

## Council Action and Executive Summary

Item # 4 Ordinance/Resolution# 15-121

For Meeting of \_\_\_\_\_  
 (Ordinance First Reading Date)

For Meeting of December 15, 2014  
 (Adoption Date)

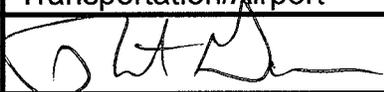
Please check box that applies to this item:

QUASI JUDICIAL       LEGISLATIVE       ADMINISTRATIVE

**TITLE:** A RESOLUTION APPROVING A LAND LEASE OF THE CITY-OWNED PARCEL 51 AT THE LAS CRUCES INTERNATIONAL AIRPORT TO AIR METHODS CORPORATION FOR A TERM OF THREE YEARS AT AN INITIAL RENT OF \$3,186.00 PER YEAR.

**PURPOSE(S) OF ACTION:**

To approve a land lease.

<b>COUNCIL DISTRICT: 4</b>		
<b><u>Drafter/Staff Contact:</u></b> Lisa Murphy	<b><u>Department/Section:</u></b> Transportation/Airport	<b><u>Phone:</u></b> 541-2471
<b><u>City Manager Signature:</u></b>		

**BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:**

Air Methods Corporation, ("Lessee") has requested to enter into a short-term land lease agreement with the City of Las Cruces for a 15,930 square foot parcel of land known as Parcel 51 at the Las Cruces International Airport. The term of the lease will be for \$0.20 per square foot per year for three years, with the option of two one-year renewals. For the first three years, the lease payment will be \$3,186.00 per year.

The proposed lease site is located across the street from the City-owned building at 8960 Zia Boulevard, and next to the covered terminal vehicle parking lot. The proposed lease is in conformance with the Airport Layout Plan and Airport Master Plan.

The Lessee plans to construct one, 1,440 SF modular office building on the parcel in accordance with the airport design standards for improvements (attached to the lease as Exhibit "B"). The Lessee must comply with the Federal Aviation Administration (FAA) 14 CFR Part 77 regulations, to ensure that the location and height of the building do not negatively impact navigable air space. Upon approval by the FAA for building height and location, all building permitting will be facilitated through the City's Community Development Department.

(Continue on additional sheets as required)

The Lessee is proposing to use the modular building for office space, kitchen, showers, and sleeping quarters needed by their staff in the operation of their air ambulance business. Should the Lessee cease use of the building, the terms of the lease require that they remove it at their sole expense.

The Airport Advisory Board (AAB) unanimously recommended approval of the lease application at their July 18, 2013 meeting.

**SUPPORT INFORMATION:**

1. Resolution.
2. Exhibit "A", Land Lease.
3. Attachment "A", Lease Application.
4. Attachment "B", Minutes from July 18, 2013 Airport Advisory Board Meeting.
5. Attachment "C", Site location map.

**SOURCE OF FUNDING:**

Is this action already budgeted?  N/A	Yes	<input type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from:
	<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below)	
	<input type="checkbox"/>	Proposed funding is from fund balance in the _____ Fund.	
Does this action create any revenue?	Yes	<input checked="" type="checkbox"/>	Funds will be deposited into this fund: <u>1010 10120020 542525</u> in the amount of <u>\$3,186.00</u> for FY15.
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

**BUDGET NARRATIVE**

The proposed revenue will go into the overall general operating budget for Fund 1010 (Airport Operations).

**FUND EXPENDITURE SUMMARY:**

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A	N/A	N/A	N/A	N/A	N/A

(Continue on additional sheets as required)

**OPTIONS / ALTERNATIVES:**

1. Vote "Yes"; this will allow the City of Las Cruces to enter into a three-year land lease for Parcel 51 at the Las Cruces International Airport with Air Methods Corporation for the development of a modular office building.
2. Vote "No"; this will not allow Air Methods Corporation to lease Parcel 51 for the development of a modular office building.
3. Vote to "Amend" the Resolution as deemed appropriate.
4. Vote to "Table" and direct staff accordingly.

**REFERENCE INFORMATION:**

The resolution(s) and/or ordinance(s) listed below are only for reference and are not included as attachments or exhibits.

1. N/A

RESOLUTION NO. 15-121

**A RESOLUTION APPROVING A LAND LEASE OF THE CITY-OWNED PARCEL 51 AT THE LAS CRUCES INTERNATIONAL AIRPORT TO AIR METHODS CORPORATION FOR A TERM OF THREE YEARS AT AN INITIAL RENT OF \$3,186.00 PER YEAR.**

The City Council is informed that:

**WHEREAS**, the City of Las Cruces, New Mexico, a municipal corporation, is the owner of certain real property known as the Las Cruces International Airport; and

**WHEREAS**, the City, with the approval of the Federal Aviation Administration, has identified specific areas of the airport for development through the lease of land parcels; and

**WHEREAS**, Air Methods Corporation has requested to execute a lease agreement with the City of Las Cruces for land known as Parcel 51 for the construction of one 1,440 SF modular office building; and

**WHEREAS**, Air Methods Corporation has agreed to the City's terms and conditions, and a lease has been prepared with those terms and conditions in accordance with the Las Cruces Municipal Code Chapter 7.5, as amended; and

**WHEREAS**, under Section 3-54-1, NMSA, 1978, as amended, the property may be leased without referendum.

**NOW, THEREFORE**, Be it resolved by the governing body of the City of Las Cruces:

(I)

**THAT** the City of Las Cruces hereby approves the lease of Parcel 51 at the Las Cruces International Airport for the terms and conditions contained in the Las Cruces International Airport Land Lease, Parcel 51, Air Methods Corporation, Lessee, attached

hereto as Exhibit "A" and made part of this Resolution.

(II)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

(SEAL)

Moved by: \_\_\_\_\_

Seconded by: \_\_\_\_\_

APPROVED AS TO FORM:



*Dandy* \_\_\_\_\_  
City Attorney

VOTE:

- Mayor Miyagishima: \_\_\_\_\_
- Councillor Silva: \_\_\_\_\_
- Councillor Smith: \_\_\_\_\_
- Councillor Pedroza: \_\_\_\_\_
- Councillor Small: \_\_\_\_\_
- Councillor Sorg: \_\_\_\_\_
- Councillor Levatino: \_\_\_\_\_

**Land Lease**  
**City of Las Cruces, New Mexico, International Airport.**  
**AIR METHODS CORPORATION, LESSEE**

**WHEREAS**, the City of Las Cruces ("City"), a Municipal Corporation of the State of New Mexico, is the owner of certain real properties known collectively as the Las Cruces International Airport ("Airport") in Dona Ana County, New Mexico; and,

**WHEREAS**, the City maintains designated areas on the Airport specifically to lease said areas to aviation-related businesses and individuals to develop the Airport, its infrastructure, and aviation business for the benefit of the citizens of the City; and

**WHEREAS**, Air Methods Corporation ("Lessee") desires to lease a particular parcel of that real property on the Airport for the purpose of furthering the Lessee's aviation interests; and

**WHEREAS**, the City is willing to Lease the Parcel desired to the Lessee, and the parties desire to execute a written Lease containing the terms and conditions of their Lease.

**NOW, THEREFORE**, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the following is agreed:

**1. The Leased Area Described.** The City hereby Leases to the Lessee, a 15,930 square foot parcel of real Property located in the NW 1/4 of Section 26, T23S., R.1W., N.M.P.M. of the U.S.G.L.O. Surveys, within the City Limits of Las Cruces in the County of Dona Ana, State of New Mexico, described as Parcel 51 on the Plat Showing Lease Property and more particularly described in Exhibit "A" attached hereto and incorporated herein by this reference, together with an easement for ingress and egress to the property (hereinafter "Parcel") by the Lessee.

**2. Terms.**

**a. Initial Lease Term.** The term of this Lease shall be for three (3) years (hereinafter "Lease Term") commencing on the "Commencement Date," as hereinafter defined, and terminating on the third (3rd) anniversary of the Commencement Date. The Commencement Date shall be the 1<sup>st</sup> day of January, 2015, and the third anniversary date shall be the 31<sup>st</sup> day of December, 2018. Possession of the Parcel by the lessee shall begin on the Commencement Date.

**b. Subsequent Lease.** At the conclusion of the Lease Term, the Lessee shall have the option to enter into two one year additional terms at the land lease rate in effect at the beginning of the three-year term. The Lessee shall request the option in writing to the Airport Manager no later than 90 days prior to the expiration of the lease. Should the Lessee elect to not enter into a new agreement, the provisions of paragraph 7.f.(2) shall apply.

**3. Fees and Charges.** Lessee shall pay the following fees and charges:

**a. Earnest Money.** Lessee has made an earnest money deposit with the City of Las Cruces in the sum of Two Hundred Fifty Dollars and no cents (\$250.00), which shall be part of the annual rent for the first year of the Lease. However, this fee shall revert to the City should the Lessee fail to execute this Lease within sixty (60) days of its approval by the City Council.

**b. Closing and Processing Fee.** Lessee shall pay a one-time closing and processing fee of Five Hundred Dollars and no cents (\$500.00), which is due with the first annual rent payment on the Commencement Date.

**c. Rent.** Beginning on the Commencement Date, the Lessee shall pay the City a fixed annual rental payment ("Rent"). The amount of the Rent shall be twenty cents (\$0.20) per square foot per year for 15,930 square feet, which equals three thousand one hundred eighty-six dollars and no cents (\$3,186.00) for the Parcel per year for the Initial Lease Term. The rent shall be adjusted on the third anniversary of the Commencement Date based on the increase or decrease in the cumulative Average Annual U.S. Consumer Price Index, or its successor report issued by the Federal Government, over the preceding three (3) calendar years of reporting. The adjusted Rent payment shall be due on the next payment date. Should the lessee remain in possession of the Parcel as a hold-over Lessee, the rent shall be adjusted to the then current Fair Market Value of the land and building then in effect after the initial lease term and the subsequent one year renewals.

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**4. Payments Due.**

a. **Due In Advance.** In addition to those payment dates specified above, all rent payments shall be due and payable in advance, beginning on the Commencement Date and continuing regularly and annually without notice from City thereafter during the Lease Term. However, the City may elect to invoice payment notices.

b. **Due Annually.** The first annual payment shall be due and payable on the Commencement Date. All subsequent payments shall be due on the Commencement Date Anniversary each year thereafter.

c. **Late Fee Due.** On any annual rental payment made 10 days after the payment due date, Lessee shall in addition pay a late charge of ten percent (10%) of the annual rent for each month or part thereof that the payment is late.

**5. No Refunds.** Lessees may relinquish this Lease to the City, however the Lessee shall not be entitled to a refund of any fees of any kind paid.

**6. Insurance Requirements.**

a. **General Liability.** Lessee shall maintain general liability insurance insuring such claims. This insurance shall name the City of Las Cruces (City) as an additional insured. The insurance shall have a minimum per occurrence limit of \$ 1,000,000 or as required to meet the mandatory requirements of the New Mexico Tort Claims Act or its successors in law, whichever is greater.

b. **Property Insurance.** Lessee shall maintain property insurance covering the improvements to the Parcel and the contents thereof. Such insurance shall be a property insurance policy with the broadest cause of loss endorsement including vandalism and malicious mischief. The insurance shall be on a replacement cost basis and shall name the City of Las Cruces as an additional insured, as its interests may appear.

c. **Proof of Insurance.** Such insurance shall be with a licensed and authorized company to do business in the State of New Mexico. The lessee shall furnish annually to the City on the rent payment due date of this Lease, a certificate or other evidence and proof of maintenance of the above required insurances. The certificate of insurance shall provide the City of Las Cruces with a minimum 60 days notice of cancellation or renewal of the insurance policy. Lessee shall provide the City with notice of any changes thereof and furnish to the City evidence of acquirement of a substitute therefore and payment of premium thereof. If the Lessee shall fail to maintain such insurance coverage, then the City may obtain same and add the cost of such insurance to the next due lease payment. If the City does so, it may charge interest thereon at the rate of 15% per annum from the time of payment, which shall be added to the rental becoming due and shall be collected as an additional fee.

d. **Self Insurance.** Lessee may self-insure by filing with the City a letter of credit in the amounts listed above or other promissory or escrowed monetary instrument.

**7. Quiet Enjoyment.** The Lessee, upon payment of the required fees and rents, and the faithful performance of such covenants, agreements and conditions required by law, or this agreement, shall and may, peaceably and quietly have, enjoy those portions of the Airport authorized for their use. Such use shall be free from molestation, eviction or disturbance by the City or any person claiming by, through, or under it, subject to the terms and conditions of the law or agreement entered into. Such quiet enjoyment is conditional upon Lessee adhering to the following conditions:

a. **Permitted Uses.** Lessee shall have use of the Parcel only for the construction of a 1,440 square foot modular office space building and the housing of personnel for air ambulance services, in so far as it does not disturb the peaceful enjoyment of other tenants and conforms to airport permitted use under the current or any revised Standards, Regulations, Codes and Policies.

b. **Additional Uses Require Permission.** The Lessee shall not use or permit the use of the Parcel, or improvements thereto, for any purpose or use other than those expressly and specifically authorized by this Lease. Additional uses may be hereafter authorized in writing by the City, but only upon such terms and conditions as may be set out in such authorization.

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**c. Commercial Use of Parcel and Future Improvements.** Lessee agrees to obtain permission from the City prior to commencing or permitting any commercial use of the Parcel not specifically listed, or additional improvements thereto, in accordance with the current Airport policies, code and/or standards. In the event that this Parcel, or improvements thereto is used for business purposes, the Lessee shall at all times maintain and pay any required permits, licenses, insurances, and taxes as required by law.

**d. Construction and Ownership of Improvements.**

**(1) Title to Improvements.** During the Lease Term, title to all improvements existing or constructed upon the Parcel by Lessee are and shall be vested in Lessee.

**(2) Proposed Improvements.** The Lessee is required to construct improvements on the Parcel in accordance with Exhibit "B", Design Standards for Improvements, attached hereto and incorporated herein by this reference. Lessee shall begin such process with no less than submission of a building permit application to the City, not later than six (6) months following the Commencement Date of this Lease, that date being June 30, 2015.

**(3) City Codes Apply.** Lessee must meet City standards as specified in the Las Cruces Municipal Code for all design, planning, and construction activities, including development or extension of infrastructure. In addition, Lessee shall pave all access from the Parcel, or improvements thereto, to taxiways and roads, and such construction shall match the existing grade.

**(4) Time Restrictions.** Construction of a modular office building in accordance with Exhibit "B", Design Standards for Improvements, must be completed on or before the first anniversary date of the Commencement Date of the Lease, that date being January 1, 2016.

**(5) Additional Improvements Constructed During the Initial Lease Term or Extended Term.** Lessee may construct additional improvements or modifications at a later date, adhering to the requirements of those codes and regulations then in effect on the Airport. However, in all cases, construction must be completed within eighteen (18) months of approval by the City. Lessor agrees to install a pushbutton lock on the existing gate for ingress and egress through said gate, Lessee to reimburse Lessor at reasonable expense.

**e. Condition, Maintenance and Repairs of Leasehold and Improvements Thereto.**

**(1) Lessee Shall Maintain.** Lessee shall maintain, at its own expense, the Parcel and any improvements, fixtures or equipment on the Parcel in a safe, sanitary, orderly, and sightly manner, in accordance with all applicable codes and regulations. Lessee shall also maintain the cleanliness of all paved area on the Parcel, and shall be responsible for mowing all grass, watering lawns, controlling weeds, and maintaining shrubs and trees on the Parcel.

**(2) Erosion Control.** Where the slope, terrain, or soil disturbance is such that active soil or wind erosion may be present, Lessee must carry out erosion control practices to mitigate the erosion. These practices include, but are not limited to drainage facilities constructed and maintained by Lessee, landscaping, and/or seeding and maintaining of vegetation.

**(3) City's Right to Correct Deficiencies.** The City has the right to require reasonable maintenance and repairs to the Parcel or the improvements thereon by Lessee as required by this lease. Should the Lessee fail to make the required corrections following the receipt of written notice from the City and a reasonable opportunity to conduct maintenance or make requisite repairs or corrections, the City shall have the right to enter the Parcel, or improvements thereto, correct the deficiency, and recover the cost of activities from Lessee as rent due on the next rent payment date.

**(4) Repair of Damage.** If the Parcel, or improvements thereto is partially destroyed or damaged by fire or other casualty, then Lessee shall repair and restore the Parcel, or improvements thereto as soon as it is reasonable and practicable. Such repair or restoration shall commence not later than six (6) months after such damage, and be completed within six (6) months thereafter. Such restoration shall be to substantially the same condition in which the Parcel or improvements thereto was before such damage. In the event that Lessee has not commenced repairs within six (6) months from the date of said damage and thereafter completed such repairs within six (6) months, this Lease may be

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immediately terminated by the City. Such termination shall be made effective by serving notice upon the Lessee, and effective on the date of receipt of such notice by the Lessee.

**(5) Destruction of the Parcel or Improvements Thereto.** In the event the Parcel, or improvements thereto is completely destroyed or so badly damaged that repairs cannot be commenced within six (6) months and completed within six (6) months thereafter, then this Lease may be terminated. Such termination shall be effective as of the date of the occurrence of the damage or destruction, and made effective by either party hereto by serving written notice upon the other.

**f. Removal of Improvements.**

**(1) When Requested by Lessee.** If at any time during the Lease Term, when all Rent then due and owing has been fully paid and Lessee is not in default under this Lease, Lessee may request to remove any or all improvements. Lessee shall give forty-five (45) days advance written notice of its intent to remove the improvements to the City, which shall not unreasonably withhold consent. When removing improvements, the Lessee shall restore the Parcel to its previously existing condition, including filling excavations, returning the surface to grade, and leaving the Parcel safe and free from all debris and hazards.

**(2) At Expiration or Termination of Lease.** At the expiration or termination of this Lease, any or all buildings including the modular building that Lessee intends to place on the Premises, shall remain the exclusive property of Lessee, and Lessee shall remove said building from the Premises and restore the Premises to its previously existing condition within forty-five (45) days of the expiration or termination of this Lease. When removing improvements, the Lessee shall restore the Parcel to its previously existing condition, including filling excavations, returning the surface to grade, and leaving the Parcel safe and free from all debris and hazards. All improvements not removed as aforesaid shall, without compensation to or by City, become City's property free and clear of all liability and expenses. Lessee shall thereafter be released from any and all liability, cost or expense associated with the Parcel, including the improvements thereon, or associated with termination of this Lease. However, if Lessee fails to promptly remove said improvements if and as required by the city, the City may assess and bill Lessee based on receipt of an itemized statement of costs of removal and restoration of the Parcel.

**g. Installation of Utilities.** City warrants that all utilities which are necessary for the conduct of Lessee's activities are available at the Airport. However, Lessee shall obtain and install underground at its own expense any necessary electrical, gas, water, sewer, and any other utility service, subject to the Development Guidelines, rules and regulations or building codes of the State of New Mexico and the City of Las Cruces.

