



Agenda

City Council Work Session

Oelwein City Hall, 20 Second Avenue SW, Oelwein, Iowa

6:30 PM

April 27, 2020
Oelwein, Iowa

Mayor: Brett DeVore

Mayor Pro Tem: Warren Fisk

Council Members: Matt Weber, Renee Cantrell, Tom Stewart, Charles Gerdts, Karen Seeders

Pledge of Allegiance

Discussions

- [1.](#) Discussion on Oelwein Municipal Airport

Adjournment

In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 319-283-5440



To: Oelwein City Council

From: Dylan Mulfinger, City Administrator

Subject: Airport Fixed Based Operator (FBO)

Policy Date: 4/10/2020

This coming year council made several reductions to general fund departments to ensure a balanced budget. One reduction was taking the FBO contract salary down from \$37,465 to \$30,000. The FBO has seen a two percent increase each year for the last three years.

FY2018	\$ 36,010.08
FY2019	\$ 36,730.20
FY2020	\$ 37,344.84

The reduction to the FBO has caused a discussion and a request from the FBO to work with council on a new contract. The city council has had discussions on the airport with plans of making changes in the spring of 2020 because the FBO contract expired June 30, 2020. I wanted to work through this process with Council and the FBO to ensure we were making the best decision for the community. I had great intentions of having several meetings, with one taking place at the airport. I always want to ensure that council is completely informed when they make decisions that will affect the city for years to come. The city council must determine their end goal so that staff can work on accomplishing that goal.

Right now, our current FBO, George Tegeler, needs to know what the plan is for July so that he can determine if he still will work for the city at a reduced contract rate. The FBO has expressed concerns that he cannot make the price cut work and will have to find other employment to support himself and his family.

While I believe that the future of the airport must be considered, it does not need to be rushed, and the city is not losing out on anything by keeping the status quo. I believe the city council must read over the information provided by the FBO and the notes I have provided. I am recommending that the council negotiate a one-year contract with the current FBO and work throughout the year on new contract between the city and the FBO. While the city can save money from limiting projects at the airport, the city still must maintain a facility. Saving money by not having a FBO on site is not a realistic outcome and cannot occur in a matter of three months.

I am recommending a work session April 27 to discuss the contract with our FBO and go over any question's council may have concerning this item. George Tegler our FBO will be present at the meeting.

City Administrator Notes

- The city will have to hire on some form of staff to man the airport
- The city does have a nice airport and does receive federal funding for projects
 - On site visits the FAA and IDOT compliment the airport and talk about how it is a great resource for the community
- I was unable to find a figure close to the FBO's gas tax (the fuel fee the FBO pays for suing city equipment)
 - The last four years
 - 5,174.64
 - 4,217.69
 - 5,043.60
 - 7,585.18
- The fuel revenue comes primarily from the crop sprayers
 - If the city does not have an FBO the fuel revenue will dramatically decrease, over 60 percent
- The FBO does make money on the fuel, because of the work they put into it
 - The city would not monitor the fuel as well as the onsite FBO
- The city would have to begin buying fuel
- The FBO does make an income on maintenance to airplanes
 - The shop is provided by the city with the FBO paying electricity
- The airport was self sufficient when crop prices were high
- The FBO does a lot for the airport and ensures we have a good facility
- The city would pay a lot to have the area mowed and maintained
- The FBO mans the radio and delivers NOTAMS
- We would have to hire out snow removal



IOWA AIRPORT INVENTORY SURVEY

The Iowa Department of Transportation - Aviation Bureau is undertaking a Statewide Aviation System Plan for all public-use airports in Iowa. This study seeks input on current facilities and services offered at your airport. Your timely participation in this survey is critical to the accurate assessment of your airport and the success of the study.



THANK YOU FOR ASSISTING US WITH THIS IMPORTANT EFFORT! This survey can also be completed online at: <https://javiation.wufoo.com/forms/iowa-airport-inventory-survey/>
Please complete and return this survey **within 10 days**.

SECTION 1: GENERAL INFORMATION

1. Contact Information:

AirportName/ID: _____

Contact Name/Title: _____

Phone: _____

Email: _____

SECTION 2: SYSTEM PLAN INVENTORY

2. Is your airport an (select one):

Airport Authority

Airport Commission

Airport Advisory Board

City/County Agency

Other _____

3. Airport Reference Code (ARC) identified on your current Airport Layout Plan (ALP) is (e.g., A-II Small, C-III, etc)

4. The Design or Critical Aircraft identified on your current ALP is (include aircraft name): _____

5. Please describe the principal taxiway type supporting your primary runway (please check only one):

Full Parallel

Partial Parallel

Stub(s)

No Supporting Taxiway



6. If your primary runway doesn't have a full parallel taxiway, does your primary runway have turnarounds located on (please select one)?

