



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Rick Feltner

DATE: August 5th, 2019

SUBJECT: AVFLIGHT LEASE AMENDMENT TO ADD ADDITIONAL LAND

I. RECOMMENDED ACTION

1. Recommend approval of the lease amendment; and
2. Authorize the Mayor to sign any applicable documentation (three copies requested).

II. DEPARTMENT CONTACT PERSONS

Rick Feltner, Airport Director 857-4724

III. DESCRIPTION

A. Background

Avflight, the Fixed Based Operator (FBO) currently leasing space at the Minot International Airport, has requested to add land to their current lease. Additional land, part of Lot 1, Block 7, Minot International Airport Second Addition, is available adjacent to Avflight's main hangar. With Council's approval, this amendment will add this space to the current lease agreement.

B. Proposed Project

The approval of the lease amendment will provide additional revenue generation for the term as specified in the lease agreement.

C. Consultant Selection

N/A

IV. IMPACT:

A. Strategic Impact:

N/A

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

With the approval of the lease amendment, Avflight agrees to pay a rental amount to the City at the rate of \$0.145 per square foot which equates to three thousand sixty seven dollars and four cents (\$3,067.04) annually or two hundred fifty five dollars and fifty nine cents (\$255.59) per month. The rental rate for this parcel will be adjusted in accordance with Section 3(a) of the Agreement. This amount will be due and payable on the first day of each

month. Lease payments shall be payable at the business address of the City of Minot, which is contained in this Agreement.

Rates will be subject to adjustment commencing on January 1st every five (5) years with the adjustment being the total of the Consumer Price Index for the Minot region for the previous five-year period aggregated, or an increase of seven percent (7%) whichever is greater.

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

Timely approval of the lease agreement will allow for continuous generation of revenue.

VII. LIST OF ATTACHMENTS

- A. Avflight Lease Amendment
- B. Original Avflight Lease Agreement