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90-037

AMENDED

AIRPORT LEASE AGREEMENT

'90 JUN 12 A8 26

This Amendment is made on May 3, 1990, between the County of Douglas, by the Douglas County Board of Commissioners (Lessor), whose address is Post Office Box 218, Minden, Nevada 89423 and Hutt Aviation, Inc., (Lessee), whose address is Post Office Box 1163, Minden, Nevada 89423, who agree as follows:

3. Rental and Fees

a. Land and Office

FBO site - Commencing September 4, 1986, \$261.36 per month per acre (or portion thereof) for first Five (5) years. Thereafter adjusted every five years according to the Consumer Index for all goods reported from the San Francisco statistical area but not less than base rent. The Consumer Price Index effective upon execution of this lease is 326.0 (March, 1986). Rent is payable in advance in monthly installments of \$695.22.

Fuel Operations Area - Commencing September 4, 1986, \$261.36 per month per acre (or portion thereof) for first Five (5) year term subject to modification as noted above. Payable in advance in monthly installments of \$347.61.

b. Percentage of Gross Income - One percent (1%) of all gross income except:

1. Corporate aircraft management fees.
2. Aircraft sales.
3. Aviation oil sales.

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c. Flowage Fee - Two and one half percent (2.5%) of selling price of all aviation fuel, including autogas, pumped into aircraft or equipment operated by anyone including Lessee.

d. Fuel Storage Facility Rental Fee - For use of Lessor's existing Fuel Storage Facilities Lessee shall pay \$0.01, (one cent) per gallon of all aviation fuels sold or pumped into aircraft or equipment operated by anyone including Lessee.

For use of Lessor's new Fuel Storage Facility parcel Lessee shall pay \$0.003, (3/10th of one cent), per gallon of all aviation fuels sold or pumped into aircraft or equipment owned or operated by anyone including Lessee, for the first Five (5) years. Thereafter adjusted up every Five (5) years according to the increase of the accumulative annual rates of the Consumer Price Index, published by the United States Department of Labor, Bureau of Labor Statistics, San Francisco statistical area.

Autogas is specifically excluded as Lessee owns its dispensing equipment.

The rent to run concurrent with all terms and options as exercised within the Lease Agreement in regards to time limitations, expiration and termination.

Monthly Report - The Lessee shall provide a monthly revenue report to the Lessor. The Monthly Report shall also contain the amount of fuel pumped and the retail price per gallon of each product pumped.

Payment - Within 15 days after the end of each month, the Lessee shall pay Lessor the agreed upon percentage of the month's gross revenue and the fuel flowage fees.

Annual Financial Statement - The annual reporting period ends on October 31. Within sixty (60) days after the end of each annual reporting period, Lessee shall provide Lessor with a final financial statement containing a compilation of all of the information required on the monthly revenue and fuel flowage reports. This Financial Statement shall have been compiled by a Certified Public Accountant. There shall be an annual adjustment by way of credit or supplemental payment to balance the books for the year based upon the Annual Financial Statement.

Audit - Lessor shall have the right to have an audit by an independent Certified Public Accountant of Lessee performed at any time. The Lessor shall bear the cost of the audit if there is less than 5% difference between the reported gross revenues and the gross revenues reflected in the audit. If the reported gross revenues differ from the gross revenues reflected in the audit by 5% or more, Lessee shall pay for the audit. Lessor may elect to perform the audit by its own auditors at no cost to Lessee.

#### 4. Fuel Storage Facility

Lessor rents to Lessee a space, sufficient in size for Lessee's fuel storage, upon Lessor's Fuel Storage Facility parcel. The space to conform to the configuration as detailed on the Airport Fuel Storage Facility Layout Plan now in the process of being drafted. Lessee will be provided sufficient

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space to construct a Fuel Storage Facility to include two Fuel Storage Tanks of 24,000 gallons each or less, together with all of the pumps, machinery, safety devices, metering devices and appurtenances necessary to a fully functioning, safe, Aviation Fuel Storage Facility which complies with all applicable regulations. The site will additionally provide Lessee with an area large enough to allow for parking of three fuel service vehicles within the boundaries of a security fence. The site will allow for reasonable expansion by Lessee, if Lessee requires an area for an additional tank or more.

Lessee has selected the general site for its tank farm from the drawing provided by Lessor and Lessee's general site is marked in green upon exhibit "A" attached hereto and incorporate herein by this reference.

**Lessor to provide:**

Reasonable access to Lessee and his employees to the Fuel Storage Facility, access for fuel delivery trucks, designated parking spaces upon the parcel for fueling vehicles and equipment, security fencing around the parcel and weed abatement to the parcel, except for rented spaces, and common area lighting.

Lessor will level an area on the parcel to provide for the access road and parking with a base appropriate to the tonnage of vehicles reasonably anticipated to use the parcel on a regular basis. All parking, common drive areas and

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road access will have gravel, decomposed granite or other such material designed for vehicle use.

Lessor will test the soils of the parcel for fuel contamination prior to Lessees' possession.

**Lessee to provide:**

All required structures, facilities, improvements, utilities, equipment, inspections, permits, containment areas and all other related items necessary to construct an Aviation Fuel Storage Facility. Lessee's Aviation Fuel Storage Facility to be completed and in operation within one (1) year from the commencement date of this Lease Agreement Amendment, (May 2, 1991). The failure to complete by date can be considered a default by Lessor. If Lessee has made a good faith effort to comply Lessor may extend completion date. Lessee shall be responsible for the maintenance, calibration, testing, monitoring and compliance with all existing or future codes of all equipment, tanks, vehicles, structures, improvements and all electrical equipment including motors, wiring, lights and pumps to operate Lessee's Fuel Storage Area.

Lessee shall also be responsible for all of his fuel spillage, leakage, pollution, contamination, hazardous waste material development to the parcel and/or environment as a result of Lessee's Fuel Storage Facility and will pay the cost for any and all corrections, cleanup, removal, repair, fines and other required remedies.

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Lessee to pay for the cost of fuel contamination testing to the parcel and soils upon termination or expiration of the Lease Agreement.

Lessee shall remove at his cost, all Lessee constructed improvements on Lessor's Fuel Storage Facility parcel upon termination of the Lease Agreement and restore the premises to original condition. Title shall at all times remain in the Lessee, but the Lessor shall have the option on termination, or expiration, to take title in lieu of removal at no cost to Lessor.

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APPROVED AS TO FORM:

LANDLORD  
BOARD OF COUNTY COMMISSIONERS  
DOUGLAS COUNTY, NEVADA

Robert J. Morris  
DISTRICT ATTORNEY

Michael E. Fischer  
MICHAEL E. FISCHER, CHAIRMAN

APPROVED AND RECOMMENDED  
AS TO CONTENTS

TENANT

David Briggs  
AIRPORT MANAGER

William Hutt  
WILLIAM HUTT  
HUTT AVIATION, INC.

ATTEST:

Barbara J. Reed  
BARBARA J. REED, Clerk

DATED: June 11, 1990

CERTIFIED COPY

The document to which this certificate is attached is a full, true and correct copy of the original on file and on record in my office.

**SEAL**

DATE: June 12, 1990  
B Reed Clerk of the 9th Judicial District Court  
of the State of Nevada, in and for the County of Douglas.  
By Sondra Condon Deputy

REQUESTED BY  
**DOUGLAS COUNTY**  
IN OFFICIAL RECORDS OF  
DOUGLAS COUNTY, NEVADA

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SUZANNE B. AUGPEAU  
RECORDER

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