

CHICKASHA MUNICIPAL AIRPORT AUTHORITY

AGENDA
LOCATION OF MEETING
CITY HALL COUNCIL CHAMBERS
117 NORTH FOURTH STREET
CHICKASHA, OKLAHOMA 73018

TIME OF MEETING
6:30 PM

DATE OF MEETING
OCTOBER 6, 2025

All items on this agenda, including but not limited to any agenda item concerning the adoption of any ordinance, resolution, contract, agreement, or any other item of business, are subject to amendment, including additions and/or deletions. This rule will apply to every individual agenda item without exception, and without providing this same amendment language with respect to each individual agenda item. Such amendments should be rationally related to the topic of the agenda item, or the governing body will be advised to continue the item.

The governing body may adopt, approve, ratify, deny, defer, recommend, amend, strike, or continue any agenda item. When more information is needed to act on an item, the governing body may refer the matter to its City/Trust Manager, staff, attorney or to the recommending board, commission or committee.

1. Call to Order / Roll Call.

2. Consent Docket:

- a. Acceptance of the Minutes of the September 15, 2025, regular meeting.
- b. Acceptance of Claims List.
- c. Accept and ratify action to renew the policies for General Liability, Property and Auto coverage for the upcoming year, which begins November 1, 2025, with Oklahoma Municipal Insurance Group (OMAG).
- d. Accept a change in bank signatories to Zachary Grayson, Mayor, Georgianne Hebblethwaite, Vice-Mayor, Richard Edwin Edwards, Finance Director, and Susan M. McDaniel, City Clerk to all accounts held by the City of Chickasha, Chickasha Municipal Authority, Chickasha Municipal Airport Authority, Chickasha Industrial Authority, or any subsidiary or entity of the governing body of the City of Chickasha has possession of at the following banks:

- First National Bank
- Simmons Bank
- Arvest Bank
- Community Bank of Oklahoma
- Bank of Oklahoma
- Liberty National Bank

- e. Accept and ratify the Hangar Lease Agreement for use at the Chickasha Municipal Airport and authorization for the Airport Manager to execute on behalf of the City.
- f. Acknowledge receipt of August 2025 Financials.

3. Discussion/Approval of Items Removed from Consent Docket:

4. Motion for Adjournment.

CHICKASHA



Meeting Type: CMAA Agenda 10-6-2025

Meeting Date: 10/6/2025

Department: City Clerk

Agenda Item No. 2.a.

AGENDA ITEM: Acceptance of the Minutes of the September 15, 2025, regular meeting.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:

Fund	Account	Amount
(To)		
FUND	ACCOUNT	AMOUNT
(From)		

Meeting Date:
October 6, 2025

V. ATTACHMENTS:

1. CMAA 9-15-2025

September 15, 2025

The **REGULAR** meeting of the **CHICKASHA MUNICIPAL AIRPORT AUTHORITY** was held in the council chambers in city hall on the 15th day of September 2025 as specified by advance public notice with a properly prepared agenda stating the subject matter or matters to be discussed at said meeting. Chairman Grayson called the meeting to order at 8:12 p.m.

ITEM 1.

Call to Order / Roll Call:

CHAIRMAN AND TRUSTEES

PRESENT:

Zachary Grayson, Chairman
Georgianne Hebblethwaite, Vice Chairman
Kim Irving
Kea Ginn
John P. Smith
Erica Alexander
Charlie Burruss
Clark Southard

ABSENT:

Lisa Hatchett

STAFF

PRESENT:

Jim Crosby, City Manager
Amanda Mullins, City Attorney
Susan M. McDaniel, City Clerk
G. G. Music, Police Chief
Tony Samaniego, Fire Chief
Lillie Huckaby, Library Director
Spencer Winzenried, Parks & Rec Director
Tracey Austin, HR Director
Shae Mortimer, Marketing and Civic Engagement Manager

ITEM 2.

Consent Docket: ITEM 2a – ITEM 2c.

ITEM 2a.

Acceptance of the Minutes of September 2, 2025, regular meeting.

ITEM 2b.

Acceptance of the Claims List.

ITEM 2c.

Accept and ratify the Financial Audit for the Fiscal Year Ending June 30, 2023.

TIME 8:12 P.M.

*Motion by Trustee Alexander, second by Trustee Southard to approve Items 2a – 2c.

Roll call vote:

Ayes:” Irving, Ginn, Hebblethwaite, Alexander, Burruss, Southard, and Grayson.

“Nays:” None

“Abstain:” Smith

Motion carried. 7-0-1

ITEM 3. **Discussion / Approval of Items Removed from Consent Docket:**

No Action Taken.

ITEM 4. **Motion to Adjourn.**

*Motion by Trustee Hebblethwaite, second by Trustee Alexander to adjourn.

Meeting adjourned.

TIME: 8:13 PM

Approved this 6th day of October 2025.

Zachary Grayson, Chairman

(ATTEST)

Susan M. McDaniel, CMC
City Clerk

CHICKASHA

Meeting Type: CMAA Agenda 10-6-2025

Meeting Date: 10/6/2025

Department: Finance

Agenda Item No. 2.b.

AGENDA ITEM: Acceptance of Claims List.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

Acceptance of Claims List.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:

Fund	Account	Amount
(To)		
FUND	ACCOUNT	AMOUNT
(From)		

Meeting Date:
October 6, 2025

V. ATTACHMENTS:

CHICKASHA

Meeting Type: CMAA Agenda 10-6-2025

Meeting Date: 10/6/2025

Department: City Clerk

Agenda Item No. 2.c.

AGENDA ITEM: Accept and ratify action to renew the policies for General Liability, Property and Auto coverage for the upcoming year, which begins November 1, 2025, with Oklahoma Municipal Insurance Group (OMAG).

I. BACKGROUND/DESCRIPTION:

Staff is requesting authorization to renew the policies for General Liability, Property and Auto coverage for the upcoming plan year.

The renewal premium for General Liability and Auto Coverage is \$233,029.00. The renewal premium for Property Coverage is \$217,539.00.

The actual premium paid during the year will vary depending on vehicles, equipment, facility improvements and property added or removed from coverage.

