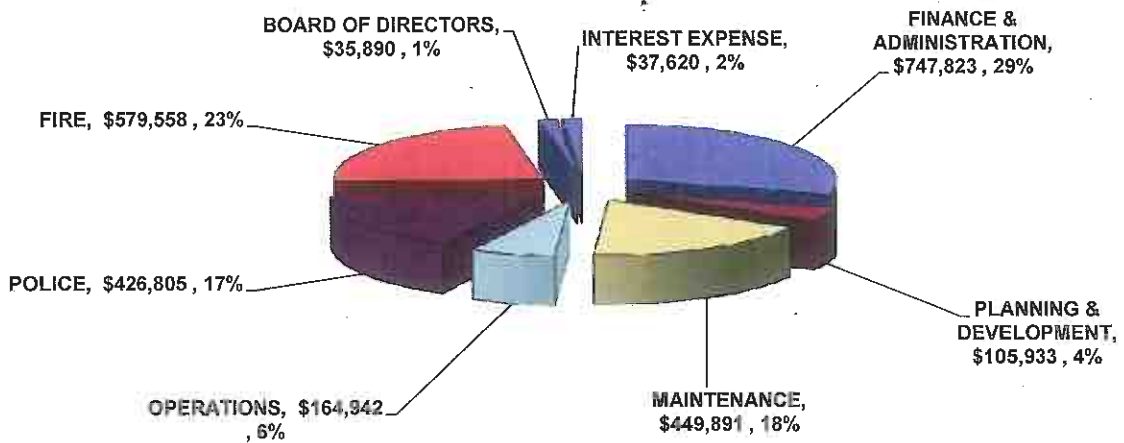
Monterey Peninsula Airport District

FY 2015 (July 14 - October 14) YTD OPERATING REVENUE



TOTAL OPERATING REVENUE: \$2,879,131

FY 2015 (July 14 - October 14) YTD OPERATING EXPENSE



TOTAL OPERATING EXPENSE: \$2,548,461

# AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

October 31, 2014

OPERATING STATISTICS		OCTOBER 14	OCTOBER 13	YTD FY 15	YTD FY 14
<b>AIRPORT ACTIVITY</b>					
Air Carrier Landings <sup>1</sup>	428	441	482	1,666	1,952
Passengers (emp/dep)	33,993	-	35,950	130,860	144,328
Total Cargo (in pounds)	81,651	-	87,060	350,458	323,240
<b>AIRCRAFT OPERATIONS</b>					
Commercial	1,361		1,408	5,093	5,492
General Aviation	3,309		3,011	12,159	12,390
Military	160		150	664	606
<b>TOTAL AIRCRAFT OPERATIONS</b>	<b>4,830</b>		<b>4,569</b>	<b>17,916</b>	<b>18,488</b>
<b>VEHICLE EXIT COUNT</b>					
Upper Short Term (1) Lot	2,109		2,129	8,659	8,678
Long Term (2) Lot	2,356		2,291	8,732	8,343
Lower Short Term (3) Lot	6,550		7,355	26,579	31,387
<b>TOTAL VEHICLE EXIT COUNT</b>	<b>11,027</b>		<b>11,775</b>	<b>44,970</b>	<b>48,408</b>

1 Cancelled Flights: October = 28 (0 - Alaska / 0 - Allegiant / 0 - American Eagle / 2 - US Airways / 26 - United Express); FYTD = 157 (2 - Alaska / 0 - Allegiant / 17 - American Eagle / 10 - US Airways / 128 - United Express)

