



City of Las Cruces®

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 2 Ordinance/Resolution# 17-001

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of July 5, 2016
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL LEGISLATIVE ADMINISTRATIVE

TITLE: A RESOLUTION AUTHORIZING AN ASSIGNMENT OF LAND LEASE FOR PARCEL 13 AT THE LAS CRUCES INTERNATIONAL AIRPORT FROM WOOTEN CONSTRUCTION COMPANY AND LYNCO ELECTRIC COMPANY, INC. TO AMADOR HOLDING AND LEASING COMPANY, LLC.

PURPOSE(S) OF ACTION:

To authorize an assignment of land lease.

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

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

Wooten Construction Company ("Wooten") and Lynco Electric Company, Inc. ("Lynco") currently hold a land lease with the City of Las Cruces for a 10,000-square foot parcel known as Parcel 13 at the Las Cruces International Airport. The lease was originally approved in favor of Airspace, Inc. pursuant to Resolution No. 88-072 on October 19, 1987 for a term of 30 years. On July 5, 1988, Airspace Inc. assigned the lease to Wooten and Lynco pursuant to Resolution No. 89-003. There is a hangar used for the storage of aircraft on the leased property.

Wooten and Lynco requests that the lease be assigned to Amador Holding and Leasing Company, LLC, the present owner of the hangar. The lease terms allow assignment with the approval of City Council and also state that the owner of the improvements on the parcel must also hold the land lease. Section 7.5-3 of the Las Cruces Municipal Code requires City Council approval of all airport land leases.

The Airport Advisory Board (AAB) unanimously recommended approval of the assignment of lease request at their May 19, 2016 meeting.

(Continue on additional sheets as required)

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", Assignment of Lease, Legal Description, and Parcel Location Map.
3. Attachment "A", Parcel 13 Land Lease.
4. Attachment "B", Letter from Wooten and Lynco requesting the assignment of lease.

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 type="checkbox"/>	Funds will be deposited into this fund: _____ in the amount of _____ for FY__.
	No	<input checked="" type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

N/A

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

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will authorize Wooten and Lynco to assign the land lease for Parcel 13 to Amador Holding and Leasing Company, LLC.
2. Vote "No"; this will not authorize Wooten and Lynco to assign the land lease for Parcel 13 to Amador Holding and Leasing Company, LLC. They would have to enter into a new lease for the parcel.
3. Vote to "Amend"; as deemed appropriate. This will not authorize Wooten and Lynco to assign the land lease for Parcel 13 to Amador Holding and Leasing Company, LLC.

4. Vote to "Table"; and direct staff accordingly. this will not authorize Wooten and Lynco to assign the land lease for Parcel 13 to Amador Holding and Leasing Company, LLC.

REFERENCE INFORMATION:

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

1. Resolution No. 88-072.
2. Resolution No. 89-003.



City of Las Cruces®

PEOPLE HELPING PEOPLE

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COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of July 5, 2016
(Adoption Date)

TITLE: A RESOLUTION AUTHORIZING AN ASSIGNMENT OF LAND LEASE FOR PARCEL 13 AT THE LAS CRUCES INTERNATIONAL AIRPORT FROM WOOTEN CONSTRUCTION COMPANY AND LYNCO ELECTRIC COMPANY, INC. TO AMADOR HOLDING AND LEASING COMPANY, LLC.

Purchasing Manager's Request to Contract (PMRC) {Required?} Yes No

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>Lisa Murphy</i>	541-2471	6-6-16
Department Director	<i>David Yacobi</i>	541-2048	6-7-16
Management & Budget Manager	<i>[Signature]</i>	541-2107	6-8-2016
Assistant City Manager /CAO	<i>[Signature]</i>	541-2100	6-8-2016
Assistant City Manager/COO	<i>[Signature]</i>	541-2271	6-10-16
City Attorney	<i>[Signature]</i>	541-2128	14 June 2016
City Clerk	<i>[Signature]</i>	541-2115	6-16-16

RESOLUTION NO. 17-001

A RESOLUTION AUTHORIZING AN ASSIGNMENT OF LAND LEASE FOR PARCEL 13 AT THE LAS CRUCES INTERNATIONAL AIRPORT FROM WOOTEN CONSTRUCTION COMPANY AND LYNCO ELECTRIC COMPANY, INC. TO AMADOR HOLDING AND LEASING COMPANY, LLC.

The City Council is informed that:

WHEREAS, Wooten Construction Company and Lynco Electric Company, Inc. executed a land lease agreement with the City of Las Cruces (City) for Parcel 13 at the Las Cruces International Airport on July 5, 1988, pursuant to Resolution No. 89-003; and

WHEREAS, Paragraph 5P of the lease provides that the Lessee may request an assignment of lease; and

WHEREAS, Wooten Construction Company and Lynco Electric Company, Inc., have requested that the lease be assigned to Amador Holding and Leasing Company, LLC , the owner of the hangar on the leased parcel; and

WHEREAS, the owner of the hangar must also hold the land lease.

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

(I)

THAT the Mayor is hereby authorized to sign the assignment of lease currently held by Wooten Construction Company and Lynco Electric Company, Inc., to Amador Holding and Leasing Company, LLC, attached hereto as Exhibit "A" and made a 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:



City Attorney

VOTE:

Mayor Miyagishima:	_____
Councillor Gandara	_____
Councillor Smith:	_____
Councillor Pedroza:	_____
Councillor Eakman:	_____
Councillor Sorg:	_____
Councillor Levatino:	_____



City of Las Cruces

October 1, 1991

DESCRIPTION OF LEASE PARCEL 13

A parcel of land situate within the corporate limits of the City of Las Cruces, Dona Ana County, New Mexico in the NW 1/4 of Section 26, T.23S, R.1W., N.M.P.M. of the U.S.G.L.O. Surveys and more particularly described as follows, to wit:

BEGINNING at a 1/2 in rebar with aluminum cap found for the Northeast Corner of the parcel herein described, whence a concrete monument found for the Northwest Corner of said Section 26 bears N 00 deg 10' 30" W 300.00 feet and thence N 57 deg 08' 31" W a distance of 2013.30 feet;

THENCE FROM THE POINT OF BEGINNING S 00 deg 10' 30" E 100.00 feet to a 1/2 inch rebar with aluminum cap found for the Southeast Corner of the parcel herein described;

THENCE S 89 deg 49' 31" W 130.72 feet to a 1/2 inch rebar with aluminum cap found for the Southwest Corner of the parcel herein described;

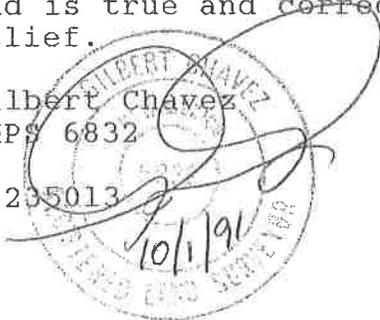
THENCE N 00 deg 01' 44" W 100.00 feet to a 1/2 inch rebar with aluminum cap found for the Northwest Corner of the parcel herein described;

THENCE N 89 deg 49' 30" E 130.46 feet to the point of beginning, containing 13,058 square feet of land more or less.

