

MEMORANDUM

TO: Town Council
FROM: Fred Carpenter, Town Manager
SUBJECT: Airport Lease Amendment/Resolution
2324
DATE: August 23, 2007

After reviewing the changes to the airport lease Section 3.3 that were made last week, the Payson Regional Airport Authority (the lessee) requested that we add a new section 3.3.3 to read as follows:

Section 3.3.3 Without grant funds from FAA and/or ADOT, neither the lessor nor the lessee will be responsible for accomplishing the Runway Safety Action Team recommendations, attached as Exhibit H.

When Section 3.3 was changed at the meeting, the reference to the Runway Safety Action Team recommendations was deleted. The Authority expressed concern that by the lease being silent on the RSAT recommendations, future parties involved in the lease would not be aware that the Town at the time the lease was entered did not expect the Authority to be responsible for completing projects in accordance with the RSAT recommendations.

I have discussed with ADOT the Town's responsibility with regard to the RSAT recommendations. ADOT staff advised that the Town will not be required to complete RSAT projects that are grant eligible unless grants are provided.

Staff supports the proposed lease amendment.

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RESOLUTION 2324

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON, ARIZONA, ADDING A PROVISION TO THE PAYSON MUNICIPAL AIRPORT LEASE BETWEEN THE TOWN OF PAYSON AND THE PAYSON REGIONAL AIRPORT AUTHORITY PROVIDING THAT WITHOUT FAA AND/OR ADOT FUNDING, NEITHER THE TOWN NOR THE LESSEE WILL BE RESPONSIBLE FOR ACCOMPLISHING THE CURRENT RUNWAY SAFETY ACTION TEAM RECOMMENDATIONS, AND DECLARING AN EMERGENCY.

WHEREAS, on August 16, 2007, the Town awarded a bid for the lease of the Payson Municipal Airport ("the Airport") to the Payson Regional Airport Authority, a nonprofit corporation ("PRAA") and authorized the Mayor to execute a Airport Lease Agreement with PRAA ("the Lease"); and

WHEREAS, PRAA and the Town wish to clarify that neither the Town nor the PRAA, as the Lessee of the Airport, will be responsible for accomplishing the current Runway Safety Action Team recommendations unless there is FAA and/or ADOT grant funding,

NOW, THEREFORE, THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON DO HEREBY RESOLVE AS FOLLOWS:

Section 1. The Lease previously approved by the Town Council on August 16, 2007 is amended to include Section 3.3(3) which shall read as follows:

- 3.3 3. Without grants funds from the FAA and/or ADOT, neither the Town nor the Lessee will be responsible for accomplishing the Runway Safety Action Team recommendations attached as Exhibit H.

Section 2. That the immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health, and safety of the Town of Payson, an EMERGENCY is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage, adoption, and approval by the Mayor and Common Council of the Town of Payson.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF PAYSON this _____ day of _____, 2007, by the following vote:

AYES _____ NOES _____ ABSTENTIONS _____ ABSENT _____

F. Robert Edwards, Mayor

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ATTEST:

APPROVED AS TO FORM:

Silvia Smith, Town Clerk

Samuel I. Streichman, Town Attorney