



# COUNTY OF HUMBOLDT

For the meeting of: 2/1/2022

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File #: 22-37

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**To:** Board of Supervisors

**From:** Aviation

**Agenda Section:** Consent

**SUBJECT:**

Professional Services Agreement with Armstrong Consultants Inc., for Passenger Facility Charge Project Management

**RECOMMENDATION(S):**

That the Board of Supervisors:

1. Approve and authorize the Chair of the Board to execute the attached Professional Services Agreement with Armstrong Consultants, Inc. for Passenger Facility Charge Project Management;
2. Authorize the Director of Aviation to execute any amendments and successor agreements after review by County Counsel and Risk Management; and
3. Direct the Clerk of the Board to return the original signed agreement to the Department of Aviation.

**SOURCE OF FUNDING:**

Aviation Enterprise Fund (3530).

**DISCUSSION:**

The Passenger Facility Charge (PFC) program allows for the collection of PFC fees up to \$4.50 for every eligible passenger at commercial airports controlled by public agencies. Airports then use these fees to fund Federal Aviation Administration (FAA) approved projects that enhance safety, security, or capacity; reduce noise; or increase air carrier competition.

Public Agencies are required to provide an audit of their PFC account annually during the period PFCs are collected, held, or used.

The PFC program for Humboldt County needs to be cleaned up from past practices. Audits and reports were not properly filed in accordance with FAA requirements dating back to 2017. In addition to properly filing past audits, and reports, past projects need to be closed out with the FAA and new project applications developed and submitted to the FAA.

Armstrong will assist the Department of Aviation in examining/verifying the PFC program reporting, preparing applications, amendments, and closeouts, and process quarterly reports to the FAA.

A Request for Qualifications (RFQ) was conducted earlier this year in accordance with the FAA regulations and was presented to, and approved by, the Board of Supervisors on April 27, 2021. Armstrong was selected as one of the firms able to assist the Department of Aviation with projects such as the PFC program in that RFQ.

FINANCIAL IMPACT:

The maximum amount payable for services rendered, and costs and expenses incurred, pursuant to the terms and conditions of this agreement is \$70,000. There is no impact to the general fund. These expenses are included in the fiscal year 2021-22 budget in Aviation Enterprise Fund (3530381).

After prior years PFCs are cleaned up through this contract, the Department of Aviation will then be able to reapply for future PFCs and begin collecting money once again for future aviation projects.

STRATEGIC FRAMEWORK:

This action supports your Board's Strategic Framework by providing community-appropriate levels of service .

OTHER AGENCY INVOLVEMENT:

N/A

ALTERNATIVES TO STAFF RECOMMENDATIONS:

The Board may decide not to authorize the agreement with Armstrong Consultants. However, this is not recommended due to the potential loss of revenues if the PFC program is not properly reconciled. Current and future PFC revenues are a critical financial component to addressing infrastructure needs for Humboldt County airports. If PFC revenues are not collected, and the program properly managed, the monies that would come from PFCs would need to be offset by local County of Humboldt funding.

ATTACHMENTS:

1. Professional Services Agreement with Armstrong Consultants Inc.

PREVIOUS ACTION/REFERRAL:

Board Order No.: D1

Meeting of: 04/27/2021

File No.: 21-509