



Mayor

Diane Brooks Dixon

Mayor Pro Tem

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Council Members

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Jeff Herdman

Kevin Muldoon

REVISED LETTER

September 4, 2019

Lisa A. Bartlett, Chairwoman
Orange County Board of Supervisors
333 W. Santa Ana Blvd.
Santa Ana, CA 92701

RE: Request for Proposals for Fixed Based Operators for the General Aviation Improvement Program

Chairwoman Bartlett and Members of the Board of Supervisors:

As the Mayor for the City of Newport Beach, I wish to convey my appreciation to the Board of Supervisors (Board) for your continued attention and focus on ensuring that the General Aviation Improvement Program (GAIP) is conducted in a way that balances airport operations with preserving the integrity of the surrounding community. I appreciate the Board's recent decision to set aside a significant portion of John Wayne Airport's (JWA) footprint for small general aviation aircraft. As the Board is aware, small general aviation aircraft are an important and historic use and we are pleased that the Board has made the commitment to preserving their strong presence at JWA.

After reviewing the Request for Proposals (RFP) packet for the selection of Fixed Base Operators, we are concerned that this RFP process will be completed behind closed doors, without community input. The RFP contains a restrictive confidentiality clause, which provides that "all documents submitted in connection with this RFP will remain confidential until final award of the Lease(s)." While we understand that JWA is owned and operated by the County of Orange (County), we strongly believe that JWA is a community asset that impacts all residents of Orange County. JWA plays a unique and critical role in the Orange County community and it is imperative that the public have an opportunity to review the RFP documents submitted and provide their input and feedback to the Board for consideration. As such, we request that the Board of Supervisors direct staff to

remove all provisions from the RFP that limit the public's right to view documents submitted in conjunction with this RFP.

In addition, we are concerned that the RFP document lacks the provisions necessary to ensure that the respondents are able to provide adequate facilities to support the same mix of small general aviation aircraft at JWA as exists today. We share the belief of our local, aviation-focused community organizations that individual hangar space, in specific size configurations, needs to be included in the project in order to serve the long-term storage needs of small general aviation.

Within the RFP, the County has set a Minimum Annual Rent¹ for the Northeast Full Service Fixed Base Operator (FBO) and Southwest Limited Service FBO, which is too high and unnecessarily limits those responding to the RFP. While the RFP does provide an incentive for T- hangars, tie-downs, and sunshades, by excluding these areas from the calculation of percentage rent, we believe that this "incentive" is insufficient to ensure the actual construction of these types of facilities and the construction of individual hangar space. To ensure flexibility, we request that the County modify the RFP to allow the respondents to propose an Annual Ground Rent and Annual Building Rent for the small general aviation uses that will allow the maximum number of individual hangers and tie-downs, sunshades and T-hangars.

The JWA stated goal of the GAIP is to enhance safe and secure operations; utilize limited land area efficiency; enhance compatibility between general aviation and commercial operations; and embrace flexibility to allow for market trends. The stated goal does not include maximizing revenues. Given that general aviation facilities have such a limited impact on JWA's overall revenues, it is critical that the RFP include additional incentives. While this may have a limited impact on revenues, it will make a significant difference toward maintaining facilities for light general aviation, and therefore, further the objectives of the GAIP and help to maintain the quality of life for the surrounding residents.

In addition, at its June 25 meeting, the Board restricted the hours of the General Aviation Facility (GAF) to 5 a.m. to 12 a.m. GAFs at other airports have much more restrictive hours because it is simply not

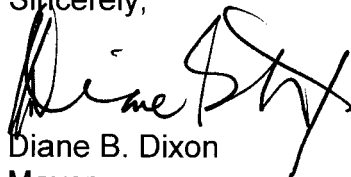
¹ The RFP for the for the Northeast Full Service Fixed Base Operator, which covers areas limited for small general aviation and mixed uses, sets an Annual Ground Rent of \$1.77 per square foot ("PSF") and Annual Building Rent of \$8.16 PSF. The Southwest Limited Service FBO, which covers areas for limited for small general aviation, an Annual Ground Rent of \$1.25 PSF and Annual Building Rent of \$2.53 PSF. Why there is a difference in Minimum Annual Rent for similar uses (i.e. small general aviation) is not explained in the staff report.

practical to have a GAF open 19 hours a day. Based thereon, we respectfully ask the Board of Supervisors to further limit the GAF hours in the RFP.

Finally, one of the requested actions in the RFP is to direct the Airport Director to empanel a qualified group of experts to score the responsiveness of proposals. Again, we greatly appreciate the efforts that the Board has taken to balance the GAIP with the concerns from the surrounding communities, and we ask that the Board continue these efforts throughout the entirety of the GAIP process. The City requests that this action item be modified to require the proposed panel be approved by the Board and to add a community member from Newport Beach be included on the panel. We believe that it's critical that all relevant parties are included in these discussions as we continue to work together to ensure that JWA remains a valuable resource for our county.

The City appreciates the work of the Board and is optimistic that these minor modifications will be included in the final RFP for Fixed Base Operators.

Sincerely,

A handwritten signature in black ink, appearing to read "Diane Dixon". The signature is stylized and cursive.

Diane B. Dixon
Mayor

cc: Barry Rondinella, Airport Director
Lee Lowrey, JWA Airport Commission