

AGENDA
SHAWNEE AIRPORT AUTHORITY
May 1, 2017 AT 6:30 P.M.
COMMISSION CHAMBERS AT CITY HALL
SHAWNEE, OKLAHOMA

CALL TO ORDER

DECLARATION OF A QUORUM

All motions will be made in the affirmative. The fact that a commissioner makes or offers a second to a motion does not mean that the commissioner must vote in favor of passage.

1. Consider approval of Consent Agenda:
 - a. Minutes from the April 17, 2017 regular meeting.
 - b. Approve OG&E utility easement with OG&E for new electrical lines(s) for Delta Wings Equipment LLC on the Shawnee Regional Airport.
 - c. Approve an amendment to the land lease agreement between the Airport Authority and Shawnee Lube, LLC.
2. New Business

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

Respectfully submitted

Phyllis Loftis, CMC, City Clerk

Shawnee Airport Authority

1.a.

Meeting Date: 05/01/2017

SAA Minutes 04-17-2017

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Minutes from the April 17, 2017 regular meeting.

Fiscal Impact

Attachments

SAA Minutes 04-17-2017

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, APRIL 17, 2017, 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: Bushong, Harrod, Finley, Rutherford, Shaw, Salter

ABSENT: Gillham

Call to Order

Declaration of a Quorum

AGENDA ITEM NO. 1: Consider approval of Consent Agenda:

- a. Minutes from the April 3, 2017 regular meeting.
- b. Acknowledge Airport Advisory Board Minutes from January 18, 2017 meeting.

A motion was made by Trustee Harrod, seconded by Trustee Shaw, to approve Consent Agenda Item Nos. 1(a-b). Motion carried 6-0.

AYE: Harrod, Shaw, Rutherford, Salter, Bushong, Finley

NAY: None

AGENDA ITEM NO. 2: Presentation of preliminary Shawnee Airport Authority budget for FY2017-2018.

Finance Director Cindy Arnold gave a presentation of the preliminary Shawnee Airport Authority budget for FY2017-2018 and responded to questions from Commissioners.

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:

Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (7:30 p.m.)

RICHARD FINLEY
CHAIRMAN

ATTEST:

PHYLLIS LOFTIS, SECRETARY

Shawnee Airport Authority

1.b.

Meeting Date: 05/01/2017

OG&E Utility Easement for Delta Wings

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Approve OG&E utility easement with OG&E for new electrical lines(s) for Delta Wings Equipment LLC on the Shawnee Regional Airport.

Fiscal Impact

Attachments

OG&E Easement

OG&E Easement Sketch

EASEMENT

KNOW ALL MEN BY THESE PRESENTS: THAT **Shawnee Airport Authority**, Grantor, in consideration of the sum of Ten or more dollars in hand paid, the receipt of which is hereby acknowledged, and other good and valuable consideration, does hereby grant and warrant unto **OKLAHOMA GAS AND ELECTRIC COMPANY**, an Oklahoma corporation, Grantee, its successors and assigns, the right, privilege and authority to enter upon and install, erect, construct, operate, maintain, and reconstruct underground and/or above ground a system of poles, anchors, guy wires, conduits, wires, cables, vaults, junction boxes, switches, fuses, transformers, service connection boxes and other fixtures for the transmission and distribution of electrical current and communication messages, including the right of ingress and egress to and from said system across adjoining lands of Grantor, together with the authority to cut down, control the growth of, or trim and keep trimmed any trees that may in the judgment of the Grantee interfere with or endanger said line or its maintenance and operation.

The real property covered by this easement is situated in **Pottawatomie** County, State of Oklahoma, and is described as follows;

A Twenty-four (24') feet wide strip located in the N/2 of Section 12, Township 10 North, Range 3 East, of the Indian Meridian, Pottawatomie County, Oklahoma, the CENTERLINE being described as described on Exhibit "A" and shown on Exhibit "B", attached hereto and hereby made part of this easement.

Grantor further covenants agrees that no building or other structure shall ever be erected nor shall any excavation or other removal of soil, so as to change the grade of terrain, be accomplished by Grantor, its heirs or assigns, within the above described easement area unless the written consent of the Grantee is first obtained. Grantor further acknowledges the requirements of 63 Oklahoma Statutes (1991) Section 142.1, et. seq. (One-call statute).

Grantor hereby consents to permit Grantee to trim and keep trimmed any trees and foliage on Grantor's property immediately adjacent to the easement granted herein and Grantee shall have the right to enter upon Grantor's property for this purpose.

The rights and privileges above granted to continue so long as same are used or needed for the transmission and distribution of electric current or communication messages; but should the Grantee remove its property from the premises and abandon the right of way herein granted, then the rights granted in this easement shall terminate.

Signed and delivered this _____ day of _____, 2017.

Shawnee Airport Authority

City of Shawnee Mayor: Richard Finley

ACKNOWLEDGMENT

STATE OF OKLAHOMA, COUNTY OF _____, SS;

Before me, a Notary Public, within and for said County and State, on this _____ day of _____, 2017, personally appeared

Richard Finley, to me known to be the identical person who executed the within and foregoing instrument, and acknowledged to me that he executed the same as his free and voluntary act and deed for the uses and purposes set forth.

Witness my hand and seal the day and year last above written.

My Commission Expires: _____

Commission # _____

Notary Public

EXHIBIT "A"

OG&E EASEMENT

An Easement in part of the North Half (N1/2) of Section Twelve (12), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma, **written by Timothy G. Pollard, PLS 1474, on April 11, 2017 using an Arbitrary Bearing of S89°59'54"W between existing monuments at the Northeast and the Northwest Corners of the NW1/4 of said Section 12, as shown on attached Easement Sketch**, said easement further being described as being Twenty-four (24) feet in width, Twelve (12.00) feet each side of a centerline described as:

Commencing at the Northeast corner of said NW1/4;

Thence S00°02'53"W for a distance of 1304.99 feet to the **Point of Beginning**;

Thence S89°52'58"E, on said centerline, for a distance of 37.29 feet to a certain **Point "A"**;

Thence S00°11'45"E, on said centerline, for a distance of 247.13 feet to the **Point of Termination**.

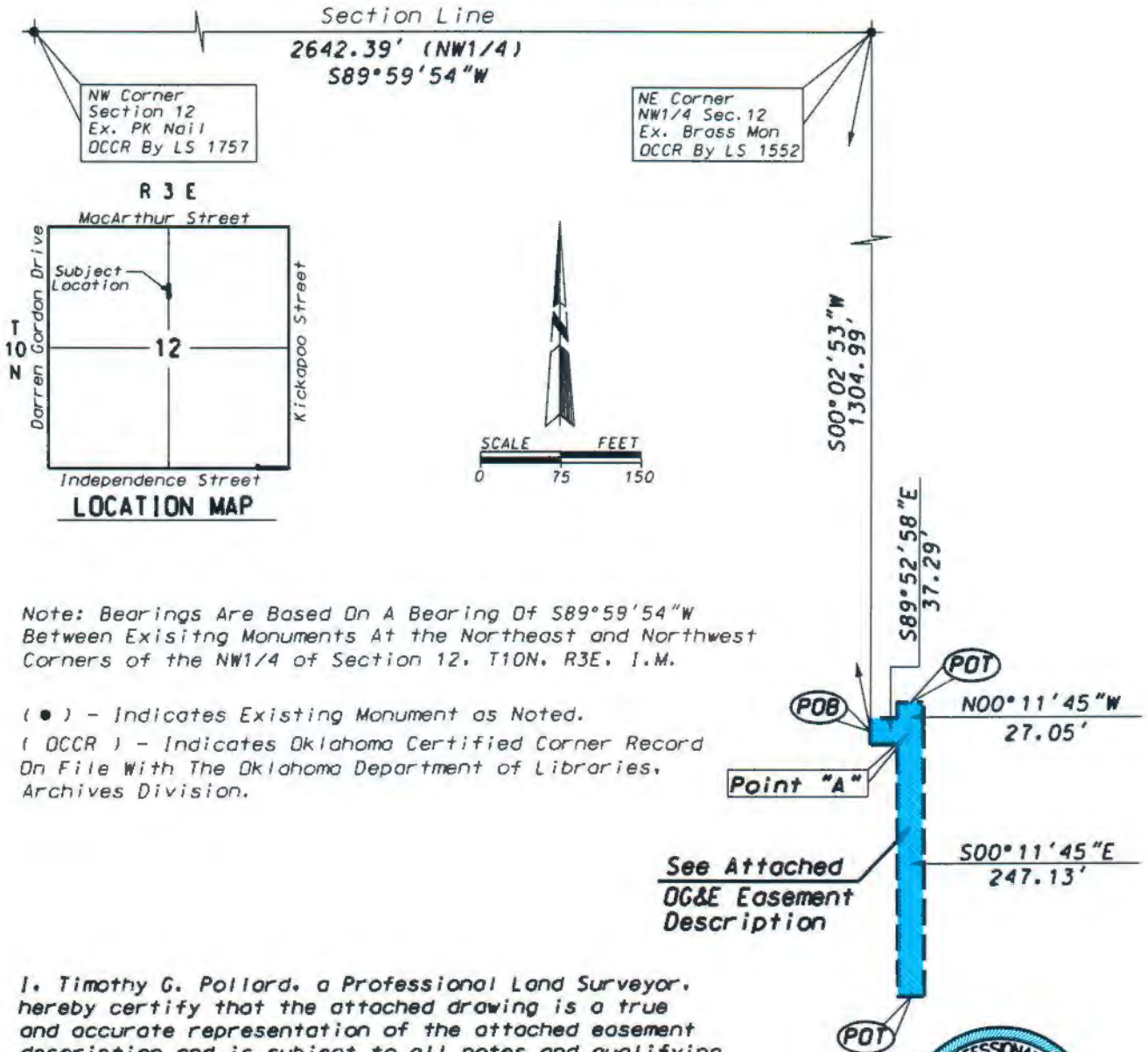
AND

An Easement in part of the North Half (N1/2) of Section Twelve (12), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma, **written by Timothy G. Pollard, PLS 1474, on April 11, 2017 using an Arbitrary Bearing of S89°59'54"W between existing monuments at the Northeast and the Northwest Corners of the NW1/4 of said Section 12, as shown on attached Easement Sketch**, said easement further being described as being Twenty-four (24) feet in width, Twelve (12.00) feet each side of a centerline described as:

Beginning at a certain **Point "A"**, as described above;

Thence N00°11'45"W, on said centerline, for a distance of 27.05 feet to the **Point of Termination**.

EXHIBIT "B" EASEMENT SKETCH



I, Timothy G. Pollard, a Professional Land Surveyor, hereby certify that the attached drawing is a true and accurate representation of the attached easement description and is subject to all notes and qualifying statements.

