

**SPRINGDALE AIRPORT COMMISSION**  
**AGENDA**  
*City Council Chambers*  
**CITY ADMINISTRATION BUILDING**  
*THURSDAY, NOVEMBER 17<sup>th</sup>, 2016*  
*1:00 p.m.*

1. Call to Order - Chairman Neil Johnson
2. Roll Call
3. Approval of Minutes – October minutes will be presented at the December meeting
4. Comments from Audience:  
*The Airport Commission will hear brief comments (5minutes or less) from citizens during this period on agenda issues and non-agenda issues. No action will be taken today on non-agenda issues. All comments will be taken under advisement.*
5. Airport Operations Report (*hanger rent, maintenance, etc.*) – James Smith, Airport Facilities Mgr. **Pg's 1-2**
6. Airport Activity Report (*operations, fuel sales, revenues & expenditures*) – Wyman Morgan, Dir. of Admin & Financial Services **Pg's 3-5**
  - Procedure to acquire land at Airport **Pg 6**
7. Entrance Signage – James Smith, Airport Facilities Mgr. **Pg's 7-11**
8. Revised Draft of Land Lease by Jeff Mann-A & J Construction, LLC **Pg's 12-17**
9. Old Business
10. Comments from Commissioners
11. Adjourn



**\*If you are unable to attend, please call -- 750-8560. Thank You!**

CITY OF SPRINGDALE  
 AIRPORT ACCOUNTS RECEIVABLE  
 AGING REPORT - 11/14/16

CUST ID	HANGAR NUMBER	NAME	TOTAL	NOT YET DUE	1 - 30 DAYS DUE	31 - 60 DAYS DUE	61 - 90 DAYS DUE	OVER 90 DAYS DUE
<b>OLD HANGAR LEASE</b>								
33	410	GRAY, BILL - #410	189.00	175.00	14.00	-	-	-
37	502	OWENS, LARRY - #502	142.00	142.00	-	-	-	-
925	105	ECKE, JOHN - #105	138.79	74.00	64.79	-	-	-
1321	409	YATES, DANNY - #409	15.40	15.40	-	-	-	-
1750	506	EDWARDS, GREGORY - #506	14.20	14.20	-	-	-	-
			<b>499.39</b>	<b>420.60</b>	<b>78.79</b>	<b>-</b>	<b>-</b>	<b>-</b>
			100.00%	84.22%	15.78%	0.00%	0.00%	0.00%
<b>NEW HANGAR LEASE</b>								
48	1204	LEE, TOMMY - # 1204	276.00	276.00	-	-	-	-
1079	411	HOWARD, GARY - #411	730.65	175.00	262.50	175.00	118.15	-
1080	412	HOWARD, GARY - #412-OFFICE	661.24	233.00	302.90	125.34	-	-
1232	1303	HOWARD, GARY - #1303	595.00	170.00	238.00	170.00	17.00	-
1233	1301	HOWARD, GARY - #1301	87.00	87.00	-	-	-	-
1527	701	DAVIS, SCOTT - #701	267.20	103.00	123.60	40.60	-	-
1527	702	DAVIS, SCOTT - #702	432.60	196.00	235.20	1.40	-	-
1527	510	DAVIS, SCOTT - #510	458.70	160.00	192.00	106.70	-	-
1551	10B	SUMMIT AVIATION - #10B	1,700.00	1,700.00	-	-	-	-
1552	11	SUMMIT AVIATION - #11	2,624.00	2,624.00	-	-	-	-
1568	9B	SUMMIT AVIAITON - # 9B	1,300.00	1,300.00	-	-	-	-
1621	9A	SUMMIT AVIATION - # 9A	1,300.00	1,300.00	-	-	-	-
1668	10A	ROSE, JONATHAN - # 10A	1,623.00	1,623.00	-	-	-	-
1698	606	GEARHART, JOHN - #606	175.00	175.00	-	-	-	-
1741	406	SUMMIT AVIATION - DAVE POWELL - #406	175.00	175.00	-	-	-	-
1767	709	SHOCKLEY, JUSTIN - #709	196.00	196.00	-	-	-	-
1797	108	FLYNN, TEDDY - #108	114.00	74.00	40.00	-	-	-
1800	804	SUMMIT - # 804 - DAVE POWELL	204.00	204.00	-	-	-	-
1816	303	GILBOW, BARRY - #303	584.20	127.00	190.50	139.70	127.00	-
1819	808	ROSE, JONATHAN - # 808	204.00	204.00	-	-	-	-
1857	0-02	MANN, JEFF - #0-02	352.80	168.00	184.80	-	-	-
1861	1307	DUHAIME, BILL - #1307	170.00	170.00	-	-	-	-
1862	1308	DUHAIME, BILL - #1308	87.00	87.00	-	-	-	-
1867	810	ROSE, JONATHAN - # 810	103.00	103.00	-	-	-	-
1873	407	SUMMIT AVIATION - DAVE POWELL - #407	175.00	175.00	-	-	-	-
1874	004	SUMMIT AVIATION - DAVE POWELL - #004	155.00	155.00	-	-	-	-
1883	504	STAHL, AARON - #504	298.20	142.00	156.20	-	-	-
1888	003	SUMMIT AVAITION - #003	155.00	155.00	-	-	-	-
			<b>15,203.59</b>	<b>12,257.00</b>	<b>1,925.70</b>	<b>758.74</b>	<b>262.15</b>	<b>-</b>
			100.00%	80.62%	12.67%	4.99%	1.72%	0.00%
<b>TOTAL DUE</b>			<b>15,702.98</b>	<b>12,677.60</b>	<b>2,004.49</b>	<b>758.74</b>	<b>262.15</b>	<b>-</b>