- No Runway End
- Both Runway Ends
- One Runway End

A. Please indicate which runway end has a turnaround: _____

7. For the primary taxiway, please provide the following:

A. Width (in feet) _____

B. Taxiway Lighting

- High Intensity Taxiway Lights (HITL)
- Medium Intensity Taxiway Lights (MITL)
- Low Intensity Taxiway Lights (LITL)
- Non-Standard Lighting
- Reflectors
- None

8. Does your airport have any of the following airfield security measures (please select all that apply)?

- Full 8 ft Perimeter Fencing
- Partial 8 ft Perimeter Fencing
- Visual Barrier
- Posted Signs
- Card Access Gate
- Area Lighting
- Security Camera
- Other (describe) _____
- None

A. If you have partial perimeter fencing, please describe the following:

- i. What is the lowest height of any non-8ft perimeter fencing? _____ ft
- ii. What is the majority of the fence type around your airport? _____

9. Please provide the total number of aircraft parking spaces available at the airport for each category.

Aircraft Parking Space Category	Total Number of Aircraft Parking Spaces	Number of Parking Spaces Occupied by Based Aircraft
T-Hangar (Airport Owned)		
T-Hangar (privately owned)		
Private Conventional Hangar		
Public-Lease Conventional Hangar*		
Tie-Downs (Paved)		
Tie-Downs (Unpaved)		
Other _____		
Total		

**Note: for the purposes of estimating excess conventional hangar storage capacity, use typical single-engine aircraft footprint/size (e.g. C172)*

10. Is overnight storage available to transient aircraft? If Yes, please describe.

- Yes _____
- i. If Yes, can larger business aircraft (Citation/King Air) be accommodated? Yes _____ No _____
- No

11. Does your airport have a hangar waiting list? If Yes, how many aircraft are on it?

- Yes _____
- No

12. Is your airport's aircraft storage adequate (describe need and type of hangars)?



13. Do you have hangars that are unusable due to condition? Yes _____ No _____

A. If Yes, please provide type and size and/or number of units: _____

14. How much auto parking does the airport have?

A. Number of spaces or square feet: _____

B. Does the airport have sufficient automobile parking in all operational areas? If No, please explain:

Yes

No _____

15. Do you have a Fixed Base Operator (FBO) at your airport? Yes _____ No _____

A. If Yes, does the airport sponsor function as an FBO? Yes _____ No _____

B. Is the Airport Manager also the FBO Operator? Yes _____ No _____

C. Please list FBO hours of operation _____

16. Do you have a General Aviation Terminal Building at your airport? Yes _____ No _____

A. If Yes, please provide the following:

Year built _____

Year renovated and describe renovations (if applicable)

Describe any future terminal renovation/ construction plans in the next 5-years (if applicable):

B. If Yes, is the terminal building (select one):

A standalone structure

Attached to hangar/other structure

C. If Yes, please indicate whether it has any of the following amenities:

Pilot's Lounge

Computer Weather Terminal

Restrooms (24/7 access or key code access)

Public Phone

Conference Room/Business Center

None

WiFi

D. Please indicate how many square feet are within the General Aviation terminal building: _____

E. How would you describe the condition of your terminal building (select one):

Excellent

Needs Improvement (please describe)

Adequate

F. How would you describe the terminal entrance and parking (select one):

Excellent

Needs Improvement (please describe)

Adequate

G. Is your terminal entrance road paved? Yes _____ No _____

H. Does your airport have a public aircraft viewing area? Yes _____ No _____

17. COMMERCIAL SERVICE AIRPORTS ONLY. Please provide information on your airport's vertical infrastructure needs beyond general aviation terminal (i.e. passenger terminal, cargo facilities, etc.)

