



Napa County

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Legislation Text

File #: 23-0965, **Version:** 1

TO: Board of Supervisors
FROM: Steven Lederer, Director of Public Works
REPORT BY: Mark Witsoe, Airport Manager
SUBJECT: First Amendment to Space License Agreement with Napa Jet Center, Inc. at Napa County Airport

RECOMMENDATION

Director of Public Works requests approval of and authorization for the Chair to sign Amendment No. 1 to Space License Agreement No. 230301B with Napa Jet Center, Inc., doing business as Atlantic Aviation ("Atlantic Aviation"), to add approximately 4,000 square feet of hangar space located in the 1950 Building at the Napa County Airport to be used for flight training purposes for \$1,540 per month effective July 1, 2023 through June 30, 2025, with rent deferred for two months to facilitate relocation, and terminating the existing license for Hangar 55.

EXECUTIVE SUMMARY

Napa County Agreement No. 230301B was executed on February 7, 2023 with Atlantic Aviation for the purpose of providing space, through June 30, 2025, at the County's new General Aviation Terminal, located at 2000 Airport Road, for flight training services required of the Fixed Base Operator (FBO). Amendment No 1 to the Agreement provides hangar space in close proximity to the flight school's training facility for maintenance of the flight school's small aircraft fleet.

FISCAL & STRATEGIC PLAN IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Airport-Operations Fund 5010 Org 5010000
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification:	Approval of Amendment No. 1 will facilitate efficient operation of the flight school services offered through Atlantic Aviation via a sublease. In addition, the Napa County Airport Enterprise Fund will continue to receive monthly rental income at an initial rate totaling \$1,540 per month for the hangar space (deferred for two months to facilitate relocation) until the completion of the FBO pioneering/construction period, June 30, 2025.
Is the general fund affected?	No
Future fiscal impact:	Continued revenue through monthly Space License Agreement until terminated.
Consequences if not approved:	The flight school, a required Atlantic Aviation sublease, would have to continue to use Hangar 55 at the Airport for maintenance of their fleet. This is not desirable because Hangar 55 is located a fair distance from 2000 Airport Rd., where flight school operations are located, and it will be separated by the FBO construction projects once those projects are initiated.

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

By its FBO contract with the County, Napa Jet Center dba Atlantic Aviation is required to provide flight instruction at the Napa County Airport. In fulfillment of Atlantic Aviation's obligation, Mike Smith Aviation has operated at the airport as a subtenant and commercial operator to Atlantic Aviation since 2019. Under contract with Atlantic Aviation, Mike Smith Aviation's operation includes administrative and training space in the airport terminal, Hangar 55, and four tie-downs for aircraft parking. Given the pending demolition of the current County Airport terminal building, Space License Agreement No. 230301, approved by the Board on February 7, 2023, provided Atlantic Aviation with new office and training space for the flight school within the County's new General Aviation Terminal, located at 2000 Airport Road for the FBO pioneering period (through June 30, 2025). After additional discussion with Atlantic Aviation, the challenge of flight school administration and student training operations at a location very far removed from Hangar 55, where maintenance of the flight school aircraft is conducted, was recognized. The proposed Amendment addresses this challenge by offering Atlantic Aviation the vacant half of the 1950 Hangar adjacent to Reach Air Medical Services, which is in close proximity to 2000 Airport Rd, as hangar space available to sublease to Mike Smith Aviation. To mitigate the inconvenience of moving the maintenance tools and supplies, the Amendment defers hangar rent for two months. Mike Smith Aviation will continue to park their training aircraft on the County tie-down apron and will utilize the designated space in the new General Aviation Terminal, located at 2000 Airport Road for administration and training. This Amendment also terminates the current license for Hangar 55.

Staff requests Board approval of Amendment Number 1 to Space License No. 230301B with Napa Jet Center,

Inc. dba Atlantic Aviation, for 4,000 square feet of Hangar Space at 1950 Airport Road, effective July 1, 2023, at an initial rate of \$1,540.00 per month, deferred for two (2) months to mitigate the costs of moving, with tenancy continuing through June 30, 2025, and terminating the existing license for Hangar 55.