

INCORPORATED COUNTY OF LOS ALAMOS ORDINANCE NO. 692

**AN ORDINANCE AUTHORIZING THE COUNTY MANAGER
OR HIS DESIGNEE TO EXECUTE LEASES FOR HANGARS
AT THE LOS ALAMOS COUNTY MUNICIPAL AIRPORT**

WHEREAS, the Incorporated County of Los Alamos ("County") is the fee simple owner of the Los Alamos County Municipal Airport ("Airport"); and

WHEREAS, pursuant to Article II, Chapter 14 of the Code of Ordinances of the Incorporated County of Los Alamos, the County Council is vested solely and exclusively with the legal authority to sell, lease, exchange or otherwise transfer county-owned real property and interests in county-owned real property; and

WHEREAS, pursuant to Article II, Chapter 14 of the Code of Ordinances of the Incorporated County of Los Alamos, the County Council may transfer a property interest in County owned real property pursuant to Section 3-54-1, N.M.S.A. (1978) because Article 10, Section 6 of the New Mexico Constitution vests County with all the powers granted to municipalities by state statute; and

WHEREAS, Section 3-54-1(A), N.M.S.A. (1978) provides that a municipality may lease any municipal facility or real property of any value normally leased in the regular operations of such a facility or real property without being subject to the referendum; and

WHEREAS, County has normally leased hangars located at the Airport in the regular operations of the Airport; and

WHEREAS, Ordinance No. 544, adopted October 6, 2009, authorized County Manager or his designee to execute ground leases at the Airport, whereby County leased the surface of the land to a tenant allowing the tenant to construct and own an improvement to the land, namely an airport hangar; and

WHEREAS, subsequent to the enactment of Ordinance No. 544, County acquired in fee simple and constructed new airport hangers located at the Airport; and

WHEREAS, the purpose of this Ordinance is to further delegate the County Council's authority over certain County-owned property to the County Manager or his designee for the limited purpose of executing certain lease agreements for the airport hangers owned in fee by County; and

WHEREAS, Section 203 of the Los Alamos County Charter provides that any lease or authorization to lease real property owned by County shall be by ordinance; and

WHEREAS, the County Council desires to authorize the County Manager or his designee to enter into leases for hangars owned in fee by the County on commercially reasonable terms substantially according to the lease forms attached hereto as Attachments 1 and 2.

NOW, THEREFORE, BE IT ORDAINED that:

Section 1. Finding. County is authorized to lease real property pursuant to the provisions of Section 3-54-1(A), N.M.S.A. (1978).

Section 2. Authorization to Lease the Premises; Execution of Lease by Authorized Officers. The County Manager or his designee is hereby authorized to execute lease agreements for portions of the Airport on commercially reasonable terms substantially according to the lease forms attached hereto as Attachments 1 and 2.

Section 3. This authorization is in addition to the authority granted by Ordinance No. 544 authorizing the County Manager or his designee to execute certain ground leases for hangars at the Airport. Nothing in this Ordinance alters or amends Ordinance No. 544 or the ground leases associated therewith.

Section 4. Effective Date. This ordinance shall become effective thirty (30) days after publication of notice of its adoption.

ADOPTED this 19th day of February, 2019

**COUNCIL OF THE INCORPORATED COUNTY
OF LOS ALAMOS**

**Sara C. Scott,
Council Chair**

ATTEST: (Seal)

**Naomi D. Maestas,
County Clerk**

INCORPORATED COUNTY OF LOS ALAMOS
LOS ALAMOS COUNTY AIRPORT
NON-COMMERCIAL [HANGAR or STORAGE AREA] LEASE
AGREEMENT

This Lease ("Lease") is entered into this ____ day of _____, 20____ by and between the Incorporated County of Los Alamos, an incorporated county of the State of New Mexico ("County"), and _____ ("Tenant"), collectively referred to herein as the "Parties".

1. Legal Description and Lease of Premises.

County hereby leases to the Tenant and the Tenant hereby leases from County the following described aircraft [*hangar or storage area*] ("Premises"), being a part of the Los Alamos County Airport ("Airport"), Los Alamos County, New Mexico; to-wit:

[*Hangar or Storage Area*] No. ____ as shown on the Airport Property layout maintained by the Airport Manager which is incorporated here by reference.

2. Rent.

(a) Tenant will pay County monthly rent for the Premises as follows:

The Tenant will pay to the County a monthly rent in the amount of _____ (\$ _____) during the initial term. All rent for any partial month shall be pro-rated at the rate of 1/30th of the monthly rent for each day the Premises are occupied pursuant to this Lease. The rent for the first month is payable in full at the time of delivery to County of an executed original of this Lease and thereafter on or before the first day of any subsequent month this Lease is in force and effect.

(b) All rent and other charges become delinquent ten (10) days after the date they are due, at which time County will impose a penalty charge of interest at the rate of two percent (2 %) per month pro-rated daily from the due date until paid on the amount owing, which penalty shall be immediately due and owing. If all charges, including but not limited to the delinquent penalty, are not paid within twenty (20) days after written notice of the default in payment is sent to Tenant, County may immediately terminate this Lease and exercise all rights of default as provided herein.

(c) Tenant shall not be entitled to refund of the rent, in whole or in part, after this Lease is executed by both parties, if County terminates this Lease for cause. If Tenant terminates this Lease, then County shall refund an amount equal to the then-current monthly rent

divided by thirty (30) and multiplied by the number of calendar days remaining in the month, less a processing fee of \$50. If County terminates this Lease without cause, Tenant shall receive a refund of a part of the rent as described above.

- (d) After the Initial Term, and for each Renewal Term, the monthly rent for that Renewal Term shall be adjusted based the most recent federal CPIU, US City Average, all items (1982-84=100) as prepared by the US Bureau of Labor Statistics. County may also adjust rent based on market conditions. Tenant will be notified no later than thirty (30) days before the applicable monthly rent is due.

3. Lease Term.

- (a) **Initial Term.** The term of this Lease shall begin on _____, 20____, and expire on _____, 20____.
- (b) **Renewal Terms.** This Lease shall continue in effect from year to year, being automatically renewed after each year, unless either party gives written notice of termination, with or without cause, to the other party at least thirty (30) days prior to the end of the initial Lease term or any renewal term thereafter, or unless this Lease is terminated under any other provisions of this Lease. County does not guarantee any future renewal terms.

4. Termination and Surrender. The parties may terminate the Lease as provided herein, provided that the termination of this Lease shall not affect the obligations or liabilities previously incurred or accrued under this Lease.

