

**ADDENDUM NO. 1 TO FIXED BASE OPERATOR AGREEMENT
BETWEEN
LEGACY AVIATION, INC. DBA FLYING KC
2016
AND
THE CITY OF LEE'S SUMMIT, MISSOURI**

THIS ADDENDUM NO. 1 TO FIXED BASE OPERATOR AGREEMENT BETWEEN LEGACY AVIATION, INC. DBA FLYING KC AND THE CITY OF LEE'S SUMMIT, MISSOURI, made and entered into this ____ day of _____, 20____, by and between the City of Lee's Summit, Missouri (hereinafter "City"), and Legacy Aviation, Inc. dba Flying KC (hereinafter "Operator").

WITNESSETH:

WHEREAS, City and Operator entered into a Fixed Base Operator Agreement dated _____ (hereinafter "Original Agreement") for Operator to lease certain premises owned by the City of Lee's Summit and to enable Operator to perform Aeronautical Services as a Fixed Base Operator (FBO) at the airport using said premises; and

WHEREAS, the Original Agreement included provisions which permitted Operator to operate a Flight School, provide aircraft rental services, aircraft management and consulting services, and aircraft sales, and further provided for obligations on the part of the Operator consistent therewith, including, but not limited to, the provision of insurance coverage consistent with the policies for the same as set forth in the Original Agreement as well as The City's Minimum Standard Requirements for Aeronautical Services; and

WHEREAS, City and Operator desire and agree to amend the provisions of the Fixed Base Operator Agreement as provided herein to allow Operator the opportunity to procure and provide insurance coverage as required by the Original Agreement as it begins provision of certain services; and

WHEREAS, the cost of the lease shall not change subject to this Addendum.

NOW THEREFORE, in consideration of the mutual covenants and considerations herein contained, **IT IS HEREBY AGREED** by the parties hereto to amend the following Sections contained in the Original Agreement as follows:

ARTICLE ONE: AMENDMENT TO SECTION 2 OF ORIGINAL AGREEMENT

1. Section 2 of the Original Agreement is hereby amended as follows:

Subsection 2.01 Use of Leased Premises.

- A. *Purpose of Agreement: The purpose of this Agreement is to lease the Leased Premises to the Operator and to enable the Operator to perform Aeronautical Services as a Fixed Base Operator (FBO) at the Airport. In addition to the other limitations and restrictions contained in this Agreement, Operator agrees to the following limitations on the permitted uses of the Leased Premises:*

1. *Operator shall immediately commence operation of a flight school and aircraft rental services.*
 2. *Upon thirty (30) days' written notice to City, Operator shall have the opportunity to operate aircraft management and consulting services, and aircraft sales, provided, however, that said written notice includes with it proof of necessary insurance coverage and FAA certificates as called for herein or by law and as applicable to the particular service(s) being provided by Operator.*
- B. Conditions of Granting Fixed Base Operator Status: Granting Operator the status of Fixed Base Operator is conditioned upon the following covenants:*
3. *That Operator shall provide the City with appropriate certificates of insurance in accordance with Subsection 2.01(A)(2) and Subsection 8.02 herein, as well as all relevant FAA certificates for types of services provided.*
 4. *That Operator shall comply with the Minimum Standard Requirements for Airport Aeronautical Services ("Requirements") as adopted and revised by the City and as applicable to any operations being undertaken in conformance with the provisions outlined herein. The Operator understands that this requirement is ongoing and continuing in nature, that the Requirements are subject to future modification, and that the requirements apply to all active operations of the Operator.*
- C. Aeronautical Services. Upon execution of this Agreement, Operator is authorized to undertake and provide flight school services and aircraft rental services. Upon provision of thirty (30) days written notice to City, as well as provision of the required items identified in Subsection 2.01(A)(2) herein, Operator will be authorized to provide services related to aircraft management and consulting, and aircraft sales. The rights granted by this Agreement will be exercised in such a way as not to interfere with or adversely affect the use, operation, maintenance, or development of the Airport.*

2. All remaining provisions of Section 2 of the Original Agreement shall remain in full force and effect as originally set forth.