II. RECOMMENDED ACTION:

Accept and rarity action to renew the current policies with OMAG for General Liability, Property, and Auto Coverage.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:	Fund	Account	Amount
	(To)		
	FUND	ACCOUNT	AMOUNT
Meeting Date: October 6, 2025	(From)		

V. ATTACHMENTS:

1. 20250930084312754
2. 20250930084129415



3650 S. Boulevard • Edmond, OK 73013 • omag.org
405.657.1400 • 800.234.9461 • FAX 405.657.1401

September 11, 2025

Susan McDaniel
City of Chickasha
117 N. 4th Street
Chickasha, Oklahoma 73018-2601

RE: City of Chickasha - Policy GLA140025110

Your OMAG Municipal Liability Protection Plan (MLPP) renewal has been processed, enclosed you will find your invoice. All other policy documents can be accessed on the OMAG Policy Portal.

The total premium for your MLPP renewal is \$233,029.00. You may pay your premium in full, semi-annual or quarterly installments. The initial payment is due by the effective date of the MLPP policy. If you choose to make a 50% or a 25% initial payment, we will send you notices on a semi-annual or quarterly basis, respectively.

Due to varying factors, you may notice a 25-35% rate increase. However, please note that your specific premium adjustment may vary based on changes to your policy or overall expenditures. If you would like additional information regarding this, please contact me at 405-657-1442.

Sincerely,

A handwritten signature in black ink that reads "Chris Webb". The signature is written in a cursive, flowing style.

Chris Webb
Underwriting Director



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405.657.1400 • 800.234.9461 • FAX 405.657.1401

Date of Invoice: 9/11/2025

INVOICE

Mail To:

City of Chickasha
117 N. 4th Street
Chickasha, Oklahoma 73018-2601

Insured: City of Chickasha
Policy No.: GLA140025110
Policy Type: General Liability/Auto
Effective Date: 11/1/2025
Expiration Date: 11/1/2026

Inst. No.	Date	Transaction Type	Amount	Running Total
1	11/1/2025	Renewal	\$58,257.25	\$58,257.25
			Current Amount Due	\$58,257.25
Total Policy Balance Before Payment: \$233,029.00			Payment Due By	11/1/2025

**Thank you for your business. If you have questions about your account,
please call 1-800-234-9461 or 405-657-1400.**

If not paid within 45 days of due date, policy will be cancelled.

If you are interested in being able to make this payment via ACH, please contact Matt Jacobson at (405) 657-1429.

Detach along the perforation above. Keep top portion for your records. Return bottom portion with your remittance.

Policy No.: GLA140025110
Insured: City of Chickasha

Amount Due: \$58,257.25
Payment Due By: 11/1/2025

PLEASE REMIT PAYMENT TO:

OMAG
P.O. Box 3091
Edmond, OK 73083



3650 S. Boulevard • Edmond, OK 73013 • omag.org
405.657.1400 • 800.234.9461 • FAX 405.657.1401

September 11, 2025

Susan McDaniel
City of Chickasha
117 N. 4th Street
Chickasha, Oklahoma 73018-2601

RE: City of Chickasha, Policy Number PRO140014310

Your OMAG Municipal Property Protection Plan (MPPP) renewal has been processed, enclosed you will find your invoice. All other policy documents can be accessed on the OMAG Policy Portal.

The total premium for your MPPP renewal is \$217,539.00. You may pay your premium in full, semi-annual or quarterly installments. The initial payment is due by the effective date of your MPPP policy. If you choose to make a 50% or a 25% initial payment, we will send you notices on a semi-annual or quarterly basis, respectively.

Due to varying factors, you may notice a 15-20% rate increase. However, please note that your specific premium adjustment may vary based on changes made to your policy throughout the year. If you would like additional information regarding this, please contact me at 405-657-1442.

Sincerely,

A handwritten signature in black ink that reads "Chris Webb".

Chris Webb
Underwriting Director



3650 S. Boulevard • Edmond, OK 73013 • omag.org
405.657.1400 • 800.234.9461 • FAX 405.657.1401

Date of Invoice: 9/11/2025

INVOICE

Mail To:
City of Chickasha
117 N. 4th Street
Chickasha, Oklahoma 73018-2601

Insured: City of Chickasha
Policy No.: PRO140014310
Policy Type: Property
Effective Date: 11/1/2025
Expiration Date: 11/1/2026

Inst. No.	Date	Transaction Type	Amount	Running Total
1	11/1/2025	Renewal	\$54,384.75	\$54,384.75
			Current Amount Due	\$54,384.75
Total Policy Balance Before Payment: \$217,539.00			Payment Due By	11/1/2025

**Thank you for your business. If you have questions about your account,
please call 1-800-234-9461 or 405-657-1400.**

If not paid within 45 days of due date, policy will be cancelled.

If you are interested in being able to make this payment via ACH, please contact Matt Jacobson at (405) 657-1429.

Detach along the perforation above. Keep top portion for your records. Return bottom portion with your remittance.

Policy No.: PRO140014310
Insured: City of Chickasha

Amount Due: \$54,384.75
Payment Due By: 11/1/2025

PLEASE REMIT PAYMENT TO:

OMAG
P.O. Box 3091
Edmond, OK 73083

CHICKASHA

Meeting Type: CMAA Agenda 10-6-2025

Meeting Date: 10/6/2025

Department: City Clerk

Agenda Item No. 2.d.

AGENDA ITEM: Accept a change in bank signatories to Zachary Grayson, Mayor, Georgianne Hebblethwaite, Vice-Mayor, Richard Edwin Edwards, Finance Director, and Susan M. McDaniel, City Clerk to all accounts held by the City of Chickasha, Chickasha Municipal Authority, Chickasha Municipal Airport Authority, Chickasha Industrial Authority, or any subsidiary or entity of the governing body of the City of Chickasha has possession of at the following banks:

- **First National Bank**
- **Simmons Bank**
- **Arvest Bank**
- **Community Bank of Oklahoma**
- **Bank of Oklahoma**
- **Liberty National Bank**

I. BACKGROUND/DESCRIPTION:

With a change of Finance Director/City Treasurer, new signatories are needed.