18. Does your airport have a rotating beacon? Yes _____ No _____

A. If Yes, is it on a tip down pole? Yes _____ No _____



19. Is your airport's lighting adequate in the following areas:

- | | |
|--|---|
| <input type="checkbox"/> Apron Yes _____ No _____
<input type="checkbox"/> Terminal Area Yes _____ No _____ | <input type="checkbox"/> Hangar Area(s) Yes _____ No _____
<input type="checkbox"/> Other _____ Yes _____ No _____ |
|--|---|

20. What kinds of services are available at your airport?

A. Fuel Service (Check all that apply)

- | | |
|--|--|
| <input type="checkbox"/> AvGas Fuel (100 LL)
<input type="checkbox"/> Jet Fuel (Jet A)
<input type="checkbox"/> Full-Service Jet A and 100 LL (24/7 Pumping Service) | <input type="checkbox"/> Self-Fueling 100 LL Capabilities (Credit Card)
<input type="checkbox"/> Self-Fueling Jet A Capabilities (Credit Card)
<input type="checkbox"/> None |
|--|--|

i. Describe the airport's aviation fuel tank storage capacity:

	AvGAS		Jet Fuel	
	Above Ground	Underground	Above Ground	Underground
Total Number of Gallons				
Total Number of Airport-Owned Fuel Tanks				
Total Number of Privately-Owned Fuel Tanks				

ii. Please describe the adequacy and condition of your airport's fueling facilities/services.

iii. Please mark your estimated number of gallons sold annually for AvGas and Jet Fuel (select one range for AvGas and one range for Jet A):

Range (gallons)	AvGAS	Jet Fuel
<10,000	_____	_____
10,000-50,000	_____	_____
50,000-100,000	_____	_____
>100,000)	_____	_____
Unknown	_____	_____

B. Do you have Aircraft Maintenance at your airport? Yes _____ No _____ ; If Yes, check all that apply below.

Maintenance Type	Aircraft Type			
	Piston	Piston Part 145/ Airworthiness Inspector	Turbine	Turbine Part 145/ Airworthiness Inspector
Airframe				
Powerplant				

C. Ground Access Services (check all that apply)

- | | |
|--|--|
| <input type="checkbox"/> On-site Rental Car
<input type="checkbox"/> Off-Site or Pre-Arranged Rental Cars
<input type="checkbox"/> Courtesy Car/Crew Car | <input type="checkbox"/> On-Demand (e.g. Taxicab, Uber, Lyft, etc.)
<input type="checkbox"/> Transit Service (e.g. bus, shuttle, etc.)
<input type="checkbox"/> None |
|--|--|

D. Other Services

- | | |
|---|---|
| <input type="checkbox"/> Vending
<input type="checkbox"/> Full-Time Flight Instruction
<input type="checkbox"/> Part-Time Flight Instruction
<input type="checkbox"/> Charter Service/Part 135 Operator
<input type="checkbox"/> Aircraft Rental
<input type="checkbox"/> Air Taxi | <input type="checkbox"/> Aircraft Sales
<input type="checkbox"/> Avionics Sales/Service
<input type="checkbox"/> Aircraft liquid de-icing
<input type="checkbox"/> Heated hangar de-icing
<input type="checkbox"/> Other _____
<input type="checkbox"/> None |
|---|---|



21. Please indicate how the airport handles snow removal.

A. Select all that apply:

- Dedicated/on-site equipment
- Shared city/county equipment
- Contracted/3rd party service
- None

B. Is your snow removal practice adequate and timely? Yes _____ No _____ ; If No, please explain:

C. If applicable, is your snow removal equipment storage adequate? Yes _____ No _____ ; If No, please explain:

22. Please indicate whether the airport currently has any of the following planning documents, as well as the dates of Agency approval (check all that apply):

- Airport Master Plan (Year Approved) _____
- Airport Layout Plan (Year Approved) _____
- Strategic/Business Plan
- Wildlife Management Plan
- Coordinated Community Master Plan/Economic Development Plan
- Rules and Regulations
- Airport Minimum Standards

23. Do the surrounding municipalities have any dedicated airport controls to make land use in the airport environs compatible with airport operations and development? Yes _____ No _____

A. If Yes, select/circle which controls and provide year implemented:

	City		County	
Land Use Zoning	No	Yes, year implemented _____	No	Yes, year implemented _____
Height Zoning	No	Yes, year implemented _____	No	Yes, year implemented _____

