

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

November 16, 2022 - 9:00 AM

**Monterey Regional Airport
200 Fred Kane Drive, Suite 200**

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Should the Board implement the measures outlined in AB 361, members of the public may participate in the Board meeting via Zoom video conference. Please visit www.zoom.us/join and enter the following Meeting ID: **831 7098 4092**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID. Members of the public who wish to provide comment on an item on the agenda may do so during the meeting prior to the item being considered by the Board, as outlined below.

REMOTE PUBLIC COMMENTS

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. Include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.
2. During the Meeting via Oral Comments: When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9. The Secretary to the Board will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your oral comments, pursuant to Board policy.

Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

A. CALL TO ORDER/ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Any person may address the Monterey Peninsula Airport District Board at this time on any item that is **NOT** on today's agenda and should be within the jurisdiction of the Monterey Peninsula Airport District Board. Comments concerning matters set forth on this agenda will be heard at the time the matter is considered.

E. CONSENT AGENDA - ACTION ITEMS

The Consent Agenda consists of those items which are routine and for which a staff recommendation has been prepared. A Board member, member of the audience or staff may request that an item be placed on the deferred consent agenda for further discussion. One motion will cover all items on the Consent Agenda. The motion to approve will authorize the action or recommendation indicated.

- | | |
|---------|--|
| Approve | 1. <u>Minutes of the Air Carrier Service - Marketing - Community Relations Committee Meeting of October 17, 2022</u> |
| Approve | 2. <u>Minutes of the Regular Board Meeting of October 19, 2022</u> |
| Approve | 3. <u>Minutes of the Special Board Meeting of October 21, 2022</u> |
| Approve | 4. <u>Minutes of the Special Board Meeting of November 4, 2022</u> |
| Approve | 5. <u>Minutes of the Budget and Finance Committee Meeting of November 8, 2022</u> |
| Approve | 6. <u>Minutes of the Air Carrier Service – Marketing – Community Relations Committee Meeting of November 08, 2022</u> |
| Approve | 7. <u>Minutes of the Airport Property Development & Leases Committee Meeting of November 9, 2022</u> |
| Adopt | 8. <u>Resolution No. 1816-10, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Making Findings and Determinations Pursuant to AB 361 or Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings</u> |

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

G. REGULAR AGENDA - ACTION ITEMS

- | | |
|---------|--|
| Receive | 1. Bierman Hydrogeologic Well Report Presentation |
| Approve | 2. <u>Professional Service Agreement Between Monterey Peninsula Airport District and Chris Chidlaw dba Chidlaw Marketing for Public Relations and Community-Media Outreach Services</u> |
| Adopt | 3. <u>Resolution No. 1832, A Resolution Authorizing and Approving the Creation of the Position of Deputy Executive Director, Eliminating the Positions of Deputy Director Strategy and Development and Deputy Executive Director Finance and Administration, and Amending the Fiscal Year 2023 Salary Schedule as Amended September 27, 2022 by Resolution No. 1830, Listing Salary Ranges for the Monterey Peninsula Airport District</u> |
| Adopt | 4. <u>Resolution No. 1833, A Resolution Appointing A New Chief Financial Officer of the Association Which Controls the Common Area of the Properties Located at 2801 Monterey Salinas Highway, Monterey, Ca, Thereby Amending Resolution No. 1759</u> |
| Adopt | 5. <u>Resolution No. 1834, A Resolution Amending and Approving an Update to MPAD Governance Manual, Director Remuneration and Expense Reimbursement Policy, and Employee Travel Policy Memorandum</u> |

H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

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

AB1234. [The board receives department reports which do not require any action by the board.](#)

Standing Committees:

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

b. Ad-Hoc Committees:

- | | |
|-------------------------------|----------------------------|
| i. Local Jurisdiction Liaison | Director Leffel and Miller |
|-------------------------------|----------------------------|

c. Liaison/Representatives:

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

I. CLOSED SESSION

1. **REAL PROPERTY NEGOTIATIONS** [Government Code Section 54956.8]. The Board will meet with Real Property Negotiators, Executive Director and District Counsel, regarding the properties identified as APN 013-221-020-000.
2. **QUARTERLY GOAL UPDATE** [Government Code Section 54957(b)]. The Board will meet with the Executive Director and District Counsel to consider the quarterly goal update related to the following position: Executive Director.

J. RETURN TO OPEN SESSION

K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

L. 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.

M. ADJOURNMENT

AGENDA DEADLINE

This is the final Agenda that has been posted on the bulletin board outside of the District Offices in the Terminal Building at the Monterey Regional Airport no less than 72 hours prior to the meeting.

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 Friday before the first Wednesday of the month. This agenda is subject to revision and may be amended prior to the scheduled 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. 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.

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

October 17, 2022 – 10:00 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

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Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **835 6352 4574**. The password for this meeting is: **20221013**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

REMOTE PUBLIC COMMENTS

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Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

A. CALL TO ORDER

The meeting of the Air Carrier Service - Marketing – Community Relations Committee was called to order at 10:11 AM. Director Pick and Director Miller, Executive Director La Pier, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

None.

C. PUBLIC COMMENTS

None.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. Air Carrier & Charter Service Update

Executive Director La Pier reported American Airlines will add 38k seats a year by operating an Airbus 319 on the DFW route, which is almost double the seats of the current aircraft. At 80% load factor that translates to approximately 2,500 additional enplanements a month. He noted this is mainline service, flown by the carrier themselves, rather than an affiliated regional partner.

Executive Director La Pier reported Alaska Airlines will start a second San Diego flight in March 2023 which will add 2,311 seats per month at full capacity. At an 80% load factor that translates to 1,849 additional enplanements a month.

Review 2. Air Carrier Service Development Update

Executive Director La Pier reviewed the Public Relations consulting proposal prepared by Chris Chidlaw. He stated that since there have been no appropriate candidates apply for the Public Relations Specialist position, he is proposing a PR agreement with Chris Chidlaw as an alternative. There was a discussion about the candidates that applied for the open position as well as the proposal at hand.

Executive Director La Pier stated the Finance Committee already received the proposal, supported the direction, and asked that a contract be drafted that included both the proposed PR Services and the current advertising and marketing consulting retainer with Chris Chidlaw. That contract was drafted and is in the regular Board meeting packet.

Director Miller stated he supported this direction. He asked about the budget impact. Executive Director La Pier stated it should be about half of what was budgeted.

Director Pick also supported this direction and thinks the idea of the Directors participating in the Speaker's Bureau is a good one.

Discussion 3. Local Marketing and Outreach Update

Executive Director La Pier referred to the Digital Media Analytics report and reviewed the performance of the paid social media, which gives us a lot of reach for a small amount of investment.

Executive Director La Pier reported on a meeting planned with two hospitality associations regarding a potential purchase of cell phone GPS data. He reviewed the benefits of the potential data purchase, saying it would help inform our social media efforts to know where travelers came from. Director Pick asked if this data identifies if someone used the Monterey airport. Executive Director La Pier answered yes, and it is just starting to be used at other airports.

Director Miller stated leakage reports are run that show passengers within 30 miles of the airport. He asked that the same data be run by zip code, just for the Monterey Peninsula, comparing MRY to SFO and SJC. He emailed the report to the Air Service Committee. He was impressed to find that more people in 93940 fly out of MRY than SJC. There was a discussion about this data and if it would be duplicative to the GPS data. Director Miller suggested one is better for inbound data and the other for outbound. Director Miller stated he would share this data with the Board during committee report out.

Discussion 4. Passenger Comments, Services and Amenities Update

Director Pick referred to a complaint about the music and asked how we set the volume. Executive Director La Pier answered it is preset but the Public Announcements (PA) system is also attached to the same system, so when it is busy in the airport the volume needs to be raised to hear the announcements.

Discussion 5. Community Noise Concerns Update

Executive Director La Pier stated there were six complaints that were all well addressed by staff.

E. ADJOURNMENT

The meeting adjourned at 10:17 AM.

*Approved at the
Meeting of November 16, 2022*

Carl M. Miller, Chair

A T T E S T

*Michael La Pier, AAE
District Secretary*

REGULAR MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

October 19, 2022 - 9:00 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

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Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

A. CALL TO ORDER/ROLL CALL

Chair Miller called to order the regular meeting of the Monterey Peninsula Airport District Board of Directors at 9:04 AM. Directors Pick, Sawhney, Leffel, and Sabo were present. Leffel attended by Zoom videoconference. The following staff were present: Executive Director La Pier, District Counsel Ritchie, Acting District Secretary Adams, Deputy Director of Strategy & Development Morello, and Controller Mark Wilson.

B. PLEDGE OF ALLEGIANCE

Director Sawhney let the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Executive Director La Pier introduced the Controller, Mark Wilson.

Executive Director La Pier stated Counsel Dave Ritchie is filling in for District Counsel Huber.

D. PUBLIC COMMENTS ON NON-AGENDA ITEMS

No Public Comment.

E. CONSENT AGENDA - ACTION ITEMS

The Consent Agenda consists of those items which are routine and for which a staff recommendation has been prepared. A Board member, member of the audience or staff may request that an item be placed on the deferred consent agenda for further discussion. One motion will cover all items on the Consent Agenda. The motion to approve will authorize the action or recommendation indicated.

- | | |
|---------|--|
| Approve | 1. Minutes of the Regular Board Meeting of September 27, 2022 |
| Approve | 2. Minutes of the Budget and Finance Committee Meeting of October 11, 2022 |
| Approve | 3. Minutes of the Airport Property Development & Leases Committee Meeting of October 12, 2022 |
| Approve | 4. Executive Director Contract Amendment |
| Adopt | 5. Resolution No. 1816-9, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Making Findings and Determinations Pursuant to AB 361 or Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings |

Director Sawney asked to pull Item E.2.

Director Leffel made a motion to approve Consent Agenda Items 1 – 5 except for Item E.2. Director Pick seconded the motion. The motion carried by a roll call vote of 5-0.

F. DEFERRED CONSENT AGENDA - ACTION ITEMS

Director Sawhney referred to the Minutes of the Budget and Finance Committee Meeting of October 11, 2022 and asked for clarification about the \$94k Director Leffel questioned on the Audit Report. Director Leffel explained there is approximately \$94k that has been paid in a disagreement that is waiting to be settled and that we might get partially refunded. She asked that it be referenced in the audit report so that it is more visible. The Auditor agreed to add this item as a note.

Director Sawhney made a motion to approve Consent Agenda Item E.2. Director Pick seconded the motion. The motion carried by a roll call vote of 5-0.

G. REGULAR AGENDA - ACTION ITEMS

- Presentation 1. Review of the Passenger Terminal Refinement Plan (Kimley Horn)

Executive Director La Pier introduced Item G.1 and Tom Schnetzer, from Kimley Horn, who attended by Zoom videoconference. He stated this is a version of a presentation previously presented to the Board in February 2021.

Mr. Schnetzer reviewed the major steps necessary to increase the separation of runway and taxiway and the projects required before that can happen including the relocation of hangars, the ARFF facility, and ultimately the terminal building. Director Sabo asked if the work already done on Taxiway Alpha had cured any of the separation issue. Deputy Director Morello answered we are still under waiver; there is a small portion where we have increased the separation. The FAA is funding more than usual because it is a Safety Enhancement Plan.

Directors asked questions of Mr. Schnetzer regarding the overall design of the terminal building. He answered with general assumptions that had been made but noted the designers will get more creative; this presentation was trying to frame the space; it was just a guideline. However, it is envisioned to be a much more functional space.

Executive Director La Pier stated the presentation being reviewed was conceptual and will inform the next steps. A review of the Passenger Terminal Refinement Plan was given as preparation for the architect interviews being held on Friday, October 21, 2022.

Chair Miller noted that Director Leffel had been excused at 9:56 AM.

A break was taken at 10:22 AM.

The meeting reconvened at 10:32 AM.

- Approve 2. Professional Service Agreement Between Monterey Peninsula Airport District and Chris Chidlaw dba Chidlaw Marketing for Public Relations and Community-Media Outreach Services

Executive Director La Pier asked that Item G.2 be pulled from today's Agenda.

- Adopt 3. Resolution No. 1832, A Resolution Authorizing and Approving the Creation of the Position of Deputy Director, Eliminating the Position of Deputy Director Strategy and Development, and Amending the Fiscal Year 2023 Salary Schedule as Amended September 27, 2022 by Resolution No. 1830, Listing Salary Ranges for the Monterey Peninsula Airport District

Executive Director La Pier introduced Item G.3 stating this is part of a modest reorganization of the management team and recognizes that current Deputy Director Morello has grown into managing a much larger scope than her current job description and title; she functions much like a COO.

Directors discussed the job description provided and ultimately gave direction to change the title to Deputy Executive Director and make it clear this position automatically assumed the role of Acting Executive Director in the case of a prolonged absence of the Executive Director.

Directors discussed the organizational structure as it relates to the upcoming Strategic Planning session. Director Sawhney made a motion to have a discussion in the strategy session about organizational structure. Director Pick seconded for discussion, saying he understands the org chart is not approved by the board, but he would like to talk about how the structure nests with the strategic vision.

Chair Miller suggested Item G.3 be tabled until the November regular board meeting. Director Sawhney agreed and withdrew her motion. Director Pick withdrew his second.

- Approve 4. Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement

Executive Director La Pier introduced Item G.4 stating the current on-airport rental car operator lease is over 15 years old. He reviewed the two main differences between this agreement and the agreement the car rental companies currently operate under, one of which is a very outdated minimum fee. He stated all rental companies pay the minimum fee at the first of the month and then true up to a 10% commission on actual rentals. Currently every rental car company does pay over the new minimum, so the change is primarily to bring the agreement into current circumstances. Executive Director La Pier

noted the other significant change is to add liquidated damages for failing to live up to tenant's responsibilities as it relates to operating the counter with personnel during the business hours outlined in the agreement.

Directors discussed the new agreement. Director Sawhney stated the Lease Committee supports the changes to the agreement.

Director Sabo made a motion to approve the Monterey Peninsula Airport District On-Airport Rental Car Operator Lease and Concession Agreement. Director Sawhney seconded the motion. The motion carried 4-0 with Director Leffel absent.

A break was taken at 11:41 AM.

The meeting reconvened at 11:57 AM. Chair Miller announced Director Pick was excused during the break.

H. BOARD COMMITTEE REPORTS AND ACCEPTANCE OF DEPARTMENT REPORTS

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

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

Standing Committees:

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

b. Ad-Hoc Committees:

- | | |
|-------------------------------|----------------------------|
| i. Local Jurisdiction Liaison | Director Leffel and Miller |
|-------------------------------|----------------------------|

c. Liaison/Representatives:

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

Directors discussed Staff Reports.

Director Leffel returned to the meeting at 12:08 PM.

Director Sabo reported for the Finance Committee.

Chair Miller reported for the Air Service Committee in Director Pick's absence. There was a discussion about air service developments and leakage reports.

There was no local jurisdiction meeting.

Director Leffel reported for LAFCO saying they did not have an October meeting and will not have a meeting in November.

The Special Districts meeting was postponed to the third Tuesday in November.

Director Sawhney reported for the Lease Committee.

Director Sawhney did not attend the AMBAG meeting.

Director Sabo reported for TAMC.

I. CLOSED SESSION

A break was taken at 12:55 PM.

The meeting resumed in Closed Session at 1:05 PM.

1. CONFERENCE WITH LABOR NEGOTIATORS (§ 54957.6)

Agency Designated Representatives: Michael La Pier, Executive Director; David G. Ritchie, Special Counsel

Employee Organization: United Public Employees of California 792 (LiUNA, AFL-CIO) – Administrative Employees Association

Unrepresented Employee: All Unrepresented Employees (excluding those covered by employment contracts)

J. RETURN TO OPEN SESSION

Directors returned to Open Session at 2:23 PM. Chair Miller stated there was nothing to report out except that all Directors were in attendance during Closed Session.

K. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- Updates to MPAD Governance Manual and Board Operating Rules and Procedures to Reflect Legal Counsel Review

Chair Miller reported Counsel Huber has this item prepared and it will be on the agenda in November, when he is able to be present.

L. DISCUSSION OF FUTURE AGENDAS

None.

M. ADJOURNMENT

The meeting adjourned at 2:25 PM.

*Approved at the
Meeting of November 16, 2022*

Carl M. Miller, Chair

A T T E S T

Michael La Pier, AAE
District Secretary

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

October 21, 2022 – 8:30 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

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Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

A. CALL TO ORDER/ROLL CALL

The special meeting of the Monterey Peninsula Airport District Board of Directors was called to order at 8:40 AM. Directors Sawhney, Sabo, and Miller were present. Directors Pick and Leffel were absent. The following staff were present: Executive Director La Pier, Acting District Secretary Adams, and Deputy Director of Strategy & Development Morello.

B. PLEDGE OF ALLEGIANCE

Director Sabo led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

There were no announcements or informational items.

No Public Comment.

D. REGULAR AGENDA - ACTION ITEMS

Executive Director La Pier introduced the agenda items saying at the end of the day we'll select the first choice for Terminal Design Architect. He stated there were seven original submittals that were narrowed down to two firms by the Selection Committee consisting of Executive Director La Pier, Deputy

Director of Strategy & Development Morello, and Tom Schnetzer of Kimley Horn. Those two firms will give short presentations and entertain questions from the board today.

Acting District Secretary Adams was excused from the meeting at 8:45 AM.

Interview 1. HOK Team Presentation & Interview (8:30 AM – 10:00 AM)

The HOK team gave a presentation and Directors asked interview questions until 10:05 AM.

A break was taken at 10:05 AM.

The meeting resumed at 10:30 AM.

Interview 2. Alliance Team Presentation Interview (10:30 AM – 12:00 PM)

The Alliance team gave a presentation and Directors asked interview questions until 11:55 AM.

A break was taken at 11:55 AM.

The meeting resumed at 12:00 PM.

Approve 3. Terminal Design Architect Selection

Directors discussed the qualifications and responses of each architectural firm.

Director Sawhney made a motion to select HOK as the terminal design architect. Director Sabo seconded the motion. The motion carried by a roll call vote of 3-0 with Directors Pick and Leffel absent.

E. ADJOURNMENT

The meeting adjourned at 12:51 PM.

*Approved at the
Meeting of November 16, 2022*

Carl M. Miller, Chair

A T T E S T

*Michael La Pier, AAE
District Secretary*

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

November 4, 2022 – 8:30 AM

CASA MUNRAS HOTEL, 700 Munras Ave., Monterey, CA 93940 - Antonia Room

This meeting was a special off-site meeting for a limited purpose. As such, Monterey Peninsula Airport District (MPAD) did not have all the audio-visual equipment at its disposal for the meeting. Therefore, MPAD did not have remote attendance or remote viewing available for the meeting. All participation was in person and all public comments were taken only from those in attendance.

A. CALL TO ORDER/ROLL CALL

Chair Miller called to order the special meeting of the Monterey Peninsula Airport District Board of Directors at 8:38 AM. Directors Pick, Sawhney, Leffel, and Sabo were present. The following staff were present: Executive Director La Pier and Acting District Secretary Adams.

B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

No announcements.

C. PUBLIC COMMENTS

Alison Kerr, Mayor of Del Rey Oaks, attending as a member of the public, asked the Board to consider, as they move forward with plans, the idea of the community round table. She also congratulated the Airport on their recent FAA Airport Improvement Program grant.

Acting District Secretary Adams was excused from the meeting.

D. REGULAR AGENDA - ACTION ITEMS

Discussion 1. Strategic Plan Workshop

Patrick Ibarra, Mejorando Group, led the Board in a strategic planning session.

A break was taken at 11:43 AM.

The meeting resumed at 12:30 PM.

E. ADJOURNMENT

The meeting adjourned at 2:13 PM.

*Approved at the
Meeting of November 16, 2022*

Carl M. Miller, Chair

A T T E S T

Michael La Pier, AAE
District Secretary

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

November 8, 2022 - 9:00 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **826 7371 0806**. The password for this meeting is: **20221108**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

REMOTE PUBLIC COMMENTS

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. Include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.
2. During the Meeting via Oral Comments: When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9. The Secretary to the Board will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your oral comments, pursuant to Board policy.

Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

A. CALL TO ORDER

The meeting of the Budget & Finance Committee was called to order at 9:05 AM. Director Sabo and Director Leffel, Executive Director La Pier, Acting Board Secretary Adams, Deputy Director of Strategy and Development Morello, and Controller Wilson were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

No Announcements.

C. PUBLIC COMMENTS

No Public Comments.

D. REGULAR AGENDA – ACTION ITEMS

- Review
1. Resolution No. 1833, A Resolution Appointing a New Chief Financial Officer of the Association which Controls the Common Area of the Properties Located at 2801 Monterey Salinas Highway, Monterey, CA, thereby Amending Resolution No. 1759

Executive Director La Pier introduced item D.1 explaining this stems from when the four lots at 2801 Monterey Salinas Highway were purchased and, at the time, each of the four lots had a vote in the

Common Area Association (Association). The Airport acquired all the lots and therefore has all the votes. If a lot were sold the Association would be necessary. That is not contemplated, so District Counsel is looking into whether we can eliminate the Association. In the meantime, it is necessary to appoint a new CFO since the previous CFO has retired. Staff recommends Mark Wilson, Controller, be appointed the CFO of the Common Area Association.

Directors Sabo and Leffel asked questions regarding the entity. Executive Director La Pier stated the Association doesn't pay taxes because we are a government agency, but other questions were items District Counsel was exploring.

Both Director Sabo and Director Leffel expressed their support for Staff's recommendation.

Review 2. Proposed Term Sheet for Real Estate Matter

Executive Director La Pier stated to be able to begin construction on the ramp for the new terminal building next Fall, several things need to be accomplished. There are currently hangars in that location that need to be removed. To do that, we need to come to an agreement with the current tenant on relocation terms and build new hangars in a different location.

Executive Director La Pier reviewed the current terms of the lease and the options the Airport has if it wishes to be released from the agreement. The option to relocate to like kind property on the north side is currently being negotiated and recommended. Executive Director La Pier reviewed the Term Sheet for a new lease agreement and stated he will be asking the Board to approve moving in this direction. The new lease, a hangar management agreement, and other specifics of the terms of finance would then be brought before the Board in December or January.

Controller Wilson reviewed the cash analysis which presented three hypothetical options. He gave the reasoning for the finance assumptions. There was a discussion about debt vs. cash reserves. Director Leffel stated her support.

Director Sabo stated he could recommend the basic premise; he is unsure about the management agreement referred to on the Term Sheet.

Executive Director La Pier introduced Matthew Wright, the General Manager of the Monterey Jet Center, and the Monterey Fuel Company. There was a discussion about the market for hangars and how Monterey is becoming a destination for larger private planes. Mr. Wright presented his vision of the future for general aviation at MRY and ways Monterey Fuel Company and the Airport could help each other grow and expand aeronautical use of Airport land.

After answering several questions from the Directors, Mr. Wright was excused from the meeting.

Director Sabo raised concerns about the customers that currently occupy the hangars not getting enough information. Director Leffel suggested a letter be sent to current occupants from Executive Director La Pier and Mr. Wright. Director Sabo agreed.

Review 3. FYTD 2023 Statements

Director Leffel questioned why we received a refund from Worker's Comp. Executive Director La Pier answered it was an experience rate refund; our worker's comp claims went down year over year.

Director Sabo asked for clarification of the term future funds as mentioned in the analysis of liquidity and capital resources. Controller Wilson answered that referred to the funds that could be drawn upon in the future from COVID-19 related grants.

Director Sabo referred to page 8, Chart 5, and asked about a particularly low count in January 2022. During that discussion, it was determined there was about a month where the parking lot gates were broken, and we were not able to get counts from the parking lot management company. Controller Wilson stated he would investigate that and make a footnote in the appropriate place on the chart.

Review 4. Variance Analysis - MTD and YTD

Director Sabo asked why utilities were getting higher. Executive Director La Pier stated part of it is rate increases and part is higher usage as the airport patronage increases.

Review 5. Accounts Receivable Aged Invoice Report

Director Sabo asked about the negative amounts on the report. Controller Wilson stated he would investigate further but believes it reflects true credits that are due to the timing of the report and the payments.

Review 6. Grant Funds Balance

There were no questions about the Grant Funds Balance.

Discuss 7. General Discussion

There was no General Discussion.

E. ADJOURNMENT

The meeting adjourned at 11:59 AM.

*Approved at the
Meeting of November 16, 2022*

Carl M. Miller, Chair

A T T E S T

*Michael La Pier, AAE
District Secretary*

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

November 8, 2022 – 2:00 PM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

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Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **822 8605 1504**. The password for this meeting is: **20221108**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

REMOTE PUBLIC COMMENTS

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. Include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.
2. During the Meeting via Oral Comments: When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9. The Secretary to the Board will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your oral comments, pursuant to Board policy.

Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

A. CALL TO ORDER

The meeting of the Air Carrier Service – Marketing – Community Relations Committee was called to order at 2:30 PM. Director Miller and Director Pick, Executive Director La Pier, and Acting Board Secretary Adams were present.

B. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

No Announcements.

C. PUBLIC COMMENTS

No Public Comment.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. Air Carrier & Charter Service Update

There were no questions about Air Carrier & Charter Service Reports.

Review 2. Air Carrier Service Development Update

Executive Director La Pier reported on a meeting he had with our air service consultant, Mike Bown, and two hospitality associations regarding a potential purchase of cell phone GPS data and other collaborative efforts for air service development. Executive Director La Pier reviewed the pricing model for the data, which is based on adding modules to a base product and stated we could get what we need for the base price. Both associations are interested in sharing the data and costs, although at this time only one would be prepared to do so prior to the end of the year.

Director Pick asked how the data is received. Executive Director La Pier stated it is a dashboard tailored to our needs and our air service consultant will have access also.

Executive Director La Pier further reported on the meeting stating the group discussed prioritization of markets to focus on collaboratively.

Discussion 3. Local Marketing and Outreach Update

Executive Director La Pier reported the Airport will be represented in a prominent spot at the Monterey Bay Half Marathon exhibit hall this coming weekend. The Airport will be sponsoring live music from 2:00 PM to 4:00 PM daily in the hall, at the same time the United lounge is serving cocktails.

Executive Director La Pier stated he will be on KRML Radio “Pub Talk” tomorrow and will highlight the new mainline American Airlines flight opportunities to Dallas.

Director Pick asked for an update on the Chidlaw Marketing Agreement that would include Public Relations Services. Executive Director La Pier stated the scope of work has been updated to include social media monitoring, as suggested during the strategic planning session. The full agreement will come before the Board at the regular meeting next week.

Discussion 4. Passenger Comments, Services and Amenities Update

There were no questions about the Terminal Feedback Report.

Discussion 5. Community Noise Concerns Update

Director Miller noted there are only 9 noise complaints as compared to 18 a year ago.

E. ADJOURNMENT

The meeting adjourned at 3:08 PM.

*Approved at the
Meeting of November 16, 2022*

Carl M. Miller, Chair

A T T E S T

*Michael La Pier, AAE
District Secretary*

MINUTES OF THE AIRPORT PROPERTY DEVELOPMENT & LEASES COMMITTEE MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS

November 9, 2022 – 9:00 AM

NOTICE REGARDING A RETURN TO IN-PERSON PUBLIC PARTICIPATION AT MONTEREY PENINSULA AIRPORT DISTRICT BOARD MEETINGS

Due to the expiration of certain directives contained in the Governor's Declaration of Emergency for the State of California (Executive Order N-29-20), the Board of Directors of the Monterey Peninsula Airport District will return to hold meetings at the Airport Board Room, with in-person attendance.

Due to recent increase in the transmission of the Omicron variant of the Coronavirus, and, as a result of the directives issued by the State of California and the Monterey County Public Health Officer intended to prevent the transmission of the coronavirus, the Airport may utilize the procedures outlined in AB361 to utilize alternative measures related to the conduct of remote meetings and remote comments by members of the public.

Members of the public may participate in the Board meeting via Zoom video conference. To view the Board meeting via Zoom video conference, please visit www.zoom.us/join and enter the following Meeting ID: **890 4686 9731**. The password for this meeting is: **20221109**. If you do not have access to the internet, you may also participate telephonically by calling (253) 215-8782 and entering the same Meeting ID and password.

REMOTE PUBLIC COMMENTS

To make a public comment, the following options are available:

1. Before the Meeting via Email: Written comments can be emailed to info@montereyairport.com. Include the following subject line: "Public Comment Item # (insert the agenda item number relevant to your comment)." Written comments should be received by 8:00 AM on the day of the meeting. All submitted comments will be provided to the Board for consideration and will be compiled as part of the record.
2. During the Meeting via Oral Comments: When the Chair calls for public comment, attendees can queue to speak with the "Raise Hand" feature. On the Zoom application, click the "Raise Hand" button. On the phone, press *9. The Secretary to the Board will call speaker names and unmute speaker microphones. You will have up to 3 minutes to provide your oral comments, pursuant to Board policy.