- (a) **Mutual Termination.** This Lease may be terminated at any time by written agreement of the Parties.
- (b) **Termination by Tenant.** This Lease may be terminated at any time by Tenant upon thirty (30) days written notice. Upon the termination of this Lease, Tenant shall quietly and peacefully remove itself and its property from the Premises and surrender the possession thereof to County. Upon termination of this Lease, County may, in its discretion, declare any property that has not been removed from the Premises as abandoned property subject to removal and disposal without liability of any kind to County, and repair any resulting damage, and Tenant agrees to promptly reimburse County for any and all costs and expenses County may incur.
- (c) **Termination by County.** County may terminate this Lease at any time upon thirty (30) days written notice. If County terminates this Lease without cause, County shall refund an amount equal to the then-current monthly rent divided by thirty (30) and multiplied by the number of calendar days remaining in the month. If County terminates this Lease for cause, Tenant shall not be entitled to refund of the rent, in whole or in part.

5. Use of Premises.

- (a) **Authorized Use.** Tenant agrees the Premises shall only be used for those purposes directly involved with, makes possible, facilitates, is related to, assists in, or is required for the safe operation of an aircraft and/or the aeronautical activities expressly authorized in this Lease, and for no other purposes, without the express written consent of the Airport Manager.
- (b) **Occupancy.** Tenant agrees to occupy the Premises only while engaged in activities necessary to directly support the authorized use of the Premises. Tenant shall not use the Premises as a residence, office, or crew-quarters.
- (c) **Commercial Activities.** Tenant shall not use Premises to conduct commercial activities.
- (d) **Storage of Aircraft.** Tenant may store an aircraft ("Aircraft"), in the Premises, in which Tenant has an ownership or leasehold interest. Aircraft must be maintained in an airworthy condition as evidenced by a Federally issued Airworthiness Certificate and aircraft log books. County may, upon thirty (30) days written notice, remove, relocate and/or store any non-airworthy aircraft at Tenant's sole expense. Tenant shall notify Airport Manager within ten (10) days of selling and/or replacing Aircraft.
- (e) **Storage of Support Items.** Tenant may store, in the Premises, only those supplies, materials, parts, tools, equipment, and other items necessary, and limited to quantities sufficient, to directly support the authorized use of the Premises. All hazardous substances must be labeled, stored, used and disposed of in accordance with all local, state and federal requirements. All flammables shall be stored in approved safety containers and storage cabinets. Storage of flammables, including aircraft fuel external to the Aircraft, shall be limited to a maximum of five (5) gallons without the express written approval of the Airport Manager and Fire Marshall. Storage of support items shall not create a hazard or restrict access/movement of any stored Aircraft. Support items shall not be stored outside of the Premises. A vehicle may be parked in the Premises while the Aircraft, if any, is in use.
- (f) **Aircraft Maintenance.** Aircraft maintenance shall not be performed in or around the Premises, except such minor maintenance as would normally be performed by an aircraft owner without the benefit of an aircraft mechanic and as defined in 14 CFR Part 43. Such use is conditioned on the restrictions identified herein. Aircraft engine runs, taxi operations, fueling, defueling, welding, open-flame soldering, charging batteries unattended, sanding, stripping, priming, painting, sealing, and fiberglass work in the Premises is prohibited.
- (g) **Aircraft Construction.** Aircraft construction shall not be performed in or around the Premises.

- (h) **Unauthorized Use.** Any unauthorized use of the Premises by the Tenant, its employees, agents or invitees, shall be considered a Tenant Event of Default, as described herein. The determination of whether Tenant is in material default of this Lease as a result of use shall be determined in the sole discretion of the Airport Manager.

6. Condition and Care of Premises.

- (a) **Condition of the Premises.** The Airport Manager and Tenant have inspected the Premises prior to the execution of this Lease and documented any existing defects and attached as reference to this Lease. Tenant hereby accepts the Premises in its present condition without any liability or obligation on the part of County to make any alterations, improvements or repairs of any kind which would constitute a change to the present condition of the Premises.
- (b) **Tenant Responsibility for Care.** Tenant shall keep the Premises, and the area immediately adjoining the Premises, neat, clean and free of grease, oil, rags, paper and other debris. Dust, fumes, noise and refuse shall be mitigated and contained in a manner as to not create a hazard or nuisance. Cleaning up of spills or other debris thereon shall be the responsibility of Tenant. Tenant shall immediately clean up any spills of hazardous substances and notify the fire department of any flammable liquid spills in excess of one (1) gallon. After ten (10) days written notice by County of an unacceptable condition, County will remedy the condition and bill Tenant for the expenses thereof, plus fifteen (15) percent, which Tenant agrees to pay within twenty (20) days of receipt of such billing statement.
- (c) **County Responsibility for Care.** County will maintain the structural components of the Premises, including doors and door mechanisms, and will maintain light fixtures, bulbs, and electrical components of the Premises, and perform normal building maintenance without additional cost to Tenant. County will provide snow removal in accordance with the Airport Rules and Regulations.
- (d) **Damage and Repairs.** Tenant shall immediately report to the Airport Manager any damage or defect to the Premises. Tenant shall be responsible for the cost to repair any damage to the Premises, or other County property, resulting from Tenant's direct actions, inactions, and/or neglect. In such circumstances, Tenant agrees to pay the costs of repair, plus fifteen (15) percent, within twenty (20) days of receipt of such invoice statement.
- (e) **Premises Doors and Security.** Tenant shall not place a personal lock on Premises doors and must use only the locks installed on the Premises by County. County shall provide Tenant keys for all Premises doors. Tenant shall be responsible for all costs associated with lost keys and/or damaged doors. Premises doors shall remain locked when not occupied. The large [*hangar or storage area*] door shall be operated in accordance with the following restrictions: 1) door locks and stays shall be unlocked, and the door, tracks,

and threshold shall be clear during operation and, 2) door shall be closed and locked when wind speeds are equal to or greater than 40 MPH.

- 7. Fire Safety.** Smoking is prohibited in or around the Premises. Extension cords, and/or surge protectors shall not be used to gain additional outlets, attached to any part of the structure of the Premises, extended through walls, ceilings, under doors or floor coverings, daisy-chained, or positioned such in a manner that could damage the cord. Existing wiring, outlets and/or fixtures shall not be modified. Access to county-provided fire extinguishers shall not be obstructed or obscured from view. Tenant shall immediately notify the Airport Manager if the fire extinguisher is discharged at any time, or a fire extinguisher is determined to be non-serviceable.
- 8. Improvements to Premises.**

 - (a) **Improvements to the Premises.** Modifications, additions, installations, attachments, painting, marking, defacing, drilling, cutting, bending, or any other type of alteration (collectively, "Improvements") to the Premises is prohibited without the express written consent of the Airport Manager, which authorization may be given or denied in County's sole discretion. Tenant shall make no Improvements other than those Improvements specifically authorized by County. Any authorized Improvements shall be made at the sole expense of Tenant.
 - (b) **Removal of Improvements.** Upon the termination of this Lease, Tenant shall remove any Improvements and repair any resulting damage to the Premises, at its sole expense. County may, with express written consent, allow the Improvements to remain on the Premises without any payment or compensation to the Tenant.
- 9. County Access to Premises.** County reserves the right to enter the Premises at any time and by whatever means necessary for purposes including, but not limited to making necessary repairs and improvements, supplying necessary services, inspecting for compliance, exhibiting to workers, contractors or perspective tenants, responding to emergencies, complying with a court order, or when County reasonably believes Tenant has abandoned or surrendered the Premises.
- 10. Emergency Removal of Personal Property.** In the event of an emergency, or other similar situation, and reasonable notice is not possible or practical, County may remove, relocate and/or store personal property, including Aircraft. County shall exercise reasonable care in removing, relocating and/or storing personal property, including aircraft, pursuant to this paragraph.
- 11. Substitution of Premises.** County reserves the right to require the Tenant to use a substitute space, whether it has a *[hangar or storage area]*. If the substitution of the Premises is unacceptable to the Tenant, the Tenant may terminate this Lease.

12. Utilities and Services.

- (a) **Electricity.** County shall provide electrical utility services to the Premises, the cost of which is included in the rent. Lights, fans, compressors, or other electrical equipment, other than engine heaters installed in the Aircraft, shall not be left on unattended. Use of electric area heaters or air conditioning units is strictly prohibited. County reserves the right to assess an additional fee for high electrical consumption by the Tenant as shall be determined in the sole discretion of the County.
- (b) **Refuse.** Tenant shall supply any needed refuse containers within the Premises. County shall provide a refuse container for Tenant to use, in common with other Airport users, to dispose of refuse directly related to the support of the authorized uses of the Premises. Use of the refuse container to dispose of hazardous substances or refuse not directly related to the authorized uses of the Premises is strictly prohibited.
- (c) **Waste Oil.** County shall provide a waste oil bowser for Tenant to use, in common with other Airport users, to dispose aircraft engine oil. Use of waste oil bowser to dispose of any fluids other than aircraft engine oil is strictly prohibited.
- (d) **Aircraft Washing.** County shall provide an area for Tenant to use, in common with other Airport users, for aircraft washing. Use of the area is limited to aircraft only; washing of vehicles, equipment, parts or other personal property is strictly prohibited.

13. Use of Airport. Tenant shall have use, in common with other Airport users, of aircraft operating areas, public roads and parking lots during the pendency of the Lease. This Lease shall not be construed to convey to Tenant the exclusive use of any part of the Airport except the Premises described in Section 1 herein.

14. Closure of the Airport. County may close the Airport, or areas of the Airport, in the event of inclement weather, an emergency, at the request of the state or federal governments, as may be required by local, state or federal regulation, or as deemed necessary by the County. County will attempt, as circumstances permit, to provide reasonable advance notice of an Airport closure. Closure of the Airport by the County pursuant to this paragraph shall not abate or excuse the tenant for any duty or obligation under this lease.

15. Required Documentation. During the term of this Lease, Tenant shall acquire and keep current all licenses, certificates, registrations, insurances, and other documentation as required by local, state and federal regulations for the uses and activities associated with this Lease. Tenant shall submit the following documentation to the County and update any changes within ten (10) days:

- (a) **Aircraft Documents, if Storing an Aircraft:**

- i. FAA Aircraft registration and contact information for all Aircraft owners.
- ii. Evidence of ownership or leasehold of Aircraft, if not registered to Tenant.
- iii. Current FAA Airworthiness Certificate.

(b) **Proof of insurance:** Current declarations page, listing County as additional insured, with minimums required herein.

16. Required Insurance. During the term of this Lease, Tenant shall maintain in force and effect the following insurance, listing County as an additional insured, in such minimum amounts as are specified in the New Mexico Tort Claims Act, Sections 41-4-1 et seq., NMSA (1978), as amended from time to time:

(a) **Aircraft Liability Insurance:** One Million Dollars (\$1,000,000.00) per occurrence, if storing an aircraft.

(b) **General Liability Insurance for property damage, injury or death resulting from occurrences on the Airport:** One Million Dollars (\$1,000,000.00) per occurrence.

17. Indemnity. Tenant hereby releases County from any loss or damage suffered by Tenant or any third party as a result of Tenant's use of the Premises and/or Airport, and Tenant hereby agrees to indemnify and hold harmless and defend County from and against all liabilities, claims, demands, settlements, actions, costs and expenses (including reasonable attorneys' fees) of any kind or nature, legal or equitable, arising from injury or death to persons or damages to property in any way arising out of, or related to, Tenant's use of the Premises, Airport or this Lease, provided, that said indemnification shall not extend to damages resulting from the negligent acts or willful misconduct of County, its employees, contractors or agents, and provided further that any such indemnification or defense shall be limited as specified in Tenant's insurance policy.

18. Compliance with Environmental, Health & Safety and Other Applicable Laws. Tenant shall comply with all applicable environmental, safety and health laws and regulations. Tenant shall not interfere with the environmental clean-up or restoration actions of County, or any of their contractors. Tenant shall also comply with any and all other applicable federal and state laws, rules and regulations, all applicable provisions of the County Code, and the Airport Rules and Regulations.

19. Required FAA Provisions.

(a) **Exclusive Rights.** Notwithstanding anything herein contained that may be, or appear to be, to the contrary, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive and the County herein reserves the right to grant similar privileges to other Tenants.

(b) **Title VI Nondiscrimination.** The Tenant for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Tenant will use the Premises in compliance with all other requirements imposed by or pursuant to Title VI of the Civil Rights Act of 1964. With respect to the Lease, in the event of breach of any of the above nondiscrimination covenants, County will have the right to terminate the Lease and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued.