Timothy G. Pollard
Timothy G. Pollard, PLS 1474
Dated: April 11, 2017



OKLAHOMA GAS AND ELECTRIC COMPANY			
POLLARD & WHITED SURVEYING INC. 2514 TEE DRIVE, NORMAN, OKLAHOMA 73069 CA#2380 EXP 06-30-17 405-366-0001	OG&E EASEMENT SKETCH WO# 7372984 PART OF N1/2 OF SEC.12,T10N,R3E, I.M. POTTAWATOMIE COUNTY, OKLAHOMA		REVISIONS:
DRAWN BY: T. POLLARD	DATE: April 11, 2017	FILE #: 12-10n3e.ASC	DATE: April 04, 2017
APPROVED BY: D. MEES	DATE: April 11, 2017	DRWG #: 12-10n3e.DGN	DATE: April 11, 2017
			SCALE: 1" = 150'
			SHEET 1 OF 1





Shawnee Airport Authority**1.c.**

Meeting Date: 05/01/2017

Shawnee Lube Lease

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Approve an amendment to the land lease agreement between the Airport Authority and Shawnee Lube, LLC.

Fiscal Impact**Attachments**

Shawnee Lube Memo

Shawnee Lube Proposed Amendment

Shawnee Lube 11-01-2004 Lease

Shawnee Lube 01-03-2006 Amendment

Shawnee Lube 01-31-2011 Amendment



Date: May 1, 2017
To: Shawnee Airport Authority
From: Keenan English, Airport Manager
RE: **Amendment to Shawnee Lube, LLC land lease dated 2004 as amended**

Nature of Situation: Shawnee Lube, LLC currently leases 0.57 acres of land designated for non-aviation commercial use (oil change and brake repair facility). They have leased this property since 2004 and are asking the Airport Authority to **add 6,000 sq. ft. (0.14 acres)** to the leased premise. They intend to use this new space to construct additional shop space to repair mufflers. They currently pay the Airport \$450 per month to the airport for rent.

Staff Analysis, Considerations: Adding 6,000 sq. ft. of lease space to their lease would bring the total size of the leased premises to 30,895.22 sq. ft. or 0.71 acres more or less. This also will increase their rent to \$618 per month due to the increase in leased space as well as a \$0.02 increase in rent per square foot. No new utilities are required for the new shop space other than electricity. Any and all new construction will require the appropriate permits required by the City of Shawnee Planning Department.

Amendment does not change any terms or conditions of the original lease dated 2004, as amended, except for the following:

1. Amends the leased premises to encompass 30,895.22 sq. ft. (0.71 acres) of airport property.
2. Increase the rent from \$450 per month to \$618 per month.
3. Amends the legal description to include the newest boundary survey (Exhibit A).
4. Requires Lessee to replant all, if any, trees that require removal to make room for the new shop. Also, at the Planning Department's discretion, Lessee may be required to construct a fence, artificial or natural, as to create a visible barrier between the new shop and the Japanese garden to the North. See page 2 of this memo for a map.

Lease History: There are several amendments to the original 2004 Shawnee Lube Lease.
2004 – Original lease
2006 – Addendum allowing car washing on leased premises (They no longer wash cars).
2011 – Addendum that revised the Legal Description, correcting mistakes of the original.
2012 – Addendum extending the lease term to the year 2054.

Recommendation: On April 19, 2017, the Airport Advisory Board recommended approval of the amendment. Staff also recommends approval.

Budget Consideration:
The increase in square footage, along with the small increase in rent per square foot, will yield an additional \$2,014 per year for the airport.



AMENDMENT TO SHAWNEE REGIONAL AIRPORT LEASE AGREEMENT

This Amendment is made and entered into this 1st day of May, 2017, to that certain Lease Agreement (Lease) entered into by and between the Shawnee Airport Authority (Lessor) and Shawnee Lube, LLC (Lessee) dated November 1st, 2004 and as amended January 3, 2006, and January 31, 2011.

Whereas, Article 2.1.2, will be amended to read “Improved/unimproved land area consisting of approximately **30,895.22 square feet** or **0.71 acres mol.**

Whereas Article 4.1 will be amended to read, “Lessee agrees to pay to the City as rental for use of the premises and the privileges herein granted, the sum of **\$7,414 per year**. These rates will be then adjusted annually based on the inflation rate established by the newest Federal Consumer Price Index (CPI) until the lease expires. This includes any renewal term.

Whereas, “Exhibit A” shall refer to the “revised legal description” dated May 24, 2011 combined with the legal description dated March 27, 2017, signed by a licensed professional land surveyor (see attached).

Whereas, Article 26.13 shall be added to read “At the discretion of the City Planning Department, Lessee shall replace any and all existing trees and/or landscape that are removed, effected, and/or lie within the property lines shown on “Exhibit A” if applicable. Lessee may be required to create a barrier between any of the Lessee’s newly constructed structures and any existing city parks. Lessee shall take extreme precaution as to not disturb any landscaping or structures owned by the City of Shawnee.

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

ATTEST:

PHYLLIS LOFTIS, CMC
CITY CLERK

LESSOR:
THE CITY OF SHAWNEE
OKLAHOMA
A Municipal Corporation

By: _____
JUSTIN ERICKSON
CITY MANAGER

By: _____
JOSEPH VORNDRAN
CITY ATTORNEY

LESSEE:
SHAWNEE LUBE, LLC
A Limited Liability Company

BY: _____
HOWARD A. WEINER

Subscribed and sworn to before me, a Notary Public, in and for the State of _____, this
_____ day of _____, 2017.

My Commission expires _____, 20____.