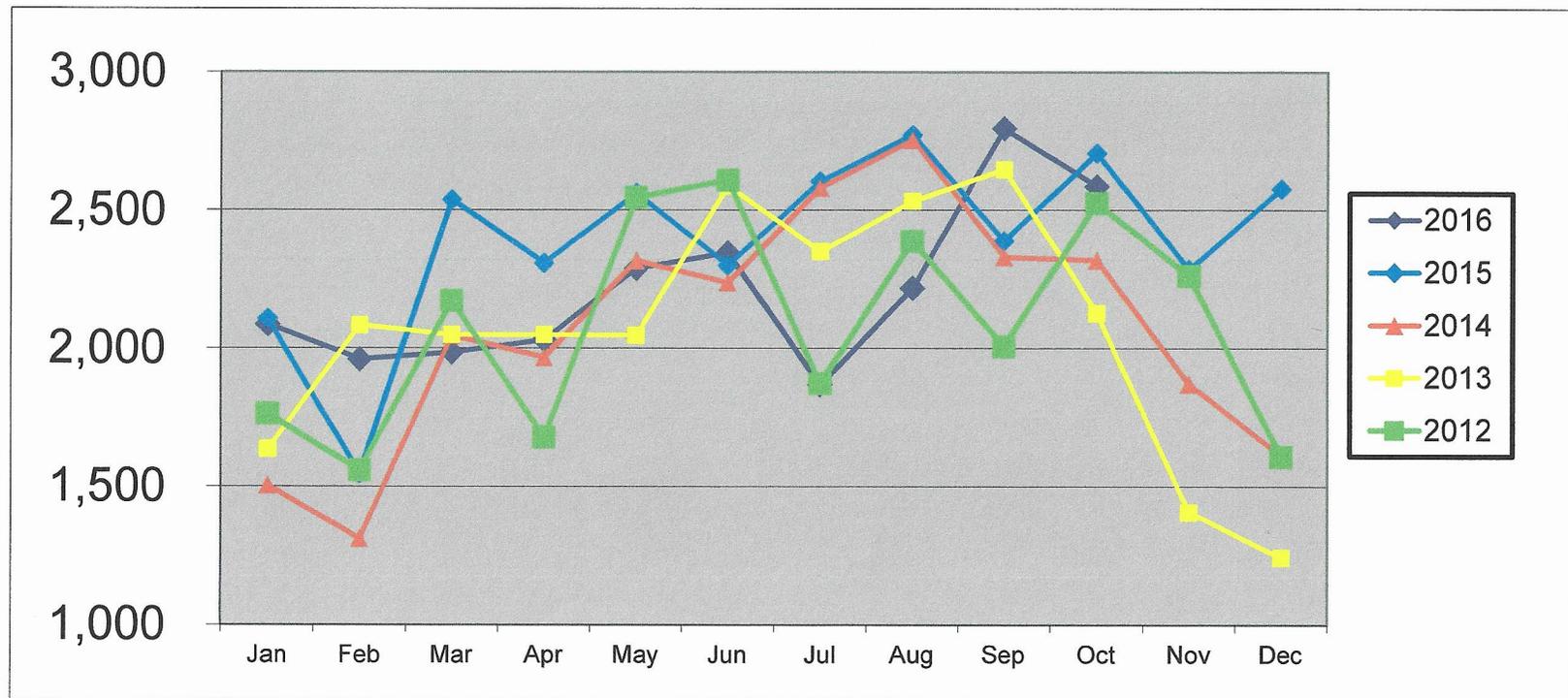
CITY OF SPRINGDALE  
 AIRPORT ACCOUNTS RECEIVABLE  
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CUST ID	HANGAR NUMBER	NAME	TOTAL	NOT YET DUE	1 - 30 DAYS DUE	31 - 60 DAYS DUE	61 - 90 DAYS DUE	OVER 90 DAYS DUE
<b>AIRPORT TERMINAL</b>								
1868		SUMMIT AVIATION - FBO TERMINAL	3,000.00	3,000.00	-	-	-	-
			<u>3,000.00</u>	<u>3,000.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>OUT OF HANGAR - BALANCE OWED</b>								
501		NEAL, BART	2,173.49	-	-	-	-	2,173.49
502		NEAL, BART	988.00	-	-	-	-	988.00
1166		MITCHELL, MIKE	1,148.40	-	-	-	-	1,148.40
1620		LUSTER, RANDY	108.60	-	-	-	-	108.60
1684		KEATHLEY, BILL	2,480.00	-	-	-	-	2,480.00
			<u>6,898.49</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,898.49</u>
			<u>25,601.47</u>	<u>15,677.60</u>	<u>2,004.49</u>	<u>758.74</u>	<u>262.15</u>	<u>6,898.49</u>

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### Total Operations

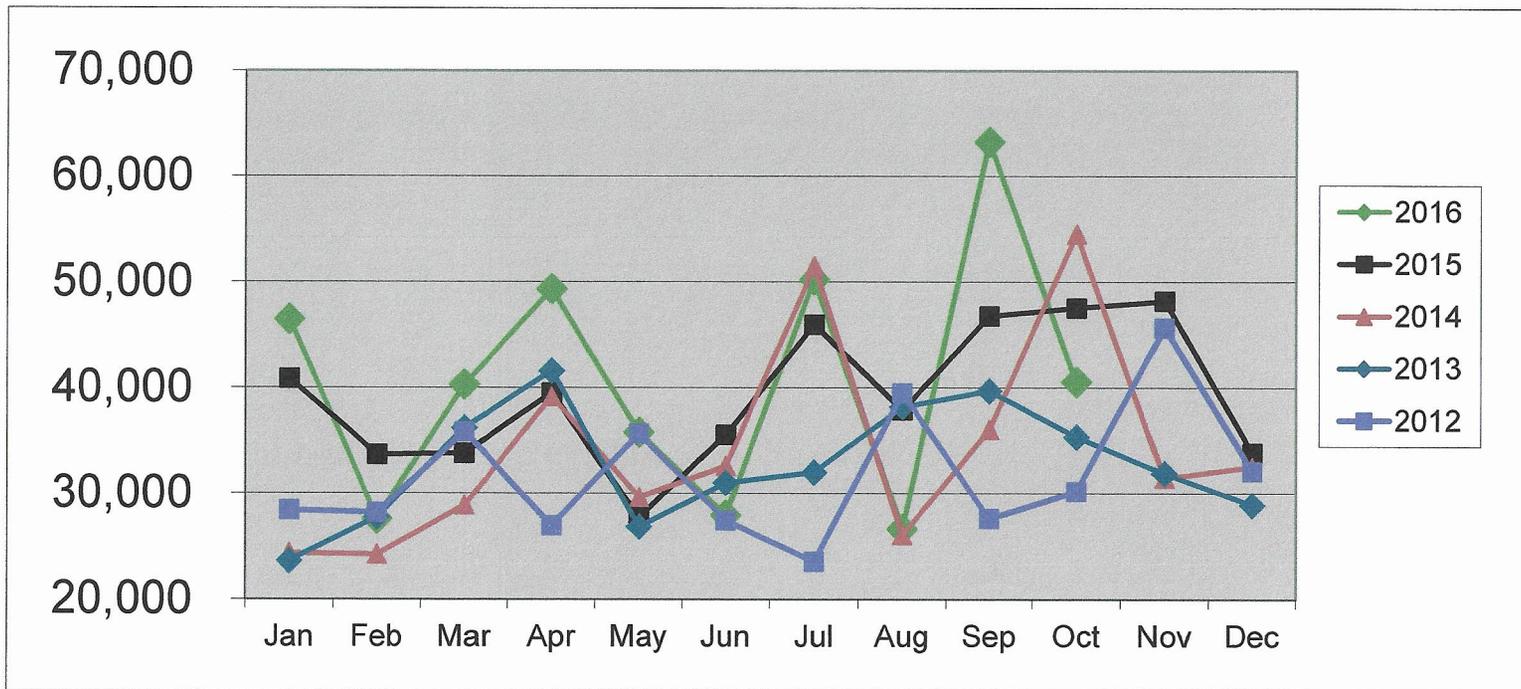
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Jan	2,086	2,107	1,503	1,635	1,762	2,176	1,993	2,540	1,729	2,009	3,967
Feb	1,960	1,546	1,310	2,084	1,558	1,494	1,938	2,193	1,887	1,669	3,375
Mar	1,985	2,538	2,046	2,049	2,172	2,460	2,290	2,862	2,257	2,384	3,871
Apr	2,031	2,308	1,967	2,049	1,677	2,050	2,602	2,622	2,515	2,926	3,455
May	2,288	2,561	2,316	2,047	2,545	2,539	2,408	3,402	2,853	2,568	3,871
Jun	2,345	2,300	2,237	2,587	2,608	2,543	2,726	3,411	2,837	2,413	3,652
Jul	1,868	2,604	2,580	2,350	1,873	2,374	2,658	3,204	3,297	2,385	3,977
Aug	2,217	2,772	2,753	2,532	2,387	2,073	3,310	3,436	2,931	2,597	3,905
Sep	2,795	2,388	2,330	2,647	2,007	2,379	2,717	2,657	2,811	2,374	3,036
Oct	2,586	2,706	2,318	2,127	2,525	2,815	2,596	1,602	3,485	2,534	2,952
Nov		2,285	1,870	1,407	2,262	1,738	1,973	2,864	2,731	1,909	3,086
Dec		2,577	1,611	1,242	1,607	1,696	1,758	2,214	1,989	1,148	2,157
Totals	22,161	28,692	24,841	24,756	24,983	26,337	28,969	33,007	31,322	26,916	41,304



