

From: Freda Berman, Public Works Director

Elizabeth Hull, City Attorney

Subject: Appointment of a Councilmember to Serve on the FBO Proposal Ad Hoc Committee

CEQA Determination: The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines,

§§ 15060, subd. (c)(2)-(3), 15378.

Date: March 5, 2024

#### **Facts**

- 1. A fixed based operator is a commercial business granted the right by the airport sponsor to operate on an airport and provide aeronautical services such as fueling, aircraft storage, tie-down and parking, aircraft rental, aircraft maintenance, flight instruction, and other related services.
- 2. Municipally owned airports with moderate to high traffic volume, such as the Paso Robles Airport (KPRB), typically utilize a private FBO company to provide these services to general aviation customers.
- 3. Since the early 1970's, KPRB has contracted for provision of Full Service FBO services to the flying public.
- 4. On April 14, 2023, the City released an RFP for FBO services at the airport. The City received two proposals for FBO Services, Loyd's Aviation and ACI Jet. Following the RFP submission deadline an evaluation review committee was formed to independently evaluate the proposals and eventually both responding firms were invited to an interview.
- 5. The interview committee recommended negotiating with both proposers in order to seek the best overall arrangement for the City, acknowledging a preference for Loyd's Aviation.
- 6. On December 19, 2023, the City Council and Airport Commission held a joint meeting to discuss the proposals and decided to appoint a committee of two council members and two airport commissioners to continue to review the proposals and requested additional information be collected by staff.
- 7. The Council appointed Mayor Hamon and Councilmember Gregory to serve on the Ad Hoc Committee from the Council and Commissioners Cook and Andros from the Airport Commission.
- 8. Mayor Hamon has subsequently indicated that, in light of his leasehold interests at the airport, he would prefer another Councilmember to serve on the FBO Ad Hoc Committee.

## **Options**

- 1. Take no action.
- 2. Appoint a different member of the Council to serve on the FBO Committee.
- 3. Provide alternative direction to staff.

#### **Analysis and Conclusions**

The selection of the FBO is one of the key decisions facing the City related to the airport. Mayor Hamon has expressed his desire for this process to move forward quickly to ensure the needs of the airport and the community are addressed. Mayor Hamon has long been a member of the aviation community in Paso Robles and currently has leasehold interests at the airport.

The City does not believe Mayor Hamon's leasehold interests create a conflict of interest under the Political Reform Act or other provisions of state law. To have a conflict it would need to be reasonably foreseeable that the FBO contract would have a material financial effect on Mayor Hamon's existing leasehold interest. At this time, it does not appear that would be the case, but out of an abundance of caution, we have requested additional guidance from the Fair Political Practices Commission on this issue. It is unknown at this time how long it will take for the FPPC to provide the requested guidance.

In order to move this important project forward expeditiously, Mr. Hamon has requested another Council member sit on the FBO Committee at this time.

## **Fiscal Impact**

There is no fiscal impact associated with this action.

# **CEQA**

The City finds that this action is not a project under the California Environmental Quality Act pursuant to State Guidelines Section State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378.

# **Recommendation (Option 2)**

Staff does not have a recommended member of the Council to serve on the FBO Proposal Ad Hoc Committee and is seeking direction from Council.