II. RECOMMENDED ACTION:

Accept a change in bank signatories to Zachary Grayson, Mayor, Georgianne Hebblethwaite, Vice-Mayor, Richard Edwin Edwards, Finance Director, and Susan M. McDaniel, City Clerk to all accounts held by the City of Chickasha, Chickasha Municipal Authority, Chickasha Municipal Airport Authority, Chickasha Industrial Authority, or any subsidiary or entity of the governing body of the City of Chickasha has possession of at the following banks:

- **First National Bank**
- **Simmons Bank**
- **Arvest Bank**

- Community Bank of Oklahoma
- Bank of Oklahoma
- Liberty National Bank

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:	Fund	Account	Amount
	(To)		
	FUND	ACCOUNT	AMOUNT
Meeting Date: October 6, 2025	(From)		

V. ATTACHMENTS:

CHICKASHA

Meeting Type: CMAA Agenda 10-6-2025

Meeting Date: 10/6/2025

Department: City Clerk

Agenda Item No. 2.e.

AGENDA ITEM: Accept and ratify the Hangar Lease Agreement for use at the Chickasha Municipal Airport and authorization for the Airport Manager to execute on behalf of the City.

I. BACKGROUND/DESCRIPTION:

The Airport Director requests approval of a new hangar lease agreement template to replace the current, basic rental and lease agreement. The new agreement provided for additional protections to the City and complies with current FAA and community standards.

This new agreement has incorporated the recommendations from the City Council. It includes standard municipal provisions for insurance, liability, environmental protection, and operational requirements. This will provide consistency across all hangar rentals and protect the City's interests.

II. RECOMMENDED ACTION:

Accept and ratify the Hangar Lease Agreement for use at the Chickasha Municipal Airport and authorization for the Airport Manager to execute on behalf of the City.

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director: Edward Perez, Airport Manager	Fund	Account	Amount
	(To)		
	FUND	ACCOUNT	AMOUNT
Meeting Date: October 6, 2025	(From)		

V. ATTACHMENTS:

1. Airport Hangar Lease Agreement Template.FINAL DRAFT 10-6-2025

Chickasha Municipal Airport Hanger Lease Agreement

This Lease Agreement made and entered into this ____ day of _____, 202_, by and between City of Chickasha, Oklahoma, a municipal corporation ("CITY"), and _____ hereinafter referred to as "LESSEE." Both CITY and LESSEE are sometimes referred to collectively herein as the "Parties."

Witnesseth

WHEREAS, Chickasha Municipal Airport operates as a public-use airport under the authority of the City of Chickasha, Oklahoma; and

WHEREAS, the LESSEE desires to lease certain real property located at the Airport for aircraft hangar purposes.

NOW, THEREFORE, in consideration of the mutual promises, covenants, and conditions herein stated and in consideration of the mutual benefits, which will accrue to the parties, the sufficiency of which is acknowledged by the parties, the parties agree as follows:

1. Leased Premises. For and in consideration of the rentals as hereinafter provided, and the stipulations and conditions hereinafter set out and the mutual advantages moving to the parties hereunder, the CITY does hereby demise and lease and assign to the LESSEE the surface rights only in and to the lands described as Hangar _____, having approximately _____ square footage.

2. Term. This lease shall be for an initial term of one (1) year, commencing on _____, 202_, and ending on _____, 202_, unless terminated earlier in accordance with the provisions herein. Upon expiration of the initial term, this lease shall automatically renew for successive one (1) year terms unless either party provides written notice of its intent not to renew at least sixty calendar (60) days prior to the expiration of the then-current term.

3. Rent. The initial rental to be paid by LESSEE to the CITY for the leased premises is the sum of \$_____ per month commencing on the beginning date of the lease, for a total annual rent of \$_____. Rental rates are established by the City Council and may be increased or decreased based on the fee schedule adopted by the City Council. The following shall apply:

a. An additional fee may be incurred if any check is returned for insufficient funds in accordance with the City's adopted fee schedule.

b. Rent shall be paid monthly.

c. If rent is not received in full by the tenth (10th) day of each month, a late fee of \$25.00 shall be assessed. If rent is delinquent by thirty (30) days or more, LESSEE will be in default and CITY, in its sole discretion, may terminate this Lease Agreement immediately as provided for below.

d. LESSEE shall pay a refundable security deposit equal to one (1) month's rent: \$ _____ and a key deposit of \$25.00 per key. The security deposit shall be refundable upon return of all keys and satisfactory condition of the premises, as determined by the City in its sole discretion.

4. Use of Leased Premises. The Leased Premises is leased for the purpose of occupying and operating an aircraft hangar and associated crew quarters in accordance with all applicable airport regulations, City Codes, and this Lease Agreement. LESSEE understands that the property and/or materials stored on the Leased Premises must be appropriate for airport-related activities. If any property or materials stored on the Leased Premises are determined by the Airport Director to be hazardous, threatening, annoying, dangerous, or otherwise inappropriate, the CITY shall have the right, in addition to all other available remedies, to require their immediate removal.

LESSEE shall refuel aircraft only in areas designated by the Airport Director or his designee and shall not deposit, discharge, or release water, fuel, oil, or other petroleum products on the Airport premises. Fuel samples must be disposed of appropriately in accordance with applicable environmental regulations.

It is specifically agreed that:

a. LESSEE shall not use the Leased Premises for the sale of aviation fuel to third parties.

b. LESSEE shall refuel aircraft only in areas designated by the Airport Director or his designee and shall not deposit, discharge, or release water, fuel, oil, or other petroleum products on the Airport premises.

c. Non-aeronautical uses of the Leased Premises are prohibited except as may be expressly approved in writing by the Airport Director.

4.1 Primary Use — Aircraft Storage. The primary purpose of the Leased Premises is the storage of active, operational, N-numbered powered aircraft. The hangar is leased for this purpose and for related aeronautical activities. This primary use shall not be displaced, impeded, or subordinated to any other activity.

4.2 Operational Aircraft Requirement. The hangar must house at least one (1) operational aircraft at all times, except as set forth in 4.3 and 4.4. An "operational aircraft" is defined as one that holds a current and valid FAA registration certificate, has completed all inspections required under FAA regulations (including annual or 100-hour inspections, as applicable), and is in airworthy condition in accordance with FAR Part 91.

The LESSEE shall, upon request, provide reasonable documentation verifying the operational status of any aircraft stored in the hangar. Such documentation may include a copy of the current FAA registration, evidence of a current annual inspection or equivalent logbook entries, proof of recent flight activity, and proof of current aircraft insurance coverage.

