

CITY OF CROSSVILLE INTERIM FIXED-BASE OPERATOR’S AGREEMENT

This Agreement is made this ____ day of March, 2019, between **The City of Crossville**, a municipal corporation organized under the laws of Tennessee having its principal office at 392 N Main Street (“Owner”), and **Eric Ramsey**, an individual, having his principal office at 1204 Arrowhead Drive (“Operator”).

RECITALS

A. Owner has previously acquired a public airport in The City of Crossville, Tennessee, known as Crossville Municipal Airport (the “Airport”), upon which Owner has constructed certain facilities consisting of runways, taxiways, and multiple “T” hangars, together with other facilities shown by plans and specifications in the files in its offices, together with water, drainage, sanitary, heating and electrical facilities.

B. Operator and Owner, through the Crossville City Council being the official governing body of Owner, have agreed in respect to Operator’s provision of aviation services at the Airport as specified below in this Agreement.

In consideration of the matters described above, and of the mutual benefits and obligations set forth in this Agreement, the parties agree as follows:

SECTION ONE.

TERM

The term of this Agreement shall be for a period of Six (6) consecutive months, commencing on the 15th day of March, 2019 and ending on the 14th day of September, 2019 and subsequently month-to-month, termination to be made by giving 30 days’ notice to the other party.

SECTION TWO.

RIGHT OF USE AND OCCUPANCY

Owner does now grant to Operator the exclusive right of use and occupancy of facilities, equipment and improvements commonly known as the Airport Terminal Building, and the maintenance hangar upon the Airport premises as is evidenced by *Exhibit A* to this agreement, and the nonexclusive right to use common areas of the Airport including runways, taxiways, aprons, roadways, flood lights, landing lights, signals and other conveniences for the takeoff, flying and landing of aircraft. Owner reserves two office spaces inside the Airport Terminal building to be used for the Crossville Police Department and Tennessee Highway Patrol. Owner also reserves the exclusive right to use and maintain the commercial hanger.

SECTION THREE.

**RESERVATION OF RIGHTS; INGRESS AND EGRESS;
USE OF COMMON AREAS**

Owner and Operator further agree as follows:

A. Owner reserves for its own use and without charge, rebate, or reduction in payments provided below in this Agreement to be made by Operator, the right and privilege to use or occupy that nonexclusive area which is granted in SECTION TWO of this Agreement, as may be needed at any future time, in the sole discretion of Owner, for storage purposes, the space to be selected at the option of and in the sole discretion of Owner.

B. Any right granted in this Agreement to install, operate, maintain, repair or store shall be subject to approval at all times of Owner in the interests of safety and convenience of all concerned, this paragraph not limited to but including any equipment necessary for the conduct of Operator's business.

C. Included in the rights granted in this Agreement are rights of ingress to and egress from the premises, which rights shall extend to operators, employees, passengers, guests, invitees and patrons of Operator.

D. The rights granted in this Agreement shall include the right of Operator, in common with others authorized so to do, to use common areas of the Airport, including runways, taxiways, aprons, roadways, flood lights, landing lights, signals and other conveniences for the takeoff, flying and landing of aircraft of Operator.

SECTION FOUR. PURPOSES

Operator, at its own expense, shall use and occupy (in common with others) the aprons, space, facilities, taxiway, runways, etc., as set forth in SECTION TWO of this Agreement, subject to the limitations placed upon such use and occupancy in this Agreement, only for the following purposes:

A. Operation and conduct of a primary flight school, which school shall include courses for the attaining of private, commercial and instructors' certificates, and if benefits are now or later extended to veterans by the Veterans Administration of the United States for such purpose, a flight school in compliance with and in connection with such benefits and the Veterans Administration.

B. Operation of the maintenance hangar as a service shop for repairs and service to aircraft for the convenience of the Airport and its patrons.

C. Conduct of private plane operations, which shall include servicing, storing and repairing as set forth below in this Agreement.

D. Conduct of the sale of aircraft, aircraft accessories, aircraft parts, and products used in connection with the servicing, sale or handling of aircraft.

