



Contra
Costa
County

To: Board of Supervisors
From: Keith Freitas, Airports Director
Date: February 25, 2020

Subject: Rental Agreement for Portable Building at 181 John Glenn Drive, Concord (Buchanan Field Airport)
(District IV).

RECOMMENDATION(S):

APPROVE and AUTHORIZE the Director of Airports, or designee, to execute a monthly rental agreement between the County and Delux Public Charter, LLC, dba JSX (formerly dba JetSuiteX) (JSX), effective March 1, 2020, to replace the existing rental agreement with JSX for the same location at Buchanan Field Airport.

FISCAL IMPACT:

There is no negative impact on the General Fund. The Airport Enterprise Fund receives revenue as provided for in the rental agreement. The County General Fund receives property, sales and possessory interest tax revenues from the rental agreement.

BACKGROUND:

On March 1, 2016, the Board of Supervisors authorized the County to enter into a property rental agreement with Delux Public Charter, LLC, dba JSX (formerly dba JetSuiteX) (JSX), to use the portable terminal building at 181 John Glenn Drive for the operation of a scheduled charter service at Buchanan Field Airport. The County and JSX entered into a

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR ☐ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **02/25/2020** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, 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 25, 2020

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

By: Stacey M. Boyd, Deputy

Contact: Beth Lee, (925)
681-4200

cc:

rental agreement effective

BACKGROUND: (CONT'D)

March 23, 2016, on a month-to-month basis. The rent due under the 2016 agreement is a concession fee equal to \$5.00 for each passenger enplaned at Buchanan Field Airport.

The proposed rental agreement will replace the 2016 agreement. The proposed agreement modifies the concession fee due from JSX. In exchange for JSX carrying out a marketing campaign to promote travel from Buchanan Field, the concession fee will be reduced from \$5.00 per passenger enplaned at Buchanan Field to \$1.00 per passenger enplaned at Buchanan Field for the first 18,750 passengers enplaned at Buchanan Field beginning March 1, 2020. By reducing the concession fee by \$4.00 for the first 18,750 passengers enplaned beginning March 1, 2020, the Airport Enterprise Fund is effectively contributing \$75,000 to the campaign to promote the use of Buchanan Field.

The marketing effort conducted by JSX is expected to promote Buchanan Field as an airport destination and also highlight the air services located at the airport. Increased public awareness of Buchanan Field and JSX is expected to increase enplanements and subsequently increase revenue for the County. In addition, increased awareness may lead JSX to elect to conduct operations to additional destinations, which could result in increased enplanements at Buchanan Field and higher revenues for the Airport Enterprise Fund and the County.

CONSEQUENCE OF NEGATIVE ACTION:

If the County does not enter into a replacement rental agreement with JSX, JSX may not conduct the marketing campaign to promote Buchanan Field. The failure to promote Buchanan Field could result in reduced passenger enplanements at Buchanan Field over time and less revenue for the Airport Enterprise Fund and the County.

ATTACHMENTS

JSX Agreement