

SPECIAL CALL MEETING

AGENDA
AIRPORT ADVISORY BOARD
JUNE 10, 2025 AT 5:30 PM
SHAWNEE REGIONAL AIRPORT
2202 AIRPORT DRIVE, SHAWNEE, OKLAHOMA

Official action can only be taken on items which appear on the agenda. The public body may adopt, approve, ratify, deny, defer, recommend, amend, strike, or continue any agenda item. When more information is needed to act on an item, the public body may refer the matter to Staff or back to Committee or the recommending body. Under certain circumstances, items are deferred to a future date or stricken from the agenda entirely.

CALL TO ORDER

DECLARATION OF QUORUM

1. Consideration of approval of the Minutes from the November 20, 2025, Rescheduled Regular meeting.
2. Citizens Participation (A three-minute limit per person)
(A twelve-minute limit per topic)
3. Discussion and Consideration of Request to Amend Commercial Aeronautical Services Lease Agreement - Red Cloud Aviation, LLC - Limited On-demand Passenger and/or Cargo Charter Services
4. Discussion and Consideration of Request to Amend Commercial Aeronautical Services Lease Agreement – Red Cloud Aviation, LLC - Crop Dusting and Agricultural Spraying Service
5. Discussion and Consideration of a Request to Lease Non-Aeronautical Use Property for Development - Young Men's Christian Association of Shawnee Oklahoma, Inc.
6. Presentation on Capital Improvement Plan Presentation - Construction Plans and Schedules (P. Barnas of H.W. Lochner)
7. Staff Reports
8. Board Comments

9. Adjournment

Respectfully submitted,

A handwritten signature in cursive script that reads "Bonnie A. Wilson". The signature is written in a dark ink and is centered on the page.

Bonnie Wilson, CM, Secretary

The City of Shawnee encourages participation from its citizens in public meetings. If participation is not possible due to a disability, notify the City Clerk, in writing, at least forty-eight hours prior to the scheduled meeting, and necessary accommodations will be made. (ADA 28 CFR 36)



Shawnee Regional Airport
2202 N. Airport Dr.
Shawnee, OK 74804
ShawneeOK.org

Date: June 10, 2025
To: Airport Advisory Board
From: Bonnie Wilson
Subject: Discussion and Consideration of Request to Amend Commercial Aeronautical Services Lease Agreement - Red Cloud Aviation, LLC - Limited On-demand Passenger and/or Cargo Charter Services

Background: Red Cloud Aviation, LLC (RCA) submitted a written request to amend their current Commercial Aeronautical Services Lease Agreement (Agreement) to include authorization for their subsidiary, GB Airlink, Inc., to provide on-demand charter services from Shawnee Regional Airport. If recommended and approved, this amendment would authorize RCA to utilize their current leasehold at Shawnee Regional Airport (SNL) to serve as a base of operation for an on-demand passenger and/or cargo charter service in compliance with the Shawnee Airport Authority Minimum Standards, as amended in August 2023, and all applicable FAA and TSA regulations.

GB Airlink, Inc. is an FAA Part 135 certificated operator. Their fleet consists of aircraft with a maximum takeoff weight (MTOW) under 12,500 pounds, exempting them from TSA’s current 12-5 Rule. The nature of their planned operations enables them to serve at non-Part 139 airports, like SNL. A recommendation to authorize this request will offer airport customers services not currently available at SNL, or via air carriers operating at airports in our market area. A copy of the proposal document is attached for reference.

Attachments: RCA Proposal 135 Operations and Draft Amendment

Staff Recommendation: Accept the proposal to amend numerical paragraph 3, AUTHORIZED USE OF LEASED PREMISES, of the Agreement between the Shawnee Airport Authority (SAA) and RCA to formally authorize the operation of on-demand passenger and/or cargo charter services by GB Airlink, Inc., in compliance with the Minimum Standards and all FAA and TSA requirements. Authorize staff to prepare a draft amendment to the current Commercial Lease Agreement and recommend the SAA authorize execution.



January 16, 2025

Shawnee Airport Advisory Board
Shawnee Regional Airport
2202 Airport Drive
Shawnee, OK 74804

**Proposal to Amend Red Cloud Aviation's Commercial Lease Agreement
Request for Authorization to Include Charter Operations of Subsidiary: GB Airlink, Inc.
Presented to the Airport Advisory Board**

Introduction

This proposal seeks approval to amend Red Cloud Aviation's (RCA) current commercial lease agreement to authorize the operations of its subsidiary, GB Airlink, Inc., an on-demand passenger and/or cargo charter service. This amendment would officially authorize our subsidiary to utilize airport facilities leased by RCA for its operations, ensuring full compliance with FAA and TSA regulations and the airport's Minimum Standards prior to initiating services.

Part 135 Certification

GB Airlink, Inc. is fully certificated under FAA Part 135, authorizing it to operate as an on-demand passenger and/or cargo charter service in compliance with federal safety, security, operational, and maintenance standards.

- **Regulatory Compliance:** The FAA Part 135 certificate ensures strict adherence to federal regulations governing all aspects of charter operations.
- **Documentation Submission:** All necessary FAA documentation will be provided to the airport manager prior to the start of operations, ensuring transparency and compliance with the airport's Minimum Standards.

Overview of Operations

GB Airlink, Inc. will operate under the following regulatory standards:

- **Passenger Capacity:** Aircraft will carry a maximum of 9 passengers.
- **TSA Compliance:** Operations are exempt from the TSA's 12-5 Standard Security Program requirement, as all aircraft will have a maximum takeoff weight (MTOW) under 12,500 pounds.
- **Flight Scheduling:** Services will be available on demand, offering customized travel options for clients.

- **Passenger Processing:** Bookings will be handled via an online reservation system and phone, with on-site staff providing support for check-in, boarding, and customer service needs.

Benefits to the Airport and Community

- **Increased Revenue:** On-demand passenger and/or cargo charter operations will generate additional operations and fuel sales.
- **Enhanced Services:** Providing charter options will elevate the airport’s profile and appeal to business and leisure travelers.
- **Community Engagement:** Local businesses and individuals will benefit from increased connectivity and travel options.

Supporting Documents

1. **Organizational Chart** – Outlining roles and responsibilities.
2. **Aircraft Information** – Specifications for each aircraft operating out of SNL.
3. **FAA Compliance Documentation** – To be submitted to the Airport Manager prior to the commencement of operations.

Request for Approval

RCA respectfully requests the Airport Advisory Board approve and recommend to the Shawnee Airport Authority an amendment to Red Cloud Aviation’s lease agreement to include GB Airlink, Inc.’s on-demand passenger and/or cargo charter operations. This addition will enhance the airport’s profile, expand service offerings, and support local economic growth.

Organizational Chart and Team Roles

Role	Name	Responsibilities
Director of Operations	Jostein Lavoll	Oversees all charter operations and ensures FAA Part 135 compliance.
Chief Pilot	Chris Davids	Manages pilot training, scheduling, and adherence to flight regulations.
Director of Maintenance	Scott Lee	Ensures aircraft are maintained to FAA standards and schedules routine inspections.
Charter Sales Manager	Jay Mazzone	Coordinates client bookings, manages customer relationships, and markets services.
Pilot 1	Scott Lee	Operates designated aircraft and ensures safe, reliable transportation.
Pilot 2	Jay Mazzone	Operates designated aircraft and ensures safe, reliable transportation.
Pilot 3	Chris Davids	Operates designated aircraft and ensures safe, reliable transportation.
Pilot 4	Mark Overman	Operates designated aircraft and ensures safe, reliable transportation.

Role	Name	Responsibilities
Ground Support Staff	Christina Lee	Manages on-the-ground logistics, including fueling, cargo, baggage, and passenger services.

GB Airlink, Inc.’s Fleet to Operate out of SNL

GB Airlink, Inc. will operate the following aircraft under its charter services. All aircraft meet FAA Part 135 and TSA 12-5 Rule requirements:

Aircraft Model	Capacity	MTOW	Primary Use
King Air 90	9 or less	10,100	Regional on-demand charter services.
King Air 200	9 or less	12,500	Regional on-demand charter services.
Citation CJ1	9 or less	10,600	Regional on-demand charter services.
Citation CJ2	9 or less	12,375	Regional on-demand charter services.

Thank you for your consideration of the proposal.

Regards,



Scott D. Lee
 Owner Operator/Chief Inspector/A&P/IA Mechanic/Chief Pilot

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**THIRD AMENDMENT TO
TEMPORARY MODIFICATION TO
COMMERCIAL AERONAUTICAL SERVICES LEASE AGREEMENT**

This Amendment to the Agreement of Lease made and entered into this 1ST day of June 2025, by and between the Shawnee Airport Authority, on behalf of the City of Shawnee, Oklahoma, and together hereinafter referred to as "Lessor," and Red Cloud Aviation, LLC, hereinafter referred to as "Lessee."

WITNESSETH THAT:

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

WHEREAS, on 26th day of June 2023, the Lessor made and entered into a certain temporary modification to commercial aeronautical services lease agreement granting the Lessor the right to use and occupy certain space within a commercial aeronautical use hangar, constructed on the Shawnee Regional Airport, and owned by the Lessor commonly known as Hangar No. 100; and

WHEREAS, on the 1st day of December 2023, the agreement was amended to reflect a change to the address of the hangar designating it as Hangar #16, and

WHEREAS, on the 1st day of December 2024 the Lessee requested, and was provided with, an amendment to that certain temporary modification to commercial aeronautical services lease agreement to grant the Lessor the right to use and occupy certain space, constructed on the Shawnee Regional Airport, and owned by the Lessor commonly known as the 100 Series T-Hangar Office, consisting of five hundred (500) square feet of conditioned office space; and

WHEREAS, the Lessee is now requesting to further modify that certain temporary modification to the commercial aeronautical services lease agreement granting the Lessor the right to use and occupy certain space, constructed on the Shawnee Regional Airport,

NOW, THEREFORE, the Lessor and Lessee agree that certain temporary modification to commercial aeronautical services lease agreement be amended as follows herein:

1. Paragraph 1. AGREEMENT REMAINS IN EFFECT be specifically amended by the addition of the following.
 - 1.1. Additional Authorized Use of Lease Premises. As a part of the consideration for this Lease, and in accordance with the Shawnee Airport Authority Minimum Standards and Requirements for Capital Development on Airport Property Commercial Aeronautical Services Commercial Non-Aeronautical Services and Non-Commercial Aeronautical Activities at the Shawnee Regional Airport ("Minimum Standards and Rules") applicable to the operation and management of the Airport, aircraft operation, and conduct of persons

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at the Airport, Lessee agrees to provide at reasonable rates and without discrimination, the following services to the general public at and within the Leased Premises:

1.1.1. Commercial Air Service Operations

1.1.2. Crop Dusting and Spraying

2. All remaining provisions of the Commercial Aeronautical Lease Agreement are to remain in full force and effect.

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

LESSOR:

SHAWNEE AIRPORT AUTHORITY
CITY OF SHAWNEE, OKLAHOMA
A Municipal Corporation

By: _____
MARK SIMPSON
INTERIM CITY MANAGER

ATTEST:

LISA LASYONE, CMC
CITY CLERK

LESSEE:
RED CLOUD AVIATION
An Oklahoma Limited Liability Company

By: _____
SCOTT. D. LEE
MANAGING MEMBER



Shawnee Regional Airport
2202 N. Airport Dr.
Shawnee, OK 74804
ShawneeOK.org

Date: June 10, 2025
To: Airport Advisory Board
From: Bonnie Wilson
Subject: Discussion and Consideration of Request to Amend Commercial Aeronautical Services Lease Agreement – Red Cloud Aviation, LLC - Crop Dusting and Agricultural Spraying Service

Background: Red Cloud Aviation, LLC (RCA) submitted a written request to amend their current Commercial Aeronautical Services Lease Agreement (Agreement) to include authorization for their subsidiary, Red Cloud Aerial Spraying, LLC (RCAS), to utilize airport facilities leased by RCA in support of their crop dusting and agricultural spraying services.

If recommended and approved, this amendment would authorize RCA to utilize their current leasehold at Shawnee Regional Airport (SNL) to serve as a base for storing, maintaining and repairing aircraft used in their proposed agricultural operations in compliance with the Shawnee Airport Authority Minimum Standards, as amended in August 2023.

RCAS proposes to utilize one Grumman G-164A aircraft, registration number N 5412, to provide the services.

A recommendation to authorize this request will increase revenue from fuel sales and provide services to the agricultural community in the region not currently provided by any other operator at the Shawnee Regional Airport sales. A copy of the proposal document is attached for reference.

Attachments: RCA Proposal AG Operation and Draft Amendment

Staff Recommendation: Accept the proposal to amend numerical paragraph 3, AUTHORIZED USE OF LEASED PREMISES, of the Agreement between the Shawnee Airport Authority (SAA) and RCA to formally authorize crop dusting and spraying services in compliance with the Minimum Standards. Authorize staff to prepare a draft amendment to the current Commercial Lease Agreement and recommend the SAA authorize execution.



April 4, 2025

Shawnee Airport Advisory Board
Shawnee Regional Airport
2202 Airport Drive
Shawnee, OK 74804

Proposal to Amend Red Cloud Aviation’s Commercial Lease Agreement Request for Authorization to Include Crop Dusting and Spraying

Presented to the Airport Advisory Board

Introduction

This proposal seeks approval to amend Red Cloud Aviation’s (RCA) current commercial lease agreement to authorize the operations of its subsidiary, Red Cloud Aerial Spraying, LLC (RCAS), an agricultural aerial application service. This amendment would officially authorize our subsidiary to utilize airport facilities leased by RCA for its operations, ensuring full compliance with section 9.6. Crop Dusting and Spraying, of the airport’s Minimum Standards prior to initiating services.

Overview of Operations

RCAS’s activities at the Shawnee Regional Airport will be limited to the storage maintenance and repair of N5412, a Grumman G-164A aircraft.

RCAS will not be storing or utilizing any noxious chemical materials, poisonous or inflammable materials, on the leased premises at the Airport.

RCAS has properly certificated pilot/operators for the agricultural operation.

Benefits to the Airport and Community

- **Increased Revenue:** Agricultural support operations will generate additional operations and fuel sales.
- **Community Engagement:** Local businesses and individuals will benefit from increased availability of spraying services.


Request for Approval

RCA respectfully requests the Airport Advisory Board approve and recommend to the Shawnee Airport Authority an amendment to Red Cloud Aviation's lease agreement to include Red Cloud Aerial Spraying, LLC (RCAS), as an authorized agricultural aerial application service.

This addition will enhance the airport's profile, expand service offerings, and support local economic growth.

Thank you for your consideration of the proposal.

Regards,



Scott D. Lee
Owner Operator/Chief Inspector/A&P/IA Mechanic/Chief Pilot

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**THIRD AMENDMENT TO
TEMPORARY MODIFICATION TO
COMMERCIAL AERONAUTICAL SERVICES LEASE AGREEMENT**

This Amendment to the Agreement of Lease made and entered into this 1ST day of June 2025, by and between the Shawnee Airport Authority, on behalf of the City of Shawnee, Oklahoma, and together hereinafter referred to as "Lessor," and Red Cloud Aviation, LLC, hereinafter referred to as "Lessee."

WITNESSETH THAT:

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

WHEREAS, on 26th day of June 2023, the Lessor made and entered into a certain temporary modification to commercial aeronautical services lease agreement granting the Lessor the right to use and occupy certain space within a commercial aeronautical use hangar, constructed on the Shawnee Regional Airport, and owned by the Lessor commonly known as Hangar No. 100; and

WHEREAS, on the 1st day of December 2023, the agreement was amended to reflect a change to the address of the hangar designating it as Hangar #16, and

WHEREAS, on the 1st day of December 2024 the Lessee requested, and was provided with, an amendment to that certain temporary modification to commercial aeronautical services lease agreement to grant the Lessor the right to use and occupy certain space, constructed on the Shawnee Regional Airport, and owned by the Lessor commonly known as the 100 Series T-Hangar Office, consisting of five hundred (500) square feet of conditioned office space; and

WHEREAS, the Lessee is now requesting to further modify that certain temporary modification to the commercial aeronautical services lease agreement granting the Lessor the right to use and occupy certain space, constructed on the Shawnee Regional Airport,

NOW, THEREFORE, the Lessor and Lessee agree that certain temporary modification to commercial aeronautical services lease agreement be amended as follows herein:

1. Paragraph 1. AGREEMENT REMAINS IN EFFECT be specifically amended by the addition of the following.
 - 1.1. Additional Authorized Use of Lease Premises. As a part of the consideration for this Lease, and in accordance with the Shawnee Airport Authority Minimum Standards and Requirements for Capital Development on Airport Property Commercial Aeronautical Services Commercial Non-Aeronautical Services and Non-Commercial Aeronautical Activities at the Shawnee Regional Airport ("Minimum Standards and Rules") applicable to the operation and management of the Airport, aircraft operation, and conduct of persons

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at the Airport, Lessee agrees to provide at reasonable rates and without discrimination, the following services to the general public at and within the Leased Premises:

1.1.1. Commercial Air Service Operations

1.1.2. Crop Dusting and Spraying

2. All remaining provisions of the Commercial Aeronautical Lease Agreement are to remain in full force and effect.

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

LESSOR:

SHAWNEE AIRPORT AUTHORITY
CITY OF SHAWNEE, OKLAHOMA
A Municipal Corporation

By: _____
MARK SIMPSON
INTERIM CITY MANAGER

ATTEST:

LISA LASYONE, CMC
CITY CLERK

LESSEE:
RED CLOUD AVIATION
An Oklahoma Limited Liability Company

By: _____
SCOTT. D. LEE
MANAGING MEMBER



Shawnee Regional Airport
2202 N. Airport Dr.
Shawnee, OK 74804
ShawneeOK.org

Date: June 10, 2025
To: Airport Advisory Board
From: Bonnie Wilson
Subject: Discussion and Consideration of a Request to Lease Non-Aeronautical Use Property for Development - Young Men's Christian Association of Shawnee Oklahoma, Inc.

Background: The Young Men's Christian Association of Shawnee Oklahoma, Inc. (YMCA), is requesting the opportunity to enter into non-aeronautical use land lease for approximately 136,800 square feet (3.14 acres)¹ of undeveloped property generally at the intersection of West Federal Street and North Pottenger Avenue. The YMCA proposes to construct a commercial childcare facility on this property and is seeking a full fifty-calendar year lease allowable under law, to support their capital investment.

Rental rates for the property will be at a fair market value of \$0.16189 per square foot per year, for an annual value of \$22,146.55. The lease agreement will include an escalation clause, increasing the rental rate annually, and a reversion clause whereby any improvements to the property will revert to the Shawnee Airport Authority at the end of the initial term of the agreement.

