

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

**August 12, 2015 10:00 AM**

**Board Room, 2<sup>nd</sup> Floor of the Airport Terminal Building  
200 Fred Kane Dr. Suite #200  
Monterey Regional Airport**

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

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

**B. PLEDGE OF ALLEGIANCE**

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

1. Oath of Office  
Michael La Pier, Executive Director

2. Introduction of New Employee

<u>Name</u>	<u>Department</u>	<u>Position</u>
Uriah Allen	Public Safety	Police Officer

3. Semi-Annual Employee Recognition FY 2015 (January 1 – June 30, 2015)

<u>Name</u>	<u>Department</u>	<u>Position</u>
Allan Hipolito	Maintenance	Maintenance Worker

4. [California's Healthy Workplaces, Healthy Families Act of 2014 \(AB 1522, as amended July 13, 2015, AB 304\) Sick Leave Policy for Regular Part-time Employees](#)

**D. PUBLIC COMMENTS**

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



- ii. Budget and Finance Directors Miller & Sabo
- iii. Air Service, Marketing, Community Relations Directors Leffel & Nelson

b. Ad-Hoc Committees:

- i. Community Affairs Directors Sabo & Leffel
- ii. Airport Property Development & Leases Directors Nelson & Miller
- iii. Noise Mitigation Directors Sabo & Nelson

c. Liaison/Representatives:

- i. Local Agency Formation Commission Director Leffel    Alt: Searle
- ii. Regional Taxi Authority Director Leffel    Alt: La Pier
- iii. Transportation Agency for Monterey County Director Sabo    Alt: Nelson
- iv. Water Management District (Policy Advisory) Director Leffel    Alt: Searle
- v. Special Districts Association Liason Director Miller

**J. CLOSED SESSION**

(1:30PM –2:00PM Estimated)

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

**K. RECONVENE TO OPEN SESSION**

**L. PENDING REQUESTS FOR FUTURE AGENDA ITEMS**

- *Soundproofing the Board Room / Better quality speaker(s)*

**M. 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.)

**N. ADJOURNMENT**

**AGENDA DEADLINE**

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

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



**AGENDA ITEM:** C-4  
**DATE:** August 12, 2015

**TO:** Michael La Pier, Executive Director  
**FROM:** Tonja Posey, Human Resources/Risk Manager  
**SUBJ:** Healthy Workplaces, Healthy Families Act 2014 (AB 1522 Paid Sick Leave)

Monterey Peninsula Airport District's current Sick Leave Policy only applies to regular Full-time employees and does not provide Part-time employees with sick leave.

On September 10, 2014, Governor Brown signed into law the Healthy Workplace, Healthy Families Act that provides three (3) days of paid sick leave for employees who work 30 or more days for the employer.

Effective July, 1, 2015 the Healthy Workplaces, Healthy Families Act 2014 (AB 1522 and as amended July 13, 2015, AB 304) requires employers to provide paid sick leave for Temporary and Part-time employees who work thirty (30) or more days for the employer. This law does not apply to CalPERS retired annuitants (see attached CalPERS Circular Letter).

AB 1522 provides the employer with two accrual methods and guidelines for each method. One method is to provide (accrue) one (1) hour for every thirty (30) hours worked and the other method is to provide twenty-four (24) hours at the beginning of each fiscal year.

Staff evaluated both accrual methods and determined that the option which provides twenty-four (24) hours of sick leave at the beginning of the fiscal year (July 1) would be the best method for the District. This method does not require the employer to keep track of each hour worked and does not require the employer to rollover the unused sick leave. In either method, the sick leave is not a vested benefit and is not payable upon separation of employment.

Staff has, and will continue to, take the appropriate steps, i.e. posting and notification requirements, to accommodate these new conditions. The attached Sick Leave Policy meets, and is in compliance with, the requirements of Healthy Workplaces, Healthy Families Act 2014 (AB 1522 Paid Sick Leave).



California Public Employees' Retirement System  
P.O. Box 942711  
Sacramento, CA 94229-2711  
(888) CalPERS (or 888-225-7377)  
TTY: (877) 249-7442  
[www.calpers.ca.gov](http://www.calpers.ca.gov)

Reference No.:  
Circular Letter No.: 200-038-15  
Distribution: IV, V, VI, X, XII, XVI  
Special:

## Circular Letter

August 5, 2015

**TO: ALL CALPERS EMPLOYERS**

**SUBJECT: ASSEMBLY BILL 1522 HEALTHY WORKPLACES, HEALTHY FAMILIES ACT OF 2014, ASSEMBLY BILL 304 AND RETIRED ANNUITANTS**

The purpose of this circular letter is to inform you of the impact of Assembly Bill (AB) 1522, the Healthy Workplaces, Healthy Families Act of 2014, and AB 304 on CalPERS' members employed as retired annuitants.

### **Retired Annuitants and Paid Sick Leave**

AB 1522 amended the Labor Code, which generally establishes working conditions for wage earners in the state, to require employers to provide paid sick leave to an employee who, on or after July 1, 2015, works in California for 30 or more days within a year from the commencement of employment. Employees accrue one hour of sick leave for every 30 hours worked and can use the paid sick leave beginning on the 90<sup>th</sup> day of employment. The bill authorizes an employer to limit an employee's use of paid sick days to 24 hours or 3 days in each year of employment.

AB 1522 defines "employer" to include the state, its political subdivisions, and municipalities, and although the bill specifically excludes certain types of wage earners from its scope, those serving as retired annuitants were originally not excluded.

On July 13, 2015, Governor Brown signed AB 304 (Gonzalez), Chapter 67 of the Statutes of 2015, which revises the definition of employee which was defined in AB 1522 and now excludes retired annuitants from being eligible for sick leave.

If you have any questions, please call our CalPERS Customer Contact Center at **888 CalPERS (or 888-225-7377)**.

**ANTHONY SUINE, Chief**  
Benefit Services Division

## MONTEREY PENINSULA AIRPORT DISTRICT

### ***SICK LEAVE- Regular Part Time***

**No.** 605.11  
**Effective Date:** 7/1/2015  
**Revision Date:**  
**Page:** 1 of 1

Regular part-time employees, excluding retired annuitants<sup>1</sup>, are provided with Paid Sick Leave in accordance with California's Healthy Workplaces, Healthy Families Act of 2014 (AB 1522, as amended July 13, 2015, AB 304).

#### Sick Leave Provided:

Effective July 1, 2015, regular part-time employees excluding retired annuitants who are scheduled to work at least thirty (30) days per fiscal year will receive twenty-four (24) hours of sick leave on July 1<sup>st</sup> of each fiscal year (July 1 to June 30). Unused sick leave remaining on June 30 of each year shall expire, and shall not accumulate or "roll over" into the next fiscal year.

#### Use of Sick Leave:

Part-time employees become eligible to use accrued sick leave beginning with their 90<sup>th</sup> day of employment. Sick leave must be used by non-exempt employees in minimum increments of fifteen minutes.

Sick leave may be used for the diagnosis, care or treatment of an existing illness or health condition, or for preventive care for an employee or the employee's family member. Sick leave may also be used if an employee is a victim of domestic violence, sexual assault or stalking, or as otherwise required by Federal or California law. For purposes of this section "family member" includes the employee's parent, child, spouse, registered domestic partner, grandparent, grandchild, and sibling.

If the need to use sick leave is foreseeable, employees shall provide reasonable advance notice to their supervisor. If an unforeseeable need to use sick leave arises, the employee must provide notice as soon as practicable. A physician's certificate may be required as proof of need for the absence, and a physician's release back to work following an illness may be required prior to an employee returning to active duty. Other workplace rules and policies, such as those involving an employee's failure to follow reporting procedures outlined in the Absenteeism & Tardiness (Attendance) Policy are not affected by this policy. Violations of those policies may result in an unexcused absence, or disciplinary action up to and including termination of employment.

#### Sick Leave Upon Separation from Employment and Upon Re-Employment:

Unused sick leave benefits will not be paid to employees upon termination of employment. Employees who separate from employment and are subsequently re-employed within 12 months, shall have any unused sick leave existing at the time of separation restored. Employees re-employed after less than a 12-month break in service shall be eligible to use accrued sick leave once they have been employed by the District for a combined total of 90 days, in all periods of employment.

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1. Labor Code Section 245.5(a)(5) provides that a public-sector employee who is the recipient of a retirement allowance and employed without reinstatement into his or her respective retirement system is prohibited from receiving compensation other than their pay and therefore will not receive sick pay benefits.

**MINUTES OF THE REGULAR MEETING OF THE MONTEREY PENINSULA AIRPORT DISTRICT BOARD OF DIRECTORS**  
**July 8, 2015 10:00AM, BOARD ROOM**

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

*Chair Sabo called to order the Regular Meeting of the Board of Directors. Directors Miller, Searle, and Nelson were present. The following District officers were present: Board Secretary Posey, Auditor Merritt, General Manager Greer and District Counsel Huber. Director Leffel arrived at 10:05a.m.*

**B. PLEDGE OF ALLEGIANCE**

*Director Sabo led the Pledge of Allegiance.*

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

1. Introduction of New Employee

<u>Name</u>	<u>Department</u>	<u>Position</u>
Brandon Segovia	Public Safety	Police Officer

*Tom Greer, General Manager, and Jeff Hoyne, Police Chief, introduced Brandon Segovia.*

2. Police Chief Award Presentation

*The Police Department honored Tom Greer with a plaque in appreciation of his support and leadership.*

3. Report to Board by Director Miller: AAAE Conference, Philadelphia

*Director Miller referred to his written report and gave a brief overview about his attendance at the AAAE Annual Conference.*

**D. PUBLIC COMMENTS**

*None*

**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 Special Meeting of June 3, 2015

Approve            2. Minutes of the Regular Meeting of June 17, 2015

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

- Adopt                    3. A Resolution No. 1645 of the Monterey Peninsula Airport District Authorizing the Position of Executive Director and Affirming the Powers and Duties Pertaining to the Position of Executive Director

*Director Leffel moved to approve Item E.3. Director Searle seconded the motion. The motion passed by a roll call vote 5-0.*

**RESOLUTION NO. 1645**

**A RESOLUTION OF THE MONTEREY PENINSULA AIRPORT DISTRICT AUTHORIZING THE POSITION OF EXECUTIVE DIRECTOR AND AFFIRMING THE POWERS AND DUTIES PERTAINING TO THE POSITION OF EXECUTIVE DIRECTOR**

**BE IT HEREBY RESOLVED** by the Monterey Peninsula Airport District as follows:

1. The position of Executive Director is hereby recognized and created.
2. Pursuant to Section 8 of the Enabling Act, the Executive Director shall have the same rights, powers, duties, and authority as the position of General Manager, as outlined in the Enabling Act and the Ordinances of the Monterey Peninsula Airport District, as may be updated from time to time.
3. The District Secretary shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 8<sup>th</sup> day of July, 2015 by the following roll call vote:

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

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

*None*

**G. REGULAR AGENDA – ACTION ITEMS**

- Presentation            1. Transportation Security Administration Appreciation for the years of partnership with DHS / TSA

*Robert Nowland, Federal Security Director, Transportation Security Administration (TSA), presented Tom Greer, General Manager, with an award and thanked him for the many years of his partnership with the Transportation Security Administration (TSA).*

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

*Bob Hamilton, Kimley Horn & Associates, and Chris Morello, Project Manager, presented Item G.2 to the board.*



## **H. CLOSED SESSION**

1. **REAL PROPERTY NEGOTIATIONS** (Government Code Section 54956.8) the Board will meet with Real Property Negotiators, General Manager and District Counsel, regarding the property identified as portions of Assessor's Parcel Number 013-221-020-000 consisting of approximately 1.2 acres.
2. **POTENTIAL LITIGATION** (Government Code Section 54956.9(d)) the Board will meet with the General Manager and District Counsel regarding potential litigation – one case.
3. **PUBLIC EMPLOYEE PERFORMANCE EVALUATION** (Government Code Section 54957 (b)) the Board will meet with the General Manager and District Counsel to consider the evaluation of performance of a public employee related to the following position: General Manager.

## **I. RECONVENE TO OPEN SESSION**

*Chair Sabo reported that no action was taken in closed session.*

Presentation      3. Airport Master Plan Update by Coffman & Associates.

*Jim Harris, Coffman & Associates, and Christine Eberhard, CommuniQuest, presented Item I.3 to the board.*

Adopt              4. A Resolution No. 1644 of the Monterey Peninsula Airport District Authorizing and Directing the Chair to Execute the Landlord's Consent to Assignment Related to 2965 Monterey Hi-Way Self, LLC and Flight Way Self Storage, LLC

*Director Leffel moved to adopt Resolution No. 1644. Director Searle seconded the motion. The motion passed by a roll call vote 5-0.*

### **RESOLUTION NO. 1644**

#### **A RESOLUTION OF THE MONTEREY PENINSULA AIRPORT DISTRICT AUTHORIZING AND DIRECTING THE CHAIR TO EXECUTE THE LANDLORD'S CONSENT TO ASSIGNMENT RELATED TO 2965 MONTEREY HI-WAY SELF STORAGE, LLC AND FLIGHT WAY SELF STORAGE, LLC**

**BE IT HEREBY RESOLVED** by the Monterey Peninsula Airport District as follows:

1. The Chair is hereby authorized and directed to execute the documents entitled "Landlord's Consent to Assignment" related to the refinance of the loan between 2965 Monterey Hi-Way Self Storage, LLC, Flight Way Self Storage, LLC, and 1st Capital Bank. A copy of the Landlord's Consent to Assignment is attached hereto as Exhibit "A".
2. The District Secretary shall attest to the adoption of this Resolution.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 8<sup>th</sup> day of July, 2015 by the following roll call vote:

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

Adopt           5. Resolution No. 1646, A Resolution of the Board of Directors of the Monterey Peninsula Airport District upon the Retirement of Thomas E. Greer, AAE General Manager

*The Board congratulated and thanked Tom Greer, General Manager, for his years of dedicated service to the District.*

*Director Leffel moved to adopt Resolution No. 1646. Director Nelson seconded the motion. The motion passed by a roll call vote 5-0.*

**RESOLUTION NO. 1646**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT UPON THE RETIREMENT OF THOMAS E. GREER, AAE GENERAL MANAGER**

**WHEREAS**, Thomas E. Greer began his career with the Monterey Peninsula Airport District on April, 8, 2002, as Assistant General Manager. He was promoted to General Manager December 1, of 2003. Tom has served the Airport District for over thirteen years; and

**WHEREAS**, Several of the accomplishments during his tenure at the Airport District include: the Terminal remodel, Baggage Claim relocation and new baggage belt, Transportation Security Administration (TSA) screening moved to a central location, contract for Fire Services with the City of Monterey, and currently, the Runway Safety Area (RSA) Project and the Airport Master Plan Project.; and

**WHEREAS**, Tom has held numerous positions on Industry Boards and Associations. He was elected Chairman of The American Association of Airport Executives (AAAE) in 2003 and served on the Board of that Association for over 10 years. He was elected to the Board of Directors of the Airports Council International/North America in 2005. Tom earned the designation as an Accredited Airport Executive (AAE) in 1977; and

**WHEREAS**, Tom has received numerous industry awards and honors for his contribution to the airport management profession, including: AAAE's Leadership Award, 2000, The Chair's Award for 2008, and in 2005, he received one of the Association's most prestigious awards, The Distinguished Service Award. He was President of the Southwest Chapter of AAAE in 1986-87. He was named Airport Manager of the Year in 1988 and received the Chapter's Award of Distinction in 2003.

**NOW, THEREFORE, BE IT RESOLVED**, that the Board of Directors of the Monterey Peninsula Airport District commend Thomas E. Greer for his thirteen plus years of dedicated service to the district; and

**BE IT FURTHER RESOLVED**, that the valuable services of Thomas E. Greer be memorialized by resolution on the occasion of his retirement from the Monterey Peninsula Airport District on July 31, 2015.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 8<sup>th</sup> day of July, 2015 by the following roll call vote:

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

Adopt 6. Resolution No. 1647, A Resolution of the Board of Directors of the Monterey Peninsula Airport District for the 2015 Election of Directors to the Special District Risk Management Authority Board of Directors (SDRMA)

*The Board voted for Ed Gray, R. Michael Wright, and Sandy Seifert-Raffelson.*

*Director Miller moved to adopt Resolution No. 1647. Director Leffel seconded the motion. The motion passed by a roll call vote 5-0.*

Action 7. Select one Candidate for Seat 'A' California Special Districts Association (CSDA) Coastal Network

*Director Miller moved to elect candidate Elaine Magner. Director Leffel seconded the motion. The motion passed unanimously.*

Approve 8. Board Member attendance at the SWAAE's Annual Summer Conference San Jose, CA July 26 – 29, 2015

*Board members did not express interest to attend. Item I.8 was not approved.*

Approve 9. Board Member attendance at the California Special Districts Association (CSDA) Annual Conference Monterey, CA September 21- 24, 2015

*Director Leffel moved to approve Item I.9. Director Miller seconded the motion. The motion passed unanimously.*

*Director Leffel and Director Miller will attend.*

## **J. ACCEPTANCE OF DEPARTMENT REPORTS**

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

*Director Sabo asked staff to provide alternatives for the negative cash flow from taxi revenue. Director Leffel stated that the initial reason for joining the RTA and going to an open entry system was due to a lack of taxi cabs which created a customer service issue, which does not exist now. She also stated that the District was not collecting more revenue from taxis than it is now. Director Leffel offered to meet with Director Sabo and discuss potential solutions moving forward.*

## **K. BOARD COMMITTEE REPORTS**

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

### **a. Standing Committees:**

- |  |                           |
|--|---------------------------|
| i. Local Jurisdiction Liaison                    | Directors Miller & Searle |
| ii. Budget and Finance                           | Directors Miller & Sabo   |
| iii. Air Service, Marketing, Community Relations | Directors Leffel & Nelson |

b. Ad-Hoc Committees:

- i. Grand Jury Report Review & Response
- ii. Community Affairs
- iii. Airport Property Development & Leases
- iv. Noise Mitigation

Directors Sabo & Leffel  
Directors Sabo & Leffel  
Directors Nelson & Miller  
Director Sabo & Nelson

c. Liaison/Representatives:

- i. Local Agency Formation Commission
- ii. Regional Taxi Authority
- iii. Transportation Agency for Monterey County
- iv. Water Management District (Policy Advisory)

Director Leffel Alt: Searle  
Director Leffel Alt: GM Greer  
Director Sabo Alt: Nelson  
Director Leffel Alt: Searle

**L. PENDING REQUESTS FOR FUTURE AGENDA ITEMS**

- *Purchase of Board Laptops*
- *Leakage Study*
- *Soundproofing the Board Room / Better quality speaker(s)*

**M. DISCUSSION OF FUTURE AGENDAS**

*None added.*

**N. ADJOURNMENT**

*The meeting adjourned at 3:46pm.*

**TO:** Board of Directors, Monterey Peninsula Airport District  
**FROM:** Michael La Pier, Executive Director  
**SUBJ:** Resolution No. 1648, A Resolution Amending Resolution No. 1623 Authorizing and Approving the Operating and Capital Budgets of the Monterey Peninsula Airport District for Fiscal Year 2015

**BACKGROUND.** This resolution amends **only** the total budgeted capital expense amount to align with total actual capital expense amounts executed in FY 2015.

**Fiscal Year 2015 Operating Budget.**

Total actual operating expense for Fiscal Year 2015 is below the total budgeted operating expense; no amendment is required.

**Fiscal Year 2015 Capital Budget.**

The only District-funded capital construction project, 2015-01 ARFF Station Remodel / Improvements, with an adopted budget of \$42,000, was not used. The total cost to remodel the living quarters was less than \$19,000, and did not meet the capital threshold; the improvements to the ARFF Station were classified as operating expense.

As the ARFF Station improvements were completed and the cost savings were apparent, staff made a recommendation to the Board that a new pick-up truck be acquired for the Maintenance Department. One (1) new pick-up truck (for maintenance) was in the capital plan for FY 2016; we would pull into FY 2015 and execute early. Do to the age and condition of other maintenance vehicles, more consideration must be given to new vehicle acquisition.

The Board authorized staff to apply for a grant from the Monterey Bay Unified Air Pollution Control District; the grant would reimburse the District for monies used to purchase a “totally electric vehicle”. MBUAPCD awarded MPAD with a grant to reimburse \$54,000 (\$27,000 per vehicle) toward the purchase of two (2) vehicles. Under the California Vehicle Replacement Program (CVRP) the District received an additional reimbursement of \$5,000 (\$2,500 per vehicle) for purchasing the two Kia Soul EVs.

Upon consent of the Board, three (3) District funded capital acquisitions were added to the FY 2015 Capital Budget:

- 2015-04 Maintenance Vehicle Replacement – 1 Pick-Up Truck - \$39,500,
- 2015-05 Staff Vehicle Replacement – 1 Electric Vehicle - \$40,500, and
- 2015-06 Staff Vehicle Replacement – 1 Electric Vehicle - \$40,500.

Overall, the District-funded capital budget was increased \$86,000; from a total of \$72,000 to a total of \$158,000.

A summarized comparison is provided below.

**General Summary -- District-Funded Capital Expenses -- Fiscal Year 2015  
For the Fiscal Year Starting 07/01/2014 - Ending 06/30/2015**

	<u>ADOPTED FY 2015 FULL YEAR PLAN</u>	<u>AMENDED FY 2015 FULL YEAR PLAN</u>	<u>CHANGE</u>
<b>DISTRICT-ONLY FUNDED CAPITAL PROJECTS</b>			
2015-01 ARFF STATION REMODEL / IMPROVEMENTS	42,000.00	-	(42,000.00)
<b>SUB-TOTAL - DISTRICT-ONLY FUNDED PROJECTS</b>	<u>42,000.00</u>	<u>-</u>	<u>(42,000.00)</u>
<b>DISTRICT-ONLY FUNDED CAPITAL ACQUISITIONS</b>			
2015-02 POLICE VEHICLE REPLACEMENT - 1 VEHICLE	30,000.00	37,500.00	7,500.00
2015-04 MAINTENANCE VEHICLE REPLACEMENT - 1 VEHICLE	-	39,500.00	39,500.00
2015-05 STAFF VEHICLE REPLACEMENT - 1 ELECTRIC VEHICLE	-	40,500.00	40,500.00
2015-06 STAFF VEHICLE REPLACEMENT - 1 ELECTRIC VEHICLE	-	40,500.00	40,500.00
<b>SUB-TOTAL - DISTRICT-ONLY FUNDED CAPITAL ACQUISITIONS</b>	<u>30,000.00</u>	<u>158,000.00</u>	<u>128,000.00</u>
 <b>TOTAL DISTRICT-FUNDED CAPITAL PLAN:</b>	 72,000.00	 158,000.00	 86,000.00

**OPERATING BUDGET IMPACT.** None.

**CAPITAL BUDGET IMPACT.** None. The increase to the FY 2015 Capital Budget formally authorizes the total District-funded capital expense authorized by the board of directors and executed in FY15.

**RECOMMENDATION.** Staff recommends the Board adopt Resolution No. 1648, A Resolution Amending Resolution No. 1623 Authorizing and Approving the Operating and Capital Budgets of the Monterey Peninsula Airport District for Fiscal Year 2015.

**RESOLUTION NO. 1648**

**A RESOLUTION AMENDING RESOLUTION NO. 1623  
AUTHORIZING AND APPROVING THE OPERATING AND CAPITAL BUDGETS OF THE  
MONTEREY PENINSULA AIRPORT DISTRICT FOR FISCAL YEAR 2015**

**WHEREAS**, all capital expenditures for the Fiscal Year 2015 as set forth in the capital budget shall be payable in such time, form and manner as is prescribed by the Monterey Peninsula Airport District Act and by Resolution No. 1424, a Resolution Establishing Fiscal Control Policies and Procedures for the Monterey Peninsula Airport District, were approved by Resolution No. 1623, and

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

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT**, that capital expenditures in the “Capital Budget – FY15” are increased by \$86,000, to a total amount of \$158,000 effective June 30, 2015.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 12th day of August, 2015 by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	None
<b>NOES:</b>	<b>DIRECTORS:</b>	None
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	None
<b>ABSENT:</b>	<b>DIRECTORS:</b>	None

Signed this 12<sup>th</sup> day of August, 2015

William J. Sabo, Chair

**A T T E S T**

Tonja Posey, Secretary

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Mark Bautista, Deputy General Manager, Planning & Development  
**SUBJ:** Resolution No. 1649, Authorizing a Professional Services Agreement with Coffman Associates to Prepare Environmental Documentation for the Infields Rehabilitation Project at Monterey Regional Airport

## **BACKGROUND.**

### *A. Need for the Project*

Located between Monterey Regional Airport's main runway, Rwy 10R/28L, and parallel Taxiways Alpha and Bravo, are several infields. Some of the areas, especially on the west end of the runway, are composed entirely of natural soil, while the majority are a chip seal pavement. The infields need to be rehabilitated for the following reasons:

- The chip seal surfaces of the infields are reaching the end of their useful life and are beginning to create Foreign Object Debris (FOD) on nearby Airport Operations Areas (AOAs). The age of the infields vary from 15 to 20 years.
- The storm water drainage capability of the infields is in need of improvement, to better control erosion. Rwy 10R/28L, Twys Alpha and Bravo, and all of their associated connecting taxiways, have received overlays over the last several years. This has gradually increased the slope into the infields to more than a five percent (5%) grade, exceeding the limits prescribed in FAA airport design guidelines (AC 150/5300-13A).
- Reduction of potential wildlife hazards on the airport. The District's Wildlife Hazard Management Plan (2013), recommends installation of aviation artificial turf in the infields, to reduce the threat of wildlife hazard-related strikes by removing raptor bird food sources in these areas.

As a result of Board input, and the input of the Federal Aviation Administration's (FAA) Airport District Office (ADO), in January 2015 the Board adopted its annual five-year Airport Capital Improvement Plan (ACIP), including the Infield Safety Area Rehabilitation Project (Parts A, B and C). Subsequently, MPAD Staff has been working with the FAA to secure planning grant funding for the National Environmental Protection Act (NEPA)-related environmental review costs for the Infields Rehabilitation Project.

### *B. FAA Funding Process*

The FAA provides its planning grant offers based on negotiated agreements with professional firms, not cost estimates. In anticipation of a grant offer from the FAA, MPAD Staff has negotiated a proposed draft agreement with the planning and environmental consulting firm Coffman Associates, Incorporated (Coffman) to prepare the Infields Rehabilitation Project environmental documentation (see attached). Activities within the scope of work are intended to meet both National Environmental Protection Act (NEPA), and California Environmental Quality Act (CEQA) requirements.



The FAA routinely provides a grant offer to Airport Sponsors like MPAD with very little time to execute the grant agreement and return it to the FAA (we have seen as little as 24 hours here at MPAD). For this reason, annually when the Board adopts the ACIP, it includes in its resolution prior approval for the Executive Director to execute any and all documents necessary to effect the projects in the ACIP, including grant agreements. District Staff's recommendation is to approve the consultant's contract now, conditioned upon a grant agreement being received for the work. Historically at MPAD, Staff has always delayed execution of a professional services agreement until the associated grant agreement is executed.

**SCOPE OF WORK.** This proposed agreement includes the necessary NEPA environmental review to conduct an Environmental Assessment. In order to meet CEQA requirements, an initial study will be performed to determine what necessary environmental documentation is needed. If a Negative Declaration or Mitigated Negative Declaration is determined to be appropriate, a Notice of Determination will be submitted in order to meet CEQA requirements. These work tasks are included in the draft agreement.

While unlikely, if an Environmental Impact Report (EIR) is determined to be appropriate, a Notice of Preparation will be submitted in order to meet CEQA requirements. Additionally, a new agreement to conduct an EIR would also be required, prior to commencement of the EIR process.

**BUDGET EFFECT.** The Infield Rehabilitation Project, Part A, is included in the adopted MPAD FY2016 Budget (CIP). A professional services agreement has been negotiated in an amount not to exceed \$335,240.00 (\$303,320.00 for the Environmental Assessment and \$31,920.00 for CEQA Documentation). In addition to these funds, due to environmental time constraints a contract for \$5,676 was let with SWCA Environmental, Incorporated, for a biological survey and biological assessment. The FAA has allowed this work to be included in the anticipated grant, as it was a necessary component for finalizing the scope of work for the environmental documentation effort.

**SOURCE OF FUNDS.** At the FAA's request, a grant application has been submitted to the FAA for AIP funding (using FAA-FY15 Entitlement funds to conduct the NEPA environmental review). As it has with other FAA-funded projects, the District will "front" the cost of work associated with CEQA environmental review. Reimbursement of MPAD CEQA costs is anticipated to occur when a FAA construction grant for the Infield Rehabilitation Project is submitted and approved. If the FAA chooses not to reimburse for CEQA, MPAD could include this cost in the PFC match or the District could absorb the estimated cost of \$31,920.00 from its reserves.

The FAA AIP grant application includes a FAA 90.66% share of the estimated NEPA funding costs (Airport Improvement Program) and a 9.34% District share (Passenger Facility Charges). It is expected that the FAA will reimburse the \$31,920.00 CEQA costs using the same ratio.

**IMPACT ON REVENUES.** None

**SCHEDULE.** The project is anticipated to begin no later than October 2015, conditioned on receipt of an appropriate grant agreement with the FAA.

**IMPACT ON OPERATIONS.** Not Applicable.

**CONTINGENCY.** None. The fees in the professional services agreement with Coffman Associates are "not to exceed."

**STRATEGIC PLAN.** Approval of the proposed draft Agreement with Coffman Associates implements Strategic Element No. 2 in the Five-year Strategic Plan, Amended March 5, 2014. More specifically, it implements Strategic Goal 2.3, by ensuring compliance with current state and federal regulations, and Strategic Goal 2.5, Monitor and Manage Approved Projects within the CIP & ACIP.

**RECOMMENDATION.** Adopt Resolution No. 1649, authorizing a professional services agreement with Coffman Associates, for preparation of Environmental Documentation for the MPAD Infields Rehabilitation Project. The professional services agreement will not be executed, nor a Notice To Proceed (NTP) issued to Coffman for the work, until receipt/execution of an appropriate grant agreement from the FAA.

