

# AIRPORT COMMISSION MEETING AGENDA

**Tuesday, November 3, 2009**  
**\*\*\*\*Madison Avenue Meeting Room\*\*\*\***  
**7:00 a.m.**

- |       |              |  |
|-------|--------------|--|
| I.    | Information  | Open Meeting, Introductions - Todd Brown, Chair  |
| II.   | Approval     | Review of October 6, 2009 Minutes  |
| III.  | Information  | Visitor Comments   |
| IV.   | Old Business | Corporate Hangar ADRC Request (Richard Hand)   |
| V.    | New Business | Corporate Hangar Lease Request (Richard Hand)  |
| VI.   | Information  | Update on Industrial Park - John Sechrest  |
| VII.  | Information  | Update on Airport - Dan Mason  |
| VIII. | Information  | Update on FBO - Corvallis Aero Service   |
| IX.   | Information  | Update on City Council - Councilor Hamby   |
| X.    | Information  | Information Sharing <ul style="list-style-type: none"><li>• Monthly Financial Report</li><li>• Airport Commission Strategic Plan briefing #3</li></ul> |

## COMMISSION MEMBERS

Todd Brown - Chair  
Dan Allen - Vice-Chair  
Louise Parsons  
Jim Moran  
Vincent Remcho  
Rod Berklund  
Brian Wall  
Bill Dean  
David Hamby - Council Liaison, excused

## **Airport Commission Meeting Guidelines**

In order to ensure that Airport Commission meetings are run efficiently and effectively, the following guidelines have been adopted:

- A. Placards with Commission members' names will be placed on the meeting room tables and members grouped near the head of the table. This will allow visitors, consultants, and visiting Councilors, etc., to be aware of who the Commission members and support staff are.
- B. All members, visitors and others wishing to ask questions or participate in a discussion must raise their hand, be recognized by the chair (vice or acting chair) and called upon (in order) before participating.
- C. Visitors' comments at the beginning of the meeting:
  - 1. Visitors' comments will be taken from approximately 7:05 a.m. to 7:20 a.m. (15 minutes).
  - 2. Visitors' comments are limited to items which are **not** on the agenda.
  - 3. The members will decide what to do with the visitors' comments, i.e., request that staff research them, put them on the next month's agenda, thank him/her for their comment and take no action, etc.
  - 4. Visitors' comments will not be discussed at length during the meeting. Rather, a determination will be made as to how best to address the visitors' issue/comment.
- D. Visitors' discussion/participation on specific agenda items:
  - 1. The presenter (staff, consultant, Commission member, etc.) will report on the agenda item.
  - 2. The presenter will then take questions first from Commission members and staff.
  - 3. Visitors may then make brief comments and/or ask specific questions of the presenter regarding the item.
  - 4. The chair (vice or acting chair) will decide (based upon time constraints, etc.) when to end the visitor participation on agenda items.
  - 5. Commission members will then discuss the item with no further visitor participation.
  - 6. The members will then take action on the item.

**AIRPORT COMMISSION  
MINUTES  
October 6, 2009**

**Present**

Dan Allen, Vice-Chair  
Rod Berklund  
Louise Parsons  
Vince Remcho  
Jim Moran  
Bill Dean  
Brian Wall  
David Hamby, Council Liaison

**Staff**

Dan Mason, Airport Coordinator  
Mary Steckel, Public Works  
John Sechrest, Corvallis Benton Chamber Coalition  
Aaron Edwards, Corvallis Benton Chamber Coalition

**Visitors**

Lanny Zoeller, Pilot, SASO  
Tyler Parsons, Pilot

**Absent**

Todd Brown, Chair, excused

**SUMMARY OF DISCUSSION**

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Open Meeting, Introductions	X		
II. Review of September 1, 2009 Minutes			Approved
III. Visitor Comments	X		
IV. Old Business			
V. New Business • Corporate Hangar ADRC Request		X	Scheduled ADRC meeting
VI. Update on Industrial Park	X		
VII. Update on Airport	X		
VIII. Update on FBO			
IX. Update on City Council	X		
X. Information Sharing • Monthly Financial Report • Airport Commission Strategic Plan	X X		

**CONTENT OF DISCUSSION**

**I. Open Meeting, Introductions**

Vice-Chair Allen opened the meeting at 7:00 a.m. Staff and visitors were introduced.

**II. Review of Minutes**

**Commissioners Berklund and Parsons, respectively, moved and seconded that the Commission approve the September 1, 2009 minutes. The motion passed unanimously.**

**III. Visitor Comments**

Visitor Bill Gleaves brought airport history books for everyone to look at. He noted they could be purchased at Corvallis Aero Service for \$25.

**IV. Old Business**

None.

**V. New Business**

Corporate Hangar ADRC Request (Richard Hand)

Mr. Mason reported that Richard Hand has requested permission to build a corporate hangar at the airport, which requires an Airport Development Review Committee meeting. The meeting was set for 10am, October 22, 2009, at the Public Works Transportation conference room.

**VI. Update on Industrial Park**

Mr. Sechrest reported that Plastech has moved into the WKL building, so the Plastech building is available for sublease. The Business Enterprise Center has been approved by the IRS as a 501-c3 entity.

Mr. Edwards reported on State referrals.

Mr. Sechrest opined that the school zone on Highway 99 is a barrier to development at the airport.

**Commissioner Berklund moved to suggest flashing lights be installed in front of Lincoln School, and Commissioner Parsons seconded; the motion passed unanimously.** Mr. Mason stated that he will talk to the appropriate people at Public Works and see if there is support for the City to request ODOT make the change.

**VII. Update on Airport**

Mr. Mason reported on the status of the wetland mitigation project at the Airport Industrial Park (AIP). He stated that the joint permit application has been submitted and is being reviewed by the Department of State Lands (DSL) and the US Army Corps of Engineers, who will make a determination on October 10 on whether the application is complete.

Mr. Mason reviewed the written information sharing report for the Commission.

**VIII. Update on FBO**

None.

**IX. Update on City Council**

Councilor Hamby reported that the City Manager decided to withdraw his proposal for the City to handle economic development, including AIP marketing and the Enterprise Zone contracts, so those will be going back to the Chamber Coalition.

**X. Information Sharing**

Monthly Financial Report

No discussion.

Airport Commission Strategic Plan

Mr. Mason presented the second segment of a PowerPoint presentation to brief the Airport Commission on all the facets of the airport in preparation for the Airport Strategic Plan process. He continued his summary of the Master Plans and provided an overview of the infrastructure and utilities at the airport and AIP. The briefing will continue at the next Commission meeting.

**The meeting was adjourned at 8:18 a.m.**

**NEXT MEETING: November 3, 2009, 7:00 a.m., Madison Avenue Meeting Room**

**AIRPORT DESIGN REVIEW COMMITTEE  
MINUTES  
October 22, 2009**

**Present**

Louise Parsons, Chair  
Brian Wall, Commissioner  
Dan Mason, Airport Manager

**Staff**

**Visitors**

Todd Brown, Commission Chair  
Richard Hand  
Bill Gleaves, Pilot, SASO

**SUMMARY OF DISCUSSION**

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Open Meeting, Introductions			
II. New Business 1. Richard Hand Corporate Hangar			Approval

**CONTENT OF DISCUSSION**

**I. Open Meeting, Introductions**

Chair Parsons opened the meeting at 10 am. Introductions were made.

**II. New Business**

**Richard Hand Corporate Hangar**

Richard Hand, representing himself, presented his request to build a corporate hangar on a section of property to be leased from the City. This property would be on the west end of the north side of the corporate hangar taxilane in the northwest corner of the airport hangars. He proposed a 60' x 60' hangar in the same design as the Tucker hangar at 5558 SW Plumley Place of which he had a picture attached to his proposal. His initial letter had requested an area on the south side of the taxilane, but Mr. Hand wanted to change the request to the north side. He

understood the land lease would be for an area a minimum of 80' x 65' due to Airport Master Plan and Fire Code requirements.

The ADRC followed the ADRC Checklist and determined that the use was consistent with the Airport Master Plan.

**The ADRC unanimously recommended approval by the Airport Commission for this project.**

The meeting was adjourned at 10:30 am.

9/3/09

City of Corvallis  
Airport Manager

Dan Mason

I'm seeking permission to build a hanger. This hanger will be located at the Corvallis Airport. West of building/row 11 (as labeled in Airport Master plan fig. D3). Next available lot. The proposed Hanger will be similar to existing hangers. See photo below for sample of hanger style.

Building will be aprox. 60' x 60'. Possible variations are door type. I.e. sliding vs. hydraulic or electric. To be determined later. I would like to start construction of this hanger this year.

Thank you for your help and I'm looking forward to a letter of approval.

Richard Hand  
561 NW VanBuren Ave  
Corvallis, Oregon 97330  
541 752-4833

p.s. please email or call me with any concerns you may have. [hand@rehplus.com](mailto:hand@rehplus.com)



Photo of existing hanger at Corvallis Airport

Airport Design Review Committee  
Development Review Checklist

The Airport Design Review Committee (ADRC) is a standing sub-committee to the Airport Commission. The ADRC's responsibility is to review development proposals at the Corvallis Airport and the Airport Industrial Park to ensure compliance with the appropriate master plans, the Minimum Standards, and the Airport Handbook, as applicable, and make a recommendation to the Airport Commission on the development proposal. This checklist is intended to assist the ADRC in this task as well as provide documentation of the review performed by the Committee.

Proposal being reviewed:

Hand Hanger

Date: 10/22/09

1) Is the proposed development in the Airport Industrial Park? \_\_\_ Y  N

If yes, go to 5.