Public comments may also be made in person. Members of the public may attend the Board Meeting in person and request to speak to the Board when the Chair calls for public comment.

A. CALL TO ORDER

The meeting of the Airport Property Development & Leases Committee Meeting was called to order at 9:09 AM. Director Miller, Director Sawhney, Executive Director La Pier, Acting Board Secretary Adams, Deputy Director of Strategy & Development Morello, and Controller Wilson were present.

B. COMMUNICATIONS / ANNOUNCEMENTS / INFORMATIONAL ITEMS

No Announcements.

C. PUBLIC COMMENTS

No Public Comments.

D. REGULAR AGENDA – ACTION ITEMS

Review 1. Proposed Term Sheet for Real Estate Matter

Executive Director La Pier introduced Item D.1 saying to be able to be ready to begin construction on the ramp for the new terminal building next Fall, several things need to be accomplished. There are currently hangars in that location that need to be removed and rebuilt in a new location. We have approximately nine (9) months to do that.

Controller Wilson showed a slide that represented the current location of the hangars on the southeast side and stated all hangars, and a fuel farm need to be demolished. There is currently a ground lease that we need to be released from, and the options are to buy out the remainder of the lease and the improvements or offer "like for like" land. Controller Wilson showed a slide that depicted land near the new AARF facility, that is being offered as like kind property on the north side.

Director Sawhney asked questions about the proposed location and stated she is concerned that we not constrain future Boards from future development. Executive Director La Pier answered it does not constrain future development; there is room to the west, but it would require an EIR. Deputy Director Morello added this proposal we're discussing now is in Phase I of the Master Plan and EIR.

Directors discussed the specifics of the costs to rebuild the hangars and the importance of supporting our general aviation community.

Controller Wilson reviewed the analysis of cash flow and debt financing which presented three hypothetical options. There was a discussion about the assumptions on that analysis. Executive Director La Pier stated we hope to be able to cut some construction costs.

There was a question about the hangar management agreement on the Term Sheet. Executive Director La Pier stated we have more work to do on the particulars; the item on the Board agenda is to get consensus that this is the direction we want to move forward. He introduced Matthew Wright, General Manager of the Jet Center, from Monterey Fuel Company.

Mr. Wright shared his vision of the future for general aviation at MRY and ways Monterey Fuel Company and the Airport could help each other grow and expand aeronautical use of Airport land. He talked about the need for larger hangars and the secondary benefits of having a strong general aviation program. Mr. Wright answered several questions from Directors.

Director Miller stated he is supportive of the approach and looks forward to the Board of Directors discussing the particulars during closed session next week. Director Sawhney is also supportive overall but wants to understand the particulars before committing completely.

Discuss 2. Leasing Activity Review

There was no other Leasing Activity Reviewed.

E. ADJOURNMENT

The meeting adjourned at 11:09 AM.

*Approved at the
Meeting of November 16, 2022*

Carl M. Miller, Chair

A T T E S T

*Michael La Pier, AAE
District Secretary*

TO: Monterey Peninsula Airport District Board of Directors
FROM: Scott E. Huber, District Counsel
SUBJ: Resolution No. 1816-10, A Resolution of the Board of Directors of the Monterey Peninsula Airport District Making Findings and Determinations Pursuant to AB 361 or Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings

BACKGROUND. It is recommended that the Board adopt Resolution No. 1816-10 making findings and determinations under AB 361 for the continuation of virtual meetings and authorizing virtual Board Meetings, and other committee and legislative body meetings pursuant to AB 361.

STAFF ANALYSIS. On March 17, 2020, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act to allow for local legislative bodies to conduct their meetings completely telephonically or by other electronic means. As the Board is aware, this allowed Board Member meetings to be conducted by Zoom with Board Members and staff all joining from remote locations.

The suspension of certain provisions of the Brown Act was further extended by the Governor on June 11, 2021, by the issuance of Executive Order N-08-21 which continued to allow for complete virtual Board (and other legislative body) meetings until September 30, 2021.

With the looming expiration of the Governor's Executive Order, along with the uncertainty that surrounded the Governor's potential recall, the Governor signed into law Assembly Bill 361. Effective October 1, 2021, AB 361 allows local government to continue to conduct remote virtual meetings so long as there is a state-proclaimed state of emergency and the legislative body makes mandatory findings.

AB 361 allows legislative bodies to meet virtually, provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees.

AB 361 preserves many of the provisions of the earlier executive orders, while also adding new requirements to the management of remote and teleconference public meetings in order to better achieve the levels of transparency that the Brown Act demands. Specifically, AB 361 imposes two new rules on remote public meetings:

1. Local governments and agencies hosting teleconference meetings in lieu of traditional in-person public meetings must permit direct public comment during the teleconference and must leave open the opportunity for public comment until the comment period for a given item is closed during the ordinary course of the meeting. The opportunity to

make public comment must be of a sufficient duration so as to allow actual public participation; and

2. Any action by the governing body during a public teleconference meeting must occur while the agency is actively and successfully broadcasting to members of the public through a call-in option or an internet-based service option. If a technical disruption within the agency's control prevents members of the public from either viewing the meeting of the public agency or prevents members of the public from offering public comment, the agency must cease all action on the meeting agenda until the disruption ends and the broadcast is restored. Action taken during an agency-caused disruption may be challenged as a violation of the Brown Act.

The Board previously implemented the above stated requirements for conducting public meetings and, going forward, the meetings would be in full compliance with AB 361, thus the prior procedures would be utilized again. Teleconference accessibility via an internet-based service option (via the Zoom Webinars platform) is listed on the published agenda for each meeting as well as on the Airport's website and the Board provides access for public comment opportunities in real time.

In order to continue to qualify for AB 361's waiver of in-person meeting requirements, the Board must, within thirty (30) days of its first meeting under AB 361, and every thirty (30) days thereafter, make findings that (a) state or local officials continue to recommend measures to promote social distancing, or that (b) an in-person meeting would constitute an imminent risk to the safety of attendees. The findings need not be in the form of a resolution, but a resolution is helpful in formalizing these findings.

The attached Resolution makes the required findings under AB 361, and if adopted, it will allow the Board to continue to offer teleconference accessibility for public meetings after September 30, 2021, to help mitigate the spread of COVID-19, as well as during other state-proclaimed emergencies where physical attendance may present a risk.

Lastly, it is important to note that having virtual meetings under the provisions of AB 361 is optional. If the Board desires, it may meet in person. In addition, hybrid meetings are permissible. Given the recent uptick in transmission of the Omicron variant of the Coronavirus, it seems prudent to have this resolution in place as a stopgap measure to ensure flexibility for holding legislative meetings remotely, if needed.

FISCAL IMPACT. None.

RECOMMENDATION. Adopt Resolution No. 1816-10, A Resolution of The Board of Directors of The Monterey Peninsula Airport District Making Findings and Determinations Under AB 361 for Virtual Meetings and Authorizing Virtual Board Member and Other District Meetings Pursuant to AB 361.

RESOLUTION NO. 1816-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT MAKING FINDINGS AND DETERMINATIONS UNDER AB 361 FOR VIRTUAL MEETINGS AND AUTHORIZING VIRTUAL BOARD MEMBER AND OTHER DISTRICT MEETINGS PURSUANT TO AB 361

The Board of Directors of the Monterey Peninsula Airport District does hereby find, order, and resolve as follows:

SECTION 1. Recitals.

A. The Ralph M. Brown Act (Gov. Code § 54950 et seq.) generally requires local agencies meeting via teleconference, including through other virtual or electronic means, to provide public access at each location in which members of the legislative body are teleconferencing;

B. On September 16, 2021, the Governor signed AB 361 (in effect as of October 1, 2021 – Government Code Section 54953(e)), which allows legislative bodies to meet virtually provided there is a state of emergency, and either (1) state or local officials have imposed or recommended measures to promote social distancing; or (2) the legislative body determines by majority vote that meeting in person would present imminent risks to the health and safety of attendees;

C. The Governor issued a proclamation declaring a state of emergency on March 4, 2020, due to the COVID-19 pandemic, pursuant to section 8625 of the California Emergency Services Act, and this proclaimed state of emergency currently remains in effect;

D. State or local officials continue to impose and recommend measures to promote social distancing and because of the ongoing threat of COVID-19, meeting in person would present imminent risks to the health and safety of attendees;

E. The Board has considered the circumstances of the state of emergency and finds that the continuation of virtual meetings will allow for full participation by members of the public until social distancing recommendations are lifted; and

F. The Board of Directors of the Monterey Peninsula Airport District desires to hold virtual meetings pursuant to AB 361 and Government Code section 54953(e).

SECTION 2. Teleconference Meetings.

Consistent with the provisions of Government Code Section 54953(e), the Board of Directors finds and determines that the Board and all other legislative bodies of the Monterey Peninsula Airport District created by the Board of Directors shall be authorized to meet virtually in accordance with Government Code section 54953(e) and without compliance with section 54953(b)(3) based upon the findings and determinations hereby made by the Board of Directors.

SECTION 3. Effective Date.

This Resolution shall take effect immediately upon its adoption and remain in effect for 30 days or until such time as the Board of Directors reaffirms this resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the Board of Directors and all other legislative bodies of the Monterey Peninsula Airport District may continue to teleconference without compliance with Government Code §54953(b)(3).

SECTION 4. Severability.

If any provision of this Resolution or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the Resolution which can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Board hereby declares that it would have adopted this Resolution irrespective of the invalidity of any particular portion thereof.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 16th day of November, 2022 by the following roll call vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 16th day of November, 2022

Carl M. Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
Executive Director

AGENDA ITEM: G-2
DATE: November 16, 2022

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, A.A.E., Executive Director
SUBJ: Professional Service Agreement Between Monterey Peninsula Airport District and Chris Chidlaw dba Chidlaw Marketing for Public Relations and Community-Media Outreach Services

BACKGROUND. On June 15, 2022 the Board of Directors approved the FY 2023 Salary Schedule authorizing the creation of the Public Relations Specialist position. This position was intended to support the Executive Director in coordinating all external communications, strategic communication planning, media relations, and public relations. The job announcement and description were posted internally and on the District website, on Indeed.com, PublicCEO.com, and the ACI North America and AAAE job boards beginning shortly thereafter. To date there have been no acceptable candidates apply. As an alternative to filling the position of Public Relations Specialist, Staff proposes to contract the services of a Public Relations Specialist.

Chris Chidlaw, dba Chidlaw Marketing, has been on retainer with the Monterey Peninsula Airport District for \$750 a month for advertisement creation, ad placement, and other marketing consulting services. Chidlaw Marketing made a proposal to the Monterey Peninsula Airport District to add public relations and community and media outreach services to our existing relationship. The full proposal can be found as Exhibit A of the proposed Professional Service Agreement (the Agreement).

The Agreement is inclusive of both public relations and the advertising retainer services and is intended to be in effect through September 30, 2023 and automatically renew for successive one (1) year terms. However, the Executive Director may, at any time, for any reason, with or without cause, suspend or terminate the public relations services by giving Chidlaw Marketing at least thirty (30) days prior written notice.

FISCAL IMPACT. The Public Relations Specialist position was budgeted at \$116,934.00 annually, fully burdened. The fees for services from Chidlaw Marketing as outlined in the Professional Service Agreement are \$4,250 per month, which are generally allocated to public relations and community-media outreach services (\$3,500) and advertising retainer services (\$750) and includes any Buzz PR services for press release circulation reach and social media monitoring. Should a professional service agreement with Chidlaw Marketing be approved, the Public Relations Specialist position will be eliminated, and the FY 23 Salary Schedule will be further amended, at the next regular Board of Directors meeting. The 2023 fiscal year impact is expected to be a savings of approximately \$85,000.00.

RECOMMENDATION. Approve the Professional Service Agreement Between Monterey Peninsula Airport District and Chris Chidlaw dba Chidlaw Marketing for Public Relations and Community-Media Outreach Services

ATTACHMENTS.

Professional Service Agreement Between Monterey Peninsula Airport District and Chris Chidlaw
dba Chidlaw Marketing for Public Relations and Community-Media Outreach Services

**PROFESSIONAL SERVICE AGREEMENT BETWEEN MONTEREY PENINSULA
AIRPORT DISTRICT AND CHRIS CHIDLAW DBA CHIDLAW MARKETING FOR
PUBLIC RELATIONS AND COMMUNITY-MEDIA OUTREACH SERVICES**

This Professional Services Agreement ("Agreement") for Public Relations services is made and effective as of _____, 2022 between the Monterey Peninsula Airport District, a California special district ("District") and Chris Chidlaw dba Chidlaw Marketing ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

I. TERM

This Agreement shall commence upon full execution by the Parties and shall remain and continue in effect through September 30, 2023 ("Initial Term"). Upon completion of the Initial Term, this Agreement will automatically renew and continue for successive one (1) year terms ("Successive Term"), unless a written notice of non-renewal is delivered by a Party to the other Party no later than thirty (30) days prior to the completion of the Initial Term or Successive Term, or unless this Agreement is sooner terminated pursuant to the provisions of this Agreement.

II. SCOPE OF SERVICES

Consultant shall perform the tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full (the "Services"). To the extent that Exhibit A is a proposal from Consultant, such proposal is incorporated only for the description of the scope of services and no other terms and conditions from any such proposal shall apply to this Agreement unless specifically agreed to in writing.

Consultant is not responsible for District's compliance with any laws, regulations, and/or statutes. The Services, including any related advice, recommendations, or communications provided by Consultant, do not constitute legal or tax advice, analysis, or opinion. District agrees that it shall not interpret or rely on any of Consultant's services, advice, recommendations, or communications as legal or tax advice, analysis, or opinion.

III. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of his/her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement. District shall provide such access to its information and property and cooperation as may be reasonably required in order to permit Consultant to perform its services.

IV. DISTRICT MANAGEMENT

The Executive Director shall represent District in all matters pertaining to the administration of this Agreement, review and approval of all products submitted by Consultant.

V. PAYMENT

- A. The District agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks.
- B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing as an amendment to this Agreement, which requires approval of the Board of Directors.
- C. Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted on or about the first business day of each month, or as soon thereafter as practical, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the District disputes any of Consultant's fees it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefore.

VI. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

- A. The District may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least thirty (30) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the District suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.
- B. In the event this Agreement is terminated pursuant to this Section, the District shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the District. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the District pursuant to Section 5.

VII. DEFAULT OF CONSULTANT

- A. The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, District shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.
- B. If the Executive Director or his/her designee determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, he/she shall cause to be served upon the Consultant a written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time or fails to present the District with a written plan for the cure of the default, the District shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

VIII. INDEMNIFICATION AND DEFENSE

A. Mutual Indemnity

To the fullest extent permitted by law, the Parties shall indemnify and hold harmless the other Party and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including legal counsel's fees and costs, caused in whole or in part by the negligent or wrongful act, error or omission of the other Party, its officers, agents, employees or subconsultants (or any agency or individual that the Party shall bear the legal liability thereof) related to the performance of services under this Agreement. The Party's duty to indemnify and hold harmless the other Party shall not extend to the District's sole or active negligence.

B. Mutual Duty to defend

In the event a Party ("Defending Party"), its officers, employees, agents and/or volunteers are made a party to any action, lawsuit, or other adversarial proceeding arising from the performance of the services encompassed by this Agreement, and upon demand by the Defending Party, the other party shall defend the Defending Party at the other Party's

cost or at the Defending Party's option, to reimburse the Defending Party for its costs of defense, including reasonable attorney's fees and costs incurred in the defense of such matters to the extent the matters arise from, relate to or are caused by the other Party's negligent acts, errors or omissions. Payment by District is not a condition precedent to enforcement of this indemnity.

IX. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached to and part of this Agreement. Consultant shall submit proof of insurance to the District in a form and substance satisfactory to the District.

X. INDEPENDENT CONSULTANT

- A. Consultant is and shall at all times remain as to the District a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither District nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents are in any manner officers, employees, or agents of the District. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against District, or bind District in any manner.
- B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, District shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for District. District shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

XI. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such laws and regulations. The District, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this Section.

XII. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the District in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the District has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement. Violation of this Section shall be a material breach of this Agreement entitling the District to any and all remedies at law or in equity.

XIII. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of District, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Project during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for work to be performed in connection with the Project performed under this Agreement.

XIV. RELEASE OF INFORMATION/CONFLICTS OF INTEREST/CONFIDENTIAL INFORMATION

- A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without District's prior written authorization. Consultant, its officers, employees, agents, or subconsultants, shall not without written authorization from the Executive Director or unless requested by the Agency Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement or relating to any project or property located within the District. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives District notice of such court order or subpoena.
- B. All information gained by District through this Agreement shall be considered confidential and shall not be released by District without Consultant's prior written authorization, except as required by law. District shall provide reasonable notice to Consultant related to the required release of information to afford Consultant an opportunity to seek a court order, should it desire to do so, preventing the release of confidential information. District, its officers, employees, or agents, shall not without written authorization from Consultant, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the work performed under this Agreement, except as required by law. Response to a subpoena or court order shall

not be considered "voluntary" provided District gives Consultant notice of such court order or subpoena.

- C. Consultant shall promptly notify District should Consultant, its officers, employees, agents, or subconsultants be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from any person or party regarding this Agreement and the work performed there under or with respect to any project or property located within the District, unless the District is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from informing the District of such Discovery. District retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless District is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with District and to provide the opportunity to review any response to discovery requests provided by Consultant. However, District's right to review any such response does not imply or mean the right by District to control, direct, or rewrite said response.
- D. Each party acknowledges that the wrongful use or disclosure of confidential information of the other party may result in irreparable harm for which there will be no adequate remedy at law. In the event of a breach by the other party or any of its officers, employees, or agents of its or their obligations under this Section, the non-breaching party may immediately terminate this Agreement without liability to the other party and may bring an appropriate legal action to enjoin such breach and shall be entitled to recover from the breaching party reasonable legal fees and cost in addition to other appropriate relief.

XV. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To District:	Monterey Peninsula Airport District
	Attn: Mike La Pier
	200 Fred Kane Dr., #200
	Monterey, CA 93940

To Consultant:

Chris Chidlaw
126 El Dorado St.
Monterey, CA 93940

XVI. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the District, and District will not assign this Agreement, nor any part thereof, without the prior written consent of Consultant. Because of the personal nature of the services to be rendered pursuant to this Agreement, only Consultant shall perform the services described in this Agreement. Before retaining or contracting with any sub-consultant for any services under this Agreement, Consultant shall provide District with the identity of the proposed sub-consultant, a copy of the proposed written contract between Consultant and such sub-consultant which shall include and indemnity provision similar to the one provided herein and identifying District as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed sub-consultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from District for such insurance.

XVII. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

XVIII. GOVERNING LAW

The District and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the District.

XIX. MODIFICATION AND WAIVER

Any modification or amendment of any provision of this Agreement must be in writing and bear the signature of the duly authorized representatives of both parties. The failure of a Party to enforce any provision of this Agreement shall not constitute a waiver by such Party of any such provision. The past waiver of a provision by either Party shall not constitute a course of conduct or a waiver in the future of that same provision.

XX. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

XXI. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he/she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

Consultant

By: _____
(Signature)

(Typed Name)

(Title)

Monterey Peninsula Airport District,
A California Special District

Michael La Pier, AAE

APPROVED AS TO FORM:

By: _____

EXHIBIT A

TASKS TO BE PERFORMED

Scope of Operations:

- Press releases
- Strategic Planning for Public Relations
- New Air Service promotions
- Key message development
- Destination marketing
- Creating a strong community presence for the Airport
- Public Relations that drives more people to use the Airport – business driving Public Relations
- Create a powerful public presence
- Keep media updated with events and happenings at the airport and schedule meetings with Executive Director, as appropriate
- Attend Governmental meetings when necessary and act as liaison between the airport and Government officials.
- Point person for community partnerships and sponsorships
- Negotiating contracts involving media or community sponsorships
- Creation and distribution of consumer surveys
- Preparation of monthly report to present to Executive Director and Board of Directors
- Additional tasks as outlined in attached proposal from Consultant
- Advertising consulting services
- Social Media Monitoring

Monterey Regional Airport

Public Relations/Community-Media Outreach

Presented by: Chris Chidlaw-Chidlaw Marketing

Public
Relations
Bridge the gap
between the
Airport and
the public

- Press releases
- Strategic Planning for Public Relations
- New Air Service promotions
- Key message development
- Destination marketing
- Creating a strong community presence for the Airport
- PR that drives more people to use the Airport – business driving PR
- Create a powerful public presence
- Social Media Monitoring

Media and Community Outreach

- Keep media updated with events and happenings at the airport. Schedule meeting with Executive Director as appropriate
- Attending Governmental meetings when necessary. Liaison between the airport and Government officials.
- Point person for community partnerships and sponsorships
- Negotiating contracts involving media or community sponsorships
- Consumer surveys

Game Plan

- Meet with the Executive Director to develop a monthly, 3 month and a 6 -month strategic game plan
- Map out a strategic worksheet with dates, timelines and objectives
- Incorporate resources of Buzz PR for State and National PR Coverage
- Ongoing monthly meetings to discuss upcoming PR/Outreach opportunities
- Discuss what City and County meetings to attend and what role to play
- Prepare a monthly report/summary to present to Executive Director.

Road Show

- Starting in late 2022 the Monterey Regional Airport will take its story on the Road. A 4-5 month project to reach out to top community organizations and groups. From Santa Cruz to Salinas to Monterey to King City, the Road Show will cover the entire Central Coast
- 15-20 minute presentation with Video and PowerPoint
- Topics include:
 - Expanded Air Service over the past several years
 - Economic impact the Airport has in the Community
 - Future Air Service possibilities
 - What the future holds including a new Terminal

Groups to Target

- Monterey Rotary
- Salinas Rotary
- Santa Cruz Rotary
- South County Rotaries
- Chamber of Commerce's
- Neighborhood Groups
- Hospitality Organizations
- Ag Organizations
- Military Organizations
- Lions and Kiwanis Clubs

Investment

\$4250 per month includes all fees
including any incurred by Buzz PR

EXHIBIT B

PAYMENT SCHEDULE

The fees for services as outlined are \$4,250 per month, which are generally allocated to public relations and community-media outreach services (\$3,500) and advertising retainer services (\$750).

EXHIBIT C

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of District, and prior to commencement of Work, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to District.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Professional liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of \$1,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this Agreement.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

Consultant shall submit to District, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of District, its officers, agents, employees and volunteers.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to District as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by Agency's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with District at all times during the

term of this contract. District reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by Consultant, his agents, representatives, employees or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by District shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of District before the District's own insurance or self-insurance shall be called upon to protect it as a named insured.

Agency's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, District has the right but not the duty to obtain the insurance it deems necessary and any premium paid by District will be promptly reimbursed by Consultant or District will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, District may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VI (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the Agency's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against District, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against District, and shall require similar written express waivers and insurance clauses from each of its subconsultants.

Enforcement of contract provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the District to inform Consultant of non-compliance with any requirement imposes no additional obligations on the District nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other

requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the District requires and shall be entitled to coverage for the higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the District.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to District with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that District and its officers, officials, employees, and agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to District and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subconsultants, subcontractors, and any other party involved with the project who is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with consultants, subcontractors, and others engaged in the project will be submitted to District for review.

Agency's right to revise specifications. The District reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the District and Consultant may renegotiate Consultant's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by District. District reserves the right to require that self-insured retentions be

eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by District.

Timely notice of claims. Consultant shall give District prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

AGENDA ITEM: G-3
DATE: November 16, 2022

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, A.A.E., Executive Director
SUBJ: Resolution No. 1832, A Resolution Authorizing and Approving the Creation of the Position of Deputy Executive Director, Eliminating the Positions of Deputy Director Strategy and Development and Deputy Executive Director Finance and Administration, and Amending the Fiscal Year 2023 Salary Schedule as Amended September 27, 2022 by Resolution No. 1830, Listing Salary Ranges for the Monterey Peninsula Airport District

BACKGROUND. With the retirement of the Deputy Executive Director, Administration and Finance, it was noted there is an opportunity to reorganize the management structure of the Airport at the highest level to address the current operating practices of the organization more accurately. In partial response, the position of Controller was created on September 27, 2022, with the intention of eliminating the position of Deputy Executive Director, Administration and Finance after the interim appointment of the retired annuitant to the vacant position of Deputy Executive Director Finance and Administration for the Monterey Peninsula Airport District under Gov. Code section 21221(h), effective September 28, 2022, was no longer necessary.

Since the position of Deputy Director Strategy and Development was created in 2018 the role has evolved into even higher-level duties and responsibilities, not all of which are reflected in the job description for the position.

Staff requests that the position of “Deputy Director Strategy and Development” be eliminated, and the position of “Deputy Executive Director” be created to better reflect the current level of duties and responsibilities of the Deputy Director Strategy and Development. This position will continue to provide strategic oversight and direction across the Airport’s business departments of aviation, operations, multi-media, property management, maintenance, and planning and development. In addition, this position will oversee management of a wide range of planning, programs, and projects, including departmental budgeting and execution as well as financial planning related to grant activities. The position will perform with a high degree of independent judgement, discretion, and confidentiality. The Deputy Executive Director would report to the Executive Director and be under his/her direct supervision.

Pursuant to Government Code, the Board is required to annually approve the salary schedule listing the various salary ranges for District employees. On June 15, 2022 the Board approved Resolution No. 1822, A Resolution Authorizing and Approving the Fiscal Year 2023 Salary Schedule, Listing Salary Ranges for the Monterey Peninsula Airport District, which was amended by Resolution No. 1830 on September 27, 2022, and is currently in effect. With the Board approval of the creation of the Deputy Executive Director position, the salary range for the Deputy Executive Director would be incorporated in the Amended Fiscal Year 2023 Salary Schedule and the positions of Deputy Director Strategy and Development and Deputy Executive Director Finance and Administration would be eliminated.

SCOPE. Create a full-time Deputy Executive Director position and amend the Fiscal Year 2023 Salary Schedule to incorporate the position and eliminate the Deputy Director Strategy and Development position, as well as the vacant position of Deputy Executive Director Finance and Administration for the Monterey Peninsula Airport District.

IMPACT ON OPERATING EXPENSE. The position to be eliminated, Deputy Director Strategy and Development, was budgeted in the current budget at \$190,105.00 fully burdened. The proposed new position, Deputy Executive Director, would carry a fully burdened budget impact of \$247,191.62 resulting in a net full year budget impact of \$57,086.62. Adjusting to reflect an eight (8) month impact for the new position, which anticipates one-month retroactive pay as suggested by the Board, the net budget impact would be \$38,270.45 for the current fiscal year.

RECOMMENDATION. Adopt Resolution No. 1832, A Resolution Authorizing and Approving the Creation of the Position of Deputy Executive Director, Eliminating the Positions of Deputy Director Strategy and Development and Deputy Executive Director Finance and Administration, and Amending the Fiscal Year 2023 Salary Schedule as Amended September 27, 2022 by Resolution No. 1830, Listing Salary Ranges for the Monterey Peninsula Airport District.

ATTACHMENTS.

Resolution No. 1832
FY 2023 Salary Schedule, as Amended
Deputy Executive Director Job Description

RESOLUTION NO. 1832

RESOLUTION NO. 1832, A RESOLUTION AUTHORIZING AND APPROVING THE CREATION OF THE POSITION OF DEPUTY EXECUTIVE DIRECTOR, ELIMINATING THE POSITIONS OF DEPUTY DIRECTOR STRATEGY AND DEVELOPMENT AND DEPUTY EXECUTIVE DIRECTOR FINANCE AND ADMINISTRATION, AND AMENDING THE FISCAL YEAR 2023 SALARY SCHEDULE AS AMENDED SEPTEMBER 27, 2022 BY RESOLUTION NO. 1830, LISTING SALARY RANGES FOR THE MONTEREY PENINSULA AIRPORT DISTRICT

WHEREAS, the District has created the position of Deputy Executive Director to reflect the current level of duties and responsibilities of the Deputy Director Strategy and Development.

WHEREAS, the position of Deputy Director Strategy and Development has been eliminated.

WHEREAS, the position of Deputy Executive Director Finance and Administration for the Monterey Peninsula Airport District has been eliminated.

WHEREAS, pursuant to Government Code, on June 15, 2022 the Board approved Resolution No. 1822, A Resolution Authorizing and Approving the Fiscal Year 2023 Salary Schedule, Listing Salary Ranges for the Monterey Peninsula Airport District, which was amended by Resolution No. 1830 on September 27, 2022.

