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Title: Actions related to the Airline Operations Agreement with ExpressJet Airlines LLC.:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines.
2. Approve the new Airline Operations Agreement between the City of Fresno and ExpressJet Airlines LLC., at Fresno Yosemite International Airport, for a lease term of five years. (Council District 4)

Sponsors: Airports Department

Indexes:

Code sections:

Attachments: 1. Airport Operations Agreement (ExpressJet).pdf

Date	Ver.	Action By	Action	Result
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REPORT TO THE CITY COUNCIL

FROM: KEVIN R. MEIKLE, Director of Aviation
Airports Department

BY: MELISSA GARZA-PERRY, Airports Properties Manager
Airports Department

SUBJECT

Actions related to the Airline Operations Agreement with ExpressJet Airlines LLC.:

1. Adopt a finding of Categorical Exemption pursuant to Section 15301 (Existing Facilities) of the California Environmental Quality Act Guidelines.
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RECOMMENDATION

Staff recommends that City Council adopt a finding of Categorical Exemption, pursuant to Section 15301 of the California Environmental Quality Act (CEQA) Guidelines, and authorize the Director of Aviation, or designee, to execute the new Airlines Operations Agreement (AOA) with ExpressJet Airlines LLC., at Fresno Yosemite International Airport (FAT), for a lease term of five years. Amount of anticipated annual revenue generated by agreement based on flight schedule is \$300,000.

EXECUTIVE SUMMARY

ExpressJet is a Georgia-based airline that will commence commercial air service at FAT on November 10, 2021. Executing the AOA will provide the operational, financial, and legal framework for ExpressJet to operate at FAT. ExpressJet will have three (3) weekly scheduled flights to Reno, NV. This route serves as a new destination not previously serviced from FAT. As FAT's tenth airline, ExpressJet will provide additional travel opportunities for Fresno and the surrounding region.

BACKGROUND

AOAs allow the airlines to provide commercial air service at FAT, which include, but are not limited to, provisions for, (i) use of the airfield and terminal facility, (ii) payment of rates and charges in accordance with the City of Fresno adopted Master Fee Schedule, (iii) insurance and indemnification, (iv) term and termination provisions, and, (v) operations and maintenance protocols.

The AOA terms and conditions are consistent with the other AOAs at FAT. The term will be through October 31, 2026. The insurance and indemnity provisions have been reviewed and approved by the City of Fresno Risk Management Division.

The City Attorney has reviewed and approved AOA as to form.

ENVIRONMENTAL FINDINGS

This Agreement falls within the Class 1 Categorical Exemption for Existing Facilities set forth in California Environmental Quality Act (CEQA) Guidelines, Section 15301 for existing facilities, as it involves no alteration of existing facilities, with no expansion of use, and will not result in any significant negative effects relating to traffic, noise, air quality or water quality. Furthermore, none of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project.

LOCAL PREFERENCE

Local preference was not implemented because this item is not an award of a services or construction agreement.

FISCAL IMPACT

The annual estimated revenue will be \$300,000. The revenue received during the full term of the agreement is estimated to be \$1,500,000 plus. All revenue will be deposited into the Airports Enterprise Fund and will contribute to the operation and maintenance of FAT. There is no impact to the General Fund or ratepayers of the City of Fresno from this item.

Attachment: Airport Operations Agreement