

AGENDA
SHAWNEE AIRPORT AUTHORITY
July 1, 2013 AT 6:30 P.M.
COMMISSION CHAMBERS AT CITY HALL
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

1. Consider approval of Consent Agenda:
 - a. Minutes from the June 17, 2013 meeting
 - b. Airport Advisory Board Minutes from April 24, 2013
 - c. Approve Airport Lease Agreement with Brett and Shelly VanMeter to lease property located at 1836 N. Kickapoo to operate a drive-thru coffee shop.
2. Discussion, consideration and possible action on a resolution adopting rules and regulations for operations at the Shawnee Municipal Airport.
3. New Business

(Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)
4. Administrative Reports
5. Adjournment

Respectfully submitted

Phyllis Loftis, CMC, City Clerk

Shawnee Airport Authority

1. a.

Meeting Date: 07/01/2013

Minutes

Submitted By: Donna Mayo, Administration

Department: Administration

Information

Title of Item for Agenda

Minutes from the June 17, 2013 meeting

Attachments

Minutes

THE TRUSTEES OF THE SHAWNEE AIRPORT AUTHORITY OF THE CITY OF SHAWNEE, COUNTY OF POTTAWATOMIE, STATE OF OKLAHOMA, MET IN REGULAR SCHEDULED SESSION IN THE COMMISSION CHAMBERS AT CITY HALL, 9TH AND BROADWAY, SHAWNEE, OKLAHOMA, MONDAY, JUNE 17, 2013, DURING THE BOARD OF CITY COMMISSIONERS MEETING AT 6:30 P.M., PURSUANT TO NOTICE DULY POSTED AS PRESCRIBED BY LAW. UPON ROLL CALL, A QUORUM WAS DECLARED WITH THE FOLLOWING MEMBERS IN ATTENDANCE:

PRESENT: Agee, Harrod, Mainord, Winterringer

ABSENT: Stephens, Hall, Smith

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda

- a. Minutes from the June 3, 2013 regular meeting rescheduled for June 10, 2013

A motion was made by Trustee Agee, seconded by Trustee Winterringer, to approve Consent Agenda Item 1(a). Motion carried 4-0.

AYE: Agee, Winterringer, Harrod, Mainord

NAY: None

AGENDA ITEM NO. 2: Public hearing and consider a resolution adopting the budget for the Shawnee Airport Authority for the period of July 1, 2013 through June 30, 2014 finding all things requisite and necessary have been done in preparation and presentation of budget.

Mayor Mainord declared a public hearing in session to consider a resolution adopting the budget for the Shawnee Airport Authority for the period of July 1, 2013 through June 30, 2014 finding all things requisite and necessary have been done in preparation and presentation of budget. No one appeared in favor or against said budget. The public hearing was closed.

Resolution No. SAA-2013-1 was introduced.

A RESOLUTION APPROVING AND ADOPTING THE BUDGET FOR SHAWNEE AIRPORT AUTHORITY, OKLAHOMA FOR THE PERIOD JULY 1, 2013 THROUGH JUNE 30, 2014 FINDING ALL THINGS REQUISITE AND NECESSARY HAVE BEEN DONE IN PREPARATION AND PRESENTATION OF SAID BUDGET.

A motion was made by Trustee Harrod, seconded by Trustee Winterringer, to approve a resolution adopting the budget for the Shawnee Airport Authority for the period of July 1, 2013 through June 30, 2014 finding all things requisite and necessary have been done in preparation and presentation of budget. Motion carried 4-0.

AYE: Harrod, Winterringer, Agee, Mainord

NAY: None

AGENDA ITEM NO. 3:

New Business (Any matter not known about or which could not have been reasonably foreseen prior to the posting of the agenda)

There was no New Business.

AGENDA ITEM NO. 4:

Administrative Reports

There was no Administrative Reports.

AGENDA ITEM NO. 5:

Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (6:38 p.m.)

ATTEST:
(SEAL)

WES MAINORD
CHAIRMAN

PHYLLIS LOFTIS, CMC, CITY CLERK
SECRETARY

Shawnee Airport Authority

1. b.

Meeting Date: 07/01/2013

Advisory Board Minutes

Submitted By: Donna Mayo, Administration

Department: Administration

Information

Title of Item for Agenda

Airport Advisory Board Minutes from April 24, 2013

Attachments

Advisory Board Minutes

MINUTES
AIRPORT ADVISORY BOARD MEETING APRIL 24, 2013, 5:30 P.M.
TERMINAL BUILDING
2202 AIRPORT DRIVE

ROLL CALL

PRESENT: Mike Adcock, Jack Barrett, Harmik DerSahakian, Will Smallwood, Terry Toole, Bert Humphreys

ABSENT: Bob Weaver

OTHERS PRESENT: Rex Hennen-Assistant Airport Manager, Cynthia Sementelli - Finance Director, Brian McDougal-City Manager, Tim Burg - SEDF

DECLARATION OF A QUORUM

ITEM ONE: Consider and approve Consent Agenda.

Motion to approve Consent Agenda – Consent agenda approved unanimously.

ITEM TWO: SUB COMMITTEE REPORTS

Business/Events: Member DerSahakian reported that an individual is looking into the possibility of building a Subway Sandwich Shop and a hangar on the property located south of the REACT facility. Staff will work with towards negotiating a lease price to bring before the board for consideration.

Finance: Cynthia Sementelli gave a report regarding fuel sales – airport continuing to show profits. Ms. Sementelli also provided a requested profit/loss statement and financial reports of sales tax generated by airport commercial lessees.

ITEM FOUR: CONSIDER PROPOSED AMENMENTS TO SHAWNEE MUNICIPAL CODE SECTION “ARTICLE SIX, AVIATION”

Chairman Adcock made the motion to table the item until the next board meeting. Motion passed unanimously.

ITEM FIVE: NEW BUSINESS

No new business

ITEM SIX: BOARD COMMENTS

Mr. McDougal reported that he should be conducting interviews for the Assistant Airport Manager’s position within the next two weeks.

ITEM SEVEN: ADJOURNMENT

Board unanimously voted to adjourn meeting 6:25 p.m.

**Shawnee Regional Airport
June, 2013
Staff Report**

1. **Financial Report** – Attached
2. **May 2013 Fuel Sales Report** – Daily details are attached.

Low Lead

Sales	\$13,828.95
Gallons	2,598.34

Jet A

Sales	\$12,544.28
Gallons	2,613.38

3. **Foreign Trade Zone Application** – The application was officially approved in the Spring of 2012.
4. **Parallel Taxiway Construction Project** – The project is complete. In the process of closing out the FAA and OAC grants.
5. **T-Hangar Improvements** – An alternative roller system is has been proposed to eliminate the door tracks. Doors will be retrofit with the new rollers and tracks removed as funding is available.
6. **Runway Rehabilitation Project** – Project is complete. The project has been awarded the “2012 Quality Construction Award” by the National Asphalt Paving Association and also the “Airport – Owner; Runner Up Award” by the Oklahoma Asphalt Pavement Association. In the process of closing out the FAA and OAC grants.
7. **Airport Lease Payments** – Finance and airport staffs working to ensure all lessees are current with their lease payments.
8. **FY 2013-2014 Budget** – Budget process is underway.
9. **Mowing** – Airport has received 20”+ of rain since April 1 of this year. As such, grass/weeds are growing and staff is working diligently to keep up with mowing.

