

**CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM**

DEPARTMENT: Airport
AGENDA DATE: October 8, 2013
CONTACT PERSON: Monica Lombraña A.A.E., (915) 780-4793
DISTRICT(S) AFFECTED: All Districts

SUBJECT:

Authorize the City Manager to sign a Lessors Approval of Sublease among the City of El Paso (Lessor), TJW Aviation, LLC (Lessee), and Surratt Aviation, LLC (Sublessee). Surratt Aviation will sublease a portion of the property described as Portions of Lot 2 and 3, Block 4, El Paso International Airport Tracts Unit 10, municipally known and numbered as 6805 Boeing Drive, El Paso, Texas from TJW Aviation.

BACKGROUND / DISCUSSION:

TJW Aviation is requesting approval of a sublease agreement with Surratt Aviation, LLC for a flight school and maintenance and repair of airplanes, which are uses permitted per the Lease. The terms of the Lease require that all subleases be approved by City Council. Since this is a sublease through an existing tenant there will be no additional revenue to the City.

PRIOR COUNCIL ACTION:

Council has approved prior subleases for:

10/31/2000 - Aviation Training Professionals, expired

03/13/2007 - WJN Corporation, expired

08/28/2012 - The Far West Texas & Southern New Mexico Trauma Regional Advisory Council dba BorderRAC

A General Aviation Commercial Ground Lease (Lease) dated June 1, 1990 with Julie's Aircraft Service, Inc. was approved by City Council. The lease was subsequently assigned to TJW Aviation, LLC on January 27, 2012.

AMOUNT AND SOURCE OF FUNDING:

N/A

BOARD / COMMISSION ACTION:

N/A

*****REQUIRED AUTHORIZATION*****

DEPARTMENT HEAD:



Monica Lombraña A.A.E.
Director of Aviation

Information copy to appropriate Deputy City Manager

RESOLUTION

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:

That the City Manager be authorized to sign a Lessor's Approval of Sublease among the City of El Paso ("Lessor"), TJW Aviation LLC ("Lessee"); and Surratt Aviation, LLC ("Sublessee") regarding a portion of the premises located at 6805 Boeing Drive, Suite B, El Paso, Texas 79925.

ADOPTED this the ____ day of _____ 2013.

THE CITY OF EL PASO

Oscar Leaser
Mayor

ATTEST:

Richarda Duffy Momsen
City Clerk

APPROVED AS TO FORM:

Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:



Monica Lombrana, A.A.E.
Director of Aviation

STATE OF TEXAS §
 § LESSOR'S APPROVAL OF SUBLEASE
COUNTY OF EL PASO §

THIS Lessor's Approval of Sublease is made and entered into by and among the City of El Paso ("Lessor"), TJW Aviation, LLC ("Lessee") and Surratt Aviation, LLC ("Sublessee"), effective the ____ day of _____, 2013.

WHEREAS, Lessor entered into a General Aviation Commercial Ground Lease dated June 1, 1990; as amended by the First Amendment dated March 24, 1992; as assigned to Juliusson Family Limited Partnership pursuant to the Lessor's Approval of Assignment dated January 27, 2004; and subsequently assigned to TJW Aviation, LLC pursuant to the Lessor's Approval of Assignment effective January 27, 2012 (collectively referred to as the "Lease") covering the following described property:

A portion of Lots 2 and 3, Block 4, El Paso International Airport Tracts, Unit 10, El Paso, El Paso County, Texas, containing 96,715.44 square feet, or 2.22 acres of land, more or less and more particularly described by metes and bounds on Exhibit "A" attached hereto and incorporated herein by reference, and municipally known and numbered as 6805 Boeing Dr., El Paso, Texas ("Premises").

