

ENROLLED ORDINANCE 173-021

APPROVE FIRST AMENDMENT TO SPRING CITY AVIATION, INC.
OPERATING AGREEMENT

WHEREAS, Waukesha County and Spring City Aviation, INC (SCA) entered into an Operating Agreement effective July 8, 2015 authorizing SCA to perform multiple aeronautical services in accordance with the Airport Minimum Standards Ordinance including aircraft sales; aircraft airframe, engine and accessory repair; aircraft lease and rental; flight training; aircraft charter and unscheduled air taxi; aircraft storage; and, specialized commercial flying services restricted to the managing, maintaining, housing and operating aircraft owned by others; and

WHEREAS, Article 2A of the 2015 Operating Agreement required SCA to construct a new hangar in the New Terminal Area Ramp Development District and relocate all services except aircraft storage to the new hangar by July 8, 2018; and

WHEREAS, SCA has made significant and steady progress towards the construction of a new hangar in the New Terminal Area Development District, but will not meet the July 8, 2018 deadline to finish construction; and

WHEREAS, Waukesha County desires to allow SCA to continue providing the approved aeronautical services in order to provide good customer service and to maintain aircraft operations and competition at the airport; and

WHEREAS, Waukesha County and SCA have negotiated the First Amendment to the 2015 Operating Agreement requiring SCA to execute a land lease with Waukesha County by August 31, 2018 and to begin construction within ninety (90) days, in exchange for an extension of its ability to perform aeronautical services as listed in its operating agreement until July 31, 2019 at which point construction of its hangar will be completed.

THE COUNTY BOARD OF SUPERVISORS OF THE COUNTY OF WAUKESHA ORDAINS that the First Amendment to the Operating Agreement between Waukesha County and Spring City Aviation, Inc. is hereby approved.

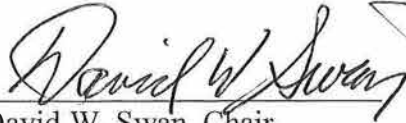
BE IT FURTHER ORDAINED that the Waukesha County Director of Public Works, or her designee, is authorized to execute the First Amendment and any such other documents necessary to effectuate its intent.


APPROVE FIRST AMENDMENT TO SPRING CITY AVIATION, INC.
OPERATING AGREEMENT

Presented by:
Public Works Committee

Approved by:
Executive Committee

Approved by:
Finance Committee


David W. Swan, Chair


Paul L. Decker, Chair


James A. Heinrich, Chair


Jennifer Grant

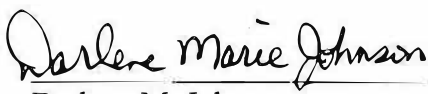

James A. Heinrich


Timothy Dondlinger


Keith Hammitt



Christine M. Howard


Tyler J. Foti

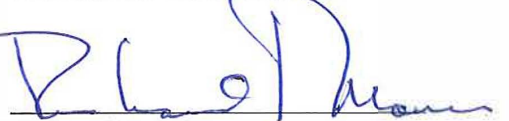

Darlene M. Johnson

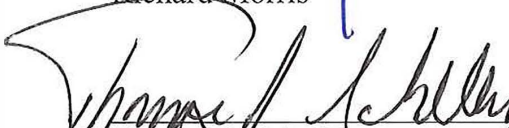

Larry Nelson

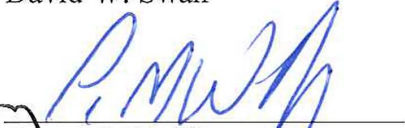
Absent
Thomas A. Michalski


Richard Morris

absent
David W. Swan


Richard Morris


Thomas J. Schellinger


Peter M. Wolff

Absent
Duane E. Paulson


Steve Whittow


David D. Zimmermann


Ted Wysocki

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, was presented to the County Executive on:

Date: 7/2/18

 (acting)
Kathleen Novack, County Clerk

The foregoing legislation adopted by the County Board of Supervisors of Waukesha County, Wisconsin, is hereby:

Approved: X
Vetoed: _____

Date: 7/2/18, 
Paul Farrow, County Executive

FISCAL NOTE

APPROVE FIRST AMENDMENT TO SPRING CITY AVIATION, INC. OPERATING AGREEMENT

This ordinance amends an existing agreement between the county and Spring City Aviation, Inc. (herein, "Spring City") signed in 2015. Under the current contract, the county agreed to allow Spring City to perform multiple aeronautical services at the county airport. Spring City agreed to build a new hangar by July 8, 2018, or the county would terminate its aeronautical service-providing rights and Spring City would be required to pay the county three years' worth of land lease payments for the hangar lot (estimated at about \$40,000).