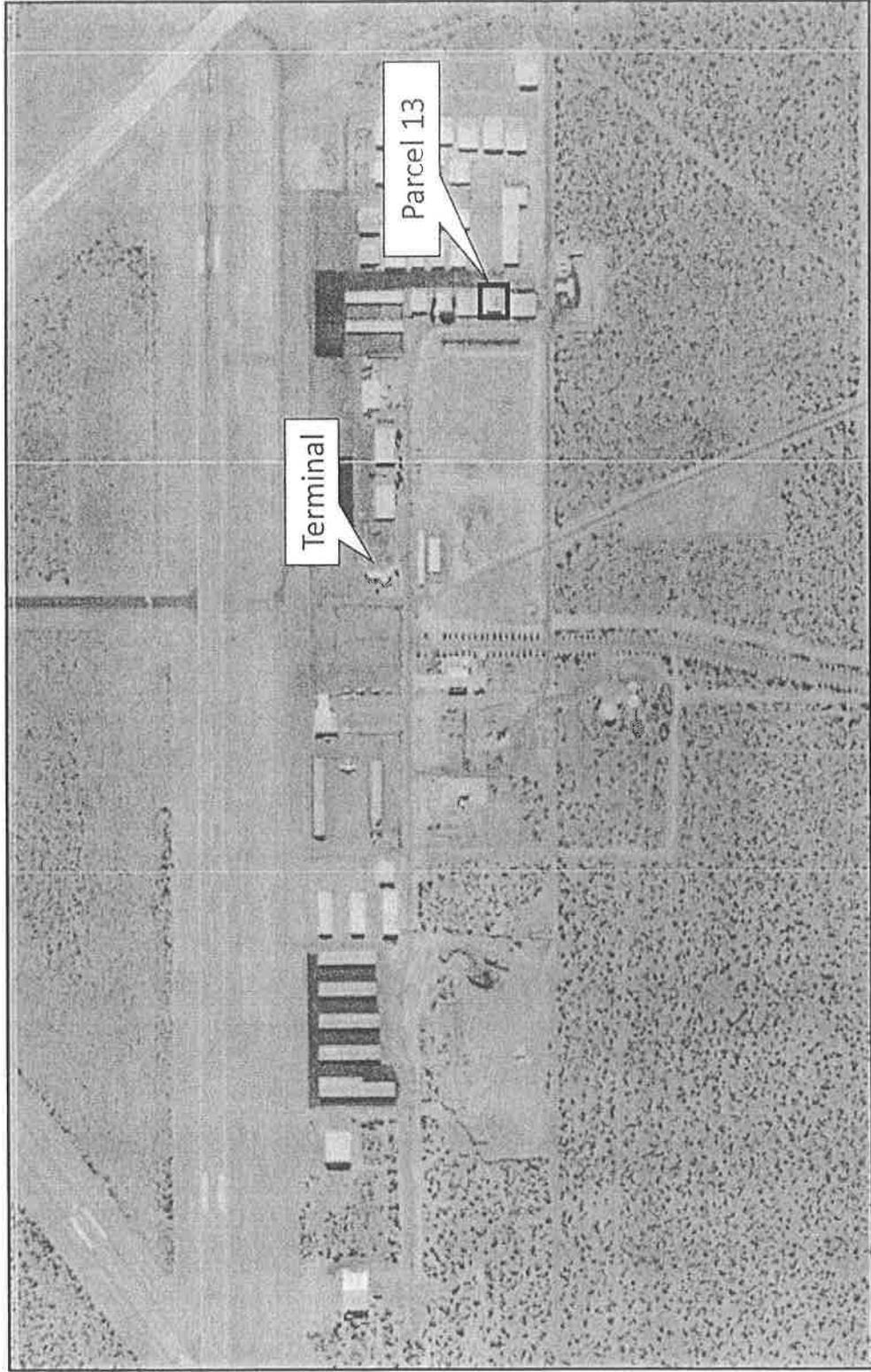
AUTHORITY STATEMENT: I certify that this legal description was prepared by me and meets the "Minimum Standards for Land Surveying in New Mexico" as adopted by the New Mexico State Board of Registration for Professional Engineers and Surveyors and is true and correct to the best of my knowledge and belief.

Gilbert Chavez
NMP# 6832

91235013



Parcel 13 Location Map



copy on file C-8701

CITY OF LAS CRUCES
LAS CRUCES INTERNATIONAL AIRPORT
PRIVATE HANGAR LEASE

AIRSPACE, INC.

OCTOBER 19, 1987

LEASE AND AGREEMENT

THIS LEASE AND AGREEMENT ("Lease") is made this 19th day of October, 1987, between the City of Las Cruces ("City") and Airspace, Inc., ("Lessee").

WITNESSETH:

WHEREAS, City is a political subdivision of the State of New Mexico, holds title to the Las Cruces International Airport ("Airport"), and the City has the power to lease designated areas for the purpose of supplying services to aircraft and users of Airport facilities.

NOW, THEREFORE, for and in consideration of the premises and of the mutual covenants and agreements herein contained and other good and valuable consideration, the parties hereto agree as follows:

1. Land Parcel. The parcel of land referred to herein is stipulated in the County of Dona Ana, State of New Mexico, and is depicted and described upon Exhibit "A", and more particularly described upon Exhibit "A-1", attached hereto and made a part hereof.

2. Terms and Options.

A. Parcel. With respect to the above described parcel, hereinafter sometimes referred to as the "leased premises", the City hereby leases said parcel unto Lessee for a period of thirty (30) years commencing on the date of this lease.

B. Renewal Option. Lessee shall have the option of renewing or extending this Lease for a term of ten (10) years with an additional ten (10) year option at a rental rate to be renegotiated as hereinafter provided. Lessee shall notify Lessor of his intention to renew the option at least 120 days before the expiration of this lease by notice to Lessor by registered mail. This option is only available provided the Lessee is current in payment of all rents and fees and is not in default in any of the conditions of the lease.

3. Use of Parcel.

A. Improvements by Lessee. Lessee shall have the right

to construct upon the leased premises, pursuant to plans and specifications approved by the City, at the sole cost and expense of Lessee, aircraft hangars for use for aircraft storage; provided that nothing contained herein shall authorize Lessee to construct hangars for uses not directly related to storage of aircraft. Lessee shall commence construction of these improvements within ninety (90) days of the approval of the plans and specifications by the City and shall proceed with due diligence to develop these improvements according to the phase construction timetable attached hereto as Exhibit "C". Lessee agrees to use its best efforts to comply with said timetable, but shall not be considered to be in breach of this Lease or subject to any penalty therefor in the event that events and circumstances beyond Lessee's control including, but not limited to, delays due to strikes, work stoppages, material shortages or inclement weather, should delay construction progress.

B. Permitted Operations. Lessee shall have the exclusive right to use and occupy the leased premises in accordance with uses hereinafter described, including but not limited to the following permitted uses:

- (i) Facilities for the housing and storage of aircraft.

4. Rental Rates and Other Fees. Lessee shall pay to the City the land rents and other fees specified in Exhibit "B". All land rents and fees shall be paid every six months, the due dates being the 25th day of January and the 25th day of July during the term of this lease. All other fees described in Exhibit "B" unless otherwise set forth therein shall be paid monthly by the Lessee to the City on or before the 25th day of the month following the month in which such fees accrued. Land rent for the period between the execution date of this Lease and November 1, 1987, will be prorated.

5. Mandatory Clauses.

- A. Right to Use Airfield. In addition to the premises

specifically designated for its exclusive use, this Agreement grants Lessee the non-exclusive right to use the airfield and associated operational area in common with others so authorized which right shall be exercised in accordance with the laws of the United States of America and the State of New Mexico and the rules and regulations promulgated by their authority with references to aviation and air navigation and all pertinent directives, rules and regulations of the City and Airport Advisory Board.

B. Books and Records. Lessee shall keep and maintain true and accurate books and records of its operations under the terms of this Lease in accordance with generally accepted accounting principles, for inspection and copying by prior appointment at reasonable business hours during the terms of this Lease and for two years thereafter.

C. No Discrimination. Lessee shall make its accommodations and services available to the public on fair and reasonable terms without unjust discrimination on the basis of race, color, religion, sex, age or national origin.

D. Pricing. Lessee shall furnish its accommodations and services on a fair, equal and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and non-discriminatory prices for each unit of service; provided, that Lessee may be allowed to make reasonable and non-discriminatory discounts, rebates and other similar types of price reductions to volume purchasers.

E. Lawful Use. Lessee shall observe and obey all laws, ordinances and regulations of the United States of America, the State of New Mexico and the City of Las Cruces, which may be applicable to its operations at the Airport, and shall make no unlawful or offensive use of the leased premises.

F. Schedule and Key Personnel. Lessee shall provide the City with a schedule of hours of operation that Lessee will be open to the public and the names and telephone numbers of

company officials who shall be available at all hours of the company's operations at the Airport to perform required management functions.

