

## AIRPORT LEASE AGREEMENT

This Lease Agreement made in duplicate, this \_\_\_\_\_ day of \_\_\_\_\_, A.D. 2017

BETWEEN:

THE TOWN OF SHAUNAVON, a Municipal Corporation  
within the Province of Saskatchewan  
(Hereinafter referred to as "the Town")

### **OF THE FIRST PART**

- AND -

(Hereinafter referred to as "the Lessee")

### **OF THE SECOND PART**

WHEREAS the Town is the registered owner of the lands described in Surface Parcel Number 143445157 lying in the Municipality of the Town of Shaunavon in the Province of Saskatchewan, commonly known as the Shaunavon Airport;

AND WHEREAS the Lessee wishes to lease a portion of the lands contained in Surface Parcel Number 143445157;

NOW THEREFORE THIS LEASE AGREEMENT WITNESSETH that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of the Lessee to be paid, observed and performed, the Town hereby demises and leases unto the Lessee all that portion of land contained in Lot 1, Parcel E, Plan 87SC03932 EXT 0 hereinafter referred to as the said lands and outlined in red on Plan "A" attached to this Agreement for a term to commence on the 1<sup>st</sup> day of January, 2017 and to expire on the 31<sup>st</sup> day of December, A.D. 2042.

1. The Lessee shall pay to the Town of Shaunavon at the Town Office, in Shaunavon, Saskatchewan,
  - a. The lease shall be Six Thousand Dollars (\$6,000) plus GST in the first year. The first payment shall be made upon signing this lease agreement.
  - b. The land and improvements constructed on the said lands shall be deemed taxable. The Lessee will pay or cause to be paid all taxes of whatsoever description that may at any time be lawfully imposed.

2. Airport maintenance fees may be charged and may be adjusted as circumstances change and if the Lessee stores additional aircraft on the premises. Such fees shall be reviewed at a minimum of once per year.
3. The Lessee covenants and agrees not to assign this lease or sublet any portion of the said lands without first obtaining the written consent of the Town, which consent will not be unreasonably withheld.
4. The Lessee covenants and agrees to pay all rates and charges for gas, power and other public utilities supplied to the said lands.
5. The Lessee agrees that at the termination of this lease it will surrender and yield up the said lands to the Town.
6. The Lessee agrees that before constructing any improvements on or under the said lands he/she will obtain the written approval of the Town of Shaunavon and will comply with the Town of Shaunavon's Bylaws and any other Municipal or Provincial regulations applicable to the said improvements. The Lessee also agrees to submit a Land Use Proposed Submission Form to NAV Canada and that the Lessee must supply the Town of Shaunavon with proof of No Objections from NAV Canada prior to constructing any improvements on or under the said lands.
7. The Town agrees that provided that the Lessee is not indebted to the Town the Lessee may, within a period of thirty (30) days after his lease has been cancelled, or has expired, remove from the said lands all his chattels and buildings but thereafter the Lessee may not remove or dismantle any chattels or buildings without the written consent of the Town.
8. The Lessee agrees that if any chattels or buildings have not been removed within thirty (30) days after the termination of the lease the Town at its sole election, may declare the said chattels, buildings, or parts thereof remaining on the lands as belonging to the Town. The Town may remove or have removed from the lands the said chattels, buildings or parts thereof and charge all costs of removal thereof to the Lessee and the costs shall be deemed a debt due, owing and payable by the Lessee to the Town forthwith on demand.
9. The Lessee shall keep the said lands in a clean and attractive condition and may not allow refuse to accumulate on the said lands.
10. The Lessee shall keep any buildings located on the said lands in a good state of repair and shall not allow them to become dangerous or unsightly and that he shall repair the premises upon notice to do so by the Town.

