

AGENDA
SHAWNEE AIRPORT AUTHORITY
November 6, 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 October 16, 2017 regular meeting.
 - b. Approval of the lease assignment and assumption between O'Connor Flying Services, Inc. and Fly OK Air, LLC.
 - c. Approval of an amendment that extends the call center lease term on the agreement between the Vyve Broadband and the Shawnee Airport Authority.
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: 11/06/2017

SAA Minutes 10-16-2017

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Minutes from the October 16, 2017 regular meeting.

Fiscal Impact

Attachments

SAA Minutes 10-16-2017

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, OCTOBER 16, 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 October 2, 2017 regular meeting.

A motion was made by Trustee Harrod, seconded by Trustee Bushong, to approve Consent Agenda Item No. 1(a). Motion carried 6-0.

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

NAY: None

AGENDA ITEM NO. 2: 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. 3: Adjournment

There being no further business to be considered, the meeting was adjourned by power of the Chair. (7:09 p.m.)

RICHARD FINLEY
CHAIRMAN

ATTEST:

PHYLLIS LOFTIS, CMC, SECRETARY

Shawnee Airport Authority

1.b.

Meeting Date: 11/06/2017

Fly OKAir Lease

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Approval of the lease assignment and assumption between O'Connor Flying Services, Inc. and Fly OK Air, LLC.

Fiscal Impact

Attachments

Fly OKAir Lease Memo

Fly OKAir Lease Assignment



Date: November 6, 2017

To: Shawnee Airport Authority

From: Keenan English, Airport Manager

RE: **Approval of a lease assignment and assumption between O'Connor Flying Services, Inc. and FlyOK, LLC.**

Nature of Situation: O'Connor Flying Services, Inc has been an airport tenant and has conducted flight instruction at the airport for over 30 years. They are requesting the Airport's permission to assign their lease and lease rights over to FlyOK, LLC (formerly known as OklahomAir, LLC). FlyOK, LLC is a new flight instruction business that recently was approved to perform commercial activity by the Airport Authority in September of 2017. FlyOK, LLC has agreed to purchase all of O'Connor Flying Services assets including their lease agreement with the Airport. This assignment and assumption would allow FlyOK Air, LLC to take over the lease and continue it out to its full term. The terms and conditions of the lease would go unchanged.

Lease terms include:

1. Permission to conduct flight services on the airport.
2. 5 year term as of January 1st, 2015. Expires on December 31st, 2019.
3. To lease the Antosh hangar for storage of aircraft in the amount of \$325 per month.
4. Requires standard insurance for commercial activity on the airport.

Recommendation: On October 25th, 2017, the Airport Advisory Board recommended approval of the Lease Assignment and Assumption. Staff also recommends approval.

ASSIGNMENT AND ASSUMPTION AGREEMENT FOR COMMERCIAL/HANGAR LEASE

THIS AGREEMENT made and entered into to be effective as of October 19th, 2017 (“Effective Date”) by and between O’Connor Flying Services, Inc. (Assignor), and Fly OK Air, LLC (Assignee).

Recitals

WHEREAS the parties hereto recognize and accept that Assignor is presently Lessee under a Lease Agreement dated January 1, 2015 (hereinafter referred to as Lease Agreement) with the Shawnee Airport Authority, wherein Lessee leases a hangar on the Shawnee Regional Airport for the sole purpose of a hangar/office facility in which to store and maintain aircraft of owners of Lessee and conduct flight instruction operations; and

WHEREAS, subject to the terms hereof Assignor desires to assign to Assignee all of its right, title, interest, and obligations in and under said Lease Agreement with the Shawnee Airport Authority; and

WHEREAS, Assignor and Assignee hereby acknowledge that pursuant to the provisions of said Lease Agreement, any and all assignments shall not be effected without the prior written approval of the Shawnee Airport Authority; and

WHEREAS, Assignee hereby accepts such assignment of the above described Lease Agreement, and hereby agrees to strictly comply with and assume all the terms, provisions, conditions, and obligations of Assignor/Lessee under said Lease Agreement, effective upon approval of the Shawnee Airport Authority.

