



# City of Rochelle

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Airport Manager  
Mark D. Delhotal  
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## Memo

**To:** Dave Plyman  
**From:** Mark Delhotal  
**Date:** 11/5/2012  
**Re:** Rochelle Avionics Lease Amendment

Dave,

On November 1<sup>st</sup> 2009 the City of Rochelle entered into a 5 year agreement with Rochelle Avionics. Per the agreement Rochelle Avionics was given 2 years of rent free use of 5,518 sq feet of hangar and office space.

For the first year Rochelle Avionics paid 50% of the heat for their portion of the leased space. Rochelle Avionics paid 100% of the heat for their portion of the leased space starting the second year. Rochelle Avionics paid 50% of the electric for their portion of the leased space for the first 2 years. In the third year Rochelle Avionics was given a one year rent free extension but started to pay 100% of the all utilities for their portion of the leased space per the agreement.

For the fourth year of the agreement the City proposed a structured plan to achieve the rate of .22 cents per square foot by the end of the fifth year of the agreement. This rate is the lowest rate of any airport of equivalent size infrastructure and operations and we believe this to be a compromise for both parties. The rate schedule proposed is as follows.

Months 1-6	.11 cents per sq. ft.	\$606.98 per month
Months 7-12	.15 cents per sq. ft.	\$827.70 per month
Months 13-18	.19 cents per sq. ft.	\$1,048.42 per month
Months 19-24	.22 cents per sq. ft.	\$1,213.96 per month

Upon receipt of the attached letter from Jeremy Sells President of Rochelle Avionics it is my recommendation that the City of Rochelle agree to the terms presented for a one year extension with the terms as follows. Months 1-6 of the extension shall have a payment of \$606.98 monthly and months 7-12 shall have a payment of \$827.70.

In October of 2013 we will renegotiate the remaining year of the current five year lease. It is my recommendation that we continue our rate increase to achieve .22 cents per sq ft as previously discussed by the end of the fifth year. Please let me know if you have any questions or if I can do anything else to help facilitate this agreement.

Mark