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

MINUTES OF REGULAR MEETING

August 5, 2020

COMMISSIONERS PRESENT: David Bailey, Bruce Junor, Lee Lowrey, Bert Ashland, John Clarey (via Phone)

COMMISSIONERS ABSENT: None

STAFF PRESENT: Barry Rondinella, Airport Director
Rick Francis, Assistant Airport Director
Carolyn Khouzam, Deputy County Counsel
Dave Pfeiffer, Deputy Airport Director, Business Development
Evanna Barbic, Administrative Manager, Business Development
Kellie Billante, Real Property Agent III, Business Development
Antonio Vega, Staff Assistant, Business Development
Martha McCool, Staff Assistant, Facilities Development
Evan Chanco, Staff Specialist, Finance Administration
Alex Ng, IT Systems Tech II, Operations
Aida Lopez, ASR Manager, Finance Administration

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

PLEDGE OF ALLEGIANCE: Commissioner Ashland led the assembly in the Pledge of Allegiance.

1. **APPROVAL OF MINUTES:** On Vice Chair Junor's motion and Commissioner Bailey's second, the Regular Meeting minutes of July 15, 2020, were approved as written.
2. **SELECTION OF FIXED BASE OPERATORS FOR NEGOTIATION OF LEASE TERMS (ASR 20-000619)** Airport Director Barry Rondinella provided the Commission with a presentation which summarized the Request for Proposal (RFP) timeline, proposals received, Addendum 16, the RFP scores, public release of documents and the land use requirement.

A total of 101 public comments were received via email and read into the record by Airport Director Barry Rondinella and Deputy County Counsel Carolyn Khouzam. Of the 101 public comments received, 59 were identical, so only one comment was read.

Thirty-three speakers attended the meeting and commented on this item. Their names and a summary of their comments are listed below:

- Diane Dixon, Newport Beach Councilwoman, stated that the City of Newport Beach desires two outcomes from the County's Fixed Base Operator (FBO) selection process: 1) that FBOs respect and protect the community surrounding the airport for the entirety of their leases with the County and 2) the long-term preservation of small general aviation (GA) at John Wayne Airport (JWA). The City of Newport Beach believes these outcomes can easily be accomplished. The city reviewed the FBOs plans and most of the proposed facilities will be significant upgrades to what exists for GA today; however, it's how the FBOs will manage those facilities that matter to Newport Beach as their operations would lead to increased noise and air quality impacts for the city and beyond. The city's concerns would be greatly reduced with the selection of FBOs that have already demonstrated a commitment to good neighbors for the long haul. Councilwoman Dixon urged the Commission to 1) select providers that would not include a General Aviation

Facility (GAF) in their plans and 2) select providers that have already committed to limiting their hours of operations. The city believes that the plans proposed by ACI Jet (ACI) Atlantic Aviation, Clay Lacy Aviation, Jet Aviation, American Aircraft and Jay's Aircraft Maintenance (Jay's) have complied with the city's stated goals. Equally important to choosing the right FBO is to lock in the community protections that the respondents proposed and the direction the Board of Supervisors (Board) has provided. To that end, the leases must include the following terms and conditions. The language that is contained in the model lease that reflects the Board's decision to preserve more than 34 acres at the airport for the parking and storage of small GA aircraft. This is the area depicted in green on the map proposed by Supervisor Steel and approved by the Board. The model lease also states that any modification to the parking areas depicted on that map shall not increase the acreage allotted for mixed-use or the area shown in yellow that would be used by larger GA aircraft. Councilwoman Dixon asked the Commission to ensure that that language is in the final lease document and to eliminate the ability of any lessee to construct and operate a GAF as doing so would significantly reduce the amount of community opposition to this project. If the County does not eliminate it, then restrict the GAF hours to 8:00 am to 10:00 pm at a minimum and build out the area set aside for GA in a manner that preserves the current ratio of 40-, 50- and 60-foot hangars. Finally, the City of Newport Beach has long held the position that commercial service belongs in the airport's main terminal, not at an FBO. A clause in the leases prohibiting an FBO from offering commercial service would underscore the County's commitment to keeping this area of the airport solely for use by GA. Tonight, the Commission will hear or may have already heard the concerns and ideas of local aviation focus community groups. Their collective voices reinforce their shared commitment to preserving the strong presence of small GA at JWA and ensuring the long-term protections for their community. The terms and conditions that Councilwoman Dixon presented for inclusion in the final approved leases will clearly demonstrate the County's and the operators' absolute commitment to being good neighbors so that everyone can move forward in the agreement with confidence.

