

City of Las Cruces®

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Council Action and Executive Summary

Item # 8 Ordinance/Resolution# 10-137 Council District: 4

For Meeting of November 16, 2009
(Adoption Date)

TITLE: A RESOLUTION APPROVING A LEASE OF CITY-OWNED LAND AT THE LAS CRUCES INTERNATIONAL AIRPORT TO ITT CORPORATION FOR A TERM OF SIXTEEN YEARS PLUS FOUR ONE-YEAR EXTENSIONS.

PURPOSE(S) OF ACTION: To lease airport land to ITT Corporation for the installation of a Surveillance and Broadcast Services (SBS) tower site.

Name of Drafter: Lisa Murphy/MA Airport Administrator		Department: Facilities/Airport		Phone: 541-2471	
Department	Signature	Phone	Department	Signature	Phone
Facilities		541-2471	Budget		2300
			Assistant City Manager		2271
Legal		228	City Manager		2079

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

This Resolution authorizes the City to enter into a sixteen-year lease agreement with the ITT Corporation for a 25 x 25 foot parcel of land on airport property. The ITT Corporation has been contracted by the Federal Aviation Administration to install Surveillance and Broadcast Services (SBS) ground radio sites at airports nationwide. These SBS sites will be a crucial component of needed upgrades to the nation's air traffic control system and will be located at over 800 sites across the country.

The requested lease term is for sixteen years, expiring in 2025, as that is the date ITT's contract with the FAA ends. However, ITT has requested an option for four additional one-year extensions to allow access for maintenance of the site should FAA request ITT's contract services for additional time.

FAA, through ITT, is requesting long-term, no-cost leases from participating airports to ensure long-term site access. ITT will cover planning, design, permitting, construction, commissioning, and life-cycle maintenance of the site. All the airport is asked to do is provide the tower site and provide minor clean-up (weeds, debris) around the exterior of the site, which will be fenced. In return, the airport will get the benefit of the Surveillance Broadcast information, which includes air-to-air surveillance capability, surveillance in areas that don't currently have coverage, and real-time traffic and aeronautical information. These services will greatly enhance the safety of the flying public and thus provide a crucial public benefit.

(Continue on additional sheets as required)

The proposed location is near the intersection of Gasoline Alley and Harry Burrell Boulevard, adjacent to the electrical vault. This site was chosen as it will not require ITT personnel to have access inside the secure, fenced areas of the airport, and it will not have impacts on airport flight paths or approach surfaces. The Lessee will have to submit Form 7460-1, Notice of Proposed Construction or Alteration, to FAA prior to installation of the SBS site, to ensure there are no negative impacts to airspace.

The Airport Advisory Board recommended approval of this application at their October 8, 2009 meeting. Additionally, the New Mexico State University Physical Science Laboratory (PSL) Unmanned Aerial System program personnel are very supportive of the SBS site as it provides important technological benefits to their flight operations. A letter of support from Steve Hottman of PSL is attached.

SUPPORT INFORMATION:

1. Resolution
2. Lease Application
3. Land Lease
4. Parcel location map
5. SBS User Benefit Expansion Initiative General Information
6. Letter of support from Steve Hottman of NMSU Physical Science Laboratory

Fund Name / Account Number	Amount of Expenditure	Budget Amount
N/A	NO EXPENDITURE	N/A

OPTIONS / ALTERNATIVES:

1. Vote "Yes" and approve the Resolution. This would allow ITT Corporation to lease a 25 x 25 foot parcel of land for a term of sixteen years with four one-year extensions at no charge for the installation of a Surveillance and Broadcast Services radio site at the Las Cruces International Airport.
2. Vote "No" and do not approve the Resolution, thus not approving ITT's lease. This would result in the Surveillance and Broadcast Services site being located somewhere other than the airport and would prevent the airport and its users from gaining the benefits of having the SBS information available on site.
3. Vote to amend the Resolution. This may include approving the lease with terms other than those presented.
4. Postpone consideration of the Lease and direct staff to negotiate other terms.

(Continue on additional sheets as required)

RESOLUTION NO. 10-137**A RESOLUTION APPROVING A LEASE OF CITY-OWNED LAND AT THE LAS CRUCES INTERNATIONAL AIRPORT TO ITT CORPORATION FOR A TERM OF SIXTEEN YEARS PLUS FOUR ONE-YEAR EXTENSIONS.**

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, ITT Corporation, contractor for the Federal Aviation Administration, has requested to execute a lease agreement with the City of Las Cruces to place a Surveillance and Broadcast Services radio site on a 25 x 25 foot parcel of airport land to allow for needed enhancements in the nation's air traffic control system; and

WHEREAS, ITT 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 Section 7.5; and

WHEREAS, ITT has asked for a no-cost lease in exchange for airport access to the information provided by the Surveillance and Broadcast Services site; and

WHEREAS, the Airport Advisory Board recommended approval of the lease at their October 8, 2009 Meeting; and

WHEREAS, FAA grant assurances allow the leasing of airport land at no cost if the land is to be used for an important public safety benefit; 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:

Resolution No. 10-137

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(I)

THAT the City of Las Cruces hereby approves the lease of a 25 x 25 foot parcel at the Las Cruces International Airport for the terms and conditions contained in the Las Cruces International Airport Land Lease, ITT Corporation, Lessee, attached hereto and made part of this Resolution.

(II)

THAT the Mayor is authorized to execute the Lease on behalf of the City.

(III)

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

DONE AND APPROVED this _____ day of _____, 2009.

APPROVED:

Mayor

ATTEST:

City Clerk

VOTE:

Mayor Miyagishima: _____
Councillor Silva: _____
Councillor Connor: _____
Councillor Pedroza: _____
Councillor Small: _____
Councillor Sorg: _____
Councillor Thomas: _____

Moved by: _____

Seconded by: _____

APPROVED TO FORM:

City Attorney

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: ITT Corporation Phone: (703) 668 6000
 Address: 12975 Woodgate Drive Fax: (703) 668 6551
Herndon, VA 20170 E-mail: jennifer.Bancsik@ITT.com

If applying as a business or other legal entity: Business Name: ITT Corporation
 President/CEO: _____ d.b.a. _____

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

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

JB
(Applicant's 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	<u>1,000,000</u>
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.

(Date of Application)

(Printed or typed Name of Applicant)

(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.


(Applicant's Initials)

LAS CRUCES INTERNATIONAL AIRPORT LEASE APPLICATION

4. Aircraft to be based on the Leasehold (if any): none

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: none

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

25 X 25 parcel of land for the ADS-B SBS surveillance tower and equipment

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:

The equipment within the SBS compound typically consists of the tower, radio equipment cabinet, emergency power generator, utilities H-Frame and an ice bridge to protect the cables between the tower and the cabinet

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


(Applicant's Initials)

Land Lease**City of Las Cruces, New Mexico, International Airport.****ITT CORPORATION, ADVANCED ENGINEERING & SCIENCES DIVISION, 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, ITT Corporation, Advanced Engineering & Sciences Division ("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 purpose of this Agreement is to support Lessee's efforts under its Prime Contract No. DTFAWA-07-C-00067, including all amendments and modifications thereto, with the Federal Aviation Administration (FAA); 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 625 square foot (25 foot by 25 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, 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 twenty years (hereinafter "Lease Term") commencing on the "Commencement Date," as hereinafter defined, and terminating on the sixteenth (16th) anniversary of the Commencement Date. The Commencement Date shall be the 1st day of November, 2009, and the sixteenth anniversary date shall be the 31st day of October, 2025. 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 right to enter into four additional one-year terms. Should the Lessee elect to not enter into a new agreement, the provisions of paragraph 5.f.(2) shall apply.

3. Fees and Charges. Lessee shall pay the Lessor as rent the following as described in paragraph 5.d.(7). If any of the services change or are amended, Lessee shall so notify Lessor in writing.

4. 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 30 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

Land Lease

**City of Las Cruces, New Mexico, International Airport
ITT CORPORATION, ADVANCED ENGINEERING & SCIENCES DIVISION, LESSEE**

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.

5. **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 installation of a Surveillance Broadcast Services radio site and associated equipment and security fencing as well as for the construction, maintenance and operation of said Surveillance Broadcast Services station in connection with these uses, 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.

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) **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.

(3) **Septic Systems.** Lessee shall be allowed to use and maintain an easement on common City Property adjacent to the building to construct an individual on-site septic system, if necessary and as required to meet New Mexico Environment Department Regulations. The location and dimensions of this easement and constructed improvement shall be shown on the site plan submittal. In the event that the City provides a waste water disposal service to the Airport at such time in the future, Lessee shall be required to cease use of the individual on-site septic system and hook up to the City waste water system for sewage disposal, in accordance with the Las Cruces Municipal Code.

(4) **Time Restrictions.** Installation of a Surveillance Broadcast Services radio site must be completed on or before the second anniversary date of the Commencement Date of the Lease, that date being November 1, 2011.

(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.

(6) **Additional Conditions.** The Lessee agrees to access the property only via Gasoline Alley and at no times to enter the active airfield portion of the airport or any of the inner perimeter roadways. The Lessee further agrees

Land Lease**City of Las Cruces, New Mexico, International Airport
ITT CORPORATION, ADVANCED ENGINEERING & SCIENCES DIVISION, LESSEE**

to provide security in the form of fencing or other effective method for the improvements installed on the property. The Lessee also agrees to allow the City of Las Cruces access to the Surveillance Broadcast Service data provided by the radio site.

(7) ADS-B Surveillance Data Subscription Services. It is the intent of Lessee to provide a subscription service to aviation organizations that would include ADS-B surveillance data for independent and collateral use. The details of these services are in the early stages of development and will require the approval of the Federal Aviation Administration (FAA) should the City wish to obtain subscription. At the City's request, this subscription service will be provided to the City at no cost throughout the full period of this lease, including any renewal periods. The data will likely be provided through a protected website connection. Lessee will provide, as part of any FAA-approved subscription service, access to the authorized data through this website and proper instructions for its use. Lessee would also provide any ADS-B specific software at no cost, as required to access the data from a personal computer.

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 slightly manner, in accordance with all applicable codes and regulations. Lessee shall also maintain the cleanliness of all paved areas on the Parcel, and shall be responsible for mowing all grass, watering lawns, controlling weeds, and maintaining shrubs and trees on the Parcel. Weed and debris removal around the perimeter of the Parcel shall be the responsibility of the City.

(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, 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 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.

Land Lease**City of Las Cruces, New Mexico, International Airport****ITT CORPORATION, ADVANCED ENGINEERING & SCIENCES DIVISION, LESSEE**

(2) **At Expiration or Termination of Lease.** At the expiration or termination of this Lease, any or all buildings and other permanent improvements to the Parcel will be removed by the Lessee, excluding foundations, subsurface ducting and cables and grounding systems. Should the City elect for the Lessee to remove any or all improvements, the Lessee shall do so within forty-five (45) days. 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, except for wastewater collection and treatment service, 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 septic tank, 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 Parcel, conducted in accordance with the laws, codes and regulations in effect at that time. The costs of remediation directly resulting from Lessee operations at the Parcel, 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 Parcel, Lessee will remove all signs installed thereon.. 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.

6. 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 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.

7. 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

Land Lease**City of Las Cruces, New Mexico, International Airport****ITT CORPORATION, ADVANCED ENGINEERING & SCIENCES DIVISION, LESSEE**

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.

8. 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 thirty (30) 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. The City agrees not to use, release, or dispose of Lessee's radio equipment, which operates at FAA-controlled frequencies, in any manner that would subsequently allow its unauthorized use by any party.

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.

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

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 improvements will be determined by an independent appraisal at Fair Market Value. The Lessee will have the option of receiving the monetary FMV of the improvements or having similar improvements constructed at another site and entering into a new lease agreement at the then current land lease rate.

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

Land Lease**City of Las Cruces, New Mexico, International Airport
ITT CORPORATION, ADVANCED ENGINEERING & SCIENCES DIVISION, LESSEE**

11. 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.

12. 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.

13. 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.

14. 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.

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

16. Airport Access. Subject to the rules and regulations established by the City, the Lessee has the right of access to the parcel only Gasoline Alley. 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.

17. City's Right to Enter. The City, its officers, agents and representatives, subject to any security regulations imposed by any governmental authority, 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.

18. 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.

Land Lease

City of Las Cruces, New Mexico, International Airport

ITT CORPORATION, ADVANCED ENGINEERING & SCIENCES DIVISION, LESSEE

19. 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.

20. 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.

21. 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, five days after being 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	ITT Corporation Advanced Engineering & Sciences 12975 Worldgate Drive Herndon, VA 20170
---	---

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

A. EXHIBIT "A": LEGAL DESCRIPTION OF PARCEL.

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

ITT Corporation, Advanced Engineering & Sciences
Division, LESSEE

Ken Miyagishima, Mayor

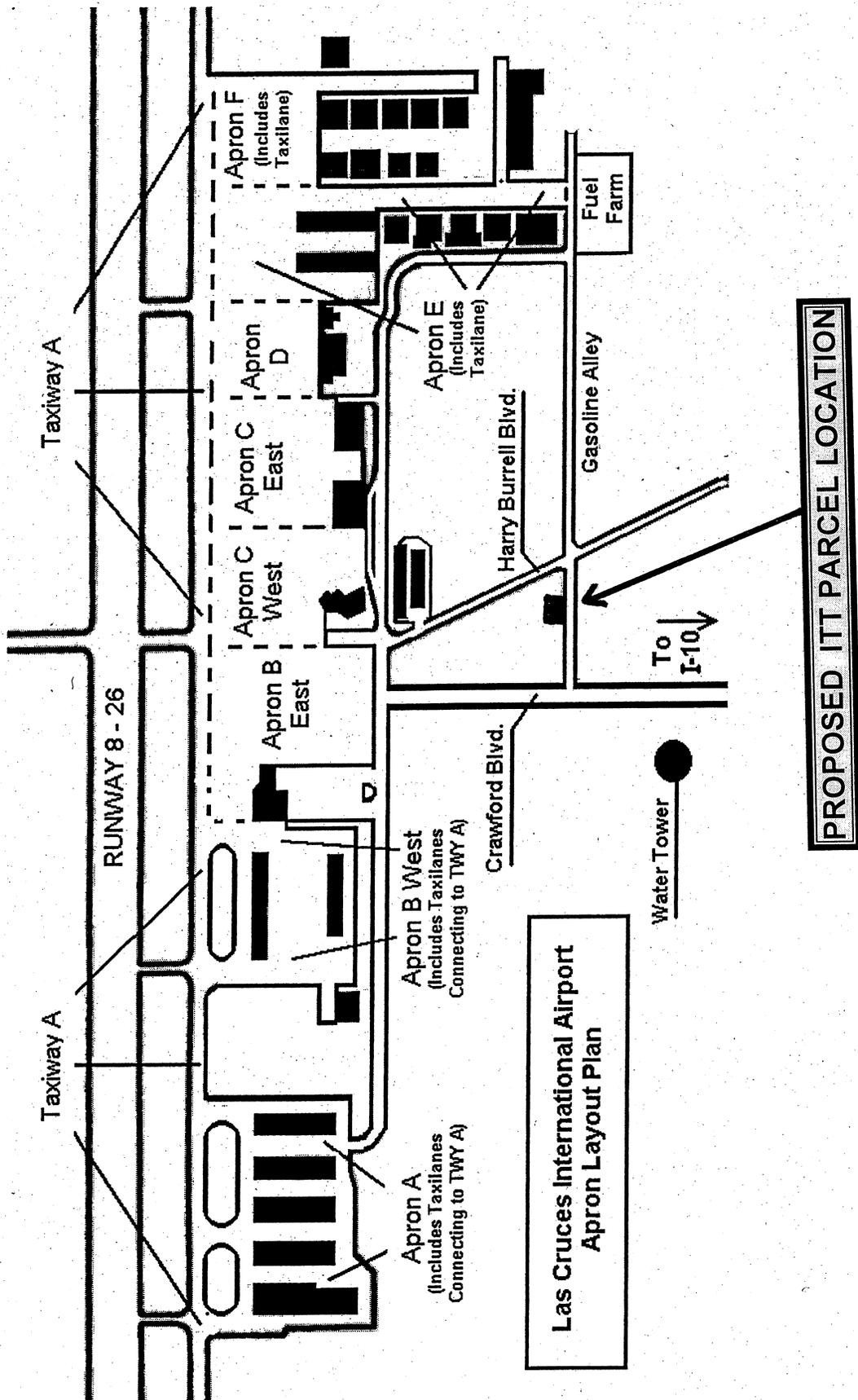
Frank Pallante, Vice President, Director of Contracts & Purchasing

(Signature) (Date)

(Signature) (Date)

CITY CLERK
(SEAL)

LAS CRUCES INTERNATIONAL AIRPORT
PAVEMENT MAINTENANCE PLAN
APRON LAYOUT REFERENCE SHEET



Las Cruces International Airport
Apron Layout Plan

PROPOSED ITT PARCEL LOCATION

Water Tower

To I-10

Crawford Blvd.

Harry Burrell Blvd.

Gasoline Alley

Fuel Farm

Apron A
(Includes Taxilanes
Connecting to TWY A)

Apron B West
(Includes Taxilanes
Connecting to TWY A)

Apron B East

Apron C West

Apron C East

Apron D

Apron E
(Includes Taxilanes)

Apron F
(Includes Taxilanes)

Taxiway A

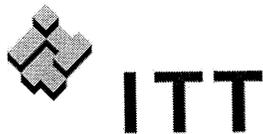
Taxiway A

RUNWAY 8 - 26

Surveillance and Broadcast Services (SBS)

USER BENEFIT EXPANSION INITIATIVE GENERAL INFORMATION

Revision: January 2009



Engineered for life

ITT CORPORATION
12975 WORLDGATE DRIVE
HERNDON, VIRGINIA 20170-6008

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Surveillance and Broadcast Services	<i>User Benefit Expansion Initiative – General Information</i>
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Surveillance and Broadcast Services	<i>User Benefit Expansion Initiative – General Information</i>
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1. PROJECT INFORMATION

The Surveillance and Broadcast Services (SBS) program represents the Federal Aviation Administration's first major step in the next generation of air traffic control. The elements of the program include:

- Automatic Dependent Surveillance – Broadcast (ADS-B) and Rebroadcast (ADS-R)
- Traffic Information Service – Broadcast (TIS-B)
- Flight Information Service – Broadcast (FIS-B)

A brochure briefly defining these services, as published by the FAA, is included at Section 5. A functional overview of the SBS concept is included at Section 6.

