

ORANGE COUNTY AIRPORT COMMISSION
Airport Commission Hearing Room
3160 Airway Avenue
Costa Mesa, CA 92626

MINUTES OF REGULAR MEETING

July 7, 2021

COMMISSIONERS PRESENT: Bruce Junor, Bert Ashland, Susan Dvorak, Brendan O'Reilly

COMMISSIONERS ABSENT: John Clarey

STAFF PRESENT: Barry Rondinella, Airport Director
Rick Francis, Assistant Airport Director
Mark Sanchez, Deputy County Counsel
David Pfeiffer, Deputy Airport Director, Business Development
Kellie Billante, Real Property Agent III
Eric Freed, Deputy Airport Director, Public Affairs
Nick Gaskins, Access and Noise Manager
Betty Siercke, Access and Noise Specialist II
Scott Hagen, Deputy Airport Director, Operations
Robert Holden, Administrative Manager of Landside Operations
Kevin Flynn, Deputy Airport Director, Facilities
Roger Yee, Administrative Manager
Gene Duenas, Contracts Administration Manager
Jeannette Grieco, Facilities Manager, PM Control Analyst
Kyle Kotchou, Deputy Airport Director, Facilities
Elizabeth Gallegos, ASR Manager

CALL TO ORDER: Chair Junor called the meeting to order.

PLEDGE OF ALLEGIANCE: Vice Chair Ashland led the assembly in the Pledge of Allegiance.

1. APPROVAL OF MINUTES: On Commissioner O'Reilly's motion and Vice Chair Ashland's second, the Regular Meeting minutes of May 19, 2021, were unanimously approved as written.

2. APPROVE AIRPORT NOISE MONITORING SYSTEM SERVICES CONTRACT WITH BRIDGENET (ASR 21-000531) Access and Noise Manager Nick Gaskins presented the Airport's Noise Monitoring System, which consists of the noise monitoring stations and accompanying software. This system was installed in 2015 when the previous system was replaced. Since then, additional components have been released, such as Viewpoint, a complaint collection system, the Detailed Noise Event Reports, which provides reports to the public, Webtrack, a public flight tracking system that allows the public to view animated tracks, as well as the Airport Noise and Operations Management System (ANOMS) which is the base component. The current system for ANOMS and the other three components are expiring on August 31. Included in this contract is also the Access/GANO software that was specifically created for John Wayne Airport's Settlement Agreement/Access Plan and GANO. The Airport would like to combine all of these components into one sole source contract with BridgeNet International, a local Newport Beach company that will oversee the contract.

Access and Noise Manager Nick Gaskins and Airport Director Barry Rondinella responded to Commissioner Dvorak's questions regarding the community's concerns and data metrics and Chairman Junor's questions and consideration of a Citizens Committee.

PUBLIC COMMENT – Newport Beach Resident Jim Mosher expressed his concerns and disappointment with some of the specifics of the contract, the timeline the Board of Supervisors have to review contracts, and his written Public Comments not distributed to the Airport Commission in advance of the meeting.

On Vice Chair Ashland's motion and Commissioner O'Reilly's second, this item was unanimously approved.

3. **APPROVE CONTRACT WITH TRANSORE LP FOR AUTOMATED VEHICLE IDENTIFICATION SYSTEM (ASR 21-000524)** – Administrative Manager of Landside Operations Robert Holden presented the Automated Vehicle Identification (AVI) system to the Airport Commission, which was installed at the Airport in 1990. Robert Holden stated the system is similar to the Toll Roads, where transponders are used on ground transportation providers to track the activity through the upper and lower roadways. This system provides three items: 1) a way to collect revenue from ground transportation providers that operate at the Airport, 2) provides information on traffic patterns, and 3) used as a traffic control device that helps limit the number of times they circle the roadways looking for their guests to pick up. Over the years, the Airport has been very satisfied with the system and the vendor's performance. The contract with Transore is for proprietary hardware and software maintenance for five years and is the only vendor able to maintain their system.

Administrative Manager of Landside Operations Robert Holden responded to Vice Chair Ashland's question regarding user satisfaction and how Uber (TNCs) are tracked through the App and Commissioner O'Reilly's question regarding how the system has evolved since the 1990s.

On Commissioner O'Reilly's motion and Commissioner Dvorak's second, this item was unanimously approved.