- Nancy Scarbrough, Newport Beach resident, stated that she does not live directly under the flight path for take-off or landing but is deeply concerned about the increase in jets over the skies of the neighborhoods, residential neighborhoods that would result from the General Aviation Improvement Program. Changes to the existing mix of small aircraft and larger jets would be detrimental to the quality of life, air quality, water quality as well as the property values to the many areas of Orange County (OC), not just Newport Beach. The Board responding to a huge public outcry on this issue, agreed to place limitations on the areas for small jets and large planes. This directive needs to be honored and the language should be inserted into the leases of the successful bidders to ensure that this promise is maintained to the public.
- Charles Klobe, Newport Beach resident, thanked Airport Director Barry Rondinella for reading the public comment letters. Mr. Klobe stated that it helps demonstrate the interest and the commitment on the part of the residents and the stakeholders. Mr. Klobe stated that he heard that the green/yellow is being honored and it strikes him that there is an optics problem here because if it were truly being honored that would be easy to explain and there would not be 100 letters and people here wanting to speak. Mr. Klobe is aware that in Addendum 16, which was not publicized, the amount of hangar space was reduced and while it is still green that is open space and the fear on the part of the public is that it can be converted to jet parking spaces. So, if there is a way to commit verbally at least that the intent is to commit in the lease in some way legally to what was directed by the Board that would allay a great deal of the resident's concerns. Mr. Klobe stated that everyone is aware that the Commission is an advisory body and probably has no choice tonight but to vote for what Barry is proposing because the Board is going to hear it on the August 11 regardless of whether the Commission approves it, conditions it or anything, but anything that the Commission can do to recommend to the Board and let them know that this is how the public feels would be appreciated. Mr. Klobe thanked the Commission for their service.
- Mel Beale, Newport Beach resident and President of the Airport Working Group, thanked the Commission for its time. Mr. Beale stated that he appreciates what Barry said at the standpoint of the protection of the yellow and the green areas within the documentation. However, the balance

of how you do the build-outs as far as hangars; fixed spaces can be modified over time. If you go back to Environmental Impact Report (EIR) 627 where the populations of aircraft by size type and then going back and rebids done by the FBO bidders, it puts into play a lot smaller population that would be housed and open that green area up to potential future different uses and that is a concern. Mr. Beale is concerned about the flexibility that puts on a 35-year lease. Mr. Beale has worked in the FBO business as a director of finance for a large FBO and knows that money is made off jets. So, five years from now, these FBO operators decide to sell, or turn over to a different owner, who have a different feel, different Board members and a different group of Commissioners, he doesn't know what might happen to these iron-clad leases. So, what Mr. Beale wants are the three things that have been mentioned before, within the lease going forward: 1) adding the terms which is a total restatement of the intent of the Board from the yellow and green space to manage those smaller aircraft that are below 49 feet and 12,500 pounds and the 40-foot hangar population; 2) elimination of the GAF, and 3) consistent FBO operating hours. GA can fly 24 hours; however, the more ability they have to get services, in the middle of the night, the likely that there will be more operations to park so having a limit on those kinds of facilities.

- George Dom, Santa Ana resident, commercial airline transport pilot and Chief Operating Officer of ACI, stated that ACI has four core values, integrity, safety, perseverance, and service, and ACI demonstrates its commitment to all four on a daily basis, but he would like to highlight the first one, Integrity. Integrity means keeping its promise and commitment, fulfilling its responsibilities and in short, walking their talk. ACI has walked its talk over the past three years. At the stroke of midnight, on March 31, 2017, ACI was left with a pile of keys on a table and a facility in shambles. ACI opened its doors for business right on time at 5:00 am and it has not looked back. ACI delivered on its promise for the light aircraft GA community, and currently serves more than 90% of light aircraft at JWA. ACI's commitment to lower fuel prices has resulted in a 300% increase in avgas sales and ACI was lauded nationally by AOPA as responsible for the California comeback of GA. During the RFP process, everyone heard some impressive ideas from each of the applicants, but even the best companies invariably face challenges or suffer an unexpected surprise. The relevant question is which company can people depend on to do the right thing when there is an issue. ACI strives mightily every day to operate to the highest standards but when there is an unexpected challenge; its record shows that it will take responsibility to solve whatever problem arises while putting the best interests of the airport and the OC GA community first. The last three years have effectively been an extended interview for this RFP, a demonstration of ACI's character, integrity and professionalism. A company you can count on to deliver on its promises. ACI does not want to be the biggest; it strives to be the best.
- Kyle Cassidy, Director of Operations for ACI, member of FBO development team and resident of Irvine stated that as someone who shares a stake in ACI's success at JWA, he is here to provide a glimpse into the proposal details that are worth noting to make the Commission's decision a lot easier. Everyone will recognize this as the quality-proposed facilities of the evaluation categories in which ACI received the top score for the northeast parcel. ACI's proposed development includes design elements inspired by Irvine's the Boardwalk and other uniquely designed Southern California esthetics which integrate light and green space into its design. Additionally, ACI's proposed development is exclusively new construction. The old very dated "T" hangars that are in need of modernization are slated for replacement per its submitted drawings. ACI is the only respondent for the northeast parcel that features 100% new construction for both business jet facilities and light GA. ACI believes both are equally important. Another exclusive element in its proposal is the addition of a self-serve fuel farm that will improve safety by dramatically reducing runway crossings and possible occurrences at JWA. The self-serve fuel farm will also further drive down the price of avgas below the already historic lows that ACI brought to JWA. On the topic of hangars, ACI complies with all EIR requirements put forth in the RFP falling within the maximum number allowed for the northeast parcel.
- Nathan Ross, Chief Financial Officer for ACI, licensed private pilot and an aviation enthusiast, stated that he is here to provide clarity on a few areas of interest regarding ACI's proposed

development and to elaborate on some key differences ACI believes will have a significant and lasting effect on JWA. Per staff review, ACI scored highest in regard to its proposals of projected tax revenue with the County of Orange and should come as no surprise as ACI has generated more annual revenue to OC than both FBOs had in all years prior, including more than 2.7 million dollars in additional revenue from land leases and fuel fees. ACI Jet also scored highest in its proposals five-year business and management plan and also ranked highest in terms of quality of its proposed facilities, phasing plan and proposed development. ACI also identified a clear path for funding the entire project without the need for any additional debt whatsoever. ACI has been down this road with JWA before and it has always proven its ability to deliver on these promises. Perhaps the most notable difference between ACI and the other respondents is in its history of providing service to light GA aircraft with two-thirds of the eastside FBO being dedicated to light GA aircraft. ACI is the only respondent that has a documented history of providing service to this largest group of customers at JWA.