ARTICLE TWO: AMENDMENT TO SECTION 8 OF ORIGINAL AGREEMENT

1. Section 8 of the Original Agreement is hereby amended as follows:

Subsection 8.02 Insurance Requirements. Operator shall, at its expense, procure and keep in force at all times during the term of this Agreement, from a financially sound and reputable company acceptable to the City, all types of insurance required pursuant to the City's Minimum Standard Requirements for Aeronautical Services, Appendix 1, Minimum Insurance Policy Requirements, as revised January 8, 2015, subject to the exceptions expressly provided for herein, in amount at least equal to the minimum amounts specified therein, insuring Operator for bodily injury and property damage, and such other insurance necessary to protect the Operator from all such claims and actions described in the preceding Subsection 8.01. Without limiting its' liability, Operator also agrees to carry and keep in force insurance with single limit liability for bodily injury or death and

property damage in a sum not less than \$1,000,000 per occurrence, together with the following specific limitations per occurrence: 1) Airport operations – minimum of \$1,000,000 per occurrence; and 2) Products and Completed Operations – minimum of \$100,000 per occurrence. Operator also agrees to carry and keep in force Hangarkeeper's Liability insurance coverage of not less than \$100,000 per aircraft and not less than \$250,000 per occurrence. Operator recognizes that the required amounts of coverage set forth above are the minimum limits, and may not reflect Operator's actual risk. Operator shall furnish to the City a certificate of insurance as evidence of coverage. Said insurance policies shall not be canceled or materially modified or non-renewed except upon thirty (30) days advance written notice to the City. Coverage is to be written on the broadest liability form which is customarily available at reasonable cost. Operator further agrees to name the City as an additional insured on all applicable policies, with the exception of the policy endorsement covering hired and non-owned automobiles, and worker's compensation. Operator further agrees to increase its insurance coverage, if necessary, to ensure coverage for all approved Aeronautical Services and if Operator adds any Aeronautical Services not identified in Subsection 2.01, above.

- A. *Insurance Required Immediately Upon Execution of Agreement.* In addition to those requirements listed in Subection 8.02, above, Operator will be required to immediately procure, maintain, and provide proof to City those coverages identified in Appendix 1, Minimum Insurance Policy Requirements of the City's Minimum Standard Requirements for Aeronautical Services, as revised January 8, 2015, pertaining to Fixed Base Operator (FBO), Flight Training SASO and Aircraft Rental SASO.
- B. *Insurance Not Required Until Operations Commence.* Pursuant to Subsections 2.01(A)(1), 2.01(A)(2), and 2.01(C), above, Operator will not be required to maintain those coverages identified in Appendix 1, Minimum Insurance Policy Requirements of the City's Minimum Standard Requirements for Aeronautical Services, as revised January 8, 2015 pertaining to Aircraft Sales SASO (New and/or Used) until such time as Operator provides written notice of its' intent to commence operations of said type to the City at least thirty (30) days in advance. Evidence of such coverage shall be provided to City upon providing written notice of intent to begin operations, as directed herein, and said coverage shall be maintained from the point of notice to City throughout the life of the Original Agreement, including any Addendums or modifications thereto.
- C. *Cancelation of Coverage for Discontinued Operations.* If, at any point, Operator desires to no longer continue any particular use of the premises as identified in Subsection 2.01(A)(1) or (2), above, Operator shall give the City a minimum of thirty (30) days notice, in writing, of what use will be discontinued, and what date it will cease. Operator may not cancel the relevant insurance for a particular use until after the City has been notified as described above, and the Operator actually ceases all activities associated with the activity.

2. All remaining provisions of Section 8 of the Original Agreement shall remain in full force and effect as originally set forth.

ARTICLE THREE: ALL OTHER TERMS OF ORIGINAL AGREEMENT REMAIN IN EFFECT

1. All other terms of the Original Agreement not amended by this Addendum shall remain in full force and effect.

This Addendum shall be binding on the parties thereto only after it has been duly executed and approved by City and Operator.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed on the day of _____, 20____.

CITY OF LEE'S SUMMIT

City Manager

APPROVED AS TO FORM:

Office of the City Attorney

OPERATOR:

BY: _____

TITLE: _____

ATTEST:
