

CITY OF BUCKEYE
BUCKEYE MUNICIPAL AIRPORT
FUEL CONCESSION AGREEMENT

The CITY OF BUCKEYE, hereinafter referred to as the Grantor, hereby grants to _____, a(n) _____ (“Grantee”), the right to store, handle and sell aviation fuels and oils to the general public at Buckeye Municipal Airport (the "Airport") under the following conditions:

1. TERM. The term of this agreement shall be for the duration of the executed lease agreement (“Master Lease”) between the CITY OF BUCKEYE and _____, dated ____ day of _____, 2013, commencing on _____ and terminating on _____.

2. PREMISES. The specific Premises under exclusive use by Grantee is that area described on the attached “Exhibit A”.

In addition, the Grantee has the right to dispense fuel on all public areas of the Airport commonly used for aircraft parking with the exception of the flight operations area consisting of the taxiways and runways. This use of the public areas is in common with others.

3. FACILITIES INSTALLATION. The Grantee must supply a minimum of _____ gallons of storage, together with the appropriate pumps, drains, and connections. The fuel storage facility must comply with the U.S. Environmental Protection Agency rules and regulations. If the Grantee desires to sell fuel on the public areas of the Airport, the Grantee must supply and maintain at least _____ () _____ gallon fuel truck for that purpose. Said fuel truck must meet all Federal, State and local laws concerning the fuel truck and its operation. The Grantee must dispatch the fuel truck by two-way radio communications. Said fuel truck

must be equipped with radios capable of two-way communication with the _____ on both tower and ground control frequencies. The Grantor specifically prohibits the Grantee from having avgas and jet fuel in the same fuel truck.

The Grantee must provide a pilot waiting room of at least _____ sq. ft.; male and female restrooms; and a public telephone.

The Grantee must also provide air for aircraft tires up to at least 150 lbs. of pressure and have jump starts available for aircraft with dead batteries.

The Grantee shall establish and maintain an after-hours call system so that the operators of aircraft can get fuel within thirty (30) minutes. The cost of this service shall not contain a penalty for providing this after-hour service, however Grantee may charge a reasonable call-out fee for services provided after regular business hours.

4. NON-EXCLUSIVE. It is specifically agreed to by the parties herein that this agreement is not an exclusive right agreement and that the Grantor retains the right to grant additional fuel agreements at the Grantor's sole discretion.

5. NON-DISCRIMINATION. The Grantee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Grantee assures that no person shall be excluded on those grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Grantee assures that it will require that its covered suborganizations provide assurances to the Grantor that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

6. FEES. The fees payable to the City of Buckeye for providing this service to the public shall be established by the Buckeye City Council. Currently, the rate is _____ cents (\$.____) per gallon for all fuel delivered and _____ cents (\$.____) per quart for all aviation oil delivered to the Premises. The Grantee agrees to charge fair, reasonable and not unjustly discriminatory prices for each product and service dispensed.

7. CHARGE FOR LATE PAYMENT. All sums due hereunder shall be due and payable by the 15th day of the month following the month that the product was delivered. All amounts due that are not paid by the 15th shall accrue a five percent (5%) late charge, which shall be added to the payment, and the total sum shall become immediately due and payable to the Grantor. An additional charge of five percent (5%) of said payment excluding late charges shall be added for each additional month that said payment remains unpaid.

8. INSURANCE. The Grantee must acquire, maintain and submit evidence to the Grantor of public liability insurance in the amount of two million dollars (\$2,000,000.00) per occurrence and product liability insurance in the amount of ten million dollars (\$10,000,000.00) per occurrence issued by a company authorized to do business in Arizona endorsed showing the City of Buckeye as an additional insured. Failure to keep both insurances in full force shall automatically cancel this agreement until such time as the insurance is re-instated.