**h. Hazardous Waste.** No toxic materials or hazardous waste subject to regulation by the EPA or NM Environment Department shall be stored or disposed of on the Airport without the written permission of the Airport Manager.

**i. Environmental Assessment and Remediation.** At the expiration or termination of this Lease, the City may require that Lessee furnish to the City an Environmental Assessment Report on the place of business, conducted in accordance with the laws, codes and regulations in effect at that time. The costs of remediation, if any should be required by law, shall be the responsibility of the Lessee.

**j. Signs.** Lessee must obtain City consent to paint or construct any exterior signs; including approval for a City Sign Permit. Lessee further agrees that upon vacating the Facilities, Lessee will restore exterior signs to same condition as received at time of occupancy. The Lessee shall be responsible for all cost and expense of maintaining its signs as permitted hereby. Lessee shall not erect, paint or maintain any temporary signs or advertising displays, such as banners, balloons, flashing sign boards, and/or any similar visual devices whatsoever.

**8. Obtain Permits, Pay Taxes, and Obey Laws.**

**a.** Lessee shall pay when due all valid taxes, special assessments, excises, license fees and permit fees of whatever nature applicable to its operation or levied or assessed against the Airport, or improvements thereto. Lessee shall take out and keep current all licenses, permits, and certificates (City, County, State and Federal) required for the

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conduct of its activities at and upon the Airport, and further agrees not to permit any of said taxes, excise or license fees to knowingly become delinquent.

b. Lessee shall, at its own expense, fully comply with all laws, regulations, rules, ordinances, and requirements of the applicable City, County, State and Federal authorities and agencies which affect this Lease, the land granted by this Lease, any improvements upon the Leasehold, and/or operations thereon. Such compliance shall be with any laws, regulations, rules, ordinances or requirements which have been or may be enacted or promulgated during the effective period of this Lease.

c. Lessee recognizes the authority of the City Council and staff to take those necessary and legal actions required to safeguard any person, aircraft, equipment or property at the Airport. Lessee agrees to abide by any suspension, restriction, or designation of specific procedures applicable to any or all Airport operations whenever such actions are established by such authorities.

**9. Assignment And Sublease.**

a. **City Consent Required.** Lessee shall not assign or sublease the rights granted by this Lease, nor the Leased parcel, nor the improvements constructed or occupied in accordance with this Lease, without the prior written consent of the City, which consent shall not be unreasonably withheld. All approved assignments or subleases shall be in accordance with the Minimum Standards For Commercial Airport Aeronautical Activity And Service Providers At The Las Cruces International Airport. The City may condition such consent upon an increase in the Rent, and may require other conditions or covenants before consenting to an assignment or sublease. Such additional rent, conditions or covenants shall be in accord with those terms and conditions for similar agreements in effect at the time of the assignment, sublease, or sale. If the Lease is assigned or subleased, all clauses herein binding the parties hereto are also binding on any and all successors and/or assigns, unless specifically amended by the City as a condition of consent.

b. **Assignment Relieves Lessee.** Upon a valid assignment of this Lease, but not upon a sublease, the Lessee shall be relieved of all obligations and liabilities arising from this Lease effective as of the date of the assignment.

**10. Default and Termination.**

a. **Definition.** If the City determines the Lessee is in violation of any of the terms, conditions or covenants of this Lease, or the Lessee fails to pay, on time, any fees or charges due, the condition shall be considered a default of the Lease.

b. **Written Notice Required.** The City shall provide the Lessee with written notice of any determination of default.

c. **Compliance Time.** The Lessee shall then have ten (10) days to cure or remedy said default or otherwise comply with any demand contained within such written notice which cures or remedies the default.

d. **Failure to Comply.** If the Lessee fails to correct the default as specified by the City's notice within the specified period, or if the Lessee receives a third notice of default within any 18 consecutive month period, the City may, at its option, terminate this Lease immediately, or at any time thereafter. Such termination may be made without further notice or demand. Upon such termination, without further notice or demand, the City may enter upon and into the Leased area, or improvements thereto, or any part thereof, and take absolute possession of the same fully and absolutely, and such re-entry shall not be judged trespass. In addition, the City may also require all associated and permitted operations to cease and be removed from the Airport.

e. **Lease Remains Binding.** All provisions of this Lease remain binding upon the Lessee while the Lessee is in default, and if this Lease is terminated due to default.

f. **Termination.** Either party may terminate this Lease without cause upon ninety (90) days written notice to the other party.

**11. Airport Development.** The City reserves the right to further develop the Airport as it sees fit, without unreasonable interference or hindrance from Lessee.

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a. **Eminent Domain Rights.** If the physical development of the Airport requires the relocation, removal or alteration of Lessee's business from the Airport, the City has the right to condemn the business area wholly under the City's eminent domain rights.

b. **Notice of Total Taking.** In the case of a total taking by the City of the areas authorized for use by this Lease, the City will provide a minimum of ninety (90) days notice of such impending action. In the event of such a total taking, Lessee's obligation to pay rent and other charges shall terminate on the date of the taking.

c. **Actions in the Event of Total Taking.** In the case of a total taking, both parties hereto agree that the value of this Lease shall be declared to be zero dollars (\$0.00). The value of the Building will be determined by an independent appraisal at Fair Market Value. The Lessee will have the option of receiving the monetary FMV of the building or having a similar building constructed at another site and entering into a new lease agreement at the then current land lease rate.

12. **Amendment.** This Lease shall not be altered, changed or amended except by instrument in writing executed by the City and Lessee.

13. **Severability.** If any clause or provision herein shall be adjudged invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, it shall not affect the validity of any other clause or provision, which shall remain in full force and effect.

14. **Right of Aircraft Operations.** The City hereby reserves a right of aircraft ground operations on and above the surface of the Airport, when conducted in accordance with the Federal Aviation Regulations, together with the right to cause such noise, odors and other disturbances as may be inherent in such operation.

15. **Reserved Water, Gas, Oil, and Mineral Rights.** The City reserves, subject to the BLM Patent all water, gas, oil, hydrocarbon and mineral rights in and under the surface of the Airport. However, the City shall not conduct any operations on the surface of the Airport for the exploration, development or recovery of the rights and substances reserved which would unreasonably interfere with the Lessee's use of the Airport.