B. If No, please briefly describe your situation (Are there issues and/or is there a plan to enhance compatibility?)

C. Does your airport have Noise Abatement Procedures? Yes _____ No _____

24. Is a process in place to routinely inspect the paved airport surfaces? Yes _____ No _____

A. If Yes, how often? _____

B. How much was spent locally on routine pavement maintenance over the past 5-years? \$ _____

C. Do you have a local budget for pavement maintenance? Yes _____ No _____

i. If Yes, please estimate annual budget \$ _____

D. Do you utilize the Pavement Management Report/Pavement Condition Website provided by the Aviation Bureau? Yes _____ No _____

25. Do aerial applicators use your airport? Yes _____ No _____ If Yes, select all that apply:

- Based On-Airport
- Transient
- Rotor Wing
- Fixed Wing
- Do you have adequate apron area to accommodate aerial applicator activity in a typical year? Yes _____ No _____
- Is there adequate aerial applicator equipment staging area(s)? Yes _____ No _____



26. Do you have any infrastructure needs to support aerial application activities? Yes _____ No _____

A. If Yes, please describe:

27. Do air ambulance operators use your airport? Yes _____ No _____

A. If Yes, are they (check all that apply)

- Based on-airport
- Transient
- Fixed wing
- Rotor wing

28. Does your airport have any sustainability practices in place (i.e. solar, recycling, energy efficiency, waste reduction, sustainable farming, etc.)? Yes _____ No _____

A. If Yes, please explain:

29. Please discuss general trends at your airport (i.e. increasing or decreasing aircraft operations or based aircraft) and the biggest issues facing the airport:

30. Please describe your airport's education, outreach, and special events (i.e. air shows, school tours, fly-ins, etc):

31. Other comments regarding your airport or the system plan:

Thank you for your participation!

A member of our consulting team may be contacting you to review your survey results. When you have completed your survey, please save and email as an attachment back to your Jviation/McClure contact.

Please maintain a copy of this survey for your records.

For more information on this study, please visit the project website: 2020-iowa-aviation-system-plan.com



THANK YOU FOR ASSISTING US WITH THIS IMPORTANT EFFORT! This survey can also be completed online at: <https://jviation.wufoo.com/forms/iowa-airport-inventory-survey/> Please complete and return this survey **within 10 days.**



**Oelwein Municipal Airport FBO Lease
July 1, 2017 to June 30, 2020**

THIS AGREEMENT, made and entered into the date executed below, between the City of Oelwein, Iowa, hereinafter referred to as the Lessor, and George J. Tegeler, d/b/a Tegeler Aviation, LLC, hereinafter referred to as Lessee.

WHEREAS, Lessor owns and operates the Oelwein Municipal Airport and the Lessor is willing to lease to the Lessee certain premises hereinafter more fully described and located on said airport upon the terms and conditions and stated herein;

WHEREAS, the said leased premises may be used for the operation of a flight training school, aircraft maintenance and repair, aircraft charter, aircraft sale and rental, and sales of aircraft gasoline and oil. Lessee may also conduct his business on premises relating to sales and services of aircraft, and building and constructing various makes and models of experimental aircraft. Lessee, at Lessee's option, may conduct additional business activity on the leased premises, which is permitted by, or not prohibited, by law and expressly approved in writing, in advance, by the Lessor upon a written proposal submitted by Lessee. Lessee must keep 100LL and Jet A fuel on hand for resale to local and transit aircraft, or as allocated, and have fuel service available from 8:00 a.m. to 5:00 p.m. Monday through Friday and as requested or deemed necessary and,

WHEREAS, under the terms of the Lease, the Lessee shall be responsible for operating a base radio and communications equipment, which is located in buildings that Lessee occupies, at all times from 8:00 a.m. to 5:00 p.m. Monday through Friday and as requested or deemed necessary.

NOW THEREFORE, in consideration of the rent, covenants and agreements herein contained, Lessor does hereby lease to Lessee, maintenance hangar and an office in the Terminal Building.

1. Compensation for grounds keeping paid to FBO is \$3,000.84 per month from July 1, 2017 thru June 30, 2018. From July 1, 2018 thru June 30, 2019 compensation shall be \$3,060.85 per month. From July 1, 2019 thru June 30, 2020 compensation shall be \$3,122.07 per month. Said amount to be payable to Lessee on a monthly basis with the monthly amount being due by last day of each month. It is understood that the designated office space is for the exclusive use of the fixed base operator, but the public lounge and restroom area in the administration buildings are public use facilities.

