



**Proposal—FBO at Paso Robles Municipal Airport
Supplemental Information and Materials
Aviation Consultants, Inc. d.b.a. ACI Jet**

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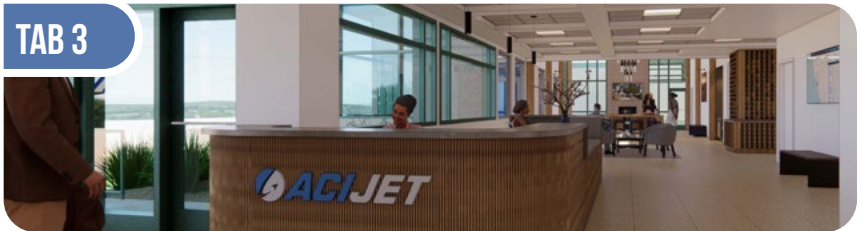
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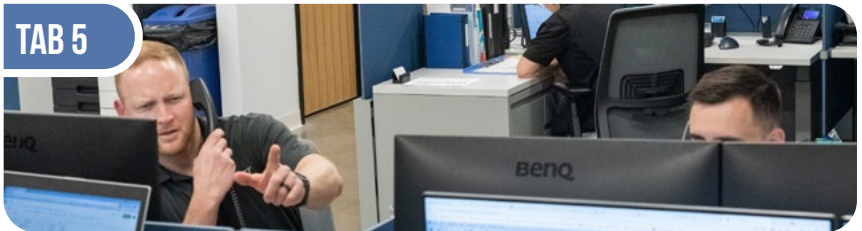
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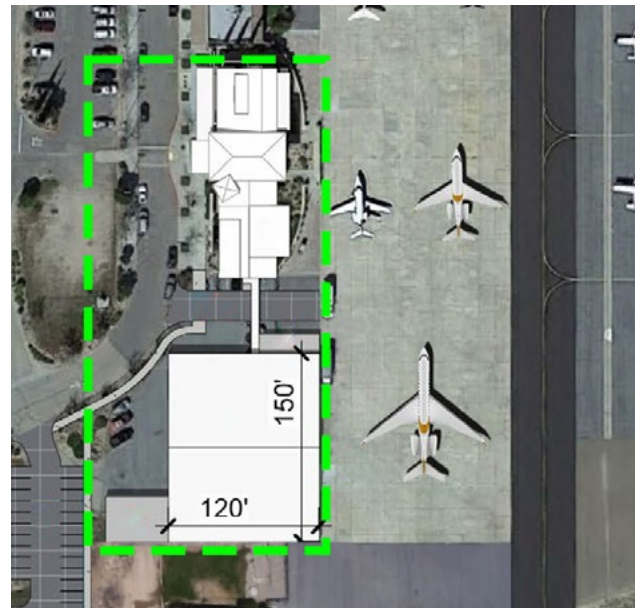
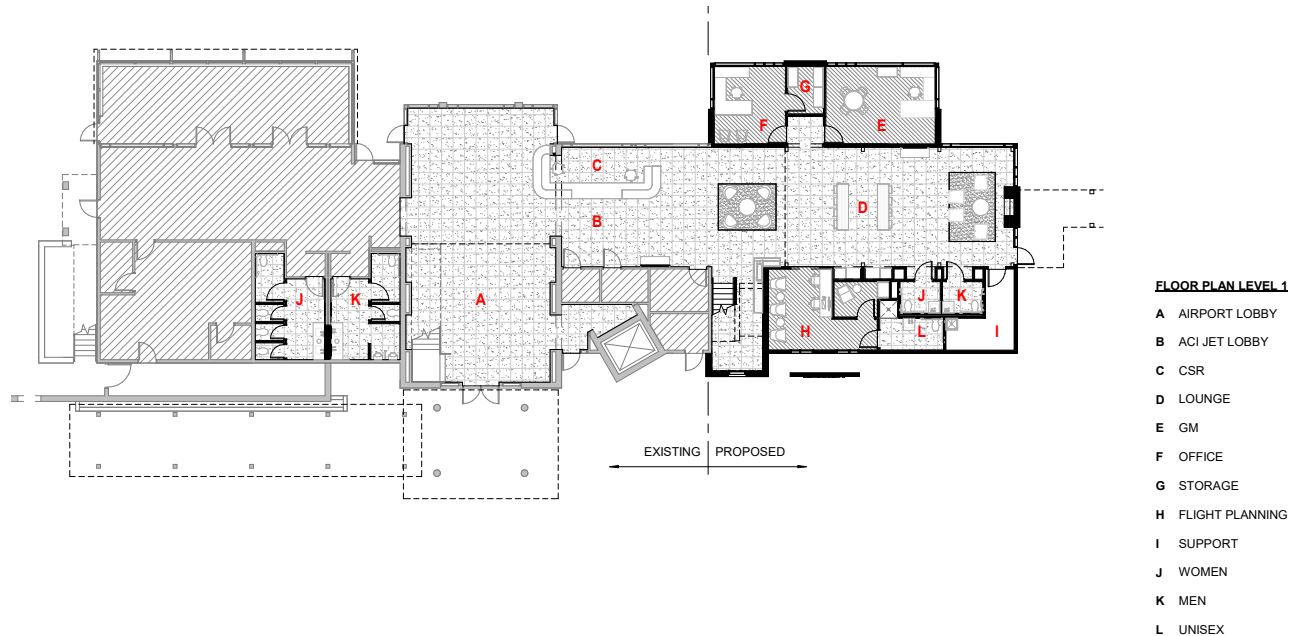


SUPPLEMENTAL INFORMATION & MATERIALS (CITY COUNCIL)

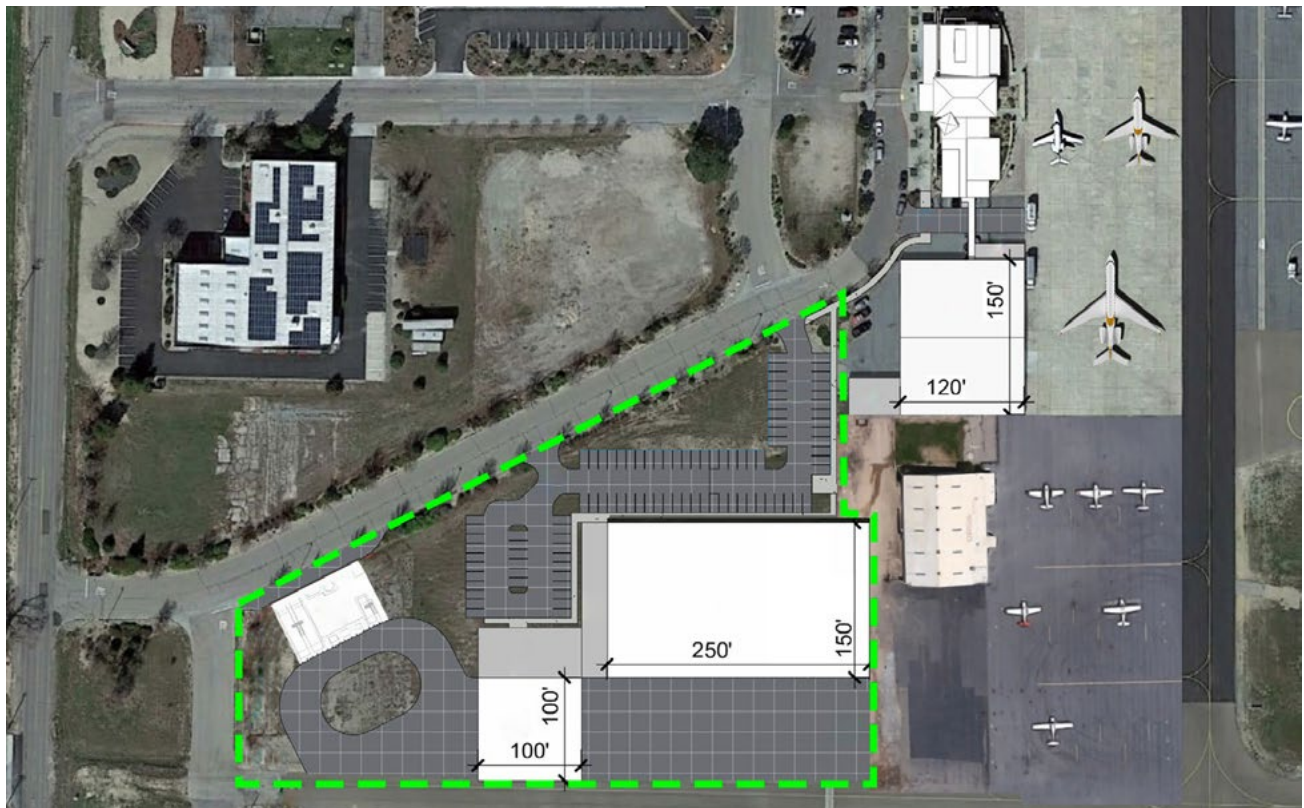
A

A revised Development Plan addressing only those airport properties identified to be leased in the RFP documents and no other properties, including specifics on the proposed timing of hangar developments on the development area identified in section 2.2 of the RFP.

Phase 1 of ACI's Development Plan remains unchanged except for the addition of bathrooms and a shower into the terminal expansion. **Also, while not highlighted in staff's presentation, our original proposal as well as this revised one includes the renovation of all existing public-use space in the main terminal including the bathrooms at no cost to the City.**



Phase 2 features an enlarged mixed-use community hangar that can house any type of aircraft – from small GA to long wingspan horizontal space launch vehicles. This development also includes the previously proposed joint-use education facility that could be shared by Cal Poly’s Aerospace Engineering Department and the Cuesta College AMT Program.



Phase 1 construction would begin as soon as possible and Phase 2 would commence upon securing funding for the educational facilities and anchor tenants for the multi-use hangar. We estimate this would take less than 10 years, which is why we proposed a 10-year initial lease term for this space in our initial proposal.

Our development plan is based on our ability to handle transient aircraft consistent with normal commercial practices that incentivize additional fuel purchases to increase revenue to the City and the FBO. Although we originally proposed leasing the ramp to accomplish this, we are open to any alternative arrangements that achieve the same results. The City’s consultant specifically cited Scottsdale Airport (KSDL) as a shining example of a successful GA airport. **ACI agrees and suggests looking to KSDL as a model for developing the appropriate structure in Paso Robles during negotiations.**

As a longtime partner with the City of Paso Robles and as an extension of our commitment to bring aerospace education and careers to North County, ACI Jet is willing to contribute \$100,000 to the Cuesta College Foundation upon its selection as the successful proposer. These funds will be used as seed money to support additional fundraising for the express purpose of establishing an educational facility at the Paso Robles Airport.

[Full-Resolution Floor Plan & Phasing Plan \(Appendix Pages 17-18\)](#)

SUPPLEMENTAL INFORMATION & MATERIALS (CITY COUNCIL)

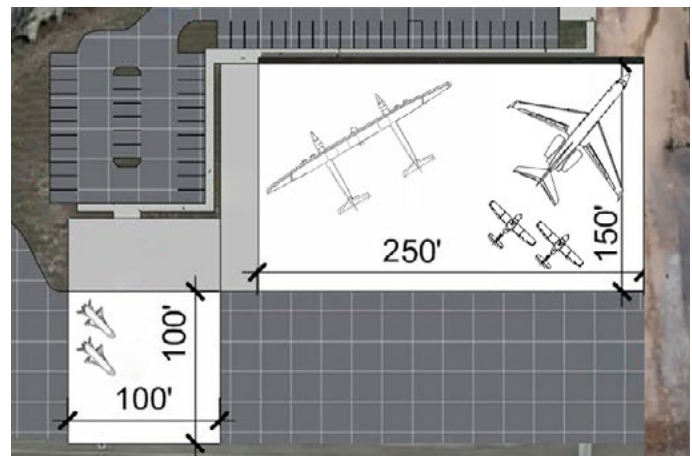
B A detailed explanation of how the FBO will operate should the City successfully establish a spaceport at the Airport.

We are enthusiastic about the Paso Robles Spaceport and committed to the success of this groundbreaking initiative in a way that fully aligns with the City's goals. ACI Jet can provide value in the establishment and ongoing success of a spaceport at KPRB through its longstanding relationships with local businesses and community members that have been built over the last 25 years on the Central Coast. We also believe that ACI's commitment to regional success through its partnerships with organizations such as REACH, Cuesta College, and Cal Poly-San Luis Obispo will be invaluable in achieving the City of Paso Roble's stated goals.

In addition to our deep community roots and track record of success, ACI Jet can contribute to the future success of the proposed Spaceport in the following ways:

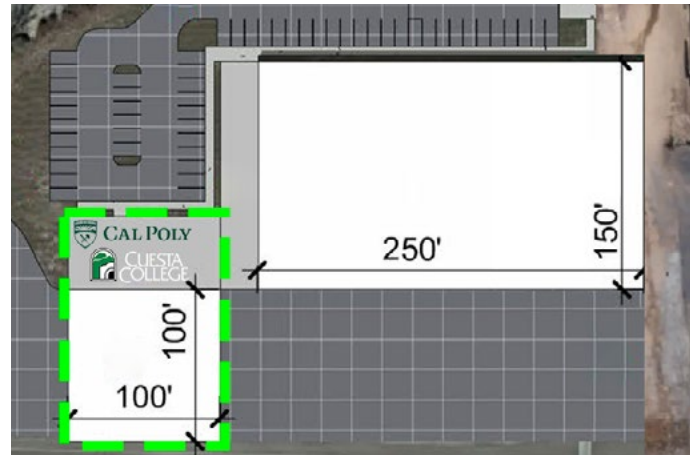
Facility

Our proposed community hangar design can accommodate longer-wingspan aircraft, the prevalent design for horizontal launch capabilities. Additionally, ACI Jet has a long standing relationship with a space technology tenant under lease in SBP who is interested in becoming a long term tenant in our proposed development at KPRB.



Relationships & Workforce Development

ACI will use its longstanding relationships with local aerospace companies as well as its connections with large scale commercial space operators such as SpaceX to highlight and promote KPRB's potential. We have already received numerous inquiries to connect with graduates of the new AMT program that we established in partnership with Cuesta College and believe these companies can be pursued to help fund the proposed joint Cal-Poly / Cuesta educational facility at the Paso Robles Airport. The ability to integrate this element of workforce development into the DNA of KPRB aligns perfectly with the City's goal of establishing the Paso Robles Space Innovation and Technology Park and will help to attract much needed future business development to ensure the Airport / Spaceport's success.



DID YOU KNOW?...

ACI Jet helped to launch Cuesta's Aircraft Maintenance Technician (AMT) program, with a \$500,000 private contribution from the company!

Provided that ACI is selected as the successful proposer, the company will expand on this commitment with an additional \$100,000 contribution to the Cuesta College Foundation as seed money for the express purpose of establishing an educational facility at the Paso Robles Airport.

FBO Support

Spaceport operations at our facility would mirror existing turbine aircraft support ensuring a seamless addition of new space-focused operations. We anticipate that our high-tech resources and in-depth experience with advanced turbine powered aircraft will be highly relevant to supporting spaceport operations. These resources and experience include but are not limited to:

- **Advanced calibrated technical equipment** to measure the precise thickness of metal, composite, and applied surfaces materials. (i.e. Spacecraft skin thickness.)
- **Advanced certification equipment** that can be used to certify high altitude aerospace instruments.
- **Experience with the regulatory process and agencies involved** in oceanic operations, including clearances, Flight Information Region (FIR) regulations, and applicable ICAO protocols and procedures.
- **Larger capacity fuel trucks** to serve larger aircraft and other properties around the airport.
- **Buses and/or vans** to support terminal arrivals and transportation to other properties around the airport.
- **Collaboration with the City of Paso Robles** to promote events and community activities.



SUPPLEMENTAL INFORMATION & MATERIALS (CITY COUNCIL)

C

A detailed customer service plan identifying the location of customer service operations, the proposed hours of operations, and additional information on the services provided.

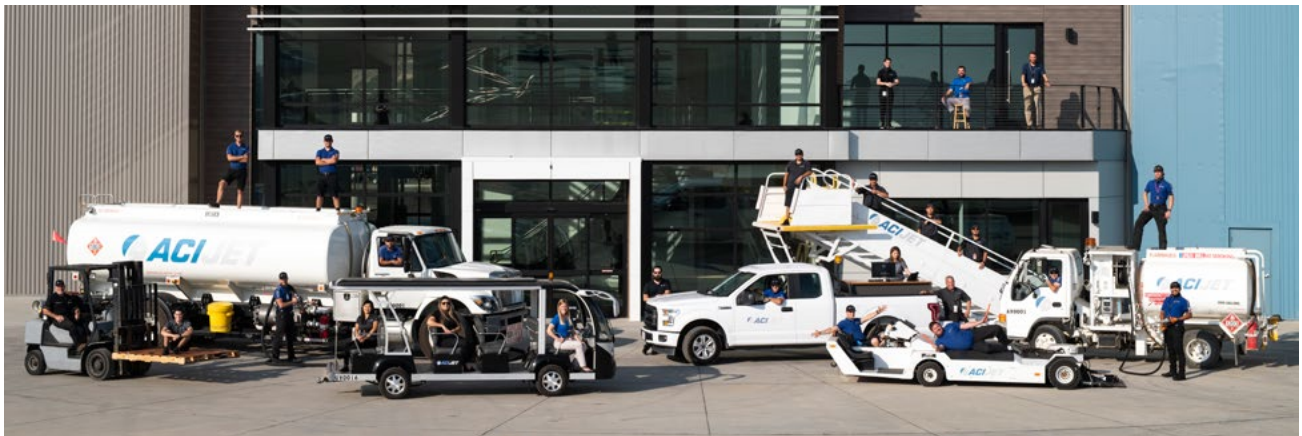
There appears to be a misconception that ACI Jet does not currently have customer service at KPRB and/or that we did not include on-site customer service in our original RFP response. The information provided below is intended to clarify our planned service levels and guarantees.

Customer Service at KPRB Today

Staffing. ACI Jet's Customer Service Team consists of Aircraft Ground Support (AGS) technicians and Hospitality and Experience (H&E) agents. We currently staff four full-time personnel at PRB in a hybrid capacity (AGS/H&E) providing parking/fueling and concierge services for arriving and departing customers. A quick review of our operations at PRB showed that our lobby is currently staffed 90% of the time by a member of our team.

Also, while phone calls are initially routed to our H&E agents in SLO, they are quickly transferred to our staff in Paso Robles for smooth coordination of on-site needs. We currently employ 10 H&E agents in SLO who are adept at supporting Paso Robles and who work on-site from time to time when dictated by demand.

ACI's ability to leverage its larger team and resources has delivered an exceptional level of service in PRB, even during periods of low demand when maintaining such a large team of trained and qualified professionals would not otherwise be possible. Conversely it is the reason that ACI can respond with confidence and on short notice to periods of extreme demand such a tanker base response to a nearby wildfire.



ACI's Current Hours of Operations at Paso Robles Airport are as follows:

- March to November: on-site 7 am - 7:30 pm.
- December to February: on-site 7 am - 6:30 pm.
- After-hours notification to ACI-PRB personnel:
 - Until 9 pm: calls answered/forwarded by ACI-SLO.
 - After 9 pm: calls fielded by a professional answering service.
 - Note: nearly all after-hours services are known ahead of time and planned for.

Proposed Future Customer Service at KPRB

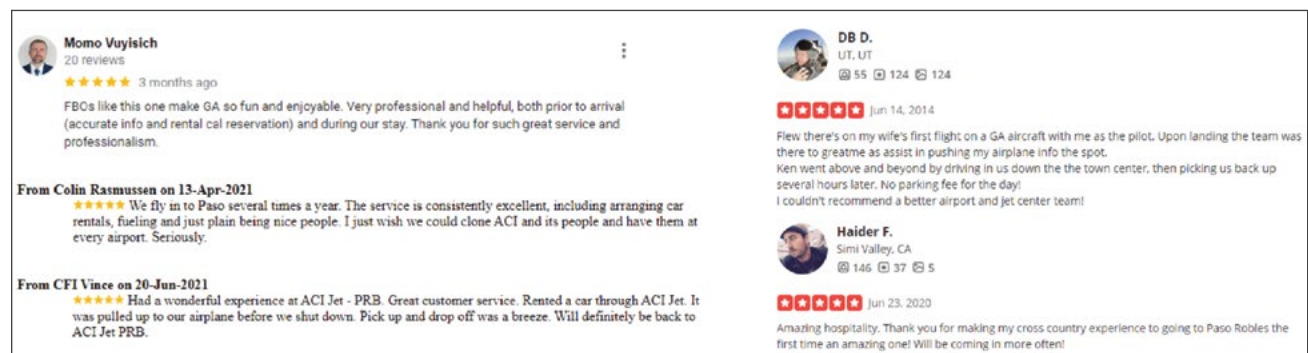
In addition to the current staffing described above, a dedicated Hospitality & Experience agent would be assigned to PRB:

- Before completion of the new executive terminal/hangar: Thursday to Sunday, 9 am - 3 pm.
- After completion of the new executive terminal/hangar: Daily, 7 am - 7 pm.



Summary of ACI Jet Customer Services

Customer Service	Line Service
<ul style="list-style-type: none"> • Rental vehicles (vehicles available on-site) • Arrange catering • Transportation (limo, Uber, etc.) • Process payments • Dispatch requests • Coordinate after-hours services • Snack and refreshment ordering / stocking • Lobby cleanliness and organization • Concierge services • Operational communications 	<ul style="list-style-type: none"> • Ensure safe aircraft operations • Airside security and safety • Aircraft parking • Ramp space management • Aircraft marshaling • Fueling • Aircraft lavatory service • Potable water service • Coffee, ice papers • Oil services • Fuel spill prevention and clean-up • Ground power services • Quality control checks and assurance • Fuel inventory management • Ramp cleanliness and organization



A small example of some of ACI Jet's stellar reviews at KPRB. A more comprehensive summary of customer reviews was provided at the Joint City Council & Airport Commission Meeting.

SUPPLEMENTAL INFORMATION & MATERIALS (CITY COUNCIL)

D A detailed proposal on any proposed revenue share fee split and the proposed structure of parking fees, ramp fees, and other FBO fees at the Airport if different than the City Council adopted comprehensive fee schedule.

Revenue Share Fee Split & Fees

Provided that the City would like to proceed with ACI Jet's proposed capital improvements, we propose an 80% (ACI) / 20% (City) split on the ramp and parking fees, all of which can be waived with minimum fuel purchases. The proposed fees shown below are consistent with normal commercial practices within our industry when an FBO provides marshaling, parking, towing, exceptional facilities, concierge services, and customary amenities. This package of services is precisely what ACI is proposing and what sophisticated and high value customers are willing to pay for.

Aircraft	Ramp Fee	Parking Fee	Min. Fuel to Waive
Piston Single	\$0	\$12	Any
Piston Twin	\$0	\$12	Any
Helicopter Small	\$60	\$45	20 gal
Helicopter Standard	\$125	\$55	50 gal
Very Light Jet	\$125	\$150	75 gal
Light Jet	\$250	\$210	150 gal
Mid-Size Jet	\$385	\$270	250 gal
Super Mid Jet	\$510	\$360	350 gal
Large Jet	\$635	\$460	400 gal
Super Long Range	\$825	\$550	500 gal

A Sustainable Win-Win FBO Business Model

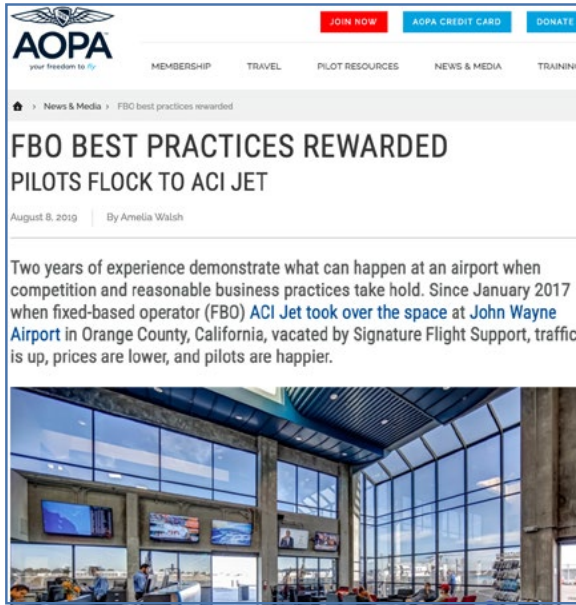
Our proposed financial model is integral to our ability to deliver high-end services that are synonymous with the ACI Jet brand and to contribute significantly to the airport experience for all types of airport users, including light GA. This model also incentivizes more sales to transient flight crews resulting in more direct revenue to the City that can- be reinvested in the airport.

By providing a higher level of service, ACI can generate a corresponding higher level of revenue that when split with the City will generate more income than the established fees that are merely for the use of space instead of a combined high touch service experience. Our proposed arrangement is standard practice at FBOs across the country and aligns with industry best practices. As mentioned by City's consultant, Scottsdale Airport (KSDL) is a shining example of economic success and all of the FBOs in Scottsdale employ a similar ramp fee structure with waiver of all or part of the fees with an appropriate fuel purchase.

(Continued on Next Page)

While this is normally accomplished by the FBOs leasing appropriate ramp space to accommodate high value clients, ACI is open to an alternative arrangement that provides the same results. Consistent with this concept, we have proposed an ongoing 80/20 split revenue sharing model for the entire 40 year proposed period but we remain open to any other options agreeable to the City that achieve the same results.

Consistent with our proposal, it is worth noting that ACI Jet’s business model, including competitive fuel pricing, has garnered national recognition.



FUEL PRICING MATTERS...

The City benefits directly from the sale of fuel, and lower pricing drives more fuel sales. ACI Jet’s business model has always been to apply a competitive fuel pricing model which in turn generates substantial revenue for the airports we operate from. The table below represents both ACI Jet and Loyd’s retail fuel pricing on Air Nav as of January 29, 2024.

ACI JET	LOYD’S	DIFFERENCE
Avgas \$6.22/g	\$7.49/g	+20.4%
Jet-A \$6.27/g	\$7.09/g	+13.1%
Self-Serve \$5.00	N/A	N/A

GUARANTEED FUEL PRICES		GUARANTEED FUEL PRICES	
100LL Avgas Full service	\$6.22	100LL Avgas Full service	\$7.49
100LL Avgas Self service	\$5.00	Jet A Full service	\$7.09
Jet A Full service	\$6.27		

Source: airnav.com

Prior to ACI Jet’s arrival on the field, John Wayne Airport ranked high on AOPA’s list of most complained-about airports after the association began investigating **egregious pricing**. The county board of supervisors responded by terminating Signature’s lease, and signing a new pact with ACI Jet. The new FBO has become a haven for general aviation traffic, especially transient aircraft that are exempt from any ramp fees for stays less than three hours. With lower fuel prices and a newly renovated terminal, it’s no surprise that ACI Jet fills seven out of every ten fuel requests on the field.

Part of ACI Jet’s pro-GA culture can be attributed to its president and CEO Bill Borgsmiller, who started the company in 1998 with just his Piper Seneca III serving as the firm’s first charter aircraft. Borgsmiller, who is a member of AOPA’s Airport Access Advisory Panel, believes it’s possible to be profitable while still being inclusive of all airport users.

“I’m a firm believer that you can’t just skim from the top. Aviation is a small industry and you have to take care of the whole ecosystem. Light GA is where all of our future aviators come from and I have no doubt that exclusionary practices at some airports have contributed to the pilot and mechanic shortage that we are now facing.”

ACI Jet’s presence on the field is a welcome change for John Wayne Airport, which has seen an increase in aviation fuel sales of more than 20 percent, added some 40 new based aircraft, and increased employment by more than 50 staff. Additionally, in the past year, the airport has been recognized by J.D. Power as the “Best Large Airport” and by *Travel + Leisure* as one of the top “Best Domestic Airports.”

SUPPLEMENTAL INFORMATION & MATERIALS (CITY COUNCIL)

E E) A updated Financial Plan to the extent necessary based on the foregoing updated documentation.

Financial Plan and PRB Revenues

Provided that the City would like to proceed with ACI Jet’s proposed capital improvements, we propose an 80/20 split on the ramp and parking fees, all of which can be waived with minimum fuel purchases. This is in addition to the baseline rents for the existing facilities and new construction in the proposed FBO development area.

For ease of comparison, we have provided the numbers that were previously sent to the City Council outlining the anticipated financial results from our initial response including the FMV lease of the transient ramp space alongside the updated numbers with an ongoing 80/20 split replacing the FMV lease income for the additional space.

ACIJET REVENUES & INVESTMENT RETURNS AS PROVIDED IN ACI JET RFP RESPONSE

LEASE TERM	AS ORIGINALLY PROPOSED	UPDATED PER AD HOC REQUEST	NET EFFECT OF CHANGE
Initial Lease Term	40 Years	40 Years	-
Lease Option Term	n/a	n/a	-
Returned to the City After	40 Years	40 Years	-
PROPOSED DEVELOPMENT RETURNED TO CITY AFTER LEASE			
Committed on Lease Commencement	\$5,982,365	\$5,982,365	-
<i>Phase I / Terminal Expansion</i>	\$2,873,475	\$2,873,475	-
<i>Phase I / Community Hangar</i>	\$3,108,890	\$3,108,890	-
Build On-Demand	\$15,336,000	\$12,160,000	(\$3,176,000)
<i>Phase II / 3.2-Acre Parcel</i>	\$15,336,000	\$12,160,000	(\$3,176,000)
Total Development Costs	\$21,336,000	\$18,142,365	(\$3,193,635)
DIRECT FISCAL IMPACT			
Leasehold Rents	\$196,614 / yr	\$183,654 / yr	(\$12,960) / yr
<i>Existing Leasehold</i>	\$163,759 / yr	\$163,759 / yr	-
<i>Ramp/FBO Expansion/Hangar</i>	\$12,960 / yr	\$0 / yr	(\$12,960) / yr
<i>Future Development Area</i>	\$19,895 / yr	\$19,895 / yr	-
Overnight & Ramp Fees to City (Years 1-10)	\$42,200 / yr	\$42,200 / yr	-
Overnight & Ramp Fees to City (Years 11+)	n/a	\$56,165 / yr	\$56,165 / yr
Market-Adjusted Rent (Years 11+)	\$135,630 / yr	\$82,068 / yr	(\$53,562) / yr
Total Rents & Ramp Revenues Over 40 Yrs*	\$19,660,728	\$19,251,026	(\$409,702)
Airport Fuel Revenues from DLA Contract	\$33,000 / yr	\$33,000 / yr	-
Airport Fuel Revenues from RAF	\$55,000 / yr	\$55,000 / yr	-
INDIRECT FISCAL IMPACT			
Community Impact / DLA Contract	\$457,152 / yr	\$457,152 / yr	-
Royal Air Force (RAF) Community Impact	\$1,411,044 / yr	\$1,411,044 / yr	-

*Numbers above feature projected annual escalation as-proposed.

As mentioned earlier, the City’s consultant specifically cited Scottsdale Airport (KSDL) as a shining example of a successful GA airport. ACI suggests looking to KSDL as a model for developing the appropriate structure in Paso Robles.

SUPPLEMENTAL INFORMATION & MATERIALS (STAFF)

MX

A detailed proposal of how the FBO intends to fulfill the maintenance obligations for both Piston and Jet Aircraft maintenance. Please also identify the location of the maintenance activities, the proposed hours of operations, and the relationship the provider has with the FBO as either a contractor or employee.

With the construction of the new hangar, high-value RAF and other military operations can move to the ramp space best suited for these types of aircraft without impacting activity at the Executive Air Center (Kyoto Building). It will also allow for more significant turbine maintenance and future space related operations to occur at the new multi-purpose community hangar in KPRB.



Five of ACI Jet's current seven-vehicle mobile aircraft maintenance vehicles, which are used to provide advanced turbine engine aircraft maintenance support statewide (including KPRB). ACI Jet is in negotiations for a contract which would expand the fleet to 14 vehicles.

ACI believes that the best path forward for a highly successful GA maintenance facility is to match new graduates from Cuesta's AMT program with seasoned local mechanics. We think this is necessary not only for the development of new talent, but also to carefully navigate some established norms with respect to how tenants currently obtain maintenance on the field. ACI is willing to directly employ the right team of people and operate the GA maintenance facility itself to ensure that it is successful and sustainable.



Aviation Maintenance Technician Program

Collectively, these developments will allow the Kyoto building to be a long-term home for light GA maintenance that will provide service Monday through Friday during normal business hours. Call out services will remain available 24/7 upon request.

APPENDIX—Addendum 3



CITY OF EL PASO DE ROBLES
"The Pass of the Oaks"

RFP ADDENDUM NO. 3

**Fixed Base Operation
Paso Robles Municipal Airport**

RFP ADDENDUM ISSUE DATE: January 16, 2023

RFP ADDITIONAL DOCUMENTATION DUE DATE: January 31, 2024 at 5:00 PM

NOTE: IT IS NECESSARY TO INCLUDE A SIGNED RFP ADDENDUM WITH YOUR RFP ADDITIONAL DOCUMENTATION IN ORDER FOR THE PROPOSAL TO BE DEEMED RESPONSIVE. IN THE EVENT OF MULTIPLE ADDENDA, ALL ARE REQUIRED TO BE SIGNED AND SUBMITTED.

I acknowledge receipt of this RFP Addendum, which consists of these **2** pages (including Attachment 1) with additional information and clarification. I further acknowledge that the RFP Additional Documentation submitted for this project incorporates the information contained in this RFP Addendum.

Company Name: ACI Jet
Signature: [Handwritten Signature]
Title: President/CEO
Date: 1/31/24

1. May the area outlined in green on Attachment 1, to the south of the main terminal, be included in the proposal, and ultimately leased to other successful proposer?
 - a. Yes. As identified in Section 2.2 and Attachment 6 of the original RFP, the expansion of the Airport terminal to the south may be included in the proposal. This is also supported by the City's answer to Question 9 on Addendum 2. The green outlined area in Attachment 1 is a fair representation of the area which the City is open to considering leasing. Note: Any loss in existing city infrastructure through the development of this area will be addressed in the negotiation process.
2. Section 4.8 (Prohibition Against Lobbying) and Section 4.9 (Contact with the City and Others) are hereby removed from the RFP, effective immediately.

SUPPLEMENTAL INFORMATION & MATERIALS

APPENDIX—Addendum 3 (Continued)

- a. With the evaluation committee phase, the interviews, and the initial scoring of the proposals now complete, and with the RFP process transitioning into a new phase, these provisions are no longer considered necessary by the City. These provisions established common anti-lobbying restrictions, which are a routine part of many procurement processes, and were narrowly tailored to protect the integrity of the RFP process. The removal of these provisions will ensure a level playing field among proposer.
- b. Proposers are expected to know and comply with applicable transparency laws including the Ralph M. Brown Act.
- c. In addition, proposers should remain mindful that decision-makers may be asked to disclose ex parte communications with proposers as part of any final decision-making on the RFP.

Attachment 1



SUPPLEMENTAL INFORMATION & MATERIALS

APPENDIX—Letter of Support (Cal Poly, San Luis Obispo)



OFFICE OF THE PRESIDENT

May 23, 2023

City Hall
1000 Spring Street
Paso Robles, CA 93446

Dear Honorable Mayor & City Councilmembers,

I am writing to express Cal Poly's support of the Paso Robles Airport expansion and our appreciation of ACI Jet's services. North County and the airport are important to Cal Poly and we envision ongoing partnership and exciting economic and educational opportunities in the future.

A professionally functioning airport is one of the key ingredients to the success of a community like Paso Robles, benefiting both residents and businesses. A key element of that is having properly maintained airport facilities and a wide variety of professional aviation services that attract activity and create vibrancy.

In our experience, we have been pleased with the services provided by ACI Jet. Cal Poly's sports teams and boosters regularly depart from ACI Jet's FBO at KSBP on charter flights to sporting events, and our students regularly visit ACI Jet's Maintenance, Repair, and Overhaul (MRO) facility as part of their curriculum.

As the city continues to work on the expansion of the airport, I just wanted to take a moment to pass along our support and experiences. I appreciate the work you are doing and look forward to continuing our ongoing partnership to achieve a spaceport license in Paso Robles as well as future opportunities that benefit both north county and our students.

Sincerely,

Jeffrey D. Armstrong
President

CALIFORNIA POLYTECHNIC STATE UNIVERSITY SAN LUIS OBISPO CA 93407-1000

805.756.6000 WWW.CALPOLY.EDU

SUPPLEMENTAL INFORMATION & MATERIALS

APPENDIX—Letter of Support (Cuesta College)



SAN LUIS OBISPO COUNTY COMMUNITY COLLEGE DISTRICT

Jill Stearns, Ph.D., Superintendent/President

May 23, 2023

Paso Robles Mayor and City Council
City of Paso Robles
1000 Spring Street
Paso Robles, CA 93446

Dear Honorable Mayor Martin and City Councilmembers,

On behalf of Cuesta College, it is my pleasure to offer our strongest support for ACI Jet's proposal for a long-term lease at Paso Robles Airport to manage, operate, market, and expand its current fixed base operation (FBO) products, services, and facilities.

