CLARK COUNTY BOARD OF COMMISSIONERS
AGENDA ITEM

Issue: Signature Flight Support of Nevada, Inc. Amended and Restated Lease Agreement

Petitioner: Randall H. Walker, Director of Aviation

Recommendation:

That the Board of County Commissioners approve and authorize the Director of Aviation to sign the amended and restated lease agreement to the agreement between Clark County and Signature Flight Support of Nevada, Inc. (Stephen W. Lee, Vice President Operations) for its fixed base operations at McCarran International Airport.

FISCAL IMPACT:

The County will receive approximately $1,841,133 for land rental fees through December 31, 2008, plus two percent (2%) of all gross revenues derived from business conducted by Company within the leased premises. January 1, 2009, land rental rate will be adjusted to $0.75 per square foot per year (psfpy) or $2,761,699.50 annually and adjusted again after January 1, 2010, to $1.00 psfpy or $3,682,266 annually.

BACKGROUND:

On December 3, 1991, County entered into an agreement (Existing Agreement) with Signature Flight Support of Nevada, Inc. (Company) to operate a fixed base operation at McCarran International Airport (Airport). The Existing Agreement was amended on May 16, 1995 and November 8, 2006, to reflect modifications to the leasehold Premises. County and Company desire to amend the Existing Agreement to update language and incorporate the Company’s supplemental Master Plan for further development of the leasehold. Airport staff has finalized negotiations with Company to amend the Existing Agreement and replace it with the Amended and Restated Lease Agreement (Amended Agreement). The important provisions of the Amended Agreement are as follows:

- The term will continue for a period of 40 years (Initial Term), with two five (5) year options to renew after the Initial Term, unless otherwise terminated under the terms and conditions of the Amended Agreement.
- Within 180 days from the effective date of the Amended Agreement, Company is required to submit a supplemental Master Plan, which includes a specific description of the entire development of the Premises.
- County will receive land rental fees, fuel flowage fees, landing fees, passenger facility fees, and two percent (2%) of all gross revenues derived from business conducted by Company with the leased Premises.

The Amended and Restated Lease Agreement has been signed by an authorized representative of Company and has been approved as to form by the District Attorney’s Office.

Respectfully submitted,

RANDALL H. WALKER
Director of Aviation

Cleared for Agenda
2/19/2008

Agenda Item #