



COUNTY OF HUMBOLDT

For the meeting of: 6/27/2023

File #: 23-859

To: Board of Supervisors

From: Aviation

Agenda Section: Consent

Vote Requirement: Majority

SUBJECT:

Approval of Non-Commercial Aircraft Storage License Agreement Template to Comply with Federal Aviation Administration Requirements Outlined in the Land Use Compatibility Inspection

RECOMMENDATION(S):

That the Board of Supervisors:

1. Approve the attached Non-Commercial Aircraft Storage License Agreement Template; and
2. Authorize the Director of Aviation to execute Non-Commercial Aircraft Storage License Agreements using the attached License Agreement or a License Agreement substantially similar in nature after review by County Counsel and Risk.

SOURCE OF FUNDING:

Aviation (3530)

DISCUSSION:

In 2018, the Federal Aviation Administration (FAA) completed a land use inspection of County of Humboldt Airports, specifically the California Redwood Coast - Humboldt County Airport (ACV), Murray Field Airport (EKA), Rohnerville Airport (FOT), Garberville Airport (O16), Kneeland Airport (O19), and Dinsmore Airport (D63). Following completion of the FAA inspection, the County of Humboldt received a letter identifying numerous compliance matters requiring resolution. The second compliance resolution recommendation was updating general aviation land use agreements and non-commercial aircraft hangar storage license agreements to include a standard subordination clause, a reference requiring the tenant's compliance with the airport's minimum standards, an escalation clause, and compliance with the FAA Hangar Use Policy.

In January 2020, your board approved a contract with Aviation Management Consulting Group (AMCG) for consulting services to resolve the findings from the FAA Land Use Inspection Report. One of the many tasks AMCG and their project partners have successfully completed is assisting the Department of Aviation in the development of templates for general aviation land use agreements and

non-commercial aircraft hangar storage license agreements that complies with the requirements laid out in the 2018 land use inspection. These template agreements incorporated contractual clauses for requirements and obligations, and related terms and conditions, associated with engaging in commercial or non-commercial general aviation activities at the airports.

On Dec. 14, 2021, the Department of Aviation brought the new license templates before the Board of Supervisors for approval and to authorize the Aviation Director signatory authority alleviating the need for the department to bring hundreds of individual licenses before your board for approval. Following your Board’s approval, these template agreements replaced previously used agreement templates that were not consistently executed with various tenants and lacked compliance with current FAA requirements.

Since your Board’s approval, department staff learned that Consumer Price Index (CPI) and market-price language contained in the general aviation land use agreement template was not present in the non-commercial aircraft hangar storage license agreement template. Department staff is bringing a revised non-commercial aircraft hangar storage license agreement template back to your board for approval that incorporates CPI and market-price language into Section 4 of the agreement template as well as clarifies general license use language (Attachment 1). Incorporation of these proposed changes will ensure compliance with FAA rental price requirements to all licenses moving forward.

FINANCIAL IMPACT:

The Department of Aviation anticipates receiving \$305,184 in aircraft storage T-hangar and port-a-port revenues from hangar license agreements that will be deposited as follows:

3985000 402010	Port-A-Port Hangar Trust	\$95,280.00	
3530372 682311	Murray Field Airport (EKA)	\$132,288.00	
3530373 682311	Rohnerville Airport (FOT)	\$61,704.00	
3530374 682311	Garberville Airport (O16)	\$15,912.00	
	TOTAL:	\$305,184.00	Revenues

are including the proposed fiscal year 2023-24 budget.

STAFFING IMPACT:

This agenda item does not have staffing impacts.

STRATEGIC FRAMEWORK:

This action supports your Board’s Strategic Framework priority of providing community-appropriate levels of service and facilitating public/private partnerships to solve problems.

OTHER AGENCY INVOLVEMENT:

Federal Aviation Administration (FAA)

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Your Board may choose to not approve the Non-Commercial Aircraft Storage License Agreement Template. However, this is not recommended as it may expose the County of Humboldt to the following negative impacts:

- Demand for repayment for a portion or all or a portion of the \$50,296,566 in past grant funding provided by the FAA as outlined in the 2018 Land Use Compliance Letter; and
- Preventing grant fund eligibility for capital projects through the FAA's Airport Improvement Program (AIP).

ATTACHMENTS:

1. Non-Commercial Aircraft Storage License Agreement

PREVIOUS ACTION/REFERRAL:

Board Order No.: C-1, C-2

Meeting of: 01/28/2020, 12/14/2021

File No.: 20-105, 21-1781