

August 12, 1998

Mr. M. L. Koester, Chief Administrative Officer
County of Ventura
800 South Victoria Ave.
Ventura, CA 93009

RESPONSE TO THE 1997-98 GRAND JURY FINAL REPORT, DEPARTMENT OF AIRPORTS

Grand Jury Conclusion: Both airports are attractive facilities with the potential for enhancing aviation, support services and industrial/commercial revenues. Industrial and commercial development is possible for lands on and adjacent to the airports.

Airport partnerships are not new nor are they experimental. The techniques of creating and operating them are well established. Benefits to the airports and their communities have been demonstrated in many other areas.

Private sector involvement provides a way to infuse capital, manage costs and improve the quality and range of aviation services offered. The infusion of capital allows cities to rehabilitate neglected facilities and expand and modernize to meet projected needs.

The public/private partnerships can provide funds through initial payments to the County by the private partners and through increased tax revenues. Profit incentives encourage the operator to increase marketing, explore new areas of aviation and non-aviation income generation for the facility and improve the quality of customer service.

Commute times to LAX and Burbank airports are becoming longer and more costly. General aviation and commercial activity are on the increase and convenience and accessibility is a key ingredient for economic growth in Ventura County.

Public/private partnerships can benefit the County and its citizens by being a catalyst for development of underutilized and new facilities.

Response: The Department of Airports is in agreement with the Grand Jury's findings.

Grand Jury Recommendation: That a task force be appointed by the Board of Supervisors to study and develop recommendations for airport privatization.

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Response: In September and October of 1997, the Aviation Advisory Commission and the Oxnard and Camarillo airport authorities commenced a review of airport privatization/private-public partnership. After their initial review, the authorities recommended that the study and/or review be continued for one year.

The Camarillo and Oxnard airport authorities will review the Grand Jury's recommendation to form a task force and submit their comments and direction to the Board of Supervisors.

Grand Jury Recommendation: That a program to educate and inform the public, airport users and the surrounding communities be established.

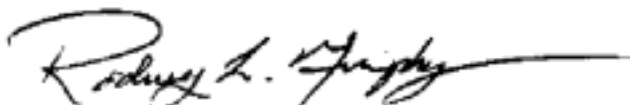
Response: The Camarillo and Oxnard airport authorities will include recommendations to the Board of Supervisors for a public relations program regarding airport privatization.

Grand Jury Recommendation: That a realist timetable for these efforts be established so that an informed decision can be made about airport privatization.

Response: The Department of Airports will establish a timetable that will allow the Board of Supervisors sufficient time to develop a recommendation on these matters prior to the end of the 1998-99 fiscal year.

Respectfully submitted,

DEPARTMENT OF AIRPORTS



Rodney L. Murphy, C.A.E.
Director of Airports