



SUMMARY REPORT

Agenda Date: 4/9/2019

To: Board of Supervisors

Department or Agency Name(s): Transportation and Public Works

Staff Name and Phone Number: Johannes J. Hoevertsz 707-565-2231

Vote Requirement: 4/5th

Supervisorial District(s): All

Title:

Delegation of Authority for Administrative Airline Lease and/or Agreement Changes

Recommended Actions:

Authorize delegation of authority to the Airport Manager to execute amendments for Airport and Airline related administrative lease and/or agreement changes for all current commercial airline agreements with Alaska Airlines, Inc. American Airlines, Inc., MN Airlines, LLC, and United Airlines. (4/5th Vote Required)

Executive Summary:

The Airport requests that the Board of Supervisors delegate authority to the Airport Manager to amend Airport related administrative lease and/or agreement changes for all current commercial airline agreements and/or leases listed as follows: Alaska Airlines, Inc. American Airlines, Inc., MN Airlines, LLC, and United Airlines. This delegated authority will not change the length of any term, basis of calculation of square foot rent, or other material provision of the agreements other than to adjust to leased square footage of leased space and Exclusive Use Areas, and specified departure designated in such agreements, as may be necessary as a result of airline requests and upcoming changes to construction, reorganization and layout of the Airport.

Discussion:

Commercial airlines regularly update their operations at the Airport for efficiency and growth. In response to their process, there are requests to the Airport Manager for changes to the locations of both office and operating areas within and around the Airport terminal. These changes are memorialized in an amendment to the lease and/or agreement to accurately represent the rental amount due and the size of the premises that are utilized by each commercial airline.

Airport leases, agreements, and their subsequent amendments, are approved and executed by the Sonoma County Board of Supervisors. Airport staff anticipates that as a result of changes to Airport facilities, both long term and temporary, as a result of anticipated construction activities, that the Airline Operating Agreements with Alaska Air, Inc., American Airlines, Inc., MN Airlines, LLC and United Airlines, Inc. will need to be amended in order to relocate or adjust leased office space and designated Exclusive Use Areas. Furthermore, staff anticipates the need to revise daily departures undertaken by each airline in order to accommodate desired commercial flight activities of each airline. To streamline these changes the Airport is requesting the

delegation of authority to the Airport Manager to execute amendments to the Board-approved Airline Operator Agreements and/or Leases with Alaska Air, Inc., American Airlines, Inc., MN Airlines, LLC and United Airlines, Inc. This delegated authority will not change the length of term, calculation of square foot rent, or other material provisions. Such authority would allow the Airport manager to efficiently adjust the impacted portions of the airlines' leased areas and specified departures without taking up Board time and resources.

Prior Board Actions:

2/21/2017 Board Executed Agreement with Alaska Airlines and American Airlines, 10/21/14 Resolution No. 14-0436. Board approved delegation to Airport Manager to execute month-to-month leases, licenses, and operating agreements for Airport buildings and premises; 4/24/12 Resolution No. 12-0120. Board approved delegation to Airport Manager of month-to-month leases, licenses or operating agreements for Airport buildings and premises; 6/14/11 Resolution No. 11-0321. Board approved delegation to Airport Manager for month-to-month leases, licenses or operating agreements for Airport buildings and premises; 6/15/10 Resolution No. 10-0487. Board approved delegation to Airport Manager for month-to-month leases, licenses or operating agreements for Airport buildings subject to monetary per County Code Section 2-172.

FISCAL SUMMARY

Expenditures	FY 18-19 Adopted	FY19-20 Projected	FY 20-21 Projected
Budgeted Expenses			
Additional Appropriation Requested			
Total Expenditures			
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other			
Use of Fund Balance			
Contingencies			
Total Sources			

Narrative Explanation of Fiscal Impacts:

There are no material fiscal impacts as a result of this Board action. Adjustments to the commercial airline agreements/leases will be minimal.

Staffing Impacts:			
Position Title (Payro	Monthly Salary Range (A - I Step)	Additions (number)	Deletions (number)

Agenda Date: 4/9/2019

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Narrative Explanation of Staffing Impacts (If Required):

NA

Attachments:

NA

Related Items "On File" with the Clerk of the Board:

NA