4.3 Non-Operational Aircraft and Construction Projects. Aircraft that are temporarily non-operational due to maintenance or restoration may remain in the hangar for a period not to exceed

six (6) months, provided the LESSEE submits written notification to the Airport Director within fifteen (15) days of the aircraft becoming non-operational. This notification must include a maintenance or restoration plan and supporting documentation, such as a work order, project timeline, or confirmation from a repair facility.

An aircraft shall not be considered derelict if the LESSEE provides documented evidence of ongoing maintenance activity, restoration progress, or preparation for required inspections. However, any aircraft that has not flown in over one (1) year and for which no maintenance or restoration documentation is submitted may be deemed derelict and subject to relocation or lease termination at the discretion of the Airport Director.

Aircraft construction or restoration projects are permitted, provided the LESSEE demonstrates reasonable progress toward completing and certifying an operational aircraft within twenty-four (24) months. Extensions may be granted in six (6) month increments, not to exceed a total of thirty-six (36) months, upon written request to the Airport Director that includes evidence of continued progress and a realistic completion timeline.

4.4 Grace Period for Aircraft Replacement or Absence. A temporary vacancy of the hangar is permitted for up to ninety (90) days under certain circumstances, so long as the LESSEE notifies the Airport Director in writing within fifteen (15) days of the aircraft's departure and provides supporting documentation. Acceptable reasons include the sale of the aircraft, in which case the LESSEE must provide a copy of the sales agreement or listing and demonstrate that a replacement aircraft is actively being sought; temporary relocation for major maintenance, supported by a work order or written confirmation from the maintenance provider; or extended cross-country travel, with a flight plan or itinerary showing the aircraft's absence.

4.5 Permitted Aeronautical Activities. In addition to aircraft storage, permitted uses of the Leased Premises include aircraft maintenance and repair (limited to LESSEE's aircraft), construction or restoration of an aircraft consistent with Section 4.3, and the storage of aeronautical tools, equipment, and aircraft parts or supplies that are directly related to the aircraft stored on-site.

5. Non-Aeronautical Storage and Prohibited Uses. The primary use of the Leased Premises must remain the storage of active, operational aircraft; however, limited non-aeronautical storage may be permitted so long as it does not interfere with or displace aeronautical activities. Tenants may store one personal vehicle within the hangar while the aircraft is in use, and may also store minimal personal items directly related to flight operations, such as flight bags, headsets, and navigation charts. Additionally, comfort items such as a small refrigerator, basic seating, or similar amenities may be placed within the hangar, provided they do not obstruct aircraft movement or access.

Items typically kept in residential or commercial storage facilities—such as furniture, appliances, seasonal decorations, clothing, books, sporting goods, garden equipment, or other typical residential or commercial storage items are strictly prohibited. The hangar may not be used for residential or temporary living purposes under any circumstances. Prohibited activities also include the operation of any non-aeronautical business, long-term storage of derelict aircraft or aircraft parts, storage of business inventory, or use of the hangar for business-related warehousing.

Storage of boats, RVs, motorcycles (except as otherwise permitted in connection with aircraft use), or any non-aviation vehicles is not allowed. The storage of flammable liquids in excess of five (5) gallons—other than aviation fuel contained in approved containers—and the storage of hazardous materials of any kind are also strictly prohibited.

Any activity or condition that impedes the movement of aircraft or emergency access to or from the hangar shall constitute a violation of this Lease and may result in enforcement action, including but not limited to lease termination.

6. Right of Ingress and Egress. LESSEE shall have the right of ingress to and egress from the Leased Premises, provided access to the airfield is not otherwise reasonably restricted by the CITY. LESSEE understands that the Airport may be closed on a temporary basis and/or that airport use restrictions may be imposed from time to time for reasons including, but not limited to, hazardous conditions, special events, safety, security, noise and environmental issues. If airport use restrictions are imposed as a result of a special event, LESSEE shall not be unreasonably denied access to the Leased Premises. Additionally, LESSEE shall comply with any safety and security planning efforts adopted by the Airport Director.

7. Personal Property Taxes. LESSEE shall be liable for all personal property taxes assessed against LESSEE'S personal property or LESSEE'S improvements.

8. Environmental Matters.

a. **Definitions.** For purposes of this Lease Agreement, the term "Hazardous Substances" includes any hazardous or toxic materials, substances, or wastes, including but not limited to those defined or regulated under any applicable federal, state, or local law, statute, regulation, or ordinance relating to the protection of human health or the environment ("Environmental Laws"). "Release" means any actual or threatened spill, leak, emission, discharge, disposal, or escape of Hazardous Substances into the environment, whether intentional or unintentional.

b. **Disclaimer of Representations.** CITY makes no representations or warranties, express or implied, concerning the environmental condition of the Leased Premises, including, without limitation, the presence or absence of any Hazardous Substances. LESSEE acknowledges and accepts the Leased Premises in its "AS IS, WHERE IS" condition, without reliance on any environmental disclosures or assurances from CITY. CITY specifically disclaims any obligation to investigate, monitor, or remediate environmental conditions on or affecting the Leased Premises, except as may be required by law.

c. **Environmental Site Assessments.** In light of the intended use of the Leased Premises for aircraft storage and related non-commercial aeronautical purposes, no environmental site assessment, including a Phase I Environmental Site Assessment, shall be conducted by LESSEE without the prior written consent of the Airport Director, which may be granted or withheld in the Airport Director's sole discretion. Any request for such assessment shall be submitted in writing and must include a description of the scope, purpose, and methodology of the proposed testing. Under no circumstances shall LESSEE perform any invasive testing, such as soil sampling or drilling, unless specifically approved in writing by the Airport Director.

d. LESSEE shall indemnify and hold the CITY harmless for any claims, costs, or liabilities resulting from environmental conditions caused or exacerbated by LESSEE's activities.

9. Conditions and Maintenance:

a. LESSEE shall keep the Leased Premises free of debris, tall grass, weeds, parts, inoperable vehicles and any other nuisances or hazards at all times.

b. LESSEE shall be responsible for the cleanup of hazardous materials or other spills from LESSEE's aircraft, vehicles, or containers. LESSEE shall dispose of used oil and other hazardous materials in approved receptacles only.

c. LESSEE shall be responsible for and agrees to remedy any damage to the Leased Premises arising out of LESSEE's use of the Leased Premises.

12. Airport Operations. The CITY reserves the right to further develop or improve the airport as it sees fit, regardless of the desires or views of the said LESSEE, and without interference or hindrance. The CITY reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction.

13. Improvements. LESSEE may make improvements to the Leased Premises at LESSEE's sole expense, subject to the following terms and conditions:

a. LESSEE may make minor improvements to the Leased Premises, such as installation of workbenches, tool storage systems, lighting upgrades, and electrical improvements necessary for aircraft maintenance, provided that such improvements receive the prior written approval of the Airport Director. Construction of buildings, structural alterations, or major modifications are generally prohibited, unless expressly authorized in writing by the Airport Director.

b. Prior to commencing any construction or improvement, LESSEE shall obtain all necessary permits, approvals, and authorizations, including but not limited to those required by the City of Chickasha, the Federal Aviation Administration, and the Oklahoma Department of Aerospace and Aeronautics (ODAA)..

c. All improvements must comply with applicable building codes, ordinances, and regulations of the City of Chickasha and any other authority having jurisdiction.

d. Unless otherwise agreed in writing, the Airport Director may require LESSEE to remove any improvements upon termination of this Lease. LESSEE shall be responsible for all costs associated with such removal and any damage caused thereby.

e. In the absence of a written agreement to the contrary that expressly references this Lease Agreement, LESSEE shall have the right to remove, prior to lease termination, any non-structural improvements it placed on the Leased Premises, provided such removal does not cause damage to the Premises. Any improvements not removed prior to lease termination shall, without further notice, become the property of the CITY.

14. Indemnification and Hold Harmless. LESSEE agrees to indemnify, defend, and hold harmless the CITY, including their respective officers, officials, agents, and employees, from and against any and all claims, demands, damages, liabilities, losses, costs, or expenses, including reasonable attorney's fees and court costs, arising directly or indirectly out of LESSEE's use, occupancy, maintenance, or repair of the Leased Premises, or arising from LESSEE's breach of any provision of this Lease Agreement. This indemnity also includes claims arising out of the release or threatened release of any Hazardous Substances on, in, or under the Leased Premises, or the violation of any applicable Environmental Law, to the extent such release or violation is caused by LESSEE or its agents, contractors, employees, invitees, or guests. LESSEE further agrees that it shall be solely responsible for any claims, damages, or liabilities incurred by third parties arising out of or in connection with LESSEE's activities on the Leased Premises. It is expressly understood that there shall be no liability whatsoever on the part of the CITY for any improvements made by LESSEE, and all such improvements and any maintenance or repair thereof shall be at the sole cost and responsibility of LESSEE. This indemnification provision shall survive the expiration or earlier termination of this Lease Agreement and shall not apply to any claims arising from the gross negligence or willful misconduct of the CITY.

a. LESSEE waives any claim it might have against the CITY for any damage to or theft, destruction, loss, or loss of use of any property, to the extent the same is insured against under any insurance policy that covers the Leased Premises, the building thereon, or LESSEE's fixtures, personal property, leasehold improvements, or business, or is required to be insured against under the terms hereof, except when the intentional act or the gross negligence of the other party caused such loss.

b. LESSEE does hereby assume sole responsibility for any liability, of whatever nature, incurred to any third parties, that arises out of the LESSEE's use of the Leased Premises.

c. The provisions of this Paragraph 14 are intended to survive the expiration or termination of this Lease Agreement.

15. Inspections and Entry Upon Leased Premises Authorized. Authorized officers, agents, officials, and employees of the United States of America, and authorized officers, officials, agents and employees of the Federal Aviation Administration, the Oklahoma Department of Aerospace and Aeronautics (ODAA), and agents of the City of Chickasha, Oklahoma, shall have the right and authority at all times to go upon said airport property and into buildings and structures thereon, for the purpose of viewing and inspecting the same, so long as said officers, officials, agents and employees do not unreasonably hinder or interfere with the operation by LESSEE of said Leased Premises.

16. Insurance Limits. LESSEE, at its sole expense, shall keep in force during the term of this Lease, and any extensions thereof, commercial general liability insurance issued by an insurance company authorized to do business in the State of Oklahoma and in a form acceptable to the Airport Director. Such insurance shall protect the CITY against all liabilities, judgments, costs, damages, and expenses which may accrue against, be charged to, or recovered from the CITY by reason of bodily injury, death, or property damage occurring on or about the Leased Premises. The minimum coverage limits shall be no less than the limits set forth in the Oklahoma Governmental

Tort Claims Act, 51 O.S. § 154(A), which are currently: One Hundred Twenty-Five Thousand Dollars (\$125,000.00) per claimant for bodily injury or death; One Million Dollars (\$1,000,000.00) per occurrence for bodily injury or death involving multiple claimants; and Two Hundred Thousand Dollars (\$200,000.00) per occurrence for property damage. These limits shall be deemed automatically amended to reflect any future increases made to the statutory limits under the Oklahoma Governmental Tort Claims Act.

17. Additional Insurance Information. In addition, LESSEE shall furnish the CITY with a complete list of all such insurance policies and LESSEE shall pay all the premiums necessary to those purposes immediately as they become due. The following shall also apply:

a. All insurance policies shall, in addition to protecting the LESSEE, protect the CITY and their employees and agents and all of their officials and members of the City Council and authorizing this Lease Agreement. The City of Chickasha shall be listed as an additional insured on all required insurance policies; and,

b. At the time of execution of this lease, the LESSEE shall furnish the CITY certificates of such insurance; and,

c. All such insurance certificates shall contain a provision that the respective insurers will not cancel such insurance coverage required under this Lease without first giving thirty (30) days prior written notice to the Airport Director; and,

d. LESSEE'S failure to effectuate any and all such insurance and renewal policies of insurance required and to pay the premiums and renewal premiums on all such policies of insurance as they become due and payable, and to deliver all such certificates of insurance and renewals thereof of duplicate originals to the CITY, shall constitute a default by LESSEE under the terms of this Lease, and the Airport Director, in his sole discretion, may terminate this Lease Agreement immediately as provided herein.

e. LESSEE shall be liable for insuring LESSEE'S property located upon the Leased Premises.