(c) **General Civil Rights.** The Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Tenant transfers its obligation to another, the transferee is obligated in the same manner as the Tenant. This provision obligates the Tenant for the period during which the property is used by the Tenant and the airport remains obligated Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

20. Default.

(a) **Tenant Event of Default.** An "Tenant Event of Default" under this lease means the occurrence of any of the following:

- i. Tenant breaches any provision of or defaults under this lease, and such breach or default is not cured or remedied within thirty (30) days after written notice of such breach or default, provided that County may extend said cure-period for an additional ninety (90) days upon good cause shown, and provided further that County's remedies for default in rent payments shall not be subject to these notice requirements.
- ii. Tenant files a petition in bankruptcy or for reorganization or for any arrangement pursuant to any present or future federal bankruptcy act or under any similar federal or state law, or shall be adjudicated a bankrupt or insolvent or shall make an assignment for the benefit of its creditors.
- iii. A receiver, trustee or liquidator of Tenant or of all or substantially all of the property of Tenant, including the leased Premises, shall be appointed in any proceeding.

(b) **Termination for Tenant Event of Default.** Upon the occurrence of any Tenant Event of Default:

- i. County may terminate this Lease and the Term hereof without any right on the part of Tenant to waive the forfeiture by payment of any sum due or by performance of any other condition, term or covenant broken or in any other manner to reinstate this Lease; upon such termination, County shall be entitled to retain and to recover: (1) all Rent that shall have accrued through the date of termination, plus (2) any other reasonable amount necessary to compensate County for all damages, if any, caused by Tenant's failure to perform its obligations under this Lease (including, without limitation, reasonable attorneys' fees, disbursements and other charges, and costs of alterations of the Leased Premises); and
- ii. The County may terminate Tenant's right of possession and may repossess the Leased Premises by legal proceedings or otherwise, with or without terminating this Lease, after reentry or retaking or recovering of the Leased Premises, whether by termination of this Lease or not, County may re-let the same or a portion thereof for such rent and upon such terms as are commercially reasonable and be deemed advisable by County; and whether or not the Leased Premises are re-let, Tenant shall be liable for the losses and damages provided for and pursuant to Lease; provided however, if County seeks to recover lost rent from Tenant, County shall attempt to mitigate its losses by using good faith efforts to re-let the Leased Premises; and
- iii. County may exercise any other right, remedy, or privilege that may be available to it under this Lease or under applicable federal, state, or local law.

(c) **Remedies.** All remedies of County shall be cumulative and the election of one shall not preclude the exercise of another, at the same time or subsequently. County shall be required hereby to mitigate any of its damages hereunder. No termination of this Lease, cure by County of any Tenant Event of Default hereunder, repossession or re-letting of the Leased Premises, exercise of any remedy or collection of any damages shall relieve Tenant of any of its obligations hereunder.

(d) **County Event of Default.** In the event that County fails to perform or observe any obligations under this Lease, and any such failure is not cured or remedied within thirty (30) days after written notice of such breach or default (provided that such cure period shall be extended by Tenant for up to an additional ninety (90) days if such breach or default cannot reasonably be cured within the initial thirty (30) days and the County demonstrates to Tenant that County is diligently attempting to cure the same), then such failure shall, unless and until cured or remedied, constitute a "**County Event of Default**" under this Lease; provided that any such breach or default shall not be on account of any action or inaction on the part of another party. Tenant shall have no claim or rights against County with respect to any failure by County unless an uncured County Event of Default shall exist. Upon such event of default, Tenant may terminate this Lease.

(e) **Force Majeure.** Neither Tenant nor County shall be in default under this Lease if such performance of any obligation, duty or act is delayed or prevented by or due to events of Force Majeure.

- i. Notwithstanding any other provision herein, the term “**Force Majeure**” shall mean any delay in completing or performing any obligation under this Lease which arises from acts of God, labor disputes, fire, freight embargos, unavoidable casualty, flood (assuming the Tenant has taken reasonable precautions), earthquake, epidemic, civil disturbance, terrorism, war, riot, sabotage (by persons other than Tenant, its agents, employees or assigns), the discovery of archeological remains or objects of antiquity, the discovery of Hazardous Materials in, on or under the Land other than those that were brought to the Land by the Tenant, its subcontractors, invitees or tenants, or other similar acts or conditions, each case only to the extent the event in question is beyond the reasonable control and without the fault or negligence of the delayed party or its respective agent, employee or assign.
- ii. In the case of delay due to Force Majeure, the time within which the Party must comply with any of the terms, covenants and conditions of this Lease shall be extended by a period of time equal to the period of time that performance by the Party is delayed or prevented by the causes specified above, provided that within thirty (30) days of the commencement of the cause of delay the Party shall have notified the other Party of the existence of such cause of delay.

21. Notices. Any notice required or permitted to be delivered pursuant to this Lease shall be deemed received when hand delivered to the other party or three (3) days after deposit in the United States mail, postage prepaid, addressed to County or Tenant, or emailed, as the case may be, at the address stated below:

County:
Los Alamos County Airport
c/o Airport Manager
1040 Airport Road
Los Alamos, New Mexico 87544
E-Mail: _____

Tenant:

Either party may give notice of change of address by following the notice procedure set out herein. Any such change of address shall be effective immediately upon receipt by the other party.

22. Successors and Assigns. The terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the successors and/or assigns of the parties hereto.

23. Applicable Law.

- (a) **Jurisdiction.** This Lease shall be governed by New Mexico law. Venue for any judicial action shall be either in the First Judicial District Court in Los Alamos County, New Mexico or in the U.S. District Court, District of New Mexico.
- (b) **State and Federal Law.** This Lease is subject to all applicable State and Federal laws as well as all articles and conditions of grant agreements entered into between County and the Federal Aviation Administration and the Division of Aviation, Department of Transportation of the State of New Mexico, and nothing contained herein shall be construed to prevent County from making such further commitments as it desires to make to the Federal Government or to the State of New Mexico so as to qualify for further expenditure of federal and/or state funds at the Airport.
- (c) **Local Ordinances.** This Lease shall be subject and subordinate to all ordinances of the County of Los Alamos, the Rules and Regulations of the Airport and/or the Minimum Standards for Aeronautical Business Activities at the Airport, as the same may be in effect and amended from time to time.

24. No Waiver of Defaults. The failure of either party to take any action with respect to any default by the other party hereunder shall not be construed as a waiver or relinquishment of the non-defaulting party's right to the future performance of any such terms, covenants or conditions and the defaulting party's obligations in respect to such future performance shall continue in full force and effect.

25. Assignment. Tenant shall not assign this Lease in whole or in part or sublet the Premises without the prior express written consent of the Airport Manager and any attempted unauthorized assignment or subletting shall be void.

26. Liens, Attachments and Encumbrances. Should Tenant permit or cause to be filed of record any encumbrance, attachment or lien against the Premises, such filing shall be deemed a Tenant Event of Default unless cured by Tenant within ninety (90) days of the filing of such encumbrance, attachment or lien or unless within such ninety (90) day period Tenant shall initiate a contest of such encumbrance, attachment or lien in a court of competent jurisdiction.

27. Interpretation.

- (a) **Severability.** It is the intention of the parties hereto that the provisions of this Lease shall be severable with respect to declaration of invalidity of any provision contained herein. Should any provision be found to be void or unenforceable, the remaining provisions shall remain in full force and effect.

(b) **Headings.** The paragraph headings are for convenience only and do not define, limit or describe the contents of such paragraphs.

28. Modification of Lease. Any modification of this Lease shall be binding only if evidenced in writing signed by both parties.

29. Entire Lease. This Lease constitutes the entire Lease between the parties regarding the subject matter hereof. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party except to the extent incorporated in this Lease.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the dates indicated.

TENANT:

Signature

Printed Name

Date: _____

Tenant's Telephone Numbers

Primary: _____

Alternate: _____

**INCORPORATED COUNTY OF
LOS ALAMOS:**

Harry Burgess
County Manager

Date

ATTEST:

Naomi D. Maestas
Los Alamos County Clerk

INCORPORATED COUNTY OF LOS ALAMOS
LOS ALAMOS COUNTY AIRPORT
COMMERCIAL [HANGAR or STORAGE AREA] LEASE AGREEMENT

This Lease ("Lease") is entered into this ____ day of _____, 20____ by and between the Incorporated County of Los Alamos, an incorporated county of the State of New Mexico ("County"), and _____ ("Tenant"), collectively referred to herein as the "Parties".

1. Legal Description and Lease of Premises.

County hereby leases to the Tenant and the Tenant hereby leases from County the following described aircraft [*hangar or storage area*] ("Premises"), being a part of the Los Alamos County Airport ("Airport"), Los Alamos County, New Mexico; to-wit:

[*Hangar or Storage Area*] No. ____ as shown on the Airport Property layout maintained by the Airport Manager which is incorporated here by reference.

2. Rent.

(a) Tenant will pay County monthly rent for the Premises as follows:

The Tenant will pay to the County a monthly rent in the amount of _____ (\$ _____) during the initial term. All rent for any partial month shall be pro-rated at the rate of 1/30th of the monthly rent for each day the Premises are occupied pursuant to this Lease. The rent for the first month is payable in full at the time of delivery to County of an executed original of this Lease and thereafter on or before the first day of any subsequent month this Lease is in force and effect.

(b) All rent and other charges become delinquent ten (10) days after the date they are due, at which time County will impose a penalty charge of interest at the rate of two percent (2 %) per month pro-rated daily from the due date until paid on the amount owing, which penalty shall be immediately due and owing. If all charges, including but not limited to the delinquent penalty, are not paid within twenty (20) days after written notice of the default in payment is sent to Tenant, County may immediately terminate this Lease and exercise all rights of default as provided herein.

(c) Tenant shall not be entitled to refund of the rent, in whole or in part, after this Lease is executed by both parties, if County terminates this Lease for cause. If Tenant terminates this Lease, then County shall refund an amount equal to the then-current monthly rent divided by thirty (30) and multiplied by the number of calendar days remaining in the

month, less a processing fee of \$50. If County terminates this Lease without cause, Tenant shall receive a refund of a part of the rent as described above.

- (d) After the Initial Term, and for each Renewal Term, the monthly rent for that Renewal Term shall be adjusted based the most recent federal CPIU, US City Average, all items (1982-84=100) as prepared by the US Bureau of Labor Statistics. County may also adjust rent based on market conditions. Tenant will be notified no later than thirty (30) days before the applicable monthly rent is due.

3. Lease Term.

- (a) **Initial Term.** The term of this Lease shall begin on _____, 20____, and expire on _____, 20_____.
- (b) **Renewal Terms.** This Lease shall continue in effect from year to year, being automatically renewed after each year, unless either party gives written notice of termination, with or without cause, to the other party at least thirty (30) days prior to the end of the initial Lease term or any renewal term thereafter, or unless this Lease is terminated under any other provisions of this Lease. County does not guarantee any future renewal terms.

4. Termination and Surrender.

The parties may terminate the Lease as provided herein, provided that the termination of this Lease shall not affect the obligations or liabilities previously incurred or accrued under this Lease.

- (a) **Mutual Termination.** This Lease may be terminated at any time by written agreement of the Parties.
- (b) **Termination by Tenant.** This Lease may be terminated at any time by Tenant upon thirty (30) days written notice. Upon the termination of this Lease, Tenant shall quietly and peacefully remove itself and its property from the Premises and surrender the possession thereof to County. Upon termination of this Lease, County may, in its discretion, declare any property that has not been removed from the Premises as abandoned property subject to removal and disposal without liability of any kind to County, and repair any resulting damage, and Tenant agrees to promptly reimburse County for any and all costs and expenses County may incur.
- (c) **Termination by County.** County may terminate this Lease at any time upon thirty (30) days written notice. If County terminates this Lease without cause, County shall refund an amount equal to the then-current monthly rent divided by thirty (30) and multiplied by the number of calendar days remaining in the month. If County terminates this Lease for cause, Tenant shall not be entitled to refund of the rent, in whole or in part.