WHEREAS, the salary range for the Deputy Executive Director is incorporated in the Amended Fiscal Year 2023 Salary Schedule.

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

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

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 16th day of November 2022 by the following roll call vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 16th day of November 2022

Carl M. Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
District Secretary

**MONTEREY PENINSULA AIRPORT DISTRICT
FISCAL YEAR 2023 SALARY SCHEDULE**

Adopted June 15, 2022 by Resolution No. 1822, As Amended by Resolution No. 1830, September 27, 2022 and by Resolution No. 1832, November 16, 2022

EFFECTIVE: July 1, 2022

PER CONTRACT

EXECUTIVE DIRECTOR	ANNUAL	193,000
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Position Titles	FY 2023 Salary Ranges	
	Min	Max
DEPUTY EXECUTIVE DIRECTOR	ANNUAL 160,000	185,000
	PER MONTH 13,333	15,417
	PER HOUR 76.92	88.94
CONTROLLER ADMINISTRATION AND FINANCE	ANNUAL 118,606	148,090
	PER MONTH 9,884	12,341
	PER HOUR 57.02	71.20
SUPERINTENDENT OF FIELD OPERATIONS	ANNUAL 96,000	110,000
	PER MONTH 8,000	9,167
	PER HOUR 46.15	52.88
OPERATIONS MANAGER	ANNUAL 64,952	93,943
	PER MONTH 5,413	7,829
	PER HOUR 31.23	45.16
PROJECT MANAGER	ANNUAL 59,034	93,943
	PER MONTH 4,919	7,829
	PER HOUR 28.38	45.16
FINANCIAL ACCOUNTANT	ANNUAL 60,345	93,943
	PER MONTH 5,029	7,829
	PER HOUR 29.01	45.16
ACCOUNTING SPECIALIST	ANNUAL 51,355	77,367
	PER MONTH 4,280	6,447
	PER HOUR 24.69	37.20
SENIOR EXECUTIVE ASSISTANT	ANNUAL 60,345	93,943
	PER MONTH 5,029	7,829
	PER HOUR 29.01	45.16
EXECUTIVE ASSISTANT	ANNUAL 50,681	76,344
	PER MONTH 4,223	6,362
	PER HOUR 24.37	36.70
PUBLIC RELATIONS SPECIALIST	ANNUAL 71,000	88,000
	PER MONTH 5,917	7,333
	PER HOUR 34.13	42.31
PROPERTY SPECIALIST	ANNUAL 60,345	93,943
	PER MONTH 5,029	7,829
	PER HOUR 29.01	45.16
SOCIAL MEDIA SPECIALIST	ANNUAL 66,000	84,200
	PER MONTH 5,500	7,017
	PER HOUR 31.73	40.48
MAINTENANCE MANAGER	ANNUAL 74,616	105,647
	PER MONTH 6,218	8,804
	PER HOUR 35.87	50.79
MAINTENANCE LEAD WORKER	ANNUAL 53,704	75,867
	PER MONTH 4,475	6,322
	PER HOUR 25.82	36.47

**MONTEREY PENINSULA AIRPORT DISTRICT
FISCAL YEAR 2023 SALARY SCHEDULE**

Adopted June 15, 2022 by Resolution No. 1822, As Amended by Resolution No. 1830, September 27, 2022 and by
Resolution No. 1832, November 16, 2022

Position Titles	FY 2023 Salary Ranges	
	Min	Max
MAINTENANCE WORKER	ANNUAL	43,511
	PER MONTH	3,626
	PER HOUR	20.92
CUSTODIAN	ANNUAL	37,208
	PER MONTH	3,101
	PER HOUR	17.89
HOURLY WAGE FOR PART-TIME (NO BENEFITS)		
None		

NOTE 1: INDICATED SALARY RATES DO NOT INCLUDE PAGER/IMMEDIATE RESPONSE PAY FOR MAINTENANCE/CUSTODIAL POSITIONS.

PAGER PAY: \$200 per week to the individual responsible for pager/immediate response.

NOTE 2: INDICATED SALARY RATES DO NOT INCLUDE AUTOMOBILE ALLOWANCES FOR EXECUTIVE MANAGEMENT POSITIONS.

AUTO ALLOWANCE: \$750 per month to Executive Director.

NOTE 3: INDICATED SALARY RATES DO NOT INCLUDE TECHNOLOGY ALLOWANCE FOR EXECUTIVE DIRECTOR.

TECHNOLOGY ALLOWANCE: \$200 per month to Executive Director.

NOTE 4: INDICATED SALARY RATES DO NOT INCLUDE HEALTH AND WELLNESS ALLOWANCE FOR EXECUTIVE DIRECTOR.

HEALTH AND WELLNESS ALLOWANCE: \$412 per month to Executive Director.

NOTE 5: INDICATED SALARY RATES DO NOT INCLUDE COMPENSATION FOR THE BOARD OF DIRECTORS.

DIRECTOR COMPENSATION: \$105 per meeting/day of service; not to exceed \$630 per month.



JOB DESCRIPTION

JOB CLASSIFICATION: Deputy Executive Director
JOB TITLE: Deputy Executive Director
REPORTS TO: Executive Director
APPROVED BY: Executive Director

DEPARTMENT: Planning & Development
EXEMPT: Yes
APPROVED DATE: 11/16/22
REVISED:

JOB SUMMARY: Under the direction and supervision of the Executive Director, the Deputy Executive Director will perform a variety of advanced and complex projects and assignments. The Deputy Executive Director provides strategic oversight and direction across the Airport's business departments of aviation, operations, multi-media, property management, maintenance, and planning and development.

The Deputy Executive Director is an integral part and lead point-of-contact for organization, execution, and responsibility for the management of key airport documents, studies, and programs. These include but are not limited to; the Airport Layout Plan, Airport's Master Plan, Airport Capital Improvement Program, Sustainability, Environmental Compliance; compliance with FAA regulations and applicable Federal, State and Local rules and regulations. This position exercises direct supervision over the personnel within the assigned program areas.

ESSENTIAL DUTIES AND RESPONSIBILITIES: The list of duties is representative and not intended to be all inclusive of the duties expected of this position.

- Assist the Executive Director in facilitating effective decision-making. Consults with and advises the Executive Director on policies, programs and activities related to business development, planning, design, construction, maintenance, and operations of Airport buildings, facilities, and systems.
- Support Executive Director in all efforts to promote development of airport property for revenue generation.
- Represent the Executive Director in the daily operations, business, and development of the Airport.
- Oversee management of programs, planning and projects, including financial planning related to grant activities, budgeting, and execution. Analyze operations to evaluate performance and to determine areas of potential cost reduction, program improvement, or policy change.
- Research federal, state, and local funding sources; develop grant applications and execute grant projects.
- Assess inquiries, determine the proper course of action and delegate to the appropriate individual to manage.
- Manage and direct special projects and initiatives.
- Lead the development of Airport initiatives (as assigned), strategic plans (including Airport Master Plan), and policies and procedures.
- Manage, schedule, supervise and review the work of professional and technical staff and consultants and contractors; advise and assist subordinates in administering development projects. Train, oversee and evaluate the work product of other personnel.
- Manage projects: plan, direct, track and coordinate activities of projects, including but not limited to capital projects (Government or District funded), major maintenance projects, information technology projects, and tenant improvement/development projects through all phases of construction, to ensure completion within prescribed time frames and funding parameters.

- Manage/maintain necessary liaison with FAA ADO; submit required construction forms, project contracts, bid results, and other project related actions as needed.
- Manage effective relationships with District contracted real estate and development professionals.
- Prepare and coordinate with Executive Director necessary Board actions for project review and approval; write project briefings.
- May recommend procedures and policies related to the District's information technology.
- Recruit, hire, supervise, train, mentor, and discipline subordinate employees.
- Perform with a high degree of independent judgement, discretion, and confidentiality.
- Perform the duties of interim Acting Executive Director during the Executive Director's extended absence.

QUALIFICATION REQUIREMENTS: To perform this job successfully, the employee must be able to perform each essential duty satisfactorily. Employee is responsible for performing work accurately with minimal supervision. Requirements listed below are representative of the knowledge, skill and/or ability required.

EDUCATION AND/OR EXPERIENCE

- Bachelor's degree (BA/BS) or equivalent job experience.
- Five years related experience in project management and/or public grants management, or equivalent job experience.
- Five years of supervisory experience.

KNOWLEDGE OF:

- FAA 14 CFR Part 139 and Airport Security 49 CFR Part 1542
- Principles of airport facility requirements analysis, airspace (including Part 77 and TERPS analysis).
- Principles of airport land use, airfield planning, airport master planning and related analyses.
- Familiarity with Federal Aviation Administration (FAA) Advisory Circulars and Orders.
- Knowledge of airport master plans.
- Principles of environmental compliance assurance.
- Principles of economic impact evaluations.
- Principles of water quality and land quality and the interactions of aviation as it relates to the environment.
- Computer hardware and common business software (MS Office, AutoCAD, GIS, Photoshop, and Adobe Acrobat).

ABILITY TO:

- Read, analyze, and interpret general business periodicals, professional journals, and governmental regulation.
- Define problems, collect data, establish facts, and draw valid conclusions.
- Interpret a variety of instructions furnished in written, oral, diagram, or financial schedule form.
- Multi-task and determine and direct personal effort to accomplish priorities.
- Effectively and tactfully present information to and communicate with employees, managers, board members, consultants, the general public, and customers.
- Effectively present information to, and communicate with, Board Members, department managers, employees, public groups, regulatory agencies and others.
- Define problems, collect data, establish facts, and draw valid conclusions.
- Make sound independent decisions when circumstances warrant such action.
- Maintain the highest level of integrity and confidentiality.

GENERAL REQUIREMENTS:

- Meets or exceeds the performance factors indicated on the Performance Appraisal form.
- Presents a neat, professional appearance.
- Conduct that reflects positively on the Monterey Regional Airport and encourages others to do the same.
- Maintains confidentiality on all matters related to airport business.
- Organized and analytical, independent, and self-motivated, enthusiastic, and dependable.
- Employs effective interpersonal skills, establishes positive relationships with internal and external customers, and participates positively as a team member.

- Interprets, plans, organizes, develops, and implements programs, goals, objectives, policies, and procedures.
- Adjusts to tasks and focuses with composure to meet changing deadlines and priorities.
- Uses equipment and materials in a safe and acceptable manner, follows established safety procedures, uses appropriate safeguards, and observes common sense rules of safety in all on-the-job activities.

PHYSICAL DEMANDS: The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodation may be made to enable individuals with disabilities to perform the essential functions.

- While performing the duties of this job, the employee is regularly required to sit. The employee is occasionally required to stand, stoop, kneel and crouch. The employee frequently is required to walk; to use hands to repetitively finger, handle or feel objects, tools and use a computer/typewriter keyboard; to reach with hands and arms; and to talk or hear in person and over the telephone.
- The employee is frequently required to drive a motor vehicle, both on and off airport property.
- The employee must occasionally lift and/or move up to 50 pounds, but regularly lifts or pushes items weighing 5-10 pounds.
- Specific vision abilities required by this job include close vision and the ability to adjust focus.

WORK ENVIRONMENT: The work environment characteristics described here are representative of those an employee encounters while performing the essential functions of this job in a typical office environment. The noise level in the work environment is usually low to moderate. Overhead aircraft noise occurs intermittently throughout the day. High exposure to aircraft noise may occur when working near or on the airfield. The employee:

- Generally works indoors.
- Sometimes works near moving mechanical parts and office machinery.
- Occasionally is exposed to dust and to the risk of electrical shock.

SPECIAL REQUIREMENTS: Prior to employment, applicant must complete and/or provide all of the following:

- Proof of eligibility to legally work in the United States.
- Successful completion of background investigation.
- Ability to pass the Airport's physical examination, including pre-employment testing in accordance with the Airport's drug/substance abuse policies.
- Possess a valid California Motor Vehicle Driver's License and be insurable with the Airport's insurance carrier at the standard rate.

ACKNOWLEDGMENT & RECEIPT

I acknowledge that I have received, read, and sought clarification of any questions I have about the content of this job description. I further understand that, in order for the Airport to retain necessary flexibility to meet organizational needs, this job description may be modified from time to time.

Employee Signature

Date

AGENDA ITEM: G-4
DATE: November 16, 2022

TO: Monterey Peninsula Airport District Board of Directors
FROM: Michael La Pier, A.A.E., Executive Director
SUBJ: Resolution No. 1833, A Resolution Appointing a New Chief Financial Officer of the Association which Controls the Common Area of the Properties Located at 2801 Monterey Salinas Highway, Monterey, CA, Thereby Amending Resolution No. 1759

BACKGROUND. In August 2018 the Monterey Peninsula Airport District purchased Lot A, Lot C, and Lots B and D of 2801 Monterey Salinas Highway, Monterey, CA 93940 ("Subject Properties") by the Monterey Peninsula Airport District ("Airport").

On August 21, 2019 the Board Of Directors of the Monterey Peninsula Airport District appointed the Airport Executive Director, Michael La Pier, as the common area corporation President, the Airport Deputy Director of Strategy and Development, Chris Morello, as the common area corporation Secretary, and the Airport Deputy Executive Director Finance and Administration, Tim Bergholz, as the common area corporation Chief Financial Officer.

The Deputy Executive Director Finance and Administration retired September 15, 2022 and it is the intent the position of Deputy Executive Director Finance and Administration be eliminated.

Mark Wilson, Controller, currently leads the Monterey Peninsula Airport District Finance and Accounting Departments.

FISCAL IMPACT. None.

RECOMMENDATION. Staff recommends Mark Wilson, Controller, as new Chief Financial Officer of the Association which Controls the Common Area of the Properties Located at 2801 Monterey Salinas Highway, Monterey, CA, by adopting Resolution No. 1833, thereby amending Resolution No. 1759.

ATTACHMENTS.

Resolution No. 1833

RESOLUTION NO. 1833

A RESOLUTION APPOINTING A NEW CHIEF FINANCIAL OFFICER OF THE ASSOCIATION WHICH CONTROLS THE COMMON AREA OF THE PROPERTIES LOCATED AT 2801 MONTEREY SALINAS HIGHWAY, MONTEREY, CA, THEREBY AMENDING RESOLUTION NO. 1759

WHEREAS, the Monterey Peninsula Airport District purchased Lot A, Lot C, and Lots B and D of 2801 Monterey Salinas Highway, Monterey, CA 93940 ("Subject Properties") by the Monterey Peninsula Airport District ("Airport"); and

WHEREAS, as a result of the purchase of the Subject Properties, the Airport is entitled to participate in the ownership and control of the common area through the common area corporation; and

WHEREAS, the Airport is entitled to one vote per lot that it owns, and it is entitled to appoint representatives in the corporation to represent the interests of the Airport; and

WHEREAS, the common area corporation has three Director positions, which are President, Secretary and Chief Financial Officer: and

WHEREAS, Tim Bergholz, by way of being the Airport Deputy Executive Director Finance and Administration, was appointed the common area corporation Chief Financial Officer August 21, 2019 and has resigned his position effective September 15, 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT that the Board appoints the Airport Executive Director, Michael La Pier, as the common area corporation President, the Airport Deputy Executive Director, Chris Morello, as the common area corporation Secretary, and the Airport Controller, Mark Wilson, as the common area corporation Chief Financial Officer.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 16th day of November 2022 by the following roll call vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 16th day of November 2022,

Carl M. Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
District Secretary

TO: Monterey Peninsula Airport District Board of Directors
Michael La Pier, A.A.E., Executive Director
FROM: Scott E. Huber, District Counsel
SUBJ: Resolution No. 1834, A Resolution Amending and Approving an Update to the MPAD Governance Manual, Director Remuneration and Expense Reimbursement Policy, and Employee Travel Policy Memorandum

BACKGROUND. The Board may consider the adoption of Resolution No. 1834, a resolution amending and approving an update to the Governance Manual, Director Remuneration and Expense Reimbursement Policy, and Employee Travel Policy Memorandum.

DISCUSSION. The Governance Manual was last updated in 2016. Over the years, modifications have been made in various practices of the Airport that have not been reflected in the Governance Manual. For example, Board Members are now elected through a by-district election method versus the at-large voting method that was previously used. In addition, the statutes governing Board Member compensation have been updated by the legislature, which changes were not included in the Governance Manual because the changes were made after 2016.

Accordingly, staff has reviewed the Governance Manual in its entirety and updated the provisions that were out of date, or which required modification. There are three separate documents referenced in the Governance Manual: 1) Director Remuneration and Expense Reimbursement Policy; 2) Employee Travel Policy Memorandum; and 3) Finance and Accounting Policies. The first two documents were last updated in 2006. As such, the documents have been revised and updated concurrently with the Governance Manual. The third document, Finance and Accounting Policies, was most recently revised in 2018. Given the recent update to that document, staff has not made any changes to that document.

The Board will consider approval of the update to the Governance Manual, Director Remuneration and Expense Reimbursement Policy, and Employee Travel Policy Memorandum.

BUDGET EFFECT. None. All fiscal impacts are already in effect or have been previously approved by the Board.

RECOMMENDATION. Adopt Resolution No. 1834, A Resolution Amending and Approving an Update to MPAD Governance Manual, Director Remuneration and Expense Reimbursement Policy, and Employee Travel Policy Memorandum

ATTACHMENTS.

Resolution No. 1834
MPAD Governance Manual
Director Remuneration and Expense Reimbursement Policy
Employee Travel Policy Memorandum
Finance and Accounting Policies

RESOLUTION NO. 1834

A RESOLUTION AMENDING AND APPROVING AN UPDATE TO MPAD GOVERNANCE MANUAL, DIRECTOR REMUNERATION AND EXPENSE REIMBURSEMENT POLICY, AND EMPLOYEE TRAVEL POLICY MEMORANDUM

WHEREAS, the Monterey Peninsula Airport District ("District") on November 9, 2011 did by Resolution No. 1562 adopt the "Governance Manual and Board Operating Rules and Procedures" ("Governance Manual"); and

WHEREAS, the District Board of Directors ("Board") has amended the Governance Manual from time to time to bring it into compliance with current law or practices of the District; and

WHEREAS, the Board seeks to make additional amendments to the Governance Manual;

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:

1. That the updated Governance Manual, which is attached, is approved;
2. That the updated Director Remuneration and Expense Reimbursement Policy, which is attached, is approved; and
3. That the updated Employee Travel Policy Memorandum, which is attached, is approved.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 16th day of November, 2022 by the following roll call vote:

AYES:	DIRECTORS:
NOES:	DIRECTORS:
ABSTAIN:	DIRECTORS:
ABSENT:	DIRECTORS:

Signed this 16th day of November, 2022

Carl M. Miller, Chair

A T T E S T

Michael La Pier, A.A.E.
District Secretary

**MONTEREY PENINSULA AIRPORT DISTRICT
BOARD OF DIRECTORS**



**Governance Manual and
Board Operating Rules and Procedures**

(containing ethics standards, references to policies and procedures for
Board operation, and serving the function of Bylaws for the
Board of Directors)

Adopted (Resolution 1562) November 9, 2011;
Revised (Resolution 1596) April 16, 2014;
Revised (Resolution 1654) January 13, 2016;
Revised (Resolution XXXX) [DATE], 2022

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PREFACE

This Governance Manual is not intended to serve as an all-inclusive or comprehensive collection of every past or present policy, procedure and practice utilized in the operation of the Monterey Peninsula Airport District (“District”). The development of such a document would be well beyond the scope of any single, brief manual. Rather, the objective of this Governance Manual is to provide members of the District’s Board of Directors with a handy summary of and reference to the general manner in which the District and its Board of Directors does now and should continue to operate. In addition, this manual sets forth a code of conduct and ethical standards applicable to members of the District’s Board of Directors, as well as to members of District staff, as applicable.

BACKGROUND

Monterey Peninsula Airport District (MPAD or District)

The MPAD boundaries encompass the cities of Carmel, Del Rey Oaks, Monterey, Pacific Grove, Sand City and portions of Seaside, Pebble Beach, Carmel Highlands, portions of Carmel Valley and some of the land along the Monterey Salinas Highway.¹ The District boundaries may be changed through the Monterey County Local Agency Formation Commission.²

Mission Statement

The mission of MPAD is to provide users access to the national air transportation system, to operate the airport in a safe, efficient and fiscally responsible manner, and to develop and adapt the airport's facilities to meet future needs.³ The airport serves both civil and military purposes.⁴ The Mission of the District is described by the Strategic Plan which is adopted by the Board and periodically updated.

District Powers

The District has the powers that commonly apply to local government entities (such as the right to sue, the ability to own and develop property, the right to enter into contracts, etc.).⁵ The District can condemn property,⁶ can borrow money through a variety of means including the issuance of bonds,⁷ and is empowered with general police powers, including the provision of a police department to maintain a police department.⁸ By adopting ordinances, the District can define what activities taking place on the airport constitute crimes and can establish penalties for violations (either as a misdemeanor or infraction).⁹ The Enabling Act grants the District the power to levy taxes;¹⁰ Beginning in 1979, the Board of Directors elected to forego receipt of its share of property taxes, however, but by action of the Board of Directors

¹ Monterey Peninsula Airport District Act (the "Enabling Act") section 1

² Enabling Act section 24, Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000

³ Monterey Peninsula Airport District Strategic Plan – December 10, 2008

⁴ Enabling Act section 2

⁵ Enabling Act section 3

⁶ Enabling Act section 3 (f)

⁷ Enabling Act section 3 (g), 23

⁸ Enabling Act section 3 (l)

⁹ Enabling Act section 3 (l) (2)

¹⁰ Enabling Act section 3 (h), 13, 20

taken in ~~1978~~2011, that ~~power has ceased to be exercised~~decision was reversed.¹¹
Since that time, the District has received a small share of property tax revenue.

Imposition of new taxes would require voter approval.¹² In sum, the District has all of the powers that are necessary or appropriate to a public airport district which are not specifically prohibited by the California Constitution.¹³

Governing Board

The District is governed by a five member Board of Directors¹⁴ who have lived and been registered voters in the District for at least thirty days prior to nomination.¹⁵ They are elected for staggered four year terms (with either two or three seats up for election during November of each even-numbered year).¹⁶ The Directors ~~are formerly were~~ elected at large ~~(that is, any Director may live in any of the communities that are part of the District).~~¹⁷ , however, to comply with the Voting Rights Act, the District transitioned to by-district elections effective November 2020.¹⁸ The Districts were readjusted in 2022, as required following the release of the United States Census¹⁹

¹¹ Resolution 1537

¹² California Constitution Article XIII, XIII A

¹³ Enabling Act section 3 (m)

¹⁴ Enabling Act section 4

¹⁵ Enabling Act section 7

¹⁶ Enabling Act section 5

¹⁷ The Enabling Act is attached as "Exhibit B."

¹⁸ Ordinance 924

¹⁹ Ordinance 929

BOARD ROLE AND FUNCTIONS

The Role of the Board of Directors in Relation to District Staff

The primary role of the Board of Directors is to establish and oversee implementation of policy for the District. Established policy is carried out and implemented by the airport staff, under the supervision of the ~~General Manager~~Executive Director²⁰. The following chart illustrates the proper relationship between the Board and District staff. (Where the chart references “city” read as “district”.)

²⁰ The Enabling Act refers to a General Manager. The Board of Directors changed the title of the General Manager to Executive Director. Resolution 1645, adopted July 8, 2015

Board/Staff Process

Illustrative tasks for Board

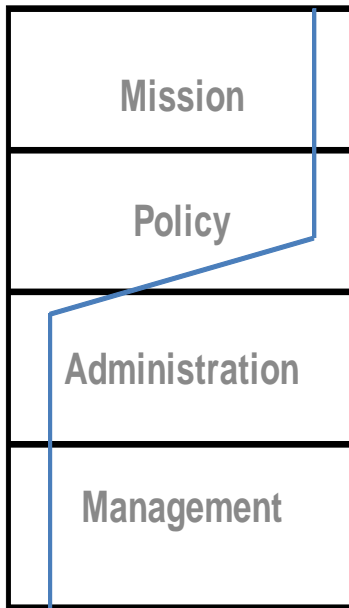
Determine "purpose" scope of service, tax level, constitutional issues

Pass ordinances; approve new projects and programs; ratify budget

Make implementing decisions (e.g., site selection); handle complaints; oversee administration

Suggest management changes to manager; review organizational performance in manager's appraisal

Elected officials' sphere



Appointed official's sphere

Illustrative tasks for Staff

Advise (what city "can" do may influence what it "should" do); analyze conditions and trends

Make recommendations on all decisions; formulate budget; determine service distribution formulae

Establish practices and procedures and make decisions for implementing policy

Control the human, material, and informational resources of organization to support policy and administrative functions

The angled blue line suggests the division between the elected officials' and the appointed officials' spheres of activity, with the council to the *left* and the manager to the *right* of the line. The division represented is intended to roughly approximate a "proper" degree of separation and sharing. Shifts to either the left or right would indicate improper incursions.

Source: Reprinted with minor editing from James H. Swara, "Dichotomy and Duality: Reconceptualizing the Relationship between Policy and Administration in Council-Manager Cities," *Public Administration Review* 45 (1985): 228. Used with permission of the American Society for Public Administration.

MPAD Officers

Officers of the District are the members of the Board of Directors, the ~~General Manager~~Executive Director, one or more ~~Assistant Managers~~Deputy Directors, a Secretary, District Counsel and an Auditor (internally referred to as the Controller)²¹. ~~MPAD officers include a Senior Deputy General Manager and Deputy General Managers.~~ The Board appoints the ~~General Manager~~Executive Director and a District Counsel. The ~~General Manager~~Executive Director appoints all other employees of the District.

²¹ Enabling Act section 7

EMPLOYMENT MATTERS

Appointment and Discharge of ~~General Manager~~Executive Director and District Counsel

The ~~General Manager~~Executive Director is the administrative head of the District²² and is appointed by the affirmative vote of at least three members of the Board of Directors.²³ In the event that an opening occurs, the Board should advertise for candidates or establish another unbiased procedure for selection. The ~~General Manager~~Executive Director's performance and compensation is evaluated annually by the Board.

The District Counsel is an attorney-at-law admitted to practice before the Supreme Court of the State of California²⁴ and is appointed by the affirmative vote of at least three members of the Board of Directors.²⁵ In the event that an opening occurs, the Board should approve an appointment procedure which is clear and unbiased. The District Counsel serves at the pleasure of the Board of Directors.

The ~~General Manager~~Executive Director or District Counsel may be removed only by the affirmative vote of at least four members of the Board of Directors if the removal is without cause.²⁶ However, either the ~~General Manager~~Executive Director or the District Counsel may be removed by the affirmative vote of at least three members of the Board of Directors if the removal is for cause.²⁷ Appropriate provisions for notice and hearing are in place.²⁸

Employee Compensation

The Board of Directors sets compensation ranges for each position description. This is typically done in conjunction with the budget approval process or as a function of approval of collective bargaining agreements.

Employees move through established compensation steps as established by Board approved salary ranges. The Board of Directors does not play a role in the awarding of step increases. The process of evaluating the performance of subordinate employees and adjusting their rates of pay within the pay range

²² Ordinance 905 section 4

²³ Ordinance 905 section 1

²⁴ Ordinance 905 section 5

²⁵ Ordinance 905 section 1

²⁶ Ordinance 905 section 1

²⁷ Ordinance 905 section 1

²⁸ Ordinance 905 section 2

established by the Board (or the labor contracts that have been approved by the Board) is within the responsibility of the ~~General Manager~~Executive Director.

Other Officers and Employees of the District

The District employees are comprised of multiple disciplines. Classifications for each authorized position are maintained by the Human Resource ~~Manager~~Specialist. These documents establish job duties, education requirements, necessary experience and knowledge required of each position.

The ~~General Manager~~Executive Director has oversight authority regarding the recruitment, hiring and retention of District employees. The ~~General Manager~~Executive Director is the hiring authority and as a result the Board has no authority over these subordinate positions.

Employee Grievances

The District's collective bargaining agreements (Memorandums of Understanding) reflect that certain employee grievances may be pursued through an appeal ~~to the Board of Directors~~. Generally speaking, aggrieved employees must first exhaust reviews up through the chain of supervision, ~~ultimately to the General Manager~~. Only if the grievance has not been resolved by one of these earlier reviews does the matter come ~~before the Board of Directors~~ a Fair Hearing Officer. Grievance procedures are established by the various Memorandums of Understanding, as well as Policy 217 of the Administrative and Personnel Policy Manual, which is applicable to all District employees.

Staff Direction

The Board does not manage the daily operations of the airport. The Board of Directors, as a body, provides policy-level direction to the ~~General Manager~~Executive Director. The ~~General Manager~~Executive Director directs staff so as to carry out these policies. Individual Directors may appropriately make simple inquiries of or seek basic information from staff. As required by the Administrative and Personnel Policy Manual, the Board Member and the employee are required to notify the Executive Director of the communication as soon as practicable.