2) Is the proposed building site consistent with the Airport Master Plan (AMP) figure D-7, conceptual development plan?  Y \_\_\_ N

If yes, go to 3.

If no, go to 2a

2a) Is the proposed structure less than 5,000 sq. ft? \_\_\_ Y \_\_\_ N

If yes, go to 2b; if no, go to 2c.

2b) Will the structure will be in the LAF or CAF areas of figure D6&F10, and more than 20% of the structure extend beyond a building envelop shown on Figure D7? If so, this is considered a major variation of the AMP and public notice as per the AMP is required before further consideration by the ADRC. If not, go to 2d.

2c) If the structure is greater than 5,000 sq. ft and will be in the LAF or CAF areas of figure D6&F10, does more than 10% of the structure extend beyond a building envelop shown on Figure D7? If so, this is considered a major variation of the AMP and public notice as per the AMP is required before further consideration by the ADRC. If not, go to 2d.

2d) If the variances are not considered a major variation of the AMP, this proposal will be considered a minor variation and if public notification has occurred as per the AMP, the ADRC may proceed to 3. (If the notification for a major variation has occurred, the ADRC may proceed to 3.) **Review of both major and minor variances using Attachment A.**

- 3) Is the proposed use consistent with figure D6&F10?  Y \_\_\_ N  
 If yes, go to 4; if no, this would be considered a major variation to the AMP and public notice as per the AMP is required before further consideration by the ADRC. (Use Attachment A)
- 4) The proposal can be determined to be in compliance with the Airport Master Plan and proceed to 6.
- 5) Is the proposal site and building size consistent with the Airport Industrial Park Master Plan?  
 If yes, proceed to 6.
- 6) Refer to the Rules and Regulations, Airport Handbook Chapter XIV, Development and Building Standards:
- 6a) Does the general building design comply with Section A?  Y \_\_\_ N
- 1) Architecture - contemporary or traditional style is encouraged. Distracting from the intended image of the Airport will not be allowed.
  - 2) Building Exterior - High quality, permanent, low maintenance materials. Design and color themes consistent with surrounding development. Roof non-reflective and rain-gutters/down spouts connected to drainage facility. Cladding of durable materials - concrete tilt-up panels or steel and metal.
  - 3) Building interior - floors must be concrete. Min. standard for walls - wood frame, metal clad. Meet applicable code - and if a SASO or FBO, must comply with the Minimum Standards.
- 6b) Does the building conform to set backs and height restrictions of FAA FAR Part 77 as per Section B?  Y \_\_\_ N (City Development Services will review proposed building setbacks and height as a part of the building permit process.) FAA 74x60-1 will be submitted
- 6c) Is developer prepared to provide site improvements as per Section C? \_\_\_ Y \_\_\_ N
- 1) Utilities provided by developer \_\_\_ Y \_\_\_ N  N/A
  - 2) Developer provide pavement from building to taxi-lane  Y \_\_\_ N \_\_\_ N/A
  - 3) Construct taxi-lane as per Section B. 2. c.  Y \_\_\_ N \_\_\_ N/A

As a result of the review of the proposed development as per this checklist and Attachment A, if applicable, the Airport Design Review Committee's recommendation to the Airport Commission is:

Approval for N. or S. side of taxiway  
concern from applicant about moving hydrant  
adressed in pre-development meeting

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Signed: Louise Parsons  
 ADRC Chairperson

# Memorandum

TO: Airport Commission

FROM: Dan Mason, Airport Coordinator

DATE: October 27, 2009

SUBJECT: Airport Lease - Hand Corporate Hangar

## **ISSUE**

Mr. Richard Hand has requested a land lease with the City of Corvallis to build a private corporate hangar at the Corvallis Municipal airport.

## **BACKGROUND**

The proposed hangar will be the seventh corporate hangar built on the 2.5 acres designated for corporate hangars. It will be located on the north side of the existing taxiway and Mr. Hand will construct the fullwidth taxiway to the western edge of his hangar. He will be reimbursed by Corvallis Aero Service, in accordance with their lease addendum of 2004, for the cost of the construction of ½ of the taxiway fronting their site. Mr. Hand will also be reimbursed at a future date for the cost of the remaining south ½ portion of the taxiway when someone builds on that site.

## **DISCUSSION**

Mr. Hand presented his proposal to the Airport Design Review Committee (ADRC) on October 22, 2009 where the Committee determined the proposal met the required criteria of the Airport Master Plan and the Design and Building Standards for the Airport. The legal description will not be available for a few weeks and therefore a temporary diagram representing the Exhibits A and B has been attached until the completed legal description can be added.

This proposed lease (attached) will create new revenue to the Airport Fund in the amount of \$1,440.00 per year.

## **REQUESTED ACTION**

Staff requests that the Airport Commission recommend to the Urban Services Committee to recommend the City Council approve the lease and authorize the City Manager to sign the lease agreement.