WHEREAS, Lessee desires to sublease a portion of the Premises to Sublessee, which will used and occupied solely for a flight school and for maintenance and repair of airplanes;

WHEREAS, the Lease requires the prior written consent of the Lessor for a sublease of all or part of the Premises; and

WHEREAS, Lessor is willing to approve the proposed sublease subject to the terms and conditions set forth in this Lessor's Approval of Sublease, and accepted and agreed to by Lessee and Sublessee;

NOW, THEREFORE, in consideration of the mutual covenants of the parties, Lessor, Lessee, and Sublessee agree as follows:

1. **Acceptance of Lease Terms and Covenants.** Sublessee acknowledges that it has been provided with a copy of the Lease and agrees to accept and abide by all the terms, covenants, and conditions of the Lease.
2. **Lease Terms Conflicting with State or Federal laws.** To the extent any clause in this Lessor's Approval of Sublease or the Lease conflicts with the applicable Texas and/or United States law(s) or regulation(s), such clause is void and unenforceable. By executing an agreement which contains the conflicting clause(s), Sublessee makes no representations or warranties regarding the

enforceability of such clause(s) and Sublessee does not waive the applicable Texas and /or United States law(s) or regulations(s) which conflict with the clauses(s).

3. **Subleased Premises.** Sublessee acknowledges that the subleased premises located at 6805 Boeing Drive, Suite B, El Paso, El Paso County, Texas are described as 10,000 square feet more particularly outlined on the Hangar Floor Plan attached hereto as Exhibit "A-1" and incorporated herein by this reference.
4. **Permitted Use of Premises.** Sublessee acknowledges that the subleased premises will not be used for any activity other than for a flight school and for maintenance and repair of airplanes. Sublessee also acknowledges that its use of the subleased premises shall be further limited by those restrictions and prohibitions enumerated within the Lease.
5. **Proof of Insurance.** Sublessee has provided Lessor with a certificate of insurance to evidence compliance with the insurance requirements of the Lease and understands and agrees that Lessor's consent is expressly contingent upon Sublessee maintaining the required levels of insurance and providing proof to Lessor. Failure to comply with the insurance requirements may result in a revocation of the consent granted herein and termination of this Lessor's Approval of Sublease, as well as the sublease itself.
6. **Reporting Requirements.** As additional consideration for Lessor's approval, Sublessee agrees that it shall furnish to Lessor, upon ten (10) days written request by the Director of Aviation and at no cost to Lessor, an accurate report of Sublessee's operations at EPIA during the preceding month. The report shall include, but not be limited to, any information related to the following: (i) the amount of hospital and emergency medical supplies and disaster response equipment, cargo, freight, or mail loaded or off-loaded from any aircraft by Sublessee, its customers, contractors, or agents; and (ii) the type of aircraft and name of aircraft operator handled. Sublessee agrees to provide this information, if applicable, in such detail and on the form as prescribed by the Director of Aviation. Failure to comply with the reporting requirements may result in a revocation of the Lessor's consent to the sublease and termination of the Lessor's Approval of Sublease and the Sublease.
7. **Lessee's Obligations.** Notwithstanding any provision to the contrary in the Sublease, this Lessor's Approval of Sublease shall in no way release the Lessee or any person or entity claiming by, through, or under Lessee, including Sublessee, from any of its covenants, agreements, liabilities, and duties under the Lease, as same may be amended from time to time. Lessee shall remain liable to Lessor for any defaults under the Lease, whether such default is caused by Lessee or Sublessee or anyone claiming by or through either Lessee or Sublessee. The

foregoing shall not be deemed to restrict or diminish any right which Lessor may have against Lessee or Sublessee, in law or in equity, for violation of the Lease.

8. **Purpose.** This Lessor's Approval of Sublease does not constitute approval by Lessor of any of the provisions of the Sublease document or agreement; nor shall the same be construed to amend the Lease in any respect. The sole purpose of the Sublease shall be to set forth the rights and obligations between Lessee and Sublessee. In no event, however, shall Lessor be deemed to be in privity of contract with Sublessee or owe any obligation or duty to Sublessee under the Lease or otherwise; any duties of Lessor under the Lease being in favor of, for the benefit of, and enforceable solely by Lessee.
9. **Non-Waiver.** Nothing herein shall be deemed a waiver of any of Lessor's rights under the Lease. This Lessor's Approval of Sublease does not end the need for Lessor's approval of any future subleases or for any other matter for which Lessor's approval is required under the Lease or otherwise.
10. **Subordinate Rights.** The Sublease is, in all aspects, subject and subordinated to the Lease as the same may be amended. The terms of the Lease shall prevail in the case of any conflict between the provisions of the Lease, Sublease, or this Lessor's Approval of Sublease.