18. Surrendering Possession. It is further mutually agreed that at the expiration, default or other termination of this Lease Agreement, LESSEE's rights to use the Lease Premises shall cease and LESSEE shall immediately cease operations, vacate the Leased Premises, and deliver peaceable possession of the premises to the CITY in as good condition as at the commencement of the lease, normal wear and tear excepted. If LESSEE occupies the Leased Premises beyond the expiration or other termination date, LESSEE shall be considered as holding over, and shall remain liable for payment of rent and for complying with all of the terms of this Lease Agreement. Should LESSEE remain beyond the expiration, default or other termination of this Lease Agreement, CITY retains the right to take any lawful action to regain possession of the Leased Premises.

19. Casualty or Condemnation. If any or all the Leased Premises shall be damaged by fire, earthquake, flood, or other casualty, or acquired by the right of condemnation or eminent domain for any public or quasi-public use or purpose, or be sold to a condemning authority under threat of condemnation, then, at the option of LESSEE, the Term of this Lease shall cease and terminate as

of the date of such fire, earthquake, flood, or other casualty, or as of the date of title vesting pursuant to such condemnation or eminent domain proceeding (or sale), and all rental shall be paid up to that date.

20. Default.

a. **Generally.** Under this Lease Agreement, default generally occurs when either party fails to keep, observe, or perform any term or provision of this Lease Agreement to be kept, observed, or performed by it, and such conduct continues for a period of sixty (60) days after written notice thereof by the other party.

b. **Specific Examples of Events of Default.** Default shall also occur should LESSEE be adjudicated as bankrupt, or insolvent, or take the benefit of any federal reorganization, or compositions proceed, or make a general assignment, or take the benefit of any insolvency law; or

i. If LESSEE's leasehold interest be sold under an execution or process of law; or

ii. If the Leased Premises shall be abandoned or deserted; or

iii. LESSEE shall fail to pay any payment required to be paid to CITY under this Lease, as and when the same shall become due, and such default is not cured within ten (10) business days after written notice of default, provided CITY shall not be required to provide such notice more than once in a calendar year; or,

iv. If LESSEE fails to strictly abide by any provision and requirement of this Lease Agreement.

c. **Events of Immediate Default.** The failure of LESSEE to pay rent within thirty (30) days of the due date, the failure to obtain insurance, failure to provide proof of insurance, failure to properly dispose of and/or store hazardous materials, or the failure to obtain Airport Director permission prior to assigning this Lease Agreement, shall constitute immediate default and the Airport Director shall not have to allow sixty (60) days, or any period of time, for LESSEE to cure such default.

21. Remedies on Default.

a. **Notice of Default.** Upon default, other than the events described in "Events of Immediate Default" above, and in addition to any other remedies available to it on account of such event or default, either party may provide the other party with notice that it intends to terminate this Lease Agreement, in writing, which identifies the conduct, act, or condition constituting default, if the default is not cured within the following sixty (60) days, or another length of time that is specifically identified herein for a particular situation.

b. **Termination.** If CITY or LESSEE fails to cure the conduct, act or condition constituting default within sixty (60) days or another length of time that is specifically identified herein for a particular situation, the other party may immediately terminate this Lease Agreement.

c. **Remedies Not Exclusive.** For LESSEE's default, CITY's remedy shall be limited to termination of this Lease Agreement. No right or remedy herein conferred upon or reserved to either of the parties is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative to any other right or remedy given hereunder or now or hereafter legally existing upon default.

d. **No Waiver.** The failure of either party to insist upon the strict observance or performance of any of the provisions of this Lease Agreement or to exercise any right or remedy provided in this Lease Agreement shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof with respect to subsequent defaults. Every right and remedy given by this Lease Agreement to the parties may be exercised from time to time and as often as may be deemed expedient by the parties.

e. **Costs and Attorney's Fees.** If either party hereto brings an action because of any event of default, each party hereto agrees to pay its own costs and attorney's fees incurred in connection with such action.

22. **Force Majeure.** For the purposes of this Lease Agreement, an event of Force Majeure is an act of God, fire, earthquake, hurricane, flood, terrorist act or threat, storm, washout, wind, lightning, landslide, explosion, epidemic, inability to obtain materials or supplies, accident to machinery or equipment, or any cause of occurrence outside the reasonable control of the party claiming an inability to perform and which by the exercise of due diligence could not be reasonably prevented or overcome.

Neither party shall be liable or responsible to the other party for any delay, loss, damage, failure or inability to perform under this Lease Agreement due to an Event of Force Majeure, provided that the party claiming failure or inability to perform provides written notice to the other party within ten (10) days of the date on which such party gains actual knowledge of such Event of Force Majeure.

In the event of damage or destruction of the Leased Premises or a material portion of the Leased Premises by reason of fire, storm, or other casualty loss that renders the Leased Premises uninhabitable, the CITY shall use reasonable efforts to make necessary repairs. If, notwithstanding such efforts, such damage or destruction is expected to render the Leased Premises or a material portion thereof uninhabitable for a period estimated to be at least One Hundred Eighty (180) days or more, either party may terminate this Lease Agreement immediately.

Notwithstanding any Event of Force Majeure, LESSEE remains obligated to pay rent as specified in this Lease Agreement unless this Lease Agreement is terminated pursuant to the provisions herein.

23. **Compliance with Laws.** LESSEE shall conduct its activities under the terms of this Lease Agreement in such a manner that it does not violate federal, state, or local laws or regulations applicable to the conduct of its activities under the terms of this Lease Agreement. LESSEE shall also obey and observe all rules and regulations promulgated and enforced by the Airport Director

or CITY or any other entity having jurisdiction over the conduct of the operations of the Chickasha Municipal Airport, including, but not limited to, the Federal Aviation Administration.

24. Wartime and National Emergency. LESSEE understands that during time of declared war or other local, state or national emergency, as declared by the local, state or federal government, the Airport Director shall have the right to lease the Leased Premises, or any part thereof, to the United States Government or the State of Oklahoma for military, homeland, or emergency management use, and if such lease is executed, the provisions of this lease, insofar as they are inconsistent with provisions of a government lease, shall be suspended without obligation of the CITY to the LESSEE by reason of the suspension.