Attachments

FOR COUNTY RECORDING ONLY:

AFTER RECORDING RETURN TO CITY OF CORVALLIS  
ENGINEERING DIVISION, CITY HALL, EXT 5058

## LAND LEASE AGREEMENT CORVALLIS AIRPORT

THIS LEASE, made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, is by and between the City of Corvallis, an Oregon municipal corporation, hereinafter referred to as the City, and **Richard Hand**, an individual, hereinafter referred to as the Lessee.

### 1. PREMISES

The Corvallis Municipal Airport is owned and managed by the City of Corvallis and is operated as an Enterprise Fund, in that all fees, land leases and rent revenues are retained by the City for the exclusive operation of the Airport. The City, in consideration of the terms, covenants, and agreements contained herein, does hereby lease to the Lessee the following property located at the Corvallis Municipal Airport:

See Attached Exhibit "A" site plan and Exhibit "B" legal.

### 2. TERM

The Lessee shall have the right to the possession, use, and enjoyment of the leased property for a period of Twenty (20) years, beginning on **January 1, 2010** and ending **December 31, 2029**. The term of this lease may be extended for up to two additional ten-year periods provided Lessee notifies the City in writing at least sixty (60) days prior to the termination date of this lease.

### 3. RENT

A. Rental Rate. Lessee shall pay in advance, an annual rent payment by the first day of the month beginning **January 1, 2010**, and continue payments annually by the first day of that month thereafter during the term of this lease. The rate for the above-described land shall be determined as follows: **\$0.225** per square foot per year = **\$1,440.00** as an annual base rent. Rental payments are made payable to the City of Corvallis and are to be delivered in person or mailed to the City at the address given in Section 21 of this lease.

B. Late Charges. It is hereby agreed that if rent is unpaid after fifteen (15) days following the due date, the Lessee shall pay a late charge of \$1.00 per day computed to include the first day due and continuing until both rent and late charges are fully paid. Payments will be applied first to the late charges, then to outstanding rent.

C. Annual Adjustment. The rental rate shall be adjusted annually utilizing the January through December U.S. City Average Consumer Price Index, with adjustments made July 1 following the publication of the annual index, commencing July 2010. The City shall give written notice to Lessee at least thirty (30) days in advance of the annual adjustment date.

D. Land Rental Rate Adjustment. Notwithstanding 3C above, each 5 year anniversary date commencing 2015, the land lease rate will be adjusted based on 10% of the appraised market value of the parcel.

E. Extended Term. If this lease is extended as provided in Section 2 of this lease, the rental rate shall continue to be adjusted annually on the basis described in Section 3-C and 3-D above.

#### **4. USE OF THE PROPERTY**

A. Scope of Operation. Lessee shall construct an aircraft hangar on the leased premises for private use by the Lessee in accordance with City of Corvallis Council Policy 7.13, as revised. Lessee shall comply with the conditions of the airport rules and regulations, as identified in the Corvallis Airport Handbook - Rules, Regulations, Pilot Information and Building Standards (Airport Handbook), and by this reference incorporated into and made a part of this lease. The Airport Handbook may be revised from time to time by the City.

B. Conformance with Laws. Lessee shall conform to all applicable laws and regulations, municipal, state, and federal, affecting the premises and the use thereof.

C. Nuisance. Lessee shall not use or permit the use or occupancy of the property for any illegal purposes, or commit or permit anything which may constitute a menace or hazard to the safety of persons using the property, or which would tend to create a nuisance, or that interferes with the safe operation of aircraft using the Corvallis Municipal Airport.

D. Hazardous Materials. Lessee shall not store or handle on the premises or discharge onto the property any hazardous wastes or toxic substances, as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 to 9675, and as further defined by state law and the City's Sewer Regulations, Municipal Code Chapter 4.03 as amended, except upon prior written notification to the City and in strict compliance with rules and regulations of the United States and the State of Oregon and in conformance with the provisions of this lease. Any violation of this section may, at the City's option, cause this lease to be immediately terminated in accordance with the provisions of Section 18 of this lease.

E. Roads. Lessee shall be entitled to reasonable use for its purposes of the roads and taxiways now existing and serving the leased property. The City may locate and relocate roads as desirable to improve the Corvallis Municipal Airport so long as reasonable and adjacent access is provided to Lessee.

#### **5. WATER, WASTEWATER, AND STORM WATER SYSTEMS**

A. Water, Drainage, and Domestic Waste. The City agrees to provide the use and benefits of the public water, wastewater, and storm water systems as they now exist or may be later modified. Conditions for the use of these systems shall be the same as the conditions and regulations applying within the corporate limits of the City of Corvallis, including any assessments or charges for any expansion or intensification of Lessee's use of the property.

B. Utility Bills. Water, wastewater, and storm water charges shall be paid by the Lessee in addition to the basic monthly land lease and at the same rates applicable within the corporate limits of the City of Corvallis. The Lessee shall promptly pay all water, wastewater, and storm water charges, and all other utility charges, for the premises as they come due.