NOW, THEREFORE, for and in consideration of mutual covenants herein contained, the parties hereto agree as follows:

1. That Assignor assigns to Assignee, all of its right, title, interest, and obligations in and under that certain Lease Agreement between Assignor/Lessee and the Shawnee Airport Authority, and Assignee hereby agrees to strictly comply with and assume all the terms, provisions, conditions, and obligations as Lessee under said Lease Agreement, accruing from and after the Effective Date.
2. The Shawnee Airport Authority approves the assignment of said Lease Agreement and transfer of the hangar facility to Assignee, to the extent it is consistent with the Lease Agreement and further approves the assumption by Assignee of all right, title, interest, and obligations in and under that certain Lease Agreement subject to the terms hereof.
3. That all recitals hereinabove are contractual in nature, are made a part of this Assignment and Assumption Agreement, and are true and correct.
4. Assignee shall accept the assignment made and any covenants contained in this instrument and assume the duty to perform all of the terms and conditions of the Lease Agreement and this Assignment and Assumption Agreement accruing from and after the Effective Date.

5. This Assignment and Assumption Agreement and the Lease Agreement contains the entire agreement between the parties, and no statements, promises, or inducements made by any part, or agent of any party hereto, that are not contained in this written agreement or in the Lease Agreement shall be valid or binding; and this assignment may not be enlarged, modified, or altered except in writing, signed by all parties, and endorsed thereon.
6. Each of Assignor and the Shawnee Airport Authority represent to the other parties hereto that it is not in default under the Lease Agreement, nor does there exist any circumstances which, with the passage of time or the giving of notice, or both, would cause such a default to exist, nor, to the knowledge of such party, is there a default under the Lease Agreement by any other party, nor does there exist any circumstances which, with the passage of time or the giving of notice, or both, would cause such a default to exist.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year first above written

ASSIGNOR:

O'Connor Flying Services, Inc.

By: _____

Name: Bob O'Connor

Title: Owner

STATE OF OKLAHOMA)
) ss.
COUNTY OF POTTAWATOMIE)

Bob O'Connor, of lawful age being duly sworn, deposes and says: I do hereby certify that I am the Owner of O'Connor Flying Services, Inc and am authorized to execute documents, contracts, and agreements and have the authority under the standing authorities of said organization to bind O'Connor Flying Services, Inc to the terms and provisions of said documents, contracts, and agreements.

(Name/Title)

Subscribed and sworn to before me this ____ day of October, 2017

Notary Public

My Commission Expires: _____

Commission Number: _____

ASSIGNEE:
Fly OK Air, LLC

By: _____
Name: Wesley Elliot
Title: Owner

STATE OF OKLAHOMA)
) ss.
COUNTY OF POTTAWATOMIE)

Wesley Elliot, of lawful age being duly sworn, deposes and says: I do hereby certify that I am the Owner of Fly OK Air, LLC and am authorized to execute documents, contracts, and agreements and have the authority under the standing authorities of said organization to bind Fly OK Air, LLC to the terms and provisions of said documents, contracts, and agreements.

(Name/Title)

Subscribed and sworn to before me this ____ day of October, 2017

Notary Public

My Commission Expires: _____
Commission Number: _____

APPROVED by the Shawnee Airport Authority this ____ day of November 2017, with the expressed condition that no further assignment of the described Agreement, or any subletting of the leased premises, shall be permitted without the prior written permission of the Shawnee Airport Authority.

THE CITY OF SHAWNEE
OKLAHOMA
A Municipal Corporation

By:
RICHARD FINLEY
MAYOR

By:
JUSTIN ERICKSON,
CITY MANAGER

By:
JOSEPH VORNDRAN
CITY ATTORNEY

ATTEST:

PHYLLIS LOFTIS, CMC, CITY CLERK

Shawnee Airport Authority

1.c.

Meeting Date: 11/06/2017

Vyve Lease

Submitted By: Lisa Lasyone, City Clerk

Department: City Clerk

Information

Title of Item for Agenda

Approval of an amendment that extends the call center lease term on the agreement between the Vyve Broadband and the Shawnee Airport Authority.

Fiscal Impact

Attachments

Vyve Lease Memo

Vyve Lease Amendment



Date: November 6, 2017

To: Shawnee Airport Authority

From: Keenan English, Airport Manager

RE: **Approval of an amendment that extends the call center lease term of the lease agreement between Vyve Broadband A, LLC and the Shawnee Airport Authority.**

Nature of Situation: Vyve Broadband A, LLC signed a commercial lease with the airport on May 19th 2015 for partial use of the Airport's Armory building for their call center. The lease renewed every 6 months and is set to terminate on November 18, 2017. This Amendment, as requested by Vyve changes the following:

1. **Section 1.1** - Extends the lease 4 years from the date of this amendment
2. **Section 4.1** - Increases the rent from \$750 per month to \$775 per month for the duration of the lease.
3. **Article 17.2** - Allows Vyve to terminate the lease at any time provided they give the Airport/City 6 months' notice.

All other terms and conditions of the Lease shall remain in full force and effect except as amended above.

Recommendation: On October 25th, 2017, the Airport Advisory Board recommended approval of the Amendment. Staff also recommends approval.

AMENDMENT TO LEASE

This Amendment ("Amendment") to that certain Commercial Lease Agreement dated May 19, 2015, as extended by those certain letter agreements dated September 18, 2015, March 18, 2016, September 7, 2016 and March 7, 2017 (as amended, the "Lease") is entered into as of this ____ day of November, 2017 by and between the Shawnee Airport Authority ("Lessor"), and Vyve Broadband A, LLC, a Delaware limited liability company ("Lessee").

WHEREAS, Lessor and Lessee are parties to the Lease; and

WHEREAS, Lessor and Lessee desire to extend the term of the Lease for an additional four-year period and reflect certain other agreements; and

WHEREAS, Lessor and Lessee desire to amend the Lease to reflect such agreements.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Lease is hereby amended, effective as of the date hereof, as follows:

1. Section 1.1 of the Lease is hereby amended and restated as follows:

"The term of this Lease shall be for a six (6) month period, commencing on May 19, 2015 and terminating on November 18, 2015. Commencing upon the expiration of the original term hereof, the Lease may be renewed for four (4) successive periods of six (6) months and then a fifth successive period of four (4) years at the option of the Lessee. Lessee must notify Lessor within sixty (60) days of expiration of the then current term of the Lease of its intent to renew; provided that Lessee may notify Lessor of its intent to renew this Lease for the fifth successive period at any time prior to the expiration of the then current term of this Lease."

2. The last row of the chart set out in Section 4.1 of the Lease is hereby amended and restated to reflect the following:

"Fifth renewal (4 years) \$775 per month"

3. Article 17 of the Lease is hereby amended to add the following new Section 17.2:

"17.2 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 Lease, Lessee may cancel this Lease and thereby terminate all of its rights and unaccrued obligations hereunder, by giving City six (6) months' advance written notice."

4. Lessor hereby exercises, and Lessor hereby acknowledges and agrees to the exercise of, Lessee's right to renew the Lease for the fifth successive period of four years. Lessor and Lessee agree that the term of the Lease shall terminate on November 18, 2021, subject to the other terms and conditions of the Lease.
5. All other terms and conditions of the Lease shall remain in full force and effect except as amended herein.

[Signature page immediately follows]

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

LESSOR:
THE CITY OF SHAWNEE
OKLAHOMA
A Municipal Corporation

By: _____
JUSTIN ERICKSON
CITY MANAGER

By: _____
JOSEPH VORNDRAN
CITY ATTORNEY

ATTEST:

PHYLLIS LOFTIS, CITY CLERK

LESSEE:
VYVE BROADBAND A, LLC
A Corporation

By: _____
DAVID HARWOOD
GENERAL MANAGER
VYVE BROADBAND A, LLC

ATTEST:
