

Item # 5-3

**City of Carson City
Agenda Report**

Date Submitted: 5/23/2007

Agenda Date Requested: 6/7/2007

Time Requested: consent

To: Board of Supervisors

From: Carson City Airport Authority

Subject Title: Action to approve the assignment of a Carson City Airport Lease Agreement from Eagle Valley Fuel, LLC., to Mountain West Aviation, LLC.

Staff Summary: This assignment reflects the purchase by Mountain West Aviation, LLC of the fuel service and lease operated by Eagle Valley Fuel, LLC. No changes have been made to the lease.

Type of Action Requested: (check one)
 Resolution Ordinance
 Formal Action/Motion Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: (I move that we) approve the assignment from Eagle Valley Fuel, LLC to Mountain West Aviation, LLC of the Carson City Airport Lease Agreement between the Carson City Airport Authority and Eagle Valley Fuel, LLC.,

Explanation for Recommended Board Action:

This item is in response to the purchase of the self serve fuel operation from Eagle Valley Fuel, LLC., to Mountain West Aviation, LLC. On July 3, 1996, the Board of Supervisors approved the original lease on the Airport to Eagle Valley Fuel, LLC. Eagle Valley Fuel thereafter installed a self-serve fuel facility which has served the Airport and flying public since that time. Mountain West Aviation, LLC (Michael Golden, majority owner) has made arrangements to purchase and operate the self-service fuel business. Since the operation is on a lease held by Eagle Valley Fuel, LLC, it is necessary to assign the lease so that Mountain West Aviation, LLC can continue to provide fuel services. The lease permits assignment upon prior consent of the Airport Authority and makes the assignee subject to all the terms and conditions of the lease. As such, the lease terms are unchanged. The Airport Authority considered the request and approved the Assignment on May 17, 2007, at a properly noticed meeting of the Airport Authority. Pursuant to Statutes of Nevada, Chapter 844, all leases on the Airport must be approved by the Board of Supervisors. Thus the assignment is also subject to Board of Supervisor approval which is hereby requested.

Applicable Statute, Code, Policy, Rule or Regulation: Statutes of Nevada, Chapter 844.

Fiscal Impact: Not Applicable.

Explanation of Impact: Not Applicable.

Funding Source: Not Applicable.
Alternatives: Not Applicable
Supporting Material: Lease Assignment

Prepared By: Steven E. Tackes, Esq., Airport Counsel

Reviewed By:

[Signature]
(Department Head)
[Signature]
(City Manager)
[Signature]
(District Attorney)
[Signature]
(Finance Director)

Date: 5-25-2007
Date: 5-29-2007
Date: 5-29-07
Date: 5/29/07

Board Action Taken:

Motion: _____

1) _____	Aye/Nay
2) _____	_____

(Vote Recorded By)

ASSIGNMENT OF LEASE

EAGLE VALLEY FUELS, LLC hereby assigns to Mountain West Aviation, LLC, a Nevada Limited Liability Company, all of its leasehold interest and appurtenant rights under the terms of the Carson City Airport Lease Agreement dated June 1, 1996 between the CARSON CITY AIRPORT AUTHORITY, referred to as the "Landlord" and EAGLE VALLEY FUELS, LLC, referred to as the "Tenant" for the premises described as the real property located at the Carson City Airport identified as lots 44 and 45, as set forth on the Record of Survey Map recorded February 29, 1996, a copy of said Lease being attached hereto as Exhibit "1", and by this reference incorporated herein. This Assignment is made pursuant to Paragraph 9 of the aforementioned Lease.

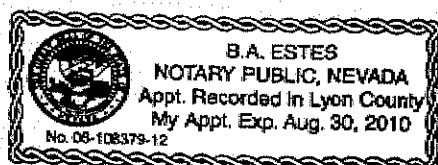
DATED this 22nd day of May, 2007.

EAGLE VALLEY FUELS, LLC

By Neil Weaver
Neil Weaver
Its Management Committee

STATE OF NEVADA)
)
Carson City) ss.

