

**MINIMUM STANDARDS AND  
REQUIREMENTS FOR  
AERONAUTICAL SERVICES AND ACTIVITIES**

***CLINTON REGIONAL AIRPORT***

**CLINTON, OKLAHOMA**

**DECEMBER 20, 2022**

Upon receipt of written recommendation of the City Manager, the City Council shall include said matter upon the agenda of the next regular meeting of the City Council and, at such meeting or at a subsequent meeting to which it may be passed, shall approve, modify or reject such lease or contract.

## **VII. LEASE OR CONTRACT**

---

- A. Upon the approval of any such application as submitted or modified, the City shall cause to be prepared a suitable lease or contract agreement, setting forth the terms and conditions of the land and/or facility use, which lease, or contract shall in every instance will be substantially in the form and content of the sample lease agreement attached as Attachment "A" which may be updated periodically to confirm to FAA, OAC or local ordinances. conditioned upon or contain language assuring:
- ~~1. That the Minimum Standards and Rules and Regulations be incorporated into said Lease or Contract by reference.~~
  - ~~2. That there be original and continued compliance with the Minimum Standards and Rules and Regulations required for each particular aeronautical activity approved.~~
  - ~~3. That any structure or facility to be constructed or placed upon said Airport shall be constructed in a manner to conform to all safety regulations of the State of Oklahoma and the City of Clinton and shall be in compliance with the requirements of current building codes and fire regulations of the City of Clinton, and that any construction once commenced will be diligently prosecuted to completion.~~
  - ~~4. That the right shall be reserved in the CAA to modify or add to the Minimum Standards and Requirements for Commercial Aeronautical Services and Activities at the Airport, and the Rules and Regulations for Aviation and that any lease, contract or agreement entered into with applicant shall be terminated or canceled in the event of failure to comply with any modification or amendments to the Minimum Standards and Requirements for Commercial Aeronautical Services and Activities at the Airport, and the Rules and Regulations for Aviation after notice thereof shall have been given.~~
- B. ~~No Airport Tenant shall engage in any business or activity on the Airport other than that specifically authorized under her/his particular category or categories.~~
- C. ~~Any Airport Tenant desiring to extend her/his operation into more than one category or to discontinue operations in a category, shall first apply in writing to the CAA for permission to do so, setting forth in detail the reasons and conditions for the request. The CAA shall then grant or deny the request on such terms and conditions as the Board of Trustees deems to be prudent and proper under the circumstances.~~
- D. ~~Lessees will, at all times during the continuance of the term of the lease and any renewal~~

~~or extension thereof; conduct, operate and maintain for the benefit of the flying public, the services provided for and described therein, and provide all parts and services as defined and set forth, and will make all such services available to the public and that it will devote its best efforts for the accomplishment of such purposes and that it will at all time charge fair, reasonable and not unjustly discriminatory prices to patrons and customers for all merchandise or materials and services furnished or rendered. Notwithstanding anything contained in a lease that may be or appear to the contrary, it is expressly understood and agreed that the rights granted thereunder are nonexclusive and the Lessor reserves the right to grant similar privileges to another operator or operators upon formal application by that operator, and upon demonstration of compliance with paragraphs IV and VIII herein.~~

- B. ~~E.~~ With the exception of current tenants in Space 8 – Phil Schmidt and Space 10 – Beaver Creek Aviation, LLC, all leases for airport construction shall contain a reversionary clause stating that any private construction of a facility on Airport property shall revert ownership back to the Airport upon the termination or conclusion of the lease. The prevailing leases for Spaces 8 & 10 shall not be subject to the reversionary clause until their present leases lapse. Otherwise, upon reversion, the immediate previous owner shall have first right of refusal to enter into a new rental agreement with the Airport for said facility.

#### **VIII. STANDARD REQUIREMENTS FOR ALL AERONAUTICAL ACTIVITIES**

Every applicant for permission to conduct aeronautical activities at the Airport shall satisfy the CAA that he or she meets the following requirements:

- A. That such applicant has a history of management and personnel ability in conducting the same or similar or comparable type of service or activity in good workman like manner.
- B. That such applicant has the financial responsibility and ability to provide facilities and services proposed.
- C. That the applicant has or can reasonably secure necessary certificates from the FAA or other authority where the same are required for the activity proposed.
- D. That the applicant has or can furnish suitable indemnity insurance or bond to protect and hold the CAA harmless from any liability in connection with the conduct of the activity proposed. In considering every application for establishing aeronautical activities, the CAA shall give due consideration to whether such proposed activity would be detrimental to the public interest.
- E. All construction required of such operators should be in accordance with design and construction standards required or established by the City for the facility or activity involved. Title to any and all buildings and appurtenances, which may be built on Airport property, shall revert to the CAA, when and if the subject Lessee vacates the lease for any reason. All operators shall be required to furnish the CAA payment and performance bonds commensurate with any construction required under the standards herein fixed or under any contract or lease by and between such operator and the City.
- F. The rates or charges for any and all activities and services of such operators shall be

LEASE AGREEMENT

This Agreement of Lease made and entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_ by and between the Clinton Airport Authority, a public trust of the City of Clinton, Oklahoma, which is responsible for the administration of the *Clinton Regional Airport* (Airport), hereinafter referred to as "Lessor," and \_\_\_\_\_, hereinafter referred to as "Lessee."

