

RESOLUTION NO. 10-92

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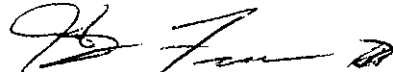
"RESOLUTION TO RATIFY AND CONFIRM A FIXED BASE OPERATOR LEASE CONTRACT BY AND BETWEEN THE SHELBYVILLE AIRPORT AUTHORITY AND ~~ROBERT~~ <sup>RAY</sup> McCURDY"

WHEREAS, the Shelbyville Airport Authority did on February 24, 1992, approve a fixed base operator Lease Agreement by and between itself and Ray McCurdy; and

WHEREAS, said Fixed Base Operator Lease Agreement has been executed by the Shelbyville Airport Authority by its Chairman, John S. Pitts, and by Ray McCurdy, Fixed Base Operator, and has been presented to each Council Member and the Mayor on November 2, 1992, <sup>March 2</sup> and for the purpose to ratify and confirm said Fixed Base Operator Lease Agreement this resolution is had:

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Shelbyville, Tennessee, as follows:


That the Fixed Base Operator Lease Agreement, an executed copy of which is attached herewith, approved by the Shelbyville Airport Authority and Robert McCurdy, be, and the same is, hereby ratified and confirmed in words and phrases according to the written contract.

  
Henry Feldhaus, III, Mayor

ATTEST:

  
Thomas F. Christie, City Manager

APPROVED AS TO FORM:

  
~~John C. Shofner~~ City Attorney  
John C. Shofner

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SHELBYVILLE AIRPORT FIXED BASE OPERATOR

LEASE CONTRACT

THIS AGREEMENT, made this 24th day of February, 1992, by and between the Shelbyville Airport Authority, herein referred to as "Authority" or as "Lessor", and Ray McCurdy, herein referred to as "Operator" or as "Lessee", for the operation of Bomar Field, Shelbyville Municipal Airport, hereafter referred to as "Airport".

The parties hereto, for and in consideration of the rents, covenants and agreements contained herein, agree as follows:

1. The Lessor does hereby let unto Lessee, and Lessee does hereby take from Lessor, subject to the conditions herein specified, certain premises and facilities, rights, licenses and privileges on and in connection with the property and improvements of Lessor specified as said Airport, more particularly set forth as follows:
  - a) The use, in common with others authorized so to do, of a part of the Airport, consisting of certain buildings and areas outside of buildings, more particularly described in Exhibit I, a copy of which is attached hereto and made a part hereof.
  - b) The operation of a transportation system by aircraft; the sale of petroleum products, parking or storage of aircraft and other related equipment; the sale, disposal or exchange of aircraft, engines, accessories, and related equipment; the servicing by Lessee of aircraft and other related equipment; the landing, taking off, parking, loading and unloading of aircraft; the right to load and unload persons and property at said Airport by such means of conveyance as Lessee may desire; the right to conduct any other business or operation reasonably necessary to properly conduct the operation of the Airport.
2. Term of Lease: Subject to earlier termination as hereinafter provided, the initial term of this lease shall be for a period commencing on the above date, and continuing for a period of five years. The Lessee is granted an option to renew this lease for an additional five year term on the same conditions herein provided, however Lessee shall notify Lessor in writing of Lessee's desire to exercise said option not less than 90 days before the expiration of the initial term.
3. Rental, Fees, and Charges:
  - a) Effective on the date of this lease, Lessee agrees to

pay the Lessor as rent the total annual sum of Six Thousand Dollars (\$6000.00), said amount to be paid in monthly installments of Five Hundred Dollars (\$500.00), due and payable not later than the last day of each month, commencing with the month of \_\_\_\_\_, 1992.