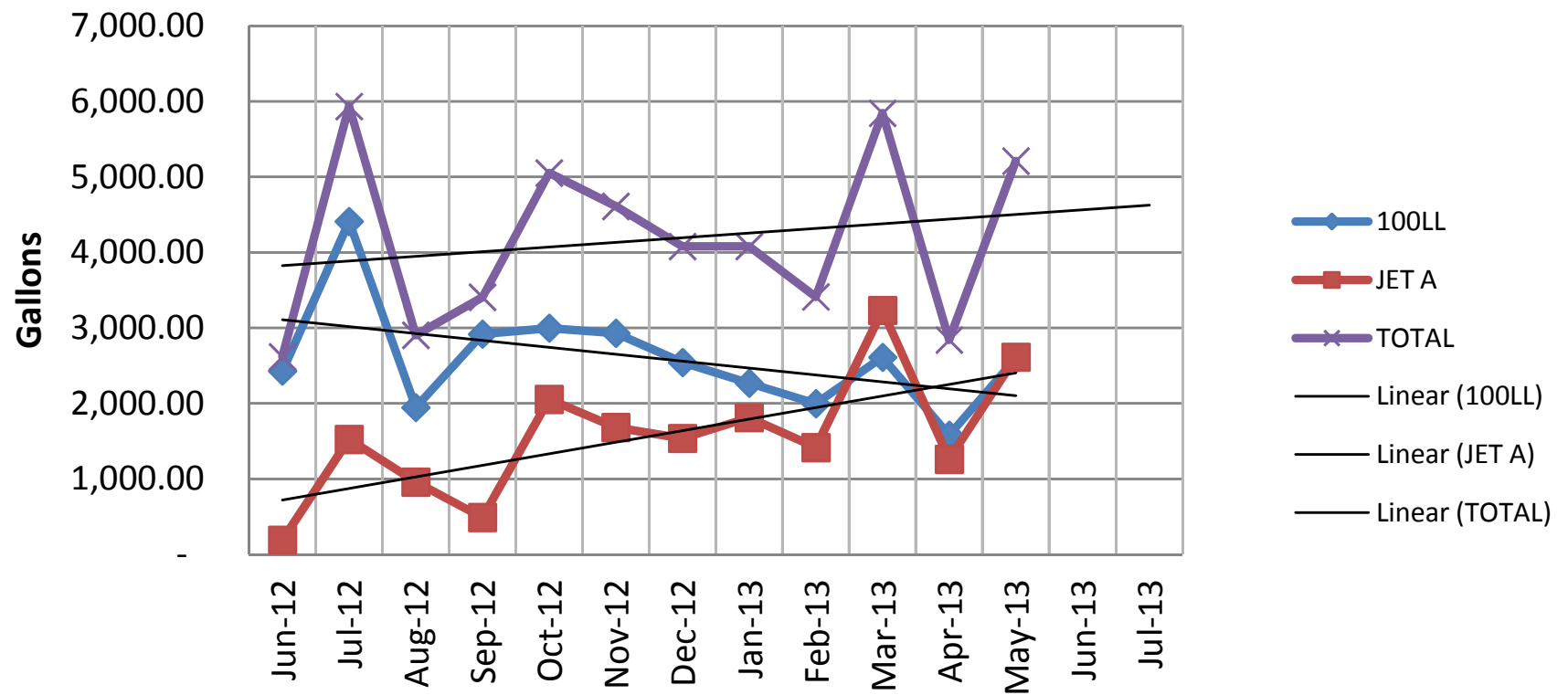
MAY FUEL SALES

	100 LOW LEAD	JET A	OIL	HANGAR	CHARTS	SALES TAX	DAILY TOTALS
5/1/2013	\$95.58	\$0.00	\$47.08			\$4.00	146.66
5/2/2013	\$0.00	\$0.00					0.00
5/3/2013	\$737.73	\$0.00	\$27.90			\$2.37	768.00
5/4/2013	\$145.38	\$0.00					145.38
5/5/2013	\$199.74	\$0.00					199.74
5/6/2013	\$580.31	\$789.02					1369.33
5/7/2013	\$1,534.01	\$504.00	\$108.28			\$9.20	2155.49
5/8/2013	\$163.00	\$192.00					355.00
5/9/2013	\$666.73	\$0.00					666.73
5/10/2013	\$367.54	\$480.00					847.54
5/11/2013	\$607.31	\$0.00	\$9.30			\$0.79	617.40
5/12/2013	\$859.77	\$0.00	\$65.10			\$5.53	930.40
5/13/2013	\$533.99	\$676.80					1210.79
5/14/2013	\$1,617.27	\$604.80	\$9.30			\$0.79	2232.16
5/15/2013	\$227.26	\$0.00					227.26
5/16/2013	\$0.00	\$0.00					0.00
5/17/2013	\$455.70	\$830.40					1286.10
5/18/2013	\$457.64	\$1,344.00	\$13.95			\$1.19	1816.78
5/19/2013	\$110.00	\$2,001.60					2111.60
5/20/2013	\$41.34	\$4,185.66					4227.00
5/21/2013	\$84.80	\$0.00					84.80
5/22/2013	\$1,050.64	\$120.00					1170.64
5/23/2013	\$285.68	\$288.00					573.68
5/24/2013	\$319.17	\$0.00					319.17
5/25/2013	\$724.51	\$0.00					724.51
5/26/2013	\$110.00	\$0.00					110.00
5/27/2013	\$500.56	\$0.00					500.56
5/28/2013	\$151.53	\$192.00					343.53
5/29/2013	\$722.98	\$336.00					1058.98
5/30/2013	\$55.00	\$0.00					55.00
5/31/2013	\$423.78	\$0.00					423.78
	\$13,828.95	\$12,544.28	\$280.91	\$0.00	\$0.00	\$23.87	\$26,678.01

