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(ITEM) From the Director, Department of Transportation, and the Interim Airport Director requesting authorization to renew a lease agreement with SkyWest Airlines, Inc., for the lease of 69,848 square feet of hangar space (Building 217), and 57,000 square feet of aircraft parking ramp space at Milwaukee County’s MKE Regional Business Park at General Mitchell International Airport, for a term of one year effective December 1, 2014, through November 30, 2015, with four one-year mutual renewal options, by recommending adoption of the following:

A RESOLUTION

WHEREAS, SkyWest Airlines, Inc., wishes to lease hangar space and 57,000 square feet of ramp space related to their aircraft maintenance operations; and

WHEREAS, Building 217, located at 6024 South Jasper Avenue, is approximately 69,848 square feet and has been their base of operations for the past five years; now, therefore,

BE IT RESOLVED, that Airport staff recommends that Milwaukee County renew the lease agreement with SkyWest Airlines, Inc., effective December 1, 2014, for the lease of approximately 69,848 square feet of hangar (Building 217) and 57,000 square feet of aircraft parking ramp, all at Milwaukee County’s MKE Regional Business Park at General Mitchell International Airport, under standard terms and conditions for County-owned land and building space, inclusive of the following:

1. The term of the lease agreement shall be for one year, effective December 1, 2014, and ending November 30, 2015, with four one-year mutual renewal options.
2. Any tools, equipment, furniture, office equipment, or any other material identified will be inventoried in the hangar and made available to SkyWest Airlines, Inc., at no charge, to be returned at the conclusion of the lease with normal wear and tear allowed.
3. Rental for the 69,848-square-foot hangar will be established at \$7 per square foot for a total of \$488,936 for the first year of the lease, subject to adjustment each July 1 based on the Consumer Price Index (All Urban Consumers) for the Milwaukee area, which is computed by comparing the then-current January index with the index of the preceding January.
4. Rental for 57,000 square feet of aircraft parking ramp will total \$20,172 for the first year of the lease at \$0.3539 per square foot, subject to adjustment each July 1 based on changes to the Consumer Price Index (All Urban Consumers) for the Milwaukee area, which is computed by comparing the then-current January index with the index of the preceding January.

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5. There will be no rental charge for Building 216, "Hangar Air Compressor/AFFF Fire Suppression System," which provides these systems to the hangar.
6. SkyWest Airlines, Inc., shall have the non-exclusive use of approximately 285,260 square feet of paved parking area, utility building space, and common use taxi lane for ingress and egress, which will be provided at no additional charge, subject to the reasonable directions of Airport staff.
7. Within five business days from the date SkyWest Airlines, Inc., receives a fully executed copy of the lease, a security deposit equal to six month's rent is required.
8. The lease agreement shall contain the current standard insurance and environmental language for similar agreements.

srb
11/18/14
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