16. **Easements and Right of Way.**

a. **Existing Easements.** This Lease is subject to all existing rights-of-way or easements of record and all other Leases granted by the City to other parties at the Airport, and to those retained by the City.

b. **City's Right to Use Existing Easements.** The City retains the right to locate utilities as necessary on existing easements on the Airport.

c. **Easements to be Accessible.** Lessee shall leave any utility easements upon the Airport open and unobstructed. A perpetual easement and right-of-way for the construction, maintenance, removal and replacement of any and all utility lines, manholes, and related facilities through, over, across and under the Airport is hereby reserved for the benefit of the City.

d. **City's Right to Establish Easements.** The City may at any time and from time to time relocate, in whole or in part, any easement serving the Airport, provided that such relocation does not diminish or permanently interrupt the rights or operations of the Lessee nor increase the costs to be incurred by Lessee. The City may temporarily interrupt operations with respect to such Easements during the period of relocation, and the City agrees to restore the Airport to a condition substantially similar to the condition existing prior to any alterations thereto by the City.

e. **City's Right to Protect Aerial Approaches.** The City reserves the right to take such action as may be reasonably necessary to establish and protect aerial approaches to the Airport against obstruction, including the right to prevent persons from erecting or permitting to be erected any improvements on the Airport which would constitute a hazard to aircraft.

17. **Right to Perform Own Aircraft Servicing and Maintenance.** It is clearly understood by the Lessee that no rights or privileges have been granted which would prevent any legal person from performing any services that it may

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choose to perform on its own aircraft at locations reserved for such purposes. All such servicing, maintenance and repair shall be conducted in accordance with Federal Aviation Regulations and applicable law.

**18. Security and Safety.** Lessee will participate in the City's security and safety programs as they relate to the Airport.

**19. Airport Access.** Subject to the rules and regulations established by the City, the Lessee has the right of free access, ingress to and egress from those parts of the Airport authorized for the Lessee's use by this Lease. Such access also applies to the Lessee's employees, agents, patrons and invitees, its suppliers of materials and furnishings of services and its equipment, vehicles, and machinery. The City may, at any time, temporarily or permanently close or consent to the closing of any roadway or other right-of-way for such access, ingress, and any other area at the Airport or in its environs presently or hereafter used as such. In such a case, a means of access, ingress and egress reasonably equivalent to that formerly provided may be substituted and concurrently made available subject to the Airports Security and Operational needs.

**20. City's Right to Enter.** The City, its officers, agents and representatives, subject to any security regulations imposed by any governmental authority, upon reasonable notice to Lessee – at least twenty-four (24) hours, shall have the right to enter all parts of the premises at all reasonable hours to inspect the premises when reasonably required and as it may deem necessary or desirable.

**21. Operational Reports.** Lessee agrees to submit to the City, upon request by the City any report or reports or information regarding Lessee's operations at the Airport. The City agrees to receive from Lessee, upon request by Lessee, any reports the Lessee deems appropriate for the purpose of keeping the City informed of any operational problems and of any suggested improvements at the Airport.

**22. Automobiles and Other Vehicles.** The City reserves the exclusive right to control, by security gate, uniform driving regulations, or otherwise, all vehicular ingress and egress to, and operations on, the aircraft operating areas including but not limited to all taxiways, runways and ramp areas on the Airport.

**23. Attorney's Fees.** City and Lessee agree that if either is found by a court to have breached this Lease, reasonable attorney's fees and the cost of litigation may be recovered from the defaulting party.

**24. Notices.** Whenever any notice is required or permitted hereunder, such notice shall be in writing. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered whether actually received or not, when deposited in the United States mail, as Certified Mail, postage prepaid, return receipt requested, and addressed to the parties at their respective addresses, as set forth below:

Airport Manager  
City of Las Cruces  
P.O. Box 20000  
Las Cruces, New Mexico 88004

Attn: Vice President, Region 3  
Air Methods Corporation  
7301 S. Peoria Street  
Englewood, Colorado 80112

**25. Exhibits.** The following exhibits are attached and made part of this Lease:

- A. EXHIBIT "A": LEGAL DESCRIPTION OF PARCEL.**
- B. EXHIBIT "B": DESIGN STANDARDS FOR IMPROVEMENTS**

**Land Lease**  
**City of Las Cruces, New Mexico, International Airport**  
**AIR METHODS CORPORATION, LESSEE**

IN WITNESS WHEREOF, City and Tenant have executed the Lease to be in effect as of the date first written above.

CITY OF LAS CRUCES, LESSOR

LESSEE

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
(Signature) (Date)

\_\_\_\_\_  
CITY CLERK  
(SEAL)

APPROVED AS TO FORM:

*Dynab*  
\_\_\_\_\_  
CITY ATTORNEY

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**EXHIBIT "B" Design Standards for Improvements.**  
**City of Las Cruces, New Mexico, International Airport.**  
**AIR METHODS CORPORATION, LESSEE**

**1. Design Standards.**

**a. Setbacks from Aircraft Operating Surfaces.** No above ground portion of any building nor any fences, landscaping, or walls taller than 24 inches shall be placed within twenty (20) feet of any taxiway, taxi lane, apron or ramp. All buildings and structures must comply with FAA A/C 150/5300-13 Airport Design and Construction.

**b. Landscaping.** All landscaping shall be designed to discourage the nesting and aggregation of birds and animals. Ten percent of the leased area minus the building pad is required to be landscaped.

**c. Exterior Lighting.** Obstruction lighting shall be installed when required to meet FAA safety standards. Exterior illumination, including that in illuminated signs, shall never be angled above the horizontal, nor extend into flight patterns or other aircraft operating surfaces, unless designed and approved specifically for the purpose of aiding aircraft navigation or safety. Area lighting of buildings, vehicle parking areas and walkways shall be shielded so as not to shine above the horizontal, and shall not produce glare on adjacent streets, aircraft operating surfaces, or building sites.

**d. Off-Street Parking and Loading.** Off-street parking shall be required as per the City Zoning Code. No truck loading or unloading area shall be located on a building wall fronting on a major arterial or collector, or in the front setback of the Property.

**e. Utility Construction.** All utilities to be constructed at the Airport including water, wastewater, natural gas, telephone, electric, and video or audio cable, shall be constructed underground from the point of service to the parcel or improvement thereon.

**f. Architectural Standards.**

**(1)** Improvements on parcels bordering the West Mesa Industrial Park, or fronting Crawford Boulevard, shall adhere to the West Mesa Industrial Park Overlay Zone.