- A. Lessee shall provide for and supply at its expense all janitorial and custodial service with respect to the buildings and facilities associated with the leased premises and shall maintain all premises in a clean and accommodating appearance for persons using the same during normal hours of operation or when requested or necessary, except that Lessor

shall supply janitorial supplies for the public lounge (designated room A) and restroom areas in the administration buildings herein designated as public-use facilities.

- B. Lessee shall attend to necessary maintenance, involved in keeping runways, and adjoining areas, taxi-ways and lawn areas mowed, and free of snow as required, provided Lessor will furnish equipment and fuel for mowing and snow removal.
 - C. Lessee shall provide labor for basic preventive maintenance and repairs on buildings, facilities, grounds and equipment. Any major repair, rebuilding or alteration, including painting, seeding, overhauling, building or similar matter shall be the responsibility of Lessor as listed in the FBO contract duties.
 - D. Lessee shall enforce any rules or ordinances of the City applicable to the Oelwein Municipal Airport.
2. The term of this Lease shall be for the period commencing at midnight on July 1, 2017 through to and ending at midnight on June 30, 2020.
3. Lessee shall maintain a log of all airport activity. Lessee shall report as needed to Lessor through the City Administrator or his designee all important, unusual and otherwise pertinent information. Lessee shall attend the monthly Airport Advisory meetings and submit an activity report including, but not limited to: the number of take-offs and landings, identity of businesses using the airport facilities, type of aircraft (single twin or jet), and all other activities. Lessee shall also have an attendant present, Monday through Friday, between the hours of 8:00 a.m. and 5:00 p.m. Lessee shall comply with the courtesy car and FBO protocol incorporated herein by this reference and attached marked as Exhibits A.
4. It is hereby agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right prohibited by Section 208 of the Federal Aviation Act of 1958, as amended, and the Lessor reserves the right to grant to others the privilege and right of conducting activities of an aeronautical nature.
5. Insurance. The Lessee shall purchase and maintain such insurance as will protect it from claims set forth below which may arise out of or result from the Lessee's operations under the Contract, whether such operations be by himself or by a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. All such insurance shall be subject to the approval for the City for adequacy of protection, and shall include a provision preventing cancellation without thirty (30) days' prior notice to the City in writing.
- A. Liability Insurance Requirements. The Lessee shall procure and maintain, at its own expense liability insurance as hereinafter specified. The liability insurance required is as follows:
 - 1. Commercial General Liability Insurance issued to the Lessee and protecting it from all claims for personal injury, including death and all claims for destruction of or damage to property arising out of or in connection with any operation under his Contract, whether such operation be by himself or by a subcontractor under him, or anyone directly or indirectly employed by the Lessee or by a subcontractor under him, or by anyone for whose acts any of them may be liable.

All such insurance shall be written with a limit of liability of not less than \$1,000,000 for all damages arising out of one occurrence for bodily injury, including, death, and property damage. The General Liability policy should have a general aggregate limit of \$2,000,000 for all damages and a products completed operations aggregate of \$2,000,000 for all damages.

All such insurance shall be written on a comprehensive policy form and shall specifically cover products and completed operations. Certificates evidencing the issuance of such insurance, addressed to the City, shall be filed within ten (10) days after the date of the execution of the contract.

2. The policy shall include the City as an additional insured. The insurer shall give the City notification of any cancellation or termination by refusal to renew the policy or of any change in coverage of the policy or of any change in coverage of the policy in the manner provided by law. If no such notification is provided by law, the insurer shall give the City at least thirty (30) days' prior written notification of any cancellation or termination by refusal to renew the policy or of any change in coverage of the policy.

- B. Workers' Compensation Insurance. The Lessee shall maintain at his own expense Workers' Compensation Insurance, including occupational disease provisions, covering the obligations of the Lessee in accordance with the provisions of the laws of the State of Iowa. The Lessee shall furnish the City with a certificate giving the evidence that the Lessee is covered by the Workers' Compensation Insurance herein required, each certificate specifically stating that such insurance includes occupational disease provisions. This policy should also include Employer's Liability Insurance with minimum limits of \$500,000 each accident for bodily injury, \$500,000 each accident for bodily injury by disease, and \$500,000 policy limit for bodily injury by disease.