The SBS program was awarded to ITT Corporation on August 30, 2007 and the services will be rolled out across the NAS began in 2008 and will complete in 2013. The program is currently scheduled to cover all US en route airspace, 236 major terminal airspaces, and 35 major airport surfaces. This involves approximately eight-hundred SBS ground radio stations deployed across the country, which are connected to regional SBS control stations and a national network operations center. The regional SBS control stations will directly provide air surveillance data to over 270 FAA control facilities and indirectly provide the data to those ATC facilities, such as many control towers, that receive air surveillance data from another FAA control facility.

It is the mutual goal of ITT and the FAA to focus the capability deployment on maximizing user benefits. Greater benefits will accelerate voluntary aircraft equipage and thus accelerate the overall ATC efficiencies and air safety resulting from the SBS capabilities. This is the basis of the initiative described herein.

Although all high altitude en route airspace, the major terminals, and some major airport surfaces will be provided SBS coverage under the current FAA contract, future coverage at other airports and airport traffic areas will likely be dependent upon the availability of some type of alternative funding. The benefits of the capability certainly outweigh the cost but the procurement and life-cycle support of the capability represents a relatively substantial local investment competing with the multitude of other local projects seeking funding.

Studies related to expanding SBS user benefits have shown that many regional and local airports across the NAS could be candidate locations for currently planned SBS radio stations with only minor modifications to the overall SBS deployment architecture. This means that SBS radio stations supporting coverage for currently-funded major terminals and high altitude en route airspace could be physically located on these smaller airports and thus provide full SBS capabilities to the airport at no additional cost to the FAA or local airports. This opportunity exists for only a small percentage of local airports since the primary goal is to provide coverage to the major airspaces. But, where a coverage model demonstrates that both the major airspace coverage and local airport coverage can be simultaneously achieved, an opportunity for the local airport and their communities exists. This approach to providing coverage at the smaller airports improves safety, increases airport capabilities, expands user benefits, and encourages voluntary aircraft equipage without increasing system costs. It also provides the most accurate possible aircraft identification and positional data for use in future traffic flow monitoring,

Surveillance and Broadcast Services	<i>User Benefit Expansion Initiative – General Information</i>
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noise abatement and monitoring, flight tracking by air carriers, etc. The SBS radio station establishes the core air surveillance capability, which is paramount to safety and the key ingredient to future airport services expansion.

Within the confines of ever present budget limitations, the positioning of radio stations on candidate local airports becomes a critical initiative to achieve the FAA's mandate to accelerate and expand the user benefits of the SBS system. The execution of this initiative is time-critical since the potential for no-cost coverage at the candidate local airports only exists during the deployment of the base capability in the region. Once the major airspace is covered by locating radio stations elsewhere, the opportunity is behind us and local airport coverage would require an additional radio station to be funded, installed, and maintained. ITT Corporation is committed to the FAA's vision of expanding the capability benefits within the current budget and is pursuing each of these opportunities with the local airport authorities as the opportunities materialize.

ITT works with the airport authority to target real estate that has minimal future commercial value to the airport. A radio site actually requires approximately the same square footage as required for a Cessna 172 tie-down space but, unlike a tie-down, we don't need runway access or improved ground and we can be on a roof-top. Locating a patch of land for the site without impacting the airport's long-term growth plans is not typically difficult to achieve. ITT works with the airport authority to determine the best solution for that airport.

The cost to build the site is also a factor in radio site selection. Some sites can become prohibitively expensive for a multitude of reasons such as access, area drainage issues, rock demolition requirements, environmental issues, etc. These sites are typically avoided. Another key cost driver is often the availability of commercial power and telecommunications to the site. Trenching-in utilities over substantial distances can be cost prohibitive.

Once a site is agreed, ITT Corporation would enter into a long-term, no-cost lease with the airport for the aeronautical equipment site. This is FAA-contracted aeronautical equipment and does not pose any issues on properties where land usage requires FAA approval. A draft lease is included in Section 7. The draft lease, which is used at most sites, was based upon a land lease between one of the original airports and the FAA for a VOR site. The form and format of the lease can be based upon the desires of the airport management and local Governmental authority. We understand that using a form and format currently used by the airport can sometimes streamline the airport's administrative process. The core parameters of the lease are simply a safe, long-term home for the capability with the airport authority providing the real estate for use and ITT providing the infrastructure build and life-cycle equipment support.

ITT Corporation will be responsible for the planning, design, building permits, construction, commissioning, and life-cycle maintenance of the site. The airport authority will assist where beneficial in acquiring the required local permits, FAA approvals, and facilitating or streamlining the local process to the extent possible. The assistance of airport management and airport facilities personnel has proven invaluable in cost effectively executing this initiative. ITT Corporation will provide any data required in completing any related documentation that must be submitted directly by the airport authority to any agency, such as data for the Form 7460.

Surveillance and Broadcast Services	<i>User Benefit Expansion Initiative – General Information</i>
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ITT Corporation will provide all required electrical power and telecommunication services to the site and will perform all site maintenance through the life of the site. We typically request the airport's assistance in regard to:

- 1) Maintenance of any landscaping (shrubberies, etc), if any, external to the site that may be installed during construction at the request of the airport or local government since it is challenging to manage this remotely. This is typically done simply as part of any airport maintenance activities associated with the surrounding area.
- 2) Notifying ITT of any recognized damage or jeopardy to the site (damaged fence, excessive ground erosion due to storm, damage from wildlife, etc.) since the site is unmanned and will typically be visited on only a quarterly basis. This is typically just reported as a matter of due course if an airport employee notices something that might require ITT's attention.
- 3) General FOD clean-up at the site (newspapers blown into and trapped in or around the site, etc). This is also typically done simply as part of any airport maintenance activities associated with the surrounding area.
- 4) Notifying ITT if the obstruction lighting is noticed to be inoperative, although the lighting is redundant and is also remotely monitored by ITT.

2. SCHEDULE

It is important that the airport build-out in support of this initiative does not adversely affect the rollout of the core service volume that the airport site is supporting. The timely approval by the airport authority to proceed and identification of the specific site location are critical in order to support the site build-out process. The site can actually be made operational within two or three weeks of breaking ground, but it takes months of process to get to the point of breaking ground. The approval of the airport to proceed and the identification of the site location and height allow ITT to begin the key processes. Typically, the processes that require the most cycle time are the NEPA (National Environmental Policy Act) compliance process and the FAA Form 7460 approval process. The prior can take many months and the latter can vary greatly by FAA jurisdiction.

3. SBS SITE DESCRIPTION

Figure 3-1 shows a completed site in southeast Florida. The tower is 80 feet high, which is currently the highest airport site tower. While higher is almost always better for coverage purposes, the tower height is based upon the tower location and FAA regulations for airport obstructions. All airport tower builds must be approved by the FAA Airport District Office through the Form 7460 process. The tower heights currently range from 50 feet to 80 feet depending on the tower's position in relationship to the runways and associated airspace.