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**City of Springdale Municipal Airport Commission  
Gallons of Fuel Purchases**

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Jan	46,486	40,846	24,334	23,617	28,388	32,928	16,173	24,751	32,781	47,614
Feb	27,601	33,651	24,216	27,750	28,170	23,800	32,876	24,139	32,242	24,005
Mar	40,311	33,794	28,875	36,204	35,812	32,640	16,565	15,058	41,224	23,654
Apr	49,331	39,495	39,143	41,581	26,933	28,147	28,275	29,503	31,989	47,960
May	35,785	27,701	29,610	26,823	35,614	36,133	20,122	23,899	24,048	39,660
Jun	27,914	35,517	32,575	30,984	27,419	28,348	31,899	32,198	39,762	32,699
Jul	50,239	45,969	51,476	31,986	23,520	27,685	31,554	39,989	23,644	32,253
Aug	26,630	37,862	26,045	38,167	39,459	31,911	30,818	15,828	39,869	39,931
Sep	63,239	46,770	36,002	39,684	27,577	36,352	31,634	23,356	32,134	54,537
Oct	40,539	47,534	54,521	35,322	30,150	35,839	15,436	32,391	23,623	47,218
Nov		48,180	31,431	31,889	45,646	28,209	32,490	24,040	31,984	40,112
Dec		33,818	32,492	28,868	32,078	32,455	40,804	16,565	24,187	48,701
Totals	<u>408,075</u>	<u>471,137</u>	<u>410,720</u>	<u>392,875</u>	<u>380,766</u>	<u>374,447</u>	<u>328,646</u>	<u>301,717</u>	<u>377,487</u>	<u>478,344</u>



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**Airport Commission  
2016 Revenues and Expenditures**

	<u>October</u>	<u>Year to Date</u>	<u>2015 Total</u>	<u>2014 Total</u>	<u>2013 Total</u>
<b>Revenue</b>					
Washington County Sales Tax	\$ 1,210	\$ 11,341	\$ 10,591	\$ 11,487	\$ 11,538
Springdale Sales Tax	2,141	18,418	16,615	15,315	15,383
Federal Grants	-	41,016	245,540	431,700	22,656
State Grants	-	40,000	578,060	260,732	136,522
Ramp Fees	-	357	83	75	-
Interest	-	-	155	11	786
Hangar Rent	23,823	219,344	240,807	241,297	242,405
Terminal Rent	3,550	27,160	26,520	26,520	26,349
Ground Lease	22	521	1,260	600	1,084
Through Fence Revenues	-	17,170	15,845	15,810	15,810
Fuel Flowage Fees	6,151	43,342	45,865	42,471	43,216
Sale of Capital Assets	-	-	-	-	5,000
Transfer from Sales and Use Tax Fund	-	5,367	55,229	150,447	-
Total Revenue	<u>\$ 36,897</u>	<u>\$ 424,036</u>	<u>\$ 1,236,570</u>	<u>\$ 1,196,465</u>	<u>\$ 520,749</u>
<b>Expenditures</b>					
Regular Salaries	\$ 4,024	\$ 41,270	\$ 47,662	\$ 49,913	\$ 50,648
Overtime	749	4,773	6,618	4,539	4,942
Sick Leave Bonuses	-	-	457	420	430
Temporary	-	7,381	12,088	11,782	8,424
FICA/Medicare	359	3,299	3,944	4,057	4,141
Insurance	689	7,375	8,419	6,140	6,273
Pensions	241	2,477	2,768	2,959	3,000
Workers' Compensation	106	1,046	1,391	1,899	1,669
Engineering	2,098	8,022	12,647	3,525	7,277
Other Professional Services	-	-	-	-	5,095
Control Tower Operations	7,146	55,252	83,955	86,928	71,487
Water & Sewer	189	1,535	1,572	3,006	3,629
Maintenance Bldg. & Grounds	6,310	46,943	52,935	50,164	45,041
Approach Obstruction Removal	-	4,700	-	7,000	6,250
Vehicle Maintenance	-	1,070	1,744	1,317	1,811
Equipment Maintenance	1,775	7,932	5,042	2,530	1,670
Office Supplies & Postage	-	16	13	244	528
Natural Gas	68	2,891	4,779	8,043	7,568
Electricity	2,470	26,966	33,858	38,852	43,022
Gasoline	446	3,586	6,826	7,030	7,937
Insurance/Property	-	16,182	13,633	14,248	13,930
Communications	577	8,843	10,862	9,712	10,561
Miscellaneous	133	3,620	3,183	3,329	3,706
Property Taxes	-	8,621	7,838	7,315	6,793
Improvements	-	15,331	77,938	75,623	15,700
Taxiway Improvements	-	-	500,180	12,592	-
Fuel Farm Rehab	-	-	-	173,648	-
Terminal Access Rd	-	44,823	238,924	387,988	38,000
ASG Airport Road	-	-	137,788	-	-
MALSF Replacement	-	-	-	132,946	147,919
Terminal Improvements	-	63,134	-	68,654	14,287
Equipment	3,775	3,775	-	-	4,465
Total Expenditures	<u>\$ 31,155</u>	<u>\$ 390,863</u>	<u>\$ 1,277,064</u>	<u>\$ 1,176,403</u>	<u>\$ 536,203</u>
Excess Receipts Over (Under) Expenditures	<u>\$ 5,742</u>	<u>\$ 33,173</u>	<u>\$ (40,494)</u>	<u>\$ 20,062</u>	<u>\$ (15,454)</u>

