

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

MINUTES OF REGULAR MEETING

July 20, 2022

COMMISSIONERS PRESENT: Susan Dvorak, Bruce Junor, Bert Ashland

COMMISSIONERS ABSENT: John Clarey, Brendan O'Reilly

STAFF PRESENT: Charlene Reynolds, Airport Director
Rick Francis, Assistant Airport Director
Mark Sanchez, Deputy County Counsel
Christine Nguyen, Deputy County Counsel
Komal Kumar, Deputy Airport Director, Finance Administration
Evanna Barbic, Interim Deputy Airport Director, Business Development
Amy Goethals, Asset Manager, Business Development
Scott Hagen, Deputy Airport Director, Operations
Jessica Miller, Information Technology Security Manager
Melissa Anderson, Information Technology Project Manager
Eric Freed, Deputy Airport Director, Public Affairs
Nikolas Gaskins, Access & Noise Manager
Elizabeth Gallegos, ASR Manager, Finance Administration

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

PLEDGE OF ALLEGIANCE: Commissioner Dvorak 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 July 6, 2022, were approved 2-0. Chair Ashland abstained.

2. PRESENTATION Concessions Update: Airport Director Charlene Reynolds introduced Asset Manager Amy Goethals to provide an update on the Concessions program. Charlene informed the Airport Commission that going forward regular updates would be given from the various divisions to provide current information on new and existing projects. Amy shared that John Wayne Airport (JWA) concession sales have been performing well. JWA is up by seven percent from 2019 in food & beverage (F&B) and up by 17 percent from 2019 levels in retail. Amy shared that all F&B businesses are operating except for Javier's Restaurant in Terminal C. Retail businesses are all open, although some have limited hours due to staffing shortages. Amy introduced new operations in the Food Court that opened in spring 2022, which includes Qdoba Mexican Eats, Jamba Juice, and OC Pizza. Coffee Bean & Tea Leaf is also open in Terminals A, C, and Pre-Security Terminal B. In the casual dining bar locations in Terminals A and C, new state-of-the-art concessions, Greenleaf Gourmet ChopShop, and Taps Fish House construction are scheduled to be completed by December 2022. Upcoming concessions also include Brodard Express and La Boutique. JWA has proposed lease extensions with all of the existing concessions through the end of September 30, 2023, for retail and December 2023 for F&B. Amy also shared the Concession RFP next steps that include an outreach meeting, solicitation advertised, response deadline, evaluation committee meeting, and selection and award.

Chair Ashland asked how the increase in sales relates to passengers. Amy responded and stated that the passenger count increase is the primary reason for concession sales increasing. Chair Ashland asked if the airline club solicitation will be part of the Concessions RFP. Amy responded and stated that it would not be and that would be part of the lounge development, a separate RFP.

Commissioner Junor asked if the hiring process for the concessionaires is significantly different at other airports or different for the secure and non-secure side of the Airport. Amy responded that Hudson Group (Hudson) stores and Paradies Lagardère Travel Retail (Paradies) are primarily only in airports and their hiring process is different at other airports. Amy also stated that the hiring process is the same for the secure and non-secure areas of JWA. Commissioner Junor asked when the Concessions RFP is released if it will be one or several RFPs. Amy responded and stated that it will be one RFP with different packages. The RFP will be for 80 percent of the F&B and retail program. Commissioner Junor also asked if the rent has been raised for the three FBOs. Amy responded that the rent has been increased.

Commissioner Dvorak thanked JWA staff for the concessions redevelopment tour and asked how long the new concession leases will be. Amy stated that lease term durations are based on a proforma that identifies the concessionaire's initial investment and projected revenues over the course of the lease term. Currently, F&B is 12 years and retail is 10 years but is subject to change for the upcoming RFP. Commissioner Dvorak requested a copy of the presentation.