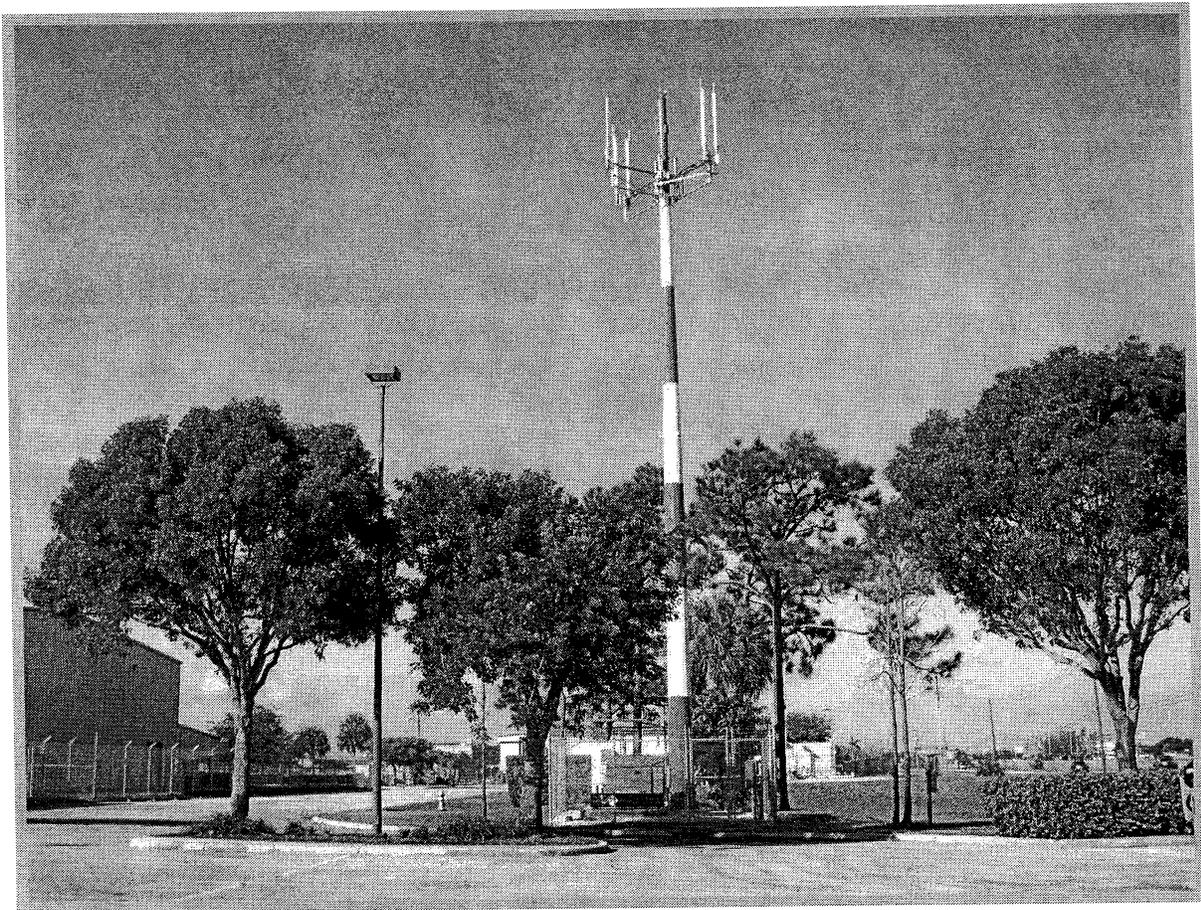


Figure 3-1. SBS Airport Site Completed – Southeast Florida
80-Foot Tower (higher than typical)

Figure 3-2 shows a completed site in west-central Florida. This tower is also on airport property but just outside the perimeter fence. The equipment within an SBS site compound typically consists of the tower, radio equipment cabinet, emergency power generator, utilities H-frame, and an ice bridge to protect the antenna cables between the tower and the cabinet. This site has a black fence because the airport management requested a black fence to match the airport perimeter fence. The goal is to fit into the environment and not detract from it.

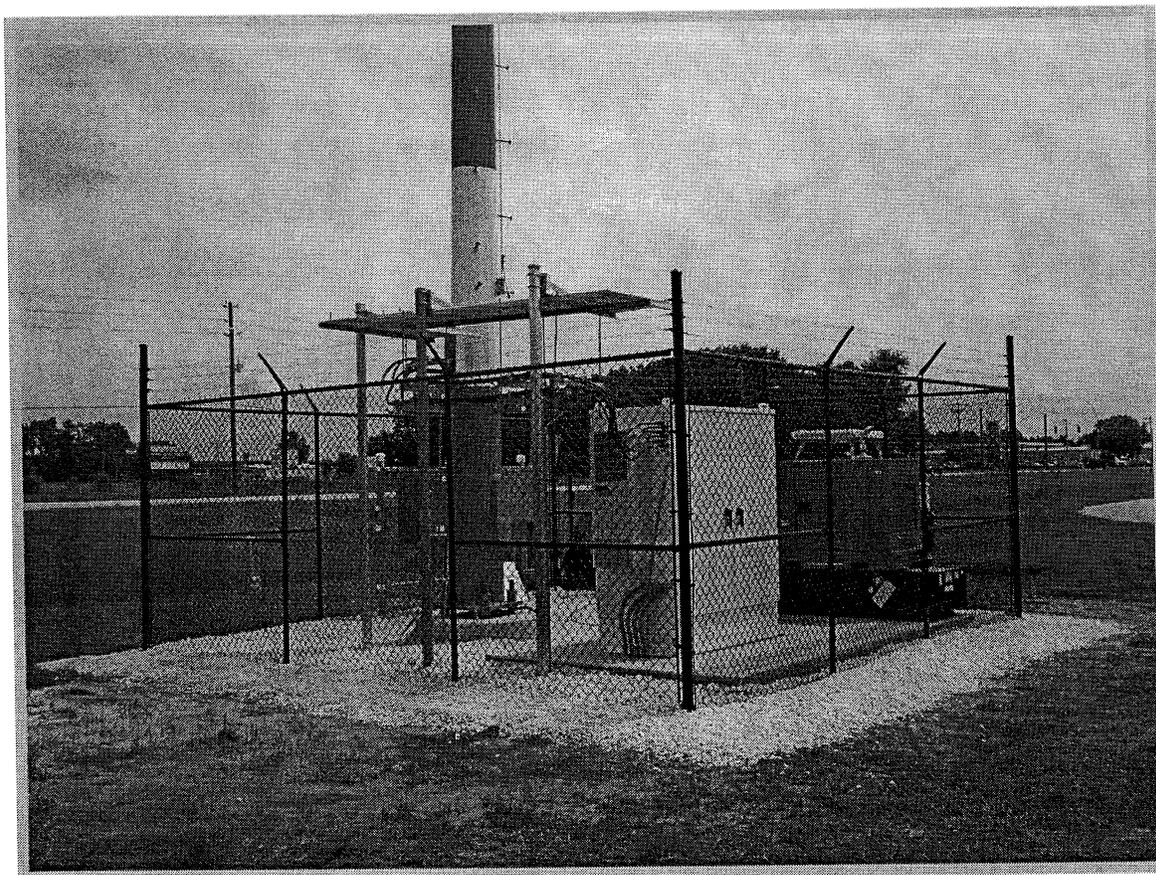


Figure 3-2. SBS Airport Site Completed – West-Central Florida
50-Foot Tower – Close-up on Compound

Surveillance and Broadcast Services	<i>User Benefit Expansion Initiative – General Information</i>
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Figure 3-3 shows a site in south-central Florida with a temporary tower. This tower is on airport property inside the airport perimeter. Temporary towers are typically used only when substantial delay times are associated with the building permits or with the environmental approval process in sensitive areas. The site shown in the figure is located at an airport in the middle of the Florida Everglades, which requires specific attention to environmental issues. Temporary towers are rarely required but, if required, are only used for a short duration before being replaced with a site similar to those depicted in Figures 3-1 and 3-2. The selective use of the temporary tower solution is indicative of the concept that time is of the essence in this capability deployment. The FAA and ITT have established an aggressive rollout schedule in order to get the benefits to the users in the shortest time possible. The public's natural skepticism of government schedules is a risk to user voluntary equipage and the FAA and ITT are committed to ensure that the schedule is achieved.

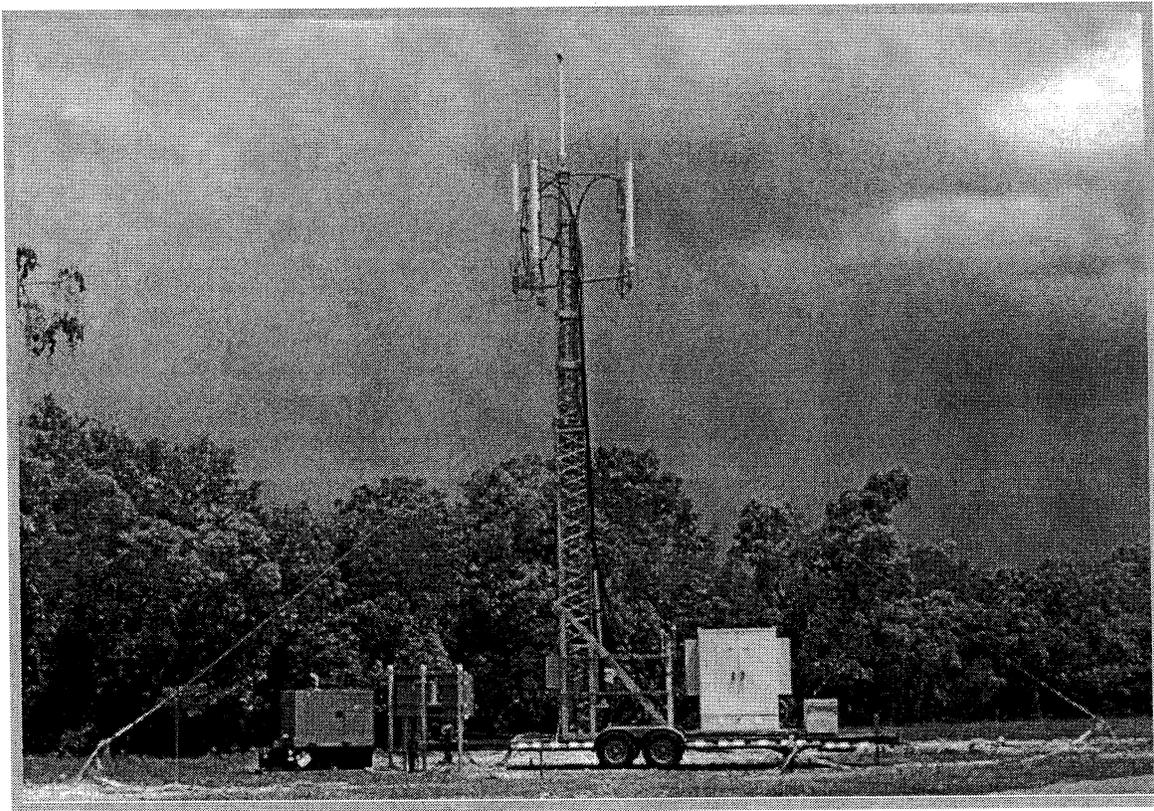


Figure 3-3. SBS Airport Site – South-Central Florida
50-Foot Temporary Tower

Surveillance and Broadcast Services	<i>User Benefit Expansion Initiative – General Information</i>
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4. FAA SBS CONTRACT OVERVIEW

The SBS contract was awarded to ITT Corporation on August 30, 2007. The contract term extends through fiscal year 2025 with a current defined value of approximately \$1.8 billion. The contract scope includes the SBS system design, deployment, and subscription services support across the United States, including Alaska and Hawaii, and territories of Puerto Rico, Guam, and the US Virgin Islands.

