City of Fayetteville Staff Review Form

2015-0404

Legistar File ID

9/15/2015

City Council Meeting Date - Agenda Item Only
N/A for Non-Agenda Item

John J Roscoe	8/27/2015	Aviation / Transportation Services Department
Submitted By	**Submitted Date**	**Division / Department**

Action Recommendation:

A Resolution to approve T-Hangar Lease Agreements for the remainder of 2015 and through 2016 at the current rental rate or as adjusted upward by the Airport Board for all T-Hangars rented at the Fayetteville Airport, Drake Field.

Budget Impact:

NA	Airport
Account Number	Fund
NA	NA
Project Number	Project Title

Budgeted Item?	NA	Current Budget	$ -
		Funds Obligated	$ -
		Current Balance	$ -
Does item have a cost?	NA	Item Cost	
Budget Adjustment Attached?	NA	Budget Adjustment	
		Remaining Budget	$ -

V20140710

Previous Ordinance or Resolution # 22-13

Original Contract Number:

Approval Date:

Comments:

CITY OF
Fayetteville
ARKANSAS

CITY COUNCIL AGENDA MEMO

MEETING OF SEPTEMBER 15, 2015

TO: Mayor and City Council

THRU: Don Marr, Chief of Staff
Staff/Contract Review Committee
Terry Gulley, Transportation Director

FROM: John J. Roscoe, Airport Director

DATE: 8/27/15

SUBJECT: **Airport Lease – T-Hangar Agreement Standard Form**
Legistar Item # 2015-0404

RECOMMENDATION:
Staff requests a Resolution to approve T-Hangar Lease Agreements for the remainder of 2015 and through 2016 at the current rental rate or as adjusted upward by the Airport Board for all T-Hangars rented at the Fayetteville Airport, Drake Field.

BACKGROUND:
Drake Field operates 81 T-Hangar units which are designed to store single and twin-engine personal aircraft. The units are similar and feature the same amenities; electricity, lighting, and an electric bi-fold door.

A standardized Lease Agreement format is used when the unit is leased.

DISCUSSION:
Minor changes to the existing agreement include listing the rental rate in the body of the lease as well as on the front tenant information page, a requirement to notify the Airport when the airplane is sold and a disclaimer that the unit may not be totally weather tight, particularly in extreme weather conditions.

BUDGET/STAFF IMPACT:
None. Revenue from T-hangar Leases is budgeted. Rates are reviewed by the Airport Board every two years. The next review will occur in November for a potential rate increase beginning 2016.

Attachments:
SRF, SRM,
Lease Agreement

HANGAR RENTAL AGREEMENT
Fayetteville Executive Airport, Drake Field
Lease Application and Accounting Information Form

Name: Company/Leaseholder/Individual: Type Name

Name: Corporate Representatives(s): Type name of Corp officer, Attny, etc.

Home Address: Street Address/PO Box
City, State, Zip code

Mailing Address (if different):
Street Address/PO Box
State of Corporation as incorporated:
(Provide Copy of Incorporation Paperwork)

Business and/or Services to Be Provided: Please provide a brief description

Phone/Work: - - Phone/Cell: - -
Phone/Home: - - Email: e-mail required
Emergency Contact Name: Emerg Phone: - -
Social Security or Tax I.D No. Date of Birth:

Hangar Number: Aircraft Number: N

Effective Date: Aircraft Make/Model/Year:

Monthly Rental: $ Aircraft Color Scheme: Ex: White/red

Aircraft Type: Single Engine Airplane

Person conducting the business and/or providing the service if different from above:
Name: Phone: - - E-mail:

Description of tools, equipment, services and inventory required to conduct proposed business and /or service: Please provide a description of the type of tools and equipment used, how services will be delivered to the customer, and types/amounts of materials to be stored including potentially hazardous materials

Hours of Operation: Ex: 8 am-5 pm M-F Total Number of Employees:

I, Type Name agrees to provide the Airport with changes to current address, telephone, aircraft, and insurance information.

Would you like to be included in a T-Hangar Tenant Directory? No Please check the information you would like to include in the Directory:

☐ Name	☐ Email	☐ Address
☐ T-Hangar number	☐ Tail number	☐ Aircraft type
☐ Telephone # (home)	☐ Telephone # (work)	☐ Telephone # (cell)

LEASE AGREEMENT

The City of Fayetteville, Fayetteville Executive Airport, Drake Field hereby leases to Type Name, a hangar for the above described aircraft on the following terms and conditions. This lease is intended for the private storage of an aircraft. It is not intended to be used for aircraft maintenance, storage of hazardous materials or storage of non-aviation materials.

1. AIRPORT RULES AND ACCESS:

   A. Type Name 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.

   B. Hazardous activities such as, but not limited to: smoking, welding, use of spark producing devices (i.e. grinders), painting, doping, open fuel lines or the application of hazardous substances are expressly prohibited.

   C. Type Name shall keep the aircraft storage space clean and free of grease, oil, paper and other debris. All flammables must be stored in a metal container with a tight fitting lid with sump capability at minimum or any other approved containment device. Combustible liquids such as lube oil may be stored in small quantities. (See Airport's Minimum Standards). No additional label is necessary if company label already indicates flammable liquid or type liquid contained. Flammable storage (other than inside the aircraft fuel storage tank) is limited to a maximum of 10 gallons in each Hangar unit. The premises covered by this Agreement shall not be used for the storage of explosive substances or items.

