

The City of Durant encourages participation from all its citizens. If participation at any public meeting is not possible due to a disability, notification to the City Clerk at least 48 hours prior to the scheduled meeting is encouraged in order to make the necessary accommodations. The City of Durant may waive the 48-hour rule if interpreters for the deaf (signing) or translation services for limited English proficient (LEP) individuals are not the necessary accommodation.

DURANT AIRPORT AUTHORITY/ DAA

6:00 PM

**AMENDED AGENDA
Roscoe J. Hatfield
Council Chambers, 300
West Evergreen,
Durant, Oklahoma
AGENDA**

May 14, 2019

**DURANT CITY HALL
300 W. EVERGREEN, DURANT, OK
ROSCOE J. HATFIELD COUNCIL CHAMBERS**

CALL TO ORDER

ROLL CALL

ORDER OF BUSINESS

1. Consent Items

- a. Consider Approval of Regular Meeting Minutes of April 9, 2019

2. Consider Items Removed from Consent

3. Information Items

- a. Airport Manager Monthly Report - April 2019

4. Citizen Comments on Non-Agenda Items

Citizens wishing to address the council regarding matters which are not listed on the agenda will be required to sign up no later than 5 minutes prior to the scheduled starting time of the meeting. The sign-in sheet will contain space for citizen's name, address, phone number, and topic to be discussed. In this way, city staff will be able to follow-up on any issues presented if necessary.

5. Administration

- a. Consider Approval of the Fixed Base Operator (FBO) Minimum Standards Document and to Begin Implementation
- b. Consider Termination of Ground Lease Agreement #C-2019-06 with First United Bank
- c. Consider Allowing Hangar 10 Aviation, LLC to Begin Fixed Based Operations (FBO) Out of Their Leased Facility Which Would

Include But not be Limited to the Installation of Storage for Jet Fuel and 100LL Aviation Fuels by Hangar 10 Aviation, LLC and the Retail Sale of Those Fuels Subject to the Fair and Equal Fuel Flowage Fee Established for all Fuel Storage Tank Owners as Set by The Airport Authority and to be Located at Durant Regional Airport - Eaker Field

6. New Business

ADJOURNMENT

CERTIFICATE

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 13th day of November, 2018 and that an agenda of said meeting was posted at the place of such meeting at 3:30 p.m. on the 10th day of May, 2019.. Amended agenda of said meeting was posted at the place of such meeting at 3:30 p.m. on the 11th day of May, 2019.

Cynthia J. Price, City of Durant



The City of Durant

Office of City Clerk

Memorandum

Date: 5/6/2019
To: Airport Authority
From: Cynthia J. Price, City Clerk
Re: Consider Approval of Regular Meeting Minutes of April 9, 2019

Council Information / Action Requested

Approval of Regular Meeting Minutes of April 9, 2019

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Minutes 4.9.2019	Exhibit	5/6/2019

This is to certify that in conformity with the Oklahoma Open Meeting Act, public notice of the date, time and place of this meeting was filed with the City Clerk of Durant on the 13th day of November, 2018 and that an agenda of said meeting was posted at the place of such meeting at 4:58 p.m. on the 5th day of April, 2019..

**MINUTES OF THE REGULAR SCHEDULED MEETING OF DURANT AIRPORT
AUTHORITY OF April 9, 2019 AT 6:00 PM, Roscoe J. Hatfield Council Chambers,
300 West Evergreen, Durant, Oklahoma**

CALL TO ORDER

Chairman Tomlinson called the meeting to order at 8:35 p.m.

ROLL CALL

Present: Trustee Oden Grube	City Attorney Tom Marcum
Trustee Mike Dills	City Manager Tim Rundel
Trustee Destry Hawthorne	City Clerk Cynthia J. Price
Vice Chairman Chad Hitchcock	
Chairman Jerry Tomlinson	

Absent: None (*denotes partial attendance)

Chairman Tomlinson declared a quorum.

1. Consent Items

To help streamline meetings and allow the focus to be on other items requiring strategic thought, the "Consent Items" portion of the agenda groups the routine, procedural, and self-explanatory non-controversial items together. These items are voted on in a single motion (one vote). However, any Council member requesting further information on a specific item thus removes it from the "Consent Items" section for individual attention and separate vote.

- a. Consider Approval of Regular Meeting Minutes of March 12, 2019

Approved

Motion was made by Chad Hitchcock and seconded by Destry Hawthorne to approve consent item as presented.

Motion Passed with the following vote:

Ayes: Dills, Grube, Hawthorne, Hitchcock, Tomlinson

2. Consideration Items Removed from Consent

3. Information Items

- a. Airport Manager Monthly Report - March 2019

4. Citizen Comments on Non-Agenda Items

There were no citizen comments.

5. Administration

- a. Consider Approval of Supplemental Agreement # 3 to Contract # C-2018-60 with Overland Corporation to Increase the Contract by \$24,150.00 for the Installation of Flowable Fill Above the Re-located Water Line as a Part of the Durant Regional Airport - Eaker Field Runway Extension Project and Approve Budget Supplement #001760

1. Approve Supplemental Agreement # 3
2. Approve Budget Supplement # 001760

Approved

Public Works Director Marty Cook addressed council and stated as water lines were relocated at the south end of the runway, there was a realization that more flowable fill was needed in the construction budget. This added cost is reimbursed at a rate of 90% by the Federal Aviation Administration (FAA) and 5% by the Oklahoma Aeronautics Commission (OAC). Only the remaining 5% of increased costs will be realized at the airport.

Motion was made by Destry Hawthorne and seconded by Chad Hitchcock to approve Supplemental Agreement #3.

Motion Passed with the following vote:

Ayes: Dills, Grube, Hawthorne, Hitchcock, Tomlinson

Motion was made by Destry Hawthorne and seconded by Chad Hitchcock to approve Budget Supplement #001760.

Motion Passed with the following vote:

Ayes: Dills, Grube, Hawthorne, Hitchcock, Tomlinson

- b. Consider Approval of the Fixed Base Operator (FBO) Minimum Standards Document and to Begin Implementation Disapproved

Public Works Director Marty Cook addressed council and stated there were two separate meetings held today by bond counsel with members of council in response to a request by council for additional information/education. The separate meetings were held to avoid a quorum and remain in compliance with the Open Meetings Act.

Motion was made by Chad Hitchcock and seconded by Destry Hawthorne to deny approval of the Fixed Base Operator (FBO) Minimum Standards Document.

Motion Passed with the following vote:

Ayes: Grube, Hawthorne, Hitchcock

Nays: Dills, Tomlinson

- c. Consider Allowing Hangar 10 Aviation, LLC to Begin Fixed Based Operations (FBO) Out of Their Leased Facility Which Would Include But not be Limited to the Installation of Storage for Jet Fuel and 100LL Aviation Fuels by Hangar 10 Aviation, LLC and the Retail Sale of Those Fuels Subject to the Fair and Equal Fuel Flowage Fee Established for all Fuel Storage Tank Owners as Set by The Airport Authority and to be Located at Durant Regional Airport - Eaker Field

Tabled

Public Works Director Marty Cook introduced Casey Dufur and David Bray, partners of Hangar 10 Aviation. Mr. Dufur and Mr. Bray presented their proposal to expand and enhance services at the Durant Regional Airport. Question/answer period followed.

