

Item # 3-5A

**City of Carson City
Agenda Report**

Date Submitted: 10/10/2006

Agenda Date Requested: 10/19/2006

Time Requested: consent

To: Board of Supervisors

From: Carson City Airport Authority

Subject Title: Action to approve the Carson City Airport Lease Amendment and Restatement between Carson City Airport Authority and Cubix Corporation.

Staff Summary: This amendment was made to replace an aging lease document, increase the rent and extend the term of the lease between Carson City Airport Authority and Cubix Corporation.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: (I move that we) approve the Carson City Airport Lease Amendment and Restatement between Carson City Airport Authority and Cubix Corporation.

Explanation for Recommended Board Action:

This item is in response to a request from Cubix Corporation for an extension of their lease term in return for an increased base rate rent. The Cubix lease is an obsolete lease form that the Carson City Airport Authority would like to replace. In addition, in line with the Airport Authority's construction plans, a cash prepayment is desirable. As a result, Cubix and the Airport Authority have agreed to:

- (1) a 30 year extension on the lease term,
- (2) a replacement of the lease with the current form of lease being used by the Authority with provisions requested by the City as to indemnification, insurance and environmental protection to both the Authority and the City, and
- (3) a prepayment of rent for the first 15 years in the amount of \$100,679. Thereafter rent will be set at the prevailing market rate (2021).

The Airport Authority approved the Carson City Airport Lease Amendment and Restatement with Cubix on August 16, 2006, at its properly noticed, regularly scheduled and televised Airport Authority meeting.

Applicable Statue, Code, Policy, Rule or Regulation: Statutes of Nevada, Chapter 844.

Fiscal Impact: Not Applicable to City.

Explanation of Impact: Not Applicable.

Funding Source: Not Applicable.