4. **APPROVAL OF AMENDMENT FOUR TO LEASE WITH PARADIES-OC, LLC (ASR 21-000560)** – Deputy Airport Director, Business Development David Pfeiffer presented Amendment Four to the Lease with PARADIES-OC, LLC to the Airport Commission. In March 2021, PARADIES-OC, one of two Airport prime retail concessionaires, approached Business Development to reduce their square footage and seek additional relief beyond what was given for deferred minimal annual guarantee (MAG) rent. After extensive negotiations, the Airport agreed to take back certain space and used a pro-rated form of reducing the MAG based on the volume of their sales in 2019. PARADIES-OC will relinquish four locations: OC Travel Mart, CNBC, Beachfront News, and InMotion in exchange for a pro-rata reduction in MAG. PARADIES-OC will also relinquish approximately 50 percent of their storage space. PARADIES-OC requested this to become retroactive on January 1, however, the Airport is recommending this become effective March 1, 2021, to when discussions began.

Deputy Airport Director of Business Development David Pfeiffer responded to Vice Chair Ashland's question regarding PARADIES request to relinquish its space and Commissioner Dvorak's questions regarding displaced employees, bump out concessions, and if revenues offset the cost with bump out projects.

On Vice Chair Ashland's motion and Commissioner O'Reilly's second, this item was unanimously approved.

5. **RETROACTIVE APPROVAL OF INTERIM SPECIALTY COFFEE LEASES (ASR 21-000593)** – Deputy Airport Director, Business Development David Pfeiffer presented the retroactive Interim Specialty Coffee Leases to the Airport Commission. As part of the request from HMS Host for reduction of space and rent, which followed the same format as the request from PARADIES-OC, LLC, HMS Host vacated three Starbucks locations. Business Development was tasked with finding a

replacement operator to come in and take over the vacated operations. Under a lease awarded by the BOS in 2019, Coffee Bean & Tea Leaf (Coffee Bean) were awarded four new locations, but due to COVID-19, development was held up. The Airport asked Coffee Bean to step in and take over the operations vacated by HMS Host on an Interim Lease. In May 2021, Coffee Bean opened for a partial month and sales grew higher than anticipated. In June 2021, rents to JWA reached over \$15,000, which is the amount allowed under Delegated Authority with the CEO's office. Upon further discussions, this item is coming to the Board to be officially awarded an interim lease. The second Coffee Bean & Tea Leaf location will open for a soft opening on July 8, 2021, for an official opening on July 9, 2021, and a third location will open the week after.

Daniel and Katherine Nguyen, franchise owners of Coffee Bean & Tea Leaf at John Wayne Airport, spoke to the Airport Commission regarding their award through RFP for four new permanent locations. Due to COVID-19, that development was paused, and they accepted the opportunity to rebrand, furnish, and operate at the vacated Starbucks locations to make them Coffee Bean & Tea Leaf. Daniel and Katherine Nguyen also spoke to the Airport Commission on their efforts of rehiring furloughed HMS Host Starbucks employees to work at Coffee Bean at John Wayne Airport in similar roles.

Daniel and Katherine Nguyen, franchise owners of Coffee Bean & Tea Leaf at John Wayne Airport, responded to Commissioner Dvorak's question regarding wages and benefits for returning furloughed employees and Commissioner O'Reilly's question regarding franchise ownership and the number of locations owned.

PUBLIC COMMENT – Juan Munoz, employee of UNITE HERE Local 11, hotel and hospitality workers union in Southern California and Arizona, spoke to the Airport Commission regarding the number of displaced HMS Host workers at John Wayne Airport. Juan Munoz stated the County allowed HMS Host to displace workers by allowing them to give up half of their space at the Airport, which included three Starbucks locations. He also stated these employees did not receive advance notification of these actions or a plan for displaced employees to return to HMS Host locations.

Airport Director Barry Rondinella read a public comment received via email from Santa Ana resident Rocelia Rodriguez. Rocelia Rodriguez has worked for HMS Host at John Wayne Airport for five years and is a member of UNITE HERE Local 11. Rocelia Rodriguez writes the County allowed HMS Host to give up nine of their locations for the firm to save over \$2 Million on their minimum annual guarantee, including three Starbucks units. Local 11 estimates this affected more than 30 workers without a plan for how they would come back to their jobs. Airport staff then granted three interim leases for the HMS Host vacated spaces to the Coffee Bean & Tea Leaf and are now asking for retroactive approval for these interim leases.

Airport Director Barry Rondinella and Deputy Airport Director of Business Development David Pfeiffer responded to Commissioner Dvorak's question regarding minimum standard for wages and benefits of HMS Host employees and Commissioner O'Reilly's question regarding the request of relinquishing space by HMS Host.

On Vice Chair Ashland's motion and Commissioner O'Reilly's second, this item was unanimously approved.