- Whitney Schultz, Safety and Compliance Manager for ACI, private pilot and aviation enthusiast stated that she is here today representing a company that does not just say that it values safety but invests significantly in it. One of ACI's four branded promises validates this, safety from technology. ACI's safety and quality managements system demonstrates to capture critical customer service and safety issues, cycle its management services for analysis, and modifies its training and procedures to proven or mitigate occurrence. Because of its extensive reporting analysis resources already in place, ACI recently became the first FBO in OC to achieve its Boss certification that is an international standard for safety and a marker of an FBO that lives the culture of safety. ACI has proven time and time again that it cares about the safety of both its customers and its employees. Last week ACI offered COVID-19 testing to all of its OC employees and their family members. ACI ran the risk of identifying critical team members to testing positive that could have led to reduced staff but it made that move to further prevent and spread to protect its customers and employees.
- Avriel Tomaiko, Director of Client Relations for ACI, born and raised OC resident stated that ACI's commitment to the communities in which it serves is really at its core and mission statement to help people, businesses and communities to reach their full aviation potential and also in its brand promise, built by Californians committed to California. The largest single user of JWA facilities is GA. This includes light aircraft, student pilots and many others who call OC their home. ACI has worked tirelessly to become the number one FBO in the country by investing and revitalizing its facilities, building strong relationships with local businesses and political leaders and hosting countless events in its lobby at no cost to serve its community. Each year ACI makes Holidays a special treat for its friends on and off the airport (Santa visits, Fourth of July BBQs, providing In-N-Out to numerous employees during the shutdown, and supporting local community events.) Everyone can find complimentary conference rooms, snacks, drinks, renovated restrooms, facilities, massages, happy hour and lower fuel prices. Every single customer that flies into ACI, whether it is a big or a small plane, is treated like a VIP. ACI is not just a good neighbor to JWA but a valued and integral partner to the County. Ms. Tomaiko thanked the Commission for its time and attention.
- Bill Borgsmiller, Founder and CEO of ACI, stated that ACI is a 22-year-old, California-based committed company with just over 200 employees. Mr. Borgsmiller's educational background includes a degree in Aeronautical Science from Embry Riddle University and he is a graduate of Harvard Business School's general management program. Mr. Borgsmiller also holds an airline transport pilot license with type ratings in multiple jet aircraft as well as a cplane and helicopter rating. He is also a certified flight instructor and a Federal Aviation Administration (FAA) licensed AMP mechanic. Of greater importance than Mr. Borgsmiller's credentials is the fact that many of these credentials are not uncommon at ACI and are particularly prevalent in its leadership team, a brand promise that is often expressed with the phrase "aviators doing aviation". In the context of the RFP, Mr. Borgsmiller believes it gives everyone the unique perspective to fully understand the mixed uses contemplated on the northeast parcel and to deliver top-notch service to all users in both the green and yellow spaces regardless of aircraft type or size. With two-thirds of the

northeast parcel being allocated to light GA, the need for a deep and broad understanding of all operators, both big and small, cannot be overstated. In looking at ACI's 22-year history, everyone will find that it is the only proposal in this entire process with a deep commitment to light aircraft. A commitment that is demonstrated at this airport over the past three years and which has had a profound and positive impact on the local aviation community that he has seen and his customers have felt. The success of its approach is self-evident in the fact that ACI captures over 90% of all light aircraft market at JWA. A clear signal from light aircraft operators that ACI is the only full-service FBO that should be considered for the northeast parcel. Mr. Borgsmiller thanked everyone for their time.

- Steve Hirschfeld, Vice President of Operations for Atlantic Aviation (Atlantic) for the West Coast, stated that he and his family live in Newport Beach. He manages several Atlantic officials in several states, including ten here in the State of California. Atlantic appreciates the opportunity to respond to the County's RFP to design and develop and upgrade the facilities at SNA. Atlantic submitted a proposal to develop a state-of-the-art facility on the northwest side of the airport and is honored that Atlantic's proposal received the highest scores of all proposals submitted for either side. Not only did Atlantic achieve the highest overall score, but it also had the highest score in each of the six categories that were outlined in the RFP. As an industry leader in GA, Atlantic is proud to be the only national FBO at JWA. Just as JWA has been consistently ranked as one of the best airports in the country, Atlantic has consistently ranked amongst the best FBOs in the country by its peers and customers through flight plans and annual pilots' choice awards. Atlantic is the only FBO at SNA to receive this prestigious award. As an executive at Atlantic, Mr. Hirschfeld believes Atlantic's strength and success are due to a large part in relationships that it not only builds with its customers but with the communities it operates. This is something Atlantic never takes for granted and every day it examines additional ways to better serve its customers and serve the community. As a resident of Newport Beach, Mr. Hirschfeld is keenly aware of the issues that arise from living near the airport. He assures the Commissioners that Atlantic takes the comments and thoughts of the community seriously and that is why every day Atlantic works to be the best neighbor it can be in OC. In order to help address these concerns, Atlantic prepared its proposals so they either met or exceeded every requirement or constraint set forth by the EIR including a permissible mix of aircraft. In addition, Atlantic has established a Fly Neighborly program as part of its proposal. The program includes pilot awareness training regarding the requirements and guidance protocols established to help local concerns. Mr. Hirschfeld would like to leave everyone with these assurances; Atlantic will continue to be the safest and the best-trained staff at JWA. Atlantic will always be supportive of small, medium or large plane owners and operators at JWA. Atlantic will develop a state-of-the-art FBO that will achieve the highest standards this Commission and community are entitled to receive. Atlantic will always work with its neighbors to look for ways to enhance its quality of life for the residents of OC.
- Jay Mason, airline transport rated pilot and flight instructor at JWA, stated that he grew up in OC and has been instructing here since 1993. Mr. Mason is here on behalf of ACI. Mr. Mason first encountered ACI at the San Luis Obispo facility. He has used ACI with his own two airplanes that he has owned at both the San Luis Obispo and Paso Robles facilities. ACI has been great for him and ACI has been great for all flight schools here. ACI has transformed the airport. The fuel issue has been mentioned before with the previous FBO and ACI has improved the whole situation on the airport. ACI cares about GA and no matter what size aircraft comes in, no matter who the passengers are; ACI really takes good care of everybody out on the airport. Mr. Mason cannot say enough good things about ACI and would really appreciate it that ACI is kept on this airport.
- Dr. Ralph Cummings, Senior Aviation Medical Examiner designated by the FAA to certify the medical qualifications of pilots flying into civil airspace stated that he holds commercial instrument and multi engine certificates and flies regularly in OC every week. Professionally, he issues about 1,500 certificates a year to pilots primarily that fly out of JWA. The GA pilots make up a very large percentage of his pilot clientele. Although JWA is an extremely convenient location, in the past, it was not a particularly GA friendly location. Particularly, you have heard about fuel prices. They

