



Oelwein Municipal Airport FBO Lease July 1, 2023 to June 30, 2024

THIS AGREEMENT, made and entered into the date executed below, between the City of Oelwein, Iowa, hereinafter referred to as the Lessor, and George J. Tegeler, d/b/a Tegeler Aviation, LLC, hereinafter referred to as Lessee.

WHEREAS, Lessor owns and operates the Oelwein Municipal Airport and the Lessor is willing to lease to the Lessee certain premises hereinafter more fully described and located on said airport upon the terms and conditions and stated herein;

WHEREAS, the said leased premises may be used for the operation of a flight training school, aircraft maintenance and repair, aircraft charter, aircraft sale and rental, and sales of aircraft gasoline and oil. Lessee may also conduct his business on premises relating to sales and services of aircraft and building and constructing various makes and models of experimental aircraft. Lessee, at Lessee's option, may conduct additional business activity on the leased premises, which is permitted by, or not prohibited, by law and expressly approved in writing, in advance, by the Lessor upon a written proposal submitted by Lessee.

Lessee must keep 100 Low Lead fuel and Jet A fuel on hand for resale to local and transit aircraft, or as allocated, and have fuel service available from 8:00 a.m. to 5:00 p.m. Monday through Friday and as requested or deemed necessary and,

WHEREAS, under the terms of the Lease, the Lessee shall be responsible for operating a base radio and communications equipment, which is located in buildings that Lessee occupies, at all times from 8:00 a.m. to 5:00 p.m. Monday through Friday and as requested or deemed necessary.

NOW THEREFORE, in consideration of the rent, covenants and agreements herein contained, Lessor does hereby lease to Lessee, maintenance hangar and an office in the Terminal Building.

- 1. Compensation for grounds keeping paid to FBO following annual contract price:

2023-2024
\$ 37,818.51

Said amount to be payable to Lessee monthly with the amount being due by last day of each month. It is understood the designated office space is for the exclusive use of the fixed base operator, but the public lounge and restroom area in the administration buildings are public use facilities.

- A. Lessee shall provide for and supply at its expense all janitorial and custodial service with respect to the buildings and facilities associated with the leased premises and shall maintain all premises in a clean and accommodating appearance for persons using the same during normal hours of operation or when requested or necessary, except Lessor shall supply janitorial supplies for the public lounge (designated room A) and restroom areas in the administration buildings herein designated as public-use facilities.
- B. Lessee shall attend to necessary maintenance, involved in keeping runways, and adjoining areas, taxi-ways and lawn areas mowed, and free of snow as required,



- provided Lessor will furnish equipment and fuel for mowing and snow removal.
- C. Lessee shall provide labor for basic preventive maintenance and repairs on buildings, facilities, grounds and equipment. Any major repair, rebuilding or alteration, including painting, seeding, overhauling, building or similar matter shall be the responsibility of Lessor as listed in the FBO contract duties.
 - D. Lessee shall enforce any rules or ordinances of the City applicable to the Oelwein Municipal Airport.
2. The term of this Lease shall be for the period commencing at midnight on July 1, 2024 through to and ending at midnight on June 30, 2025.
3. Lessee shall maintain a log of all airport activity. Lessee shall report as needed to Lessor through the City Administrator or his designee all important, unusual and otherwise pertinent information. Failure to provide the report to the City will result in delay of monthly compensation.
4. Lessee shall attend the Airport Board meetings and submit an activity report including, but not limited to: the number of take-offs and landings, identity of businesses using the airport facilities, type of aircraft (single, twin or jet), and all other activities.
5. Lessee shall also have an attendant present, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m. Lessee shall comply with the courtesy car and FBO protocol incorporated herein by this reference and attached marked as Exhibits A and shall provide all drivers with Exhibit B.
6. It is hereby agreed nothing herein contained shall be construed to grant or authorize the granting of an exclusive right prohibited by Section 208 of the Federal Aviation Act of 1958, as amended, and the Lessor reserves the right to grant to others the privilege and right of conducting activities of an aeronautical nature.
7. Insurance. The Lessee shall purchase and maintain such insurance as will protect it from claims set forth below which may arise out of or result from the Lessee's operations under the Contract, whether such operations be by himself or by a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. All such insurance shall be subject to the approval of the City for adequacy of protection, and shall include a provision preventing cancellation without thirty (30) days' prior notice to the City in writing.
- A. Liability Insurance Requirements. The Lessee shall procure and maintain, at its own expense liability insurance as hereinafter specified. The liability insurance required is as follows:
 - B. Commercial General Liability Insurance issued to the Lessee and protecting it from all claims for personal injury, including death and all claims for destruction of or damage to property arising out of or in connection with any operation under his Contract, whether such operation be by himself or by a subcontractor under him, or anyone directly or indirectly employed by the Lessee or by a subcontractor under him, or by anyone for whose acts any of them may be liable.
 - C. All such insurance shall be written with a limit of liability of not less than \$1,000,000 for all damages arising out of one occurrence for bodily injury, including, death, and property damage. The General Liability policy should have a general aggregate limit of \$2,000,000 for all damages and a products completed operations aggregate of \$2,000,000 for all damages.
 - D. All such insurance shall be written on a comprehensive policy form and shall specifically cover products and completed operations. Certificates evidencing the issuance of such insurance, addressed to the City, shall be filed within ten (10) days after the date of the execution of the contract.
 - E. The policy shall include the City as an additional insured. The insurer shall give the City



