

RESOLUTION NO. 2015-149

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARINA APPROVING A CONSULTANT PROPOSAL BY AVIATION MANAGEMENT CONSULTING GROUP (AMGC) TO CONDUCT A SPECIALIZED AIRPORT RENT STUDY FOR THE MARINA MUNICIPAL AIRPORT, APPROVING AN APPROPRIATION OF \$21,500 IN THE AIRPORT ENTERPRISE FUND; AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY ACCOUNTING AND BUDGETARY ENTRIES, AND AUTHORIZING CITY MANAGER TO ACCEPT THE PROPOSAL AND EXECUTE THE PROJECT AUTHORIZATION ON BEHALF OF THE CITY, SUBJECT TO FINAL REVIEW AND APPROVAL BY CITY ATTORNEY

WHEREAS, Aviation Management Consulting Group (AMGC) of Centennial, Colorado, is a team of individuals that by way of background has excellent working knowledge of the aviation industry, the general aviation segment of the industry and airports. AMGC is uniquely qualified to provide the Rent Study and other services identified in their proposal to the City; and

WHEREAS, the rent study is a streamlined approach that is used to arrive at an opinion of market rate for airport properties, including land or improvements - buildings, tarmacs and/or paved areas, being used for general aviation purposes without conducting an appraisal. This approach is consistent with the Federal Aviation Administration's policy which gives airport sponsors the flexibility to establish market rents (for both aviation and non-aviation use) for airport properties being used for general aviation purposes using a reasonable, justified and consistent approach; and

WHEREAS, the selection of comparable airports and the assimilation and analysis of data for similar properties at comparable airports is essential to the rent study process. AMGC maintains an extensive database of approximately 700 airports located throughout the United States and approximately 2,850 data points specifically for this purpose; and

WHEREAS, the City desires to conduct a Rent Study for the Airport to be informed on fair and marketable rent rates for use of airport property/facilities. Further, FAA recommends airports conduct the specialized airport to airport comparison based rent study to establish aviation and non-aviation market rates for the airport. The rent study should then be updated every five to seven years essentially resetting the market rate for the next five to seven year period.; and

WHEREAS, in November 2015, Airport staff contacted AGCM and requested a proposal for aviation consultant services, including conducting a rent study ("**EXHIBIT A**"). To accept this proposal, the consultant has provided the project authorization ("**EXHIBIT B**"); and

WHEREAS, the cost of the rent study is estimated at \$21,500. A rent study was not included in the FY 2015-16 Adopted Airport Budget so funding will come from available fund balance of the Airport Enterprise Fund; and

WHEREAS, the additional appropriation of \$21,500 will be recorded to the FY 2015-16 Budget, Airport Enterprise Fund 555, Professional Services Other, Account No. 555.000.000.6300.570. Costs of services performed will be recorded to this account.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Marina does hereby:

1. Approve a consultant proposal by Aviation Management Consulting Group (AMCG) to conduct a specialized airport rent study for the Marina Municipal Airport; and
2. Approve appropriation of \$21,500 for these professional services; and
3. Authorize Finance Director to make necessary accounting and budgetary entries; and
4. Authorize City Manager to accept the proposal and execute the project authorization on behalf of City, subject to final review and approval by City Attorney.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Marina at a regular meeting duly held on the 15<sup>th</sup> day of December 2015, by the following vote:

AYES: COUNCIL MEMBERS: Amadeo, Brown, Morton, O'Connell, Delgado

NOES: COUNCIL MEMBERS: None

ABSENT: COUNCIL MEMBERS: None

ABSTAIN: COUNCIL MEMBERS: None

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Bruce C. Delgado, Mayor

ATTEST:

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Anita Sharp, Deputy City Clerk



Aviation  
Management  
Consulting  
Group

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# Proposal

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City of Marina

*Marina Municipal Airport*

*RENT STUDY, LEASING/RENTS AND FEES POLICY, AND  
CONSULTING/ADVISORY SERVICES*

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October 28, 2015



Aviation Management Consulting Group

October 28, 2015

Mr. Jeff Crechriou  
Airport Services Manager  
Marina Municipal Airport  
781 Neeson Road, Building 540  
Marina, CA 93933

RE: Proposal, City of Marina, Marina Municipal Airport, Rent Study, Leasing/Rents and Fees Policy, and Consulting/Advisory Services

Dear Mr. Crechriou:

Aviation Management Consulting Group (AMCG) is pleased to submit this proposal to the City of Marina (City) to conduct a Rent Study, develop a Leasing/Rents and Fees Policy, and provide consulting/advisory services for the Marina Municipal Airport (Airport).

By way of background, the AMCG team has excellent working knowledge of the aviation industry (overall), the general aviation segment of the industry (in particular), and airports (more specifically). As a result of our experience, we are uniquely qualified to provide the services identified in this proposal. We are a team of experienced and results-oriented aviation professionals who have the skills, resources, and expertise to get the job done right the first time. We know how to manage processes, complete projects on time and within budget, and consistently achieve successful results.

**Ultimately, I can assure the City that we will provide high quality, comprehensive, and fully responsive services and work products and that the City will be very pleased with our work. Beyond this, I am confident that nobody will do a better job.**

To this end, I will be glad to talk with representatives of the City about our background, experience, qualifications, and capabilities and the ways that the City will benefit by engaging the AMCG team to provide the services identified in this proposal. If desired, the team would be pleased to demonstrate its qualifications and experience (and approach to the services) to representatives of the City during a telephone interview. The AMCG team looks forward to having the opportunity to work with the City. To this end, if representatives of the City have any questions, require any additional information, or would like to discuss any aspect of this proposal, please feel free to contact me at **(303) 792-5202 (direct)** or e-mail me at [pmeyers@aviationmanagement.com](mailto:pmeyers@aviationmanagement.com).

Sincerely,

Paul A. Meyers  
Principal and Chief Executive Officer  
Aviation Management Consulting Group, Inc.

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## iii. Contact Information

For questions and/or additional information, please contact:

**Paul A. Meyers**

*Principal and Chief Executive Officer*  
Aviation Management Consulting Group, Inc.  
9085 East Mineral Circle, Suite 315  
Centennial, Colorado 80112-3499  
**(303) 792-5202 (direct, text, and fax)**  
(303) 435-0500 (mobile)  
pmeyers@aviationmanagement.com  
8:00 a.m. to 6:00 p.m. (Mountain)

THANK YOU FOR THIS OPPORTUNITY TO PROVIDE THIS PROPOSAL FOR YOUR REVIEW AND CONSIDERATION.

## 1. Project Understanding

### Understanding of the Airport and the Current Situation

The AMCG team offers the following to demonstrate its understanding of the Airport and the current situation:

- The Marina Municipal Airport (Airport) is owned and operated by the City of Marina (City).
- The Airport, which is located approximately three miles east of the City, is classified in the Federal Aviation Administration (FAA) National Plan of Integrated Airport Systems (NPIAS) as a General Aviation airport and as a Local airport in the FAA General Aviation Airports: A National Asset study.
- The Airport, which consists of approximately 846 acres, has one runway:
  - Runway 11/29 is 3,483 feet long and 75 feet wide (served by multiple non-precision approaches – RNAV-GPS and VOR/DME).
- The Airport, which is home to approximately 32 based aircraft (consisting of 26 single-engine, 1 multi-engine, 1 jet, and 4 ultra-light aircraft), hosts approximately 40,000 total general aviation operations annually.
- Aircraft fueling (self-service avgas and jet) is provided by the City.
- An Airport Master Plan is currently being prepared to evaluate the airport's role and capabilities to support future aviation demand and provide guidelines for the Airport's future development, operation, and maintenance.
- The Airport is located north of Monterey and south of San Francisco.

### Understanding of the Project

It is the understanding of the AMCG team that the City is desirous of engaging a qualified and experienced consulting firm to conduct a Rent Study, develop a Leasing/Rents and Fees Policy, and provide other consulting/advisory services for the Airport.

## 2. Proposed Services

### Element 1: Rent Study

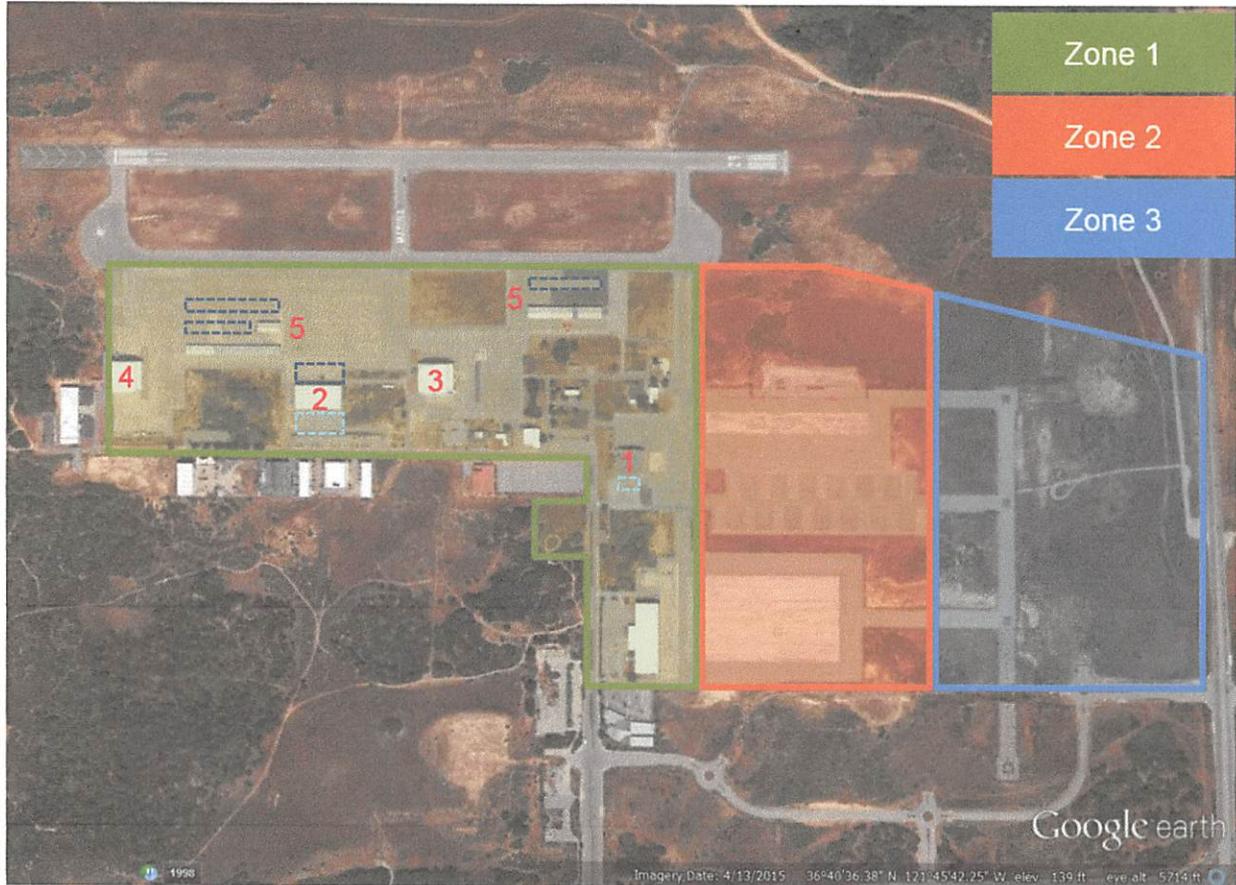
#### SCOPE OF WORK

Phase I – The AMCG team will conduct a rent study to derive an opinion of market rent for the following improvements (by component and use - as identified in the table that follows) located at the Airport (as identified on the map that follows):

Subject Properties (Phase I)			
Identification	Use	Component	Size
Hangar 1	Aeronautical and Non-Aeronautical	Community Hangar	16,000
		Office/Shop (two-story)	6,000
		Vehicle Parking	14,000
Hangar 2	Aeronautical and Non-Aeronautical	Hangar	20,000
		Office/Shop (two-story)	20,000
		Apron	40,000
		Vehicle Parking	27,000
Hangar 3	Aeronautical	Community Hangar	20,000
		Office/Shop (two-story)	12,000
Hangar 4	Aeronautical and Non-Aeronautical	Community Hangar	20,000
		Office/Shop (two-story)	12,000
Facility 5	Aeronautical	Apron	116,000
<b>Total</b>			<b>163,000</b>

All figures are approximate

Phase II – The AMCG team will conduct a rent study to derive an opinion of the range of market rent for land within each zone (for aeronautical and non-aeronautical use) at the Airport (as identified on the map that follows):



For reference purposes only

*The AMCG team's understanding of the subject properties (as conveyed in this proposal) is based on the information provided by the City and additional research conducted by the team.*

In essence, a Rent Study is a streamlined approach that is used to derive an opinion of market rent for airport properties (land and/or improvements) being used for general aviation purposes without conducting an appraisal. This approach is consistent with the Federal Aviation Administration's (FAA's) policy which gives airport sponsors the flexibility to establish market rents for airport properties being used for general aviation purposes using any reasonable, justified, and consistently applied method.

To achieve this objective, the AMCG team will analyze rental rates (on a comparative basis) for similar land and improvements at comparable and competitive airports (and rental rates at national and regional airports) to derive an appropriate market based and supported rental rate for each component of the subject properties. If fees are being charged in lieu of rent, the team will take that into account.

The selection of comparable airports and the assimilation and analysis of data for similar properties (including, but not limited to, type, use, and attributes) at comparable airports is essential to the Rent Study process.

**AMCG maintains an extensive database of approximately 700 airports located throughout the United States and approximately 2,850 data points specifically for this purpose.**

*Identification and Selection of Comparable Airports (Criteria)*

The AMCG team will consider a number of variables when identifying and selecting comparable airports, including, but not limited to, the following:

- Infrastructure (number, configuration, and capacity of runways and taxiways)
- Approaches (precision versus non-precision)
- Presence or absence of a control tower
- Number and type of aviation businesses located at the airport (including the number of fuel providers)
- Amount of land that is available for aviation development (and related land use considerations)
- Type of market
- Number and type of airports in the market
- Activity levels (based aircraft, aircraft operations, and fuel volumes).

*Consideration of Regional and National Airport Data*

As a supplement to the comparable airport data, the rental rates being charged at airports within the FAA's Western-Pacific Region as well as those being charged at airports located throughout the United States – as maintained within AMCG's proprietary database – will be considered by the team.