required	
2	Consult with the FAA Project Manager to verify that proposed parcels are identified on an approved Airport Layout Plan (ALP)
3	Verify environmental requirements of the National Environmental Policy Act (NEPA) are met
4	Prepare surveys and plats for proposed property acquisition.
5	Order preliminary title search to confirm ownership and encumbrances on property title
6	Select and negotiate contract for qualified appraiser and review appraiser
7	Select and negotiate contract for Environmental Site Assessment (ESA) consultant (if not completed in project planning phase)
8	Select and negotiate contract for qualified land acquisition and relocation consultant, if required
9	Conduct Environmental Site Assessment of property suspected of being contaminated
10	Prepare relocation plan if there are any persons to be displaced
11	Perform appraisals and appraisal review, and approve appraised fair market value. The property owner shall be given the opportunity to accompany the appraiser on the inspection of the property.
12	Submit appraisal and review appraisal reports to the FAA if required by project manager.
13	Make written offer of just compensation. At initiation of negotiations, provide general notice of the property owner's rights and entitlements on the acquisition of their property and an explanation of the relocation assistance and payment entitlements. Provide notice of relocation eligibility to displaced persons.
14	Negotiate purchase agreement. If reasonable attempts to negotiate an agreement or acceptable settlement are unsuccessful, the acquisition may be referred to the sponsor's attorney for condemnation under the airport's eminent domain authority.
15	Closing/court award, title conveyance, and schedule possession of acquired property. (Sponsor's attorney / title company /escrow agent.)
16	Complete relocation assistance for displaced persons. Assure a comparable replacement dwelling has been made available for all persons displaced from their residence, (as applicable).
17	Clear property for project use.
18	Furnish project application with Exhibit A Property Map and land acquisition cost breakdown sheet, Certification of Environmental Site Assessment, Certificate of Title, and Sponsor Certification for Real Property.
19	Execute grant agreement.
20	Submit final <u>Outlay Report and Request for Reimbursement for Construction Programs (Form SF-271 (<a href="http://www.faa.gov/airports/resources/forms/index.cfm?sect=payments">www.faa.gov/airports/resources/forms/index.cfm?sect=payments</a>))</u> and make final drawdown.

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2100 S. Powell  
 P.O. Box 241  
 Springdale, AR 72765