notification of any cancellation or termination by refusal to renew the policy or of any change in coverage of the policy or of any change in coverage of the policy in the manner provided by law. If no such notification is provided by law, the insurer shall give the City at least thirty (30) days' prior written notification of any cancellation or termination by refusal to renew the policy or of any change in coverage of the policy.

- F. Workers' Compensation Insurance. The Lessee shall maintain at his own expense Workers' Compensation Insurance, including occupational disease provisions, covering the obligations of the Lessee in accordance with the provisions of the laws of the State of Iowa. The Lessee shall furnish the City with a certificate giving evidence the Lessee is covered by the Workers' Compensation Insurance herein required, each certificate specifically stating such insurance includes occupational disease provisions. This policy should also include Employer's Liability Insurance with minimum limits of \$500,000 each accident for bodily injury, \$500,000 each accident for bodily injury by disease, and \$500,000 policy limit for bodily injury by disease.
- G. Special Provisions. All liability policies which include the City as an additional insured shall include a Governmental Immunities Endorsement pursuant to Chapter 670.4 of the Iowa Code, which endorsement shall include the following provisions:
- H. Nonwaiver of Government Immunity. The insurance carrier expressly agrees and states the purchase of this policy and including the City as an Additional Insured does not waive any of the defenses of governmental immunity available to the City under Iowa code Section 670.4 as it now exists and as it may be amended from time to time.
- I. Claims Coverage. The insurance carrier further agrees this policy of insurance shall cover only those claims not subject to the defenses of governmental immunity under Iowa Code Section 670.4 as it now exists and as it may be amended from time to time.
- J. Assertion of Government Immunity. The City shall be responsible for asserting any defense of governmental immunity, and may do so at any time and shall do so upon the timely written request of the insurance carrier.
- K. Non-Denial of Coverage. The insurance carrier shall not deny coverage or deny any of the rights and benefits accruing to the City under this policy for reasons of governmental immunity unless and until a court of competent jurisdiction has ruled in favor of the defense(s) of governmental immunity asserted by the City.

8. Lessee agrees to observe and obey reasonable rules and regulations with respect to the use of the premises; provided, however, such rules and regulations shall be consistent with safety and with rules, regulations and orders of the Federal Aviation Administration with respect to aircraft operations at the airport; and provided further, such rules and regulations shall not be inconsistent with the provisions of this agreement or the procedures prescribed or approved from time to time by the Federal Aviation Administration with respect to the operation of Lessee's aircraft at the airport. Lessee and all of its employees, agents and servants will faithfully observe and comply with all rules and regulations as may be promulgated by the Lessor, the United States of America or any Department or Agency thereof, and the State of Iowa.

9. Lessee shall not assign, sublet nor hypothecate this Lease without the written consent of the Lessor, except said Lease may be assigned by Lessee to any corporation owned by, or in which it may become shareholder of, but such assignment shall not relieve or release the Lessee from the terms and obligations of this Lease insofar as the Lessor is concerned.

