



Legislation Details (With Text)

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Title: Actions pertaining to On-Airport BCH Hangar Facility Lease Agreement at Fresno Chandler Executive Airport (Council District 3)
1. Adopt a finding of Categorical Exemption pursuant to Article 19, Section 15301(a) and (d)/Class 1 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines to authorize Lease Amendment No. 2 between the City of Fresno and Don Williams and Jim Wood, D.B.A. BCH Aviation Center, at Fresno Chandler Executive Airport (FCH)
2. Approve Lease Amendment No. 2 between the City of Fresno and Don Williams and Jim Wood dba BCH Aviation Center at Fresno Chandler Executive Airport (FCH)

Sponsors: Airports Department

Indexes:

Code sections:

Attachments: 1. 07-30-15 BCH Amendment No 2 CAO Approved.pdf, 2. 07-30-15 BCH Staff Report Site Map.pdf

Date	Ver.	Action By	Action	Result
7/30/2015	1	City Council	approved	Pass

REPORT TO THE CITY COUNCIL

July 30, 2015

FROM: KEVIN R. MEIKLE, Director of Aviation
Airports Department

SUBJECT

Actions pertaining to On-Airport BCH Hangar Facility Lease Agreement at Fresno Chandler Executive Airport (Council District 3)

1. Adopt a finding of Categorical Exemption pursuant to Article 19, Section 15301(a) and (d)/Class 1 (Existing Facilities) of the California Environmental Quality Act (CEQA) Guidelines to authorize Lease Amendment No. 2 between the City of Fresno and Don Williams and Jim Wood, D.B.A. BCH Aviation Center, at Fresno Chandler Executive Airport (FCH)
2. Approve Lease Amendment No. 2 between the City of Fresno and Don Williams and Jim Wood dba BCH Aviation Center at Fresno Chandler Executive Airport (FCH)

RECOMMENDATION

Adopt a finding of Categorical Exemption to authorize Lease Amendment No. 2 between the City of Fresno and Don Williams and Jim Wood, dba BCH Aviation Center (BCH).

EXECUTIVE SUMMARY

The existing five-year Lease with one three-year extension expired on April 30, 2015 and has been in holdover since. BCH is an aircraft maintenance business that has been operating at FCH since 1993 and desires to continue operating in the same location for five more years. Amendment No. 2 will extend the term through April 30, 2020.

BACKGROUND

BCH is one of four small aircraft maintenance and repair businesses that currently operate at FCH. They provide maintenance and repair services for all types of aircraft, have a reputation for quality work, and a regular clientele from all over California.

BCH, operated by Don Williams and Jim Wood (licensed Aircraft and Powerplant mechanics), was initially a subtenant of Marion P. Lawton, which at that time was the direct Lessee with the City. That lease was surrendered to the City in October 2006, thereby making BCH a direct tenant of the City. In May 2007 the City executed a 5-year lease with BCH. Additionally, a three-year extension of that lease was executed in May of 2012 (Amendment No. 1). The leasehold consists of 6,400 square feet of hangar and office space and three aircraft tie-down positions directly adjacent to the hangar facility. Refer to attached Site Plan.

BCH desires to continue operating at FCH under a five year extension, at an annual rent of \$17,529.00, which is in accordance with the Lease terms. The rent is subject to annual Consumer Price Index ("CPI") adjustments (typical for all new or renewed Airport Department leases).

Lease Amendment No. 2 has been approved as to form by the City Attorney's Office.

ENVIRONMENTAL FINDING

This lease falls within the Class 1 Categorical Exemption for Existing Facilities set forth in California Environmental Quality Act (CEQA) Guidelines, Sections 15301(a) and (d), as it involves minor or no alteration of existing leasehold structures with no expansion of use, and will not result in any significant negative effects relating to traffic, noise, air quality or water quality. None of the exceptions to Categorical Exemptions set forth in the CEQA Guidelines, Section 15300.2 apply to this project

LOCAL PREFERENCE

Local preference was not considered because this lease amendment does not include a bid or award of a construction or services contract.

FISCAL IMPACT

The revenue from this lease will be \$17,529.00 per year, and is subject to annual adjustments based on the CPI. The total estimated revenue from this lease for five years is \$87,645.00, plus CPI adjustments. All revenue will be deposited into the Airports Enterprise Fund and will contribute to the operation and maintenance of FCH. In addition, this continued business will provide an economic benefit to the City and the airport through fuel purchases, aircraft services, and maintenance

provided to other tenants. There is no impact to the General Fund from this item.

Attachments:

Agreement

Site Map