The Board of Directors as a body may give instructions or directions to the Executive Director. However, members of the Board of Directors, either

collectively or individually, are prohibited from giving orders or instructions to any subordinates of the ~~General Manager~~Executive Director.²⁹

²⁹ Ordinance 905 section 9

MISCELLANEOUS ISSUES

Ordinance vs. Resolution

The Board of Directors makes laws by adopting ordinances or resolutions. Other things that the Board of Directors may do can be accomplished by resolution, motion or order.³⁰ Ordinances are the most permanent and binding type of Board action. An ordinance may be repealed or replaced only by a subsequent ordinance.³¹ An ordinance must be “passed to print” before it may be adopted (and thus requires at least two meetings to put into effect).³² Ordinances must be published as a legal advertisement in an appropriate newspaper. The adoption of an ordinance cannot take place until more than three days have passed since its publication and more than five days have passed its since introduction (i.e., passage to print).³³ Except in emergency situations, the effective date of an ordinance is 30 days after its final adoption.³⁴ Certain laws may only be put in place by ordinances. These include laws which levy any tax or assessment or which impose any penalty.³⁵

In contrast, resolutions may be adopted at the same meeting at which they are introduced and need not be published. There need not be any delay in the effective date of a resolution. Resolutions are passed to express the policy of the Board or to direct certain administrative action. Resolutions memorialize acts of the Board which are not otherwise subject to legislation by ordinance and that are of a contractual, enduring or consequential nature in a more permanent way than would a mere motion.

Roll call votes are required to be taken with respect to all ordinances and resolutions. No ordinance or resolution may pass without receiving the affirmative vote of at least three Directors.³⁶ Ordinary motions do not require a roll call vote, but any Director may request that one be taken.³⁷ Motions may be passed by majority vote.

³⁰ Enabling Act section 6 (a) (1)

³¹ Enabling Act section 6 (e) (1)

³² Enabling Act section 6 (c) (1)

³³ Enabling Act section 6 (c) (1)

³⁴ Enabling Act section 6 (e) (3)

³⁵ Enabling Act section 6 (d)

³⁶ Enabling Act section 6 (a) (3)

³⁷ Enabling Act section 6 (a) (2)

Board Committees

Board committees are ~~purely~~ advisory bodies. All decisions are made by the Board of Directors. Committees may be “standing” (i.e., of a permanent or long-term nature) or “ad hoc” (existing only temporarily until the accomplishment of their purpose). The Chair, with the ratification of the Board, determines which committee will be active at any given time. The Chair appoints directors to the membership of the committees as well as selects Directors to serve as liaisons or representatives of the District to certain groups, each subject to the ratification of the Board of Directors. The membership of any ad hoc committee will be composed exclusively of not more than two Board Members. However, the creation of an ad hoc committee shall expire annually on January 1. During the first meeting of the calendar year, the chair, with concurrence of the Board, will establish new ad hoc committees, if any are deemed necessary by the Board. However, the creation of an ad hoc committee shall expire annually on January 1. During the first meeting of the calendar year, the Chair will establish new ad hoc committees, -with concurrence of the Board ~~will establish~~, if any are necessary, ~~new ad hoc committees~~.

Agendas are prepared for meetings of standing committees, and the meetings are open and public. ~~However, m~~Minutes are ~~not~~ ordinarily ~~taken~~prepared and approved by the Board of Directors.

Agendas need not be prepared for ad hoc committee meetings, nor do such meetings need to be open and public. Minutes are not ordinarily taken. Ad hoc committee meetings are typically informal and are set at the convenience of the committee members.

Citizen Inquiries

Board Members often receive inquiries, requests for service and occasional complaints from constituents. Such contacts with Directors may be the result of a condition that requires attention that staff is unaware of, ~~a~~ service that has not been properly provided, a request that is above or beyond appropriate service levels, a miscommunication or misunderstanding, or a mischaracterization of an occurrence by the constituent. A Director who is contacted by a constituent should ensure that the ~~General Manager~~Executive Director is made aware of the issue. Copies of responses to significant citizen inquiries that are submitted by Directors to the

~~General Manager~~Executive Director for follow-up will be provided to all Directors as part of an agenda packet or at a public meeting.

Fiscal Administration

The fiscal administration of the District is based both on statutory requirements and generally recognized policies and practices applicable to public finance and the administration of airports. The airport operates on a business enterprise basis. Costs are recovered from rents, fees, rates and charges assessed to users of the airport. The District needs to generate sufficient funds to cover its costs of operation (including administration, facilities maintenance and capital improvement) and to maintain a reasonable reserve for contingencies.³⁸

Annually the District's financial operations are audited by an independent accounting firm selected by the Board of Directors. That firm prepares and submits an audit report to the Board of Directors.

During the course of the fiscal year the Board maintains oversight of the financial condition of the District. This is accomplished through regular and routine (typically monthly) financial reporting to the Board by the District Controller. The Finance Committee of the Board reviews monthly results with the ~~General Manager~~Executive Director/Controller and other staff and then reports to the Board any recommendations that may result from their review.

Budget Operation

The District operates on a fiscal year running from the first day of July through the end of June each year.³⁹ A budget is developed each year in advance of the start of the fiscal year. The budget contains the estimate of all revenue and expenses, including operating and maintenance expenses, payroll, acquisitions and improvements, and a reasonable contingency to cover unanticipated expenses or revenue shortfall. Often accompanying the budget is an update to the District's capital improvement plan.

A draft of the budget is initially prepared by the airport staff, usually beginning in the early part of the calendar year. Typically the draft budget will be reviewed with the District's standing Finance Committee. That review may result in refinement of the draft before its presentation to the Board as a whole. Ordinarily a draft budget will be presented to the Board of Directors in April or May in order

³⁸ Resolution 981 section 1

³⁹ Enabling Act section 18

to allow time for review, discussion, further revision and adoption by the end of June. Upon adoption by the Board, the approved budget becomes applicable to the soon-to-commence fiscal year.

The ~~General Manager~~Executive Director has the authority to make transfers of up to \$30,000 between line items of the budget to adjust it as necessary as the fiscal year progresses.⁴⁰ Larger adjustments, if needed, may be approved by the Board of Directors at a mid-fiscal-year review or at such other time as may be necessary. With respect to the capital improvement plan, the ~~General Manager~~Executive Director has been given the authority to execute on behalf of the District any grant agreements or other related documents that have been previously approved by the Board of Directors.⁴¹

Investment Policy

District investments are controlled by state law. Within the types of investments allowed by law, the District seeks to meet three distinct objectives – to safeguard the assets of the District, to insure that the District’s liquidity needs are met, and to achieve the highest rate of return on investment commensurate with appropriate risk evaluation.⁴² The District’s investment policy is periodically reviewed by the Finance Committee and approved by the Board of Directors, generally on an annual basis.

Awarding Construction Contracts

The District has opted into coverage under Uniform Public Construction Cost Accounting Act.⁴³ This provides the District with greater flexibility in the awarding of construction contracts than would be the case if the District relied on other bidding provisions contained in the Enabling Act.⁴⁴

Under the Uniform Act, public projects, depending on the cost or contract amounts, may be performed by employees of the District, be constructed by negotiated contract or result from a purchase order, contracted through informal bidding procedures or awarded only after formal bidding procedures. The District has adopted an informal bidding ordinance,⁴⁵ pursuant to which smaller-scale

⁴⁰ Resolution 1424 section 8

⁴¹ Resolution 1420

⁴² Resolution 1482 adopted December 10, 2008

⁴³ Resolution 1131

⁴⁴ Enabling Act section 16

⁴⁵ Ordinance 719

projects are ordinarily handled. For projects funded in whole or in part with federal grants, additional bidding requirements and restrictions may apply.

Planning and development staff maintain familiarity with these requirements and structure contract procedures accordingly. The ~~General Manager~~Executive Director may authorize payment under a certain amount without separate Board approval. The ~~General Manager~~Executive Director may also award informally-bid contracts. Any capital projects over the threshold for ~~General Manager~~Executive Director approval⁴⁶ requires approval from the Board of Directors, even if the project is contained in an approved budget.⁴⁷ Approval will ordinarily be made by simple motion.⁴⁸ A contract, regardless of size, must be awarded as required by law. Any construction contracts being proposed for adoption will be available to the directors in the office of planning and development.

Lease Agreements

The ~~General Manager~~Executive Director has the authority to approve all rentals and leases on a month-to-month basis or for a term of five years or less. Longer term leases require separate approval from the Board of Directors, which will ordinarily be by simple motion.⁴⁹ All leaseholders must be vetted in accordance with approved MPAD guidelines. Any proposed or adopted lease agreements are available for Board review in the administrative office.

Other District Contracting

Individual Board Members should not attempt to influence the District's purchasing of goods or services from any particular vendor or vendors.⁵⁰

Other Fiscal Controls

MPAD fiscal control policies and procedures require periodic reporting of all District expenditures.⁵¹ Checks exceeding \$30,000 must be signed by at least one Board Member.⁵² The District may not acquire or dispose of any real property without approval from the Board of Directors (which approval will ordinarily be by resolution).⁵³ The District utilizes a purchase order system calling for prior approval

⁴⁶ The present spending authority of the Executive Director is \$30,000

⁴⁷ Resolution 1424 section 6

⁴⁸ Resolution 1424 section 7

⁴⁹ Resolution 1424 section 9

⁵⁰ Ordinance 905 section 11

⁵¹ Resolution 1424 section 1

⁵² Resolution 1424 section 3

⁵³ Resolution 1424 section 10

of all District expenditures.⁵⁴ The purchase order requirements apply to both employees and Directors. There is also in place a set of “Finance & Accounting Policies & Procedures.”⁵⁵

⁵⁴ Described in an interim policy memorandum implemented December 1, 2005

⁵⁵ Implemented July 1, 2006; [Most recently updated August 8, 2018, Resolution 1721](#)

ETHICAL REQUIREMENTS

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 and for 12 months thereafter.

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 a proscribed amount~~\$250~~ from a single source in one calendar year, as established annually by the Fair Political Practices Commission.⁵⁶
- 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. Suitt* (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)

⁵⁶ Gov. Code § 89503(f). For 2022, the FPPC has established the gift cap at \$520.

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~~ In addition, 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.]

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CONDUCT OF MEETINGS

RULES OF THE MONTEREY PENINSULA AIRPORT DISTRICT

1. Purpose

These rules shall apply to all proceedings and meetings of the Board of Directors of the Monterey Peninsula Airport District (District).

2. Meetings

- A. Brown Act. All meetings of the Board shall be conducted in accordance and in compliance with the Ralph M. Brown Act.
- B. Regular Meetings. The regular meetings of the Board of Directors (Board) shall be held in accordance with the duly adopted meeting schedules. Meetings shall commence at 9:00 a.m. unless otherwise directed by the Chair of the Board. In the Chair's discretion and prior to posting of the Agenda, regularly scheduled meetings may be ~~eanceled~~canceled. Cancellation of agendized meetings or noticed hearing require majority approval.
- C. Special Meetings. A special meeting may be called at any time by the Chair of the Board of Directors or by the ~~General Manager~~Executive Director ~~(GM)~~. Notice of a special meeting shall be written and shall specify the time and place of the meeting and the business to be transacted. Such notice shall be delivered to or mailed to each Director at least 24 hours before the time of the special meeting and be supplied to the local newspaper of general circulation and radio or television if such entities have previously requested notice in writing. The notice shall be posted by the Secretary to the District at least 24 hours prior to the special meeting in a location that is freely accessible to the public.
- D. Adjourned Meetings. Any regular or special meeting of the District may be adjourned to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members of the Board are absent, the Secretary to the District may adjourn the meeting to a stated time and place and shall cause a written notice of the adjournment to be given in the same manner as is required for special meetings.

- E. Administrative Sessions and Information Hearings. The District may, from time to time, schedule administrative sessions and informational hearings with staff or the public for the purpose of receiving information on and discussing subjects of interest to the District. No action shall be taken on any item at any such meeting. Such meetings may be called by the Directors during any regular, adjourned, or special meeting. Otherwise, such meetings shall be called in the same manner as special meetings.

3. Officers

- A. Chair. At the first regular meeting of each calendar year, the Director who served as Chair Pro Tem during the preceding calendar year shall be seated as Chair. If for any reason the Chair Pro Tem is unable to be Chair, then the Director who was next in order to be Chair Pro Tem during the preceding year shall be Chair, provided that no Director shall be Chair who has not completed one (1) year of service on the District.

The Chair shall hold office for one (1) year and until the qualification of his or her successor. The Chair shall be the presiding officer of the Board and shall have all lawful authority to preserve order at all meetings. The Chair shall announce all matters as they come before the Board, shall restate all motions before they are submitted to vote, and shall announce the Board's vote on all subjects. Whenever the Secretary calls the roll, the Chair's name shall be called last. The Chair shall sign all ordinances, resolutions, minutes, contracts, and other documents, with the exception of those documents authorized for signature by the ~~GM~~Executive Director, when authorized to sign by the Board.

- C. Chair Pro Tem. The Chair Pro Tem shall be selected by rotation. If for any reason a Director is unable to serve when it is his or her turn, that Director shall be skipped and the office shall fall on the Director next in order. The Chair Pro Tem shall be seated at the first regular meeting of each calendar year and shall hold office for one (1) year and until qualification of his or her successor, provided that no Director shall serve as Chair Pro Tem who has not completed one (1) year of service on the Board. The Chair Pro Tem shall, in the absence of the Chair, have and perform all powers and duties of the Chair. Initially, the rotation of Chair Pro Tem shall be determined by lottery.

- D. Administrative Officer. The Administrative Officer shall be the ~~General Manager~~Executive Director and shall perform the duties prescribed by law and the District. The ~~GM~~Executive Director -may review and make recommendations on questions that come before the District.
- E. Secretary to the District. The Secretary to the District shall perform the duties prescribed by law and the District.
- F. Legal Counsel. The General Counsel shall be legal counsel to the Directors and shall perform all duties prescribed by law and the District. The General Counsel shall act as parliamentarian.

4. Quorum

A quorum shall consist of three (3) Directors.

5. Meeting Protocol

- A. The Chair shall convene all meetings and shall call the Directors to order. In the absence of the Chair and the Chair Pro Tem, the Secretary shall convene the meeting and call the Directors to order, whereupon a temporary chair shall be selected by the Directors present. The temporary chair shall relinquish the chair upon arrival of the Chair or Chair Pro Tem and after the conclusion of the question then being considered by the Directors.
- B. The Secretary shall enter in the minutes the names of those Directors that are present, absent or those who arrive late.
- C. To facilitate the conduct of meetings, a consent agenda may be used. The consent agenda normally contains items that are considered to be routine. Action for all items on the consent agenda is taken by one motion. Items on the consent calendar shall be considered first and shall be acted upon in one motion. Any Director may request that any item be removed from the consent calendar and placed on the agenda for discussion.
- D. Items on the agenda shall be considered in order, except that the Chair may take items out of order when necessary to accommodate persons appearing before the District. Items scheduled for a particular time

shall be taken up as close to the designated time as is possible. In no case shall a timed item be taken up before the designated time.

- E. The order of procedure at all public hearings and quasi-judicial hearings shall be as follows: The District officer responsible for the matter shall present his or her report and recommendation; all persons wishing to speak in favor of the question shall be heard; persons wishing to speak in opposition to the question shall be heard; rebuttal will follow. No new matter may be introduced during rebuttal except with the consent of the Chair, in which case the opposition shall be given an opportunity to rebut the new matter. The question shall then be submitted to the Directors for discussion and decision.
- F. Every agenda for regular meetings shall provide a time for members of the public to directly address the District on matters within the District's jurisdiction that are not on the agenda. Each speaker shall be limited to three (3) minutes ~~unless the Chair authorizes additional time.~~ Members of the Board may ask clarifying questions of the speaker, which shall not reduce the speaker's time. Speakers may not transfer or assign their time to another person.
- G. Executive/closed sessions may be used by the Board of Directors for deliberations involving personnel, certain negotiation matters and litigation. The Board of Directors will return to open session before making any motions or voting on any matters considered in closed session.
- H. The Chair may reasonably limit the time allotted to any speaker or party including a Director. Whenever any group of persons wishes to address the Board, the Chair may require that the group designate a spokesman to represent the group before the Board. Time limits proposed on a speaker must be announced prior to consideration of the agenda item.
- I. No person, including Directors, shall address the Board without permission of the Chair. Directors shall limit their individual comments to a presentation of their respective position on a matter. Directors shall not address the issue again except for new matter and as allowed by the Chair.

6. Voting

The Board shall take no action except upon the affirmative vote of at least three (3) Directors unless otherwise provided by law, ordinance or these rules. Unless disqualified or absent, all Directors ~~shall~~ ~~should~~ vote on all questions coming before the Board. The Chair shall call for a roll call vote. Whenever a roll call vote is requested, the Secretary shall call the name of a Director and record the vote of that Director. ~~Except in cases of a tie vote or the failure to obtain a positive quorum vote, the Chair need not vote.~~

7. Rights and Duties of Directors

- A. When a Director desires to speak, he or she shall address the Chair and be acknowledged. When two (2) or more Directors address the Chair at the same time, the Chair shall designate the Director who will speak first. All Directors shall confine their remarks to the question then under consideration.
- B. Every motion shall require a second. Discussion on a motion shall not be permitted until the motion receives a second. Motions and seconds may be made by any member of the Board, including the Chair.
- C. If any Director is unable to attend a meeting, he or she shall notify the Secretary as soon as possible and advise the Secretary of the reasons therefore.
- D. If in a Director's absence, the Board would lack a quorum, no Director shall leave his or her seat on the dais without first obtaining permission from the Chair.

8. Agenda

- A. The agenda for all Board meetings shall be prepared by the Secretary with input from District departments and Board members. Matters to be placed on the agenda for a regular meeting must be received by the Secretary no later than noon on the Wednesday prior to Regular Meeting. Any item sought to be placed on the agenda, which item has not been previously approved by the Board must be approved by the Chair. Individual Directors, other than the Chair, must seek approval of the Chair or the Board to place an item on the agenda.
- B. The Board shall not take action on any item that is not on the agenda at a regular meeting, except under any of the following conditions:

- (1) The Board, by majority vote, determines that an “emergency situation” exists. An emergency situation means (a) work stoppage or other activity which severely impairs public health, safety or both, as determined by a majority of the Board, or (b) crippling disaster which severely impairs public health, safety or both, as determined by a majority of the Directors; or
- (2) The Board, by four-fifths (4/5) vote, determines that there is a need to take immediate action on the item and that the need for action came to the Board’s attention after the agenda was posted; or
- (3) The item was on the posted agenda for a prior meeting which was held no more than five (5) calendar days earlier, and at that earlier meeting the item was continued to the later meeting.

9. Findings

Written findings shall be adopted by the Board as part of its decision whenever required by law. After receiving evidence, the Board may continue such an item to a future meeting for the adoption of written findings. The Board’s decision shall not be final until the findings have been adopted.

10. Advisory Committees, Appointments and Officers

The Board may appoint such committees as it deems necessary to advise the Board. The qualifications of persons appointed to such committees shall be as prescribed by the Board. All such persons shall serve at the pleasure of the Board and may be removed at any time by a majority vote, unless state law prescribes a different method for creation or removal, in which case such procedure shall take precedence over these rules. Any member of the Board may be appointed or assigned by the Chair to a committee. In general, except that no Director may should serve on more than two (2) committees. The Chair’s assignments shall be ratified by a majority vote of the Board and Directors may be removed from committee assignments by a majority vote of the Board.

11. Rosenberg’s Rule of Order

Except as otherwise provided in these Rules, the most current edition of Rosenberg’s Rules of Order (Exhibit “A” incorporated by reference) shall constitute the rules of order of the Board. The following rules apply to the special actions

described and take precedence over Rosenberg's Rules of Order to the extent they differ in text or application.

A. Motion to Reconsider

A motion to reconsider an item upon which the Board has acted may only be made at the meeting in which the action was taken. Such motion may only be made by a Director who voted on the prevailing side of the question. Adjournment of the meeting effectively extinguishes a Director's opportunity to move for reconsideration of any item on that specific agenda.

B. Motion to Rescind

A motion to rescind any action of the Board may be made by any Director at any time. The grounds for such motion are limited to an error in the adoption of the item either through rule violation or procedural mistakes. The motion may be made to rescind an item on further grounds that the facts underlying the Director's decision were misrepresented or determined later to be incorrect.

12. Amendment

These rules may be amended from time to time by the Board.

13. Failure to Follow Rules

Failure to follow these rules shall not invalidate or otherwise affect any action or decision of the Board.

DIRECTOR COMPENSATION

The Enabling Act allows Directors to be paid for each regular or special meeting of the Board of Directors that they attend and for each day's service that is rendered at the request of the Board.⁵⁷ As of January 1, 2019, At present, the maximum rate of compensation allowed by state law ~~was~~ is \$100 per meeting or day, up to a maximum of ~~four~~ six compensated meetings or days per month (i.e., there is a \$400 per month cap).⁵⁸ The Board of Directors has the discretion to set the rate of compensation at any amount up to the statutory maximum and may adjust the compensation by resolution. The Board is also ~~is~~ empowered to determine which activities constitute the "rendering of service as a Director at the request of the Board." The Board has set the rate of compensation for attendance at regular and special meetings of the Board of Directors at the statutory maximum ~~of (\$100 per meeting), with an annual adjustment of 5% commencing March 2019, and every January thereafter.~~⁵⁹ The rate of Director Compensation per meeting shall be \$127.63 for the 2023 calendar year.

With the adoption of this Governance Manual, a Director's attendance at any meetings of District standing committees⁶⁰ of which such Director is a member, ad hoc committees⁶¹ of which such Director is a member, or attendance at any meetings as a designated District liaison or representative⁶² will be established as the "rendering of service at the request of the Board" and the rate of compensation for such service will be set at the statutory maximum ~~(\$100 per day).~~

A Director's attendance at an airport trade association or professional association meeting, an educational or training event or other activity on behalf of the District will not be compensated as a day of "service rendered at the request of the Board" unless the Chairman has approved the Director's attendance. Compensation will be paid at the rate established by the Board for attendance at regular meetings.

⁵⁷ Enabling Act section 7.5 (a)

⁵⁸ Enabling Act section 7.5 (b), Public Utilities Code section 22407

⁵⁹ Resolution 1743, passed March 13, 2019.

⁶⁰ Standing committees are of an enduring nature. At present, the standing committees of the District are a Local Jurisdiction & Community Relations Committee, an Air Carrier services Committee, and a Finance Committee.

⁶¹ Ad hoc committees are of a temporary nature and do not continue to exist past the accomplishment of their purpose. At present the ad hoc committees of the District are an Employee Relations Committee, a Governance Committee, and a Property Development Committee.

⁶² At present, the established liaison or representative positions are to the Airport Land Use Commission, the Local Agency Formation Commission, the Regional Airports Planning Group, the Transportation Agency for Monterey County, and the Monterey Peninsula Water Management District Policy Advisory Committee.

The Board of Directors has adopted a “Director Remuneration & Business Expense Reimbursement Policy” that contains more detail concerning payment of compensation to Directors.⁶³ ~~With the adoption of this Governance Manual, that policy will be superseded in part and should be scheduled for updating as staff workload allows.~~ There is also in place an “Employee Travel & Business Expense Reimbursement Policy.”⁶⁴

The Enabling Act also allows Directors, with the approval of the Board, to be reimbursed for travel and other expenses necessarily incurred in the actual performance of the Director’s duties.⁶⁵ With the adoption of this Governance Manual, the Board of Directors has established that travel expenses will not be paid for attendance at regular or special meetings of the Board of Directors or attendance at meetings of District standing committees, no matter where such meetings may be held. Expenses of travel by automobile to attend District ad hoc committee meetings by members of such committees or attendance at any meetings as a designated District liaison or representative are eligible for reimbursement at the standard mileage rates established by the Internal Revenue Service and in effect on the date of such travel.

Travel expenses associated with attendance at an airport trade association or professional association meetings, educational or training events or other activities attended on behalf of the District will not be reimbursed unless the Chair has approved the Director’s attendance. The Board of Directors has adopted a “Director Remuneration & Business Expense Reimbursement Policy” that describes limitations on reimbursements (such as lodging expenses ordinarily not to exceed government or group rates).⁶⁶ Directors should refer to that policy for more detailed information concerning reimbursements.

Note: Directors who attend any meetings at the expense of the District ~~are required to~~shall provide a brief report concerning the meeting attended to the Board of Directors at the next occurring regular District meeting.⁶⁷

Directors must prepare an attendance report on a form supplied by the District in order to receive compensation for meeting attendance. Expense reimbursement is made on the basis of expense reports filled out by Directors on forms supplied by the District. The detailed procedures for obtaining such payment are spelled out and

⁶³ ~~Adopted April 12, 2006 for implementation May 1, 2006~~Updated concurrently with this Governance Manual on November XX, 2022

⁶⁴ ~~Implemented April 15, 2006~~Updated concurrently with this Governance Manual on November XX, 2022

⁶⁵ Enabling Act section 7.5 (c)

⁶⁶ Adopted April 12, 2006 for implementation May 1, 2006

⁶⁷ Government Code section 53232.3 (d)

forms are contained in the District's "Director Remuneration & Business Expense Reimbursement Policy."⁶⁸

NOTE: With respect to travel planning, the District's policy encourages early notice and estimation. This is to allow expenditures to be budgeted and processed using a purchase order system.

⁶⁸ Adopted April 12, 2006 for implementation May 1, 2006

VACANCIES IN OFFICE

If any Board member dies, becomes physically or mentally incapacitated, resigns or is removed from office, ceases to reside in the District,⁶⁹ ceases to perform duties for three consecutive months except when prevented by sickness or with permission of the Board of Directors, is convicted of a felony, is committed for drug abuse, etc., then his or her office becomes vacant.⁷⁰ The District Secretary notifies the county elections official of the vacancy within fifteen (15) days after (a) the District learns of the vacancy or (b) the effective date of the vacancy, whichever is later.⁷¹

Although the Board of Directors may choose to allow the Monterey County Board of Supervisors the opportunity to fill the vacancy by appointment⁷² or may choose to hold a special election to fill the vacancy,⁷³ vacancies are ordinarily filled by appointment made by a majority vote of the remaining members of the Board of Directors.⁷⁴ Appointments made by the remaining Directors need to be accomplished within 60 days after either the date on which the District is notified of the vacancy or the effective date of the vacancy, whichever is later.⁷⁵ The District Secretary notifies the county elections official of any such appointments within fifteen (15) days after they are made.⁷⁶

If the vacancy occurs in the first half of a Director's four-year term of office and at least 130 days before the next general District election, then the person appointed to fill the vacancy will serve until the next general district election that is more than 130 days after the vacancy occurs. A person will then be elected at that election to fill the remaining two year balance of the term⁷⁷ (i.e., the seat filled by the appointee will be on the ballot for a short term). If the vacancy occurs in the first half of a Director's four-year term of office but less than 130 days before the next general district election or if the vacancy occurs in the second half of the term of office, then the person appointed to fill the vacancy will serve the remaining balance of the term of office.⁷⁸

⁶⁹ Enabling Act section 7

⁷⁰ Government Code section 1770

⁷¹ Government Code section 1780 (b)

⁷² Government Code section 1780 (f)

⁷³ Government Code section 1780 (e)

⁷⁴ Enabling Act section 11, Government Code section 1780

⁷⁵ Government Code section 1780 (d) (1)

⁷⁶ Government Code section 1780 (d) (1)

⁷⁷ Government Code section 1780 (d) (2)

⁷⁸ Government Code section 1780 (d) (3)

The process of filling vacancies involves many steps and is subject to an array of inter-related deadlines described in state law.⁷⁹ Although the Board of Directors is empowered to establish its own selection process for filling vacancies, the recent practice of the Board has been to solicit expressions of interest from qualified persons through the running of advertisements (in addition to making the statutorily-required postings of notices of vacancy⁸⁰) calling for responses to a set of questions. These responses are to be sent to the District Secretary. Typically a cut-off date has been established, following the passage of which any written material received from applicants is distributed by the District Secretary to the Directors for their review. In the event that there are more than a handful of candidates, the Directors engage in a preliminary ranking process in order to select which candidates to invite to a Board meeting to make oral presentations.

After the conclusion of the oral presentations, the Directors again rank the candidates in order to assist in the selection process. However, the top-ranked candidate is not automatically appointed. The vacancy is filled after a motion to appoint a named individual is made, seconded and passed by the Board of Directors. That individual ordinarily is from the pool of candidates invited to make oral presentations, but that need not be the case.