Motion was made by Oden Grube and seconded by Destry Hawthorne to table item.

Motion Passed with the following vote:

Ayes: Dills, Grube, Hawthorne, Tomlinson

Nays: Hitchcock

6. New Business

There was no new business.

Adjournment

Motion was made by Chad Hitchcock and seconded by Destry Hawthorne to adjourn meeting.

Motion Passed with the following vote:

Ayes: Dills, Grube, Hawthorne, Hitchcock, Tomlinson



The City of Durant

Office of City Clerk

Memorandum

Date: 5/7/2019
To: Airport Authority
From: Dewayne Williams, Airport Manager
Re: Airport Manager Monthly Report - April 2019

Council Information / Action Requested

Information only.

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Airport Manager Monthly Report - April 2019	Exhibit	5/7/2019



Airport Managers Monthly Report

Durant Regional Airport Eaker Field

May 14, 2019

Dewayne Williams, F.B.O.

- **Fuel - See attached pages 2 - 3.**
- **Hangars – 100% Occupancy**
- **Maintenance Issues**
Minor issues with hangers, and AWOS system.
No major issues currently.
- **Equipment Upgrades Needed**
100 LL Self-Service Fuel Terminal needs to be upgraded soon.
QTpod will discontinue all product support for M3000 Self-Serve Fueling Terminals that were installed prior to January 1, 2008, after June 30, 2019.

Plan for AWOS complete system upgrade within four (4) years.

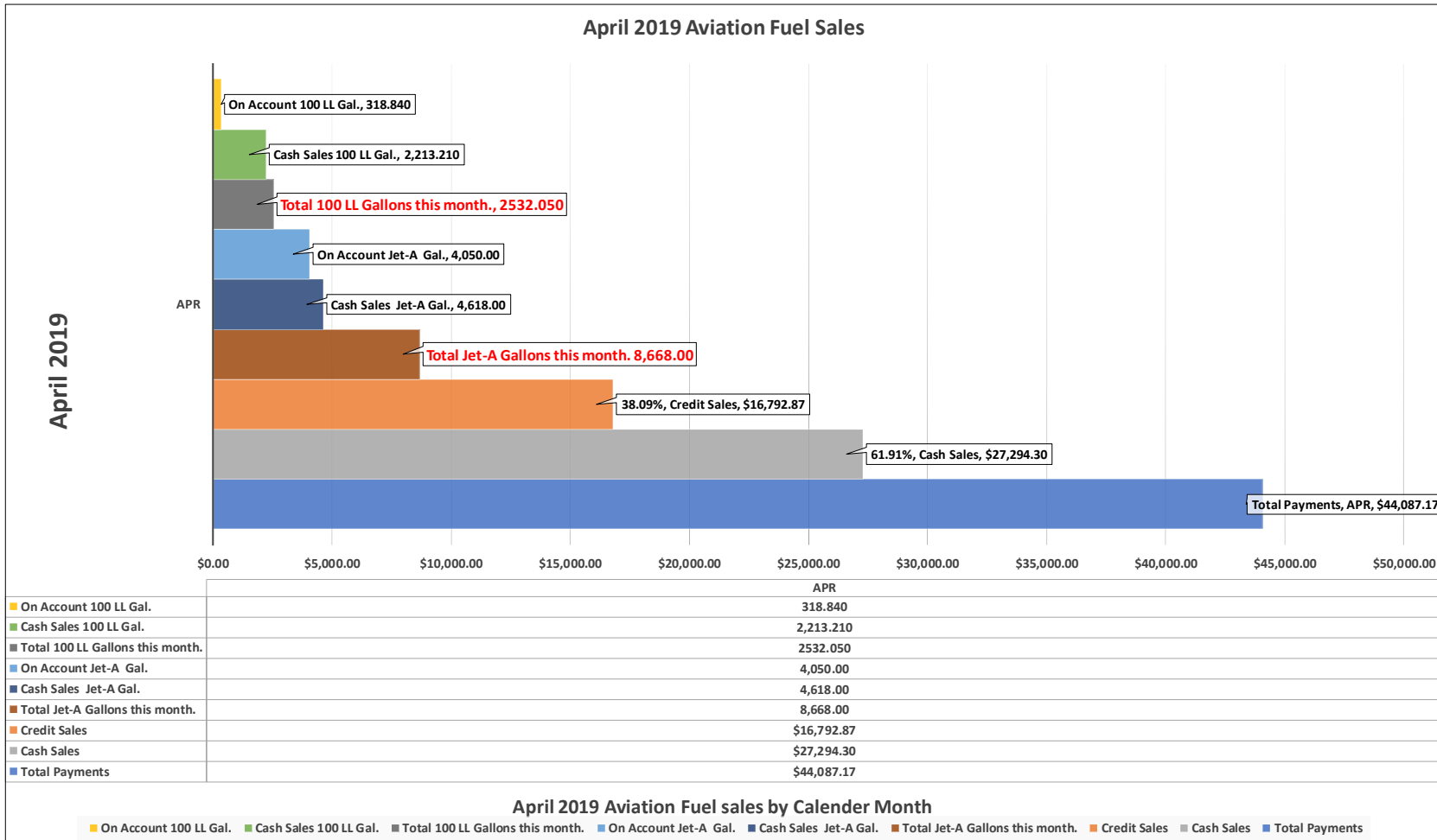
Questions/Concerns/Comments?

- Thank you.



