



Oelwein Municipal Airport FBO Lease November 1, 2024 to October 31, 2025

THIS AGREEMENT, made and entered into the date executed below, between the City of Oelwein, Iowa, hereinafter referred to as the Lessor, and Michael Wilhelms, d/b/a Sky Valley 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, and aircraft sale and rental. 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.

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. Lessee shall pay the city of Oelwein \$650 monthly due on the first of the month starting November 1, 2024.
2. The term of this Lease shall be for the period commencing at midnight on November 1, 2024 to through to and ending at midnight on October 31, 2025
3. 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.
4. 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.
5. 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:
6. 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.
7. 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 product completed operations aggregate of \$2,000,000 for all damages.
8. 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.



9. 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.
10. 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.
11. 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:
12. 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.
13. 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.
14. 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.
15. 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.
16. 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.
17. 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.
18. 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.



- 19. 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.
- 20. 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.
- 21. 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.
- 22. Lessee shall not use City vehicles or equipment for personal use.
- 23. As demand dictates Lessee will provide aircraft maintenance, aircraft rental and flight training.
- 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 October 31, 2025 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

Sky Valley Aviation LLC

By: \_\_\_\_\_  
Brett DeVore, Mayor

By: \_\_\_\_\_  
Michael Wilhelms

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.