**(2) Hangars.**

**a.** Stand-alone hangars (one single open bay) shall contain no less than 3,600 square feet of total floor area, including aircraft parking space capable of containing, with the entry door closed, an aircraft with a wingspan of 41 feet, a nose-to-tail length of 35 feet, and a tail height of 13 feet. The aircraft entry door shall open no less than 44 feet wide and 14 feet high.

**b.** Multiple bay hangars (T-Hangars and the like) shall have no fewer than five bays. Each bay shall be capable of containing, with the entry door closed, an aircraft with no less than the following dimensions: Wingspan of 37 feet, nose-to-tail length of 29 feet, and tail height of 11 feet. Each bay shall have an aircraft entry door which shall open no less than 40 feet wide and 12 feet high.

**c.** All hangars shall be commercial grade metal buildings, but shall be painted, or permanently colored by manufacture. Natural metal is not acceptable as a finish. Hangars shall have a reinforced concrete pad no less than four (4) inches thick as a floor, and weatherproof, closing aircraft entry doors, and be provided with electrical service. Each stand-alone or T-hangar building shall have water service, fire extinguishers and other protection required by the City Fire Code.

**d.** Each hangar shall have an emergency eyewash and shower for chemical accidents. For stand-alone hangars, this may be located inside or on the exterior of the hangar. For multiple-bay hangars, this emergency facility shall be mounted on the exterior of the hangar, and there shall be at least one clearly marked facility located on at least one end of the building.

**e.** All hangars shall be connected to the Airport's paved aircraft movement surfaces by a paved surface, matching the grade of the aircraft movement surface, and no less than 25 feet wide, and of construction suitable for the type of aircraft hangared, but no less than two (2) inches of asphalt over a six (6) inch base course of 95% compaction, or four (4) inches of reinforced concrete.

**(3) Standards for Buildings fronting Zia Boulevard, Wingspan Drive, Gasoline Alley or Crawford Drive.**

**a.** The sides of all buildings facing any street shall be faced with concrete or brick masonry, stone, or other material approved by the City. The facing shall be to a minimum height of four (4) feet and extend across the full front of the building.

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**EXHIBIT "B" Design Standards for Improvements.**  
**City of Las Cruces, New Mexico, International Airport.**  
**AIR METHODS CORPORATION, LESSEE**

**b.** Those other sides of the building not facing streets shall be finished in an attractive manner in keeping with the accepted standards used for industrial buildings.

**h. Height of Buildings.** Buildings shall not exceed a height which penetrates the FAR Part 77 surfaces. Lessee shall adhere to FAR Part 77 requirements for notice of construction, including submission of FAA Forms 7460-1 "Notice of Proposed Construction of Alteration" prior to beginning construction.

**i. Wind Resistance.** All buildings shall be designed to withstand winds of eighty-five (85) miles per hour.

**j. Aircraft Parking Areas and Aprons.** All aircraft parking surfaces shall be paved. Such surfaces shall be either reinforced concrete of no less than four (4) inches in thickness, or asphalt of no less than two (2) inches of asphalt with six (6) inches of base course with 95% compaction.

**k. Minimum Improvement Areas.**

(1) Each parcel adjoining the aircraft operating surfaces upon which buildings are to be constructed, shall be developed so that the buildings cover no less than 36% of the parcel.

(2) Each parcel upon which aircraft parking areas are to be established shall be developed so that those surfaces cover no less than 75% of the parcel, including that area upon which buildings are constructed. In addition, all such aircraft parking areas shall be connected to the established aircraft movement areas with a taxiway or direct abutment no less than 40 feet wide and constructed to the same standards as the apron.

**l. Limit Erosion.** The City encourages all Lessees or Tenants to limit grading and clearing activities on a site to the actual physical area planned for facility development, to limit soil erosion and blowing sand and dust.

**m. Seasonal Restrictions.** The City may, in the approval of the building and site permits, impose any reasonable condition on activities, such as landscaping, or regulation of grading during certain months of the year, to mitigate the effects of the activity's appearance, noise, traffic, dust and similar impacts.

**2. Maintenance.**

**a. Orderliness.** Lessees and Tenants shall keep and maintain the buildings, structures, parking areas, landscaping, signs and other improvements to the Airport under their care or control in an orderly and well maintained condition.

**b. Blowing Dust to be Controlled.** All areas of disturbed earth not in landscaped areas shall be maintained with ground cover plants and grasses to reduce blowing dust.

**c. Outside Storage and Trash.** All rubbish, trash, garbage, debris and other wastes, all loading docks and garbage collection facilities, and all other articles, goods, materials, incinerators, trash bins, storage tanks or like equipment shall be stored at the side or rear of the building and the improvements with which same are associated. All such storage shall be screened from public view or from a view from adjacent buildings in a manner approved in writing by the Airport Manager. Screening materials shall be maintained in a functional and aesthetic condition and be constructed and designed in such a manner so that they equal a height equal to that of the materials or equipment being stored but in no event less than four (4) feet in height.

**d. Hazardous Materials.** All storage of toxic or hazardous materials and waste will be in accordance with environmental statutes and regulations, and shall be protected from inadvertent public access (by fencing, under lock and key, etc.).

**e. Security.** When a parcel or proposed improvement is located in such a position as to form the boundary of a legally required safety or security perimeter, the Lessee may be required to construct and maintain the required barrier. The lessee shall permit the City to construct any such barrier without interference.

**3. Temporary Structures.** No temporary building or structure other than construction offices and structures for related purposes during the construction period shall be installed or maintained on any Building Site without the prior written approval of the Airport Manager. All temporary structures used for construction purposes must receive approval by the Airport Manager with regard to location and appearance. All such buildings shall be removed promptly upon completion of construction and that portion of the Building Site from which same are removed, restored to its original condition or to such condition as is otherwise required by these standards.

**LAS CRUCES INTERNATIONAL AIRPORT LEASE APPLICATION**  
**RETURN THIS COMPLETED APPLICATION TO:**  
**City of Las Cruces, Airport Manager, P.O. Box 20000, Las Cruces, NM 88004**

Use this Application Form to request a Lease of Land, Facilities, or Commercial Rights at the Las Cruces International Airport. Complete all blocks with the appropriate information; mark blocks "N/A" when they do not apply to your request. Continue on separate sheets if additional room is required.

**1. INITIAL THE LEASE OR LEASES FOR WHICH YOU ARE APPLYING:**

**SPECIALIZED AVIATION SERVICE OPERATION (SASO) LEASE:** All persons (other than transient aircraft operators) using the Las Cruces International Airport for commercial purposes are required to enter into a non-exclusive lease agreement with the City for the right to conduct such commercial activities on City property (e.g., the Airport).