G. Safety. Lessee shall conform to all applicable City safety, health and sanitary codes and agree to cooperate with the City in its fire prevention efforts.

H. Independent Contractor; Indemnification. Lessee is and shall be deemed to be an independent contractor in the conduct of its business and activities hereunder, and shall be responsible for its acts of omission or commission, and the City shall in no way be responsible therefor. Lessee does hereby agree to indemnify, defend and hold harmless the City and its "Public Employees" as defined in the New Mexico Tort Claims Act from and against any and all liability, claims, judgments, demands or costs (including reasonable attorney's fees and costs of investigation) arising out of or allegedly arising out of the performance of this Agreement or any activities undertaken pursuant to this Agreement, other than any liability, claim, judgment, demand or cost arising from the negligence of the City or its "Public Employees" in carrying out the specific obligations undertaken by the City hereunder. So long as this indemnification requirement is in effect, the Lessee shall procure and maintain a policy of liability insurance as set forth in Exhibit "D" attached hereto. It is agreed and understood that this provision in no way modifies the New Mexico Tort Claims Act.

I. Compliance with Civil Rights Act. Lessee shall comply with the requirements of any Executive Order barring discrimination; further, in accordance with these requirements, Lessee shall not discriminate in any manner against any employee or applicant for employment because of political or religious opinion or affiliation, sex, race, creed, color or national origin; and further, Lessee shall include a similar clause in all subcontracts, except subcontracts for standard commercial supplies or raw materials. Lessee understands and acknowledges

that the City of Las Cruces has given to the United States of America, acting by and through the Federal Aviation Administration, certain assurances with respect to non-discrimination which have been required by Title VI of the Civil Rights Act of 1964, and by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, as a condition precedent to the Government making grants in aid of the City of Las Cruces, for certain Airport programs and activities, and that the City of Las Cruces is required under said regulations to include in every agreement or concession pursuant to which any person or persons other than the City operate or has the right to operate any facility on the Airport providing services to the public, the following covenant, to which Lessee agrees:

"Operator, in its operation at and the use of the Airport covenants that it will not on the grounds of sex, race, color, or national origin: discriminate or permit discrimination against any person or group of persons in any manner prohibited by Title 49 Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21; and in the event of such discrimination, Lessee agrees that the City has the right to take such action against the Lessee as the Government may direct to enforce this covenant."

J. Airport Development. The City reserves the right to further develop or improve the landing area of the Airport as it sees fit, and without unreasonable interference or hindrance from Lessee. If the physical development of the Airport requires the relocation, removal or alteration of Lessee's facilities, the City agrees to provide a comparable location without any unreasonable interruption to the Lessee's improvements and buildings from within the leased premises to the comparable premises at no cost to the Lessee or provide similar facilities for the Lessee at no cost to the Lessee. If such relocation of facilities is impractical, City shall reimburse Lessee for any loss of revenue caused by such interruption/relocation.

K. Performance of Services. It is clearly understood by the Lessee that no rights or privileges have been granted which would operate to prevent any person, firm or corporation operating aircraft on the Airport from performing any services on its own aircraft at locations other than the leased premises with its own regular employees (including, but not limited to the maintenance and repair) that it may choose to perform, provided, however, that performance of such services shall be subject to the Rules and Regulations established by the City and shall be consistent with the terms of any lease or sublease of hangar space.

L. City's Rights. The City reserves the right (but shall not be obligated to the Lessee) to maintain and keep in repair the landing area of the Airport against obstruction, together with the right to prevent the Lessee from erecting or permitting to be erected any building or other structure on the Airport which, in the opinion of the City, would limit the usefulness of the Airport or constitute a hazard to aircraft.

M. Subordination. This Lease shall be subordinate to the provisions of any existing or future agreement between the City and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport. This subordination includes, but is not limited to, the right of the City during time of war or national emergency, to lease for military or naval use, and if any such lease is made, the provisions of this Lease and all obligations of Lessee hereunder shall be suspended. The Lease term shall be extended for the same amount of time as the time of the suspension and all monetary obligation under this Lease shall abate during such suspension period. Any monetary awards received from the United States attributable to the premises leased herein shall be paid over to Lessee in accordance with the formula set forth in Paragraphs 24F (i).

N. Right to Entry. The City or the Airport Manager may enter upon the premises leased to the operator at any reasonable time for any purpose necessary, incidental to or connected with the performance of the Lessee's obligations under this Agreement or in the exercise of their function as City and Manager.

O. Termination. Upon the expiration or other termination of this Agreement, the Lessee's rights to the premises, facilities, other rights, licensed services and privileges granted in this Agreement shall cease, and the Lessee shall, upon expiration or termination, immediately and peaceably surrender the premises to the City.

P. Assignment. All covenants, stipulations and provisions in this Lease shall extend to and bind the legal representatives, successors and assigns of the parties.

Q. Exclusive Right. It is understood and agreed that nothing herein shall be constructed to grant or authorize the granting of an exclusive right within the meaning of Section 308(a) of the Federal Aviation Act of 1958, as amended.

R. Affirmative Action Program. The Lessee assures that it will undertake an affirmative action program as required by 14 C.F.R. Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide necessary assurances to the City that they will require assurances from the suborganizations, as required by 14 C.F.R. Part 152, Subpart E, to the same effect.

6. Access. Subject to the Rules and Regulations established by the City, the Lessee has the right of free access, ingress to and egress from the leased premises for Lessee's employees, agents, patrons, and invitees, its suppliers of materials and furnishers of services and its equipment, vehicles, machinery; provided, however, aviation fuel suppliers must enter

into the standard fuel supplier contract with the City prior to supplying fuel to any user or Lessee at the Airport. The City may, at any time, temporarily or permanently close or consent to or request 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, so long as a means of access, ingress and egress reasonably equivalent to that formerly provided is substituted therefor and is concurrently made available therefor.

7. Recommendations. Lessee agrees to submit to the City upon request by the City, and the City agrees to receive from Lessee upon request by Lessee any report or reports or information regarding Lessee's operations at the Airport for the purpose of keeping the City informed of any operational problems and of any suggested improvements at the Airport.

8. Structure Repair and Maintenance. Lessee agrees at its expense, without cost or expense to the City, during the term hereof, to keep the leased premises and improvements thereto and thereon in good and useable repair and maintenance and in a safe, sanitary, orderly and sightly condition. Such premises shall at all times be maintained in accordance with any applicable Building Code of the City of Las Cruces, as adopted, amended or modified from time to time as required by law. Lessee's failure to keep and maintain the premises and improvements thereto in good and useable repair and maintenance and in a safe, sanitary, orderly, and sightly condition shall constitute a breach of this agreement and subject Lessee to the cancellation and termination thereof.

A. Removal of Waste. Lessee shall not knowingly permit rubbish, debris, waste materials or anything obnoxious or detrimental to safety or health or likely to create objectionable odors, a fire hazard, or conducive to deterioration, to remain on any part of the primary leased premises or to be disposed of improperly. The Lessee shall not knowingly permit any waste,

liquids, or other material to become a part of the influent to its sewage plant or system which would cause malfunction of the plant equipment or system or impede the normal chemical and biological workings of the plant or septic tank process system. Any violation of this provision shall constitute a breach of this Agreement for which, in addition to the termination and cancellation thereof, Lessee shall be liable to the City for any and all damages said City may sustain.

B. Obstruction Lights. Lessee shall provide and maintain obstruction lights on the leased premises and all similar equipment or devices now or at any time required by any applicable state or federal regulations.

C. Paved and Landscaped Area - Maintenance. Lessee shall maintain the cleanliness of all ramp and ramp taxiways, taxiways and paved area around the leased premises.

D. Automobiles and Support Vehicles. The City reserves the exclusive right to control, by security gate or otherwise, all automobile ingress and egress to the aircraft ramp areas on the leased premises. However, Lessee shall have the right to implement its own security measures at all other locations on the leased premises.

E. Limitation Upon Use. The Lessee shall not use or permit the use of the leased premises for any purpose or use other than those expressly and specifically authorized by this Lease or hereafter authorized in writing by the City and upon such terms and conditions as may be set out herein and, the Lessee shall not commit or permit any nuisance from or upon said premises.