6. Special Provisions. All liability policies which include the City as an additional insured shall include a Governmental Immunities Endorsement pursuant to Chapter 670.4 of the Iowa Code, which endorsement shall include the following provisions:

- A. Nonwaiver of Government Immunity. The insurance carrier expressly agrees and states that the purchase of this policy and including the City as an Additional Insured does not waive any of the defenses of governmental immunity available to the City under Iowa code Section 670.4 as it now exists and as it may be amended from time to time.
- B. Claims Coverage. The insurance carrier further agrees that this policy of insurance shall cover only those claims not subject to the defenses of governmental immunity under Iowa Code Section 670.4 as it now exists and as it may be amended from time to time.
- C. Assertion of Government Immunity. The City shall be responsible for asserting any defense of governmental immunity, and may do so at any time and shall do so upon the timely written request of the insurance carrier.

- D. Non-Denial of Coverage. The insurance carrier shall not deny coverage or deny any of the rights and benefits accruing to the City under this policy for reasons of governmental immunity unless and until a court of competent jurisdiction has ruled in favor of the defense(s) of governmental immunity asserted by the City.
7. Lessee meters and pays all electricity for shop building with one security light. Lessor shall provide a sufficient supply of potable water to supply the needs of the terminal and maintenance building.
8. Lessee agrees to observe and obey reasonable rules and regulations with respect to the use of the premises; provided, however, that such rules and regulations shall be consistent with safety and with rules, regulations and orders of the Federal Aviation Administration with respect to aircraft operations at the airport; and provided further, that such rules and regulations shall not be inconsistent with the provisions of this agreement or the procedures prescribed or approved from time to time by the Federal Aviation Administration with respect to the operation of Lessee's aircraft at the airport. Lessee and all of its employees, agents and servants will faithfully observe and comply with all rules and regulations as may be promulgated by the Lessor, the United States of America or any Department or Agency thereof, and the State of Iowa.
9. Lessee shall not assign, sublet nor hypothecate this Lease without the written consent of the Lessor, except that said Lease may be assigned by Lessee to any corporation owned by, or that in which it may become shareholder of, but such assignment shall not relieve or release the Lessee from the terms and obligations of this Lease insofar as the Lessor is concerned.
10. Lessee agrees to furnish service on a fair, equal and not unjustly discriminatory basis to all users thereof, and to charge fair, reasonable and not discriminatory prices for each unit of service; provided the Lessee may make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers.
11. Lessor agrees to pay for lights, "T" hangar lights, wind sock light, wind "T" lights, security lights, repair and maintenance radio and communications equipment at the airport.
12. Lessor reserves the right to maintain and keep in repair the landing area of the airport and all publicly owned facilities of the airport, together with the right to direct and control all activities of the Lessee in this regard.
13. Lessor reserves the right to seek Federal and/or State funds to develop and improve the landing area and all publicly owned air navigation facilities of the airport as it sees fit and without interference or hindrance from the Lessee.
14. Lessor reserves the right to take any action it considered necessary to protect the aerial approaches of the airport against obstructor, together with the right to prevent Lessee from creating, or permitting to be erected, any building or other structure on the airport which in the opinion of the Lessor would limit the usefulness of the airport or constitute a hazard to aircraft.
15. During time of war or national emergency Lessor shall have the right to enter into an agreement with the United States Government for military or naval use of part or all of the landing area and publicly owned air navigation facilities and/or other areas or facilities of the airport. If any such agreement is executed, the provisions of this instrument, so far as they are inconsistent with the provisions

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of the agreement with the Government shall be suspended.

16. This agreement shall be subordinate to the provisions of any outstanding agreement between Lessor and United States relative to the maintenance, operation or development of the airport.

17. The Lessee will not, on the grounds of race, color, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Part 15 of Federal Aviation Regulations. The Lessor reserves the right to take such action as the United States Government may direct to enforce this covenant.

18. The Lessee agrees that no signs or advertising material shall be placed or erected upon the leased premises without the prior written consent of the Lessor.

19. Lessee shall not allow pets to be kept on Airport grounds.

20. Lessee shall not use City vehicles or equipment for personal use.

21. In consideration that the aircraft fuel system is provided to the Lessee at no cost, the Lessee agrees to submit an invoice, as needed, of his cost of the fuel purchased for approval of his proposed retail price. As demand dictates Lessee will provide aircraft maintenance, aircraft rental and flight training. Lessee will pay Lessor fee of \$.15 per gallon for all aircraft fuel and Jet A fuel pumped. Lessor agrees to pay losses incurred on Jet A fuel up to 1000 gallons if fuel age extends beyond one year from last Jet A purchase date.

