AGENDA STAFF REPORT

Control: 26001534

MEETING DATE: 08/25/2026

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 American 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 American Airlines, Inc. for a term extended through August 31, 2033.

2. Authorize the Airport Director or designee to make minor modifications and amendments to the Amended and Restated Airline Club Room Lease with American Airlines, Inc. 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 American Airlines, Inc. to continue providing airline club room services to its passengers at John Wayne Airport.

BACKGROUND INFORMATION:

On December 13, 2016, the Board of Supervisors (Board) approved an Airline Club Room Lease with American Airlines, Inc. (American). The Airline Club Room Lease expired on December 31, 2020.

Following the COVID-19 pandemic, John Wayne Airport (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, American 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 American will ensure consistency with current design standards and maintain alignment with the airport's overall aesthetic. This Lease will include a minimum capital investment requirement of $1,120,000. In exchange for the increased minimum capital investment, the term of the Amended and Restated Club Room with American will be extended through August 2033.

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 2026-27 Adopted Budget and will be included in the budgeting process for future years.

The estimated average annual cost recovery revenue is approximately $274,400.

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 American Airlines, Inc.