

THIRD AMENDMENT
TO
COTTONWOOD AIRPARK, INC., GROUNDLEASE

Background

At the request of the State of Arizona and in order to comply with the grant requirements of the United States Government, the parties have agreed to amend their Lease and clarify its intent in the following particulars:

Agreement and Amendment

For valuable consideration received, the parties agree that:

1. The Background section of this agreement is incorporated by reference as a part of this Amendment.

2. The terms of the Groundlease are ratified, approved and are still in force and effect. There are no amendments, modifications, supplements or other agreements or understandings except for the First Amendment dated the 30th day of November, 1983, and the Second Amendment dated the 12th day of March, 1985, and this third Amendment.

3. The provisions of page 4, section 2(E) are amended to add the following language:

"Notwithstanding any language to the contrary contained in elsewhere in this Groundlease or in the Operating Agreement between the parties, it is the intention of the parties that the public shall have all access to Exception A as required by the Part 5 Assurances of the Federal Aviation Administration Form 5100-100, and its subsequent amendments. The parties acknowledge that the Town of Cottonwood received funds from the United States Government pursuant to a grant for construction of certain improvements located on Exception A. The parties further acknowledge that the Town is required by the Federal Government to withhold and retain rights of access to any area constructed with Federal Government funds. The tenant acknowledges this requirement and agrees to abide by it as may be reasonably required from time to time. The parties further note that the tie-down areas are included as a part of Exception A to the extent that those tie-down areas were constructed with Federal Government grants."

Executed this 21st day of August, 1985.

LANDLORD:

TENANT:

THE TOWN OF COTTONWOOD

COTTONWOOD AIRPARK, INC.

By Charles D. Garrison

By John Soren

Its _____ Mayor

Its Vico Pasion

State of Arizona)
County of Yavapai)

Subscribed to and sworn before me this 21st day of August, 1985.

My Commission Expires:

Carol Garcia
Notary Public

My Commission Expires Nov. 24, 1985

After discussion, Vice-Mayor Lewis moved to recommend approval of the granting of the license to the State Department of Liquor Licenses and Control. Motion was seconded by Councilmember Jones and carried unanimously.

"CIVIC CENTER COMMITTEE" - Appointments

Mr. Ron Moen stated he was in the process of compiling information regarding the Civic Center and should have it available by the next regular council meeting.

Councilmember Minter moved to postpone action on this item until the meeting of September 3, 1985. Motion was seconded by Vice-Mayor Lewis and carried unanimously.

RENT BILLING - Penny Young

The Acting Town Manager stated this subject rental contract had been initiated through the former Police Athletic League (PAL) Organization and that controversy had arisen over the leased area, donated area, and the equipment used on the property.

After discussion, Councilmember Snyder moved to approve the billing for rent from Penny Young in the amount of \$1248, to be taken from the multi-purpose government account. Motion was seconded by Councilmember Minter and carried with Councilmember Perez voting no.

AWARD OF BID - Airport Taxiway Construction

Brian Mickelsen informed the Council that the airport improvement project grant, through the FAA, is in hold due to a problem with the current groundlease with Cottonwood Airpark. The amendment as presented has been verbally approved by the FAA and Cottonwood Airpark, Inc. The contract for airport taxiway construction is contingent upon approval of said grant.

Councilmember Perez moved to adopt the third amendment to the Cottonwood Airpark Groundlease. Motion was seconded by Councilmember Jones and carried unanimously.

Councilmember Jones then moved to award the bid for the airport taxiway construction to Rainbow International, Inc. of Phoenix in the amount of \$218,805 as recommended by Ellis-Murphy Engineers. Motion was seconded by Vice-Mayor Lewis.

Mr. John C. Black, representing Ellis-Murphy Engineers, answered questions from the council and gave background information on Rainbow International. Motion passed unanimously.

SOUTH 9TH STREET DRAINAGE

Brian Mickelsen stated that he, Todd Rockwell, Town Engineer, and Steve Thompson had met with a property owner regarding flood damage along the west side of 9th Street which involved three residences in the block.

Mr. Rockwell stated the cause of the properties being flooded is due to runoff caused by the erecting of protecting solid walls along the rear property lines of a number of homes along the west side of 9th Street. He further stated that the erection of additional walls, one at a time, will cause increasing flood