E. Conduct of charter service.

F. Custom crop spraying, crop seeding, insect control program, aerial farm survey program, and aerial commercial advertising programs of all types.

G. Conduct of such other activities as may be mutually agreed upon by Owner and Operator.

SECTION FIVE. CONSIDERATION

The consideration to be paid by Operator to Owner for the rights and privileges conferred in this Agreement, and as rental, shall be as follows:

A. Operator shall be responsible for the purchase of all aviation gasoline. Operator and Owner representative shall stick all gasoline tanks the last day of each month. Owner and Operator shall check meter readings of the individual pumps. Operator shall pay owner a flow fee for all gas pumped at a rate of **.10 cents per gallon**. Operator shall make reasonable, diligent efforts to secure fuel at the best value available. Operator will bill the flow fee for all gas purchased including gas purchased for use by the operator. In the event the Operator purchases or leases and maintains an operable fuel truck sufficient to provide adequate services then Owner shall reduce the flow fee to **.05 cents per gallon**.

B. Operator shall pay all utilities associated with the maintenance hangar and terminal buildings. Operator shall pay for all janitorial work for the Terminal Building and shall keep the same in a sanitary and presentable manner at all times.

C. Operator shall **not** be required to pay Owner a monthly rental amount for the use of the facilities during the interim period of this agreement.

D. Operator agrees to use its best efforts to promote and advertise for the use of the Airport and its facilities. Owner agrees to also periodically advertise the use of the Airport.

SECTION SIX. HANGAR RENTALS; SERVICES

Owner and Operator agree that there is now in existence at the Airport an terminal building, maintenance hangar, commercial hanger and multiple "T" hangars and have agreed that all lands, buildings or facilities not described in Section II and *Exhibit A* are expressly excluded from this Agreement and reserved wholly and exclusively for the use of Owner. Operator further agrees that all buildings not described in Section II are reserved exclusively to Owner, and shall be in Owner's exclusive control for such purposes, including rental, as Owner determines to be fit and proper.

Operator further agrees as part of the consideration for this Agreement that Operator and its employees shall and will assist all patrons of the Airport, whether Operator's customers or not, such assistance to include the handling of the aircraft, tying down of aircraft, and all other incidentals common to the tying down. Operator shall be entitled to make such additional charges for certain of such services as shall be reasonable.

Further, Owner and Operator agree that:

A. All monthly hangar rentals will be billed from Owner's office with Owner collecting all fees.

B. All overnight hangar storage for the commercial hanger shall be collected by Operator and turned in to Owner on or before the 5th day of each month. Operator shall be entitled to 10% of all over-night or short term rentals in the commercial hanger. All hanger space shall be used for the storage of airplanes or aviation equipment only. In no event shall hanger space be rented for events, boat or RV storage.

C. Operator will furnish service necessary for the storage of all planes for which Operator may charge a reasonable fee.

D. Operator will provide all services and equipment necessary for tie-downs. Operator agrees to keep tie-down ropes in serviceable and adequate condition. All tie-down fees shall belong to Operator.

**SECTION SEVEN.
SERVICE PROVISIONS**

A. Operator will put forth every effort consistent with good business to service all aircraft, promote sales, student instructions, charter business, agricultural aviation, aerial advertising, aerial photography or any other aviation service that would benefit Operator or Owner.

B. Operator agrees to supply any equipment that the business at the Airport will warrant, in order to provide adequate service to Airport patrons.

C. Operator will make the facility available for the Owners annual fly-in event and shall have an adequate staff on hand to make the event possible in cooperation with Owner.

**SECTION EIGHT.
OWNERSHIP OF BUILDINGS; REMOVAL OF PROPERTY**

Operator agrees that any buildings in the future erected or proposed to be erected, including the buildings already erected on the Airport premises, are and shall remain the property of Owner, and upon termination of this Agreement, Operator shall surrender all of the buildings used by Operator in good condition, reasonable wear and tear excepted. Operator further agrees that upon the termination of this Agreement at any time and for any reason, Operator shall have and will fully settle and pay all accounts owing by Operator to Owner before removing any property solely owned by Operator from the premises, but upon the settlement of the accounts, then Operator shall have the right to freely remove all aircraft, tools, equipment and trade fixtures from the buildings and from property of Owner, which aircraft, tools, equipment and trade fixtures are solely owned by Operator.