**RESOLUTION NO. 1649**

**A RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH COFFMAN ASSOCIATES FOR PREPARATION OF ENVIRONMENTAL DOCUMENTATION FOR THE RUNWAY 10R/28L INFIELDS REHABILITATION PROJECT AT MONTEREY REGIONAL AIRPORT**

**WHEREAS**, the Board of Directors of the Monterey Peninsula Airport District (MPAD) adopted the FY 2016 Airport Capital Improvement Plan (ACIP) on December 10th 2014, including the Infield Rehabilitation Project; and

**WHEREAS**, representatives of the Federal Aviation Administration (FAA) have indicated a willingness to fund an environmental assessment for the Infield Rehabilitation Project; and

**WHEREAS**, a grant application has been submitted to the FAA using Airport Improvement Program (AIP) FAA-FY2015 Entitlement funds to prepare the environmental documentation; and

**WHEREAS**, to that end MPAD Staff has negotiated a professional services agreement with Coffman Associates to prepare the environmental documentation for the Runway 10R/28L Infield Rehabilitation Project, in an amount not to exceed \$335,240.00; and

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** That MPAD contract with the firm of Coffman Associates to prepare the environmental documentation for the Runway 10R/28L Infields Safety Project for the Monterey Regional Airport, and authorizing the Executive Director, or his designee, to execute said contract.

**BE IT FURTHER RESOLVED THAT** execution of said contract is conditioned upon receipt of an appropriate grant from the FAA.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 12th day of August 2015, by the following roll call vote:

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

Signed this 12th day of August 2015

A T T E S T

\_\_\_\_\_  
William Sabo, Chairman

\_\_\_\_\_  
Tonja Posey, Secretary of the Board

MONTEREY PENINSULA AIRPORT DISTRICT  
MONTEREY REGIONAL AIRPORT  
INFIELDS REHABILITATION PROJECT - ENVIRONMENTAL DOCUMENTATION  
AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN  
MONTEREY PENINSULA AIRPORT DISTRICT AND  
COFFMAN ASSOCIATES, INC.

This Agreement for Professional Services ("Agreement") is made and entered into effective this \_\_\_th day of \_\_\_\_, 2015, by and between the Monterey Peninsula Airport District, a California special district ("District"), and Coffman Associates, Inc. a Missouri Corporation ("Consultant").

WHEREAS, Consultant represents that Consultant is specially trained, experienced, and competent to perform the professional services required by this Agreement; and

WHEREAS, Consultant is willing to render such professional services, as are hereinafter defined, on the following terms and conditions.

NOW, THEREFORE, Consultant and District agree as follows:

1. Scope of Service.

The project contemplated and the Consultant's services are described with a detailed fee breakdown in Exhibit "A," attached hereto and incorporated herein by reference.

2. Completion Schedule.

Consultant shall provide an individual schedule for completing the consulting services described in Exhibit "A," subsequent to receipt of a Notice To Proceed (NTP) (refer to Paragraph 22). The time for completion of this project is exclusive of governmental reviews, approvals, and/or delays.

3. Compensation.

District hereby agrees to pay Consultant for services rendered to District pursuant to this Agreement in an amount not to exceed the amount indicated in the payment schedule in, and in the manner indicated and in accordance with, Exhibit "A."

4. Billing.

Consultant shall submit to District an itemized invoice, prepared in a form satisfactory to District, describing Consultant's services and fees for the period covered by the invoice. Except as specifically authorized by District, Consultant shall not bill District for duplicate services performed by more than one person. Consultant's bills shall include the following information to which such services or costs pertain:

- (a) a brief description of services performed;
- (b) the date the services were performed;
- (c) the percentage of work completed in each category of work;
- (d) total invoice costs;
- (e) remaining budget balance; and
- (f) Consultant's signature.

In no event shall Consultant submit any billing for an amount in excess of the maximum amount of compensation provided in Section 3, unless authorized pursuant to Section 5 hereof.

All such invoices shall be in full accord with any and all applicable provisions of this Agreement.

District shall make payment on each such invoice within forty-five (45) days of receipt; provided, however, that if Consultant submits an invoice which is incorrect, incomplete, or not in accord with the provisions of this Agreement, District shall not be obligated to process any payment to Consultant until forty-five (45) days after a correct and complying invoice has been submitted by Consultant.

5. Additional Services.

It is understood by District and Consultant that it may be necessary, in connection with the project, for Consultant to perform or secure the performance of consulting and related services other than those set forth in Exhibit "A." The parties have listed those additional consulting services which could be anticipated at the time of the execution of the Agreement as shown in Exhibit "B." If additional services are requested by District, Consultant shall advise District in writing of the cost of and estimated time to perform the services. Consultant shall not proceed to perform any such additional service until District has determined that such service is beyond the scope of the basic services to be provided by Consultant, is required, and has given District's written authorization to perform. Written approval for performance and compensation for additional services shown in Exhibit "B" may be granted by the Deputy General Manager, Planning & Development Department.

Except as hereinabove stated, any additional service not shown on Exhibit "B" shall require an amendment to this Agreement and shall be subject to all of the provisions of this Agreement.

6. Additional Copies.

If District requires additional copies of reports, or any other material which Consultant is required to furnish in limited quantities as part of the services under this Agreement, Consultant shall provide such additional copies as are requested, and District shall compensate Consultant on a time and materials basis.

7. Responsibility of Consultant.

(a) By executing this Agreement, Consultant agrees that Consultant is apprised of the scope of work to be performed under this Agreement and Consultant agrees that said work can and shall be performed in a fully competent manner. By executing this Agreement, Consultant further agrees and warrants to District that Consultant possesses, or shall arrange to secure from others, all of the necessary professional capabilities, experience, resources, and facilities necessary to provide District the services contemplated under this Agreement and that District relies upon the professional skills of Consultant to do and perform Consultant's work. Consultant further agrees and warrants that Consultant shall follow the current, generally

accepted practices of the profession to make findings, render opinions, prepare factual presentations and provide professional advice and recommendations regarding the project for which the services are rendered under this Agreement.

(b) Consultant shall assign a single project director to have overall responsibility for the execution of this Agreement for Consultant. James M. Harris is hereby designated as the Principal-In-Charge for Consultant. Any changes in the Principal-In-Charge designee shall be subject to the prior written acceptance and approval of District's Deputy General Manager, Planning & Development Department .

8. Responsibility of District.

To the extent appropriate to the project contemplated by this Agreement, District shall:

(a) Assist Consultant by placing at Consultant's disposal all available information pertinent to the project, including but not limited to, previous reports and any other data relative to the project. Nothing contained herein shall obligate District to incur any expense in connection with field labor, tasks, materials, signage, and equipment, and completion of studies or acquisition of information not otherwise in the possession of District.

(b) Make provision for Consultant to enter upon public and private property as required by Consultant to perform Consultant's services.

(c) Examine all studies, reports, sketches, drawings, specifications, proposals, and other documents presented by Consultant, and render verbally or in writing as may be appropriate, decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.

(d) Shelley Glennon, Project Manager, Planning & Development, shall act as District's representative with respect to the work to be performed under this Agreement. Such person shall have the complete authority to transmit instructions, receive information, interpret and define District's policies and decisions with respect to the materials, equipment, elements and systems pertinent to Consultant's services. District may unilaterally change its representative upon notice to Consultant.

(e) Give prompt written notice to Consultant whenever District observes or otherwise becomes aware of any defect in the project.

(f) Furnish approvals and permits from all governmental authorities having jurisdiction over the project and such approvals and consents from others as may be necessary for completion of the project.

9. Acceptance of Work Not a Release.

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

10. Indemnification and Hold Harmless.

Consultant shall indemnify, defend and hold District and its officers, employees, agents and volunteers harmless from and against any and all liability, claims, suits, actions, damages, and causes of action arising out of any personal injury, bodily injury, loss of life, or damage to any property, or any violation of any federal, state, or municipal law or ordinance, or other cause in connection with the negligent or intentional acts or omission of Consultant, Consultant's

employees, subcontractors, or agents, or on account of the performance or character of the work, except for any such claim arising out of the sole negligence or willful misconduct of District, its officers, employees, agents, or representatives. Acceptance of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply whether or not such insurance policies shall have been determined to be applicable to any of such damages or claims for damages. Consultant shall reimburse District for all costs and expenses (including but not limited to fees and charges of architects, engineers, attorneys, and other professionals, and court costs) incurred by District in enforcing the provisions of this section.

11. Insurance.

(a) Consultant, and any subconsultants, shall, throughout the duration of this Agreement, maintain comprehensive general liability and property insurance covering all operations of Consultant, Consultant's agents and employees, performed in connection with this Agreement including but not limited to premises and automobile.

(b) Consultant shall maintain the following limits:

*General Liability*

*Combined Single Limit Per Occurrence* ..... \$1 million  
*General Aggregate* ..... \$1.5 million  
**(The policy shall cover on an occurrence or an accident basis, and not on a claims made basis.)**

*Automobile Liability:*

*Combined Single Limit Per Occurrence* ..... \$1 million  
**(The policy shall cover on an occurrence or an accident basis, and not on a claims made basis.)**

*Workers Compensation* ..... *Full Liability Coverage*

*Professional Errors and Omissions* ..... \$1 million (no more than \$25,000 deductible)  
**Consultant shall not disclaim responsibility or avoid liability for the acts or omissions of Consultant's subcontractors or other professional consultants. The retroactive date of the policy must be shown and must be before the date of the Agreement.)**

(c) With the exception of workers compensation and professional errors and omissions insurance, each insurance policy affording coverage to Consultant shall name District, its officers, employees, agents, and representatives as additional insureds and shall stipulate that the policy will operate as primary insurance for the work performed and that no other insurance maintained by District, its officers, employees, agents, or representatives will be called upon to contribute to a loss covered thereunder. The policy shall contain no special limitations on the scope of protections afforded to District, its officers, employees, agents, or representatives.

(d) All insurance companies affording coverage to Consultant shall be insurance organizations authorized by the Insurance Commissioner to transact the business of insurance in the State of California.

(e) All insurance companies affording coverage shall provide not less than thirty days written notice by certified or registered mail to District should any policy be cancelled or reduced in coverage before the expiration date. For the purposes of this notice requirement, any material change prior to expiration shall be considered cancellation. A statement on the insurance certificate to the effect that the insurance company will endeavor to notify the certificate holder, "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents, or representatives" does not satisfy the requirements of this subsection. Consultant shall ensure that the above-quoted language is stricken from the certificate by the authorized representative of the insurance company.

(f) Consultant, and any subconsultants, shall provide evidence of compliance with the insurance requirements listed above by providing certificates of insurance, in a form satisfactory to District's Risk Manager, concurrently with the submittal of this Agreement. Each insurance certificate shall also state the unpaid limits of the policy.

(g) Consultant, and any subconsultants, shall provide a substitute certificate of insurance no later than thirty days prior to the expiration date of any required policy. Failure by Consultant and/or subconsultants to provide such a substitution and extend the policy expiration date shall be considered a default by Consultant.

(h) Maintenance of insurance by Consultant as specified in this Agreement shall in no way be interpreted as relieving Consultant of any responsibility whatsoever and Consultant may carry, at Consultant's own expense, such additional insurance as Consultant may deem necessary or desirable.

12. Access to Records.

Consultant shall maintain all preparatory books, records, documents, accounting ledgers, and similar materials including but not limited to calculation and survey notes relating to the work performed for District under this Agreement on file for at least three years following the date of final payment to Consultant by District. Any representative of District shall be provided with access to such records for the purpose of inspection, audit, and copying at all reasonable times during Consultant's usual and customary business hours. Consultant shall provide proper facilities for such access and inspection.

13. Assignment.

It is recognized by the parties hereto that a substantial inducement to District for entering into this Agreement was, and is, the professional reputation and competence of Consultant. This Agreement is personal to Consultant and shall not be assigned by Consultant without express written approval of District.

14. Changes to Scope of Work.

District may at any time and, upon a minimum of ten days written notice, seek to modify the scope of basic services to be provided under this Agreement. Consultant shall, upon receipt of said notice, determine the impact on both time and compensation of such change in scope and notify District in writing. The rate of compensation shall be based upon the hourly rates shown in Exhibit "C" of this Agreement. Upon agreement between District and Consultant as to the extent of said impacts to time and compensation, an amendment to this Agreement shall be prepared describing such changes. Execution of the amendment by District and Consultant shall constitute notice to Consultant to proceed with the changed scope.



15. Compliance with Laws, Rules, and Regulations.

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

16. Licenses.

If a license of any kind, which term is intended to include evidence of registration, is required of Consultant, Consultant's employees, agents, or subcontractors by federal or state law, Consultant warrants that such license has been obtained, is valid and in good standing, and that any applicable bond has been posted in accordance with all applicable laws and regulations.

17. Exhibits Incorporated.

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

18. Independent Contractor.

It is expressly understood and agreed that Consultant, while engaged in carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and not an employee of District. Consultant shall refrain from representing, at any time or in any manner, that Consultant is an employee or agent of District.

19. Integration and Amendment.

This Agreement represents the entire understanding of District and Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or affect with respect to any matters contained herein. This Agreement may not be modified or altered except by amendment in writing signed by all parties hereto.

20. Jurisdiction.

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

21. Severability.

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

22. Notice to Proceed; Progress; Completion.

Upon execution of this Agreement by all parties, District shall give Consultant written notice to proceed with the work. Such notice may authorize Consultant to render all of the services contemplated herein, or such portions or phases as may be mutually agreed upon. In

the latter event, District shall, in its sole discretion, issue subsequent notices from time to time regarding further portions or phases of the work. Upon receipt of such notices, Consultant shall diligently proceed with the work authorized and complete it within the agreed time period specified in said notice.

23. Ownership of Documents.

Title to all documents, drawings, specifications, data, reports, summaries, correspondence, photographs, computer software, video and audio tapes, and any other materials with respect to the work performed under this Agreement shall vest with District at such time as District has compensated Consultant, as provided herein, for the services rendered by Consultant in connection with which such materials were prepared.

24. Subcontractors.

Consultant shall be entitled, to the extent determined appropriate by Consultant, to subcontract any portion of the work to be performed under this Agreement. Consultant shall be responsible to District for the actions of persons and firms performing subcontract work. The subcontracting of work by Consultant shall not relieve Consultant, in any manner, of the obligations and requirements imposed upon Consultant by this Agreement.

25. Termination.

(a) District may, for any reason whatsoever, upon written notice to Consultant, terminate this Agreement. Upon termination Consultant shall be entitled to payment of such amount as fairly compensates Consultant for all work satisfactorily performed up to the date of termination based upon hourly rates shown in Exhibit "C," except that in the event of termination by District for Consultant's default, District shall deduct from the amount due Consultant the total amount of additional expenses incurred by District as a result of such default. Such deduction from amounts due Consultant is made to compensate District for its actual additional cost incurred in securing satisfactory performance of the terms of this Agreement, including but not limited to, costs of engaging other consultants for such purposes. In the event that such additional expenses exceed amounts otherwise due and payable to Consultant hereunder, Consultant shall pay District the full amount of such expense.

(b) In the event that this Agreement is terminated by District for any reason, Consultant shall:

(1) Upon receipt of written notice of such termination promptly cease all services on this project, unless otherwise directed by District; and

(2) Deliver to District all documents, data, reports, summaries, correspondence, photographs, computer software, video and audio tapes, and any other materials provided to Consultant or prepared by or for Consultant or District in connection with this Agreement. Such material shall be delivered to District whether in completed form or in process; however, notwithstanding the provisions of Section 23 above, District may condition payment for services rendered to the date of termination upon Consultant's delivery to District of such material.

(c) In the event that this Agreement is terminated by District for any reason, District is hereby expressly permitted to assume this project and complete it by any means, including but not limited to, an agreement with another party.

- (g) The rights and remedies of District and Consultant provided in this section are not exclusive and are in addition to any other rights and remedies provided by law or appearing in any other section of this Agreement.

26. Audit and Examination of Accounts.

(a) Consultant shall keep, and will cause any assignee or subcontractor under this Agreement to keep, accurate books of record in account, in accordance with sound accounting principles, which records pertain to services to be performed under this Agreement.

(b) Any audit conducted of books and records and accounts shall be in accordance with generally accepted professional standards and guidelines for auditing.

(c) Consultant hereby agrees to disclose and make available any and all information, reports, or books of records or accounts pertaining to this Agreement to District and any government entity (including, but not limited to, the County of Monterey, the State of California and the federal government) which provides support funding for this project.

(d) All records provided for in this section are to be maintained and made available throughout the performance of this Agreement and for a period of not less than three years after full completion of services hereunder, except that any and all such records which pertain to actual disputes, litigation, appeals, or claims shall be maintained and made available for a period of not less than three years after final resolution of such disputes, litigation, appeals, or claims.

(e) Consultant hereby agrees to include the requirements of subsections (a) through (d) above in any and all contracts with assignees or consultants under this Agreement.

27. Notices.

(a) Written notices to District hereunder shall, until further notice by District, be addressed to:

Mark Bautista, DGM/Planning & Development  
Monterey Peninsula Airport District  
200 Fred Kane Dr., Suite 200  
Monterey, CA 93940

(b) Written notices to Consultant shall, until further notice by Consultant, be addressed to:

James M. Harris, P.E., President  
Coffman Associates, Inc.  
4835 E. Cactus Road  
Suite #235  
Scottsdale, AZ 85254

(c) The execution of any such notices by the DGM/Planning & Development of District shall be effective as to Consultant as if it were by resolution or order of District's Board of Directors.

(d) All such notices shall either be delivered personally, or shall be deposited in the United States mail, properly addressed as aforesaid, postage fully prepaid, and shall be effective the day following such deposit in the mail.

28. Nondiscrimination.

During the performance of this Agreement, Consultant shall not discriminate against any employee or applicant because of race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age or disability. Consultant shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, ancestry, creed, sex, national origin, familial status, sexual orientation, age or disability.

29. Conflict of Interest.

Consultant warrants and declares that Consultant presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, in any manner or degree which will render the services required under the provisions of this Agreement a violation of any applicable state, local, or federal law. Consultant further declares that, in the performance of this Agreement, no subcontractor or person having such an interest shall be retained or employed. In the event that any conflict of interest should nevertheless hereafter arise, Consultant shall promptly notify District of the existence of such conflict of interest so that District may determine whether to terminate this Agreement.

30. Headings.

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

32. Multiple Copies of Agreement.

Multiple copies of this Agreement may be executed but the parties agree that the copy on file in the office of the Secretary of the Board is the version that shall take precedence should any differences exist among counterparts of the documents.

33. FAA Requirements.

Contractor agrees to observe the provisions of the Standard Requirements attached hereto as Exhibit "D" and made a part hereof.

34. Conditional Approval.

This agreement is specifically conditioned upon receipt/execution of an appropriate grant offer/agreement from the Federal Aviation Administration (FAA). In the event that a grant offer is not received from the FAA, this agreement will be considered null and void and unenforceable.

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IN WITNESS THEREOF, the parties hereto have made and executed this Agreement on the date first above written.

MONTEREY PENINSULA AIRPORT DISTRICT:

CONSULTANT:

\_\_\_\_\_  
William J. Sabo,  
Board Chairman

\_\_\_\_\_  
James M. Harris, P.E.,  
President

ATTEST:

\_\_\_\_\_  
Tonja Posey,  
Secretary of the Board

RECOMMENDED FOR APPROVAL:

\_\_\_\_\_  
Mark Bautista,  
Deputy General Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Scott Huber,  
District Counsel

Attachments:

- Exhibit A - Scope of Services and Project Schedule, consisting of fifteen [15] pages.
- Exhibit B - Additional Services, consisting of one [1] page.
- Exhibit C - Fees for Additional Services, consisting of one [1] page.
- Exhibit D - FAA Requirements, consisting of five [5] pages.

## EXHIBIT A

### COFFMAN ASSOCIATES SCOPE OF SERVICES FOR PREPARATION OF AN ENVIRONMENTAL ASSESSMENT AND RELATED SUPPORT SERVICES FOR AN INFIELDS REHABILITATION PROJECT AT MONTEREY REGIONAL AIRPORT

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#### **GENERAL PROJECT DESCRIPTION**

The subject of this Scope of Services is described as the planning and environmental services necessary to fully evaluate the environmental implications of the proposed project identified below and to prepare an Environmental Assessment (EA) pursuant to the requirements of Section 102(2)(c) of the *National Environmental Policy Act (NEPA) of 1969* (PL 91-190, 42 USC 4321 et. seq.) as outlined in 40 CFR 1500-1508. The format and subject matter included within the EA will conform to the requirements and standards set forth by Federal Aviation Administration (FAA) as contained principally in Order 5050.4B, *National Environmental Policy Act (NEPA) Implementing Instructions for Airport Actions* and appropriate items in FAA Order 1050.1E, *Environmental Impacts: Policies and Procedures*. The preparation of an Environmental Impact Statement (EIS), should it prove necessary, is not included within this Scope of Services.

The EA will specifically evaluate the following Proposed Action at Monterey Regional Airport:

- Rehabilitation of airport infield areas, including the removal of deteriorating chip seal, ground squirrel abatement (pre-construction), re-grading, and the potential use of artificial turf.

The purpose of the project is to improve the infield areas by removing the existing chip seal and re-grading to meet FAA grading design standards and by providing artificial aviation turf as a long term solution to wildlife issues within the infields. The infields were last updated incrementally 15 to 20 years ago. Due to deterioration of the existing chip seal, the airport is dealing with ongoing foreign object debris (FOD) issues. Also, due to various pavement overlays on the runway and taxiway system, the slope into the infields has grown to more than a five percent grade and no longer meets FAA grading design standards. This has also increased the potential for erosion.

In addition, a Wildlife Hazard Assessment (WHA) completed in 2011 and a Wildlife Hazard Management Plan (WHMP) approved by FAA in 2013 recommend the reduction of the ground squirrel population within the Air Operations Area (AOA) and the installation of artificial turf in areas adjacent to the runway and taxiway system. These two high priority wildlife management strategies will help to control the infield rodent and small mammal populations, which provide a

prey base for raptors and large mammal predators that have been noted foraging in the ruderal areas of the airport.<sup>1</sup>

The Sponsor of the Monterey Regional Airport, and thus the project, is the Monterey Peninsula Airport District (MPAD). Since the Proposed Action requires FAA approval and potential funding, FAA will serve as the Lead Agency in the NEPA process.

## **PROJECT TEAM**

Since MPAD is the Sponsor of Monterey Regional Airport, MPAD staff will provide overall direction to the EA team and will function as the primary contact for the EA for FAA. In addition, MPAD staff will coordinate field work and other airport access, as needed, and will take the lead on all public involvement activities.

All necessary project coordination, impact evaluation, and report preparation for this EA will be conducted by Coffman Associates.

As a subconsultant to Coffman Associates, SWCA Environmental Consultants (SWCA) will review all previous cultural technical information available on the airport and perform any needed fieldwork for the EA. SWCA is also under contract with MPAD to provide biological support for the EA effort. These work efforts and findings will be documented within technical reports as outlined in Element Two and Biological Resources Support within this Scope of Services.

CommuniQuest is a firm that specializes in public outreach and has extensive experience in Monterey. As a subconsultant to Coffman Associates, CommuniQuest will provide support for public involvement activities.

This Scope of Services also includes engineering support (up to 25 percent design) to be provided by Neill Engineers. The engineering work is subject to direction and approval by MPAD staff.

## **DETAILED EA WORK SCOPE**

The following elements are necessary to complete the preparation of an EA on the proposed project:

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<sup>1</sup> The airport currently conducts routine runway inspections for rodents and conducts lethal fumigation operations to remove nuisance individuals. This increases both airport maintenance costs and the amount of time that maintenance staff is present in the infield areas and is not considered to be a long term solution.

## **Element One - Project Definition**

### **Task 1.1 - Study Design and Site Visit**

Detailed descriptions of each work item required for completion of the EA for Monterey Regional Airport have been prepared. Each task to be performed has been evaluated to estimate the number of person-days necessary to accomplish the work efforts and the cost per person-day based on the billing classifications of the planning professionals assigned. Expenses for materials, computer time, reproduction and printing, and miscellaneous study-related costs have also been estimated. A Scope of Services has been prepared for FAA review and approval, which will be attached and made a part of the negotiated project contract documents.

After receiving the Notice to Proceed for the project, a site visit will then be conducted in coordination with a project kick-off meeting between MPAD (Sponsor) and Coffman Associates (Consultant). Photo documentation of site conditions will be taken (if access to the infield areas can be arranged). The purpose of the meeting is to fully define the Proposed Action and its alternatives and to discuss project implementation and schedule. Haul roads and staging areas will also be identified, based on input by MPAD and/or their engineers, during this task.

### **Task 1.2 - Agency Coordination**

An agency coordination list and scoping packet will be prepared for the EA. The scoping letter will announce the preparation of the EA and will solicit input regarding known environmental resources and environmental issues or concerns related to the project area. The scoping packet will be transmitted to the Sponsor and FAA concurrence will be sought, prior to the packet being sent out on Sponsor letterhead. The Sponsor will be responsible for collecting all agency responses resulting from the scoping efforts and providing them to the Consultant for review and incorporation into the Draft EA.

### **Task 1.3 – Public Scoping Workshop/Notification**

The preparation of the EA will also be announced to the public using a press release and/or newspaper public notice, direct mailings, and postings to the airport website. CommuniQuest will be responsible for providing a draft press release, while Coffman Associates will provide mock-ups of newspaper and direct mailing notices. Airport staff will then be responsible to use its established mailing list to provide emails and direct mailings, if warranted, to notify adjacent land owners and other citizens and organizations who have requested that they be notified of upcoming airport projects. The actual placement of newspaper notices and any press releases will be the responsibility of MPAD and are not included in the cost proposal for this Scope of Services.

A Public Scoping Workshop will also be conducted. The public information workshop will consist of information stations with presentation materials primarily in the form of display boards. Comments received during the workshop will be summarized and included within the chapter and



appendix of the EA that summarize the Draft EA public review process. The dates, time and location of the workshop will also be included in the EA announcement discussed above.

#### **Task 1.4 - Preparation of Purpose and Need Statement and Definition of the Proposed Action Alternatives**

Utilizing information provided to Coffman Associates by the Sponsor, the purpose and need for the proposed infields rehabilitation will be identified. A location map will also be provided. This task will describe the need to be met, the purpose and definition of the Proposed Action, the requested Federal action, and the proposed timeframe for the project. The project will not alter the capacity of the airport; therefore, the FAA's most recent Terminal Area Forecasts and/or forecasts contained in the draft Airport Master Plan will be used to support the project need, as appropriate. Pertinent recommendations of the airport's WHMP and FAA safety regulations will also be identified. This discussion will serve as Chapter One of the EA.

The EA must also address alternatives to the project as proposed as well as the Proposed Action and No Action alternatives. The No Action alternative would leave the existing deteriorating chip seal in place and would not re-grade the infield areas or change the way the airport currently manages its wildlife hazards, including rodent populations and would not meet the purpose and need for the project. Alternatives that would potentially meet the purpose and need will also be addressed. This Scope of Services assumes that up to three (3) additional alternatives will be discussed. These alternatives could include alternate methods of treating the infield areas, for example, the placement of rock or millings, different grading or wildlife management proposals, or re-grading followed by replacement of the chip seal. A determination of appropriate alternatives and their preliminary design and construction features is included in Element Seven, Engineering Support. The EA will also discuss other project alternatives previously considered and the rationale for not pursuing these other options. If necessary, based on the conclusions of the biological field survey, an environmentally-sensitive alternative may also be provided. This discussion will serve as Chapter Two of the Draft EA.

#### **Element Two - Affected Environment**

##### **Task 2.1 – Review Information Regarding the Existing Environment**

This task will identify and review available environmental documents, including any recent Categorical Exclusion documentation, the Environmental Impact Report (EIR) and EA completed on the airport's recent Runway Safety Area project, the Environmental Overview completed on the draft Airport Master Plan, and secondary sources related to the project area and its existing environmental setting. This would include, but is not limited to, available data regarding air quality, biotic communities, endangered species, cultural resources, and water resources in the general area, and available aerial photographs or other resource mapping. Existing land use and zoning will also be evaluated and maps will be prepared as needed.

## **Task 2.2 - Description of Affected Environment**

In accordance with FAA Order 1050.1E, a description of the affected environment will be prepared to succinctly describe the environment of the area(s) to be affected or created by the proposed infield improvements at the airport and/or alternatives under consideration. Data and analyses for the various resource categories will be commensurate with the importance of the impact, with less relevant material summarized, consolidated, or referenced. Based on the information gathered, those environmental resources not of concern in the EA will be identified and the reasons for that determination documented. All resources listed in FAA Orders 1050.1E and 5050.4B will be addressed.

This description of the affected environment will serve as Chapter Three in the Draft EA and will include the following information:

- Attributes of the physical environment and environmental resources at or near the airport;
- Information regarding biological resources, as documented in the biological field survey report;
- Existing and planned land uses and zoning in the airport vicinity, including potential Section 4(f) resources such as public parks or other recreation areas, wildlife and waterfowl refuges, and historic sites, as well as adjacent political jurisdictions potentially affected by the proposed development;
- Identification of potentially incompatible land uses, including nearby residential areas, schools and places of public assembly, hospitals, and landfills;
- Community characteristics that may be relevant to the Proposed Action (for example, population, growth, and socioeconomic factors);
- Other planned or developed activities in the affected area (i.e., other transportation projects, community development, etc.) which could produce cumulative impacts.

### **Task 2.2.1 – Cultural Resources Inventory**

Although portions of the airport have been surveyed for prehistoric cultural resources, the infield area that would be the subject of this EA has not been surveyed. Therefore, the presence of intact cultural resources within the study area for the EA is unknown. Coffman Associates will, therefore, contract with SWCA to conduct a record search and field survey of all Areas of Potential Effect (APE). Accordingly, the following subtasks are included in this Scope of Services in compliance with Section 106 of the *National Historic Preservation Act* (NHPA):

Records Search and Literature Review: Compliance with Federal and State cultural resources regulations requires that an affirmative search be undertaken to identify properties listed in, determined eligible, or eligible for listing in the National Register of Historic Places (National

Register) that may be affected by the proposed project. SWCA will perform a records search for the project area at the Northwest Information Center (NWIC) at Sonoma State University. The NWIC is the regional office of the California Historical Resources Information System (CHRIS); the primary purpose of the records search is to acquire site records for all previously recorded cultural resources within or near the project area, as well as copies of all previous cultural resources studies. A map showing the results of the literature search, including areas previously inventoried and previously recorded sites, will be provided. SWCA assumes the records search will take no more than 2 hours and that it will be conducted at standard rates.

Cultural Resources Field Visit: Upon completion of the CHRIS records search, SWCA will conduct an intensive pedestrian survey of the project area. SWCA archaeologists will conduct the survey utilizing pedestrian transects spaced at maximum intervals of 10-15 meters, covering all portions of the project area. For the purposes of this proposal and cost estimate, SWCA is not including the recordation of any previously undocumented cultural resources. No testing or excavation will be conducted, nor will any artifacts, samples, or specimens be collected during the survey.