FINANCIAL INFORMATION		OCTOBER 14	OCTOBER 14	OCTOBER 13	YTD FY 15	YTD FY 14
		ACTUAL	BUDGET	ACTUAL	BUDGET	ACTUAL
<b>BGT OPERATING REVENUE</b>						
<b>TERMINAL</b>						
CA Landing, Apron & RON Fees	62,259	56,000	11%	59,178	221,660	238,217
Rents	142,281	141,355	1%	136,633	564,544	548,056
TCP Operator Permits	650	750	-13%	689	3,200	3,397
Taxi Operator Permits & Trip Fees	17,305	15,074	15%	15,387	59,490	61,475
Concessions	10,348	11,498	-10%	11,501	51,015	51,623
Rental Car	94,833	88,100	8%	87,388	443,803	440,500
Parking	73,089	78,247	-7%	70,811	281,052	255,180
<b>HEAVY GENERAL AVIATION</b>						
GA Landing Fees	33,129	27,924	19%	27,242	109,638	106,963
FBO Rent	84,925	84,898	0%	83,394	219,592	213,676
Fuel Fees	33,874	30,772	10%	28,378	118,449	109,274
<b>LIGHT GENERAL AVIATION</b>	36,307	38,131	-5%	38,897	143,837	155,721
<b>NON AVIATION</b>	139,016	134,942	3%	108,006	544,554	496,862
<b>OTHER OPERATING REVENUE</b>	15,953	12,100	32%	11,936	70,798	58,628
<b>INTEREST INCOME</b>	3,248	3,195	2%	3,611	13,145	18,501
<b>TOTAL BGT OPERATING REVENUE</b>	<b>\$ 717,337</b>	<b>\$ 692,986</b>	<b>4%</b>	<b>\$ 653,051</b>	<b>\$ 2,840,634</b>	<b>\$ 2,757,972</b>
<b>BGT OPERATING EXPENSE</b>						
Finance & Administration	180,532	175,837	3%	177,882	748,485	714,375
Planning & Development	28,814	42,185	-20%	41,392	168,622	173,227
Maintenance & Custodial Services	97,592	109,328	-11%	111,883	474,850	415,530
Airport Operations	36,251	41,163	-7%	45,157	178,841	164,875
Police Department	110,240	108,187	2%	95,535	425,805	396,421
Fire Department	144,695	144,448	0%	117,240	585,657	513,581
Board of Directors	7,770	9,046	-14%	7,712	35,890	38,793
Interest Expense	9,405	9,405	0%	10,366	37,620	41,463
<b>TOTAL BGT OPERATING EXPENSE</b>	<b>\$ 618,400</b>	<b>\$ 639,599</b>	<b>-3%</b>	<b>\$ 607,168</b>	<b>\$ 2,674,324</b>	<b>\$ 2,458,266</b>
<b>BGT OPERATING INCOME / (LOSS)</b>	<b>\$ 98,937</b>	<b>\$ 53,387</b>	<b>85%</b>	<b>\$ 45,883</b>	<b>\$ 166,310</b>	<b>\$ 299,706</b>
<b>DISTRICT CAPITAL EXPENDITURES</b>						
	\$ 3,443	-	0.0%	\$ 51,412	\$ 72,000	\$ 182,834
<b>DEBT SERVICE - PRINCIPAL ONLY</b>	<b>\$ 22,167</b>	<b>\$ -</b>	<b>-</b>	<b>\$ 20,667</b>	<b>\$ 88,667</b>	<b>\$ 82,667</b>

MONTEREY PENINSULA AIRPORT DISTRICT

	FY 2015 OCTOBER 2014 ACTUAL	FY 2015 YEAR-TO-DATE ACTUAL
<b>SOURCES AND USES OF CASH -- OPERATIONS</b>		
<b>SOURCES OF CASH</b>		
CASH RECEIVED - OPERATING REVENUE	\$ 714,089	\$ 2,865,987
CASH RECEIVED - INTEREST INCOME	3,248	13,145
CASH RECEIVED	<u>\$ 717,337</u>	<u>\$ 2,879,131</u>
<b>USES OF CASH -- OPERATIONS</b>		
CASH DISBURSED - OPERATING EXPENSE <sup>1</sup>	\$ 608,570	\$ 2,509,141
CASH DISBURSED - DEBT SERVICE (BOND INTEREST EXPENSE) <sup>2</sup>	9,405	37,620
CASH DISBURSED - DEBT SERVICE (PRINCIPAL REDUCTION) <sup>2</sup>	22,167	88,667
CASH DISBURSED	<u>\$ 640,142</u>	<u>\$ 2,635,428</u>
<b>CHANGE IN CASH POSITION FROM OPERATIONS &amp; DEBT SERVICE</b>	<u>\$ 77,196</u>	<u>\$ 243,704</u>
<b>USES OF CASH -- CAPITAL PROGRAM</b>		
CASH DISBURSED - DISTRICT CAPITAL PROJECTS <sup>3</sup>	\$ 3,443	\$ 18,379
CASH DISBURSED	<u>\$3,443</u>	<u>\$18,379</u>
<b>CHANGE IN CASH POSITION FROM CAPITAL PROGRAM</b>	<u>\$ (3,443)</u>	<u>\$ (18,379)</u>
<b>CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL &amp; DEBT SERVICE</b>	<u>\$ 73,752</u>	<u>\$ 225,325</u>