*Identification and Selection of Similar Properties (Criteria)*

The AMCG team will consider the following factors when identifying and selecting similar improvements at comparable airports, including, but not limited to, the following:

- Use (commercial versus non-commercial)
- Size (usable versus unusable)
- Location and access (landside and airside) to/from the subject properties, infrastructure, and utilities
- Lease terms and conditions
- Type, quality, condition, and functional utility or limitations of the subject properties (this includes, but is not necessarily limited to, any restrictions on the development of the land, the availability of utilities, and the ability of the land to support the aircraft that normally frequent the subject airport).

The rental rates being charged for similar properties at competitive airports will be considered as well (as appropriate).

*Marketplace Considerations*

General conditions, trends, and demographics in the market will be considered by the AMCG team (as appropriate).

*Other Considerations*

With the exception of the non-aeronautical property, the AMCG team will assume that the highest and best use of the subject properties is aviation related (aeronautical use), that the subject properties will continue to be part of an operating airport, and that access to the infrastructure and amenities of the airport will be available. With regard to non-aeronautical property, the team will assume that the highest and best use is non-aviation related (non-aeronautical use).

### *Determining Market Rents*

Based on an analysis of the data compiled, the AMCG team will derive a market based and supported rental rate for each component of the subject properties. A written summary report will be provided as the final work product or deliverable.

In addition to conveying the team's opinion of the market rental rate for the subject properties, the summary report will describe the data, reasoning, and analysis (and identify the method/approach used by the AMCG team) to develop the team's opinion.

Unless otherwise noted, market rental rates will be conveyed on a "per square foot per year" and a "triple net" basis. As part of rent study process, the AMCG team will evaluate the market rental rates for reasonableness to ensure compliance with federal mandates.

### *Non-Aeronautical Properties*

It is the understanding of the team that some of the subject properties may be used for non-aeronautical purposes.

To derive the market rental rate for non-aeronautical properties, the AMCG team will survey sales (and listings) in the local area. Each non-aeronautical property will be analyzed from a comparability standpoint giving consideration to such factors as location (access and exposure), zoning, size and configuration (of the property), topography, utilities, etc.

When airport property is leased, the property exhibits partial rights of ownership – as the lessor has the ability to generate income by charging rent. However, the lessor is not able to use the property. This is different than fee simple ownership wherein the property exhibits all (or the full bundle of) rights. Moreover, airport property is restricted to certain types of uses by 14 CFR Part 77 requirements and/or any additional limitations that may be imposed by the airport sponsor.

As such, to ascertain the market rental rate for the non-aeronautical use of airport property, depending on the situation and/or circumstances, it may be reasonable to adjust off-airport listings and/or sales and apply an appropriate rate of return to the adjusted value. Additionally, it may be reasonable to consider the cost of airport property and apply an appropriate rate of return to the cost. If fees are being charged in lieu of rent, it would be reasonable and appropriate to consider that also.

To accomplish the scope of work, the team will consider all of these approaches and use (and reconcile) the approaches considered most reasonable and appropriate for the non-aeronautical properties, the situation, and/or the circumstances.

### Work Plan (Tasking)

To accomplish the scope of work described under **Element 1**, the AMCG team "envisions" that the work plan would include the following tasking.

#### Task 1: Information Gathering

Relevant and pertinent information, data, and documentation on the community, market, Airport, aviation businesses, and non-commercial aeronautical entities located at the Airport will be compiled by Airport management. The team will provide a written information request to Airport management to help facilitate this process. The AMCG team will review and analyze initial information, data, and documentation provided/obtained and conduct initial research.

### Task 2: Field Visit

A member(s) of the team will conduct a field visit to include: (1) a project “kick-off” (initialization) meeting with representatives of Airport management and the City (as desired), (2) a tour of the subject properties, (3) photographs of the subject properties, and (4) meetings with select stakeholders – budget and schedule permitting. While on-site, the member(s) of the AMCG team will review the location of (and access to) each property and work with representatives of Airport management to verify/confirm (as necessary) the type, use, and attributes of each property. The team will review and analyze additional information, data, and documentation provided/obtained and conduct additional research.

### Task 3: Airport Profile

The AMCG team will develop a profile of the Airport based on the information provided/obtained on the community, market, Airport, aviation businesses, and non-commercial aeronautical entities located at the Airport.

### Task 4: Comparable and Competitive Airport Identification

The AMCG team will identify comparable and competitive airports based on the Airport profile. The team will develop a preliminary list of comparable and competitive airports and provide the list to Airport management for review. [Airport management review](#).

### Task 5: Regional Airport Identification

The AMCG team will identify regional airports.

### Task 6: Comparative Analysis

The AMCG team will obtain and/or validate pertinent/relevant information/data from comparable, competitive, regional, and national airports using AMCG’s proprietary database, reference library, and/or directly from the airports identified. Additionally, the team will obtain and/or validate information/data from sales (and listings) in the local area. The team will analyze the information, data, and documentation obtained on a comparative basis. The AMCG team will derive the market rental rate (or range of market rents) for the subject properties (by component and use).

### Task 7: Draft (First)

The AMCG team will prepare the first draft of the summary report (based on the comparative analysis) conveying the market rental rate (or range of market rents) for the subject properties (by component and use) and provide to Airport management for review. [Airport management review](#).

### Task 8: Review Session (First)

The AMCG team will conduct a “review session” (by telephone) with Airport management to review the draft summary report. The working session will be limited to approximately one hour.

### Task 9: Draft (Second and Final)

The AMCG team will finalize the summary report and provide the final report to the City for review. [City review](#).

## **Element 2: Leasing/Rents and Fees Policy**

### SCOPE OF WORK

The AMCG team will develop the Leasing/Rents and Fees Policy (Policy) for the Airport. When developing the Policy, the team will ensure that its recommendations are consistent with the Airport Sponsor Assurances and all other applicable airport compliance-related directives issued by the FAA including FAA Order 5190.6B (Airports Compliance Manual). The AMCG will also ensure that its recommendations are appropriate, reasonable, and relevant for the Airport, the market, and the activities taking place (or reasonably anticipated to take place) at the Airport.

As such, the unique characteristics of the Airport, the market, and the activities taking place (or reasonably anticipated to take place) will be considered by AMCG when developing the Policy. In addition to being clear, concise, and well organized (structured), the Policy will complement (not duplicate) the City's other Primary Management and Compliance Documents (PMCDs) for the Airport. An overview of the Policy follows.

#### *Leasing/Rents and Fees Policy*

By definition, this policy sets forth the parameters for leasing airport land and improvements for general aviation purposes and outlines the process for establishing and adjusting general aviation rents and fees at an airport. The purpose of the policy is to convey an airport's general aviation leasing (and rents and fees) practices.

The City will be able to utilize this Policy to educate existing and prospective lessees about the process the City will utilize to lease airport land and/or improvements for general aviation purposes at the Airport. As such, this Policy will provide the structure for ensuring that the leasing process is consistent (uniformly applied) and not unjustly discriminatory. Additionally, this policy will convey the approach for establishing and adjusting general aviation market-based rents and cost-recovery-based fees in a timely manner without undue influence.

#### Work Plan (Tasking)

To accomplish the scope of work described under **Element 2**, the AMCG team "envisions" that the work plan would include the following tasking.

##### Task 1: Information Gathering

Relevant and pertinent information, data, and documentation on the community, market, Airport, aviation businesses, and non-commercial aeronautical entities located at the Airport will be compiled by Airport management. The team will provide a written information request to Airport management to help facilitate this process. The AMCG team will review and analyze initial information, data, and documentation provided/obtained and conduct initial research.

##### Task 2: Field Visit

A member(s) of the team will conduct a field visit to include: (1) a project "kick-off" (initialization) meeting with representatives of Airport management and the City (as desired), (2) tour of the Airport, aviation businesses, and non-commercial leased premises, and (3) meetings with select stakeholders – budget and schedule permitting. The AMCG team will review and analyze additional information, data, and documentation provided/obtained. Additionally, the team will review the existing leasing/rents and fees policies for the Airport.

*The purpose of the field visit will be to gain a better understanding of: (1) the current operating environment at the Airport, (2) the range, level, and quality of products, services, and facilities currently being provided at the Airport, and (3) key issues, problems, and/or challenges relating specifically to this project.*

##### Task 3: Draft (First)

The AMCG team will revise/develop the first draft of the Policy (based on the information, data, and documentation provided/obtained and the comments, input, and direction provided by Airport management) and provide the first draft of the Policy to Airport management for review. [Airport management review](#).

##### Task 4: Working Session (First)

The AMCG team will conduct a "working session" (by telephone) with Airport management to review the first draft of the Policy and solicit comments, input, and direction. The working session will be limited to approximately one hour.

#### Task 5: Draft (Second)

The AMCG team will revise the first draft of the Policy (based on the input and direction provided by Airport management during the first working session) and provide the second draft of the Policy to Airport management, the City, and others (i.e., external advisors) for review. [Airport management, City, and others review.](#)

#### Task 6: Field Visit (Second)

The AMCG team will conduct a field visit to include a “working session” with Airport management, the City, and others to review the second draft of the Policy and solicit comments, input, and direction.

#### Task 7: Draft (Third and Final)

The AMCG team will revise the second draft of the Policy (based on the input and direction provided by Airport management during the second working session) and provide the third and final draft of the Policy to Airport management. [Airport management presents the third and final draft of the Policy to the City for adoption.](#)

### Element 3: Ordinance (Review and Comment)

The AMCG team will review and comment on **Chapter 13.22 (Marina Municipal Airport) of the Marina Municipal Code** (hereinafter referred to as the “Ordinance”). The team will identify areas: (1) where the Ordinance can be improved and/or enhanced (from a best practices and FAA compliance standpoint) and/or (2) where changes, additions, and/or deletions should be considered by the City to increase the effectiveness of the Ordinance. This will include identifying areas that: (1) may pose a concern (from a best practices and/or FAA compliance standpoint) and/or (2) should be reviewed and/or addressed by the City.

The AMCG team’s comments will be consistent with the Airport Sponsor Assurances (dated March 2014), Order 5190.6B (Airports Compliance Manual), and other applicable compliance directives issued by the FAA pertaining specifically to the operation of an airport.

### Element 4: Ordinance (Revise)

After completing **Element 3**, the AMCG team will work with the City to address the areas (in the Ordinance) selected by the City for improvement and/or enhancement. This could include, but would not necessarily be limited to modifying (changing) existing language, developing new language, and/or conducting research and/or analysis (in support of modifying/changing existing and/or developing new language). These services will be provided on an “as needed” basis at the option of the City.

### Element 5: Consulting/Advisory Services

If desired by (and at the option of) the City, the AMCG team will provide consulting/advisory services (on an “as needed” basis) for any matter pertaining to general aviation – airport, aviation businesses (FBOs and/or SASOs), and non-commercial entities (e.g., individual or corporate flight departments and others).

### 3. Proposed Budget

The City can be assured that the AMCG team will provide high quality, comprehensive, and fully responsive services and work products at a fair price. Within this context, based on the scope of work, the work plan (tasking), the work products (deliverables), and the team's experience with similar projects, it is anticipated that each element of the project can be completed for the budget indicated in the **from** column in the table that follows:

Fee	Range	
	<i>From (Combined)</i>	<i>To (Standalone)</i>
<b>Element 1: Rent Study (Phase I)</b>	\$14,250	\$16,250
<i>Direct Expenses (Allocation) - Field Visit</i>	\$1,250	\$1,250
<b>Element 1: Rent Study (Phase I and II)</b>	\$18,750	\$21,500
<i>Direct Expenses (Allocation) - Field Visit</i>	\$1,500	\$1,500
<b>Element 2: Leasing/Rents and Fees Policy</b>	\$15,750	\$20,750
<i>Direct Expenses (Allocation) - Field Visit</i>	\$1,250	\$2,500
<b>Element 3: Ordinance Review and Comment</b>	\$1,750	\$2,250
<b>Element 4: Ordinance Revise</b>	Hourly	Hourly
<b>Element 5: Consulting/Advisory Services</b>	Hourly	Hourly

The **from** budget includes one field visit (one person for a maximum of one and one-half days on-site for Phase I and one person for a maximum of two days on-site for Phase I and II under **Element 1**. An expense allocation of \$1,250 (Phase I) and \$1,500 (Phase I and II) is included to cover direct (project related) expenses (e.g., air and ground transportation, lodging, and subsistence) that may be incurred by the AMCG team to accomplish the scope of work under **Element 1**.

The **from** budget includes one field visit (combined) and two field visits (standalone) - one person for a maximum of one day each field visit - under **Element 2**. An expense allocation of \$1,250 (combined) and \$2,500 (standalone) is included to cover direct (project related) expenses that may be incurred by the AMCG team to accomplish the scope of work under **Element 2**.

*Any direct expenses incurred in excess of the expense allocations would be passed through to the City at cost without mark-up.*

A field visit is not deemed necessary (and the City concurs) to complete **Elements 3 and 4** and as such, no expense allocation has been included for **Element 3 or 4**.

The **from** budget is based on taking advantage of the inherent synergies associated with completing all elements of the project (i.e., in the sequence/within the timeframe identified herein). If all elements of the project are not completed (in the sequence/within the timeframe identified herein), the fee will be higher (as indicated in the **to** column of the fee table) as the inherent synergies will be lost.

*If the subject properties differ from the land and improvements identified in this proposal, the budget (fees and expenses) and schedule would be subject to change.*

**Element 4** and any other services (including the services described in **Element 5**) would be provided on an hourly basis at the standard billing rates of the firm or a mutually agreed on fixed fee. AMCG's standard hourly billing rates currently range from \$80 per hour (staff) to \$260 per hour (principal) depending on the work being performed and by whom. Direct expenses (relating to the provision of any other services) would be additional (passed through to the City at cost without mark-up). Database, library access, and/or use fees may also be charged – if required to provide the services requested.

#### 4. Proposed Schedule

Notwithstanding circumstances beyond the AMCG team's control and based on the team's experience with similar projects, the current and anticipated workload (and commitments) of the AMCG team (as of the date of this proposal), it is anticipated that each element of the project can be completed in accordance with the following schedule.