11. The Lessee agrees that the said lands are leased in an "as is" condition and any improvements, grading or landscaping deemed necessary by the Lessee shall be done at his sole expense. The Lessee further agrees that any grading or landscaping or improvements done on the lands shall not adversely affect the drainage of the said lands or other lands.
12. The Lessee covenants with the Town that he will hereinafter save harmless and fully indemnify the Town against all claims and demands which may be brought against or made upon the Town, and against all loss, liabilities, judgment costs, damages, or expenses which the Town may sustain resulting from and in any way incidental to the construction, maintenance, existence or use of the hanger or occupation of the premises or any act, deed, or omission to act of the Lessee, or any servant or agent or employee of the Lessee during the Lessee's occupation of the said lands.
13. The Lessee hereby covenants and agrees to indemnify and save harmless the Town from any and all claims, demands, and actions including any loss of, or damage to property, or any injury or death sustained by any reason which in any way relates to or arises out of the occupation or use of the licensed area by the Lessee, its employees, representatives, agents and invitees, and the Lessee further agrees to obtain and maintain a Public Liability and Property Damage Insurance Policy in an amount of not less than \$ 1,000,000.00 naming the Town as a joint insured party. The Lessee agrees to arrange for its insurer to provide written notice to the Town at least thirty (30) days prior to the cancellation, expiry or termination of the insurance policy. The Lessee agrees to provide the Town with a detailed insurance certificate.
14. The Lessee agrees that they shall at all times comply with all regulations of the Town of Shaunavon respecting the said airport whether the regulations are in effect now or in the future. The Lessee further agrees that failure to comply with any regulations respecting the airport shall constitute reasonable cause for cancellation of the lease.
15. The Lessee agrees that the Town or its authorized agents may enter the said lands at all reasonable times for the purpose of viewing and examining the state or condition of the said lands and premises.
16. The Town agrees with the Lessee that, during the term of this lease, it will not alter its taxiways so as to render impossible access by aircraft to the said lands.
17. The Town covenants with the Lessee for quiet enjoyment.

18. The Lessee agrees that it shall be responsible for the safe storage and use of any hazardous substances including, without limitation, gasoline and other petroleum products and propane on the property. The Lessee shall be responsible, at its cost and risk, for maintaining all tanks, pipes, apparatus and equipment, whether underground or above ground, free of defects and leaks. At the end of the term of the lease, the Lessee agrees that it shall remove all tanks, pipes, apparatus and equipment whether above ground or underground and undertake an environmental site assessment in accordance with the requirements of Provincial acts and regulations to determine whether there is any contamination by any materials as aforesaid and if so, the Lessee shall restore the soil and groundwater under this property to satisfy Saskatchewan Government guidelines (or then current provincial regulations) and restore the paving and/or other improvements, as the case may be as may reasonably be required by the Town as a result of such remediation. If contamination has migrated offsite, the Lessee agrees to indemnify and hold harmless the Town with regard to offsite assessment and remediation works, including any costs, damages, causes of action, claims or demands which arises from such contamination and or the assessment and remediation works. Notwithstanding the foregoing, the Lessee shall not be responsible for any contamination of the property by any hazardous substances which occurred prior to the Lessee taking possession of the property.
19. The parties hereto agree that should the Lessee fall in arrears for a period exceeding thirty (30) days in payment of the annual levy, or should the Lessee be in breach of any of the terms or conditions of this lease, the Town may cancel this lease upon giving thirty (30) days written notice to the Lessee, mailed to the Lessee by single registered mail at the Lessee's mailing address, and, at the end of the thirty (30) day period, the Town may re-enter the said lands and enjoy them as if this agreement had never been made, without prejudice to any other rights and remedies of the Town. Such notice shall set forth the reason for the cancellation of the lease agreement. For the purposes of this agreement, the Lessee's mailing address shall be that set forth at the bottom of this agreement unless written notice of change of address is given by the Lessee to the Town.
20. Notwithstanding anything contained in Section 1 of this agreement, the Council of the Town of Shaunavon may, from time to time by resolution, amend the lease and airport maintenance fees to be charged.
21. The Lessee shall have the option to renew this lease for an additional twenty five (25) year term.