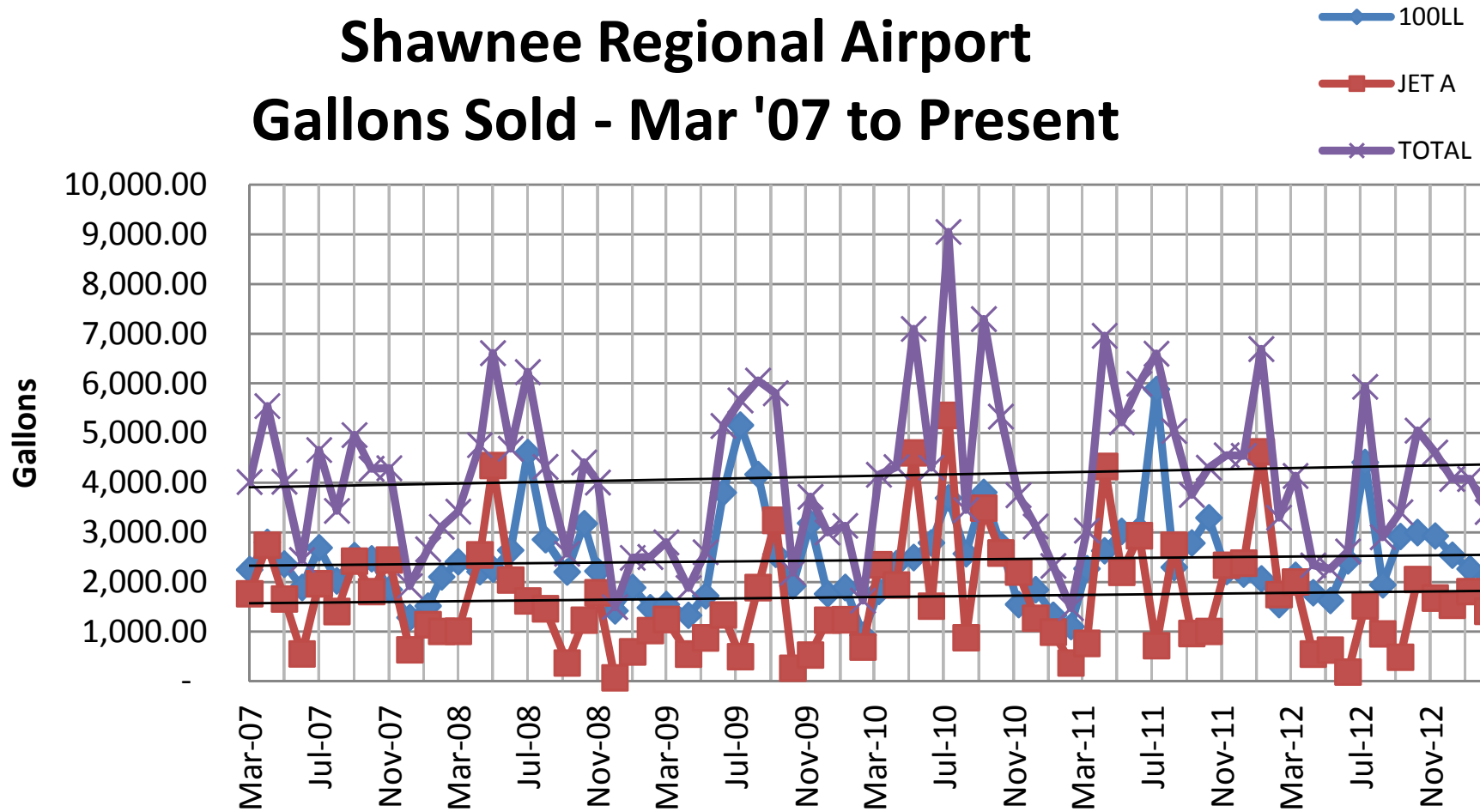
MAY FUEL GALLONS SOLD

	LOW LEAD	JET A	TOTAL
5/1/2013	19.04	0.00	19.04
5/2/2013	0.00	0.00	0.00
5/3/2013	137.93	0.00	137.93
5/4/2013	28.96	0.00	28.96
5/5/2013	38.93	0.00	38.93
5/6/2013	105.51	164.38	269.89
5/7/2013	287.21	105.00	392.21
5/8/2013	30.00	40.00	70.00
5/9/2013	123.73	0.00	123.73
5/10/2013	68.57	100.00	168.57
5/11/2013	114.04	0.00	114.04
5/12/2013	156.32	0.00	156.32
5/13/2013	98.91	141.00	239.91
5/14/2013	301.36	126.00	427.36
5/15/2013	41.32	0.00	41.32
5/16/2013	0.00	0.00	0.00
5/17/2013	117.22	173.00	290.22
5/18/2013	86.75	280.00	366.75
5/19/2013	20.00	417.00	437.00
5/20/2013	5.30	872.00	877.30
5/21/2013	16.00	0.00	16.00
5/22/2013	194.86	25.00	219.86
5/23/2013	54.36	60.00	114.36
5/24/2013	58.03	0.00	58.03
5/25/2013	131.97	0.00	131.97
5/26/2013	20.00	0.00	20.00
5/27/2013	91.01	0.00	91.01
5/28/2013	27.55	40.00	67.55
5/29/2013	136.41	70.00	206.41
5/30/2013	10.00	0.00	10.00
5/31/2013	77.05	0.00	77.05
TOTAL	2598.34	2613.38	5211.72

Shawnee Regional Airport Gallons Sold - 12 Month



Shawnee Regional Airport Gallons Sold - Mar '07 to Present



Shawnee Airport Authority

1. c.

Meeting Date: 07/01/2013

Lease Agreement VanMeter

Submitted By: Donna Mayo, Administration

Department: Administration

Information

Title of Item for Agenda

Approve Airport Lease Agreement with Brett and Shelly VanMeter to lease property located at 1836 N. Kickapoo to operate a drive-thru coffee shop.

Attachments

Lease Memo

Lease Agreement

City of Shawnee Memorandum



To: Brian McDougal, City Manager
CC:
From: Rex B. Hennen, Assistant Airport Manager
Date: June 26, 2013
Re: 1836 N. Kickapoo Proposed Airport Lease - Heavenly Grind Coffee Shop

At the February 19, 2013 meeting, the City Commissioners acting as the Airport Authority approved a lease agreement for the referenced airport property with Mr. Brad Carter, the owner/operator of Sips Downtown Café, LLC, who requested to lease the referenced property for use as a drive-thru coffee and bagel shop. Following that meeting, Mr. Carter requested to delay the execution of the lease agreement while certain legal and financial issues were being addressed. After an extended time, the issues were unable to be resolved. As a result the current leaseholder, Mr. Quisenberry successfully negotiated the selling of the business to Brett and Shelly VanMeter. The VanMeter's have signed the proposed lease and are ready to begin operating the business upon approval of the attached lease by the Commission.

The original lease rate, when the property was operated by Mr. Quisenberry, was based on the fair market value which was established per Section 4.4 of the lease document. The proposed lease rate is the original amount adjusted per the Consumer Price Index for the last three (3) years for an annual rate of \$1,620.00/year. The size of the property is 8,462 square feet or 0.19 acres.

Staff recommends approval of the proposed lease.

**LEASE AGREEMENT
1836 N. KICKAPOO**

This Agreement of Lease made and entered into this 1st day of July 1, 2013, by and between the City of Shawnee, Oklahoma, hereinafter referred to as "Lessor," and Brett and Shelly VanMeter, hereinafter referred to as "Lessee."

WITNESSETH THAT:

WHEREAS, Lessor is the owner of the premises known as Shawnee Regional Airport (the "Airport"); and

WHEREAS, Lessor and Lessee are mutually desirous of entering into a Lease for the use and occupancy of certain areas at the Airport;

NOW, THEREFORE, in consideration of the premises and of the rents, covenants, and conditions herein contained, Lessor does hereby grant to the Lessee the right to use and occupy the area of the Airport described in Article 2 hereof during the term hereof, (hereinafter referred to as the "Leased Premises"), for the term and pursuant to the conditions hereinafter set forth.

ARTICLE 1 - TERM

- 1.1 The term of this lease shall be for a five (5) year period commencing on July 1, 2013 and terminating on June 30, 2018.
- 1.2 At the expiration of the original term, a new lease may be negotiated following the rate calculation outlined in Article 4 Section 4.4.

ARTICLE 2 - LEASE PREMISES

- 2.1 The Leased Premises shown on Exhibit "A," attached hereto and made a part hereof, consist of:
 - 2.1.1 Improved/unimproved land area consisting of approximately 8,462 square feet located at 1836 N. Kickapoo.
 - 2.1.2 Any real property improvement constructed or installed thereon during the term hereof.

ARTICLE 3 - USE OF LEASED PREMISES

- 3.1 The Lessee shall occupy and use the Leased Premises for the following purposes and for no other purpose whatsoever:

3.1.1 Drive-through coffee and bagel shop.

ARTICLE 4 - RENTAL

- 4.1 Lessee agrees to pay to Lessor as rental for use of the premises and the privileges herein granted the sum of \$ 1,620.00 per year (\$130.00 per month).
- 4.2 Lessee shall pay one-twelfth (1/12) of the annual rent in advance on or before the first day of each month during the term or any renewal of this lease. Provided, however, that if any monthly rental payment is not paid on or before the tenth day following the first day of each month, such payment shall bear interest at 10% per annum. Lease rates will be adjusted annually based on the inflation rate established by the consumer price index.
- 4.3 The monthly rent shall be payable at the office of the Airport Manager or such other locations as may from time to time be directed in writing by Lessor.
- 4.4 A security deposit equal to two month's rent shall be made at the beginning of the lease term.