C. Prohibited Discharges. Discharge of industrial waste, as that term is defined in the City of Corvallis Municipal Code, Chapter 4.03 Sewer Regulations (as presently constituted or as amended hereafter), into the sanitary sewer system, drainage system, surface ponds or ditches, or elsewhere is specifically prohibited, except as permitted by a valid Industrial Wastewater Discharge Permit in strict accordance with the Sewer Use Ordinance and applicable state and federal laws. Violation of any provision contained in the City of Corvallis Municipal Code, Chapter 4.03 Sewer Regulations (as presently constituted or as amended hereafter), may cause this lease to be immediately terminated in accordance with the provisions of Section 18 of this lease.

D. Discharge Response Procedures. In the event of any discharge or spill of noxious or hazardous material into the environment, wastewater system, or storm water system, Lessee shall immediately notify the Oregon Department of Environmental Quality and the City. The City and any appropriate state or federal agency shall have the right to inspect the premises immediately to determine if the discharge or spill constitutes a violation of any local, state, or federal laws, rules, or regulations. If a violation exists, the City shall notify the Lessee of the specific violations and Lessee shall immediately cease all activities and use of the property until the violations are remedied, all at the Lessee's sole cost and expense and without expense whatsoever to the City.

E. South Corvallis Drainage Master Plan. Lessee hereby agrees to comply with the requirements of the "South Corvallis Drainage Master Plan," approved by the City Council in December 1998, or as amended. Future improvements within the Corvallis Municipal Airport, in compliance with the approved drainage plan, may include parcel assessments or charges. Conditions and regulations for any assessment or charges shall be similar to those conditions or regulations applying within the corporate limits of the City of Corvallis.

## **6. DEVELOPMENT STANDARDS**

This agreement is made subject to the terms and conditions as referenced in Chapter XIV Development and Building Standards of the Airport Handbook. In addition, compliance with all Corvallis development regulations is required relative to the City's Land Development Code (LDC). Where not otherwise specified by the Airport Handbook, the County's zoning provisions shall apply. Enforcement of development provisions is the responsibility of the City's Development Services Division.

## **7. ALTERATIONS, IMPROVEMENTS AND GENERAL MAINTENANCE**

A. Right to Construct. The Lessee, at its own expense, may construct structural improvements on the leased property, subject to Lessee's compliance with all applicable city, county, and state laws and regulations and issuance of necessary building permits.

B. Ownership of Improvements. Any buildings constructed on the leased property during the term of this lease shall belong to the Lessee and may be removed by the Lessee at will. Lessee shall have the right to enter the premises during the thirty-day period following termination of this lease to remove any of its property, including buildings or other improvements, on the leased premises. If, after thirty days after termination of the lease, any of said property remains on the premises, the City may retain the property, or, at its option, remove the property at the Lessee's expense.

C. Construction of Taxi-Lane. The Lessee agrees to construct a taxi-lane improvement along the entire frontage of leased property as per the Airport Handbook, Chapter XIV. Section B.2. The taxi-lane shall be asphalt-concrete (AC) built to City and FAA standards and shall include a designed storm drain system. The Airport will maintain the taxi-lane in good and serviceable condition for the duration of the lease.

D. Sale of Improvements. City shall have the first right of refusal to purchase Lessee's improvements, if Lessee decides to sell the improvements.

E. General Maintenance. During the entire term of this lease, and for any additional time that Lessee shall hold the leased premises, Lessee shall keep the premises, including improvements, in neat, sanitary, well-maintained condition.

No machinery, equipment, or property of any kind shall be stored or kept outside of the building; and any wrecked, permanently disabled, or otherwise unsightly aircraft shall not be kept unless housed within the hangar space.

Lessee shall permit no aircraft at any time to be left standing unattended or parked, even temporarily, upon any roadway/taxiway or access road within said airport, and the City shall have the right and privilege, at the expense of the Lessee, to remove from any public road or access road which approaches the airport or within the airport any such aircraft that Lessee or any of its tenants may leave standing or parked upon any such road or roadway/taxiway.

Lessee or any guest shall not park any vehicle outside the boundary of the leased premises herein described other than designated public parking areas. Any vehicle parked in violation of this section shall be moved at Lessee's expense by City.

## **8. ENTRY ON PROPERTY**

A. Right to Inspect. The City shall have the right to enter the property at any reasonable time or times to examine the condition of the premises or Lessee's compliance with the terms of this lease.

B. Access. The City retains the right to enter the leased premises at any reasonable time or times to repair or modify City utilities located upon the property or to conduct repairs or other work on the property.