Over the last several years, ACI Jet and Cuesta College have partnered to establish an exciting new program to train students to earn a FAA certification as aviation maintenance technicians. Throughout the process my staff and I have been thoroughly impressed by ACI Jet's professionalism, integrity, and dedication to delivering on their commitments. This new program was established in record time thanks to ACI Jet's marketing prowess, aviation expertise, and trusted relationship with the FAA FSDO. Members of the local community now have the opportunity to be hired by SLO County aviation businesses in high-wage positions.

Cuesta College would be interested in discussing additional partnership opportunities with ACI Jet-PRB upon ACI Jet being granted a continued long term and expanded presence at Paso Robles Airport. This holds incredible possibility for expanded educational offerings in the North County.

With its 22-year proven record at San Luis Obispo Regional Airport, Paso Robles Airport, and John Wayne Airport, as well as its demonstrated commitment to the success of Paso Robles Airport, ACI Jet is the obvious, best choice to be granted a long-term lease at KPRB.

Sincerely,

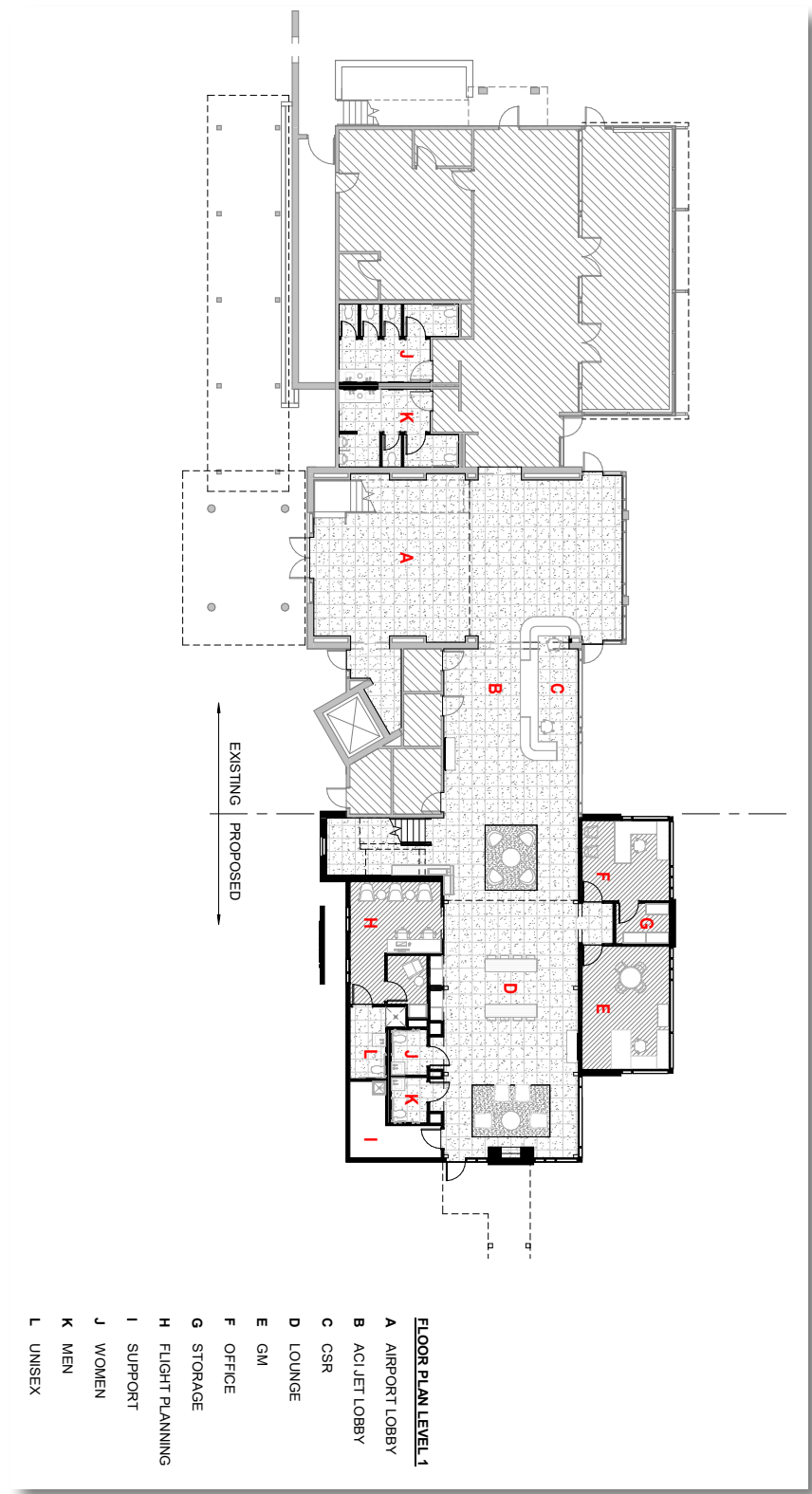
Jill Stearns, Ph.D.
Superintendent/President

Build Your Future

Cuesta College P.O. Box 8106, San Luis Obispo, CA 93403-8106 (805) 546-3118 www.cuesta.edu

SUPPLEMENTAL INFORMATION & MATERIALS

APPENDIX—Updated Floor Plan



SUPPLEMENTAL INFORMATION & MATERIALS

APPENDIX—Update Phasing Plan