22. In the event the Lessee fails to pay the rent hereunder within ten days after the same shall become due, or in the event Lessee shall violate any of the terms or conditions of this Lease, and shall fail after a thirty day notice in writing from Lessor to rectify such violation, Lessor may, at is option, declare this Lease canceled and terminated and shall be entitled to immediate possession of the leased premises.

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23. Lessor reserves the right to enter upon the leased premises at a reasonable time for the purpose of making any inspection it may deem expedient.

24. This Lease may be terminated for non-compliance of FBO Operations at any time hereafter by either party giving the other sixty days' notice of intention to so terminate the same, or this notice shall be by registered mail. This Lease may not be assigned without the written consent of the opposite party affected thereby.

25. At the expiration or termination of this lease, the Lessee agrees that it will give peaceful possession of the leased premises in as good condition as they now are, ordinary wear and tear excepted.

26. This agreement shall extend to and be binding upon the heirs, executors, administrators, trustee, successors, receivers and assigns of the parties hereto.

Dated at Oelwein, Iowa, this ____ day of _____, 2017.

CITY OF OELWEIN, IOWA

TEGELER AVIATION, LLC

By: _____
Peggy Sherrets, Mayor

By: _____
George J. Tegeler

NOTE: The intent of this Contract is to be an Agreement between a Lessor and Lessee. It is not to be interpreted as an employer, employee relationship and shall not be construed by anyone as such.

Value of Airport FBO

ITEM #1.

Contract Now \$37465.

I pay the city back		
in gas tax		\$10,000 - 12,000.
in hangar electricity		\$660.
I pay insurance for fueling (\$9000)		\$7000.
I pay insurance for workman's comp		\$850.
<u>I pay interest on fuel inventory loan per year</u>		<u>\$500.</u>
		\$16,455
	After taxes	\$13,160

After my expenses to comply with the city's contract and I pay income tax on this, I may take home - \$6.30. an hour.

Contract requires:

My responsibility is to the City before my maintenance business.

40 hour attendance from 8am - 5pm M-F. & as deemed necessary and as requested (extra overtime).

I am at the airport for the 40 hours and oftentimes on Saturday or Sundays.

During the Agriculture Spraying Season I'm there 7 days a week to
make sure the chemicals are handled properly
to order fuel, sometimes daily
keep peace on the grounds
answer and direct phone calls from concerned citizens

We have one Ag operator on the field, Crop Care by Air - Kyle Rich, and three to four others who are also here and I have become friends with them all and also the chemical suppliers.

Nearly all sprayers now use Jet A fuel. The city storage tank holds 6000 gallons. The planes can use up to 5000 gallons a day without giving me any prior notice. Running out of fuel is unforgivable. The companies need an airport they can trust and rely on. If I don't keep the fuel on hand, they'll bring their own tanks in and we'd lose their business. This ag spraying business supports local farmers who in turn spend their money in our community.

Fuel

I call several companies for the best price. They'll give an estimated delivery time and I'll be at ITEM #1. for the delivery, sometimes early in the mornings or late into the evenings. The carrier at times is delayed and I have to wait for the delivery no matter what. I keep Low Lead and Jet A on hand at all times. We run a loan at about \$10,000. - \$50,000 during spraying season to keep up with the fuel demand.

FAA

I am here to meet with the FAA in cases of incidents or crashes and misc. meetings.

Radios

I'm here to operate a Base Radio and communications equipment when needed.

Cleaning

Terminal building.

Runway Inspections

I check daily for obstructions.

Mowing of Runway and Grounds

This takes 8 - 10 hours a week.

Waterways

I mow the waterways or rough areas to control unwanted wildlife habitats. Deer, coyotes, and nesting birds can cause severe damage to aircraft.

Grass Runway

Rolled 2 times a year.

Herbicide Application

2 times a year which saves about 4 hours per week for less trimming.
I use my personal ATV to do this.

Snow removal

This runs from 20 hrs. - 120 hrs. a year
I plow snow as needed to keep the airport open. This must be done immediately after any snow that is measurable. The FAA requires this schedule. A light snow will take about 5 hours to clear. A large snow event may take up to 2 days. The snow must be removed from the total width of the runway. Snow berms cannot be allowed to get high enough to catch a wing or bury runway lights. When this happens, I use the blower and make 2-3 passes on each side. Each pass with the blower takes up to an hour to complete. The runway must be perfectly clear as a good sized snowball ingested into a Jet engine can cause a half a million dollar damage. A damaged propeller can cost upwards of a \$25,000.