## **9. ASSIGNMENT AND SUBLETTING**

The Lessee shall not assign or sublease this land lease without the prior written consent of the City; provided, however, that the City shall not unreasonably withhold such consent subject to the following conditions:

- 1) No sublease shall relieve Lessee from primary liability for any of its obligations under this lease, and Lessee shall continue to remain primarily liable for payment of rent and for performance and observance of its other obligations and agreements under this lease.
- 2) Every sublease shall require the sublessee to comply with and observe all obligations of the Lessee under this lease, with the exception of the obligation to pay rent to the City.

## **10. LIENS**

The Lessee shall promptly pay for any material and labor used to improve the leased property and shall keep the leased property free of any liens or encumbrances.

## **11. TAXES**

The Lessee shall promptly pay all real and personal property taxes levied upon the leased premises during the tax year that they become due. Lessee shall not permit a lien for other than the current year's taxes to be placed on the leased property.

## **12. INSURANCE**

A. Coverage Requirements. The Lessee shall purchase and maintain General Liability insurance that provides at least premises and operations coverage. The limit of liability shall be no less than \$500,000.00 per occurrence with not less than a \$1,000,000.00 general aggregate. The policy shall name the City of Corvallis, its officers, agents, and employees as an additional insured - Lessor.

B. Certificate of Insurance. At the time that this lease is signed, the Lessee shall provide to the City a certificate of insurance complying with the requirements of this section and indicating that insurer will provide the City with 30 days notice prior to cancellation. A current certificate shall be maintained at all times during the term of this lease.

## **13. HOLD HARMLESS**

A. General. The Lessee shall at all times indemnify, protect, defend, and hold the City of Corvallis, its officers, agents, and employees harmless from any claims, demands, losses, actions, or expenses, including attorney's fees, to which the City may be subject by reason of any property damage or personal injury arising or alleged to arise from the acts or omissions of the Lessee, its agents, or its employees, or in connection with the use, occupancy, or condition of the property.

B. Environmental Protection. The Lessee shall be liable for, and shall hold the City harmless from, all costs, fines, assessments, and other liabilities arising from Lessee's use of the premises resulting in the need for environmental cleanup under state or federal environmental protection and liability laws, including, but not limited to, costs of investigation, remedial and removal actions, and post-cleanup monitoring arising under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601 to 9675, as presently constituted or hereafter amended.

## **14. NONDISCRIMINATION**

The Lessee agrees that no person shall be excluded from participation in the use of the premises on the basis of race, color, creed, religion, sex, sexual orientation, age, physical or mental disability, source of income, or national origin or shall otherwise be subjected to discrimination in the use of the premises.

## **15. CONDITIONS ON PROPERTY BY THE UNITED STATES OF AMERICA**

This agreement is made subject to the terms and conditions and restrictions of transfer recorded in Book 121, Page 40 and Book 125, Page 239, deed records of Benton County, Oregon, as modified by the Instrument of Release recorded in Book 182, Page 238 of said deed records.

## **16. WAIVER OF BREACH**

A waiver by the City of a breach of any term, covenant, or condition of this lease by the Lessee shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition of the lease.

## **17. DEFAULT**

A. Declaration of Default. Except as otherwise provided in this lease, the City shall have the right to declare this lease terminated and to enter the property and take possession upon either of the following events:

- 1) Rent and Other Payments. If the annual / monthly rent or any other payment obligation, including but not limited to property taxes and utility bills, remains unpaid for a period of 30 days after it is due; or
- 2) Other Obligations. If any other default is made in this lease and is not corrected after 30 days written notice to the Lessee. Where the default is of such nature that it cannot reasonably be remedied within the 60-day period, the Lessee shall not be deemed in default if the Lessee proceeds with reasonable diligence and good faith to effect correction of the default.

B. Court Action. It is understood that either party shall have the right to institute any proceeding at law or in equity against the other party for violating or threatening to violate any provision of this lease. Proceedings may be initiated against the violating party for a restraining injunction or for damages or for both. In no case shall a waiver by either party of the right to seek relief under this provision constitute a waiver of any other or further violation.

## **18. TERMINATION**

A. Immediate Termination. Where a specific violation of this lease gives the City the option to terminate this lease immediately, this lease shall be terminated upon written notification to the Lessee.

B. Termination Upon 30 Days Default. In the event of any other default under Section 17 of this lease, the lease may be terminated at the option of the City upon written notification to the Lessee.

C. Surrender Upon Termination. Upon termination or the expiration of the term of the lease, the Lessee will quit and surrender the property to the City in as good order and condition as it was at the time the Lessee first entered and took possession of the property under this or a prior lease, usual wear and damage by the elements excepted.

D. Restoration of Property. Upon termination or expiration of this lease or Lessee's vacating the premises for any reason, the Lessee shall, at its own expense, remove and properly dispose of all tanks, structures, and other facilities containing waste products, toxic, hazardous, or otherwise, which exist on the leased property or beneath its surface. Lessee shall comply with all applicable state and federal requirements regarding the safe removal and proper disposal of said facilities containing waste products. If the Lessee fails to comply or does not fully comply with this requirement, the Lessee agrees that the City may cause the waste products and facilities to be removed and properly disposed of, and, further, Lessee agrees to pay the cost thereof with interest at the legal rate from the date of expenditure.