Cultural Resources Technical Report: SWCA will prepare a cultural resources technical report. This technical report will summarize the results of the cultural resources studies, as well as provide recommendations for resources within or near the project area and include maps depicting the areas included in the survey. The report will also include the legal requirements for the treatment of buried archaeological resources encountered during construction. SWCA assumes that an electronic draft of this report and figures will be submitted for review. Upon receipt of comments on the draft document, SWCA will incorporate the input and produce the final report. SWCA assumes that two rounds of review will be necessary. If the locations of sensitive archaeological sites or Native American cultural resources are shown or described in the report, the report will be considered confidential.

### **Task 2.3 – Cumulative Impact Inventory**

An inventory of past, present, and reasonably foreseeable future actions, within a five-year time frame of Proposed Action implementation and located in proximity to the airport, will be conducted. This inventory will include projects undertaken by the airport as well as any projects undertaken within the airport environs. Input regarding cumulative impacts will be sought from agencies during Task 1.2, Agency Coordination.

## **Element Three - Environmental Consequences**

### **Task 3.1 – Description of Environmental Consequences**

Utilizing the information gathered during the following subtasks, Coffman Associates will prepare a discussion of the potential environmental consequences of the proposed infields rehabilitation project. This discussion will describe the anticipated environmental impacts, which will be compared to the environmental significance criteria contained within Appendix A of FAA Order

1050.1E. Data and analyses shall be commensurate with the level of anticipated impact. This will serve as Chapter Four of the EA.

Based on Coffman Associates' general knowledge of environmental resources at the airport as well as the Environmental Overview recently completed as part of the draft Airport Master Plan, several FAA impact categories will not require detailed analysis due to a lack of potential impact. This is because the project will not increase or change airport operations. Therefore, it is assumed, for purposes of this scope, that the following operational impact categories would not be different than the existing conditions at the airport (i.e., the No Action alternative) and, thus, do not require an impact analysis: air quality and greenhouse gases; coastal resources; compatible land use; Section 4(f) resources; farmlands; floodplains; hazardous materials, pollution prevention, and solid waste; light emissions and visual impacts; natural resources and energy supply; noise; secondary (induced) impacts; socioeconomic impacts, environmental justice, and children's environmental health and safety risks; wetlands; and wild and scenic rivers. A statement identifying those categories not addressed further within the EA, with a reference to the applicable information provided in Chapter Three of the EA, will be included as part of this task.

The remaining impact categories from FAA Order 1050.1E will be evaluated in detail. In addition, to the extent not covered in the specific impact categories, the EA will include discussion of the possible conflicts between the Proposed Action and the objectives of Federal, State, regional, and local land use plans, policies, and controls for the area in question; any inconsistency of the Proposed Action with any approved State or local plan and laws; means to mitigate adverse environmental impacts; and the project's degree of controversy on environmental grounds.

### **Task 3.1.1 – Construction Impacts**

The purpose of this task is to determine potential short term construction impacts anticipated as a result of the Proposed Action, its alternatives, or any connected actions. These impacts could include emissions, natural resources and energy usage, noise, traffic, and water quality concerns.

To assess impacts related to construction emissions, an emissions inventory of construction-related criteria pollutants (or their precursors) will be prepared for the proposed airport project. The results will be used in support of a NEPA "build" versus "no-build" analysis as well as a General Conformity Rule applicability analysis using the ACEIT<sup>2</sup> model. This task will be conducted utilizing United States (U.S.) Environmental Protection Agency (EPA), California Air Resources Board, and/or Air Pollutant Control District-approved methodology and data coupled with estimates of construction vehicles, equipment, and other activities commonly accepted within the

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<sup>2</sup> The Airport Construction Emissions Inventory Tool (ACEIT) is a work product of Airport Cooperative Research Program Report 102 – Guidance for Estimating Airport Construction Emissions. It provides estimates for equipment activity for a variety of airport-specific construction projects, while using EPA emissions from the NONROAD and MOVES models.

industry. These data will include project-specific estimates supplied by the project engineers of the numbers and types of construction vehicles and equipment to be used for each construction phase, operational characteristics of each unit, and haul trip distances, etc.

The airport is located within an area presently designated as attainment for all U.S. EPA criteria pollutants, but in nonattainment for California Air Quality Standards for particulate matter, i.e., PM<sub>10</sub>. As such, the project is not likely subject to the Federal General Conformity Rule. The outcomes of the air quality assessments will be evaluated to determine whether or not emission reduction or other mitigation measures may be necessary to comply with Federal and/or State requirements. If necessary, this will address the basis for the measure(s), the emission sources and pollutants, the expected benefits or reductions as well as the implementation costs and timeframes. Any local ordinances or permits that will be required for construction will also be discussed.

The estimates of construction activity used for the air quality analysis will also be used to assess potential natural resources and energy usage, noise, and construction traffic impacts. Construction haul routes will be considered when evaluating potential traffic impacts on nearby residential neighborhoods as well as Highway 68.

Finally, water quality impacts will be addressed based partly on identification of the need for Regional Water Quality Control Board construction-related permits. As part of this task, mitigation measures and construction controls to minimize or eliminate construction impacts will be identified.

### **Task 3.1.2 – Fish, Wildlife, and Plants**

This task will utilize the biological field survey report completed by SWCA under separate contract with the airport. The task will summarize the findings and recommended mitigation included in the report as well as any resource agency correspondence undertaken by FAA in response to the assessment. Agency responses to the EA environmental scoping process will also be incorporated into the discussion.

### **Task 3.1.3 – Historical, Architectural, Archaeological, and Cultural Resources**

Based on the results of the field survey completed in Task 2.2.1, an evaluation of the potential for significant impacts to cultural resources within the project's APE will be provided. No tribal consultation is included in this Scope of Services since FAA must undertake government-to-government consultation itself. The results of FAA's consultation under Section 106 of the *National Historic Preservation Act* with the State Historic Preservation Officer and Native American tribes, as appropriate, will also be summarized in this section.

Mitigation measures, such as the presence of a Native American monitor during grading, will also be identified, as warranted. Should it be determined that an eligible or listed property is

contained within the proposed APE, the Advisory Council on Historic Preservation's (ACHP) *Protection of Historic Properties* protocols will be consulted and followed.

#### **Task 3.1.4 – Water Quality**

A description of the Proposed Action's design, mitigation measures, and construction controls will be provided to demonstrate that State water quality standards will be met. A description of Federal and State permitting requirements will be provided and the airport's current compliance status demonstrated. Potential impacts on the public drinking water supply, sole source aquifers, or waters of national significance will be assessed, as applicable.

#### **Task 3.1.5 – Cumulative Impacts**

The EA will consider the overall cumulative impact of the Proposed Action, its alternatives, and the consequences of subsequent related actions. These include potential incremental, secondary, and natural environmental impacts of the action when added to other past, present, and reasonably foreseeable future actions that could be considered as related to the improvements.

#### **Element Four – Other Required Sections**

The EA will include all sections required by FAA. This will include the following EA chapters:

- Chapter Five will summarize the scoping, agency coordination, and public participation for the project;
- Chapter Six will contain a list of EA preparers;
- Chapter Seven will provide the names of persons consulted, references, and websites used;
- Technical information, as well as documentation related to FAA consultation processes, will be summarized and appended to the EA.

#### **Element Five – Documentation and Review**

##### **Task 5.1 – Preliminary Draft EA**

A Preliminary Draft EA for the proposed improvements will be prepared in accordance with FAA Orders 5050.4B and 1050.1E. The Preliminary Draft EA, which is designed for internal review only, will be submitted to the Sponsor, FAA, and the California Department of Transportation's Division of Aeronautics (Caltrans Aeronautics) for review. Up to eight (8) printed copies of the Preliminary Draft EA will be prepared.

### **Task 5.2 – Revised Preliminary Draft EA**

Following review, comments made by the Sponsor, FAA, and Caltrans Aeronautics as a result of Task 5.1 will be incorporated into the environmental document. Electronic copies of the chapters containing the revisions will be forwarded to the Sponsor, FAA, and Caltrans Aeronautics for concurrence prior to undertaking Task 5.3. This task assumes that two (2) rounds of revisions to the document might be necessary.

### **Task 5.3 – Draft EA**

With concurrence of the document revisions made in Task 5.2, thirty (30) printed copies and ten (10) compact disks (CDs) containing the Draft EA will be prepared. FAA should be provided two (2) printed copies of the report and two (2) CDs in Adobe PDF format; Caltrans Aeronautics should be provided with one (1) CD. The remaining documents and CDs will be available to the Sponsor for public and agency review. These documents and CDs will need to be placed by the Sponsor at the airport, local City planning counters, and at a local library; the document should also be placed on the airport website.

### **Task 5.4 –Notice of Availability**

A notice of availability (NOA) will be prepared in accordance with the requirements of FAA Orders 1050.1E and 5050.4B and submitted to the Sponsor for publishing in an area-wide or local newspaper of general circulation. The NOA will notify the public of the availability of the document and will allow for a 30-day public comment period. Additionally, Coffman Associates will provide the Sponsor with draft letters to be sent to the various resource agencies consulted during Task 1.2 to allow an opportunity to comment on the Draft EA. These letters will need to be sent out on the Sponsor's letterhead.

### **Task 5.5 – Public Information Workshop**

A second public information workshop will be conducted during the public review and comment period for the Draft EA. The public information workshop will consist of information stations with presentation materials primarily in the form of display boards. Comments received during the workshop will be summarized and included within the chapter and appendix of the EA that summarize the Draft EA public review process.

CommuniQuest will be responsible for providing a draft press release, while Coffman Associates will provide mock-ups of newspaper and direct mailing notices. Airport staff will then be responsible to use its established mailing list to provide emails and direct mailings, if warranted, to notify adjacent land owners and other citizens and organizations who have requested that they

be notified of upcoming airport projects. The actual placement of newspaper notices and any press releases will also be the responsibility of MPAD and are not included in the cost proposal for this Scope of Services.

#### **Task 5.6 – Preliminary Final EA**

Responses will be prepared to address any comments regarding the Draft EA submitted in writing during the official comment period. Revisions to the EA document, if necessary, based on comments received during the official comment period will also be prepared. All letters of comment, their written responses, and an affidavit of publication of the NOA will be incorporated as an appendix and summarized in Chapter Five. Electronic copies of any chapters containing revisions and the Public/Agency Comment appendix will be forwarded first to the Sponsor, and second to FAA and Caltrans Aeronautics for review. Once approval of the preliminary Final EA has been obtained, eight (8) copies of the Preliminary Final EA will also be provided for FAA's "Line of Business" review.

#### **Task 5.7 – Final EA**

As discussed above in Task 5.5, the Final EA will include an appendix containing: an affidavit of publication of the NOA; copies of all correspondence received during the public comment period; a summary of all comments and responses to those comments; and any revisions to the Draft EA text based on comments received. After any changes required by FAA Lines of Business review have been made to FAA's satisfaction, up to ten (10) copies of the Final EA will be prepared. Ten (10) CDs containing the Final EA will also be prepared.

### **Element Six – Project Coordination**

#### **Task 6.1 – Project Coordination & Additional Project Meetings**

Part of the environmental process involves coordination between Coffman Associates, the Sponsor, the project engineer, FAA, and Caltrans Aeronautics; adequate time and budget must be provided to ensure that the necessary coordination can be carried out. Project coordination activities include monthly teleconferences, as necessary, between the Consultant, Sponsor and the regulatory agencies, as well as the preparation of monthly progress reports. This task also provides for up to four (4) in-person project team meetings in MPAD or FAA offices attended by up to three (3) team members.

### **Element Seven - Engineering Support**

This Scope of Services provides engineering support for the EA, including project design up to 25 percent. This task will be undertaken by Neill Engineers, MPAD's on-call engineering consultant.



As discussed previously, the project engineers will provide information and project-specific details required to adequately complete certain tasks and analyses included in the EA.

### **Task 7.1 – Preliminary Engineering, up to 25 Percent Design**

Neill Engineers will provide limited field mapping to allow them to evaluate the existing infield grading, drainage, and facility needs (such as runway distance signage and navigation aids relocation) or other improvements necessary to meet FAA design standards. The conclusions of this initial mapping will be provided to Coffman Associates to use in discussing the Project's Purpose and Need (EA Chapter One).

### **Task 7.2 – Analysis of Design Alternatives**

Neill Engineers will then use the data obtained in Task 7.1.1 to provide engineering input for project alternatives. This Scope of Services includes the development and analysis of up to three (3) design alternatives and includes the quantification of preliminary earthwork, rehabilitation materials, and cost estimates. The conclusions of this task will be provided to Coffman Associates to use in describing and evaluating Project Alternatives (EA Chapter Two).

### **Task 7.3 – Construction Impact Analysis Support**

A third service to be provided by Neill Engineers involves a narrative description of the construction details such as haul routes, staging areas, and other information (i.e., estimating construction emission inputs, such as the numbers and types of construction vehicles and equipment to be used for each construction phase, operational characteristics of each unit, and haul trip distances) that may be necessary to fully evaluate the construction effects of the proposed project. This information will be used by Coffman Associates in assessing such impacts as air quality emissions, construction traffic, and construction noise (EA Chapters Four).

## **BIOLOGICAL RESOURCES SUPPORT**

### **Bio Element One – Biological Field Survey**

SWCA will conduct a literature review to gather information on known special-status plant and wildlife resources and sensitive habitats on airport property and in the vicinity. Existing biological documents that have been prepared for other projects on the property will be reviewed. In addition, the California Natural Diversity Database, maintained by the California Department of Fish and Wildlife, will be queried. U.S. Geological Service Soil Survey data will be consulted to determine presence of hydric soils and suitable soils for special-status plant species known from the area. Information obtained during the literature review will be used to focus the field survey efforts.

Following the data review, SWCA will conduct a biological survey in the proposed project area. During the survey effort, SWCA's biologist will map plant communities, habitats, and identified special-status species occurrences. The location, size, and distribution of plant communities/habitats and observed occurrences of special-status species will be mapped using a Global Positioning System unit that is capable of 1-meter accuracy. These surveys will be conducted in May 2015, if possible. This survey timing would capture the blooming period of the special-status plant species that have potential to occur in the project area. Prior to conducting the survey, the SWCA biologist will investigate known occurrences of Monterey spineflower (*Chorizanthe pungens*) on other parts of the property to verify that the species is blooming. Since the survey area is in the AOA, the SWCA biologist will need to be escorted by airport staff throughout the survey effort.

SWCA will prepare a biological field report that addresses the project's potential to impact sensitive biological resources, including plant and wildlife species and habitats. This report will include a literature review and database review of resources known to occur in the area, and descriptions of the survey methodology, results, and recommendations for avoidance or mitigation, as necessary.

### **Bio Element Two – Biological Assessment**

A Biological Assessment (BA) is required for formal or informal consultation with the U.S. Fish and Wildlife Service (USFWS) and/or the National Oceanic Administration National Marine Fisheries Service, under Section 7 of the federal *Endangered Species Act*. SWCA will utilize the BE data to prepare a BA that meets the requirements for Section 7 consultation. The BA will address all federally listed species included on a project-specific preliminary USFWS species list obtained from the USFWS Information, Planning, and Conservation System (IPaC). The BA will be restricted to discussions of federally listed species with potential to occur within or adjacent to the project area and will be prepared pursuant to the most recent USFWS requirements. Federally listed species anticipated to be evaluated include Monterey spineflower, Monterey (sand) gilia (*Gilia tenuiflora* ssp. *Arenaria*), Yadon's rein orchid (*Piperia yadonii*), and other species included on the IPaC list.

## **DOCUMENTATION FOR THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)**

### **CEQA Element One - Prepare Initial Study**

An Initial Study will be prepared by Coffman Associates using a format similar to Appendix G of the CEQA Guidelines. The Initial Study will be the basis for the MPAD Board's determination of whether the project qualifies for a Negative Declaration or a mitigated Negative Declaration, or whether the preparation of an EIR is warranted. The Initial Study will utilize the existing condition and impact evaluation information generated by the Federal EA currently under preparation to the greatest extent possible. All technical studies being prepared for the EA are

assumed to be suitable for CEQA purposes as well.

Additional research and analysis will be required for those categories within the Initial Study checklist that are not required to be addressed within an EA. These categories include Aesthetics, Forestry Resources, Geology/Soils, Hazards, Mineral Resources, Public Services (other than Solid Waste Disposal), and Utilities/Service Systems. Thresholds of significance will be determined based on State of California or adopted regional or local criteria. This Scope of Services assumes that suitable traffic data is available from the City of Monterey, Del Rey Oaks, and/or Monterey County to complete the traffic portions of the Initial Study checklist. A project-specific traffic study is not included in this Scope of Services.

An administrative draft of the Initial Study will be prepared for MPAD review and comment. Once these comments are received and incorporated into the document, the final Initial Study will be prepared. This Scope of Services includes the printing of up to thirty (30) hard copies of the report and ten (10) copies on compact disk (CD).

### **CEQA Element Two – Public Review and Responses to Comments**

Based on the Initial Study, Coffman Associates will assist MPAD in determining the appropriate form of CEQA documentation for the project. If a Negative Declaration or a mitigated Negative Declaration is selected, Coffman will prepare a draft Notice of Determination. At this point the Negative Declaration and Initial Study must be released for public review. If it is determined that the document has regional or statewide affect and the State Clearinghouse is used for distribution purposes, fifteen (15) of the copies provided in Element One would be provided to the State Office of Planning and Research on behalf of MPAD. Following a 20 to 30-day public review and comment period, all comments received on the Initial Study/Negative Declaration will be compiled for staff review and response, as necessary.

The noticing and preparation of an EIR under CEQA, if required, is not included within this Scope of Services. The Scope of Services also does not include attendance at public meetings or hearings. These services, if necessary, would require an amendment to this scope and cost proposal.

**COMPLETION SCHEDULE FOR PERFORMANCE OF ENVIRONMENTAL DOCUMENTATION (BASIC SERVICES)**

Time shall be of the essence on the Agreement and on each and every covenant and condition hereof. Consultant shall be responsible for all expenses for the selection and employment of such staff as will enable Consultant to perform its services diligently and skillfully in order to complete the stated services in an expeditious manner and in accordance. The environmental services shall be completed in accordance with the following schedule exclusive of review time by the District and FAA.

<b>Project Phase</b>	<b>Time to Complete</b>
EA Elements One, Two and Seven	December 2015
EA Elements Three, Four, Five, and Six	December 2016
CEQA Elements One and Two	December 2016

**PAYMENT SCHEDULE FOR BASIC SERVICES**

The Consultant shall be paid for authorized and satisfactorily completed services on a lump sum fee basis with a not to exceed fee as identified below.

<b>Task</b>	<b>Fee</b>
Environmental Assessment/CEQA Initial Study	\$335,240.00

**EXHIBIT "B"**  
**ADDITIONAL SERVICES**

**MONTEREY REGIONAL AIRPORT  
INFIELDS REHABILITATION PROJECT - ENVIRONMENTAL DOCUMENTATION  
AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN  
MONTEREY PENINSULA AIRPORT DISTRICT AND  
COFFMAN ASSOCIATES, INC.**

**SCOPE OF ADDITIONAL CONSULTING SERVICES**

Additional Services. For the purpose of this agreement, Additional Services means the following professional services:

- Scope of Work excluded from Basic Services that may be desired by District to perform additional unspecified tasks such as the following:
  - Additional Environmental Studies
- Additional unforeseen office or field tasks determined to be necessary by District to complete the project.

Consultant shall furnish all the additional services to the satisfaction of District's Deputy General Manager (DGM), with reasonable diligence. Consultant shall perform such additional services upon District's written request, specifying the details thereof and the time and manner in which such services shall be performed.

Services required that are not obvious or become apparent when uncovered shall be considered as additional services. The extent of these services will be determined and approved by District's DGM.

Compensation. Consultant will perform the work on an hourly charge rate basis as shown in Exhibit "C". The maximum Consultant's Fee for this work shall be approved by District's DGM.

**EXHIBIT "C"**  
**HOURLY RATES OF COMPENSATION**

**MONTEREY REGIONAL AIRPORT  
INFIELDS REHABILITATION PROJECT - ENVIRONMENTAL DOCUMENTATION  
AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN  
MONTEREY PENINSULA AIRPORT DISTRICT AND  
COFFMAN ASSOCIATES, INC.**

**BILLING RATE SCHEDULE**

Payments to Consultant for authorized and satisfactorily completed Basic Services and Additional Services shall be made on a time-and-expense basis in accordance with the rates shown below.

<b><u>Classification</u></b>	<b><u>Hourly Rate</u></b>
Principal	\$275.00
Project Manager	\$223.00
Professional	\$170.00
Technician	\$116.00
Subcontractors/Vendors/Materials/Travel	At Cost

The above rates include direct salary costs, overhead and related fees.

**EXHIBIT "D"**  
**FAA REQUIREMENTS**

**MONTEREY REGIONAL AIRPORT  
INFIELDS REHABILITATION PROJECT - ENVIRONMENTAL DOCUMENTATION  
AGREEMENT FOR PROFESSIONAL SERVICES  
BETWEEN  
MONTEREY PENINSULA AIRPORT DISTRICT AND  
COFFMAN ASSOCIATES, INC.**

**CIVIL RIGHTS ACT OF 1964, TITLE VI – CONTRACTOR CONTRACTUAL REQUIREMENTS**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

**1.1 Compliance with Regulations.** The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

**1.2 Nondiscrimination.** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

**1.3 Solicitations for Subcontracts, Including Procurements of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

**1.4 Information and Reports.** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

**1.5 Sanctions for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
- b. Cancellation, termination, or suspension of the contract, in whole or in part.

**1.6 Incorporation of Provisions.** The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

**Reference**

49 CFR Part 21  
AC 150/5100-15

**AIRPORT AND AIRWAY IMPROVEMENT ACT OF 1982, SECTION 520 - GENERAL CIVIL RIGHTS PROVISIONS**

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

**Reference**

Airport and Airway Improvement Act of 1982, Section 520  
Title 49 47123  
AC 150/5100-15, Para. 10.c

**DISADVANTAGED BUSINESS ENTERPRISES**

**Contract Assurance (§26.13)** - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material



breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

**Prompt Payment (§26.29)** - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than thirty (30) days from the receipt of each payment the prime contractor receives from the District. The prime contractor agrees further to return retainage payments to each subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the District. This clause applies to both DBE and non-DBE subcontractors.

**Reference**

49 CFR Part 26

**LOBBYING AND INFLUENCING FEDERAL EMPLOYEES**

(1) No Federal appropriated funds shall be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant and the amendment or modification of any Federal grant.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal grant, the contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

**Reference**

49 CFR Part 20, Appendix A

**ACCESS TO RECORDS AND REPORTS**

The Contractor shall maintain an acceptable cost accounting system. The Contractor agrees to provide the Sponsor, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives' access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

**Reference**

49 CFR Part 18.36(i)

FAA Order 5100.38

**BREACH OF CONTRACT TERMS**

Any violation or breach of terms of this contract on the part of the contractor or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The

duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

**Reference**

49 CFR Part 18.36

**RIGHTS TO INVENTIONS**

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

**Reference**

49 CFR Part 18.36(i)(8)

FAA Order 5100.38

**TRADE RESTRICTION CLAUSE**

The contractor or subcontractor, by submission of an offer and/or execution of this contract, certifies that it:

- a. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);
- b. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;
- c. has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a contractor or subcontractor who is unable to certify to the above. If the contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract at no cost to the Government.

Further, the contractor agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.

The contractor shall provide immediate written notice to the sponsor if the contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract or subcontract for default at no cost to the Government.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

#### **Reference**

49 CFR Part 30.13  
FAA Order 5100.38

#### **CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (NON-PROCUREMENT)**

This contract agreement is a “covered transaction” as defined by Title 2 CFR Part 180.

a. The Contractor, under penalty of perjury, certifies that he/she or any other person associated therewith in the capacity of principal, partner, director, officer, or manager:

- Is not currently under suspension, debarment, voluntary exclusion, or determination of ineligibility by any Federal agency;
- Has not been suspended, debarred, voluntarily excluded or determined ineligible by any Federal agency within the past 3 years;
- Does not have a proposed debarment pending; and
- Has not been indicted, convicted, or had a civil judgment rendered against it by a court of competent jurisdiction in any manner involving fraud, or official misconduct within the past 3 years.

b. The Contractor further agrees to comply with Title 2 CFR Part 1200 and Title 2 CFR Part 180, Subpart C, by administering each lower tier subcontract that exceeds \$25,000 as a “covered transaction.” Accordingly, Contractor agrees to verify each lower tier participant of a “covered transaction” is not presently debarred or otherwise disqualified from participation in this federally assisted project. The Contractor shall accomplish this by:

- Checking the System for Award Management at website: <http://www.sam.gov>;
- Collecting a certification statement similar to paragraph a above;
- Inserting a clause or condition in the covered transaction with the lower tier contract.

Under penalty of perjury under the laws of the State of California, the contractor certifies that the foregoing is true and correct.

In the event the FAA later determines that an individual failed to tell a higher tier that they were excluded or disqualified at the time they entered the covered transaction with that person, the FAA may pursue any available remedy, including suspension and debarment.

#### **Reference**

49 CFR Part 29, 30.13, 180 & Title 2 CFR Part 1200 & FAA Order 5100.38  
07-31-15

**AGENDA ITEM: G-4**  
**DATE: August 12, 2015**

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Scott E. Huber, District Counsel  
**SUBJ:** Response to Grand Jury Report

**BACKGROUND.** The Board will consider approving the response to the 2014/2015 Monterey County Grand Jury Final Report.

### **STAFF ANALYSIS**

On May 21, 2015, the Monterey County Civil Grand Jury released a report to the Board of Directors entitled "Fly Monterey – The Monterey Regional Airport: An Analysis of Operating Expenses and Revenue Opportunities." On June 17, 2015, the Board established a procedure to respond and appointed Chair Sabo and Director Leffel to an ad hoc committee to prepare a response for approval by the Board. The Board is obligated to submit its response to the Presiding Judge no later than August 19, 2015. Approval of the responses must be by formal Board action in open session.

The contents of a response to a grand jury report are stated in Penal Code section 933.05. This section requires that as to each grand jury finding, the Board must state that: (i) it agrees with the finding; (ii) it disagrees entirely with the finding; or (iii) it disagrees with part of the finding, in which case it must specify the part of the finding it disputes.

After addressing the findings in this manner, the Board must also respond to each grand jury recommendation. As to each, it must specify one of the following dispositions: (i) the recommendation has been implemented, with a summary regarding how such implementation was carried out; (ii) the recommendation will be implemented, with a timeframe given for such implementation; (iii) the recommendation will be further studied, including discussion of the scope of the study and the timeframe in which it will occur; or (iv) the recommendation will not be implemented and an explanation as to why the recommendation is unwarranted or unreasonable.

The ad hoc committee met with the Executive Director and District Counsel to review and revise proposed responses. The attached draft response letter was approved by the ad hoc committee members for consideration by the Board of Directors.

**FISCAL IMPACT:** None

### **RECOMMENDATION**

Approve the District's response to the 2014/2015 Monterey County Grand Jury Final Report and authorize the Chair to sign the response on behalf of the Board of Directors.

### **ATTACHMENT(S)**

Draft Response to the 2014/2015 Monterey County Grand Jury Report



Monterey Peninsula Airport District

200 Fred Kane Drive, Suite 200  
Monterey, CA 93940  
(831) 648-7000  
(831) 648-7021 FAX

August 12, 2015

The Honorable Judge Marla O. Anderson  
Presiding Judge  
Monterey County Superior Court  
240 Church St.  
Salinas, CA 93901

Re: *Monterey Peninsula Airport District's Response to 2015 Monterey County Civil Grand Jury Report*

Dear Judge Anderson:

Pursuant to Penal Code section 933, subsection (c), et seq., the Monterey Peninsula Airport District has reviewed the 2014-2015 Monterey County Civil Grand Jury Report regarding the operations of the Monterey Regional Airport. The Monterey Peninsula Airport District, which operates the Monterey Regional Airport (collectively referred to as "MPAD"), would like to thank the Grand Jury members for their effort and dedication in researching the issues and in preparing the annual report.

In preparing this response, information and input was obtained from various sources regarding each finding and recommendation, including the General Manager and staff members. In response to the Grand Jury Report released June 25, 2010, the Monterey Peninsula Airport District Board of Directors approved the following response in a public session of its duly noticed meeting held on August 12, 2015.

## **FINDINGS**

F1. The occupancy rate for non-aviation 'outside storage areas' properties is 63.7%, significantly lower than other Monterey Regional Airport space.

**Response:** Disagree in Part.

Non-aviation related revenues are critical to the financial health of MPAD. The occupancy rate for all non-aviation properties is 89.4%. While "outside storage areas" constitute a component of the non-aviation properties, those areas do not exclusively make up the non-aviation rental revenue for MPAD. However, the "outside storage areas" do have a lower occupancy rate than other non-aviation properties.

F2. Monterey Regional Airport parking rates have not been adjusted in seven years and are losing potential revenue for the airport.

**Response:** Disagree.

The parking rates were revised on July 1, 2014 and the rates reflect the current market rates for airport parking.

F3. The availability of street parking in the adjacent neighborhood is causing the airport to lose parking revenue.

**Response:** Agree.

While there is general agreement that MPAD loses revenue from the availability of free, extended-term street parking in the City of Monterey's adjacent neighborhood, it is difficult to determine how much revenue is being lost.

F4. The possibility exists to redefine the airport property as a "utility" district, potentially generating new revenue streams.

**Response:** Disagree.

Monterey Peninsula Airport District was formed as a special district by the Legislature of the State of California. The enabling act gives MPAD broad powers and authority, including almost all of the statutory authority as that of a utility district. Accordingly, MPAD is able to generate new revenue streams as if it were a utility district without the need to change its organizational structure.

F5. The airport's north side property is a valuable, income-producing asset contributing to airport operations.

**Response:** Agree.

F6. Most tenant leases are subject to CPI (Consumer Price Index) rate increases. In some cases however, tenants cannot raise their price point at the same rate and remain in business.

**Response:** Agree in part; Unable to Agree or Disagree in Part

MPAD agrees that most long-term tenant leases are subject to CPI rate increases, while other leases contain annual increases by a fixed amount. MPAD is unable to make an informed

determination as to whether some tenants are able to raise their prices at the same rate and remain in business.

F7. MRA pays competitive-to-high salaries for airport personnel, enabling employees to live on the Monterey Peninsula.

**Response:** Disagree in part.

MPAD has adopted a salary schedule that is competitive in the marketplace, enabling employees to live on the Monterey Peninsula.

