



AGENDA STAFF REPORT

Control: 26001136

MEETING DATE: 05/19/2026

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): District 5

SUBMITTING AGENCY/DEPARTMENT: John Wayne Airport

DEPARTMENT CONTACT PERSON(S): Charlene Reynolds, 949-252-5183
Evanna Barbic, 949-252-5232

SUBJECT: Approve Amended and Restated Airline Club Room Lease with United Airlines, Inc.

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement to form	DISCUSSION
		3 Votes Board Majority

Budgeted: Yes	Current Year Cost: N/A	Annual Cost: N/A
Staffing Impact: No		Sole Source: No
Current Fiscal Year Revenue: See Financial Impact Section	Funding Source: N/A	County Audit in Last 3 years: No
Levine Act Review Completed? Yes		
Prior Board Action: 12/13/2016 #39		

RECOMMENDED ACTION(S):

1. Approve Amended and Restated Airline Club Room Lease with United Airlines, Inc. for a term extended through December 31, 2030.
2. Authorize the Airport Director or designee to make minor modifications and amendments to the Club Room Agreements that do not materially alter the terms or financial obligations to the County, and perform all activities specified under the terms of the lease.

SUMMARY:

Approval of the Airline Club Room Lease will allow United Airlines, Inc. to continue providing airline club room services to the passengers at John Wayne Airport.

BACKGROUND INFORMATION:

On December 13, 2016, the Board of Supervisors (Board) approved an Airline Club Room Lease with United Airlines, Inc. (United). The Airline Club Room Lease expired on December 31, 2020, and has since continued on a month-to-month holdover basis.

Following the COVID-19 pandemic, JWA retained a consultant to evaluate the highest and best use of the club room spaces and to engage with each airline to assess operational requirements. Due to the pandemic, United has continued its tenancies for the second phase of the concession development program and related construction activities, as well as airport capital improvement projects, on a month-to-month basis.

The Amended and Restated Club Room Lease with United will ensure consistency with current design standards, maintain alignment with the airport's overall aesthetic, and coincide with the expiration of the Amended and Restated Passenger Airline Leases, Operating Licenses, and Cargo Licenses on December 31, 2030. This Lease will require a minimum capital investment of \$800,000 during the term of the Lease.

Prior to agreement expiration, JWA plans to issue a solicitation to continue services.

CEQA: The proposed project is categorically exempt (Class 1) from the provisions of CEQA pursuant to CEQA Guidelines Section 15301, because it involves the continued lease and operation of an existing airline club room within an existing terminal facility, and maintenance and repair of existing public facilities and mechanical equipment, involving negligible or no expansion of the existing use.

FINANCIAL IMPACT:

Revenues for these agreements are included in Fund 280, Airport Operating Fund, FY 2025-26 Modified Budget, and will be included in the budgeting process for future years.

The estimated average annual cost recovery revenue is approximately \$273,000.

The Amended and Restated Airline Club Room Lease contains a Termination for Convenience clause, which states that this agreement may be terminated for convenience by either party for any reason and without cause upon ninety days' written notice.

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A – Amended and Restated Airline Club Room Lease with United Airlines, Inc.