April 1, 2019 to April 30, 2019

April 2019 Aviation Fuel Sales

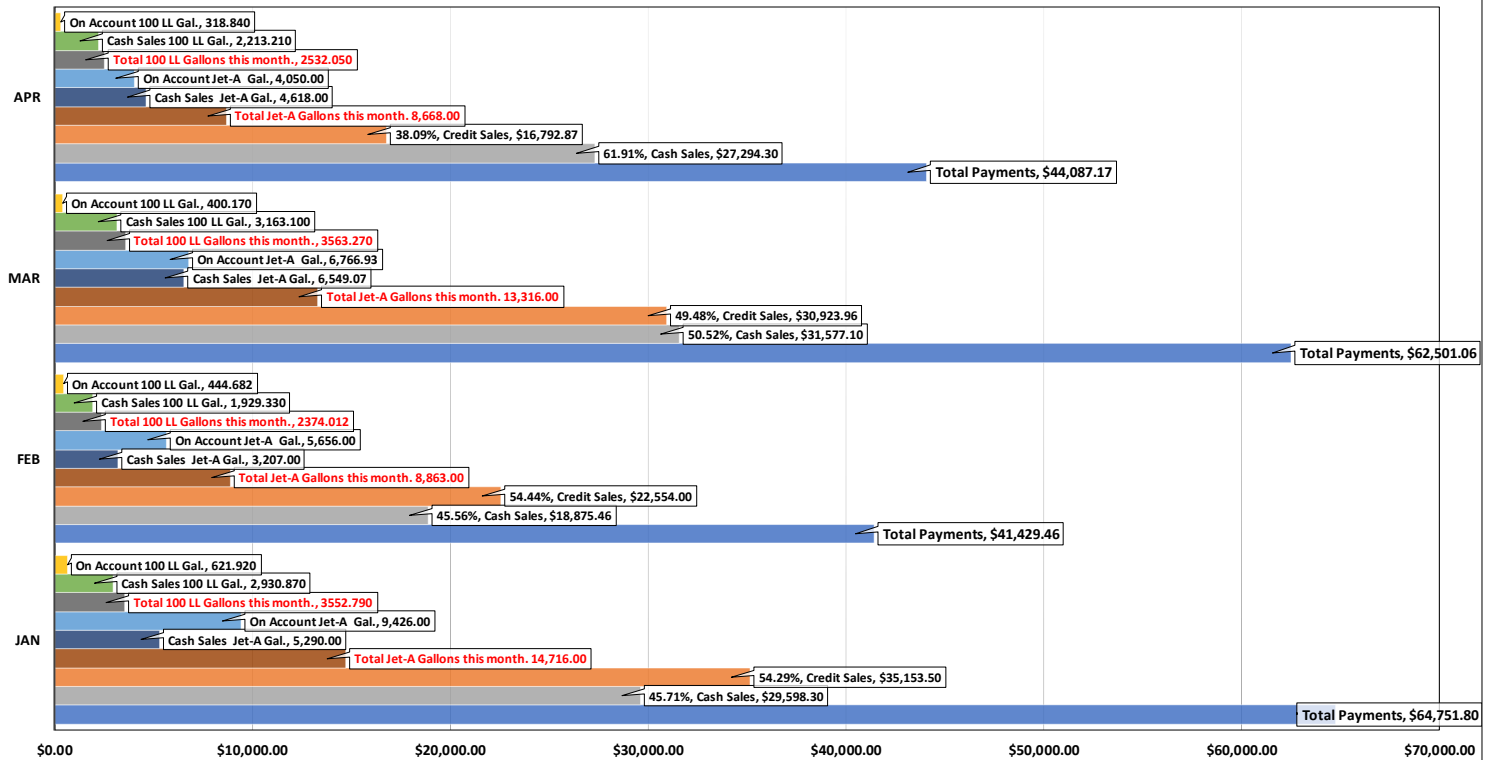


Calendar Month Aviation Fuel Sales Year to Date



Airport 2019 Historical Monthly Sales

2019 Months



	JAN	FEB	MAR	APR
On Account 100 LL Gal.	621.920	444.682	400.170	318.840
Cash Sales 100 LL Gal.	2,930.870	1,929.330	3,163.100	2,213.210
Total 100 LL Gallons this month.	3552.790	2374.012	3563.270	2532.050
On Account Jet-A Gal.	9,426.00	5,656.00	6,766.93	4,050.00
Cash Sales Jet-A Gal.	5,290.00	3,207.00	6,549.07	4,618.00
Total Jet-A Gallons this month.	14,716.00	8,863.00	13,316.00	8,668.00
Credit Sales	\$35,153.50	\$22,554.00	\$30,923.96	\$16,792.87
Cash Sales	\$29,598.30	\$18,875.46	\$31,577.10	\$27,294.30
Total Payments	\$64,751.80	\$41,429.46	\$62,501.06	\$44,087.17

2019 Year to Date Aviation Fuel sales by Calender Month

■ On Account 100 LL Gal.
 ■ Cash Sales 100 LL Gal.
 ■ Total 100 LL Gallons this month.
 ■ On Account Jet-A Gal.
 ■ Cash Sales Jet-A Gal.
 ■ Total Jet-A Gallons this month.
 ■ Credit Sales
 ■ Cash Sales
 ■ Total Payments



The City of Durant

Office of City Clerk

Memorandum

Date: 5/11/2019
To: Airport Authority
From: Marty Cook - Public Works Director
Re: Consider Approval of the Fixed Base Operator (FBO) Minimum Standards Document and to Begin Implementation

After months of evaluation and conversations with the FAA, the OAC, and Bond Council, we have come to the conclusion that the following proposal would be the most efficient and effective way to staff the Airport. We would approve any Fixed Base Operators (FBO) or Special Aviation Service Operators (SASO) who apply and follow the minimum standards included within this document. We would then provide the basic services and oversight of the Airport with a staff consisting of whatever employee(s) are necessary to perform the functions required.

Council Information / Action Requested

Approve New FBO Minimum Standards Document

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Minimum Standards	Exhibit	5/11/2019
Airport Employee Needs	Exhibit	5/11/2019

Minimum Standards for Fixed Base Operators (FBO/SASO) at

Durant Regional Airport - Eaker Field

This is a summary of the obligations and services which should be provided by a Fixed Base Operator (FBO), and/or Specialized Aeronautical Service Provider (SASO).

Definitions

- A. Commercial aeronautical service providers can be broken down into two broad categories, *Fixed Base Operators* (FBO) and *Specialized Aviation Service Operations* (SASOs). An FBO is usually defined as a service provider that provides two or more aeronautical services, normally including the sale of aviation fuel. An SASO is an entity that usually provides a single aeronautical service, such as airframe & powerplant maintenance.
- B. Fixed Base Operator — A Fixed Base Operator is a person, firm, or corporation performing any of the functions or furnishing any of the services listed herein on a commercial basis. No person, firm, or corporation may act in the capacity of an FBO without a valid agreement with the City of Durant authorizing such activity at the airport. .
- C. Specialized Aviation Service Operations (SASO) - are defined by the FAA as single-service providers performing less than full services. These types of companies differ from a full-service FBO in that they typically offer only a specialized aeronautical service such as aircraft sales, flight training, aircraft maintenance, or avionics services for example.
- D. Airport Tenant — An airport tenant is a person, firm, or corporation leasing or using airport property solely for the purpose of storing an aircraft and is not engaged in or providing any aviation related commercial activity or service at the airport. An airport tenant is not authorized to function as or provide the services of an FBO.

II. Services and Requirements

A. An FBO/SASO is authorized to offer or perform any or all of the following services or functions for the public. The guidelines for each service or function are listed.

1. Airframe or power plant repair: Sufficient hangar space, FAA certified mechanic on duty, paved outside parking area for aircraft, and paved access to the runway-taxiway system (if connecting runway or taxiway is paved).
2. Fueling: Avgas and jet fuel delivery trucks, trained and qualified fueling technician, plan of action in case of a massive fuel spill, and at least the minimum number of working fire extinguishers and bonding cables as recommended. Fuel trucks must meet all applicable local and State codes and be approved for use by the local fire marshal. Fuel must be purchased from the Airport Owner's fuel tanks on site.
3. Line service: Properly trained personnel; ropes, chains, or other restraining devices and wheel chocks for each tie down position.
4. Aircraft sales and/or rental: Sufficient office space, aircraft display area, and aircraft inventory.
5. Flight instruction: Trained and certified instructor, and aircraft available for instruction.
6. Avionics: Shop area, office space, and trained and certified personnel on duty.
7. Aircraft storage: Sufficient hangar, T-hangar, or tie down spaces.
8. Air taxi and charter: FAA Part 91 or Part 135 certification, aircraft with sufficient hangar, T-hangar, or tie down space, and aircraft loading or unloading area.

Hangar space, shop areas, restrooms, and other equipment as well as sufficient personnel shall not necessarily be accumulative for each service provided. For example, if an FBO/SASO provides both flight instruction and aircraft sales, both functions could be serviced by the same amenities. The actual agreement between an FBO/SASO and the

airport owner shall spell out the required services of each FBO/SASO and the square footage, number of personnel, etc. which must be provided by that FBO/SASO.

B. An FBO/SASO is required to perform the following functions or abide by the following rules:

1. Install, operate, maintain, repair, and store all equipment necessary for the conduct of the FBO's/SASO's business subject to the approval of the airport owner.
2. The FBO/SASO must lease their spaces from the Owner and the Terminal Building will not be an option to lease for any entity.
3. Use, with others so authorized, any common areas or equipment on the airport including, but not limited to, the runways, taxiways, public aircraft and auto parking aprons, roadways, and navigational aids.
4. Upon termination of the lease, return any leased property to the airport owner in the same condition as it was at the start of the lease, normal wear excluded. Any improvements or additions made to real property during the term of the lease will become property of the airport owner at the termination of the lease.
5. Will not prevent any person, company, or employee of a company from servicing, maintaining, or fueling their own aircraft that might be parked or hangared at the airport.
6. Make its business open to all forms and classes of aeronautical use.
7. Submit to and abide by periodic safety inspections by the Airport owner, the FAA, and/or the Oklahoma Aeronautics Commission.
8. Maintain all leased areas and the interior and exterior of any leased or constructed buildings to an acceptable standard.
9. Remove and properly dispose of any trash from the leased property.
10. Notify and gain approval of the airport owner of any intended reduction of services which are included in the FBO's/SASO's agreement.
11. Furnish all applicable services in a fair, equal, and nondiscriminatory manner to all airport users.

12. Abide by any and all rules, requirements, or mandates placed upon the airport owner by the FAA or the State of Oklahoma including, but not limited to, the Grant Assurances of FAA grants and the Terms and Conditions of OAC grants.
13. An FBO/SASO does not have the right to perform any service or business on the Airport unless such service or business is included in the current agreement with the airport owner.
14. An FBO's/SASO's rights do not supersede the airport owner's rights and obligations.

III. Airport Owner's Rights and Obligations

The airport owner retains the right and/or obligation to do the following:

- A. Perform any or all of the functions of an FBO/SASO. If so inclined, the airport owner may retain a proprietary right to offer any or all FBO/SASO services and/or products and allow no FBO/SASO to offer the same services or products at the airport.
- B. Enter into contracts with other FBO's/SASO's to operate similar or competitive businesses at the airport without regard to the wishes or desires of existing FBO's/SASO's. Any new agreements will be written to standards applicable at that time. If a new agreement gives an economic advantage to the new FBO/SASO, the airport owner may renegotiate its contract with the disadvantaged FBO/SASO; however, under no circumstances will the airport owner be held liable or required to pay damages for services, equipment or any other obligations which were required by past or current agreements.
- C. Approve an FBO's/SASO's placement of buildings, parking areas, or equipment to assure such development is accomplished in an orderly fashion and does not impede the future development or expansion of the airport as shown on an FAA approved Airport Layout Plan or Master Plan.
- D. Maintain the airport in a safe and serviceable condition.
- E. Collect all fees for the use of the airport; these fees include lease of hangar space, T-hangar space, aircraft or auto parking areas, fuel flowage fees, and tie-down fees. The airport owner may charge these fees as long as such fees are fair and appropriate and not intended to discriminate for or against any FBO/SASO or airport user or type of user.

- F. Increase or decrease the fee or required services of an FBO/SASO at any time the FBO's/SASO's agreement is renegotiated or at any such time as authorized by the lease agreement for any spaces leased by the FBO/SASO, and the Terminal Building will not be an option for lease to any entity.
- G. Reserve the right to take any actions necessary to protect the safety and usability of the airport and the approach surfaces to all runway ends.
- H. Reserve and restrict the use of property, equipment and any and all airport owned assets to the best interest of the airport owners' benefit. Owner may enter into use and/or lease agreements for assets not otherwise restricted or prohibited by grant requirements and/or other obligations.

IV. Payment and Fees

- A. Service Charge — An FBO/SASO must pay all responsible rentals, fees, or charges in a timely manner. The airport owner retains the right to assess a service charge for any late payment's due to the owner.
- B. Utilities — An FBO/SASO must arrange for water and waste water, gas, electricity, telephone, and any other utilities it uses on the airport and pay all responsible charges in a timely manner throughout the term of the lease.
- C. Taxes — An FBO/SASO will pay all responsible taxes in a timely manner.
- D. Other Bills — An FBO/SASO will pay all responsible bills in a timely manner.

Under no circumstances will the airport owner be responsible for payment of any taxes or bills owed by an FBO/SASO.

V. Solicitation and Conduct

- A. An FBO/SASO will not engage in the solicitation of its fuel delivering or other services on or about the airport in a loud, offensive, or objectionable manner. In the event of such questionable conduct, the airport owner will be the sole judge in determining if said conduct is a violation of the lease agreement and take any and all necessary steps to eliminate the undesirable condition, up to and including the termination of the FBO/SASOs agreement.
- B. An FBO/SASO will conduct business on the airport in such a manner as to maintain a friendly and cooperative, though competitive, relationship with other operators engaged in similar businesses on the airport. An FBO/SASO

will not engage in open public disputes, disagreements, or conflicts which would tend to deteriorate the quality of service of either party involved or which would be incompatible with the best interest of the public or the airport. The airport owner has the right to resolve all such disputes, disagreements, or conflicts and the airport owner's determination will be binding upon all FBO/SASO's operating at the airport.

VI. Use and Use Conflict

Any land, building, paved area, and other infrastructure leased to an FBO/SASO are to be used and occupied solely for the purpose of operating a Fixed Base Operation/ Specialized Aeronautical Service Provider and no other. The leased airport property cannot be sublet or divided, except for parking aircraft in hangars, T-hangars, or tie down spaces without the written permission of the airport owner.