<sup>1</sup>Net of non-cash operating expense (OPEB)

<sup>2</sup>Moved to Restricted Account/Disbursement will occur in December 2014 & June 2015.

<sup>3</sup>District-funded capital plan for FY15



**Monterey Peninsula Airport District**  
**Airport Capital Improvements / Capital Expenditures**  
**October 31, 2014**

**Airport Improvement Programs**

	Actual FY 2014 Current Period	Prior Fiscal Year Current Period	Actual FY 2014 Year-To-Date	Prior Fiscal Year Year-To-Date
MPAD Expenditures	0.00	51,412.47	6,698.16	182,833.72
AIP -- FAA Funded Expenditures	1,524,562.58	22,361.00	5,546,403.29	186,553.00
AIP -- PFC Funded Expenditures	82,338.15	2,485.00	300,296.07	87,457.35
<b>Total Capital Improvement Expenditures</b>	<b>1,606,900.73</b>	<b>76,258.47</b>	<b>5,853,397.52</b>	<b>456,844.07</b>

**Capital Acquisitions / Expenditures By Department**

	Actual FY 2014 Current Period	Prior Fiscal Year Current Period	Actual FY 2014 Year-To-Date	Prior Fiscal Year Year-To-Date
Finance & Administration	0.00		0.00	
Planning & Development	0.00		0.00	
Maintenance & Custodial Services	0.00		0.00	
Airport Operations	0.00		0.00	
Police	3,443.44		11,680.38	
Fire	0.00		0.00	
<b>Total Capital Acquisition Expenditures</b>	<b>3,443.44</b>	<b>0.00</b>	<b>11,680.38</b>	<b>0.00</b>

**Consolidated**

	Actual FY 2014 Current Period	Prior Fiscal Year Current Period	Actual FY 2014 Year-To-Date	Prior Fiscal Year Year-To-Date
District Expenditures	3,443.44	51,412.47	18,378.54	182,833.72
AIP -- FAA Funded Expenditures	1,524,562.58	22,361.00	5,546,403.29	186,553.00
AIP -- PFC Funded Expenditures	82,338.15	2,485.00	300,296.07	87,457.35
<b>Total Capital Expenditures</b>	<b>1,610,344.17</b>	<b>76,258.47</b>	<b>5,865,077.90</b>	<b>456,844.07</b>

2015-01 ARFF Station Reno/Improvements 0.00  
 2015-02 Police Vehicle - Sedan 3,443.44

6,698.16  
 11,680.38

**AGENDA ITEM:** K a. 2.  
**DATE:** December 10, 2014

**TO:** Board of Directors, Monterey Peninsula Airport District  
**FROM:** Tom Greer, General Manager (on behalf of the Finance Committee)  
**SUBJ:** Committee Report for Finance Committee Meeting

**BACKGROUND.** Since the last regular board meeting, the Finance Committee held one meeting. The agenda is presented below. Comments and notes are recorded separately (at the end of the agenda).

**SPECIAL MEETING OF THE FINANCE COMMITTEE  
BOARD OF DIRECTORS  
MONTEREY PENINSULA AIRPORT DISTRICT**

**December 3, 2014 1:30 PM**

**Boardroom, Terminal Building  
Monterey Regional Airport**

(Unless you are a public safety official, please turn off your cell phone or place it on vibrate mode during the meeting.)