**ARTICLE 5 - ACCEPTANCE, CARE MAINTENANCE,
IMPROVEMENTS, AND REPAIR**

- 5.1 Lessee warrants that it has inspected the Leased Premises and accepts possession of the Leased Premises and the improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration and by ordinances of Lessor, and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, Lessor shall not be required to maintain nor to make any improvements, repairs or restorations upon or to the Leased Premises or to any of the improvements presently located thereon. Lessor shall never have any obligation to repair, maintain or restore, during the term of this lease, any improvements placed upon the Leased Premises by Lessee, its successors and assigns.
- 5.2 Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, Lessee, without limiting the generality hereof, shall:
 - 5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the

Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises.

- 5.2.2 Repair any damage caused by Lessee to paving or other surface of the Leased Premises caused by any oil, gasoline, grease, lubricants or other flammable liquids and substances having a corrosive or detrimental effect thereon.
 - 5.2.3 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas at least to the condition at the commencement of the Lease.
 - 5.2.4 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.
- 5.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint within a period of thirty (30) days after written notice from Lessor to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance, (b) or within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventative maintenance only; (c) or to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under the Agreement; then, Lessor may, at its option, and in addition to any other remedies which may be available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or any interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to Lessor by Lessee on demand. Provided, however, if in the opinion of Lessor, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of Lessor or other tenants at the Airport, and the City so states same in its notice to Lessee, Lessor may, at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to Lessor the cost and expense of such performance on demand. Furthermore, should Lessor, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result thereof except for claims for damages arising from Lessor's sole negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in

this Agreement, and shall not impose or be construed to impose upon Lessor any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.

- 5.4 Plans and specifications for all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "improvements") undertaken by the Lessee shall be submitted to and receive the written approval of Lessor, and no such work shall be commenced until such written approvals are obtained from Lessor, which approval shall not be unreasonably withheld or delayed. Lessor shall advise Lessee within thirty (30) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, or its approval or disapproval of the proposed work, and in the event it disapproves, stating its reasons therefore.

ARTICLE 6 - ADDITIONAL OBLIGATIONS OF LESSEE

6. Lessee shall conduct its operations hereunder in an orderly and proper manner.
- 6.1 Lessee shall comply with all health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder.
- 6.2 Lessee shall not commit, nor permit to be done, anything which may result in the commission of a nuisance, waste or injury on the Leased Premises.
- 6.3 Lessee will contract with and obtain all required permits from the appropriate Lessor's Departments for any utility services provided Lessor, paying any required connection fees, including those to be paid by owners, and all such services will be provided at rates and on terms and conditions established by Lessor for similar users of Lessor.
- 6.4 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, telephone, and burglary and fire protection services furnished to the Leased Premises.

ARTICLE 7 - LIABILITIES AND INDEMNITIES

- 7.1 Lessor shall not in any way be liable for any cost, liability, damage or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, occurring on the Leased Premises, or as a result of any operations works, acts or omissions performed on the Leased Premises, by Lessee, its sub-lessees or tenants, or their guests or invitees.

- 7.2 Lessee agrees to indemnify, save and hold harmless, Lessor, (its elected officials, officers, agents, servants and employees) of and from any and all costs, liability, damage and expense (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any person, firm or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including Lessor's personnel and Lessor's property, directly or indirectly arising from, or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, sub lessees or tenants. Provided, however, that upon the filing with Lessor by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold Lessor harmless, Lessor shall notify Lessee of such claim and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of Lessor. It is specifically agreed, however, that Lessor at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against Lessor for any cause for which Lessee is liable hereunder shall be conclusive against Lessee as to liability and amount upon the expiration of the time for appeal.
- 7.3 In addition to Lessee's undertaking, as stated in this Article, and as a means of further protecting Lessor, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect Public Liability Insurance coverage as set forth in Schedule "A" attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sub lessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insured.
- 7.3.1 Lessor reserves the right to increase the minimum liability insurance set forth in Schedule "A" when in Lessor's opinion the risks attendant to Lessee's operations hereunder have increased.

ARTICLE 8 - RULES AND REGULATIONS

- 8.1 From time to time, Lessor may adopt and enforce rules and regulations with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations and all other Federal, State and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same to the extent they affect the Leased Premises. Lessor reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws.

Lessee hereby acknowledges receipt of a current copy of such Lessor's rules and regulations.

ARTICLE 9 - SIGNS

- 9.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the written approval of Lessor.

ARTICLE 10 - ASSIGNMENT AND SUBLEASE

- 10.1 Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of Lessor.
- 10.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of Lessor, shall entitle Lessor at its option to forthwith cancel this Agreement.
- 10.3 Any assignment of this Agreement approved and ratified by Lessor shall be on the condition that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof.
- 10.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of Lessor, sublet a portion or portions of the Leased Premises to a person, partnership, firm or corporation engaged in a business that is in the opinion of Lessor compatible with Lessee's authorized Airport business, but in no event shall the Lessee sublet all or any portion of the Leased Premises to a fixed base operator.
- 10.5 No consent by Lessor to subleasing by Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to Lessor set forth or arising from this lease and a termination of Lessee's rights hereunder shall *ipso facto* terminate all subleases.
- 10.6 No consent to subleasing by the Lessee to a person, corporation or partnership conducting any business for profit derived from activities at the Airport shall be granted by Lessor without a duly executed permit agreement between Lessor and the sub lessee.
- 10.7 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this

agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Article, or if the Leased Premises are occupied by anyone other than the Lessee, Lessor may collect from any assignee, sub lessee or anyone who claims a right to this Agreement or who occupies the Leased Premises any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by Lessor of the agreements contained in this Article nor of acceptance by Lessor of any assignee, claimant or occupant, nor as a release of the Lessee by Lessor from the further performance by the Lessee of the agreements contained herein.

ARTICLE 11 - NON-DISCRIMINATION

- 11.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 11.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 11.3 In this connection, Lessor reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice Lessor to cease and desist, will constitute a material breach of this Agreement and will entitle Lessor, at its option, to exercise its

right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.

- 11.4 Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting Lessor a right to take such action as the United States may direct to enforce such covenant.
- 11.5 Lessee shall indemnify and hold harmless Lessor from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section and the Lessee shall reimburse Lessor for any loss or expense incurred by reason of such noncompliance.

ARTICLE 12 - GOVERNMENTAL REQUIREMENTS

- 12.1 Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereafter.
- 12.2 Lessee shall pay all taxes, licenses, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder or on the gross receipts or income to Lessee there from, and shall make all applications, reports and returns required in connection therewith.
- 12.3 Lessee shall have the right, at its cost and expense, to undertake appropriate action to exempt all or any part of the Leased Premises from real estate taxes imposed upon the Leased Premises, or to secure a reduction in real estate taxes as assessed. Any such real estate taxes shall be apportioned as of the dates of commencement and termination of the lease. If any real estate taxes as may be assessed against the Leased Premises are reduced or eliminated, Lessee shall be entitled to full benefit thereof, including any refund payable to Lessee resulting there from.

ARTICLE 13 - RIGHTS OF ENTRY RESERVED

- 13.1 Lessor, by its officers, employees, agents, representatives and contractors shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided, such action by Lessor, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises.

- 13.2 At any reasonable time, and from time to time during the ordinary business hours, Lessor, by its officers, agents and employees, whether or not accompanied by a prospective lessee, occupier or user of the Leased Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, subject to Lessee's reasonable security requirements.
- 13.3 Exercise of any or all of the foregoing rights, by the City, or others under right of Lessor, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

ARTICLE 14 - ADDITIONAL RENTS AND CHARGES

- 14.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from Lessor to perform or commence to perform any obligation required herein to be performed by Lessee, Lessor may enter the Leased Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to Lessor upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of Lessor or other tenants of the Airport, and Lessor so states in its notice to Lessee, Lessor may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.
- 14.2 If Lessor elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by Lessor as a result of such failure neglect or refusal of Lessee, including interest, not to exceed ten percent (10%) per annum, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by Lessor in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

ARTICLE 15 - DEFAULT

- 15.1 In the event Lessee breaches any term or provision of this Lease, including the obligation to pay rent as and when due, Lessor shall have the right to terminate this Lease upon giving Lessee a ten (10) day notice to cure such default (except as otherwise provided in Section 5.3 above). If Lessee shall not have cured its default within said ten (10) day period to Lessor's satisfaction, then Lessor may declare this Lease and Lessee's right of occupancy to be terminated, and Lessee shall at once quit the Premises, taking only such personalty or fixtures as Lessor may authorize to be removed. The foregoing rights and remedies given Lessor are and shall be deemed to be cumulative and shall be deemed to be given to Lessor in addition to any other and further rights granted to Lessor herein or by law. The failure by Lessor at any time to exercise any right or remedy hereby given to it shall not be deemed to operate as a waiver by it of its right to exercise such rights or remedies at any other or future time.

ARTICLE 16 - TERMINATION BY LESSEE

- 16.1 In addition to any other right of cancellation herein given to Lessee, or any other rights to which it may be entitled by law, equity or otherwise, as long as Lessee is not in default in payment to Lessor of any amounts due Lessor under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving Lessor thirty (30) days' advance written notice upon or after the happening of the following events:
- 16.1.1 Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or
- 16.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as substantially to restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

ARTICLE 17 - SURRENDER AND RIGHT OF RE-ENTRY

- 17.1 Upon the cancellation or termination of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Leased Premises to Lessor in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of leasehold improvements for which insurance proceeds are received by Lessor. Upon such cancellation or termination, Lessor may re-enter and repossess the Leased Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at Lessor's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation or termination, and for which period Lessee will pay to Lessor current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or obligations due Lessor, Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of the Leased Premises or building for the purpose for which they were constructed or improved, and provided, further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required.

ARTICLE 18 - SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

- 18.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Article 15 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to Lessor to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. Lessor may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.
- 18.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations shall be the sum of the following:

- 18.2.1 The amount of the total of all installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;
- 18.2.2 An amount equal to all expenses incurred by Lessor in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including but not limited to attorney's fees), putting the Leased Premises in order, maintenance and brokerage fees.

**ARTICLE 19 - USE SUBSEQUENT TO
CANCELLATION OR TERMINATION**

- 19.1 Lessor, upon termination or cancellation pursuant to Article 15 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.
- 19.2 Lessor shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purposes of Lessee under this Agreement, without affecting, altering or diminishing the obligations of Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.
- 19.3 In the event either of use by others or of any actual use and occupancy by Lessor, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the Leased Premises or portion thereof during the balance of the term of use and occupancy as the same if originally stated in this Agreement, or from the market value of the occupancy of such portion of the Leased Premises as Lessor may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by Lessor in connection therewith. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of Lessor hereunder. Lessor will use its best

efforts to minimize damages to Lessee under this Article.

ARTICLE 20 - LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

- 20.1 Except the exclusive right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Agreement and no greater rights or privileges with respect to the use of the Leased Premises or any part thereof are granted or intended to be granted to Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

ARTICLE 21 - NOTICES

- 21.1 All notices, consents, and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed sufficiently given when same is deposited in the United States Mail, sufficient postage prepaid, registered or certified mail, return receipt requested, addressed to the recipient at the address set forth below:

To Lessor:

Airport Manager
P.O. Box 1448
Shawnee, Oklahoma 74802-1448

AND

To Lessee: Brett and Shelly VanMeter
42417 Little River Rd
Tecumseh, OK 74873

- 21.2 Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to sender.

ARTICLE 22 - HOLDING OVER

- 22.1 No holding over by Lessee after the termination of this Lease shall operate to extend or renew this lease for any further term whatsoever; but Lessee will by such holding over become the tenant at will of Lessor and after written notice by Lessor to vacate such premises, continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 22.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of Lessor shall make Lessee liable to the Lessor for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.

- 22.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee, or any of Lessee's sub lessees or tenants occupy the Leased Premises or any part thereof.

ARTICLE 23 - INVALID PROVISIONS

- 23.1 The invalidity of any provisions, articles, paragraphs, portions, or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Agreement.

ARTICLE 24 - MISCELLANEOUS PROVISIONS

Remedies to be Non-Exclusive.

- 24.1 All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to Lessor or Lessee, at law or in equity, and the exercise of any remedy or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

Non-Waiver of Rights.

- 24.2 The failure by either party to exercise any right or rights accruing to it by virtue of the breach of any covenant, condition, or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall other party be relieved thereby from its obligations under the terms hereof.

Force Majeure.

- 24.3 Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority, or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified.

Non-Liability of Individuals.

- 24.4 No director, officer, agent, or employee of either party hereto shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of an supplement, modification or amendment to this Agreement because of any breach thereof, or because

of his or their execution or attempted execution of the same.

Quiet Enjoyment.

- 24.5 Lessor covenants that, as long as Lessee is not in default of any provision of this Agreement, Lessee shall and may peaceably and quietly have, hold, and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled as provided in this Agreement.

General Provisions.

- 24.6 Lessee shall not use, or permit the use of, the Leased Premises or any part thereof for any purpose or use other than those authorized by this Agreement.
- 24.7 This Agreement shall be performable and enforceable in Shawnee, Oklahoma, and shall be construed in accordance with the laws of the State of Oklahoma.
- 24.8 This Agreement is made for the sole and exclusive benefit of the Lessor and Lessee, their successors and assigns, and is not made for the benefit of any third party.
- 24.9 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.
- 24.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors, and assigns.
- 24.11 The titles of the several articles of this Agreement are inserted herein for convenience only and are not intended to and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.
- 24.12 Nothing herein contained shall create or be construed to creating a co-partnership between Lessor and Lessee or to constitute Lessee an agent of the Lessor. Lessor and Lessee each expressly disclaim the existence of such a relationship between them.

ARTICLE 25 - SUBORDINATION CLAUSES

- 25.1 This Agreement is subject and subordinate to the following:
- 25.1.1 Lessor reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without

interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Leased Premises.

25.1.2 Lessor reserves the right to take any action it considers necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft.

25.1.3 This Agreement is and shall be subordinate to the provisions of existing and future agreements between Lessor and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the obtaining or expenditure of Federal funds for the benefit of the Airport.

25.1.4 During the time of war or national emergency, Lessor shall have the right to lease all or any part of the landing area or of the Airport to the United States for military or naval use, and if any such Lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the Government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be determined by Lessor in proportion to the degree of interference with Lessee's use of the Leased Premises.

25.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules, regulations and orders currently or subsequently effective.

