MEMORANDUM

TO: Airport Board
FROM: Patrick Dame, CM, Executive Director
DATE: June 6, 2020
RE: Westjet Hangar Demolition Request

Westjet Air Center has submitted the attached email as written request to demolish the row of hangars at 4150 Schinzel Hangar Lane as per their lease agreement. Section 3.3.1.7 and Section 6 apply.

Section 3 of the agreement addresses the requirement and final disposition of the property and is copied below:

3.3.1.7. Lessee agrees to tear down the hangars/buildings located at 4150 and 4160 Airport Hangar Road (now known as 4150 Schinzel Hangar Lane), as shown on Exhibit A-Consolidated Map, as buildings 2, 3, and 4 within five (5) years from the commencement of this Agreement.
   3.3.1.7.1. Vacated area must be returned to the Lessor in its original condition and character, revegetated, and to the satisfaction of the Lessor; or it may be redeveloped by mutual agreement of the Parties.
   3.3.1.7.2. Redevelopment plans must be mutually agreed to by both Parties prior to the demolition of said hangars/buildings. Parties agree to begin work on the redevelopment plans upon the commencement of this Agreement. If an agreement for redevelopment cannot be reached, the vacated area will revert back to the Lessor as indicated in Section 3.3.1.7.1.

Section 6 of the lease agreement addresses improvements and is copied below:

6.1.1. Lessee shall not make any Improvements (including any changes or modifications, additions, or deletions) to the Leased Premises without the prior express written consent of Lessor.
6.1.1.1. Prior to making any Improvements, Lessee shall submit to Lessor for its review and approval detailed plans, designs, and specifications, including cost estimates, a project schedule, and a list of the contractors selected by Lessee to make the approved Improvements. If applicable, Lessee shall complete and include Federal Aviation Administration 7460-1 Notice of Proposed Construction Alterations form.

6.1.2. The approved Improvements shall comply with applicable Regulatory Measures including, but not limited to, CFR Title 14 Part 77 Safe, Efficient Use, and Preservation of the Navigable Airspace. Lessee shall procure all building, fire, safety, and other permits necessary in connection with the approved Improvements from federal, state, and local agencies having jurisdiction.

6.1.3. Within 30 days after notification by the Lessor of its approval, Lessee shall commence work on the approved Improvements to the Leased Premises in accordance with the conditions of the Lessor’s approval. Lessee shall be fully liable to the Lessor for any damage resulting from the work on or associated with the approved Improvements. All deliveries of materials and supplies shall be made through the access points and via routes designated by the Lessor.

6.1.4. All work completed shall be at Lessee’s sole cost and expense, free and clear of liens for labor and material, and Lessee shall indemnify Lessor, as required by the General Aviation Minimum Standards.

6.1.5. Lessee shall furnish its Performance Bond in the form acceptable to Lessor in the amount of 100% of its total construction costs to guarantee completion of the Improvements.

6.1.6. Lessee shall pay all claims lawfully made against it by its contractors, subcontractors, material men, and workmen, and all claims lawfully made against it by other third persons arising out of or in connection with the performance of any work on or associated with the approved Improvements, and shall cause its contractors and subcontractors to pay all such claims lawfully made against them. Lessee shall also pay all liens held by subcontractors and provide proof of payment of excise tax.

6.1.7. During the term of this Agreement, Lessee, at its sole cost and expense, shall maintain, replace, and keep in good repair and operating condition all Improvements.

The area known as building 2 was previously removed by Westjet, however, not formally returned to the Board. The Airport paved over the area during a previous project to allow access to the back of Westjet’s hangar. We would agree that the paving can remain, the area does not require revegetation and will be accepted in the current state.
The area known as building 4, located at 4160 Airport Hangar Rd., was previously removed, restored and returned to the Lessor as per the agreement.

**STAFF RECOMMENDATION:** Staff recommends Board approval of the Westjet Air Center Hangar Demolition Request on the condition of all lease requirements being met and the properties known as 2 and 3 being returned to the Lessor in its original condition and character, revegetated, and to the satisfaction of the Lessor.
From: Linda Rydstrom  
Sent: Friday, May 08, 2020 11:28 AM  
To: Broom Toni  
Cc: Miranda Rydstrom; Don Rydstrom; David Gustafson  
Subject: Hangar removal 4150 Shinzel Hangar Lane  

CAUTION: This email is from an outside source. Use caution before opening attachments, clicking links or providing confidential information.

Good morning,

We are requesting approval to demolish the row of hangars at 4150 Schinzel Hangar Lane as required by our lease. We will be using Gustufson Builders to do the work, the same company that removed the last row of hangars. David Gustufson is our point of contact. He has agreed to work directly with the airport and will get all necessary permits required. The timing is subject to his availability and weather conditions but we are shooting to have them removed no later than July 15, 2020. The ground will be returned to its natural state, as required by the lease. We are requesting to be added to the June 9, 2020 Airport Board agenda so that the demolition can begin within the 30 day required timeline.

Please let me know if you have any questions.

Thank you,

Linda N. Rydstrom  
President

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