

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

MINUTES OF REGULAR MEETING

June 15, 2022

COMMISSIONERS PRESENT: Susan Dvorak, John Clarey, Brendan O'Reilly

COMMISSIONERS ABSENT: Bert Ashland, Bruce Junor

STAFF PRESENT: Charlene Reynolds, Airport Director
Rick Francis, Assistant Airport Director
Mark Sanchez, Deputy County Counsel
Christine Nguyen, Deputy County Counsel
Melinda McCoy, Environmental Resources Manager
Taylor Waters, Professional Engineer/Architect
Jeanette Grieco, Project Controls & Facilities' Budget Manager
Elizabeth Gallegos, ASR Manager, Finance Administration

CALL TO ORDER: Vice Chair Clarey called the meeting to order.

PLEDGE OF ALLEGIANCE: Commissioner Dvorak led the assembly in the Pledge of Allegiance.

1. APPROVAL OF MINUTES: On Commissioner O'Reilly's motion and Commissioner Dvorak's second, the Regular Meeting minutes of June 1, 2022, were unanimously approved.

PUBLIC COMMENT – Newport Beach Resident Jim Mosher complimented ASR Manager Elizabeth Gallegos on the new format of the Airport Commission Meeting Minutes. He stated that the last set of minutes were well written and appreciated that the meeting minutes deemphasized the repetition of information from the Agenda Staff Report (ASR) and expanded the record of the information exchanged between the Commissioners and Airport staff. Mosher stated the new format could be useful for the Commission and the public who cannot attend the meetings. Mosher said the new format could provide the public with a quick review of what was discussed and is a good record for as long as the minutes are maintained.

2. RENEW AMENDMENT NO. 3 FOR ARCHITECT-ENGINEER ON-CALL ENVIRONMENTAL PROGRAM (ASR 22-000448) Environmental Resources Manager Melinda McCoy presented the environmental program to the Commission. Melinda addressed the questions and concerns by the Commission that were asked at the last meeting of June 1, 2022. Melinda presented JWA's Environmental Mission, Contract Scope of Work, financial summary, key projects and efforts, and the program's benefits.

Vice Chair Clarey asked if the amounts allocated from the previous contracts had been spent. Melinda McCoy responded and stated that the Airport requested \$7.5 Million for the first three years to use towards the environmental program and spent \$6.075 Million. The excess amount was reserved in case additional task orders were needed. Melinda stated that if the total allotted amount is not spent by the end of the contract term, the remaining amount cannot be used once the contract term expires.

Vice Chair Clarey recalled from the last meeting where the Commission was told that most of the money allocated for the current contract had been spent. Vice Chair Clarey mentioned that he did not see information in the Agenda Staff Report (ASR) or was it previously presented that the Airport spent

\$1.5 Million less than the requested contract amounts. He stated that it was presented that the Airport spent 91%. Project Controls & Facilities' Budget Manager Jeanette Grieco responded to Vice Chair Clarey's question. Jeanette stated that of the \$7.5 Million authorized to spend, the budget permitted to spend was approximately \$6 Million on the environmental program. Paid to date of the budgeted amount was 91%.

Vice Chair Clarey stated if the Airport is requesting contracts for \$7.5 Million and the Board is authorizing those contract amounts, why does the Airport not budget for \$7.5 Million, and why higher amounts are requested. Clarey asked what would happen if the Airport needed to spend \$7.5 Million and stated that the Airport would be contractually obligated. Melinda stated the Airport did not intend to spend the full \$7.5 Million. Jeanette stated that a lower amount had been requested when the contract was initially approved. Then new environmental regulations came out, and Airport staff had to go back to the Board with Amendment No. 1 to request an additional \$1.5 Million per contract. This increased the first three-year contract from \$2.25 Million to \$3.75 Million per vendor, a total of \$7.5 Million for three years for both vendor contracts. Jeanette stated that staff learned it was easier to request a higher contract authority, even if the budget was lower and that the Airport could find money in the budget where there were cost savings to accommodate.

Vice Chair Clarey asked if it was Airport policy to request a higher contract authority amount even if the budgeted amount to spend on services is lower and if funds would be pulled from somewhere else. Jeanette stated it is not policy, and there is a mechanism for a budget transfer. She said funds could be made available to spend if there was an emergency.