**LAND LEASE:** All persons wishing to construct improvements at the Airport must first enter into a Land Lease for a suitable Parcel. Return this form, with \$250.00 earnest money to the Airport Manager who will initiate the lease approval process, which will include approval/disapproval by the City Council.

**FACILITY LEASE:** All persons wishing to occupy City-owned improvements at the Airport must first enter into a Facility Lease for the desired facility. Return this form, with \$250.00 earnest money to the Airport Manager who will initiate the lease approval process, which will include approval/disapproval by the City Council.

**2. APPLICANT INFORMATION:**

Name: Bill Ireland Phone: (480) 283-4727

Address: REPRESENTING AIR METHODS Fax: (480) 684-3459  
7301 S. PEARIA ST E-mail: Bill.Ireland@airmethods.com  
ENGLEWOOD, CO 80122

If applying as a business or other legal entity: Business Name: AIR METHODS CORP.

President/CEO: Aaron Todd d.b.a. NATIVE AIR AMBULANCE

**3. ACTIVITIES PROPOSED:** Initial activities proposed to be conducted. For commercial activities, you will be required to conduct those activities proposed, and must also obtain a City of Las Cruces Business Registration, when required by law.

- |   |  |
|---|--|
| <p><input type="checkbox"/> <b>Customer Services:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Food services including catering, restaurants, etc.</li> <li><input type="checkbox"/> Temporary lodging, such as hotel and motel operations.</li> <li><input type="checkbox"/> Transportation services, such as rental cars, shuttle buses, and taxis.</li> </ul> <p><input type="checkbox"/> <b>Airline Operations:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Air Carrier or Air Taxi Operations.</li> <li><input type="checkbox"/> Transportation of cargo and/or mail by aircraft.</li> <li><input type="checkbox"/> Other scheduled air transportation services or patrol activities.</li> </ul> <p><input type="checkbox"/> <b>Aircraft Support Services:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Aircraft manufacture, maintenance, repair and storage (as defined by the FARs):</li> <li><input type="checkbox"/> Aircraft painting and/or washing using chemicals.</li> <li><input type="checkbox"/> Aircraft major and minor repair and maintenance.</li> <li><input type="checkbox"/> Manufacture, repair, or reconditioning of either new and/or used aircraft and/or parts.</li> <li><input type="checkbox"/> Specialized repair services for aircraft appliances or aircraft components.</li> <li><input type="checkbox"/> Warranty or guarantee service or supply.</li> <li><input type="checkbox"/> Flammable liquid storage and/or sales.</li> <li><input type="checkbox"/> Preventive Maintenance for aircraft.</li> </ul> | <ul style="list-style-type: none"> <li><input type="checkbox"/> Sales, leasing, financing, insuring and/or brokerage of aircraft, airframes, engines, and/or other aeronautical items.</li> <li><input type="checkbox"/> Storage of aircraft and parts.</li> <li><input type="checkbox"/> Line Services (see Commercial Policy).</li> </ul> <p><input type="checkbox"/> <b>On-Demand Flying Services:</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Aerial photography or survey.</li> <li><input type="checkbox"/> Agricultural operations (including "crop dusting").</li> <li><input type="checkbox"/> Aircraft Charter operations for any purpose.</li> <li><input type="checkbox"/> Aircraft rental to the public.</li> <li><input type="checkbox"/> Banner towing.</li> <li><input type="checkbox"/> Corporate Flight Operations.</li> <li><input type="checkbox"/> Dropping objects from aircraft.</li> <li><input type="checkbox"/> Fire fighting (water and chemical applications) and 'smoke jumping'.</li> <li><input type="checkbox"/> Pilot instruction conducted independently of an FAR Part 141 certified flight school.</li> <li><input type="checkbox"/> Pilot Schools conducted in accordance with FAR Part 141.</li> <li><input type="checkbox"/> Parachute jumping.</li> <li><input type="checkbox"/> Sightseeing flights.</li> <li><input type="checkbox"/> Other (list): _____</li> </ul> |
|---|--|

The City Council may elect to review any application for approval, modification, or disapproval.

BG  
(Applicants Initials)

**LAS CRUCES INTERNATIONAL AIRPORT LEASE APPLICATION**

**4. Aircraft to be based on the Leasehold (if any):**

Class	Category	How Many	Proposed Use
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**5. Toxic or hazardous chemicals/substances, subject to regulation, permitting, and inspection by the EPA or NM State Environment Department, to be used/stored on the leasehold or other location on the Airport:**

**6. Briefly Describe Your Proposed Land or Facility Requirements and Location on the Airport:**

*LAND SPACE NEEDED FOR MODULAR OFFICE SPACE.*

**7. FOR FACILITY LEASES ONLY: What Lease Terms do You Desire:**

\_\_\_\_\_ Maximum. Initial Term: One (1) year, with four (4) one (1) year optional extended terms.  
 \_\_\_\_\_ Other. Describe:

**8. FOR LAND LEASES ONLY: Briefly Describe the Proposed Improvements You Plan to Construct:**

*PLACE A 1200 - 1500 SF MODULAR OFFICE ON PROPERTY. LANDSCAPE / IMPROVE ACCORDING TO AIRPORT DEVELOPMENT REQUIREMENTS*

The City Council may elect to review any application for approval, modification, or disapproval.

*[Signature]*  
 (Applicants Initials)

**LAS CRUCES INTERNATIONAL AIRPORT LEASE APPLICATION**

9. FOR SASO LEASES ONLY:

- What is Your Proposed Occupancy on the Airport?  
 \_\_\_\_\_ Tenant of the City \_\_\_\_\_ Sub-let from another Lessee or Tenant \_\_\_\_\_ Non-Resident ("Through-the-Fence")
- City of Las Cruces Business Registration/License Number: \_\_\_\_\_ Expiration Date: \_\_\_\_\_.
- List any Positions Which Will Require FAA or EPA Certification or Licensure:

Number	Job Title	License or Certificate Required
_____	_____	_____
_____	_____	_____
_____	_____	_____

- List the Hours of Proposed Operation for Your Business. You will be Required to Operate No Less Than at Those Times Listed. (FBOs offering Line Services must be open 7:00 a.m. - 7:00 p.m. daily):

Monday: _____ or 24 HOURS	Friday: _____ or 24 HOURS
Tuesday: _____ or 24 HOURS	Saturday: _____ or 24 HOURS
Wednesday: _____ or 24 HOURS	Sunday: _____ or 24 HOURS
Thursday: _____ or 24 HOURS	Holidays: _____ or 24 HOURS

10. Amount and Types of Insurance Coverage to be Obtained (see current Airport Policies for required coverage):

<u>TYPE INSURANCE</u>	<u>MINIMUM AMOUNTS</u>	<u>AMOUNT TO BE OBTAINED</u>
General Liability:	Each Incident \$1,000,000	_____
Fire Casualty:	Each Accident \$ 300,000	_____
Environmental Remediation:	Each Incident \$1,000,000	_____
Other:		_____

APPLICANT'S CERTIFICATION: The above application is true and complete to the best of my knowledge.