- 3. APPROVE CONTRACT FOR MANAGED SECURITY SERVICES (ASR 22-000599)** Information Technology Security Manager Jessica Miller presented the Contract for Managed Security Services to the Commission. The Contract with Mosaic451, LLC (Mosaic) for Managed Security Services is proposed for three years for \$1,394,887, effective September 1, 2022, through August 31, 2025, with two additional one-year terms upon approval. Mosaic's Security Information and Event Management (SIEM) has been utilized by JWA since December 2019, which involved a transition of over 650 devices to their software-based device log collecting agent and system. Jessica shared an example of a log ingested and a critical alert from the 24/7/365 Monitoring and Alerting Team, the JWA managed security services history and the future direction for managed security services. In May 2021, JWA initiated a migration of the network to Orange County Information Technology (OCIT) Managed Services by deploying a state-of-the-art CISCO SDA network. The network project was completed in February 2022. OCIT Managed Network Services now provides full administrative oversight and monitoring of the JWA network, consisting of approximately 150 network switches and firewall devices.

Commissioner Junor asked what is considered a device and who provided the oversight of the migration of the network to OCIT. Jessica Miller responded and stated that a device can be a network switch, a server, or a kiosk at the terminal. The JWA network was aged and out of date and the Airport decided to upgrade the Cisco switches and firewalls for the entire Airport. OCIT brought in a team of engineers and assisted the Airport with this process. As a result, the management of network services for 150 network switches and firewall devices was moved to OCIT, where it was previously managed by JWA and Mosaic. 500 devices remain under Mosaic's monitoring network and control, and is why the Airport is requesting this contract.

Chair Ashland asked if OCIT will monitor more than the 150 devices they are already monitoring. Jessica stated that OCIT may monitor the remaining 500 devices if their product, ability, pricing, and feasibility are acceptable to JWA.

Commissioner Dvorak asked if OCIT needs to bid for contracts and if the pricing typically beats out outside resources. Jessica responded and stated that OCIT does not bid, but they provide pricing to the Airport and it is evaluated in comparison to external vendors. Aside from the previous network migration of 150 devices, pricing for additional services has not yet been compared to external companies. There are certain layers of technology the Airport will review and evaluate for IT support with OCIT moving forward.

On Commissioner Dvorak's motion to approve and Commissioner Ashland's second, this item passed 2 – 1, Commissioner Junor voted no.

- 4. SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS (Board)** Airport Director Charlene Reynolds stated that no JWA items were presented to the Board since the last meeting.

5. ADDITIONAL BUSINESS

- A. PUBLIC COMMENTS – Newport Beach Resident Jim Mosher inquired about the status of the Airport Commission Bylaws being approved by the Board so that the Commission can then select the members of the Airport Noise Violation Committee. Mosher also commented regarding the duties of the Airport Commission per County code, do not limit the role of the Commission to only Board agenda items. Mosher stated that the role of the Commission also includes making independent recommendations to the Board and to investigate any matter they would like to examine in regards to the operation of the Airport. Mosher also commented on his concerns with the amount of time it is taking JWA staff to respond to Public Records Act requests and stated there is some organizational inefficiency in the handling of those requests.
- B. AIRPORT DIRECTOR COMMENTS – Airport Director Charlene Reynolds shared aviation news with the Commission and stated that Alaska Airlines will be the first airline to introduce an electronic bag tag program for all of their passengers. This benefit to passengers will minimize delayed and lost bags and more information to come as the program is rolled out. There is also a lookout in the upcoming week as Westjet Airlines (Westjet) employees have notified Westjet, a JWA airline carrier with service to and from Vancouver, to actively strike. This may have some impact to JWA with flights and the Airport will be watching out for that. Charlene also informed the Commission that JWA continues to see robust travel this summer and has experienced minimal interruption with delays and cancelations, and appreciates the FAA working with all of the carriers during this time.
- C. AIRPORT COMMISSION COMMENTS – Commissioner Dvorak asked if the Airport had an update to provide regarding the new FAA Director. Charlene responded that JWA has not received notice of the appointment of the new FAA Director, but the industry looks forward to receiving confirmation of Philip A. Washington, an aviation leader.

Chair Ashland thanked Airport Director Charlene Reynolds for meeting with him and stated he looks forward to working with her. Chair Ashland also thanked Vice Chair Clarey for filling in for him at the last few Commission meetings while he was on vacation.

- 6. ADJOURNMENT OF PUBLIC MEETING** The meeting adjourned at 5:54 p.m.

Respectfully submitted,

Elizabeth Gallegos, ASR Manager