9. Title to Improvements. All permanent buildings erected and constructed on the leased premises by Lessee shall remain the property of Lessee and title thereto shall continue in the Lessee until the termination of this Lease and the conclusion of any renewal hereof by Lessee unless Lessee should elect, in its sole discretion, to transfer such title to the City at some earlier

date. Upon the termination of this Lease and the conclusion of any renewal hereof by option or the failure of Lessee to exercise said option, whichever occurs last, or upon Lessee's earlier election described in the preceding sentence of this paragraph, if exercised, all permanent buildings erected and constructed on the leased premises shall immediately become the property of the City and title thereto shall vest in the City, and all rights, obligations and duties, associated with or related to such buildings shall thereafter be borne by the City. If Lessee elects to transfer such title to the City at any time prior to the termination of this Lease, such transfer shall be subject to a continued right of occupancy and use by Lessee and its sublessees for the then remaining term of this Lease and until the conclusion of any renewal hereof by option unless Lessee should fail to timely exercise said option, provided further that it is expressly understood and agreed by the parties hereto that City has no obligation to accept the transfer of title to it of any of the improvements prior to the termination of this Lease and agree and state that any acceptance of a transfer, if the same shall occur, shall not constitute an assumption or an agreement to pay any obligation of debt that may be outstanding against such improvements.

10. Approved Regulations for Construction.

A. Construction of Improvements. Lessee may construct improvements on the leased premises for the uses specified in Exhibit "C" hereto or for other uses otherwise agreed to by the City. Except as hereinafter provided, such construction must respect the applicable Building Restriction Line and be done pursuant to plans and specifications submitted to and approved by the City in writing prior to the commencement of construction. All improvements constructed on the leased premises are subject to the conditions stated in Exhibit "E". The City shall have the right to approve or disapprove said plans and specifications after investigation and inspection provided that such approval shall not be unreasonably withheld.

B. Construction Standards.

(i) General Requirements. All improvements, alterations, additions, removal and relocation of structures and construction projects constructed by Lessee on the leased premises (hereinafter "improvements"), shall conform to the City's Development Guidelines, shall in all respects be accomplished in a good and workmanlike manner, in accordance with applicable plans and specifications; in accordance with the City of Las Cruces Building Code; pursuant to a Building Permit, when applicable, to be obtained from the City's Engineering Department and according to the customary terms and conditions thereof; and, in a manner consistent with State and Federal Requirements, and subject to the requirements of the City of Las Cruces.

(ii) Contractor. Lessee covenants and agrees that if the Lessee wishes, at any given time to construct the improvements on the leased premises at a cost of \$25,000 or more, Lessee will require the contractor to furnish and deliver to the City a bond with good and sufficient surety to be approved by the City, in a sum equal to the full contracted amount, to insure the City against loss by any reason of any lien or liens which may be filed against the leased premises or improvements located thereon. The Lessee shall include in all construction contracts entered into by it in connection with any or all of the construction work aforesaid, a section requiring the contractor and its "public employees" as defined in the New Mexico Tort Claims Act from and against any and all liability, claim, judgment, demand or cost (including reasonable attorney's fees and costs arising out of the performance of the construction contract or the contractor's operations in connection therewith, including the contractor's use or occupancy of the leased premises, other than arising from the negligence of the City or its "public employees" in carrying out the construction contract. The Lessee shall require the contractor to furnish liability insurance in such amounts as may be required by the City. Lessee shall also include in any construction contract

such provisions as may be required by the City regarding the operations of the contractor on the Airport. Lessee shall provide to the City a copy of all construction contracts entered into in connection with the leased premises.

(iii) Completion. When construction work involving structural components or structural modification has been completed, the Lessee shall deliver to the City a certificate stating that said improvements have been constructed in accordance with the approved plans and specifications and in strict compliance with all laws, rules, ordinances, and governmental rules and regulations and orders.

(iv) Waiver by the City. Notwithstanding the foregoing, Lessee may perform interior non-structural redecorating, refurbishing and remodeling without the approval of the City. In addition, the City Council, in its sole discretion, may waive in writing any or all of the additional requirements set forth above for specific improvements to be constructed by Lessee on the leased premises.

11. Signs.

Lessee shall not erect, paint or maintain any signs or advertising displays, including banners, balloons and similar visual devices whatsoever, upon portions of the leased premises visible from outside the buildings located thereon, without first securing the prior written consent of the City. The City shall have the right to approve or disapprove said signs or advertising displays after investigation and inspection provided that such approval shall not be unreasonably withheld.

12. Taxes, Compensation Insurance, Licenses. Lessee covenants and agrees to 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 leased premises and to take out and keep current all licenses (City, County, State and Federal) required for the conduct of its business at and upon the Airport, and further agrees not to

permit any of said taxes, excises or license fees to knowingly become delinquent. Any such taxes, assignments, or fees hereafter assessed Lessee, shall be no greater than comparable fees assessed any other comparable operator at the Airport. Lessee shall at all times maintain adequate Workmen's Compensation insurance in accordance with any present or future state law with an authorized insurance company, or through a self-insurance program approved by the State of New Mexico, insuring the payment of Workmen's Compensation to all its employees at the Las Cruces International Airport. Lessee shall furnish to the City, upon request, duplicate receipt or other satisfactory evidence showing the prompt payment by it of Social Security, Unemployment Compensation and Workmen's Compensation Insurance, all required licenses, and all taxes. Lessee shall pay promptly when due all undisputed bills, debts and obligations incurred by it in connection with its operation of said business on the leased premises, and to protect the City from any lien, judgment or execution filed against said property or improvements thereon which could in any way impare the rights of the City.

13. Insurance. Lessee agrees to provide to City certificates of insurance providing the coverages and in the amounts specified in Exhibit "D" hereto.

14. Removal of Equipment. All trade fixtures, portable buildings, equipment and other personal property brought, installed, erected or placed by Lessee in, on or about the leased premises shall be deemed to be personal and shall be and remain the property of Lessee, except as otherwise provided herein; and Lessee shall have the right at any time during the term hereof when not in default and when not prohibited by any mortgages of Lessee to remove any or all of its property, subject to Lessee's obligation to repair all damage, if any, resulting from such removal. All such portable buildings, trade fixtures, improvements or other property of Lessee (but not fixtures, improvements or other property acquired and installed by the

City) shall be removed by Lessee from the leased premises at the expiration of this Lease or the expiration of any renewal hereof, whichever comes last, unless this Lease is earlier terminated as provided for herein.

15. Surrender of Premises. The Lessee covenants that upon the termination of this Lease, for whatever reason, it shall quit and peaceably surrender the leased premises in good state of repair and condition, reasonable wear and tear and depreciation excepted, and any improvements not removed by Lessee pursuant to Paragraph 13 of this Lease. The City shall have the right on such termination to enter upon and take possession of the leased premises, with or without process of law, without liability for trespass.

16. Force Majeure. Neither the City nor Lessee shall be deemed to be in breach of this Lease by reason of failure to perform any of its obligations hereunder if, while and to the extent that such failure is due to embargos, strikes, shortages of materials, acts of God, acts of a public enemy, acts of superior government authority, rebellion or any other condition or circumstance, which is beyond the control of Lessee or the City or which could not be prevented or remedied by reasonable effort and at reasonable expense.

17. Cancellation and Termination by the City.

A. General. The City may cancel and terminate this Lease and Agreement and may enter and repossess the premises, with or without process of law, without liability, in the event of any breach or default of any term, condition or covenant or any installment of rent or other payment provided for herein, is in arrears and remains unpaid or not cured for a period of thirty (30) days after same is due or such default in any condition or breach of any term, condition or covenant contained herein is uncorrected, upon giving thirty (30) days written notice to Lessee of its intention to so terminate, at the end of which time all the rights of Lessee hereunder shall terminate unless such

payment or default, which shall have been stated in such notice, shall have been paid or cured within such thirty (30) days; provided, however, Lessee will be allowed only two (2) such notices within any thirty-six (36) month period to cure within the time specified in this paragraph. The third such notice in any thirty-six (36) month period shall be final and shall cancel and terminate all of the rights hereunder of Lessee without any right on the part of Lessee to cure such default after receiving such notice.