were astronomical; hangars seemed to be corruptly administered and were just largely not available. When Dr. Cummings began flying at JWA, there was a huge collection of aircraft on the north end. Since then, the numbers have dwindled as pilots sought refuge from high fuel prices and traveled to other airports in the area for gas and services. All of that changed three years ago when ACI was successful in obtaining the FBO lease on the Campus Drive side of the airport. On ACI's first day of operations, the fuel prices dropped by \$2.00 a gallon and suddenly there was moderately plucked price fuel at our local airport. Shortly after that, ACI invested an enormous amount of money in renovating the FBO facility and produced a beautiful facility that is very welcoming and well-staffed for both business jets and small aviation. He now has three years of experience with ACI. The Commission has heard wonderful reports tonight and he doesn't need to repeat them all but wants to say that he agrees with all of them. ACI has been a wonderful FBO. Dr. Cummings has seen ACI's plans and video and it will be beautiful and urges full development of that entire project as soon as possible. Dr. Cummings made a final comment regarding the partial FBO plans for aircraft maintenance. For the past 40 years, Jay's has been the gold standard at this airport for small airplane maintenance. The opinion of Dr. Cummings' and his GA aircraft owners is that if the airport were to lose Jay's, it would be a tremendous loss. He would be again looking for maintenance and services in prices at other airports and that would be a shame. Dr. Cummings would like ACI and Jay's to remain at this airport in their present absolutely critical positions.

- Nathen Steiger, General Manager of ACI OC, stated that he has been in aviation for 19 years and has done everything from being an airline ticket agent, to a ramper, to a professional pilot and FBO management and believes that the 35-year extension should be awarded to ACI because of Bill Borgsmiller and the team that he has put in place to run the facility. In the interest of time, Mr. Steiger will make his comments very brief, because most of what he will cover has already been said with kind letters and support from several people at the podium. Bill Borgsmiller is the hardest working CEO that Mr. Steiger has ever met. Mr. Borgsmiller has put a team around him, a leadership group that bleeds right into ACI's operational culture at OC. ACI's customer service level goes beyond the highest doubts. ACI has groomed customers' dogs, smogged customers' cars, dropped off luggage and has done everything to support small and light GA, as proven in the ability with its fuel pricing and the fact that one can come and have an overnight for \$25 dollars a night. Whether one is a large aircraft, a small aircraft, no matter the size of one's fuel tank, everyone is treated the same and that is the mission that ACI puts upon itself with its customer service. ACI has also built a great relationship with the airport, he, Barry, Evanna, David, Jeff Rountree, and airside operations. ACI is fully ATA 103. ACI is capable of servicing any airline if needed or called upon or retracting any aircraft that might be on the runway. In partnership with the airport for the next 35 years, Mr. Steiger hopes to build and continue the relationship with airport staff. Mr. Steiger relinquished some of his time to speak to the next speakers. Mr. Steiger honestly and sincerely hopes to be here for the next 35 years.
- Wayne Hankins, owner and operator of Pacific Flight Aviation (Pacific), stated that his growing operation provides flight instruction and GA aircraft rentals and is here to support ACI for its excellent service. Mr. Hankins stated that one of the challenges he faces of his flight school is aircraft refueling and fueling costs. Keeping fuel costs low allows Pacific to provide a better price to its students, which is very important to him. Without ACI's excellent service, the impact to Pacific's students would be shorter flight lessons that would extend the time students require to obtain their pilot's license. When ACI came here, three years ago, its commitment was lower fuel costs and excellent service and support for the GA community. ACI has followed through with its commitment and Mr. Hankins has no doubt that ACI will continue to do so in the future. As a pilot, certified flight instructor and a resident of Newport Beach, Mr. Hankins recommends that the FBO operations at ACI and the eastside be awarded to ACI. Mr. Hankins would like to point out the same thing Dr. Cummings pointed out about Jay's who has been here forever. They all depend on Jay's and would like to see its continued support as well. Mr. Hankins thanked everyone for their time.

- Jay Steffenhagen, flight instructor at JWA and small airplane owner, stated that for seven years, he operated a twin engine Cessna and another single engine airplane and did not buy one gallon of gas at JWA. He would go to Chino or Corona because of the high fuel prices but now that ACI is here, he buys gas here. ACI has been a great addition to this airport and has fundamentally changed it. Mr. Steffenhagen stated that he is not going to go over all of the other points that others have made but they are all really true. Mr. Steffenhagen stated that he wanted to bring up a subject that he has not heard mentioned and is critically important for the success and nurturing of small airplanes at the airport. Part 43 authorizes aircraft owners to perform 31 different maintenance operations, and three key benefits to owners here is the timely and immediate repair of simple items. Jay's does a great job for service providers here at the airport but they are very busy. The contracts with the operators must allow owners to perform FAA authorized preventative maintenance in their own tie-down spots or hangars. Secondly, Mr. Steffenhagen believes rules need to be established that allow owners to hire independent mechanics to perform maintenance in their hangars or tie down spots, as is the case today. There are several independents here at the airfield right now. Any prohibition would disadvantage small owner's maintenance choices. This will result in easier scheduling and allow owners to work with supervision as authorized by the FAA and again provide more knowledgeable pilots as well as savings. In summary, Mr. Steffenhagen likes ACI and would like the Commission to vote for them and to think about some of the aspects of owner maintenance that should be included so that an operator in the field who is in charge of the space cannot outlaw the activity.
- Ally Monje stated that she works for ACI in its charter sales department, is a licensed dispatcher for ACI and has been with ACI for 12 years. In the interest of time, and because there is so much support, with all the letters, Ms. Monje forfeited her time to speak.
- Dave Jensen, Senior Vice President of Aircraft Maintenance at ACI, stated that he is here to express support for ACI's continued operations at SNA because of the support that ACI delivers to pilots and aircraft owners with unscheduled maintenance or AOG out of its FBO. Of the 18,000 hours of maintenance that ACI performs out of its FBOs at SNA, there is an experience from 2018 that really stands out as one of the more memorable moments that he wants to share with everyone. A family landed their Bonanza after a flight from their home in Colorado and blew a tire on landing. They were flying in with their children for a day at Disneyland. Stuck on the taxiway, and still shaken up from the landing, they thought for sure they were going to have to cancel their Disneyland adventure and focus on getting the aircraft off the taxiway and repaired. ACI's AOG team took the call and met the family at the aircraft and exchanged information. The AOG team told the family to enjoy their day and that they would take care of it. This is the level of service that ACI provides. ACI did not receive revenue from that incident. Change at this airport was long overdue and ACI is the only FBO with a proven track record of treating every OC customer as a VIP.
- Kurt Belcher, President and CEO of STA Jets (STA) and head of a coalition of aviation companies, stated that there are four things that he wants to bring up tonight. There are four words that dawned on him and he wrote them down community, loyalty, integrity and legacy. Mr. Belcher was born and raised in OC, was a flight instructor, is a pilot here in OC and now owns an aviation company here in OC and is one of the largest companies here in OC based on this field. Being a part of the community, Mr. Belcher has also existed here, he has grown and raised up many of the people that have called. He grew up in their homes. He grew up here under the noise. He has met with a lot of these people and talked about noise abatement and how to be a better neighbor and a better community aviation enthusiast. Mr. Belcher also brought up loyalty, he has stood here before when he was at home with Signature. He stayed here and was loyal to Signature, it was his home. When ACI showed up to a bunch of keys and a shambled FBO, ACI saw his airplanes taking off and moving down to Atlantic. Atlantic supported STA with open arms and welcomed them during that time. Mr. Belcher supports both, Atlantic and ACI. Everything that ACI said that it would do coming on this airport comes back to integrity. ACI earned STA's business back and to this day STA splits the majority of its business between ACI and Atlantic, which also brings two very big important parts of this. The narrative that this airport also had was

one nationwide FBO. The importance of having a company like Atlantic provides a national, multinational kind of FBO that every successful airport has in the world and in the US. He does not know of any large airport that does not have a nationally, multinational FBO. Lastly, legacy, what is legacy? What are we leaving to our children as parents? What do our grandparents inherit? What does this airport inherit as a legacy? If the airport had its way, it would probably be called Eddie Martin Field. Martin Aviation was a big part of this. Mr. Belcher's wedding was held at the Lyon Air Museum. A lot of legacy to pass on here. Local businesses are here surrounded by its community and bringing another large FBO pushes out businesses and destroys the foundation of this airport.

- Randy Berg, private pilot whose plane is based at ACI, stated that he is here to strongly endorse ACI's application for the northeast FBO redevelopment plan. As a private pilot who has flown under the structure of the two prior FBOs, Mr. Berg understands what it is like to be held hostage to non-competitive FBOs. With ACI's arrival at the field, GA ended up getting a friend, some ownership and an FBO who understands the importance of aviation and for that, he is grateful for ACI's existence on the field. Mr. Berg needs people to understand that private aviation is uniquely American and in order for GA to thrive, independent FBOs like ACI are important to the success of GA and with that said, Mr. Berg would like to ask the Commission and ultimately the Board to issue the FBO grant to ACI in continuous support of GA.
- Kenny Alamazon, Hospitality and Experience Trainer at ACI SNA, stated that in respect to everyone's time and all of the supporting letters, he forfeited his comments and thanked everyone for their time.
- Annie Akmakjan, stated that she is with Orange County Flight Center, a flight school at JWA, and has been here for 35 years and has seen FBOs come and go but nothing like ACI. Ms. Akmakjan feels that ACI lifted the spirit of light GA by its support. ACI supported them by reducing its fuel prices and employed a lot of their younger students to achieve their aviation goals. ACI also welcomed them into its facility and made them feel like family. Most importantly, ACI cares about light GA. Ms. Akmakjan stated she has customers that land at ACI and their comments are always "wow, what a service, ACI treated us like we landed a Gulfstream even though we were in a little Cessna 172." For all of these reasons, Orange County Flight Center fully supports ACI to be awarded the eastside FBO.
- Jim Mosher, Newport Beach resident, stated that the Commission and the Board need to make a decision based on just the scores and not the proposals themselves. It seems important that the Commission know something about the people who assigned those scores and how they did that. If not their names, Mr. Mosher believes that the Commission would want to know the qualifications and experience of the evaluators and the possible biases of Numbers 1, 2, 3, 4 and 5 that are seen on the scoring sheets and what it was about the proposals that caused the evaluators to assign the scores they did. Mr. Mosher does not know if JWA staff has any background information on the evaluators, but assumes they do or about anything that prompted an unusually high or low score, which there were some, but Mr. Mosher hopes that that information will be made available to the public before this process gets to the Board next week.
- Scott Cutshall, Vice President of Clay Lacy Aviation (Clay Lacy), stated that he is an OC native, current resident of Yorba Linda and a life-long aviator of this airport. Mr. Cutshall's father was a flight instructor here in the 70's working for Air Cal and he has many memories standing on Delany's balcony watching him taxi up. For that reason, Mr. Cutshall was delighted to lead his team in assembling the proposal that was presented to the County of Orange. For the past 20 years, Mr. Cutshall has maintained an office at this airport. Before Clay Lacy drafted its proposal, the first thing it wanted to do was to truly understand the unique environment that OC exists and that involved speaking with the community on a regular and frequent basis. Many features of Clay Lacy's proposal incorporated direct feedback that it received in speaking with those community members. Ultimately, Clay Lacy's hope is that it is selected and that its proposal will contribute to a vibrant GA community supporting a variety of aircraft of all sizes and all models. Clay Lacy

looks forward to being a loyal member of the community and giving back to the community in which it operates. Mr. Cutshall thanked everyone for their time.

- David Lamb, Chief Operating Officer for Clay Lacy, stated that he is a San Clemente resident since 1981. Before he got to Clay Lacy, he had executive leadership roles with Gulfstream Aerospace and Dassault Falcon, two of the biggest OEMs in the world. Clay Lacy is truly a full-service aviation business from its FBO services to its charter business. It has a professional aircraft management business and a maintenance business that provides manufacturing repair and overhaul services to a wide range of business jets. As the chief operating officer of a company that has provided these services for over 52 years, Mr. Lamb knows what it takes to run a successful aviation business. It takes operators who are willing to embrace working with the community, working with its competitors and with the airport authorities, whether it be this Commission or the airport authority. Clay Lacy has done this for over five decades. Clay Lacy maintains the highest levels of safety ratings and award-winning customer services. Clay Lacy promises to provide those services to the FBO here at JWA. Clay Lacy is grateful for the opportunity and looks forward to a long-lasting relationship with both the County and the community.
- Brian Kirkdofler, CEO and Owner of Clay Lacy Aviation, and a 31-year employee of the company stated that the company was founded by Clay Lacy, who stands today at 88 years old and has the highest time and most awarded pilot in the history of aviation. Mr. Kirkdofler was very fortunate to learn to fly from Clay Lacy. Mr. Kirkdofler was soloed by Clay Lacy at 16 years old and in 1990, Clay Lacy hired Mr. Kirkdofler when he completed business school to be a leer jet co-pilot. Back then at Clay Lacy, a leer jet co-pilot meant that you did anything that anyone said. He washed airplanes, hangar floors, he did whatever. There were 23 employees then. Mr. Kirkdofler started from the ground up and 23 years later under Clay Lacy's leadership, tutelage and mentorship, was fortunate to buy the company and now take it to the next level. Clay Lacy taught Mr. Kirkdofler to be a great pilot and has 10,000 hours and several world records. More importantly, Clay Lacy taught him how to be a servant leader, how to listen, and how to thoughtfully and graciously give back to the airports that he serves and to the over 500 employees that he now has and to the communities in which he serves and that serve him. Clay Lacy has given hundreds of scholarships. It is a big program in its company to the next generation of aviation professionals and many of them have been hired by Clay Lacy. Orange Coast College has quite a few locally. Clay Lacy Aviation brings to JWA 53 years of what Mr. Kirkdofler considers a young company. Clay Lacy is independent, privately owned, focused and passionate about only one thing that is aviation excellence. It provides award-winning service with an iconic internationally renowned brand. If given the option, given the choice, and chosen, Clay Lacy will build the finest, full-serve FBO in the country here at JWA.
- Lloyd Douglass stated that due to the great interest of the number of people wanting to address the Commission, he passed his time to the next speaker.
- Libby Mintz, Director of Business Development for ACI Jet, stated that she has been in aviation for over 30 years. Prior to joining ACI, Ms. Mintz was the head of business development for VIP Aircraft. Ms. Mintz is here today because ACI has created this beautiful and functional workspace for doing aviation business in OC. The plans ACI proposes are to take this success and build upon it. It is not just the look but it's the way it makes you feel. Ms. Mintz's customers who own aircraft of various sizes are seeking a boutique experience with an elegant cabin interior design and superior services. Everyone is affected by this space. It is a beautiful space that hosts luxury events and nonprofit events. It's an ultra-modern design and boasts amenities not only for the flyers but also for any visitors to the FBO and its workspaces. This helps her to do her job and makes it much easier. Everyone has heard a lot of people talk about the "wow" factor. This is what Ms. Mintz hears explicitly from her customers when meeting at the Santa Ana workspace. She sees it all the time, ACI customers feel it and the change at the airport was long overdue and ACI is the only FBO with the proven track record of treating every OC customer like a VIP.

