Bill 2010-57

AN ORDINANCE AUTHORIZING THE EXECUTION OF A LEASE BETWEEN THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AND CRAFT AIRMOTIVE FOR THE BOX HANGAR LOCATED AT THE CAMERON MEMORIAL AIRPORT

WHEREAS, the City of Cameron owns a box hangar, attached to the Terminal building, located on property at the Cameron Memorial Airport; and

WHEREAS, the City desires to allow the co-use and lease of the hangar to provide aviation mechanic operations for a twenty-four month term at $100 per month; and

WHEREAS, Paul Craft with Craft Airmotive desires to co-lease the hangar on the Airport property pursuant to the Lease Agreement ("Agreement"), the form of which is attached as Exhibit A; and

WHEREAS, the City is authorized to lease properties at fair market value.

NOW, THEREFORE, BE IT ORDAINED by the City of Cameron, Clinton and DeKalb Counties, Missouri as follows:

Section 1. The City Manager is hereby authorized to enter into a contract with Craft Airmotive for the co-lease of the box hangar at the Cameron Memorial Airport, all as per the agreement attached hereto and made a part hereof.

Section 2. The City Manager is authorized to execute ancillary documents necessary to effect this transaction.

Section 3. The Mayor is hereby authorized to sign this ordinance on behalf of the City of Cameron.

Section 4. The City Clerk is hereby directed to attest to the Mayor's signature.

Section 5. This Ordinance shall be in full force and effect from and after its passage.

Read two times, passed and approved this 4th day of October 2010.

_____

ATTEST: Mayor Dennis M. Clark

_____

City Clerk

MAINTENANCE HANGAR LEASE

This agreement made _____, 20__, between the City of Cameron, Missouri, a municipal corporation, having its principal office at 205 N. Main, City of Cameron, Clinton and DeKalb Counties, State of Missouri, herein referred to as Lessor, and Paul Craft owner and operator of Craft Airmotive of _____, 64429, City of Cameron, State of Missouri, herein referred to as Lessee.

The parties recite and declare that:

A. Lessor is the owner of an airport known as Cameron Memorial Airport located at 11766 NE. State Route A, City of Cameron, Clinton County Missouri herein referred to as the Airport.

B. Lessee is the Owner of an Aircraft inspection and repair station known as Craft Airmotive and desires to lease from Lessor hangar space in the City Maintenance Hangar, including the shelter storage area and shelter area restroom.

In consideration of the above recitals, the terms and covenants of this agreement, and other valuable consideration, the receipt of which is acknowledged, the parties agree as follows.

SECTION ONE
USE OF AIRPORT

Lessee is granted the use, in common with others similarly authorized, of the airport, together with all facilities, equipment, improvements, and services which have been or may hereafter be provided at or in connection with the airport from time to time including, but not limited to, the landing field and any extensions or additions, terminal building during city business hours, roadways, runways, aprons, taxiways, sewage and water facilities, floodlights, landing lights, beacons, radio aids, and all other conveniences for flying, landing, and takeoffs.

SECTION TWO
GRANT AND PURPOSE

Lessor grants and leases to Lessee space in the City Maintenance Hangar, shelter storage area, and shelter area restroom to be used for aircraft maintenance and inspection, storage of supplies and use of restroom facilities with a co-share use agreement with the Lessor, its agents and other employees, and shall permit access to and entry to leased premises at all times for the purpose connected with the repair, improvement, care and management of the premises and equipment.

SECTION THREE
TERM

The term of this lease shall commence on November 1, 2010, and shall end on October 31, 2012; which term may be renewed for two one-year terms pursuant to the terms and conditions of this Agreement.

SECTION FOUR
RENTAL RATES

The monthly rental to be paid by Lessee to Lessor is the sum of ($100.00) One Hundred Dollars per month, to be renegotiated at the end of each one-year period. Rent is payable in advance on the first day of each month for that months rental, during the term of the lease. All rental payments shall be made to Lessor at the address above.

SECTION FIVE
RULES AND REGULATIONS

Lessee agrees to observe and obey all rules and regulations of the Cameron Memorial Airport with respect to the use of the premises at the Cameron Memorial Airport. Lessee agrees to observe and obey all rules, regulations, and orders of the State of Missouri, Clinton County and Federal Aviation Administration with respect to aircraft maintenance and inspection policies and procedures and aircraft operations at the airport.

SECTION SIX
USE OF PREMISES AND COOPERATION

Lessee shall use and occupy the premises for the exclusive purpose of an aircraft inspection and repair business. Lessee shall not use the premises for storage of other personal property of the Lessee unless such property is directly incidental to the Lessee's business. Lessee and Lessor agree to cooperate to the best of their abilities to mutually use the premises without disrupting the other party. There will be periods of time Lessor shall require sole use of the premises.

SECTION SEVEN
MAINTENANCE AND UTILITIES

Lessor shall pay all taxes and utilities associated with premises including water, electricity, and propane for heat. Lessor shall also pay for all normal upkeep and maintenance of premises.

Lessee shall keep all areas of described property in as good repair and condition as when received, and in as good repair and condition as they may be put during the term of this lease agreement, ordinary wear and tear expected. Lessee shall repair, at his sole expense, all damages to the property not attributable to normal wear and tear, excluding vandalism. Furthermore, Lessee shall maintain hangar in a neat and orderly condition and shall keep hangar floor clean and free of debris, oil grease or other toxic substances.

No hazardous or flammable materials will be stored within or about hangar unless stored within an EPA or Local Fire Marshall approved container/cabinet. No boxes, crates, rubbish, paper or litter that could cause or support combustion shall be permitted to accumulate within or about the hangar.

SECTION EIGHT
SIGNAGE

Lessee may provide signage, at an approved location, upon written approval of Lessor, designating business name, business type, and hours of business.

SECTION NINE
ALTERATIONS AND IMPROVEMENTS

Lessee shall make no alterations or improvements to the building on the premises without prior written consent of the Lessor. All alterations, changes and improvements built on the premises, unless otherwise provided by written agreement between Lessor and Lessee shall be at the sole cost of Lessee and shall be the property of Lessor and remain on the premises at the expiration or sooner termination of this lease.

SECTION TEN
ASSIGNMENT AND SUBLETTING

Lessee shall not at any time, without prior written consent of Lessor, assign or sublet this lease or any interest hereunder or otherwise permit the use of the premises by any party other than Lessee.

SECTION ELEVEN
LIABILITY OF LESSOR

Lessee shall release Lessor, or the representatives, agents and employees of Lessor from liability for any injury to person or property of Lessee, the agents, invitees, or guest of Lessee, resulting from any cause whatsoever, except injury or damage resulting from the willful acts of Lessor, or the representatives, agents and employees of Lessor. All personal property belonging to Lessee or any occupant that is in the building or on the premises shall be there at the risk of Lessee or the occupant only, and Lessor shall not be liable for any damage thereto or the theft or misappropriation thereof. Nothing in this agreement shall be construed as establishing a partnership between the parties.

SECTION TWELVE
INDEMNIFICATION OF LESSOR

Lessee shall be responsible and liable for, and hereby agrees to indemnify Lessor against any and all damages to structures or property, or for the injury or death of persons arising or in any manner occasioned by the negligence of Lessee in its use and occupancy

of the city's property described in this agreement, and shall promptly pay any judgment therefore. Lessee shall hold the Lessor free and harmless from liens of every kind and nature and from claims for damages of any kind whatever resulting from any negligent act or omission on Lessee's part in the conduct of its business on the premises.

SECTION THIRTEEN
TERMINATION

In addition to the grounds of termination as further set forth herein, Lessor or Lessee may terminate this lease by notice in writing given either personally or mailed by registered mail to the addresses set forth herein, at least 30 days prior to the intended termination date.

SECTION FOURTEEN
DEFAULT

Each of the following events shall constitute a default of breach of this lease by Lessee:

1. Lessee shall fail to pay Lessor any rent when the rent shall become due and does not make the payment within 10 days after notice thereof by Lessor to Lessee.
2. If Lessee shall fail to conform or comply with any of the conditions of this lease and if the nonconformance shall continue for a period of 10 days after notice thereof by Lessor to Lessee.
3. If Lessee shall vacate or abandon the premises. The premises shall be deemed vacated and abandoned by Lessee if the premises have not been used by Lessee for aircraft inspection and maintenance for a continuous period of 90 days unless permitted by Lessor. In the event of any default hereunder, the Lessor shall have the right to cancel and terminate the lease by not less than 5 days notice of the cancellation termination mailed to Lessee.
4. Failure to produce insurance coverage.

Lessor may re-enter the premises immediately and remove the property of Lessee and store the property at a place selected by Lessor, at the expense of Lessee.

SECTION FIFTEEN
DAMAGE OR DESTRUCTION OF PREMISES

If any building of Lessor in which Lessee occupies space under this agreement is partially damaged by fire, the elements, the public enemy, or other casualty, the building shall be repaired with due diligence by Lessor at its own cost and expense. If the damage is so extensive as to render the building untenantable, but capable of being repaired in a reasonable time period, the rent payable under this lease with respect to Lessee's space in building shall be proportionately paid up to the time of the damage and shall then cease until such time as the building is tenantable again. Lessee, at its option, may cancel so

much of this agreement as relates to the untenantable building, the cancellation to be effective as of the date the building was damaged or destroyed.

SECTION SIXTEEN
INSURANCE

Lessee shall provide and maintain in full force during the term of this lease, to the extent consistent with the Lessees indemnity obligations set forth herein, at his sole expense (1,000,000) one million dollars of General Liability Policy to include Products and Completed Operations with (100,000) one Hundred Thousand dollars Bodily Injury coverage. Lessee shall provide a Certificate of Insurance showing coverage and showing Lessor as Additionally Insured, annually on the date the agreement commences. Lessee also agrees to, at own expense, to maintain liability insurance for the premises as is standard for their usage.

SECTION SEVENTEEN
NOTICE

Notice provided for herein shall be sufficient if sent registered mail, postage prepaid, to the address set forth above or to such other addresses as the parties may from time to time designate in writing.

SECTION EIGHTEEN
SEVERANCE CLAUSE

If any portion, clause, condition and/or covenant of this lease is declared by a court of competent jurisdiction to be unenforceable, the remaining portion, clauses, and/or covenants herein shall remain if full force and effect and fully enforceable for the duration of the leasehold herein.

SIGNATURE – By signing below, the Lessee **ACKNOWLEDGES HAVING READ AND UNDERSTAND AND AGREES TO THE CONTENTS OF THIS LEASE EXECUTED THIS _____ DAY OF _____ 20__.**

_____
City of Cameron / City Manager

_____
Lessee