- b) Effective with all fuel sales and or use as of the date of this lease, Lessee will pay Lessor Ten Cents (\$0.10) per gallon for all Aviation and Jet Fuel sold and or used, said amount to be due and payable not later than the tenth day of each month following the month in which the fuel was sold and or used, commencing with sales and or use for the month of \_\_\_\_\_, 1992. Lessee will transmit to Lessor on the tenth day of each month a statement of all fuel sales and or use of the preceding month.
4. Expansion of Facility: Lessor and Lessee agree that in the event Lessor expands the Airport by construction of additional public structures, as determined by the Authority, Lessee shall have first option to include said expanded facility under the terms of this Lease with an additional rental amount to be negotiated between the parties at that time.
5. Services for Lessor by Lessee: Lessee will perform the following janitorial, maintenance and miscellaneous services for Lessor. For said services, Lessor agrees to pay Lessee the total annual sum of Four Thousand Eight Hundred Dollars (\$4800.00) per year during the term of this lease or any renewal thereof, said amount to be paid in monthly installments of Four Hundred Dollars (\$400.00), due and payable not later than the last day of each month, commencing with the month of \_\_\_\_\_, 1992. Said amounts may be paid by giving credit on the rental payment described in Paragraph 3 above. Said services are at the sole expense of the Lessee unless otherwise stated, and are as follows:
- a) Keep clean and ready for use all public areas in the Terminal Building, including keeping public rest rooms clean and supplied with soap, towels, and tissue.
- b) Keep grass mowed around the Terminal Building and all other leased areas.
- c) Keep all public areas around Terminal building, and all other leased areas, including but not limited to the parking lot, free of trash and refuse.
- d) Supply and maintain two barometric indicators in proper working order sufficient to be able to safely and legally provide current barometric pressures for use in instrument approaches. The cost of repair and

- calibration of said devices will be the responsibility of the Lessor.
- e) Permit the use of Lessee's telephone by Lessor for local service at no charge.
  - f) Cooperate with Lessor and it's Manager in the promotion of aviation interests in the community and the future development of the airport.
6. Services Provided by Lessor: The following services will be provided by Lessor:
- a) Lessor will maintain the outside of all buildings with the exception of those services required by the Lessee as described elsewhere in this contract.
  - b) Lessor will maintain the runways, taxiways, aprons, grass areas, lights, public buildings and all public areas of the airport property in good condition, except where these items are the responsibility of the Lessee as described elsewhere in this Contract. Lessee shall have the use of all such areas in common with the public.
  - c) Lessor will keep the unused areas of the airport property in good condition, either by agricultural use or by mowing and clearing, as deemed appropriate by Lessor.
7. The Lessee will pay all expenses incident to the operation of its business, including any inside painting that it elects to do.
8. Minimum Standards: The leased premises shall be used by the Lessee exclusively as a General Fixed Base Operator as described in the "Minimum Standards for Fixed Base Operators at Shelbyville Municipal Airport", hereinafter referred to as "Minimum Standards", a copy of which is attached hereto and made a part hereof. Lessee shall comply with the Minimum Standards as applicable for a General Fixed Base Operator.
9. The Lessee agrees as follows:
- a) To furnish good, prompt and efficient service, including parts, materials and supplies, adequate to meet all demand for same at airport, and to furnish these services, parts, materials and supplies on a fair, equal and nondiscriminatory basis to all users thereof.
  - b) To charge fair, reasonable and nondiscriminatory prices for services, parts, materials and supplies; however, this shall not preclude reasonable and non-

discriminatory discounts or reductions in price to volume purchasers.

10. The rates and charges for any and all activities and services shall be determined by the Lessee as provided in the previous paragraph, however, Lessor reserves the right to approve all such prices.
11. Nothing in this contract precludes the right of the Lessor to grant other contracts, licences or privileges in connection with the Airport. The Lessor may designate and make available other parts of the airport property for use of others who may propose to be General or Special Fixed Base Operators as described in the Minimum Standards, and who may qualify as to the Minimum Standards.
12. The Lessee shall operate the Airport in accordance with all Federal, State, County, and City laws and ordinances, and the rules and regulations of the Federal Aviation Administration.
13. Lessee will deliver the premises to the Lessor in as good of condition as the premises were in at the date of the contract, ordinary wear and tear expected.
14. If the premises shall be so damaged by fire, casualty or other cause as to be untenable, Lessor shall restore the same within a reasonable time. Until restoration, the rent shall abate in just proportion to the extent the premises are untenable.
15. The Lessee may suspend services during construction or repair of the airport facilities that materially interferes with its business and the rent during such period shall abate.
16. During any national emergency the United States of America shall have the right to take exclusive or non-exclusive control and possession of the premises or any portion thereof, the rent to be abated accordingly in proportion of occupancy.
17. Sublease: Lessee shall not at any time assign or sublease this lease or any part thereof to any person or company without the consent in writing of the Lessor.
18. Lessee shall maintain hours of operation to be agreed upon by the Lessee and the Authority.
19. Lessee shall save Lessor harmless from any and all liability of any kind whatsoever, including, but not limited to, any accidents, injuries to persons, injuries to property, loss or defacing of aircraft, equipment or

vehicles at Airport.

20. Insurance: Lessee shall maintain liability insurance sufficient to protect Lessor from any liability. The minimum amount of said insurance is to be One Million Dollars (\$1,000,000.00). Lessee will keep a current Certificate of Insurance provided to Lessor.

21. Termination Of Lease:

a) By Lessor: In the event that Lessee shall file a voluntary petition in bankruptcy or that proceeding in bankruptcy shall be instituted against Lessee and Lessee thereafter is adjudicated bankrupt pursuant to such proceedings, or that the court shall take jurisdiction of Lessee and its assets pursuant to proceeding brought under the provisions of any Federal reorganization act, or that a receiver of Lessee's assets shall be appointed, or that Lessee shall be divested of its estate herein by other operation or law, or that Lessee shall fail to perform, keep and observe any of the terms, covenants or conditions herein contained, on its part to be performed, the Lessor shall give the Lessee written notice to correct such condition or cure such default and, if any such condition or default shall continue for sixty (60) days after receipt of such notice by the Lessee, the Lessor may, after the lapse of said sixty (60) day period and prior to the correction or curing of such condition or default, terminate this lease by a thirty (30) day written notice to Lessee.

b) By Lessee: Lessee may cancel this agreement, and terminate its obligation hereunder, by sixty (60) day written notice given to Lessor by Lessee, upon or after the happening of any one of the following events:

- 1) Failure or refusal of the Federal Aviation Administration to grant Lessee the right to operate into and from said Airport;
- 2) Issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of said Airport for Airport purposes;
- 3) The breach by Lessor of any of the covenants or agreements contained and the failure of Lessor to remedy such breach for a period of sixty (60) days after receipt of a written notice from the Lessee to Lessor of the existence of such breach;
- 4) The inability of Lessee to use said premises and facilities continuing for a longer period than

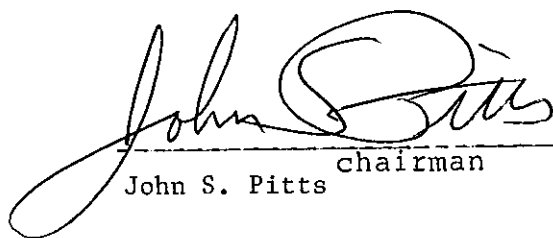
thirty (30) days due to any law or order, rule or regulation of any appropriate governmental authority having jurisdiction over the operations of Lessee or due to some casualty;

5) The assumption by the United States Government or any authorized agency thereof of the operation of said Airport.

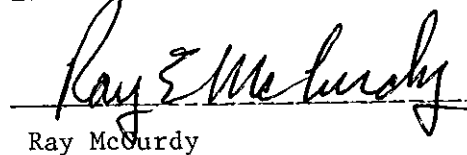
22. This contract may be reviewed and amended as mutually agreed upon by the Lessee and Lessor as required, provided any revisions and amendments are approved by applicable authorities.

LESSOR:

SHELBYVILLE AIRPORT AUTHORITY

  
\_\_\_\_\_  
John S. Pitts chairman

LESSEE:

  
\_\_\_\_\_  
Ray McCurdy

\_\_\_\_\_

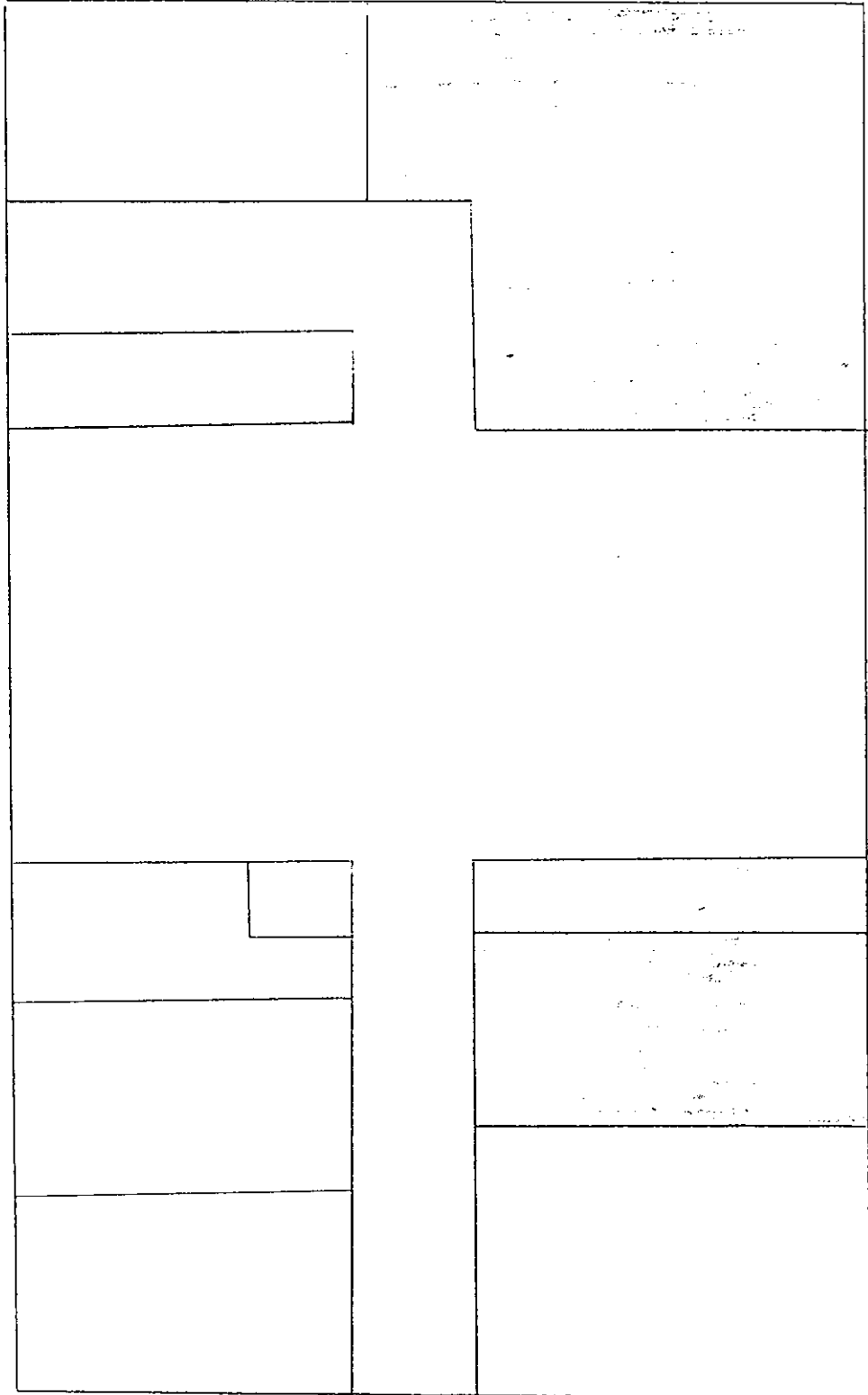
EXHIBIT I

The airport property out of which the leased premises is carved is located in Bedford County, Tennessee, and known as Bomar Field, Shelbyville Municipal Airport.

The leased areas are depicted on the attached drawings shaded in red, and are described and approximately dimensioned as follows:

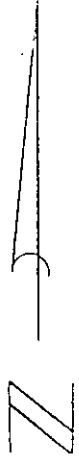
a.	North hanger .....	20,000 sq ft
b.	South hanger .....	4,800 sq ft
c.	Shop .....	2,500 sq ft
d.	Terminal building office space .....	1,040 sq ft
	(see attached drawing for specific leased areas)	
e.	Ramp north of north hanger .....	10,000 sq ft
f.	Ramp south of north hanger .....	22,500 sq ft
g.	Ramp east of Administration Bldg., ...	137,000 sq ft
	Shop, and Maintenance Building	
h.	Grass area south of large ramp for ...	25,000 sq ft
	the purpose of tie downs, storage, disposal, etc.	
i.	Two small grass areas between the elkhorn taxiways in the center section for the purpose of tie downs	
j.	Fuel farm .....	24,000 gal.





FRONT OF  
BUILDING

REAR OF  
BUILDING



FLOOR PLAN  
FIRST FLOOR  
ADMINISTRATION BLDG.  
BOMAR FIELD  
SHELBYVILLE MUNICIPAL AIRPORT  
(NOT TO SCALE)

US 231

FORMER M<sup>C</sup>CORD PROPERTY  
(ACQUIRED 1991)  
141 ACRES

(ROAD BELOW RUNWAY)

REIL

81

65'

50'

24'

40'

24'

5003 x 100' ASPHALT

□ SAVASI □

HANGER

PRIVATE HANGER

FIRE HALL

90