NOTE: Directors may not communicate directly with each other or through intermediaries concerning any preliminary or final ranking, except in an open and public meeting. Moreover, no portion of the selection process can be conducted through the use of any secret ballot.⁸¹ All records concerning any ranking that is done are public information.

⁷⁹ Government Code section 1770 - 1782

⁸⁰ Government Code section 1780 (d) (1)

⁸¹ Government Code section 54953 (c)



Monterey Peninsula Airport District

Director Remuneration & Business Expense Reimbursement Policy

Adopted ~~by the Monterey Peninsula Airport District Board of Directors at the~~
~~regular meeting: April 12, 2006~~ November XX, 2022

~~Implementation Date: May 1, 2006~~

Expiration: Upon supercession

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Appendix A: Director Travel & Business Expense Report

~~MPAD Policy: Director Remuneration & Business Expense Reimbursement~~

SCOPE: This policy and the procedures established in this policy memorandum apply to members of the Board of Directors, and its provisions regarding expense reimbursement are intended to result in no personal gain or loss to an individual director.

PURPOSE: The purpose of this policy is to prescribe the manner in which District directors may be reimbursed for expenditures related to District business, and how directors may be compensated for their service (stipends).

REFERENCES: This policy memorandum and the policies and procedures established conform to:

- California Codes, Government Code Sections 53232 through 53232.4: ~~(enacted by Assembly Bill No. 1234, 2005),~~
- Internal Revenue Service Publication 463: Travel, Entertainment, Gift, and Car Expenses~~;~~ and
- Internal Revenue Service: Standard Mileage Rates~~.~~

GENERAL POLICIES & PROCEDURES:

Director Compensation: Members of the Board of Directors shall receive a "Directors Fee" for each regular or special meeting, the amount of which shall be established ~~annually by the Board~~ Resolution at its regular meeting in June, not to exceed four meetings per calendar month.

In the event that the District's enabling act is amended to allow compensation for each day of service rendered, a District director may be compensated for attending the following:

- a meeting of the legislative body, or of an authorized committee of the legislative body;
- a meeting of an advisory board~~;~~
- a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including but not limited to ethics training required by Government Code Section 53234~~;~~ and
- other types of events/occasions specified for reimbursement and approved by the Board of Directors in advance.

In the event that there are multiple committee or legislative meetings occurring on the same day, Board Members may be compensated for each meeting. In no case shall a director's compensation exceed ~~four~~ six compensated meetings/days per calendar month.

~~MPAD Policy: Director Remuneration & Business Expense Reimbursement~~

Business Expense Reimbursement: District directors are eligible to receive reimbursement for travel, meals, lodging, and other expenses for attending the occurrences listed above on behalf of the District.

If the lodging is in connection with a conference or organized educational activity conducted in compliance with Government Code Section 54952.2(c), including, but not limited to ethics training requirements, lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at the group rate is available to the director at the time of booking. If the group rate is not available, the director shall use comparable lodging.

Directors shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.

The District will reimburse actual, reasonable and necessary business expenses. Questions concerning reimbursement rates shall be resolved by Internal Revenue Service Publication 463 or its successor publication.

Expenses that do not adhere to the adopted reimbursement policy or do not fall within the IRS reimbursable parameters, and do not receive prior approval from the Board of Directors in a public meeting prior to the expense being incurred, shall not be eligible for reimbursement.

The District shall provide an expense reimbursement form to directors who incur reimbursable expenses. This report, entitled "Director Travel & Business Expense Report", shall be submitted within a reasonable time, but not more than ten business days, upon conclusion of the travel.

Directors should also use the ~~district~~District form, Director Travel & Business Expense Report to report business expenses incurred during business meetings/encounters when not traveling

Regardless of method of travel expense or business expense payment, receipts must be obtained and remitted.

Directors shall ~~prepare-provide~~ a ~~written~~ report to the Board upon completion of event attendance and/or travel. The report shall be presented to the assembled Board of Directors no later than the next regular board meeting.

MPAD Policy: ~~Director Remuneration & Business Expense Reimbursement~~

Travel and other business expenses incurred on and after May 1, 2006, without prior approval, will not be reimbursed.

SPECIFIC POLICIES & PROCEDURES:

Director Compensation: The Board of Directors shall, in a public meeting, establish the amount of compensation for the board members. ~~This shall be accomplished annually, routinely during the regular meeting in June.~~ The compensation amount shall not exceed limitations provided in the District's enabling legislation and shall comply with California law.

The District will issue each director a check, on a monthly basis, to compensate the director for regular meeting attendance.

Director compensation (stipends) for attendance at events other than regular or special board meetings will be paid upon reconciliation of business expense reimbursement.

Business Expense Reimbursement: The District will reimburse directors for reasonable and necessary expenses incurred in the conduct of and directly related to District business.

All travel expenses, even if otherwise eligible for reimbursement under this policy, must relate to a trip that has been approved in advance by the Board of Directors.

After returning, the director must complete and submit a travel and business expense reimbursement report, specifically: Director Travel & Business Expense Report (see Appendix A).

TRAVEL & BUSINESS EXPENSE REIMBURSEMENT PROCEDURES:

Travel Planning: Although there will always be exceptions, members of the Board of Directors should be given as much advance notice as possible regarding required business travel. The ~~General Manager~~ Executive Director or his/her designee may provide staff assistance in travel planning and coordination.

MPAD Policy: ~~Director Remuneration & Business Expense Reimbursement~~

Travel Planning Procedures:

- Identify and quantify/qualify travel and business requirements:
 - ✓ where
 - ✓ when
 - ✓ purpose
- Identify transportation and lodging needs
- Identify ancillary expenses (i.e. conference registration needs, etc.)
- Solicit quotes for transportation and lodging (price and dates)
- Estimate meal costs
- Construct an itinerary that is most effective for the business purpose
- Write Purchase Order (PO) / have PO authorized by convened board:
 - ✓ identify each line item (i.e. airfare, personal vehicle mileage, lodging, etc.)
 - ✓ attach printed copies of quotes
 - ✓ submit to ~~General Manager~~Executive Director who will forward the PO (with attachments) to the Accounting Manager

Director Travel & Business Expense Report: This report is used to account for all authorized and reasonable business expenses including out-of-pocket expenditures and any direct payment by the District for airline tickets, lodging, and other expenses, which are made by the District on behalf of the director.

Director Travel & Business Expense Report Procedures:

- The Director Travel & Business Expense Report can be completed manually (in ink on printed form) or electronically (in Excel). If the form is prepared in Excel, it must be printed, signed and dated in original ink.
- Follow the instructions that are printed on the back of the printed form (and provided as a separate tab in the Excel template file).
- Daily expenses should be recorded in the time period (day/date) expended.
- Tips should be included with the underlying expense.
- Do not estimate – enter exact amounts – provide receipts.
- Attach receipts for all expense items (regardless of amount) to the extent possible. All claimed expense items of \$25 or more must have a receipt.
- All attached receipts must be originals – no photocopies.
- Complete the director's identification information and enter purpose of the travel

MPAD Policy: ~~Director Remuneration & Business Expense Reimbursement~~

- ✓ enter the dates covered by the report under the appropriate day of the week
- ✓ show beneath the applicable day/date each expense (by type of expense)
- ✓ if the Excel file template is used, the report will automatically total expenses by day, by type, and overall
- ✓ enter the amount of any advance given prior to conducting the travel
- ✓ enter the amount that has been paid directly by the ~~district~~District
- ✓ if the Excel file template is used, the report will automatically calculate the amount due the director or due the ~~district~~District
- ✓ place a check mark (if manual) or an "X" in the expense category(s) where the expense is to be charged
- Sign and date the report (in ink)
- Attach a copy of the narrative event/trip report
- If the director owes the ~~district~~District money, attach a personal check (or money order) to the report
- Confer with the ~~General Manager~~Executive Director ~~-who will~~to coordinate processing of the report

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Monterey Peninsula Airport District

~~Interim Policy Memorandum~~

**Employee Travel
&
Business Expense Reimbursement**

Implementation Date: ~~April 15, 20~~ November XX, 2022

Expiration: Upon supercession

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Appendix A: Travel & Business Expense Report

~~MPAD Interim Policy Memorandum: Employee Travel & Business Expense Reimbursement~~

SCOPE: The policies and procedures established in this policy memorandum apply to:

- all employees of the Monterey Peninsula Airport District, and
- are applied to all business travel and related transactions entered into on behalf of the Monterey Peninsula Airport District by employees representing the ~~district~~District.

PURPOSE: The purpose of this policy memorandum is to establish internal control procedures that:

- identify and establish policy and procedures for employee business travel, employee reimbursement for business travel, and employee reimbursement for routine business expenses,
- enforce a uniform travel planning approach,
- constitute prior approval of business travel expenditures,
- identify financial liabilities to the ~~district~~District, and
- promote fiscal responsibility and best business practices.

REFERENCES: This policy memorandum and the policies and procedures established conform to:

- Internal Revenue Service Publication 463: Travel, Entertainment, Gift, and Car Expenses,
- Internal Revenue Service Publication 1542: Per Diem Rates (For Travel Within the Continental United States)
- Internal Revenue Service ~~Announcement: 2006-~~ Standard Mileage Rates, as announced on an annual basis

GENERAL POLICIES & PROCEDURES:

It is the policy of the ~~district~~District to reimburse employees for reasonable expenses incurred in the conduct of ~~district~~District business and work assignments directly related to ~~district~~District business. These expenses must be ordinary and necessary to the conduct of ~~district~~District business and must not be primarily for the benefit of the employee being reimbursed.

All employees are required to obtain prior approval before traveling. Prior approval is comprised of:

- obtaining a quote (or quotes) for the required transportation, lodging, and other needs (i.e. conference registration fees, etc.),
- identifying the best value (balancing cost/quality/time),
- writing a Purchase Order (PO), and

~~MPAD Interim Policy Memorandum: Employee Travel & Business Expense Reimbursement~~

- obtaining management approval of and signature on the PO.

Employees that travel infrequently and/or the travel could cause financial hardship, may request a travel advance. Travel advances will be based on per diem rates.

Employees should also use the ~~district~~District form, Travel & Business Expense Report to report business expenses incurred during business meetings/encounters when not traveling. The report should be based on a Sunday through Saturday week and submitted accordingly.

Regardless of method of travel expense or business expense payment (MPAD ~~IMPAC-credit~~ card, personal credit card, personal check, cash, etc.), receipts must be obtained and remitted by the traveler.

Travel conducted ~~on and after April 15, 2006~~, without the completion of a PO, may result in ~~that person incurring personal liability~~workplace discipline.

Commented [A1]: It is now illegal to refuse to reimburse employees for their legitimate reimbursable expenses. As such, discipline is the only option for the District

SPECIFIC POLICIES & PROCEDURES:

The ~~e~~District will reimburse employees for reasonable expenses incurred in the conduct of business and work assignments directly related to District business. After returning, the employee must complete and submit a travel report, specifically: Travel & Business Expense Report (see Appendix A).

This report should be submitted to the employee's manager within 72 hours (not including weekends) of completing the travel or at the end of the weekly expense period. Receipts (originals – not copies) for expenses incurred during the travel will be placed in an envelope and stapled to the report.

Each ~~Deputy General Manager and~~ Department Manager is responsible for the Travel and Business Expense Reports of all direct reports and must audit and approve advances of funds and reimbursement of actual expenses. Upon completion of review by the appropriate staff member, ~~Deputy General Managers will forward~~ the completed report will be forwarded to Accounts Payable.

The ~~General Manager~~Executive Director will route completed reports through the ~~Accounting Manager~~ Controller for review.

~~MPAD Interim Policy Memorandum: Employee Travel & Business Expense Reimbursement~~

TRAVEL & BUSINESS EXPENSE REIMBURSEMENT PROCEDURES:

Travel Planning: Although there will always be exceptions, an employee should be given as much advance notice as possible regarding required business travel.

Travel Planning Procedures:

- Identify and quantify/qualify travel and business requirements:
 - ✓ where
 - ✓ when
 - ✓ purpose
- Identify transportation and lodging needs
- Identify ancillary expenses (i.e. conference registration needs, etc.)
- Solicit quotes for transportation and lodging (price and dates)
- Estimate meal costs using the locality per diem rate
- Construct an itinerary that is most effective for the business purpose
- Write Purchase Order (PO) / have PO authorized:
 - ✓ Identify each line item (i.e. airfare, personal vehicle mileage, lodging, etc.)
 - ✓ Attach printed copies of quotes
 - ✓ Submit to Accounts Payable

Employee Advances: The ~~e~~District may approve cash advances for travel. This is usually reserved for employees that travel infrequently and the additional out-of-pocket expense would cause an undue financial burden. The advance is not automatic; the employee must request a travel advance.

To request a cash advance for travel, the employee must complete a Request for Payment and attach the PO (with documentation). The amount of the advance will be determined during a consultation with the ~~Accounting Manager/~~Controller. The ~~e~~District will provide a cash advance to the employee based on:

- personal automobile mileage rate,
- daily per diem rate for meals (locality dependent), and
- daily per diem rate for lodging (locality dependent).

Travel & Business Expense Report: This report is used to account for all authorized and reasonable business expenses including out-of-pocket expenditures and any direct payment (~~IMPAC-credit~~ card or A/P) of airline tickets, lodging, and other expenses, which are made by the ~~district~~District on behalf of the employee.

**MPAD Interim Policy Memorandum: ~~Employee Travel & Business Expense~~
Reimbursement**

Travel & Business Expense Report Procedures:

- The Travel & Business Expense Report can be completed manually (in ink on printed form) or electronically (in Excel). If the form is prepared in Excel, it must be printed, signed and dated in original ink.
- Follow the instructions that are printed on the back of the printed form (and provided as a separate tab in the Excel template file).
- Daily expenses should be recorded in the time period (day/date) expended.
- Tips should be included with the underlying expense.
- Do not estimate – enter exact amounts – provide receipts.
- Attach receipts for all expense items (regardless of amount) to the extent possible. All claimed expense items of \$25 or more must have a receipt.
- All attached receipts must be originals – no photocopies.
- Complete the employee information and enter purpose of the travel
 - ✓ enter the dates covered by the report under the appropriate day of the week
 - ✓ show beneath the applicable day/date each expense (by type of expense)
 - ✓ if the Excel file template is used, the report will automatically total expenses by day, by type, and overall
 - ✓ enter the amount of any advance given prior to conducting the travel
 - ✓ enter the amount that has been paid directly by the ~~district~~District by use of the IMPAC card or through A/P
 - ✓ if the Excel file template is used, the report will automatically calculate the amount due the employee or due the ~~district~~District
 - ✓ place a check mark (if manual) or an “X” in the expense category(s) where the expense is to be charged
- Sign and date the report (in ink)
- If the employee owes the ~~d~~District money, attach a personal check (or money order) to the report
- Confer with the authorizing manager and have that manager review and sign the report
- Submit report to Accounts Payable for payment

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Finance & Accounting Policies

Adopted by Resolution Number 1721 of the Monterey Peninsula Airport District Board of Directors at the regular meeting: August 8, 2018

Expiration: Upon amendment or supersession

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Monterey Peninsula Airport District Finance & Accounting Policies

I. FINANCE & ACCOUNTING POLICIES

PURPOSE: The following Finance and Accounting Policies are intended to provide an overview of the accounting policies and procedures applicable to the Monterey Peninsula Airport District ("District"). Its purpose is to ensure that assets are safeguarded, financial statements are in conformity with generally accepted accounting principles, and that finances are managed with responsible stewardship. This manual is intended as well to formalize accounting policies and selected procedures for the accounting staff and to document internal controls.

The District's accounting system has been designed in accordance principles established by the leading authorities in the municipal accounting field, including the Municipal Finance Officers' Association, the Finance Officers' Department of the League of California cities and with the recommendations of independent auditing firms.

It is the responsibility of the District's Executive Director to establish and manage all aspects of finance and accounting which are generally performed by the Deputy Executive Director Finance and Administration and the Finance Department. Information, reports and financial statements will be produced accurately and in a timely manner. Financial accounting information and reports will meet the requirements defined in the below references. Managerial accounting information and reports will meet decision-making requirements of management.

REFERENCES: The policies and related procedures established in this document conform to:

- Generally Accepted Accounting Principles (GAAP), guided by
 - Financial Accounting Standards Board (FASB), and
 - Governmental Accounting Standards Board (GASB);
- Generally Accepted Auditing Standards (GAAS),
- Governmental Auditing Standards (GAS),
- Minimum Audit Requirements for California Special Districts,
- Uniform Guidance (2 CFR § 200), Audits of States, Local Governments and Non-Profit Organizations, and
- California State Code and the Enabling Act Establishing the Monterey Peninsula Airport District (most current amendment).

Monterey Peninsula Airport District Finance & Accounting Policies

II. FINANCE AND ACCOUNTING GUIDING PRINCIPLES

BASIC OBJECTIVES: Financial information and reporting should:

- conform to the requirements defined in the above references,
- be useful to present and future stakeholders (customers, vendors and management),
- assist stakeholders in assessing amounts, timing, and certainty of prospective revenues and expenses, and
- present a complete picture of assets, liabilities, equity, and the changes to these resources.

FUNDAMENTALS: Financial statements (whether for financial or managerial purposes) must be prepared using the four fundamental qualities.

- **RELEVANCE:** Relevant information is used to make decisions. Relevant information is predictive and can be used to make predictions about past, present and future events. Stakeholders can use relevant information as feedback that confirms or corrects prior expectations. Relevant information is timely information. Information must be provided on time and before decisions are made.
- **RELIABILITY:** Reliable information is verifiable information. This means:
 - independent auditors (using the same or similar methodology) achieve the same results,
 - the information is unbiased, and
 - the information must present representational “faithfulness” – what really occurred or a condition that really existed.
- **COMPARABILITY:** Financial information must be measured and reported in a similar presentation to facilitate comparison between the entity’s operating period and fiscal years.
- **CONSISTENCY:** The accounting methods used should be:
 - The same and applied from one period to the next, and
 - If changed, these changes must be explained, justified and documented (to include in the notes to the financial statements).

Monterey Peninsula Airport District Finance & Accounting Policies

III. BUSINESS CONDUCT

COMPLIANCE WITH LAWS, REGULATIONS AND ORGANIZATION POLICIES

The District does not tolerate the willful violation or circumvention of any Federal, State or Local law by an employee during the course of that person's employment; nor does the District tolerate the disregard or circumvention to their policies or engagement in unscrupulous dealings. Employees should not attempt to accomplish by indirect means, through agents or intermediaries, that which is directly forbidden. Implementation of the provisions of this policy is one of the standards by which the performance of all levels of employees will be measured. Any Employee or individual who witnesses a violation of law, or a violation or circumvention of this policy shall report that information to the Executive Director, District Counsel and/or the Independent Auditor.

The following action shall constitute a violation of this policy:

1. Authorizing or participating directly in actions that are a violation of this policy.
2. Deliberately failing to report a violation or deliberately withholding relevant and material information concerning a violation of this policy.
3. Retaliation, directly or indirectly, or encouraging others to do so, against any employee who reports a violation of this policy. This shall apply to all directors, managers and supervisors.

IV. POLICIES ASSOCIATED WITH REVENUES AND CASH RECEIPTS

A. Revenue Recognition

The District receives revenue from several types of transactions. Revenue is recognized depending on the type of fund to which the revenue pertains. In general, the District should operate on a "accrual basis" accounting system, whenever possible, unless directed otherwise by this policy.

Revenues in the government-wide, proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements and donations. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Revenues in the governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be

Monterey Peninsula Airport District Finance & Accounting Policies

determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if they are collected within 30 days after yearend. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures which are recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

Other receipts and fees taxes become measurable and available when cash is received by the District and are recognized as revenue at that time. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Certain assets of special revenue grant funds are classified as restricted assets because their use is restricted by grant agreements.

As a lessor, the District receives rents from lessees of property. The District will issue each lessee an invoice, dated and posted to the accounting system on the 1st of each month, for the applicable month. Rent invoices will be prepared and mailed or emailed not later than the 1st of the month. Rents are due on the 1st of each applicable month and late charges will be assessed if rent is not paid by the 10th.

As an airport operator, the District receives fees and concessions for aircraft and concession operations. These revenues are dynamic and fluctuate depending on the number and type of aircraft landings, number and type of aircraft remaining overnight, gallons of aviation fuel dispensed, and gross receipts of concessionaires. These revenues are a product of volume multiplied by specified rates. Rates for aviation specific operations are determined by use of a "Rates & Charges" model. Rates for concessionaires are stipulated in a contractual agreement between the District and the concessionaire. Rates and effective dates are established by a resolution by the District's Board of Directors, or as prescribed by contractual agreement.

Upon receipt of operations and/or gross receipt data, the District will issue each operator/concessionaire an invoice, dated and posted to the accounting system on the last day of each month, for revenue that should be recognized during that period. These invoices are typically prepared no later than the 10th of the month, following the month in which the revenue is realized.

Other revenues received by the District (such as interest income from bank accounts or investments, property taxes and grants) will be recognized in the month earned and or received.

Monterey Peninsula Airport District Finance & Accounting Policies

B. Cash Receipts

Cash (including checks payable to the District) is the most liquid asset an organization will experience. Therefore, it is the objective of the District to establish and follow the strongest possible internal controls in this area.

For funds that are received directly at the District by cash (including payment by check), cash receipts are centralized to ensure that cash received is appropriately directed, recorded and deposited on a timely basis. All cash is entered and posted by the individual who received the payment. Under no circumstances should that same individual be involved in the accounts receivable process. A deposit slip is prepared from the cash/check received and compared to the daily receipts listing for discrepancies. Deposits are prepared and taken to the bank by an individual other than the employee who prepared the daily cash receipts listing.

On a regular (at least monthly) basis, the accountant, who does not prepare the initial cash receipts listing or bank deposit, shall reconcile the listings of receipts to bank deposits reflected on the monthly bank statement. Any discrepancies shall be immediately investigated and reported to the Executive Director or his or her designee.

C. Accounts Receivable Management

On a monthly basis, a detailed accounts receivable report (showing aged, outstanding accounts by customer) is generated and reconciled to the general ledger. All differences are immediately investigated and resolved. The Finance Department reviews the accounts receivable report on a monthly basis and provides the report and recommendations for action to the Executive Director.

Collections are performed on a regular basis according to a review of the outstanding items shown on the accounts receivable aging report. This report shows the current month's activity for each customer and prior month balances outstanding for 30, 60 and 90 days. Staff will coordinate with District Counsel, as necessary, to determine appropriate collection efforts. If a customer has a balance outstanding for more than 90 days, the Executive Director shall be consulted to determine whether legal action should be commenced to collect the debt owed to the District, unless the amount owed is beyond the spending authority of the Executive Director, in which case the Board of Directors shall be consulted in closed session.

V. EXPENSE RECOGNITION

The District will recognize each expense in the accounting period that the service was received, the repair made, or the materials delivered. The District is a service provider. Many expenses (i.e. payroll, telephone, utilities, etc.) are period expenses; however, these expenses must be recognized (whenever possible) in the appropriate period.

Monterey Peninsula Airport District Finance & Accounting Policies

VI. INDEPENDENT AUDITOR

It is the policy of the District to arrange for an annual audit of the financial statements of the Monterey Peninsula Airport District to be conducted by an independent accounting firm. The independent accounting firm selected by the Board of Directors will be required to communicate directly with the Executive Director, the Finance Committee and the Board of Directors upon the completion of their audit. Audited financial statements, including the auditor's opinion thereon, will be submitted and presented to the Board of Directors for their review and approval, after the financial statements have been reviewed by the Executive Director.

The District shall review the selection of its independent auditor in the following circumstances:

1. Anytime there is dissatisfaction with the service of the current firm;
2. When a fresh perspective and new ideas are desired; or
3. At least every five years to ensure competitive pricing, a high quality of service, and impartiality in the auditing process (this is not a requirement to change auditing firms every five years but, at a minimum, selection of a different partner/auditor within the same firm.)

Selecting an Auditor

The selection of an auditing firm to conduct the annual audit is a task that should be taken very seriously. A written Request for Proposal (RFP) will be sent to prospective audit firms. The Executive Director and Finance Committee shall review the prospective audit proposals and shall generate a matrix of all responses with pertinent information for consideration by the Finance Committee and the Board of Directors.

Compliance with Auditor Information Requests and Scope of Annual Audit

Throughout the audit process, it shall be the policy of the District to make every effort to provide schedules, documents and information requested by the auditors in a timely manner. The audit will include the following tests: review of internal controls, verification of compliance with operating policies and procedures, verification of detailed transactions, preparation of post cut-off GASB adjusting journal entries and accuracy of Management's Discussion and Analysis as required by California law. The annual audit report will also include required testing of compliance with internal controls for government auditing standards, the uniform guidance, federal awards and passenger facilities charges.

Audit Responsibilities of the Executive Director, and Board of Directors

The Audit responsibilities for the Executive Director include, but shall not be limited to, the following:

Monterey Peninsula Airport District Finance & Accounting Policies

1. Communication with the District's independent auditors
2. Review of the annual, audited financial statements
3. Discussion of internal control matters with the independent auditor
4. Responding to any reported instances of fraud involving District or its employees
5. Making policy and other recommendations to the Board of Directors regarding matters arising out of the audit

The Audit responsibilities for the Finance Committee and/or Board of Directors include, but shall not be limited to, the following:

1. Appointment of, and communication with, the District's independent auditors
2. Review and approval of the annual, audited financial statements
3. Discussion of internal control matters with the independent auditor
4. Responding to any reported instances of fraud involving District or its employees
5. Conducting an annual analysis of the District's financial statements
6. Enacting policy changes resulting from matters arising out of the audit

VII. MISCELLANEOUS POLICIES

PURCHASING: The policies and procedures for acquiring goods and services for the District are detailed in a separate policy memorandum, which should be considered an annex to this policy. In general, no employee or elected board member may obligate the District for any expense without following purchasing/purchase order procedures.

EMPLOYEE TRAVEL & BUSINESS REIMBURSEMENT: The District's policy governing employee travel and the procedures for employee travel and business expense reimbursement are detailed in a separate policy memorandum, which should also be considered an annex to this policy.

FINANCIAL CUT-OFF AND PERIOD-END CLOSE: The District period-end financial cut-off will be the last day of the period, and the financial close occurs approximately three weeks after the end of each period in the July to June fiscal year. The close schedule reflects the timing of reported concession revenues, vendor invoicing and AIP and District capital projects.

The only exception to financial closing schedule is Passenger Facilities Charges (PFC) revenue reporting. A majority of the District's PFC revenues are reported by the Airline

Monterey Peninsula Airport District Finance & Accounting Policies

Clearing House or independent airlines and are received 45 to 90 days after the end of each financial period. PFC are posted to the period earned and not the period received.

PERIODIC FINANCIAL REPORTING: Monthly period end financial and management reports are prepared by the District and presented at the Finance Committee and Board of Directors meetings. The financial and management reports will include: basic financial statements, operating performance summary, capital expenditure summary, investments summary and a summary of sources and uses of cash, actual to budget variance analysis and accounts receivable overview.

June period financial and management reports for each fiscal year will be preliminary until all accounts are reconciled, and the annual audit financial statements are final.

FISCAL YEAR-END FINANCIAL CUT-OFF AND CLOSE: The District's fiscal year-end financial cut-off will be June 30. The fiscal year financial close will occur within in ninety (90) to one hundred and twenty (120) days of the year end. To complete the close the District will prepare all post cut-off GAAP, FASB and GASB adjusting journal entries to properly present financial information for inclusion in the annual audited financial statements.

AGENDA ITEM: H
DATE: November 16, 2022

TO: Michael La Pier, Executive Director, Monterey Regional Airport
FROM: Department Heads
SUBJECT: Monthly Department Reports

FINANCE AND ADMINISTRATION.

[Terminal Comment Card Log by Administration](#)
[Financial Summary by Mark Wilson, Controller](#)

FIRE.

[Monthly Fire Report by Monterey Fire Department](#)

OPERATIONS.

[Operations Report by Mark Curtis, Superintendent of Field Operations](#)

PLANNING AND DEVELOPMENT.

[Planning, Environmental and Maintenance Monthly Project Report by Chris Morello, Deputy
Director of Strategy and Development](#)

POLICE.

[Police Activity Report by Del Rey Oaks Police Department](#)

RATING	DATE OF VISIT	TIME OF VISIT	PURPOSE	FLIGHT	AIRLINE	COMMENT	CITY	STATE
POOR	10/12/2022	3:01 PM	Departing	-	American	I noticed that the soap in the bathrooms is pink. So it's probably scented. Can you switch it please to fragrance free or at least unscented? Like Ontario and Santa Barbara airport	Scottsdale	AZ
EXCELLENT	10/13/2022	8:40 AM	Departing	-	United	United agents at ticket counter are pleasant and knowledgeable. The CalAm water bottle refill station near the restroom has a red light next to the filter life indicator. Has it been that way for years? Is it safe to drink?	Monterey	CA
POOR	10/14/2022	3:01 AM	Departing	-	United	I wished you guys had fragrance free or at least unscented soap in your bathrooms. 32.7% of the population is sensitive to fragrances. MCS (multiple chemical sensitivities) is going up 200-300% per decade! People don't even noticed that a scented soap is switched to a FF/unscented one	San Francisco	CA
NEUTRAL	10/14/2022	3:45 PM	Departing	5761	American	Could not understand a single word of any announcements made by employee at the gate. Just sounded like muffled noise.	Chicago	IL

TO: Michael La Pier, Executive Director, Monterey Regional Airport
FROM: Mark Wilson, Controller
SUBJECT: Discussion and Analysis of the September 2022 Financial Statements

KEY OPERATING STATISTICS. September airline landings were under budget (391 actual vs 429 budgeted). Total Passengers for the month of September were 42,865, up from 40,033 in the previous period in 2021. Total aircraft operations for September were 5,045, down from 5,540 in the previous period in 2021, while the Vehicle exit counts in the parking lots were 9,818, significantly up from 8,801 in September of 2021.

LIQUIDITY AND CAPITAL RESOURCES. As of September 30, 2022 the Airport had unrestricted cash and investments of \$14.19M with \$3.4M of future funds available under COVID-19 related Grants. The Current Ratio of unrestricted current assets to current liabilities is a very healthy 14.5x.

On September 21, 2022 the Airport announced that they had received a \$9,483,367 grant through the FAA's AIP Program. The Grant will specifically be used for the Safety Enhancement Program (SEP) Phase C Aircraft Rescue and Fire Fighting (ARFF) Facility relocation.

In September, the District submitted and received \$628K of draws for active FAA projects. As of September 30, 2022 the Airport had \$10.8M of future funds available under Grants through the FAA's AIP Program.

In September, the District submitted and received a \$655K CARES Act draw. Total CARES, CRSSA and ARP Act funds available for future draws are \$3.15M, \$50K and \$200K, respectively.

REVENUES. September 2022 combined reported Airport Operating Revenues are \$993.9K, which was \$58K (6.2%) higher than budget (\$936K). This favorable variance was primarily due to higher Terminal revenues (parking, rental cars, concessions, TNC), Other Operating revenues and Interest Income, partially offset by lower General Aviation revenues.

OPERATING REVENUES							
September 2022 ACTUAL	September 2022 BUDGET	VARIANCE		FYTD 2023 ACTUAL	FYTD 2023 BUDGET	VARIANCE	
		\$	%			\$	%
\$ 993,935	\$ 936,181	\$ 57,753	6.2%	\$ 3,004,312	\$ 2,875,768	\$ 128,544	4.5%

Terminal Revenues:

- **Commercial Aviation** fees in September were slightly lower than the budget (\$92.7K actual vs \$93.6K budget) by \$0.9K or 1.0%. This unfavorable variance was primarily due to lower landing and apron fees, partially offset by higher fuel flowage fees. In September, the Airport landings were lower than the budget (391 actual vs. 429 budget). This unfavorable variance was due to 55 lower than budgeted landings for United Express and 19 lower than budgeted landings for American, partially offset by 36 unbudgeted JSX landings. Commercial airline passenger enplanements decreased slightly from 21,361 in August to 21,171 in September.
- **Terminal Rents** for September (\$144.9K) were materially on budget (\$145.0K).
- **TCP Permits, Taxi Permits/Trips, TNC Trips, Terminal Concessions, Rental Car and Parking** revenues for September (\$325.9K) were \$21.2K or 7.0% higher than the budget (\$304.7K). This favorable variance was primarily due to higher Parking (\$8.1K), Rental Car (\$7.0K), Terminal Concessions (\$3.9K), and TNC (\$3.7K) revenues, partially offset by lower Taxi revenues (\$1.5K).

General Aviation (combined heavy and light) operating revenues for September (\$137.6K) were lower than the budget (\$145.6K) by \$8.0K/5.5%. This unfavorable variance was primarily due to lower than budgeted landing fees and fuel fees.

Non-Aviation revenues for September (\$187.0K) exceeded budget (\$179.8K) by \$7.2K or 4.0%. This favorable variance was primarily due to higher Facility/Space Rents with CPI increases (\$2.6K), higher Monterey Hi-Way Self Storage rents (\$3.4K) and higher RV Storage rents (\$1.0K).

Other Operating Revenues for September (\$42.9K) exceeded the budget (\$18.9K) by \$24.0K or 127%. This favorable variance was primarily due to a Workers' compensation insurance refund received (\$12.6K), Business License Fees (\$4.5K), higher utilities charge backs (\$5.4K) and Tenant Plan Reviews, Checks & Inspections (\$1.3K).

Interest Income for September of \$26.8K exceeded the budget (\$4.7K) by \$22.1K or 470.2%. This favorable variance was due to higher than budgeted investments and interest rates.

EXPENSES. Total September operating expenses of \$671.7K were under the budget (\$795.1K) by \$123.4K or 15.5%.

OPERATING EXPENSES							
September 2022 ACTUAL	September 2022 BUDGET	VARIANCE		FYTD 2023 ACTUAL	FYTD 2023 BUDGET	VARIANCE	
		\$	%			\$	%
\$ 671,650	\$ 795,106	\$ 123,456	-15.5%	\$ 2,128,765	\$ 2,191,118	\$ 62,353	-2.8%

Salary & Wages and Employer Payroll Tax Expenses (\$161.4K) for September were lower than the budget (\$216.9K) by \$55.5K or 25.6%. This favorable budget variance was primarily due to lower Administration department wages and credits for excess unused sick time associated with the mid-month retirement of the Deputy Executive Director – Finance & Administration (\$42.4K) and continued custodial vacancies in the Maintenance department (\$14.1K).

Employer Benefit Expenses (\$118.6K) for September were lower than the budget (\$160.8K) by \$42.2K or 26.2%. This favorable variance was primarily due to lower UAL amortization expense (\$33.3K) from prepaying the \$4.0M in June of 2022, lower CalPERS retirement (\$4.8K) and lower CalPERS Health Insurance (\$2.8K).

Personnel Recruitment, Training & Pre-Employment and Related Expenses (\$24.9K) for September exceeded the budget (\$9.5K) by \$15.4K or 163%. This unfavorable variance was primarily due to Hayashi & Wayland staff used subsequent to the departure of the Deputy Executive Director – Finance & Administration (\$18.3K), partially offset by other small variances.

Business, LAFCO, Insurance, Communications, Postage, Banking, and Related Expenses (\$27.7K) for September were lower than the budget (\$29.7K) by \$2.0K or 6.9%. This favorable variance was primarily due to removing Monterey County Office of Emergency Communications expense accruals that are being paid by City of Monterey and Del Rey Oaks (\$2.6K), partially offset by other small variances.

Expendable/Consumable Supplies & Materials expenses (\$2.7K) for September were lower than the budget (\$9.5K) by \$6.8K or 72%. This favorable variance was primarily due to lower Custodial Supplies & Materials (\$2.6K) and lower District Vehicle Fuel (\$2.4K).

Repair & Maintenance expenses (\$31.2K) for September were lower than the budget (\$34.5K) by \$3.4K or 9.7%. This favorable variance was primarily due to lower Airfield Repairs (\$9.9K), Rental Space Repairs (\$1.8), Landscape & Grounds Repair & Maintenance (\$2.1K), and District Vehicle Repairs (\$3.2K), offset by higher Terminal Repair & Maintenance (\$10.9K) and higher General Repairs (\$2.8K).

Outside Services expenses (\$211.4K) for September were materially on budget (\$211.6K) for the month.

Professional Service expenses for the Art Program, Architect & Engineer, Legal, Audit, Computer / LAN & IT, Environmental, and Human Resources (\$27.2K) for September were lower than the budget (\$60.6K) by (\$33.4K) or 55.1%. This favorable variance was primarily due to the timing of an installment for the annual audit (\$32.1K), lower Engineer fees for site inspection and plan checks (\$1.9K), lower Human Resources expenses (\$3K), partially offset by higher Computer Purchases and Software fees (\$6.4K).

Marketing, Public Relations, Air Service Development and Social Media Marketing expenses (\$15.5K) for September were lower than the budget (\$24.4K) by \$8.9K or 36.6%. This favorable variance was primarily due to lower Marketing fees (\$5.3K), Air Service Development fees (\$1.4K) and Social Media Marketing expenses (\$2.2K).

Utilities expenses, combined, for September (\$49.2K) exceeded the budget (\$35.7K) by \$13.5K or 37.8%. This unfavorable variance was due primarily to higher sewage/waste water (\$7.4K), water (\$6.1K) and electricity (\$1.8K) expenses, partially offset by a favorable variance in natural gas (\$1.7K).

OPERATING INCOME. The Airport's higher than budgeted revenues and lower than budgeted operating expenses in September resulted in an operating surplus of \$322.3K, which is a favorable variance of \$181.2K to September's budgeted operating income of \$141.1K.

OPERATING INCOME							
September 2022 ACTUAL	September 2022 BUDGET	VARIANCE		FYTD 2023 ACTUAL	FYTD 2023 BUDGET	VARIANCE	
		\$	%			\$	%
\$ 322,284	\$ 141,075	\$ 181,209	128.4%	\$ 875,546	\$ 684,649	\$ 190,897	27.9%

ACCOUNTS RECEIVABLE. The accounts receivable balance on September 30, 2022, was \$713K. This balance is \$80K or 10.1% lower than the August 31, 2022 balance (\$793K), and \$142K/16.6% lower than the \$855K balance on September 30, 2021. The net accounts receivable balance over 60 days old on September 30, 2022, was \$17K.

As of October 28, 2022, the net accounts receivable over 60 days old was less than zero, and the total accounts receivable balance was \$74.8K. Significant customer balances outstanding were: American Airlines (\$31.7K), Alaska Airlines (\$12.4K) and United Airlines (\$20.4K).

Total accounts receivable of \$713K as of September 30, 2022 was comprised of \$209.2K (28.9%) from Commercial Airlines, \$195.8K (27.1%) from Rental Car companies, \$99.1K (13.7%) from FBOs, \$90.9K (12.6%) from Parking, \$35.7K (4.9%) from the Monterey Hi-Way Self Storage, \$26.6K (3.7%) from TNCs and Taxis, \$17.3K (2.4%) from Woody's and \$48.4K (6.7%) from all other customer accounts.

Chart 1 below graphically presents the composition of account receivable by major customer/concessionaire/tenant.

Chart 1

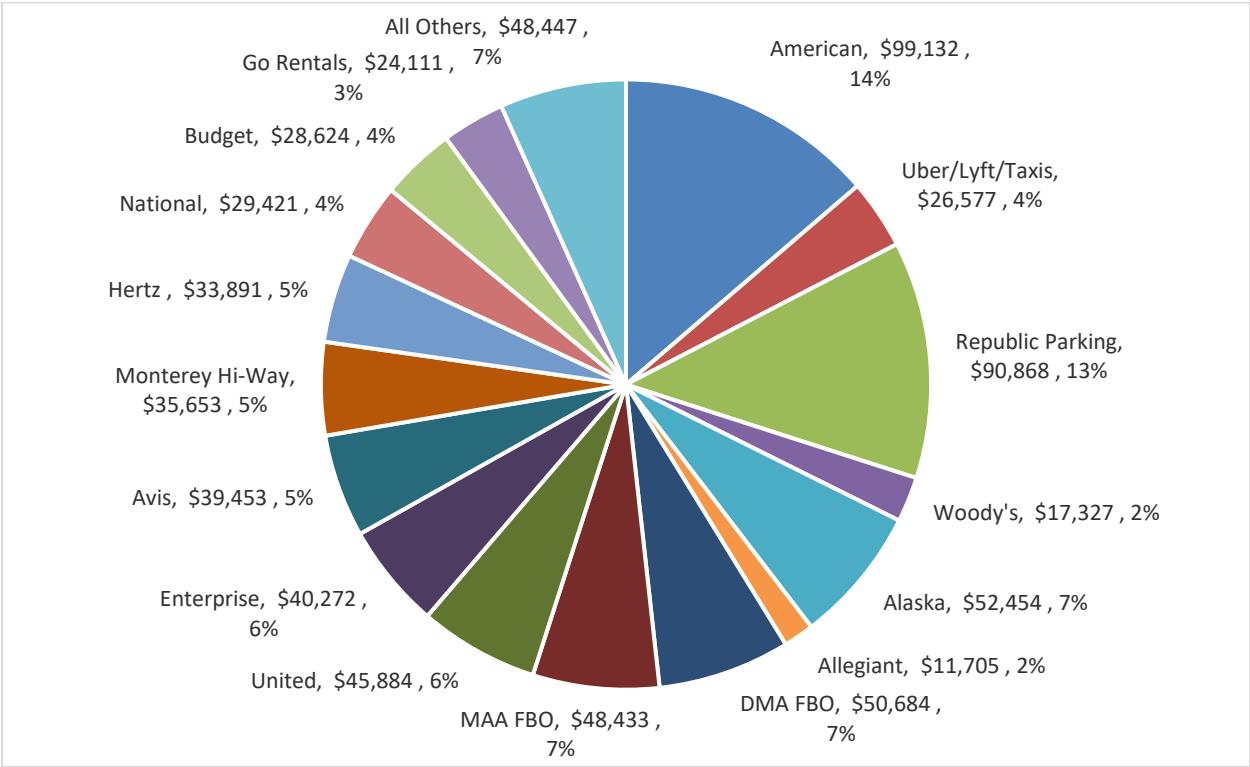
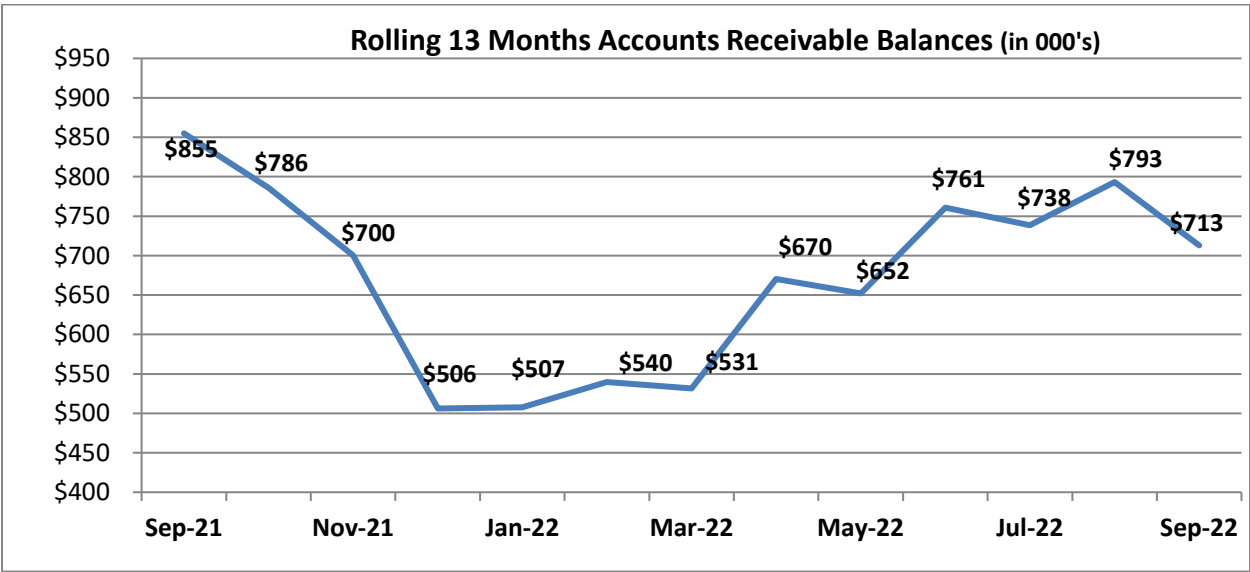


Chart 2 below depicts the total accounts receivable balances by month for the 13 months from September 2021 to September 2022.

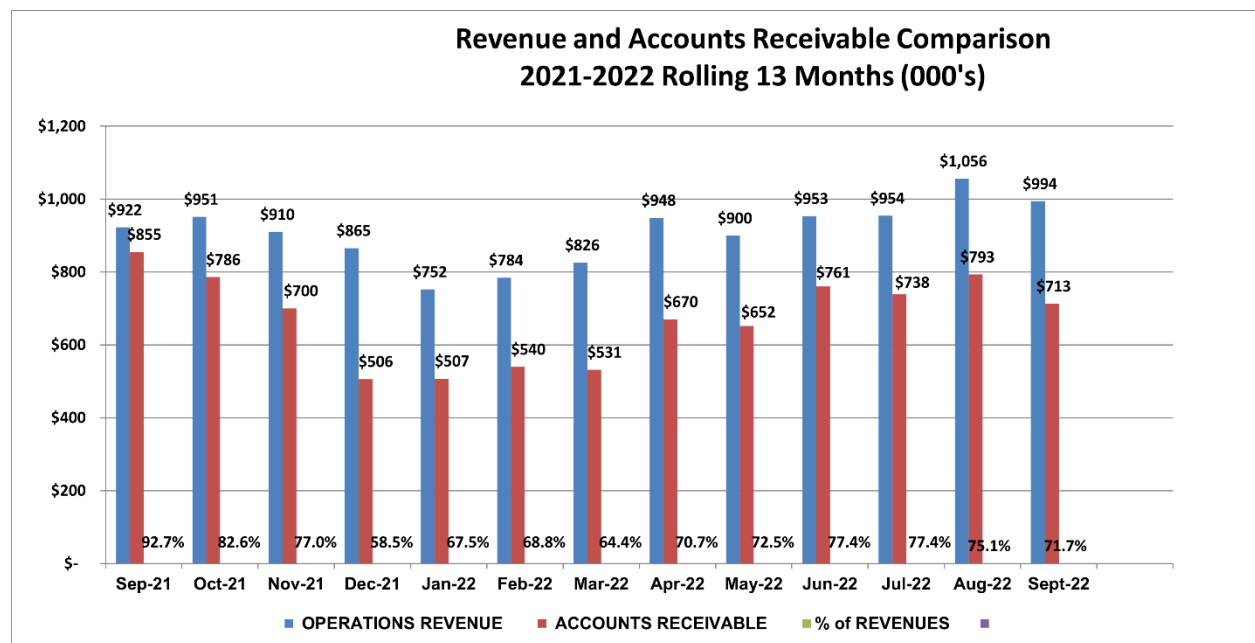
Chart 2



The balance of accounts receivable at month-end aligns with operating revenues in that month. The month-end balance of accounts receivable historically is approximately 50% to 70% of revenues. On September 30, 2022, accounts receivable is 71.7% of revenues and the rolling thirteen-month average is 73.5%. The September accounts receivables balance is net of an allowance for bad debts reserve of \$10.0K.

Chart 3 below graphically presents the monthly comparison of operating revenues to accounts receivable.

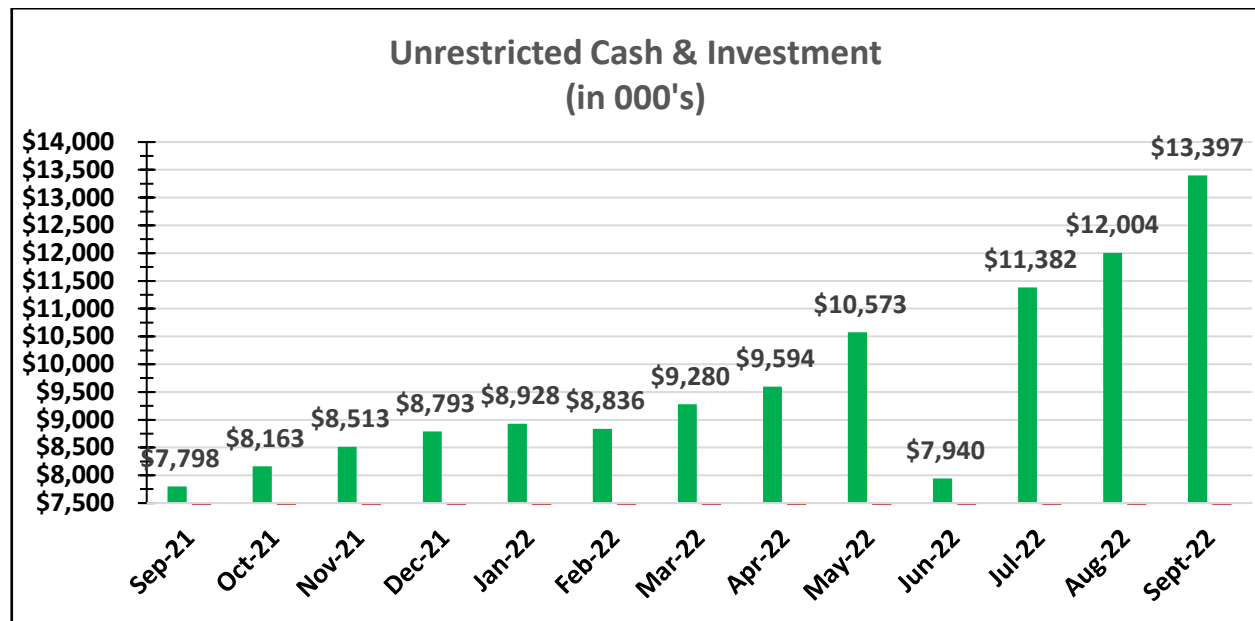
Chart 3



UNRESTRICTED CASH AND INVESTMENTS. The unrestricted cash and investments balance on September 30, 2022, was \$13.4M and the unrestricted cash and investments balance on August 31, 2022, was \$12.0M, an increase of \$1.4M. The increase in unrestricted cash and investments was primarily due to the September CARES Act draw for reimbursement of general operating invoices (\$655K) and draws for reimbursement of FAA AIP projects (\$628K).

Chart 4 graphically presents the monthly balances of unrestricted cash and investments.

Chart 4



ENPLANEMENTS AND LOAD FACTORS. Table 1 presents simple load factors for fiscal years 2016 to 2023. Load factors indicate the customer utilization of available airline seat capacity which generally correlates to customer use of TCP, Taxi and TNC services, parking, and other support services. Simple load factors do not include non-revenue enplanements. Historically annual load factors range from approximately 70% to 77%. Commercial Airline aircraft types have a direct impact on capacity and potential changes in enplanements. As the mix of aircraft and destinations change, the goal is to have load factors **sustained or increased**, which indicates that customers are willing to use the services offered by the Airlines.

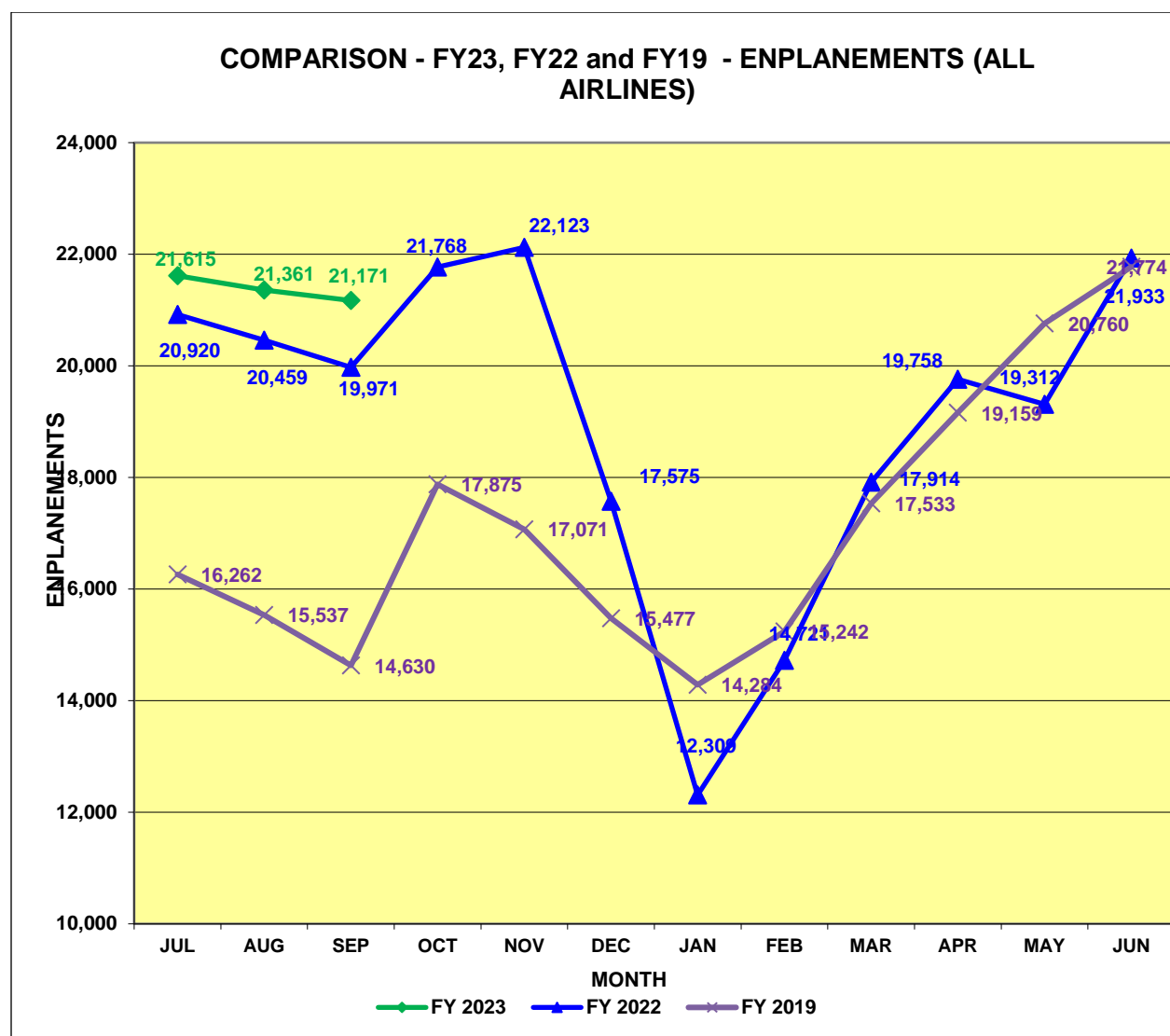
Table 1

Fiscal Year	September 2022				FYTD			
	Load Factors	Enplanements	Available Seats	Flights	Load Factors	Enplanements	Available Seats	Flights
2023	81.5%	21,171	25,974	391	78.5%	64,147	81,748	1,212
2022	75.9%	19,971	26,329	398	77.3%	61,350	79,337	1,148
2021	48.5%	6,667	13,746	196	45.4%	18,089	39,812	557
2020	76.1%	20,961	27,562	412	75.1%	64,893	86,410	1,290
2019	75.9%	14,630	19,284	285	71.0%	46,429	65,398	971
2018	82.2%	16,374	19,918	320	76.7%	50,892	66,314	1,047
2017	78.1%	17,304	22,146	325	76.4%	52,572	68,780	1,050
2016	82.1%	14,682	17,880	296	78.0%	47,169	60,480	1,021

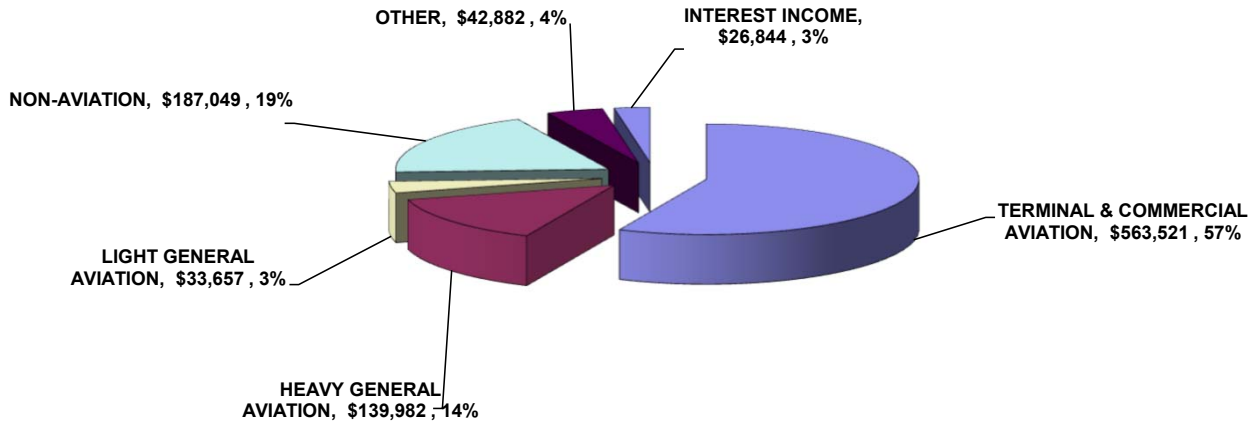
Airline specific simple load factors for September 2022 were Alaska SAN 75.0%, Alaska SEA 74.1% American DFW 90.2%, American PHX 87.9%, United DEN 91.9%, United LAX 75.1%, United SFO 69.1%, Allegiant LAS 95.9%, and JSX BUR/SNA 42.5%.

