



Contra
Costa
County

To: Board of Supervisors
From: Keith Freitas, Airports Director
Date: February 3, 2009

Subject: Approve Modification to New, and Amendment of, T Hangar/Shade Hangar and Large Hangar Rental Agreements for Buchanan Field Airport

RECOMMENDATION(S):

APPROVE a modification to the (i) T Hangar and Shade Hangar Rental Agreement, and (ii) Large Hangar Rental Agreement to delete the requirement that tenants carry aircraft physical damage insurance and AUTHORIZE the Director of Airports, or designee, to amend existing hangar rental agreements to effect the same change to the insurance requirement for the Buchanan Field Airport tenants identified in Section III of this order.

FISCAL IMPACT:

No financial impact to the County General Fund. All fees collected are deposited into the Airport Enterprise Fund. The County General Fund will also realize possessory interest and personal property tax revenue.

BACKGROUND:

On November 14, 2006, the Board of Supervisors approved the Airport T-Hangar and Shade Hangar Rental Agreement for use as the template for all existing and future hangar tenants at Buchanan Field Airport. This action was followed on [date] by the Board's approval of the Large Hangar Rental Agreement.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **02/03/2009** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I
Supervisor
Gayle B. Uilkema, District II
Supervisor
Mary N. Piepho, District III
Supervisor
Susan A. Bonilla, District IV
Supervisor
Federal D. Glover, District V
Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: February 3, 2009

David Twa, County Administrator and Clerk of the Board of Supervisors

By: , Deputy

Contact: Beth Lee, (925)
646-5722

Under the existing agreements, tenants are obligated to provide the following insurance coverages throughout the term:

BACKGROUND: (CONT'D)

- A. Aircraft Liability Insurance covering injuries to persons and damage to property caused by the ownership, operation or use of Renter's Aircraft and/or use of the hangar, with a combined single limit of not less than \$1,000,000 per occurrence, including not less than \$100,000 per passenger.
- B. Aircraft Physical Damage Insurance (PDI) for no less than replacement cost value of Renter's Aircraft.

While all tenants are able to supply the liability insurance, the PDI coverage is difficult and costly to obtain. As a result, many prospective tenants have been denied a hangar and other existing tenants are at risk of losing their hangar due to inability to meet insurance standards.

Airport staff worked diligently with the East Ramp Tenants Coalition to find an alternative solution for the tenants who are unable to obtain the PDI. Airport staff also conducted a survey of all the general aviation airports in the broader region to determine if our provisions were an industry standard. Airport staff surveyed 37 airports throughout California and discovered the PDI was a requirement exclusive to Buchanan Field Airport, creating a competitive disadvantage. Airport staff then reviewed the existing insurance requirement with Risk Management. Risk Management recommended modifying existing agreements to remove the requirement for the PDI. The Aviation Advisory Committee reviewed and unanimously approved modifying the insurance requirements during its January 20, 2009, meeting.

The Buchanan Field Airport tenants with existing agreements affected by this action are: Ken Elford, Tom Howell, Jon Gibb, Andrew Morse, Edgar Moghis, Anthony Tiritilli, Rory Elston, Frank Ridley, Robert Gray, Lutz-Sharpes LLC, Tom Madrid, Schulz Bob, George Chaffey, David Long, Aviation Partners Inc, Knute Fisher, Carl Birkhofer, Warner Fieldhouse, Etienne Oleksiewicz, Scott Miles, J Rodman Powers, Summit Associates, Norman Pease, Douglas Mc Pherson, Donald Keeley, Douglas Mc Pherson, Roderick Hussey, Ralph Davis, Joseph Kramasz, James Von Waldegg, Mark Stafford, Terence Shinsato, Nancee Hirano Michael Citro, Ernst Wintter, Donald Glenn, Keith White, Mark Harvey, Taz Harvey, Steward Sims, Thomas Brungard, Robert Johnson, Charles Clem, JC Smith, Frederick Lutz, Christie Clancy Keeton Inc, John Armstrong, Juliet Tango Flying Services LLC, One Tango Mike LLC, BHR Leasing Corp, J B Aircraft Inc., William Crouse, Thomas Pinckard, Scott Newman, Blackie Burak Inc, Lloyd Savate, Ray Hammons Jr Corp, Kent Ipsen, Concord Flying Club , Bill Lugwid, Cinq Hom LLC, Richard Johnson, Greg Young, Thomas Bennett, Joe Pucci, Scott Achelis, Walter Lyall, Kirk Ward, Richard Finkle, Pat Peters, Jeffrey Friedman, James Duvall, Daryl Mc Cosker, Kevin Anderson, Dwayne Mc Cosker, James Stavema, Oscar Fernandez, Diamond West LLC, Charles Kreling, Concord Flying Club, Samco LLC, Madeleine Ferguson, Rick White, Brad Lewis, Air Charlie LLC, General Plumbing Supply Inc., Kennard Cole, Peter Lloyd. Orinda Aero LLC, Troy Tollen, Reno Air

Service Inc., Richard Milsner, Duane Allen, Richard Konlon, James Black, Richard Harrington, Robert Hawkins, Keith Martz, Lawrence Welter, Lindsey Whiteway, Richard Rihn, Raymond Nelson, John Laettner, Gary Olsen, Mike Grimes, The Liddle Cable Co, David Mahoney, Jeff Lee, Jeffrey Deuel, Peter Confer, Brad Smith, Louis Ellis, William Gall, Duane Allen, Terry Gong, Bert Gilling, Matthew Larkin, Steven Haggerty, Michael Sullivan, Cary Dalziel, Gary Stofer, Kirk Ward, Madeleine Ferguson and Rick White, Paul Kubiak.

CONSEQUENCE OF NEGATIVE ACTION:

No impact.

ATTACHMENTS

T Hangar/Shade Hangar Lease Amended 1-09

Large Hangar Rental Agreement Amended 1-09