F8. MRA is currently underutilized by area residents, capturing only 40% of the passengers in its service area.

**Response:** Agree.

F9. Increased airline activity at the airport will increase revenue. Discussions with airlines are currently underway.

**Response:** Agree.

F10. The Airport District is making a concerted effort to reach customers through local TV advertising and has begun to use social media to promote its services.

**Response:** Agree.

F11. The cost of Board of Directors elections can potentially be reduced by privatizing the election process.

**Response:** Disagree.

The cost of a general election, at which time the Board of Directors are elected, is shared proportionally among all public agencies that take part in the election. MPAD investigated whether it would save money by utilizing a private company to conduct a general election and determined that it

would not reduce the cost of the general election.

## **RECOMMENDATIONS**

R1. Dedicate adequate staff to oversee the property management component of the airport's revenue.

**Response:** Will Be Implemented.

MPAD employees currently monitor rental properties. However, MPAD recognizes that dedicated personnel resources may create a positive effect on the operating revenue generated from rental property.

R2. Immediately evaluate non-aviation 'outside storage areas' such as the areas occupied by the current tree service tenants, to determine what can be done to encourage additional tenants.

**Response:** Will Be Implemented.

MPAD staff will continue to evaluate all non-aviation properties to maximize occupancy and revenue generation for the airport.

R3. Provide regular maintenance and upgrades to the buildings that are located on the airport's north side property, to keep them rentable and up to standards.

**Response:** Has Been Implemented.

MPAD maintains its buildings on the north side property such that the buildings are compliant with building codes and available for rent.

R4. Confirm that all airport property rates are in line with local 'market rent' rates.

**Response:** Has Been Implemented.

MPAD has done assessments related to market rent rates and it will aggressively continue to obtain market rent rates in the future for its properties which become available for rent. Further, MPAD is required by its grant assurances with the FAA to charge market rates for all rental property. MPAD is in compliance with its FAA grant assurances and is charging market rates for its currently rented properties.



R5. Immediately research the potential of redefining MRA as a utility district to generate new revenue streams.

**Response:** Has Been Implemented.

Monterey Peninsula Airport District was formed as a special district by the Legislature of the State of California. The enabling act gives MPAD broad powers and authority, including almost all of the statutory authority as that of a utility district. Accordingly, MPAD is able to generate new revenue streams as if it were a utility district without the need to change its organizational structure. MPAD will need to comply with regulations related to the sale of any type of "utility" that it may be able to sell in the future, however, it is not technically necessary for MPAD to become a utility district to generate those types of new revenues.

R6. Evaluate the impact of raising parking rates.

**Response:** Has Been Implemented and Will Be Implemented.

The parking rates were revised on July 1, 2014 and the rates reflect the current market rates for airport parking. As part of the annual budget process, parking rates are reviewed on an annual basis.

R7. Enter into further discussions with the City of Monterey to regulate free street parking on the adjacent city streets.

**Response:** Will Be Implemented.

Parking revenue is an important component of the financial health of MPAD. Accordingly, MPAD will continue to coordinate with the City of Monterey regarding the issue of free, extended-term street parking in the adjacent neighborhood, and MPAD will continue to request that the City of Monterey vigorously enforce current parking regulations in the area.

R8. Work with the local tourist and hospitality industry (Monterey County Convention and Visitors Bureau) to expand marketing of the area as a destination.

**Response:** Has Been Implemented and Will Be Implemented.

MPAD is an active participant on the Monterey County Convention and Visitors Bureau (“MCCVB”) board and is active in the MCCVB meetings. MPAD will continue to coordinate marketing efforts with the MCCVB, and others in the industry, in an effort to expand the marketing of this area as a destination.

R9. Consider advertising with online commercial real estate services (such as LoopNet) as a means of attracting tenants.

**Response:** Will Be Implemented.

As part of its marketing efforts, MPAD will explore additional advertisement avenues such as online commercial real estate services as a means of attracting tenants.

R10. Expand the use of social media for marketing purposes.

**Response:** Has Been Implemented [[[and Will Be Implemented.]]]

MPAD is utilizing social media for marketing purposes, and such efforts will continue to be expanded.

R11. In terms of advertising, continue to emphasize the traveler’s savings on time, gas, hotels, parking, and traffic aggravation by flying from Monterey.

**Response:** Has Been Implemented [[[and Will Be Implemented.]]]

In its marketing, MPAD will continue to promote air travel from Monterey by emphasizing the traveler’s savings on time, gas, hotels, parking, and traffic aggravation by flying into and out of the Monterey Regional Airport.

R12. Continue to work with various airlines to pursue additional flight destinations.

**Response:** Has Been Implemented.

MPAD has and will continue to meet with various airlines to pursue additional flights to current locations, as well as expanding service to additional destinations. MPAD has created incentives for airlines to expand their current service and to attract additional destinations. However,

increased local passenger traffic originating at MPAD will provide additional opportunities for MPAD staff to reinforce the financial feasibility of additional flights and destinations to and from MPAD to airlines. MPAD encourages local residents to utilize MPAD as their first choice for a convenient and cost effective travel option, because this will give the incentive to airlines to add additional flights to current locations and to add direct flights to new destinations.

R13. Immediately research the potential cost savings of hiring private companies to administer airport Board of Directors elections.

**Response:** Has Been Implemented.

MPAD investigated whether it would save money by utilizing a private company to conduct a general election and determined that it would not reduce the cost of the general election. The cost of a general election, at which time the Board of Directors are elected, is shared proportionally among all public agencies that take part in the election. However, if a special election were necessary in which no other public agencies were involved, MPAD would likely achieve cost savings by utilizing a private company to conduct the special election.

R14. Annually revisit the question of using shared police services vs. in-house services.

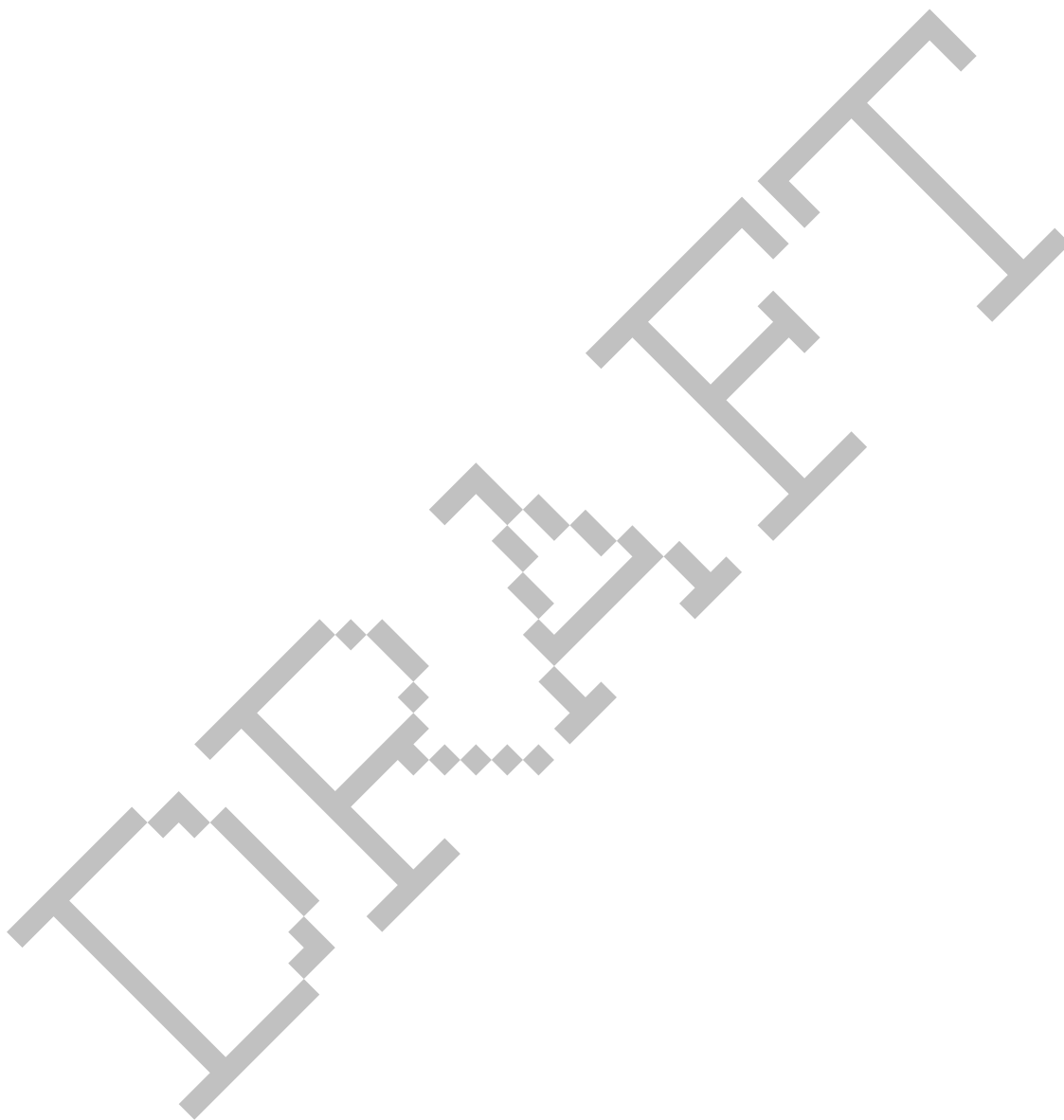
**Response:** Will Not Be Implemented.

This recommendation is the most difficult to which MPAD must respond. The Grand Jury did not discuss this matter in its report and it made no findings relative to police services. MPAD has previously analyzed the efficiency of in-house police services versus shared police services and has elected to retain its in-house police services.

Respectfully submitted,

William Sabo, Chair  
Monterey Peninsula Airport District

cc: Scott E. Huber, District Counsel



**AGENDA ITEM: G-5**  
**DATE: August 12, 2015**

**TO:** Board of Directors, Monterey Peninsula Airport District  
**FROM:** Michael La Pier, Executive Director, Monterey Peninsula Airport District  
**SUBJ:** Confirmation/Reconsideration of Open Entry Taxi Management System with Curbside Management and Automated Vehicle Identification Technology

**BACKGROUND.** On May 12, 2010, the District became a member of the Regional Taxi Authority (RTA) with its adoption of Resolution No. 1519. The Board directed Staff to evaluate the feasibility of replacing the airport's exclusive taxicab concession system with a region-wide, open-entry taxi system to conform to the recommendations made by the RTA.

Staff analyzed open entry taxi management systems used by airports, and recommended an open entry taxi management system with curbside management (i.e., a "taxi starter" to manage taxi operations) and Automated Vehicle Identification (AVI) technology to track vehicles and record data to be used for several purposes including invoicing users. On October 25, 2011, the Board of Directors authorized and approved an open entry taxi management system that incorporates a "taxi starter" and AVI technology. The system was implemented on February 1, 2012, and was fully operational and compliant with MCRTA and District Directives on March 1, 2012.

At the May 13, 2015 meeting of the Board of Directors, staff presented information related to taxi revenues and a comparison between open entry taxi operations and the previous exclusive taxi service with Central Coast Cab Company. A copy of the May 13, 2015 staff report with attachments is attached as Exhibit A to this staff report for your reference.

For the fiscal year ended June 30, 2015, the District's transportation/curbside management program had a net operating loss of \$4,634; this is the first fiscal year that the program had a net operating loss. Analysis of the program shows that the number of taxi trips (and therefore the amount of operating revenue) is directly correlated to the number of commercial airline passengers that use the airport.

In Fiscal Year 2015, the airport experienced an 8.6% reduction (34,333) in commercial airline passengers; taxi trips were 8.2% below the prior fiscal year level and taxi revenue was down 7.0%. Comparative information is presented in summary and by fiscal year as attachments to this report.

Staff believes the current open-entry system, with current control measures in place, have enhanced the customer service experience at MRY. The service provided by the curbside management company (Republic Parking) and tracking software management company (GateKeeper), has enabled the District to apprehend additional accurate data and measurable feedback as opposed to the previous exclusive use agreement with a single operator.

Following several meetings with Staff regarding this issue, Chair Sabo directed Staff to include this item on the Agenda for discussion.

**RECOMMENDATION.** Staff recommends that the Board confirm by motion that the District will retain the existing Open Entry Taxi Management System. Alternatively, the Board should provide direction to Staff.

**Attachments:** May 13, 2015 Staff Report, including Attachments

EXHIBIT "A"

**AGENDA ITEM: G-3**  
**DATE: May 13, 2015**

**TO:** Monterey Peninsula Airport District Board of Directors  
**FROM:** Thomas E. Greer, General Manager  
**SUBJ:** Revenue Review and Comparison Between Open-Entry Taxi Operations and The Exclusive Taxi Service with Central Coast Cab Company

**BACKGROUND AND STAFF ANALYSIS.** For a number of years, the District had an exclusive agreement with a local taxi company to provide service; other taxi operators could drop-off travelers at the airport, but not pick-up. This exclusive arrangement had triggered a discussion of issues that centered around: 1) taxi availability at the airport, 2) cleanliness of taxi vehicles and taxi drivers, 3) laws and regulatory requirements governing taxi operators, 4) taxi operations and limitations in other jurisdictions, i.e. City of Monterey, City of Carmel, etc., and 5) airport operating revenues.

The District became a member of the Monterey County Regional Taxi Authority (MCRTA) on May 12, 2010, with the adoption of Resolution No. 1519. The Board of Directors directed the General Manager and staff to analyze implementation of an open-entry taxi system and provide courses of action and recommendations.

Staff researched taxi operations at other airports, solicited proposals for: 1) curbside management, and 2) automated vehicle identification (AVI) methods and systems; as well as establishing a dialogue with the MCRTA.

Staff prepared a "Summary of Airport Taxi Systems" and presented to the Board of Directors. The summary listed seven (7) alternatives; two (2) open-entry systems were possible systems that could be implemented.

Staff recommended that the Board accept Alternative No. 7, an Open Entry Taxi Management System with Curbside Management and AVI Technology. The only negative effect of this alternative was the loss of existing concession/rent revenue from the exclusive taxi agreement.

On October 25, 2011, the Board of Directors of the Monterey Peninsula Airport District adopted Resolution No. 1557, A Resolution to Adopt an Open Entry Taxi Management System with Curbside Management and Automated Vehicle Identification Technology at The Monterey Regional Airport.

To facilitate implementation of an open entry taxi management system, the Board of Directors of the District also adopted: 1) Resolution No. 1558, A Resolution Authorizing a Professional Services Agreement with Republic Parking System, Inc., for Commercial Ground Transportation Curbside Management Services, and 2) Resolution No. 1559, A Resolution Authorizing the



General Manager to Enter Into a Contract with Gatekeeper Systems, Inc., for Automated Vehicle Identification Technology.

On February 1, 2012, the Open Entry Taxi Management System (with curbside management and AVI technology) was implemented. The month of February was a trial month; taxi operators purchased airport medallions, but paid no drop-off/pick-up fees. On March 1, 2012, the system was fully operational and compliant with MCRTA and District directives.

**IMPACT ON OPERATIONS.** The system change from the exclusive concession agreement to the current open-entry arrangement has been an operational success. Although every taxi operator requesting to serve the airport by either drop-off, pick-up or both are required to obtain an operating permit, the initial interest was overwhelming as turn-out was higher than forecasted. Cab operators from other companies were given an opportunity to obtain revenue from the airport. This has continued today as cabs are returning to renew their permits.

At the same time, the curbside management company bolstered the customer service experience for our passengers, which admittedly was lacking beforehand. To have a taxi starter, operated by a third party, give unbiased information on cab service reassured the passenger to get to their destination hassle free. The automated vehicle identification (AVI) tracking software provided a solid tracking mechanism for airport surcharge fees and enforcement parameters.

Complaints are virtually non-existent as Airport Operations, Police Department and Republic Parking (Curbside Management) staff have partnered with the cab community to find common ground on issues and needs while adhering to the District's operating rules & regulations.

**IMPACT ON OPERATING REVENUE.** Over the history of the open-entry system at the airport, the number of taxi operators that purchase airport medallions has been above forecasts; taxi trips have been reduced – just as number of commercial airline passengers have been reduced – as airlines have compressed or realigned flight schedules.

The effect of fewer commercial airline passengers is easy to see when you view the "Comparison of Actual Revenue & Expense"; fewer passengers equals fewer taxi trips.

**OPERATING BUDGET IMPACT.** When airline passenger levels dip below 400,000, the expense of the open-entry system (i.e. curbside management contract and Gatekeeper AVI hosting) will slightly exceed the revenues generated by the taxi medallions/taxi trip fees.

The small annual expense that occurs in this situation is more than offset by the goodwill created and customer service provided; this is value added to the customer experience at the airport.

**CAPITAL BUDGET IMPACT.** The hand-held AVI scanners are now three (3) years old; replacement will be necessary in twelve (12) to eighteen (18) months.

**RECOMMENDATION.** Recommend that the Board of Directors accept this review of data (financial and statistical), recognize the positive customer service and affirm the District's commitment to the existing Open Entry Taxi Management System.

**ATTACHMENT(S):**

Exhibit A: Comparison of Actual Revenue & Expense

Agenda Materials – October 25, 2011, Regular Meeting, that include:

- Staff Report with supporting documentation for and Resolution No. 1557,
- Staff Report for and Resolution No. 1558, and
- Staff Report for and Resolution No. 1559

**COMPARISON OF ACTUAL REVENUE & EXPENSE**

	FY 2009	FY 2010	FY 2011	FY 2012 <sup>2</sup>	FY 2013	FY 2014	FY 2015 <sup>5 &amp; 6</sup>	CUMULATIVE
ENPLANEMENTS	200,322	197,817	186,367	187,450	208,790	200,884	180,658	
DEPLANEMENTS	198,498	196,472	184,813	185,493	206,593	197,483	178,861	
<b>TOTAL PASSENGERS</b>	<b>398,820</b>	<b>394,289</b>	<b>371,180</b>	<b>372,943</b>	<b>415,383</b>	<b>398,367</b>	<b>359,519</b>	
PERCENT INC / (DEC)		-1.1%	-5.9%	0.5%	11.4%	-4.1%	-9.8%	
<b>TAXI TRIPS</b>	<b>?</b>	<b>?</b>	<b>?</b>	<b>15,501</b>	<b>49,148</b>	<b>45,102</b>	<b>42,392</b>	
PERCENT INC / (DEC)					N / C	-8.2%	-6.0%	
<b>TAXI - CONC REVENUE</b>	<b>\$ 35,136</b>	<b>\$ 35,136</b>	<b>\$ 30,020</b>	<b>\$ 24,240</b>				
<b>TAXI - RENT REVENUE</b>	<b>\$ 2,988</b>	<b>\$ 3,012</b>	<b>\$ 3,072</b>	<b>\$ 2,074</b>				
<b>TAXI - CONC REVENUE <sup>1</sup></b>	<b>\$ 38,124</b>	<b>\$ 38,148</b>	<b>\$ 33,092</b>	<b>\$ 26,314</b>				
<b>TAXI - REVENUE <sup>3</sup></b>				<b>\$ 54,910</b>	<b>\$ 182,209</b>	<b>\$ 169,369</b>	<b>\$ 119,899</b>	<b>\$ 526,387</b>
<b>TAXI - EXPENSE <sup>4</sup></b>				<b>\$ 52,138</b>	<b>\$ 152,528</b>	<b>\$ 169,576</b>	<b>\$ 132,048</b>	<b>\$ 506,290</b>
<b>TAXI NET INCOME</b>				<b>\$ 2,772</b>	<b>\$ 29,681</b>	<b>\$ (207)</b>	<b>\$ (12,149)</b>	<b>\$ 20,097</b>
<b>TCP - REVENUE</b>				<b>\$ 7,710</b>	<b>\$ 8,220</b>	<b>\$ 8,270</b>	<b>\$ 7,800</b>	<b>\$ 32,000</b>
<b>TCP - EXPENSE</b>				<b>\$ 1,021</b>	<b>\$ 1,083</b>	<b>\$ 1,257</b>	<b>\$ 629</b>	<b>\$ 3,990</b>
<b>TCP NET INCOME</b>				<b>\$ 6,689</b>	<b>\$ 7,137</b>	<b>\$ 7,013</b>	<b>\$ 7,171</b>	<b>\$ 28,010</b>
<b>TAXI / TCP - NET INCOME</b>				<b>\$ 9,461</b>	<b>\$ 36,818</b>	<b>\$ 6,806</b>	<b>\$ (4,978)</b>	<b>\$ 48,107</b>
<b>NET INCOME - TRANSPORT</b>	<b>\$ 38,124</b>	<b>\$ 38,148</b>	<b>\$ 33,092</b>	<b>\$ 35,775</b>	<b>\$ 36,818</b>	<b>\$ 6,806</b>	<b>\$ (4,978)</b>	

<sup>1</sup>Per Agreement between MPAD & Central Coast Cab - minimum concession guarantee

<sup>2</sup>Only 8 months (July - February) for exclusive agreement / 4 months of open-entry taxi service

<sup>3</sup>Taxi Permit & Trip Fees

<sup>4</sup>Taxi / Curbside Management Contract, Gatekeeper Tracking Software Service, Decals & Depreciation

<sup>5</sup>Revenue & Expense - Estimate based on Fiscal Year-to-Date - as of 04/30/2015 - 10 periods

<sup>6</sup>Enplanements - Estimate based on Fiscal Year-to-Date - as of 03/31/2015 - 9 periods

**AGENDA ITEM: G-2**  
**DATE: October 25, 2011**

**DATE:** October 20, 2011  
**TO:** Tom Greer, General Manager  
**FROM:** Ken Griggs, Airport Operations Manager  
**SUBJ:** Resolution No. 1557, a Resolution adopting an Open Entry Taxi Management System with Curbside Management and Automated Vehicle Identification Technology

**BACKGROUND.** On May 12, 2010, the District became a member of the Regional Taxi Authority (RTA) with its adoption of Resolution No. 1519. The Board directed Staff to evaluate the feasibility of replacing the airport's exclusive taxicab concession system with a region-wide, open-entry taxi system to conform to the recommendations made by the RTA.

Staff analyzed open entry taxi management systems used by airports. At the Regular Meeting on September 8, 2010 and the Special Meeting on September 29, 2010, Staff presented its findings in Exhibit "A", a comparison of 6 forms of open entry taxi systems and the existing exclusive system. If the Board decided to adopt an open entry system, Staff recommended Alternative #7, an open entry taxi management system with curbside management (i.e., a "taxi starter" to manage taxi operations) and Automated Vehicle Identification (AVI) technology to track vehicles and record data to be used for several purposes including invoicing users. In its research and consultation with airports, Staff learned that open entry "honor" systems do not work! Although taxi companies professed their willingness to cooperate and their ability to self regulate airport taxi operations, in reality many cabs competing for the airports' customers produced significant management headaches and unreliable customer service. The airports either returned to their exclusive taxi arrangements or they added curbside management and some form of AVI technology. The airport operators opined that open entry taxi operations must be controlled to operate effectively.

Staff conducted a feasibility analysis of the potential revenues from airport taxi operations, the costs of curbside management, and the capital investment required for AVI technology. Parking lot management companies have demonstrated expertise in airport curbside management, so Staff obtained estimates from Republic Parking Systems and others. The costs of AVI technology depend upon the sophistication of the AVI equipment, related software, and the physical installation if applicable. Staff recommended handheld readers and associated software, an effective and less expensive solution.

Staff presented its recommendations to Board at the Regular Meeting on March 9, 2011. The minutes of the meeting reflect that, "Director Nelson moved approval of Option #7 with the caveat that staff look closely at the numbers to make them more affordable for the taxi drivers if possible. Director Miller seconded the motion. The motion passed unanimously." The Board directed Director Leffel, the Board's RTA representative, to present Alternative #7 to the RTA and to explore cost sharing options. You and I presented Alternative #7 to the RTA Board at its Regular Board Meeting on June 27, 2011.

In June 2011, Staff applied to the Monterey Bay Unified Air Pollution Control District for an emissions reduction grant to offset some of the open entry start-up costs for Alternative #7, but was not awarded the grant.

On August 1, 2011, Staff published a Request for Qualifications and Proposal for Commercial Ground Transportation Management Systems and received two qualified bids. Staff concluded Republic Parking Systems, Inc. was the lowest responsible bidder. It provided an acceptable operational plan to implement an open-entry ground transportation system at MRV.

At the Special Meeting of the Board on September 28, 2011, the Board directed Staff to research "Hybrid" Open-Entry Taxi Management Systems to reduce or eliminate operating and capital costs. To complete its analyses and recommendations to the board, Staff has:

1. Completed extensive research to find any conceivable alternatives in addition to the seven airport industry standard systems previously presented to the Board.
2. Evaluated two "Hybrid" Open-Entry" proposals that it received, namely:
  - a. An 11-page letter dated September 1, 2011 addressed to General Manager Greer from Duane Gida, owner of Central Coast Cab Company, and
  - b. A 5-page proposal received in early October from Director Sabo entitled, "Airport Taxi Open Access Implementation Plan Alternative".

(We appreciate the efforts and analysis made by Mr. Gida and Director Sabo.)

3. Thoroughly reviewed Alternative #7, verified all revenue assumptions, quantified the costs of curbside management, and refined the acquisition and operating costs with AVI technology vendors.

**CONCLUSION:** Staff recommends the Board adopt an Open Entry Taxi Management System with curbside management and AVI technology, presented as Alternative No. 7, and adopt Resolutions 1557, 1558 and 1559 for implementation.

Staff's analysis with assumptions is provided in Exhibit B that includes the "Pros" and "Cons" of Alternative #7. The analysis projects for year 1:

Operating Revenue Projections	\$171,920
Operating Expense Projections:	<u>150,024</u>
Operating Income:	<u>\$ 21,896</u>
Capital Investment	<u>\$ 57,600</u>
Payback of investment	2.6 years
Internal Rate of Return (IRR)	15%

Operating Income is less than the annual income of \$39,000 received under the current Exclusive Taxi System in years prior to FY11. The TCP contract implemented this fiscal year will offset approximately \$7,000 of this variance.

Changing from an exclusive taxi agreement to an open entry taxi system can only be accomplished effectively by including curbside management supported by AVI technology. The taxi starter will control all public conveyance vehicles serving the airport and will act as an airport curbside ambassador. AVI technology will capture vehicle tracking data (information we have never had) and remit trip charges in the form of an invoice. It offers the opportunity to improve customer service to our travelers.

If the District's experience after one or more years of operating Alternative #7 is deemed unsatisfactory, it could revert to Alternative #1. An exclusive agreement is permitted by the RTA agreement. The contracts with Republic Parking Systems and GateKeeper Systems may be cancelled without penalty after one year by providing 30 days written notice.

**SOURCE OF FUNDS.** Programmed in the District FY 2012 Budget.

**IMPACT ON REVENUES.** The exact impact on operating revenue is unknown.

**SCHEDULE.** The Open Entry System would be implemented on or soon after February 1, 2012.

**IMPACT ON OPERATIONS.** The Open Entry System should efficiently manage ground transportation operators, improve customer service, and provide tracking data for analysis of all ground transportation.

**CONTINGENCY.** N/A

**REFERENCE TO STRATEGIC PLAN.** Improves Customer Relations (Strategic Elements 3.0) and Public/Community Relations (Strategic Element 6.0)

**RECOMMENDATION.** Adopt Resolution No. 1557 to implement an Open Entry Taxi Management System with Curbside Management and Automated Vehicle Identification Technology.

**RESOLUTION NO. 1557**

**A RESOLUTION TO ADOPT AN OPEN ENTRY TAXI MANAGEMENT SYSTEM  
WITH CURBSIDE MANAGEMENT AND AUTOMATED VEHICLE IDENTIFICATION  
TECHNOLOGY AT THE MONTEREY REGIONAL AIRPORT**

**WHEREAS**, the Monterey Peninsula Airport District (MPAD) became a member of the Regional Taxi Authority on May 12, 2010 with the passing of Resolution No.1519, and

**WHEREAS**, Section 3, subsection (m) of the Monterey Peninsula Airport District Act grants the Monterey Peninsula Airport District ("MPAD") the power to "possess and exercise all powers necessary and appropriate to a public airport district that are not prohibited by the California Constitution;" and

**WHEREAS**, the ability to adopt an open entry ground transportation system is included within such power; and

**WHEREAS**, Addendum 1 of the Monterey County Regional Taxi Authority Joint Powers Agreement allowed the airport the opportunity to research airport industry taxi open-entry management systems; and

**WHEREAS**, the Board of Directors and staff have determined there is a need to effectively manage taxi operations; engage in a fair operating schedule for all drivers who purchase a medallion; to work in unison with Airport Staff and the Regional Taxi Authority; and provide excellent customer service to the traveling public; and

**WHEREAS**, the Board of Directors and staff have evaluated the replacement of its exclusive taxicab concession agreement with one of seven standard airport industry taxi management systems, and non-standard hybrid plans; and

**WHEREAS**, the Board of Directors has made findings that an open entry taxi management system with curbside management and Automated Vehicle Identification (AVI) technology is the only viable alternative because it is not based on subjectivity, has the potential to become profitable, and will improve customer service to travelers.

