

TO: James L. App, City Manager
FROM: Meg Williamson, Assistant to the City Manager
SUBJECT: Sub-Lease Approval – Sierra West Avionics, Inc. & North American Jet Charter
DATE: August 2, 2005

NEEDS: For the City Council to adopt Resolution No. 05-xx authorizing a sublease agreement between North American Jet Charter, Inc. (NAJC) and Sierra West Avionics, Inc. for avionics installation and repair services at the Municipal Airport.

FACTS:

1. The City entered into a long-term lease agreement with North American Jet Charter, Inc. for aviation services facilities on the Airport on September 8, 2000.
2. The lease remains in full force and effect, and in compliance with the terms and conditions contained therein.
3. Section 15.1 of the lease agreement requires City approval for any sublease agreements entered into by the lessee, NAJC.
4. The attached letter of intent from NAJC provides summary information regarding their desire to lease 2,780 square feet of office and hangar space to Sierra West Avionics, Inc. who wish to provide avionic system repair services within their jet center on Wing Way.
5. Sierra West Avionics, Inc. is a full service avionics shop that provides testing, upgrades and repair to a wide range of aircraft avionics equipment. Their business has operated out of the Santa Maria Airport for more than 25 years and sold in 2004. (See attached business information).

**ANALYSIS
AND**

CONCLUSION: The proposed agreement is allowable under the existing City lease with NAJC. The sublease proposal will make additional services - flight instruction and aircraft rental – available to the public. The proposed operation is consistent with adopted Airport Rules & Regulations and will meet the Minimum Standards for Aeronautical Activities, which were both recently adopted.

The City Council's authorization to approve the sublease agreement will enable NAJC to finalize their sublease contract with Sierra West Avionics, Inc. subject to final content approval by the City Attorney.

POLICY

REFERENCE: Airport Lease Agreement; Airport Rules & Regulations; Airport Minimum Standards for Aeronautical Activities.

FISCAL

IMPACT: None.

OPTIONS:

- a. Adopt Resolution No. 05-xx authorizing North American Jet Charter to enter into a sublease agreement with Sierra West Avionics, Inc. in a manner to be approved by the City Attorney.
- b. Amend, modify or reject the above option(s).

Attachments:

- 1) Resolution 05-XX authorizing sublease
- 2) North American Jet Charter – July 25, 2005 letter of intent to Sublease
- 3) Sierra West Avionics, Inc. business information



Charter Inc.

July 25, 2005

Mr. Jim App
City Manager
The City of Paso Robles
1000 Spring Street
Paso Robles, CA 93446

Dear Mr. App:

North American Jet Charter, Inc. requests the approval of The City of Paso Robles to enter into a sublease agreement regarding a portion of the office and hanger space located at 4990 Wing Way, and also a portion of the office space located at 3115 Taxi Way in Paso Robles.

Enclosed are two proposed letters of intent from North American Jet Charter, Inc. to lease office and hanger space to Sierra West Avionics, Inc. for their avionics installation and repair service business and to also lease office space to Kern Charter Services, Inc. for their flight instruction business. We believe these business services will greatly benefit the Paso Robles Municipal Airport.

Enclosed is detailed information regarding the services to be provided by both Sierra West Avionic, Inc. and Kern Charter Services, Inc. These proposed business services at the Paso Robles Airport are subject to the approval of the sublease agreement by the City of Paso Robles.

Please review these proposed letter of intents enclosed. We request your consideration to approve these agreements as noted in Section 15.1 Assignment and Subleases of the Airport Lease Agreement dated September 8, 2000 and in Section 15.1 Assignment and Subleases of the Aeronautical Services Lease Agreement dated September 8, 2000. Upon your approval, we will proceed with a 24-month lease agreement with Sierra West Avionics, Inc. and Kern Charter Services, Inc.

We look forward to your response.

A handwritten signature in black ink, appearing to read "David B. Weyrich", is written over the typed name and title.