ARTICLE 26 - ENTIRE AGREEMENT

26.1 The Agreement consists of Articles 1 to 26, inclusive, and Exhibit "A."

26.2 It constitutes the entire Agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by Lessor and Lessee. The parties agree that no representations or warranties shall be binding upon Lessor or Lessee unless expressed in writing in this Agreement of Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

LESSOR:
THE CITY OF SHAWNEE, OKLAHOMA
A Municipal Corporation

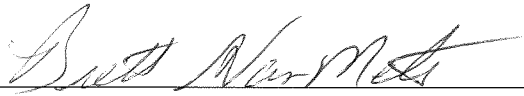
By: _____
BRIAN MCDOUGAL
CITY MANAGER / AIRPORT MANAGER

ATTEST:

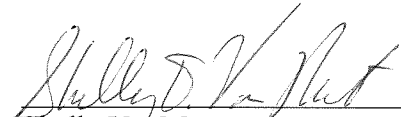
PHYLLIS LOFTIS, CITY CLERK

[SEAL]

LESSEE:



Brett VanMeter



Shelly VanMeter

SCHEDULE "A"

INSURANCE COVERAGE

Lessee, at Lessee's expense, shall obtain and maintain in continuous effect during the term of this Lease Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Oklahoma, providing for:

1. Comprehensive General Liability - having a minimum of \$100,000.00 per person, 300,000.00 for any one accident, and \$100,000.00 property damage with the following coverage:
 - a.: broad form contractual liability
 - b: premises and operations
2. Fire coverage

Lessee shall provide Lessor with a Certificate of Insurance indicating proof of the foregoing coverage. Such certificate shall provide that the carrier issuing the certificate shall notify Lessor within ten (10) days in advance of any cancellation or significant change in the terms or coverage of such insurance policies.

Lessee's failure to obtain and maintain such insurance coverage shall not relieve Lessee from any liability arising from this Lease Agreement nor shall any such liability be limited to the liability insurance coverage provided for herein

Shawnee Airport Authority

2.

Meeting Date: 07/01/2013

Resolution Rules and Regulations

Submitted By: Donna Mayo, Administration

Department: Administration

Information

Title of Item for Agenda

Discussion, consideration and possible action on a resolution adopting rules and regulations for operations at the Shawnee Municipal Airport.

Attachments

Resolution Rules and Regulations

RESOLUTION NO. _____

**A RESOLUTION OF THE SHAWNEE AIRPORT AUTHORITY ADOPTING
RULES AND REGULATIONS FOR THE SHAWNEE MUNICIPAL AIRPORT**

WHEREAS, the Shawnee Airport Authority operates a Municipal Airport for the use and benefit of the citizens of the City of Shawnee; and

WHEREAS, there is a need for rules and regulations for the day to day operations of the Municipal Airport; and

WHEREAS, the Mayor and City Commissioners, pursuant to ordinance, have authorized the enactment of such rules and regulations by the Shawnee Airport Authority; and

WHEREAS, the Airport Advisory Board has made recommendations to the Shawnee Airport Authority for such rules and regulations; and

WHEREAS, the Shawnee Airport Authority finds that such rules are appropriate for operations;

**NOW, THEREFORE, BE IT RESOLVED BY THE CHAIRMAN AND
TRUSTEES OF THE SHAWNEE AIRPORT AUTHORITY THAT RULES AND
REGULATIONS ARE ADOPTED AS FOLLOWS:**

Sec. 1. - Leasing of property.

- (a) *Hangars.* Airport hangars owned by the City may be rented to private individuals, companies or corporations on a monthly or yearly basis for the storage of aircraft and ancillary aircraft equipment only. Rental rates

shall be established and/or adjusted by the Airport Advisory Board and City Commission.

- (b) *Airport property.* The City may lease property within the building area or other portions of the airport for the construction of hangars, buildings, lean-tos, aprons, taxiways and auto parking lots in accordance with the approved airport master plan/airport layout plan. Aviation-related activities shall have priority in all leasing projects.
- (c) *Commercial aviation-related rates.* Value for the commercial use of airport property shall be established by market survey to determine leasehold value of airport property on a square-foot-per-month basis. Tenants providing an FBO service listed in the minimum standards who meets all other requirements for the provision of such a service are eligible to receive a ____% discount. The rate shall be approved by the City Commission upon the recommendation of the Airport Advisory Board.

The annual lease rate will be calculated by multiplying the total square footage of the property by the recommended square foot rate. Once established, lease rates will be adjusted annually based on the inflation rate established by the consumer price index applicable to the City of Shawnee. The length of lease may not exceed five years with renewal options not to exceed 20 years.

- (d) *Non-aviation related rates.*
 - (1) For leases executed after January 22, 2002. For the initial lease of airport property upon which to conduct a non-aviation activity, the City will charge the appraised fair market leasehold value of the property. The annual lease rate will be calculated by multiplying the total fair market leasehold value of the property by certain percentages as recommended by the appraiser. Lease rates will be then adjusted annually based on the inflation rate established by consumer price index applicable to the City off Shawnee.
- (i) *Building restrictions.* No structure may be erected beyond the building restriction line or in conflict with the approved airport layout plan.
- (j) *Construction authorization.* All construction must be authorized by the City Commission and must be a compatible standard capable of

withstanding winds of 85 miles per hour, with doors open or closed. Furthermore, all structures must comply with the City building codes and airport zoning and land use ordinances.

- (k) *Commercial operating fees.* Every person approved by the City Commission to conduct a commercial activity on the Airport shall pay a monthly/annual fee as established by the Airport Advisory Board and City Commission. The fee for the previous month's/ year's activity shall be paid by the 20th day of the month/year. Prior to starting the commercial activity, a deposit, as established by the Airport Advisory Board and City Commission, shall be paid. This deposit will be held by the City and applied to overdue fees at the discretion of the City. If the commercial activity is terminated, the deposit shall be returned to the depositor upon payment in full of the account.
- (l) *Fuel flowage fees.* All fuel-dispensing activities, whether commercial or private, must be authorized by the City Commission and in compliance with the Airport minimum standards, as amended from time to time, and will be assessed a flowage fee using the established fuel flowage fee rate at that time, based on fuel delivered to the vendor.

Sec. 2. - Airport Operation, Aircraft Operations and Conduct of Persons at the Airport

The following rules are applicable to the airport operation, aircraft operation and conduct of persons at the regional airport:

- (a) *Operation by City.* Shawnee Regional Airport is operated by the City for the use and benefit of the public under the authority granted under state law and under the terms of the deed from the federal government and subsequent sponsors' assurance agreements with the federal government.
- (b) *Designated representative.* The Airport Manager shall be the designated City representative to enforce the regulations in this article and supervise the operation of the Airport.
- (c) *Safeguard of persons and property.* The Airport Manager shall at all times have authority to take necessary and legal actions to safeguard any person, aircraft, equipment or property at the Airport.

- (d) *Public use.* The Airport shall be open for public use subject to certain restrictions, which may be necessary due to inclement weather, the conditions of the landing area, the presentation of special events and like causes as may be determined by the City and subject to such fees and charges as may be established without discrimination for each class of user.
- (e) *Federal Aviation Administration regulations.* The published Federal Aviation Regulations (FAR) in effect are referred to, adopted and made a part of this article as fully in all respects as if particularly set forth in this article.
- (f) *Injury to persons.* Persons entering upon airport grounds do so at their own risk and with no liability incurring to the City, its officers or employees for any damage to persons or property. Further, any person desiring to use the Airport shall observe and obey all valid laws, resolutions, orders, rules and regulations promulgated and enforced by the City or by any other authority having jurisdiction over the conduct and operation of the airport, including the Federal Aviation Administration.
- (g) *Emergency procedure.* In case of accident, it shall be reported to the Fire Department and the Airport Manager by the nearest telephone (911). No unauthorized personnel shall go to the scene of an accident except to render aid in the absence of authorized personnel. The Airport Emergency Contingency Plan shall be adhered to under this subsection.
- (h) *Accidents.* All accidents, regardless of the extent or nature of damage, involving aircraft based on this field or accidents occurring on this field shall be reported immediately and within 24 hours in writing to the office of the Airport Manager and any other regulatory body requiring such notification.
- (i) *Damage to Airport.* Any person and the owner of any aircraft causing damage of any kind to the Airport, whether through violation of any of the rules in this article or through vandalism or any act of negligence, shall be liable therefor in and to the City.
- (j) *Damage to runway lights.* Any person damaging any field light or fixture by operation of an aircraft or otherwise shall immediately report such damage to the Airport Manager. A person causing damage to runway and

taxiway lights, as a result of negligent operation of an aircraft or willful acts, will be liable for replacement cost of the lights and/or fixtures.