According to airport management, Spring City will not be able to meet this deadline for hangar construction, but indicates that the company is making efforts to meet this obligation. This agreement would extend the deadline for Spring City to enter into a land lease agreement for the new hangar to August 31, 2018, with 90 subsequent days to commence construction, and completion by July 31, 2019. The new land lease agreement is expected to generate an additional \$14,000 annually for the airport. If Spring City does not meet the above deadlines, its authority to provide aeronautical services would cease, and it would be required to pay the three years' worth of land lease payments to the county as specified in the original contract (mentioned above).

The existing agreement term is through July 7, 2020, with the option for two consecutive five-year extensions.

Linda Witkowski

Linda Witkowski
Budget Manager
6/5/2018
BPD

**FIRST AMENDMENT TO SPRING CITY AVIATION, INC.
OPERATING AGREEMENT**

THIS FIRST AMENDMENT dated the _____ day of July, 2018, by and between WAUKEHSA COUNTY, a municipal corporation (“the County”), and SPRING CITY AVIATION, INC. (“Spring City”), a provider of aeronautical services shall modify Spring City’s Operating Agreement effective July 8, 2015.

WHEREAS, Spring City desires to seek an extension of time in which to construct a hangar on the Hangar Parcel;

WHEREAS, Spring City wishes to continue providing the aeronautical services it performs at the airport.

NOW, THEREFORE, the County and Spring City (collectively, “the Parties”) agree to amend the Spring City Aviation, Inc. Operating Agreement as follows:

1. ARTICLE 2A, OBLIGATION TO LEASE/BUILD shall be deleted in its entirety. and replaced with the following:

**ARTICLE 2A
OBLIGATION TO LEASE/BUILD**

Spring City acknowledges that it is the County’s desire, consistent with the Airport Master Plan and the Declarations of Covenants and Restrictions for Buildings and Structures of Waukesha County Airport Development District – New Terminal Area Ramp Development (on file with the Airport Manager), to require certain aeronautical service providers like Spring City to confine their area of operation to the New Terminal Area Ramp Development District (as defined therein), and that the County has approved Spring City’s aeronautical service provider application and this Agreement on the express condition that Spring City agree to lease a hangar lot within the New Terminal Area Ramp Development District and complete construction of a hangar from which to provide the aeronautical services authorized by this Agreement. Accordingly, upon execution of this Agreement, Spring City shall execute, perform and maintain with the County, a lease option agreement to lease Lot # 2451 Aviation Drive (or similar lot) from the County within the New Terminal Area Ramp Development District (the “Hangar Parcel”). No later than August 31, 2018, Spring City shall execute a hangar land lease with the County for the lease of the Hangar Parcel and break ground no later than ninety (90) days after the execution of its hangar land lease. Spring City shall complete construction of a hangar on the Hangar Parcel from which to provide its aeronautical services no later than July 31, 2019. Should Spring City fail to execute a hangar land lease by August 31, 2018, fail to break ground no later than ninety (90) days after execution of the hangar land lease or fail to complete construction of a hangar on the Hangar Parcel by July 31, 2019 and relocate all aeronautical services other than aircraft storage thereto, Spring City’s authorization in this Agreement to perform the aeronautical services identified in Article 4 below shall automatically terminate and the County shall

assess, and Spring City shall immediately pay to the County, an amount equal to the three (3) year rental rate for the Hangar Parcel. The annual rental rate shall be calculated at \$0.30/sq.ft. in 2015 and thereafter be increased annually by CPI as defined in Article 5 below. Notwithstanding the foregoing, the annual increase shall not be less than 3.5% and not more than 10%. 2. All terms and provisions of Spring City Aviation, Inc. Operating Agreement not modified by this First Amendment shall remain in full force and effect for the duration of the term of the Spring City Aviation, Inc. Operating Agreement.

Dated this ___ day of _____, 2018

Dated this ___ day of _____, 2018

SPRING CITY AVIATION, INC.

WAUKESHA COUNTY

By: _____
Brian B. Behrens
President

By: _____
Kurt S. Stanich
Airport Manager

Roll Call	Discussion	Voting...	Results	Agenda	Setup	Options
D1 - Foti			AYE	D14 - Wood		AYE
D2 - Zimmermann			AYE	D15 - Mitchell		AYE
D3 - Morris			AYE	D16 - Crowley		AYE
D4 - Batzko			AYE	D17 - Paulson		Notified
D5 - Dondlinger			AYE	D18 - Nelson		AYE
D6 - Walz			AYE	D19 - Cummings		AYE
D7 - Grant			Notified	D20 - Schellinger		AYE
D8 - Michalski			AYE	D21 - Gaughan		AYE
D9 - Heinrich			AYE	D22 - Wysocki		AYE
D10 - Swan			(M) AYE	D23 - Hammitt		AYE
D11 - Howard			AYE	D24 - Whittow		(2) AYE
D12 - Wolff			AYE	D25 - Johnson		AYE
D13 - Decker			AYE			
173-0-021			Passed (23 Y - 0 N - 2 Absent)			Majority Vote >