Financial Impact: Increase in non-aeronautical revenue of \$22,146.55 per year for the initial term of the lease, increasing annually based on the increase in inflation based on the rise in the Consumer Price Index for the prior calendar year, with the then current rental rate retained in years of no inflationary rise.

Attachments: DRAFT - Non-aeronautical Lease Agreement

Staff Recommendation: Authorize staff to present a recommendation to the Shawnee Airport Authority, to approve the requested lease agreement.

¹ Subject to survey verification and lease price adjustment based upon increased or decreased square footage.

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COMMERCIAL NON - AERONAUTICAL LAND LEASE AGREEMENT

This Agreement made and entered into on this _____ day of _____, 20__, by and between the Shawnee Airport Authority on behalf of the City of Shawnee, Oklahoma, a Municipal Corporation, and together hereinafter called Lessor, and the Young Men's Christian Association of Shawnee, Oklahoma, Inc., an Oklahoma charitable organization, hereinafter called Lessee,

WITNESSETH:

WHEREAS, the Lessor is the owner of certain real property commonly known as the Shawnee Regional Airport, located within the City of Shawnee, Pottawatomie County, Oklahoma; and

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

NOW, THEREFORE, in consideration of certain capital improvements to be undertaken at the sole cost and expense of the Lessee, per the specifications and requirements for capital construction included as **Exhibit "A"** attached hereto, rents, payments, terms, conditions, covenants, and obligations of the Lessee under this Lease Agreement, the Lessor hereby demises, leases and rents to the Lessee, and the Lessee hereby takes and leases from the Lessor, the LEASED PREMISES more specifically identified on **Exhibit "B"** attached hereto and all improvements thereon as more specifically recorded on **Exhibit "C"**, to have and to hold for the lease term, as set forth in PARAGRAPH 1. TERM of this Lease Agreement.

1. TERM. The term of this Lease Agreement shall be for fifty (50) calendar years commencing on July 1, 2025 (07/01/2025), terminating on June 30, 2075 (06/30/2075), unless sooner terminated in accordance with the provisions of this Lease Agreement.

2. LEASED PREMISES.

The Leased Premises consist of the following real property consisting of approximately 136,800 square feet (3.14 acres) as further depicted on Exhibit B.¹

3. RENTAL. The Lessee hereby agrees to pay to the Lessor as rental for use of the Leased Premises and the privileges herein the sum of One thousand eight hundred forty-five dollars and fifty-five cents (\$1,845.55) per month, with the first month's rent due and payable in advance of the date of commencement of this Agreement.

3.1. Rent thereafter shall be due and payable on the first day of each month and shall be deemed late if not received by the tenth (10th) calendar day of each month.

¹ Parties agree that a survey is necessary to formalize the legal description and exact area of the leased premises and will adjust the lease payment based upon surveyed square footage.

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Lessee also agrees to pay a deposit in the amount of One thousand eight hundred forty-five dollars and fifty-five cents (\$1,845.55) due and payable in advance of the date of commencement of this Lease Agreement.

3.1.1. If any monthly rental payment is not paid on or before the tenth day following the first day of each month, a late payment fee in the amount of one and one-half percent (1.5%) will be applied to any overdue balances for charges assessed by the Shawnee Airport Authority.

3.1.2. It is understood and agreed by and between the Lessor and the Lessee that Lessee agrees to maintain a current status on rental of the Leased Premises. Should Lessee fail to do so, and the account becomes sixty (60) business days delinquent, then the Lessor shall give the Lessee written notice, by certified mail, that the account must be brought current within ten (10) business days or said Lease Agreement may be terminated at the discretion of the Lessor. Should a second offense of sixty (60) calendar days delinquency occur within the term of this Lease Agreement, immediate termination of this Lease Agreement shall result, and renewal options shall be forfeited.

3.2. It is specifically understood and agreed by and between the Lessor and the Lessee that the monthly rental for the Leased Premises is subject to adjustment upon notice to the Lessee. The monthly rental shall be determined by the Lessor based upon the recommendations of the Airport Advisory Board, and approval of the Shawnee Airport Authority per the then current edition of the Minimum Standards and Requirements for Capital Development on Airport Property, Commercial Aeronautical Services, Commercial Non-Aeronautical Services and Non-Commercial Aeronautical Activities at the Shawnee Regional Airport ("Minimum Standards and Rules")

3.2.1. The Lessee hereby agrees to pay such adjusted monthly rental following notice of the adjusted rate from the Lessor.

3.3. It is specifically understood and agreed by and between the Lessor and the Lessee that the Lessee has no right to purchase or acquire any fee interest in the Leased Premises.

3.4. It is specifically understood and agreed by and between the Lessor and the Lessee, that the Lessor is not making any conveyance of any mineral interests to the Lessee under this Lease Agreement, all of which shall be and remain the sole property of the Lessor.

4. AUTHORIZED USE OF LEASED PREMISES.

4.1. As a part of the consideration for this Lease Agreement, and in accordance with the Minimum Standards and Rules applicable to the operation and management

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of the Airport, aircraft operation, and conduct of persons at the Airport, Lessee agrees to:

4.1.1. Construct at their sole cost and expense a non-aeronautical use facility, consisting of a single vertical structure as further described in Exhibit "C" attached hereto.

4.1.2. Provide at reasonable rates and without discrimination, the following goods and services to the general public at and within the Leased Premises:

4.1.2.1. Child Care

4.1.2.2. Recreational Youth Sports and Camps

4.2. Under no circumstances will the installation or construction of residential living quarters be considered an authorized use of the Leased Premises. Installation or construction of residential living quarters will result in immediate termination of the Lease Agreement.

5. NOTICES. 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: Office of the City Manager
City of Shawnee Oklahoma
16 West 9th Street
Shawnee, Oklahoma 74801

AND

To Lessee: NAME
TITLE
COMPANY NAME
ADDRESS ONE
ADDRESS TWO
CITY, STATE ZIP CODE

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.

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6. ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR.

- 6.1. Lessee warrants they have 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 of Shawnee, Oklahoma and admits its suitability and sufficiency for the use permitted hereunder.
- 6.2. Except as may otherwise be provided for herein, the 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 placed upon the Leased Premises by Lessee, its successors and assigns.
- 6.3. Lessee shall throughout the term of this Lease 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 may be ordinary or extraordinary, structural or otherwise.
- 6.4. 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.
- 6.5. Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by any federal, state or municipal laws, ordinances, rules, regulations and requirements.
- 6.6. Repair any damage caused by Lessee to paved or other surfaces of the Leased Premises caused by any oil, gasoline, grease, lubricants or other flammable liquids or substances that have a corrosive or detrimental effect thereon.
- 6.7. In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint within a period of thirty (30) calendar days after written notice from the Lessor to do any maintenance or repair work required to be done under the provisions of this Lease Agreement, other than preventive maintenance, (b) or within a period of ninety (90) calendar 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 Lease Agreement; then, the 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 Lease 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

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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 Lessor by Lessee on demand. Provided, however, if in the opinion of the Lessor, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the Lessor or other tenants at the Airport, and the Lessor so states same in its notice to Lessee, the 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 the Lessor the cost and expense of such performance on demand. Furthermore, should the Lessor, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result there from except for claims for damages arising from the Lessor's sole negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in this Lease Agreement and shall not impose or be construed to impose upon the Lessor any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.

- 6.8. 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 Lessor, and no such work shall be commenced until such written approvals are obtained from the Lessor, which approval shall not be unreasonably withheld or delayed. The Lessor shall advise Lessee within thirty (30) business 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.
- 6.9. If Lessee makes any improvements without Lessor's approval, then, upon notice to do so, Lessee shall remove the same or at the option of Lessor, cause the same to be changes to the satisfaction of Lessor. If Lessee fails to comply with such notice within thirty (30) calendar days or to commence to comply and pursue diligently to completion, Lessor may affect the removal or change and Lessee shall pay the cost thereof to the Lessor. Lessee expressly agrees in the making of all improvements that, except with the written consent of Lessor, 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) business days after notice of filing thereof. Notice is hereby given by Lessor to all persons that no lien attaches to any such improvements.

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- 6.10. Upon the completion of construction or installation, the complete and unencumbered title to all improvements located on the Leased Premises shall immediately vest in the Lessor 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 Lessor at the time specified is a part of the consideration for this Lease Agreement. The City of Shawnee, Oklahoma, the Shawnee Airport Authority, and the Shawnee Regional Airport shall not be liable to Lessee or Lessee's contractors or sublessee for the value of any improvements constructed or located on the Leased Premises.
7. SIGNS. 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 ordinances of the City of Shawnee, Oklahoma. 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 Lessor.
8. UTILITIES. Lessee shall be responsible for the provision of any desired utilities to Leased Premises.
 - 8.1. If installation of utility service lines and/or equipment are required to support the desired services, written approval from the Lessor will be required prior to installation.
 - 8.2. Lessee agrees that it will be responsible for providing and paying for the electric, telephone, natural gas, solid waste, and water utilities utilized on the Leased Premises.
 - 8.3. Lessee further agrees to provide and pay for any utilities for any buildings or structures subsequently built thereon or any additional premises leased during the term of the Lease Agreement including, but not limited to, payment for electric, telephone, natural gas, solid waste, and water utilities.
9. ADDITIONAL RENTS AND CHARGES.
 - 9.1. Except as provided in numerical Section 6. ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR, paragraph 6.7, 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 Lease 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 Lessor upon

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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 Lessor or other tenants of the Airport, and Lessor so states in its notice to Lessee, the 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.

- 9.2. If the 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 Lease 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 Lessor as a result of such failure neglect or refusal of Lessee, a late payment fee in the amount of one and one-half (1.5%) percent will be applied to any overdue balances for charges assessed by the Lessor, 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 Lessor in the same manner and with like remedies as if it were originally a part of the rent provided for in this Lease Agreement.

10. INGRESS AND EGRESS.

- 10.1. The Lessee shall have the right of ingress and egress to and from the Leased Premises by means of runways, roadways, taxilanes, and taxiways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public. The use of any such access routes shall be subject to the Minimum Standards and Rules of the Airport which are now in effect, or which may hereafter be promulgated.
- 10.2. The Lessor may, at any time, temporarily or permanently, close or consent to or request the closing of any such access route 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.
- 10.3. The Lessee hereby releases and discharges the Lessor, 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 runways, roadways, taxilanes, taxiway 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

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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 runways, roadways, taxilanes, or taxiways near the Leased Premises.

11. ASSIGNMENT AND SUBLEASE.

- 11.1. Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Lease Agreement or any part thereof, or any rights created thereby, without the prior written consent of the Lessor.
- 11.2. Any assignment or transfer of this Lease Agreement, or any rights of Lessee hereunder, without the consent of the Lessor, shall entitle the Lessor at its option to forthwith cancel this Lease Agreement.
- 11.3. Any assignment of this Lease Agreement approved and ratified by the Shawnee Airport Authority shall be on the condition that the assignee accepts and agree to all of the terms, conditions and provisions of this Lease 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. No consent by the Lessor to aeronautical service agreements or subleasing by Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the Lessor set forth or arising from this Lease Agreement and a termination of Lessee's rights hereunder shall ipso facto terminate all service agreements and subleases.

12. ADDITIONAL OBLIGATIONS OF LESSEE.

- 12.1. Lessee shall conduct its operations hereunder in an orderly manner. From time to time the Shawnee Airport Authority and or the City of Shawnee, Oklahoma may adopt and enforce Minimum Standards and Rules with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all Minimum Standards and Rules, 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. 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 Minimum Standards and Rules, federal, state or municipal laws, ordinances, rules, regulations and requirements. Lessee hereby acknowledges receipt of a current copy of such Minimum Standards and Rules, and further, Lessee shall take all reasonable measures:

- 12.1.1. Not to produce any disturbance that interferes with the operation by

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the Lessor or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport.

- 12.1.2. Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from the Lessor concerning the conduct, demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.
- 12.1.3. 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 their operations at the Airport hereunder.
- 12.1.4. Lessee shall comply with all written instructions of the Lessor in disposing of its solid waste and refuse at Lessee's expense and shall use a system of solid waste disposal approved by the Lessor. The manner of handling and disposing of solid waste to include but not limited to 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 the Lessor.
- 12.1.5. 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.
- 12.1.6. 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.
- 12.1.7. 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 Lease Agreement.
- 12.1.8. 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 liquid shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories. The term "working supply" as used in this numerical Section 12. ADDITIONAL OBLIGATIONS OF LESSEE, numerical paragraph 12.1.8, shall mean the amount consumed by Lessee during any normal workday.

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- 12.1.9. Except for services permitted under numerical Section 4. AUTHORIZED USE OF LEASED PREMISES hereof to be performed by Lessee or Lessee's agent or approved subcontractor, Lessee shall provide prompt written notice to the Lessor of any person, firm or corporation performing or providing aeronautical services of any sort, on the Leased Premises for commercial purpose without a valid Commercial Lease Agreement or Independent Operator Agreement.
- 12.1.10. Lessee shall provide security locks for the Leased Premises and shall provide the Airport Manager with either (i) a master key or (ii) combination code, as appropriate, to allow for inspection of the Leased Premises, access to perform repairs or maintenance, and for purposes of public safety.

13. LIABILITIES AND INDEMNITIES.

- 13.1. 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, 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 authorized sublessees or authorized subtenants or their guest or invitees.
- 13.2. Lessee agrees to indemnify, save and hold harmless, the Lessor, 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 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, contractor, sublessees or tenants. Provided, however, that upon the filing with the Lessor by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the Lessor harmless, the 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 on behalf of the Lessor. It is specifically agreed, however, that the Lessor at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the 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.
- 13.3. In addition to Lessee's undertaking, as stated in this numerical Section 13. LIABILITIES AND INDEMNITIES, and as a means of further protecting the

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Lessor, its officers, agents, servants and employees, Lessee shall at all times during the term of this Lease 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 contractor(s) doing any work on the Airport, and Lessee's tenants and sublessees, 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.

- 13.4. The Lessor reserves the right to increase the minimum liability insurance set forth in Schedule A when in the Lessor's opinion the risks attendant to Lessee's operations hereunder have increased.
- 13.5. 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 any way connected with this Lease Agreement. The Lessee agrees to save and hold the Lessor, 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 Lease Agreement.
- 13.6. The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Lease 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 Lessor 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.

14. RIGHTS OF ENTRY PRESERVED.

- 14.1. The 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 the 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.
- 14.2. Without limiting the generality of the foregoing, the Lessor, 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

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Lessor, 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 Lessor, 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 Lessor shall not impose or be construed to impose upon the Lessor 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 Lessor, 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 Lessor 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 Lessor or said utility company to do so, the Lessor 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 Lessor's sole negligence.
- 14.4. At any reasonable time, and from time to time during the ordinary business hours, the 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.
- 14.5. Exercise of any or all of the foregoing rights, by the Lessor, or others under right of the 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.

15. SERVICES TO LESSEE.

- 15.1. Lessor covenants and agrees that during the term of this Lease Agreement it will operate the Airport as such for the use and benefit of the public, provided however, that the Shawnee Airport Authority 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 Lessor further agrees to use its best efforts to maintain the runways, taxilanes and taxiways in good repair. Lessor agrees to keep in

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good repair hard-surfaced public roads for access to the Leased Premises. Lessor 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.

16. LIMITATION OF RIGHTS AND PRIVILEGES GRANTED.

- 16.1. Except the right of Lessee to possession of the Leased Premises, no exclusive rights at the Airport are granted by this Lease 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 Lease Agreement, or by any provision thereof, than the rights and privileges expressly and specifically granted hereby.

17. DEFAULT.

- 17.1. In the event Lessee breaches any term or provision of this Lease Agreement, including the obligation to pay rent as and when due, the Lessor shall have the right to terminate this Lease Agreement upon giving Lessee ten (10) business days' notice to cure such default, except as otherwise provided in numerical Section 6 ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR, paragraph 6.7 above. If Lessee shall not have cured its default within said ten (10) business day period to the satisfaction of the Lessor, then the Lessor may declare this Lease Agreement 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 Lessor may authorize to be removed. The foregoing rights and remedies given to 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 the 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.

18. TERMINATION BY LESSEE.

- 18.1. The Lessee shall have no absolute right to terminate this Lease Agreement prior to the expiration of the term of the Lease Agreement as provided in numerical Section 1. TERM, above. However, as long as Lessee is not in default in payment to the Lessor of any amounts due the Lessor under this Lease Agreement, Lessee may cancel this Lease Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving the Lessor thirty (30) business days' advance written notice upon or after the happening of one of the following events:

- 18.1.1. Issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased

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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) business days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) business days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or

18.1.2. 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) business days.

19. SURRENDER AND RIGHT OF RE-ENTRY.

19.1. Upon the cancellation or termination of this Lease Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Leased Premises to the 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, (i) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (ii) obsolescence in spite of repair, and (iii) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the Lessor. Upon such cancellation or termination, the 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 Lease Agreement, at Lessor 's election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter, not exceeding thirty (30) calendar days after such cancellation or termination, and for which period Lessee will pay to the Lessor current lease rentals, or during the term of this Lease Agreement, if Lessee is not in default in rentals or any other charges or obligations due the 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 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.

20. SURVIVAL OF THE OBLIGATIONS OF THE LESSEE.

20.1. In the event that the Lease Agreement shall have been terminated in accordance with a notice of termination as provided herein, all the obligations of the Lessee under this Lease Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and

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effect for the full term of this Lease 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 Lease 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 Lease Agreement remains in effect on the basis of the total days in the month; and

20.2.2. 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.

21. USE SUBSEQUENT TO CANCELLATION OR TERMINATION.

21.1. The Lessor, upon termination or cancellation, 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 Lease Agreement.

21.2. 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 the Lessee under this Lease 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 Lessor, there shall be credited to the account of the Lessee against its survived

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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 Lease 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 numerical Section 21. USE SUBSEQUENT TO CANCELLATION OR TERMINATION.

22. SUBORDINATION CLAUSES. This Lease Agreement is subject and subordinate to the following:
- 22.1. The 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.
 - 22.2. The 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 the Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft.
 - 22.3. This Lease Agreement is and shall be subordinate to the provisions of existing and future agreements between the City of Shawnee, Oklahoma, and or the Shawnee Airport Authority 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.
 - 22.4. 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 Lease 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 Lease Agreement. Abatement of rentals shall be determined by the Lessor in proportion to the degree of interference with Lessee's use of the Leased Premises.
 - 22.5. Except to the extent required for the performance of any obligations of Lessee hereunder, noting contained in this Lease Agreement shall grant to the Lessee

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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.

23. GENERAL PROVISIONS.

- 23.1. 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 Lease Agreement.
- 23.2. This Lease Agreement shall be performable and enforceable in Shawnee, Oklahoma and shall be construed in accordance with the laws of the State of Oklahoma.
- 23.3. This Lease 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
- 23.4. In the event of any ambiguity in any of the terms of this Lease 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.
- 23.5. All covenants, stipulations and agreements in this Lease Agreement shall extend to and bind each party hereto, its legal representatives, successors, and assigns.
- 23.6. The titles of the several sections of this Lease 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.
- 23.7. Nothing herein contained shall create or be construed to create a co-partnership between the Lessor and the Lessee or to constitute the Lessee an agent of the Lessor. The Lessor and the Lessee each expressly disclaim the existence of such a relationship between them.

24. REQUIRED GOVERNMENT PROVISIONS.

- 24.1. Transfer of Real Property Acquired or Improved under the Airport Improvement Program
 - 24.1.1. The Lessee for himself/herself, his/her 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:

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- 24.1.1.1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this Lease Agreement for a purpose for which a Federal Aviation Administration activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the Lessee in compliance with all requirements imposed by the Nondiscrimination Acts and Regulations listed in the Title VI List of Pertinent Nondiscrimination Acts and Authorities (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities and services
 - 24.1.1.2. With respect to the Lease Agreement, in the event of breach of any of the above Nondiscrimination covenants, the Shawnee Airport Authority will have the right to terminate the Lease Agreement and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the Lease Agreement had never been made or issued.
- 24.2. Construction/Use/Access to Real Property Acquired Under the Activity, Facility or Program
 - 24.2.1. The Lessee for himself/herself, his/her 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 (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Title VI List of Pertinent Nondiscrimination Acts and Authorities.
 - 24.2.2. With respect to the Lease Agreement, in the event of breach of any of the above Non-discrimination covenants, the Lease Agreement will have the right to terminate the Lease Agreement to enter or re-enter and repossess said land and the facilities thereon and hold the same as if said Lease Agreement had never been made or issued.

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25. ENTIRE AGREEMENT. This Lease Agreement consists of numerical Sections 1. to 25. and all subparagraphs, inclusive, Exhibit A, B, and C. It constitutes the entire Lease Agreement of the parties hereto and may not be changed, modified, discharged, or extended except by written instrument duly executed by the Lessor and Lessee. The parties agree that no representations or warranties shall be binding upon the Lessor or Lessee unless expressed in writing in this Lease Agreement. This Lease Agreement shall be binding upon the executors, administrators, and successors of the parties hereto.

[SIGNATURE PAGE FOLLOWS IMMEDIATELY]

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IN WITNESS WHEREOF, the parties have hereunto affixed their signatures as follows:

LESSOR:

THE CITY OF SHAWNEE, OKLAHOMA,
A Municipal Corporation

By: _____

CITY MANAGER

This _____ day of _____, 2025

ATTEST:

LISA LASYONE, CMC
CITY CLERK

LESSEE:

Printed Name: ALL CAPS TENANT NAME

Signature: _____

E-mail: ALL CAPS EMAIL ADDRESS

Address: ALL CAPS STREET ADDRESS
ALL CAPS CITY, STATE

Telephone: () -

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EXHIBIT A

Specifications and Requirements for Capital Construction Governing Construction of Leasehold Improvements

1. Prior to commencing any construction activities, the Lessee shall file Federal Aviation Administration (FAA) Form 7460-1, Notice of Proposed Construction or Alteration in accordance with 14 CFR Part 77 and receive authorization from the FAA to construct the Improvements on the Leased Premises, in accordance with the plans and specifications submitted to the FAA. On receipt of authorization from the FAA, the Lessee shall also file FAA Form 7460-2, Notice of Actual Construction or Alteration, and submitting the specific information about the proposed Improvements.
2. Per FAA Order Environmental Impacts: Policies and Procedures, the Lessee shall provide plans and specifications of proposed Improvements to the Lessor for submission and review by the FAA for a determination on the appropriate level of review to ensure the proposed Improvements are determined by the FAA to be categorized as "CATEX" an action or actions that do not individually or cumulatively have a significant effect on the human environment, and for which, neither an Environmental Assessment (EA) nor an Environmental Impact Statement (EIS) is required. Should either an EA or an EIS be required, any association costs will be borne by the Lessee.
3. Lessee shall have the right to construct or install over, in, under or through the Leased Premises new lines, pipes, mains, wires, conduit and equipment; provided, that the repair, alteration, replacement or construction shall not unreasonably interfere with Lessor's use of the Leased Premises, and that any such construction, installation, repair, alteration or replacement made or performed shall be at the Lessee's sole cost and expense.
4. Title to Improvements. Title to all improvements on the Leased Premises shall vest in the Shawnee Airport Authority upon completion of such improvements, free and clear of any liens or encumbrances whatsoever except for liens or encumbrances on the Leased Premises or any improvements thereon made or granted with the prior written consent of the Lessor.
5. Responsibility for Leasehold Improvements. The Lessor shall have no obligation to make improvements, alterations, additions, or replacements to the Leased Premises. The Lessee may, without cost to the Lessor and at the Lessee's sole cost and expense, subject to the terms of this Lease Agreement, provide the Leased Premises with any reasonable improvements necessary for access to and egress from the Leased Premises.
6. Permits, Licenses and Approvals for Improvements. All structural improvements, equipment and interior design and decor constructed or installed by the Lessee, its agents, or contractors, including all plans and specifications, shall conform to all applicable statutes, ordinances, building codes, rules, and regulations. The Lessee, at its sole cost and expense, shall obtain all required permits and licenses for any improvements.

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7. Lessor Approval of Improvements. All improvements made by the Lessee shall be in accord with the approved design of such improvements. The Lessee shall, prior to making any improvements, submit reasonably detailed plans and specifications to the Lessor for written approval, and no structural alterations, installations or improvements of any kind may be made by the Lessee without first obtaining the Lessor's written approval. Any changes or alterations to plans and specifications require the written approval of the Lessor.
8. Approval by the Lessor of any improvements proposed by the Lessee refers only to conformity with applicable federal, state, and local laws, ordinances, rules, and regulations in effect during the term of this Lease Agreement. The Lessor does not review plans and specifications for architectural or engineering design or compliance with applicable laws or codes. The Lessor, by approving such plans and specifications, assumes no liability or responsibility for the plans and specifications, or for any defect in any structure or improvement constructed according to the plans and specifications.
9. Construction Schedule. The Lessee shall submit to the Lessor not later than thirty (30) calendar days after submittal of any plans and specifications for improvements to the Leased Premises, but in any event prior to commencing construction, a schedule depicting the estimated time required to complete the construction or installation of approved improvements and equipment.
10. Construction Requirements. At all times during construction or installation of any improvements, the Lessee, its agents, servants, employees, and independent contractors, shall cooperate with and coordinate activities and work with the Lessor.
11. All construction of improvements shall be conducted at such time and in such manner so as not to interfere with operations at SNL or of other tenants of the Lessor.
12. In furtherance of, in addition to, and not in limitation of numerical paragraph 13 LIABILITIES AND INDEMNITIES of this Lease Agreement, the Lessee, its agents, servants, employees, contractors, subcontractors and independent contractors shall at all times be responsible for injury or damage to the person or property of any third party resulting from the acts or omissions of Lessee, its agents, servants, employees, contractors, subcontractors and independent contractors. The Lessee shall indemnify, defend, and hold Lessor harmless to the fullest extent set forth in paragraph 13 LIABILITIES AND INDEMNITIES for any liabilities, losses, claims, costs, damages, injuries, deaths, including, without limitation reasonable attorneys' fees, etc. arising out of any construction or installation of any improvements on the Leased Premises.
13. Upon completion of any improvements, a duly authorized officer of the Lessee must certify to the Lessor that (i) the improvements have been constructed in accordance with plans and specifications approved by the Lessor, and attached this Lease Agreement as **Exhibit C**, and in compliance with all applicable building codes, laws, rules, ordinances and regulations; (ii) no liens except liens granted with the prior written consent of the Lessor exist on any of the improvements; and (iii) all contractors and subcontractors have been paid all amounts due and owing them. One reproducible final copy of the plans for all

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improvements, changes, or alterations to the Leased Premises shall be signed by the Lessee and submitted to the Lessor within thirty (30) days following completion of construction.

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EXHIBIT B

Legal Description of Leased Premises

A tract of land described as beginning at the Northwest Corner of the Northeast Quarter of the Northeast Quarter of the Southeast Quarter (NE/4 NE/4 SE/4) of Section Twelve (12), Township Ten (10) North, Range Three (3) East of the Indian Meridian, Pottawatomie County, Oklahoma; Thence running South approximately 456 feet; Thence West approximately 300 feet; Thence North approximately 456 feet to a point on the South boundary of W. Federal Street; Thence East approximately 300 feet to the Point of Beginning.



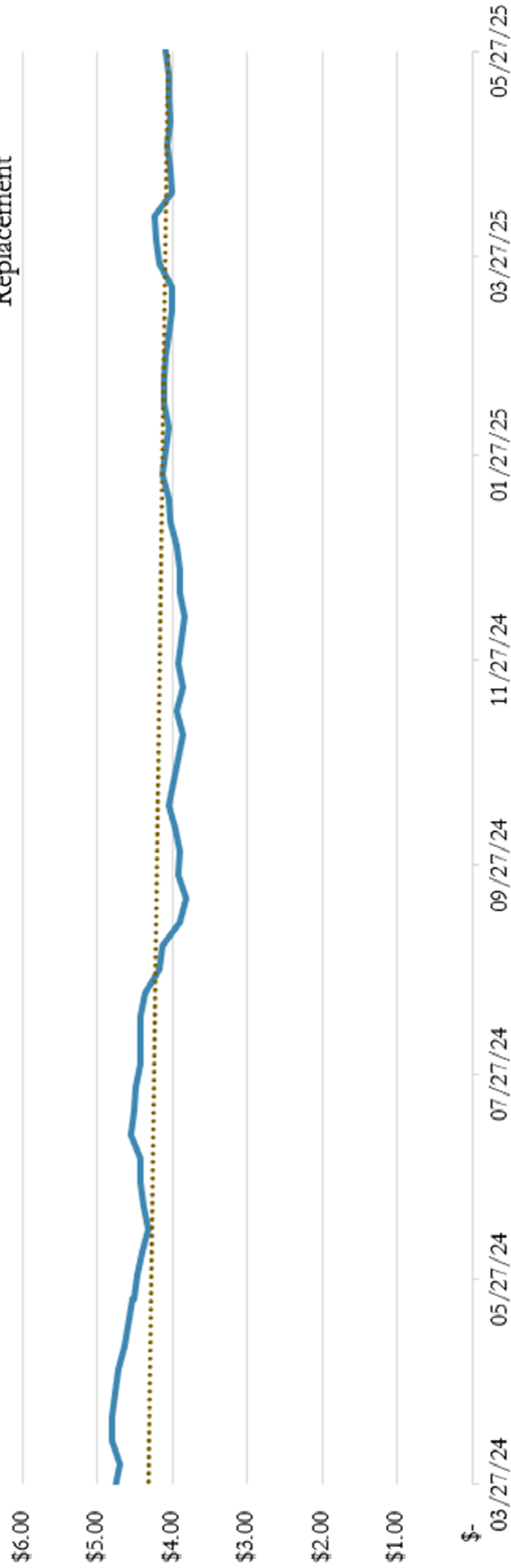
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EXHIBIT C

Approved Plans and Specifications of Improvements to Leased Premises

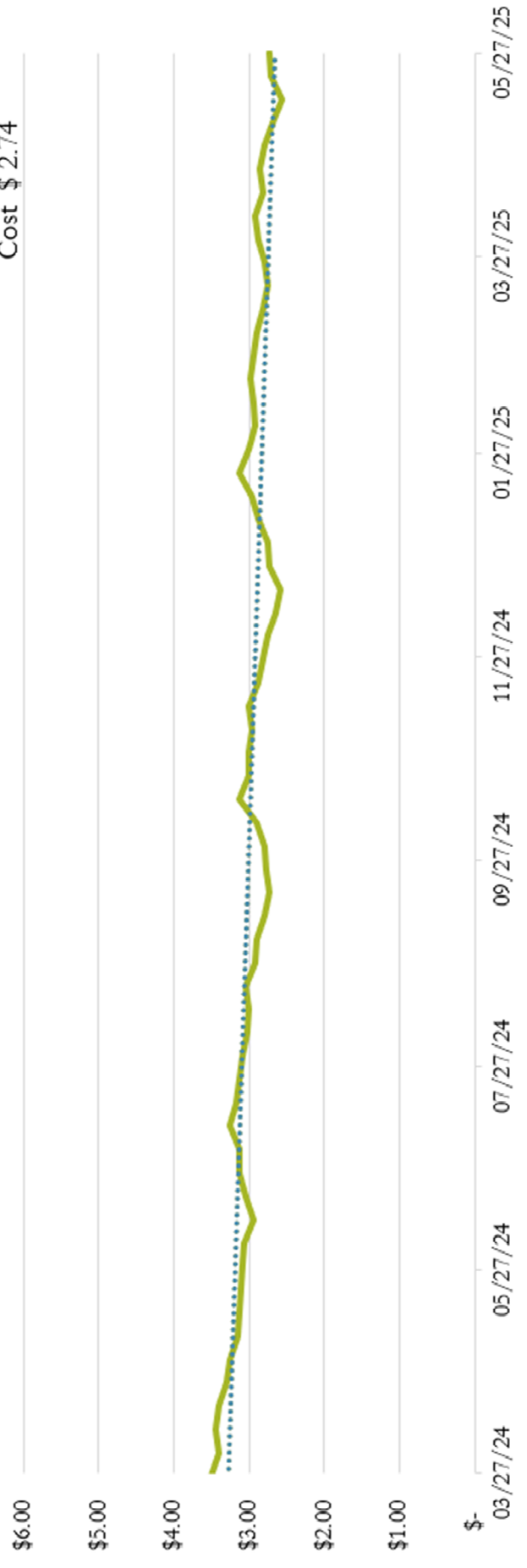
100LL Price Per Gallon Yearly Quote Trend

