

DATE: April 15, 2008

TO: Honorable Chairman and Transportation Commission

FROM: Public Works Department

SUBJECT: **RECOMMENDATION TO COUNCIL CONCERNING THE REQUEST FOR PROPOSAL FOR THE DEVELOPMENT, DESIGN, CONSTRUCTION AND OPERATION OF FACILITIES AT OCEANSIDE MUNICIPAL AIRPORT**

### **SYNOPSIS**

Staff recommends the Transportation Commission select a proposal for the development, design, construction and operation of facilities at Oceanside Municipal Airport and recommend Council direct staff to negotiate an agreement with the select firm or reject all proposals and provide staff guidance for further airport related development.

### **BACKGROUND**

The City Council directed staff to return the Airport Request for Proposals (RFP) to the Commission for further consideration and invite the two finalists to present their proposal to the Commission.

### **ANALYSIS**

Three companies submitted responsive bids to the RFP, CMTS, a Los Angeles based consortium, American Airport Corporation (AAC) of Santa Monica and Airport Property Ventures (APV) of Los Angeles. A panel consisting of representatives of the two main citizen groups concerned with the airport, Citizens for a Better Oceanside and the Oceanside Pilots Association plus City staff reviewed the proposals and held two interviews with each company. The panels' primary concentration was on each company's development strategy, ability to fund the development, design, architectural style, operational concept and complaint resolution process. Staff held two separate interviews with each company that focused on the financial aspects of each company's proposal review for their confidential financial positions.

All the companies agreed that the architectural and design style of the development would be driven by the City and it would not significantly impact cost. All would include the City in the complaint resolution process. Generally their complaint process would be modeled on the current system which uses the Airport Sub-Committee, Transportation Commission and finally the Council as the appeal process. All three proposers would include and enforce all conditions contained in the settlement agreement between the Citizens for a Better Oceanside and the City in all their tenant agreements.

The RFP was specific in that the City would not financially participate in the airport development. The CMTS proposal required City financial participation in the infrastructure development of the airport and for primarily that reason; they were eliminated from further consideration.

Both AAC and APV requested that the City participate in the FAA asphalt management grant program and any other FAA grants that may be available to support airside improvement projects. Due to the proposed length of the agreements and the 20-year maximum life span of the FAA grant assurances, staff felt these were reasonable request and should be included in the negotiations.

The Citizens for a Better Oceanside chose not to endorse or reject any of the proposals. Their recommendations focused upon ensuring the agreement contains sufficient safeguards concerning their settlement with the City. The Oceanside Airport Association endorsed the American Airport Corporation proposal.

American Airport Corporation and Airport Property Ventures will make presentations to the Commission.

### **FISCAL IMPACT**

Does not apply.

### **CITY ATTORNEY ANALYSIS**

Does not apply.

### **RECOMMENDATION**

Staff recommends the Transportation Commission select a proposal for the development, design, construction and operation of facilities at Oceanside Municipal Airport and recommend Council direct staff to negotiate an agreement with the select firm or reject all proposals and provide staff guidance for further airport related development.

PREPARED BY:

SUBMITTED BY:

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