VII. Unauthorized Use

An FBO/SASO may not park vehicles, trailers, motor homes, mobile homes, or any other vehicle or trailer on airport property without written approval of the airport owner.

VIII. Rules

An FBO/SASO must abide by all laws, rules, regulations, guidelines, terms, and conditions of the airport owner, the Environmental Protection Agency, the National Fire Protection Association, the local and State fire Marshal, the Oklahoma Aeronautics Commission, the Federal Aviation Administration, and any other applicable agencies in regard to the use and storage and dispensing of aircraft fuel, the storage, dispensing, and disposal of engine oil, the maintenance and upkeep of the airport facilities, the operation of the FBO/SASO's business, and the general safety and operation of the airport.

IX. Application Information

Name_____

Phone# _____

Address

E-Mail

Business Name

_____ Phone #_____

Business Address

Interested in a Ground Lease (☐)

Interested in a Hangar (☐)

Proposed services to be provided

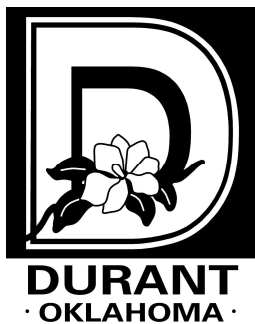
IN WITNESS WHEREOF we have set our hands and seals the day reflected on the acknowledgment hereafter.

DURANT AIRPORT AUTHORITY

ATTEST

JERRY L TOMLINSON, CHAIRMAN

FBO / SASO



THE CITY OF DURANT

Durant Regional Airport

Eaker Field

January 25, 2019

To whom it may concern,

The Airport will be hiring an Airport Manager and Operational staff to work at the Airport. These employees will be Managing the Terminal Building and all of the basic operations of the airport.

The management and operations are to include but not be limited to:

1. Fuel System and Storage Tanks - Buying and selling fuel, maintaining equipment, inspection and upgrade, documentation, ensuring compliance with all regulations pertaining to the fueling system.
2. City Owned Hangars - Managing and maintaining Hangars that this City owns, Collecting lease payments, having leases signed and issuing new leases to new occupants, complete oversight of the leased hangars.
3. Terminal Building and Airport Equipment - Maintain and operate the Terminal building, operation of the radio system, including issuing Notams, maintain all AWOS, VOR, Lighting systems, and any other essential airport equipment or navigational aids, formal publication requirements, proper documentation of any required testing, inspections, or maintenance of all airport equipment, cleaning, mowing, overall appearance of the Airport, scheduling use of conference and training rooms, and marketing the airport for growth.
4. Budgetary - Ensure proper reporting of any revenue streams and expenditures through the City of Durant Purchasing Policy, assist with budget writing for any airport related needs, assist with grant writing and decision making where it concerns the Airport property or equipment, daily deposits of fees collected in conjunction with the airport, assist in staffing decisions for airport operation.
5. Operations - Ensure necessary staffing to accommodate customers with a level of service as required, expected high level of customer service without bias, pulling planes, tie downs, parking, fueling, after hours call ins, managing fleet loan vehicles, manage Airport owned fuel truck, tugs, tractors, mowers, and any other direct assets.

Sincerely,

Marty Cook
Public Works Director
City of Durant



The City of Durant

Public Works Director

Memorandum

Date: 5/10/2019
To: Airport Authority
From: Marty Cook - Public Works Director
Re: Consider Termination of Ground Lease Agreement #C-2019-06 with First United Bank

First United Bank signed a ground lease agreement back in February to build a new hangar at the Airport. Since this time they have been engineering the site for construction. According to their request, they have discovered some unfavorable soil conditions that would greatly impact the cost of their construction. They have opted at this time to relinquish the land and are requesting a cancellation of this agreement. Their letter requesting this is attached along with the original agreement.

Council Information / Action Requested

Approve Termination of Agreement C-2019-06

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Letter of Request	Cover Memo	5/10/2019
Lease Termination Document	Cover Memo	5/10/2019
C-2019-06 1st United Ground Lease	Cover Memo	5/10/2019



April 23, 2019

Mr. Marty Cook,
Director of Public Works
City of Durant
300 W. Evergreen
Durant, Oklahoma 74701

Re: Lease Agreement of Property to Construct Hangar dated February 12, 2019, by and between the Durant Airport Authority as the Landlord and First United Bank of Durant as Lessee.

Dear Mr. Cook:

First United Bank provides notice that it desires to terminate the Lease as of this date, due to unfavorable soil conditions, which render the construction of the improvements as contemplated by the Lease unfeasible.

I have attached two copies of a Lease Termination Agreement for signature by the Airport Authority, confirming the termination of the Lease, with rent payable through this date. Please execute these, and return one to my attention at your earliest opportunity.

We certainly appreciate the efforts of the City and the Airport Authority to continue to grow and develop our fine community. Please do not hesitate to let me know of any questions or comments you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read 'W. Keese', is written over the 'Sincerely,' text.

William David Keese, General Counsel

LEASE TERMINATION AGREEMENT

Effective Date : May 14, 2019

Lease #: C-2019-06

Date: February 12, 2019

Landlord: Durant Airport Authority, an Oklahoma public trust

Tenant: First United Bank of Durant

Premises: 1.59 Acres of land located within the Eaker Field South Hangar Development, as recorded in Book 1381, Page 590, in the Office of the Bryan County Clerk (the "Premises")

Lease Termination Date: May 14, 2019

Refund of Prepaid Rent: Effective as of the lease termination date, landlord shall refund to tenant the balance of the prepaid rent under the lease. ($\$15,115.30 \text{ Annual} / 12 = \$1,259.61 \text{ Monthly} \times 9 \text{ Months} = \$11,336.48 \text{ Refund}$)

In consideration of the payment of the mutual benefits accruing to Landlord and Tenant, the release of the Tenant and Landlord from any and all obligations under the Lease including the obligation for future payments of all rent by Tenant, the release of any claims of Tenant related to the Lease and the Premises, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Tenant and Current Landlord hereby agree as follows:

1. Landlord and Tenant hereby agree that the Lease shall be terminated as of the Lease Termination Date. Landlord and Tenant agree that neither party shall have any further liability or obligation following the Lease Termination Date.
2. Landlord and Tenant agree that all other obligations of Landlord and Tenant under the Terms of the Lease shall be terminated and be of no further force and effect as of the Lease Termination Date.

(Signatures on the following page)

LANDLORD:

DURANT AIRPORT AUTHORITY

BY: _____

Name: _____

Title: _____

TENANT:

FIRST UNITED BANK OF DURANT

BY: William Fahrenndorf

NAME: William FAHRENDORF

TITLE: EVP

Lease Agreement of Property to Construct Hanger

This lease is made and entered into this ____12th____ day of ____February____, 2019, between the DURANT AIRPORT AUTHORITY, a public trust, as lessor ("Authority"), and the FIRST UNITED BANK OF DURANT ("Lessee"):

Recitals

- A. The City of Durant, a municipal corporation, is the owner in fee of the real property constituting the entire airport premises that is located in the southern portion of the City. The Authority leased the entire airport property from the City of Durant and has the authority to sublet the premises unto the Lessee. The premises to be leased is a part of the Durant Regional Airport - Eaker Field, the boundaries of which are described in that certain quitclaim deed executed by the United States of America, dated June 25, 1947, and filed in the office of the County Clerk of Bryan County, Oklahoma on June 26, 1947 in Book 266 at Page 481.
- B. This lease agreement shall be subject to any restriction or reservations contained in paragraph V. of the deed above described. Any violation of the restriction or reservations by the Lessee shall immediately terminate this lease agreement.
- C. For and in consideration of the rents, covenants, and conditions contained herein the Authority hereby agrees to lease and let to Lessee and Lessee agrees, under the terms and conditions contained herein, to lease from Authority the property as described in attachment "A" (surface only), attached:
- D. That real property is being leased for the sole and only purpose of the Lessee constructing a airplane hangar better described and shown by the attached topographic survey prepared by Page Surveying dated as revised February 6, 2019.

IT IS THEREFORE AGREED AS FOLLOWS:

1. Term

A. The term of this lease shall be for a period of 30 years, commencing on the 1st day of March, 2019, and expiring on the 31st day of February, 2049.

B. Lessee is granted an option of an additional term for an annual rental in an amount reasonably determined by and between the parties.

2. Use and Purpose

The leased premises shall be used for the construction of an airplane hangar and offices according to the provisions of architectural plans which would be approved by the City of Durant Building Department. The leased premises shall be used for this stated purpose and related acts to the storage and maintenance of aircraft belonging to the Lessee.

3. Consideration for Lease

Lessee shall pay annually to Lessor the sum equal to .10¢ per square foot of surface as rental for the premises. This parcel is 151,153 square foot, which produces a annual rent of \$15,115.30 beginning March 1, 2019. Annually on the contract anniversary date the annual rental fee shall increase by the previous calendar year's Consumer Price Index (CPI) as published by the U.S. Department of Labor, Bureau of Labor Statistics. (previous year's annual fee x (1 + CPI) = new annual fee). Lessee shall pay the first payment of the lease on the date of the execution of this agreement. Each annual payment thereafter shall be due and payable on the 1st day of March of each year, for a term of 30 years at which time, Lessee has exclusive right for 2 additional 10 - year terms with a continuing escalation rate as previously set forth herein.

4. Covenant To Grade and Pave

Authority agrees to grade and Pave a roadway from the current south ending of Cessna Street to the entry of the Lessee's entryway to the leased premises . The roadway shall be completed at approximately the same time as the completion of Lessee's hanger. Authority agrees to furnish the labor for the construction of the roadway. As additional consideration for this lease agreement, Lessee shall reimburse the Authority for all material costs. It is anticipated that the material costs will be approximately \$15,000.00. The roadway shall be constructed in accordance with the regulations of the City of Durant and shall remain under the supervision and control of the City of Durant, not being a part of the Leased Premises.

5. Storage Tanks

Lessee shall not provide or place any storage aviation fuel tanks upon the leased premises and as further consideration, Lessee agrees to purchase all aviation fuel from the Authority.

6. Covenant to Furnish Water and Sanitary Sewer

Authority further agrees to furnish infrastructure for transferring potable water and sanitary sewer disposal to the leased property line, the exact destination and location to be determined by the Authority after consulting with the Lessee.

7. Permits

Lessee shall obtain all permits for construction and occupancy at its own expense and with all provision of the City of Durant Building Code.

8. Landscaping and Lighting

Lessee agrees to first seek approval of the Authority prior to placement of landscape with flora, trees, and lighting. Lessee shall maintain a minimum lighting pattern for security purpose and always comply with the regulations and direction of the Federal Aviation Administration.

9. Airport Rules and Regulations

Lessee must abide by the Rules and Regulations of the Airport, as well as any other State and Federal Regulations as they may apply.

10. Construction

A. Covenant To Build

The building shall be constructed and erected substantially in accordance with the plot plan and construction plans and specifications prepared by lessee free of expense to the Authority and approved by the Authority and the City of Durant Building Official or Fire Marshal.

B. Bonds

- 1) On or before the dated of commencement of construction of any building, structure, or other improvements, lessee shall file or cause to be filed with the Authority clerk of the Authority, a performance bond and a labor and material bond executed by lessee or by lessee's contractor and by a surety authorized to do business in the state of Oklahoma as surety guaranteeing the performance of the provisions of this Agreement. If the bond is executed by the lessee, it shall name the Authority as obligee. If the bond is executed by the lessee's contractor it shall name the lessee and the lessor as joint obligees.
- 2) The term of both bonds shall commence on or before the date of filing with the Authority clerk. The performance bond shall remain in effect until the dated of completion of the work to the reasonable satisfaction of the Authority manager of the Authority. The labor and material bond shall remain in effect until the expiration of the period of filing a claim of lien as provided in the Oklahoma Statutes, or if a claim of lien is filed, the expiration of the period for filing an action to foreclose the lien, or until the leased premises are freed from the effect of the claim of lien and any action brought to foreclose a lien pursuant to the provisions of 42 O. S. §141 et seq. or the lien is otherwise discharged .

C. Force Majeure

The time within which lessee is obligated to construct, repair, or rebuild any building, structure, or other improvement shall be extended for a period of time equal in duration to, and performance in the meantime shall be excused on account of and for and during the period of, any delay caused by strikes, threats of strikes, lockouts, war, threats of war, insurrection, invasion, acts of God, calamities, violent action of the elements, fire, action or regulation of any governmental agency, law or ordinance, impossibility of obtaining materials, or other things beyond the reasonable control of lessee.

D. Property of Authority

Subject to the provisions of paragraph 13, any buildings, structures, or other improvements constructed or placed on the leased premise shall remain the property of the lessee for the term of this lease. Any buildings, structures, or other improvements shall become the property of the Authority only after the termination or expiration of this lease, and then, only in the manner provided in paragraph 13.

11. Access to Airport

Without the prior written consent of the Authority council, lessee shall not provide or permit any access for either vehicular or pedestrian traffic from the leased premises to the airport apron, which is located easterly of the leased premises.

12. Maintenance Provisions

Lessee shall at all time maintain the grounds of the leased premises in a groomed state. That grass shall never exceed the length of 8 inches at any time. That all paving, roadways, sidewalks and airport aprons and approaches within the leased premises shall remain free from dirt, weeds and clutter.

13. Surrender

A. Structures

At the expiration of the term of this lease, or if the option is exercised at the termination of the option, or upon its sooner termination, lessee shall surrender the leased premises to the Authority in the same condition as received, reasonable wear and tear excepted, and all buildings, structures, and other improvements there, including but not by way of limitation, any alterations, additions, or improvements, shall remain for the benefit of the Authority.

