

# ***RESOLUTION NO.: 74—2019-20***

TO THE HONORABLE, THE OUTAGAMIE COUNTY BOARD OF SUPERVISORS

LADIES AND GENTLEMEN:

*2/3 MAJORITY – 24 VOTES*

1 The Appleton International Airport (the Airport) and Maxair, Inc. desire to amend the  
2 Charter Service Agreement and Building Lease Agreement (the Agreement) with a Third  
3 Addendum to Lease. The addendum will increase the amount of square feet Maxair is  
4 leasing in the Airport owned corporate hangar. The new rental rate, effective November 1,  
5 2019, will be \$6,050 per month, an increase from \$4,950 per month, through July 31, 2020  
6 with a \$50 per month increase each year thereafter. A budget adjustment is needed in order  
7 to increase the amount of revenue originally budgeted for November 1, 2019 through  
8 December 31, 2019. The 2020 amounts will be included in the 2020 proposed budget.  
9

10 NOW THEREFORE, the undersigned members of the Property, Airport, Recreation and  
11 Economic Development Committee recommend adoption of the following resolution.

12 BE IT RESOLVED, that the Outagamie County Board of Supervisors does approve the Third  
13 Addendum to Lease Agreement with Maxair, Inc., as noted on the attached Third Addendum to Lease  
14 and Exhibit B.3 which by reference are made a part hereof, and

15 BE IT FURTHER RESOLVED, that the Outagamie County Board of Supervisors does approve  
16 of increasing the Airport Rental Properties N251 Ares Drive Hangar Complex cost center by \$2,200 and  
17 decreasing the Terminal Fund Balance Applied cost center by \$2,200 as noted on the attached fiscal note  
18 which by reference is made a part hereof, and

19 BE IT FINALLY RESOLVED, that the Outagamie County Clerk be directed to forward a copy  
20 of this resolution to the Appleton International Airport Director and the Finance Director.

21 Dated this \_\_\_\_ day of October 2019

22 Respectfully Submitted,  
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24 PROPERTY, AIRPORT, RECREATION &  
25 ECONOMIC DEVELOPMENT COMMITTEE  
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Dean Culbertson

\_\_\_\_\_  
Joy Hagen

\_\_\_\_\_  
Lee Hammen

\_\_\_\_\_  
Ronald Klemp

\_\_\_\_\_  
Jason Wegand

Duly and officially adopted by the County Board on: \_\_\_\_\_

Signed: \_\_\_\_\_  
Board Chairperson

\_\_\_\_\_  
County Clerk

Approved: \_\_\_\_\_

Vetoed: \_\_\_\_\_

Signed: \_\_\_\_\_  
County Executive

THIRD ADDENDUM TO LEASE

**THIS THIRD ADDENDUM** is entered into this \_\_\_ day of \_\_\_, 2019, between Outagamie County ("LESSOR") and Maxair, Inc. ("LESSEE").

**WHEREAS**, the parties entered into a Charter Services and Office/Hangar Lease Agreement on August 1, 2016 (hereinafter the "Agreement"), providing for contracted charter services and lease of facilities situated in the State of Wisconsin, County of Outagamie, Town of Greenville, located at the Appleton International Airport; and

**WHEREAS**, the parties have previously amended the Agreement by a First and Second Addendum; and

**WHEREAS**, the parties desire to amend the Agreement by this Third Addendum; and

**NOW, THEREFORE**, in consideration of the mutual benefits, covenants and obligations of the parties contained in the Lease, Lessor and Lessee agree to amend the lease as follows:

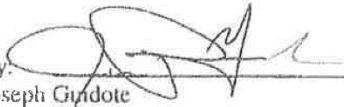
- 1. Effective November 1, 2019, Exhibit B.2 shall be replaced in its entirety with the attached revised Exhibit B.3.

**EXCEPT** as expressly provided herein, the Lease shall remain unchanged and in full force and effect.

OUTAGAMIE COUNTY

APPROVED AS TO FORM:

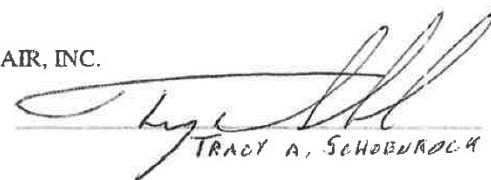
By: \_\_\_\_\_  
Thomas Nelson  
County Executive

By:   
Joseph Gindote  
Corporation Counsel

By: \_\_\_\_\_  
Jeff Nooyen  
Board Chairperson

By: \_\_\_\_\_  
Lori O'Bright  
County Clerk

MAXAIR, INC.