**A. CALL TO ORDER**

**B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS**

**C. PUBLIC COMMENTS**

(Any person may address the Monterey Peninsula Airport District Finance Committee at this time. Presentations should not exceed three (3) minutes, should be directed to an item **NOT** on today's agenda, and should be within the jurisdiction of the Monterey Peninsula Airport District Board. Though not required, the Monterey Peninsula Airport District Board appreciates your cooperation in completing a speaker request form available on the staff table. Please give the completed form to the Monterey Peninsula Airport District Secretary. Comments concerning matters set forth on this agenda will be heard at the time the matter is considered.)

**D. REGULAR AGENDA – ACTION ITEMS**

- |            |    |  |
|------------|----|--|
| Review     | 1. | October 2014 & FYTD (FY 2015) Financial Statements |
| Review     | 2. | Accounts Receivable Aged Invoice Report            |
| Review     | 3. | Cash Position Update                               |
| Discussion | 4. | Update District Investment Policy                  |
| Review     | 5. | Finance & Accounting Issues Update                 |
| Discussion | 6. | Future Agenda Items/Finance Committee Schedule     |

## E. ADJOURNMENT

### AGENDA DEADLINE

This is the final Agenda that has been posted on the bulletin board outside the District Offices in the Terminal Building at the Monterey Peninsula Airport no less than 24 hours prior to the meeting.

#### **Notes/comments from 12/03/2014 Finance Committee Meeting:**

- Meeting called to order by Chair Miller at 1:49 p.m.
- Meeting attended by board members Carl Miller and Bill Sabo, and staff members Tom Greer, Chris Morello, Tonja Posey, Brenda Smith, and Jerry Merritt.
- There were no communications or public comments
- October 2014 & FYTD (FY 2015) Financial Statements
  - ✓ Operating revenue was 4% (\$24,351) above plan for October,
    - Below plan were:
      - TCP Operator Permits,
      - Terminal Concessions,
      - Parking Concession,
      - Hangar (Light GA) Rents, and
      - Interest Income.
    - On or above plan were:
      - all other categories of operating revenue
    - Staff answered questions regarding operating revenue, such as:
      - Have any trends been identified? Answer – heavy GA (i.e. GA landing fees & fuel flowage fees) are above plan and appear strong.
      - Any change in the number of District hangars being rented? Answer – no.
      - Why is Outside Storage Rents above plan? Answer – Tope is paying rent on the area he occupies.
      - Can the District recoup more of utilities expenses – particularly water? Answer – Staff Accountant has been and continues to work on water.
  - ✓ FYTD Operating Revenue was 1% (\$38,497) above plan
  - ✓ October operating expense was 3% (\$21,199) below plan
    - Staff answered questions regarding several expense lines in several departments asked by Director Sabo
    - FC was again reminded that the District may be at risk regarding election expense
  - ✓ FYTD Operating Expense was 5% (\$125,863) below plan
  - ✓ Operating income was 85% (\$45,550) above plan for October
  - ✓ Operating income FYTD was 99% (\$164,360) above plan
    - FC was reminded that the above plan operating income will erode as we progress through the fiscal year



- Accounts Receivable Aged Invoice Report
  - ✓ Reviewed the distribution of aged receivables for the month of October,
  - ✓ Reviewed the aged A/R detail as of 11/30/2014, and
  - ✓ Reviewed the specifics of the A/R on several tenants including Tope (Outside Storage)
- Cash Position Update
  - ✓ Reviewed the District's cash position at 10/31/2014 and 11/30/2014,
  - ✓ Based on current business operations/financial data - projected the cash position for 12/31/2014 and 06/30/2015
- Update District Investment Policy
  - ✓ Handed out copies of the current policy,
  - ✓ Handed out copies of a draft policy,
  - ✓ FC tabled discussion and review until the next (January 7) FC meeting
- Finance & Accounting Issues Update
  - ✓ Final audit report and management letter will be in the board packets,
  - ✓ Acceptance of the audit report will be on the consent agenda at the regular board meeting
- Future Agenda Items/Finance Committee Schedule
  - ✓ The committee scheduled its next meeting on Wednesday, January 7, at 1:30 p.m.
- Meeting adjourned by Director Miller at 3:25 p.m.

