

**Lease Agreement between
the City of Reedley and
New Vision Aviation**

This is a Lease Agreement by and between the City of Reedley (CITY), a political subdivision of the State of California, and New Vision Aviation, non-profit, in Fresno, California (LESSEE). CITY and LESSEE enter into this Lease Agreement in consideration of each and every term hereof.

1. *Definitions.* When used anywhere in this Lease Agreement the following words and phrases have the meaning described unless otherwise indicated:

Airport - The Reedley Municipal Airport, 4557 S. Frankwood, Reedley as it may be modified from time to time.

Airport Manager - Director of Community Services of the City of Reedley.

CITY - The City of Reedley and its authorized officers, agents and employees.

Premise –Office space connected to the pilot's lounge located at the Airport.

LESSEE – New Vision Aviation executing this lease, their respective heirs, successors and assigns, and their respective officers, agents and employees.

2. *Lease.* CITY hereby leases to LESSEE and LESSEE rents from CITY the premise at the Airport.
3. *Term.* The term of this Lease Agreement shall consist of a term of one (1) year commencing on November 1, 2018, and expiring at midnight on October 31, 2019.
4. *Rental and Other Consideration.* The monthly rent for the one (1) year term is sixty-five dollars (\$65.00) which is due and payable monthly, in advance.
5. *Improvements.* All permanent improvements are the property of CITY.
6. *Use/Services Provided.* LESSEE shall use the premises only for the purpose of providing Flight Instruction, Pilot Services and/or other services as may be negotiated with CITY, through the non-profit organization. So long as LESSEE provides the services listed on a prompt and courteous basis, LESSEE shall be

approved through proper personnel to:

- A. Safely store and supply only such equipment, materials, and supplies as are of necessity required for such aircraft in order to perform flight instruction.
- B. Allow reasonable access to and use of the premise by transient pilots; provided that reasonable restrictions based on space and hours of operation is allowed.

7. Utilities and Janitorial Services. During the Term, the CITY shall be responsible for the cost of all utilities serving the AIRPORT, including the cost all utilities attributable to the premise used by LESSEE for flight instruction purposes as provided herein. If the CITY sees an increase in utilities that are not covered by the agreed upon monthly rent than the CITY with 30 day written notice has the right to renegotiate the monthly rent amount. The CITY shall also be responsible for providing all cleaning products and supplies needed for janitorial services at the Airport. LESSEE shall clean the room it occupies for flight instruction and remove trash to the dumpster, as needed. In addition, LESSEE will sweep the floors and walk the restrooms to pick up trash and report any maintenance needs.

8. Furniture. Prior to the flight instruction commencing, the Airport Manager and LESSEE shall agree upon any furniture LESSEE would like to store in the premise for the use during flight instruction. Furniture, furnishings, electronics, may be purchased by LESSEE and installed in the designated room with the Airport Managers prior written consent. Such items purchased and installed by LESSEE shall remain the property of LESSEE, and may be removed by LESSEE following the expiration of this Lease Agreement provided removal does not damage the premise.

9. *Lessee and City Termination Options.* LESSEE and/or CITY may terminate this Lease Agreement upon 30 days written notice.

10. *Lessee and City Option to Renew.* If LESSEE is not in default and has fulfilled all

terms and conditions of this Lease Agreement, LESSEE shall have first right to renew for one (1) additional one (1) year term to end October 31, 2020. LESSEE must give CITY written notice of intent to exercise this option during the month of October 2019. If LESSEE exercises this option, the following shall apply:

- a. Rent for the premises shall be renegotiated.
- b. The standard terms and conditions attached to this lease shall be updated. CITY and LESSEE may also negotiate regarding any further improvements to the premise. The parties do not anticipate other changes to the lease.

11. Indemnification. Except for the sole negligence of CITY, LESSEE shall defend, indemnify and keep and hold CITY, including City's officers, employees, agents, their successors and assigns, harmless from any and all costs, liability, damage, or expense (including costs of suit and fees and expenses of legal services) claimed by anyone by reason of injury to or death of persons, or damage to or destruction of property, including property of LESSEE, sustained in, on, or about the demised premises or arising out of LESSEE's use or occupancy thereof, as a proximate result of the acts or omissions of LESSEE, its employees and agents, or its contractors, licensees, invites or subtenants, their successors and assigns or arising out of the condition of the property. CITY shall, by appropriate, written notice to LESSEE, advise LESSEE as soon as practicable regarding any potential liability of LESSEE under this Section.

12. Insurance Requirements. Without limiting LESSEE's indemnification of the CITY, and prior to commencement of work, LESSEE shall obtain, provide, and continuously maintain at its own expense during the term of this lease, and shall require any subconsultants to obtain and maintain, policies of insurance of the type and amounts described below and in a form satisfactory to the CITY.

- A. Workers' Compensation. LESSEE shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at

least one million dollars (\$1,000,000). LESSEE shall submit to the CITY, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers. This coverage is only required if the Lessee has employees.

B. General Liability. LESSEE shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, or equivalent, in an amount not less than one million dollars (\$1,000,000) per occurrence, two million dollars (\$2,000,000) general aggregate, for bodily injury, personal injury, and property damage, including without limitation, blanket contractual liability. General liability policies shall provide or be endorsed using Insurance Services Office forms CG 20 10 to provide that the City and its officers, officials, employees, and agents shall be additional insureds under such policies.