On May 22, 2007, personally appeared before me, a Notary Public, Neil Weaver, Management Committee of EAGLE VALLEY FUELS, LLC, and in his capacity as such, acknowledged to me that he executed the within document.



B.A. Estes
Notary Public

CONSENT TO ASSIGNMENT OF LEASE

Mountain West Aviation, LLC, a Nevada Limited Liability Company, hereby consents to the Assignment of Lease set forth above and agrees to be bound by the terms and conditions of the Carson City Airport Lease Agreement attached hereto as Exhibit "1".

DATED this 22nd day of May, 2007.

ASSIGNEE:

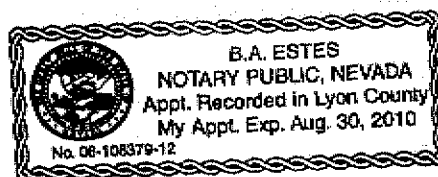
Mountain West Aviation, LLC, a Nevada Limited Liability Company

By *Michael Golden*
President - Mountain West
Equities, Incorporated
Its Managing Member

STATE OF NEVADA)
CARSON CITY) ss.

On May 22, 2007, personally appeared before me, a Notary Public, Michael Golden, President of Mountain West Equities, Incorporated, the Managing Member of Mountain West Aviation, LLC, and in his capacity as such, acknowledged to me that he executed the within document.

B.A. Estes
Notary Public



CONSENT TO ASSIGNMENT

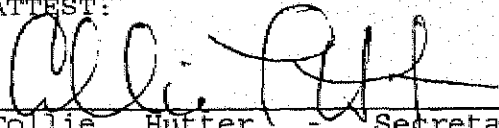
The CARSON CITY AIRPORT AUTHORITY hereby consents to the Assignment of Lease set forth above which has been consented to by Mountain West Aviation, LLC, a Nevada Limited Liability Company.

DATED this 22nd day of May, 2007.

CARSON CITY AIRPORT AUTHORITY


Steve Lewis - Chairman

ATTEST:


Collie Hutter - Secretary
Treasurer

CARSON CITY

Approved by the Board of Supervisors this ____ day of June, 2007.

MARV TELXEIRA, Mayor

ATTEST:

ALAN GLOVER, Clerk/Recorder

CITY'S LEGAL COUNSEL
Approved as to form.

DISTRICT ATTORNEY

AIRPORT AUTHORITY COUNSEL
Approved as to form

STEVEN E. TACKES, ESQ.

CARSON CITY AIRPORT LEASE AGREEMENT

This lease, made and entered into this 1st day of June, 1996, between the Carson City Airport Authority (Landlord), whose address is 2600 E. Graves Lane #6 Carson City, Nevada 89706, and Eagle Valley Fuels, LLC (Tenant), whose address is 510 West Fourth Street, Carson City, NV 89702.

WITNESSETH:

WHEREAS, the Tenant desires to lease from Landlord certain ground space for operation of fuel sales, or construction of one or more hangars pursuant to the provisions of Title 19 of the Carson City Municipal Code; and

WHEREAS, Landlord desires to lease Tenant ground space consistent with uses desired by Landlord and to provide monetary support to the Carson City Airport; and

THEREFORE, Landlord and Tenant agree as follows:

1. **PREMISES.** Landlord leases to Tenant and Tenant leases from Landlord the real property located at the Carson City Airport identified as lots 44 and 45 as set forth on the Record of Survey Map recorded February 29, 1996 (premises), and the appurtenant rights included in Paragraph 8.

2. **TERM.** The term shall be fifty (50) years and shall commence upon approval of the Carson City Board of Supervisors as set forth by the date of signature.

3. **RENT.** Tenant shall pay to Landlord:

A. \$0.03 per square foot per year plus a fuel flowage fee of \$0.05 per gallon of fuel, so long as the facility is used for fuel sales to the public (104,050 sq.ft times \$0.03/yr equals \$3121.50/yr base rent plus fuel flowage fee); In the event that fuel sales are no longer offered to the public, or if any area is used for other than fuel sales, then Tenant shall pay for that area at the rate of \$0.1025 per square foot of building footprint per year and thus \$0.0767 per square foot per year. Rent shall be payable monthly with the first year's payment due in advance and with payments thereafter due on the first day of each month. Tenant shall be responsible for the paving of ramp area per bid condition.

B. Tenant shall pay \$12,000 per lot as a utility infrastructure fee, separate and apart from any hookup fees assessed by the Carson City Utility Department.

4. CPI ADJUSTMENT. An adjustment of the rental and fees above described shall occur on two year anniversary intervals from January 1, 1996, during the term of this Lease. Such adjustment of rental shall be based upon the percentage change reflected by the Consumer Price Index (hereinafter called the Price Index) for the preceding two year period. The Price Index shall mean the average for "all items" shown on the "U.S. City Average for All Urban Consumers" as promulgated by Bureau of Legal Statistics of the U.S. Department of Labor, as amended or replaced by the agency. Landlord shall measure each two year adjustment using the most recently available report, recognizing that it may be necessary to use a 2 year period with a final quarter ending prior to each December 31 adjustment date. In no event, however, shall any decrease in the Consumer Price Index result in a decrease of the rental below the base rate. For example, if the CPI for December 1997 is 155.0 (1982-1984=100) and for December 1995 is 150.0, then the rent would be adjusted by the difference (155.0-150.0) divided by 150.0 which equals a 3.3% increase.

5. IMPROVEMENTS. Tenant shall complete all construction within 2 years, and in the event hangars are constructed, then Tenant shall follow the schedule set forth on Exhibit B.

6. DEFAULT. The occurrence of any of the following shall constitute a default by Tenant:

A. Failure to pay rent when due, if the failure continues for ten (10) days after notice has been given to Tenant.

B. Abandonment and vacation of the premises (failure to occupy and operate the premises for thirty (30) consecutive days shall be deemed an abandonment and vacation).

C. Failure to perform any other provision of this lease including the construction requirements, if the failure to perform is not cured within thirty (30) days after notice has been given to Tenant. If Tenant can demonstrate to the satisfaction of Landlord the default cannot reasonably be cured within thirty (30) days, Tenant shall not be in default of this lease if Tenant commences to cure the default within the thirty (30) day period and diligently and in good faith continues to cure the default.

D. Filing a petition of voluntary or involuntary bankruptcy.

E. The making by the tenant of any general assignment for the benefit of creditors.

F. Violation of any of these standards, rules, and regulations, or failure to maintain current licenses required for the permitted operation.

Notices given under this paragraph must specify the alleged default and the applicable lease provisions, and must demand that Tenant perform the provisions of this lease or pay the rent that is in arrears, within the applicable period of time, or quit the premises. No such notice will be deemed a forfeiture or a termination of this lease unless Landlord so elects in the notice.

7. REMEDIES. Landlord shall have the following remedies if Tenant commits a default. These remedies are not exclusive; they are cumulative to any remedies now or later allowed by law.

A. Tenant's right to possession not terminated. Landlord can continue this lease in full force and effect, and the lease will continue in effect as long as Landlord does not terminate tenant's right to possession, and Landlord shall have the right to collect rent when due. During the period Tenant is in default, Landlord can enter the premises and relet them, or any part of them, to third parties for Tenant's account. Tenant shall be liable immediately to Landlord for all costs Landlord incurs in reletting the premises. Reletting can be for a period shorter or longer than the remaining term of this lease. Tenant shall pay to Landlord the rent due under this lease on the dates the rent is due, less the rent Landlord receives from any reletting.

If Landlord elects to relet the premises as provided in this paragraph, rent that Landlord receives from reletting shall be applied to the payment of:

First, any indebtedness from Tenant to Landlord other than rent due from Tenant;

Second, all costs, including maintenance, incurred by Landlord in reletting;

Third, rent due and unpaid under this lease, after deducting the payments referred to in this paragraph, any sum remaining from the rent

Landlord received from reletting shall be held by Landlord and applied in payment of future rent as rent becomes due under this lease. In no event shall Tenant be entitled to any excess rent received by Landlord. If, on the date rent is due under this lease, the rent received from reletting is less than the rent due on the date, Tenant shall pay to Landlord, in addition to the remaining rent due, all costs including for maintenance Landlord incurred in reletting that remain after applying the rent received from the reletting as provided in this paragraph.

B. Termination of Tenant's right to possession. Landlord can terminate Tenant's right to possession of the premises at any time after default. No act by Landlord other than giving notice to Tenant shall terminate this lease. Acts of maintenance, efforts to relet the premises, or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord has the right to recover from Tenant the unpaid rent that had been earned at the time of termination of this lease, and any other amount, and court costs, necessary to compensate Landlord for all detriment proximately caused by Tenant's default.

8. APPURTENANT RIGHTS AND RESTRICTIONS.

A. Tenant may use the premises primarily for self-service fuel sales, or the storage of aircraft; machinery, parts and tools associated with the stored aircraft; office space associated with the stored aircraft, and is expressly prohibited from conducting any activity at the Carson City Airport other than that provided by this Agreement or as may be approved by Landlord. Tenant is, by this lease, an authorized FBO for the sale of fuel and the inside storage of aircraft, and shall comply with the provisions of Title 19 applicable to the public provision of aircraft storage for multiple aircraft hangars. Tenant shall not perform any salvage, rehabilitation, maintenance, construction or reconstruction, commercial, or industrial operations for any aeronautical uses, vehicles, and equipment except for aircraft owned by Tenant. Except as specified in this Lease, Tenant is prohibited from any fixed base operations which are revenue producing in or on or from

Tenant's facility. Tenant may conduct such non-aviation business upon the premises as are otherwise permitted by law and do not otherwise interfere with the aviation uses permitted under this Lease and other leases on this airport. Landlord's decision shall be final as to claims of conflict over interfering uses.

B. Ingress and Egress. Tenant shall have full and unimpaired access to the premises at all times and a nonexclusive right to use the taxiway area between premises and runway. Tenant shall be responsible for, and control the access to, the premises. Access between the leasehold and Airport shall comply with the Landlord's rules, regulations, or access plans.

C. Right of Entry. Landlord, or its designated Airport Manager or agent, reserves the right to enter upon the premises at any reasonable time for the purpose of making any inspection deemed expedient or desirable for the proper enforcement of any terms, conditions, provisions, and covenants of this Agreement.

D. Air Space and Subsurface Rights. This lease confers no rights to the subsurface of the land more than five (5) feet below the ground level of the premises or to airspace more than ten (10) feet above the top of the roof of the building or buildings that is a part of the premises. All exemptions or applications must have the prior approval of Landlord.

E. Federal Requirements.

1. The Tenant for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration, does covenant and agree as a covenant running with the land that Tenant shall comply with all Federal Aviation Regulations (FARs) applicable to Tenant's operations on the premises.

2. The Tenant for himself, his personal representatives, successors in interest, and assigns, as a part of the consideration covenants and agrees as a covenant running with the land that: 1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the 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 grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination.

3. Tenant shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, DOT, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as the Regulation may be amended.

4. Tenant shall furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users and it must charge fair, reasonable, and not unjustly discriminatory prices for each unit or service; PROVIDED that the Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

5. Noncompliance with Provision 4 above shall constitute a material breach of this Agreement and in the event of such noncompliance, the Landlord shall have the right to terminate this lease Agreement without liability or at the election of the Landlord or the United States; either or both governments shall have the right to judicially enforce these provisions.

6. Tenant agrees that it shall insert the above five provisions in any lease agreement by which the Tenant grants a right or privilege to any person, firm, or corporation to render accommodations and/or services to the public on the leased premises.

7. If the conduct of business is permitted on the premises, the Tenant assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The

Tenant assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart.

8. The Landlord reserves the right to further develop or improve the landing area of the Carson City Airport as it sees fit, regardless of the desires or view of the Tenant and without interference or hindrance.

9. The Landlord reserves the right, but shall not be obligated to the Tenant, to maintain and keep in repair the landing area of the Airport and all publicly-owned facilities of the Airport, together with the right to direct and control all activities of the Tenant in this regard.

10. This lease shall be subordinate to the provisions and requirements of any existing or future agreement between the Landlord and the United States, relative to the development, operation, or maintenance of the Airport.

11. The Landlord, its successors and assigns, for the use and benefit of the public, does reserve a right of flight for the passage of aircraft in the airspace above the surface of the lease premises. This public right of flight shall include the right to cause in the airspace any noise inherent in the operation of any aircraft used for navigation or flight through the airspace or landing at, taking off from, or operation of the Carson City Airport.

12. Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event future construction of a building is planned for the leased premises, or in the event of any planned modification or alteration of any present of future building or structure situated on the leased premises.

13. The Tenant by accepting this expressly agrees for itself, its successors and assigns that it will not erect nor permit the erection of any structure or object, nor permit the growth of any tree on the leased premises to a height more than ten (10) feet above the highest part of Tenant's building. In the event this covenant is breached, the Landlord reserves the

right to enter upon the premises to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the Tenant.

14. The Tenant, by accepting this lease, agrees for itself, its successors and assigns, that it will not make use of the leased premises in any manner which might interfere with the landing and taking off of aircraft from Carson City Airport or otherwise constitutes a hazard. In the event this covenant is breached, the Landlord reserves the right to enter upon the premises and to abate the interference at the expense of the Tenant.

15. It is understood and agreed that nothing contained in this lease shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958 (49 U.S.C. 1349).

F. Tenant assures complete compliance with the Carson City Airport Rules and Regulations upon leased premises.

9. ASSIGNMENT AND SUBLEASING. Tenant shall have no right to assign or sublet its interest in this lease except upon Landlord's prior consent. Any such assignment or sublease will be binding to assignees/sublessees on all terms and conditions in this lease.

Tenant shall have the right to assign, pledge, or hypothecate this lease for the purpose of securing additional financing, upon the prior approval of Landlord.

The parties agree that a transfer of corporate interests in excess of twenty-five percent (25%) shall be deemed an assignment of this lease.

The Landlord reserves the right to assign, pledge, or hypothecate this Agreement upon notice to the Tenant.

10. INSURANCE AND BONDING.

A. Coverage. As a condition precedent to this lease, Tenant shall provide, at his own cost, insurance coverage in the amount of ONE MILLION DOLLARS (\$1,000,000.00), the category to be under-written by a responsible insurance carrier, authorized by the State of Nevada to provide such coverage. The following coverage shall be included:

1. Third-party comprehensive general liability coverage for bodily injury and property damage including owned and non-owned aircraft, for any claim or liability for any injury or damage to any person or property occurring on the leased premises or arising out of or resulting from Tenant's operations or omissions at the Carson City Airport.

2. Products liability coverage in addition to the foregoing comprehensive general liability insurance where the licensee operates a food service or offers goods or merchandise for sale.

3. Statutory workers' compensation and employer's liability coverage to the extent required by law.

4. Fire and extended coverage and vandalism and malicious mischief insurance, as provided by the lease Agreements, for damage or destruction of real property or leasehold improvements, where the Landlord has, or will have, an interest in such property by virtue of an existing lease.

B. Insured Includes. Landlord must be named as an additional insured and requires that the insurance carrier underwriting such coverage give the Landlord thirty (30) days written notice prior to cancellation of or material alteration to the policy.

Landlord requires that Tenant provide Landlord with a Certificate of Insurance evidencing the coverage in effect, including limits and expiration date. Such policy or policies shall be maintained in full force and effect during the term of the lease, and renewals or extensions of same.

11. HOLD HARMLESS. The Tenant, in consideration of the Landlord's agreement to lease certain real property to Tenant pursuant to this Agreement, agrees that at all times during the term of this Agreement, Tenant shall indemnify and defend, saving harmless Landlord, its officers, boards, commissions, agents, and employees from any and all claims by any person whatsoever on account of property damage, injury, or death of a person or persons acting on behalf of, or upon the request of, the Tenant during the term of this Agreement.

The Tenant further agrees to indemnify Landlord from environmental liability for contamination or damage to the premises and any adjacent area to the premises.

Landlord, its officers' boards, commissions, agents, and employees shall be held harmless in all respect for any cost, expense, or liability of any nature which may be incurred by the Tenant during the term of this Agreement.

12. MAINTENANCE. Landlord is not required to provide any maintenance, repairs, removal, and construction of gross area leased or of buildings or facilities erected by Tenant.

Tenant shall provide and pay for all light, gas, electric, water, janitorial, and sewer charges used or incurred in or about the lease premises.

Tenant shall maintain all leased areas, salvage and rehabilitation areas, displays, storage areas, landscaping, pavement, facilities, and structures in a state of repair and good appearance acceptable to the Landlord. Landlord shall have sole discretion in interpreting and enforcing all Federal, State, and local rules, regulations, codes, and ordinances in determining what is, or is not, acceptable.

Landlord may require Tenant to perform all necessary maintenance, repairs, removal, construction or cleaning/clearing of unsightly areas upon the leased premises. In the event such maintenance, repairs, removal, construction, or cleaning/clearing of unsightly areas is not undertaken as required, Landlord may perform such maintenance, repairs, removal, construction, or cleaning/clearing of unsightly areas on behalf of Tenant and at Tenant's expense, plus ten percent (10%) for administration.

13. TAX OBLIGATION. Tenant shall pay all taxes and assessment against any buildings or other structures and improvements used by Tenant in its operations, and if imposed at any future date, any and all real property taxes assessed against the land leased from Landlord, including any possessory interest taxes.

14. REMOVAL OF BUILDINGS AND IMPROVEMENTS. Tenant shall construct improvements in accordance with Exhibit B and shall remove at his cost all buildings and improvements upon termination of the Agreement and restore the premises to its original condition. Title in building and improvements shall at all times during the lease term remain in the Tenant. The Landlord shall have the option on termination to take title of the buildings and improvements, at no cost or obligation to Landlord, in lieu of Tenant's obligation to restore the premises to its original condition.

15. REPORTING. Anything that affects the safe and efficient operation of the Carson City Airport shall be immediately reported to Landlord or the designated Airport Manager.

16. AMENDMENTS. Any amendments to this lease require approval by the Landlord and Tenant. All proposed amendments must be submitted in writing to Landlord for review and placement before a regularly scheduled meeting of the Carson City Airport Authority for consideration.

17. GENERAL. It is understood and agreed that each and all the terms of this Lease are subject to the regulations and provisions of law applicable to the operation of the Carson City Airport as a Federal Aid Airport Project. If any provision of this Lease is invalid, the other provisions of the Lease which are valid shall remain in effect, and the Lease will be re-negotiated to comply with the requirements of the applicable laws and regulations. In the event that negotiation attempts are unsuccessful, either party may petition the First Judicial District Court, which shall then be entitled to establish such replacement provisions or issue such rulings as are just, for the purpose of satisfying the intent of the Lease provisions.

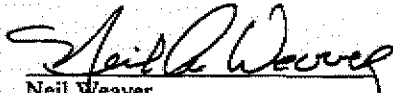
The Tenant agrees to observe and obey during the terms of this Lease all laws, rules, and regulations promulgated and enforced by the State of Nevada, Carson City, and by any other proper authority having jurisdiction over the conduct of operations at the Carson Airport.

Landlord and the Carson City Sheriff's Office shall have complete dominion over the premises herein during the term of this Lease for the purpose of, and to the extent necessary, to maintain law, order, and safety, and has the authority and the right to deny access to the Carson Airport by any person who fails to obey all relevant laws, rules, and regulations.


18. NOTICES. It is agreed that any notice to be given or served upon either party shall be sufficient if sent by certified mail, postage prepaid, addressed to the address of the party listed at the beginning of this Lease, or to such other address as may be designated in writing by such party.

19. ADDITIONAL CONDITIONS. Unless otherwise provided, Tenant shall comply with the Development/Construction Standards set forth in Appendix A. Unless otherwise provided, all construction materials, appearance, and building size shall be completed as represented in the bid submissions.

TENANT
EAGLE VALLEY FUEL, LLC


Neil Weaver

LANDLORD
CARSON CITY AIRPORT AUTHORITY
CARSON CITY, NEVADA


Lou Buckley, acting Chairman

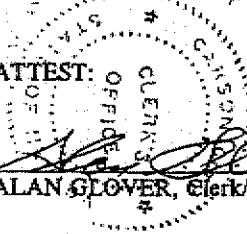
ATTEST:


William Wallace, Airport Authority Board

CARSON CITY

Approved by the Board of Supervisors this 30 day of July, 1996.

Mary Teixeira
MARV TEIXEIRA, Mayor

ATTEST:  OFFICE OF THE CLERK/RECORDER
Alan Glover
ALAN GLOVER, Clerk/Recorder

CITY'S LEGAL COUNSEL
Approved as to form.

Paul K. Pucelli
DISTRICT ATTORNEY



**CARSON CITY AIRPORT AUTHORITY
DEVELOPMENT/CONSTRUCTION STANDARDS**

APENDIX A

CODE REQUIREMENTS - ALL CONSTRUCTION SHALL MEET ALL CARSON CITY CODES AND REQUIREMENTS INCLUDING THE CARSON CITY AIRPORT AUTHORITY (C.C.A.A.)

OUTSIDE STORAGE AREA - T-HANGARS, SHOP-HANGARS/OFFICE BUILDINGS ETC. SHALL NOT HAVE OUTSIDE STORAGE OF ANY KIND.

WATER - WATER SERVICE SHALL BE BROUGHT TO THE PROPERTY BY THE LEASEHOLDER.

FIRE HYDRANTS - FIRE HYDRANTS MAY BE REQUIRED PURSUANT TO FIRE DEPARTMENT REGULATIONS AND ARE THE LEASEHOLDERS RESPONSIBILITY.

POWER - ELECTRIC POWER SHALL BE REQUIRED TO EACH BUILDING.

FLOORS - GROUND LEVEL CONCRETE FLOORS SHALL BE REQUIRED IN EACH BUILDING.

COLORS - EXTERIOR BUILDING COLORS SHALL BE LIMITED TO BLUE AND TAN MATCHING EXISTING STRUCTURES.

DOOR HEIGHT - T-HANGARS MUST HAVE A MINIMUM DOOR HEIGHT CLEAR SPAN OF 12 FT. LARGER OR MULTIPLE AIRCRAFT HANGARS MUST HAVE A MINIMUM DOOR HEIGHT CLEAR SPAN OF 19 FT. UNLESS APPROVED OTHERWISE BY THE AIRPORT AUTHORITY.

NEW CONSTRUCTION - ALL BUILDINGS SHALL BE OF NEW CONSTRUCTION.

LIGHTING - SECURITY LIGHTING SHALL BE AT THE DISCRETION OF THE AIRPORT AUTHORITY.

PARKING - PARKING SPACES SHALL NOT BE REQUIRED FOR HANGARS LOCATED ON THE INTERIOR OF THE AIRPORT. FOR HANGARS THAT ARE LOCATED WITH EXTERIOR ACCESS OR FRONTAGE, ENOUGH SPACES DEEMED PROPER FOR THE SIZE OF THAT BUILDING WILL BE REQUIRED AND WILL BE IN COMPLIANCE WITH APPLICABLE CITY CODES. NO PARKING OR STORAGE WILL BE PERMITTED ON AIRPORT PROPERTIES. AUTOMOBILE PARKING WILL BE RESTRICTED TO THE INDIVIDUAL'S LEASEHOLD BUT WILL NOT ALLOW FOR THE EXTERIOR STORAGE OF BOATS, CONTAINERS, RV'S, TRAILERS, WRECKED AIRCRAFT ETC..

FENCING - IF APPROPRIATE, PROPERTIES WITH EXTERIOR BOUNDARIES SHALL PROVIDE SECURITY FENCING. SAID SECURITY FENCING SHALL BE REQUIRED WITH CONSTRUCTION OF THE STRUCTURE. ALL FENCING SHALL BE 6 FT. HIGH, CHAIN LINK FENCE OR BETTER.

TRASH - ALL PROPERTY, FENCE AND BUILDING LINES SHALL BE KEPT CLEAR OF WEEDS, TRASH AND LITTER. LANDSCAPING SHALL BE AT THE DISCRETION OF THE AIRPORT AUTHORITY.

EXHIBIT B
CONSTRUCTION EXHIBITS

If required by any Federal, State, or local agency, the Tenant shall prepare and submit an environmental Phase I audit. All structures erected, and paved areas on the Airport, shall comply with all applicable County and State building, health, and safety regulations, including, if applicable, any other building, fire, sign, electrical, heating, zoning, and plumbing codes. Architectural design of all structures and paving shall be reviewed and approved by the Carson City Airport Authority.

Tenant shall be required to furnish to the Carson City Airport Authority a copy of a contract between Tenant and a licensed contractor. The contract shall be protected by a performance bond to guarantee that the improvements will be completed according to the existing codes and the improvements will be free from any liens.

Tenant is obligated to secure all permits that are necessary and required to construct or develop any building, improvements, and additions upon lease parcel.

1. **CONSTRUCTION ON PREMISES.** Tenant shall comply with all Federal, State, and local laws, ordinances, orders, judgements, decrees, regulations, directives, and requirements now, or which may be, applicable to the construction of improvements on the operations and uses of the premises.

A. Construction Phasing

1. All plans completed and submitted to Landlord and governmental offices for approval within 60 days.
2. All permits obtained for construction within 120 days next following.
3. All construction completed within 2 ^{years} ~~days~~.

B. Failure to Use Property. Failure by Tenant to satisfy the requirements as set forth above may result in default of this Agreement and Landlord may, at its discretion, disallow the use of any, or all, of the premises.

C. Certificate of Completion. Upon completion of the improvements, Tenant shall submit to the Landlord a copy of its acceptance letter certifying completion and a

certified copy of any certificate or permit which may be required by any Federal, State, County, or other local government or agency in connection with the completion or occupancy by Tenant. Tenant shall furnish to Landlord a set of reproducible, final "as built" drawings of any and all improvements not later than ninety (90) days following the completion, occupancy, or initial use of such improvements, whichever comes first.

2. TITLE TO IMPROVEMENTS AND FIXTURES. During the term of this lease, all improvements (other than trade fixtures) erected, installed, or constructed by Tenant on the premises shall become part of the land upon which they are erected, or part of the building to which they are affixed, and title to such improvements, facilities, or alterations shall remain with Tenant. "Trade fixtures" shall remain the property of Tenant and that term shall include, but shall not be limited to, personal property, signs used to identify the Tenant's facilities in and about the premises, and all machinery and equipment installed in, placed on, or used in connection with Tenant's operation.

FILED FOR RECORD
AT THE REQUEST OF
CARSON CITY CLERK TO
THE BOARD
'96 JUL 12 P2:07

FILE NO. 191541
ALAN GLOVER
CARSON CITY CLERK
FEE: *MLD* *MLD*