If, at any time prior to the expiration of the term of the Sublease, the Lease shall terminate or be terminated for any reason (or Lessee's right to possession shall terminate without termination of the Lease), this Lessor's Approval of Sublease and the Sublease shall simultaneously terminate.

11. **Authorized Parties.** The persons signing this Lessor's Approval of Sublease on behalf of the Lessee and Sublessee represent and warrant that they have the authority to legally bind the Lessee and Sublessee to the provisions of this instrument. Further, Lessee and Sublessee acknowledge and agree to be bound by all the terms and conditions of this Lessor's Approval of Sublease as set forth herein.

IN WITNESS WHEREOF, this Lessor's Approval of Sublease has been executed and shall be effective as of the date first noted above.

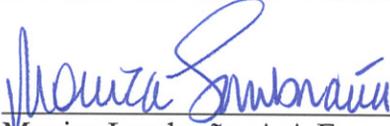
CITY OF EL PASO, TEXAS

Joyce A. Wilson
City Manager

APPROVED AS TO FORM:

Theresa Cullen
Deputy City Attorney

APPROVED AS TO CONTENT:



Monica Lombraña, A.A.E.
Director of Aviation

ACKNOWLEDGMENT
LESSOR

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me this _____ day of _____ 2013,
by **Joyce A. Wilson**, as **City Manager** of the **City of El Paso**.

Notary Public, State of Texas

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

LESSEE: TJW AVIATION LLC


Printed Name: Timothy J. Wilson
Title: President and Manager

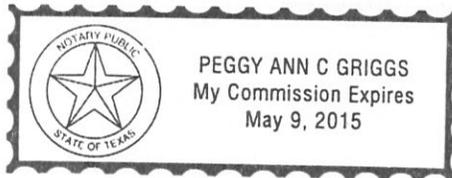
LESSEE'S ACKNOWLEDGEMENT

THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this 24th day of SEPTEMBER, 2013, by Timothy J. Wilson as President and Manager of TJW Aviation LLC. (Assignee)


Notary Public, State of TEXAS

My Commission Expires:
5-9-15



[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

SUBLESSEE: SURRETT AVIATION,
LLC

Alan Surratt

Printed Name: Alan Surratt
Title: MANAGING MEMBER

ACKNOWLEDGMENT
SUBLESSEE

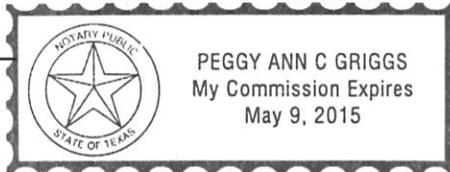
THE STATE OF TEXAS)
)
COUNTY OF EL PASO)

This instrument was acknowledged before me on this 24th day of SEPTEMBER, 2013,
by ALAN SURRETT as MANAGING of Surratt Aviation, LLC (Sublessee).

MEMBER

Peggy Ann C Griggs
Notary Public, State of TEXAS

My Commission Expires:
5-9-2015



PREPARED FOR: El Paso International Airport
Being a Portion of Lot 2, Block 4
El Paso International Airport Tracts, Unit 10
El Paso County, Texas

PROPERTY DESCRIPTION

PARCEL 2E

Description of a parcel of land being a portion of Lot 2, Block 4, El Paso International Airport Tracts, Unit 10, El Paso County Texas and more particularly described by metes and bounds as follows:

From a point, said point being the centerline intersection of American Drive and Piper Court; thence South $1^{\circ} 01' 53''$ East along the centerline of American Drive a distance of 200.00 feet; thence North $88^{\circ} 58' 07''$ East a distance of 34.00 feet to a point lying on the easterly right-of-way line of American Drive; thence, along said easterly right-of-way line, 282.62 feet along the arc of a curve to the left, whose radius is 752.96 feet, whose interior angle is $21^{\circ} 30' 21''$, and whose chord bears South $11^{\circ} 47' 03''$ East a distance of 280.97 feet, thence, continuing along said easterly right-of-way line, South $22^{\circ} 32' 14''$ East a distance of 75.01 feet to THE POINT OF BEGINNING;