Further, in the event Lessee shall engage in any activity or practice which hinders or interferes with the proper use and operation of the Airport, then the City may order Lessee to forthwith cease and desist from such activity or practice and should Lessee fail or refuse to comply with any such order, the City may, at its option, cancel and terminate this Lease and Agreement.

B. Bankruptcy. Except as hereafter provided, the City may cancel and terminate this Lease and repossess the leased premises with or without process of law and without liability for trespass, if, during the term here, Lessee shall:

(i) Apply for or consent to, in writing on behalf of Lessee by any of its officers or its duly authorized attorney, the appointment of a receiver, trustee or liquidator of Lessee or of all or a substantial part of its assets;

(ii) File a voluntary petition in bankruptcy, or admit in writing its inability to pay debts as they come due;

(iii) Make a general assignment for the benefit of creditors;

(iv) File a petition or answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency law;

(v) File an answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization, or insolvency proceedings; or if during the term

of this Lease, an order, judgment or decree shall be entered by any court of competent jurisdiction on the application of a creditor adjudicating Lessee bankrupt or approving a petition seeking reorganization of Lessee or appointing a receiver, trustee, or liquidator to marshal all or a substantial part of its assets, and such order, judgment or decree shall continue unstayed and in effect for any period of ninety (90) consecutive days. In any such event as described above in Subparagraph 17B(i) through (v), the City may give Lessee a written notice of intention to end the term of this Lease after the expiration of thirty (30) days from the date of service of such notice, and on the date set forth in such notice the term of this Lease and all right, title and interest of Lessee hereunder shall expire as fully and completely as if that day were the date herein specifically fixed for the expiration of the term, and Lessee will then quit and surrender the leased premises to the City, provided, however, and notwithstanding any provision of this paragraph to the contrary, the City shall not have the right to terminate this Lease because of the commencement of maintenance by Lessee of a proceeding for reorganization or arrangement under Chapters X and XI of the Federal Bankruptcy Act (or any equivalent or comparable proceeding under Federal Bankruptcy Laws that may be amended from time to time) if Lessee continues to comply with all other provisions of this Lease.

C. Obligations Following Termination. Except as otherwise provided herein, in the event of cancellation and termination of this Lease by the City as hereunder provided, the parties shall have no further obligations hereunder, except that Lessee shall remain liable to the City for all damages, rents and fees accrued to the date of termination.

D. Rights Cumulative. The rights and remedies of the City specified in Subparagraph A above are not intended to be, and shall not be, exclusive of one another. The City shall have all rights and remedies provided herein (including the right to

exercise any landlord's or similar lien upon property of Lessee located on or used in connection with the leased premises), and all such rights and remedies may be exercised by the City or by its designee. Neither the delay nor the omission to exercise any right or power, nor the exercising of any right or power accruing to either party shall impair any such right or power, or shall be construed to be a waiver thereof, or relieve the other party of any of its responsibilities or obligations under this Lease or from any liability resulting therefrom, or in any way amend, modify, alter, limit or otherwise affect the rights of the parties hereunder.

18. Notice. All notices required to be given to the City hereunder shall be in writing and be hand-delivered or sent by certified mail with return receipt requested to the City of Las Cruces, P. O. Drawer CLC, Las Cruces, New Mexico 88004, or 201 N. Church Street. All notices required to be given to Lessee hereunder shall be in writing and hand-delivered or sent by certified mail with return receipt requested in duplicate to Lessee, one copy to the attention of Airspace, Inc., P. O. Box 2215, Las Cruces, New Mexico 88004. It is further provided that the parties, or either of them, may designate in writing from time to time supplementary persons or addresses in connection with said notices. Effective date of service of any such notice shall be the date such notice is hand-delivered or received by Lessee or the City.

19. Conditions to Transfer.

A. Transfers.

(i) No transfer of this Lease shall be made without prior written approval of the City, and the Federal Aviation Administration. The City shall have the right to approve or disapprove said transfer of Lease after investigation and inspection provided that such approval shall not be unreasonably withheld.

(ii) If, at any time Lessee desires to make such a

transfer to a successor, Lessee shall give thirty (30) days prior written notice to the City of the identity of the successor and the approximate price and general terms of transfer. Upon satisfaction of the provisions of (i) above, the City shall promptly approve such transfer; provided that the approval to such transfer has been approved by the Federal Aviation Administration.

(iii) Notwithstanding the provisions of (i) and (ii) of this paragraph, Lessee may assign this Lease to a subsidiary which is wholly owned by Lessee without the City's consent and this Lease may be held by said subsidiary; provided, however, that any transfer of this Lease by such subsidiary shall be subject to the provisions of said Subparagraphs (i) and (ii) above and provided further that such assignment shall not relieve Lessee of its duties, liabilities and obligations under this Lease.

B. Prohibition Against Leasehold Pledge. Without the City's prior consent in writing, Lessee shall not pledge, mortgage, hypothecate, or otherwise encumber or grant or give any other security interest in the leased premises, except as follows: If the City agrees to the construction or improvements on the leasehold by Lessee, the City, upon request by the Lessee, shall permit Lessee to encumber the leasehold interest granted by this Lease for the purpose of financing such improvements, in a manner acceptable to the City, but only on the separate parcel of land on which such improvements are to be constructed, together with such additional lands as may be necessary for automobile parking in connection with the use and occupancy of such improvements. The City agrees that this Lease shall be subordinate to the construction and permanent financing of such improvements. Provided, however, that in the event of a foreclosure of any mortgage or other security document granted by Lessee concerning all or any part of the leased premises created by this Lease, the foreclosing party following such foreclosure

shall have no greater rights with respect to the leased premises than are granted to Lessee under this Lease and all other operations, if any, conducted by the secured foreclosing party shall be consistent with the terms of this Lease. Any mortgage or security document given by Lessee shall provide that all notices of default given to the City and, in the event Lessee fails to cure such default, the City shall have the right, but not the obligation, to cure such default within the same period granted to Lessee under such mortgage or security document.

C. Violation of Prohibitions Against Transfer. Any attempt to transfer any interest in violation of the provisions of Subparagraphs A or B above, shall be void. In addition, any such transfer shall constitute a default under the provisions of this Lease so as to entitle the City to exercise all remedies available to it upon default hereunder.

20. Covenants of the City. The City agrees that during the term of this Lease and any renewal thereof:

A. Maintenance. The City shall at all times fulfill its obligations to the general aviation public to maintain in good operating condition the runways, ramps and paved areas at the Airport, and shall stripe all runways and taxiways at the Airport.

B. Parking Areas. Lessee and Lessee's officers, agents, employees, customers, and invitees may use such public parking facilities as are provided by the City at the Airport.

C. Quiet Possession. The City covenants that Lessee, upon payment of rent reserved herein and the performance of each of the covenants, agreements and conditions on the part of Lessee to be observed and performed, shall and may, peaceably and quietly have, hold and enjoy the leased premises for the term hereof, 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 this Lease and the following:

(1) The City hereby reserves, for the use and

benefit of the public, a right of flight for the passage of aircraft in the navigable airspace above the surface of the leased premises, as determined by the regulations and technical standards promulgated by the Federal Aviation Administration, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft now or hereafter used for navigation of or flight in air, using said airspace for landing at, taking off from, or operating on the Airport.

(ii) The City reserves the right to take such action as may be reasonably necessary to protect aerial approaches to the Airport against obstruction, including the right to prevent Lessee from erecting or permitting to be erected any improvements on the Airport which would constitute a hazard to aircraft.

(iii) The City reserves, subject to the BLM Patent, from this Lease, all water, gas, oil, hydrocarbon and mineral rights in and under the surface of the leased premises; provided, however, that the City shall not conduct any operations on the surface of the leased premises for the exploration, development or recovery of the rights and substances reserved which would unreasonably interfere with Lessee's use and occupancy of the leased premises.