- (k) *Licensed pilots.* Only properly registered aircraft and persons holding current airman and medical certificates issued by the Federal Aviation Administration shall be authorized to operate aircraft upon the Airport except as may otherwise be provided in this article. This limitation shall not apply to students in training under licensed instructors or to public aircraft of the federal government or of a state, territory, or political subdivision thereof or to aircraft licensed by a foreign government with which the United States has a reciprocal agreement covering the operation of such licensed aircraft.
- (l) *Registration.* Every registered owner of an aircraft based at the Airport shall register at the office of the Airport Manager or designated representative, with name, aircraft number, address and telephone number.
- (m) *Air and ground traffic/vehicular traffic.* All vehicular traffic shall be confined to avenues of passage designated and provided for that purpose by the City and shall not be operated at a speed in excess of 25 miles per hour.
- (n) *Roads and walkways.* No person shall travel on the Airport other than on the roads, walks or places provided for the use of traffic. No person shall use the roads or walks in such manner as to hinder or obstruct their proper use by others.
- (o) *Acrobatic flying.* Acrobatic flying by any person flying over any portion of the City is prohibited without the express permission of the Airport Manager and FAA.
- (p) *Parachute jumping.* No person shall make a parachute jump within the City limits without the express permission of the Airport Manager, except in an actual emergency.
- (q) *Dropping of objects.* No person in any aircraft shall cause or permit to be thrown out, discharged, or dropped within the City any object or thing, except loose water or loose sand ballast when absolutely essential to the safety of the occupants of the aircraft and except as provided in subsection (r) of this section.

- (r) *Advertising from aircraft.* No person shall make an exhibition flight by carrying banners on, distributing circulars from, or advertising matter from, or operating loud-speaking devices from, any aircraft flying within the City limits without first obtaining a permit from the Airport Manager. Such permit will not be granted if, in the opinion of the City Commission, the proposed operation will endanger persons or property or cause discomfort of annoyance to the public or in any case unless the aircraft and the person operating it are properly licensed by the Federal Aviation Administration.
- (s) *Ultra-light aircraft.* Use of the Airport by ultra-light vehicles shall be subject to approval by the Airport Manager and shall be in accordance with Federal Aviation Regulations Part 103 and any other rules set by the City.
- (t) *Firearms.* No one except duly authorized persons, police officers, or federal employees authorized to carry firearms in the performance of their duties or members of the armed forces of the United States on official duty shall carry any firearm on the Airport, except that unloaded, cased sporting guns may be carried as baggage.
- (u) *Intoxicants and narcotics prohibited.* No person shall drink any alcoholic beverages upon any portion of the Airport open to the public, except in such restaurant or other place as shall be properly designated and licensed for dispensing of alcoholic beverages. No person under the influence of an intoxicant or narcotic shall operate or fly in any aircraft upon or over the Airport; provided, however, such prohibition shall not apply to a passenger when accompanied by a nurse or caretaker in an aircraft apart from the pilot.
- (v) *Permission to fuel.* No aviation fuels shall be brought on the Airport for use or for sale without the express permission of the City. This permission shall be granted in a written document providing for safety in storage and handling and the payment of a flowage fee as established in the "Minimum Standards and Requirements for Commercial Aeronautical Activities, Shawnee Regional Airport," as amended from time to time, or specific exemption therefrom. All aviation fuels used in aircraft shall be stored in compliance with Federal Aviation Administration guidelines and City Fire Department regulations.

- (w) *Photography.* No person except duly accredited representatives of the news media shall take still, motion, or sound pictures for commercial purposes on the Airport without permission from the Airport Manager.
- (x) *Model aircraft flying, etc.* Flying of model aircraft, kites, etc., within the Airport area is prohibited.
- (y) *Animals on airport.* No person shall enter the terminal building or landing area of the Airport with a dog or other animal, except that service animals may be permitted in the terminal building. This does not apply where dogs or other animals are carried aboard aircraft and are restrained by leash or properly contained.
- (z) *Abandoned property; lost articles.* No person shall abandon any property on the Airport. Any person finding lost articles in the public areas shall deposit or report them to the Airport attendant.
- (aa) *Foreign objects.* No foreign objects, including bottles, cans, scrap or any object that may cause damage to an aircraft, shall be left upon the floor of any building or upon any part of the surface area of the Airport.
- (bb) *Disposal of refuse.* No person shall place, dispose of or deposit in any manner trash, garbage, or refuse in or upon the Airport property except at such places and under such conditions as the Airport Manager may from time to time prescribe.
- (cc) *Unauthorized signs.* No signs or non-aeronautical equipment or portable buildings and house trailers may be erected, moved in or installed on the Airport property except as may be specifically authorized by the Airport Manager.
- (dd) *Lien for charges.* To enforce the payment of any charge made for repairs, improvements, storage or care of any personal property made or furnished by the City or its agents, in connection with the operation of the Airport, the City shall have a lien upon such personal property, which shall be enforceable as provided by law.
- (ee) *Lien possessory right.* To enforce the payment of any such charge made pursuant to subsection (ee) of this section, the Airport Manager may retain possession of such personal property until all reasonable, customary and usual compensation shall have been paid in full.

- (ff) *Surreptitious activities.* Any person observing suspicious, unauthorized or criminal activities should report such activities immediately to the Airport Manager, police or officers of the Department Of Public Safety or other peace officer.

Sec. 3. - Running aircraft engines.

- (a) On an aircraft not equipped with adequate brakes, the engine shall not be started until and unless the wheels have been set with blocks attached to ropes or other suitable means for removing them.
- (b) No airplane will be propped, started or left running without a licensed pilot or mechanic at the controls.
- (c) No engine shall be started or shall run inside any building.
- (d) No engine shall be started, run or warmed up until and unless the aircraft is in such position that the propeller stream or jet blast will clear all buildings and groups of people in the observation areas.
- (e) No aircraft shall be fueled or drained while its engine is running.
- (f) No person may start the engine of an aircraft if there is any gasoline or other volatile flammable liquid on the ground underneath it.

Sec. 4. - Aircraft taxiing.

- (a) No person shall taxi an aircraft at the airport until he has ascertained there will be no danger of collision with any person or object in the immediate area.
- (b) Aircraft will be taxied at a safe and prudent speed and in such manner as to be at all times under the control of the pilot.
- (c) Aircraft not equipped with adequate brakes will not be taxied near buildings or parked aircraft unless an attendant is at a wing of the aircraft to assist the pilot.

- (d) Aircraft shall not taxi onto the runway from the ramp and taxiway area if there is an aircraft approaching to land or on the ground in takeoff position.
- (e) There shall be no taxiing of aircraft by engine power into or out of hangars.

Sec. 5. - Aircraft parking.