Schedule	Range		Notes
	From	To	
<b>Element 1: Rent Study (Phase I)</b>	4 weeks	6 weeks	<i>From the field visit</i>
<b>Element 1: Rent Study (Phase I and II)</b>	6 weeks	8 weeks	<i>From the field visit</i>
<b>Element 2: Leasing/Rents and Fees Policy</b>	8 weeks	12 weeks	<i>From the field visit</i>
<b>Element 3: Ordinance (Review and Comment)</b>	2 weeks	4 weeks	
<b>Element 4: Ordinance (Revise)</b>	TBD	TBD	<i>TBD</i>
<b>Element 5: Consulting/Advisory Services</b>	TBD	TBD	<i>TBD</i>

#### 5. Other

The budget (and completion of the project in accordance with the schedule) are dependent on the (1) quality, composition, and timeliness of the information, data, and documentation provided to/obtained by the AMCG team, (2) the time required to obtain, confirm, and/or verify additional and/or other information, data, and documentation that may be required to complete the scope of work, and (3) time required by the City, Airport management/staff, and/or others to review draft work products and/or provide input, comments, and/or direction.

*Any changes, additions, and/or deletions to the scope of work and/or work plan (tasking) may impact the budget and/or the schedule for the project. Additionally, this proposal is valid through October 14, 2015 and subject to change thereafter including, but not limited to, withdrawal in whole or part.*

## 6. Statement of Qualifications

### A. Company

#### 1. Overview

Aviation Management Consulting Group (AMCG) provides a wide range of aviation management consulting services to airports, aviation businesses, aircraft owners and operators, and others. The firm specializes in general aviation and serves clients located throughout the United States and abroad.

AMCG is a dynamic consulting firm consisting of a team of highly qualified, experienced, knowledgeable, and results-oriented professionals working in concert to maintain a company culture focused on meeting the needs of the client.

As a result, AMCG is the preferred provider of aviation management consulting services in the aviation industry.

*WITH AMCG, YOU CAN BE ASSURED THAT YOU WILL GET STRAIGHT ANSWERS, OBJECTIVE ADVICE, ACCURATE AND TIMELY INFORMATION, AND ONLY THE HIGHEST QUALITY SERVICES, PRODUCTS, AND RESOURCES – RESULTS YOU CAN COUNT ON!*

#### 2. Mission

AMCG's mission is to employ the firm's unique expertise in the general aviation segment of the industry to provide airports, aviation businesses, aircraft owners and operators, and others with the services, products, and resources needed to achieve goals and objectives and be successful.

#### 3. Commitments

To achieve its mission, AMCG is fully committed to the following:

- Thoroughly understanding the needs and exceeding the expectations of its clients
- Keeping its clients fully informed
- Providing innovative and creative solutions
- Completing all assignments on time and within budget
- Delivering high quality products, services, and resources that fully accomplish the scope of work
- Building clients' trust in the firm and confidence in its work
- Maintaining the confidentiality of client information
- Adhering to high ethical and moral standards

### B. Qualifications and Experience

#### 1. Project Team

The AMCG team is comprised of a unique blend of talented and respected aviation industry professionals who have strong credentials and proven track records. These individuals have firsthand aviation, planning, development, operations, management, leadership, and consulting experience. AMCG owns and operates a state-of-the-art general aviation aircraft (Cirrus SR22TN) and all of the firm's principals, consultants, and project analysts are pilots.

**As a result, the AMCG team has the unique ability to view any project and any issue that may arise during any project from a multi-dimensional (airport, aviation business, and aircraft owner and operator) perspective.**

On a combined basis, the firm's principals (Paul Meyers and Jeff Kohlman), consultants, and project analysts have approximately **120 years** of aviation, planning, development, operations, management, and leadership experience including **55 years** of consulting experience encompassing airports, aviation businesses, and aircraft (and determining general aviation rents and fees).

**Over the years, AMCG has completed more than 1,000 different assignments involving more than 500 airport and aviation business locations.**

The AMCG team has excellent working knowledge of the aviation industry (overall), the general aviation segment of the industry (in particular), and airports, aviation businesses, and aircraft (more specifically).

The team is intimately familiar with the Airport Sponsor Assurances (Grant Assurances) and many key federal laws, regulations, policies, orders, and guidance pertaining to the planning, development, operation, management, and funding of airports (including, but not limited to, determining general aviation rents and fees).

The AMCG team has extensive research and analytical capabilities; the team has developed and maintains a proprietary aviation database and resource library; and, the AMCG team tracks, monitors, and analyzes aviation data and trends on an ongoing basis.

**Most importantly, the AMCG team knows how to manage processes, complete projects on time and within budget, and consistently achieve a successful result.**

By way of the team's firsthand experience (operating and managing airports, aviation businesses, and aircraft and providing consulting services to the owners and operators of airports, aviation businesses, and aircraft), the AMCG team has been able to help its clients overcome diverse challenges. When faced with difficult problems, the team delivers solutions.

AMCG's clients can attest to the team's ability to understand and meet project goals and objectives (i.e., provide services, products, and resources that fully accomplish the scope of work) and complete projects on time and within budget. The AMCG team gets the job done right the first time.

**The AMCG team is fully committed to achieving these objectives and is confident that "nobody will do a better job".**

Based on the team's extensive qualifications and experience, intimate working knowledge, and vast resources which encompass all facets of the aviation industry (i.e., airports, aviation businesses, and aircraft), the AMCG team is uniquely qualified to provide the wide range of aviation management consulting services described in this proposal.

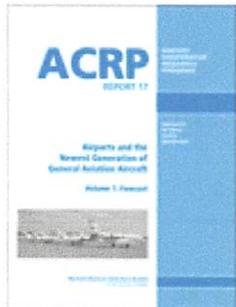
## 2. Team Members

**Paul A. Meyers, Principal and Chief Executive Officer**



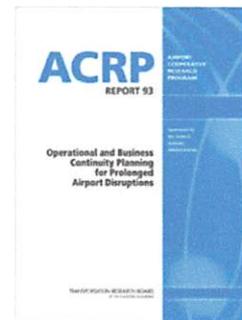
Paul is a founding principal of AMCG. He has approximately **35 years** of aviation, planning, development, operations, management, leadership, and consulting experience. Paul has an undergraduate degree in business/aviation administration and a certificate in transportation from California State University at Los Angeles. He has instructed (on a part time basis) at Metropolitan State University of Denver (Aerospace Science Department) teaching senior-level aviation management courses. Paul is an instrument rated private pilot and aircraft owner. *His areas of expertise and project responsibilities are highlighted in the qualifications and experience table provided in this section.*

Paul serves on the General Aviation Committee (American Association of Airport Executives or AAEE) and the Airport Business Committee (National Air Transportation Association or NATA).



He served on the panels for Airport Cooperative Research Project (ACRP) Report 17 (Airports and the Newest Generation of General Aviation Aircraft) and ACRP Report 93 (Operational and Business Continuity Planning for Prolonged Airport Disruptions).