David B. Weyrich
Chief Executive Officer

Enclosures: Letter of Intent (two pages)
Promotional materials (seven pages)

P.O. Box 7003 • Paso Robles, CA 93447 • 4990 Wing Way, Paso Robles, CA 93446

(805) 238-1213 • 800-655-4500 • Fax (805) 238-3056

Letter of Intent
to
Sierra West Avionics, Inc.
from
North American Jet Charter, Inc.

It is the intent of North American Jet Center, Inc. to lease 2,780 square feet of office space and hanger space located at 4990 Wing Way in Paso Robles to Sierra West Avionics, Inc. Both North American Jet Charter, Inc. and Sierra West Avionics, Inc. understand this proposed lease agreement is subject to the approval of The City of Paso Robles in reference to the lease agreement between North American Jet Charter, Inc. and The City of Paso Robles dated September 8, 2000.

PROPOSED TERMS

- It is the intent of North American Jet Charter, Inc. to enter a twenty-four (24) month lease agreement with a start date of August 1, 2005, or soon thereafter upon approval of The City of Paso Robles.
- It is the intent of North American Jet Charter, Inc. to offer Sierra West Avionics, Inc. 2,780 square feet of office and hanger space at a rental rate of \$668 per month with additional rent due of up to \$7,000 per year based on Sierra West Avionics, Inc.'s sales activity. The monthly lease payment is due on the first day of each month with one (1) month deposit due prior to the start of the lease. Sierra West Avionics, Inc. is required to reimburse North American Jet Charter, Inc. monthly for their portion of utilities used in the amount of \$100 or more if Sierra West Avionics, Inc.'s usage is determined to exceed \$100 per month.
- Sierra West Avionics, Inc. will conduct an avionics installation and repair services business at the above referenced location.
- It is the intent of North American Jet Charter, Inc. to require Sierra West Avionics, Inc. to procure and maintain a comprehensive public liability insurance policy naming The City of Paso Robles and North American Jet Charter as additionally insured and indemnified against liability for damage or injury.

Sierra West Avionics, Inc.

Signature

Title

Date

North American Jet Charter, Inc.

Signature

Title

Date

Sierra West Avionics, Inc.

Integrity, value and excellence in sales & service

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Testimonials

In order for a company to be successful in today's competitive market the company must have a clear vision. And in order for vision to become reality, the company must also have a method of achieving its vision (mission) and a belief system that enables the vision (values). We believe that a company's vision, mission and values need to be published for three very important reasons:

1. It sets forth the standards and openly communicates the expectations of the company
2. It provides potential customers a picture of the company prior to any business dealing
3. It fosters company accountability to its customers and internal team members

At Sierra West Avionics, Inc. our vision is to become the premier West Coast avionics shop. Our mission is to form significant relationships with our customers, thoroughly understand their avionics needs and consistently meet or exceed their expectations in fulfilling those needs.

Over the past decade there has been a significant decline in customer service in the general aviation community that can be directly attributed to a lack of company values. In order for us to achieve our vision, we have adopted the following values to provide the highest level of customer service available to anyone in General Aviation:

- We will maintain the highest quality workmanship in the service work we perform
- We will maintain the highest level of integrity in the service work and sales we provide
- We will always offer our customers fair and, whenever possible, favorable pricing

Once again, thank you for taking the time to review our web site. We look forward to working with you.

Kevin Renfro

Sierra West Avionics, Inc.

Integrity, value and excellence in sales & service

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Testimonials

Kevin Renfro is the General Manager of Sierra West Avionics, Inc. Kevin has been in the aviation industry for over 17 years. He began his aviation career in the mid eighty's as a US Army OH-58 (Bell Jet Ranger) mechanic and crew chief. He later joined the US Coast Guard and became a HC-130H avionics technician and Navigator. He has 1,500 flight hours as a communications/radar operator and navigator in C-130's. He is currently working towards his private pilot's license and plans to become instrument and multi-engine rated.

Kevin joined the team at Avionics West, Inc. in Santa Maria, CA in the mid nineties as an installation technician and worked his way up to the position of General Manager under Tom Rogers. When Tom Rogers sold Avionics West in June of 2004, Kevin stayed on as the Sales Manager until he resigned in February of 2005.

Kevin has extensive knowledge of the vast array of avionics systems available to today's general aviation consumer as well as the complexities and limitations involved in interfacing various systems. Please feel free to contact Kevin kevin@swainc.com with any questions you may have concerning your next avionics upgrade.

Tom Knoll is the Director of Avionics for Sierra West, Inc. Tom has over 30 years of various aviation experience. He began his aviation career over 3 decades ago as a UH-1H (Huey) mechanic and crewchief for the US Air Force. Tom holds an A&P license and is in the process of obtaining an Inspection Authorization from the FAA.

Tom joined Avionics West over 25 years ago as an installation technician and, together with Tom Rogers, built the Avionics West business and reputation that existed until Avionics West was sold in 2004. Tom held the lead installati technician at Avionics West for over a decade until his resignation in June of 2005.

As a seasoned avionics technician Tom is well versed in the installation, interface and programming of modern avion systems as well as the troubleshooting and repair of older systems and equipment. Tom has also acquired exceptional skills in the design, fabrication and installation of custom instrument panels.

Sierra West Avionics, Inc.

Integrity, value and excellence in sales & service

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- [Services](#)
- [Corporate identity](#)
- [Key employees](#)
- [Contact info](#)
- [Quote request](#)
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We are a full service avionics shop offering the following services at the rates listed. Whenever possible, we will provide a written estimate for requested services.

Upgrades (\$85.00 hour)

- Avionics upgrades - ranging from a single radio to multiple systems
- Replacement instrument panels - design, fabrication and installation of custom instrument panels
- Instrument panel lighting - design and installation of upper and lower instrument panel lighting systems
- Glare shields - design and installation of custom glare shields with or without lighting options
- Instruments - replacement of most flight, airframe and engine instruments

Systems and equipment troubleshooting and repair (\$85.00 hour)

- Avionics equipment - troubleshooting and repair of avionics systems and equipment
- Aircraft electrical systems - troubleshooting and repair of most aircraft electrical systems and equipment
- Instruments - troubleshooting and replacement of most flight, airframe and engine instruments

Testing (variable rates/please contact us for pricing)

- Avionics equipment - bench test and repair of avionics systems and equipment
- Transponder - FAR 91.413 biannual compliance test
- Altitude reporting system - FAR 91.411 biannual compliance test

RESOLUTION NO. 05-

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PASO ROBLES
AUTHORIZING NORTH AMERICAN JET CHARTER, INC. TO ENTER INTO A SUBLEASE
AGREEMENT WITH SIERRA WEST AVIONICS, INC.

WHEREAS, on September 8, 2000, the City entered into a long-term property lease on Parcels 23 & 24 in the Airport Industrial Park with North American Jet Charter, Inc.; and

WHEREAS, Section 15.1 of the lease agreement allows Lessee to enter in to sublease agreements with prior written consent of the City, such consent to not be unreasonably withheld; and

WHEREAS, the Lessee, has submitted request to the City for such approval via a letter of intent dated July 25, 2005.

THEREFORE, BE IT RESOLVED AS FOLLOWS:

SECTION 1

That the City Council of the City of Paso Robles does hereby authorize North American Jet Charter Inc. to enter into a Sublease Agreement with Sierra West Avionics, Inc. as outlined in the July 25, 2005 letter of intent and subject to adherence to the City's standard Sublease Agreement (with agreement format modification only with prior approval by City Attorney).

SECTION 2

That the City Council of the City of Paso Robles does hereby authorize the City Manager to execute any documentation associated thereto on behalf of the City.

PASSED AND ADOPTED by the City Council of the City of Paso Robles this 2nd day of August 2005 by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Sharilyn M. Ryan, Deputy City Clerk