D. Continuation of Operations. Subject to applicable federal, state, county and municipal statutes, resolutions, ordinances, rules and regulations, the City shall not impose any rule, regulation or standard at the Airport which would not generally apply to all operators and other authorized users or which would unreasonably impede, impare or restrain general aviation usage or operations at such Airport, nor shall any such rules, regulations or standard derogate, contradict or conflict with any provision contained herein without the City first having obtained the express written consent of Lessee.

21. Cancellation and Termination by Lessee. This Lease may be cancelled and terminated by Lessee upon sixty (60) days written notice to the City, if such cancellation and termination

is by reason of the City's permanent abandonment of the Airport or the breach of the City or any of the provisions of this Lease and the failure of the City to (i) commence compliance with such provisions within sixty (60) days after receipt of written notice of such breach from Lessee; or (ii) to pursue diligently after such commencement the faithful performance, keeping or observation of such provisions; then Lessee shall have the right to recover from the City all actual damages sustained by Lessee as a result of such abandonment or breach.

22. Arbitration. The parties must submit all controversies under this Lease to arbitration in Las Cruces, New Mexico, according to the rules and practices of the American Arbitration Association then in force. This submission and agreement to arbitrate shall be specifically enforceable. Arbitration may proceed in the absence of any party if notice of the proceedings has been given to such party. The parties agree to abide by all awards rendered in such proceedings. Such award shall be final and binding on all parties to the extent and in the manner provided by the New Mexico Rules of Civil Procedure. All awards may be filed with the clerk of one or more courts, state or federal, having jurisdiction over the party against whom such an award is rendered or his property as a basis of judgment and of the issuance of execution for its collection. No party shall be considered in default hereunder during the pendency of arbitration proceedings relating to such default.

23. Attorney's Fees and Costs. If, notwithstanding any provisions herein appearing to the contrary, suit is brought by either the City or Lessee to enforce any provision of this Lease, or to recover damages for the breach of any provision in this Lease, the prevailing party shall be entitled to recover from the non-prevailing party in such lawsuit all costs of preparation for and conduct of such lawsuit, including reasonable attorney's fees.

24. Miscellaneous.

A. Governing Law. This Lease shall be deemed to have been made in and shall be construed in accordance with the laws of the State of New Mexico.

B. Paragraph Headings. The paragraph headings contained herein are for convenience in reference only, and are not intended to define or limit the scope of any provision of this Lease.

C. No Personal Liability. No Councillor, officer, or employee of the City nor any officer, agent or employee of the Las Cruces International Airport, or officers and agents of Lessee shall be held personally liable under this Lease or because of its enforcement or attempted enforcement.

D. Entire Agreement. This Lease covers and includes the agreement between the parties and there are no promises, representations, warranties, conditions, terms or obligations other than those contained herein. Lessee has read and understands the whole of this Agreement and now states that no representations, promises or agreements not expressed herein have been made to induce the Lessee to enter into it. This Lease may not be altered, changed, or amended or in any way modified without the express written consent of both parties.

E. Severability. Any covenants, condition or provision herein contained that is held to be invalid by any court or competent jurisdiction shall be considered deleted from this Lease, but such deletion shall in no way affect any other covenant, condition or provision herein contained, so long as such deletion does not materially prejudice the City or Lessee in their respective rights contained in the valid covenants, conditions or provisions of this Lease.

F. Eminent Domain.

(i) In the event that all or substantially all of the leased premises or any material portion of the Airport premises or facilities outside the leased premises which Lessee is entitled to use pursuant to this Agreement shall be

appropriated or taken under the power of eminent domain, or by purchase in lieu thereof, at any time during the lease term so as to substantially interfere with Lessee's operations as an operator, this Agreement may be terminated by Lessee as of the date that title to the property taken vests in such condemning authority. In the event of a condemnation of, or including the leased premises, Lessee shall be entitled to the monetary award attributable to the condemnation or purchase of the Lease. In the event the parties cannot determine whether or not substantial interference has occurred, the parties shall submit the matter to arbitration.

(ii) In all instances of an appropriation or taking of a portion of the leased premises under the power of eminent domain, or purchase in lieu of this Agreement, Lessee shall restore as promptly as practicable and to the extent permitted by application of the proceeds paid by the condemning authority pursuant to any exercise of such power of eminent domain, the remaining portion of the leased premises to a condition which will permit Lessee to substantially carry on its operations as an operator. Any condemnation proceeds not required for the purposes of restoration shall belong to Lessee. In the event Lessee elects not to terminate this Agreement, effective as of the date of such taking, the rental payable hereunder shall be wholly abated during any time Lessee is unable to substantially carry on its operations, and upon restoration and resumption of Lessee's operations as an operator, the rental payable hereunder shall be reduced in the same proportion which that portion of the leased premises so taken bears to the entire area of the leased premises prior to such taking.

(iii) In the event of any taking of the leased premises by a condemning authority, the City agrees to make available to Lessee for similar activities other property in an amount substantially similar to the amount taken (to the extent available) at the Airport. Such property, if desired by Lessee,

will be leased to Lessee pursuant to terms and conditions similar to those contained herein.

G. Utilities: Burden of Installation. Lessee shall obtain and install underground at its own expense any necessary electrical 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. This agreement shall be dated and become effective immediately following the approval by the Las Cruces City Council.

I. Holding Over. No holding over by Lessee after the expiration of this Lease, whether with or without the consent of City, shall operate to extend or renew this Lease, and any such holding over shall be construed as a tenancy from month-to-month at the rental which shall have been payable immediately prior to the commencement of such holding over.

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed as of the date first above written.


 Mayor

ATTEST:


 City Clerk

(SEAL)

APPROVED AS TO FORM:


 City Attorney

LESSOR

[Handwritten Signature]

STATE OF NEW MEXICO)
)
) SS
COUNTY OF DONA ANA)

The foregoing instrument was acknowledged before me this 2nd
day of Nov 1987 by Mayor David M. Stromborn
Mayor of the City of Las Cruces, New Mexico

[Handwritten Signature]
Notary Public

My Commission Expires 2 2 89

LESSEE

[Handwritten Signature]
AIRSPACE INC

STATE OF NEW MEXICO)
)
) SS
COUNTY OF DONA ANA)

The foregoing instrument was acknowledged before me this 2nd
day of Nov 1987 by [Handwritten Name]