WITNESSETH THAT:

WHEREAS, the City is the owner of the premises known as Clinton Regional Airport (the "Airport"); and

WHEREAS, the City and Lessee are mutually desirous of entering into a Lease for the use and occupancy of certain areas at the Airport;

NOW, THEREFORE, in consideration of the premises and of the rents, covenants and conditions herein contained, the City does hereby grant to the Lessee the right to use and occupy the area of the Airport described in Article 2 hereof, during the term hereof, (hereinafter referred to as the "Leased Premises"), for the term and pursuant to the conditions hereinafter set forth.

ARTICLE 1 - TERM

1.1 The term of this lease shall be for a xxxxxxxx (XX) year period commencing on \_\_\_\_\_ . Lease may be extended for 1 (one) successive period of 5 (five) years commencing upon the expiration of the original term hereof at the option of the Lessee. Lessee must notify Lessor within 90 (ninety) days of expiration of the original lease term of their intent to extend.

ARTICLE 2 - LEASE PREMISES

2.1 The Leased Premises shown on Exhibit A, attached hereto and made a part hereof consist of:

2.1.1 Improved/unimproved land area consisting of approximately \*\*\*\*\* square feet.

2.1.2 Any real property improvement constructed or installed thereon during the term hereof.

ATTACHMENT "A"

### ARTICLE 3 - USE OF LEASED PREMISES

3.1 The Lessee shall occupy and use the Leased Premises for the following purposes and for no other purpose whatsoever:

3.1.1 It is further agreed by and between the parties that Lessee shall not use or permit the premises or any part thereof to be used for any primary purpose or purposes other than aviation purposes and/or storage of an aircraft (said aircraft must be airworthy). Lessee shall not house any other aircraft, personal or other property within Leased Premises without prior written consent by the City. In the event the hangar is empty, it may not be used for non-aviation purposes or storage without the written permission of the City. Should the City permit short-term non-aviation usage the rate shall be at a higher fair-market value rate and not the aviation value rate as agreed upon in this agreement. Upon signing the lease agreement, Lessee has a period of six months from date of signing to obtain an aircraft. Any extension must be pre-approved by the Lessor. Should a Lessee lack ownership of an aircraft, whether voluntary or involuntary, at any point during the lease the Lessee shall have a period of three months to obtain ownership of an aircraft for storage in the leased premises. The demised premises are hereby leased, and no use shall be made or permitted to be made to the demised premises, nor acts done which will cause a cancellation of any insurance policy covering the buildings located thereon or any part thereof, nor about the demised premises, nor articles which may be prohibited by standard form of fire insurance policies. Lessee shall, at their own expense, comply with all requirements pertaining to the demised premises of any insurance organization or company necessary for the maintenance of insurance that is herein provided covering any building or appurtenances at any time located on the demised premises. The hangar may not be used as a living quarters. Any violation of this agreement will be cause for termination of Site Lease.

3.1.2 It is further agreed and understood by the parties that the Lessee shall have a period not to exceed **twelve (12) months from the effective date of the lease to complete the construction of said building**. In the event said building is not completed within said twelve (12) month period, then, and in that event, Lessee agrees to pay the Authority a Fifty Dollar (\$50.00) per day penalty until said building is completed. In this respect, Lessee may request a thirty (30) day extension to complete said construction and if granted in writing, said penalty is waived during said extension period.

### ARTICLE 4 - RENTAL

- 4.1 Lessee agrees to pay to the City as rental for use of the premises and the privileges herein granted the sum of \$x.xx per square foot for a total of \$xxxx.xx per year (rate x square footage = total).
- 4.2 Lessee shall pay one-twelfth (1/12) of the annual rent in advance on or before the first day of each month during the term or any renewal of this lease. Provided, however, that if any monthly rental payment is not paid on or before the tenth day following the first day of each

month, such payment shall bear interest at 10% per annum.

- 4.3 The monthly rent shall be payable at the office of the Airport Manager or such other locations as may from time to time be directed in writing by the City.
- 4.4 It is further understood and agreed that there shall be a mandatory site lease rate cost review every third year, for the duration of the lease, for possible rate adjustment, up or down, based on inflation and consumer price index factors and airport improvements.