B. Removal

No buildings, structures, or other improvements shall be removed from the leased premises or voluntarily destroyed or damaged during the term of this lease without the prior written consent of the Authority council.

C. Movable Structures

Machines, trade fixtures and similar installations that are installed in any building, structure, or other improvement on the leased premises shall not be deemed to be part of the realty even though the installations are attached to the floors, walls, or roof an any building or structure or to outside pavements, so long as the installation can be removed without structural damage to any building, structure, or other improvement on the leased premises; provided that, if the removal of any installation damages any part of the building, structure, other improvement, pavements or premises, lessee shall repair the damage and restore the building, structure, other improvement,

pavements or premises, lessee shall repair the damage and restore the building, structure, other improvement, pavements or premises to the same condition as originally existed upon the completion of construction, ordinary and usual wear and tear excepted. No holes or apertures, or unpainted or otherwise unfinished walls shall be left by lessee in any building, structure, or other improvement at the expiration of the term of this lease.

D. Personal Property

Any personal property of every kind not attached to or installed in any building, structure, or other improvement that lessee places in or about the leased premises during the term of this lease may be removed prior to the expiration of the term of this lease and shall, as between the Authority and lessee, be and remain the personal property of lessee.

E. Lighting, etc.

Notwithstanding anything to the contrary contained in subparagraphs C and D of this paragraph, any and all lighting, plumbing, air cooling, air conditioning, heating and ventilating equipment shall be deemed to be a part of the realty, and regardless of whether or not any item of equipment can be removed without structural damage to the building, structure, or other improvement in which it is installed, it shall not be removed from the building, structure, or other improvement except for repairs, alterations, and replacement with newer equipment, without the consent of the Authority, and all equipment shall remain as a part of the realty at the expiration of the term of this lease.

14. Tax, Assessment and Utility Charge Provisions

Lessee, if applicable, shall be responsible for all taxes due, from any source, on the real property leased or for the airplane hangar and other improvements placed on the leased premises.

15. Liability

Lessee agrees that lessee's taking possession of the leased premises shall be an acceptance of the safety and condition of those premises, and lessee agrees to hold the Authority harmless from any liability and claim for damages by reason of any injury to any person or persons, including but not limited to lessee, or property of any kind and belonging to anyone, including, but not limited to lessee's from any cause or causes while in any way connected with the leased premises.

16. Insurance

After completion of construction of the hangar located on the leased premises, lessee shall insure the hangar for its fair market value and name the Authority as a co-insured.

17. Assignment and Subletting

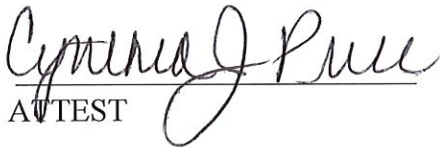
Lessee shall not assign or sublet this lease or the leasehold premises, or any portion of those premises without the written consent of the Authority having been first obtained.

18. Modification

This agreement may be amended or modified, but only with the written approval of both the Lessee and Authority.

IN WITNESS WHEREOF we have set our hands and seals the day reflected on the acknowledgment hereafter.

DURANT AIRPORT AUTHORITY


ATTEST


JERRY L. TOMLINSON, Chair



FIRST UNITED BANK OF DURANT

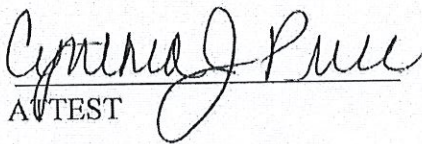
Lessee shall not assign or sublet this lease or the leasehold premises, or any portion of those premises without the written consent of the Authority having been first obtained.

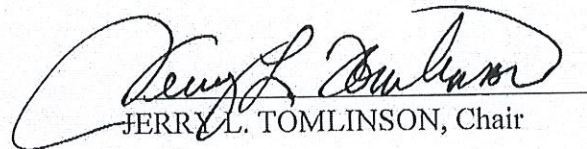
18. Modification

This agreement may be amended or modified, but only with the written approval of both the Lessee and Authority.

IN WITNESS WHEREOF we have set our hands and seals the day reflected on the acknowledgment hereafter.

DURANT AIRPORT AUTHORITY


ATTEST


JERRY L. TOMLINSON, Chair



FIRST UNITED BANK OF DURANT



Attachment "A"

LEGAL DESCRIPTION:

I, David L. Page Jr., hereby certify that this legal description, prepared under my direct supervision, accurately represents the following tract of land to wit:

PARCEL NO. 1 LEGAL DESCRIPTION (AS DESCRIBED IN GRID BEARINGS)

A parcel of land situated in a part of the northeast quarter (NE 1/4) of section 19, township 7 south, range 9 east of the Indian Meridian and Base line, Bryan County, Oklahoma being a portion of the Eaker Field South Hanger Development as recorded in Book 1381, Page 590, filed in the office of the Bryan County Clerk, being more particularly described by metes and bounds with a base grid bearing being South 89°09'39" West, along the line between sections 18 and 19, township 7 south, range 9 east, more particularly described as follows:

COMMENCING at the corner of sections 17, 18, 19 and 20 marked with a trestle spike;

THENCE, South 89°09'39" West, along the line between sections 18 and 19, a distance of 2031.82;

THENCE, South 00°50'21" East a distance of 1311.09 feet to the northeast corner of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566 being the **POINT OF BEGINNING** of the herein described parcel;

THENCE, South 00°35'06" East, along the east line of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 110.00 feet to the northeast corner of Lot 1 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 89°24'54" West, along the north line of Lot 1 and Lot 2 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 120.00 feet to the northwest corner of Lot 2 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 00°35'06" West, along the east line of Lot 3 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 20.00 feet to the northeast corner of Lot 3 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 89°24'54" West, along the north line of Lot 3 and Lot 4 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 120.00 feet to the northwest corner of Lot 4, Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 00°35'06" East, along the west line of Lot 4 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 80.00 feet to the southwest corner of Lot 4 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 89°24'54" East, along the south line of Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 240.00 feet to the southeast corner of Lot 1 in Block 1 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 00°35'06" East, along the east line of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 1.68 feet to a point, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 89°11'08" West a distance of 265.00 feet;

THENCE, North 00°35'06" West a distance of 12.74 feet to the southeast corner of Lot 1 in Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 00°35'06" West, continuing along the east line of Lot 1 in Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 70.00 feet to the northeast corner of Lot 1 in Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 89°24'54" West, along the north line of Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 280.00 feet to the northwest corner of Lot 4 in Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 00°35'06" East, along the west line of Lot 4 in Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 70.00 feet to the southwest corner of Lot 4 in Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 89°24'54" East, along the south line of Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 280.00 feet to the southeast corner of Lot 1 in Block 2 of the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 00°35'06" East a distance of 12.74 feet;

THENCE, South 89°11'08" West a distance of 345.09 feet to a point on the west line of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 01°02'53" West, along the west line of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 174.13 feet to the northwest corner of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 89°24'54" East, along the north line of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 611.49 feet to the northeast corner of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566 being the **POINT OF BEGINNING**, containing 1.59 acres of land.

