BILL 2016-32

****** Full Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: July 18, 2016

RE: Ordinance for Hangar Purchase

Issues

Lee Crouch is relocating his aircraft to another airport. The City had the first option to purchase his hangar, should he decide to sell it. We have negotiated a price ($50,000) that we felt was reasonable, and Lee has agreed to accept it.

The hangar will be rented out at a price of around $500 or more per month. If the hangar is rented at this amount, the cost will be recovered in the eighth year. After that, a positive cash flow will be realized to go toward funding operations at the airport.

Recommendation

Staff recommends approving the ordinance by full reading for the purchase of the hangar.

Bill 2016-32

AN ORDINANCE OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI, TO PURCHASE AN AIRCRAFT HANGAR LOCATED AT CAMERON MEMORIAL AIRPORT FROM STEARMAN AVIATION, LLC

WHEREAS, the City of Cameron City Council has the option to purchase an aircraft hangar; and

WHEREAS, a price was negotiated that is acceptable to both parties; and

WHEREAS, the hangar will be rented out to increase revenue to fund the continued operation of the Cameron airport.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AS FOLLOWS:

Section 1. The City Manager is hereby authorized to sign the purchase agreement by and between the City of Cameron and Stearman Aviation, LLC ~ Lee Crouch, a copy of which is attached hereto and made a part hereof for purchase ($50,000) of an airport hangar at Cameron Memorial Airport.

Section 2. The City Manager is also authorized to execute any and all documents necessary to effect this transaction.

Section 2. The Mayor is hereby authorized to sign this Ordinance on behalf of the City of Cameron.

Section 3. The City Clerk is hereby directed to attest to the Mayor's signature.

Read two times, passed and approved this 18th day of July 2016.

_____
Mayor Jerri Ann Eddins

Attest:

_____
City Clerk/Finance Clerk

Full Reading

HANGER PURCHASE AGREEMENT

THIS AGREEMENT, made and entered into this 18th day of July, 2016, by and between the City of Cameron, Missouri, a Municipal Corporation, hereinafter referred to as "Buyer", and Stearman Aviation, LLC, a Missouri Limited Liability Company, hereinafter referred to as "Seller". WHEREAS, Seller desires to sell and Buyer desires to buy a certain aircraft hangar structure. NOW, THEREFORE, in consideration of the monies and mutual covenants herein contained, it is agreed by the parties as follows:Seller hereby sells and Buyer hereby buys a certain 60'W x 60'L x 14' sided aircraft hangar structure described as follows:

60'W x 60'L x 14' sided – 3600 sq. ft. Post Frame Box Hanger known as Aircraft Box Hangar No. 1 at the Cameron Memorial Airport, as shown on Exhibit "A" as "Lot 1" and attached hereto and made a part hereof for all purposes.The price to be paid therefore is the sum of Fifty Thousand Dollars ($50,000.00), to be paid in one lump sum at closing.

3. Buyer represents and warrants to Seller that Buyer has inspected the aircraft hangar structure being acquired hereunder and accepts the same in its present condition, AS IS, ordinary wear and tear excepted. Seller expressly disclaims all warranties, express or implied, including any warranty of fitness for a particular purpose.
4. Seller represents and warrants as follows:

   a. Seller is a Missouri Limited Liability Company, authorized under the laws of the State of Missouri and its Managing Member has approved and authorized the sale of said aircraft hangar structure upon the terms and conditions stated herein.

   b. Seller has good and marketable title to the aircraft hangar structure sold hereunder, free and clear of all liens and encumbrances.

5. The closing for the sale provided for herein shall be held at City Hall, 205 N. Main, City of Cameron, Missouri, on or before the 9th day of August, 2016, at which Buyer will deliver to Seller the purchase price described herein, and the Seller will deliver to Buyer a Bill of Sale for said hangar structure.

Full Reading

6. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

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

BUYER	SELLER
CITY OF CAMERON, MISSOURI	STEARMAN AVIATION LLC
_____	_____
Mark Gaugh, City Manager	Lee Crouch, Member
Attest:	Attest:
_____	_____
Barbara O'Connor, City Clerk	

Full Reading

AIRCRAFT HANGAR
BILL OF SALE

This sale agreement is made by and between (Seller) Stearman Aviation, LLC and (Buyer) City of Cameron, Missouri, a Municipal Corporation.

With the signing of this sale agreement and the Buyer transferring the total purchase price of $50,000.00 to the Seller, the Seller herby sells and forever transfers the ownership of the aircraft hangar described below, to the Buyer.

Description of the aircraft hangar being sold:

> 60'W x 60'L x 14' sided – 3600 sq. ft. Post Frame Box Hanger known as Airport Box Hangar No. 1 at the Cameron Memorial Airport.

Seller represents and warrants that it has full and good title to the described aircraft hangar, full authority to sell and transfer the same, and that the aircraft hangar being sold is free and clear of all liens, encumbrances, liabilities, and adverse claims, of every nature and description.

Buyer understand that the aircraft hangar is being sold in its present condition "as is" and "where is" and that Seller disclaims any implied warranty of condition or function, or any responsibility thereof.

Authorizing signatures:

Stearman Aviation LLC Seller	City of Cameron, Missouri Buyer
_____ Lee Crouch, Member	_____ Mark Gaugh, City Manager
Date Signed: _____	Date Signed: _____

Full Reading