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** that MPAD hereby adopts an open entry taxi management system with curbside management and Automated Vehicle Identification (AVI) technology at the Monterey Regional Airport. Chairman is authorized to execute any and all agreements that may be necessary to effectuate such system.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 25th day of October 2011, by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	Leffel, Miller, Nelson, Chair Searle
<b>NOES:</b>	<b>DIRECTORS:</b>	None
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	Sabo
<b>ABSENT:</b>	<b>DIRECTORS:</b>	None

Signed this 25<sup>th</sup> day of October 2011

*Richard D. Searle*

Richard D. Searle, Chairman

ATTEST

*Charles R. Hayes*

Charles R. Hayes



**EXHIBIT A**  
**SUMMARY OF AIRPORT TAXI SYSTEMS**

Alternative #	Type of System	Type of Management			One Time Capital Investment	Practical/ Impractical	Comments	Feasible?
			Cost - Taxi Starter	Operating Costs				
1	Exclusive	Honor (No curbside control) (No Technology)	n/a	n/a	n/a	Works Well	One taxi company can enforce airport's rules; Most small airports use this system.	Yes
2	Unlimited Open Entry (No cab cap)	Honor (No curbside control) (No Technology)	n/a	n/a	n/a	Does not work	Honor systems fails w > 1 taxi co; Taxi Starter needed to control curb.	No
3	Limited Open Entry (Limited amount of cabs)	Honor (No curbside control) (No Technology)	n/a	n/a	n/a	Does not work	Honor systems fails w > 1 taxi co; Taxi Starter needed to control curb.	No
4	Unlimited Open Entry (No cab cap)	Controlled (Curbside Control by Taxi Starter) (No Technology)	\$123,924	n/a	n/a	Could work	Tracking burdensome for starter without AVI Technology. Risk of revenue loss.	Possible
5	Limited Open Entry (Limited amount of cabs)	Controlled (Curbside Control by Taxi Starter) (No Technology)	\$123,924	n/a	n/a	Does not work	Tracking burdensome for starter without AVI Technology. Risk of revenue loss. Medallion revenue would decrease.	No
6	Limited Open Entry Cabs & TCPs	Controlled AVI - Full Infrastructure (Curbside Control by Taxi Starter) (Full Technology)	\$123,924	\$26,100	\$213,000 Gantry System (permanent)	Cost prohibitive	Used by airports >750K enplanements; <b>too costly for small airports due to low volume.</b> Eagle County - Vail and Aspen are exceptions. (Eagle County would not install if decision to install were made today.)	No
7	Unlimited Open Entry Cabs & TCPs	Controlled AVI - Limited (Curbside Control by Taxi Starter) (Ltd Technology - Handheld Readers)	\$123,924	\$26,100	\$57,600	Could work	Loss of revenue for Year 1 expected, due to capital costs. No accurate data available to est. # of TCP vehicles and taxi trips to help offset cost recovery of capital investment. Could be profitable beginning Year 2.	Possible

**STAFF RECOMMENDATION - Exhibit B**

**THESIS:** MPAD will terminate its current month-to-month concession agreement with Central Coast Taxi; under provisions of the RTA agreement open access to all taxi operators that:

1. are registered/licensed through the RTA,
2. have purchased an annual airport medallion, and
3. pay the required drop-off & pick-up fees

**OPERATING REVENUE PROJECTIONS:**

Airport Medallion Revenue (Annual) - 80 cabs @ \$250 ea:	\$20,000.00
Airport Drop-Off Fee Revenue (Annual) - 70 per day @ \$3.00:	\$75,960.00
Airport Pick-Up Fee Revenue (Annual) - 70 per day @ \$3.00:	\$75,960.00
	<u>\$171,920.00</u>

**OPERATING EXPENSE PROJECTIONS:**

Contract (Annual) for Taxi Starter/Curb-Side Management:	\$123,924.00
Commercial Vehicle Management Software (Annual):	\$26,100.00
	<u>\$150,024.00</u>

Projected Annual Operating Income (from Taxis/Open Access): \$21,896.00

**CAPITAL EXPENSE PROJECTIONS:**

Hand-held AVI Scanners (2 ea) w/Equipment & Set-Up: \$57,600.00

Payback (based on annual projected operating income above): 2.6 years

Internal Rate of Return (IRR): 15%

**PROs:**

1. Creates "Open Access"
2. Taxi Starter -- increased customer service/acts as "ambassador"
3. Taxi Starter -- liaison with airlines/calls cabs/ controls curb
4. Provides commitment to positive public relations/business partnerships
5. Collects data (that is currently not available or inaccurate)
6. Operating revenues exceed operating expenses
7. There is a positive ROI

**CONs:**

1. Does not recover the concession revenue that will be lost (\$39,000)

**MONTEREY PENINSULA AIRPORT DISTRICT**

FISCAL YEAR	ENPLANEMENTS	DEPLANEMENTS	TOTAL AIRLINE PASSENGERS	FY to FY AIRLINE PASSENGER INCREASE / DECREASE	MONTHLY TAXI CONCESSION MINIMUM	ANNUAL TAXI CONCESSION MINIMUM	CPI
2000	245,992	244,812	490,804			AT \$20,740	
2001	232,427	234,947	467,374	-4.8%		AT \$22,493	
2002	187,403	188,147	375,550	-19.6%		CT \$22,493	
2003	186,196	186,951	373,147	-0.6%	\$2,500	CT \$33,374	
2004	187,698	187,408	375,106	0.5%	\$2,556	CT \$33,322	2.2%
2005	188,187	188,675	376,862	0.5%	\$2,556	CT \$30,672	
2006	209,585	209,249	418,834	11.1%	\$2,623	CC \$31,476	2.6%
2007	205,576	202,680	408,256	-2.5%	\$2,754	CC \$33,048	3.2%
2008	228,279	223,714	451,993	10.7%	\$2,845	CC \$34,140	3.3%
2009	200,322	198,498	398,820	-11.8%	\$2,928	CC \$35,136	2.9%
2010	197,817	196,469	394,286	-1.1%	\$2,951	CC \$35,412	0.8%
2011	186,367	184,703	371,070	-5.9%	\$3,002	CC \$28,519	<sup>1</sup> 1.7%
2012					\$3,086	CC \$37,032	<sup>2</sup> 2.8%
							<u>17.3%</u>

<sup>1</sup>Only paid 1/2 (\$1,501.00) - February - June 2011  
 FY11 Annual should have been \$36,024

<sup>2</sup>Based on a full-year FY12 for comparison

AT = Airport Taxi  
 CT / CC = Carmel Taxi aka Central Coast Taxi

-9.1%  
 -1.5%  
 -1.2%  
 -24.4%

**5 yr comparison (2011 v 2007)**  
**7 yr comparison (2011 v 2005)**  
**10 yr comparison (2011 v 2002)**  
**12 yr comparison (2011 v 2000)**

**Analysis A: Taxi operators will pay a drop-off fee, a pick-up fee and an annual medallion fee**

**THESIS: Central Coast Taxi has reported between 1,400 & 1,800 trips per month at the airport in recent months**

using a standard 30-day month:

annual average pick-ups	monthly average pick-ups		daily average pick-ups
16,800	1,400	30	47
21,600	1,800	30	60
25,000	2,083	30	70
28,800	2,400	30	80

pick-up fee		
\$2.00	\$2.50	\$3.00
daily average revenue to airport		
\$93.00	\$117.00	\$140.00
\$120.00	\$150.00	\$180.00
\$140.00	\$175.00	\$210.00
\$160.00	\$200.00	\$240.00

30-day monthly (@ 1,400 pick-ups)	\$2,800.00	\$3,500.00	\$4,200.00
30-day monthly (@ 1,800 pick-ups)	\$3,600.00	\$4,500.00	\$5,400.00
30-day monthly (@ 2,083 pick-ups)	\$4,167.00	\$5,208.00	\$6,250.00
30-day monthly (@ 2,400 pick-ups)	\$4,800.00	\$6,000.00	\$7,200.00

annual (@ 16,800 pick-ups)	\$33,600.00	\$42,000.00	\$50,400.00
annual (@ 21,600 pick-ups)	\$43,200.00	\$54,000.00	\$64,800.00
annual (@ 25,000 pick-ups)	\$50,004.00	\$62,496.00	\$75,000.00
annual (@ 28,800 pick-ups)	\$57,600.00	\$72,000.00	\$86,400.00

using a standard 30-day month:

annual average pick-ups	monthly average pick-ups		daily average pick-ups
16,800	1,400	30	47
21,600	1,800	30	60
25,000	2,083	30	70
28,800	2,400	30	80

drop-off fee		
\$2.00	\$2.50	\$3.00
daily average revenue to airport		
\$93.00	\$117.00	\$140.00
\$120.00	\$150.00	\$180.00
\$140.00	\$175.00	\$210.00
\$160.00	\$200.00	\$240.00

30-day monthly (@ 1,400 drop-offs)	\$2,800.00	\$3,500.00	\$4,200.00
30-day monthly (@ 1,800 drop-offs)	\$3,600.00	\$4,500.00	\$5,400.00
30-day monthly (@ 2,083 drop-offs)	\$4,167.00	\$5,208.00	\$6,250.00
30-day monthly (@ 2,400 drop-offs)	\$4,800.00	\$6,000.00	\$7,200.00

annual (@ 16,800 drop-offs)	\$33,600.00	\$42,000.00	\$50,400.00
annual (@ 21,600 drop-offs)	\$43,200.00	\$54,000.00	\$64,800.00
annual (@ 25,000 drop-offs)	\$50,004.00	\$62,496.00	\$75,000.00
annual (@ 28,800 drop-offs)	\$57,600.00	\$72,000.00	\$86,400.00



**THESIS: All cabs that service airport will be required to purchase an airport service medallion**

		annual medallion fee		
		\$150.00	\$200.00	\$250.00
number of cabs that purchase medallions:	50	\$7,500.00	\$10,000.00	\$12,500.00
	60	\$9,000.00	\$12,000.00	\$15,000.00
	70	\$10,500.00	\$14,000.00	\$17,500.00
	80	\$12,000.00	\$16,000.00	\$20,000.00
	90	\$13,500.00	\$18,000.00	\$22,500.00
	100	\$15,000.00	\$20,000.00	\$25,000.00

annualized overall low (w/\$2.00 fees) & 50 medallions (\$150)	\$74,700.00
annualized overall medium (w/\$2.50 fees) & 80 medallions (\$200)	\$132,496.00
annualized overall high (w/\$3.00 fees) & 100 medallions (\$250)	\$197,800.00

**Analysis B: Taxi operators will pay a drop-off fee, a pick-up fee and an annual medallion fee**

**THESIS:** Under open access system operators will average current airline schedule at the airport

	<b>pick-up fee</b>		
	\$2.00	\$2.50	\$3.00
	daily average revenue to airport		
daily average pick-ups	\$141.00	\$176.00	\$211.00
30-day monthly average	\$4,230.00	\$5,280.00	\$6,330.00
annualized average	\$50,760.00	\$63,360.00	\$75,960.00

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	<b>drop-off fee</b>		
	\$2.00	\$2.50	\$3.00
	daily average revenue to airport		
daily average drop-offs	\$141.00	\$176.00	\$211.00
30-day monthly average	\$4,230.00	\$5,280.00	\$6,330.00
annualized average	\$50,760.00	\$63,360.00	\$75,960.00

70

**THESIS:** All cabs that service airport will be required to purchase an airport service medallion

		<b>annual medallion fee</b>		
		\$150.00	\$200.00	\$250.00
number of cabs that purchase medallions:	50	\$7,500.00	\$10,000.00	\$12,500.00
	60	\$9,000.00	\$12,000.00	\$15,000.00
	70	\$10,500.00	\$14,000.00	\$17,500.00
	80	\$12,000.00	\$16,000.00	\$20,000.00
	90	\$13,500.00	\$18,000.00	\$22,500.00
	100	\$15,000.00	\$20,000.00	\$25,000.00

annualized average low (w/\$2.00 fees) & 50 medallions (\$150)	\$109,020.00
annualized average medium (w/\$2.50 fees) & 80 medallions (\$200)	\$142,720.00
annualized average high (w/\$3.00 fees) & 100 medallions (\$250)	\$176,920.00

## FY 2012 FLIGHT SCHEDULE - ARRIVALS<sup>1</sup>

### United Express:

FL5433	27	SFO
FL6290	50	LAX
FL5315	27	SFO
FL5314	27	SFO
FL6432	27	SFO
FL6288	50	LAX
FL6412	66	DEN
FL5606	27	SFO
FL6292	50	LAX
FL5365	27	SFO
	<u>378</u>	

### American Eagle:

FL3067	44	LAX
FL3066	44	LAX
FL3027	44	LAX
	<u>132</u>	

### U S Airways Express:

FL2777	50	PHX
FL2783	50	PHX
	<u>100</u>	

Daily seats in the market<sup>1</sup>: 610

Avg Load Factor: 77%

Avg Daily Deplanements: 470

Avg Taxi Factor: 15%

Avg Daily Taxi Pick-Ups: 70

<sup>1</sup>To facilitate average daily calculations, the effect of 2 weekly Allegiant flights ignored

<b>CASH FLOWS</b>	<b>YR 1</b>	<b>YR 2</b>	<b>YR 3</b>
Op Income	\$171,920.00	\$171,920.00	\$171,920.00
Capital Outlay	-\$57,600.00		
Op Expense - Software	-\$26,100.00	-\$26,100.00	-\$26,100.00
Op Expense - Curb Mgmt	-\$123,924.00	-\$123,924.00	-\$123,924.00
<b>Net Cash Flows</b>	<b>-\$35,704.00</b>	<b>\$21,896.00</b>	<b>\$21,896.00</b>

**IRR: 15%**

**MIRR: 11%**





Monterey Peninsula Airport District

# MEMO

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**To:** Board of Directors  
**From:** Tom Greer  
**Subject:** Staff Analysis of Taxi Alternatives  
**Date:** October 24, 2011

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Attached please find the staff analysis of two alternative proposals to staff's recommendation for an "open entry system" for taxi operations at the airport. This is in response to Board direction at your last meeting to "explore other alternatives including hybrid systems to avoid the cost of a taxi starter".

Both the Board and staff have spent an inordinate amount of time since the decision was made to go to an "open entry system" looking at how to make it work and what the pitfalls and advantages are to such a system. Some Board Members have even taken it upon themselves to call vendors and cab operators.

The attached analysis was to be distributed at the meeting Tuesday. However, Director Sabo felt that it should be distributed before the meeting. The Board has directed staff to propose a way to open the airport to all RTA approved cabs and the conclusion is still to do so with a curbside management system and hand held AVI device.

**AGENDA ITEM: G-3**  
**DATE: October 25, 2011**

**DATE:** October 20, 2011  
**TO:** Tom Greer, General Manager  
**FROM:** Ken Griggs, Airport Operations Manager,  
**SUBJ:** Resolution No. 1558, a Resolution to Award a Contract to Republic Parking System Inc., for Commercial Ground Transportation Curbside Management Services

**BACKGROUND.** At the Regular Meeting on September 8, 2010 and the Special Meeting on September 29, 2010 that included a "Taxi Workshop", Staff presented its findings, a comparison of six forms of open entry taxi systems and the existing exclusive system. Direction to staff was to further explore taxi system Alternative #7 (a "controlled" open-entry taxi management system with curbside management & AVI Technology).

On the Regular Meeting on March 9<sup>th</sup>, 2011, Staff presented an in-depth cost analysis of taxi management system Alternative #7. It included a quote for curbside management from Republic Parking Systems, Inc. that performs similar services at other airports across the United States.

On August 1, 2011, Staff published a Request for Qualifications and Proposal (RFP/Q) for Commercial Ground Transportation Management Systems. Two qualified bids were received. Staff concluded Republic Parking Systems, Inc. is the lowest responsible bidder. The bid included an acceptable operational plan to implement a controlled open-entry system.

Republic Parking Systems, Inc. is tasked with effectively managing taxi operations; establishing a fair operating schedule for all drivers who purchase a medallion; imposing adequate rules & regulations; working in unison with Airport Staff and the Regional Taxi Authority, and providing excellent customer service to the traveling public.

The contract is for three years with an option for an additional two years, at an annual cost of \$123,924. The Airport has the right to cancel the contract with a 30 day notice at any time.

**SOURCE OF FUNDS.** These services are programmed in the adopted District FY 2012 Budget.

**IMPACT ON REVENUES.** None.

**SCHEDULE.** The contract for professional services is anticipated to begin early in 2012.

**IMPACT ON OPERATIONS.** Airport Staff and Republic Parking Systems, Inc. will finalize Open-Entry Rules & Regulations for Commercial Transportation and will submit them to the Board for adoption.

**CONTINGENCY.** Adoption of Resolution No. 1557

**RECOMMENDATION.** Adopt Resolution No. 1558, a Resolution to Award a Contract to Republic Parking System Inc., for Commercial Ground Transportation Curbside Management Services to award a contract with Republic Parking System Inc.

**RESOLUTION NO. 1558**

**A RESOLUTION AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH REPUBLIC PARKING SYSTEM INC., FOR COMMERCIAL GROUND TRANSPORTATION CURBSIDE MANAGEMENT SERVICES**

**WHEREAS**, the Monterey Peninsula Airport District (MPAD) became a member of the Regional Taxi Authority on May 12, 2010 with the adoption of Resolution No. 1519,

**WHEREAS**, Addendum 1 of the Monterey County Regional Taxi Authority Joint Powers Agreement allowed the airport the opportunity to research airport industry taxi open-entry management systems,

**WHEREAS**, staff recommended a controlled, open entry taxi management system with curbside management by a third-party neutral curbside management company to preserve a high level of customer service and queuing controls at the terminal and remote holding lot,

**WHEREAS**, the Board adopted Resolution No. 1549 approving the FY2012 Operating & Capital Budget, which includes operating expenditures for curbside management services,

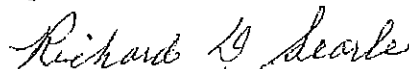
**WHEREAS**, MPAD issued a RFQ/P and Republic Parking Systems was the lowest responsible bidder,

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** That MPAD enter into contract with Republic Parking Systems, Inc. in the annual amount of \$123,924, to manage the commercial open-entry ground transportation program at the Monterey Regional Airport; and that the Chairman is authorized and directed to execute same on behalf of the District.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 25th day of October 2011, by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	Leffel, Nelson, Chair Searle
<b>NOES:</b>	<b>DIRECTORS:</b>	Sabo
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	Miller
<b>ABSENT:</b>	<b>DIRECTORS:</b>	None

Signed this 25<sup>th</sup> day of October 2011



Richard D. Searle, Chairman

ATTEST



Charles R. Hayes  
District Secretary

**AGENDA ITEM: G-4**  
**DATE: October 25, 2011**

**DATE:** October 20, 2011  
**TO:** Tom Greer, General Manager  
**FROM:** Ken Griggs, Airport Operations Manager,  
**SUBJ:** Resolution No. 1559 A Resolution Authorizing the General Manager to enter into a contract with GateKeeper Systems, Inc. for Automated Vehicle Identification Technology

**BACKGROUND.** At the Regular Meeting on September 8, 2010 and the Special Meeting on September 29, 2010 that included a "Taxi Workshop", Staff presented its findings, a comparison of six forms of open entry taxi systems and the existing exclusive system. Direction to staff was to further explore taxi system Alternative #7, a "controlled" open-entry taxi management system with curbside management & AVI technology.

On the Regular Meeting on March 9<sup>th</sup>, 2011, Staff presented an in-depth cost analysis of taxi management system Alternative #7 and addressed the functionality of AVI technology. Several AVI systems are operated by TransCore, an airport industry-wide recognized RFID company. A quote was obtained for a limited AVI system specifically for MRY.

TransCore provides AVI hardware components, e.g. the handheld scanners. It partners with GateKeeper Systems, Inc. (GateKeeper), a software management company that manages the Commercial Vehicle Management System (CVMS). This is a hardware interoperability system that collects information in several airport specific databases for vehicle tracking. As the overwhelming majority of services will be provided by GateKeeper, both vendors agreed GateKeeper should be the primary contracting entity.

The contract with GateKeeper would be for three years; however the Airport may terminate the agreement after 12 months without penalties.

Operating contract: \$26,100 annually  
One-time capital costs: \$57,600

**SOURCE OF FUNDS.** These operating services and capital acquisitions are programmed in the adopted District FY 2012 Budget.

**IMPACT ON REVENUES.** None.

**SCHEDULE.** The proposed contract for professional services is anticipated to begin early 2012.

**IMPACT ON OPERATIONS.** None.

**CONTINGENCY.** Adoption of Resolution Nos. 1557 and 1558

**RECOMMENDATION.** Resolution No. 1559, a Resolution Authorizing the General Manager to enter into a contract with GateKeeper Systems, Inc. for Automated Vehicle Identification Technology.

**RESOLUTION NO. 1559**

**A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO  
ENTER INTO A CONTRACT WITH GATEKEEPER SYSTEMS, INC. FOR  
AUTOMATED VEHICLE IDENTIFICATION TECHNOLOGY**

**WHEREAS**, the Monterey Peninsula Airport District (MPAD) became a member of the Regional Tax Authority on May 12, 2010 with the passing of Resolution No.1519,

**WHEREAS**, Addendum 1 of the Monterey County Regional Tax Authority Joint Powers Agreement allowed the airport the opportunity to research airport industry taxi open-entry management systems,

**WHEREAS**, staff recommended a controlled, open entry taxi management system that assigns an offsite software management company to manage vehicle tracking and accounts receivable databases and the capital acquisition of handheld Automated Vehicle Identification (AVI) technology to be operated by the commercial ground transportation management company,

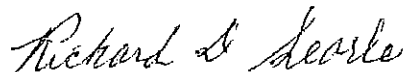
**WHEREAS**, the Board adopted Resolution No.1549 approving the FY2012 Operating & Capital Budget, which includes capital and operating expenditures for AVI Technology and Software Management System,

**NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** That MPAD enter into a contract with GateKeeper Systems, Inc. in the annual amount of \$26,100 for operating system support costs and the one-time capital acquisition and associated start-up costs for AVI technology of \$57,600; and that the Chairman is authorized and directed to execute same on behalf of the District.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT:** This 25th day of October 2011, by the following roll call vote:

<b>AYES:</b>	<b>DIRECTORS:</b>	Leffel, Miller, Nelson, Sabo, Chair Searle
<b>NOES:</b>	<b>DIRECTORS:</b>	None
<b>ABSTAIN:</b>	<b>DIRECTORS:</b>	None
<b>ABSENT:</b>	<b>DIRECTORS:</b>	None

Signed this 25<sup>th</sup> day of October 2011



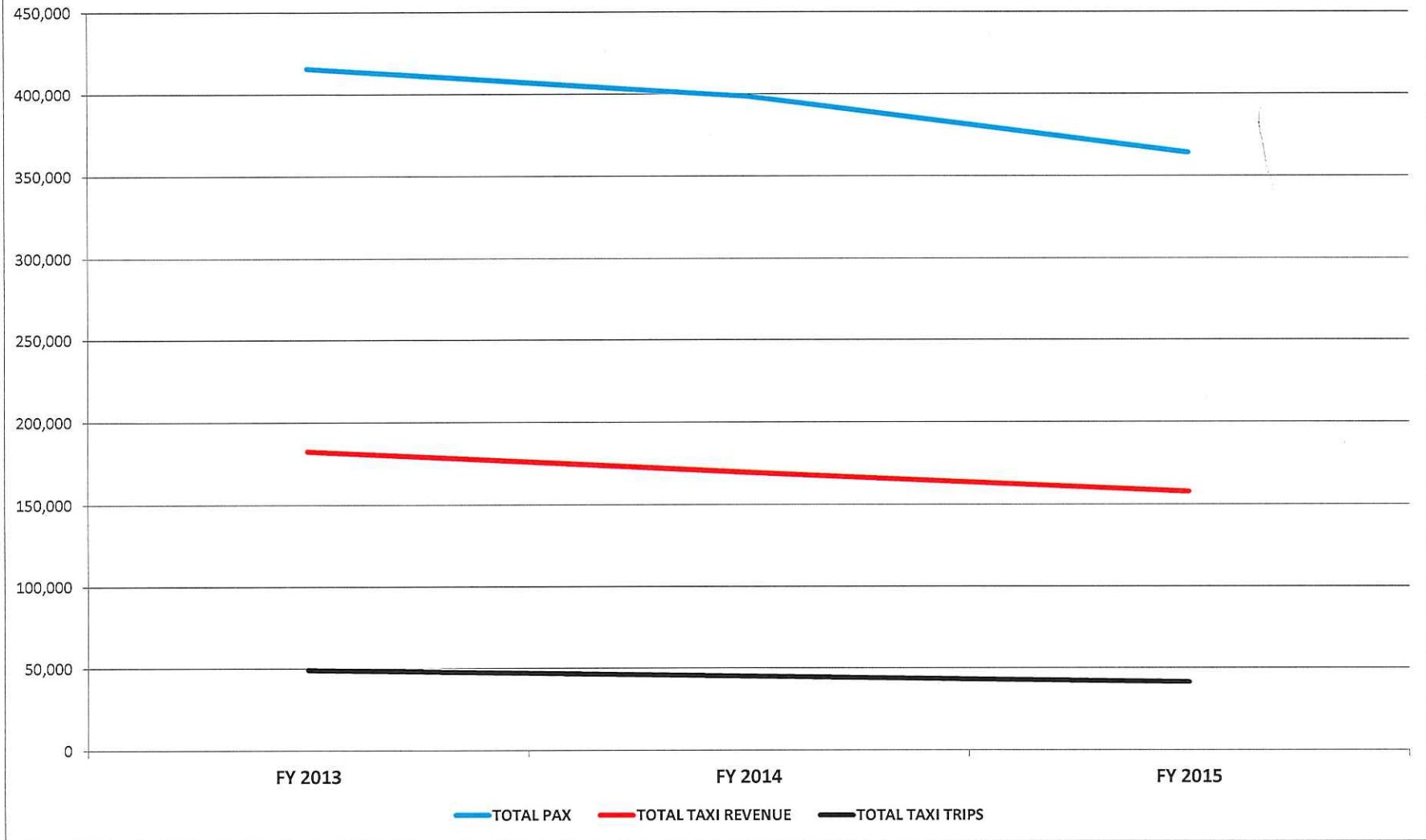
Richard D. Searle, Chairman

ATTEST



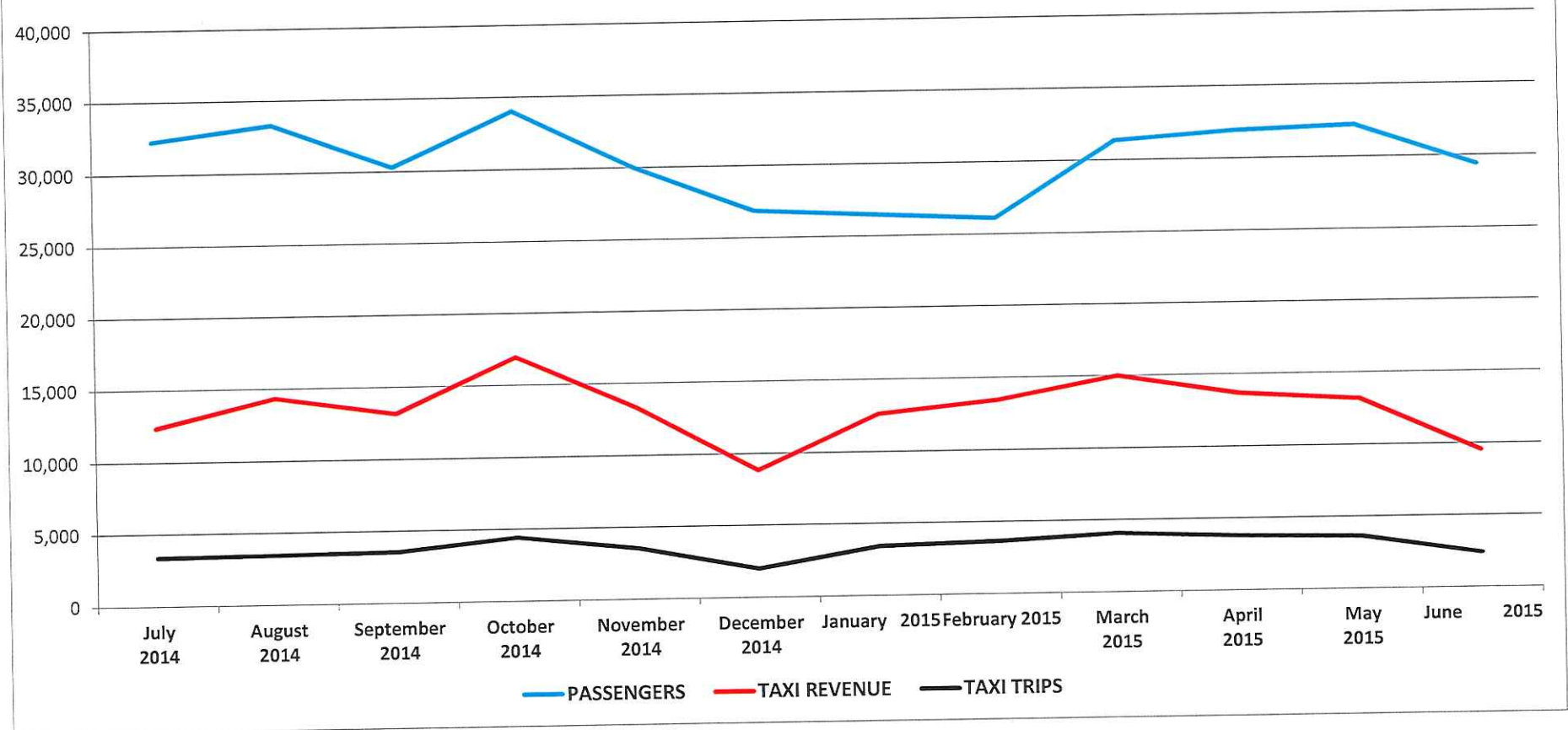
Charles R. Hayes  
District Secretary

### COMPARISON BY FISCAL YEAR

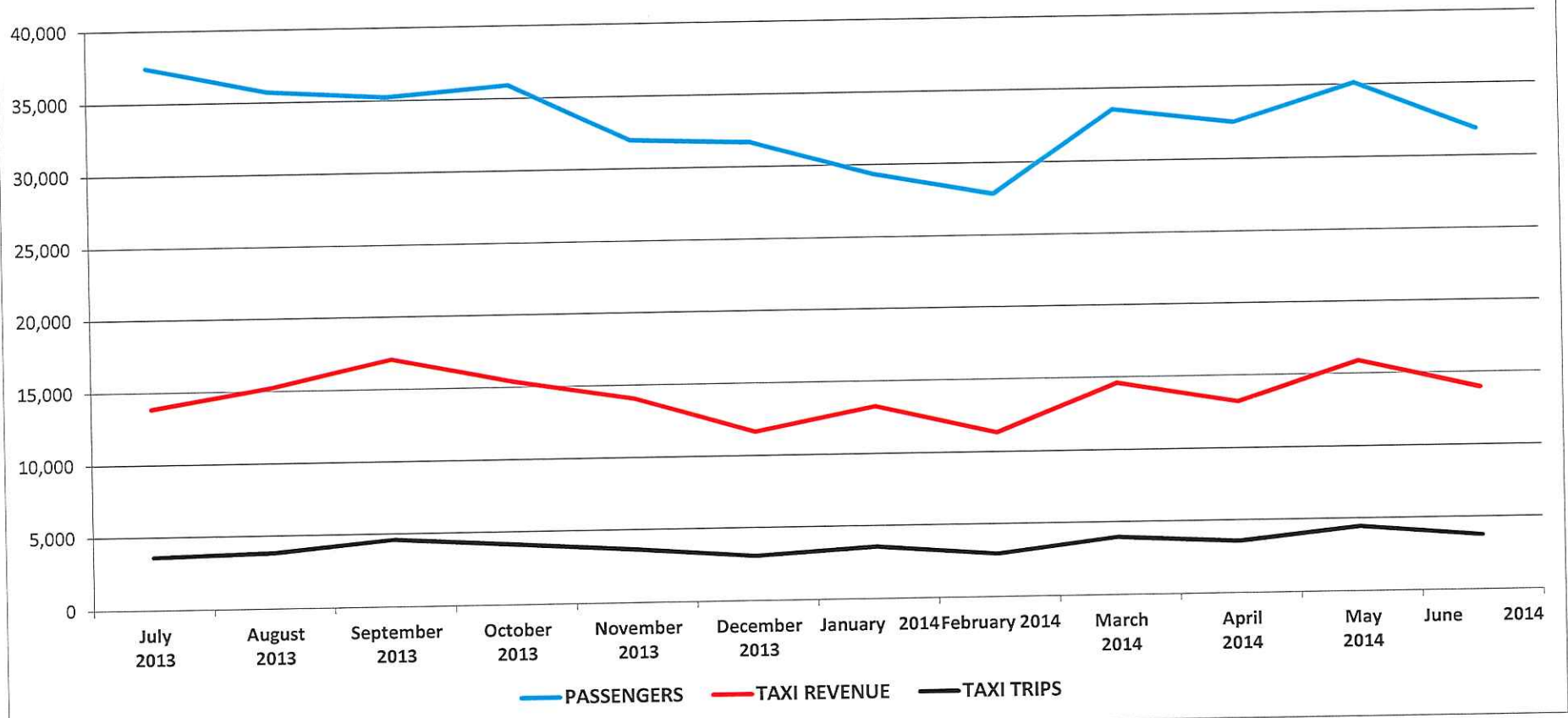


	FY 2013	FY 2014		FY 2015	
TOTAL PAX	415,383	398,367	-4.1%	364,034	-8.6%
TOTAL TAXI REVENUE	182,209	169,369	-7.0%	157,470	-7.0%
TOTAL TAXI TRIPS	49,148	45,102	-8.2%	41,395	-8.2%