5. Use of Premises.

- (a) **Authorized Use.** Tenant agrees the Premises shall only be used for those purposes directly involved with, makes possible, facilitates, is related to, assists in, or is required for the safe operation of an aircraft and/or the aeronautical activities expressly authorized in this Lease, and for no other purposes, without the express written consent of the Airport Manager.
- (b) **Occupancy.** Tenant agrees to occupy the Premises only while engaged in activities necessary to directly support the authorized use of the Premises. Tenant shall not use the Premises as a residence, office, or crew-quarters.
- (c) **Commercial Activities.** Tenant is authorized to use the Premises to operate the following aeronautical business, as defined and stipulated by the Airport Minimum Standards: *[Business]*. Said use shall be limited to Tenant and no other persons, entities or businesses. Should the Tenant not actively be engaged in the *[business]* for a period exceeding three (3) months, the County reserves the right to rescind its approval for such activities and/or terminate this Lease.
- (d) **Storage of Aircraft.** Tenant may store an aircraft ("Aircraft"), in the Premises, in which Tenant has an ownership or leasehold interest. Aircraft must be maintained in an airworthy condition as evidenced by a Federally issued Airworthiness Certificate and aircraft log books. County may, upon thirty (30) days written notice, remove, relocate and/or store any non-airworthy aircraft at Tenant's sole expense. Tenant shall notify Airport Manager within ten (10) days of selling and/or replacing Aircraft.
- (e) **Storage of Support Items.** Tenant may store, in the Premises, only those supplies, materials, parts, tools, equipment, and other items necessary, and limited to quantities sufficient, to directly support the authorized use of the Premises. All hazardous substances must be labeled, stored, used and disposed of in accordance with all local, state and federal requirements. All flammables shall be stored in approved safety containers and storage cabinets. Storage of flammables, including aircraft fuel external to the Aircraft, shall be limited to a maximum of five (5) gallons without the express written approval of the Airport Manager and Fire Marshall. Storage of support items shall not create a hazard or restrict access/movement of any stored Aircraft. Support items shall not be stored outside of the Premises. A vehicle may be parked in the Premises while the Aircraft, if any, is in use.
- (f) **Aircraft Maintenance.** Aircraft maintenance may be performed in the Premises. Such use is conditioned on restrictions identified herein. Aircraft engine runs, taxi operations, fueling, defueling, welding, open-flame soldering, charging batteries unattended, sanding, stripping, priming, painting, sealing, and fiberglass work in the Premises is prohibited.
- (g) **Aircraft Construction.** Aircraft construction shall not be performed in or around the Premises.

- (h) **Unauthorized Use.** Any unauthorized use of the Premises by the Tenant, its employees, agents or invitees, shall be considered a Tenant Event of Default, as described herein. The determination of whether Tenant is in material default of this Lease as a result of use shall be determined in the sole discretion of the Airport Manager.

6. Condition and Care of Premises.

- (a) **Condition of the Premises.** The Airport Manager and Tenant have inspected the Premises prior to the execution of this Lease and documented any existing defects and attached as reference to this Lease. Tenant hereby accepts the Premises in its present condition without any liability or obligation on the part of County to make any alterations, improvements or repairs of any kind which would constitute a change to the present condition of the Premises.
- (b) **Tenant Responsibility for Care.** Tenant shall keep the Premises, and the area immediately adjoining the Premises, neat, clean and free of grease, oil, rags, paper and other debris. Dust, fumes, noise and refuse shall be mitigated and contained in a manner as to not create a hazard or nuisance. Cleaning up of spills or other debris thereon shall be the responsibility of Tenant. Tenant shall immediately clean up any spills of hazardous substances and notify the fire department of any flammable liquid spills in excess of one (1) gallon. After ten (10) days written notice by County of an unacceptable condition, County will remedy the condition and bill Tenant for the expenses thereof, plus fifteen (15) percent, which Tenant agrees to pay within twenty (20) days of receipt of such billing statement.
- (c) **County Responsibility for Care.** County will maintain the structural components of the Premises, including doors and door mechanisms, and will maintain light fixtures, bulbs, and electrical components of the Premises, and perform normal building maintenance without additional cost to Tenant. County will provide snow removal in accordance with the Airport Rules and Regulations.
- (d) **Damage and Repairs.** Tenant shall immediately report to the Airport Manager any damage or defect to the Premises. Tenant shall be responsible for the cost to repair any damage to the Premises, or other County property, resulting from Tenant's direct actions, inactions, and/or neglect. In such circumstances, Tenant agrees to pay the costs of repair, plus fifteen (15) percent, within twenty (20) days of receipt of such invoice statement.
- (e) **Premises Doors and Security.** Tenant shall not place a personal lock on Premises doors and must use only the locks installed on the Premises by County. County shall provide Tenant keys for all Premises doors. Tenant shall be responsible for all costs associated with lost keys and/or damaged doors. Premises doors shall remain locked when not occupied. The large [*hangar or storage area*] door shall be operated in accordance with

the following restrictions: 1) door locks and stays shall be unlocked, and the door, tracks, and threshold shall be clear during operation and, 2) door shall be closed and locked when wind speeds are equal to or greater than 40 MPH.

- 7. Fire Safety.** Smoking is prohibited in or around the Premises. Extension cords, and/or surge protectors shall not be used to gain additional outlets, attached to any part of the structure of the Premises, extended through walls, ceilings, under doors or floor coverings, daisy-chained, or positioned such in a manner that could damage the cord. Existing wiring, outlets and/or fixtures shall not be modified. Access to county-provided fire extinguishers shall not be obstructed or obscured from view. Tenant shall immediately notify the Airport Manager if the fire extinguisher is discharged at any time, or a fire extinguisher is determined to be non-serviceable.
- 8. Improvements to Premises.**

 - (a) **Improvements to the Premises.** Modifications, additions, installations, attachments, painting, marking, defacing, drilling, cutting, bending, or any other type of alteration (collectively, "Improvements") to the Premises is prohibited without the express written consent of the Airport Manager, which authorization may be given or denied in County's sole discretion. Tenant shall make no Improvements other than those Improvements specifically authorized by County. Any authorized Improvements shall be made at the sole expense of Tenant.
 - (b) **Removal of Improvements.** Upon the termination of this Lease, Tenant shall remove any Improvements and repair any resulting damage to the Premises, at its sole expense. County may, with express written consent, allow the Improvements to remain on the Premises without any payment or compensation to the Tenant.
- 9. County Access to Premises.** County reserves the right to enter the Premises at any time and by whatever means necessary for purposes including, but not limited to making necessary repairs and improvements, supplying necessary services, inspecting for compliance, exhibiting to workers, contractors or perspective tenants, responding to emergencies, complying with a court order, or when County reasonably believes Tenant has abandoned or surrendered the Premises.
- 10. Emergency Removal of Personal Property.** In the event of an emergency, or other similar situation, and reasonable notice is not possible or practical, County may remove, relocate and/or store personal property, including Aircraft. County shall exercise reasonable care in removing, relocating and/or storing personal property, including aircraft, pursuant to this paragraph.

11. Substitution of Premises. County reserves the right to require the Tenant to use a substitute space, whether it has a *[hangar or storage area]*. If the substitution of the Premises is unacceptable to the Tenant, the Tenant may terminate this Lease.