C. Proof of Insurance. LESSEE shall provide to CITY, certificates of insurance and endorsements, as required, as evidence of the insurance coverage required herein. Insurance certificates and endorsements must be approved by the CITY, prior to commencement of performance. Current evidence of insurance shall be kept on file with the CITY at all times during the term of this Lease Agreement. The CITY reserves the right to require complete, certified copies of all required insurance policies, at any time.

D. Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger), in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the CITY.

E. Enforcement of Contract Provisions (non estoppel). LESSEE

acknowledges and agrees that any actual or alleged failure on the part of the CITY to inform LESSEE of non-compliance with any requirement imposes no additional obligations on the CITY, nor does it waive any rights hereunder.

F. Specifications not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

G. Notice of Cancellation. LESSEE agrees to oblige its insurance agent or broker and insurers to provide to Agency with thirty (30) days' notice of cancellation (except for nonpayment for which ten (10) days notice is required) or nonrenewal of coverage for each required coverage.

13. Notices. Any notice or demand to be given hereunder shall be duly given if delivered or mailed as follows:

To LESSEE: New Vision Aviation
Attn: Joseph Oldham, President/CEO
510 W. Kearney Blvd., Suite 104
Fresno, California 93706
Phone/Cell: (559) 797-6034
Email: josepholdham4870h@gmail.com

To CITY: City of Reedley
Attn: Airport Manager
100 N. East Avenue
Reedley, California 93654
Facsimile: 559-637-7253

and shall be deemed effective upon delivery if personally delivered or sent via facsimile, and if mailed upon deposit, postage prepaid, in an official depository maintained by the United States Post Office for the collection of mail.

14. General Provisions. The following general provisions apply to this Agreement:

A. Full Understanding of the Parties. This Lease Agreement represents the total

and complete understanding of the Parties. Any other oral understandings or other prior understandings shall have no force or effect. This Lease Agreement is intended to be comprehensive as an integrated agreement containing all of the understandings and contractual obligations of the parties.

B. Further Assurances. The CITY and LESSEE agree to cooperate fully in carrying out the terms and conditions of this Lease Agreement, including the execution of such documents or taking further action that may be necessary to carry out the purposes and intent of this Lease Agreement.

C. Compliance with Laws and Regulations. The Parties shall comply with all applicable laws and regulations in performing any rights or obligations of this Lease Agreement, or which may be applicable to the Airport.

D. Severability. If any provision in this Lease Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force and effect without being impaired or invalidated in any way. Each and every provision required by law to be inserted into this Lease Agreement shall be deemed to be inserted herein, and the Lease Agreement shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon application of either Party, this Lease Agreement shall forthwith be physically amended to make such insertion or correction.

E. Amendment. The terms of this Lease Agreement shall not be amended in any manner except by written agreement signed by the Parties.

F. Headings and Captions. The clause headings or captions appearing in this Lease Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to and shall not be deemed to define, limit, or extend the scope or intent of the clauses to which they appertain.

G. Authorized Representative. Each signatory to this Lease Agreement on

behalf of an entity other than an individual, represents and warrants that he or she is the duly authorized representative of the Party for whom the signatory executes this Lease Agreement and may bind such entity to this Lease Agreement.

EXECUTION

Wherefore, the Parties hereto, by their signatures herein below, enter into this Lease Agreement effective as of the Effective Date.

CITY OF REEDLEY

Signed: _____

Print Name: Nicole R. Zieba

Title: City Manager

Date: _____

12/5/18

NEW VISION AVIATION

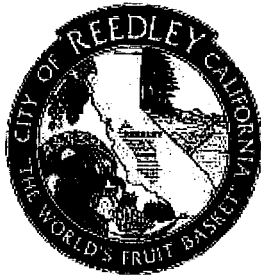
Signed: _____

Print Name: Joseph Oldham

Title: President/CEO

Date: _____

11/28/2018



REEDLEY CITY COUNCIL

- ☒ **Consent**
- ☐ **Regular Item**
- ☐ **Workshop**
- ☐ **Closed Session**
- ☐ **Public Hearing**

ITEM NO: 6

DATE: November 13, 2018

TITLE: APPROVE AND AUTHORIZE THE CITY MANAGER TO SIGN A LEASE AGREEMENT WITH NEW VISION AVIATION FOR USE OF OFFICE SPACE AT REEDLEY MUNICIPAL AIRPORT

SUBMITTED: Sarah Reid, Community Services Director

APPROVED: Nicole R. Zieba, City Manager

RECOMMENDATION

Approve and authorize the City Manager to sign a lease agreement with New Vision Aviation for use of office space at Reedley Municipal Airport.

EXECUTIVE SUMMARY

This agreement with New Vision Aviation will allow use of office space connected to the pilot's lounge at Reedley Municipal Airport for the purpose of providing flight instruction and pilot services. This is a one-year agreement and rent will be renegotiated annually.

BACKGROUND

New Vision Aviation is a non-profit set up to operate and maintain the electric airplanes. Having office space at Reedley Airport will allow New Vision Aviation to do training.

Initially the office space will only be used on the weekends. New Vision Aviation is working on securing liability insurance, as required in the agreement and are aware that the office space cannot be occupied until this requirement has been met.

FISCAL IMPACT

The \$65 monthly rent will go to airport revenue. The intention of a minimal monthly rent is to get the program started, but to cover all hard costs associated with the use.

ATTACHMENTS

Lease Agreement between the City of Reedley and New Vision Aviation

Motion: _____

Second: _____