- (a) Unoccupied aircraft shall not be parked or tied down on or within 120 feet of the centerline of a VFR basic utility runway at the Airport, within 250 feet of the centerline of a general utility non-precision runway or within 500 feet of the centerline of a precision runway, and all un-housed aircraft shall be parked in the areas designated by the Airport Manager for that purpose.
- (b) Aircraft will not be parked within 100 feet of an aircraft fuel pump.
- (c) Aircraft will not be parked in such a manner as to hinder the normal movement of other aircraft and traffic unless specifically authorized by the airport manager as an emergency measure.
- (d) It is the responsibility of the pilot when leaving a parked aircraft unattended to see that the brakes are set or that the plane is properly chocked and/or tied down.
- (e) All aircraft parked on the Airport, whether temporary or permanent, shall be parked only in assigned or designated parking areas. Aircraft not parked in the proper area will be moved to the proper area by the City or its authorized representative without liability for damages which may result in the course of such moving.
- (f) A schedule of fees has been established for the parking of aircraft in tie-down areas. These fees shall constitute a lien upon the aircraft, and the City or its authorized representative may hold such aircraft until the fees are paid or may dispose of the aircraft as provided by law if the fees are not paid.
- (g) The registered owner of any aircraft permanently based on the Airport and parked in the public parking area will register his full name and mailing address with the Airport Manager or representative.

- (h) The operator of each aircraft parked on the Airport will be responsible for properly securing the aircraft to protect it and other aircraft from wind damage.
- (i) Aircraft shall not be parked directly in front of gates to the terminal building, except for the purpose of loading or unloading passengers. No aircraft shall occupy terminal building gate positions more than 15 minutes except by permission of the Airport Manager.
- (j) Non-airworthy aircraft, wrecks, "junkers," or parts thereof shall not be parked on the Airport or in hangars unless awaiting scheduled repairs by a licensed airframe and powerplant mechanic, and may not be stored in hangars longer than one year or parked out of doors longer than thirty days.

Sec. 6. - Wrecked aircraft.

Every aircraft owner, his pilot, and agents shall be responsible for notifying the Federal Aviation Administration and for the prompt removal from the operational areas of the Airport, under the direction of the Airport Manager, of disabled or wrecked aircraft.

Sec. 7 - Repairs to aircraft.

- (a) No aircraft shall be repaired on any part of the landing or takeoff area, and all outside repairs shall be made at the places designated by the Airport Manager for such purpose.
- (b) No maintenance or repairs which require certification by a airframe and powerplant mechanic licensed by the Federal Aviation Administration will be performed on aircraft parked anywhere on the Airport or in hangars owned by the City except that necessary to move the aircraft to a designated maintenance facility.

- (c) Maintenance performed on aircraft, other than the maintenance normally performed by the pilot or owner, is considered a commercial activity, and anyone performing such activity must first meet the requirements for the activity as established in the "Minimum Standards for Commercial Aeronautical Activities, Shawnee Regional Airport, 1973," as amended from time to time.

Sec. 8. - Fueling of aircraft.

- (a) Aircraft shall not be fueled while the engine is running or while in a hangar or other enclosed place, except that an agricultural spray aircraft on a fast turnaround may be fueled and loaded with chemicals with the aircraft engine idling if the Airport governing authority has provided written authority to the agricultural operator and if the wheels are chocked and there are at least two 20B fire extinguishers within 50 feet and a qualified ground crew member is present during the fueling operation.
- (b) All aircraft will be positively grounded when being serviced with fuel. Aircraft being serviced by a fuel truck will be grounded to the fuel truck, and the fuel truck will be positively grounded.
- (c) All aircraft shall be fueled clear of all hangars and other buildings.
- (d) Aircraft fuel trucks will be equipped, operated and maintained in accordance with the most recently adopted National Fire Protection Association, Incorporated, NFPA Manual 407 "Aircraft Fuel Servicing," published and available from the National Fire Protection Association, Incorporated, 470 Atlantic Avenue, Boston, Massachusetts 02210.
- (e) After August 1, 2013, no person or aviation businesses will be allowed to supply and dispense fuel for aircraft.
- (f) Aviation or auto fuels will not be stored within a hangar.
- (g) The pilot and passengers will exit the aircraft, and the aircraft will be unoccupied during fueling operations.
- (h) Where aircraft fueling is performed by a fuel truck, an adequate number of suitable grounding connections shall be provided on the aircraft apron or servicing ramp.

- (i) Spillage or dripping of gasoline, oil, jet fuel, kerosene, grease or any other material which may be unsightly or detrimental to the pavement in any area at the airport shall be removed immediately. The responsibility for removal shall be assumed by the operator of the equipment causing the spillage or by the tenant or concessionaire responsible for the deposit thereof on the pavement.
- (j) No person shall park any vehicle designed for fueling within 50 feet of the terminal building.
- (j) No opened containers of oils and no containers of fuels or other volatile or flammable substances may be stored in the T-hangars.
- (k) Self-fueling privileges are not allowed on the Airport except through compliance with the "Self-Fueling Privileges" section of the "Shawnee Regional Airport Minimum Standards and Requirements, 2000, for Commercial Aeronautical Activities," and then only in the area designated by such minimum standards and requirements.

Sec. 9. - Use of T-hangars.

The following rules apply to T-hangar tenants at the Airport; infraction of these rules will result in the immediate cancellation of the hangar rental contract and/or a fine as established in this article:

- (a) No hoisting mechanism may be attached to the structure of the T-hangar without the written permission of the Airport Manager. This will include, but is not limited to, chain fall, block and tackle or any other hoisting device passed over struts or braces of the T-hangars.
- (b) No hangars or supports requiring the modification of the steel structures or metal wall surfaces will be installed.
- (c) Metal wall panels may not be removed, modified, bent, or cut without written permission of the Airport Manager.
- (d) Hangar doors, door guides, rollers, and door tracks may not be removed or otherwise modified.

- (e) Occupants of T-hangars may not use self-propelled equipment such as tractors, trucks, or automobiles to open or close hangar doors.
- (f) No containers of fuels or other volatile or flammable substances may be stored in the T-hangars and must be contained in federally approved storage containers for the type of substance being stored.
- .
- (g) No oil soaked clothes, rags, or other combustible fabrics may be stored in T-hangars.
- (h) Refuse cans must be used for empty oil cans and other trash.
- (i) Only aircraft listed in the T-hangar tenant's rental contract and ancillary equipment shall be stored in the hangar space.
- (j) T-hangar occupants may not sublease the hangar space.
- (k) T-hangar occupants may perform maintenance on their own aircraft to the extent they meet the qualifications set forth by the FAA and any licenses required by the FAA are current.
- (l) A tenant shall reimburse the City for damages to hangars, such as broken windows, doors, hinges, or electrical fixtures, caused in any manner by the tenant's carelessness.
- (m) Cleaning interiors of T-hangars is the responsibility of the tenant. The Airport Manager may inspect to ensure good housekeeping practices.
- (n) All T-hangar tenants shall provide the Airport Manager with duplicate keys to be used in case of emergency.

Sec. 10. - Agricultural spraying operations.

- (a) Agricultural spraying operations will be conducted in accordance with all federal and state laws and regulations.

Sec. 11. - Vehicles.

- (a) Private vehicles shall only be driven onto the ramp or areas as necessary to go directly to and from specific aircraft for loading and unloading baggage or other special purposes.

- (b) A lessee may park a private vehicle inside the lessee's T-hangar while the aircraft is in use.
- (c) The Airport Manager shall designate specific vehicular parking areas.
- (d) Persons may park or stand motor vehicles on the Airport only in an area specifically designated for parking or standing. No person may park a motor vehicle in any area on the Airport for a period longer than is designated for that area. No person may park or stand a motor vehicle within ten feet of a fire hydrant on the Airport.

Sec. 12. - Special procedures.

The Airport Manager may, in the interest of safety, designate special traffic procedures for certain operations, such as air shows, agricultural operations, lighter than air operations, ultra-lights, etc.

Passed and approved this ____ day of _____, 2013

WES MAINORD, MAYOR

ATTEST:

PHYLLIS LOFTIS, SECRETARY
SHAWNEE AIRPORT AUTHORITY

Approved as to form and legality this ____ day of _____, 2013.

MARY ANN KARNS, CITY ATTORNEY