12. Utilities and Services.

- (a) **Electricity.** Tenant shall acquire and pay for electrical service to the Premises.
- (b) **Refuse.** Tenant shall supply any needed refuse containers within the Premises. County shall provide a refuse container for Tenant to use, in common with other Airport users, to dispose of refuse directly related to the support of the authorized uses of the Premises. Use of the refuse container to dispose of hazardous substances or refuse not directly related to the authorized uses of the Premises is strictly prohibited.
- (c) **Waste Oil.** County shall provide a waste oil bowser for Tenant to use, in common with other Airport users, to dispose aircraft engine oil. Use of waste oil bowser to dispose of any fluids other than aircraft engine oil is strictly prohibited.
- (d) **Aircraft Washing.** County shall provide an area for Tenant to use, in common with other Airport users, for aircraft washing. Use of the area is limited to aircraft only; washing of vehicles, equipment, parts or other personal property is strictly prohibited.

13. Use of Airport. Tenant shall have use, in common with other Airport users, of aircraft operating areas, public roads and parking lots during the pendency of the Lease. This Lease shall not be construed to convey to Tenant the exclusive use of any part of the Airport except the Premises described in Section 1 herein.

14. Closure of the Airport. County may close the Airport, or areas of the Airport, in the event of inclement weather, an emergency, at the request of the state or federal governments, as may be required by local, state or federal regulation, or as deemed necessary by the County. County will attempt, as circumstances permit, to provide reasonable advance notice of an Airport closure. Closure of the Airport by the County pursuant to this paragraph shall not abate or excuse the tenant for any duty or obligation under this lease.

15. Required Documentation. During the term of this Lease, Tenant shall acquire and keep current all licenses, certificates, registrations, insurances, and other documentation as required by local, state and federal regulations for the uses and activities associated with this Lease. Tenant shall submit the following documentation to the County and update any changes within ten (10) days:

- (a) **FAA Documents:** Current Operating Certificate or License.
- (b) **Aircraft Documents, if Storing an Aircraft:**

- i. FAA Aircraft registration and contact information for all Aircraft owners.
- ii. Evidence of ownership or leasehold of Aircraft, if not registered to Tenant.
- iii. Current FAA Airworthiness Certificate.

(c) **Proof of insurance:** Current declarations page, listing County as additional insured, with minimums required herein.

16. Required Insurance. During the term of this Lease, Tenant shall maintain in force and effect the following insurance, listing County as an additional insured, in such minimum amounts as are specified in the New Mexico Tort Claims Act, Sections 41-4-1 et seq., NMSA (1978), as amended from time to time:

(a) **Aircraft Liability Insurance:** One Million Dollars (\$1,000,000.00) per occurrence, if storing an aircraft.

(b) **General Liability Insurance for property damage, injury or death resulting from occurrences on the Airport:** One Million Dollars (\$1,000,000.00) per occurrence.

17. Indemnity. Tenant hereby releases County from any loss or damage suffered by Tenant or any third party as a result of Tenant's use of the Premises and/or Airport, and Tenant hereby agrees to indemnify and hold harmless and defend County from and against all liabilities, claims, demands, settlements, actions, costs and expenses (including reasonable attorneys' fees) of any kind or nature, legal or equitable, arising from injury or death to persons or damages to property in any way arising out of, or related to, Tenant's use of the Premises, Airport or this Lease, provided, that said indemnification shall not extend to damages resulting from the negligent acts or willful misconduct of County, its employees, contractors or agents, and provided further that any such indemnification or defense shall be limited as specified in Tenant's insurance policy.

18. Compliance with Environmental, Health & Safety and Other Applicable Laws. Tenant shall comply with all applicable environmental, safety and health laws and regulations. Tenant shall not interfere with the environmental clean-up or restoration actions of County, or any of their contractors. Tenant shall also comply with any and all other applicable federal and state laws, rules and regulations, all applicable provisions of the County Code, and the Airport Rules and Regulations.

19. Required FAA Provisions.

(a) **Economic Nondiscrimination.** Tenant agrees to 1) furnish commercial services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that

the Tenant may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

- (b) **Exclusive Rights.** Notwithstanding anything herein contained that may be, or appear to be, to the contrary, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive and the County herein reserves the right to grant similar privileges to other Tenants.
- (c) **Title VI Nondiscrimination.** The Tenant for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Tenant will use the Premises in compliance with all other requirements imposed by or pursuant to Title VI of the Civil Rights Act of 1964. With respect to the Lease, in the event of breach of any of the above nondiscrimination covenants, County will have the right to terminate the Lease and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued.
- (d) **General Civil Rights.** The Tenant agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the Tenant transfers its obligation to another, the transferee is obligated in the same manner as the Tenant. This provision obligates the Tenant for the period during which the property is used by the Tenant and the airport remains obligated Federal Aviation Administration. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

20. Default.

- (a) **Tenant Event of Default.** An “Tenant Event of Default” under this lease means the occurrence of any of the following:
 - i. Tenant breaches any provision of or defaults under this lease, and such breach or default is not cured or remedied within thirty (30) days after written notice of such breach or default, provided that County may extend said cure-period for an additional ninety (90) days upon good cause shown, and provided further that County’s remedies for default in rent payments shall not be subject to these notice requirements.

- ii. Tenant files a petition in bankruptcy or for reorganization or for any arrangement pursuant to any present or future federal bankruptcy act or under any similar federal or state law, or shall be adjudicated a bankrupt or insolvent or shall make an assignment for the benefit of its creditors.
- iii. A receiver, trustee or liquidator of Tenant or of all or substantially all of the property of Tenant, including the leased Premises, shall be appointed in any proceeding.

(b) **Termination for Tenant Event of Default.** Upon the occurrence of any Tenant Event of Default:

- i. County may terminate this Lease and the Term hereof without any right on the part of Tenant to waive the forfeiture by payment of any sum due or by performance of any other condition, term or covenant broken or in any other manner to reinstate this Lease; upon such termination, County shall be entitled to retain and to recover: (1) all Rent that shall have accrued through the date of termination, plus (2) any other reasonable amount necessary to compensate County for all damages, if any, caused by Tenant's failure to perform its obligations under this Lease (including, without limitation, reasonable attorneys' fees, disbursements and other charges, and costs of alterations of the Leased Premises); and
- ii. The County may terminate Tenant's right of possession and may repossess the Leased Premises by legal proceedings or otherwise, with or without terminating this Lease, after reentry or retaking or recovering of the Leased Premises, whether by termination of this Lease or not, County may re-let the same or a portion thereof for such rent and upon such terms as are commercially reasonable and be deemed advisable by County; and whether or not the Leased Premises are re-let, Tenant shall be liable for the losses and damages provided for and pursuant to Lease; provided however, if County seeks to recover lost rent from Tenant, County shall attempt to mitigate its losses by using good faith efforts to re-let the Leased Premises; and
- iii. County may exercise any other right, remedy, or privilege that may be available to it under this Lease or under applicable federal, state, or local law.

