

RESOLUTION NO. 1260-20

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, APPROVING A LEASE AMENDMENT WITH LAKE POWELL JET CENTER, INC.; AND AUTHORIZING THE MAYOR TO EXECUTE SAID LEASE AMENDMENT.

WHEREAS, the City of Page and the Lake Powell Jet Center entered into a Lease Agreement on May 14, 2009; and

WHEREAS, the parties to the Lease Agreement desire to amend the Lease Agreement as set forth in the First Amendment to Lease, attached hereto as Exhibit A and incorporated herein by reference.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, AS FOLLOWS:

Section 1. Approval of Lease Amendment

That the Mayor and City Council of the City of Page hereby approve the First Amendment to Lease (Exhibit A) and authorize the Mayor to execute said Amendment.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PAGE, ARIZONA this 18th day of November, 2020, by the following vote:

Ayes	<u>7</u>
Nays	<u>0</u>
Abstentions	<u>0</u>
Absent	<u>0</u>



CITY OF PAGE

BY William R. Durb
Mayor

ATTEST:

Kim L. Larson
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney

Exhibit A

FIRST AMENDMENT TO LEASE

This First Amendment to Lease ("First Amendment") is entered into this 18th day of Nov. 2020 by and between the City of Page, A municipal Corporation organized and existing under the laws of the State of Arizona ("Lessor") and Lake Powell Jet Center, Inc., an Arizona corporation ("Lessee") amending that certain lease between Lessor and Lessee dated May 14, 2009 ("Lease").

RECITALS:

- A. Lessor and Lessee are parties to a Lease dated May 14, 2009 pursuant to which Lessor leased to Lessee land at the City of Page Airport for Lessee conducting aviation business activities and/or acting as a Fixed Based Operator ("FBO").
- B. On May 13, 2010, the then Airport Director Richard Jentzch, purported to enter into a letter agreement with Lessee modifying the approved location of the fuel supply farm on the Lease and substituting Revised Exhibit A-2 to the Lease.
- C. The letter agreement further provided that the Base Lease Rate would not be adjusted at that time reflecting the fuel farm as Lessee was making repairs, installing fences and undertaking other work at its costs to improve the property of Lessor and which work was the obligation of Lessor.
- D. Lessee constructed the fuel farm on the location set forth in revised Exhibit A-2 to the letter agreement and performed the work that was agreed to with Lessor.
- E. In 2012 Lessor and Lessee entered into a Lease Addendum effective for one (1) year and beginning on February 1, 2012 granting Lessee the exclusive use of Ramp Space in exchange for the payment of \$307.60 a month.
- F. There is disagreement between the Lessor and Lessee about the validity and effect of the letter agreement and Lease Addendum and amounts owed, however the parties desire to enter into this First Amendment in order to resolve all ongoing disputes pertaining to these matters.
- G. In order to resolve any disputes between the parties, Lessor and Lessee agree that there are currently no amounts due and owing by Lessee to Lessor in connection with the Lease, letter agreement and Lease Addendum.

H. Further, Lessor and Lessee desire to amend the Lease in order to clarify the terms and conditions of the Lease and the monthly amounts owed. This Amendment will therefore: (i) formally eliminate Lessee's exclusive rights to the Ramp Space and payment therefor; (ii) increase the Base Lease Rate to include for the fuel farm area as amended; and (iii) resolve any disputes regarding payments and credits due under the Lease.

AGREEMENT:

In consideration of the foregoing recitals and the mutual promises and covenants contained herein, and for other good and valuable consideration, the receipt of which are hereby acknowledged, Lessor and Lessee agree as follows:

1. All capitalized or defined terms have the meaning attributed to them in the Lease.
2. The Recitals are incorporated herein by this reference as material terms of this First Amendment.
3. This First Amendment is effective as of November 18, 2020 upon City of Page council approval.
4. From and after the effective date and during the term of the Lease and any renewals, the following lease terms shall be in effect:
 - a. Exhibit A-2 to the Lease will be replaced with Revised Exhibit A-2 attached hereto.
 - b. Lessee will no longer have exclusive use of the Ramp Space.
 - c. Lessee will not be charged or be responsible to pay Lessor any amounts for exclusive use of the Ramp Space.
 - d. Lessee's Base Lease Rate will be adjusted by \$2,800 a year (0.36/sf/yr.) billed at \$240.00 per month for use of the fuel farm property reflected on Revised Exhibit A-2.
5. The letter agreement and Lease Addendum are hereby null and void as they are superseded by this First Amendment.
6. There are no outstanding unresolved claims between Lessor and Lessee relating to the Lease, the letter agreement and the Lease Addendum.