AGENDA ITEM: J  
DATE: December 10, 2014

TO: Thomas E. Greer, General Manager  
FROM: Charles R. Hayes, Senior Deputy General Manager  
DATE: December 3, 2014  
SUBJ: Air Service Development Report

The Air Carrier Service/Marketing/Community Relations Committee (Committee) met yesterday. The agenda for the meeting is included at the end of this report.

#### Air Carrier Update:

The airline flight schedules, presented at the November meeting, remain unchanged:

- AS - One 76-seat Q400 turboprop daily to SAN arriving MRY at 7:45 PM, departing the next day at 8:00 AM.
- G4 (Allegiant) – A MD-83 to LAS on Sundays and Thursdays.
- AA/US – Two CRJ flights daily to LAX; one flight on Saturdays. AA is scheduled to resume three daily flights (two on Saturdays) on Feb 12<sup>th</sup>. It believes two flights per day is sufficient capacity for “local” MRYLAXMRY pax and thru-the-hub pax from Nov 6th through Feb 11th.
- US/AA – US continues its 3 and 2 (Tue & Sat) daily flight schedule, flying the CRJ and 76 seat CR9 midday. The route is successful with 1/3rd local and 2/3rds thru-the-hub pax.
- UA SFO - From Dec 20<sup>th</sup> to Jan 5<sup>th</sup>, UA flies three flights daily but only two on 12/20, 12/24 & 12/31, the same schedule UA flew last year. It returns to four daily flights in January.
- UA LAX – SkyWest flies three daily flights for UA, flown on a “prorate” basis.

#### Air Service Planning/Reports

- Board Air Service Presentation: Joseph Pickering, Manager - Air Service Consulting, Mead & Hunt, Inc. will present to the Board on December 10<sup>th</sup> an “Industry Overview and Review of MRY Air Service - Looking to 2015 and Beyond”.
- Quarterly Performance Report: Mead & Hunt, Inc. completed an analysis of our air service for the Q2 2014 that I reviewed with the Committee.
- Destination Marketing: Kent Myers (Air Planners LLC) using the Go-To-Meeting format presented to the CVB’s CEO and VP-Marketing the merits of a seasonal destination air service program, based upon actual performance data from flights flown last summer from a Mid-West hub to a Rocky Mountain destination. It was well received. Follow-up analysis is underway. The CVB will present its recommendations to its Board at the quarterly review meeting to be held in late January.
- SkyWest Airlines will phase out all EMB-120s in 2015: Between February 1<sup>st</sup> and May 5<sup>th</sup>, it will replace all EMB120 turboprops (27 seats) serving CA airports with 50 seat CRJ200s. Future flight schedules to reflect these changes in 2015 have not been published.

## Marketing, Advertising & Promotions

### Advertising

- TV – We begin running ads next week, promoting wintertime/early spring travel.
- Del Monte Center - On screen advertising running from 11/23 thru 12/31.
- Billboard: On Hwy 101, 2 miles north of Prunedale.
- Rabobank Stadium Sign: Our promotional sign is highly visible in the end zone location.
- In-Terminal Banners: We are pleased with the new banner, installed on November 26<sup>th</sup>.
- CVB In-Terminal promotions: The CVB installed an attractive wall-wrap, "Grab life by the Moments", promoting the area and the CVB's website, on the left wall as pax exit the secured area into the terminal. See photo attached.
- Baggage Claim Video: The new ad to replace the "Where's My Bag" video on our TV at baggage claim will be running by the end of this week.

### Public Relations:

- Weekly e-Newsletter: Below are the featured cities during the past five weeks:

Nov 4	US Airways	Phoenix
Nov 11	United/American	Los Angeles
Nov 17	Allegiant	Las Vegas
Nov 28	Alaska	San Diego
Dec 2	US Airways	Phoenix
- Social Media/Facebook: "Total Likes" continue to grow – 11,498 as of December 2<sup>nd</sup>.