E. Holding Over. No holding over upon expiration of this lease shall be construed as a renewal thereof. Any holding over by the Lessee after the expiration of the term of this lease or any extension thereof shall be as a tenant from month to month only and not otherwise.

**19. RECORDING FEES**

The lease will be recorded with the Benton County Assessor's Office and the Lessee shall be responsible for paying all associated fees.

**20. ATTORNEY FEES**

If any suit or action is instituted in connection with any controversy arising out of this lease, the prevailing party shall be entitled to recover, in addition to damages and costs, such sum as the trial court or appellate court, as the case may be, may adjudge reasonable as attorney fees.

**21. NOTICE**

When any notice or anything in writing is required or permitted to be given under this lease, the notice shall be deemed given when actually delivered or 96 hours after deposited in United States mail, with proper postage affixed, directed to the following address:

City: City of Corvallis  
Public Works Department  
Attention: Airport Manager  
P.O. Box 1083  
Corvallis, Oregon 97339-1083

Lessee: Richard Hand  
561 NW Van Buren Avenue  
Corvallis, OR 97330\_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this lease the date and year first written below.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
RICHARD HAND

STATE OF OREGON )  
                          ) ss.  
COUNTY OF BENTON )

Personally appeared the above-named RICHARD HAND, who acknowledged he is an individual and he accepted the foregoing instrument. Before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON

My Commission Expires \_\_\_\_\_

ACCEPTED BY:  
CITY OF CORVALLIS, OREGON

STATE OF OREGON )  
                          ) ss.  
County of Benton     )

By: \_\_\_\_\_  
JON S. NELSON, CITY MANAGER

Personally appeared the above-named JON S. NELSON, who acknowledged he is the City Manager of CORVALLIS and he accepted the foregoing instrument on behalf of the City of CORVALLIS by authority of its City Council. Before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