ARTICLE 5 - ACCEPTANCE, CARE MAINTENANCE,  
IMPROVEMENTS AND REPAIR

- 5.1 Lessee warrants that it has inspected the Leased Premises and accepts possession of the Leased Premises and the improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, State of Oklahoma, Oklahoma Aeronautics Commission, by ordinances of the City, and other minimum standards or regulations adopted for the airport and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided for herein, the City shall not be required to maintain nor to make any improvements, repairs or restorations upon or to the Leased Premises or to any of the improvements presently located thereon. City shall never have any obligation to repair, maintain or restore, during the term of this lease, any improvements placed upon the Leased Premises by Lessee, its successors and assigns.
- 5.2 Lessee shall throughout the term of this Agreement assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. The Lessor, may, at their discretion, require a structural or other engineering analysis to ensure the Lessee is adequately maintaining the improvements on said leased property. Additionally, Lessee, without limiting the generality hereof, shall:
  - 5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises.
  - 5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law.
  - 5.2.3 Repair any damage caused by Lessee to paving or other surface of the Leased Premises caused by any oil, gasoline, grease, lubricants or other flammable liquids and substances having a corrosive or detrimental effect thereon.

5.2.4 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas.

5.2.5 Be responsible for the maintenance and repair of all utility service lines placed on the Leased Premises and used by Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.

5.3 In the event Lessee fails: (a) to commence to maintain, clean, repair, replace, rebuild or repaint within a period of thirty (30) days after written notice from the City to do any maintenance or repair work required to be done under the provisions of this Agreement, other than preventive maintenance, (b) or within a period of ninety (90) days if the said notice specifies that the work to be accomplished by the Lessee involves preventative maintenance only; (c) or to diligently continue to completion any repairs, replacement, rebuilding, painting or repainting as required under the Agreement; then, the City may, at its option, and in addition to any other remedies which may be available to it, enter the premises involved, without such entering causing or constituting a cancellation of this Agreement or any interference with the possession of the Leased Premises, and repair, replace, rebuild or paint all or any part of the Leased Premises or the improvements thereon, and do all things reasonably necessary to accomplish the work required, and the cost and expense thereof shall be payable to the City by Lessee on demand. Provided, however, if in the opinion of the City, the Lessee's failure to perform any such maintenance endangers the safety of the public, the employees or property of the City or other tenants at the Airport, and the City so states same in its notice to Lessee, the City may, at its sole option, in addition to all other remedies which may be available to it, elect to perform such maintenance at any time after the giving of such notice, and Lessee agrees to pay to the City the cost and expense of such performance on demand. Furthermore, should the City, its officers, employees or agents undertake any work hereunder, Lessee hereby waives any claim for damages, consequential or otherwise, as a result thereof except for claims for damages arising from the City's sole negligence. The foregoing shall in no way affect or alter the primary obligations of the Lessee as set forth in this Agreement and shall not impose or be construed to impose upon the City any obligations to maintain the Leased Premises, unless specifically stated otherwise herein.

5.4 Plans and specifications for all major repairs, constructions, alterations, modifications, additions or replacements (hereinafter referred to as "improvements"), including, without limitation the new facility to be constructed by the Lessee pursuant to Section 5.5 below, undertaken by the Lessee shall be submitted to and receive the written approval of the City, and no such work shall be commenced until such written approvals are obtained from the City, which approval shall not be unreasonably withheld or delayed. City shall advise Lessee within thirty (30) days after receipt of the written request, together with copies of the plans and specifications for the proposed improvements in sufficient detail to make a proper review thereof, or its approval or disapproval of the proposed work, and in the event, it disapproves, stating its reasons therefore.

- 5.5 If Lessee makes any improvements without City approval, then, upon notice to do so, Lessee shall remove the same or at the option of City, cause the same to be changes to the satisfaction of City. If Lessee fails to comply with such notice within thirty (30) days or to commence to comply and pursue diligently to completion, City may affect the removal or change and Lessee shall pay the cost thereof to the City. Lessee expressly agrees in the making of all improvements that, except with the written consent of City, it will neither give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a mater of law, to a lien against said Leased Premises and improvements thereon, and Lessee will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by City to all persons that no lien attaches to any such improvements.
- 5.6 Upon the completion of construction or installation, the complete and unencumbered title to all improvements located on the Leased Premises shall immediately vest in City free and clear of all claims on the part of the Lessee on account of any repair or improvement work done or to be done under the terms hereof by Lessee. This vesting of title in the City at the time specified is a part of the consideration for this lease. The City shall not be liable to Lessee or Lessee's contractors or sub lessees for the value of any improvements constructed or located on the Leased Premises.

