

A G R E E M E N T

THIS AGREEMENT, effective this 10th day of March 1985, by and between the TOWN OF COTTONWOOD, a Municipal Corporation in the State of Arizona, hereinafter called "TOWN"; and COTTONWOOD AIRPARK, INC., an Arizona Corporation, hereinafter called "OPERATOR".

W I T N E S S E T H

THAT the TOWN is the owner of Public Airport, located within its boundaries and designated as the COTTONWOOD MUNICIPAL AIRPORT, and it is the desire of the TOWN to appoint an operator for said Airport, to protect, control, operate, and maintain the same;

THAT the OPERATOR is qualified and desires to operate said Airport.

NOW, THEREFORE, in consideration of the Agreement contained herein, and the consideration expressed herein, the TOWN does hereby hire the OPERATOR as the operator of said COTTONWOOD MUNICIPAL AIRPORT, and that the duties of the said OPERATOR are as follows:

- (a) To inspect airport facilities daily, and to take immediate steps to correct any condition that would affect the safety of aircraft or persons using said airport;
- (b) To operate and daily inspect the airport lighting system;
- (c) To provide all minor maintenance for said airport facilities, and to replace and repair, at its expense, any equipment, including lighting system, which becomes defective through normal use;
- (d) To pay all utility costs consistent with the present use of said airport;
- (e) To assist pilots in the parking of aircraft during reasonable hours;
- (f) To obtain and pay for, by the OPERATOR or its agent, within ten (10) days from the date hereof, and through the term of this Agreement, liability, including hangar keepers' and product liability insurance protecting the TOWN with such companies and in such amounts as the TOWN may require. A certificate of such insurance and a copy of the policies of such insurance shall at all times be maintained with the TOWN;
- (g) To enforce in cooperation with the TOWN all city, county, state and federal or other governmental regulations now, or that shall hereinafter apply to said airport;
- (h) To maintain airport records and establish adequate accounting systems, which shall be available for inspection by the TOWN at reasonable times;

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- (j) The OPERATOR shall maintain, at its expense, gasoline equipment now located at the airport;
- (k) The OPERATOR may maintain living quarters on the airport property on space furnished by the TOWN. The OPERATOR shall pay all utility costs furnished to said quarters;
- (l) The OPERATOR shall require all renters of tie-downs to sign a tie-down agreement and forward a copy of all such agreements to the TOWN.

IN RETURN for the above services, OPERATOR shall be entitled to all revenues received from gasoline and petroleum products sales and revenues from tie-downs.

ALL prices charged for gasoline, oil, petroleum products and tie-downs shall at all times be approved by the Council of the TOWN, however, consent to prices charged shall not be unreasonably withheld and if prices charged are the same as comparable airports, they shall be approved. OPERATOR shall keep accurate accounts of all tie-down fees and gasoline sales charged and collected, and shall be responsible for the collection thereof, and shall on a quarterly basis, submit a financial report on all collections to the TOWN.

THIS OPERATIONS AGREEMENT shall be in effect as provided in Section 19 of the Ground Lease between the Town of Cottonwood and Cottonwood Airpark, Inc.; however, either party may cancel this agreement by giving the other party sixty (60) days written notice. Notice of cancellation shall be deemed sufficient if it is addressed to the parties, as hereinafter setforth, and is forwarded by certified mail:

ALL notices shall be mailed to the TOWN as follows:

Town Manager  
Town of Cottonwood  
827 North Main Street  
Cottonwood, AZ 86326

ALL notices shall be mailed to the OPERATOR as follows:

Brown, Ahern & McCormley  
Attn: Robert Erven Brown, Esquire  
Suite 200  
3020 East Camelback Road  
Phoenix, AZ 85016  
  
Cottonwood Airpark, Inc.  
c/o Mr. William Fulkerson

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UNLESS either party is notified in writing by the other party of a change of address.

THIS AGREEMENT may not be assigned by the OPERATOR without the written consent of the TOWN.

DATED THIS 10th DAY OF MARCH, 1985

TOWN OF COTTONWOOD, A Municipal Corporation

BY: \_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
Town Manager/Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Mangum, Wall, Stoops and Warden  
Town Attorney

COTTONWOOD AIRPARK, INC.

BY: \_\_\_\_\_