   D. Aircraft shall be removed from a hangar for any activity involving fueling or defueling.

   E. The Airport and its designated agents may enter hangars at any time for inspection. Only locks provided by the Airport may be used on hangar doors.

   F. Flying Clubs shall provide copies of the flying club bylaws, current insurance documents, and current membership roster to be submitted annually to the Airport Administration Office.

2. RENT:

   A. The hangar rent is $ amount per month invoiced in advance and shall be due on the first day of each month. Type Name 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. Type Name 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. STRUCTURAL MODIFICATIONS:

   A. No structural or electrical modifications, painting, or alterations will be made to the storage space without the prior written approval of the Airport Director.

   B. Type Name shall not attach any hoisting, winching or holding mechanism to any part of the storage space, or pass any such mechanism over the beams or braces thereof.

4. ELECTRICAL APPLIANCES:

A. Limited electrical appliances are allowed in a hangar including portable fans, televisions, refrigerators, radios, dehumidifiers, engine heaters, powered tow bars, battery trickle chargers, and small air compressors. Prohibited appliances include, but are not limited to, air conditioners, electric heaters, hot plates, heat lamps, and stoves. Any appliance not having an explosion-proof motor which generates a glow, flame, or spark must be elevated at least eighteen (18) inches above the floor. No appliances, except refrigerators, dehumidifiers, battery trickle chargers and engine heaters, may remain connected to any electrical receptacle when the hangar is not occupied.

B. Type Name shall not overload electrical circuits. Hangar electrical circuits are designed for 20 amps.

5. MOTOR VEHICLES:

A. Vehicles shall be driven on the airport only by a licensed driver in accordance with policy established in the Airport's Minimum Standards. Type Name shall maintain currency of registration as well as limits of liability and property damage insurance, as mandated by the State of Arkansas, on its vehicle. Type Name will exercise all controls and restraints necessary as to its employees, agents, and invitees so as to comply with this Agreement.

B. Vehicles must be located so as not to block aircraft access route between any hangars, as per the Airport's Minimum Standards. Vehicles will be parked in accordance with the airport parking plan, signage and pavement markings.

6. 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.

7. PROPERTY DAMAGE/PERSONAL INJURY: Aircraft and other personal property are stored at Type Name sole risk. Any insurance protecting Type Name 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.

8. AIRCRAFT MAINTENANCE: Maintenance repair work that requires open flame, use of spark producing devices (i.e. grinders), welding, or the use of flammable liquids is not in this Aircraft Storage Hangar. Opening fuel cells and fuel lines is not permitted in a storage hangar.

9. 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.

10. 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 this hangar. Tenant shall notify City when ownership of the authorized aircraft changes.

11. FITNESS FOR USE: The T-hangar buildings are non-insulated, unheated, non-air-conditioned metal buildings with hi-fold electric doors. The electric doors are heavy and can fall if a cable or gear breaks. Tenants are advised to remain clear when the doors are in transit.

Each T-hangar bay is supplied with lighting and electrical service as part of the lease. The electric doors are on separate circuits. The power available is limited and service is shared among the tenants of each building.

The buildings can be expected to protect the contents from the elements but should not be considered completely weather tight. Driving rain may enter the buildings under the walls or through cracks along the door jams, under roll up doors or along roll up door seals. In the past, ground water has seeped into the buildings through the floor during unusually wet conditions. It is recommended that tenants not store perishables directly on the floor but rather place stored items on pallets or shelves that keep items off the floor.

12. 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.

13. 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 or copy thereof may be posted upon the entryway door of the above mentioned hangar.

CITY OF FAYETTEVILLE

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

14. If Type Name 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 Type Name personal property as is reasonably necessary to secure payment of the amount due and unpaid.

15. Upon expiration or other termination of this lease, Type Name's rights to use of the demised premises shall cease, and Type Name shall vacate the premises without unreasonable delay.

All fixtures, improvements, equipment, and other property brought, installed, erected or placed by Type Name on the demised premises shall be deemed to be personalty and shall remain the property of Type Name. Type Name shall have the right at any time during the term of this agreement, to remove any or all of such property from the Airport, subject, however, to Type Name's obligations to repair all damages, if any, resulting from such removal. Any and all property not removed by Type Name prior to the expiration of this lease shall thereupon become the property of the City of Fayetteville and title thereto shall thereupon vest in the City of Fayetteville.

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

Type Name: I have received a copy of "The Minimum Standards for the Fayetteville Municipal Airport Drake Field" _____. (initial)

Mandatory Acknowledgment "By signing this application, acknowledge that I am ultimately responsible for the payment of any and all sums of money arising as a result of this grant of temporary credit."

_____ _____

Signature of Responsible Party Title Date

APPROVED:

_____

John J. Roscoe, Airport Director Date

THE CITY OF FAYETTEVILLE:

_____

Lioneld Jordan, Mayor Date

ATTEST:

_____

Sondra Smith,
City Clerk and Treasurer

Attachment "A" to Hangar Rental Agreement
For Execution by Partners in Aircraft

I agree to be bound by the terms and conditions of the hangar Rental Agreement

Effective _____(day/month/year) for Hangar # _____

Lessee Name:_____

Partner #1: _____

Address _____

_____

Signature: _____

Partner #2: _____

Address _____

_____

Signature: _____

Partner #3: _____

Address _____

_____

Signature: _____

Partner #4 _____

Address _____

_____

Signature: _____