**SECTION NINE.
FUEL TRUCK**

Operator shall be permitted to purchase and use a fuel truck to dispense aviation grade auto fuel to aircraft upon request. The vehicle must be parked on a concrete pad or moved daily from different site to different site for parking when temperatures exceed 80 degrees so as to avoid any injury due to the weight of the vehicle to the Airport apron.

**SECTION TEN.
AUTO FUEL RECORDS**

Operator shall maintain accurate records of the gallons of aviation grade auto fuel dispensed from the fuel truck and submit such records to Owner by the 5th day of each month for the prior month's usage.

**SECTION ELEVEN.
INDEMNIFICATION**

Operator agrees to assume and hold harmless Owner from any and all liability occasioned by the disbursement of aviation grade auto fuel from Operator's truck, including but not limited to Environmental Protection Agency violations, fines, attorney fees, cleanup costs and any other damages of any kind caused by the disbursement of fuel from Operator's tank truck. Should damages result from the disbursement of fuel from Operator's truck, including but not limited to damages to

the Airport apron or aircraft in which fuel is being dispensed, then at Owner's option this Agreement may be terminated and the dispensing of aviation grade auto fuel shall cease, irrespective of any other term or condition of this Agreement.

**SECTION TWELVE.
COMPLIANCE WITH REGULATIONS**

Operator agrees to comply with any and all state, federal, county, or local regulations regarding the disbursement of fuel, including but not limited to those required under the Federal Environment Protection Agency. This Agreement shall not require Owner to make any capital improvements to the Airport in order to allow Operator to comply with any regulations under the Environmental Protection Agency, or other government agencies, for the disbursement of fuel from Operator's truck.

**SECTION THIRTEEN.
OTHER RIGHTS AND DUTIES**

Owner and Operator further agree as follows:

A. Owner or its authorized representatives, servants and employees shall have sole and general control and supervision of all activities of the public or other persons on the Airport, consistent with the reasonable rules and regulations of the Airport and the reasonable conduct of the business of Operator.

B. Owner or its authorized representatives, servants and employees shall have the sole authority to make all Airport flying rules and regulations, and requirements applicable to the use of the Airport by private, commercial or public aircraft flying, taking off or being in or about the Airport for any purpose with approval by Federal Aviation Administration, any other agency of the federal government, the State of Tennessee or any other public agency.

C. If required of it as a fixed-base operator, Operator will maintain such flight records of operations of the Airport and such other data as may be required by the Federal Aviation Administration, any other agency of the federal government or Tennessee or any other public agency.

D. Any Airport manager employed by Owner shall have complete control, under Owner's direction, of the Airport and all activities related to the Airport except the conduct of Operator's business as provided in this Agreement.

E. Operator will act, with Owner, its authorized agents, representatives, servants and employees, at all times under the rules and regulations of the federal government, the Federal Aviation Administration, the State of Tennessee, and the rules and regulations of Owner, and the rules and regulations of any other proper authority having jurisdiction over conduct of operations at the Airport.

F. Operator shall not erect or place any signs or advertising matter at any place on the Airport premises or in any of the Airport buildings without the prior written consent of Owner.

G. Operator shall keep the premises occupied or used by Operator in a safe, sanitary and clean condition and shall dispose of all debris and other waste matter which may accumulate, and shall provide metal containers, with proper covers, for any waste within any Airport building used by Operator.

H. All repairs to roofs, drains, gutters, pavements, sewers, pipes and electrical conduits appurtenant to any Airport

buildings, including heating equipment, shall be repaired and maintained by Owner, it being understood that Operator shall use all reasonable care in its use of such buildings and those buildings described in SECTION TWO of this Agreement, except that where any such repairs have been necessitated by the negligence of Operator, its employees or servants, then Operator shall be responsible for such repairs.