The airspace is divided into 311 defined service volumes, including 40 en route sectors, 236 terminal areas, and 35 airport surfaces. The SBS coverage for these service volumes will require approximately eight-hundred (800) radio station sites, several regional data centers, a primary and back-up network operations center, the import of radar data from approximately four-hundred and twenty (420) existing FAA radar systems, and dissemination of ADS-B data to approximately two-hundred and seventy (270) air traffic control facilities.

The program is divided into two segments, which are identified as segments 1 and 2. The contract line item for segment 1 was exercised at contract award and includes approximately 40% of the infrastructure deployment. Segment 2 service volumes, which complete the national roll-out, will be ordered at the time and in the order determined by the FAA with service volume orders expected to commence in January 2009. The roll-out of the segment 1 infrastructure is scheduled for completion by September 2010 and the segment 2 infrastructure roll-out is scheduled for completion by September 2012. The transition of all air traffic control facilities in the country begins in late 2009 and is scheduled for completion by September 2013.

The program duration is divided into three discrete time phases for federal funding reasons. The 1st phase extends from initial deployment of the service volume through September 2016, the 2nd phase extends through September 2021, and the 3rd phase extends through September 2025.

<p>Surveillance and Broadcast Services</p>	<p><i>User Benefit Expansion Initiative – General Information</i></p>
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5. FAA SBS BROCHURE

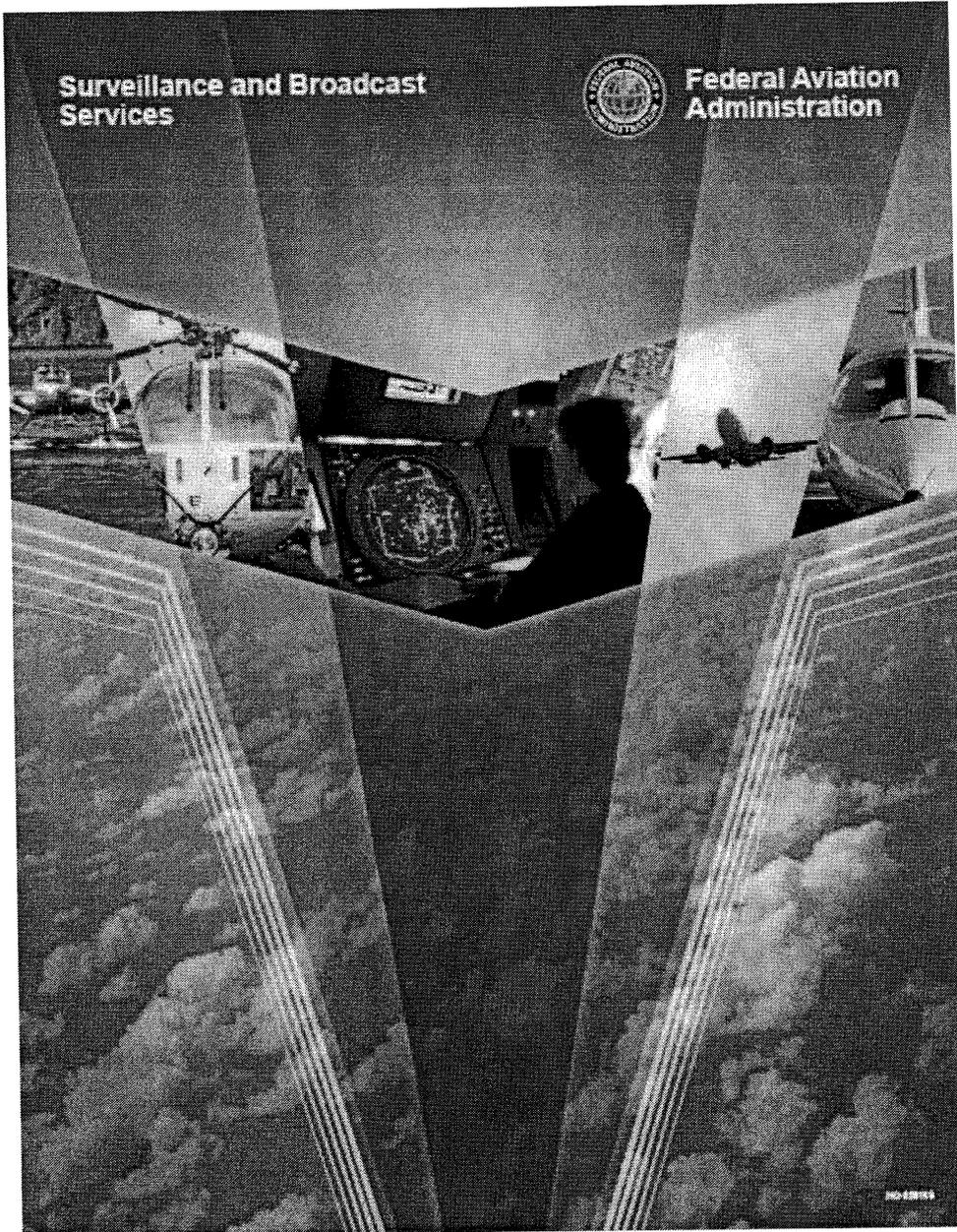


Figure 5-1. FAA Brochure, page 1 of 2

Surveillance and Broadcast Services

Traffic Information Service - Broadcast (TIS-B)
 TIS-B broadcasts surveillance data to equipment in the aircraft and provides ADS-B equipped aircraft with position reports from secondary surveillance sources for non-ADS-B equipped aircraft.

Flight Information Service - Broadcast (FIS-B)
 FIS-B Transmits graphical National Weather Service products, Temporary Flight Restrictions (TFR) and special use airspace information.

Automatic Dependent Surveillance - Broadcast (ADS-B)

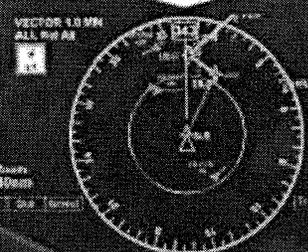
<p>Automatic - Periodically transmits information with no pilot or operator input required</p> <p>Dependent - Position and velocity vector are derived from the Global Positioning System (GPS) or a Flight Management System (FMS)</p>	<p>Surveillance - A method of determining position of aircraft, vehicles, or other asset</p> <p>Broadcast - Transmitted information available to anyone with the appropriate receiving equipment</p>
---	--

The ADS-B system is a crucial component of the Next Generation Air Transportation System (NGATS). It provides surveillance and situational awareness simultaneously to pilots and air traffic control facilities. ADS-B is designed to improve the safety, capacity and efficiency of the National Airspace System while providing a flexible expandable platform to accommodate future air traffic growth. ADS-B provides improved situational awareness with the following information in the cockpit:

<ul style="list-style-type: none"> • Heading • Altitude • Speed 	<ul style="list-style-type: none"> • Aircraft category • Call sign • Distance
--	--



FIS-B display



ADS-B display

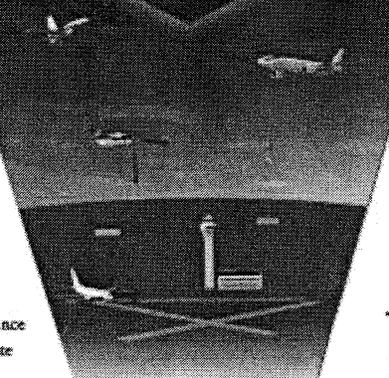


TIS-B display

Capacity and Efficiency

Airspace can be better utilized by providing the capability for both reduced separation as well as greater predictability in departure and arrival times. Benefits include:

- Radar-like separation procedures in remote or non-radar areas, possibly decreasing travel time
- Support for common separation standards (horizontal and vertical) in all classes of airspace
- Improved ability to manage traffic and aircraft fleets
- Improved air traffic controller ability to plan arrivals and departures for aircraft far in advance
- Infrastructure necessary to operate the National Airspace System at reduced cost



Benefits and Safety

ADS-B/TIS-B/FIS-B services provide several new or greatly improved operational capabilities. Service providers will use the new surveillance capability to enable enhanced Air Traffic Control (ATC) services. Users employ the surveillance and broadcast services capability to support flight operations. These services help to prevent accidents by providing increased situational awareness to air traffic controllers and pilots by providing:

- Air-to-air surveillance capability
- Surveillance to areas that do not currently have surveillance coverage
- Real-time, in-the-cockpit, traffic and aeronautical information (i.e. weather, Temporary Flight Restrictions (TFRs), and special use airspace information)

For further information, contact: Amy Durik 202-385-8394 Amy.CTR.Durik@faa.gov www.adsb.gov

Figure 5-2. FAA Brochure, page 2 of 2

6. SBS FUNCTIONAL OVERVIEW

The starting point for the SBS is the aircraft deriving its position, altitude, speed, and direction through an onboard source. This is typically the global positioning system (GPS) but could be an onboard flight management system (FMS) deriving its flight data through other means.

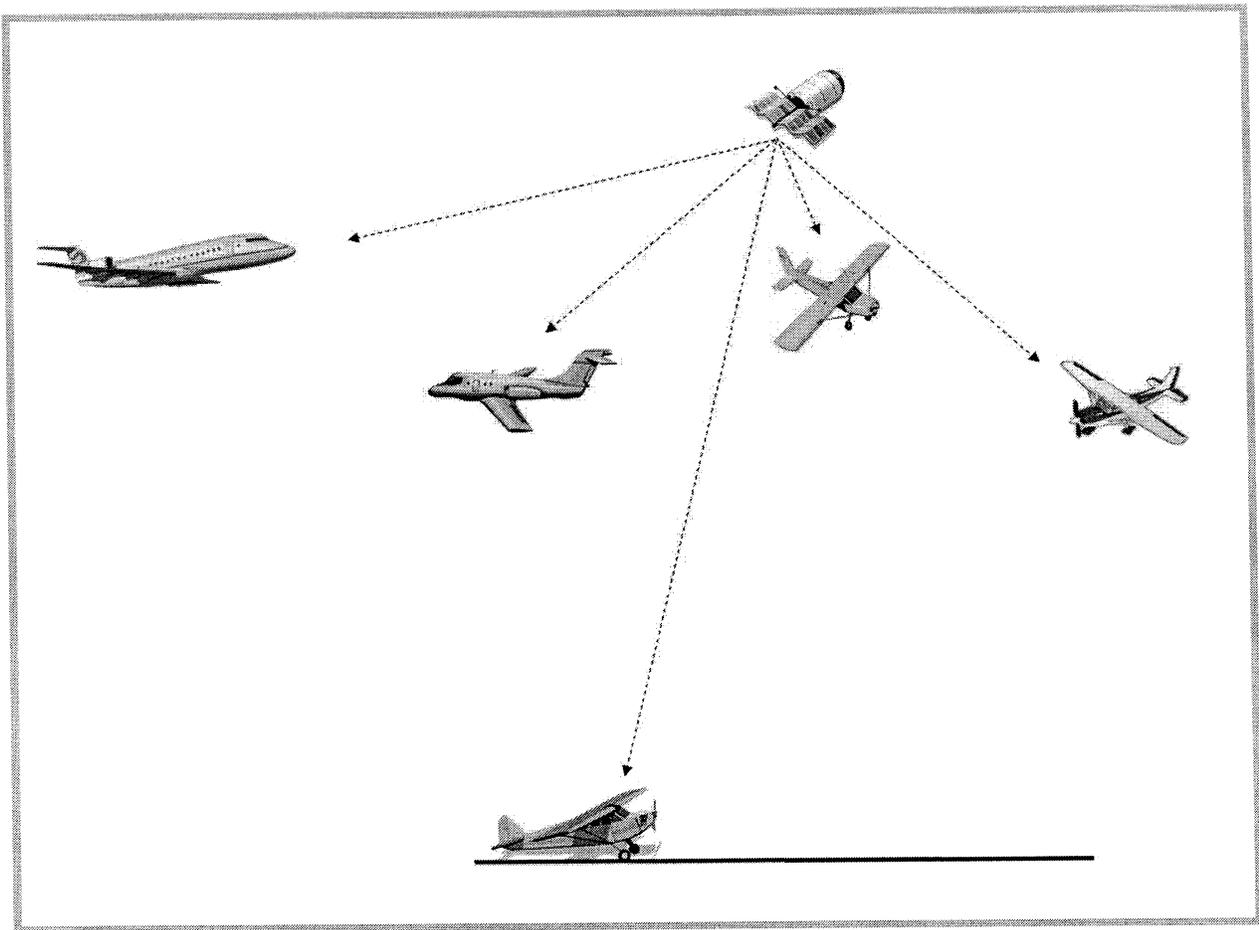


Figure 6-1. Aircraft-Derived Position

The aircraft then automatically transmits their unique identifier, position, and flight data every second. The SBS uses two discrete frequencies to avoid bandwidth saturation. The aircraft that typically operate at high altitudes carry ADS-B systems that operate at 1090 MHz. The aircraft that typically operate at the lower altitudes, which includes most general aviation aircraft, carry ADS-B equipment that operate at 978 MHz, or universal access transceiver (UAT) frequency.

When an aircraft transmits its identifier, position, and flight data, it is received by other aircraft in the vicinity for display on their ADS-B screen and is received by the ground radio station for routing to the FAA control facility display.

The sites for the radio station are critical to ensuring that the aircraft's broadcast can be received by air traffic control. Locating radio stations near airports ensures that aircraft in the airport vicinity are tracked by air traffic control. Locating radio stations on airports with a good view of the aircraft operating areas also allows surveillance of aircraft on the ground.

Radio stations at airports are also great improvement to operational safety in that airports are the point in which corporate and commercial aviation coexist to the greatest extent with general aviation. Due to the different operating frequencies, they cannot directly receive each other's position reports. The SBS ground radio station resolves this issue, as explained on the next page.

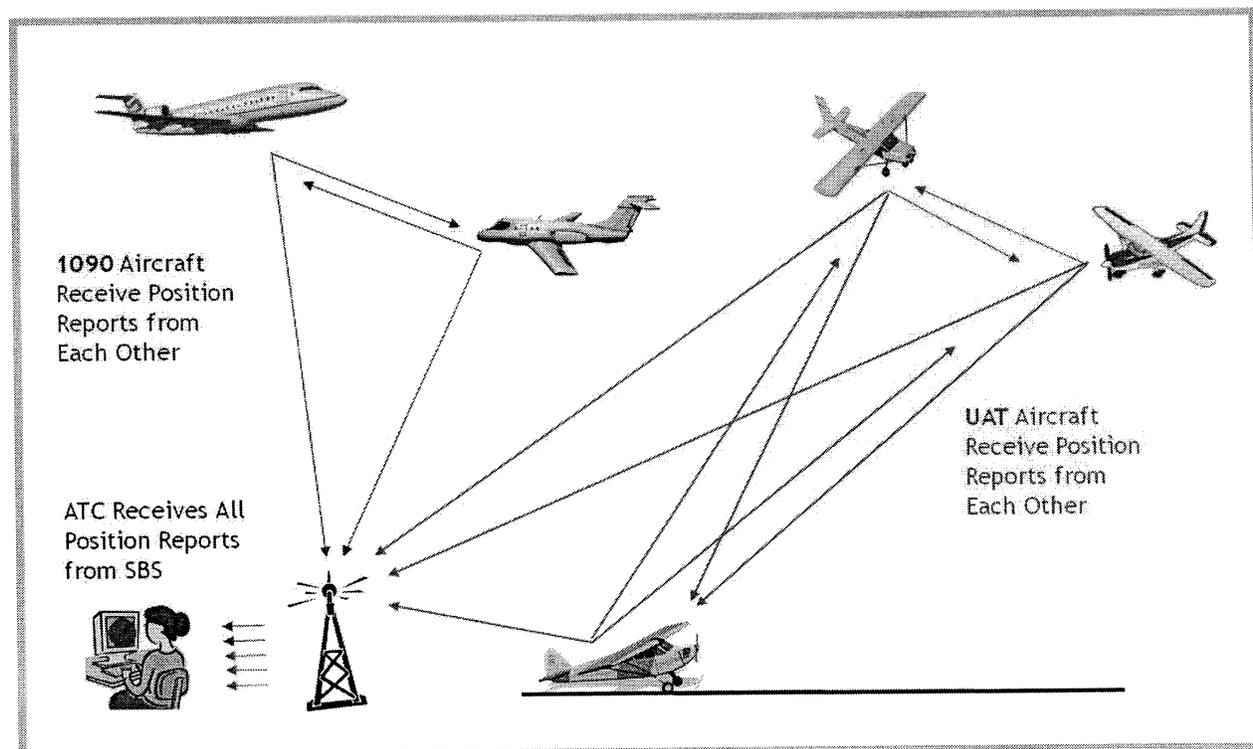


Figure 6-2. Automatic Dependent Surveillance – Broadcast (ADS-B)

**Surveillance and
Broadcast
Services**

User Benefit Expansion Initiative – General Information

Since the SBS radio station receives reports from both the 1090 MHz equipped aircraft and the UAT equipped aircraft, it translates the data and provides the 1090 MHz equipped aircraft information to the UAT equipped aircraft and provides the UAT equipped aircraft information to the 1090 MHz equipped aircraft. Every equipped aircraft knows the position every other equipped aircraft. For example, if the radio station is positioned to receive from all aircraft, an equipped general aviation aircraft preparing for take-off will see an equipped commuter jet on final approach on its display. The commuter jet will also display the general aviation aircraft. ADS-B is a giant leap forward in pilot situational awareness and situational awareness is the key to both air safety and airspace efficiency.