#### ARTICLE 6 - ADDITIONAL OBLIGATIONS OF LESSEE

6.1 Lessee shall conduct its operations hereunder in an orderly and proper manner.

6.2 Further, Lessee shall take all reasonable measures:

6.2.1 Not to produce on the Airport any disturbance that interferes with the operation by the City, the Federal Aviation Administration, or the Oklahoma Aeronautics Commission of air navigational, communication or flight equipment on the Airport.

6.2.3 Lessee shall control the conduct and demeanor of its officers, agents, employees, invitees and, upon objection from City concerning the conduct, demeanor of any such person, Lessee shall immediately take all lawful steps necessary to remove the cause of the objection.

6.2.4 Lessee shall comply with all health and safety laws and requirements and any other federal, state or municipal laws, ordinances, rules, regulations and requirements, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder.

6.2.5 Lessee shall comply with all written instructions of the City in disposing of its trash and refuse at Lessee's expense and shall use a system of refuse disposal approved by the City. The manner of handling and disposing of trash, garbage and other refuse and the frequency of removal thereof from the Airport premises shall at all times be subject to the

rules, regulations and approval of City.

6.2.6 Lessee shall not commit, nor permit to be done, anything which may result in the commission of a nuisance, waste, or injury on the Leased Premises.

6.2.7 Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Leased Premises.

6.2.8 Lessee shall take measures to ensure security in compliance with Federal Aviation Regulations and the Airport Security Plan.

6.2.9 Lessee shall not do, nor permit to be done, any act or thing upon the Leased Premises which may constitute a hazardous condition so as to increase the risks attendant upon the operations permitted by the Agreement.

6.2.10 Lessee shall use only a working supply of flammable liquids within any covered or enclosed portion of the Leased Premises. Any other supplies of such liquids shall be kept and stored in safety containers of a type approved by the Underwriters Laboratories. The term "working supply" as used in this Section 6.10 shall mean the amount consumed by Lessee during any normal workday.

6.2.11 Except for services permitted under Article 3 hereof to be performed by Lessee or Lessee's subcontractors, Lessee shall provide prompt written notice to the City of any person, firm or corporation performing aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without a valid permit from the City.

#### ARTICLE 7 - INGRESS AND EGRESS

- 7.1 The Lessee shall have the right of ingress and egress to and from the Leased Premises by means of roadways, to be used in common with others having rights of passage thereon, except when the Airport is closed to the public.
- 7.2 The use of any such roadway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated. City may, at any time, temporarily or permanently, close or consent to or request the closing of any such roadway and any other way at, in or near the Leased Premises presently or hereafter used as such, so long as a reasonable means of ingress and egress as provided above remains available to the Lessee. The Lessee hereby releases and discharges the City, its officers, employees and agents; and all municipalities and other governmental authorities and their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area,

provided that a reasonable means of access to the Leased Premises remains available to the Lessee whether within the Leased Premises or outside the Leased Premises at the Airport unless otherwise mandated by safety considerations or lawful exercise of the police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways near the Leased Premises.

#### ARTICLE 8 - LIABILITIES AND INDEMNITIES

- 8.1 City shall not in any way be liable for any cost, liability, damage, or injury, including cost of suit and reasonable expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations works, acts or omissions performed on the Leased Premises, or the Airport, by Lessee, its sub lessees or tenants, or their guest or invitees.
- 8.2 Lessee agrees to indemnify, save and hold harmless, the City, (its officers, agents, servants and employees) of and from any and all costs, liability, damage and expense (including costs of suit and reasonable expenses of legal services) claimed or recovered, justly or unjustly, false, fraudulent or frivolous, by any person, firm or corporation by reason of injury to, or death of, any person or persons, and damage to, destruction or loss of use of any and all property, including City personnel and City property, directly or indirectly arising from, or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, sub lessees or tenants. Provided, however, that upon the filing with the City by anyone of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify and hold the City harmless, the City shall notify Lessee of such claim and in the event that Lessee does not settle or compromise such claim, then Lessee shall undertake the legal defense of such claim both on behalf of Lessee and behalf of the City. It is specifically agreed, however, that the City at its own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the City for any cause for which Lessee is liable hereunder shall be conclusive against Lessee as to liability and amount upon the expiration of the time for appeal.
- 8.3 In addition to Lessee's undertaking, as stated in this Article, and as a means of further protecting the City, its officers, agents, servants and employees, Lessee shall at all times during the term of this Agreement obtain and maintain in effect Public Liability Insurance coverage as set forth in Schedule A attached hereto and made a part hereof. In this connection, Lessee agrees to require its contractors doing work on the Airport, and Lessee's tenants and sub lessees, to carry adequate insurance coverage, and if Lessee so desires, it may accomplish same by an endorsement to Lessee's policies to include such persons or parties as additional named insured.
- 8.3.1 The City reserves the right to increase the minimum liability insurance set forth in Schedule A when in the City's opinion the risks attendant to Lessee's operations hereunder have increased.

- 8.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names, or slogans used by it in its operations under or in anywise connected with this Agreement. The Lessee agrees to save and hold the City, its officers, employees, agents, and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anywise connected with this Agreement.
- 8.5 The Lessee represents and warrants that no broker has been concerned on its behalf in the negotiation of this Agreement and that there is no such broker who is or may be entitled to be paid a commission in connection therewith. The Lessee shall indemnify and save harmless the City of and from any claim for commission or brokerage made by any such broker when such claim is based in whole or in part upon any act or omission of the Lessee.

#### ARTICLE 9 - RULES AND REGULATIONS

- 9.1 From time-to-time City may adopt and enforce rules and regulations with respect to the occupancy and use of the Airport. Lessee agrees to observe and obey any and all rules and regulations, minimum standards, and all other Federal, State, and municipal rules, regulations and laws and to require its officers, agents, employees, contractors, and suppliers, to observe and obey the same. City reserves the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations, or laws. Lessee hereby acknowledges receipt of a current copy of such City rules and regulations.

#### ARTICLE 10 - SIGNS

- 10.1 Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location, and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the written approval of the City. No sign will be approved that may be confusing to aircraft pilots or automobile drivers or their traffic or which fails to conform to the architectural scheme of the Airport or meet the requirements of the City.

#### ARTICLE 11 - ASSIGNMENT AND SUBLEASE

- 11.1 Lessee covenants and agrees that it will not sell, convey, transfer, mortgage, pledge or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of the City.
- 11.2 Any assignment or transfer of this Agreement, or any rights of Lessee hereunder, without the consent of the City, shall entitle the City at its option to forthwith cancel this Agreement.
- 11.3 Any assignment of this Agreement approved and ratified by the City shall be on the

condition that the assignee accepts and agrees to all of the terms, conditions, and provisions of this Agreement, and agrees to accept and discharge all of the covenants and obligations of Lessee hereunder, including but not limited to the payment of all sums due and to become due by Lessee under the terms hereof.

- 11.4 Subject to all of the terms and provisions hereof, Lessee may, with the prior written consent of the City, sublet a portion or portions of the Leased Premises to a person, partnership, firm or corporation engaged in a business that is in the opinion of the City compatible with Lessee's authorized Airport business, but in no event shall the Lessee sublet all or any portion of the Leased Premises to a fixed base operator.
- 11.5 No consent by the City to subleasing by Lessee of portions of the Leased Premises shall in any way relieve Lessee of any of its obligations to the City set forth or arising from this lease and a termination of Lessee's rights hereunder shall ipso facto terminate all subleases.
- 11.6 No consent to subleasing by the Lessee to a person, corporation or partnership conducting any business for profit derived from activities at the Airport shall be granted by the City without a duly executed permit agreement between the City and the sub lessee.
- 11.7 If the Lessee assigns, sells, conveys, transfers, mortgages, or pledges this agreement or sublets any portion of the Leased Premises in violation of the foregoing provisions of this Article, or if the Leased Premises are occupied by anyone other than the Lessee, City may collect from any assignee, sub lessee or anyone who claims a right to this Agreement or who occupies the Leased Premises any charges or fees payable by it and may apply the net amount collected to the rents herein reserved; and no such collection shall be deemed a waiver by City of the agreements contained in this Article nor of acceptance by City of any assignee, claimant or occupant, nor as a release of the Lessee by City from the further performance by the Lessee of the agreements contained herein.

#### ARTICLE 12 - NON-DISCRIMINATION

- 12.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises for a purpose for which a United States Government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, 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 said Regulations may be amended.
- 12.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree 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 subjected to discrimination in the use of the Leased Premises; (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 subjected to discrimination, (3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, 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 said Regulations may be amended.

- 12.3 In this connection, the City reserves the right to take whatever action it might be entitled by law to take in order to enforce this provision. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by City to cease and desist, will constitute a material breach of this Agreement, and will entitle the City, at its option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.
- 12.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the City a right to take such action as the United States may direct to enforce such covenant.
- 12.5 The Lessee shall indemnify and hold harmless City from any claims and demands of third persons including the United States of America resulting from the Lessee's noncompliance with any of the provisions of this Section and the Lessee shall reimburse City for any loss or expense incurred by reason of such noncompliance.