### FY 2015 BY MONTH

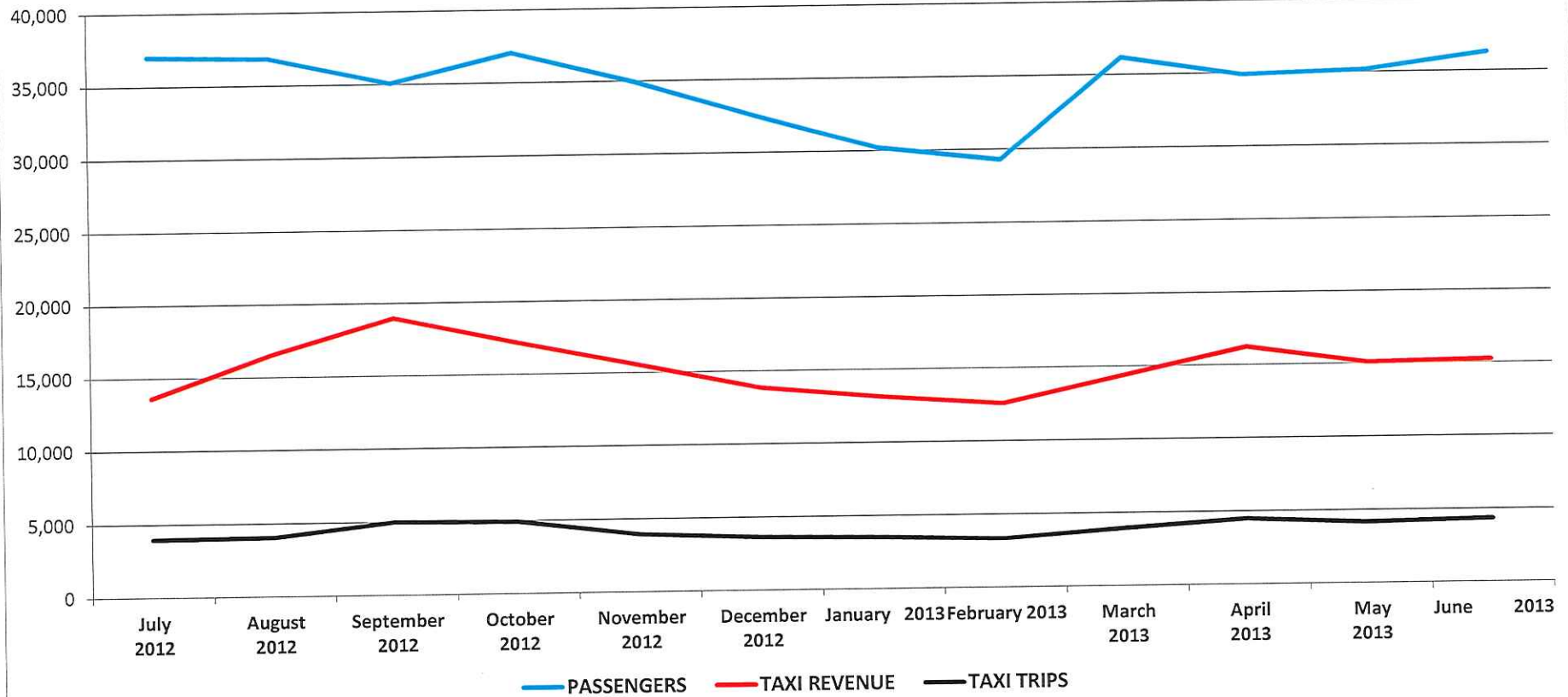


### FY 2014 BY MONTH





### FY 2013 BY MONTH



COMPARISON OF ACTUAL REVENUE & EXPENSE

	FY 2009	FY 2010	FY 2011	FY 2012 <sup>2</sup>	FY 2013	FY 2014	FY 2015	CUMULATIVE
ENPLANEMENTS	200,322	197,817	186,367	187,450	208,790	200,884	182,967	
DEPLANEMENTS	198,498	196,472	184,813	185,493	206,593	197,483	181,067	
<b>TOTAL PASSENGERS</b>	<b>398,820</b>	<b>394,289</b>	<b>371,180</b>	<b>372,943</b>	<b>415,383</b>	<b>398,367</b>	<b>364,034</b>	
PERCENT INC / (DEC)		-1.1%	-5.9%	0.5%	11.4%	-4.1%	-8.6%	
TAXI TRIPS	?	?	?	15,501	49,148	45,102	41,395	
PERCENT INC / (DEC)					N/C	-8.2%	-8.2%	
TAXI - CONC REVENUE	\$ 35,136	\$ 35,136	\$ 30,020	\$ 24,240				
TAXI - RENT REVENUE	\$ 2,988	\$ 3,012	\$ 3,072	\$ 2,074				
<b>TAXI - CONC REVENUE<sup>1</sup></b>	<b>\$ 38,124</b>	<b>\$ 38,148</b>	<b>\$ 33,092</b>	<b>\$ 26,314</b>				
TAXI - REVENUE <sup>3</sup>				\$ 54,910	\$ 182,209	\$ 169,369	\$ 157,470	\$ 563,958
TAXI - EXPENSE <sup>4</sup>				\$ 52,138	\$ 152,528	\$ 169,576	\$ 171,264	\$ 545,506
<b>TAXI NET INCOME</b>				<b>\$ 2,772</b>	<b>\$ 29,681</b>	<b>\$ (207)</b>	<b>\$ (13,794)</b>	<b>\$ 18,452</b>
TCP - REVENUE				\$ 7,710	\$ 8,220	\$ 8,270	\$ 9,160	\$ 33,360
TCP - EXPENSE				\$ 1,021	\$ 1,083	\$ 1,257	\$ -	\$ 3,361
<b>TCP NET INCOME</b>				<b>\$ 6,689</b>	<b>\$ 7,137</b>	<b>\$ 7,013</b>	<b>\$ 9,160</b>	<b>\$ 29,999</b>
<b>TAXI / TCP - NET INCOME</b>				<b>\$ 9,461</b>	<b>\$ 36,818</b>	<b>\$ 6,806</b>	<b>\$ (4,634)</b>	<b>\$ 48,451</b>
<b>NET INCOME - TRANSPORT</b>	<b>\$ 38,124</b>	<b>\$ 38,148</b>	<b>\$ 33,092</b>	<b>\$ 35,775</b>	<b>\$ 36,818</b>	<b>\$ 6,806</b>	<b>\$ (4,634)</b>	

<sup>1</sup>Per Agreement between MPAD & Central Coast Cab - minimum concession guarantee

<sup>2</sup>Only 8 months (July - February) for exclusive agreement / 4 months of open-entry taxi service

<sup>3</sup>Taxi Permit & Trip Fees

<sup>4</sup>Taxi / Curbside Management Contract, Gatekeeper Tracking Software Service, Decals & Depreciation

**AGENDA ITEM: H**  
**DATE: August 12, 2015**

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

**DEPARTMENT REPORTS**

**Jennifer Hickerson, Marketing & Public Relations Coordinator**  
Air Service Development Report

**Ken Griggs, Operations Manager**  
Operations Report

**Monterey Fire Department**  
July 2015 Monthly Report

**Jeff Hoyne, Police Chief**  
Police Activity Report for July 2015

**Jerry Merritt, District Auditor/Controller Financial**  
Summary for June 2015 & FYTD (FY 2015)

**Mark Bautista, Deputy General Manager, Planning & Development**  
P & D Monthly Project Report

**AGENDA ITEM: H**  
**DATE: August 12, 2015**

**TO:** Mike La Pier, Executive Director  
**FROM:** Jennifer Hickerson, Marketing & Public Relations Coordinator  
**DATE:** July 28, 2015  
**SUBJ:** Air Service Development Report

The Air Carrier Service/Marketing/Community Relations Committee will meet on August 6th. The agenda for the meeting is included at the end of this report.

### **Marketing, Advertising & Promotions**

#### **Advertising:**

- Billboard: On Hwy 101, 2 miles north of Prunedale.
- Television: We are running ads on Giants Baseball and KSBW News.
- New Commercial: Chris is currently producing a new commercial. The theme of this commercial is picking up family and friends at the airport.
- Alaska – LAX Service Commercial: Chris is producing a new commercial that contains a brief message about the new Alaska Airlines flight to LAX. Our goal is to jump start ticket sales for this new service.

#### **Air Carrier Update:**

- AS – One 76-seat Q400 turboprop daily to SAN arriving MRY.
- G4 (Allegiant) – LAS service continues Thursdays and Sundays.
- AA/US – Continues two CRJ flights daily to LAX.
- US/AA – PHX service continues three times daily. The midday flight continues as a CRJ-900 service.
- UA SFO – SFO service continues at three times a day then returns to two times a day on August 18<sup>th</sup>.
- UA LAX – LAX service continues at three times a day. Increases to 4 flights a day on August 18<sup>th</sup>.
- Gamblers Express Charter (operated by Republic Airlines) – This month they go to Reno on August 22<sup>nd</sup> and return on August 24<sup>th</sup>.

**Air Service Development:**

The Alaska Airlines visit is set for October 8-11. The hospitality community has been very generous and we have secured their hotel rooms, meals, attractions and transportation. Itinerary will be completed in the next few weeks.

**Public Relations:**

- Weekly e-Newsletter:

Jun	30	Alaska	Los Angeles
Jul	15	Alaska	San Diego

- Social Media/Facebook: “Total Likes” continue to grow – **13,163** as of July 27, 2015.
- 75<sup>th</sup> Anniversary: 2016 is the 75<sup>th</sup> Anniversary of Monterey Peninsula Airport District. Staff is working with the Air Service and Marketing Committee to come up with a plan for promoting and celebrating our 75<sup>th</sup> Anniversary.
- Monterey Chamber Business Excellence Awards: I served on the Business Excellence Awards committee. The airport decorated a table at the dinner which included a lighted runway.



- Event Partnerships: I have met with both the California Salinas Airshow and the Monterey Jazz Festival to brainstorm sponsorship trade concepts. We would assist in promoting their event in turn for a sponsorship and promotion of the airport. I will share more details as progress is made.

**Customer Service:**

- Customer Comment Cards: see July responses attached.

**Next Committee Meeting:** TBD

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

**August 6, 2015 – 10:00 AM**

**Board Room - Terminal Building  
Monterey Regional Airport**

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

**A. CALL TO ORDER**

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

**C. PUBLIC COMMENTS**

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

**D. REGULAR AGENDA – ACTION ITEMS**

- |            |    |                                      |
|------------|----|--------------------------------------|
| Review     | 1. | Marketing, Advertising & Promotions  |
| Review     | 2. | Air Service                          |
| Review     | 3. | Public Relations                     |
| Discussion | 4. | Airport 75 <sup>th</sup> Anniversary |
| Review     | 5. | Customer Service, Feedback & Reports |
| Discussion | 6. | Schedule next meeting                |

**E. ADJOURNMENT**

**AGENDA DEADLINE**

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

Date	Time	Pax		Airline	Flt #	Tone	Comments	Name	Address City & State
		Was							
7/5	1456			AL		N	Terrible service made us change flight cause no a/c - never traveling this airline again.	s	
7/5	1345	D		AL	541	N	We were stuck in an airplane for over an hour with no air, couldn't breathe.	L.Y.	Gonzales, CA
7/5	1343	D		AL	541	N	We were on plane over an hour high tem no status, no water rude conduct.	A.A.	Salinas, ca
7/6	1400	D		UE	5355	N	Multiple times through MRY, always delayed causing missed connections. Rude agents.	J.M.	Middleton, WI
7/9	1230	D		UE	5355	N	The Boarding area is much too hot. Has to be 80 degrees.	M.A.	Pacific Grove, CA
7/10	1200			US		N	Pathetic - you need kiosks for printing boarding passes.	W	Charlotte, NC
7/11	915	D		UE	1591	N	Uncomfortably warm. Employee agreed with me and states they have complained for 1 1/2 yrs.	J.G.	Oyster Bay, NY
7/19	1645	D		UE	5391	N	The flight was delayed cruel to sit in terminal without a/c. Turn on A/C!	E.O.	Marina, CA
7/20	1345			US		N	There was nobody that can print a boarding pass for me so I missed flight.	G.N.	New York, NY
7/21	1500			AE		N	Worst experience in US Airport over 20 years. I fly weekly.	R	Scottsdale, AZ
7/23	1310	D		UE	5355	N	Please provide air circulation to the waiting room. Too hot.	R.G.	Carmel, CA
7/27	2000					N	The airport is way too hot. You need air conditioning.	J.F.	Calgary
7/27	2000	D		UE	5172	N	It is far too hot in here. Need to have AC installed. I was here last year and it hasn't improved.	R.B.	Calgary



**TO:** Michael La Pier, Executive Director  
**FROM:** Operations Manager Griggs  
**DATE:** July 31, 2015  
**SUBJ:** Operations Report

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The following is a summary of significant activity in the Operations Department for July 2015.

1. Coordinated the Surf Air (a member's only subscription airline) start-up service process with Del Monte Aviation which began on July 13<sup>th</sup>. Two daily flights to Hawthorne (L.A. area) and two daily flights to San Carlos (Bay Area) are currently operating. One flight on Fridays and Sundays to Napa County Airport is planned in the near future.
2. Accompanied a Monterey County Health Department inspector for the annual Hazmat above ground storage tank compliance inspection. No discrepancies were found.
3. Accompanied a Food & Drug Administration inspector to the Airline/FBO lavatory dump station. With regulation changes, the current configuration requires an upgrade. MPAD and FD will collaborate on a plan to design the station tailored to MRY.
4. General Aviation corporate traffic during last year's Concours d'Elegance car week almost reached a parking saturation point on both FBO leaseholds, due to unanticipated arrivals from the flying public, mostly from nearby airports. In order to reduce similar capacity issues, MPAD has collaboratively worked with the FAA Air Traffic Control Tower, the Flights Standards District Office FAAST team and both FBOs to develop pilot advisories for distribution to local Airports and FBOs to request advance notifications be made. This approach will hopefully encourage participation, reduce congestion and ensure that a consistent level of professional service can be maintained.
5. Attached is the [Noise Comment Report for July](#).
6. Attached is the [Operating and Expense Report for the Taxi Open-Entry System](#).
7. Attached is the [Commercial Flight Cancelations & Delay Report](#). In the month of July there were a total of 35 delays and 31 cancellations.
8. Attached is the [Commercial Flight Schedule for August 2015](#).
9. Below is the summary of scheduled airline activity for August 2015:  
  
Alaska Air flown by Horizon
  - No changes from July
  - Continuing to operate one daily departure to San Diego
  - Scheduled to operate a total of 62 flights (Arrivals and Departures)



#### Allegiant Air

- No changes from July
- Continues service twice a week on Thursdays and Sundays
- Scheduled to operate a total of 16 flights (Arrivals and Departures)

#### American Eagle flown by SkyWest

- No changes from July
- Will continue to operate two daily departures
- Scheduled to operate a total of 124 flights (Arrivals and Departures)

#### United flown by SkyWest

- SFO service begins the month at three times a day then returns to two times a day beginning August 18<sup>th</sup>
- LAX service increases from three times a day to four times a day on the same day
- Scheduled to operate a total of 360 flights (Arrivals and Departures)

#### US Airways flown by SkyWest/Mesa

- No significant changes from July
- Continuing to operate three daily departures
- The CRJ900 will continue to operate the midday flight
- Scheduled to operate a total of 186 flights (Arrivals and Departures)

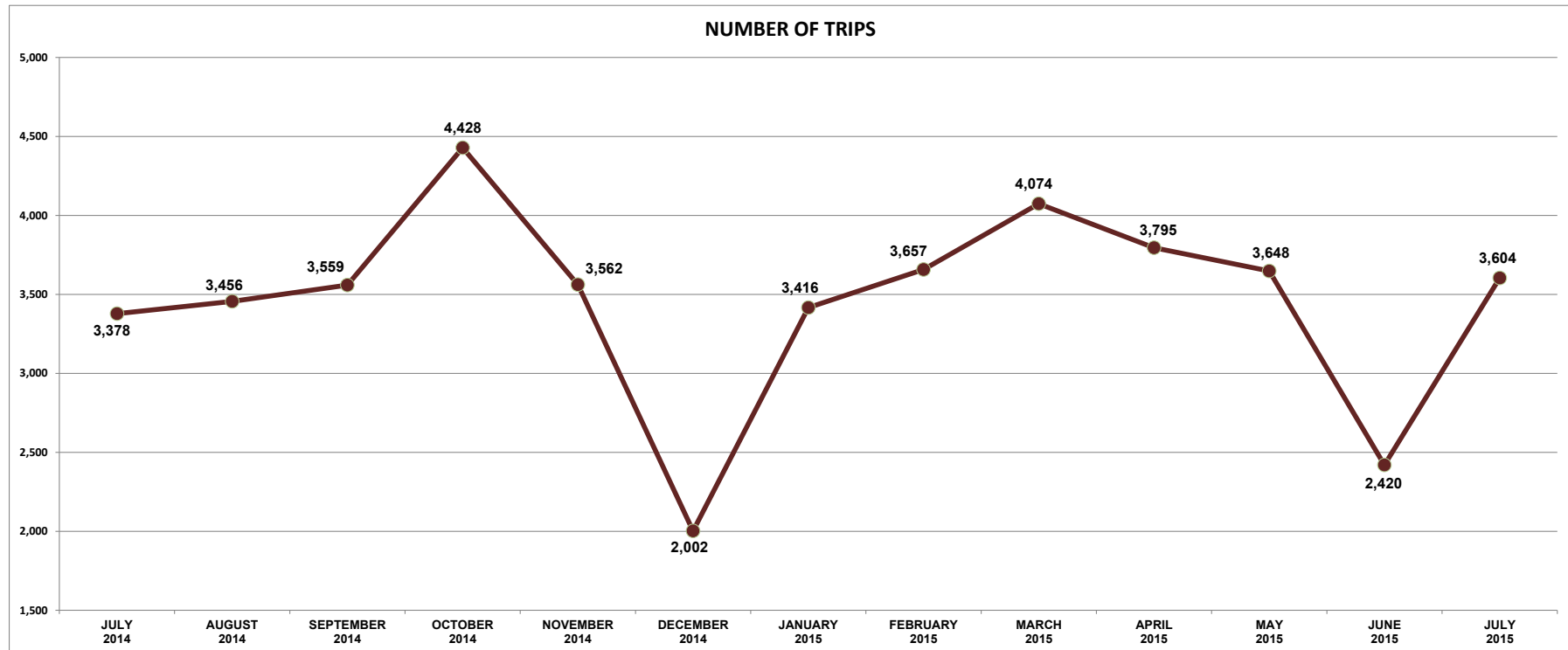
Cumulatively speaking, the airlines have scheduled 130 fewer flights (748 vs. 878) as compared to last August. This is primarily due to the American Eagle service reduction from three to two daily LAX flights, and the contraction of United Express SFO flights to maximize capacity using Canadair Regional Jets (50 and in some cases 76 seats) in lieu of Embraer 120s (27 seats) turbo-props.

**MRY AIRPORT NOISE COMMENT LOG**

**JULY 2015**

Name	Location (Address)	Incident Date	Incident Time	Aircraft ID	</> of Flight	Comments	By	Action Taken	Notes
<b>AIR OPERATIONS CENTERED AT MONTEREY AIRPORT</b>									
1	Pete DeMaria	CONA	7/7/2015	9:25pm	Small white SE	over his house Aircraft flies low and loud complainant's house at all times of day. Last night was the first time it occurred at 9:30 at night.	NG	Advised complainant to call again when operation occurs during business hours.	Complainant also stated he will try to ascertain aircraft N number. Stated that this particular aircraft flies lower and louder than others that he sees regularly.
2	Linda Borgman	Pasadera	starting this past spring		private and commercial	landing 28L Why are more flights approaching right over our house? They used to fly more over Hwy 68.	NG	Explained changes to RNAV approaches and that MPAD staff is working with FAA re solutions. Emailed NextGen update document.	Ms. Borgman was appreciative of the information.
3	Tuppence Cabot	CONA	recently		air carriers	departing 28L Large jets are occasionally flying over neighborhood on departure - this never happened in the past	NG	ATCT advises change likely due to new Monterey 1 departure procedure that does not require 1000' elevation before right turn.	Referred Ms. Cabot to FAA Noise Ombudsman for further information. Ms. Cabot stated that she appreciated the open line of communication with the airport.
4	Marie Russell	North Monterey	Starting early this year		Large Aircraft	departing 28L Observed more and more jet activity over my house this year, not just small aircraft turning to avoid the fog	KG	ATCT advises change likely due to new Monterey 1 departure procedure that does not require 1000' elevation before right turn.	
5	Melissa Ricci	Laureles Grade area	7/9-7/16	4-6 times a day		arriving RWY 28S Just purchased home and did not notice aircraft arrivals until after moving in.	NG	Explained the variety of approaches to MRY and why aircraft are sometimes more apparent than others.	Ms. Ricci appreciated the call back and understood that the activity she has observed is the result of the location of her home in relation to the runway.
6	Patricia Phoebus	Area along Hwy 68 corridor	recently		large aircraft	arriving RWY 28S Notice larger planes are now consistently approaching the airport than before	KG	Explained the FAA's NextGen Technology changes at MRY.	
7	Danny Farrell	PG	recently	late night		arriving RWY 10R More loud planes flying over late at night	NG	Unable to identify any change affecting act over complainant's home.	Advised complainant of use of ILS approach, which routes act over his house.
8	Douglas Flaherty	CONA	7/21/2015	10:15am	Beech Baron	departing 28L Aircraft made low altitude high bank turn over house at no more than 200 feet. Is ATCT authorizing midfield right turns?	NG	ATCT advised aircraft granted right turn for VFR departure to the east to avoid 1000' ceiling.	
9	Mark Watson	CONA	7/26/2015	12:13pm	Yellow SE Cessna	departing 28L Aircraft flew low over my house turning immediately eastbound. I noticed more aircraft doing this.	KG	ATCT advised aircraft was granted right turn for VFR departure to the east to avoid 1000' cloud ceiling just west of the airport.	
10	Dave Schardt	Del Monte Beach	7/25/2015	12:45am	Surf Air PC-12	arriving RWY 10R Why is a private plane landing on a Friday night at 12:45am?	NG	Explained nature of voluntary curfew.	
11	Cynthia Greenblatt	Santa Cruz Mountains	7/27/2015	12:36pm	Citation	northbound Ms. Greenblatt wanted us to inform the pilot to fly higher since it originated from our airport	KG	Informed Ms. Greenblatt that MRY does not have jurisdictional authority over her area.	Ms. Greenblatt is heavily involved with the Santa Cruz "Save Our Skies" anti NextGen program and requested MRY to be more proactive and reach out to pilots in avoid flying the new NextGen procedure over her area.
12	Karen Conger	CONA	7/28/2015	9:30am	Helicopters	northbound Ms. Conger was annoyed of several helicopters flying over her neighborhood	KG	Informed Ms. Conger that approximately twelve helicopters are in town for two days providing tours for guests. Helicopters have discretion to proceed on course after departing non-movement areas versus fixed wing aircraft.	Requested Del Monte Aviation Operations Manager convey our noise abatement procedures to the tour group operators upon their return in the afternoon. Operations observed increased runway heading departures during their final departures thereafter.
13	Thomas szestowicki	CONA	7/28/2015	4:45pm - 5:45pm	SE Piper	North Pattern Work Constant Touch n' Go Operations	KG	Operator from AeroDynamic performed multiple touch n go's, and although exceeded the requested frequency rate, maintained proper altitude requirements and avoided turning prematurely over CONA.	
14	Callum	Skyline Forest	Lately	In General	All types	A lot of noisy activity day and night. Why?	KG	Attempted to obtain more information from the caller. However left voicemail indicating activity for this month has been higher than previous years.	
18	Barbara Lovero	Pasadera	Since April	various	various	landing 28L Planes are arriving continuously including after 10pm. Was told planes cannot arrive after 10pm. Tell the FAA to go back to the pattern they had before	NG	Advised Ms. Lovero that dialogue with FAA is ongoing and explained voluntary nature of curfew.	Also referred Ms. Lovero to FAA Noise Ombudsman.
<b>AIR OPERATIONS ORIGINATING FROM ANOTHER AIRPORT</b>									
0	**NONE**								
<b>AIR OPERATIONS OF UNKNOWN ORIGIN</b>									
1	Maggie Tharp	Tassajara	6/30/2015	8:55pm	Silver four-engine prop aircraft	west to east Aircraft flies over house 2-3 times a month for the last year at about 150 feet.	NG	MRY ATCT advised no knowledge of these operations.	Possibly CDF firefighting act based on description. Complainant advised to contact Hollister and CA Dept of Forestry.
2	Robert	Carmel	7/9/2015/last three days	all times of day and night	multiple	toward Carmel Valley Large number of aircraft and helicopters, possibly including drones, operating in vicinity of complainant's house over last three days	NG	Unable to identify operations observed by complainant. Advised complainant to call back if unusual volume of operations continue.	ATCT was able to ID helicopter operation occurring in the area at time of complainant's call as photography mission.
3	Bruce Zanetta	Monterey	7/24 and 7/25	All Day	Cessna	Everywhere Complained about a Cessna pulling a banner, consistently going back and forth over the Peninsula	KG	Although banner low operations are highly irregular in this area, the operation may be a nuisance but not illegal.	
<b>MONTHLY TOTALS and COMPARISONS</b>									
			<b>Jul-15</b>	<b>Jul-14</b>	<b>% Change</b>		<b>Other Airport</b>	<b>UNKNOWN ORIGINS</b>	
	Number of Complaints:		16	8	100%		0	0	
	Number of Operations:		6,294	4,423	42%				
	Annual Total		48	26	85%		0	0	

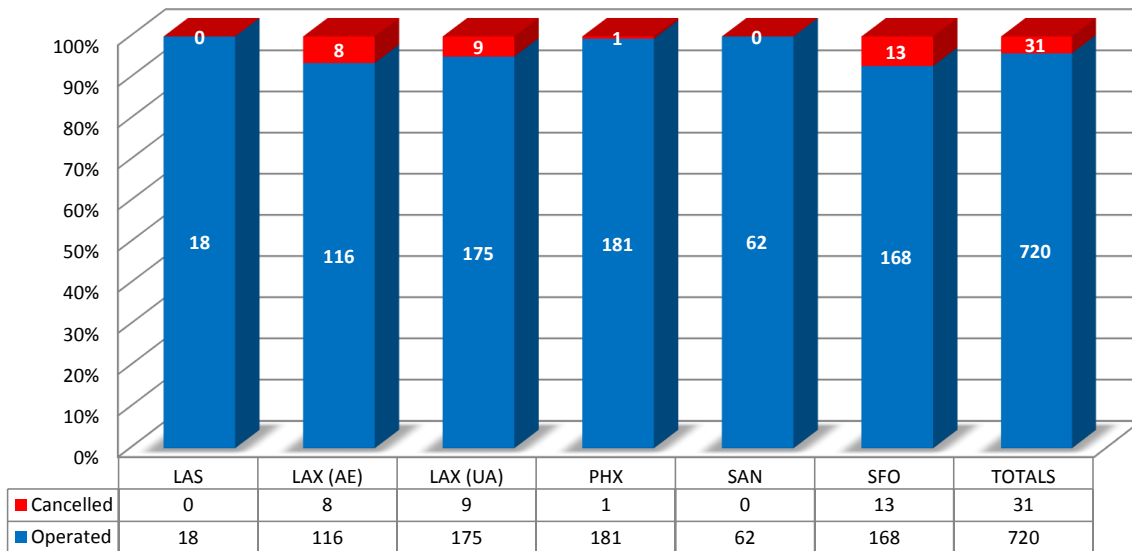
13-MONTH ROLLING COMPARISON



	2014 JULY	2014 AUGUST	2014 SEPTEMBER	2014 OCTOBER	2014 NOVEMBER	2014 DECEMBER	2014 JANUARY	2015 FEBRUARY	2015 MARCH	2015 APRIL	2015 MAY	2015 JUNE	2015 JULY
<b>NUMBER OF TRIPS</b>	3,378	3,456	3,559	4,428	3,562	2,002	3,416	3,657	4,074	3,795	3,648	2,420	3,604
<b>NUMBER OF CABS</b>	106	113	114	117	119	122	123	124	127	128	128	129	98
<b>TAXI TRIP FEES</b>	\$ 10,134	\$ 10,368	\$ 10,677	\$ 13,284	\$ 10,686	\$ 6,006	\$ 10,248	\$ 10,971	\$ 12,222	\$ 11,385	\$ 10,944	\$ 7,260	\$ 10,812
<b>TAXI MEDALLION FEES<sup>1</sup></b>	\$ 2,208	\$ 3,958	\$ 2,458	\$ 3,646	\$ 2,583	\$ 2,833	\$ 2,333	\$ 2,458	\$ 2,743	\$ 2,271	\$ 2,208	\$ 2,271	\$ 2,042
<b>TAXI - TOTAL REVENUE</b>	<u>\$ 12,342</u>	<u>\$ 14,326</u>	<u>\$ 13,135</u>	<u>\$ 16,930</u>	<u>\$ 13,269</u>	<u>\$ 8,839</u>	<u>\$ 12,581</u>	<u>\$ 13,429</u>	<u>\$ 14,965</u>	<u>\$ 13,656</u>	<u>\$ 13,152</u>	<u>\$ 9,531</u>	<u>\$ 12,854</u>
<b>CURB MGMT CONTRACT</b>	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897	\$ 10,897
<b>EQUIPMENT DEPRECIATION</b>	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ 1,600	\$ -	\$ -	\$ -	\$ -
<b>SOFTWARE LICENSE / HOSTING</b>	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175	\$ 2,175
<b>EXPENDABLE SUPPLIES</b>													
<b>TAXI - TOTAL EXPENSE</b>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 14,672</u>	<u>\$ 13,072</u>	<u>\$ 13,072</u>	<u>\$ 13,072</u>	<u>\$ 13,072</u>
<b>OPERATING INCOME / (LOSS)</b>	\$ (2,330)	\$ (346)	\$ (1,537)	\$ 2,258	\$ (1,403)	\$ (5,833)	\$ (2,091)	\$ (1,243)	\$ 293	\$ 584	\$ 80	\$ (3,541)	\$ (218)
<b>CUMULATIVE (13-MONTH) OPERATING INCOME / (LOSS)</b>													\$ (15,325)

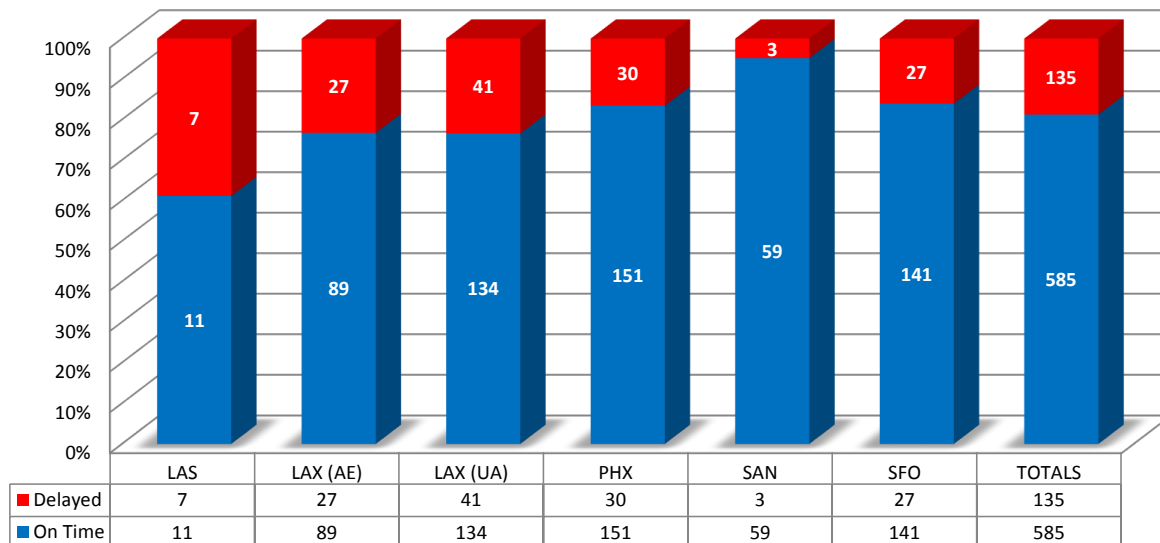
# JULY 2015

## July Commercial Flights Operated vs. Cancelled


















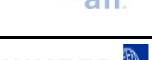
















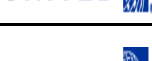
**TOTAL CANCELATIONS: 31**

## July Commercial Flights On Time vs. Delayed



**TOTAL DELAYS: 35**

## Monterey Regional Airport August 2015 Flight Schedule

ARRIVALS					DEPARTURES				
FROM	AIRLINE	FLIGHT	TIME	SCHD	TO	AIRLINE	FLIGHT	TIME	SCHD
CRJ200 (50)	LAX	 5324	10:15 AM	AUG 18-31 ONLY	SFO	 6346	5:45 AM	DAILY	CRJ200 (50)
MD80 (166)	LAS	 540	10:27 AM 4:48 PM 9:31 AM	AUG 2,6,9,13,16 AUG 20 & 27 AUG 23 & 30	PHX	 2986	6:15 AM	DAILY	CRJ200 (50)
CRJ200 (50)	SFO	 6267/5538	11:40 AM 3:23 PM	AUG 1-17 AUG 18-31	LAX	 5316	6:30 AM 6:10 AM	MO-SA SU AUG 18-31 ONLY	CRJ200 (50)
CRJ900 (76)	PHX	 5581/5677	11:45 AM	DAILY	LAX	 5316	6:47 AM 6:00 AM	MO-SA SU AUG 1-17 ONLY	CRJ200 (50)
CRJ200 (50)	LAX	 5324/5605	12:45 PM 10:10 AM	MO-FR SA-SU AUG 1-17 ONLY	LAX	 2911	7:20 AM	DAILY	CRJ200 (50)
CRJ200 (50)	PHX	 2960	3:31 PM	DAILY	SAN	 2437	8:00 AM	DAILY	Q400 (76)
CRJ200 (50)	SFO	 5609	4:35 PM	AUG 1-17 ONLY	LAS	 541	11:12 AM 5:33 PM 10:16 AM	AUG 2,6,9,13,16 AUG 20 & 27 AUG 23 & 30	MD80 (166)
CRJ200 (50)	LAX	 2861	5:30 PM	DAILY	SFO	 5487	12:09 PM	AUG 1-17 ONLY	CRJ200 (50)
CRJ200 (50)	LAX	 5338	7:00 PM 6:40 PM	MO-FR SA-SU AUG 1-17 ONLY	PHX	 5624	12:20 PM	DAILY	CRJ900 (76)
Q400 (76)	SAN	 2436	7:45 PM 8:05 PM	AUG 1-22 AUG 23-31	LAX	 5355/5371	1:20 PM 10:39 AM	MO-FR SA-SU AUG 1-17 ONLY	CRJ200 (50)
CRJ200 (50)	LAX	 5331	8:30 PM	SU-FR AUG 18-31 ONLY	PHX	 2960	4:05 PM	DAILY	CRJ200 (50)
CRJ200 (50)	PHX	 2980	9:54 PM	DAILY EXC JULY 3-4	LAX	 5343	4:11 PM	SU-FR AUG 18-31 ONLY	CRJ200 (50)
CRJ200 (50)	LAX	 2887	10:16 PM	DAILY	LAX	 5391	5:00 PM	AUG 1-17 ONLY	CRJ200 (50)
CRJ200 (50)	LAX	 5331/5306	10:47 PM 11:27 PM	MO-FR SA-SU AUG 1-17 ONLY	LAX	 5391	5:42 PM 5:00 PM	SU-FR SA AUG 18-31 ONLY	CRJ200 (50)
CRJ200 (50)	LAX	 5356	11:14 PM 11:24 PM	MO-SA SU AUG 18-31 ONLY	LAX	 2861	6:00 PM	DAILY	CRJ200 (50)
CRJ200 (50)	SFO	 6376	11:20 PM	DAILY	SFO	 5172	7:29 PM 7:14 PM	SU-FR AUG 1-17 ONLY SA (ALL)	CRJ200 (50)
					SFO	 5172	9:05 PM 9:25 PM 8:45 PM	MO,TU,FR WE TH,SU AUG 18-31 ONLY	CRJ200 (50)

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

## COMMERCIAL AIRLINE - SEATS IN THE MARKET

### FISCAL YEAR 2015

	<b>TOTAL SEATS</b>		
	<b>236,649</b>		
% change - previous FY	-9.5%	% change - compared to FY 2013	-17.5%
seats change - previous FY	-24,981	seats change - compared to FY 2013	-50,275

### FISCAL YEAR 2014

	<b>TOTAL SEATS</b>
	<b>261,630</b>
% change - previous FY	-8.8%
seats change - previous FY	-25,294

### FISCAL YEAR 2013

	<b>TOTAL SEATS</b>
	<b>286,924</b>
% change - previous FY	15.6%
seats change - previous FY	38,754

### FISCAL YEAR 2012

	<b>TOTAL SEATS</b>
	<b>248,170</b>
% change - previous FY	3.1%
seats change - previous FY	7,459

### FISCAL YEAR 2011

	<b>TOTAL SEATS</b>
	<b>240,711</b>



# MONTEREY FIRE DEPARTMENT

## Report to Airport Board of Directors

July 2015

### 1. Incident Responses

Engine assigned to Fire Station 6 (Airport) responded to a total of 39 incidents during the month as follows (see attached for breakdown of types of incidents):

- MPAD property – 4
- City of Monterey – 31
- Auto / Mutual Aid – 4

### 2. Training

Personnel completed a total of 60 hours of Airport related training during the month.

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

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

### 3. Other

- During the month of July we sent out several crews to assist with the numerous fires burning in Northern California. They all have reported that they are working hard and doing well. Crews sent out are as follows:
  - Engine 6433 (wildland engine) with Captain Ray Lafontaine, Engineer Darren Jones, and Firefighters Corey McVeigh and Chris Back dispatched to the Wragg Fire on July 23 and since has been reassigned to the Lowell Fire and most recently the Fork Complex
  - Engine 237 (California Office of Emergency Services engine) with Captain Chris Grogan, Engineer JD Sheldon, and Firefighters Jim Gloeckler and Vaughn Costa dispatched on July 31 to the HUUCLA-1 Fire in Humboldt County
  - Engineer Dean Vernarecci sent as a Line EMT on July 24 to the Wragg Fire and then reassigned to the Rocky Fire
  - Engineer Rob Klemek sent as a Line EMT on July 31 to the Rocky Fire

**Monterey Fire Department**

**Incident Type Report (Summary)**

**Alarm Date Between {07/01/2015} And  
{07/31/2015} and Station = "6"**

<b>Incident Type</b>	<b>Count</b>	<b>Pct of Incidents</b>	<b>Total Est Loss</b>	<b>Pct of Losses</b>
<b>1 Fire</b>				
142 Brush or brush-and-grass mixture fire	1	2.56%	\$0	0.00%
	<b>1</b>	<b>2.56%</b>	<b>\$0</b>	<b>0.00%</b>
<b>3 Rescue &amp; Emergency Medical Service Incident</b>				
3111 Medical Call No Aid Given	3	7.69%	\$0	0.00%
321 EMS call, excluding vehicle accident with injury	15	38.46%	\$0	0.00%
322 Motor vehicle accident with injuries	2	5.13%	\$0	0.00%
323 Motor vehicle/pedestrian accident (MV Ped)	1	2.56%	\$0	0.00%
324 Motor Vehicle Accident with no injuries	3	7.69%	\$0	0.00%
	<b>24</b>	<b>61.54%</b>	<b>\$0</b>	<b>0.00%</b>
<b>5 Service Call</b>				
510 Person in distress, Other	1	2.56%	\$0	0.00%
511 Lock-out	1	2.56%	\$0	0.00%
522 Water or steam leak	1	2.56%	\$0	0.00%
550 Public service assistance, Other	1	2.56%	\$0	0.00%
551 Assist police or other governmental agency	2	5.13%	\$0	0.00%
554 Assist invalid	1	2.56%	\$0	0.00%
571 Cover assignment, standby, moveup	1	2.56%	\$0	0.00%
	<b>8</b>	<b>20.51%</b>	<b>\$0</b>	<b>0.00%</b>
<b>6 Good Intent Call</b>				
611 Dispatched & cancelled en route	1	2.56%	\$0	0.00%
622 No Incident found on arrival at dispatch address	2	5.13%	\$0	0.00%
641 Vicinity alarm (incident in other location)	1	2.56%	\$0	0.00%
	<b>4</b>	<b>10.26%</b>	<b>\$0</b>	<b>0.00%</b>
<b>7 False Alarm &amp; False Call</b>				
740 Unintentional transmission of alarm, Other	1	2.56%	\$0	0.00%
743 Smoke detector activation, no fire - unintentional	1	2.56%	\$0	0.00%
	<b>2</b>	<b>5.13%</b>	<b>\$0</b>	<b>0.00%</b>

**Total Incident Count: 39**

**Total Est Loss:**

**\$0**



**AGENDA ITEM: H**  
**DATE: August 12, 2015**

**TO:** Michael La Pier, Executive Director  
**FROM:** Police Chief Jeff Hoyne  
**DATE:** July 31, 2015  
**SUBJECT:** Police Activity Report for July 2015

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The following is a summary of significant activity in the Police Department during July 2015:

### **Highlights**

- MRY PD responded to **199 alarms in July.**
- Officers worked a total of **5.5 hours of overtime in July.**
- MRY PD Officers conducted **more than 95 business and area checks** over the course of the month of July.
- MRY PD Officers responded to four outside agency assists in July, which consisted of the following:
  - 7/3 Officer Segovia responded to a Code-3 cover from Officer Young (Del Rey Oaks) after tasing a male subject at Safeway.
  - 7/17 OIS involving Seaside PD. Assistance was provided at the scene due to limited staffing.
  - 7/23 DRO PD dispatched to a “large group” fighting at the Safeway parking lot. Moments later a young boy reported a masked trespasser in his backyard. Officer Segovia dispatched to the boy’s address and conducted a thorough search of the premises.
  - 7/26 ROPE requested following a shooting in Watsonville.

### **Training**

#### **All MRY PD Officers completed:**

- Monthly Lexipol Daily Training Bulletins.
- Homeland Security: The State Threat Assessment System video
- Annual AOA Drivers Training
- Firearm recertification
- Officer Allen attended a Tactical First Aid course in San Luis Obispo

### **Calls for Service**

1. 7/3 @ 0255 Responded to fire station for report of minor damage to truck due to improper backing into the fire station garage.
2. 7/5 @ 1226 Dispatched to Allegiant aircraft on the commercial ramp regarding a 415 PC aboard the aircraft. Officer responded and diffused the situation.

3. 7/6 @ 1632 A passenger surrendered .40 caliber ammunition as United would not allow it due to being stored in a plastic bag.
4. 7/7 @ 1210 Dispatched to a single vehicle car/injury accident in front of the terminal. Subject was traveling east on Fred Kane Drive and collided with a light pole. Driver transported to CHOMP.
5. 7/9 @ 1124 TSA reported a suspicious bag in the garbage can. Area was checked and secured. Nothing suspicious was found.
6. 7/10 @ 0006 Del Rey Oaks' Officer Young dispatched to Safeway regarding "suspicious male in possession of a gun." Officer Segovia responded for cover and located a wanted subject inside the southeast restroom. Subject transported by Segovia to Del Rey Oaks PD for booking.
7. 7/14 @ 1145 Avis reported an overdue rental vehicle. Manager was missing information/documents regarding the rented vehicle. Will contact department when all the information is gathered.
8. 7/15 @ 1930 Dispatched to 103 Aviation Lane for a suspicious occupied vehicle. Vehicle was moved at our request.
9. 7/21 @ 1630 Paged to Gate 2 for a confused and irritated traveler. Conflict quickly resolved.
10. 7/22 @ 1600 Dispatched to call an Uber driver who said a male was trying to stop her from picking up a passenger by standing in front of her car. Driver wanted to make a complaint regarding this behavior.
11. 7/25 @ 1800 Taxi driver reported that a passenger paid him with a fake \$20 bill. Bill placed into evidence, investigation ongoing.
12. 7/27 @ 0010 Dispatched to ramp for a Surf Air jet to confirm it had landed as the pilots did not contact NorCal per protocol. Pilots and jet located at Del Monte Aviation.
13. 7/27 @ 1235 Dispatched to a report that taxi starter had Uber curbside near the taxi zone. Driver was meeting with a subject who had questions about Uber and fare rates. Driver given a verbal warning.
14. 7/29 @ 1843 Dispatched to a burglar alarm at Sky Park storage. All clear.

AGENDA ITEM: H

DATE: August 12, 2015

**TO:** Michael La Pier, Executive Director, Monterey Peninsula Airport District  
**FROM:** Jerry Merritt, District Auditor/Controller  
**SUBJ:** Financial Summary for June & Fiscal Year 2015

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

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

**SUMMARY.** In June, operating revenue was above plan by \$28,962 (4%). Terminal rents, terminal concessions, GA landing fees, fuel flowage fees and non-aviation rents were above plan. In June, GA operations were 13.3% higher than in May 2015, and 55.3% higher than June 2014; increased GA landing fee and fuel flowage fee revenue is the result. Despite fewer commercial flights, restaurant and gift shop concession revenue has exceeded expectations. Advertising concession revenue has also moved higher than plan, possibly due to improved economic conditions. Rental car concessions were above plan due to a one-time receipt of audit-adjusted concessions. Non-aviation rents were significantly above plan due to a one-time receipt of audit-adjusted storage concessions.

All other operating revenue categories were on or below plan. In June, there were fifty-seven (57) cancelled commercial flights; fewer flights equals fewer passengers passing through the terminal complex. Fewer commercial airline passengers is the common factor in: 1) below plan taxi revenue, and 2) below plan parking concession revenue.

OPERATING REVENUE							
JUNE 2015 ACTUAL	JUNE 2015 PLAN	VARIANCE		FISCAL YEAR 2015 ACTUAL	FISCAL YEAR 2015 PLAN	VARIANCE	
		\$	%			\$	%
\$ 727,904	\$ 698,942	\$ 28,962	4%	\$ 8,387,933	\$ 8,237,953	\$ 149,980	2%

When reviewed on the full-year basis, operating revenue was above plan by \$149,980 (2%). FY15 GA operations were 18% higher than FY14 GA operations; GA landing fees were 19% above plan and fuel flowage fees were 8% above plan. Terminal concessions (2% above plan), rental car concessions (4% above plan), non-aviation rents (2% above plan) and other operating revenues (17% above plan) also contributed to an excellent business year.

Due to phasing (expenses executed later than planned) or due to adjustments (decisions to spend and off-set in other areas), operating expense was above plan by \$46,863 (7%). Included were expenses related to the FY15 financial audit and recruitment for the new executive director.

OPERATING EXPENSE							
JUNE 2015 ACTUAL	JUNE 2015 PLAN	VARIANCE		FISCAL YEAR 2015 ACTUAL	FISCAL YEAR 2015 PLAN	VARIANCE	
		\$	%			\$	%
\$ 687,939	\$ 641,076	\$ (46,863)	7%	\$ 7,524,390	\$ 7,842,397	\$ 318,007	-4%

Reviewed on the full-year basis, operating expense was below plan by \$318,007 (-4%). Credits for labor above plan and hire lag provided approximately \$218,000 of the \$318,007 positive variance.

Net income for June was 31% below plan (\$17,901) due to operating expense exceeding plan.

OPERATING INCOME / (LOSS)							
JUNE 2015 ACTUAL	JUNE 2015 PLAN	VARIANCE		FISCAL YEAR 2015 ACTUAL	FISCAL YEAR 2015 PLAN	VARIANCE	
		\$	%			\$	%
\$ 39,965	\$ 57,866	\$ (17,901)	-31%	\$ 863,543	\$ 395,556	\$ 467,987	118%

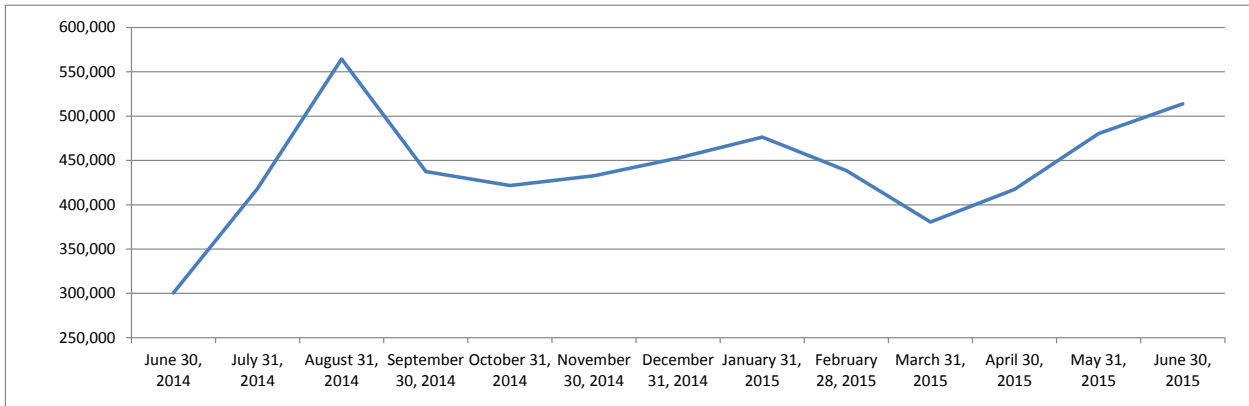
Full-year net income was \$467,987 or 118% above plan.

The net change in operating cash position (for June) was a positive \$17,387; net change in operating cash position for the full-year was a positive \$436,724.

**ACCOUNTS RECEIVABLE.** The accounts receivable balance on June 30, 2015, was \$513,989. This balance is 7.0% higher than the balance on May 31, 2015, and 71.0% higher than the balance on June 30, 2014. The June 30, 2014, accounts receivable balance is an anomaly and much lower than one should expect; aggressive collection of delinquent accounts was primarily responsible.

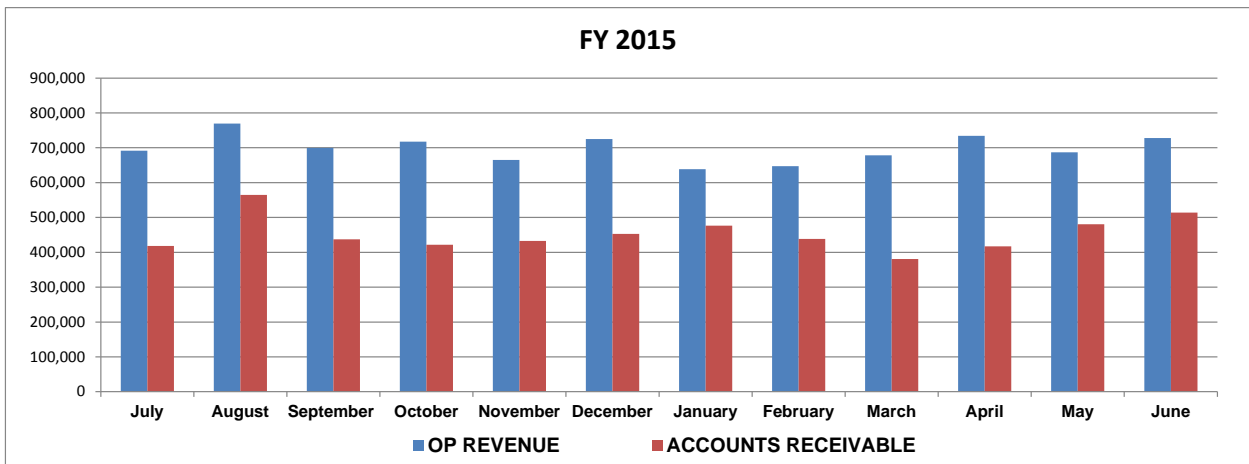
Of the accounts receivable balance, \$43,360 or 8.4% was over 60 days old. Chart 1 depicts the accounts receivable balances by month.

**Chart 1**



Under normal circumstances, the balance of accounts receivable at month-end will align with the dynamic (variable) operating revenue in that month, such as landing fees, fuel flowage fees, concession-based revenues, passenger facility charges (PFC). Typically, accounts receivable balances will span a range from \$350,000 to \$550,000, depending on the District's business cycle. We have a cyclic high in August; a cyclic low in January. Compared to May, June operating revenue increased 5.9%; compared to April, June operating revenue decreased 0.9%. Chart 2 graphically presents the monthly comparison of operating revenues to accounts receivable.

**Chart 2**



**INVESTMENTS.** The investments balance on June 30, 2015, was \$2,243,554. The District has its investment in three (3) distinctly separate portfolios. One portfolio is the Local Agency Investment Fund (LAIF); balance on June 30 was \$85,670.36. Another portfolio is a money market account with Rabobank; balance on June 30 was \$438,083.37. The third portfolio is an account with Royal Alliance (brokerage) which contains fourteen (14) over-the-counter traded

certificates of deposit; balance on June 30 was \$1,719,800.60. Investments increased \$49,088 or 2.2% during Fiscal Year 2015.

District monies, not immediately required for operating or capital use, are invested in accordance with California code sections and the District's adopted Investment Policy; per code and policy, investments must: 1) safeguard the principle, 2) provide liquidity, and 3) achieve a higher return than available in depository accounts.

Chart 3 graphically presents the monthly balances of investments.

**Chart 3**

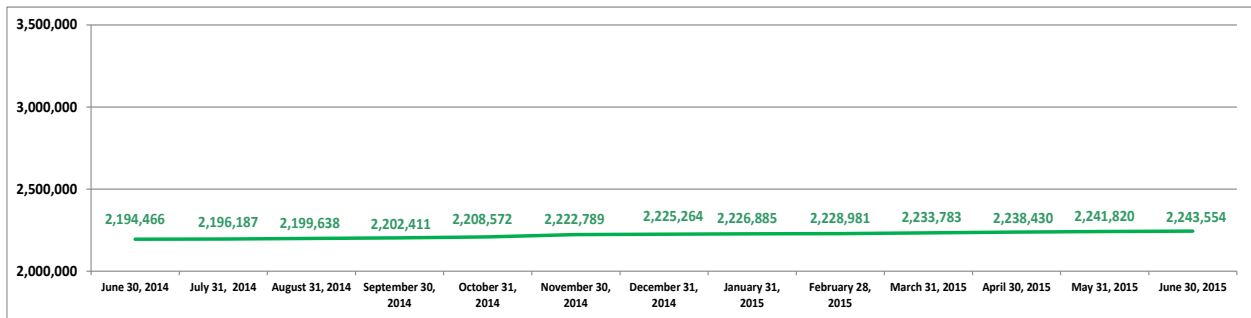
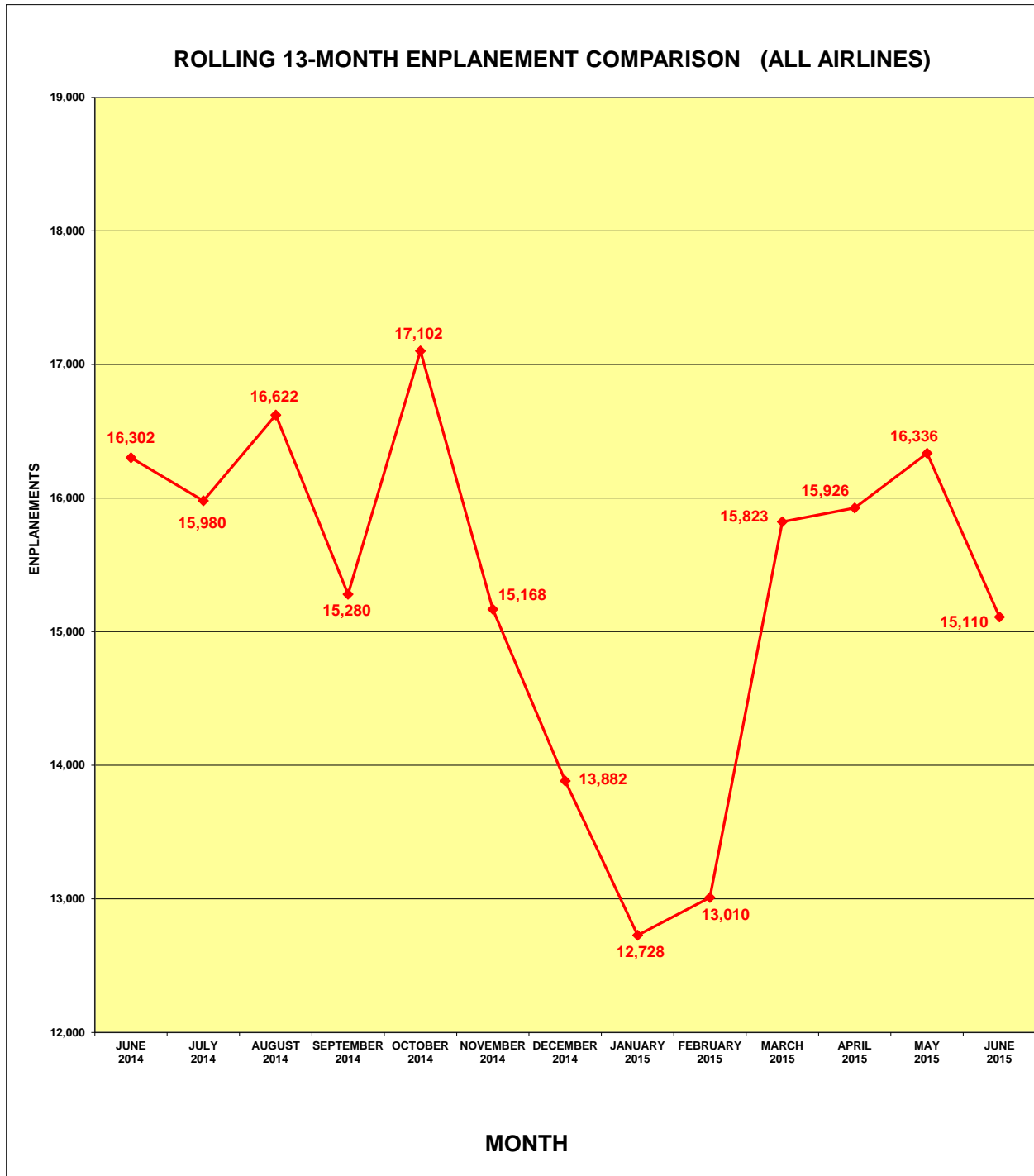


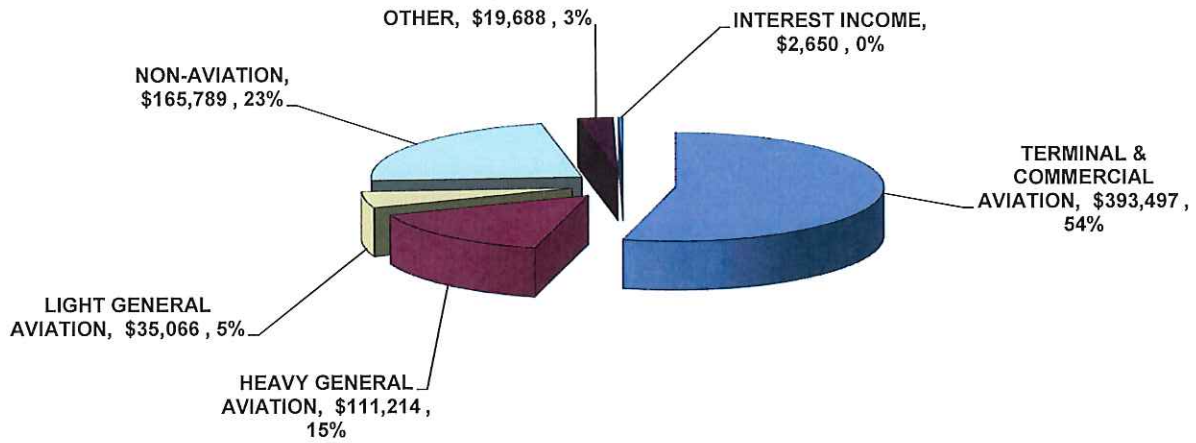
Chart 4 presents a rolling 13-month display of total enplanements which mimics the business cycle of the District. When compared to May 2015, June 2015 enplanements decreased 7.5%. When compared to June 2014, June 2015 enplanements decreased 7.3%.

**Chart 4**



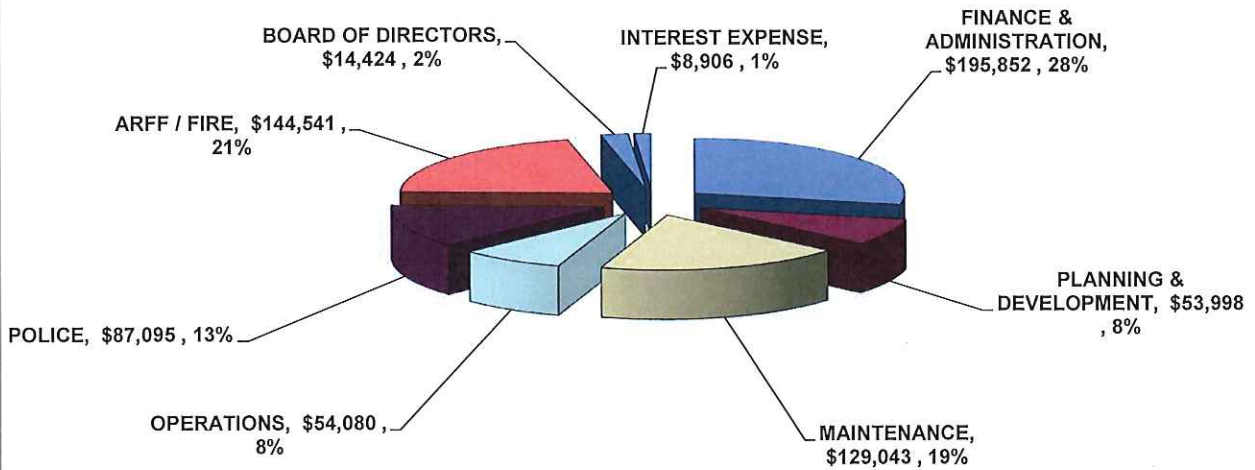
Monterey Peninsula Airport District

### JUNE 2015 OPERATING REVENUE



TOTAL OPERATING REVENUE: \$727,904

### JUNE 2015 OPERATING EXPENSE

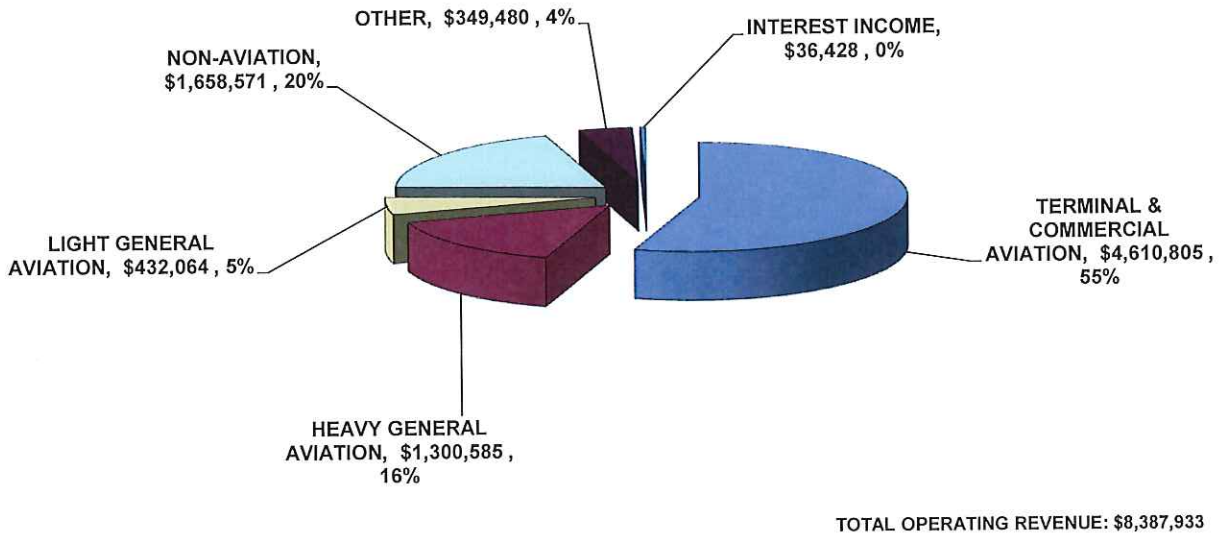


TOTAL OPERATING EXPENSE: \$687,939

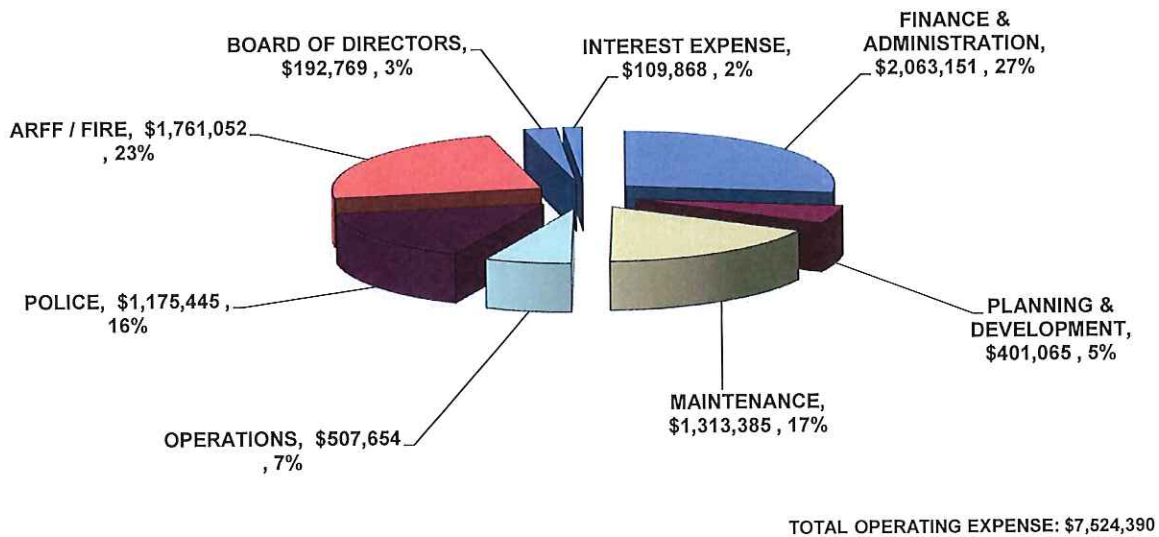


Monterey Peninsula Airport District

**FY 2015 (July 14 - June 15) YTD OPERATING REVENUE**



**FY 2015 (July 14 - June 15) YTD OPERATING EXPENSE**



# AIRPORT DISTRICT OPERATING AND FINANCIAL PERFORMANCE SUMMARY

June 30, 2015

OPERATING STATISTICS	JUNE 15	JUNE 14	YTD FY 15	YTD FY 14
<b>AIRPORT ACTIVITY</b>				
Air Carrier Landings <sup>1</sup>	309	391	4,460	5,439
Passengers (emp/dep)	29,385	31,883	364,034	398,367
Total Cargo (in pounds)	76,890	87,211	1,031,369	1,119,778
		426	5,183	-14%
<b>AIRCRAFT OPERATIONS</b>				
Commercial	1,073	1,144	13,622	14,756
General Aviation	4,352	2,803	40,495	34,331
Military	339	252	2,992	2,437
<b>TOTAL AIRCRAFT OPERATIONS</b>	<b>5,764</b>	<b>4,199</b>	<b>57,109</b>	<b>51,524</b>
<b>VEHICLE EXIT COUNT</b>				
Upper Short Term (1) Lot	2,334	2,548	25,375	24,426
Long Term (2) Lot	1,989	2,399	25,896	25,229
Lower Short Term (3) Lot	6,622	7,377	75,933	88,017
<b>TOTAL VEHICLE EXIT COUNT</b>	<b>10,945</b>	<b>12,324</b>	<b>127,204</b>	<b>137,672</b>

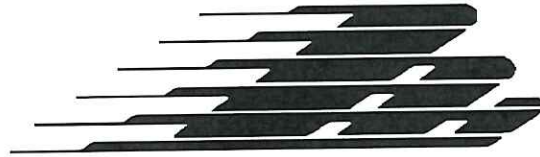
<sup>1</sup>Cancelled Flights: June = 57 (4 - Alaska / 0 - Allegiant / 3 - American Eagle / 7 - US Airways / 43 - United Express); FYTD = 399 (18 - Alaska / 0 - Allegiant / 29 - American Eagle / 30 - US Airways / 322 - United Express)

FINANCIAL INFORMATION	JUNE 15	JUNE 14	YTD FY 15	YTD FY 14
	ACTUAL	ACTUAL	ACTUAL	ACTUAL
	BUDGET	BUDGET	BUDGET	BUDGET
	%	%	%	%
<b>BGT OPERATING REVENUE</b>				
<b>TERMINAL</b>				
CA Landing, Apron & RON Fees	53,224	51,895	689,318	691,938
Rents	143,936	140,865	1,704,859	1,664,906
TCP Operator Permits	650	689	9,160	9,310
Taxi Operator Permits & Trip Fees	9,531	13,950	157,470	169,784
Concessions	19,174	18,180	158,323	155,023
Rental Car	107,047	90,752	1,089,397	1,045,326
Parking	59,934	56,402	802,277	736,279
			687,436	0%
			1,696,687	0%
			9,100	1%
			169,784	-7%
			155,610	2%
			1,052,019	4%
			818,373	-2%
<b>HEAVY GENERAL AVIATION</b>				
GA Landing Fees	29,313	21,528	327,355	270,288
FBO Rent	54,925	53,394	659,100	640,728
Fuel Fees	26,976	21,170	314,130	271,116
<b>LIGHT GENERAL AVIATION</b>				
NON AVIATION	35,066	33,527	432,064	450,589
OTHER OPERATING REVENUE	165,789	131,552	1,658,571	1,524,922
INTEREST INCOME	19,688	16,327	349,480	307,855
	2,650	3,456	36,428	50,441
<b>TOTAL BGT OPERATING REVENUE</b>	<b>\$ 727,904</b>	<b>\$ 698,942</b>	<b>\$ 8,387,933</b>	<b>\$ 8,237,953</b>
			275,463	19%
			658,776	0%
			291,639	8%
			458,322	-6%
			1,626,736	2%
			298,718	17%
			39,290	-7%
			8,237,953	2%
			\$ 7,988,152	
<b>BGT OPERATING EXPENSE</b>				
Finance & Administration	195,852	182,356	2,063,151	2,101,150
Planning & Development	53,998	43,543	401,065	480,206
Maintenance & Custodial Services	129,043	127,628	1,313,385	1,319,428
Airport Operations	54,080	57,524	507,654	516,573
Police Department	87,095	111,448	1,175,445	1,166,898
ARFF / Fire Service	144,541	136,526	1,761,052	1,921,509
Board of Directors	14,424	8,175	192,769	115,245
Interest Expense	8,906	9,885	109,868	121,506
<b>TOTAL BGT OPERATING EXPENSE</b>	<b>\$ 687,939</b>	<b>\$ 641,076</b>	<b>\$ 7,524,390</b>	<b>\$ 7,742,515</b>
			2,005,310	3%
			507,299	-21%
			1,372,721	-4%
			519,826	-2%
			1,321,859	-11%
			1,756,259	0%
			249,255	-23%
			109,868	0%
			7,842,397	-4%
			\$ 395,556	118%
			\$ 245,637	
<b>BGT OPERATING INCOME / (LOSS)</b>	<b>\$ 39,965</b>	<b>\$ 57,866</b>	<b>\$ 863,543</b>	<b>\$ 245,637</b>
			(23,399)	
<b>DISTRICT CAPITAL EXPENDITURES</b>	<b>\$ 5,945</b>	<b>\$ -</b>	<b>\$ 163,860</b>	<b>\$ 72,000</b>
			72,000	127.6%
<b>DEBT SERVICE - PRINCIPAL ONLY</b>	<b>\$ 23,000</b>	<b>\$ 21,833</b>	<b>\$ 274,000</b>	<b>\$ 262,000</b>

**MONTEREY PENINSULA AIRPORT DISTRICT**

	FY 2015 JUNE 2015 ACTUAL	FY 2015 YEAR-TO-DATE ACTUAL
<b>SOURCES AND USES OF CASH -- OPERATIONS</b>		
<b>SOURCES OF CASH</b>		
CASH RECEIVED - OPERATING REVENUE	\$ 725,254	\$ 8,351,505
CASH RECEIVED - INTEREST INCOME	2,650	36,428
CASH RECEIVED	<u>\$ 727,904</u>	<u>\$ 8,387,933</u>
<b>USES OF CASH -- OPERATIONS</b>		
CASH DISBURSED - OPERATING EXPENSE <sup>1</sup>	\$ 678,611	\$ 7,409,425
CASH DISBURSED - DEBT SERVICE (BOND INTEREST EXPENSE) <sup>2</sup>	8,906	109,868
CASH DISBURSED - DEBT SERVICE (PRINCIPAL REDUCTION) <sup>2</sup>	23,000	274,000
CASH DISBURSED	<u>\$ 710,517</u>	<u>\$ 7,793,293</u>
<b>CHANGE IN CASH POSITION FROM OPERATIONS &amp; DEBT SERVICE</b>	<u>\$ 17,387</u>	<u>\$ 594,640</u>
 <sup>1</sup> Net of non-cash operating expense (OPEB) <sup>2</sup> Moved to Restricted Account/Disbursement will occur in December 2014 & June 2015		
<b>USES OF CASH -- CAPITAL PROGRAM</b>		
CASH DISBURSED - DISTRICT CAPITAL PROJECTS <sup>3</sup>	\$ 5,945	\$ 163,860
CASH DISBURSED	<u>\$5,945</u>	<u>\$163,860</u>
<b>CHANGE IN CASH POSITION FROM CAPITAL PROGRAM</b>	<u>\$ (5,945)</u>	<u>\$ (163,860)</u>
 <sup>3</sup> District-funded capital plan for FY15		
<b>CHANGE IN CASH POSITION FROM OPERATIONS, CAPITAL &amp; DEBT SERVICE</b>	<u>\$ 11,442</u>	<u>\$ 430,780</u>





**Monterey Peninsula Airport District**  
**Airport Capital Improvements / Capital Expenditures**  
**June 30, 2015**

<b>Airport Improvement Programs</b>	<b>Actual FY 2015</b>		<b>Prior Fiscal Year</b>		<b>Actual FY 2015</b>		<b>Prior Fiscal Year</b>	
	<b>Current Period</b>		<b>Current Period</b>		<b>Year-To-Date</b>		<b>Year-To-Date</b>	
MPAD Expenditures	5,944.50	0.5%	5,250.00	3.8%	5,944.50	0.0%	1,114,683.32	34.8%
AIP -- FAA Funded Expenditures	1,094,795.17	93.6%	127,767.33	91.3%	25,371,522.09	94.9%	1,855,875.49	58.0%
AIP -- PFC Funded Expenditures	68,294.82	5.8%	6,886.17	4.9%	1,367,685.55	5.1%	229,993.68	7.2%
<b>Total Capital Improvement Expenditures</b>	<b>1,169,034.49</b>	<b>100%</b>	<b>139,903.50</b>	<b>100%</b>	<b>26,745,152.14</b>	<b>100%</b>	<b>3,200,552.49</b>	<b>100%</b>

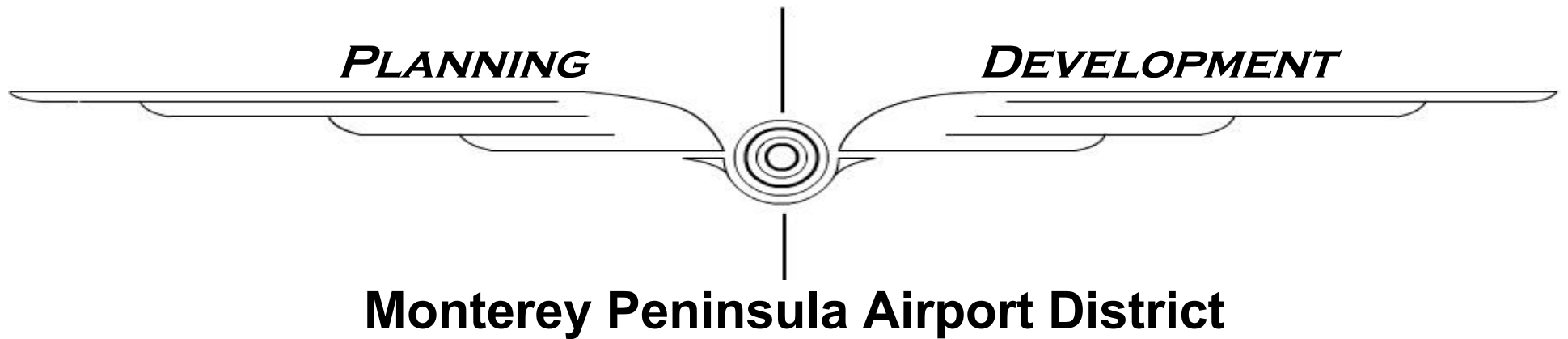
<b>Capital Acquisitions / Expenditures By Department</b>								
Finance & Administration	0.00				81,225.36	51.4%		
Planning & Development	0.00				0.00			
Maintenance & Custodial Services	0.00				39,144.10	24.8%		
Airport Operations	0.00				0.00		40,197.40	100%
Police	0.00				37,546.21	23.8%		
Fire	0.00				0.00			
<b>Total Capital Acquisition Expenditures</b>	<b>0.00</b>	<b>0%</b>	<b>0.00</b>	<b>0%</b>	<b>157,915.67</b>	<b>100%</b>	<b>40,197.40</b>	<b>100%</b>

<b>Consolidated</b>								
District Expenditures	5,944.50	0.5%	5,250.00	3.8%	163,860.17	0.6%	1,154,880.72	35.6%
AIP -- FAA Funded Expenditures	1,094,795.17	93.6%	127,767.33	91.3%	25,371,522.09	94.3%	1,855,875.49	57.3%
AIP -- PFC Funded Expenditures	68,294.82	5.8%	6,886.17	4.9%	1,367,685.55	5.1%	229,993.68	7.1%
<b>Total Capital Expenditures</b>	<b>1,169,034.49</b>	<b>100%</b>	<b>139,903.50</b>	<b>100%</b>	<b>26,903,067.81</b>	<b>100%</b>	<b>3,240,749.89</b>	<b>100%</b>

2015-02 Police Vehicle - Sedan	0.00				37,546.21			
2015-04 Pick-Up Truck - Maintenance	0.00				39,144.10			
2015-05 Electric Vehicle - 2015 Kia Soul EV	0.00				40,612.68			
2015-06 Electric Vehicle - 2015 Kia Soul EV	0.00				40,612.68			

# **Monthly Capital Project Report**

## **August 2015**



FUNDING			BUDGETING				EXPENDITURES				STATUS			
PROJECT#	AIP #	PFC	Prior FY Budget	FY 2015 Budget	Post FY Budget	Total Project Budget	Spent in Prior Fiscal Years	FY 2016 Expenditures to Date	7/31/2015	% Physical Complete	Project Name	Current Status	4 Week Look Ahead	
<b>ACTIVE FEDERALLY FUNDED PROJECTS:</b>														
1	2012-01 and 2014-01	58, 61	10-15-C-00-MRY 11-17-C-00-MRY 13-18-C-00-MRY 14-19-C-00-MRY	\$6,847,008	\$29,223,954	\$15,007,846	\$51,078,808	\$31,973,875	\$3,612,575	\$35,586,449	75%	<b>RSA Runway 10R/28L - Construction; Phase 1 and 2</b>	Schedule I, II and III are completed. Schedule IV is scheduled for completion by August 18, 2015.	Schedule V will begin on 8/18/15 at 11:30 p.m. with the installation of a temporary 10R threshold, and the Glide Slope and MALS will be out of service. Work on the remaining Twy A connector and Twy E modifications, and the new VSR all within the RSA. Preparation for the EMAS installation will begin.
2	2013-02	59	13-18-C-00-MRY	\$690,000	\$632,008	\$162,236	\$1,094,980	\$842,341	\$78,575	\$920,916	95%	<b>Airport Master Plan</b>	Final PAC and public workshop meetings were held on July 7, 2015. Update on work progress was presented at the July 8, 2015 BOD meeting.	Work continues on defining the project description that will facilitate the start of the environmental components. This information/description will be brought to the BOD at the September 2015 meeting.
3	2015-03	Unk.	Unk.	\$0	\$1,094,980	\$0	\$1,094,980	\$0	\$5,945	\$5,945	5%	<b>Airport Infield Safety Area Rehabilitation- Part A</b>	Grant application has been reviewed by the SFADO and in is currently in the final stages of review by FAA headquarters.	A Grant application has been submitted to the FAA for completing the Environmental Review. A SOW has been identified and a contract for Coffman Associates to complete the environmental work will be brought to the BOD at the August 12, meeting.
<b>ACTIVE DISTRICT FUNDED PROJECTS:</b>														
5	N/A	N/A	N/A	\$14,148	\$17,045	\$10,307	\$99,000	\$85,436	\$0	\$85,436	n/a	<b>FWSS Mitigation Land Restoration</b>	Preparation and planting is complete at the off-airport site.	Monitoring will continue through FY 2015, and into FY 2016.

**AGENDA ITEM: H**  
**DATE: August 12, 2015**

**TO:** Michael La Pier, Executive Director  
**FROM:** Mark Bautista, Deputy General Manager, Planning & Development  
**DATE:** July 31, 2015  
**SUBJ:** Planning & Development Monthly Project Report

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Attached is the current monthly Project Report for the Planning and Development Department. Highlights for July 2015 include:

- Work directed toward implementation of the Runway Safety Area (RSA) Project accomplished during the reporting period, including:
  - Monitoring of the MPAD request to the FAA for reimbursement of costs related to RSA litigation. FAA Western Pacific Region representatives have indicated to Staff that they have provided a recommendation to FAA Headquarters, supporting MPAD's request. District Staff has stated a willingness, to the FAA, to travel to Washington, D.C. for presentation of information to the FAA. FAA representatives have stated an informal internal emphasis by the FAA to have a decision in the near future.
  - Confirmation by the FAA that a 10R LOC/DME approach will be available during Schedule V beginning August 19 through December 10, 2015.
  - Continued installation of MSE block walls on the west end of Rwy10R/28L, 99% complete.
  - Construction work on new Twy Alpha connector for west end of Rwy 10R/28L, 95% complete.
  - Construction work on drainage improvements for west end of Rwy 10R/28L, 100% complete.
  - Construction work on navaid electrical work for west end of Rwy 10R/28L, Schedule IV work, 85% complete.
  - Maintenance of the project web site on the Internet.
  
- Work directed toward the Airport Master Plan (AMP), for which the project team is:
  - Working on the project description that will give the best envelope for flexibility/options, including future non-aviation development options.
  - Reviewing the comments received in PAC and public review processes.
  - Anticipating presentation of the project description to the BOD at the September meeting, for the purposes of commencing the Initial Study (IS) afterward.
  - Anticipating providing recommendations from the Initial Study to the BOD at the November meeting for a decision regarding the appropriate mechanism for the CEQA environmental review process (e.g., negative declaration, mitigated negative declaration, Environmental Impact Statement).

- Anticipating providing recommendations for funding options for the CEQA environmental review costs to the BOD at the November meeting.
- Maintaining the project web site on the Internet.
  
- Awaiting FAA approval of MPAD's Grant Application for the environmental documentation for the Infields Rehabilitation Project, already reviewed by the SF ADO and in the final stages of FAA headquarters review.
  
- Gathering data relative to soundproofing the Boardroom. Staff has received an architect's estimate of several options for various methods to soundproof the Boardroom:
  - Soundproofing the common wall between the Boardroom and the MPAD office next to the Boardroom (Charlie Hayes' old office).
  - Soundproofing the doorway to the Boardroom.
  - Soundproofing the common wall between the foyer bathroom and the Boardroom
  - Soundproofing the east and south walls of the Boardroom, in their entirety.

The first three options, together, can be accomplished for less than \$10,000. Staff will provide additional information at the meeting.
  
- Gathering data regarding the structural safety of Bldgs 505 and 506. Staff is awaiting additional information from our building official/inspector. Additional information will be provided at the meeting.

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



**AGENDA ITEM:** I. a. ii.  
**DATE:** August 12, 2015

**TO:** Board of Directors, Monterey Peninsula Airport District  
**FROM:** Michael La Pier, Executive Director (on behalf of the Finance Committee)  
**SUBJ:** Committee Report for Budget & Finance Committee Meeting

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

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

**August 5, 2015 1:30 PM**

**Boardroom, Terminal Building  
Monterey Regional Airport**

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

**A. CALL TO ORDER**

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

**C. PUBLIC COMMENTS**

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

**D. REGULAR AGENDA – ACTION ITEMS**

- |        |    |   |
|--------|----|---|
| Review | 1. | June 2015 & FYTD (FY 2015) Financial Statements |
| Review | 2. | Accounts Receivable Aged Invoice Report         |
| Update | 3. | Cash Position Update                            |
| Update | 4. | Amend Adopted Capital Plan for FY 2015          |
| Review | 5. | Fleet Management Policy                         |
| Update | 6. | FY 2015 Audit Plan & Schedule                   |

- |              |    |  |
|--------------|----|--|
| Presentation | 7. | Analysis of Impact of Parking Rate Adjustment on Parking Activity and Revenues |
| Discussion   | 8. | Future Agenda Items/Finance Committee Schedule                                 |

**E. ADJOURNMENT**

**AGENDA DEADLINE**

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

**Notes/comments from 08/05/2015 Finance Committee Meeting:**

- The meeting was called to order by Chair Sabo at 1:30 p.m.
- The meeting was attended by board members Bill Sabo and Carl Miller; staff members Mike La Pier, Mark Bautista, Tonja Posey and Jerry Merritt were present.
- There were no communications or public comments.
- June 2015 & FYTD (FY 2015) Financial Statements:
  - ✓ Per Director Sabo’s request, the “SUMMARY” paragraphs were expanded to include brief explanations of “one-off” revenues and/or expenses (for the month being reviewed)
  - ✓ To facilitate the review, a “variance analysis”, encompassing both positive and negative variances greater than \$5,000 for operating revenues and operating expenses, was prepared and distributed (the analysis will be sent to all board members)
  - ✓ An analysis was presented to answer a question about “Taxi Operator Permits & Trip Fees” for June (& FYTD 2015)
  - ✓ Operating revenue was 4% or \$28,962 above plan for June,
    - Categories of operating revenue above plan were:
      - Terminal Rents,
      - Terminal Concessions,
      - GA Landing Fees,
      - Fuel Flowage Fees, and
      - Non-aviation Rents
    - All other categories of operating revenue were on or below plan
  - ✓ FYTD Operating Revenue was 2% or \$149,980 above plan
    - FY 2015 GA operations were 18% above FY 2014 levels,
    - GA Landing Fees were 19% above plan,
    - Fuel Flowage Fees were 8% above plan,
    - Terminal Concessions were 2% above plan,
    - Rental Car Concessions were 4% above plan,
    - Non-aviation Rents were 2% above plan, and
    - Other Operating Revenues were 17% above plan

- ✓ June operating expense was 7% (\$46,863) above plan
    - staff answered questions regarding several expense lines in several departments asked by Director Sabo, specifically regarding:
      - Business Travel & Entertainment,
      - Office Supplies & Materials, and
      - General Supplies & Materials
  - ✓ FYTD Operating Expense was 4% or \$318,007 below plan
  - ✓ Operating income was 31% or \$17,901 below plan for June
  - ✓ Operating income FYTD was 118% (\$467,987) above plan at 06/30/2015
- Accounts Receivable Aged Invoice Report:
  - ✓ reviewed the distribution of aged receivables for the month of June,
  - ✓ reviewed the aged A/R detail as of 06/30/2015, and
  - ✓ discussion centered around:
    - Allegiant, and a
    - Security deposit for Allegiant.
- Cash Position Update:
  - ✓ Reviewed and clarified operating cash position for June & FY 2015,
  - ✓ Reviewed investment balance, and
  - ✓ Acknowledged that investments increased 2.2% during FY 2015.
- Amend Adopted Capital Plan for FY 2015
  - ✓ The FY 2015 Capital Plan will require amendment to add the changes authorized by the board of directors during the fiscal year that include:
    - ✓ one pick-up truck, and
    - ✓ two electric cars.
  - ✓ The resolution to amend the FY 2015 Capital Budget will be on the agenda for the Regular Meeting in August 2015 (8/12/2015).
- Fleet Management Policy
  - ✓ Mike (Ex Dir) has reviewed,
  - ✓ Distributed copies to FC,
  - ✓ the FC will review the fleet management policy at the next FC meeting (9/2/2015),
  - ✓ FC will take to BoD at September regular meeting if completed.
- FY 2015 Audit Plan & Schedule
  - ✓ Reviewed schedule
- Analysis of Impact of Parking Rate Adjustment on Parking Activity and Revenues
  - ✓ Distributed information,
  - ✓ Parking revenue has increased even as passenger levels have dropped.
- Future Agenda Items/Finance Committee Schedule:
  - ✓ Will review fleet management policy at next meeting,
  - ✓ Will update status of investment policy at next meeting, and
  - ✓ scheduled the next FC meeting for Wednesday, September 2, at 1:30 p.m.,
- Meeting adjourned by committee chair Sabo at 3:45 p.m.