

PALOMAR AIRPORT ADVISORY COMMITTEE
Thursday, April 16, 2015
AGENDA ITEM #6

SCIF PALOMAR, LLC dba MAGELLAN AVIATION
AMENDMENTS TO AVIATION LEASES

BACKGROUND

On June 22, 2005, the Board approved two aviation leases with SCIF Palomar, LLC, which operate as Magellan Aviation at McClellan-Palomar Airport. The leases were amended on December 6, 2006 to extend the term, and on June 23, 2010 to adjust premises and rent. SCIF Palomar, LLC/Magellan Aviation is a full-service Fixed Base Operator providing complete line service, aircraft fueling, detailing, flight planning, weather status, flight following, communication and concierge services at the airport. The leases include an 11.57-acre parcel used for business offices, aircraft hangars, aircraft parking and the fueling of aircraft and a 4.93 acre parcel used for aircraft hangar storage.

PROPOSED AMENDMENTS

These leases call for a rent renegotiation every five years to keep current with market rates and annual cost of living adjustments based on the Consumer Price Index. The negotiated adjustment would be effective July 1, 2015. The proposed Third Amendments would amend the rental section to reflect the negotiated market rent of \$2,400 per acre per month. The amendments will also update the mailing address for delivery of rent payments, lease language regarding the appraisal processes set forth in the lease and will also include the more recent Stormwater and Hazardous Material language.

Proposed Third Amendment to County Contract No. 104566

The proposed Third Amendment to Lease #104566 would increase the monthly rent from \$11,083 to \$11,832, an increase of \$749.

Proposed Third Amendment to County Contract No. 104567

The proposed Third Amendment to Lease #104567 would increase the monthly rent from \$26,056 to \$27,768, an increase of \$1,712

Recommended Motion

“Palomar Airport Advisory Committee recommends that the Board of Supervisors approve the Third Amendments to Aviation Leases between County of San Diego and SCIF Palomar, LLC (County Contract Numbers 104566 and 104567).”