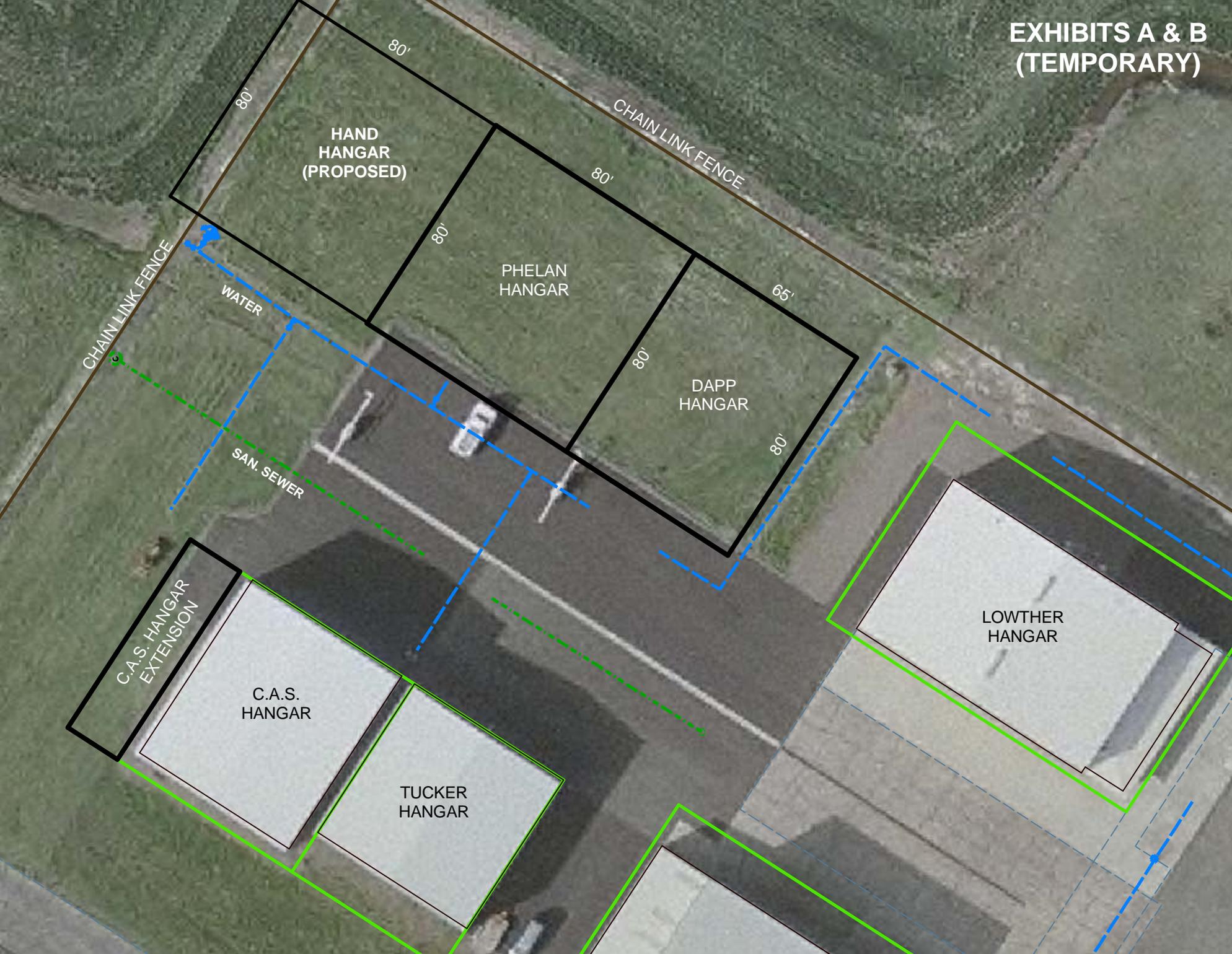
\_\_\_\_\_  
NOTARY PUBLIC FOR OREGON

My Commission Expires \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
City Attorney                      Date

**EXHIBITS A & B  
(TEMPORARY)**



# Memorandum

TO: Airport Commission

FROM: Dan Mason, Airport Coordinator

DATE: November 3, 2009

SUBJECT: Airport Update

➔The final change to the task order for sampling and testing of soils at the former shooting range has been approved and issued to our consultant URS. This is part of a special project to evaluate the extent of the lead contamination in the area of the north Airport Industrial Park that was used for a skeet and trap range since WW II.

➔The Rwy 35 Runway End Indicator Lights (REIL) replacement project by the FAA is complete.

➔The Pavement Maintenance Program repainting of Rwy 9/27 has been partially completed. The numbers, threshold markers and centerline have been done. The lead-in lines will have to await better weather and the paint truck to make sure they are done well.

➔T. Gerding Construction has broken ground on their new company headquarters building on the corner of Hwy 99W and SW Airport Avenue. They beat the rain with their initial excavation and have begun on the foundation work.

➔The City of Corvallis Engineering Division has begun work on the Hout Street improvements in the Airport Industrial Park. These improvements are to be funded by a \$732,000 federal grant with a ten percent match paid by street SDC's and the Airport Fund.

<b>Airport Fund Financial Report October 26, 2009</b>	<b>Audited FY 07-08</b>	<b>Adopted FY 08-09</b>	<b>Un-Audited FY 08-09</b>	<b>Adopted FY 09-10</b>	<b>YTD FY 09-10</b>
<b>Beginning Fund Balance</b>	<b>\$500,964</b>	<b>\$611,133</b>	<b>\$625,293</b>		
<b>REVENUES</b>					
Penalty Fees	0	0	0	0	0
Interest on Investments	25,875	17,360	11,981	11,030	1,508
Sale of Fixed Assets	0	0	0	0	0
Licenses, Fees & Permits	4,579	4,500	4,878	4,500	835
Rental - Building	235,466	202,550	247,245	240,200	66,681
Rental - Hangar/Tie-down	75,146	73,070	78,331	76,700	18,903
Seed Crop Sales	50,865	50,000	107,811	50,000	0
Gasoline Sales	8,766	16,000	8,113	11,000	3,232
Federal Grant	0	0	0	61,310	0
State Grant	0	475,000	0	424,520	-8,500
ODA Grant	0	32,680	0	84,180	0
Other Misc Revenues (OSP)	7,700	10,000	5,920	7,000	660
<b>Total Revenues</b>	<b>\$408,397</b>	<b>\$881,160</b>	<b>\$464,279</b>	<b>\$970,440</b>	<b>\$83,319</b>
<b>EXPENDITURES</b>					
Transfers Out (Capital Projects)	1,510	26,930	25,866	64,780	0
Contingencies	0	7,670	0	7,670	0
Debt Service (Principal/Interest)	35,821	30,290	30,278	29,480	0
Salaries & Benefits	100,127	114,040	112,265	135,660	32,256
Materials & Supplies	9,241	25,250	6,753	6,850	3,657
Services	69,272	81,680	91,842	96,350	21,342
Utility & Overhead	56,859	58,250	56,908	63,490	27,827
Training & Conference	1,384	2,650	2,086	2,000	204
Capital Outlay	0	0	0	0	20,000
Special Projects	4,260	520,240	53,006	629,760	12,068
<b>Total Expenditures</b>	<b>\$274,214</b>	<b>\$867,000</b>	<b>\$379,004</b>	<b>\$1,036,040</b>	<b>\$117,354</b>
<b>Restricted Balances</b>	<b>\$2,346</b>	<b>\$0</b>	<b>\$0</b>		
<b>Unrestricted Fund Balance</b>	<b>\$611,133</b>	<b>\$625,293</b>	<b>\$710,568</b>		