



CITY OF

NEWPORT BEACH

City Council Staff Report

July 28, 2020
Agenda Item No. 17

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Evaluation of John Wayne Airport Fixed Base Operator Proposals

ABSTRACT:

The City Aviation Committee's General Aviation Improvement Program (GAIP) Ad Hoc reviewed and made findings related to the John Wayne Airport Fixed Based Operator proposals received by the County of Orange (County). The respondent's plans were evaluated according to how closely they align with the City's goals for the GAIP. The Aviation Committee will review those findings on July 27. City staff will inform the Council at its July 28 meeting of any changes or further recommendations made by the Aviation Committee.

RECOMMENDATION:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Review the Aviation Committee's recommendations related to proposals for the General Aviation Improvement Program and authorize the City Manager to notify the County of Orange of those proposals that are consistent with the City of Newport Beach's goals.

FUNDING REQUIREMENTS:

There is no fiscal impact related to this item.

DISCUSSION:

Background

The General Aviation Improvement Program (GAIP) is a County of Orange (County) project that will modernize the general aviation facilities at John Wayne Airport (JWA).

The City of Newport Beach (City) has closely followed the project from its earliest stages and has opposed any proposed project components that could eventually increase overflight noise and air quality impacts for city residents. Accordingly, the City has strongly advocated for the preservation of the current mix of light general aviation aircraft and general aviation jets at the airport. This position aligns with Council Policy A-17, which says the City will “support any plan or project that maintains, and oppose any plan or project that proposes any significant changes to, the existing level of general aviation operations, [or] the current level of general aviation support facilities . . .” at JWA. (See, Council Policy A-17, Section E, Subsection 4).

GAIP Approval Process

The Environmental Impact Report (EIR) for the GAIP analyzed the proposed project, three alternatives, and a no project option. The City supported and asked the Orange County Board of Supervisors (Board) to adopt the project alternative that it believed would preserve the presence of smaller general aviation aircraft at JWA and have the least impact on Newport Beach neighborhoods. County staff, however, recommended that the Board adopt a different project alternative, one that the City believed would reduce the storage capacity for the smaller, quieter general aviation aircraft and provide more storage space for the noisier general aviation jets. The City was concerned that this alternative could also lead to more itinerant general aviation jet operations. Newport Beach, local community groups, the So Cal Pilots, and surrounding communities opposed County staff’s recommendation.

The City asked the Board to:

1. Preserve the current balance of small planes and GA jets (the “GA mix”) at JWA.
2. Build the maximum number of individual hangars while preserving the current ratio of 40-, 50- and 60-foot hangars.
3. Move regularly scheduled commercial operations such as JetSuiteX to the airport’s main terminal.
4. Exclude the General Aviation Facility from the project.

The Board sought a compromise solution that combined elements of the County’s preferred plan and the protections for smaller general aviation that the City and others requested.

The Board ultimately approved a plan, adopted with the certification of the Environmental Impact Report in June 2019, that sets aside more than 34 acres, the majority of the space available for general aviation, for the smaller and quieter planes. The Board also included land use and lease restrictions on certain airport parcels to preserve these areas for smaller general aviation aircraft and limit the size of aircraft that can be stored on them for many years to come.

The approved plan includes two, full-service Fixed Base Operators (FBOs) and one new and one existing limited-service FBO. (FBOs are the private companies that provide services to the general aviation community.) The plan does include a General Aviation Facility - a space used for processing international general aviation passengers – but the County agreed to impose limits on its hours of operation. To help ensure the preservation of space for smaller general aviation aircraft, and with the additional restrictions, the City did not further argue against the inclusion of a limited-hours General Aviation Facility.

Fixed Base Operator Request for Proposals (RFP)

The next critical step in the GAIP's progression involves the selection of the full- and limited-service FBOs. The cities of Newport Beach and Costa Mesa, aviation-focused community groups and the So Cal Pilots asked the County to issue a detailed RFP to provide clear direction to potential proposers on the areas of particular concern to our community and others. In September 2019, the Board approved an RFP that included the land use restrictions it had adopted in June 2019, but the RFP lacked the specificity Newport Beach had requested in terms of the facilities that will ultimately be built under the GAIP. The County did, however, include a questionnaire in the RFP to elicit responses on areas of particular interest to the Newport Beach community, such as a respondent's proposed FBO hours of operation. The County also agreed to release certain aspects of the proposals received for public review at least 30 days in advance of when the Board would be asked to select the FBOs.

The City committed to and continued to advocate for Newport Beach's interests as the various private aviation firms prepared their responses to the County's RFP. This included meeting with a number of the potential respondents.

The County issued its RFP for the limited- and full-serve FBOs in the fall of 2019 and the responses were due in December 2019. After an initial review of the proposals, the County asked some of the respondents to amend their proposals to better align with aspects of the project EIR. The amendments were due in the spring of 2020. A County-appointed panel then reviewed and scored the proposals.

On July 9, the County released the evaluation panel's scores, each respondent's conceptual renderings/layouts, and each respondent's responses to the questionnaire that was included in the RFP.

Aviation Committee Review

The City Aviation Committee's GAIP Ad Hoc Committee was tasked with reviewing and evaluating the respondents' documents in terms of how well each respondent's plan aligns with the goals the City advanced for the GAIP. The Ad Hoc Committee also conducted question and answer sessions with each of the seven respondents. The Ad Hoc's findings, as relayed to the Aviation Committee, indicate whether or not key elements of each respondent's proposal comply with the City's goals. With the exception of one firm that proposes to operate regularly scheduled commercial service out of its FBO, the Ad Hoc found that all other proposals met or exceeded those goals.

More information about the Ad Hoc's review process and findings is included in the attached staff report for the July 27, 2020 Aviation Committee meeting. Due to the close timing of the Aviation Committee meeting and the July 28 City Council meeting, City staff will inform the Council at its meeting of any changes or further recommendations made by the Aviation Committee.

Next Steps

The Orange County Airport Commission is scheduled to consider the limited- and full-service FBO responses on August 5 and the Board of Supervisors is scheduled to consider the item on August 11. At the August 11 meeting, JWA staff will ask the Board to select a respondent for each available site. County staff will return to the Board once negotiations with the selected respondents are completed for the approval of the final leases.

City staff is recommending that the City Council authorize the City Manager to notify the County of Orange of the proposals the Aviation Committee found to be consistent with the City of Newport Beach's goals.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – July 27, 2020 Aviation Committee Staff Report