Chart 5 below presents a comparison of monthly enplanements for FY 2023 to all FY 2022 enplanements(which reflect the seasonality of the Airport's historical business cycle). When comparing enplanements for September 2022 (21,171) and August 2022 (21,361), enplanements decreased 0.9% or 190 enplanements. When comparing September 2022 to September 2021, enplanements increased 6.0% or 1,200 enplanements.

Chart 5



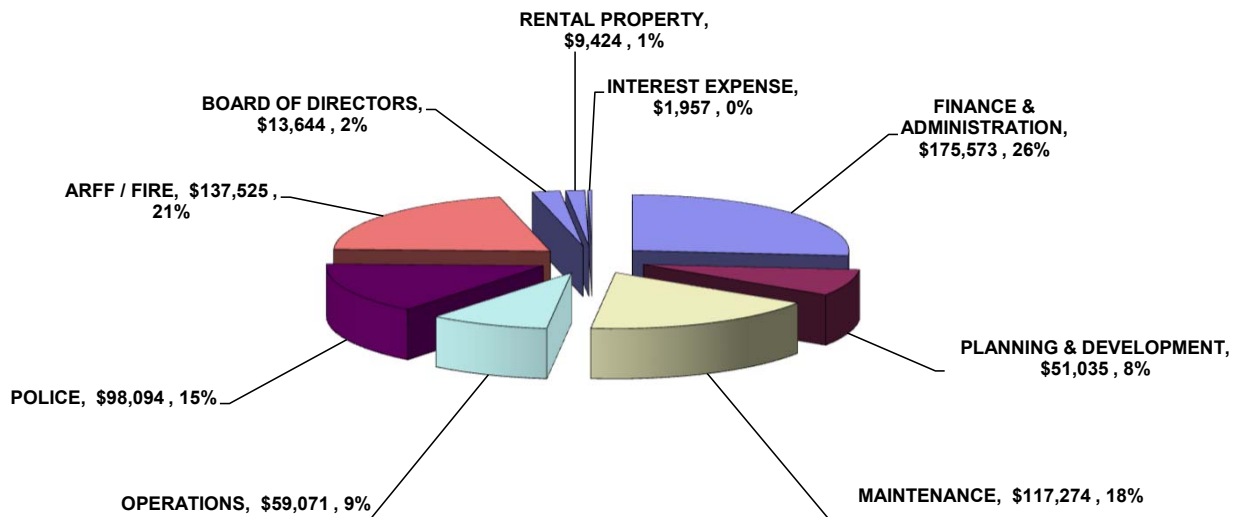
September 2022 Operating Revenue



TOTAL OPERATING REVENUE:

\$993,935

September 2022 Operating Expense

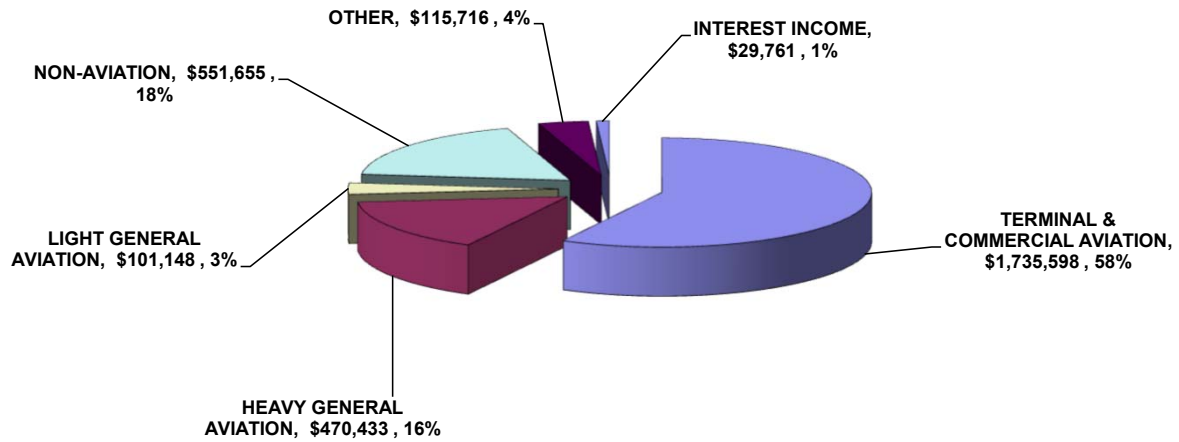


TOTAL OPERATING EXPENSE:

\$663,597

Monterey Peninsula Airport District

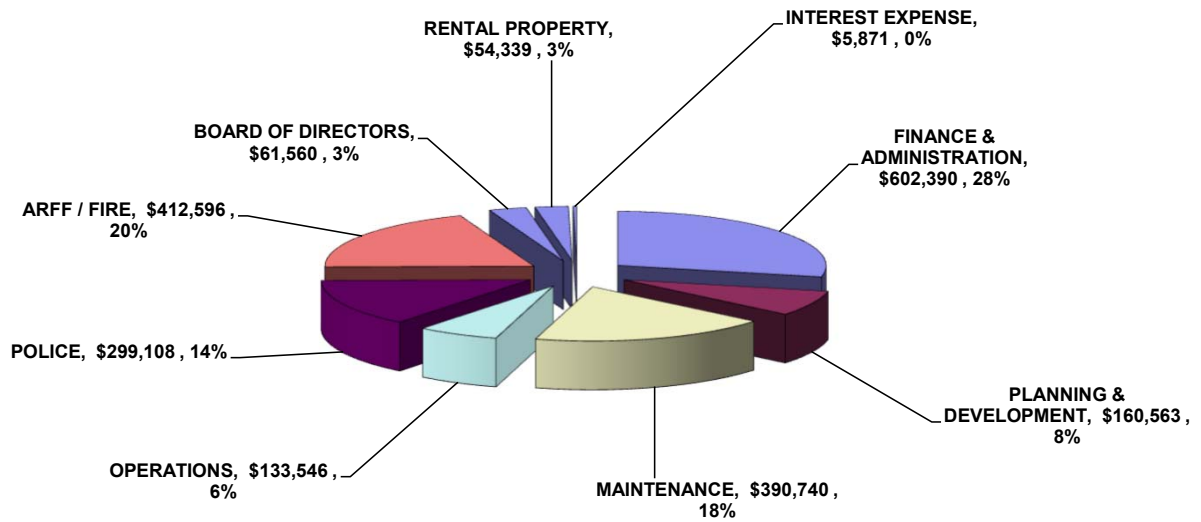
FY 2023 (September 22) YTD Operating Revenue



TOTAL OPERATING REVENUE:

\$3,004,312

FY 2023 (September 22) YTD Operating Expense



TOTAL OPERATING EXPENSE:

\$2,120,712

AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

September 30, 2022

OPERATING STATISTICS	Sep-22	Budget	%	Sep-21	YTD FY 23	Budget	%	YTD FY 22
AIRPORT ACTIVITY								
Air Carrier Landings ¹	391	429	-8.9%	398	1,212	1,269	-4.5%	1,148
Passengers (emp/dep)	42,865			40,033	131,275			123,088
Total Cargo (in pounds)	45,282			64,223	157,505			167,512
Commercial	1,616			1,656	5,116			5,187
General Aviation	3,251			3,610	10,351			10,535
Military	178			274	488			949
TOTAL AIRCRAFT OPERATIONS	5,045			5,540	15,955			16,671

VEHICLE EXIT COUNT								
Long Term (1) Lot	5,709			2,139	9,897			6,068
Upper Short Term (2) Lot	2,061			1,757	5,160			6,065
Lower Short Term (3) Lot	2,048			4,905	13,445			15,940
TOTAL VEHICLE EXIT COUNT	9,818			8,801	28,502			28,073

1 Cancelled Flight Landings: Current Month = 2 (0 - Alaska /0 - Allegiant /0- American /2- United) FYTD = 7 (1 - Alaska /0 - Allegiant /4- American /2 - United)

	Sep 22 ACTUAL	Sep 22 BUDGET	%	Sep 21 ACTUAL	YTD FY 23 ACTUAL	BUDGET	%	YTD FY 22 ACTUAL
OPERATING REVENUE								
TERMINAL								
CA Landing, Apron, RON and Fuel Flowage Fees	92,693	93,563	-0.9%	84,673	278,973	284,282	-1.9%	257,774
Rents	144,936	145,044	-0.1%	145,984	434,807	435,132	-0.1%	441,301
TCP Operator Permits	420	450	-6.7%	470	1,223	1,350	-9.4%	1,373
Taxi Operator Permits & Trip Fees	3,780	5,286	-28.5%	5,039	12,492	15,401	-18.9%	14,430
TNC Permits & Trip Fees	18,768	15,030	24.9%	15,030	54,279	43,314	25.3%	43,314
Concessions	23,134	19,226	20.3%	19,566	70,905	58,011	22.2%	50,578
Rental Car	181,673	174,682	4.0%	174,682	613,992	561,537	9.3%	561,537
Parking	98,118	89,978	9.0%	84,092	268,927	269,026	0.0%	251,426
HEAVY GENERAL AVIATION								
GA Landing Fees	40,069	47,847	-16.3%	47,847	147,607	164,704	-10.4%	164,704
FBO Rent	58,677	60,232	-2.6%	57,780	176,031	180,696	-2.6%	173,340
Fuel Fees	41,236	48,644	-15.2%	44,615	146,795	159,719	-8.1%	149,353
LIGHT GENERAL AVIATION	33,657	32,845	2.5%	31,947	101,148	98,535	2.7%	94,584
NON AVIATION	187,049	179,804	4.0%	188,297	551,655	539,411	2.3%	561,909
OTHER OPERATING REVENUE	42,882	18,900	126.9%	18,437	115,716	56,700	104.1%	68,555
INTEREST INCOME	26,844	4,650	477.3%	3,862	29,761	7,950	274.4%	6,677
TOTAL OPERATING REVENUE	\$ 993,935	\$ 936,181	6.2%	\$ 922,321	\$ 3,004,312	\$ 2,875,768	4.5%	\$ 2,840,855

OPERATING EXPENSE								
Finance & Administration	175,573	241,736	-27.4%	201,060	602,390	640,937	-6.0%	607,171
Planning & Development	51,035	59,822	-14.7%	40,517	160,563	13,644	1076.8%	132,702
Maintenance & Custodial Services	117,274	146,309	-19.8%	135,022	390,740	456,193	-14.3%	366,957
Airport Operations	59,071	50,094	17.9%	47,074	133,546	164,808	-19.0%	137,017
Police Department	98,094	109,983	-10.8%	102,781	299,108	329,308	-9.2%	312,409
ARFF /Fire Services	137,525	160,242	-14.2%	150,688	412,596	480,227	-14.1%	451,391
Board of Directors	13,644	16,723	-18.4%	12,682	61,560	47,069	30.8%	42,371
Office Rentals	9,424	8,240	14.4%	6,788	54,339	53,060	2.4%	47,201
Interest Expense	1,957	1,957	0.0%	3,447	5,871	5,871	0.0%	10,341
TOTAL OPERATING EXPENSE	\$ 663,597	\$ 795,106	-16.5%	\$ 700,059	\$ 2,120,712	\$ 2,191,118	-3.2%	\$ 2,107,560
OPERATING INCOME / (LOSS)	\$ 330,337	\$ 141,075	134.2%	\$ 222,262	\$ 883,600	\$ 684,649	29.1%	\$ 733,295

DISTRICT CAPITAL EXPENDITURES	\$ 329,689	\$ 370,000	-10.9%	\$ 13,469	\$ 821,233	\$ 583,550	40.7%	\$ 27,145
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DEBT SERVICE - PRINCIPAL ONLY	\$ 17,460			\$ 48,164	\$ 52,379			\$ 144,491
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Notes to Income Statement

For The 3 Periods Ended 9/30/2022

MONTEREY PENINSULA AIRPORT DISTRICT (MRY)

OPERATING EXPENSE OFF-SET BY FAA AIP GRANT / PFC DRAWDOWN

	September 2022	FYTD 2023
DEPARTMENT / ACCOUNT		
1. Finance & Admin / Salary & Wage Reimbursement	\$ -	\$ -
P&D / Salary & Wage Reimbursement	8,053.16	11,790.49
Maintenance / Salary & Wage Reimbursement	-	-
Operations / Salary & Wage Reimbursement	-	-
	<u>\$ 8,053.16</u>	<u>\$ 11,790.49</u>

2. OPERATING EXPENSE OFF-SET BY HOMELAND SECURITY / TSA LEO GRANT

	Sep 2022	FYTD 2023
DEPARTMENT / ACCOUNT		
Police / Salary & Wage Reimbursement	\$ 9,600.00	\$ 29,440.00
	<u>\$ 9,600.00</u>	<u>\$ 29,440.00</u>

3. OPERATING EXPENSE OFF-SET BY SDI/WORKERS' COMP INSURANCE REIMBURSEMENT

	Sep 2022	FYTD 2023
DEPARTMENT / ACCOUNT		
Admin / Salary & Wage Reimbursement	\$ -	\$ -
P&D / Salary & Wage Reimbursement	-	-
Maintenance / Salary & Wage Reimbursement	-	-
Operations / Salary & Wage Reimbursement	-	-
	<u>\$ -</u>	<u>\$ -</u>

4. OPERATING EXPENSE OFF-SET BY DIRECT BILLING - NON-STANDARD SERVICE(S)

	Sep 2022	FYTD 2023
DEPARTMENT / ACCOUNT		
Admin / Salary & Wage Reimbursement	\$ -	\$ -
P & D / Salary & Wage Reimbursement	-	-
Maintenance / Salary & Wage Reimbursement	-	-
Operations / Salary & Wage Reimbursement	-	-
Police / Salary & Wage Reimbursement	-	-
	<u>\$ -</u>	<u>\$ -</u>

TOTAL - PERIOD & FYTD	<u>\$ 17,653.16</u>	<u>\$ 41,230.49</u>
----------------------------------	----------------------------	----------------------------

FISCAL YEAR 2023
Airport Capital Improvements / Capital Expenditures
FINANCIAL STATEMENTS UNAUDITED
September 30, 2022

Airport Improvement Programs

	Actual FY 2023		Prior Fiscal Year		Actual FY 2023		Prior Fiscal Year	
	Current Period		Current Period		Year-To-Date		Year-To-Date	
District Expenditures	\$ (663,807.22)	-201.3%	13,469.18	0.8%	\$ (889,918.71)	-108.4%	15,859.46	0.4%
AIP -- FAA Funded Expenditures	891,220.39	270.3%	1,584,957.82	91.6%	1,573,208.84	191.6%	3,899,086.60	91.1%
AIP -- PFC Funded Expenditures	87,075.44	26.4%	132,523.04	7.7%	120,640.64	14.7%	353,916.50	8.3%
AIP -- CFC Funded Expenditures	15,200.00	4.6%	0.00	0.0%	17,302.00	2.1%	11,286.00	0.3%
Total Capital Improvement Expenditures	\$ 329,688.61	95%	1,730,950.04	100%	\$ 821,232.77	98%	4,280,148.56	100%

District Capitalized Acquisitions / Expenditures By Department

Finance & Administration	-		-		-		-	
Planning & Development	-		-		-		-	
Maintenance & Custodial Services	-		-		-		-	
Airport Operations	-		-		-		-	
Police	-		-		-		-	
ARFF / Fire	-		-		-		-	
Total Capital Acquisition Expenditures	-	0%	-		0.00	0%	0.00	0%

Consolidated

District Expenditures	\$ (663,807.22)	-201.3%	13,469.18	0.8%	\$ (889,918.71)	-108.4%	15,859.46	0.4%
AIP -- FAA Funded Expenditures	891,220.39	270.3%	1,584,957.82	91.6%	1,573,208.84	191.6%	3,899,086.60	91.1%
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Total Capital Expenditures	\$ 329,688.61	100%	1,730,950.04	100%	\$ 821,232.77	100%	4,280,148.56	100%

FY 2022/23 District Capital Expenses/Budget:

	Actual PTD	Budget PTD	Actual FYTD	Budget FYTD
2019-03 Water Distribution System	\$ 15,200.00	\$45,000.00	\$ 17,302.00	\$103,550.00
2020-04 CCTV and Perimeter Camera System	R 4,044.26		4,044.26	
2020-12 Northside GA Apron Construction	R -	-	32,343.03	-
2020-13 Northside VSR Improvement	R -	-	19,617.50	-
2020-14 Northwest Building Abatement	-	-	-	-
2021-04 SEP Phaqse A1 Commercial Apron	R 160,608.91	-	291,955.17	-
2022-01 SEP Phase B1/B2/B3-ARFF Design	R 154,204.40	-	458,535.66	-
2022-02 Replacement Vehicles	(27,858.75)	-	(27,858.75)	55,000.00
2023-01 SEP Phase D1 Terminal Design	R -	-	1,804.11	-
2023-04 2801 Property Repairs	23,489.79	175,000.00	23,489.79	175,000.00
2023-05 Fred Kane to Skypark Pavement Improvements	-	-	-	-
2023-06 Airfield Vehicle Gate Upgrades	-	-	-	100,000.00
2023-07 Terminal Building Outside Painting	-	150,000.00	-	150,000.00
	\$ 329,688.61	\$ 370,000.00	\$ 821,232.77	\$ 583,550.00

R - District advances to FAA/PFC projects that will be reimbursed through grant draws

FISCAL YEAR 2023
Schedule Of Investments
FINANCIAL STATEMENTS UNAUDITED

	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Value At 09/30/22</u>	<u>Interest Rate</u>
Money Market Account - MPAD				
State of California - Local Agency Investment Fund	Various	Various	<u>\$9,676,626.26</u>	1.350%
Money Market Account - MPAD				
JP Morgan Chase - District Reserve - Money Market Account			<u>\$2,548,757.30</u>	0.01%
Debt Service Accounts - MPAD				
JP Morgan Chase - Pension Obligation Bonds and California Energy Commission Loan Reserve			<u>\$99,917.72</u>	0.01%
Royal Alliance - Certificates of Deposits and Cash Equivalents - MPAD				
American Express NATL BK	04/13/22	04/15/24	200,000.00	2.25%
Capital One Bank USA New York CFT DEP ACT/365	04/13/22	04/15/25	250,000.00	2.60%
Goldman Sachs Bk USA New York CTF DEP ACT/365	04/13/22	04/15/25	200,000.00	2.25%
Sallie Mae BK Salt Lake City UT CTF DEP ACT/365	06/13/19	06/13/23	125,000.00	3.30%
Sallie Mae BK Salt Lake City UT CTF DEP ACT/365	06/28/22	07/08/24	250,000.00	3.30%
Cash And Cash Equivalents	Various	Various	46,249.44	Variable
			<u>\$1,071,249.44</u>	
Sub-Total: MPAD INVESTMENTS:			<u>\$13,396,550.72</u>	

FISCAL YEAR 2023
Schedule Of Investments
FINANCIAL STATEMENTS UNAUDITED

	<u>Purchase Date</u>	<u>Maturity Date</u>	<u>Value At 09/30/22</u>	<u>Interest Rate</u>
Tenant's Security Deposits & Certificates of Deposit - RESTRICTED				
JP Morgan Chase - Money Market Account			\$465,146.64	0.01%
Passenger Facility Charges (PFCs) - RESTRICTED				
JP Morgan Chase - Passenger Facility Charges (PFCs)			1,241,769.54	0.01%
Customer Facility Charges (CFCs) - RESTRICTED				
JP Morgan Chase - Customer Facility Charges (CFCs)			899,313.90	0.01%
Royal Alliance - Certificates of Deposits and Cash Equivalents:				
American Express NATL BK	04/13/22	04/15/24	100,000.00	2.60%
Capital One Bank USA New York CFT DEP ACT/365	04/13/22	04/14/25	100,000.00	3.15%
Goldman Sachs Bk USA New York CTF DEP ACT/365	04/13/22	04/15/24	100,000.00	2.25%
Cash and Cash Equivalents	Various	Various	264,290.15	Variable
			<u>\$564,290.15</u>	
Sub-Total: MPAD Investments - RESTRICTED:			<u>\$3,170,520.23</u>	
Total MPAD Investment Portfolio:			<u>\$16,567,070.95</u>	

**MONTEREY PENINSULA AIRPORT DISTRICT
FINANCIAL STATEMENTS UNAUDITED**

	FY 2023 September ACTUAL	FY 2023 YEAR-TO-DATE ACTUAL
SOURCES AND USES OF CASH -- OPERATIONS		
SOURCES OF CASH		
CASH RECEIVED - OPERATING REVENUE	\$ 967,091	\$ 2,974,551
CASH RECEIVED - INTEREST INCOME	26,844	29,761
CASH RECEIVED	<u>\$ 993,935</u>	<u>\$ 3,004,312</u>
USES OF CASH -- OPERATIONS		
CASH DISBURSED - OPERATING EXPENSE ¹	\$ 661,640	\$ 2,114,841
CASH DISBURSED - DEBT SERVICE (INTEREST EXPENSE) ^{2&3}	1,957	5,871
CASH DISBURSED - DEBT SERVICE (PRINCIPAL REDUCTION) ^{2&3}	17,460	52,379
CASH DISBURSED	<u>\$ 681,057</u>	<u>\$ 2,173,091</u>
CHANGE IN CASH POSITION FROM OPERATIONS & DEBT SERVICE	<u>\$ 312,878</u>	<u>\$ 831,221</u>
¹ Net of non-cash operating expense (OPEB)		
² Moved to Restricted POB Account/Disbursement occurred in December 2020 & June 2021		
³ Moved to Restricted CEC Account/Disbursement occurred in November 2020 & May 2021		
USES OF CASH -- CAPITAL PROGRAM		
CASH DISBURSED - DISTRICT CAPITAL PROJECTS ⁴	\$ 329,689	\$ 821,233
CASH DISBURSED	<u>\$ 329,689</u>	<u>\$ 821,233</u>
CHANGE IN CASH POSITION FROM CAPITAL PROGRAM	<u>\$ (329,689)</u>	<u>\$ (821,233)</u>
⁴ District-funded capital plan for FY23		
CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL & DEBT SERVICE	<u>\$ (16,811)</u>	<u>\$ 9,988</u>
PAID FROM 2023 OPERATING INC:	Amount PAID	Amount UNAMORTIZED
CEC LOAN PRINCIPAL PAYMENTS	Semiannual Payment DEC & JUN	-
PG&E PAYMENTS	Monthly Payments	-
WORKER'S COMP PREPAID	7/1/2022 and 7/1/2023	(27,139)
UAL PREPAID 07-01-2022	07/01/22	(462,492)
TOTAL IN/(OUT FLOWS)	(38,963)	\$ (479,643)
FAA CARES, CRRSA and ARPA Act Grant Billed FYTD		799,886
CASH CHANGE OVER/(UNDER) FROM CARES, CRRSA and ARPA Act Grant		<u>\$ 320,243</u>

Monterey Peninsula Airport District
 CARES, CRSSA and ARPA Grants, Expenditures Processed and Balances
 September 30, 2022

CARES ACT GRANT -3-06-0159-071-2021

Grant Date	Grant Amount	Total Draws	Balance
5/13/2020	\$ 12,664,025.00	\$ 9,517,660.00	\$ 3,146,365.00

CRSSA ACT GRANT -3-06-0159-074-2021

Grant Date	Grant Amount	Total Draws	Balance
3/22/2021	\$ 2,076,111.00	\$ 2,076,111.00	-

CRSSA ACT CONCESSIONS GRANT -3-06-0159-075-2021

Grant Date	Grant Amount	Total Draws	Balance
3/22/2021	\$ 50,110.00	\$ -	\$ 50,110.00

ARPA ACT GRANT -3-06-0159-077-2021

Grant Date	Grant Amount	Total Draws	Balance
8/12/2021	\$ 3,149,773.00	\$ 3,149,773.00	-

ARPA ACT LARGE CONCESSIONS GRANT -3-06-0159-078-KY 2022

Grant Date	Grant Amount	Total Draws	Balance
12/22/2021	\$ 40,088.00	\$ -	\$ 40,088.00

ARPA ACT SMALL CONCESSIONS GRANT -3-06-0159-078-KY 2022

Grant Date	Grant Amount	Total Draws	Balance
12/22/2021	\$ 160,351.00	\$ -	\$ 160,351.00

Grant Funds General	\$ 17,889,909.00	\$ 14,743,544.00	\$ 3,146,365.00
Grant Funds Concession	\$ 250,549.00	\$ -	\$ 250,549.00
Grants Funds	<u>\$ 18,140,458.00</u>	<u>\$ 14,743,544.00</u>	<u>\$ 3,396,914.00</u>



MONTEREY FIRE DEPARTMENT

Report to Airport Board of Directors

October 2022

1. Incident Responses

Engine assigned to Fire Station 16 (Airport) responded to a total of 21 incidents during the month as follows:

- MPAD property – 3
- City of Monterey – 17
- Other Cities in Monterey Fire Jurisdiction – 0
- Auto / Mutual Aid – 1

2. Training

Personnel completed a total of 27.0 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): 78
- Operational (qualified to work at Airport, but live fire training not current): 34
- Technician (fully qualified to be the designated ARFF fire engineer): 11

3. Other

- Congratulations are due to Jeff Field who has been promoted to Division Chief effective October 16. Jeff came to Monterey as a Firefighter via the Pacific Grove merger in 2008. He was promoted to Captain in 2012. In 2015, Jeff became the Training Officer when the position was re-established as a Captain. Most recently he has been at Engine 12C. Chief Field is assigned as the B-Shift Division Chief.

4. Incident List – on Airport property incidents

Alarm Date / Time	Response Time	Location	Incident Type
10/17/2022 3:31 AM	0:04:06	200 Fred Kane DR	Alarm system sounded due to malfunction
10/18/2022 4:11 PM	0:03:03	200 Fred Kane DR	Police matter
10/30/2022 10:38 AM	0:00:05	200 Fred Kane DR	Excessive heat, scorch burns with no ignition

AGENDA ITEM: H
DATE: November 16, 2022

TO: Michael La Pier, Executive Director
FROM: Operations Department
DATE: November 1, 2022
SUBJ: Operations Report

The following is a summary of activity of general Airport Operations for October 2022 and planned airline activities for November 2022.

1. The following reports are attached:
 - October 2022 Noise Comment Report
 - Operating and Expense Reports for the Taxi (through October 2022) and TNC ground transportation systems (through September 2022)
 - Commercial Flight Cancellations & Delays Report for October 2022
 - Commercial Flight Schedule for November 2022
2. Below is the summary of scheduled airline activity for November 2022:

Alaska Air operated by SkyWest

- Continues to use the Embraer (EMB) 175 aircraft to SAN and SEA once daily.
- Scheduled to operate a total of 116 flights (Arrivals and Departures)

Allegiant Air

- Continues to operate twice weekly to LAS using the Airbus 319/320 series
- Scheduled to operate a total of 18 flights (Arrivals and Departures)

United operated by SkyWest

- SFO operates once a day using the CRJ200.
- LAX is scheduled to operate twice daily using a mix of CRJ 200 and EMB175 aircraft.
- DEN is scheduled to operate twice daily using the CRJ 200 aircraft.
- Scheduled to operate a monthly total of 290 flights (Arrivals and Departures)

American Eagle operated by Mesa / Envoy

- PHX is scheduled three flights a day using both the CRJ 700 and CRJ 900 aircraft.
- DFW continues with two daily flights using the EMB 175 aircraft.
- Scheduled to operate a monthly total of 318 flights (Arrivals and Departures)

Cumulatively speaking, flights have decreased by 64 flights (742 vs 806) compared to November 2021, a decrease of 8%. The number of available seats has also decreased by approximately 19% (46,640 vs. 58,100).