Current Replacement

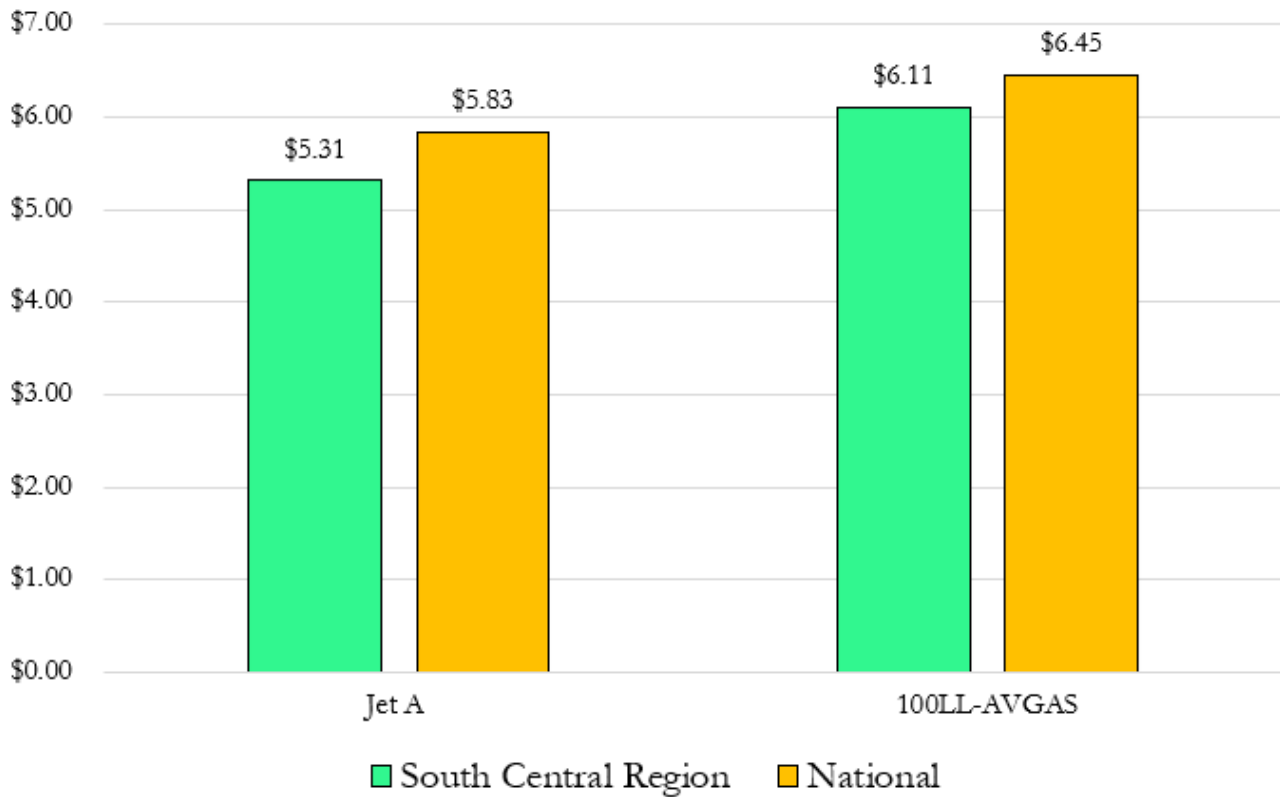


JET A Price Per Gallon Yearly Quote Trend

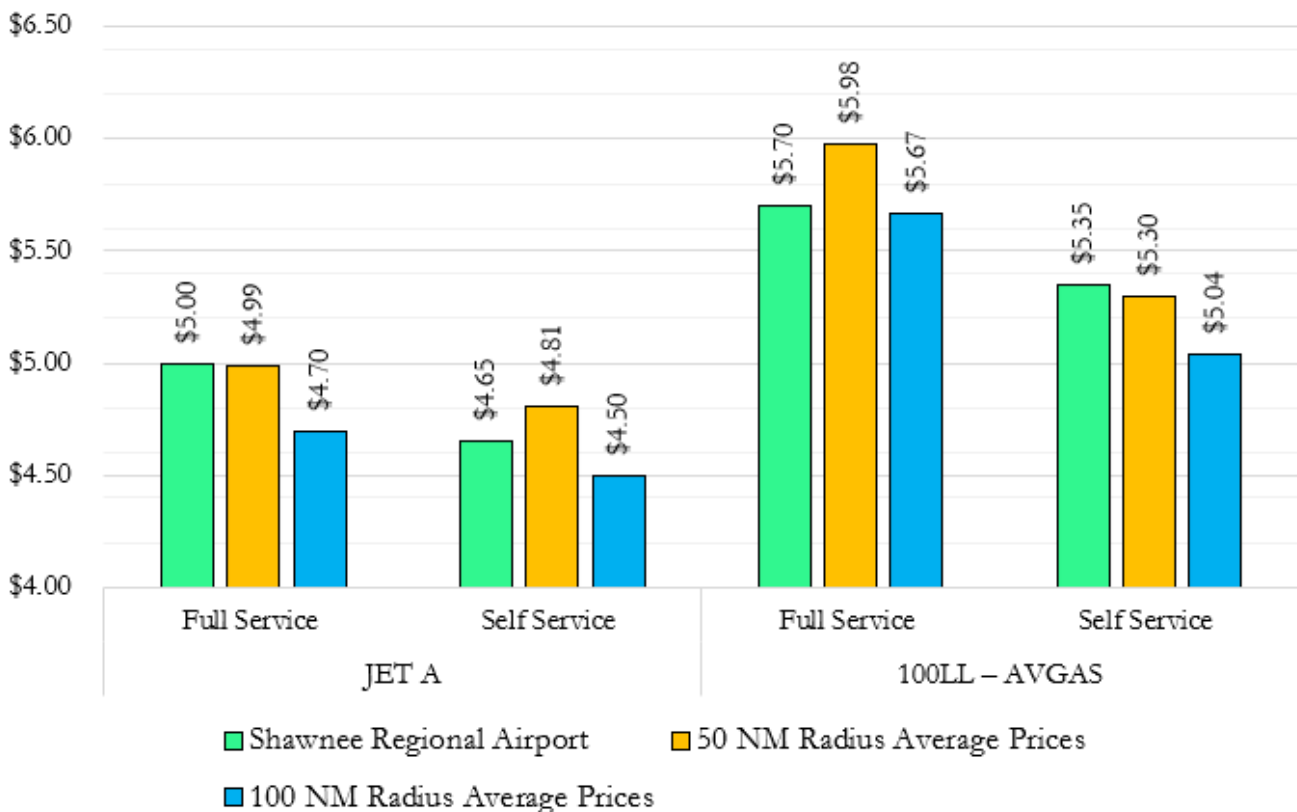
Current Replacement Cost \$ 2.74



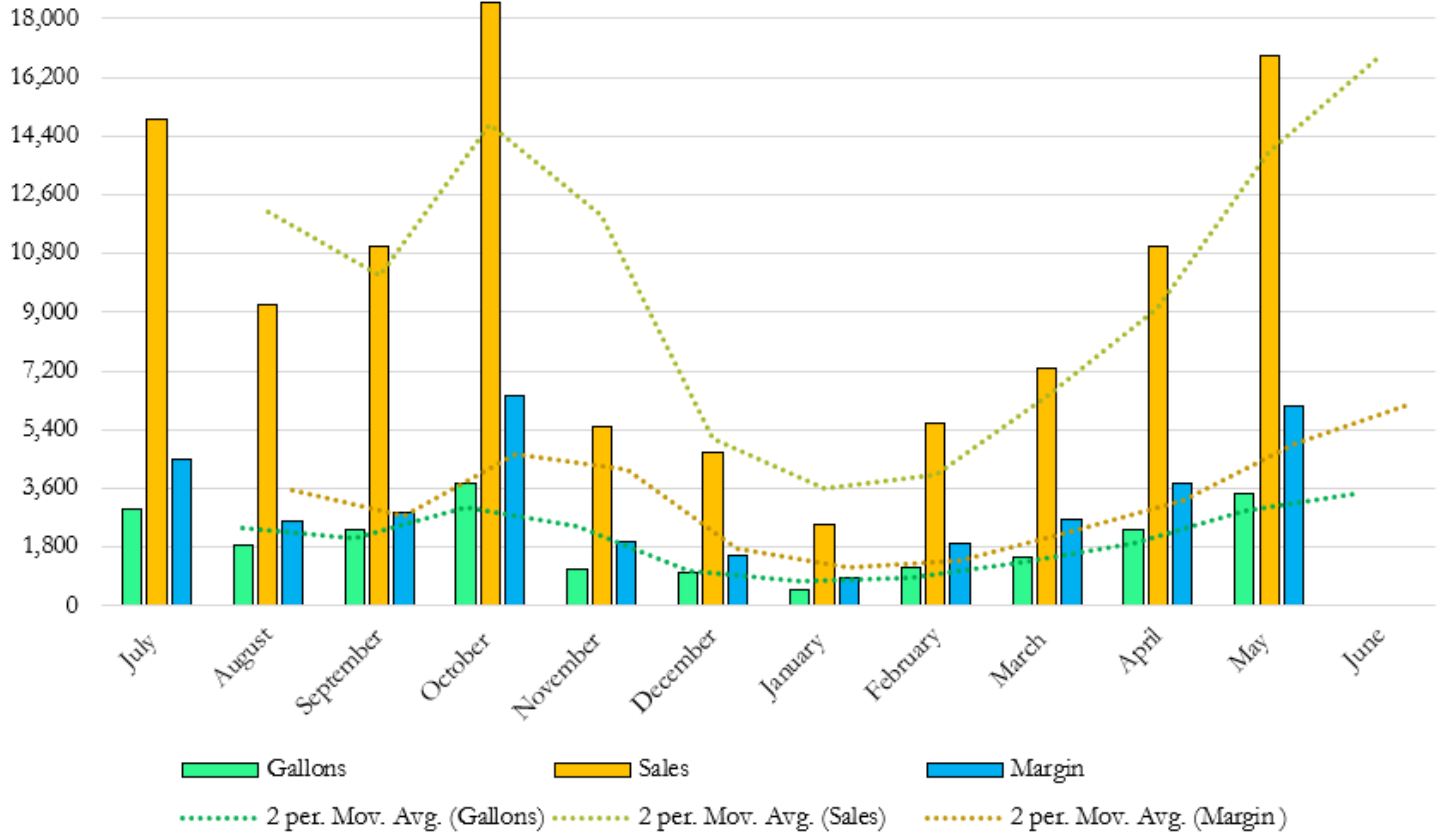
AVERAGE FUEL PRICES AS OF JUNE 2, 2025



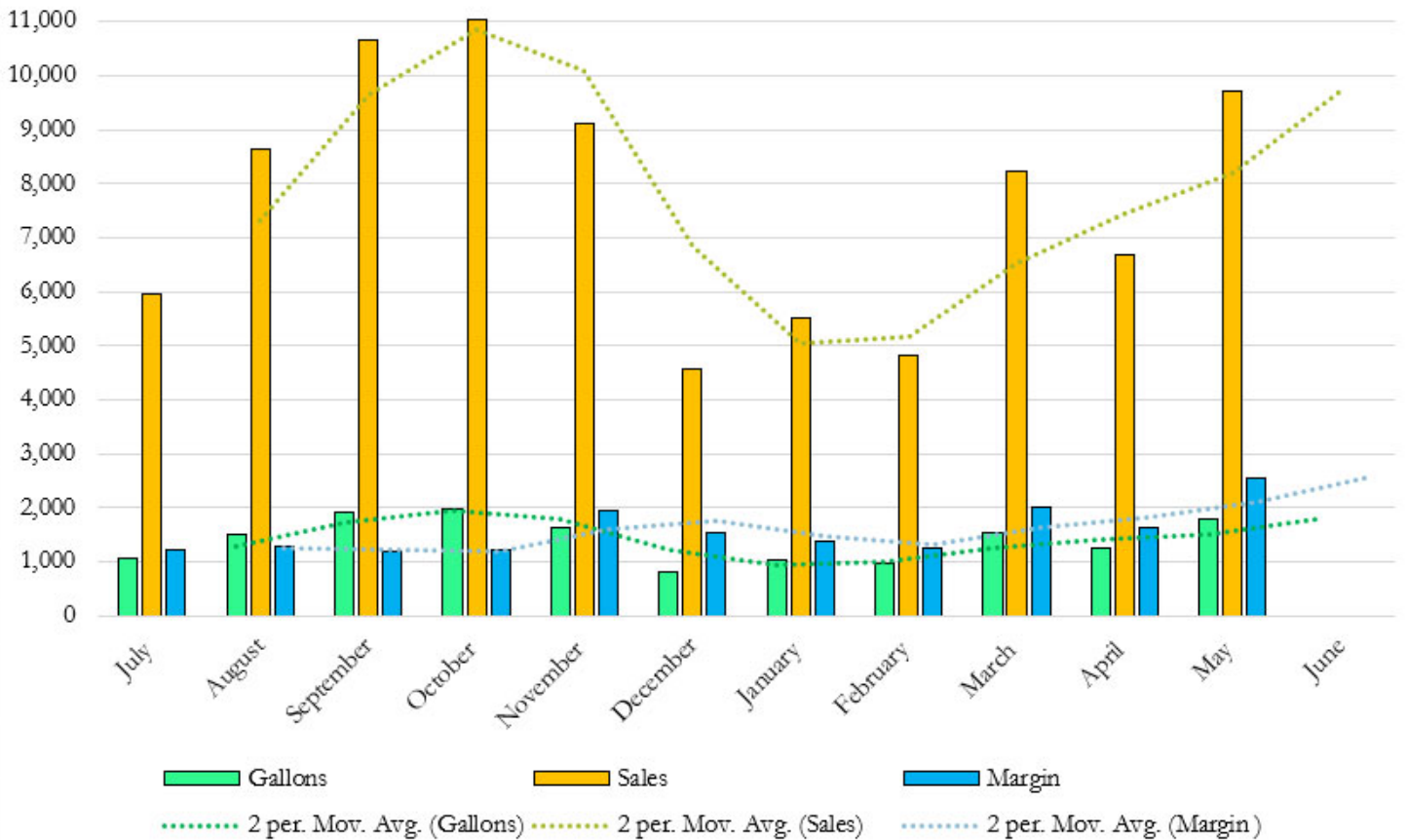
SNL AND SURROUNDING AREA AVERAGES AS OF JUNE 2, 2025



Fiscal Year 2025 Jet A Activity



Fiscal Year 2025 100 Low Lead Activity



Commercial Passenger Service Airports within 100 NM of Shawnee Regional Airport

Facility	Based Aircraft	Annual Operations	Annual GA Transient Arrivals	NM	100LL Self Serve	100LL Full Serve	Jet A Self Serve	Jet A Full Serve
Shawnee Regional Airport (SNL)	46	2,600	1,300	0	\$5.35	\$5.70	\$4.65	\$5.00
Cruise Aviation/ Westheimer (OUN)	108	63,437	7,280	30		\$6.21		\$5.27
AAR Aircraft Services (OKC)		158,764	12,740	37		\$6.78		\$5.27
Atlantic Aviation (OKC)	64	158,764	12,740	37		\$7.30		\$6.33
Atlantic Aviation (PWA)	277	73,285	16,016	41		\$7.84		\$5.73
METREA (formerly META Aerospace) (PWA)		73,285	16,016	41		\$6.03		\$5.18
Stillwater Flt Ctr (SWO)	70	99,115	6,935	56		\$5.39		\$4.74
Christiansen Aviation / Riverside (RVS)		266,463		71		\$4.87		\$2.96
Riverside Jet Center (RVS)	341	266,463		71		\$4.97		\$2.96
SBA - The Line Shack/Ardmore (ADM)	22	25,626	3,833	72	\$4.73	\$5.03		\$4.11
Atlantic Aviation (TUL)	429	127,390	18,200	82		\$7.59		\$6.33
Sparks Aviation Center (TUL)		127,390	18,200	82		\$5.70		\$4.55
United States Aviation (TUL)		127,390	18,200	82				\$5.38
Enid-Woodring Regional Airport (WDG)	91	67,265	3,120	84	\$4.70	\$5.20		\$3.99
Lawton Aviation Services / Lawton-Fort Sill (LAW)	48	34,219	5,475	99		\$5.99		\$4.99
Average Prices at 50 NM								
					\$5.35	\$6.64	\$5.00	\$5.46
Average Prices at 100 NM								
					\$4.93	\$6.04	\$4.65	\$4.85

General Aviation Airports within 100 NM of Shawnee Regional Airport

Facility	Based Aircraft	Annual Operations (Est.)	Annual GA Transient Arrivals	NM	100LL Self Serve	100LL Full Serve	Jet A Self Serve	Jet A Full Serve
Shawnee Regional Airport (SNL)	46	2,600	1,300	0	\$5.35	\$5.70	\$4.65	\$5.00
Prague Municipal Airport (O47)	15	728	364	15	\$5.50			
Seminole Municipal (SRE)	31	1,456	728	16	\$5.30			\$4.60
Chandler Regional Airport (CQB)	11	1,144	572	26	\$5.90		\$4.79	
Goldsby (K1K4)	45	1,456	728	32	\$5.00			
City of Stroud (SUD)	9	156	78	33	\$5.60		\$4.75	
Heartland Aviation/ADA (ADH)	47	4,784	2,392	41		\$5.55		\$4.65
City of Cushing (CUH)	21	5,600	2,800	42	\$4.50	\$4.85	\$4.20	\$4.20
Apex Executive/Guthrie Edmond (GOK)	115	6,240	3,120	43	\$4.94	\$5.24		\$4.55
Sundance Airport (HSD)				46	\$5.00	\$5.30		\$4.00
Pauls Valley Airport (PVJ)	41	1,456	728	47	\$5.29		\$4.69	\$5.09
Legacy Aviation - Page Municipal (RCE)	56			50		\$5.29		\$4.05
Okmulgee Regional (OKM)	28	3,640	1,820	59	\$4.95		\$4.20	
Chickasha Municipal Airport (CHK)	42	2,184	1,092	60	\$5.00		\$4.00	
El Reno Regional Airport (RQO)	24	2,912	1,456	60	\$4.90	\$5.15	\$4.10	\$4.10
City of Kingfisher (KF92)		728	364	67	\$4.50			
City of Sand Springs (OWP)	65	4,368	2,184	71	\$4.50			
Brenair Aviation/McAlester (MLC)	23	2,600	1,300	73		\$5.05		\$4.67
Perry Municipal (F22)	25	1,456	728	73		\$4.90		\$4.50
Haskell Airport Inc. (2K9)				78	\$5.40			
Guest Air Inc/Hinton Municipal (K2O8)	10	416	208	79	\$4.50			
Atoka Municipal Airport (AQR)	15	370	185	80	\$5.89			
Harvey Young Airport/Tulsa (1H6)	40			82	\$6.00			
KMA Aviation LLC/Ardmore Downtown (K1F0)	47	2,184	1,092	84	\$4.60	\$4.90	\$4.00	\$4.25
5B Aviation/ Duncan (DUC)	43	2,912	1,456	84		\$5.43		\$4.89
Skiatook Municipal Airport (K2F6)	20	1,500	750	86	\$5.20			
Watonga Regional Airport (JWG)	16	728	364	90	\$5.45		\$3.99	
Davis Field Aviation/Muskogee (MKO)	90	3,640	1,820	91	\$5.25	\$5.95		\$5.25
Fuel PNC Ponca City (PNC)	53	6,240	3,120	95	\$5.20	\$5.50		\$4.30
Blackwell Airport Trust / Blackwell Tonkawa (BKN)	11	750	375	98	\$4.90			
Average Prices at 50 NM								
					\$5.24	\$5.32	\$4.62	\$4.52
Average Prices at 100 NM								