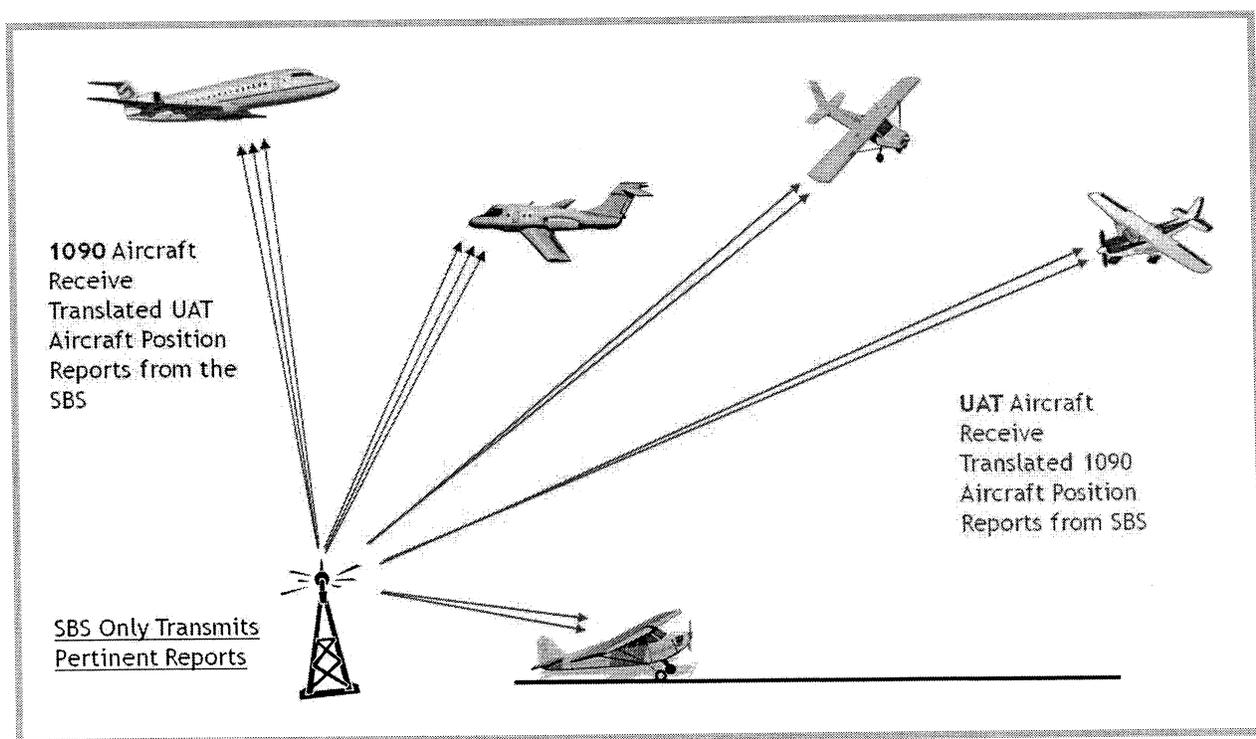


Figure 6-3. Automatic Dependent Surveillance – Rebroadcast (ADS-R)

**Surveillance and
Broadcast
Services**
User Benefit Expansion Initiative – General Information

The SBS radio station also provides Traffic Information Service – Broadcast (TIS-B). The TIS-B function uses target reports from the existing radar infrastructure to provide position reports for non-equipped aircraft to the equipped aircraft. Therefore, if an aircraft is transiting or operating within the airspace but is not equipped with ADS-B, any available data from area radar systems will be transmitted from the radio station to the equipped aircraft and the position of the non-equipped aircraft will be viewable on their displays.

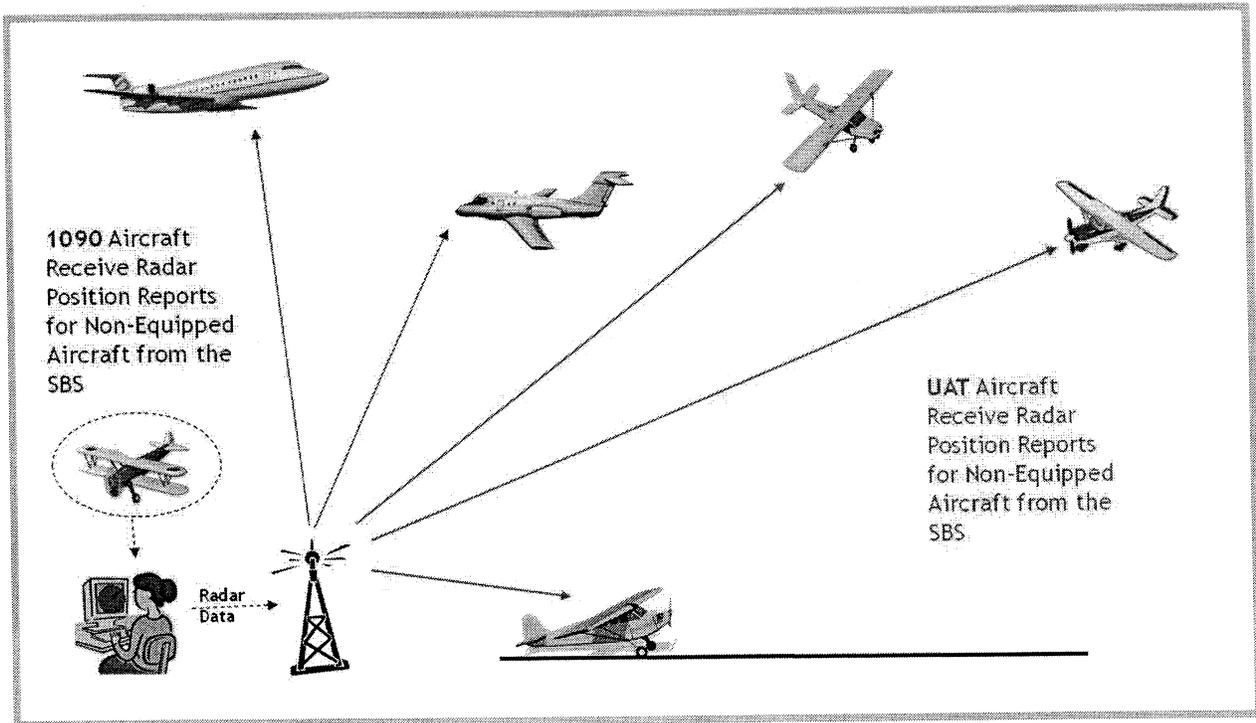


Figure 6-4. Traffic Information Service – Broadcast (TIS-B)

Surveillance and Broadcast Services	User Benefit Expansion Initiative – General Information
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The SBS radio station also provides Flight Information Service – Broadcast (FIS-B). The FIS-B function provides graphical weather data, temporary flight restrictions, special use airspace, etc. The FIS-B service is applicable to UAT equipped aircraft only. It is focused on the general aviation community since corporate and commercial aircraft typically receive these services through their own operations and dispatch centers or paid subscription services.

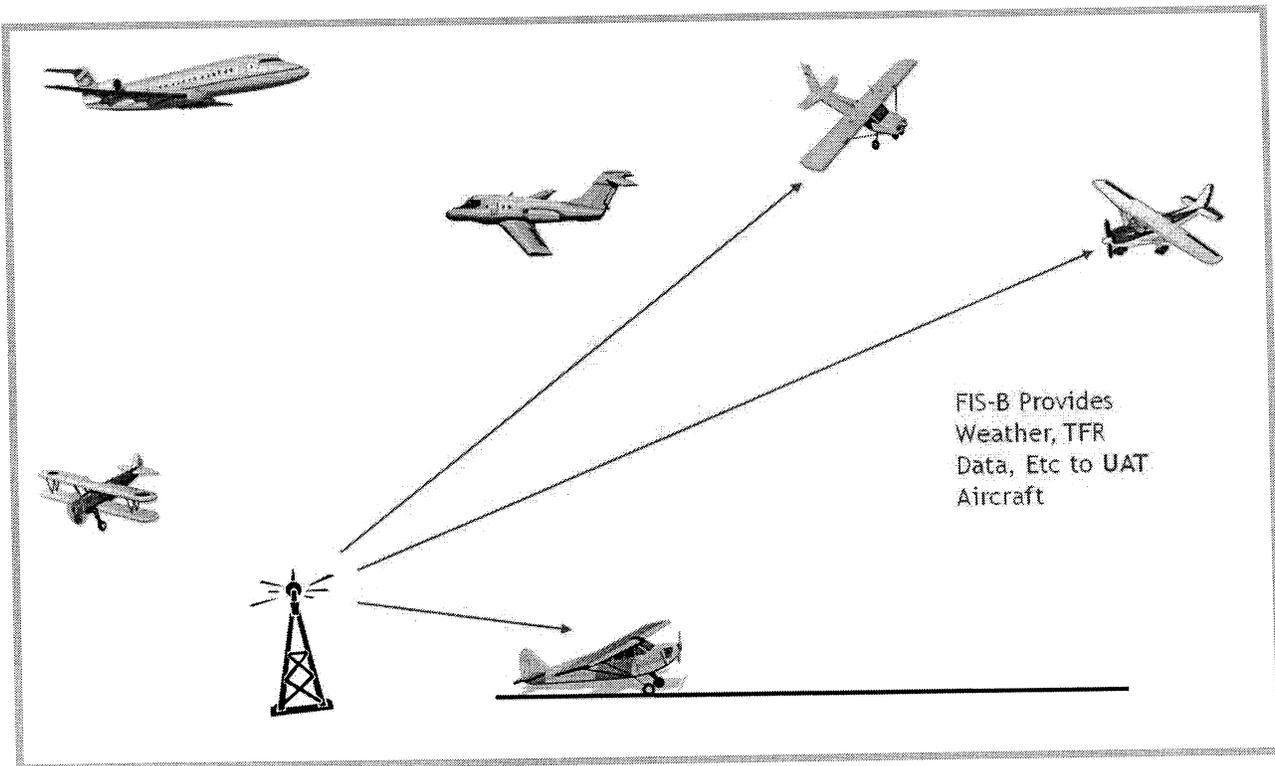


Figure 6-5. Flight Information Service – Broadcast (FIS-B)