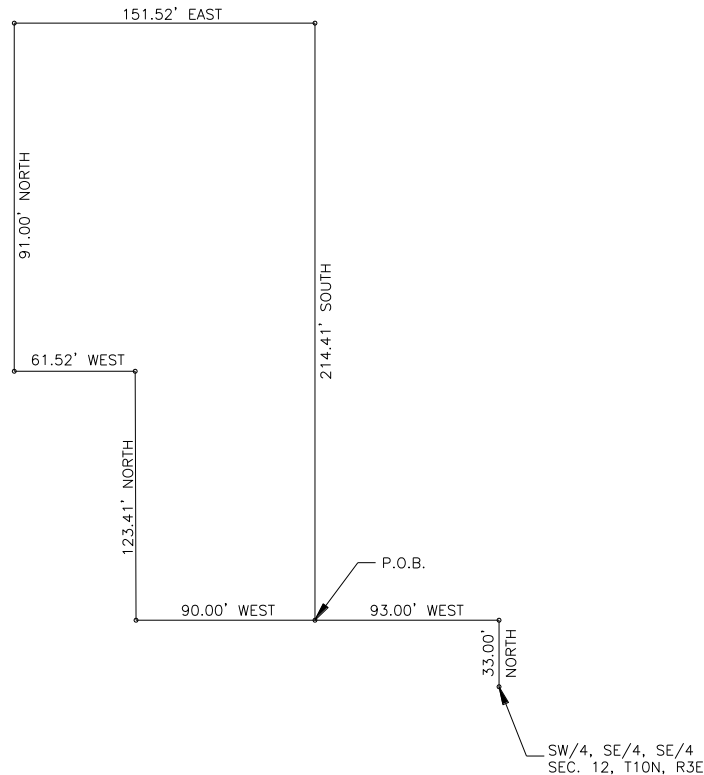
NOTARY PUBLIC

REVISED Date: 03/27/2017

EXHIBIT "A"
(REVISED)

May 24, 2011

A TRACT OF LAND DESCRIBED AS BEGINNING AT A POINT 33.00 FEET NORTH AND 93.00 WEST OF THE SOUTHWEST CORNER (SW/C) OF THE SOUTHEAST QUARTER (SE/4) OF THE SOUTHEAST QUARTER (SE/4) OF SECTION 12, TOWNSHIP 10 NORTH, RANGE 3 EAST OF THE INDIAN MERIDIAN, POTTAWATOMIE COUNTY, OKLAHOMA; THENCE WEST A DISTANCE OF 90.00 FEET; THENCE NORTH A DISTANCE OF 123.41 FEET; THENCE WEST A DISTANCE OF 61.52 FEET; THENCE NORTH A DISTANCE OF 91.00 FEET; THENCE EAST A DISTANCE OF 151.52 FEET; THENCE SOUTH A DISTANCE OF 214.41 FEET TO THE POINT OF BEGINNING; CONTAINING 0.57 ACRES, MORE OR LESS.



COMMERCIAL LEASE AGREEMENT

This Agreement of Lease made and entered into this 1st day of November, 2004 by and between the City of Shawnee, Oklahoma, hereinafter referred to as "Lessor", and Shawnee Lube, LLC, hereinafter referred to as "Lessee".

WITNESSETH THAT:

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

WHEREAS, the City 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, the City 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 twenty (20) year period commencing on November 1st 2004 and terminating on November 1st 2024.
- 1.2 Lease may be renewed for one (1) successive period of five (5) years commencing upon the expiration of the original term hereof at the option of the Lessee.

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 Any real property improvement existing, constructed or installed thereon.
 - 2.1.2 Improved/unimproved land area consisting of approximately 11,363 square feet.

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

3.1.1 For washing, greasing and servicing motor vehicles.

3.1.2 For administration and operation offices, shop and lounges used in connection with purposes authorized hereunder.

3.1.3 Nothing contained in this Agreement shall give or be construed to give the Lessee any right to sell or store aviation fuel of any kind at the Airport.

ARTICLE 4 - RENTAL

4.1 Lessee agrees to pay to the City as rental for use of the premises and the privileges herein granted, the sum of

\$ 4,404.00 per year from 7/2004 – 6/2005

\$ 4,818.00 per year from 7/2005 – 6/2006

\$ 5,227.00 per year from 7/2006 – 6/2007

These rates will be then adjusted annually based on the inflation rate established by the Federal Consumer Price Index (CPI) from 6/2007 until the lease expires. This includes any renewal term.

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.

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 the City.

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 the City, and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, the City 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. City 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 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law.

5.2.3 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.

5.2.4 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.

5.2.5 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 the City 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, the City 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 the City by Lessee on demand. Provided, however, if in the opinion of the City, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the City or other tenants at the Airport, and the City so states same in its notice to Lessee, the City 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 the City the cost and expense of such performance on demand. Furthermore, should the City, 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 the City'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 the City 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 the City, and no such work shall be commenced until such written approvals are obtained from the City, which approval shall not be unreasonably withheld or delayed. City 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.
- 5.5 If Lessee makes any improvements without City approval, then, upon notice to do so, Lessee shall remove the same or at the option of City, cause the same to be changed to the satisfaction of City. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, City may effect the removal or change and Lessee shall pay the cost thereof to the City. Lessee expressly agrees in the making of all improvements that, except with the written consent of City, it will neither give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said Leased Premises and improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by City to all persons that no lien attaches to any such improvements.
- 5.6 Upon the completion of construction or installation, the complete and unencumbered title to all improvements located on the Leased Premises shall immediately vest in City free and clear of all claims on the part of the Lessee on account of any repair or improvement work done or to be done under the terms hereof by Lessee. This vesting of title in the City at the time specified is a part of the consideration for this lease. The City shall not be liable to Lessee or Lessee's contractors or sub lessees for

the value of any improvements constructed or located on the Leased Premises.

ARTICLE 6 - ADDITIONAL OBLIGATIONS OF LESSEE

6.1 Lessee shall conduct its operations hereunder in an orderly and proper manner.

6.2 Further, Lessee shall take all reasonable measures:

6.2.1 Not to produce on the Airport any disturbance that interferes with the operation by the City or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.

6.2.3 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from City concerning the conduct, demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

6.2.4 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.

