

Attachment 2

RESOLUTION 24-XXX

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES APPROVING A FULL SERVICE FIXED BASED OPERATOR LEASE AGREEMENT WITH LOYDS AVIATION

WHEREAS, a fixed based operator (FBO) 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; and

WHEREAS, after a lengthy public Request for Proposals process, Loyd's Aviation was selected by the City for negotiation to become the new FBO operator; and

WHEREAS, negotiations with Loyd's Aviation have concluded and all are prepared to enter into a lease agreement for Fixed Based Operator Service at Paso Robles Municipal Airport; and

WHEREAS, the main points of the lease agreement include:

- a. 5 year initial term with the opportunity for a 30 year extension upon performance of terminal construction (and contingent on continued performance) and 5 years option to extend at conclusion;
- b. Annual rent to be adjusted based on CPI for the previous 12 months and every 5 years to market rent based on the findings of a market rate adjustment study;
- c. At the end of the lease term (or any extension thereof) and at the City's option, the ownership of all improvements shall revert (transfer) to the City; and

WHEREAS, the City Council finds that this action is not a project under the California Environmental Quality Act pursuant to State CEQA Guidelines, §§ 15060, subd. (c)(2)-(3), 15378 because it has no potential to result in either a direct, or reasonably foreseeable indirect, physical change in the environment.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. All of the above recitals are true and correct and incorporated herein by reference.

Section 2. The City Council hereby approves the lease agreement with Loyd's Aviation for full service Fixed Based Operator services, subject to any minor, technical, or non-substantive changes as approved by the City Manager and City Attorney and subject to any minor insurance changes approved by the Risk Manager.

Section 3. This Resolution shall take effect on the date it is approved by the City Council.

APPROVED this 17th day of September, 2024, by the following vote:

AYES:

NOES:

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ABSENT:
ABSTAIN:

John R. Hamon, Jr., Mayor

ATTEST:

Melissa Boyer, City Clerk