Commissioner O'Reilly asked Airport staff to clarify if the remainder of the contract amount cannot be used once the contract term expires and what balance the remainder would go into. Melinda confirmed that the Airport cannot use any of the authorized contract funds once the term expires, but that the contract amount is not the budgeted amount, so any remainder that is not spent from the contracting authority is not necessarily excess that can be moved back to the Airport's fund balance. Airport Director Charlene Reynolds clarified the liquidation of encumbrances and what happens to the budgeted money if not spent. Charlene stated that the Airport has a placeholder for a certain amount, if there is an amount not used, that unused amount would go back into JWA Operating fund 280.

Vice Chair Clarey asked if staff could categorize or provide a measurement of the environmental work that is required and regulated by law and work that is not. Melinda stated that work is measured and staff look at the return on investment with new projects; however, she did not have the work classified into those categories to readily provide to the Commission. Vice Chair Clarey asked who decides and approves environmental work that is not required by law and is completed by Airport. Melinda responded that she makes the recommendation and Airport management rejects or approves. Vice Chair Clarey asked if staff would be able to provide the amounts spent on environmental work that is not required by law from the \$6.5 million that has been spent. Melinda stated she did not have that information readily available to provide to the Commission. Vice Chair Clarey asked if environmental work is recoverable by enplanement. Rick Francis responded that the environmental program is funded by the Airport's revenue and grant funding.

Vice Chair Clarey asked if the \$500,000 spent on Per- and Polyfluoroalkyl (PFAS) is just on consultant fees, not equipment or other costs. Melinda stated that the \$500,000 spent on PFAS is for consultants. Vice Chair Clarey asked if the consultants perform any physical labor. Melinda responded that in some cases the consultants do perform physical labor such as collecting samples and other work.

Commissioner Dvorak shared her observation and asked staff if there is a better and clearer way to report the numbers. She also stated that she did not understand why the Airport was asking for contract amounts above the budget.

On Commissioner Dvorak's motion and Commissioner O'Reilly's second, this item was approved 2 – 1, Vice Chair Clarey voted no.

3. SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS (Board) Airport Director Charlene Reynolds stated that on June 7, 2022, the Board Approved as Recommended, Amendment No. 3 with JBT Aerotech.

4. ADDITIONAL BUSINESS

A. PUBLIC COMMENTS – Newport Beach Resident Jim Mosher commented that he wanted to know how long the Commission Meeting Minutes are retained and available for the public and Commissioners to review. Mosher stated that he could not find the Airport's Record Retention policy on the website, but did find it in the archive of the Board of Supervisor's Meeting from November 17, 2020. Mosher stated that the approval of the Airport's Record Retention policy was not reported to the Commission in a Summary of Relevant Board Actions report and stated he could not find a record that the policy was ever reviewed by the Commission and wondered if other policies were not reviewed by the Commission. He suggested that policies such as this should be posted on the Airport's website for the public, the Commission, and other interested parties. Mosher also suggested that the Commission should be able to review how long their meeting documents should be retained and look into if there are other policies as significant that have not been reviewed by the Commission.

B. AIRPORT DIRECTOR COMMENTS – Airport Director Charlene Reynolds stated the Airport's passenger airline traffic numbers are returning to pre-Covid numbers and have exceeded 2019. There was an increase of 44% from April 2021 to April 2022. Charlene also shared with the Commission that a new abstract art display by a Southern California artist is being displayed at the Airport terminal and the grand opening of Qdoba took place on Tuesday, June 14, 2022, at the food court area inside of the terminal. Charlene informed the Commission that the Airport is working on the permitting process for the bump-outs that will have new concessions program and working on the RFP to revamp the concessions program.

C. AIRPORT COMMISSION COMMENTS – Vice Chair Clarey asked the staff if they could provide him with an update at a later meeting on the restaurants that are open from when they closed because of the pandemic.

6. ADJOURNMENT OF PUBLIC MEETING The meeting adjourned at 6:19 p.m.

Respectfully submitted,

Elizabeth Gallegos, ASR Manager