9. HOLD HARMLESS. To the fullest extent permitted by law, Grantee shall defend, indemnify and save harmless Grantor, its council members, its officers, agents and employees, for, from and against any and all claims, demands, loss or liability of any kind or nature which Grantor, its officers, agents and employees may sustain or incur, or which may be imposed upon them or any of them for injury to or death of persons; or damage to property arising out of or in any manner connected with the negligence or lack of care of Grantee, its

officers, agents or employees in use of the Premises, including the use of the Airport and its facilities.

10. ASSIGNMENT. This agreement may be assigned or transferred subject to approval in writing by the Grantor.

11. TERMINATION BY GRANTEE. This agreement may be cancelled by the Grantee by giving the Grantor ninety (90) days written notice of such termination.

12. TERMINATION BY GRANTOR. Grantor may terminate this agreement if any federal or state agency or the Buckeye City Council determines that the agreement is in violation of any federal, state, or municipal law.

13. LITIGATION, ATTORNEY'S FEES. In the event the Grantor shall, without fault on its part, be made a party to any litigation commenced against the Grantee, the Grantee shall pay the Grantor's costs of defense, including but not limited to court costs and reasonable attorney's fees. In the event the Grantee shall, without fault on its part, be made a party to any litigation commenced against the Grantor, the Grantor shall pay the Grantee's costs of defense, including but not limited to court costs and reasonable attorney's fees.

If any dispute arising under the terms of this lease shall result in litigation, the prevailing party shall, in addition to any other relief granted or awarded by the court, be entitled to an award of a reasonable attorney's fees to be determined by the court.

14. SIGNS. Grantee agrees not to construct nor maintain any billboards or advertising signs except those approved in writing by the Grantor.

15. RECORDS AND ACCOUNTS

Grantee shall at all times during the term of this agreement keep or cause to be kept true and complete books, records and accounts of financial transactions in the operation of

all business activities of whatever nature conducted and pursuant to the rights granted herein. The records must be supported by source documents such as sales slips, cash register tapes, purchase invoices, or other pertinent documents.

16. THE ACCOUNTING YEAR. The accounting year shall be 12 full calendar months. The accounting year may be established by the Grantee provided the Grantee notifies the Grantor in writing of the accounting year to be used. The accounting year shall be deemed to be approved by the Grantor unless Grantor has objected to the Grantee's selection in writing within sixty (60) days of Grantee's written notification.

In the event the Grantee fails to establish an accounting year of its choice, regardless of the cause, the accounting year shall be synonymous with the twelve month period contained in the first one year term of the agreement.

Once an accounting year is established, it shall be conducted through the term of the agreement unless Grantor specifically approves in writing a different accounting year. The Grantor shall only approve a change in the accounting year in the event of undue hardship being placed on either the Grantee or the Grantor and not because of mere convenience or inconvenience.

All of Grantee's books of accounts and records related to this agreement or its business operations conducted within or from the Premises shall be kept and made available at one location within the limits of the City of Buckeye. The Grantor shall, through its duly authorized agents or representatives, have the right to examine and audit said books of accounts and records at any and all reasonable times for the purpose of determining the accuracy thereof and of the monthly statement of sales made and monies received. The cost of said audit shall be borne by the Grantor unless the audit reveals a discrepancy of more than five percent (5%) between the

amount due as reported by the Grantee in accordance with this agreement and the amount due as determined by said audit. In the event of greater discrepancy, the full cost of the audit as determined by the Grantor shall be paid by the Grantee.

17. NOTICES. All notices to be given by either party to the other shall be given in writing and shall be addressed to the parties at the addresses hereinafter set forth or at such other address as the parties may, by written notice, hereafter designate. Notices and payments to Grantor and notices to Grantee shall be addressed as follows:

TO: <u>GRANTOR</u>	<u>GRANTEE</u>
Airport Director	_____
Buckeye Municipal Airport	_____
3000 S Palo Verde Road	_____
Buckeye, AZ 85326	_____

IN WITNESS WHEREOF, the parties have caused these presents to be executed the day and year first hereinabove written.

GRANTOR:	GRANTEE:
CITY OF BUCKEYE, a municipal corporation	_____, a(n) _____

By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

ATTEST:

Name: _____
Title: _____