# AGENDA STAFF REPORT

**Control:** 26001927

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| **MEETING DATE:** | 11/17/2026 |
| **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<br>Evanna Barbic, 949-252-5232 |

**SUBJECT:** Approve Certificated Passenger Airline Lease

| CEO CONCUR | COUNTY COUNSEL REVIEW | CLERK OF THE BOARD |
|---|---|---|
| Concur | Approve agreement to form | DISCUSSION<br>4/5 Vote |

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| **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:** 8/25/2026 #8, 10/14/2025 #S25E

**RECOMMENDED ACTION(S):**

1. Approve and execute the Certificated Passenger Airline Lease with Aerovías de México, S.A. de C.V. dba Aeroméxico for a term effective January 1, 2027, through December 31, 2030.

2. Authorize the Airport Director or designee to make minor modifications and amendments to the lease that do not materially alter the terms or financial obligations to the County or Orange, and perform all activities specified under the terms of the lease.

**SUMMARY:**

Approval of the Certificated Passenger Airline Lease between the County of Orange and Aerovías de México, S.A. de C.V., dba Aeroméxico, will allow a new entrant carrier from the commercial air carrier waiting list to initiate operations and operate at John Wayne Airport.

**BACKGROUND INFORMATION:**

On October 14, 2025, the Board of Supervisors (Board) approved the Amended and Restated Certificated Passenger Airline Leases, Amended and Restated Certificated Passenger Airline Operating License, Amended and Restated Commuter Airline Operating License, and Amended and Restated Cargo Leases

(Agreements) with an effective date of January 1, 2026, through December 31, 2030. The Agreements allow the various Commercial and Commuter Airlines, as well as the Cargo Carriers, to continue operations at John Wayne Airport (JWA).

On August 25, 2026, the Board authorized the Airport Director to allocate Class A and Class E Average Daily Departures (ADDs) and Seat Capacity to Qualified Commercial Passenger and Commercial Cargo Air Carriers and Passenger Capacity to Qualified Passenger Air Carriers for the 2027 Plan Year (January 1, 2027, through December 31, 2027). The 2027 Commercial Air Carrier and Commercial Cargo Capacity Allocation Plan included the allocation of one Class A ADD to Aerovías de México, S.A. de C.V., dba Aeroméxico (Aeroméxico) as a new entrant Air Carrier.

Based on the approved 2027 Allocation Plan, JWA recommends approval of the Certificated Passenger Airline Lease between the County of Orange and Aeroméxico to initiate operations and provide passenger service to Mexico. It is anticipated that Aeroméxico will utilize Gate 14 in Terminal C, one of the international gates connected to JWA's customs and immigration facilities used for international arrivals.

**Compliance with CEQA:** This proposed project is a necessarily included element of the project considered in Final EIR No. 617, certified by the Board of Supervisors on September 30, 2014, which adequately addressed the effects of the proposed project. No substantial changes have been made in the project, no substantial changes have occurred in the circumstances under which the project is being undertaken, and no new information of substantial importance to the project, which was not known or could not have been known when Final EIR No. 617 was certified, has become known; therefore, no further environmental review is required.

**FINANCIAL IMPACT:**
Revenue for this agreement is included in Fund 280, Airport Operating Fund, FY 2026-27 Adopted Budget and will be included in the budgeting process for future years.

The estimated average annual cost recovery revenue is approximately $2.2 million, totaling approximately $8.5 million over the term of the Agreement.

The 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 – Certificated Passenger Airline Lease with Aerovías de México, S.A. de C.V. dba Aeroméxico