10. Lessee agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not discriminatory prices for each unit of service; provided the Lessee may make reasonable and non-discriminatory discounts, rebates or other



similar types of price reductions to volume purchasers.

11. Lessor agrees to pay for lights, "T" hangar lights, windsock light, wind "T" lights, security lights, repair and maintenance radio and communications equipment at the airport.

12. Lessor reserves the right 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 the Lessee in this regard.

13. Lessor reserves the right to seek Federal and/or State funds to develop and improve the landing area and all publicly owned air navigation facilities of the airport as it sees fit and without interference or hindrance from the Lessee.

14. Lessor reserves the right to take any action it considered necessary to protect the aerial approaches of the airport against obstructor, together with the right to prevent Lessee from creating, or permitting to be erected, any building or other structure on the airport which in the opinion of the Lessor would limit the usefulness of the airport or constitute a hazard to aircraft.

15. During time of war or national emergency Lessor shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area and publicly owned air navigation facilities and/or other areas or facilities of the airport. If any such agreement is executed, the provisions of this instrument, so far as they are inconsistent with the provisions of the agreement with the Government shall be suspended.

16. This agreement shall be subordinate to the provisions of any outstanding agreement between Lessor and United States relative to the maintenance, operation, or development of the airport.

17. The Lessee will not, on the grounds of race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 15 of Federal Aviation Regulations. The Lessor reserves the right to take such action as the United States Government may direct to enforce this covenant.

18. The Lessee agrees no signs or advertising material shall be placed or erected upon the leased premises without the prior written consent of the Lessor.

19. Lessee shall not use City vehicles or equipment for personal use.

20. As demand dictates Lessee will provide aircraft maintenance, aircraft rental and flight training.

21. Starting September of 2023, all fuel operations will run through the City of Oelwein. Lessee will have the authority to order fuel and set the price of fuel. Lessee will notify Public Works of each order and will notify them of the current fuel rate. City Hall will issue a check each month of fuel proceeds to Lessee. The City will track all amounts of fuel purchased and sold at the Oelwein Municipal Airport. The flow fee will be taken out of the payment to Lessee and Lessee will not be required to reimburse the City.

22. The city will take a \$.14 flow fee per gallon on all fuel sold at the airport. This fee will be taken from the proceeds of the fuel sales. The flow fee maintains the fuel system and pays all credit card fees associated with the purchasing system.

23. Lessee will be supplied a charge account for fuel at the city. Lessee will work with airport users who consume more than 1,000 gallons a month to set up a charge account with the city.

24. Lessor reserves the right to enter upon the leased premises at a reasonable time for the purpose of making any inspection it may deem expedient.

25. This Lease may be terminated for non-compliance of FBO Operations at any time hereafter by either party giving the other one hundred (180) days' notice of intention to so terminate the same, or this notice shall be by registered mail. This Lease may not be assigned without the written consent of the opposite party affected thereby. If the city fails to provide a renewal to the contract before June 30, 2024 the contract will proceed month to month with no adjustments in compensation.



26. At the expiration or termination of this lease, the Lessee agrees it will give peaceful possession of the leased premises in as good condition as they now are, ordinary wear and tear excepted.

27. Lessee will provide a report monthly to the Airport Board and the City Administrator on the activities of the airport.

28. This agreement shall extend to and be binding upon the heirs, executors, administrators, trustee, successors, receivers and assigns of the parties hereto.

Dated at Oelwein, Iowa, this ____ day of _____, 2024.

CITY OF OELWEIN, IOWA

TEGELER AVIATION, LLC

By: _____
Brett DeVore, Mayor

By: _____
George J. Tegeler

NOTE: The intent of this Contract is to be an Agreement between a Lessor and Lessee. It is not to be interpreted as an employer, employee relationship and shall not be construed by anyone as such.