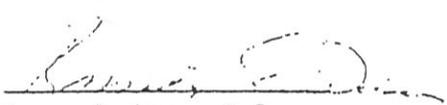
Thence, North $66^{\circ} 26' 30''$ East a distance of 228.24 feet to a point lying on the easterly line of Block 4;

Thence, along said easterly line, 146.14 feet along the arc of a curve to the left, whose radius is 381.07 feet, whose interior angle is $21^{\circ} 58' 23''$, and whose chord bears South $34^{\circ} 32' 42''$ East a distance of 145.25 feet to a point, said point, said point being the southeasterly corner of Lot 2, Block 4;

Thence, along the southerly line of Lot 2, Block 4, South $44^{\circ} 28' 07''$ West a distance of 318.88 feet to a point lying on the easterly right-of-way line of American Drive;

Thence, along said easterly right-of-way line, 241.01 feet, along the arc of a curve to the left, whose radius is 820.96 feet, whose interior angle is $16^{\circ} 49' 14''$, and whose chord bears North $14^{\circ} 07' 37''$ West a distance of 240.15 feet;

Thence, continuing along said easterly right-of-way line, North $22^{\circ} 32' 14''$ West a distance of 25.00 feet to THE POINT OF BEGINNING and containing 50,089.566 square feet, or 1.150 acres of land, more or less.


Ramon E. Lara, P.E.
CREMAHS, INC.



September 15, 1978

PREPARED FOR: El Paso International Airport
A Portion of Lot 3, Block 4
El Paso International Airport Tracts, Unit 10
City of El Paso, El Paso County, Texas

PROPERTY DESCRIPTION

Description of a parcel of land being a portion of Lot 3, Block 4, El Paso International Airport Tracts, Unit 10, City of El Paso, El Paso County, Texas and being more particularly described by metes and bounds as follows:

From a point, said point being a City Monument at the Intersection of the centerline of Boeing Drive with the centerline of American Drive; thence North $01^{\circ} 01' 53''$ West along the centerline of American Drive a distance of 100.00 feet; thence North $88^{\circ} 58' 07''$ East a distance of 34.00 feet to a point lying on the easterly right-of-way line of American Drive; thence 40.84 feet along the said easterly right-of-way line and along the arc of a curve to the left whose interior angle is $02^{\circ} 51' 02''$, whose radius is 820.96 feet, and whose chord bears North $02^{\circ} 27' 24''$ West a distance of 40.84 feet to the POINT OF BEGINNING;

Thence 26.29 feet along the arc of a curve to the left whose interior angle is $01^{\circ} 50' 05''$, whose radius is 820.96 feet, and whose chord bears North $04^{\circ} 47' 58''$ West a distance of 26.29 feet;

Thence North $44^{\circ} 28' 07''$ East along the common property line between Lots 2 and 3, Block 4, El Paso International Airport Tracts, Unit 10, a distance of 318.88 feet;

Thence 100.43 feet along the arc of a curve to the left whose interior angle is $15^{\circ} 06' 00''$, whose radius is 381.07 feet, and whose chord bears South $53^{\circ} 04' 53''$ East a distance of 100.14 feet;

Thence South $29^{\circ} 22' 07''$ West along the common property line between Lots 3 and 4, Block 4, El Paso International Airport Tracts, Unit 10, a distance of 345.62 feet to a point lying on the northerly right-of-way line of Boeing Drive;

Thence 19.50 feet along said right-of-way line and along the arc of a curve to the right whose interior angle is $00^{\circ} 39' 07''$, whose radius is 1,713.06 feet, and whose chord bears South $87^{\circ} 41' 29''$ West a distance of 19.50 feet;

Thence North $10^{\circ} 35' 03''$ West a distance of 60.08 feet;

Thence North $54^{\circ} 35' 22''$ West a distance of 52.00 feet;

Thence North $71^{\circ} 56' 00''$ West a distance of 61.90 feet to the POINT OF BEGINNING and containing in all 46,625.876 square feet or 1.070 acres of land, more or less.


Ramon E. Lara, P.E.
CREMANS, INC.

January 8, 1982



