MEMORANDUM

TO: Airport Board
FROM: Patrick Dame, C.M., Executive Director
DATE: May 26, 2020
RE: Addendum #1 to Airport SASO Ground Lease Agreement with Rapid Fuel, LLC

The attached addendum will remove 4,468 unimproved square feet from the leasehold held by Rapid Fuel, LLC. Mr. Dale does not intend to develop this property, and through mutual agreement, has decided to release this area back to the Airport. The attached Exhibit A shows the new boundary of the leasehold. This change will save Mr. Dale approximately $612 in annual rent and allows for potential redevelopment in that area.

STAFF RECOMMENDATION: Staff recommends Board Approval of Addendum #1 to the Specialized Aviation Services Operation (SASO) Agreement with Rapid Fuel, LLC, reducing the leasehold premises by 4,468 square feet.
ADDENDUM #1
AIRPORT SASO GROUND LEASE AGREEMENT – RAPID FUEL, LLC

The Rapid City Regional Airport Board City of Rapid City (Board) and VisionAir, LLC, (Lessee) entered into a Specialized Services Operation (SASO) Ground Lease Agreement, (Agreement) on March 14, 2006, for the property located at 3865/3900 Airport Road, Rapid City, SD 57703. Said Agreement was subsequently assigned to Dale Aviation, Inc., and approved by the Board on September 8, 2009, and then again from Dale Aviation, Inc. to Rapid Fuel, LLC on September 10, 2013. The Parties agree that the Agreement remains in full force and effect, except as specifically modified by this Addendum.

WHEREAS, the property described in the Agreement consists of 62,582 square feet; and

WHEREAS, the Parties desire to release certain unimproved square feet from the Agreement; and

NOW THEREFORE, be it agreed by the Parties as follows:

The Parties agree that the Lessee’s leasehold is hereby reduced by 4,468 square feet of unimproved area, and the Lessee releases this square footage from the Agreement. Therefore, the Parties agree that the leasehold contains 37,279 square feet of improved area and 20,835 of unimproved area, for a total square footage of 58,114, as indicated on the attached Exhibit A – 3865 & 3900 Airport Road, attached and incorporated herein by reference.

IN WITNESS WHEREOF, the Parties execute this Addendum this ______ day of __________________, 2020.

RAPID CITY REGIONAL AIRPORT BOARD

Darren Haar, Board President
Rapid City Regional Airport

ATTEST: __________________________
   Shawn Gab, Secretary

RAPID FUEL, LLC

Jerry Dale, President

State of South Dakota 
County of Pennington 

On this _____ day of ______________, 2020, before me, the undersigned officer personally appeared Jerry Dale, known to me as the President of Rapid Fuel, LLC, whose name is subscribed to the within instrument and acknowledged that he executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Notary Public, South Dakota

My Commission Expires:
EXHIBIT A

EXHIBIT A - 3865 & 3900 AIRPORT ROAD
LEASE PROPERTY - RAPID FUEL, LLC (JERRY DALE)
LOCATED IN THE NW 1/4 OF SECTION 17, TOWNSHIP 1 NORTH, RANGE 9 EAST, B.H.M.
PENNINGTON COUNTY, SOUTH DAKOTA
OWNER: RAPID CITY REGIONAL AIRPORT
SHEET 1 OF 1

DATE: 05/18/2020
DRAWN BY: GCH
CHECKED BY: RAS
PREPARED BY:
KLJ, INC.
330 KNOllWOOD DRIVE
RAPID CITY, SD 57701-6611
(605) 721-5553

N 83°03'29" E 1835.3' (CALC)
N 35°40'23" E 3449.9' (CALC)

NORTHERN GA APRON
WEST 1/4 CORNER
SECTION 17

58,114 SQ. FT.
3865 AIRPORT ROAD
3900 AIRPORT ROAD

TAXILANE

GROUP 1 - 25' TAXILANE
GROUP 1 - 79' TOFA

LEGEN D

TOFA
TOFA
TOFA

SHEET 1 OF 1

SW CORNER
SECTION 17

N 83°03'29" E 1835.3' (CALC)

TOFA

NORTH 1/4 CORNER
SECTION 17

45.9'

271.6'

9.6'

43.9'

123.9'

12.1'

12.4'

96.3'

50.5'

58,114 SQ. FT.