05/22/2013  
(Date of Application)

Bill Ireland / AIR METHODS CORP  
(Printed or typed Name of Applicant)

Bill Ireland  
(Signature of Applicant)

**Return this form to the Airport Manager for processing, with the following attached:**

- Any additional information continued from the application, referenced by question number.
- Proof of Insurance.
- If sub-letting, a copy of the sub-letting agreement.
- If operating an FAA Certified business, a copy of the Certificate.

The City Council may elect to review any application for approval, modification, or disapproval.

BZ  
(Applicants Initials)

**LAS CRUCES INTERNATIONAL AIRPORT LEASE APPLICATION**

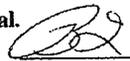
**CONTINUATION SHEET.**

**Please continue any narrative from the application on this page.**

**Please reference your continuation by number.**

**Please attach additional continuation pages as required.**

**The City Council may elect to review any application for approval, modification, or disapproval.**

  
(Applicants Initials)



**AIRPORT ADVISORY BOARD MEETING**  
**City of Las Cruces, New Mexico**  
**July 18, 2013**

**Members Present:** Robert Wood, Val Maltese, John Muir, Joe Dearing, Gill Sorg – City Council Liaison

**Members Absent:** Barry Flesher, Dennis Zaklan, Jerry Leyendecker

**Others Present:** Cheryl Rodriguez, Airport Manager; Susan Pfeiffer, Airport Administrative Assistant; Ted Sweetser, LCFD; Carol McCall, CLC Planner; Nathan Wilcox, Lynco Flight Services; Doug Newton, Aero Newton; Hal Kading, Southwest Aviation; Travis Zoda, Delta Airport Consultants; David Ploeger, Delta Airport Consultants.

**CALL TO ORDER:**

Airport Board Chairman, Rob Wood, called the meeting to order at 12:30 p.m. in the Airport Conference Room; and a quorum was noted.

**APPROVAL OF MINUTES:**

Mr. Wood asked if there were any corrections to the minutes, and if not for a motion to approve the minutes of the June 20, 2013 Board meeting. Mr. Muir moved, seconded by Mr. Dearing, to approve the minutes as submitted; motion carried unanimously.

**UNFINISHED BUSINESS:** None

**NEW BUSINESS:**

**Review and Consideration of Land Lease:** Mrs. Rodriguez stated that she had received a Land Lease Application from Air Methods that is currently housed at 8960 Zia Boulevard. She stated that the building they are in does not meet their needs, and that it would cost too much to renovate the building to meet their needs. Mrs. Rodriguez said that they plan to put a 1,440 SF modular building that will meet the design standards for Zia Boulevard on a 15,000 SF parcel on the south side of Zia Blvd next to the covered parking area. She said that their facility will have office space, a kitchen, showers and sleeping quarters needed by their staff. Mr. Kading mentioned that if the City was going to use the building at 8960 Zia Boulevard as an FBO and restaurant, the proposed lease location should be moved further to the east to allow for additional parking spaces for the FBO. Mrs. Rodriguez responded that she felt there would be enough parking spaces under the covered parking lot and along the street to support an FBO and restaurant, and that if

## AIRPORT ADVISORY BOARD MEETING MINUTES – JULY 18, 2013

## Page 2

additional parking spaces were needed there was room behind the current parking lot. Mrs. Rodriguez stated that the lease rate would be \$0.20 per SF per year, with adjustments to the lease rate every five years. She said that their current facility lease includes the leasing of ramp space for their helicopters, and that ramp space will be included in their land lease. Mr. Dearing moved, seconded by Mr. Maltese, to recommend approval of the land lease to Air Methods, as presented to the Board; motion carried with all members present voting in favor. ←

**Review and Comment on the draft BLM TriCounty Resource Management Plan/Environmental Impact Statement:** City Planner Carol McCall stated that the City would like the Airport Advisory Board to review the Bureau of Land Management (BLM) TriCounty Resource Management Plan for land use. She said that the Board's comments will be forwarded to the City Manager once they are finalized after their August meeting. Ms. McCall distributed copies of the plan descriptions and four (4) maps showing the alternate use plans. She stated that **Alternative A** is the continuation of existing management and considered the no-action alternative. **Alternative B** places emphasis on conserving resources for long-term use and benefit, and reducing human use of public land. Ms. McCall stated that the BLM prefers **Alternative C** which is a compromise between retaining and disposal of land. **Alternative D** has the most land for disposal, and under this plan long-term preservation of some resources for future use and benefit may not occur.

There was a brief discussion on the proposed disposal of certain sections of land. Mrs. Rodriguez said that she is looking at **Alternative C** to see how it would impact the Airport, and then gave a brief review of the Kennon Annexation of land around the Airport. She stated that the annexed land is in a holding designation and will have to be zoned if someone wanted the land. Mrs. Rodriguez said that City staff is recommending not disposing of land to the West and North of the Airport. Mr. Wood asked if any of the alternative plans can be modified. Ms. McCall responded that the different plans could be modified, and that is why the City is asking for the Board's comments and recommendations. Mrs. Rodriguez asked the Board members to e-mail their comments or question to here before their next meeting.

**Airport Manager's Report:** Mrs. Rodriguez read the following Manager's Report:

**Fuel Farm Rehabilitation:** The project is currently out to bid; the bid process is 30 days.

Airport administration sent a letter to NMED requesting an official extension to the July 1, 2013 compliance date for above ground storage tanks. Staff requested an extension through December 31, 2013 and outlined the process to get the fuel farm into compliance. NMED responded to the extension request by stating they received our request and are reviewing it accordingly. NMED will contact my office in the near future to provide a more formal response.

**Taxiway Alpha Re-seeding Project:** Re-seeding efforts are underway the week of July 15<sup>th</sup> through 19<sup>th</sup>.