Surveillance and Broadcast Services	User Benefit Expansion Initiative – General Information
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The FIS-B service products uplinked to aircraft include:

Product	Surface Service Volumes	Terminal Service Volumes	En Route Service Volumes
	Minimum look ahead range to be supported for user anywhere within the Service Volume (NM)		
METAR – Routine Aviation Weather Reports from airports and other weather observation stations	100	500	500
TAF – Terminal Aerodrome Forecast	100	500	500
WA/T – Winds and Temperatures Aloft	1000	1000	1000
Regional NEXRAD – Weather Radar Data	250	250	250
D-NOTAM – Distant Notices to Airman	100	100	100
AIRMET - Airman's Meteorological Information	100	500	500
SIGMET - Significant Meteorological Information	100	500	500
PIREP – Pilot reports	N/A	500	500
SUA – Temporary Flight Restrictions (TFRs) and Status of Special Use Airspace	N/A	500	500
National NEXRAD – Weather Radar Data	N/A	N/A	All of CONUS

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7. **LAND LEASE AGREEMENT– SAMPLE**

Lease Number: *TBD*
Facility: *ADS-B Radio Station Site*
Location: *Insert host airport name here*

LEASE

Between

Insert host airport leasing authority (whether city, county, state, etc) here

and

ITT Corporation

THIS AGREEMENT, made and entered into this XX day of XXXXXXXXXX in the year 200X, by and between Insert host airport leasing authority here, whose address is:

Insert leasing authority address here.

Hereinafter referred to as the Lessor and ITT Corporation, hereinafter referred to as ITT, whose address is:
12975 Worldgate Drive
Herndon, Virginia 20170

WHEREAS, the parties understand and agree that this Agreement is taken in support of FAA Contract DTFAWA-07-C-00067, issued to ITT on August 30, 2007.

For valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **PREMISES**

The Lessor hereby leases to ITT the following described property located at:

See Attached Lease Exhibit (attachment is typically the survey drawing)

- (a) Together with a right-of-way for ingress to and egress from the premises; a right-of-way for establishing and maintaining electric power and telecommunication lines to the premises; and unless herein described otherwise, to be by routes reasonably determined and agreed by the parties.*
- (b) And the right to make alterations to the premises to support the ITT radio site equipment, after concurrence by the Lessor as to the site design details prior to start of construction and prior to any alterations during the life of this lease.*

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2. PUBLIC UTILITIES

ITT is responsible for the provision of any and all required electrical power and/or telecommunications services to the leased site for the term of this Agreement. The Lessor is not responsible to provide any type of public utilities at or on the leased site.

3. TAXES

ITT shall be responsible for the payment of any applicable taxes, fees or governmental assessments against any equipment, personal property and/or improvements owned, leased or operated by ITT.

4. INSURANCE

ITT shall maintain in full force during the term of this Agreement and shall cause all contractors or subcontractors performing Work on the leased site prior to the commencement of any such Work on behalf of ITT to maintain the following insurance:

- 1. Worker's Compensation Insurance with statutory limits in accordance with all applicable state, federal and maritime laws, and Employers' Liability Insurance with minimum limits of \$500,000 per accident/occurrence, or in accordance with all applicable state, federal and maritime laws.*
- 2. Commercial General Liability Insurance (Bodily Injury and Property Damage) the limits of liability of which shall not be less than \$1,000,000.00 per occurrence.*

5. TERM

To have and to hold said premises with their appurtenances for the term beginning at the date of this Agreement, subject to renewal rights, as may be hereafter set forth.

6. CONSIDERATION

ITT shall pay the Lessor no monetary consideration in the form of rental, it being mutually agreed that the rights extended to ITT herein are in consideration of the obligations assumed by ITT in its establishment, operation and maintenance of the ADS-B radio station facilities upon the premises hereby leased.

7. RENEWAL

This lease may be renewed from year to year at the option of ITT upon the terms and conditions herein specified. ITT's option shall be deemed exercised and the lease renewed each year for one (1) year unless ITT gives the Lessor thirty (30) days written notice that it will not exercise its option, before this lease or any renewal thereof expires; provided, that no renewal thereof shall extend the period of occupancy of the premises beyond September 30, 2025.

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8. RESTORATION

It is hereby agreed between the parties, that upon termination of its occupancy, ITT shall restore the property which is the subject matter of this lease including removal of structures, equipment, and fencing but excluding foundations and subsurface ducting, cables, and grounding systems.

9. INTERFERENCE WITH RADIO SITE OPERATIONS

The Lessor agrees not to erect or allow to be erected any structure or obstruction on the site or adjoining land within the airport boundaries that may interfere with the proper operation of the facilities installed by ITT under the terms of this Lease unless consent hereto shall first be secured from ITT in writing. ITT consent shall not be unreasonably withheld and ITT shall support the Lessor in the evaluation of any potential interference issues. The Lessor shall act in a reasonable way for any construction in proximity to the communication tower, with regard to new construction and RF interference. The Lessor shall be allowed to pursue construction activity giving proper clearance to lessee's tower communication activities. ITT consent shall also be contingent upon FAA approval, when interference results in limitations in radio station performance within the NAS.

10. HAZARDOUS SUBSTANCE

ITT agrees to remediate, at its sole cost, all hazardous substance contamination on the leased premises that is found to have occurred as a direct result of the installation, operation, and/or maintenance of ITT's facilities.

The Lessor agrees to save and hold ITT harmless for any and all costs, liabilities and/or claims by third parties that arise out of hazardous contamination found on the leased premises not directly attributable to the installation, operation and/or maintenance of ITT's facilities.

11. QUIET ENJOYMENT

The Lessor warrants that they have good and valid title to the premises, and rights of ingress and egress, and warrants and covenants to defend ITT's use and enjoyment of said premises against third party claims.

12. INDEMNIFICATION

The Parties each indemnify the other against and hold the other harmless from any and all costs, claims, damages, expenses, or causes of action which arise out of the this Agreement. This indemnity does not apply to any claims arising from the gross negligence or intentional misconduct of the Indemnified Party. Neither Party shall have any liability for any incidental, special, punitive, consequential, exemplary or indirect damages whatsoever arising out of this Agreement. The waiver of damages contained in this paragraph shall survive any termination of this Agreement.



Physical Science ²⁷⁴Laboratory

New Mexico State University
P.O. Box 30002
Las Cruces, NM 88003-8002

22 October 2009

Dear Mayor Miyagishima:

As you may be aware, the Federal Aviation Administration is currently focusing much of its considerable funding and research capabilities on the next generation of air traffic control, a program commonly known as NEXTGEN. One key aspect of this future technology is the Surveillance and Broadcast Services (SBS) Program, which will automatically transmit critical air traffic information to airplanes and ground stations within its broadcast area.

Perhaps the most important part of the SBS Program is Automatic Dependent Surveillance—Broadcast (ADS-B) technology, which automatically provides information about an aircraft's category, heading, altitude, speed, distance, and call sign to every other aircraft and traffic control facility in the area. This futuristic system may not only improve the safety of pilots, passengers, and the public, but also provide a key technology for the future expansion of an airport. The system also would provide an important tool for NMSU's Unmanned Aircraft Systems Flight Test Center.

I am pleased to inform you that Las Cruces International Airport may be able to acquire ADS-B equipment at essentially no cost. The FAA recently awarded the SBS Program to the ITT Corporation of Herndon, Virginia, to install SBS stations at 236 major terminal airspaces and 35 major airports. Because the primary goal of the program is to provide coverage to major airspaces, the opportunity to receive ADS-B funding exists for only a small percentage of local airports. However, where a coverage model demonstrates that both major airspace coverage and local airport coverage can be achieved simultaneously, an opportunity for installation of an ADS-B facility at a smaller airport such as Las Cruces is possible. I believe such a situation does exist for Las Cruces.

If the City can work with ITT to identify a small (approximately 25 by 25 feet) area of land near the airport, ITT could assume responsibility for planning, design, building permits, construction, commissioning, and life-cycle maintenance for the site. However, the execution of this initiative is time-critical because the potential for no-cost coverage at the airport only exists during the deployment of the base capability in the region.

I would be pleased to talk with you further about acquiring the ADS-B system. Feel free to call me at 575-646-9202.

Sincerely,

A handwritten signature in cursive script that reads "Steve Hottman".

Steve Hottman
Associate Dean/Deputy Director
Physical Science Laboratory
21st Century Aerospace