7. All other terms of the Lease not modified by this First Amendment remain in force. In the event of a conflict between the terms of the Lease and this First Amendment, the First Amendment shall control with respect to those matters expressly modified herein. As to all other terms, the Lease shall control.

CITY OF PAGE

LAKE POWELL JET CENTER, INC.

By: William R. Deak

By: [Signature]

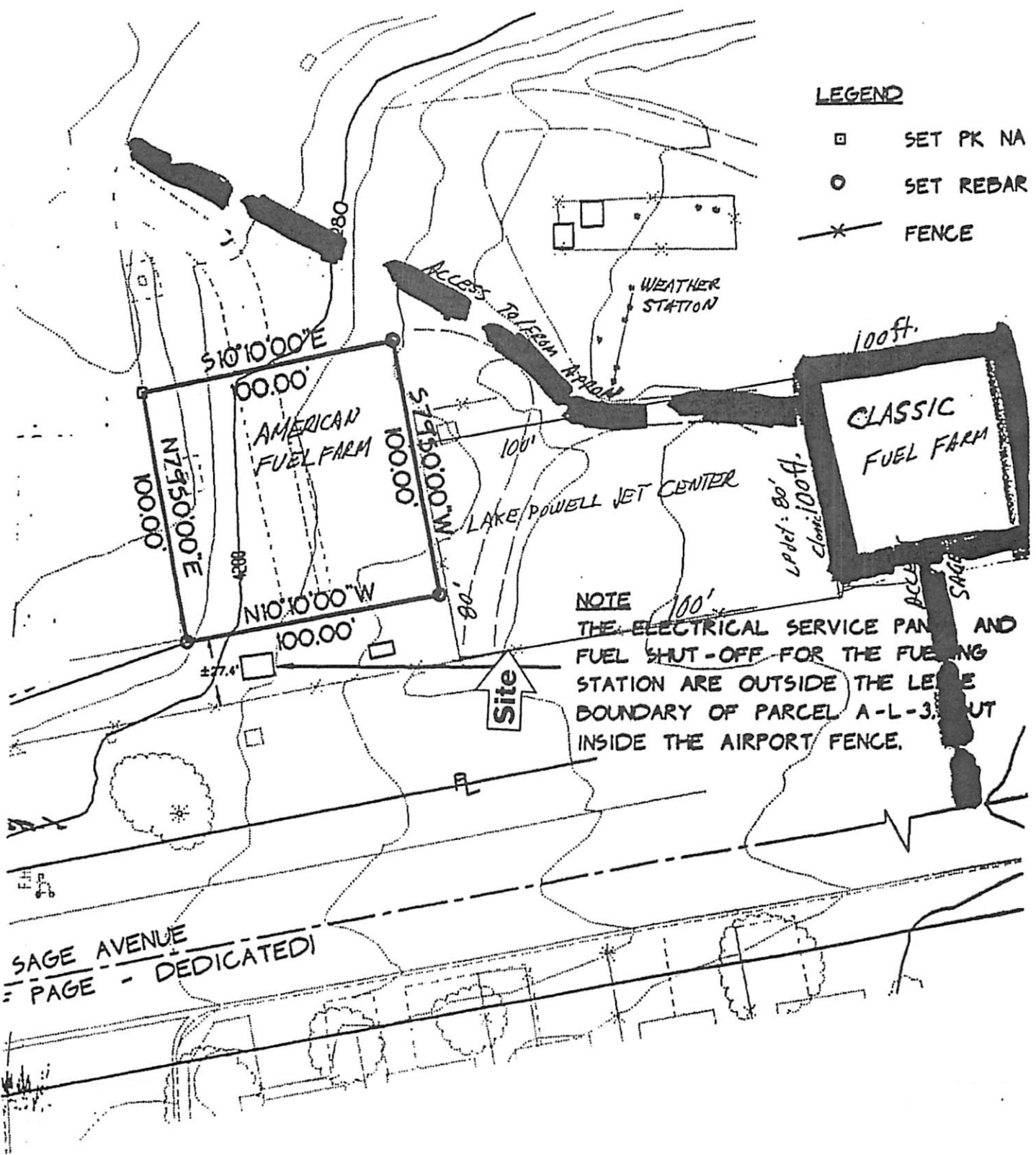
Its: Mayor

Its: President

ATTEST: [Signature]
City Clerk, Deputy

Approved as to form:

[Signature]
City Attorney



LEGEND

- SET PK NA
- SET REBAR
- X— FENCE

NOTE
 THE ELECTRICAL SERVICE PANEL AND FUEL SHUT-OFF FOR THE FUELING STATION ARE OUTSIDE THE LEASE BOUNDARY OF PARCEL A-L-3, BUT INSIDE THE AIRPORT FENCE.

SAGE AVENUE
 PAGE - DEDICATED