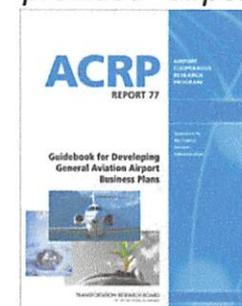
Paul served as Principal Investigator for Report 77 (Guidebook for Developing General Aviation Airport Business Plans). *This guidebook and supplemental materials provide airport managers and policy makers with the practical guidance needed to develop and implement a*



*business plan at a general aviation airport.*



He was a key team member for ACRP Report 114 (Guidebook for Through-the-Fence Operations). *This guidebook provides airport managers and policy makers with the practical guidance needed to assess, structure, and manage TTF operations (and maintain compliance with the grant assurances and applicable regulatory measures).*



AMCG was engaged (as part of a team) and he led the effort to conduct research for ACRP Legal Research Digest 11 (Survey of Minimum Standards: Commercial Aeronautical Activities at Airports). *This publication provides practical guidance for developing, implementing, and enforcing minimum standards.*

AMCG was engaged (as part of a team) and Paul led the effort to conduct research for ACRP Legal Research Digest 23 (A Guide for Compliance with Grant Agreement Obligations to Provide Reasonable Access to An AIP-Funded Public Use General Aviation Airport). *This guide examines the foundational requirements for providing access to general aviation airports, conveys specific real-life examples of disputes, discusses the lessons learned from such disputes, and provides recommendations for handling disputes and/or resolving compliance related issues.*



He is currently serving as a team member for ACRP 10-21 (Compliance with Federal Regulations: An Integrated Approach) and ACRP 11-01/Topic 06-01 (Operational and Legal Issues with Fuel Farms).

ACRP is an industry-driven, applied research program that develops near-term, practical solutions to problems faced by airport operators. ACRP is managed by the Transportation Research Board (TRB) of the National Academies and sponsored by the FAA. The research is conducted by contractors who are selected on the basis of competitive proposals.

#### Jeff A. Kohlman, Principal and Chief Operating Officer



Jeff is a founding principal of AMCG. He has approximately **30 years** of aviation, planning, development, operations, management, and consulting experience. Jeff has an undergraduate degree in Aviation Business Administration with an emphasis in accounting and finance from Embry-Riddle Aeronautical University. He has instructed (on a part time basis) at Metropolitan State University of Denver (Aerospace Science Department) where he taught senior-level aviation management courses. Jeff is a Certified Ground Auditor for NATA's Safety 1<sup>st</sup> Program. He is an instrument rated private pilot and aircraft owner. *Jeff's areas of expertise and project responsibilities are highlighted in the qualifications and experience table provided in this section.*

He served as Co-Principal Investigator for ACRP Report 114 (Guidebook for Through-The-Fence Operations). Jeff is currently serving as Principal Investigator for ACRP 10-21 (Complying with Federal Regulations: An Integrated Approach). *The objective of this project is develop guidance for airports that: (1) identifies the federal regulations that affect airports; (2) provides proposed methods and techniques to integrate resources, plans, policies, and procedures for regulatory compliance; and (3) provides a stand-alone tool to assist airports in tracking regulatory compliance.*

NATA Safety 1<sup>st</sup> established the NATA Safety 1<sup>st</sup> Ground Audit Standard to promote industry best practices and Safety Management Systems (SMS) development among ground handling providers in response to member requests for a safety standard and rating for FBOs. This audit standard is the first published audit for FBOs and other ground-handling service providers. One of the primary goals of this program is to reduce the number of proprietary audits FBOs have to complete for individual aircraft owners/operators. As such, this program seeks to consolidate and streamline the audit process.

***Robert D. Trimborn, C.M., Consultant***

Robert (Bob) Trimborn has approximately **35 years** of aviation, planning, operations, management, leadership, and consulting experience. He attended Cypress College and San Diego State University – majoring in aeronautics and mass communications. Bob has more than **30 years** of direct airport management experience at high profile general aviation reliever airports including serving as Airport Manager/Director at Santa Monica Airport, Reno Stead Airport, and Hawthorne Municipal Airport. He has a commercial pilot license with an instrument rating and is a Certified Flight Instructor. Robert is a Certified Member of AAAE.

***David C. Benner, C.M., Consultant***

David has approximately **15 years** of aviation, planning, operations, management, and consulting experience. He has a Bachelor of Science degree in Business Administration from Bethel College and a Master of Business Administration degree in Aviation with a concentration in Airport Management from ERAU. David has a commercial pilot license with instrument and multi-engine ratings and is a Certified Flight Instructor. He is a Certified Member of AAAE and a Certified Ground Auditor for NATA's Safety 1<sup>st</sup> Program. *David's areas of expertise and project responsibilities are highlighted in the qualifications and experience table provided in this section.*

***Brandon K. Borne, C. M., Project Analyst***

Brandon has approximately five years of aviation management consulting (airports and aviation businesses) and government relations experience including policy development and civic engagement. He has a Bachelor of Science degree in Public Policy and Administration from James Madison University and a Master of Public Administration degree from Old Dominion University. Brandon is a Certified Member of AAAE and a private pilot. *His areas of expertise and project responsibilities are highlighted in the qualifications and experience provided in this section.*

Services	Jeff	Paul	Bob	David	Brandon
Rent Studies	→	→	→	→	→
Fee Studies	→	→	→	→	→
Primary Management and Compliance Documents • Minimum Standards, Rules and Regulations, Leasing/Rents and Fees Policy, and Development Standards	→	→	→	→	→
Grant Assurance Compliance	→	→	→	→	→
Regulatory Compliance	→	→	→	→	→
Lease, Use, and Operating Agreements	→	→	→	→	→
Strategic Business Planning/Plans	→	→	→	→	→
Through-the-Fence (Access) Agreements	→	→			
Market Assessments and Feasibility Studies	→	→		→	→
Operational, Managerial, and Financial Assessments	→	→	→	→	
RFI/RFQ/RFP Development, Evaluation, Selection	→	→		→	→
Appraisals (Fee Simple, Leasehold Interest, Leased Fee)*	→	→	→	→	→
Valuation (Business, Stock, and Asset)*	→	→		→	
Acquisition, Divestiture, and Due Diligence	→	→		→	
Land Use, Site Planning, Facility Programming*		→	→		
Marketing and Business Development		→			
Litigation Support and Expert Testimony	→	→	→		

\* AMCG works with teaming partners on these projects

### C. Services

As indicated in the preceding table, the AMCG team provides a wide range of aviation management consulting services. These services are provided to airports, aviation businesses, aircraft owners and operators, and others having an interest in the general aviation industry (e.g., consultants, government entities, associations, etc.).

*IT IS SIGNIFICANT TO NOTE THAT AMCG DOES NOT TRY TO BE SOMETHING IT IS NOT. RATHER THAN PURSUING PROJECTS THAT THE FIRM "MAY" BE ABLE TO DO, AMCG ONLY PURSUES PROJECTS THAT ALIGN DIRECTLY WITH THE AMCG'S CORE COMPETENCIES. THIS IS THE ONLY WAY TO ENSURE THAT A SUCCESSFUL RESULT WILL BE ACHIEVED.*

### D. Clientele

AMCG's multi-faceted aviation management consulting services are provided throughout the United States and abroad to a diverse clientele that includes:

- Airports ranging from small general aviation airports to large hub primary commercial service airports
- Fixed Base Operators (FBOs) ranging from small (single location) independently owned and operated companies to large (multi-base) international corporations
- Specialized Aviation Service Operators (SASOs) ranging from small flight schools to large charter and aircraft management companies
- Aircraft owners and operators ranging from individuals who own/operate single-engine aircraft to large corporate flight departments who own/operate a fleet of large turbine-powered aircraft
- Government entities including federal, state, local (city, town, and county) agencies
- Industry vendors and suppliers
- Professional organizations including associations, financial institutions, law firms, and architectural, engineering, and planning firms

## E. Knowledge

The AMCG team has an excellent working knowledge of the aviation industry (overall), the general aviation segment of the industry (in particular), and airports, aviation businesses, and aircraft (more specifically).