# Estimate

DATE	ESTIMATE NO.
4/14/2015	28209

NAME / ADDRESS
Springdale Airport 201 Spring Springdale, AR 72764

ITEM	DESCRIPTION	QTY	P.O. NO.	TERMS	PROJECT
				Due on receipt	
			RATE	TOTAL	
Signs	5'x10' D/F Flat lexan face internally illuminated w/ white L.E.D.'s sign cabinet to read: TBD.	1	4,450.00	4,450.00	
Signs	3'10"x5'9" AF-3500-48x80-20-R-2V Galaxy 20mm Monochrome Red only Outdoor display. Includes basic onsite training, temp. probe, wireless communication & detailed webinar training. *Customer to provide PC Computer w/ Windows XP or newer.	1	14,589.00	14,589.00	
Signs	8'x6' D/F Flat plexi face internally illuminated w/ white L.E.D.'s multi-tenant sign cabinet to have x8 inserts w/ horizontal divides.	1	3,200.00	3,200.00	
Install	Labor & materials to dig footing, provide & set stell pole, pour concrete & install signage onto single pole structure.	1	2,885.00	2,885.00	
Permit	Sign permit @ cost.	1	27.56	27.56	
Acquis	Acquisitional fee to obtain permit. *Final electrical hook-up is not included. 50% down to start. 50% due upon completion of installation. Springdale Group Washington County Sales Tax	1	150.00	150.00	
			9.75%	0.00	
			<b>TOTAL</b>	<b>\$25,301.56</b>	

This estimate is good for 30 days. If it meets with your approval, please sign and return, or fax to 479-750-2674.

SIGNATURE \_\_\_\_\_

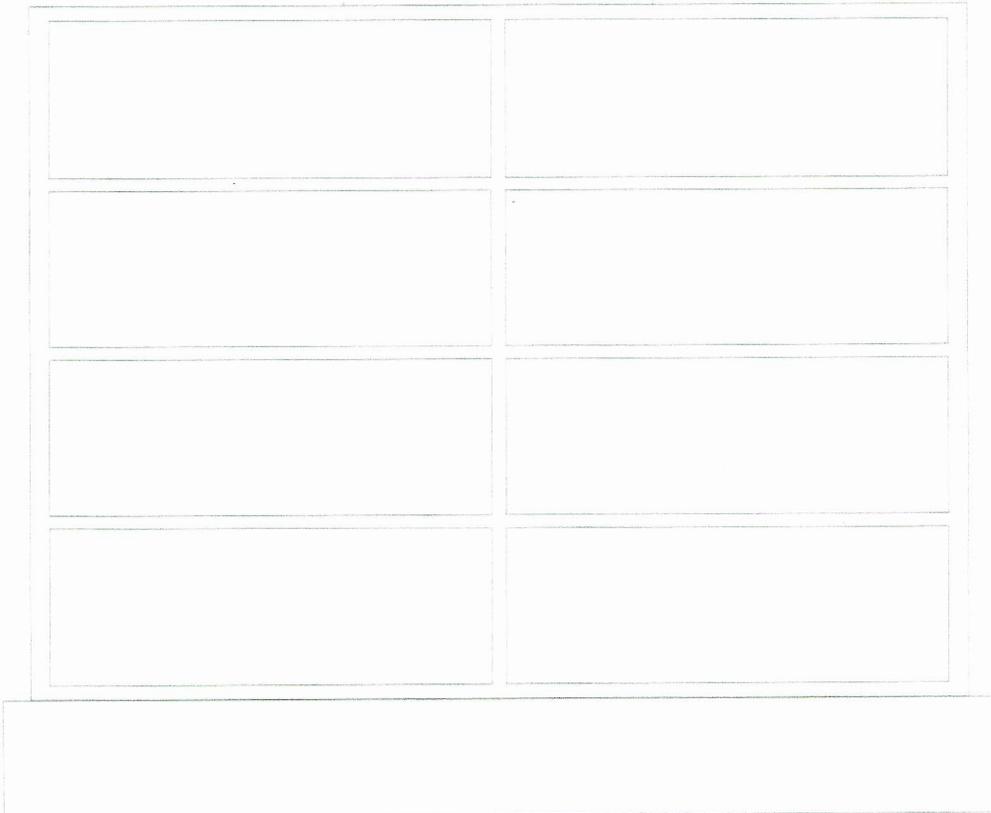
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126"

SPRINGDALE MUNICIPAL  
AIRPORT

48"

2"



72"

12"

Provide and install (1) double sided \$10,590.00  
(1) single sided \$ 6100.00

# SPRINGDALE MUNICIPAL AIRPORT

**Arkansas**  
Helicopters

Flaps Down  
**GRILL**

**Adventure**  
**Flight Aviation**  
Flight School & Pilot Gear Shop

**TWELVE STONE**  
**AVIATION**  
**479-799-8065**

**Crown Air Charter**  
**Executive Service**  
**479-750-9191**

126"

SPRINGDALE MUNICIPAL  
AIRPORT

4.8"

2"

16"

10 MM  
FULLCOLOR

53 3/8"

18"

6"

Provide and install (1) double face \$ 52,420.00  
(1) single face \$ 29,890.00

# SPRINGDALE MUNICIPAL AIRPORT

TOUR NWARKANSAS  
WITH ARKANSAS HELICOPTERS  
20 MINUTE FLIGHT FOR \$75



LEASE AGREEMENT  
A & J CONSTRUCTION MANAGEMENT, LLC  
AND  
SPRINGDALE MUNICIPAL AIRPORT COMMISSION

This lease agreement, ("Lease") made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the Springdale Municipal Airport Commission ("Commission") and A & J Construction, LLC (Lessee).