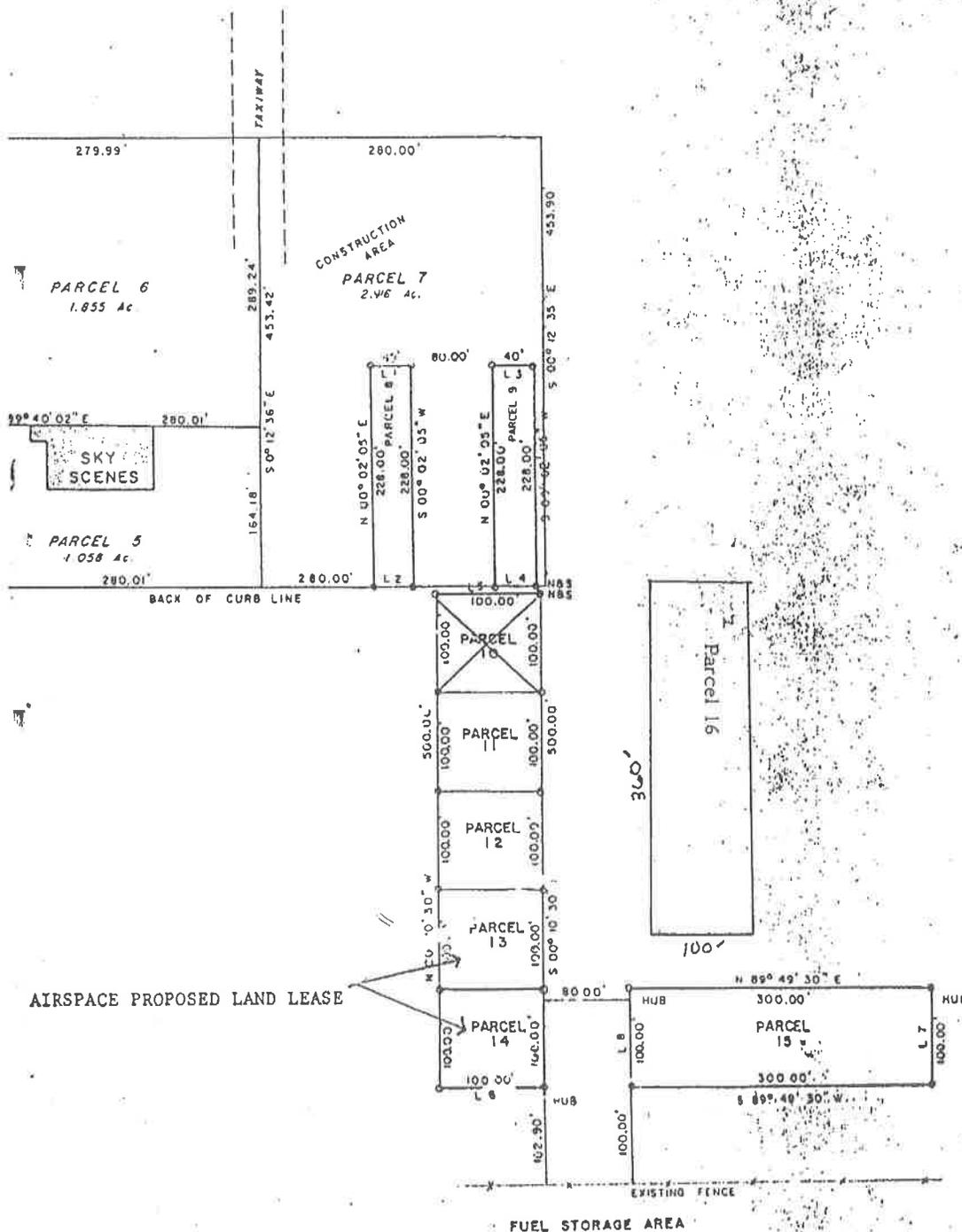
[Handwritten Signature]
Notary Public

My Commission Expires 2 2 89



EXHIBIT "A"

LINE	BEARING	DISTANCE
1	S 89° 57' 55" E	40.00
2	N 89° 57' 55" W	40.00
3	S 89° 57' 55" E	40.00
4	N 89° 57' 55" W	40.00
5	N 89° 49' 30" E	100.00
6	S 89° 49' 30" W	100.00
7	S 00° 10' 50" E	100.00
8	N 00° 10' 50" W	100.00



AIRPORT LEASE PARCEL 13

A parcel of land situate in the northwest quarter of Section 26, T. 23 S., R.1 W., N.M.P.M., Dona Ana County, New Mexico; within the limits of the Las Cruces International Airport west of the City of Las Cruces; more particularly described as follows:

Beginning at the southwest corner of the herein described parcel, marked with a rebar and cap,whence the northwest corner of said Section 26 bears N 46 deg. 50' 45" W 2182.59 feet;

Thence N 00 deg. 08' 52" W 100.00 feet to a rebar and cap;

Thence N 89 deg. 51' 08" E 100.00 feet to a nail and shiner set in asphalt;

Thence S 00 deg. 08' 52" E 100.00 feet to a rebar and cap;

Thence S 89 deg. 51' 08" W 100.00 feet to the beginning corner;

Containing 10,000 square feet more or less.

EXHIBIT "A-1"

AIRPORT LEASE PARCEL 14

A parcel of land situate in the northwest quarter of Section 26, T. 23 S., R.1 W., N.M.P.M., Dona Ana County, New Mexico; within the limits of the Las Cruces International Airport west of the City of Las Cruces; more particularly described as follows:

Beginning at the northwest corner of the herein described parcel, marked with a rebar and cap, whence the northwest corner of said Section 26 bears N 46 deg. 50' 45" W 2182.59 feet;

Thence N 89 deg. 51' 08" E 100.00 feet to a rebar and cap;

Thence S 00 deg. 08' 52" E 100.00 feet to a rebar and cap;

Thence S 89 deg. 51' 08" W 100.00 feet to a rebar and cap;

Thence N 00 deg. 08' 52" W 100.00 feet to the beginning corner;

Containing 10000 square feet more or less.

SXHIBIT "A-1"

EXHIBIT "B"

SCHEDULE OF RENTS AND FEES1. Land.

Lessee agrees to pay City 2.51 cents per square foot annually for Parcels 13, and 14. Payment shall be made every year in advance. This rate shall be adjusted each five (5) year period in accordance with the Consumer Price Index.

2. Delinquency Charge.

A delinquency charge of 1% per month shall be added to payments as outlined in this Exhibit which are rendered more than fifteen (15) days delinquent.

3. Special Provisions.

Lessee is required to pave a 40 foot taxiway if pavement is not in place in front of the leased property. Pavement will be constructed to the specifications of the adjoining existing taxiway.

EXHIBIT "C"

STANDARD CONSTRUCTION SCHEDULE

All Lessees at the Las Cruces International Airport shall be given three (3) months from date of execution of lease to commence construction and an additional six (6) months to complete such construction as further described in Paragraphs #3 and #10.

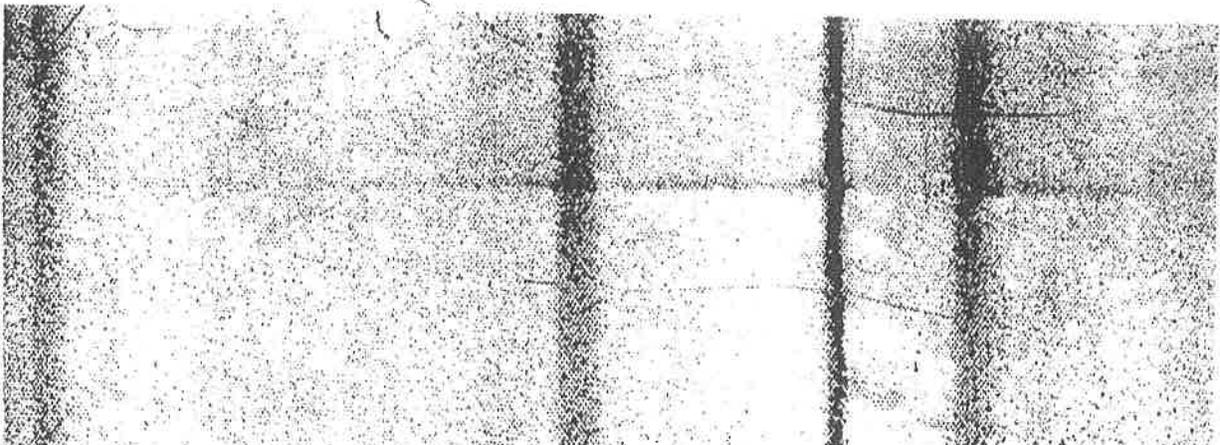


EXHIBIT "D"

MINIMUM INSURANCE REQUIREMENTS

Lessee shall procure and maintain insurance in an amount not less than that required by the New Mexico Tort Claims Act, Sections 41-4-1 et. seq., NMSA 1978, which policy shall contain contractual liability coverage for the indemnification obligations set forth in Section 5(H) of the Agreement. Such policy of insurance shall be maintained in full force and effect during all terms of this agreement. Copies of all policies of insurance shall be delivered to City and shall be held for the benefit of the parties as their respective interests may appear. The amounts of said insurance shall not be deemed a limitation on Lessee's agreement to save and hold City harmless, and if City becomes liable for Lessee's act in an amount in excess of the insurance, Lessee will save and hold City harmless for the whole thereof.

Lessee shall also procure and maintain property insurance covering the hangars. Such insurance shall cover the perils of fire and extended coverage, including vandalism and malicious mischief, shall be on a replacement cost basis, and shall name the City of Las Cruces as an additional insured, as its interests may appear.