25. Subordinate Lease. This Lease Agreement shall be subordinate to the provisions of any existing or future agreements between the City of Chickasha, as the airport sponsor, and the federal or state government, or any agency thereof, which relate to the operation, maintenance, or development of the Chickasha Municipal Airport. This includes, but is not limited to, grant assurances, obligations, or conditions imposed as a prerequisite to the receipt of federal or state funding.

26. Sublease and Assignment. The Leased Premises may not be subleased or assigned by the LESSEE without the prior written consent from the Airport Director. Any sublease or assignment that is executed without Airport Director's consent is void.

27. Bankruptcy or Insolvency. It is agreed between the parties hereto that if LESSEE shall be adjudicated as bankrupt, or insolvent, or take the benefit of any federal reorganization, or composition proceeding, or make a general assignment, or take the benefit of any insolvency law, or if LESSEE'S leasehold interest under this Lease shall be sold under an execution or process of law, or if a trustee in bankruptcy, or a receiver be appointed or elected, or had (whether under federal or state law), or if said premises shall be abandoned or deserted, or if LESSEE shall fail to perform any of the covenants or conditions of this Lease on LESSEE'S part to be performed, then and in any such events this Lease and the terms of the Lease, at Airport Director's option, shall expire and end, after the Airport Director shall give LESSEE written notice of such act, condition, or default, and LESSEE hereby agrees immediately then to quit and surrender said premises to the CITY; but this shall not impair or effect the CITY's right to maintain summary proceedings for the recovery of the possession of the demised premises in all cases provided by law; provided, that the notice shall specify that the LESSEE shall have a thirty (30) day period upon receipt of the notice within which to correct any and all defaults. The notice will be in writing and mailed to LESSEE'S last known mailing address.

28. Binding Effect.

This Lease Agreement binds the parties and any successors and assigns of the parties.

29. Severability. If any one or more of the sections, sentences, clauses, or parts of this Lease Agreement be held invalid for any reason, the invalidity of such section, sentence, clause, or part shall not affect nor prejudice the applicability and validity of any other provision of this Lease Agreement.

30. Counterparts. This Lease Agreement may be executed in any number of counterparts, and when each party has signed and delivered to the other at least one such counterpart, each counterpart shall be deemed an original, and when taken together with other signed counterparts, shall constitute one agreement; provided, however, this Lease Agreement shall not be binding upon the parties hereto until signed by all of the parties.

31. Third Party Beneficiaries. Nothing in this Lease Agreement, expressed or implied, is intended to confer upon any person other than the parties hereto and their respective assigns, any rights or remedies under or by reason of this Lease Agreement, except as provided expressly herein.

32. No Agency. It is mutually understood and agreed that nothing contained in this Lease Agreement is intended, or shall be construed, as in anywise creating or establishing the relationship or co-partners or joint ventures between the parties hereto or as constituting LESSEE as the agent or representative of the CITY for any purpose.

33. Notices. Whenever notice is required to be given in writing, such notice shall be hand-delivered or mailed by certified mail, return receipt requested, and directed to the respective parties at the following addresses:

CITY:

Attn: Airport Director
City of Chickasha
Chickasha Municipal Airport

LESSEE:

or at such other address as a party shall specify by like notice to the other party hereto. Notices shall be effective on the date of delivery.

34. Governmental Tort Claims Act. By entering into this Lease Agreement, CITY and its "employees," as defined by the Governmental Tort Claims Act, 51 Okla. Stat. § 151 et seq., do not waive sovereign immunity, any defenses, or any limitations of liability as may be provided for by law. No provision of this Lease Agreement modifies and/or waives any provision of the Local Government Tort Claims Act.

35. Non-Discrimination. The parties covenant (1) that no person shall be excluded from participation in, denied the benefit of, or otherwise subjected to discrimination under the terms of this Lease Agreement on the ground of race, color, age, sex, handicap, or national origin; and (2) that, in carrying out the terms and conditions of this Lease Agreement, no person shall be subjected to discrimination on the grounds of race, color, age, sex, handicap, or national origin. In the event of breach of any of the non-discrimination covenants, the CITY shall have the right to terminate this Lease Agreement and to re-enter and re-possess said Leased Premises and hold the same as if said Lease Agreement had never issued. In the event CITY terminates this Lease subject to this provision, LESSEE shall immediately cease operations, but shall be authorized up to one hundred and twenty (120) days to remove property and structures.

36. Interpretation of Law. This Lease Agreement shall be deemed to have been made in the State of Oklahoma and shall be construed and interpreted in accordance with the laws of the State of Oklahoma.

37. Venue. Any action or proceeding seeking to enforce any provision of, or based on any right arising out of, this Lease Agreement may be brought against any of the parties in the courts of the State of Oklahoma, County of Grady and each of the parties consents to the jurisdiction of such court (and of the appropriate appellate courts) in any such action or proceeding and waives any objection to venue laid therein.

38. Lease Construction. Captions and other headings contained in this Lease Agreement are for reference and identification purposes only and do not alter, modify, amend, limit, or restrict the contractual obligations of the parties.

39. Bargaining. The CITY and the LESSEE have had the opportunity to seek independent legal counsel before entering into this Lease Agreement. The language of this Lease Agreement shall be construed simply, according to its fair meaning, and not strictly for or against either party.

40. Integration, Amendments, and Interpretation. This Lease Agreement constitutes the entire agreement between the parties and may not be amended, altered, modified or changed in any way except in writing signed by all parties to this Lease Agreement and which specifically references this Lease Agreement. There are no other agreements, representations or warranties, whether oral or written, regarding the subject matter of this Lease Agreement. No course of dealings involving the parties hereto and no usage of trade shall be relevant or admissible to interpret, supplement, explain or in any way vary any of the terms expressly set forth in this Lease Agreement. Any amendment to this Lease Agreement shall be attached to this Lease Agreement and all of the terms in this Lease not addressed in the amendment shall remain in full force and effect.

41. Time of the Essence. Time is of the essence of this Lease, and of each and every covenant, term condition and provision hereof.

