

Legislation Text

File #: 16-0457, Version: 1

Community Development Agency, Administration and Finance Division, recommending the Board approve and authorize the Chair to sign the County of El Dorado Airport Ground Lease for Portable Hangars 170-L1711 and County of El Dorado Transfer of Responsibility and Indemnity Agreement for Use of County Septic System 172-O1711 for Hangar Space H-09, a rectangular Hangar located at the Placerville Airport, with Gabriel Tyler in an amount of \$3,095.40 per year as established by Resolution 079-2016 for ten years with two additional ten-year lease options. (4/5 vote required)

FUNDING: Placerville Airport Enterprise Fund - Fee Revenue.

DEPARTMENT RECOMMENDATION

Community Development Agency (CDA), Administration and Finance Division, recommending the Board approve and authorize the Chair to sign the County of El Dorado Airport Ground Lease for Portable Hangars 170-L1711 (Land Lease) and County of El Dorado Transfer of Responsibility and Indemnity Agreement for Use of County Septic System 172-O1711 for Hangar Space H-09, a rectangular Hangar located at the Placerville Airport, with Gabriel Tyler in an amount of \$3,095.40 per year as established by Resolution 079-2016 for ten years with two additional ten-year (10-year) lease options.

DISCUSSION / BACKGROUND

Airport users with portable hangars must enter into a lease agreement with the County for the use of Airport property in accordance with Ordinance Code § 3.08.021. The lease agreement includes language required by the Federal Aviation Administration and the County.

The proposed lease is a new Land Lease with Gabriel Tyler, upon which a 4,690 square-foot, privately-owned portable aircraft storage hangar will be utilized. The initial term of the lease is ten years; the Lessee has the right to extend the term for two additional 10-year lease options under such terms and conditions as may be agreed upon at such time.

In accordance with the County's Ordinance Code Title 18, Airports, Chapter 18.04, Section 18.04.100, Fees and Charges, fees for airport ground leases are set by a Board-adopted Resolution; therefore, lease fees are not negotiated. Airport fees were approved by the Board on May 3, 2016 (Item 31) under Resolution 079-2016. The current rate for land leases of this type is set at \$0.055 per square foot per month, which brings the subject Land Lease to \$3,095.40 per year. The proposed Land Lease provides for annual adjustment of this amount if the Board adopts different rates in the future.

The privately-owned hangar located on Hangar Space H-09 includes a bathroom facility installed by a previous tenant. The bathroom facility is connected to a septic system installed by the County at one point in time, but no longer needed for public use. In conjunction with the Land Lease, Lessee will enter into an agreement with the County for the use of the County's septic system. Lessee is required to use the septic system in a manner consistent with Lessee's aeronautical use of the premises as defined by the terms of the Land Lease and the concurrent County of El Dorado

Transfer of Responsibility and Indemnity Agreement for Use of County Septic System (172-O1711), in exchange for Lessee's acceptance of responsibility for the septic system and Lessee's promise to indemnify and hold the County harmless from any and all liability in connection with Lessee's use of the septic system.

The County of El Dorado Transfer of Responsibility and Indemnity Agreement for Use of County Septic System requires the Lessee to obtain an annual operating permit for Lessee's use of the septic system from the County's Environmental Management Division (EMD) and requires the Lessee to comply with EMD's terms and conditions for use of the septic system. Further, the Lessee is required to comply with annual inspections of the septic system by EMD and pay the established annual rate for the inspections.

ALTERNATIVES

N/A

OTHER DEPARTMENT / AGENCY INVOLVEMENT

County Counsel, Risk Management, and EMD.

CAO RECOMMENDATION

Chief Administrative Office concurs with staff's recommendations.

FINANCIAL IMPACT

The Placerville Airport Enterprise Fund will receive revenue of \$3,095.40 per year for the subject Land Lease at the Placerville Airport. The lease rate per unit is set by Resolution 079-2016, approved by the Board on May 3, 2016 (Item 31). Should the Board adjust rates in the future, annual lease payments will also adjust, commensurate with Board direction.

CLERK OF THE BOARD FOLLOW UP ACTIONS

1) The Chair will sign two (2) originals of the County of El Dorado Airport Ground Lease for Portable Hangars 170-L1711.

2) The Clerk of the Board will return one (1) fully executed original Land Lease (170-L1711) to CDA, Administration and Finance Division, for transmittal to the Lessee.

3) The Chair will sign two (2) originals of the County of El Dorado Transfer of Responsibility and Indemnity Agreement for Use of County Septic System 172-O1711.

4) The Clerk of the Board will return one (1) fully executed original Agreement (172-O1711) to CDA, Administration and Finance Division, for transmittal to the Lessee.

STRATEGIC PLAN COMPONENT

Economic Development, Effective Services, Financial Stability

CONTACT

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