6. **APPROVE CONTRACT FOR AIRSIDE SURFACE MAINTENANCE (ASR 21-000584)** – Maintenance Contracts Administrative Manager Gene Duenas presented the Airside Surface Maintenance contract to the Airport Commission. The scope of this contract includes airfield cleaning services, rubber removal, runway friction testing, and the application and removal of airfield marking. This work is to ensure John Wayne Airport stays in compliance with FAA certification requirements. This contract combines several requirements into a single solicitation and contract. This consolidation is for cost efficiencies such as reducing acquisition cycle times and conducting multiple Requests for Proposals (RFPs) and quality improvement with having one contact for these services. For the procurement of

this contract, staff issued an RFP, which was advertised on the County's online bidding system for 30 days. The Airport received a bid from a single proposer. Additional interest was communicated from one other vendor, but they failed to meet the submission deadline. The RFP panel completed the written proposal of evaluation and oral interviews with the proposed vendor. Based on the evaluation criteria outline in the RFP, PCI is being recommended to provide these services.

Deputy Airport Director, Maintenance Kevin Flynn, Contracts Administrative Manager Gene Duenas, and Airport Director Barry Rondinella responded to Commissioner Junor and Commissioner O'Reilly's questions regarding the number of vendors that bid and responded to Vice Chair Ashland's comment regarding multi-million dollar sole source contracts.

On Commissioner Dvorak's motion and Vice Chair Ashland's second, this item was unanimously approved.

- 7. APPROVE ARCHITECT-ENGINEER CONTRACTS FOR AIRPORT FACILITIES SUPPORT SERVICES (ASR 21-000525)** – Deputy Airport Director, Facilities Kyle Kotchou presented the Architect-Engineer contracts for Airport Facilities Support Services item to the Airport Commission. The three contracted A-E firms will act as owner representation and will provide representation on-site and tasked with ensuring the Capital Improvement projects being managed by OC Public Works and our tenant improvement projects will be in compliance with our Airport and FAA guidelines and TSA requirements, as well as the safety of the public, airport employees, guests, and passengers. The three firms selected with proven expertise in aviation focus projects were AECOM Technical Services, Inc., Butier Engineering, Inc., and Arcadis, U.S. Inc. The contracts presented to the Airport Commission are for one year with the option to renew for one additional year.

Deputy Airport Director, Facilities Kyle Kotchou answered Vice Chair Ashland's question regarding this item previously presented for multi-years and Commissioner O'Reilly's question regarding the not to exceed amounts. Deputy Airport Director, Facilities Kyle Kotchou and Airport Director Barry Rondinella answered Commissioner Dvorak's questions regarding work previously performed by in-house staff with airport-specific expertise now outsourced to OC Public Works and whether contracts have been changed from prior years due to the OC Public Works shift.

On Vice Chair Ashland's motion and Commissioner O'Reilly's second, this item was unanimously approved.

- 8. SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS (Board)** – Airport Director Barry Rondinella stated that on May 25, 2021, the Board approved the consent to assignment with Jay's Aircraft Maintenance, Inc. to Jay's Air Center, LLC and the contracts for Architect-Engineer Airport Facilities Support Services was deleted. On June 22, 2021, the Board approved to renew the Architect-Engineer On-Call Environmental Contracts.

9. ADDITIONAL BUSINESS

- A. PUBLIC COMMENTS** – Maria Elena Rivano, three year HMS Host employee at the American Airlines Admiral's Club, stated she is doing the work of multiple people and from reported numbers, there is a 602% increase in travel from May 2019. She said that with more passengers, there is a need for more staff and asks why HMS Host has not brought back additional pre-pandemic staff and why HMS Host is receiving relief from the County.

Airport Director Barry Rondinella read a public comment received via email from Balboa Island resident Dennis Bress. Dennis Bress is requesting airport staff use Zoom or another platform by the upcoming meeting so the public can view the Airport Commission meetings to see each of the

Commissioners and ask questions on each agenda item. Dennis Bress is requesting that the Airport Commission meetings be recorded and available in an archive for the public.

- B. AIRPORT DIRECTOR COMMENTS – Airport Director Barry Rondinella shared with the Airport Commission the limited options the Airport has to conduct virtual recordings of the Airport Commission Meeting and his hopes towards moving back to in-person meetings soon. ASR Manager Elizabeth Gallegos shared with the Airport Commission the research she obtained from Clerk of the Board staff regarding virtual meetings at other County departments. Airport Director Barry Rondinella shared an update on the traffic moving through the terminals and shared a comparison of the Airport to 2019.

- C. AIRPORT COMMISSION COMMENTS – None

5. ADJOURNMENT OF PUBLIC MEETING The meeting adjourned at 6:40 pm.

Respectfully submitted

Elizabeth Gallegos, ASR Manager