**Consideration.** In consideration for this lease of the "Demised Premises", the Lessee agrees to design, construct and equip the following:

- a. Parking lot of approximately 14,900 square feet.
- b. Permanent aircraft hangar building measuring 100 by 100 feet with attached office space of approximately 11,500 square feet.
- c. Airside pavement ramp area of approximately 15,400 square feet between the hangar in b. above and the hangars in d. below.
- d. Permanent building of approximately 13,400 square feet containing six clear span hangars.
- e. Airside pavement ramp area of approximately 6,900 square feet located east of the hangars in d. above..

The Lessee shall repair all land, apron areas and security fence damaged as a result of the construction of said improvements and related work. All businesses operating on the Premises shall be aviation related.

**Demised Premises.** The Commission warrants and represents that it is the owner in fee simple of all that certain land situated in Washington County, Arkansas as shown on Exhibit "A" and made a part hereof as though fully set forth herein ("Premises"). Lessee shall construct said improvements upon the area more fully described in exhibit "A" hereto.

The parties acknowledge and agree that Lessee's operations require the use of certain ramp and/or apron area that Lessee shall construct contiguous and adjacent to the north of the Premises.

**Insurance.** Lessee agrees to maintain replacement cost insurance on the hangar located on the Premises for the term of this agreement.

**Term.** The term of this agreement shall begin on the 1<sup>st</sup> day of \_\_\_\_\_, 2016, and shall include all the premises listed under **Consideration** to the last day of \_\_\_\_\_, 2046. For those premises listed under **Consideration** above as a, b and the western 8,500 square feet of c this agreement will remain in effect until the last day \_\_\_\_\_, 2056. Upon the completion of the terms of this lease, provided Lessee is in complete compliance with the terms and conditions of the lease, Lessee shall have

the first right of refusal to rent said Premises applicable to that completion date, and improvements thereon, at the then market rate.

**Rental.** During the period of this lease, Lessee covenants and agrees to pay the Commission rent for the Premises in consecutive monthly installments in advance, on or before the first day of each month commencing on the 1<sup>st</sup> day of the lease, the sum of two hundred fifty-eight dollars and seventy-five cents (\$258.75) per month, same being an annual rent of three thousand one hundred five dollars (\$3,105.00). Effective on the first of the month following the last day of \_\_\_\_\_, 2046 the payment shall be reduced to one hundred forty-five dollars and forty-one cents (\$145.41) per month, same being an annual rent of one thousand seven hundred forty-four dollars (\$1,744.92)

**Plans, Specifications and Permits.** Plans or specifications for the construction or alteration of the improvements shall be subject to prior written approval of the Commission, and approval shall not be unreasonably withheld. Lessee shall comply with the requirements of the Commission, including, but not limited to, compliance with design criteria and to the standards, and Federal and State government requirements for the protection of the environment in the construction of the improvements and alterations contemplated hereunder. It is further understood and agreed that construction of any such structures are also subject to the prior written approval of the FAA in accordance with the provisions of Part 77 of the FAA regulations. The Commission hereby agrees that it will use its best efforts to assist the Lessee in obtaining such approval.

**Mechanic's or Materialmen's Liens.** Lessee agrees that during the term of this lease no mechanic's or materialmen's liens affecting the Premises or any improvements thereon shall be suffered to arise, and that in the event any such lien does arise, Lessee shall promptly discharge or bond over same, and if default in the payment thereof shall continue for ninety (90) days after receipt of written notice of such lien and demand for its discharge or posting of a bond given to the Commission by Lessee, then it shall constitute a default in this lease.

**Right to Encumber.** It is agreed and covenanted by and between the parties hereto that the Lessee, for the purpose of making authorized improvements by it to the Premises, shall at all times have the right to encumber by leasehold mortgage or deed of trust, or other proper instrument in the nature thereof, its right to use and occupy said Premises and property (Lessee's leasehold interest hereunder), or portions thereof, together with Lessee's rights and interest in and to any buildings and improvements which may be placed thereon by said Lessee.

**Notification.** Upon the execution and recordation of any such leasehold mortgage or deed of trust, the Commission shall be notified in writing that such leasehold mortgage or deed of trust has been so given and executed by the Lessee, and the Commission shall also be furnished with the address to which Lessee desires copies of

notices to be mailed; and the Commission hereby agrees that it will thereafter simultaneously mail to such assignee of the lease, guarantor of any indebtedness secured by this lease, mortgage or beneficiary under a leasehold mortgage or deed of trust or other security agreement, a duplicate copy of any and all notices in writing which the Commission may from time to time give to or serve upon the Lessee under and pursuant to the terms and provisions of this lease.