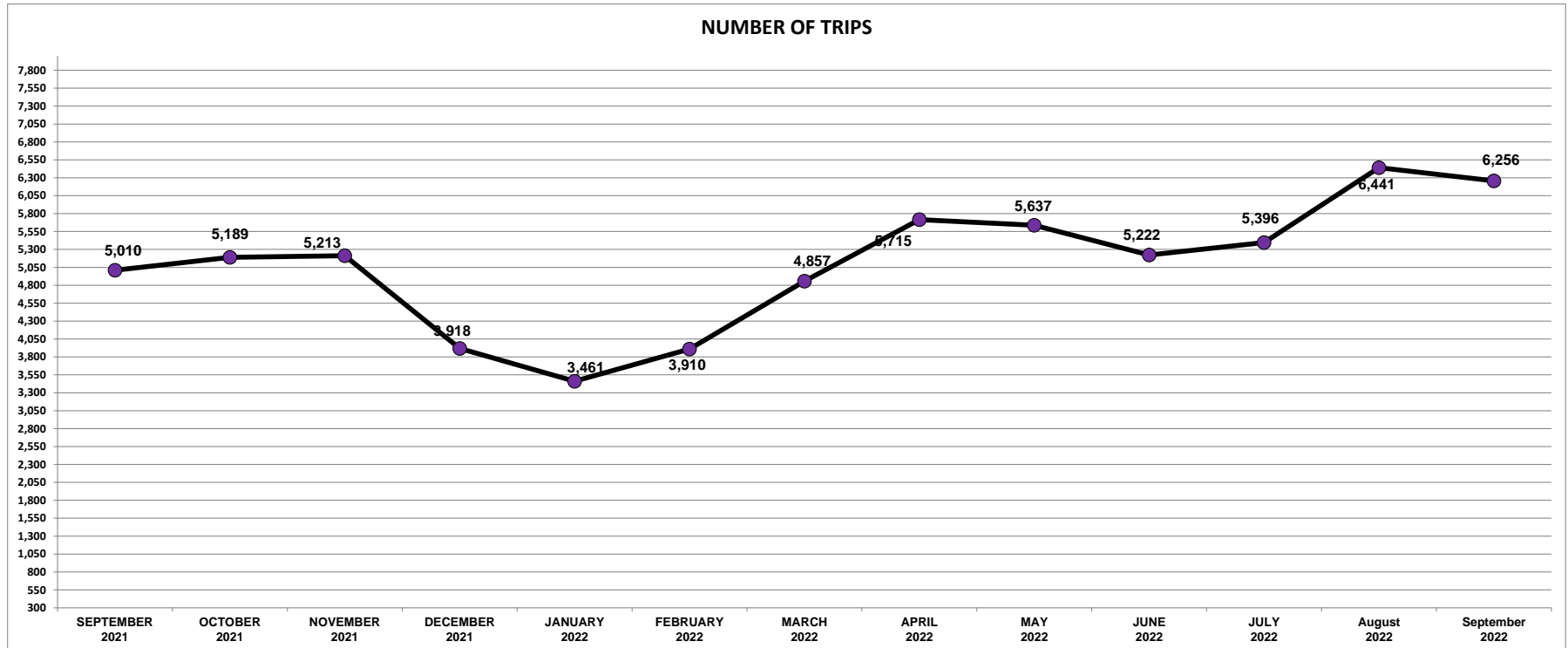
MRY AIRPORT NOISE COMMENT LOG OCTOBER 2022

Name	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken	Notes
AIR OPERATIONS CENTERED AT MONTEREY AIRPORT									
1	Michael Weaver	Coral De Tierra	10/3/2022	5:38 PM	A319	28L App	MC	Explained it was the Airbus 319, our largest scheduled service	Aircraft flew the approach we would expect with clear conditions.
2	Paul Fleischman	Fisherman Flats	10/6/2022	5:00 PM - 5:30 PM	Unknown	Pattern	MC	I was unable to identify the plane on flightaware. Explained we have guidelines not regulations regarding pattern work, directed him to our noise management page regarding recommendations on the website.	
3	Gerald Thompson	Monterey	10/13/2022	2:53 AM	Challenger	10R Arr	MC	Explained we are a 24 hour airport and that we do have occasional night movements	2 early morning flights operated - 1 arrival, 1 departure. 2 more complaints were received from same person that have not been included due to the nature of the language used.
4	None given	Coral De Tierra	10/16/2022	All afternoon	Multitple	28L Arr	MC	I explained we couldn't put limits on flights and that it was up to crews whether they fly here or Salinas. Also explained our approach is actually steeper than standard. I also explained traffic did seem busier than usual over the weekend, possibly due to the Laguna Seca races.	Complaint taken by phone. Caller preferred not to leave name.
5	Martin Patterson	Del Monte Beach	10/18/2022	12:30 PM	Falcon 50	Unknown	MC	I was unable to see a Falcon land or takeoff from the airport on flight aware near the times reported, so was unable to offer any comment.	
6	Tom DeBenedetti	Fisherman flats	10/18/2022	4:15 PM	unknown	unknown	MC	As these seem a generic complaint about general noise, I informed him about the noise abatement recommendations and guidelines we have and how we work with FAA and tenants to encourage users to abide by these guidelines	Complaint was received just after another unidentified military jet, may be related although it wasn't mentioned

7	Shannon Garrett	DRO	10/20/2022	N/A	N/A	N/A	I have contacted a Mr. Griggs several times since May - i only received one response back that indeed there is more air traffic to service people traveling to bigger airports, nothing more and my other emails have gone unanswered since no plans to reduce the noise or solutions just basically you are correct and thats that and now i read in the newspaper that you added a service to Dallas which no doubt will cause more sleepless nights and early morning wake up calls to myself and my family - what i want to know if how do you plan to rectify this for the homeowners that are being disrupted?	MC	Explained that Mr Griggs no longer works at the airport and that all submissions should be sent via the form online to ensure they are seen. Also confirmed no new DFW flights, schedule remains 2 a day as its been for quite some time.	
AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT										
1	Patricia Domingo	Monterey	10/18/2022	3:00 PM	F-35	10R App	Loud jets flying over neighborhood Is this necessary right over our houses?	MC	As aircraft came in from the west, it is assumed they were practicing the ILS approach which would necessitate them coming in over Monterey	2 jets conducted 3 low missed approaches
2	Ray Borzini	Coral De Tierra	10/18/2022	3:00 PM	F-35	10R Dep	Real loud jets	MC	Confirmed they were F-35s	
AIR OPERATIONS OF UNKNOWN ORIGIN										
MONTHLY TOTALS and COMPARISONS										

	October-22	October-21	% Change	Other Airport	UNKNOWN ORIGINS
Number of Complaints:	9	18	-50%	2	0
Number of Operations:	5,330	5,987	-11%		
			% Change		
Annual Total	70	93	-25%	2	0

Transportation Network Companies (TNCs)



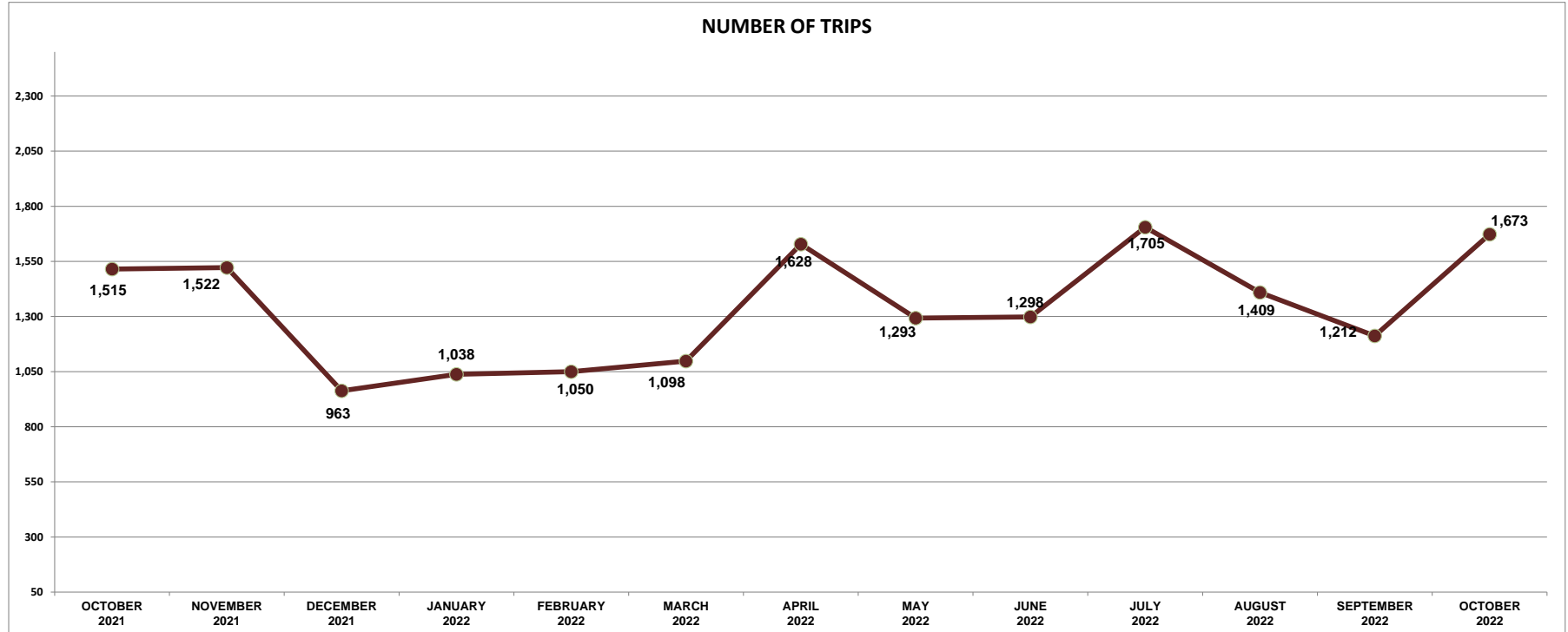
	2021 SEPTEMBER	2021 OCTOBER	2021 NOVEMBER	2021 DECEMBER	2022 JANUARY	2022 FEBRUARY	2022 MARCH	2022 APRIL	2022 MAY	2022 JUNE	2022 JULY	2022 August	2022 September
NUMBER OF TRIPS	5,010	5,189	5,213	3,918	3,461	3,910	4,857	5,715	5,637	5,222	5,396	6,441	6,256
NUMBER OF TNCs	2	2	2	2	2	2	2	2	2	2	2	2	2
TNC TRIP FEES	\$ 15,030	\$ 15,567	\$ 15,639	\$ 11,754	\$ 10,383	\$ 11,730	\$ 14,571	\$ 17,145	\$ 16,911	\$ 15,666	\$ 16,188	\$ 19,323	\$ 18,768
TNC PAYMENT PENALTIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TNC - TOTAL REVENUE	\$ 15,030	\$ 15,567	\$ 15,639	\$ 11,754	\$ 10,383	\$ 11,730	\$ 14,571	\$ 17,145	\$ 16,911	\$ 15,666	\$ 16,188	\$ 19,323	\$ 18,768

Cumulative 12-Month Operating Income: \$ 183,645

Fiscal Year To Date (July 2022 - June 2023) Operating Income: \$ 54,279

13-MONTH ROLLING COMPARISON

Taxis

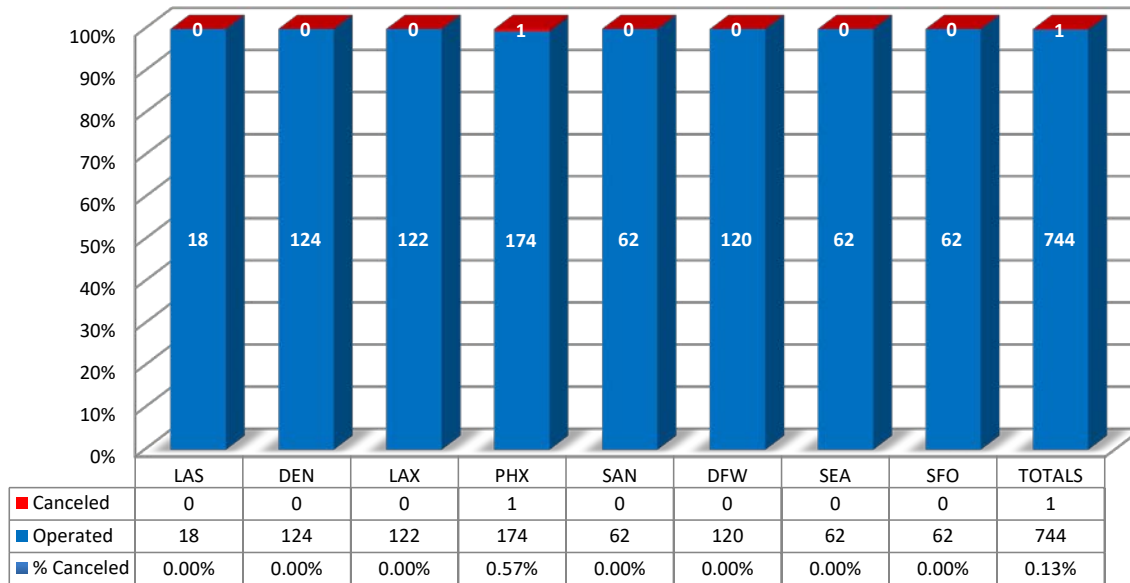


	2021 OCTOBER	2021 NOVEMBER	2021 DECEMBER	2022 JANUARY	2022 FEBRUARY	2022 MARCH	2022 APRIL	2022 MAY	2022 JUNE	2022 JULY	2022 AUGUST	2022 SEPTEMBER	2022 OCTOBER
NUMBER OF TRIPS	1,515	1,522	963	1,038	1,050	1,098	1,628	1,293	1,298	1,705	1,409	1,212	1,673
PERMITS SOLD	2	2	3	0	1	0	0	1	17	7	3	1	0
TAXI TRIP FEES	\$ 4,545	\$ 4,566	\$ 2,889	\$ 3,114	\$ 3,150	\$ 3,294	\$ 4,884	\$ 3,879	\$ 3,894	\$ 5,115	\$ 4,227	\$ 3,636	\$ 5,019
TAXI PERMIT FEES	\$200	\$150	\$225	\$0	\$50	\$0	\$0	\$25	\$425	\$700	\$300	\$100	\$100
TAXI - TOTAL REVENUE	\$ 4,745	\$ 4,716	\$ 3,114	\$ 3,114	\$ 3,200	\$ 3,294	\$ 4,884	\$ 3,904	\$ 4,319	\$ 5,815	\$ 4,527	\$ 3,736	\$ 5,119
CURB MGMT CONTRACT													
SOFTWARE LICENSE/HOSTING							\$	-	\$	-	\$	-	\$
BEACON LICENSING	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,916	\$ 2,916
TAXI - TOTAL EXPENSE	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,083	\$ 2,916	\$ 2,916
OPERATING INCOME / (LOSS)	\$ 2,662	\$ 2,633	\$ 1,031	\$ 1,031	\$ 1,117	\$ 1,211	\$ 2,801	\$ 1,821	\$ 2,236	\$ 3,732	\$ 2,444	\$ 820	\$ 2,203
FYTD 2022 (July 2022 - June 2023) OPERATING INCOME / (LOSS)													\$ 9,199
CUMULATIVE (12-MONTH) OPERATING INCOME / (LOSS)													\$ 23,080

* September 1st swap to "OBD" system

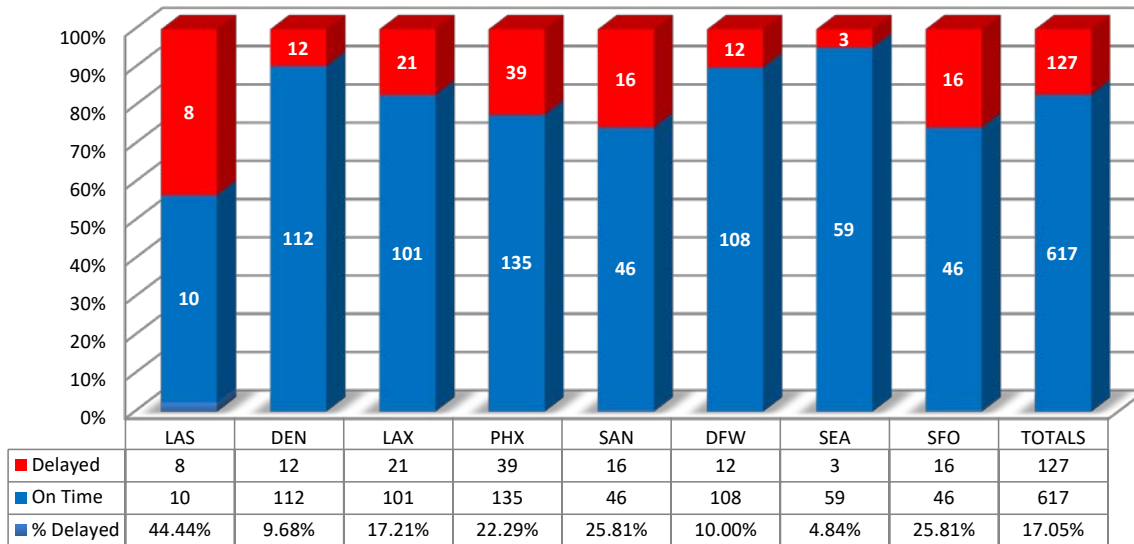
OCTOBER 2022

October Commercial Flights Operated vs. Canceled



TOTAL CANCELATIONS: 1

October Commercial Flights On Time vs. Delayed



TOTAL DELAYED FLIGHTS: 127



Monterey Regional Airport

November 2022 Flight Schedule



Aircraft Type (Seats)	ARRIVALS					DEPARTURES					Aircraft Type (Seats)
	FROM	AIRLINE	FLIGHT	TIME	SCHD	TO	AIRLINE	FLIGHT	TIME	SCHD	
EMB175 (76)	LAX	UNITED	5310	9:40 AM	DAILY EXC 30	DEN	UNITED	5681	5:15 AM	DAILY EXC 30	CRJ200 (50)
CRJ900 (76)	PHX	American Airlines	5812	11:45 AM	DAILY	PHX	American Airlines	5868	6:00 AM	DAILY	CRJ900 (76)
CRJ200 (50)	SFO	UNITED	5479	12:00 PM	DAILY	DFW	American Airlines	3655	6:50 AM	DAILY	EMB175 (76)
EMB175 (76)	DFW	American Airlines	3880 4004	12:15 PM 1:35 PM	1-2 3-30	LAX	UNITED	5658	10:25 AM	DAILY EXC 30	EMB175 (76)
CRJ200 (50)	DEN	UNITED	5438	1:55 PM	DAILY	PHX	American Airlines	5812	12:20 PM	DAILY EXC 24	CRJ900 (76)
EMB175 (76)	SEA	Alaska	2041 3451	2:05 PM 3:00 PM	1-17 18-23, 25-30	DEN	UNITED	5778	12:45 PM	DAILY EXC 24	CRJ200 (50)
EMB175 (76)	SAN	Alaska	3383 3489	3:25 PM 12:18 PM	1-17 18-30	DFW	American Airlines	4004 4004	1:25 PM 2:10 PM	1-2 3-23, 25-30	EMB175 (76)
CRJ700 (66)	PHX	American Airlines	4994	3:50 PM	DAILY EXC 24	SFO	UNITED	4729	2:40 PM	DAILY	CRJ200 (50)
CRJ200 (50)	LAX	UNITED	5280	3:50 PM	DAILY EXC 24	SEA	Alaska	2041 3451	2:45 PM 3:40 PM	1-17 18-23, 25-30	EMB175 (76)
CRJ200 (50)	DEN	UNITED	5454	9:00 PM	DAILY EXC 24, 29, 30	SAN	Alaska	3383 3489	4:05 PM 1:00 PM	1-17 18-30	EMB175 (76)
EMB175 (76)	DFW	American Airlines	3880	9:00 PM	DAILY EXC 24	PHX	American Airlines	4994	4:25 PM	DAILY EXC 24	CRJ900 (76)
CRJ900 (76)	PHX	American Airlines	5814	10:00 PM	DAILY EXC 24	LAX	UNITED	5410	4:40 PM	DAILY EXC 24	CRJ700 (66)
A319 (156)	LAS	allegiant	77 298 101 101	1:45 PM 5:00 PM 7:40 PM 9:20 PM	4, 7, 11, 14 18, 21, 27 23 28	LAS	allegiant	78 1897 102	2:40 PM 6:00 PM 8:20 PM 10:10 PM PM	4, 7, 11, 14 18, 21, 27 23 28	A319 (156)

*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: Michael La Pier, Executive Director
FROM: Chris Morello, Deputy Director for Strategy and Development
DATE: November 1, 2022
SUBJ: Planning, Environmental and Maintenance Monthly Project Report

Attached is the current monthly Project Report for the Planning and Maintenance Departments with the following highlights for October 2022:

➤ **2801 and 2999 Monterey Salinas Highway Well Construction/Destruction**

- The 72-hour source capacity test for the 2801 Monterey Salinas Highway was completed between the dates/times of 10:00 am October 18 through 10:00 am October 21, 2022.
- A follow-up presentation will be provided at this November 2022 Board meeting by Bierman Hydrogeologic with the post testing data analysis.

➤ **Architect/Engineering Services for the Monterey Regional New Passenger Terminal Facility**

- Two architectural firms provided presentations to the Board on October 21, 2022: HOK and Alliance.
- HOK was the highest-ranked Architect Firm for the New Passenger Facility. As required by the FAA requirements for Professional Service procurement, staff have initiated discussions with HOK to clarify and fully define the Scope of Work (SOW) and services to be provided in the Design.
- After agreement on a detailed SOW has been reached, FAA will provide input and review on the SOW. A cost analysis based Independent Fee Estimate (IFE) will be performed based on that final SOW. Simultaneously, HOK will prepare and submit their cost proposal along with a detailed draft contract agreement. Negotiations will then be conducted to reach a fair and reasonable fee based on the IFE. When evaluating the reasonableness of the consultant's fee proposal, a general review standard used by FAA and industry is whether the total fee proposal, is within 10% of the IFE.

➤ **Art at the Airport Opening Reception**

- An Opening Reception was held on Thursday, October 27, 2022 for the new exhibit *Grand Gatherings, Monterey County's Iconic Events*. The exhibit highlights six organizations that each had annual events that have taken place for at least sixty-five years; California Rodeo, Bach Festival, Concours d' Elegance, AT&T Pro Am, Jazz Festival, and Laguna Seca Raceway. Each organization had representatives at the opening with over 40 participants in attendance.

FUNDING				EXPENDITURES				STATUS			
PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	10/31/2022	% Physical Complete	Project Name	Current Status	4 Week Look Ahead	
ACTIVE FEDERALLY-FUNDED PROJECTS:											
1	2020-12	73	18-22-C-00-MRY	\$11,000,000	\$8,435,652	\$117,492	\$8,553,144	98%	NORTHSIDE GA APRON CONSTRUCTION	Grant was executed on 12/18/2020. Construction contract was awarded to Teichert at the 12/18/20 BOD meeting. Construction began on March 29, 2021.	Final engineering reports have been submitted to FAA with the primary project complete, mitigation will remain open until December 2022.
2	2020-13	72	18-22-C-00-MRY	\$1,946,065	\$1,881,783	\$135,148	\$2,016,931	100%	NORTHEAST VSR IMPROVEMENTS	Grant was executed on 9/10/2020. Construction contract was awarded to Teichert at the 12/18/20 BOD meeting.Construction began on March 29, 2021.	Final reports have been submitted to FAA for grant closeout
3	2021-04	76	18-22-C-00-MRY	\$3,350,000	\$2,207,111	\$513,846	\$2,720,957	90%	SEP Phase B1 Commercial Apron Design	An FAA Grant Offer for Design was executed on August 2, 2021.	C&S Engineering and staff continue to meet weekly to review design components and status.The construction documents are 90% complete and will be ready to BID when FAA releases the FY23 funding schedule.
4	2022-01	79	18-22-C-00-MRY	\$6,603,000	\$258,771	\$574,531	\$833,303	10%	SEP Phase C1/C2/C3 ARFF Design/Construction Demo/Airfield Access	Mill construction and Mar Jang Architects have completed the footprint design based on AIP eligibility and the site positioning.The AIP grant was executed on September 22, 2022. The contract for construction was approved at the September BOD meeting.	Project formulation cost reimbursement was submitted and approved. The contractor is expected to mobilize and complete site survey work at the beginning of November 2022.
5	2023-01	TBD	18-22-C-00-MRY	\$3,775,000	\$0	\$1,954	\$1,954	0%	SEP Phase D1 Terminal Design	RFQ was posted and published. Response submittals were received on August 16, 2022. The evaluation panel reviewed the 7 submittals and invited the top 3 respondents for an initial interview.	The initial interview panel selected two architectural firms for Board interviews on 10/21/22: HOK was the first-ranked team. Staff will begin to work with HOK to develop a Scope of Work for FAA review.
6	2023-02	TBD	18-22-C-00-MRY	\$2,170,000	\$0	\$0	\$0	0%	RUNWAY 28L-10R TREATMENT		No work has started at this time.

FUNDING				EXPENDITURES				STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	10/31/2022	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
7	2023-034	TBD	18-22-C-00-MRY	\$40,000,000	\$0	\$0	\$0	0%	SEP Phase B2 Commercial Apron Construction		No work has started at this time.
<u>OUTSIDE FUNDED PROJECTS:</u>											
8	2019-03	N/A	N/A	\$2,828,058	\$520,242	\$81,237	\$601,479	45%	WATER DISTRIBUTION SYSTEM	The Monterey County approved the two demolition and two reconstruction permits. A contract to proceed with this work was approved at the January 2022 meeting.	Capacity testing was completed at both locations, 2999 Monterey Salinas Highway and 2801. A follow up report and presentation will be provided at the November Board meeting.
<u>PFC FUNDED PROJECTS</u>											
9	2020-04	N/A	20-24-C-00-MRY	\$200,000	\$0	\$4,044	\$4,044	5%	CCTV TERMINAL AND PERIMETER SECURITY UPGRADES	Staff continue to evaluate and review camera and security system options.	An RFQ was posted and responses were received on 10/29/2022. Staff are evaluating the qualifications and will bring a recommendation forward for approval so that the needed upgrades can be completed.
<u>DISTRICT ONLY FUNDED PROJECTS</u>											
10	2020-14	N/A	N/A	\$350,000	\$203,879	\$0	\$203,879	0%	NORTHWEST BUILDING ABATEMENT	Abatement work was completed in June, 2021.	Staff are evaluating building 1105 Airport Way.
11	2022-02	N/A	N/A	\$83,000	\$27,859	\$53,357	\$81,216	100%	VEHICLE REPLACEMENT	A resolution to approve the purchase of one maintenance vehicle was approved at the September 2021 Board meeting.	The new maintenance truck was finally ready for pickup on September 13, 2022 and has been added to the vehicle fleet.
12	2023-04	N/A	N/A	\$350,000		\$23,490	\$23,490	0%	2801 PROPERTY REPAIRS		2801 building A needed significant elevator updates to meet State requirements that were completed in September.

FUNDING				EXPENDITURES				STATUS			
	PROJECT #	AIP #	PFC	Total Project Budget	Spent in Prior Fiscal Years	FY 2023 Expenditures to Date	10/31/2022	% Physical Complete	Project Name	Current Status	4 Week Look Ahead
13	2023-05	N/A	N/A	\$250,000		\$0	\$0	0%	FRED KANE-SKYPARK PAVEMENT IMPROVEMENTS		No work has started at this time.
14	2023-06	N/A	N/A	\$100,000		\$0	\$0	0%	AIRFIELD VEHICLE GATE IMPROVEMENTS		No work has started at this time.
15	2023-07	N/A	N/A	\$325,000		\$0	\$0	0%	TERMINAL BUILDING OUTSIDE PAINTING		No work has started at this time.



POLICE

DEL REY OAKS

MONTHLY POLICE ACTIVITY REPORT

October 2022

TO: Michael La Pier, Executive Director
FROM: Sergeant Roger Guzman
DATE: November 2, 2022
SUBJECT: Police Activity Report for November 2022

The following is a summary of significant activity in the Police Department in October, 2022:

Highlights

Del Rey Oaks Police Officers responded to approx 6 **door and gate alarms** in November.

Training

Commander Bourquin provided updated training regarding MRY OPS. Commander Bourquin and Ken Griggs/Mark Curtis meet weekly regarding MRY/DROPD operations.

Calls for Service

1. 10/18/22 3:30 PM Commander Bourquin
Terminal: Gate 4
Commander Bourquin escorted a drunk subject out of terminal. His wife came and picked him up.
2. 10/25/22 12:05 AM Commander Bourquin
Terminal: Passenger had loaded magazine in luggage. Passenger allowed to secure item in his vehicle.
3. 10/26/22 11:42 AM Commander Bourquin
Terminal: Baggage area
Items left unattended and recovered and brought to lost and found.
4. 10/30/22 10:40 AM Commander Bourquin
MJC: Mechanical issue
Commander responded to report of jet with hot brakes. MFD responded C4.

END OF REPORT.