(c) **Remedies.** All remedies of County shall be cumulative and the election of one shall not preclude the exercise of another, at the same time or subsequently. County shall be required hereby to mitigate any of its damages hereunder. No termination of this Lease, cure by County of any Tenant Event of Default hereunder, repossession or re-letting of the Leased Premises, exercise of any remedy or collection of any damages shall relieve Tenant of any of its obligations hereunder.

(d) **County Event of Default.** In the event that County fails to perform or observe any obligations under this Lease, and any such failure is not cured or remedied within thirty (30) days after written notice of such breach or default (provided that such cure period shall be extended by Tenant for up to an additional ninety (90) days if such breach or default cannot reasonably be cured within the initial thirty (30) days and the County demonstrates

to Tenant that County is diligently attempting to cure the same), then such failure shall, unless and until cured or remedied, constitute a “**County Event of Default**” under this Lease; provided that any such breach or default shall not be on account of any action or inaction on the part of another party. Tenant shall have no claim or rights against County with respect to any failure by County unless an uncured County Event of Default shall exist. Upon such event of default, Tenant may terminate this Lease.

(e) **Force Majeure.** Neither Tenant nor County shall be in default under this Lease if such performance of any obligation, duty or act is delayed or prevented by or due to events of Force Majeure.

- i. Notwithstanding any other provision herein, the term “**Force Majeure**” shall mean any delay in completing or performing any obligation under this Lease which arises from acts of God, labor disputes, fire, freight embargos, unavoidable casualty, flood (assuming the Tenant has taken reasonable precautions), earthquake, epidemic, civil disturbance, terrorism, war, riot, sabotage (by persons other than Tenant, its agents, employees or assigns), the discovery of archeological remains or objects of antiquity, the discovery of Hazardous Materials in, on or under the Land other than those that were brought to the Land by the Tenant, its subcontractors, invitees or tenants, or other similar acts or conditions, each case only to the extent the event in question is beyond the reasonable control and without the fault or negligence of the delayed party or its respective agent, employee or assign.
- ii. In the case of delay due to Force Majeure, the time within which the Party must comply with any of the terms, covenants and conditions of this Lease shall be extended by a period of time equal to the period of time that performance by the Party is delayed or prevented by the causes specified above, provided that within thirty (30) days of the commencement of the cause of delay the Party shall have notified the other Party of the existence of such cause of delay.

21. Notices. Any notice required or permitted to be delivered pursuant to this Lease shall be deemed received when hand delivered to the other party or three (3) days after deposit in the United States mail, postage prepaid, addressed to County or Tenant, or emailed, as the case may be, at the address stated below:

County:
Los Alamos County Airport
c/o Airport Manager
1040 Airport Road
Los Alamos, New Mexico 87544
E-Mail: _____

Tenant:

Either party may give notice of change of address by following the notice procedure set out herein. Any such change of address shall be effective immediately upon receipt by the other party.

22. Successors and Assigns. The terms, covenants and conditions of this Lease shall be binding upon and inure to the benefit of the successors and/or assigns of the parties hereto.

23. Applicable Law.

- (a) **Jurisdiction.** This Lease shall be governed by New Mexico law. Venue for any judicial action shall be either in the First Judicial District Court in Los Alamos County, New Mexico or in the U.S. District Court, District of New Mexico.
- (b) **State and Federal Law.** This Lease is subject to all applicable State and Federal laws as well as all articles and conditions of grant agreements entered into between County and the Federal Aviation Administration and the Division of Aviation, Department of Transportation of the State of New Mexico, and nothing contained herein shall be construed to prevent County from making such further commitments as it desires to make to the Federal Government or to the State of New Mexico so as to qualify for further expenditure of federal and/or state funds at the Airport.
- (c) **Local Ordinances.** This Lease shall be subject and subordinate to all ordinances of the County of Los Alamos, the Rules and Regulations of the Airport and/or the Minimum Standards for Aeronautical Business Activities at the Airport, as the same may be in effect and amended from time to time.

24. No Waiver of Defaults. The failure of either party to take any action with respect to any default by the other party hereunder shall not be construed as a waiver or relinquishment of the non-defaulting party's right to the future performance of any such terms, covenants or conditions and the defaulting party's obligations in respect to such future performance shall continue in full force and effect.

25. Assignment. Tenant shall not assign this Lease in whole or in part or sublet the Premises without the prior express written consent of the Airport Manager and any attempted unauthorized assignment or subletting shall be void.

26. Liens, Attachments and Encumbrances. Should Tenant permit or cause to be filed of record any encumbrance, attachment or lien against the Premises, such filing shall be deemed a Tenant Event of Default unless cured by Tenant within ninety (90) days of the filing of such encumbrance, attachment or lien or unless within such ninety (90) day period Tenant shall initiate a contest of such encumbrance, attachment or lien in a court of competent jurisdiction.

27. Interpretation.

(a) **Severability.** It is the intention of the parties hereto that the provisions of this Lease shall be severable with respect to declaration of invalidity of any provision contained herein. Should any provision be found to be void or unenforceable, the remaining provisions shall remain in full force and effect.

(b) **Headings.** The paragraph headings are for convenience only and do not define, limit or describe the contents of such paragraphs.

28. Modification of Lease. Any modification of this Lease shall be binding only if evidenced in writing signed by both parties.

29. Entire Lease. This Lease constitutes the entire Lease between the parties regarding the subject matter hereof. Any prior understanding or representation of any kind preceding the date of this Lease shall not be binding upon either party except to the extent incorporated in this Lease.

(THIS SECTION INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the dates indicated.

TENANT:

Signature

Printed Name

Date: _____

Tenant Telephone Numbers:

Primary: _____

Alternate: _____

Tenant CRS No: _____

**INCORPORATED COUNTY OF
LOS ALAMOS:**

Harry Burgess
County Manager

Date

ATTEST:

Naomi D. Maestas
Los Alamos County Clerk