Oelwein Municipal Airport FBO Lease Exhibit A

- FBO is granted the authority to implement and administer protocol for granting competent and qualified Guests Pilots and Fly-in Guest permission to use Oelwein Airport courtesy car. Exercise of this authority shall be consistent with instructions herein.
- The Courtesy Car shall be titled to "Courtesy Car" and shall be identified on the front driver and passenger side doors of the vehicle as the "Courtesy Car".
- The Courtesy Car shall be under control of FBO or designee(s).
- FBO to maintain the courtesy car as safe and mechanically fit for use and shall maintain interior and exterior in reasonably clean condition. Any major issues will be corrected by the city.
- Courtesy car to be made available for convenience of licensed Guest Pilots and Fly-in Guests patronizing the Oelwein Municipal Airport and shall not be used by any other persons for any other purpose.
- Courtesy car and ignition key to be secured by FBO at all times the vehicle is not in use by licensed Guest Pilot and Fly-in Guests.
- Vehicle keys to be issued to Guest Pilot and Fly-in Guest. FBO shall make contact with Guest Pilot and courtesy car operator.
- FBO may grant permission to licensed Guest Pilots and Fly-in Guests to use courtesy car, conditioned on:
 - FBO's personal contact with operator
 - FBO shall confirm operator has a valid drivers license and liability insurance
 - FBO has no reason to believe Guest Pilot or operator will exceed authorized use of vehicle
 - FBO obtains assurances that vehicle will be used for personal convenience of Guest Pilot and Fly-in Guests and not for commercial purpose
- FBO shall confirm Courtesy Car Operator meets minimum age requirements to operate a motor vehicle in Iowa.
- FBO shall provide Courtesy Car Operator with the terms and conditions of the courtesy car program and shall secure and retain a properly executed acknowledgment by each Guest Pilot who accepts use of the courtesy car.
- FBO shall exercise reasonable care to confirm operator shall have a valid drivers license in his/her possession at all times while operating the courtesy car.
- FBO shall deny use of the courtesy car to any person who has previously exceeded authorized use of courtesy car
- FBO shall support and enforce provisions of this and/or subsequent courtesy car program protocol.
- FBO shall report to the Oelwein City Administrator or their designee, all incidents involving the operation of the vehicle that could result in a violation, citation, charge, arrest warrant or civil action, not later than the close of the next business day.
- FBO to maintain records of all drivers authorized to operate the courtesy car: Name and Airplane Identification



Exhibit B

Oelwein Municipal Airport Courtesy Car Driver Guidelines

Guest Pilot/ Vehicle Operator by accepting use of Oelwein Municipal Airport courtesy car, accepts and agrees to the following terms and conditions:

- Assume personal responsibility that the automobile is in proper operating condition, clear of snow and ice (in winter months) and that visibility is unrestricted.
- Agrees to obey the laws, federal, state and local, drive with diligence and abide by the provisions of the courtesy car program at all times.
- Turn off ignition, remove key and lock vehicle when unattended.
- Operating courtesy car off roadway is not permitted.
- Smoking in the courtesy car is not permitted.
- Alcoholic beverages are not permitted in the courtesy car.
- Driver shall not use cell phone or any type of earphone equipment while driving the courtesy car.
- Driver assumes all responsibility for all fines resulting from traffic or parking violations arising out of the use of the courtesy car while the courtesy car is entrusted to Driver.
- Assure no other person will be permitted to operate the courtesy car entrusted to Guest Pilot's control.
- The number of passengers may not exceed the number of seat belts. All occupants of the courtesy car are required to wear seat belts at all times.
- Assure all passengers will adhere to all safety rules at all times.
- Accident reporting is required.
 - Call 911 if there are injuries.
 - If no injuries, call the local law enforcement.
 - Obtain and document all information for the accident investigation form provided.
 - Provide the other party with insurance information contained in the vehicle, as well as your name, address and phone number.
- Drive with diligence at all times, comply with state of Iowa and local laws and regulations.
- If Driver concludes that the courtesy car or conditions are unsafe, the final decision rests with the driver.
- Acknowledge that privilege to operate courtesy car shall be revoked immediately upon failure to comply with terms and conditions of courtesy car program or satisfaction of records.
- By signing below, Guest Pilot or Courtesy Car Operator affirms possession of a valid driver's license and liability insurance; acknowledges receipt of these Guidelines; and agrees to comply with all terms and conditions of the above Guidelines.