- Craig Ryan, Southern California Pilots member, stated that Southern California Pilots' letters of endorsement for ACI on the eastside and Clay Lacy on the west side were previously read. Mr. Ryan would like everyone to remember the fuel prices. He stated that he never bought fuel here because the fuel prices here were \$3.00 a gallon higher. Two companies, Signature and Atlantic, did this. They are nationwide FBOs and do not care about the little guys. They are jet companies. Clay Lacy's owner is here so I endorse Clay Lacy on the west side and on the eastside ACI. Addendum 16 was a shock to everyone and there has been a lot of talk about Addendum 16, but clearly, the community did not understand that the proposed project was the only one that met the standards of the EIR, which is evidenced by all of the money that was spent by the FBOs with all of their other proposals. In December, when the proposals were submitted, matching the green area, they were building out the east side. There was a lot more hangars. The proposed project eliminates 193 airplane spaces in this airport and leaves many green areas open. With their excess tie-downs, you have empty tie-downs now; the demand is for hangars. There are almost 300 people on the hangar waiting list. They have been waiting for 20 years. Therefore, we need hangars. We do not need more tie-down areas. There is another problem with the definition. The FAA defines small light GA under 49-foot wingspan and under 12,500 pounds. When you state under 49 feet or 12,500 pounds, that means that an airplane that weighs a lot more than 12,500 pounds and under 49 feet can go in the green area. That is a big jet. That is one of the problems. That is why the community wants the build-out of the green areas with the hangar ratios of 50-, 60-foot hangars that match the current ratios. The FBOs are willing to do that and Mr. Ryan understands that there is a problem with the EIR but the FBOs are willing to do the additional work on the EIR to get the approval without the hangars. Mr. Ryan is asking to add the lease language that the Southern California Pilots suggest in its letter.
- Lorian Petry, Corona Del Mar resident, states that she submitted a letter to be distributed to the Commission, but instead, it was read as a public comment. Her questions of the Commission are of its role as advisors to the Supervisors. There has been a lot of talk tonight about caring and ACI is a very caring company. Ms. Petry believes the Commissioners are all caring people. The people who came to this meeting tonight are very caring about their community, about their homes, and the lives that they lead here under this airport. The people who live in Anaheim Hills through Tustin, Orange through Costa Mesa and Newport Beach and Laguna Beach are going to be impacted by how the Commission advises the Supervisors. Ms. Petry takes the Commission's role very seriously and knows that the Commission gets most of its information from airport staff. Ms. Petry asked the Commission to rely on what it has heard tonight, rely on the people who have come to express their real concerns. Ratios need to be maintained, and contracts need to be tight and binding, irrevocable. It is a long period, and it will make a huge difference in what happens in a large swamp of land and to the people who live there. Take your roles very seriously.
- Andrew Smith, Owner of AVPAC Insurance, thanked the Commission for hearing his comments in support of ACI's effort to continue operating the northeast, full-service FBO. For the last 29 years, Mr. Smith has been an airport FBO tenant in three different roles. He also lives under the departure path of Runway 20R. Mr. Smith has also served on the Board of Directors of both the Airport Working Group and the local chapter of the Southern California Pilots in the past and is the Chief Financial Officer of the Newport Beach Chamber of Commerce. His day job is selling aviation insurance. His firm sells hundreds of policies to aviation clients in 25 states, of which several dozen are here at the airport. They range from light piston GA aircraft to corporate jets and aviation service providers. Since the wise decision by the Board in 2017, the change has been nothing short of amazing. Please don't change what is working perfectly. ACI has delivered three years of success in every measure and is clearly the right choice to continue operating the east side parcel. Mr. Smith thanked the Commission for listening to the airport community.
- Julie Johnson, Co-President of AirFair a community group, stated that AirFair has done a lot of work here and it tries to do the right things for the community. Ms. Johnson believes that it is strange that everyone is in this position today because one year ago, a great plan was decided by Michelle Steel and Diane Dixon at the June 25, 2019, Board meeting. In April, when she met with

all of the FBOs, she finds out that, in fact, the green spaces are vacant on the maps and the FBOs said that they cannot build that out for smaller planes because it doesn't match the EIR. Ms. Johnson asks why it took until April for the County to figure out that what the Board promised a year ago could not be achieved in this plan. It is a little suspicious. Did the attorneys of the County not do their jobs? Ms. Johnson states that maybe Mr. Rondinella can expand upon that. The FBOs had to go back and redo their entire proposals because someone caught this at the last minute. It is very concerning for the community and Ms. Johnson believes that whoever goofed at the County level should do their best now to get these lease provisions into the leases so that they have protection and the intent that the Board voted on and agreed to be carried out. Ms. Johnson states that if she were one of the Board members, she would be angry that we are at this juncture with nothing the way it was supposed to be. Ms. Johnson hopes that this is corrected at the County level and that it is brought to the Commission's attention and she is not sure if the Commission understood the complexities of what it's doing tonight because it wasn't explained to anybody very well and she hopes it gets corrected. Ms. Johnson hopes the County can do its job properly and she does not expect any kind of reluctance. The County places lease provisions to restrict things all the time at the airport. Ms. Johnson asks everyone to do the right thing, get on board, and figure this out. She is not going to take "no" for an answer.