The firm is intimately familiar with the Airport Sponsor Assurances (Grant Assurances) and many of the key federal laws, regulations, policies, orders, and guidance pertaining to the planning, development, operation, management, and funding of airports.

The AMCG team tracks, monitors, and analyzes general aviation data and trends on an ongoing basis including information published by key government agencies, aviation associations, and others. The team reviews all of the major national aviation publications and many regional and local aviation publications as well. AMCG has developed and maintains an extensive proprietary database and resource library that contains a wide range of aviation information and data.

## F. Resources

### 1. Presentations

The AMCG team regularly gives presentations to (and conduct workshops for) diverse audiences on a wide variety of general aviation topics.

The team is well versed in developing and giving presentations, conducting workshops and moderating and/or participating in panel discussions.

AMCG's principals have extensive experience developing agendas on a wide range of general aviation topics, creating game plans to facilitate panel discussions, and identifying, securing, and coordinating speakers.

Audiences have consisted of a wide range of stakeholders including airport owners (sponsors), airport operators (management and staff), airport policymakers (elected and/or appointed officials), aviation businesses, aircraft owners and operators, and others (e.g., consultants, vendors/suppliers, government entities, associations, etc.).

### 2. Special Workshops and Conferences

#### Airport Sponsor Assurances, Leasing Policies, and Minimum Standards Workshop

For approximately **18 years**, the principals of AMCG have conducted the Airport Sponsor Assurances, Leasing Policies, and Minimum Standards Workshop (also referred to as the Primary Management and Compliance Documents Workshop) on behalf of AAAE.

This dynamic and highly interactive one and one-half day workshop takes a best practices approach to the development (or update), implementation, and enforcement of a number of critical management and compliance documents including Leasing/Rents and Fees Policies, Minimum Standards, and Rules and Regulations.

With the Airport Sponsor Assurances and other compliance requirements serving as a foundation, this workshop thoroughly examines each of these documents (i.e., definition, role/purpose, and major elements) and delves into the intricacies, subtleties, and challenges of the development (or updating) process.

Throughout this workshop, key issues (e.g., exclusive rights, economic non-discrimination, rents and fees, self-fueling, TTF, independent operators, etc.) are examined, recent case studies (including complaints and determinations made under 14 CFR Part 16) are discussed, relevant real world examples are given, and ample opportunities are provided to interact with industry experts, colleagues, and peers. This workshop also examines the issues and challenges associating with setting and adjusting general aviation rents and fees.

By way of this workshop, attendees gain a better (more in depth) understanding of how these documents are interrelated, why these documents are important, what purpose these documents serve, and what elements make up each document. This workshop also examines the issues and challenges associated with implementing and enforcing these documents and maintaining compliance with Airport Sponsor Assurances (Grant Assurances) and other regulatory requirements.

#### General Aviation Issues and Security Conference

AMCG has played an instrumental role (as a marquee sponsor, program/agenda planner, and session moderator/presenter) in the General Aviation Issues and Security Conference since this event's inception in 2006.

Working closely with AAAE, this conference was developed to address the key issues the general aviation industry is facing (today) and the key challenges the industry may face (tomorrow). This conference is focused on general aviation issues and challenges – its prevailing theme.

This one and one-half day conference typically begins with a session on the State of the Industry (in which representatives of all the major aviation associations typically participate) and concludes with a session on Best Practices (in which representatives from the various segments of the industry – airports, aviation businesses, and aircraft owners and operators – typically participate). Historically, both of these sessions have been led by a principal of the firm (and have included discussions on setting and adjusting general aviation rents and fees).

The General Aviation Issues and Security Conference provides the opportunity to discuss and debate key issues and challenges, more clearly define industry problems, exchange ideas, and explore potential solutions. Additionally, participants are able to network with prominent leaders in the general aviation segment of the industry and government officials.

### **3. Articles**

Over the years, the principals of the firm have written articles or have been interviewed for articles on a wide variety of general aviation topics for industry trade publications.

### **4. White Papers**

The principals of the firm have written white papers on a wide variety of general aviation topics.

## **5. Memberships**

AMCG is an active member of, and members of the team participates regularly in, the aviation conferences held by national, regional, and state aviation associations. Some of AMCG's national and regional aviation association memberships include:

- Aircraft Owners and Pilots Association (AOPA)
- American Association of Airport Executives (AAAE)
  - Northwest, Southwest, South Central, Great Lakes, Northeast, and Southeast Chapters
- National Association of State Aviation Officials (NASAO)
- National Air Transportation Association (NATA)
- National Business Aviation Association (NBAA)

## **6. Relationships**

In addition to serving on AAAE's General Aviation Committee and NATA's Airport Business Committee, the firm maintains an extensive network of relationships with:

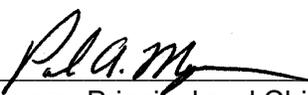
- The owners and operators of airports, aviation businesses, and aircraft located through the country (in all regions)
- Key representatives of government agencies (e.g., DOT, FAA, TSA, etc.)
- National aviation associations (e.g., AAAE, ACI-NA, AOPA, GAMA, NASAO, NATA, NBAA, etc.),
- Regional aviation associations (e.g., SWAAAE, NWAAAE, SCAAEE, SEC/AAAE, GLCAAEE, NEC/AAAE, etc.)
- State aviation associations (e.g., ACA, CAOAA, FABAA, SCAA, etc.)
- State aviation agencies



- Client:** City of Marina  
781 Neeson Road, Building 540  
Marina, CA 93933
- Contact:** Mr. Jeff Crechriou, Airport Services Manager
- Services:** Rent Study and Consulting/Advisory Services
- Location:** Marina Municipal Airport
- Scope:** **Element 1:** In accordance with the proposal dated October 28, 2015, the Aviation Management Consulting Group (AMCG) team will conduct a rent study to derive an opinion of market rent for certain improvements (Phase I) and a range of market rent for certain land (Phase II) located at the Marina Municipal Airport (Airport). AMCG will provide a written summary report as the final work product or deliverable.
- Element 5:** If desired by (and at the option of) the Client, AMCG will provide consulting/advisory services (on an “as needed” basis) for any matter pertaining to general aviation – airports, aviation businesses, and/or non-commercial entities.
- Fees:** **Element 1:** Services will be provided for a fixed fee of \$21,500 which includes an expense allocation of \$1,500 to cover the direct (project-related) expenses associated with one field visit (one person for a maximum of two days on-site).
- Element 5:** Services will be provided on an hourly basis in accordance with the AMCG team’s standard hourly billing rates conveyed in Attachment A (Fee Schedules) or on a fixed fee basis (if mutually agreed upon by the parties in writing in advance of providing the services). Database, library access, and/or use fees may also be charged if required to provide the consulting/advisory services requested by the Client under **Element 5**.
- Expenses:** **Element 1:** The Client agrees to reimburse AMCG (at cost without mark-up) for any direct expenses incurred in excess of the expense allocation of \$1,500.
- Element 5:** The Client agrees to reimburse AMCG (at cost without mark-up) for any direct expenses include: air and ground transportation, lodging, subsistence, and costs for outside services (e.g., telephone, facsimile, postage, overnight or courier service, copying, printing, and document production/duplication, etc.).
- Schedule:** **Element 1:** Services can be accomplished within six to eight weeks of the field visit (notwithstanding circumstances beyond AMCG’s control).
- Terms:** A signed project authorization will be required to commence work on the project. Fees for services rendered (and reimbursement for expenses incurred) by the AMCG team will be payable on a progressive basis predicated upon the work performed and the expenses incurred by the AMCG team each billing period (terms net 15 with interest at 15% per annum accrued on any unpaid balance). While AMCG typically invoices on a monthly basis, AMCG may invoice the Client on a more frequent basis. If any payment due and owing is not made promptly by the Client, the AMCG team may discontinue work. The Client agrees to pay all costs of collection including attorney’s fees and related costs/expenses and all interest incurred if payments are not made as agreed. In the event of any other dispute, the prevailing party shall be