Basis of Bearings: South 89°09'39" West, along the line between sections 18 and 19, township 7 south, range 9 east, by R.T.K G.P.S. observation, referenced to the Oklahoma state plane coordinate system (NAD83). The aforesaid parcel of land described by David L. Page Jr., PLS No. 1566, on January 18, 2019.

and

All of Lots 1-4 in Block 1 and all of Lots 1-4 in Block 2 of Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk.

LEGAL DESCRIPTION:

I, David L. Page Jr., hereby certify that this legal description, prepared under my direct supervision, accurately represents the following tract of land to wit:

PARCEL NO. 2 LEGAL DESCRIPTION (AS DESCRIBED IN GRID BEARINGS)

A parcel of land situated in a part of the northeast quarter (NE 1/4) of section 19, township 7 south, range 9 east of the Indian Meridian and Base line, Bryan County, Oklahoma being a portion of that parcel of land described in Book 226, Page 481, filed in the office of the Bryan County Clerk, being more particularly described by metes and bounds with a base grid bearing being South 89°09'39" West, along the line between sections 18 and 19, township 7 south, range 9 east, more particularly described as follows:

COMMENCING at the corner of sections 17, 18, 19 and 20 marked with a trestle spike;

THENCE, South 89°09'39" West, along the line between sections 18 and 19, a distance of 2031.82;

THENCE, South 00°50'21" East a distance of 1262.77 feet to a point on the south line of the Choctaw Nation of Oklahoma lease area, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566 being the **POINT OF BEGINNING** of the herein described parcel;

THENCE, South 89°11'08" West, along the south line of the Choctaw Nation of Oklahoma lease area, a distance of 611.51 feet to a point, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 01°02'53" East a distance of 45.88 feet to the northwest corner of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 89°24'54" East, along the north line of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 611.49 feet to the northeast corner of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 00°35'06" East, along the east line of the Reserved Area for Future Development identified on the Eaker Field South Hanger Development Plat described in Book 1381, Page 590, filed on February 9, 2015, in the office of the Bryan County Clerk, a distance of 171.68 feet to a point, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 89°11'08" East a distance of 242.07 feet to a point on the west edge of the current taxiway, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, North 00°33'34" West, along the west edge of the current taxiway, a distance of 220.00 feet to a point on the south line of the Choctaw Nation of Oklahoma lease area, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566;

THENCE, South 89°11'08" West, along the south line of the Choctaw Nation of Oklahoma lease area, a distance of 242.38 feet, marked with a 1/2 inch diameter steel pin with cap marked D PAGE JR PLS 1566 being the **POINT OF BEGINNING**, containing 1.88 acres of land.

Basis of Bearings: South 89°09'39" West, along the line between sections 18 and 19, township 7 south, range 9 east, by R.T.K G.P.S. observation, referenced to the Oklahoma state plane coordinate system (NAD83). The aforesaid parcel of land described by David L. Page Jr., PLS No. 1566, on January 18, 2019.



The City of Durant

Public Works Director

Memorandum

Date: 5/10/2019
To: Airport Authority
From: Marty Cook - Public Works Director
Re: Consider Allowing Hangar 10 Aviation, LLC to Begin Fixed Based Operations (FBO) Out of Their Leased Facility Which Would Include But not be Limited to the Installation of Storage for Jet Fuel and 100LL Aviation Fuels by Hangar 10 Aviation, LLC and the Retail Sale of Those Fuels Subject to the Fair and Equal Fuel Flowage Fee Established for all Fuel Storage Tank Owners as Set by The Airport Authority and to be Located at Durant Regional Airport - Eaker Field

At the request of Hangar 10 Aviation, this proposal has been placed on the agenda for this evening. Hangar 10 Aviation would like the opportunity for airport patrons desiring expanded or additional services a means to obtain them, this would include placing fuel storage tanks and provide fuel service at our Durant Regional Airport - Eaker field.

Services they would expect to provide are:

- Retail full-service sale of aviation fuel
- Retail sale of general pilot and aircraft supplies
- Safe parking and ramp services for arriving and departing aircraft
- Aircraft lavatory services
- Ground power unit services
- Aircraft rental and flight training

If the board approves the proposal, then we would recommend a contract be drawn up with the specifics to this agreement outlined that would reflect clear and binding responsibilities and brought back to this board for approval.

Council Information / Action Requested

Approve / Deny Proposal

City Staff Information / Action Follow-up, if Council authorizes this action:

ATTACHMENTS:

Description	Type	Upload Date
Proposal	Cover Memo	5/10/2019

Hangar 10 Aviation, LLC

Proposal

Hangar 10 Aviation, LLC desires to increase its investment in the Durant Regional Airport by expanding our current operations. We have received numerous requests by tenants and users of the Durant Regional Airport for us to provide expanded services. We believe that there is sufficient demand for expanded FBO services at the Durant Regional Airport and as such we are requesting to be allowed to provide additional FBO services. Hangar 10 Aviation, LLC desires to increase its investment in the airport as outlined below.

- Begin General FBO operations to Include but not be limited to:
- Retail full-service sale of aviation fuel.
- Retail sale of general pilot and aircraft supplies.
- Safe parking and ramp services for arriving and departing aircraft.
- Pull in and pull out services for based aircraft.
- Aircraft lavatory services.
- Ground power unit services.
- Aircraft rental and flight training.

Hangar 10 Aviation, LLC IS NOT proposing to be the “exclusive” provider of FBO services at the Durant Regional Airport. We simply wish to provide an opportunity for airport patrons desiring expanded or additional services a means to obtain them. In order to facilitate the Retail Full-Service Sale of Aviation fuels Hangar 10 Aviation, LLC is also requesting to install Jet Fuel and 100LL Aviation Fuel storage tanks as needed on the property that we currently have leased from the Durant Airport Authority. Any fuel storage facility installed on the leased property and all fuel dispensed from Hangar 10 Aviation, LLC trucks will comply with all FAA Rules and Regulations governing the storage and distribution of aviation fuels.

We at Hangar 10 Aviation, LLC look forward to the opportunity to provide services to patrons of the Durant Regional Airport and would like to emphasize that approval of this proposal in no way grants Hangar 10 Aviation, LLC exclusive rights to provide FBO services. Hangar 10 Aviation, LLC is simply asking for the right to expand our services at the airport so that the general public will have additional options when visiting Durant. In addition we realize that in consideration of this permission to sell fuel we will be subject to reasonable fuel “flowage” fees that are assessed on an fair and equal basis to all owners of fuel storage tanks for every gallon of fuel pumped at the airport and will remit those fee’s to the Durant Airport Authority in whatever manor they see fit.

We look forward to the opportunities that lay ahead and welcome any questions that you may have.