**Actions Prior to Forfeiture.** Such assignee, guarantor, mortgagee or beneficiary may, at their option, at any time before the rights of the Lessee shall have been forfeited to the Commission, pay any of the rents due hereunder, or do any other act or thing required of the Lessee by the terms of this lease, which are within its ability or capacity, or do any act or thing which may be necessary and proper to be done in the observance of the covenants and conditions of this lease, to prevent the forfeiture of this lease; and all capacity of any such assignee, guarantor, mortgagee or beneficiary to do, shall be as effective to prevent a forfeiture of the rights of the Lessee hereunder as the same would have been if done and performed by the Lessee instead of by any such mortgagee or beneficiary.

**Transfer of Title and Interest.** It is covenanted and agreed that all of Lessee's right, title and interest in any buildings and improvements on the Premises listed under **Consideration** above as the eastern 6,900 square feet of c, all of d and e shall on the last day of \_\_\_\_\_ 2046 or the termination of this lease before that date, be and become the property of the Commission, subject to the rights of Lessee concerning trade fixtures more fully described in the following section. The remainder of the Premises shall become the property of the Commission, subject to the rights of Lessee concerning trade fixtures more fully described in the following section, at the termination of this lease.

**Fixtures and Improvements.** It is expressly understood and agreed that any and all trade fixtures of whatsoever nature (excluding real property and the actual hangar building) installed or maintained upon any portion of the Premises by Lessee shall be and remain the property of Lessee. Lessee shall have the right to install and remove at any time during Lessee's occupation of the Premises any and all trade fixtures placed by Lessee, upon the Premises, but shall not be obligated to do so. In the event of removal, Lessee shall repair any and all damage to the leasehold improvement caused by said removal.

**Assignment.** Lessee shall not at any time assign this lease or any part thereof, or sublet all or any portion of the Premises herein without having first secured written approval of the Commission, which approval shall not be unreasonably withheld, conditioned or delayed. Lessee shall have the right to assign this lease to any of Lessee's affiliates, to any corporation or entities under common control with Lessee or to a Qualified Intermediary for the purposes of completing a tax-deferred exchange under Section 1031 of the Internal Revenue Code. Provided, however, any assignment shall not release Lessee from its responsibilities and liabilities set forth in this lease.

**Construction.** Lessee shall begin construction of the improvements no later than March 2017 with completion to be no later than March 2019. Provided, however, in the event that a delay in construction is beyond the control of Lessee, Lessee shall not be in default unless Lessee fails to use all reasonable efforts to move the project along.

**Notices.** Whenever by the terms of this Lease, notice shall or may be given either to the Commission or to the Lessee, such notice shall be in writing and shall be sent by United States registered or certified mail, return receipt requested, with adequate prepaid postage. If intended for the Commission, addressed to:

Chairman  
Springdale Airport Commission  
c/o Mayor's Office  
201 Spring Street  
Springdale, AR 72704

If intended for the Lessee, addressed to:

A & J Construction Management, LLC  
1503 W. Emma Ave.  
Springdale, AR 72764

**Default.** Lessee shall be deemed in default upon:

- A. The filing of a petition under the Federal Bankruptcy Act or any amendment, including a petition for reorganization or an arrangement; or
- B. The commencement of proceedings for dissolution or for the appointment of a receiver; or
- C. The making of an assignment for the benefits of creditors; or
- D. Violation of any restrictions in this agreement, or failure to keep any of its covenants; or
- E. Abandonment of any premises covered by this agreement;

**Remedies Upon Default.** In the event of default by Lessee, the Commission shall have the right at once and without further notice to Lessee, to enter and take possession of the premises occupied by Lessee, pursuant to this agreement, by force or otherwise, and expel, oust and remove any and all parties who may occupy any portion of the premises or airport covered by this agreement, and any and all goods and chattels belonging to Lessee or its associates which may be found, without being liable for prosecution or to any claim for damages.

IN WITNESS WHEREOF, the parties hereto have set their hands.

Springdale Airport Commission

Jeff Man

\_\_\_\_\_  
Neil Johnson, Chairman

\_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ACKNOWLEDGMENT**

STATE OF ARKANSAS

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COUNTY OF WASHINGTON

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**BE IT REMEMBERED**, that on this day came before the undersigned, a Notary Public, duly commissioned and acting within and for the County and State aforesaid, \_\_\_\_\_, personally known to me to be the person subscribing to the foregoing document, and who stated to me that he had executed the same for the purposes and considerations therein contained.

**IN WITNESS WHEREOF**, I have hereunto set my hand and seal this \_\_\_\_ day of \_\_\_\_\_, 2016.

My Commission Expires:

\_\_\_\_\_

\_\_\_\_\_

Notary Public