#### ARTICLE 13 - GOVERNMENTAL REQUIREMENTS

- 13.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.
- 13.2 The Lessee shall pay all taxes, licenses, certification, permit and examination fees and excise taxes which may be assessed, levied, exacted, or imposed on the Leased Premises or operation hereunder or on the gross receipts or income to Lessee there from, and shall make all applications, reports and returns required in connection therewith.
- 13.3 Lessee shall have the right, at its cost and expense, to undertake appropriate action to exempt all or any part of the Leased Premises from real estate taxes imposed upon the Leased Premises, or to secure a reduction in real estate taxes as assessed. Any such real estate taxes shall be apportioned as of the dates of commencement and termination of the

lease. If any real estate taxes as may be assessed against the Leased Premises are reduced or eliminated, Lessee shall be entitled to full benefit thereof, including any refund payable to Lessee resulting there from.

#### ARTICLE 14 - RIGHTS OF ENTRY RESERVED

- 14.1 The City, by its officers, employees, agents, representatives, and contractors shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes, provided, such action by the City, its officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy, or security requirements of the Leased Premises. Security requirements must be pre-approved in writing by Lessor.
- 14.2 Without limiting the generality of the foregoing, the City, by its officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at its own cost and expense, whether for its own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future utility, mechanical, electrical and other systems and to enter upon the Leased Premises at all reasonable times to make such repairs, replacements or alterations thereto, as may, in the opinion of the City, be deemed necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises for access to other parts of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair alteration or new construction, the City, shall not unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee. It is specifically understood and agreed that the reservation of the aforesaid right by the City shall not impose or be construed to impose upon the City any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises.
- 14.3 In the event that any personal property of Lessee shall obstruct the access of the City, its officers, employees, agents or contractors, or the utility company furnishing utility service to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system, Lessee shall move such property, as directed by the City or said utility company, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If Lessee shall fail to so move such property after direction from City or said utility company to do so, the City or the utility company may move it, and the Lessee hereby agrees to pay the cost of such moving upon demand, and further Lessee hereby waives any claim for damages as a result there from, except for claims for damages arising from the City's sole negligence.
- 14.4 At any reasonable time, and from time to time during the ordinary business hours, the City, by its officers, agents, and employees, whether or not accompanied by a prospective lessee, occupier or user of the Leased Premises, shall have the right to enter thereon for the purpose of exhibiting and viewing all parts of the same, subject to Lessee's reasonable

security requirements. Any security requirement must be submitted to the City and are subject to pre-approval by the City.

- 14.5 Exercise of any or all of the foregoing rights, by the City, or others under right of the City, shall not be, nor be construed to be, an eviction of Lessee, nor be made the grounds for any abatement of rental nor any claim or demand for damages, consequential or otherwise.

#### ARTICLE 15 - ADDITIONAL RENTS AND CHARGES

- 15.1 Except as provided in Section 5.3 (b), in the event Lessee fails within thirty (30) days after receipt of written notice from City to perform or commence to perform any obligation required herein to be performed by Lessee, City may enter the Leased Premises (without such entering causing or constituting a cancellation of this Agreement or an interference with the possession of such Leased Premises by Lessee) and do all things reasonably necessary to perform such obligation, charging to Lessee the cost and expense thereof, and Lessee agrees to pay to the City upon demand such charge in addition to other amounts payable by Lessee hereunder. Provided, however, that if Lessee's failure to perform any such obligation endangers the safety of the public or employees or property of the City or other tenants of the Airport, and City so states in its notice to Lessee, the City may perform such obligation of Lessee at any time after the giving of such notice, and charge to the Lessee the reasonable cost and expense thereof which Lessee shall pay upon demand.
- 15.2 If the City elects to pay any sum or sums or incur any obligation or expense by reason of the failure, neglect or refusal of Lessee to perform or fulfill any one or more of the conditions, covenants or agreements contained in this Agreement, or as the result of any act or omission of Lessee contrary to said conditions, covenants or agreements, Lessee hereby agrees to pay the sum or sums so paid or expense so incurred by the City as a result of such failure neglect or refusal of Lessee, including interest, not to exceed ten percent (10%) per annum, together with all costs, damages and penalties. In such event, the total of such amounts may be added to any installment of rent thereafter due hereunder, and each and every part of the same shall be and become additional rent recoverable by the City in the same manner and with like remedies as if it were originally a part of the rent provided for in this Agreement.