6.2.5 Lessee shall comply with all written instructions of the City in disposing of its trash and refuse at Lessee's expense, and shall use a system of refuse disposal approved by the City. The manner of handling and disposing of trash, garbage and other refuse and the frequency of removal thereof from the Airport premises shall at all times be subject to the rules, regulations and approval of City.

6.2.6 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.

6.2.7 Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Leased Premises.

6.2.8 Lessee shall take measures to insure security in compliance with Federal Air Regulations and the Airport Security Plan.

6.2.9 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Agreement.

6.2.10 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. Any other supplies of such

liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories. The term "working supply" as used in this Section 6.10 shall mean the amount consumed by Lessee during any normal work day.

6.2.11 Except for services permitted under Article 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to the City of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from the City.

ARTICLE 7 - INGRESS AND EGRESS

- 7.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises by means of roadways, to be used in common with others having rights of passage thereon.
- 7.2 The use of any such roadway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. City may, at any time, temporarily or permanently, close or consent to or request the closing of, any such roadway and any other way at, in or near the Leased Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the City, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that a reasonable means of access to the Leased Premises remains available to the Lessee whether within the Leased Premises or outside the Leased Premises at the Airport unless otherwise mandated by safety considerations or lawful exercise of the police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

ARTICLE 8 - LIABILITIES AND INDEMNITIES

- 8.1 City 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, or occurring on the Leased Premises, or the Airport, or as a result of any operations works, acts or omissions performed on the Leased Premises, or the Airport, by Lessee, its sub lessees or tenants, or their guest or invitees.
- 8.2 Lessee agrees to indemnify, save and hold harmless, the City, (its 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 City personnel and City 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 the City by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the City harmless, the City 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 the City. It is specifically agreed, however, that the City at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the City 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.

- 8.3 In addition to Lessee's undertaking, as stated in this Article, and as a means of further protecting the City, 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.

8.3.1 The City reserves the right to increase the minimum liability insurance set forth in Schedule A when in the City's opinion the risks attendant to Lessee's operations hereunder have increased.

- 8.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anywise connected with this Agreement. The Lessee agrees to save and hold the City, its officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.
- 8.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall indemnify and save harmless the City of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the Lessee.

ARTICLE 9 - RULES AND REGULATIONS

- 9.1 From time to time City 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. City 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 City rules and regulations.

ARTICLE 10 - SIGNS

- 10.1 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 the City. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or their traffic or which fails to conform to the architectural scheme of the Airport or meet the requirements of the City.

ARTICLE 11 - ASSIGNMENT AND SUBLEASE

- 11.1 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 the City.
- 11.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of the City, shall entitle the City at its option to forthwith cancel this Agreement.
- 11.3 Any assignment of this Agreement approved and ratified by the City 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.
- 11.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the City, 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 the City 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.
- 11.5 No consent by the City to subleasing by Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the City set forth or

arising from this lease and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.

- 11.6 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 the City without a duly executed permit agreement between the City and the sub lessee.
- 11.7 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, City 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 City of the agreements contained in this Article nor of acceptance by City of any assignee, claimant or occupant, nor as a release of the Lessee by City from the further performance by the Lessee of the agreements contained herein.

ARTICLE 12 - NON-DISCRIMINATION

- 12.1 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.
- 12.2 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.

- 12.3 In this connection, the City 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 by City to cease and desist, will constitute a material breach of this Agreement and will entitle the City, 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.
- 12.4 The 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 the City a right to take such action as the United States may direct to enforce such covenant.
- 12.5 The Lessee shall indemnify and hold harmless City 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 City for any loss or expense incurred by reason of such noncompliance.

ARTICLE 13 - GOVERNMENTAL REQUIREMENTS

- 13.1 The 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 thereat.
- 13.2 The 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.
- 13.3 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 14 - RIGHTS OF ENTRY RESERVED

- 14.1 The City, 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 the City, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises.
- 14.2 Without limiting the generality of the foregoing, the City, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of the City, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair alteration or new construction, the City, shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is specifically understood and agreed that the reservation of the aforesaid right by the City shall not impose or be construed to impose upon the City any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises.
- 14.3 In the event that any personal property of Lessee shall obstruct the access of the City, its officers, employees, agents or contractors, or the utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system, Lessee shall move such property, as directed by the City or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from City or said utility company to do so, the City or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result therefrom, except for claims for damages arising from the City's sole negligence.
- 14.4 At any reasonable time, and from time to time during the ordinary business hours, the City, 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.

- 14.5.1 Exercise of any or all of the foregoing rights, by the City, or others under right of the City, 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 15 - ADDITIONAL RENTS AND CHARGES

- 15.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from City to perform or commence to perform any obligation required herein to be performed by Lessee, City 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 the City 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 the City or other tenants of the Airport, and City so states in its notice to Lessee, the City 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.
- 15.2 If the City 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 the City 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 the City in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

ARTICLE 16 - DEFAULT

- 16.1 In the event Lessee breaches any term or provision of this Lease, including the obligation to pay rent as and when due, the City shall have the right to terminate this lease upon giving Lessee ten (10) days 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 the satisfaction of the City, then the City may declare this Lease and Lessee's right of occupancy to be terminated, and Lessee shall at once quit the Premises, taking only such personality or fixtures as the City may authorize to be removed. The foregoing rights and remedies given to City are and shall be deemed to be cumulative and shall be deemed to be given to City in addition to any other and further rights granted to City herein or by law. The failure by the

City 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 17 - TERMINATION BY LESSEE

- 17.1 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 City of any amounts due City under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving City thirty (30) days' advance written notice upon or after the happening of the following events:

17.1.1 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

17.1.2 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 18 - SURRENDER AND RIGHT OF RE-ENTRY

- 18.1 Upon the cancellation or termination of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Leased Premises to the City 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 the leasehold improvements for which insurance proceeds are received by the City. Upon such cancellation or termination, the City 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 City'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 the City 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 the City, 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 said 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 19 - SERVICES TO LESSEE

- 19.1 City covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the City may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The City further agrees to use its best efforts to maintain the runways and taxiways in good repair. City agrees to keep in good repair hard-surfaced public roads for access to the Leased Premises. City also agrees to maintain its water and sanitary sewer facilities in areas designated for utilities or easements adjacent to the Leased Premises for access thereto by Lessee in accordance with City Ordinances governing same.
- 19.2 Lessee will contract with and obtain all required permits from the appropriate City Departments for any utility services provided by City, 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 the City for similar users in the City.
- 19.3 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 20 - SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

- 20.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Article 16 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 City 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. City 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.

- 20.2 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:

20.2.1 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;

20.2.2 An amount equal to all expenses incurred by City 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 21 - USE SUBSEQUENT TO CANCELLATION OR
TERMINATION

- 21.1 The City, upon termination or cancellation pursuant to Article 16 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.
- 21.2 City 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 the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.
- 21.3 In the event either of use by others or of any actual use and occupancy by City, 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 said 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 City may itself during such period actually use and occupy, all expenses, costs and disbursements incurred or paid by City 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 City

hereunder. City will use its best efforts to minimize damages to Lessee under this Article.

ARTICLE 22 - LIMITATION OF RIGHTS AND PRIVILEGES GRANTED

- 22.1 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 the Lessee by this Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

ARTICLE 23 - NOTICES

- 23.1 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 City:	Airport Manager P.O. Box 1448 Shawnee, Oklahoma 74802-1448
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AND

To Lessee:	Shawnee Lube, LLC 1502 Airport Road Shawnee, OK 74804
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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 24 - HOLDING OVER

- 24.1 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 City and after written notice by City to vacate such premises, continued occupancy thereof by Lessee shall constitute Lessee a trespasser.
- 24.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the City shall make the Lessee liable to the City for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.

- 24.3 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 25 - INVALID PROVISIONS

- 25.1 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 26 - MISCELLANEOUS PROVISIONS

Remedies to be Nonexclusive.

- 26.1 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 the City, 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.

- 26.2 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.

- 26.3 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:

- 26.4 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:

- 26.5 The City 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.

- 26.6 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.
- 26.7 This Agreement shall be performable and enforceable in Shawnee, Oklahoma and shall be construed in accordance with the laws of the State of Oklahoma.
- 26.8 This Agreement is made for the sole and exclusive benefit of the City and Lessee, their successors and assigns, and is not made for the benefit of any third party.
- 26.9 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.
- 26.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.
- 26.11 The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
- 26.12 Nothing herein contained shall create or be construed to creating a co-partnership between the City and the Lessee or to constitute the Lessee an agent of the City. The City and the Lessee each expressly disclaim the existence of such a relationship between them

ARTICLE 27 - SUBORDINATION CLAUSES

27.1 This Agreement is subject and subordinate to the following:

27.1.1 City 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.

27.1.2 City 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 the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

27.1.3 This Agreement is and shall be subordinate to the provisions of existing and future agreements between City 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.

27.1.4 During the time of war or national emergency, City 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 the City in proportion to the degree of interference with Lessee's use of the Leased Premises.

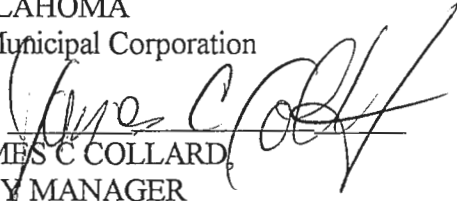
27.1.5 Except to the extent required for the performance of any obligations of Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those rights where subject to Federal Aviation Administration rules,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

ARTICLE 28 - ENTIRE AGREEMENT

- 28.1 The Agreement consists of Articles 1 to 28, inclusive, and Schedule "A" and Exhibit "A".
- 28.2 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 the City and the Lessee. The parties agree that no representations or warranties shall be binding upon the City or the Lessee unless expressed in writing in this Agreement of Lease.

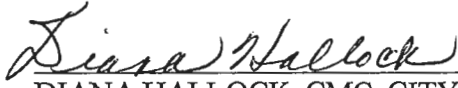
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

LESSOR:
THE CITY OF SHAWNEE
OKLAHOMA
A Municipal Corporation

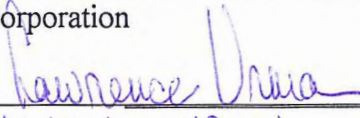
By: 
JAMES C COLLARD
CITY MANAGER
/ AIRPORT MANAGER



ATTEST:


DIANA HALLOCK, CMC, CITY CLERK

LESSEE:
Shawnee Lube, LLC
A Corporation

By: 
LAWRENCE URMAN
MANAGER AND MEMBER

ATTEST:



SCHEDULE "A"

INSURANCE COVERAGE

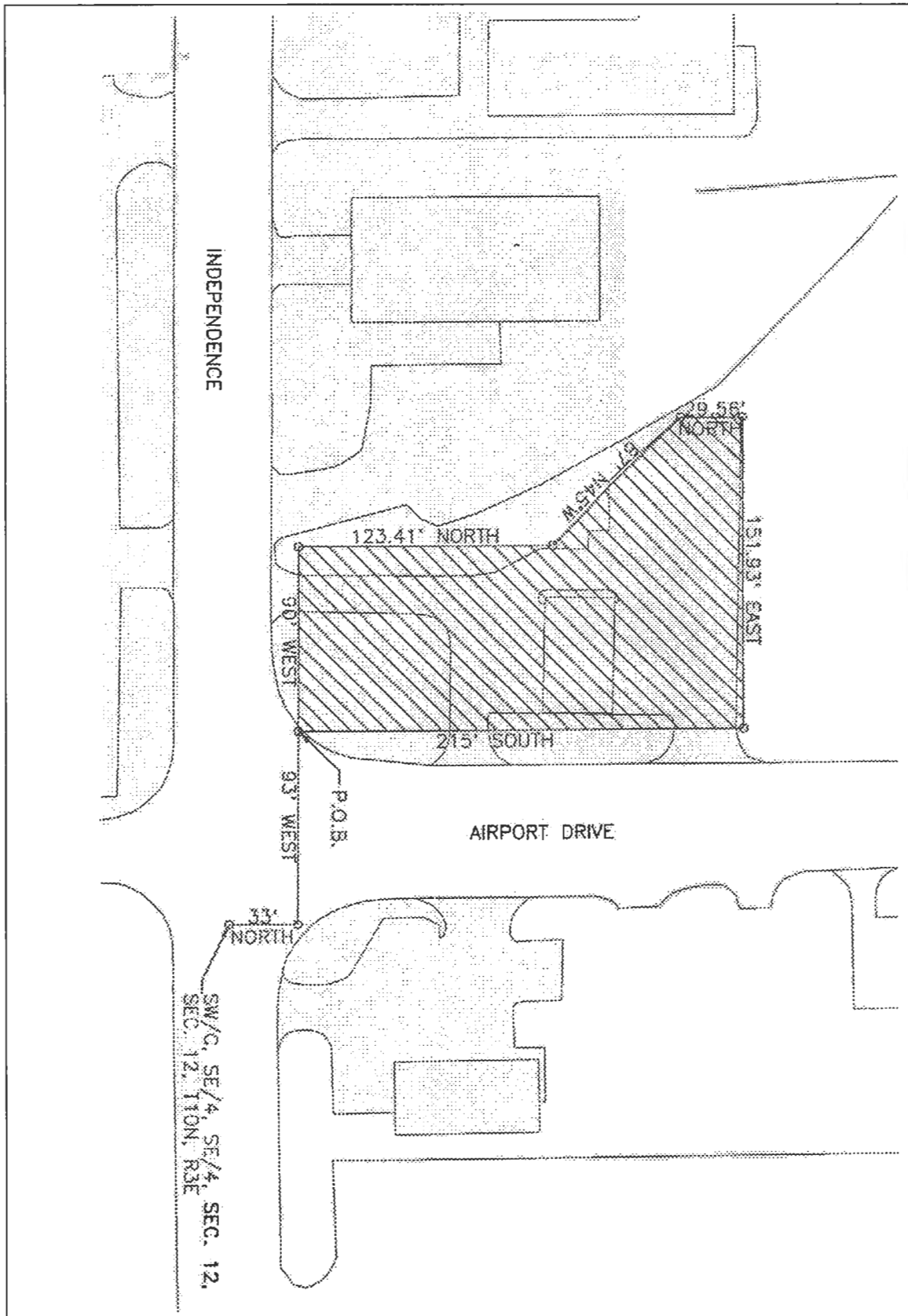
The Lessee, at Lessee's expense, shall obtain and maintain in continuous effect during the term of this Lease Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Oklahoma, providing for:

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

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

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

EXHIBIT "A"



ADDENDUM TO 2004 SHAWNEE
REGIONAL AIRPORT LEASE AGREEMENT

This Addendum is made and entered into this 3rd day of January, 2006, to that certain Lease Agreement (Lease) entered into by and between the City of Shawnee, Pottawatomie County, Oklahoma (Lessor) and Shawnee Lube, LLC (Lessee) dated November 1st, 2004.

Whereas, Article 3, Section 3.1 will be modified to the following:

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

3.1.1 For washing, greasing, servicing and sales of used motor vehicles. The number of vehicles on premises for sales purposes shall not exceed ten (10).

3.1.2 For administration and operation offices, shop and lounges used in connection with purposes authorized hereunder.

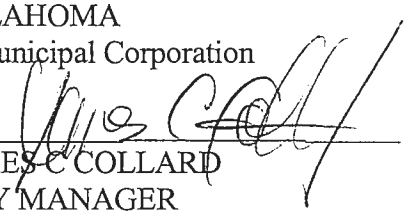
3.1.3 Nothing contained in this Agreement shall give or be construed to give the Lessee any right to sell or store aviation fuel of any kind at the Airport.

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

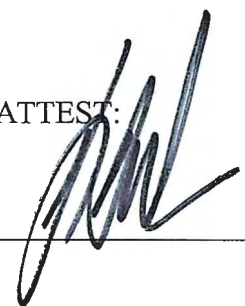
ATTEST:
DIANA HALLOCK, CMC, CITY CLERK



LESSOR:
THE CITY OF SHAWNEE
OKLAHOMA
A Municipal Corporation

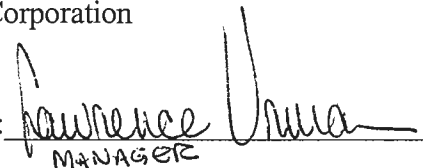
By: 
JAMES C COLLARD
CITY MANAGER
/ AIRPORT MANAGER

ATTEST:



LESSEE:
Shawnee Lube, LLC
A Corporation

BY:


MANAGER

Notary Public, State of Oklahoma
My Comm. Expires 12/31/2007
My Comm. No. 123456789
Shawnee, Oklahoma

2007

ADDENDUM TO SHAWNEE REGIONAL AIRPORT LEASE AGREEMENT

This Addendum is made and entered into this 31st day of January, 2011, to that certain Lease Agreement (Lease) entered into by and between the City of Shawnee, Pottawatomie County, Oklahoma (Lessor) and Shawnee Lube, LLC (Lessee) dated November 1st, 2004.

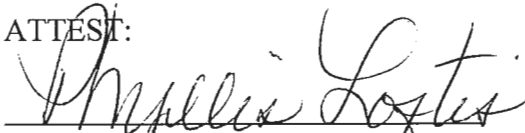
Whereas, Exhibit "A" will be modified to the following:

See attached Exhibit "A" (Revised).

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

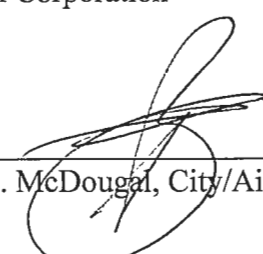


ATTEST:


Phyllis Loftis, City Clerk

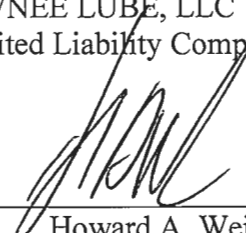
LESSOR:
THE CITY OF SHAWNEE
SHAWNEE, OKLAHOMA
A Municipal Corporation

By: _____


Brian E. McDougal, City/Airport Manager

LESSEE:
SHAWNEE LUBE, LLC
A Limited Liability Company

By: _____


Howard A. Weiner, Member

Subscribed and sworn to before me, a Notary Public in and for the State of Oklahoma

This 31 day of January, 2011.

My Commission expires 5-24, 2011.

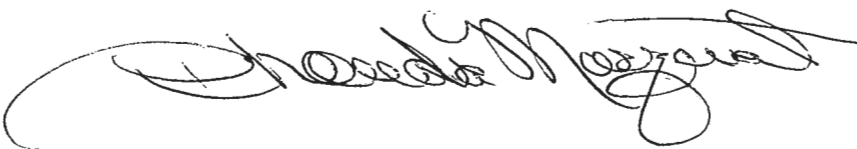
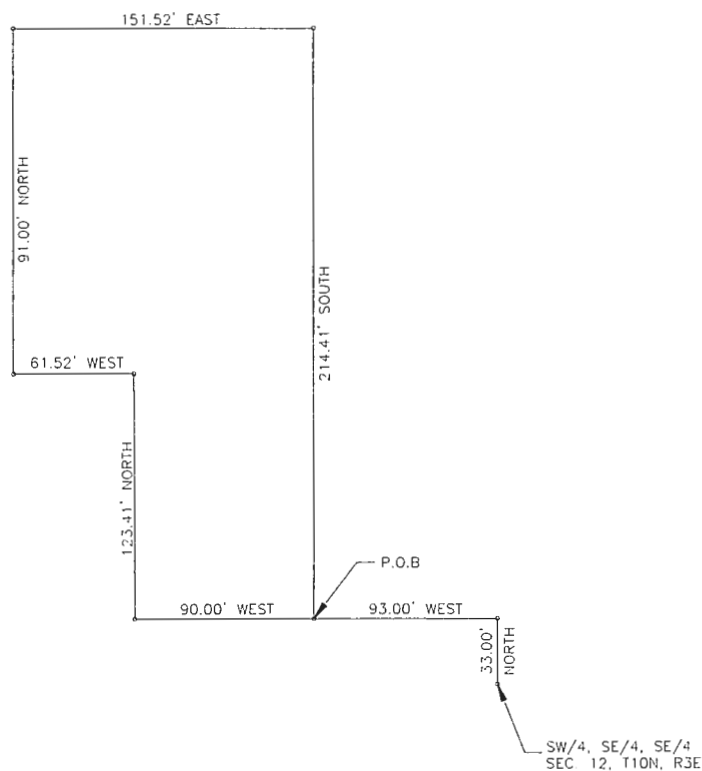




EXHIBIT "A"
(REVISED)

A TRACT OF LAND DESCRIBED AS BEGINNING AT A POINT 33.00 FEET NORTH AND 93.00 WEST OF THE SOUTHWEST CORNER (SW/C) OF THE SOUTHEAST QUARTER (SE/4) OF THE SOUTHEAST QUARTER (SE/4) OF SECTION 12, TOWNSHIP 10 NORTH, RANGE 3 EAST OF THE INDIAN MERIDIAN, POTTAWATOMIE COUNTY, OKLAHOMA; THENCE WEST A DISTANCE OF 90.00 FEET; THENCE NORTH A DISTANCE OF 123.41 FEET; THENCE WEST A DISTANCE OF 61.52 FEET; THENCE NORTH A DISTANCE OF 91.00 FEET; THENCE EAST A DISTANCE OF 151.52 FEET; THENCE SOUTH A DISTANCE OF 214.41 FEET TO THE POINT OF BEGINNING; CONTAINING 0.57 ACRES, MORE OR LESS.

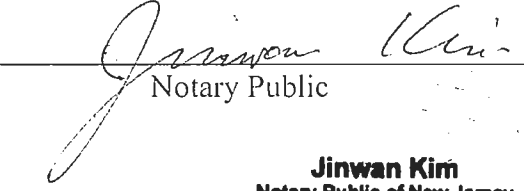


STATE OF NEW JERSEY)

: ss.:

COUNTY OF PASSAIC)

On this 7th day of February, 2011, before me personally came HOWARD A. WEINER., who, being by me duly sworn, did depose and say that he is the Managing Member of SHAWNEE LUBE, LLC , the limited liability company described in and which executed the foregoing instrument, and that he signed his name thereto by order of the members of said limited liability company.



Notary Public

Jinwan Kim
Notary Public of New Jersey
Commission Expires 01/14/2016