

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

MINUTES OF REGULAR MEETING

May 4, 2022

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

COMMISSIONERS ABSENT: John Clarey

STAFF PRESENT: Rick Francis, Interim Airport Director
Mark Sanchez, Deputy County Counsel
Evanna Barbic, Interim Deputy Airport Director, Business Development
Amy Goethals, Asset Manager, Business Development
Ken Wong, Quality Control & Compliance Manager
Monica Rodriguez, Procurement Manager
Elizabeth Gallegos, ASR Manager, Finance Administration

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

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

- 1. APPROVAL OF MINUTES:** On Commissioner Dvorak's motion and Commissioner Junor's second, the Regular Meeting minutes of April 20, 2022, were approved as amended.

PUBLIC COMMENT – Newport Beach Resident Jim Mosher spoke to the Commission regarding the Airport Commission Meeting Minutes of April 20, 2022. Mosher clarified what he said at the last meeting regarding general aviation (GA) noise violations regulation. He claimed the meeting minutes implied that he said just the pilot would be penalized for three violations. He recalled saying it was the pilot, the aircraft, the aircraft owner, and any other aircraft that the owner owned. He also wanted to correct a misstatement he made. He recalls saying that three GA noise violations would trigger the penalty in one year, but he said it is three violations in three years. Mosher stated that who the penalty applies to is more complicated than what he said at the last meeting and what Airport staff wrote in the minutes. He suggested that this topic be agendaized for a future Airport Commission meeting so that the Noise Violation Appeal Committee, which will be comprised of three Airport Commissioners, could better understand this matter.

- 2. APPROVE AMENDMENTS TO CONCESSION CONSULTING SERVICES CONTRACTS (ASR 22-000400)** Interim Airport Director Rick Francis stated that the item for approval is to amend the Contract currently in place with Unison Consulting, Inc. (Unison), the Airport's concession consultant for the past four years. There are two requests in this Agenda Staff Report. The first is to increase the current Contract ending on July 31, 2022, by \$100,000, to incorporate Unison hiring a subcontractor with specialty expertise in lounge development within airports to look at lounge concession development. The Airport, along with Unison and the subcontractor, will look at the existing lounges with American and United, who are currently operating on a month-to-month basis at John Wayne Airport (JWA), and will explore and analyze the feasibility of adding a Common Use Lounge within the existing Airport terminals. The second request is to renew the Contract with Unison effective August 1, 2022, through July 31, 2024, in a total Contract amount not to exceed \$500,000, for a revised cumulative contract amount not to exceed \$1,241,742.

Business Development's Asset Manager Amy Goethals presented the Amendment to Concession Consulting Services Contracts and provided additional background information on this item to the Airport Commission. Amy stated that on May 31, 2019, JWA issued a Request for Proposals (RFP) for

Phase I Concessions. Those were awarded and are currently in progress. On July 30, 2019, the Board approved the Contract with Unison for concession planning services for its Specialty Retail and Food & Beverage Concessions and Rental Car Concessions program with the option to renew for two additional one-year periods. Amendments One and Two were executed administratively pursuant to Section 3.3-107 of the 2019 Contract Policy Manual authorized by the Board of Supervisors (Board). If approved, Amendments Three and Four will task Unison, with the assistance of the subcontractor, with providing analysis, site location planning and strategy recommendations under the existing Contract. Unison will analyze both existing current lounge locations and potential new development locations. Additionally, they will provide guidance with RFP development and issuance targeted for Q3-Q4 2022.

Rick Francis and Amy Goethals responded to the Commission's questions regarding lounge development and other matters. The discussion focused on a host of issues that included:

- the Contract increase,
- the services a Common Use Lounge would provide,
- whether the third lounge would be airline-specific,
- the modified concession plan,
- other airports with Common Use Lounges,
- the targeted audience,
- expiring leases,
- tenant feedback,
- the last passenger survey feedback,
- the next steps and approval process.

Managing Director with Unison Firelli Pitters spoke to the Commission regarding Common Use Lounges, and the role Unison and the subcontractor will have in looking into the feasibility of JWA possibly adding one more airport lounge.

PUBLIC COMMENT – Newport Beach Resident Jim Mosher spoke to the Commission regarding his concerns about the consultant's hourly rates charged by the subcontractor for lounge development. He asked if there were County or other government employees that could complete some of the same work and what those costs would be in comparison.

Chair Ashland requested the Airport Commission receive a tour of the existing airport lounges. Commissioner Dvorak asked for regular updates from Airport staff. Commissioner Junor requested a briefing to the Commission when the newly appointed Airport Director is briefed on this matter.

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

- 3. APPROVE REVISED BYLAWS FOR THE ORANGE COUNTY AIRPORT COMMISSION (ASR-21-000860)** Commissioner Dvorak presented edits to the revised Bylaws for the Airport Commissioners to review and discuss. Her first proposed change (#1) was to Article XIII. Adoption and Amendment of the new draft of the Bylaws. Section A. Adoption states that an affirmative vote of at least 50 percent +1 of those voting, a quorum being present, shall be required to recommend these Bylaws for Board approval. Commissioner Dvorak proposed changing that to an affirmative vote of 50 percent +1 of those voting be from the entire Airport Commission to recommend Bylaws for Board approval and not just the quorum present. The Commission discussed this proposed change.

On Commissioner Dvorak's motion and Commissioner O'Reilly's second, this item was not approved 2 – 2, Commissioner Junor and Chair Ashland voted no.

The second proposed change (#2) submitted by Commissioner Dvorak was to Article XIII. Adoption and Amendment of Bylaws. Section B. Amendment states that proposed amendments shall be submitted in writing and made available to each member of the Airport Commission no less than five days prior to consideration before a vote can be taken. Commissioner Dvorak proposed changing that back to what is stated in the current Bylaws Article IX. Changes in the Bylaws that proposed amendments shall be submitted in written form to the Commission at any regular meeting and may be acted upon at the second regular meeting following the date of its submission. The Commission discussed this proposed change.

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

The third proposed change (#3) submitted by Commissioner Dvorak is to maintain Article IV. Attendance of the current Bylaws. In the current Bylaws, Section 1. states that the Secretary shall provide a Commission attendance report to the Board of Supervisors quarterly. Commissioner Dvorak proposed carrying that over to the new draft of the Bylaws. The Commission discussed this proposed change.

On Commissioner Dvorak's motion and Commissioner O'Reilly's second, this item was approved 3 – 1, Chair Ashland voted no.

The Airport Commission, Rick Francis, and Mark Sanchez discussed Article XII. Conflict of Interest in the new proposed Bylaws.

Chair Ashland directed JWA staff to make further revisions to the new draft of the proposed Bylaws to incorporate the approved recommendations #2 and #3 by Commissioner Dvorak and resubmit them to the Airport Commission for approval at the next meeting. This direction was unanimously approved.

Rick Francis and Mark Sanchez responded to the Commission's questions regarding the Airport Noise Violation Committee, reimbursement for Commissioners, and briefing the Board per Article III. Purpose and Functions of the new Bylaws.

PUBLIC COMMENT – Newport Beach Resident Jim Mosher spoke to the Commission regarding the revision of the Orange County Airport Commission Bylaws. He stated that there appeared to have been no changes made to the newly submitted version from the last proposed draft and questioned the timeframe on when the approval could be made based on the current Bylaws. He recommended retaining the existing rule about changing the Bylaws, which requires a majority of the Commission to make a change and may be acted upon at the second regular meeting following the date of its submission. As opposed to the new Bylaws requiring a majority of the quorum present and could be approved at a single meeting. Mosher also recommended carrying over two additional rules from the existing Bylaws to the revision. The first would state how items could be added to the meeting agenda, and the second required any active committees appointed by the Airport Commission to provide an annual report.

4. **SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS (Board)** Interim Airport Director Rick Francis stated that on April 26, 2022, the Board of Supervisors approved the Job Order Contract with Sully-Miller as recommended.

5. ADDITIONAL BUSINESS

- A. PUBLIC COMMENTS – Newport Beach Resident Jim Mosher spoke to the Commission regarding last year's approval of two or three new commercial entrants. One of those approved was Sun Country Airlines, with whom the Board approved a multi-year lease. Mosher stated that there had been no flight information available since December and they are no longer listed on JWA's website as an airline. Mosher also informed the Commission regarding a press release published

by the Daily Pilot regarding the purchase of two large warehouses on 2990 and 3000 Airway Avenue by AeroTerm with special gate access into the tarmac to expand cargo operations.

Rick Francis responded to the public comment and told the Commission that Sun Country Airlines left JWA officially as of March 31, 2022. Regarding the purchase of the warehouses, JWA staff conducted further research and found that AeroTerm is the new land owner of the properties, who do not intend to expand or do anything different than the previous occupants which included small freight and cargo operations. The agreements are with the airlines and mandated with the TSA for those types of operations. The gate referenced in the public comment is a freight gate, which is different than a cargo gate.

- B. AIRPORT DIRECTOR COMMENTS – Rick Francis shared with the Commission that the Airport has been busy with passenger count 13% higher than they were in 2019 pre-pandemic. Rick also shared that the Board has selected the new Airport Director, Charlene Reynolds and her first day will be June 6, pending formal approval of her contract on May 24.
- C. AIRPORT COMMISSION COMMENTS – Commissioner Dvorak sought clarification on when the Airport Commission could choose the Noise Violation Committee members and shared that she attended a Noise Aviation & Emissions Symposium at UC Davis where the JWA Access and Noise office participated virtually.

6. ADJOURNMENT OF PUBLIC MEETING The meeting adjourned at 6:48 p.m.

Respectfully submitted,

Elizabeth Gallegos, ASR Manager