#### ARTICLE 16 - DEFAULT

- 16.1 In the event Lessee breaches any term or provision of this Lease, including the obligation to pay rent as and when due, the City shall have the right to terminate this lease upon giving Lessee ten (10) days notice to cure such default (except as otherwise provided in Section 5.3 above). If Lessee shall not have cured its default within said ten (10) day period to the satisfaction of the City, then the City may declare this Lease and Lessee's right of occupancy to be terminated, and Lessee shall at once quit the Premises, taking only such personality or fixtures as the City may authorize to be removed. The foregoing rights and remedies given

to City are and shall be deemed to be cumulative and shall be deemed to be given to City in addition to any other and further rights granted to City herein or by law. The failure by the City at any time to exercise any right or remedy hereby given to it shall not be deemed to operate as a waiver by it of its right to exercise such rights or remedies at any other or future time.

#### ARTICLE 17 - TERMINATION BY LESSEE

17.1 In addition to any other right of cancellation herein given to Lessee, or any other rights to which it may be entitled by law, equity or otherwise, as long as Lessee is not in default in payment to City of any amounts due City under this Agreement, Lessee may cancel this Agreement and thereby terminate all of its rights and unaccrued obligations hereunder, by giving City thirty (30) days' advance written notice upon or after the happening of the following events:

17.1.1 issuance by a court of competent jurisdiction of an injunction which in any way substantially prevents or restrains the use of the Leased Premises, or any part thereof necessary to Lessee's business operations on the Airport, and which injunction remains in force for a period of at least thirty (30) days after the party against whom the injunction has been issued has exhausted or abandoned all appeals or one hundred twenty (120) days whichever is shorter, if such injunction is not necessitated by or issued as a result of an act or omission of Lessee; or

17.1.2 The assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport and its facilities, or any substantial part thereof, in such a manner as substantially to restrict Lessee from operating its authorized Airport business for a continuous period of at least ninety (90) days.

#### ARTICLE 18 - SURRENDER AND RIGHT OF RE-ENTRY

18.1 Upon the cancellation, termination, or expiration of this Agreement pursuant to any terms hereof, Lessee agrees peaceably to surrender up the Leased Premises to the City in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by Lessee; save and except, (a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance, (b) obsolescence in spite of repair, and (c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the City. Upon such cancellation, termination, or expiration the City will re-enter and repossess the Leased Premises together with all improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement. Furthermore, upon such cancellation, termination, or expiration, and for a reasonable time thereafter (not exceeding thirty (30) days after such cancellation, termination, or expiration, and for which period Lessee will pay to the City current lease rentals), or during the term of this Agreement, if Lessee is not in default in rentals or any other charges or obligations due the City, Lessee shall have the right to remove its personal property, fixtures and trade

equipment which it may have on the Leased Premises, provided the removal thereof does not impair, limit or destroy the utility of said Leased Premises or building for the purpose for which they were constructed or improved, and provided, further, that Lessee repairs all damages that might be occasioned by such removal, and restores the building and site to the condition above required. Upon the reversion of the Leased Premises to the City the Lessee shall have first right of refusal to enter into an agreement to rent the Premises from the City at an agreed upon rate. The rental rate shall be determined by similarly valued City owned facilities and not the ground lease rate.

#### ARTICLE 19 - SERVICES TO LESSEE

- 19.1 City covenants and agrees that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public provided, however, that the City may prohibit or limit any given type, kind, or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The City further agrees to use its best efforts to maintain the runways and taxiways in good repair. City agrees to keep in good repair hard-surfaced public roads for access to the Leased Premises. City also agrees to maintain its water and sanitary sewer facilities in areas designated for utilities or easements adjacent to the Leased Premises for access thereto by Lessee in accordance with City Ordinances governing same.
- 19.2 Lessee will contract with and obtain all required permits from the appropriate City Departments for any utility services provided by City, paying any required connection fees, including those to be paid by owners, and all such services will be provided at rates and on terms and conditions established by the City for similar users in the City.
- 19.3 Lessee will also contract with the furnishers of all other utilities for the furnishing of such services to the Leased Premises and shall pay for all water, gas, electricity, sanitary sewer service, telephone, and burglary and fire protection services furnished to the Leased Premises.

#### ARTICLE 20 - SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

- 20.1 In the event that the Agreement shall have been terminated in accordance with a notice of termination as provided in Article 16 hereof, all the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to City to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. City may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of the Agreement.

20.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations shall be the sum of the following:

20.2.1 The amount of the total of all installments thereof payable prior to the effective date of termination except that the credit to be allowed for the installment payable on the first (1st) day of the month in which the termination is effective shall be prorated for the part of the month the Agreement remains in effect on the basis of the total days in the month;

20.2.2 An amount equal to all expenses incurred by City in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, legal expenses (including but not limited to attorney's fees), putting the Leased Premises in order, maintenance, and brokerage fees.

20.3 Alternative obligation and damage resolution shall be at the sole discretion of the Lessor and must be granted in writing by the City.

20.4 Lessor shall have the sole right to terminate this lease at any time during the term with one hundred twenty (120) days prior written notice to Lessee.