- Sue Dvorak, CAMP and AirFair representative, states that CAMP and AirFair wholeheartedly support what the Southern California Pilots Association states in its letter and would like to thank Clay Lacy for not making them sit through a million speakers this evening. Ms. Dvorak states that she is going to reiterate what many people have said here tonight. Ms. Dvorak asks the Commission to recommend a delay on this, as the public was not able to review the full FBO proposals because the County did not release them. The public did not have any idea of what those proposals actually included and they need time to review these things and understand what is going on. Another reason why the Commission should delay this process is because the public was not aware that the FBO proposals were returned to the FBOs for modification and they were not given the opportunity for public input. The Board made clear that this would be a transparent process but this has not been a transparent process. Most importantly, there are serious issues pertaining to this conceptual project. It appears that the FBOs will only be legally bound to the requirements of the original EIR and not to the green/yellow spaced allocations directive; therefore, the FBOs will have the legal right to take out the small planes in favor of the large jets, if they chose to do so. It appears that Michelle Steel's conceptual green/yellow space allocation is unenforceable. It is important to ask the Board to define a way to immediately modify its commitment of the green/yellow space allocation through some legal or contractual framework that will protect the original commitment and ensure survival to the inclusion of these lease inclusions to the leases regardless of changes, political leadership and airport and County administrations going forward. Ms. Dvorak demands that the County provide this guaranteed framework before starting negotiations with the awarded bidders and requests a delay of the Board meeting of August 11 until the framework has been defined politically, posted and approved. Ms. Dvorak states that it is imperative that any and all terms be thoroughly spelled out and the 35-year lease agreements be clear and she does not want the airport to be able to replace the small mom and pop planes with big international jets that can fly 24/7. In addition, Ms. Dvorak does not want a GAF that will make it convenient for large international jets to do customs processing at JWA. Community activists are also calling for the GA hours of flight operations to mirror the commercial aircraft hours of operation, which adhere to the nighttime curfew thanks to the 1985 Settlement Agreement between the City of Newport Beach and the County of Orange. Ms. Dvorak states that currently there is no curfew for GA aircraft. In addition to concerns about international flights, maintaining space for small planes and restricting hours of aircraft operations for GA aircraft residents, Ms. Dvorak wants the Uber type charter jets and scheduled flights be moved to the main terminal. These charter jet services are really just commercial flights masquerading as GA so their customers can avoid security lines. In summation, resident groups are requesting that the County include legally binding language in the 35-year FBO lease agreements that will ensure compliance with their requests. They request the following: eliminate the GAF including customs and border patrol processing from the private jet; ensure that the current ratio mix between the small planes, the medium to the large jets is maintained so, that

space is preserved for the small piston-type planes, which is critical to reducing future jet noise; restrict the FBOs from operating regularly scheduled charter flights and move them back to the main terminal where they belong, and ensure that GA aircraft flight hours conform to commercial. The FBOs have said that they would agree to all of these things and so Ms. Dvorak does not understand why this could not be placed into the lease. Ms. Dvorak states that Supervisor Steel was invited to participate in a task force set up by Harley Rouda along with other elected officials and the FAA but Supervisor Steel refused to participate.

Airport Director Barry Rondinella provided answers to the Commission's questions regarding the GAF facility construction, user costs and hours of operation, Addendum 16, international travel, change of ownership provisions in the leases, recommendation of parcel awards and costs of proposed development plans.

The following public speakers provided answers to the Commission's questions regarding fuel costs (George Dom), the possible sale of Atlantic Aviation (Steve Hirschfeld), self-service fuel (Wayne Hankins), independent mechanic services (Jay Steffenhagen and Dave Jensen) and hangars (Craig Ryan).

After discussion, the Commission agreed that all of the proposers could do a satisfactory job here at JWA.

On Chair Lowrey's motion and Commissioner Bailey's second, the Commission unanimously agreed to recommend to the Board to award the northeast parcel to ACI Jet, the northwest parcel to Clay Lacy and the limited southwest parcel to Jay's Aircraft. The Commission also recommends to the Board to include in the leases the language from the proposed amendment contained in the letter from the Southern California Pilots Association, the Airport Working Group and Still Protecting our Newport noted below:

Proposed Amendment

All bidders must include in their leases the build-out of the entire "Green Area," which was designated to exclusively be occupied by light GA aircraft, with the maximum number of individual hangars preserving the current ratio of 40' (76%), 50' (15%) and 60' (9%) wide hangars and the completion of any and all required additional EIR work including obtaining the required city, county, state and federal approvals, within 18 months.

3. SUMMARY OF RELEVANT ACTIONS BY THE BOARD OF SUPERVISORS Airport Director Barry Rondinella stated that no JWA items were presented to the Board since the last meeting.

4. ADDITIONAL BUSINESS

- A. PUBLIC COMMENTS – No public comments other than those noted under Item #2.
- B. AIRPORT DIRECTOR COMMENTS – None.
- C. AIRPORT COMMISSION COMMENTS – Chair Lowrey thanked JWA staff for their efforts.

5. ADJOURNMENT OF PUBLIC MEETING The meeting adjourned at 8:41 p.m.

Respectfully submitted



Aida Lopez, ASR Manager