

**City of Carson City  
Agenda Report**

**Date Submitted:** Jan 22, 2013  
(Agenda signing Jan 29)

**Agenda Date Requested:** Feb 7, 2013  
**Time Requested:** consent

**To:** Board of Supervisors  
**From:** Carson City Airport Authority

**Subject Title:** Action to approve the Fifth Addendum for the lease between El Aero Services and the Carson City Airport Authority for Parcels W1-D and W1E on the maps recorded with the original lease as Document No. 6457 (originally titled Aerohead Aviation lease)

**Staff Summary:** At a regular meeting of the Carson City Airport Authority on January 16, 2012, publicly noticed for that purpose, the Authority approved a Fifth Addendum to this lease to clarify that the tenant only has the right to use the tiedowns in the areas designated for tiedown. This is consistent with the historical interpretation and use. The language is clarifying only.

**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 Fifth Addendum for the lease between El Aero Services and the Carson City Airport Authority for Parcels W1-D and W1E on the maps recorded with the original lease as Document No. 6457 (originally titled Aerohead Aviation lease).

**Explanation for Recommended Board Action:**

Under Nevada Chapter 844, which created the Carson City Airport Authority, lease agreements at the Airport must be approved by the Carson City Board of Supervisors. The Airport Authority has approved a lease addendum to clarify an existing lease and requests Board of Supervisors approval.

In 1981, Carson City leased a parcel on the Airport to Aerohead Aviation for construction of a Fixed Base Operation (FBO) as well as 2 areas designated W1-D and W1-E to be used as tie-down areas by the FBO. The lease was subsequently assigned to El Aero Services, who operates the FBO currently. In recent years, the FAA has scrutinized leases and in some cases has denied FAA funding for areas where a lease gives a tenant full dominion of a lease area, and correspondingly would ordinarily have the obligation to maintain or replace pavement. While this may be the case for leases at the Carson City Airport where construction occurs, this is not the case for tie-down areas. Instead, the Airport has always treated the tie-down areas as under the dominion and control of the Airport Authority (and the City prior to the Airport Authority's establishment in 1989). The Airport allows the tenant only use of the tie-downs but maintains all rights as to the pavement. As a result, on new leases, the Airport Authority used lease language

to clarify this point. In addition, the Airport Authority has amended older leases with clarifying language to avoid any problems with FAA funding.

The sole purpose of the amendment is to clarify that the tenant (El Aero Services) has rights only to the tie-downs themselves and that the Airport Authority has dominion and control over the pavement, its maintenance and use. As such, the Addendum makes no changes to the current rent, leased area or any other significant term of the lease, however all terms are now consistent with current law and sound airport practices.

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

**Fiscal Impact:** No City impact.

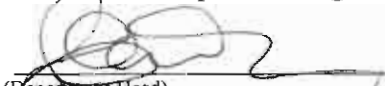
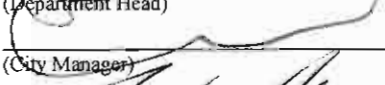
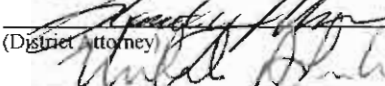
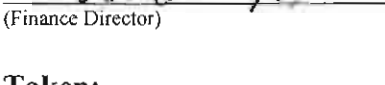
**Explanation of Impact:** Not Applicable.

**Funding Source:** Not Applicable.

**Alternatives:** Not Applicable

**Supporting Material:** Assignment

**Prepared By:** Tim Rowe, Airport Manager & Steven E. Tackes, Esq., Airport Counsel

<b>Reviewed By:</b> 	Date: 1-22-2013
(Department Head)	
	Date: 1/22/13
(City Manager)	
	Date: 1/29/13
(District Attorney)	
	Date: 1/29/13
(Finance Director)	

**Board Action Taken:**

Motion: _____	1) _____	Aye/Nay
	2) _____	_____
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(Vote Recorded By)

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FIFTH ADDENDUM TO LEASE

THIS ADDENDUM TO LEASE, made and entered into this 30<sup>th</sup> day of November, 2012, by and between CARSON CITY AIRPORT AUTHORITY, successor to CARSON CITY, a consolidated municipality of the State of Nevada, hereinafter referred to as LESSOR, and EL AERO SERVICES, INC., a Nevada Corporation, hereinafter referred to as LESSEE.

WITNESSETH:

WHEREAS, LESSOR and LESSEE have entered into a certain lease dated May 17, 1984 (Aerohead-Jewett lease) regarding a certain portion of the Carson City Airport, with Addendums dated September 17, 1987, June 10, 1994, July 9, 1998, and January 1, 2003 (collectively, "Lease"); and

WHEREAS, the parties desire to clarify the Lease as to rental of tie-downs versus the underlying ramp area described in said lease.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements set forth herein the parties hereby agree:

1. That the property leased as described in Section II subparagraph 1 of the Lease is clarified as follows for the areas identified as PARCEL W1-D (Open Aircraft Storage) and W1-E (Open Aircraft Storage). LESSEE is renting the tie-downs only. LESSEE shall maintain the tie-down mechanisms (ropes and chains) installed by LESSOR. LESSOR continues to maintain control, possession and ownership of the taxi-lanes and pavement area on which said tie-downs are located, including but not limited to, pavement marking, ultimate movement control and other rights of ownership on these parcels. In addition, to the extent that LESSOR intends to reconstruct portions of the airport ramp, LESSOR shall be responsible for repaving the pavement area.

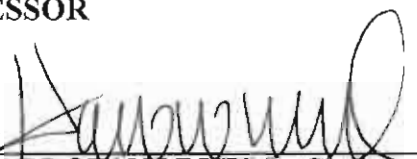
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2. That all other provisions of the Lease agreement, as modified by the previous Addendums, and not altered by this Addendum, shall remain in effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to Lease.

CARSON CITY AIRPORT AUTHORITY,  
LESSOR

EL AERO, LESSEE

By   
HARLOW NORVELL, Chairman

  
GINNA REYES

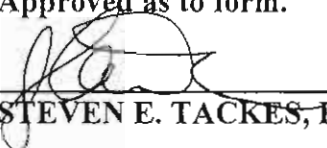
ATTEST:  
  
TERESA DILORETO-LONG, Treasurer

CARSON CITY  
Approved by the Board of Supervisors this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
ROBERT L. CROWELL, Mayor

ATTEST:  
  
\_\_\_\_\_  
ALAN GLOVER, Clerk/Recorder

CITY'S LEGAL COUNSEL  
Approved as to form.

\_\_\_\_\_  
DISTRICT ATTORNEY  
  
AIRPORT AUTHORITY  
LEGAL COUNSEL  
Approved as to form.  
  
STEVEN E. TACKES, ESQ.