ARTICLE 21 - USE SUBSEQUENT TO CANCELLATION OR TERMINATION

21.1 The City, upon termination or cancellation pursuant to Article 16 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.

21.2 City shall also, upon said termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering, or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

21.3 In the event either of use by others or of any actual use and occupancy by City, there shall be credited to the account of the Lessee against its survived obligations hereunder any net amount remaining after deducting from the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same if originally stated in this Agreement, or from the market value of the occupancy of such



over shall be at a rental rate equal to 150% of the rent payable in Article 1 above.

- 24.2 Any holding over by Lessee beyond the thirty (30) day period permitted for removal of fixtures without the written consent of the City shall make the Lessee liable to the City for damages equal to double the rentals provided for herein and which were in effect at the termination of the lease.
- 24.3 All insurance coverage that Lessee is required under the provisions hereof to maintain in effect shall continue in effect for so long as Lessee, or any of Lessee's sub lessees or tenants occupy the Leased Premises or any part thereof.

#### ARTICLE 25 - INVALID PROVISIONS

- 25.1 The invalidity of any provisions, articles, paragraphs, portions, or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable Agreement.

#### ARTICLE 26 - MISCELLANEOUS PROVISIONS

##### Remedies to be Nonexclusive.

- 26.1 All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to the City, or Lessee, at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy.

##### Non-Waiver of Rights.

- 26.2 The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall other party be relieved thereby from its obligations under the terms hereof.

##### Force Majeure.

- 26.3 Neither party shall be deemed in violation of this Agreement if it is prevented from performing any of its obligations hereunder by reason of labor disputes, acts of God, acts of the public enemy, acts of superior governmental authority or other circumstances for which it is not responsible or which is not in its control provided, however, that this section shall not excuse Lessee from paying the rentals herein specified.

##### Non-Liability of Individuals.

- 26.4 No director, officer, agent or employee of either party hereto shall be charged personally or

held contractually liable by or to the other party under any term or provision of this Agreement or of a supplement, modification or amendment to this Agreement because of any breach thereof, or because of his or their execution or attempted execution of the same.

#### Quiet Enjoyment.

26.5 The City covenants that as long as Lessee is not in default of any provision of this Agreement, Lessee shall and may peaceably and quietly have, hold and enjoy the Leased Premises exclusively to it during the term hereof unless sooner canceled as provided in this Agreement.

#### General Provisions.

26.6 Lessee shall not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.

26.7 This Agreement shall be performable and enforceable in Clinton, Oklahoma and shall be construed in accordance with the laws of the State of Oklahoma.

26.8 This Agreement is made for the sole and exclusive benefit of the City and Lessee, their successors and assigns, and is not made for the benefit of any third party.

26.9 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

26.10 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.

26.11 The titles of the several articles of this Agreement are inserted herein for convenience only and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.

26.12 Nothing herein contained shall create or be construed to creating a co-partnership between the City and the Lessee or to constitute the Lessee an agent of the City. The city and the Lessee each expressly disclaim the existence of such a relationship between them.

#### ARTICLE 27 - SUBORDINATION CLAUSES

27.1 This Agreement is subject and subordinate to the following:

27.1.1 City reserves the right to develop and improve the Airport as it sees fit, regardless of the desires or view of Lessee, and without interference or hindrance by or on behalf of Lessee, provided, Lessee is not deprived of the use of or access to the Leased Premises.

27.1.2 City reserves the right to take any action it considers necessary to protect the aerial



ATTEST:

\_\_\_\_\_  
XXXXXXXXXXXX, CITY CLERK

LESSEE:

\*\*\*\*\*

\_\_\_\_\_  
A Corporation

By: \_\_\_\_\_

\*\*\*\*\*

ATTEST:

\_\_\_\_\_

SCHEDULE "A"

INSURANCE COVERAGE

The Lessee, at Lessee's expense, shall obtain and maintain in continuous effect during the term of this Lease Agreement, insurance policies issued by an insurance carrier licensed to do business in the State of Oklahoma, providing for:

1. Comprehensive General Liability - having a minimum of \$100,000.00 per person, 300,000.00 for any one accident, and \$100,000.00 property damage with the following coverage:
  - A. broad form contractual liability
  - B. premises and operations
2. Fire coverage

The Lessee shall provide the City with a Certificate of Insurance indicating proof of the foregoing coverage. Such certificate shall provide that the carrier issuing the certificate shall notify the City within ten (10) days in advance of any cancellation or significant change in the terms or coverage of such insurance policies.

The failure of the Lessee to obtain and maintain such insurance coverage shall not relieve the Lessee from any liability arising from this Lease Agreement nor shall any such liability be limited to the liability insurance coverage provided for herein.