42. Additional Operational Requirements and Clarifications.

42.1 Door Track and Access Clearance. LESSEE shall not position aircraft, vehicles, or any other equipment or materials so as to obstruct the hangar door tracks or the movement of hangar

doors, including those of adjacent tenants. Hangar doors shall remain closed and secured when not actively in use, and LESSEE shall not impede access to or from neighboring hangars. All aircraft and equipment must be positioned to maintain full clearance for door operation and emergency access at all times. Violation of this provision shall constitute a material breach of this Lease.

42.2 Fire Safety and Extinguisher Requirement. LESSEE shall not conduct aircraft refueling inside the hangar and shall prohibit open flames, smoking, or other fire hazards on the Leased Premises. LESSEE shall properly dispose of waste oil and other hazardous materials in compliance with applicable regulations. LESSEE shall maintain a functioning fire extinguisher in the hangar, suitable for aviation and electrical fires, and shall ensure that such extinguisher is maintained in good working order and compliant with applicable fire codes.

42.3 Security and Locking. LESSEE shall be responsible for keeping the hangar secure and locked when not in use. CITY is not responsible for loss or damage to LESSEE's property due to failure to secure the hangar.

42.4 Use of Security Deposit for Repairs. The CITY may apply all or any portion of the security deposit toward the cost of repairing any damage to the Leased Premises caused by LESSEE, its agents, invitees, or guests. The application of the security deposit shall not limit CITY's ability to seek additional recovery for damages exceeding the deposit amount.

42.5 Abandoned Property. Any aircraft, vehicle, or personal property remaining on the Leased Premises more than thirty (30) days after lease termination or abandonment shall be deemed abandoned. The CITY may, at its sole discretion, take possession of such property, store it at LESSEE's expense, or dispose of it in accordance with applicable law. LESSEE waives any claim for damages resulting from such disposition.

42.6 Flowage Fee and Self-Fueling Restrictions. LESSEE is encouraged to purchase fuel from Chickasha Municipal Airport fuel services to support airport operations. If LESSEE brings fuel onto airport property from off-site sources, LESSEE shall pay a flowage fee of \$0.10 per gallon to the CITY for all aviation fuel (100LL or Jet-A) dispensed into any aircraft on the premises. LESSEE must provide documentation of off-airport fuel deliveries and shall remit all flowage fees within thirty (30) days of delivery. Only aviation-grade fuel meeting applicable ASTM standards may be brought onto the Airport, and all fuel must be stored and dispensed using FAA-, DOT-, and fire-code-compliant containers and equipment. Fuel storage is prohibited except within approved aircraft fuel tanks. All self-fueling activities must comply with FAA Advisory Circular 150/5190-7 and applicable safety regulations.

42.7 Automatic Termination for Extended Vacancy. Failure to store an operational aircraft in the hangar for more than ninety (90) consecutive days, without prior written approval of the Airport Director, shall constitute abandonment and grounds for immediate lease termination.

42.8 Dispute Resolution. The Parties agree to attempt in good faith to resolve any dispute arising under this Lease through informal discussions. If informal resolution is not successful, the Parties agree to participate in non-binding mediation, to be conducted by a mutually agreed-upon

mediator in Grady County, Oklahoma, prior to the initiation of litigation. Each party shall bear its own costs of mediation.

42.9 Hangar Door Use and Damage. LESSEE shall exercise care in the operation of hangar doors and is responsible for any damage to the doors, door tracks, motors, or related electrical systems caused by LESSEE, its guests, employees, or invitees. Any damage shall be repaired at LESSEE's sole expense within thirty (30) days of notice by the Airport Director. If LESSEE fails to timely repair such damage, the Airport Director may perform the repairs and invoice LESSEE for all associated costs.

Section 43 - Grandfathering Provisions for Established Flight Training Operations

43.1 Eligibility for Grandfathering. Any tenant who, as of July 1, 2025, has operated continuously on Chickasha Municipal Airport property for a minimum of (5) years and is engaged in FAA-certificated flight training operations under 14 CFR Part 141 or 14 CFR Part 61, may qualify for the grandfathering provisions set forth in this Section, subject to Airport Director approval and verification of operational status.

43.2 Grandfathered Exemptions. Qualified tenants under Section 43.1 shall be exempt from the following lease provisions, provided they maintain continuous operations and comply with all other lease terms:

a. **Fuel Flowage Fees:** Exempt from all fuel flowage fees set forth in Section 42.6, provided that fuel is used exclusively for flight training operations conducted by the tenant.

b. **Operational Aircraft Requirements:** Modified compliance with Sections 4.2, 4.3, and 4.4, allowing for storage of training aircraft in various stages of maintenance and repair without the standard time limitations, extended periods for aircraft maintenance required for flight training operations, and storage of multiple aircraft in non-operational status when being used for ground training or maintenance instruction.

43.3 Conditions for Maintaining Grandfathered Status. Grandfathered exemptions shall remain in effect only while:

- a. The tenant maintains active FAA certification for flight training operations
- b. The tenant continues flight training activities as the primary use of the leased premises
- c. The tenant remains in compliance with all other provisions of this lease agreement
- d. The tenant provides annual documentation to the Airport Director demonstrating active flight training operations

43.4 Termination of Grandfathered Status. Grandfathered exemptions shall automatically terminate upon voluntary cancellation of the lease by the tenant, termination of the lease by the CITY for cause, cessation of active flight training operations for more than one hundred eighty

(180) consecutive days, loss of FAA certification for flight training operations, or change in primary use of the leased premises to non-flight training activities.

43.5 No Transfer of Grandfathered Rights. Grandfathered exemptions are personal to the qualifying tenant and may not be transferred, assigned, or conveyed to any successor, sublessee, or assignee.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Agreement to be executed on the day and year written below.

Date: _____

"CITY" CITY OF CHICKASHA

By: _____

Airport Director

Date: _____

"LESSEE"

Printed name and Title

CHICKASHA

Meeting Type: CMAA Agenda 10-6-2025

Meeting Date: 10/6/2025

Department: Finance

Agenda Item No. 2.f.

AGENDA ITEM: Acknowledge receipt of August 2025 Financials.

I. BACKGROUND/DESCRIPTION:

II. RECOMMENDED ACTION:

III. FISCAL INFORMATION -

IV. FUND INFORMATION:

Dept. Director:
NAME, TITLE

Fund	Account	Amount
(To)		
FUND	ACCOUNT	AMOUNT
(From)		

Meeting Date:
October 6, 2025

V. ATTACHMENTS: