

Legislation Text

File #: Res. 2019-215R, Version: 1

AGENDA CAPTION:

Consider approval of Resolution 2019-215R, approving a Lease of Airport Property for Agricultural Use at the San Marcos Regional Airport through August 31, 2020; authorizing the City Manager or his designee to execute the lease; and declaring an effective date. **Meeting date:** November 6, 2019

Department: General Services / Airport

Amount & Source of Funding

Funds Required: Click or tap here to enter text.Account Number: Click or tap here to enter text.Funds Available: Click or tap here to enter text.Account Name: Click or tap here to enter text.

Fiscal Note:

Prior Council Action: Click or tap here to enter text.

<u>City Council Strategic Initiative:</u> [Please select from the dropdown menu below]

Choose an item.

Choose an item.

Choose an item.

Comprehensive Plan Element (s): [Please select the Plan element(s) and Goal # from dropdown menu

below]

- Economic Development Promote & Support Potential of San Marcos Regional Airport
- Environment & Resource Protection Choose an item.
- □ Land Use Choose an item.
- □ Neighborhoods & Housing Choose an item.
- □ Parks, Public Spaces & Facilities Choose an item.
- □ Transportation Choose an item.
- □ Not Applicable

<u>Master Plan</u>: [Please select the corresponding Master Plan from the dropdown menu below (if applicable)] Choose an item.

Background Information:

On May 3, 2016, Council approved a three-year lease agreement for agricultural property at San Marcos Regional Airport with Curby Ohnheiser. The initial term expired August 31, 2019 and could be renewed for an additional three-year period no sooner than 90 days prior to the expiration.

Mr. Ohnheiser requested to renew the lease at the reduced rate of \$70,000. As reference, he leased the property prior to 2016 at \$17,000 per year and the rate was increased to \$134,130.24 in 2016.

Airport Management discussed options with purchasing and legal and agreed to accept the reduced rate for one year. This decision was made due to (1) the time-sensitive nature of preparing crops for the next year and not wanting the land to lay fallow while awaiting a new RFP, (2) the fields being in and around runways and taxiways, a new farmer would need extensive training in both the airfield layout and radio operations in order to operate safely, and (3) economic uncertainty associated with crop prices.

Over the term of the lease, Airport Management will work with purchasing to prepare an RFP.

Council Committee, Board/Commission Action:

Click or tap here to enter text.

Alternatives:

Click or tap here to enter text.

Recommendation:

Texas Aviation Partners recommends approval.