By:   
TRACY A. SCHOBUROCK - PRESIDENT

**EXHIBIT B.3**

**Lease and Fuel Rates**

**Office and Hangar Space**

Monthly rates for lease of the PREMISES shall be as follows:

November 1, 2019-July 31, 2020	\$6,050
August 1, 2020 – July 31, 2021	\$6,100
August 1, 2021 – July 31, 2022	\$6,150
August 1, 2022 – July 31, 2023	\$6,200
August 1, 2023 – July 31, 2024	\$6,250
August 1, 2024 – July 31, 2025	\$6,300

In addition to the monthly rent stated above, per Section 7 paragraph (g), the Lessee agrees to pay an annual cost of \$600 for landscaping and snow removal payable in twelve monthly installments of \$50 each.

**Fuel Into-wing Rates**

The Lessor's Fixed Based Operator will supply Jet-A and 100LL fuel to the Lessee at the following into-wing rates:

<u>Type</u>	<u>Minimum Requirement</u>	<u>Into-wing Rate</u>
Jet-A	Minimum 50,000 gallons annually <sup>1</sup>	\$.70/gallon
Jet-A	Minimum 60,000 gallons annually <sup>2</sup>	
100LL	No minimum	\$.70/gallon

Lessee shall be responsible for all fuel taxes and fees including the airport fuel flowage fee.

If minimum annual fuel gallons as stated above are not met, the Airport will provide an invoice to true up the fuel sales at an into-wing rate of \$.80/gallon thirty (30) days following the end of the Agreement year.

<sup>1</sup> For aircraft owned, or leased by Maxair, Inc

<sup>2</sup> Combined fueling for aircraft owned or leased by Maxair, Inc along with aircraft managed under contract with Maxair, Inc.

**OUTAGAMIE COUNTY FISCAL NOTE**

**INTRODUCTION:** This form must be attached to any resolution or ordinance which contains a spending or revenue proposal. The form should be completed by an individual within the department initiating the resolution or ordinance with assistance from the Financial Services Department. Contact the Finance Director (1674), Controller (1675) or Staff Accountant (1681) for assistance. Once completed, forward a copy of the form to the Financial Services Department for their review. Financial Services will forward a reviewed copy of the fiscal note to Legislative Services.

1. **Subject:** Maxair, Inc Addendum to Lease Agreement

2. **Description:** This section must be completed for all fiscal notes. Briefly and concisely describe the request. State assumptions used and discuss any current year and long-term fiscal impacts. (A separate attachment can be used)

The Appleton International Airport and Maxair Inc desire to amend the Charter Service Agreement and Building Lease Agreement (the "Agreement") with a third addendum. The addendum will increase the amount of square feet Maxair is leasing in the Airport owned corporate hangar. The new rental rate effective November 1, 2019 will be \$6,050 per month (increased from \$4,950 per month) through July 31, 2020 with \$50 increase each year thereafter. A budget adjustment is needed to increase the amount of revenue originally budgeted for November 1, 2019 through December 31, 2019. The 2020 amounts will be included in the 2020 proposed budget.

**Current Year Budget Impact (Check one or more of the following boxes)**

Revenues                       Expenses (Cost)                       None

3. Is the specific cost or revenue included in the current year's budget?      yes ( X )    no ( )    partially ( )    n/a ( )

4. If the proposal requests additional spending, can the additional cost be absorbed within the current year's line item?      yes ( )    no ( )    n/a ( X )

5. Is the proposal to accept additional revenues only?      yes ( X )    no ( )

6. Does this request modify/adjust the current year budget?      yes ( X )    no ( )    To be determined  
If no, skip to question 8 below.

7. Detail current year budget changes. Please list cost center name, line item, account number and either the increase or decrease amount. (Please note that all budget adjustments must balance. For example, an increase in an expenditure account must be offset by a decrease in another expenditure account or the contingency fund or an increase in a revenue account or other funding sources such as fund balance applied.)

<u>COST CENTER NAME</u>	<u>LINE ITEM</u> <small>(i.e. Salaries, Supplies, Etc.)</small>	<u>ACCOUNT NUMBER INCLUDING COST CENTER</u> <small>(i.e. 1004100.5100, 1004100.5400, etc.)</small>	<u>INCREASE (DECREASE) AMOUNT</u>
Airport Rental Properties	N251 Ares Drive Hangar Complex	5000117.4467.33	2,200
Terminal	Fund Balance Applied	5000110.8955	(2,200)

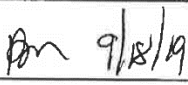
**Annual and Long-Term Impact**

8. Is the above Increase/Decrease a nonrecurring one-time expense or revenue?      yes ( )    no ( X )    n/a ( )

9. What is the anticipated annual and/or long-term cost or revenue impact?

Annual Cost	<u>0</u>
Annual Revenue	<u>\$72,600 (increased \$50 per month starting 8/1/2020)</u>

Fiscal Note Prepared by: Abe Weber/Katie Horan

<b>For Financial Services purposes only</b>	
Reviewed By: 	If expenditures are recorded in the financial system at a level of detail lower than the level 6 as shown above, indicate the specific account numbers and amounts below: <u>Detail Expenditures Account Number</u> <u>Amount</u>
Date:	
Comments:	