I. Any repairs, improvements, alterations, or fixtures, other than those of a removable nature, made or installed by Operator in any Airport building under this Agreement shall become the property of Owner, from the date of such improvement or installation, unless otherwise provided by agreement between the parties prior to such improvement or installation.

J. Owner shall furnish all labor and equipment for mowing, snow removal and any major improvements that are necessary for the operation of the Airport. Both parties to this Agreement agree that the tractor provided by the City if any will be used only for the purposes of mowing the grounds, towing airplanes, snow removal, or any other customary purposes of tractor usage.

K. Any legislative decision, determination or act of The Crossville Airport Committee made in good faith and upon information then submitted to The Crossville City Council relating to the sufficiency of any operation by any person at the Airport, or relating to any rule or regulation it may adopt concerning the use of the Airport by Operator or any other person, shall be binding upon Operator.

L. There is reserved to Owner, its authorized agents, representatives, servants or employees the right to enter upon any premises occupied by Operator at any time for the purpose of making an inspection of the same if such is deemed expedient to the end that the duties and conditions of this Agreement may be fully performed.

M. Operator shall perform the following duties daily:

1. Wind up gas pump hose;
2. Close apron gate;
3. Raise and lower American flag;
4. Report light outages for runway, apron, or beacon;
5. Check hangar doors for security; and
6. Maintain public restrooms in a sanitary manner, and
7. Sale and dispensation of aviation gasoline and fuels and oils; and
8. Provide adequate and efficient ramp service; and
9. Provide FAA approved aircraft, engine, and accessory maintenance and to furnish all necessary tools and equipment; and
10. Basic flight training (Optional during interim period);

11. Provide instrument certified rental aircraft (Optional during interim period);
12. Provide pilot services for aircraft owner and companies owning aircraft based at the Airport;
13. Provide a minimum of (2) Two rental cars for on-site rentals (Optional during interim period); and
14. Provide vending machines; and
15. Provide properly trained personnel from 8:00, A.M., until dusk every calendar day of the year except Christmas, and on call by readily accessible telephone at all other hours during the day or night; and

16. Provide proper equipment for repairing and inflating aircraft tires, servicing oleo struts, changing engine oil, washing aircraft and aircraft windows and windshields, and for recharging or energizing aircraft batteries and starters;

17. Adequate inventory of generally accepted grades of aviation engine oil and lubricants;

N. Operator shall participate in all meetings of the Crossville Airport Committee. The Airport Committee has no authority to direct the FBO / Airport Manager. However, the FBO / Airport Manager is required to attend the Committee meetings, advise the Committee on Airport operations, and when appropriate implement suggestions, especially if the Committee is aware of a safety or maintenance issue and brings it to the Manager's attention.

O. Operator shall report any NOTAMS to appropriate authorities and the City Manager immediately.

P. Any incident involving aircraft damage, damage to City equipment or property, or personal injury must be reported within one business day of occurrence to the City Risk Manager.

**SECTION FOURTEEN.
INSURANCE PROVIDED BY OPERATOR**

Operator shall be liable for every claim and demand of any nature made on behalf of or by any person, firm, partnership, corporation, or other entity for any wrongful act or omission on the part of Operator, its agents, servants or employees, and shall be liable for all losses and damages resulting from any such action or omission, including any operations by Operator at the Airport, and including but not limited to conduct of charter service, conduct of flight schools, custom crop spraying, crop seeding, insect control programs, aerial farm survey programs or commercial advertising programs of any type. Operator shall maintain public liability insurance to fully protect Owner against any loss, property damage or injury to person due to any operations carried on by Operator in the conduct of its business as a fixed-base operator. Operator shall also carry adequate workers' compensation insurance and occupational disease insurance. Operator shall provide suitable insurance coverage pertaining to its specific activity and also shall do the following:

A. Name Owner on policies as an additional insured.

B. Require the insurance companies to provide Owner with at least 30 days' notice in writing prior to cancellation or discontinuance of any insurance coverage.

C. Require the insurance companies to provide Owner with a certificate of insurance.

D. If Operator contracts for any type of operating privileges, Operator shall provide the following coverage:

1. Workers' compensation insurance;

2. Unemployment insurance;

3. Other types of coverage mandated by the State of Tennessee and

4. General liability insurance of at least \$1,000,000 per occurrence/ \$2,000,000 aggregate to cover all aspects of Operator's intended business including but not limited to property damage, bodily injury, negligence, environmental liabilities and all other aspects of the intended activities and operation of Operator as a fixed-base operator.

**SECTION FIFTEEN.
INSURANCE PROVIDED BY OWNER**

Owner shall maintain insurance coverage upon buildings and property owned by it and located at the Airport, insuring such buildings and property against loss by fire, wind and other hazards. Owner shall further maintain insurance protecting third persons against damage by fire or other casualty to aircraft and other personal property of third persons, stored, placed or otherwise lawfully located in any building or area on the Airport premises within the control, use, occupancy or possession of Owner, by which Owner is protected from liability to third persons for negligence by Owner, its servants, agents or employees.

**SECTION SIXTEEN.
ASSIGNMENT**

Operator shall not at any time during the term of this Agreement assign, hypothecate or transfer this Agreement or any interest in it, without the written consent of Owner.

**SECTION SEVENTEEN.
TERMINATION**

Operator and Owner further agree that in case of failure on the part of Operator to comply fully with settlement and payment of all accounts at regular accounting periods, or Operator's failure to diligently and faithfully perform the terms of this Agreement, then Owner may terminate this Agreement at its option and shall have the right to re-enter and take possession of the premises described in SECTION TWO; provided, however, that before so canceling or terminating this Agreement, Owner shall give written notice to Operator specifying the particulars in which Operator has failed to perform the terms of this Agreement and shall give Operator a reasonable time, not less than 10 days, in which to correct such breach of this Agreement.

**SECTION EIGHTEEN.
MISCELLANEOUS PROVISIONS**

Owner and Operator further agree that all terms and provisions of this Agreement are subject and subordinate to the following:

A. During any time of war or national emergency, Owner shall have the right to allow use and possession of the landing area and any buildings or any other part of the Airport to the United States Government for military or naval use, and, if a written agreement between Owner and the United States Government is executed, the provisions of this Agreement, insofar as they are inconsistent with the provisions of the agreement with the United States Government, shall be suspended.

B. This Agreement shall be subordinate to the provisions of any existing or future agreements between Owner and the United States of America relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport.

C. Owner reserves the right to further develop or improve the landing area, buildings or any facilities of the Airport as Owner sees fit, regardless of the desires or views of Operator and without interference or hindrance, and further reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, including the right to prevent Operator from erecting any building or other structure upon the Airport or within the obstruction limits of the Airport established by the Federal Aviation Administration or the state of Tennessee which, in the opinion of Owner, would limit the usefulness of the Airport or constitute a hazard to aircraft.

D. Owner reserves the right but shall not be obligated to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Operator in such regard.

E. Operator agrees to conduct its operations and to operate any premises or buildings used by Operator on the Airport premises for the use and benefit of the public and to make available all airport facilities and service to the public without unjust discrimination, and upon reasonable terms and conditions; and to refrain from imposing or levying excessive, discriminatory, or otherwise unreasonable charges or fees for any of Operator's facilities, services or products for sale or for any Airport service. Operator further agrees that no charge shall be made by Operator for any service offered by Operator in excess of any fee or charge or schedule of fees or charges posted on the premises occupied and used by Operator. Operator shall grant no favor, privilege or discriminatory right to any patron, customer, or other person serviced by Operator in the furnishing of any service or products, which are not extended to other members of the public. Operator shall have such access to the service apron, runway, and landing area on the Airport premises as may be accorded to any other person or the public, subject to the rules and regulations of Owner, and provided that any such access or use by Operator shall be nonexclusive and that nothing contained in this paragraph shall be deemed to confer or give to Operator any rights incident to the carriage of passenger, cargo or freight by air as a public carrier, or any rights or privileges reserved by law, by agreement or otherwise, for military, naval or other aircraft of the United States, the State of Tennessee, or Owner.

F. The use and occupancy by Operator of the building, facilities and area of the Airport described in SECTION TWO under this Agreement shall be subordinate to any program or undertaking by Owner for the development, expansion, extension or improvement of the Airport. This Agreement shall not be construed to grant to Operator an exclusive right for the use of the landing area or navigation facility of the Airport upon which federal funds have been, are to be, will be or may be expended contrary to Title 49, U.S.C.A. Subtitle VII, as amended, in such a way as to inhibit Owner from receiving funds or financial aid or other assistance from the Federal Aviation Administration or its successor for the development, expansion, extension and improvement of the Airport. Any provision of this Agreement found to be in conflict with the Title 49, U.S.C.A. Subtitle VII, as amended, or to inhibit the receipts of funds, financial aid, or assistance from the Federal Aviation Administration shall be and become inoperative upon the execution of any agreement between Owner and the Federal Aviation Administration or any other agency of the federal government or agency of the State of Tennessee for the release or expenditure of federal funds or the giving of other financial aid or assistance by the Federal Aviation Administration for the further development, expansion, extension or improvement of the Airport.

G. Operator, for itself, its personal representatives, successors in interest and assigns, agrees that

1. no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Airport facilities;

2. in the construction of any improvements on, over or under such land and the furnishing of services on the Airport premises, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination; and

3. Operator shall use the Airport premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964, and as such regulations may be amended.

H. Operator agrees to furnish services on a fair, equal and not unjustly discriminatory basis to all users of such services, and to charge fair, reasonable and not unjustly discriminatory prices for each unit or service; provided, however, that Operator may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

I. Owner reserves the right to access the leased buildings for maintenance and repair of Airport equipment and facilities.

**SECTION NINETEEN.
SEVERABILITY**

If any provision of this Agreement or the application of any provision to any situation, person or circumstance is held to be invalid, then such provision, as to such situation, person or circumstance, shall be deemed to be excised from this Agreement, and the invalidity of such provision as to such situation, person or circumstance shall not affect any of the other provisions of this Agreement or the application of such provision to situations, persons or circumstances other than those to which it is invalid. This Agreement shall be applied and shall be effective in every situation and circumstance and to every person insofar as its validity extends.

**SECTION TWENTY
MANAGEMENT FEE**

The City shall pay unto the Operator during the term of this Agreement and, any extension thereof, a monthly management fee of \$6,500 to be paid on the 15th day of each month during the term of this Agreement, the first of such monthly fees to be paid upon execution of this Agreement by the Owner. For said fee, Operator will provide all management services for the City with regard to its airport, including the traditional management duties associated with the same, as an independent contractor of the city. Operator agrees to abide by all applicable rules, statutes, and regulations in said capacity and to attend all necessary meetings, conferences, and continuing education for the same, except that the city hereby agrees to reimburse Operator for all reasonable expenses, fees and costs associated with said attendance and education.

The parties have executed this Agreement on the day and year first set forth above.

THE CITY OF CROSSVILLE, TENNESSEE

By:

James Mayberry, Mayor

Eric Ramsey

State of Tennessee)
)
County of Cumberland)

Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared **James Mayberry**, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), and who, upon oath, acknowledged himself to be Mayor of the City of Crossville, and that he as such Mayor, being authorized so to do executed the foregoing instrument for the purposes therein contained by signing the name of the City of Crossville by himself as such Mayor.

WITNESS my hand and seal of office this the ____ day of _____, 2019.

NOTARY PUBLIC

My commission expires: _____

State of Tennessee)
)
County of Cumberland)

Before me, the undersigned authority, a Notary Public in and for said State and County, personally appeared **Eric Ramsey**, with whom I am personally acquainted, (or proved to me on the basis of satisfactory evidence), to be Eric Ramsey.

WITNESS my hand and seal of office this the ____ day of _____, 2019.

NOTARY PUBLIC

My commission expires: _____