Equipment Repairs

I work an average of 20 hrs. a year on equipment and tractor maintenance.
Del Clay charges \$90. per hour.

Bifold Door Repairs

I maintain the 20 bifold doors on all the hangars. I put in an average of 48 hours a year in door repairs, preventative maintenance such as lubricating, 17 changing bad cables, belts and hangar lights. A specialized door company charges \$150. an hour.

Watches for compliance of rules and regulations of city and FAA on grounds

In the past there has been illegal selling of airplane rides (pilot was not licensed to do so)
There have been cars and motorcycles trying to race on runways.

Log Aircraft (coming and going)

This log is needed for grants and funding projects.

Monthly Advisory Board Meetings

I bring members up to date on needs and activities of the airport.

Courtesy Car

I do light maintenance on the courtesy car as needed such as charging up batteries, airing up tires, etc. I maintain a log and schedule as to who takes the car.

Runway Light Maintenance

I replace runway and beacon lights as needed. I report any AWOS difficulties to the IDOT. AWOS is the Automated Weather Observation System. It has many weather sensors that fail on a regular basis and need to be replaced by the IDOT. I maintain light replacement and the parts inventory.

Advisor on Airport Projects

I'll let the city know of any urgent needs and/or future needs that others or I see are needed.

Works with National Guard

Communication with the Guard for training exercises on Airport grounds and I provide fuel for their helicopters.

Flight for life -

I'm available when called for fuel at all hours.

My personal phone number is listed in the terminal building and all National Aircraft Directories. People can and do call me at all hours when they have questions or need assistance.

Meet and greet transients and informs them of what's available for them in the area.

Communication with DOT and the FAA

...on behalf of the city as far as compliance to regulatory requirements.

Credit Card System

ITEM #1.

Information from: Manchester City Administrator Tim Vick

Manchester up charges 75¢ per gallon on a 2000. gallon a year fuel sales.

1500. profit less 2% less monthly charges... They profit \$1339.80 Where as we make the city up to \$10,507.65
We manage an incredible Ag fueling location. They can use any of the other airports to set their bases at, but they chose us because of our service. We are not only there to manage the fuel but also to fix their planes when there are maintenance needs. The ag employees go into town to eat and stay in motels. If there businesses are moved to another airport - another town will gain that additional revenue.

Cost of system 17 years ago \$30,000

Rework of system recently \$35,000

Credit Card Company controls how many dollars charged on each use. \$100.00 maximum which is only 20 gallons of fuel.

In the summer Ag Spraying season, a spray plane needs to take on 80 - 90 gallons and this may be every 10 minutes for days... $80 \times \$5.00 = \400.00 which the credit card system won't work for... or you'll have to hire someone full time - overtime to attend to.

Credit Card Company charges a flat rate per month of \$10.85

Credit Card Company charges 2% of sales. Gas at 5.00 is 10¢ per gallon.

1997 - 2020

ITEM #1.

When I came to the airport in 1997 half of the hangars were full of farm equipment and vehicles. The FAA regulations have changed and due to federal funding on the building of those hangars, all are required to have airworthy aircraft in them or nothing.

In 1997 there were 12 T hangars, the community hangar, and only 6 planes total on the field. To date we have increased to 18 T hangars and the community hangar, with 21 airworthy aircraft. We've also welcomed the Ag Business; Crop Care by Air, which is currently using four hangars, purchases most of its fuel from us, and gets minor maintenance through my shop.

I do maintenance on approximately 50 aircraft per year, which are locals, Cedar Rapids, Independence, Manchester, etc. and out of state. These people also drive into Oelwein and eat at the local restaurants, shop at the stores, and stay at the motels. My customers repeated business benefits the local business economy throughout the year. The spray season brings in employees who also use the local diners, and motels.

If my maintenance business were to leave the airport many aircraft owners will likely take their planes to other airports for storage and maintenance. Fuel usage will likely go down, especially with the bulk being the Ag planes. The lack of presence also may increase the risk of vandalism.

I would love to continue serving the city in all the ways listed above. I ask you to take some time to really look over the numbers and hopefully we can negotiate a solution for the best of the city and myself.

Respectfully submitted,

George Tegeler
Tegeler Aviation, L.L.C.
563.880.2915