

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

December 12, 2018 - 10:00 AM - Board Room

A. CALL TO ORDER/ROLL CALL

Chair Miller called to order the Regular Meeting of the Board of Directors at 10:00 AM. Directors Cursio, Nelson and Sabo were present. Director Leffel arrived at 10:04 AM. The following District Officers were present: Executive Director La Pier, District Counsel Huber, Acting District Secretary Auker and Deputy Executive Director Bergholz.

B. PLEDGE OF ALLEGIANCE

Deputy Executive Director Bergholz led the Pledge of Allegiance.

C. COMMUNICATIONS/ANNOUNCEMENTS/INFORMATIONAL ITEMS

Chair Miller introduced the Airport's two most recently hired employees, Mark Curtis and Benjamin Pippenger, and he gave each of them the opportunity to introduce themselves. He also stated that Monterey Regional Airport received an Award of Excellence from the Carmel Chamber of Commerce in the Professional Services: Large category.

D. PUBLIC COMMENTS

None.

E. DECLARATION OF ELECTION RESULTS

Adopt 1. Resolution No. 1732, A Resolution Declaring the Results of the Monterey Peninsula Airport District General Election held November 6, 2018

Executive Director La Pier presented Item E.1.

Director Leffel moved to adopt Resolution No. 1732. Director Sabo seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1732

A RESOLUTION DECLARING THE RESULTS OF THE MONTEREY PENINSULA AIRPORT DISTRICT GENERAL ELECTION HELD NOVEMBER 6, 2018

WHEREAS, a General Election was held on November 6, 2018 in the County of Monterey, State of California, in accordance with the Monterey Peninsula Airport District Act as amended, for the election of three (3) members of the Board of Directors of said District: two members for the full term of four (4) years and one member for a term of two (2) years until each of their successors has been elected and has qualified for such office; and

WHEREAS, the three incumbent directors, Gary Cursio, Carl M. Miller, and Matt Nelson, were the only qualified nominees (candidates) for the three open positions on the Board of Directors, and so there were insufficient nominees to cause an election on November 6, 2018; and

WHEREAS, the Monterey County Board of Supervisors, under Elections Code Section 10515 approving the appointments of qualified nominees in Lieu of the Election held on November 6, 2018, passed and adopted Monterey County Board Order File Number 18-986 dated October 5, 2018, attached hereto as Exhibit "A" and incorporated herein by this reference, that specifically appoints "Carl M. Miller and Gary Cursio", each to serve a four-year term, and "Matt Nelson", to serve a two-year term; and

WHEREAS, Claudio Valenzuela, Registrar of Voters, County of Monterey, State of California, certified these appointments and has provided Certificates of the Registrar of Voters as described in his letter to the Monterey Peninsula Airport District dated October 31, 2018, attached hereto as Exhibit "B".

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT that the District Secretary is hereby authorized and directed to enter upon the records of the District a statement of the results of said election as follows: Carl M. Miller and Gary Cursio, each being duly qualified persons and having duly filed Nomination Papers, and having been appointed by the Monterey County Board of Supervisors for a full term of four (4) years each; and Matt Nelson, being a duly qualified person and having duly filed Nomination Papers, and having been appointed by the Monterey County Board of Supervisors for a term of two (2) years; and that each said person hereinabove declared appointed shall be given the Certified Oath of Office to be administered by District Counsel.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of December 2018 by the following roll call vote:

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

F. ADMINISTER OATH OF OFFICE FOR ELECTED OFFICIALS

Chair Miller introduced Monterey County Superior Court Judge Robert O'Farrell, who administered the Oath of Office to each of the Directors.

G. CONSENT AGENDA – ACTION ITEMS

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

- Approve 1. Minutes of the Committee Meeting of the Budget and Finance Committee of November 9, 2018
- Approve 2. Minutes of the Committee Meeting of the Airport Property Development and Leases Committee of November 9, 2018
- Approve 3. Minutes of the Committee Meeting of the Air Carrier Service, Marketing and Community Relations Committee of November 9, 2018
- Approve 4. Minutes of the Regular Meeting of November 14, 2018
- Approve 5. Minutes of the Special Meeting of November 26, 2018

Adopt 6. Ordinance No. 924, An Ordinance of the Monterey Peninsula Airport District Establishing A By-District Election Process Pursuant to California Elections Code Section 10010

Director Leffel moved to approve Consent Agenda Items E.1 through E.6. Director Cursio seconded the motion. The motion passed unanimously.

ORDINANCE NO. 924

ORDINANCE OF THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT ESTABLISHING A BY-DISTRICT ELECTION PROCESS PURSUANT TO ELECTIONS CODE SECTION 10010

WHEREAS, the Monterey Peninsula Airport District is a California Special District, duly organized pursuant to special legislation passed by the State of California; and

WHEREAS, the board members of the Monterey Peninsula Airport District are currently elected in at-large elections, in which each Board Member is elected by all registered voters of the entire District; and

WHEREAS, at-large election systems such as those presently employed by the District to elect Board Members, are subject to challenge under the California Voting Rights Act of 2001, codified at sections 14025, et seq., of the California Elections Code ("CVRA"); and

WHEREAS, "by-trustee area" electoral systems, whereby only voters residing within a specific trustee district vote only for the trustee representing that trustee district, are not similarly vulnerable to challenge under the CVRA; and

WHEREAS, the Board of Directors previously determined that it is in the best interest of the District to move from its current at-large electoral system to a by-district election for members of the Board of Directors in furtherance of the purposes of CVRA; and

WHEREAS, consistent with Elections Code 10010, the Monterey Peninsula Airport District has held public hearings and published several tentative by-district maps for consideration by the Board of Directors and members of the public; and

WHEREAS, it is the considered view of the Board of Directors that revised draft map B3, attached hereto as Exhibit A and incorporated into this Ordinance by reference, will serve the best interests of the Monterey Peninsula Airport District; and

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

SECTION 1. The above recitals are true and correct and are incorporated herein by this reference.

SECTION 2. (A) Beginning with the general municipal election in November 2020, Board Members shall be elected in the electoral districts reflected on the map contained in Exhibit A hereto, which is incorporated herein by this reference, and as subsequently reapportioned as provided by law. Elections shall take place on a by-district basis as that term is defined in California Government Code section 34871, meaning one member of the Board of Directors shall be elected from each district, by the voters of that district alone. Each Board Member shall serve a four-year term until his or her successor has qualified.

(B) The Board Member elected to represent a district must reside in that district and be a registered voter in that district, and any candidate for the Board of Directors must live, and be a registered voter in, the district in which he or she seeks election at the time nomination papers are issued, pursuant to California Government Code section 34882 and Elections Code section 10227. Termination of residency in a district by a Board Member shall create an immediate vacancy for that Board district unless a substitute residence within the district is established within 30 days after the termination of residency.

(C) Notwithstanding any other provision of this section, each of the Board Members in office at the time this Ordinance takes effect shall continue in office until the expiration of the full term to which he or she was elected and until his or her successor is qualified. Vacancies in Board Member offices elected at-large may be filled from the District at-large. At the end of the term of each Board Member, that member's successor shall be elected on a by-district basis in the districts established in Subsection A and the map contained in Exhibit A hereto, as subsequently reapportioned as provided by law. A vacancy in a Board Member office elected by-district shall be filled by a person qualified to hold the office, who is a resident of the district.

SECTION 3. The Board Members from Board Districts 1, 3 and 5 shall be elected beginning at the General Municipal Election in November 2020, and every four years thereafter. The Board Members from Board Districts 2 and 4 shall be elected beginning at the General Municipal Election in November 2022, and every four years thereafter.

SECTION 4. The Board of Directors finds that this proposed ordinance is exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Title 14 of the California Code of Regulations, Section 15061 (b)(3) in that it is not a project which has the potential for causing a significant effect on the environment.

SECTION 5. If any section, subsection, sentence, clause or phrase of this Ordinance is for any reason held by a court of competent jurisdiction to be invalid, such a decision shall not affect the validity of the remaining portions of this Ordinance. Such section, subsection, sentence, clause or phrase, instead, shall be superseded and replaced by the corresponding provisions, if any exist, of Title 24 of the California Code of Regulations. The Board of Directors of the Monterey Peninsula Airport District hereby declares that it would have passed this Ordinance and each section or subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid.

SECTION 6. To the extent the terms and provisions of this Ordinance may be inconsistent or in conflict with the terms or conditions of any prior ordinance, motion, resolution, rule or regulation governing the same subject, the terms of this Ordinance shall prevail with respect to the subject matter thereof.

SECTION 7. In interpreting this Ordinance or resolving any ambiguity, this Ordinance shall be interpreted in a manner that effectively accomplishes its stated purposes.

SECTION 8. This Ordinance shall be of no further force and effect if the California Voting Rights Act, Elections Code sections 14025 through 14032, as it now exists or may hereafter be amended, is repealed, or declared by a court of competent jurisdiction to be facially unconstitutional, in whole or in part, or unconstitutional, in whole or in part, as applied to the Monterey Peninsula Airport District, or is amended such that its provisions no longer apply to the Monterey Peninsula Airport District. In the event this Ordinance is of no further force and effect pursuant to this section, the Board of Directors shall immediately consider an ordinance repealing this Ordinance. In the event this Ordinance is of no further force and effect pursuant to this section, the incumbent Board Members elected pursuant to the provisions of this Ordinance shall complete their terms of office until their successors are qualified, and

their successors shall be elected at-large in the order in which the terms of the then-incumbent Board Members expire and in accordance with all other provisions of law, until such time as the voters of the Monterey Peninsula Airport District shall approve a different method of election of Board Members in accordance with Government Code section 34871, et seq.

SECTION 9. The Executive Director is authorized to take any and all other necessary actions to give effect to this Ordinance.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of December 2018, by the following roll call vote:

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

H. DEFERRED CONSENT AGENDA - ACTION ITEMS

None.

I. REGULAR AGENDA - ACTION ITEMS

Adopt 1. Resolution No. 1733, A Resolution Approving Submission of the FY 2019-2024 Airport Capital Improvement Plan (ACIP); Approve Submittal to the FAA; Authorize the Executive Director to Execute All Supporting Documents

Executive Director La Pier introduced Item I.1 as the District's rolling five-year plan to submit to FAA as a programming document for their financial planning. Chris Morello, Deputy Director of Strategy and Development added that the projects listed in the ACIP marry those listed in the recently adopted Airport Master Plan.

Director Leffel moved to adopt Resolution No. 1733. Director Nelson seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1733

A RESOLUTION APPROVING SUBMISSION OF THE FY 2019-2024 AIRPORT CAPITAL IMPROVEMENT PLAN (ACIP); APPROVE SUBMITTAL TO THE FAA; AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE ALL SUPPORTING DOCUMENTS

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

WHEREAS, regular Board meeting updates have included review of the draft Master Plan and future Monterey Regional Airport projects and the priorities for same; and

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

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

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT THAT: the Executive Director of the District, or his designee, is authorized and directed, for and on behalf of the Monterey Peninsula Airport District, to submit the attached FY 2019-2024 ACIP to the FAA and funding application(s) in support thereof, and to execute and submit all future documents necessary to implement such ACIP and application(s), including grant agreements and any amendments thereto, and that the District Secretary or Acting District Secretary is authorized to affix thereto the official seal of said District. Such grant agreements and amendments executed by the Executive Director are hereby approved, as though set forth in full.

ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of December 2018 by the following roll call vote:

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

Adopt 2. Resolution No. 1734, A Resolution Adopting the Revised Conflict of Interest Code of the Monterey Peninsula Airport District

District Counsel Huber presented Item 1.2, stating that every other year the District's Conflict of Interest Code needs to be reviewed and revised as necessary. The proposed changes are to revise titles of existing positions and to delete titles of positions that no longer exist within the organization. He noted that those who are listed in the Conflict of Interest Code are required to submit an annual Form 700.

Director Nelson moved to adopt Resolution No. 1734. Director Cursio seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1734

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

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

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

1. The terms of Title 2, California Code of Regulations, section 18730 and any and all amendments to it adopted by the Fair Political Practices Commission are hereby incorporated by reference, as well as the attached Exhibit "A" in which officials and employees are designated and disclosure categories are set forth and constitute the Conflict of Interest Code of the Monterey Peninsula Airport District.

2. Designated employees shall file Statements of Economic Interests with the District Secretary, or their designated appointee, to whom the Board of Directors hereby designates the authority to carry out the duties of the Filing Officer.
3. Statements of Economic Interests shall be made on forms proscribed by the Fair Political Practices Commission and supplied by the Monterey Peninsula Airport District.
4. The Executive Director of the District, or his designee, will submit to the Monterey County Board of Supervisors the adopted code.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of December 2018 by the following roll call vote:

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

Adopt 3. Resolution No. 1735, A Resolution Authorizing Investment of Monterey Peninsula Airport District Monies in the Local Agency Investment Fund

Executive Director La Pier presented Item 1.3. He noted that this Resolution would update a previously adopted Resolution to identify the appropriate individuals who are authorized to do business with the Local Agency Investment Fund on behalf of the District.

Director Nelson moved to adopt Resolution No. 1735. Director Leffel seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1735

A RESOLUTION AUTHORIZING INVESTMENT OF MONTEREY PENINSULA AIRPORT DISTRICT MONIES IN THE LOCAL AGENCY INVESTMENT FUND

WHEREAS, pursuant to Chapter 730 of the Statutes of 1976, Section 16429.1 was added to the California Government Code to create a Local Agency Investment Fund in the State Treasury for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Board of Directors does find that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein as in the best interests of the Monterey Peninsula Airport District.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby authorize the deposit and withdrawal of Monterey Peninsula Airport District monies in the Local Agency Investment Fund in the State Treasury in accordance with the provisions of Section 16429.1 of the Government Code for the purpose of investment as stated therein, and verification by the State Treasurer's Office of all banking information provided in that regard.

BE IT FURTHER RESOLVED, that the following Monterey Peninsula Airport District Officers or their successors in office shall be authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund:

Carl Miller, Chairman

Mary Ann Leffel, Director
Bill Sabo, Director
Matt Nelson, Director Gary
Cursio, Director
Michael La Pier, Executive Director
Tim Bergholz, Deputy Executive Director Finance and Administration

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of December 2018 by the following roll call vote:

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

Adopt 4. Resolution No. 1736, A Resolution of the Monterey Peninsula Airport District to Reinstate Customer Facility Charges for Planning and Construction of a Proposed Water Distribution System Project

Executive Director La Pier presented Item 1.4. He stated that the implementation of the Customer Facility Charges would fund a proposed Water Distribution System project to utilize the non-potable water currently in wells on the North side. This system would deliver the non-potable water to the South side of the airport to eliminate potable water use for washing the rental cars.

Public Comment: Mike Dawson, member of the public, stated that the implementation of CFCs as a revenue source to substitute potable water usage is a "no-brainer".

Director Leffel moved to adopt Resolution No. 1736. Director Cursio seconded the motion. The motion passed unanimously by a roll call vote of 5-0.

RESOLUTION NO. 1736

A RESOLUTION OF THE MONTEREY PENINSULA AIRPORT DISTRICT TO REINSTATE CUSTOMER FACILITY CHARGES FOR PLANNING AND CONSTRUCTION OF A PROPOSED WATER DISTRIBUTION SYSTEM PROJECT

WHEREAS, Civil Code section 1936, et seq., provides a mechanism for airports to charge a Customer Facility Charge ("CFC") of \$10 for each rental car contract issued; and

WHEREAS, CFC revenues can be used to design, finance and construct consolidated airport car rental facilities; and

WHEREAS, in 2003, the Monterey Peninsula Airport District ("District") authorized the use of CFC revenues, through Ordinance 830, to finance, design, and construct the current Quick-Turn-Around washing and cleaning facility ("QTA") for car rental companies to use on airport property; and

WHEREAS, the current QTA facility utilizes potable water to wash and clean the returned rental vehicles; and

WHEREAS, potable water is a limited and scarce resource on the Monterey Peninsula with demands for potable water increasing on a daily basis; and

WHEREAS, the District owns numerous non-potable water wells on its property; and

WHEREAS, the District believes it necessary for the public benefit to convert the QTA facility from the use of potable water to non-potable water; and

WHEREAS, the District desires to finance the planning and, if financially feasible, the construction of a non-potable water distribution project through the collection of a CFC.

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

1. The above recitals are true and correct and are incorporated herein.
2. The District, through this Resolution and Ordinance 830, hereby reinstates a CFC in the amount of \$10 per contract, as authorized pursuant to Ordinance 830, until such time as the proposed non-potable water distribution project has been completed, or the District has no debt related to the non-potable water distribution project, whichever occurs later.
3. The Executive Director is authorized to execute any documents with the Rental Car Companies to effectuate the intent of this Resolution and Ordinance 830.

PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE MONTEREY PENINSULA AIRPORT DISTRICT: This 12th day of December 2018 by the following roll call vote:

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

A break was taken from 11:12 AM until 11:25 AM.

J. ACCEPTANCE OF DEPARTMENT REPORTS

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

K. BOARD COMMITTEE REPORTS

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

- | | | |
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| a. <u>Standing Committees:</u> | | |
| i. Budget and Finance | | Directors Leffel & Sabo |
| ii. Air Service, Marketing, Community Relations | | Directors Cursio & Nelson |
| iii. Airport Property Development and Leases | | Directors Miller & Nelson |
| b. <u>Ad-Hoc Committees:</u> | | |
| i. Local Jurisdiction Liaison | | Directors Leffel & Miller |
| c. <u>Liaison/Representatives:</u> | | |
| i. Local Agency Formation Commission | | Director Leffel Alt: Sabo |
| ii. Regional Taxi Authority | | Director Leffel Alt: La Pier |
| iii. Transportation Agency for Monterey County | | Director Sabo Alt: Nelson |
| iv. Special Districts Association Liaison | | Director Miller Alt: Sabo |

L. CLOSED SESSION

The Board entered into Closed Session at 11:56 AM.

1. **REAL PROPERTY NEGOTIATIONS** (Government Code Section 54956.8) The Board will meet with Real Property Negotiators, Executive Director and District Counsel, regarding the properties identified as 2801 Monterey-Salinas Highway, Monterey, CA 93940.
2. **LABOR NEGOTIATIONS** (Government Code section 54957(b)) The Board will meet with the Executive Director and District Counsel to consider the evaluation of performance related to the following position: District Counsel.

M. RECONVENE TO OPEN SESSION

The Board returned to Open Session at 2:13 PM.

Chair Miller reported that no action was taken during Closed Session.

N. PENDING REQUESTS FOR FUTURE AGENDA ITEMS

- *Fort Ord Reuse Authority Presentation on the Eastside Parkway Project (tabled until completion of EIR)*
- *Discussion Regarding Current Parking Situation and Future Options (invite Bob Linehart, Republic Parking, to January Board meeting to provide recommendations)*
- *AMBAG Ex-Officio Representation*

O. DISCUSSION OF FUTURE AGENDAS

- *Creation of Board Secretary Position and Discussion Regarding Positions Identified in the District's Enabling Act*
- *Presentation by District Counsel Regarding Limits on Stipends*

P. ADJOURNMENT

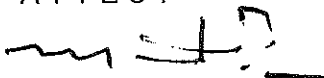
The meeting adjourned at 2:17 PM.

Minutes Approved at the
Meeting of January 9, 2019



William Sabo, Chair

ATTEST



Michael La Pier, AAE
District Secretary