entitled to recover attorney's fees, court costs, and related costs/expenses. This service agreement (Agreement) is subject to and shall be interpreted under the laws of the State of Colorado. AMCG work products will be provided in hardcopy or non-editable digital formats only. No editable digital versions of work products will be provided. AMCG is not a law firm and does not employ any attorneys. As such, AMCG will not conduct any legal reviews, render any legal findings, observations, opinions, or recommendations, or provide any legal advice to the Client. This project authorization is subject to change (including withdrawal in part or whole) if not executed by the Client by 5:00 pm (Mountain) on December 18, 2015.

The Client understands that the AMCG team provides a wide range of aviation management consulting services to current and prospective owners and operators of airports and aviation businesses (and other entities) located throughout the United States and abroad. While the AMCG team has determined (and the Client has agreed) that no conflict of interest exists at this time (relating to the services identified in this Agreement), the Client understands that potential conflicts of interest (which cannot be anticipated at this time) may arise relating to future work (not related to the services identified in this Agreement) and if the AMCG team identifies a potential conflict and the conflict cannot be resolved, the AMCG team may not be able and would not be obligated to provide services to the Client as it relates to future work that is or may be perceived as being in conflict. In such a case, the AMCG team will identify and refrain from performing the services that are or may be perceived as being in conflict. All other aspects of this or any other agreement between AMCG and the Client shall not be affected.

By:  Date: 12/11/15  
Paul A. Meyers, Principal and Chief Executive Officer

Client's Acceptance, Agreement, and Authorization:

By: \_\_\_\_\_ Date: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Print)

Title: \_\_\_\_\_  
(Print)

*I am authorized to sign for the City of Marina and bind the City of Marina to the terms and conditions of this Agreement.*

Attest

By: \_\_\_\_\_ Date: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Print)

Title: \_\_\_\_\_  
(Print)

*I bear witness, swear to, and affirm that \_\_\_\_\_ has signed this Agreement.*

**Attachment A (Fee Schedules)**

<b>Aviation Management Consulting Group</b>	
<b>Position</b>	<b>Hourly Billing Rate</b>
Staff	\$80
Project Analyst	\$140
Consultant	\$200
Principal	\$260

*Rates are effective through March 30, 2016 and subject to change thereafter*

<b>Decker Associates</b>	
<b>Position</b>	<b>Hourly Billing Rate</b>
Staff	\$75
Principal	\$125

*Rates are subject to change*

Honorable Mayor and Members  
of the Marina City Council

City Council Meeting  
of December 15, 2015

**CITY COUNCIL CONSIDER ADOPTING RESOLUTION NO. 2015- ,  
APPROVING A CONSULTANT PROPOSAL BY AVIATION MANAGEMENT  
CONSULTING GROUP (AMGC) TO CONDUCT A SPECIALIZED AIRPORT  
RENT STUDY FOR THE MARINA MUNICIPAL AIRPORT, APPROVING AN  
APPROPRIATION OF \$21,500 IN THE AIRPORT ENTERPRISE FUND,  
AUTHORIZING FINANCE DIRECTOR TO MAKE NECESSARY  
ACCOUNTING AND BUDGETARY ENTRIES, AND AUTHROZING CITY  
MANAGER TO ACCEPT THE PROPOSAL AND EXECUTE THE PROJECT  
AUTHORIZATION ON BEHALF OF THE CITY, SUBJECT TO FINAL  
REVIEW AND APPROVAL BY CITY ATTORNEY**

**REQUEST:**

It is requested that the City Council consider:

1. Adopting Resolution No. 2015- , approving a consultant proposal by Aviation Management Consulting Group (AMCG) to conduct a specialized airport rent study for the Marina Municipal Airport; and
2. Approving appropriation of \$21,500 for these professional services; and
3. Authorizing Finance Director to make necessary accounting and budgetary entries; and
4. Authorizing City Manager to accept the proposal and execute the project authorization on behalf of City, subject to final review and approval by City Attorney.

**BACKGROUND:**

Aviation Management Consulting Group (AMGC) of Centennial, Colorado, is a team of individuals that by way of background has excellent working knowledge of the aviation industry, the general aviation segment of the industry and airports. AMGC is uniquely qualified to provide the Rent Study and other services identified in their proposal to the City.

Mr. Paul Meyers of AMGC has consistently given presentations at the annual Association of California Airports (ACA) conference on various aviation topics, including conducting airport rent studies.

In general, the rent study is a streamlined approach that is used to arrive at an opinion of market rate for airport properties, including land or improvements - buildings, tarmacs and/or paved areas, being used for general aviation purposes without conducting an appraisal. This approach is consistent with the Federal Aviation Administration's policy which gives airport sponsors the flexibility to establish market rents (for both aviation and non-aviation use) for airport properties being used for general aviation purposes using a reasonable, justified and consistent approach.

To achieve this objective, the AMCG team will analyze rental rates on a comparative basis for similar land and improvements at comparable and competitive airports, including rental rates at national and regional airport, to derive an appropriate market based and supported rental rates.

The selection of comparable airports and the assimilation and analysis of data for similar properties at comparable airports is essential to the rent study process. AMGC maintains an extensive database of approximately 700 airports located throughout the United States and approximately 2,850 data points specifically for this purpose.

**ANALYSIS:**

The City desires to conduct a Rent Study for the Airport to be informed on fair and marketable rent rates for use of airport property/facilities. Further, FAA recommends airports conduct the specialized airport to airport comparison based rent study to establish aviation and non-aviation market rates for the airport. The rent study should then be updated every five to seven years essentially resetting the market rate for the next five to seven year period.

In November 2015, Airport staff contacted AGCM and requested a proposal for aviation consultant services, including conducting a rent study (“**EXHIBIT A**”). To accept this proposal, the consultant has provided the project authorization (“**EXHIBIT B**”).

**FISCAL IMPACT:**

Should the City Council approve this request, the cost of the rent study is estimated at \$21,500. A rent study was not included in the FY 2015-16 Adopted Airport Budget so funding will come from available fund balance of the Airport Enterprise Fund.

The additional appropriation of 21, 500 will be recorded to the FY 2015-16 Budget, Airport Enterprise Fund 555, Professional Services Other, Account No. 555.000.000.6300.570. Costs of services performed will be recorded to this account.

**CONCLUSION:**

This request is submitted for City Council consideration and direction to staff.

Respectfully submitted,

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Jeff Crechriou  
Airport Services Manager  
City of Marina

**REVIEWED/CONCUR:**

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Layne Long  
City Manager  
City of Marina