MEMORANDUM

TO: Airport Board
FROM: Patrick Dame, C.M., Executive Director
DATE: April 13, 2021
RE: Resolution #2021-03 Notice of Intent to Enter a Non-Commercial Lease & Use Agreement with Trifly, LLC

At the January 26, 2021, Board meeting, the Board authorized staff to seek proposals for a design/build of a mixed use hangar located on Lot 49. Since that meeting, staff has been in discussions with Trifly, LLC who desires to build a large corporate hangar at RAP. Lot 49 is the only lot large enough to accommodate the size of facility they wish to construct.

Upon approval of a noncommercial lease agreement and construction application, it is their intent to construct a 100’ X 180’ hangar building with an attached 40’ X 62.6’ office area. The construction application will be presented to the Board, along with the lease, at the May 11, 2021, Board meeting. The associated public hearing will also be held at that time.

It is estimated the cost of construction will be over $1.2 million thereby constituting a 40 year lease term based on the Leasing Policy investment level table. The hangar and office area will be used solely for their own operations.

While it was the Airport’s initial intent to build a mixed use hangar on this particular site, staff recommends approval of the Notice of Intent Resolution to Enter a Non-Commercial Lease & Use Agreement with Trifly, LLC. Staff further recommends that the proposal authority for the Airport to seek a design/build of a mixed use hangar be tabled at this time.

**STAFF RECOMMENDATION:** Staff recommends approval of Resolution 2021-03 as presented and to table the proposal authority for a design/build mixed use hangar.
RESOLUTION 2021-03

A RESOLUTION OF INTENT TO ENTER INTO A NON-COMMERCIAL LEASE AND USE AGREEMENT WITH TRIFLY, LLC
PURSUANT TO SDCL 9-12-5.2

BE IT RESOLVED by the Rapid City Regional Airport Board that the Rapid City Regional Airport intends to enter into Non-Commercial Lease and Use Agreement with Trifly, LLC.

BE IT FURTHER RESOLVED that a copy of this resolution of intent be published once at least ten (10) days prior to the hearing to be held at Rapid City Regional Airport, 4550 Terminal Road, Rapid City, South Dakota, at 9:00 o’clock, a.m., on the 11th May, 2021, or as soon thereafter as the item may come on for hearing at said meeting; and

BE IT FURTHER RESOLVED that following the hearing the Rapid City Regional Airport Board may adopt a resolution authorizing a lease upon the terms and conditions as it shall determine in said resolution.

Dated this 13th day of April, 2021.

RAPID CITY REGIONAL AIRPORT BOARD

By: ____________________________________________
Darren Haar, President

ATTEST:

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Shawn Gab, Secretary