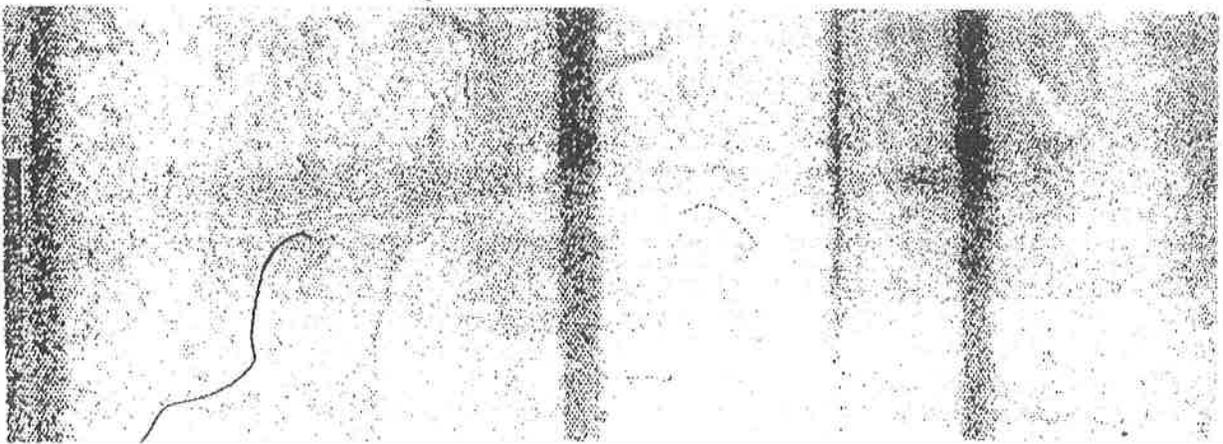


EXHIBIT "E"

A minimum setback distance of 15' from the back of curb line on a street to the structure will be required.

EXHIBIT "A-1"

EXACT LEGAL DESCRIPTION TO BE SUPPLIED

EXHIBIT "B"

SCHEDULE OF RENTS AND FEES1. Land.

Lessee agrees to pay City 2.51 cents per square foot annually for Parcels 13, 14, and 16. Payment shall be made every year in advance. This rate shall be adjusted each five (5) year period in accordance with the Consumer Price Index.

2. Delinquency Charge.

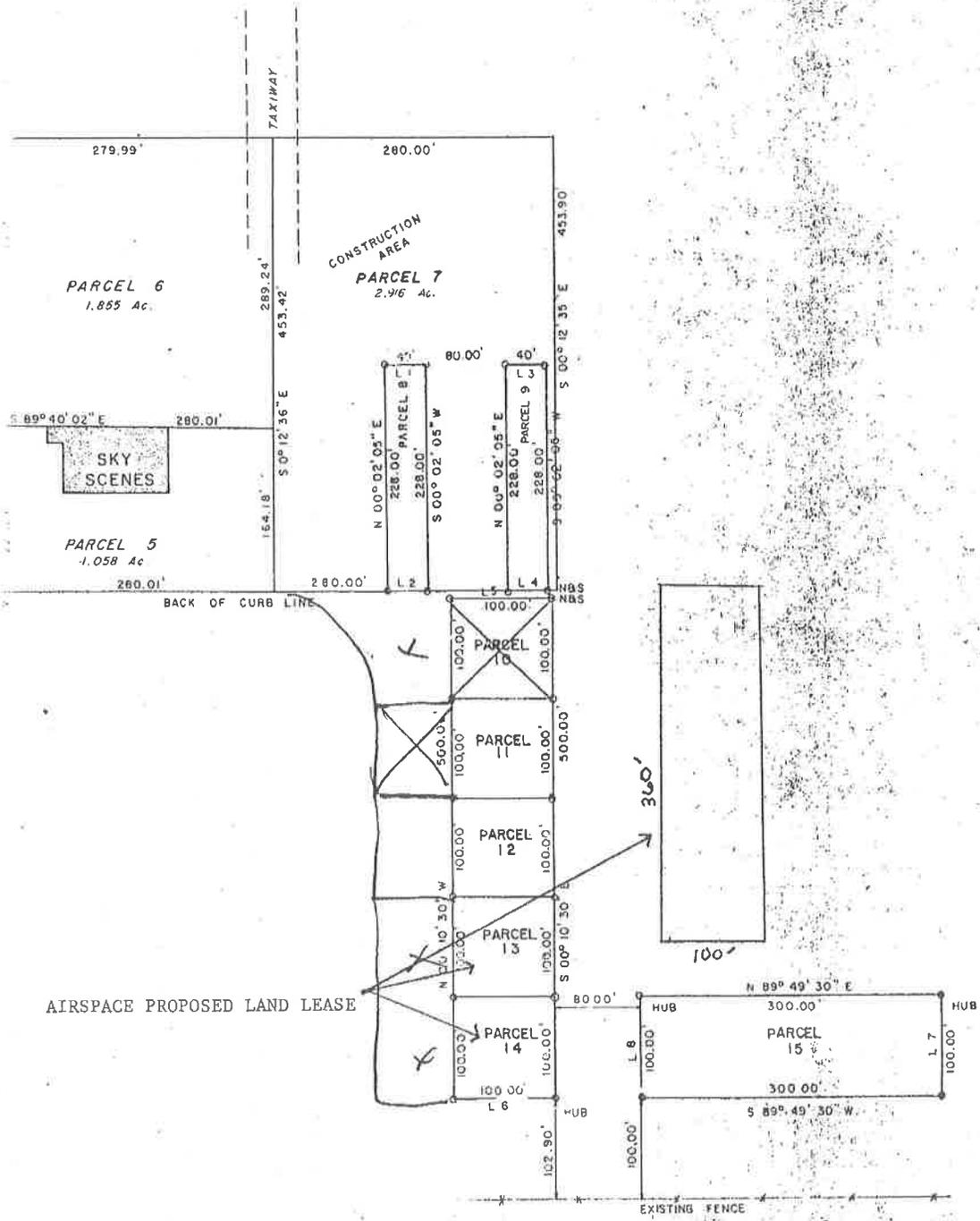
A delinquency charge of 1% per month shall be added to payments as outlined in this Exhibit which are rendered more than fifteen (15) days delinquent.

3. Special Provisions.

Lessee is required to pave a 40 foot taxiway if pavement is not in place in front of the leased property. Pavement will be constructed to the specifications of the adjoining existing taxiway.



LINE	BEARING	DISTANCE
1	S 89° 57' 55" E	40.00
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6	S 89° 49' 30" W	100.00
7	S 00° 10' 30" E	100.00
8	N 00° 10' 30" W	100.00



FUEL STORAGE AREA

**AIRSPACE, INC.**

AIRCRAFT FACILITY SERVICES

P.O. BOX 2215

LAS CRUCES, NEW MEXICO 88004

TEL. (505) 525-8571

October 8, 1987

Mr. Mike Medley, Airport Manager
City of Las Cruces
P. O. Drawer CLC
Las Cruces, New Mexico 88004

Re: Request for Additional Land
Las Cruces International Airport

Dear Mike:

This will serve as written confirmation of our desire to lease Parcels 13, 14, and 16 at the Las Cruces International Airport. Should the lease be granted, we would construct privately owned hangars on these parcels of land.

It is my understanding that the terms and conditions of the lease for these parcels would be identical to the terms and conditions of the Lease dated May 20, 1985, between Airspace, Inc., and the City of Las Cruces.

I would appreciate your submitting a Resolution to the City Council for their consideration. If I can be of further assistance, please feel free to call me.

Sincerely,

Ed Garland

EG/ka

We are formally requesting that parcel 13 at the Las Cruces International Airport be transferred from "Wooten, Lynco" to Amador holding and Leasing Co.

A Quit Claim Deed is attached that was filed with Dona Ana County for your records.

Signed for Wooten Construction Co. *Ken Wooten* Date 3.24.16
Printed Name: Ken Wooten Title V.P.

Signed for Lynco Electric Co. Inc. *Nathan Wilcox* Date 3/24/16
Printed Name: NATHAN WILCOX Title VP.

Notarized by: *Maria M. Wooten* Date: 3/24/16

My Commission expires: December 2018

SEAL: