

City Council Agenda Items  
and  
Contracts, Leases or Agreements

4-16-13 per Lauren  
City Council Meeting Date /  
Agenda Items Only

Ray M. Boudreaux  
Submitted By

Aviation  
Division

Transportation  
Department

Action Required:

Action Required: A resolution to approve a Lease form for aircraft storage in the FBO Hangar at Drake Field.

REVENUE

\$ 217,800.00

ChrgsServ

Cost of this request

Category / Project Budget

Program Category / Project Name

5550.0955.4450.00

\$ 57,358.00

Airport Revenue - Rent

Account Number

Funds Used to Date

Program / Project Category Name

Project Number

\$ 160,442.00

Airport

Remaining Balance

Fund Name

Budgeted Item

Budget Adjustment Attached

[Signature]  
Department Director

3-26-13  
Date

Previous Ordinance or Resolution # \_\_\_\_\_

[Signature]  
City Attorney

3-28-13  
Date

Original Contract Date: \_\_\_\_\_

Original Contract Number: \_\_\_\_\_

Paula A. Behr  
Finance and Internal Services Director

3-29-2013  
Date

03-27-13 A 11:15 RCVD  
Received in City Clerk's Office  
[Signature]

[Signature]  
Chief of Staff

3-29-13  
Date

Received in Mayor's Office  
ENTERED  
3/28/13  
P.H.

[Signature]  
Mayor


3/29/13  
Date

Comments:



AVIATION DIVISION  
FAYETTEVILLE EXECUTIVE AIRPORT • DRAKE FIELD

**CITY COUNCIL AGENDA MEMO/STAFF CONTRACT REVIEW MEMO**

**TO:** Mayor Jordan  
**THRU:** Chief of Staff  
**THRU:** Staff/Contract Review Committee  
**THRU:** Terry Gulley, Transportation Director  
**FROM:** Ray M. Boudreaux, Aviation Director   
**DATE:** March 21, 2013

**SUBJECT: Approve a Lease Form for the multi tenant FBO Hangar at the airport.**

**RECOMMENDATION:** Approve the lease form for long term FBO Hangar aircraft storage at the airport. This form will be used when tenants wish to make long term arrangements for permanent aircraft storage in the large multi tenant hangar.

**BACKGROUND:** With the operation of the Fixed Base Operation at the airport, we take over the multi tenant FBO Hangar and offer short and long term arrangements for storage of aircraft in the Hangar. There are currently 6 aircraft stored in the hangar. All have signed agreements with Million Air for storage and the service that comes with the long term arrangement. The attached lease form requires the information necessary for individuals and corporations to secure a space in the hangar for long term storage. Aircraft are pulled out and returned to the hangar by City Line Service Personnel. Space in the hangar is not physically identified as the aircraft are moved as necessary to fit them in the hangar. Aircraft that fly most often are placed in the hangar near the door. Other aircraft are stored in the back. Lease rates will remain the same as charged by Million Air. Changes in the future will be determined using approximate size of the aircraft and the rate per square foot of \$2.00/SF/Year in the hangar coupled with the value of the aircraft and any fuel discount offered for long term tenants. Market rate for hangar storage will also be used to determine any rate change in the future. Short term rates (overnight hangar) are determined by market rates in the region and no agreement is required. Short term rates also include towing, pull-out and stowing by Line service technicians. Long and short term storage rates will be periodically changed in consultation with the Airport Board

**BUDGET IMPACT:** Revenue from FBO Hangar rent is budgeted

Attachments: Staff Review  
Blank Lease Agreement

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION APPROVING A FIXED-BASE OPERATIONS HANGAR LEASE AGREEMENT FORM AT THE CURRENT RENTAL RATE OR AS ADJUSTED UPWARD BY THE AIRPORT BOARD FOR FIXED-BASE OPERATIONS HANGAR SPACE RENTED AT THE FAYETTEVILLE EXECUTIVE AIRPORT-DRAKE FIELD

**WHEREAS**, the City has taken over fixed-base operations (FBO) at Drake Field; and

**WHEREAS**, the FBO hangar provides long-term and short-term leased aircraft storage space in the large multi-tenant hangar space; and

**WHEREAS**, the previous FBO assessed rental amounts which the City intends to maintain in the near term in order to continue the seamless transition to the City's performance of its own FBO; and

**WHEREAS**, pursuant to state law, lease contracts should be approved by the City Council prior to the Mayor's signature, and

**WHEREAS**, periodic review of both short-term and long-term rental space rates in the FBO hangar should be conducted in consultation with the Airport Board;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves all FBO hangar space leases, if in the attached standard form, and for the existing (or increased by the Airport Board) amount and authorize the Mayor or his designee to execute the same.

**PASSED and APPROVED** this 16<sup>th</sup> day of April, 2013.

APPROVED:

ATTEST:

By: \_\_\_\_\_  
**LIONELD JORDAN**, Mayor

By: \_\_\_\_\_  
**SONDRA E. SMITH**, City Clerk/Treasurer

**FBO HANGAR LEASE AGREEMENT**  
**Fayetteville Executive Airport, Drake Field**  
**Lease Application and Accounting Information Form**

Name: \_\_\_\_\_

If a company, please provide the name of the individual leaseholder and corporate representative(s): \_\_\_\_\_

State of Corporation as incorporated: \_\_\_\_\_

Social Security Number: \_\_\_\_\_ or Tax ID Number: \_\_\_\_\_

Date of Birth: \_\_\_\_\_

Home Address:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Mailing Address (if different):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Phone Numbers

Cell: \_\_\_\_\_

Work: \_\_\_\_\_

Home: \_\_\_\_\_

Emergency Contact Information

Name: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Aircraft Information

Tail Number: \_\_\_\_\_

Color Scheme: \_\_\_\_\_

Make/Model/Year: \_\_\_\_\_

Type (single, twin, etc.): \_\_\_\_\_

Please attach a copy of insurance with City of Fayetteville named as additionally insured.

Effective Date: \_\_\_\_\_

Monthly Rental: \_\_\_\_\_

## LEASE AGREEMENT

The City of Fayetteville, Fayetteville Executive Airport, Drake Field hereby leases to \_\_\_\_\_ a space in the FBO hangar for N \_\_\_\_\_ on the following terms and conditions. This lease is intended for the storage of an aircraft. It is not intended to be used for aircraft maintenance, storage of hazardous materials or storage of non-aviation materials.

The FBO Hangar is a multi-tenant storage hangar managed by the City of Fayetteville. This agreement includes hangar storage and pull-out services by line service personnel. On notice, FBO personnel will pull-out the aircraft and tow it to the flight line in front of the airport terminal at the time requested. On return, the aircraft will be towed back to the hangar for storage.

### 1. AIRPORT RULES AND ACCESS:

\_\_\_\_\_ shall abide by "The Minimum Standards for Fayetteville Executive Airport, Drake Field", City of Fayetteville codes and ordinances, county, state, federal Statutes, Federal Aviation Regulations, and environmental laws.

### 2. RENT:

A. The hangar rent is invoiced in advance and shall be due on the first day of each month. \_\_\_\_\_ further agrees to pay upon demand any excise or other tax on the leasehold interest.

B. The non-payment of rent may be grounds for termination of this Agreement. \_\_\_\_\_ will also be subject to a late fee for delinquent rental payment. Delinquent accounts will be sent to a collection agency in accordance with City of Fayetteville's collection/termination policies after 90 days.

C. The rent stated above is subject to periodic adjustment by the Airport Board. Notice of increase shall be sent out at least thirty days prior to the increase.

**3. ENGINE OPERATION:** No aircraft engine shall be operated inside a hangar or in a negligent manner so that the propeller or exhaust blast may cause injury to persons or damage to property.

**4. PROPERTY DAMAGE/PERSONAL INJURY:** Aircraft and other personal property are stored at \_\_\_\_\_ sole risk. Any insurance protecting \_\_\_\_\_ personal property against fire, theft or damage must be provided by \_\_\_\_\_. \_\_\_\_\_ agrees to save the Airport Harmless from any and all liability by reason of the storage or maintenance of said aircraft upon the Fayetteville Executive Airport, Drake Field, or from injury or damage caused to any persons or property by reason of the operations of said aircraft. Insurance requirement shall be in accordance with the Airport's Minimum Standards and a current Certificate of Insurance shall be on file at the Airport Administration Office. This clause shall not be construed to waive that tort immunity as set forth under Arkansas Law.

**5. AIRCRAFT MAINTENANCE:** No maintenance repair work will be done in this FBO Hangar that requires open flame, use of spark producing devices (i.e. grinders), welding, or the use of flammable liquids. Opening fuel cells and fuel lines is not permitted in the FBO hangar.

**6. NO COMMERCIAL ACTIVITY:** No commercial or revenue-producing activities shall be conducted or permitted from any aircraft storage space without written approval of the Airport Director.

**7. NO ASSIGNMENT:** The aircraft storage space designated above is rented on a month-to-month basis for aircraft storage only. Such space may not be sublet, assigned or otherwise transferred without the prior written approval of the Airport Director. Only the aircraft identified in this Agreement may be stored in the FBO hangar.

**8. TERMINATION:**

A. This Agreement shall be deemed a "month-to-month" tenancy and may be terminated by either party upon giving thirty (30) days notice to the other in writing, prior to the end of any such rental period.

B. This Agreement may be terminated by the Airport upon ten (10) days written notice for any violation of the terms or conditions of this Agreement.

**9. NOTICE:** Any Notice or consent required by this Agreement shall be sufficient if sent by Certified Mail, return receipt requested, postage paid, to the following address for the City/Airport, or for the tenant, the last known address.

**CITY OF FAYETTEVILLE**  
Airport Administration Office  
4500 S. School Ave., Suite F  
Fayetteville, AR 72701  
Phone: 479-718-7642

**TENANT**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**10.** If \_\_\_\_\_ fails to make any payment due hereunder within ten (10) days of the date on which such payment is due, the City of Fayetteville may, at its option, terminate this agreement and take possession of such of \_\_\_\_\_ personal property as is reasonably necessary to secure payment of the amount due and unpaid.

**11.** Upon expiration or other termination of this lease, \_\_\_\_\_ rights to use of the demised premises shall cease, and \_\_\_\_\_ shall vacate the premises without unreasonable delay.

**12.** All covenants, conditions and provisions in this agreement shall extend to and bind the legal representatives, successors and assigns of the respective parties hereto.