					\$5.14	\$5.29	\$4.34	\$4.54

Project Status and Airport Activity Report

1. Recent Shawnee Airport Authority (SAA) Activity

- a. The SAA has authorized staff to apply for an accept grant offers from the U.S. Department of Transportation Federal Aviation Administration (FAA), for the Construction of a Taxilane for T-Hangars, Rehabilitation of an Existing T-Hangar Taxilane, and Rehabilitation of the Main Aircraft Parking Apron at the Shawnee Regional Airport. The grant application will be filed following acceptance of bid documents. Grant award is expected prior to the close of the Federal Fiscal Year in September 2025. This project will also be supported by funds provided by the Oklahoma Department of Aerospace and Aeronautics (ODAA), and Shawnee Airport Authority capital funds.
- b. Based on a survey of rates of charges for hangar rental at comparable airports and consideration of the rate of inflation as established by the Consumer Price Index (CPI) change from Calendar Year (CY) 2024 to CY 2025, the SAA authorized an increase in hangar rental fees of 2.9% for Standard T-Hangars. Adjustments to all other aircraft storage rates were made, per the current policy, in relation to that base rate.
- c. The SAA also approved increasing the rental fees for non-aeronautical use properties with CPI based escalation rates included in their lease agreements.

2. Post Storm Repair Activity

- a. H.W. Lochner has been authorized to commence the work of providing an engineering assessment and cost of restoration versus reconstruction for Hangar #16. This information is required by FEMA to support reimbursement/assistance requests. Following the assessment a determination on future options will be made based on the comparison of cost of restoration and improvement to current code, versus the cost of demolition and new construction.
- b. Lochner has also been engaged to conduct similar assessments for Hangars #14 and #15. The primary damage to these facilities are the door systems. Lochner's team is looking at restoration/reconstruction options and associated costs. These findings will also be provided to FEMA and the Oklahoma Municipal Assurance Group to support requests for financial assistance.

3. DBE Program and FY25-27

- a. Working with our DBE consultant Lauren Spillers, of DBE Plans & Goals Preparation Services, LLC, we have finalized the goals for federally supported projects over FY 25-27 which calculates to 6.5% participation based on the availability of DBE participants in our area and the nature of the planned activities. The data used to

calculate the project goals has been published for public comment on ShawneeAirport.com and ShawneeOk.com, and Ms. Spillers will be hosting a conference call for interested parties to gather additional comments.

4. Statewide Economic Impact of Aviation Study

- a. Staff has been working with the Oklahoma Department of Aerospace and Aeronautics' (ODAA) consultant Kimley-Horn to compile data related to employment at/on Shawnee Airport Authority properties, and the type and number of operations supported by the Shawnee Regional Airport.

5. NV Corporation – Private Construction

- a. NV Corporation has commenced construction of their planned box hangar. NV Corporation notified staff that they have procured the hangar itself and have begun working on soil removal and foundation construction. NOTAM's and other less formal notices will be provided when material delivery begins to the construction site.

6. AWOS Annual Inspection

- a. After several false starts, the AWOS phone line access is back online. The FAA conducted an annual system component assessment and calibration tests on the system and certified our system for another calendar year.

7. Fuel Equipment

- a. The Oklahoma Corporation Commission conducted an inspection of our fuel dispensing equipment for accuracy and safety. We passed the calibration test and general inspection of the equipment with no comment or corrections.