### Customer Service:

- Customer Comment Cards – see November responses, attached. On November 24<sup>th</sup> soon after sunset, the pilot of an AA CRJ, taxiing from Gate 3 for takeoff, added power to taxi out and turned away from a parked US CRJ at Gate 2. The AA jet's blast blew the air stairs away from the US jet, fully loaded and ready for taxi, causing moderate damage to the aircraft. Pax were told the flight would be delayed due to a "mechanical". The assessment of the damage took over 4 hours. The flight was cancelled because repairs could not be made. We received many complaints from frustrated pax.
- Travelers Survey: The survey for the economic impact study of visitors conducted for Professor Lee McPheters, PhD, and our demographic survey of locals originating at MRY were completed November 18<sup>th</sup>. Data is being analyzed. No date has been set for the reports.

### Next Committee Meeting:

Tuesday, January 6, 2015

**SPECIAL MEETING  
AIR CARRIER SERVICE – MARKETING - COMMUNITY RELATIONS COMMITTEE  
OF THE BOARD OF DIRECTORS MONTEREY PENINSULA AIRPORT DISTRICT**

December 2, 2014 – 9:00 AM, Board Room - Terminal Building  
Monterey Peninsula Airport

**A. CALL TO ORDER**

**B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS**

**C. PUBLIC COMMENTS**

**D. REGULAR AGENDA – ACTION ITEMS**

- |            |  |
|------------|--|
| Review     | 1. Marketing, Advertising & Promotions   |
| Review     | 2. Air Service   |
|            | <ul style="list-style-type: none"><li>• Air Carrier Update</li><li>• At the Regular Meeting of the Board on December 10<sup>th</sup>, a presentation will be made by Joseph Pickering, Manager, Air Service Consulting Practice, Mead &amp; Hunt, Inc.</li></ul> |
| Review     | 3. Community Alliance for Promotion of Inbound Flights   |
| Review     | 4. Public Relations  |
| Review     | 5. Customer Service Ideas, Feedback & Reports  |
| Review     | 6. Instrument Landing System Status  |
| Discussion | 7. Schedule next meeting   |

**E. ADJOURNMENT**

Date	Time	Pax Was	Airline	Flt #	Tone	Comments	Name	Address City & State
11/2	1400	D	G4		P	Best Airport Experience Ever	M.R.	Aptos, CA
11/3	1120	D			P	Standing in the wrong line. Airline staff was rude and unhelpful.		
11/4	930	D	UE	5503	P	Dianira Morales used her initiative to get me to SFO when flight was cancelled. Great Attitude.	P.G.	PG, CA
11/7	623	D	UE	5391	N	You need better TVs and better seating 2 1/2 hour delay	L.	PA
11/10	1720	D	UE	5391	P	Intercom is inaudible, air conditioning fan excessive. Metal part of seats are cold.	R.M.	LA, CA
11/11	1800	A	UE		N	The carpeting is disgusting. Please replace it.		
11/17	1715	D	UE	5391	P	Your staff at security very friendly, making most pleasant check process.	A	Long Beach, CA
11/18	950	D	UE	5350	P	Pleasant airport. Cooperative airport personnel. Very good atmosphere.	P.W.	
11/20	1100	D	US		N	Recommend training personnel on handling pets at check in.		
11/20	1400	A	UE		P	Airport is very pleasant. Taking United and constant delays is frustrating.	P.B.	Carmel, CA
11/24	600	D	US	2616	N	Last nights cancelled Phoenix flight is pathetic awful experience. A free hotel hardly compensates.	J.S.	Columbus, OH
11/24	730	D	AL	2437	P	Everyone is professional and courteous. Nice atmosphere. Impressive.	M.F.	Monterey, CA
11/24	1132	D	US	5557	N	Had layover due to a mechanical error cancelled five hours later. Staff was rude and unprofessional.	T.H.	Tempe, AZ
11/24	1220	D	US	5557	N	Something shady went down with the boarding no explanations and I got stuck		
11/29	730	D	AE		N	Wi-Fi is very slow and goes in and out.	E.I.	Seaside, CA
12/1	1030	D	UE	5350	P	Wi-Fi is poor and nonexistent	E.H.	Pacific Grove, CA